

Overview of the case of Ij hooker company

[Business](#), [Company](#)



LJ hooker a leading Australian real estate company began its operation in 1928. The business operates as a franchise network having around 700 offices. Over the years, the business has expanded into different countries like China, India, and United Arab Emirates etc. An increased demand from offshore buyers like China has been the driving force for the company's international expansion. As the founder, Leslie Joseph Hooker, has Chinese origin, the company opened its first office in Chinese market at Hong Kong in 1999, and later at Shanghai in 2004. Since then Chinese buyers became the fastest growing market for the company. Australia's low property tax, new immigration policies, the appeal of Australian lifestyle etc. made the Australian market attractive to Chinese buyers.

On the other hand Chinese government introduced 20% capital gains tax on investment property and slightly relaxed regulations for investing in foreign properties. The uncertainty of the Chinese property market as well as the stock market instability make foreign property investment attractive to Chinese investors. A growing affluent middle class is also looking to invest in property in other countries. Parents of Chinese students studying in Australia took opportunity of flexible investment laws and bought property in Australia. Moreover, a wealthy segment of Chinese consumers sees investment in global property as a status symbol. Chinese property buyers conduct detailed research before buying any property. The formal and informal social networks of families and friends is a key source of information.

Moreover, due to increased use of English, and improved access to internet, there is an increasing number of Chinese buyers who prefers to use online

<https://assignbuster.com/overview-of-the-case-of-lj-hooker-company/>

search as an important source of information for buying properties in foreign countries. Thus, LJ Hooker positioned itself in such a way that the buyers' can physically visit Australia or they can search property while remaining in China. In 2013, LJ Hooker established the first Chinese Property Concierge by getting into a strategic alliance with Juwai. com the top Chinese internal property website. Jessie Zhong a Chinese marketing and real estate expert was the lead of the joint venture. Her role was very crucial in assisting LJ hooker's agents. The company used a proactive strategy, which gave it an advantage as a company that Chinese buyers could trust. Chinese buyers often combined their international holidays with their property search.

Thus, it is important for the agents to fit their sales pitch accordingly. They are doing it by organizing bus tours for Chinese buyers and by providing potential buyers with full concierge services. Chinese speaking guides who have a good understanding of the buyer's need conduct these trips. Besides, marketing tools are translated into Chinese and is constantly reviewed.