strategy&

Part of the PwC network

How to unlock your residential sales strategy to win in tomorrow's market

Contacts

Dubai

Karim Abdallah
Partner
+971-4-436-3000
karim.abdallah
@strategyand.pwc.com

Zahi Awad
Partner
+971-4-436-3000
zahi.awad
@strategyand.pwc.com

Joe Rached
Principal
+971-4-436-3000
joe.rached
@strategyand.pwc.com

Maria Geagea
Senior Manager
+971-4-436-3000
maria.geagea
@strategyand.pwc.com

About the authors

Karim Abdallah is a partner with Strategy& Middle East, part of the PwC network. Based in Dubai, he is a member of the family business, investments, and real estate practice in the Middle East. He leads the real estate platform in the Middle East, advising real estate developers, government entities, investment companies, and corporations with significant real estate portfolios. He offers support for strategy setting, organization design and restructuring, business planning, and feasibility studies for mega projects.

Joe Rached is a principal with Strategy& Middle East. Based in Dubai, he is a member of the family business, investments, and real estate practice in the Middle East. He has experience in Africa, Europe, and the GCC countries, focusing on strategy design, development and delivery management, and destination activation, for greenfield and brownfield projects. He serves real estate developers, investors, commissions, urban and rural regeneration programs, and national housing programs.

Zahi Awad is a partner with Strategy& Middle East. Based in Dubai, he is a member of the family business, investments, and real estate practice in the Middle East. He has over 12 years of strategy consulting experience in Europe, Africa, and the Gulf Cooperation Council (GCC) region, focusing on strategy development, operating model design, financial planning, and investment assessment. He works mostly in the real estate and investment sectors, serving real estate developers, investors, and city and regional commissions.

Maria Geagea is a senior manager with Strategy& Middle East. Based in Dubai, she is a member of the family business, investments, and real estate practice in the Middle East. She has more than seven years of consulting experience, with deep expertise in investment valuation, strategic and business planning, and feasibility studies. She supports public- and private-sector clients in GCC countries, particularly in large-scale urban development, land strategy, and real estate portfolio optimization.

EXECUTIVE SUMMARY

Integrated mega projects and strong demand are spawning hypercompetition in the residential real estate markets of the Gulf Cooperation Council (GCC).[1] To excel in these markets, developers need leading-edge sales strategies that combine pricing, financing, marketing, and differentiation in a manner that drives buyer demand and delivers sustained growth.

Developers can create a winning sales strategy by asking themselves six questions. The answers to these questions will enable them to:

- Clarify their sales objectives and properly balance the inherent trade-offs among the objectives
- Identify their target buyers and create the right mix of buyer segments to generate sales velocity and build vibrant communities
- Determine the combination of sales channels needed to reach buyers and move them through the sales funnel to purchase
- Formulate a release plan for developments that limits risk and maximizes returns
- Create the sales operating model and attain the sales capabilities needed to bring the strategy to life
- Put in place the incentive plans, partnerships, and sales technologies needed to support the execution of the strategy

Developers in the GCC countries that formulate comprehensive sales strategies based on the answers to these questions can gain a significant edge in the region's increasingly competitive residential real estate markets. Those that do not are likely to find themselves running behind as the designs and amenities that formerly created differentiation and attracted buyers become more commonplace.

SALES STRATEGY COMES TO THE FORE

The surge in integrated mega projects in the Gulf Cooperation Council (GCC) countries is heating up competition among residential real estate developers. Value propositions offering homebuyers distinctive designs and long lists of amenities have become commonplace. Developers need to find new ways to differentiate themselves from competitors, attract buyers, and optimize financial results. In this environment, a winning sales strategy is crucial for both survival and success.

The strong market for high-end residential real estate in the GCC countries is driven in large part by domestic demand for "branded" properties (built in alliance with a famous brand) and rising expatriate homeownership. During 2024, for example, the Saudi residential real estate market recorded a 38 percent increase in transaction volume and a 35 percent rise in transaction value.[2]

The inventory needed to meet this demand is coming soon. Our review of new project announcements in locales such as Diriyah and the Red Sea, and by such developers as Dar Al Arkan and Roshn, shows that a substantial increase in residential units is in the works.

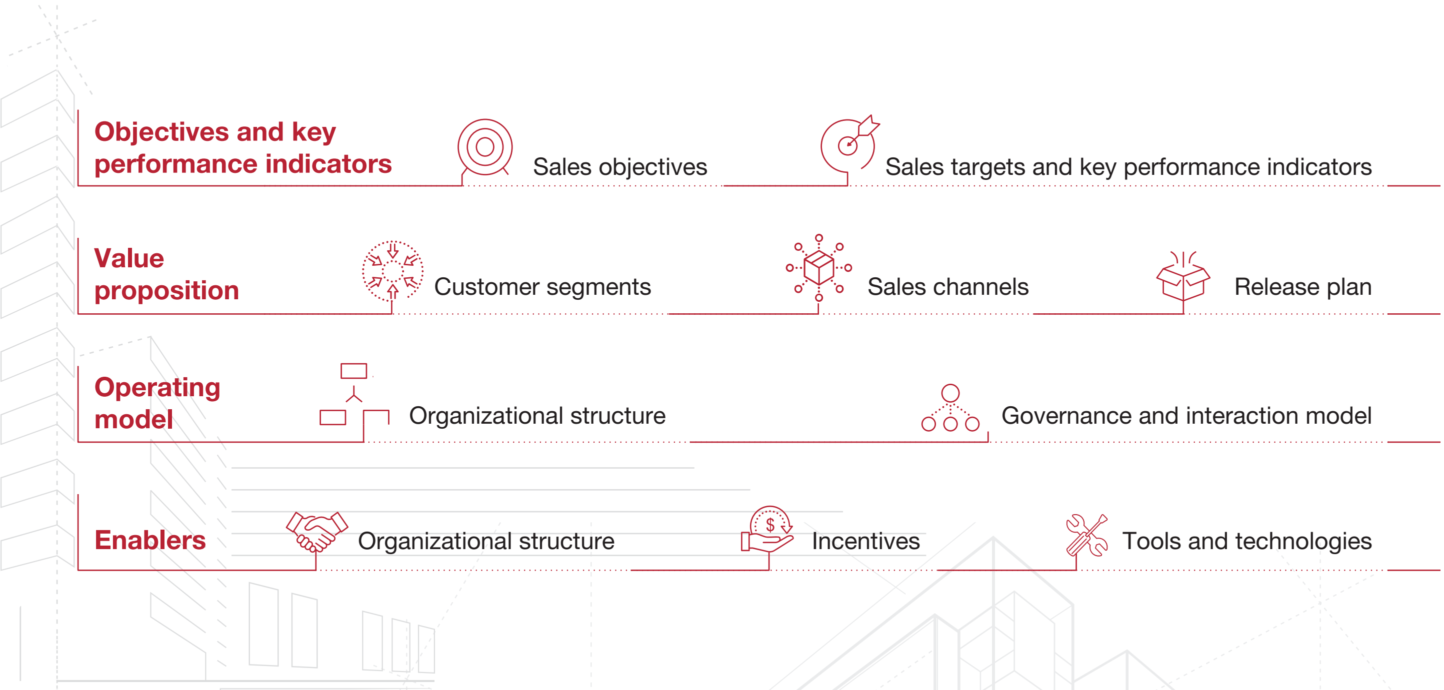
The challenge now facing developers is that many of them are targeting the same pool of middle- to high-income homebuyers. As more and more homes come onto the market, the features and amenities they offer will become increasingly commoditized—providing less opportunity for differentiation. Consequently, competition among developers will intensify.

Developers that want to win in this increasingly competitive residential real estate marketplace need to formulate and execute a sales strategy that strikes the optimal balance of pricing, financing, marketing, and differentiation to drive demand, move buyers through the sales funnel, and deliver sustained growth in an evolving market. This strategy should make full use of innovative tools and approaches, such as digital tokenization, which enhances the liquidity of real estate investments and brings more buyers to market.

A sales strategy for residential real estate developers needs to define the developer's sales objectives and targets, the value proposition needed to achieve those objectives, the sales operating model, and the enablers that support the execution of the strategy (*see Exhibit 1*).

EXHIBIT 1

A comprehensive sales operating model is crucial in a competitive real estate market



Source: Strategy&

> A sales strategy for residential real estate developers needs to define the developer's sales objectives and targets, the value proposition needed to achieve those objectives, the sales operating model, and the enablers that support the execution of the strategy.

Developers begin crafting a winning sales strategy by asking six questions.

The answers to these questions provide all the information needed to create a comprehensive sales strategy:

1. **What are your sales objectives?**
2. **Who are your buyers?**
3. **How will you reach your buyers?**
4. **What is your release plan?**
5. **What operating model is needed to execute your strategy?**
6. **What supporting enablers are needed to execute your strategy?**

WHAT ARE YOUR SALES OBJECTIVES?

Developers need to define their sales objectives as the essential first step in strategy formulation. These objectives form the foundation for all the subsequent decisions in the strategy-making process.

Sales objectives stem from the business case and management aspirations. Although the number and focus of sales objectives can be wide-ranging, all developers need to consider the trade-offs that objectives entail.

A key trade-off for all developers is the one between cash flow and overall revenue. A strong focus on early, off-plan sales (i.e., sales made before the formal selling begins) can generate the cash flow needed to fund the project, but early sales can sacrifice revenue generated by the asset appreciation that often accrues as developments reach their later stages.

Another common trade-off arises between demand generation and financial returns. Developers can stimulate demand by offering buyers flexible financing plans, but in doing so, they may sacrifice the higher returns inherent to aggressive financing plans that require larger down payments. Conversely, developers can drive up returns with ambitious plans, but in doing so, they may tamp down demand.

To strike the right balance among sales objectives, developers should consider a variety of factors. These include financial elements, such as funding requirements, capital constraints, and the expected appreciation of assets. They also include factors such as the developer's brand recognition and track record, the location of the development (e.g., an established versus a new destination), the competitive landscape, and market conditions in general. A developer entering a new market, for example, might offer preferred terms to early buyers to quickly establish a market presence, whereas an established player may be less flexible in order to optimize overall returns.

WHO ARE YOUR BUYERS?

The more ambitious a developer's sales objectives are, the more flexibility is required in determining the buyer mix. Residential developers sell to two major categories of buyers: homeowners, who intend to occupy a property; and private investors, who seek to flip or buy-and-hold a property for profit. Developers also sell to a smaller category: institutional investors, such as real estate investment funds and platforms, which seek to monetize properties and distribute ownership over large groups.

Developers need all these buyers to ensure both steady sales velocity and long-term community value. If they want to create a vibrant community, developers may need to restrict investor allocations and residential bulk purchases in order to limit speculation that drives up property values and prices out homeowners. If they want to secure funding and create sales velocity, on the other hand, they may need to increase investor allocations and encourage bulk purchases. Getting the customer mix right is crucial to establishing the proper balance between these objectives.

The development's value proposition also plays a major role in determining the kinds of buyers it will attract, and in identifying target buyers. For example, a condominium development that features smaller units and low maintenance fees may point the way to investment buyers who prioritize returns. In contrast, a development featuring larger homes with private yards may suggest homeowners with growing families, who are more focused on the living experience than profits.

Developers can use a project's value proposition to further refine buyer profiles by considering how it relates to more specific buyer characteristics, such as nationality, age, income level, primary purchase purpose (e.g., full-time residence or vacation home), and lifestyle priorities (such as family-friendly spaces for social gatherings or access to recreational facilities).

HOW WILL YOU REACH YOUR BUYERS?

Once the proper buyer mix is determined and buyer profiles assembled, developers need outreach plans that specify the optimal combination of sales channels needed to guide buyers through the sales funnel—generating first awareness, then interest, and finally purchase. Developers can use a variety of direct and indirect channels depending on the buyers they are targeting and the maturity of the available channels (*see Exhibit 2*). In markets with mature broker networks, for instance, indirect channels are usually responsible for most of the residential real estate sales.[3]

EXHIBIT 2

Developers need to find the best combination of sales channels to move buyers through the sales funnel

	Direct channels	Indirect channels
Traditional	Outreach by in-house sales team; Open houses; Launch events; Call centers; Sales offices and showrooms; Property expos and trade shows; Kiosks in strategic locations	Agents and brokers; Partnerships with brands; Call centers; Referral programs; Banks
Digital	Online sales platforms; Targeted ads; Influencers on social media	Real estate portals and marketplaces; Real estate research and insight portals

Digital interactions typically funnel buyers into traditional channels

Source: Strategy&

Developers can assess sales channels using several criteria, including:

- **Target reach:** the size and relevance of the channel's audience
- **Engagement type:** the level of audience interaction (passive vs. active) in the channel
- **Lead generation effectiveness:** the channel's ability to attract buyers who have a genuine interest in purchasing a property
- **Conversion rate:** the channel's ability to successfully turn leads into purchases
- **Cost efficiency:** the cost of using the channel relative to the revenue it generates

Our analysis of residential real estate sales channels suggests that the most effective channels tend to be traditional ones that feature personal interactions with salespeople, showrooms, and referrals. Digital channels, which buyers navigate on their own, tend to be less effective (*see Exhibit 3*).

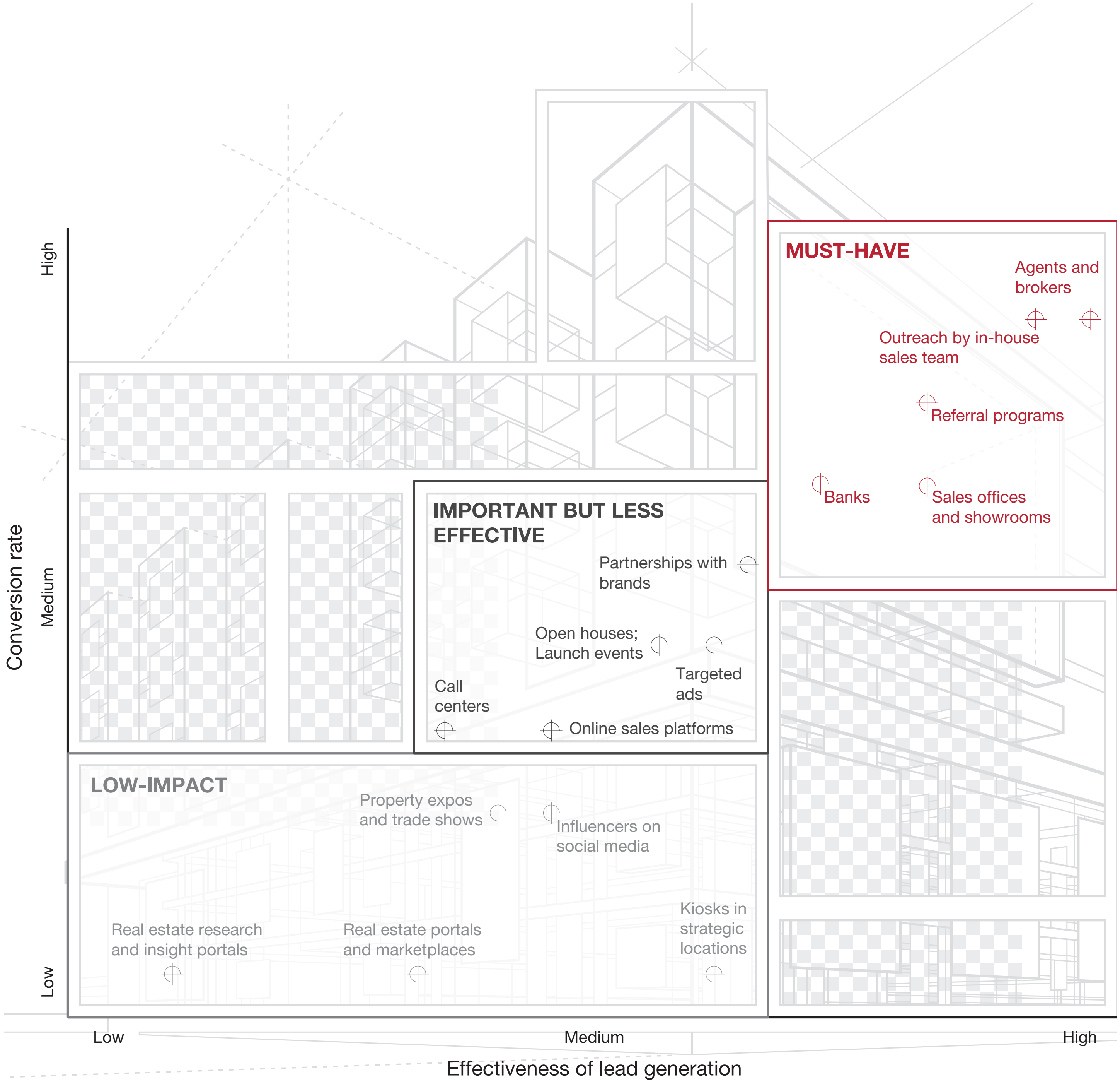
Once they have assessed channel effectiveness, developers can tailor the mix of channels to meet the needs and preferences of specific buyer segments and maximize targeted and high-impact engagement with buyers.

An outreach plan for high-income homeowners, for example, might center on the elements of the development's value proposition, such as luxury, privacy, and exclusivity, and place more emphasis on indirect channels—real estate brokers, referral programs, and call centers—to cast a wide net. The upside of such a plan is that it taps the expertise and reach of an established network of brokers and enables developers to scale their outreach efforts on the basis of market conditions. The downside is that it entails commission costs and some brand dilution. Its high reliance on third parties also reduces the level of interaction a developer has with buyers during the sales process.

An outreach plan for institutional buyers, on the other hand, might focus on financial criteria, such as risk tolerance, ticket size, demand validation, and return commitments, and require specialized expertise through an in-house sales team or specialized firms. The advantages of such a plan are that developers have full control over the sales process, and the process maximizes direct interaction with buyers—ensuring consistent messaging and an elevated customer experience. Its disadvantages include high operational costs, limited reach (compared with broker networks), and the necessity of a significant investment in resources and infrastructure.

EXHIBIT 3

Traditional residential real estate sales channels tend to be more effective than digital channels



Source: Strategy&

WHAT IS YOUR RELEASE PLAN?

When creating release plans, residential real estate developers need to consider three issues:

Where to sell? The location of properties in each release batch

What to sell? The number and type of properties in each batch

When to sell? The timing of each batch's release

Where to sell

A release plan identifies "batches" of properties to be released to market by their location within the clusters in a developer's master plan. A batch consists of various kinds of residential properties, such as single-family homes and apartments. A cluster is an area that features a comprehensive mix of assets, including residential, hospitality, and commercial properties. Choosing which batch to offer buyers first is an important element of a release plan. The first batch tends to set the bar for future sales because its sales performance has a strong influence on future buyers' decisions and overall market sentiment.

In choosing their first batch, real estate developers should seek to prioritize locations near activation assets that can drive buyer traffic, such as retail shops or sports facilities. They should also consider site conditions, such as those related to construction and logistics.

What to sell

When deciding on the number of batches and their composition, developers should aim to:

- Hedge demand risks by releasing a batch that contains a comprehensive mix of asset classes, products, and price points, thus catering to a variety of demand preferences, testing customer preferences, and reinforcing the project's positioning.
- Create a critical mass of residents by offering more apartments or enough independent units to increase activation potential (e.g., footfall per square meter of land released) and generate sales momentum.

- Maximize value and price sensitivity by determining the proper number of luxury units to be released per batch. For instance, in new markets and developments, when buyers tend to be more price sensitive and there is a higher risk of losses, developers may release only enough high-priced units in early batches to anchor the projects' value proposition. In more established markets and developments, early batches can include more luxury units to capture demand and drive revenue.
- Accommodate the limited demand for ultra-luxury properties according to the ratio of decamillionaires to centimillionaires to billionaires (approximately 850 to nine to one in 2022, according to our calculations).

When to sell

When determining the best timing for batch releases, developers should consider the market appetite, their financial requirements, the number of units per batch, the developer's track record on previous batches, and the operator's brand equity (*see Exhibit 4*).

EXHIBIT 4

Developers should consider five dimensions when timing batch releases

Dimensions	Factors that determine the release trigger	
Market appetite	Large market appetite	Small market appetite
Financial requirements	High need for cash flow	Low need for cash flow
Number of units per batch	Low	High
Developer's track record	Established	Emerging
Operator's brand equity	Established	Emerging

Source: Strategy&

Ideally, developers should release the first batch of residential assets after the initial announcement of a project or an anchor asset, such as a hotel or resort, allowing sufficient time to attract buyer attention and build demand momentum. Depending on the sales of the first batch, the pricing, timing, and size of later batches can be adjusted upward or downward. To manage inventory and reputational risks, the release of a new batch should also be contingent upon reaching a pre-set number of sales in the prior batch.

WHAT OPERATING MODEL IS NEEDED TO EXECUTE YOUR STRATEGY?

The sales strategy should specify the organizational structure of the sales function and its necessary capabilities. Both elements are needed to successfully execute the strategy.

Sales organization structure

The proper organizational structure is essential for sales efficiency and adaptability in a dynamic business environment. Developers usually choose one of two structures. In the first, the sales function is integrated with the marketing and branding functions. This structure streamlines the interfaces between the functions and ensures the efficient use of resources, but it also creates managerial complexity and can dilute the focus on sales. In the second structure, the sales function is positioned as a stand-alone function. This structure can enhance focus, accountability, and customer-centricity, but it can also produce a sales silo that inhibits integration with other functions and adds a reporting line to the CEO.

Sales capabilities

The requirements for successfully engaging with the target buyers define the sales capabilities needed by a developer. Developers can cultivate the necessary capabilities internally, outsource them, or use a combination of two approaches. Emerging developers should consider sourcing sales capabilities from a small number of reputable brokerages for efficiency and cost control; established developers and those with large-scale projects can consider leveraging multiple brokerage firms for broader market access knowing it will come with higher management complexity. How to best source capabilities also depends on talent availability and the maturity of the brokerage network.

A hybrid model that uses both internal and external sales capabilities can provide the best of both worlds. Such a model can allow developers to own core capabilities, such as sales management and customer relationship management (CRM), while outsourcing specialized or ancillary capabilities, such as call centers and sales development campaigns.

5

WHAT SUPPORTING ENABLERS ARE NEEDED TO EXECUTE YOUR STRATEGY?

The final component of a winning sales strategy for luxury real estate developers is determining the enablers that support the strategy execution. These enablers include sales compensation and incentive plans, sales partnerships, and sales technologies.

Sales compensation and incentives

Developers can use a variety of compensation and incentive plans, including commission-based pay, stock options, profit sharing mechanisms, career development opportunities, and recognition programs, to drive sales employee motivation and performance. But all these plans must be balanced to produce desired outcomes and avoid unintended consequences.
In terms of compensation, the promise of fast commission payments can boost short-term sales results, but that promise should be counterweighted with long-term compensation, such as profit sharing, to retain talent. Opportunities for career growth and recognition programs can also foster the kind of skills development that supports loyalty and employee retention.

Partnerships

To strengthen sales performance, developers can use three types of partnerships that will expand their sales channels and amplify brand visibility:

- Sales partnerships facilitate property sales through collaborative relationships with brokers and investment firms. These partners can help developers expand their market reach, generate leads, and drive conversions.
- Destination marketing and activation partnerships help developers enhance brand visibility and project appeal by creating engaging campaigns and experiences that attract homebuyers and investors.
- Financing partnerships enable developers to help buyers close their purchases by providing preferred mortgage rates, flexible financing options, and other financial solutions.

Sales tools and technologies

Sales tools and technologies support a seamless workflow and enhanced performance across the sales value chain from lead generation to post-sales engagement. CRM is a key enabler of sales that has been widely adopted by developers, but there are new and emerging tools and technologies that can also be deployed to enhance buyers' experiences and drive the sales of luxury real estate. Developers should explore two of these technologies—blockchain and artificial intelligence (AI)—as they consider the enablers that will support their sales strategies.

Blockchain

Blockchain technology is revolutionizing the way in which real estate is exchanged, owned, and managed. Using blockchains, the ownership of physical properties can be divided and embedded in secure digital tokens that can be bought and sold. This tokenization significantly lowers barriers to entry for smaller investors and vastly improves the liquidity of real estate as an asset class.

Real estate tokenization initiatives are already underway in forward-looking markets. In March 2025, the Dubai Land Department announced it was launching a real estate tokenization pilot "to attract global technology firms and open new investment opportunities" in its real estate markets.[4]

Other blockchain-based tools are also being used in real estate. Developers such as Damac Properties in Dubai have begun accepting blockchain-based cryptocurrencies, including bitcoin and ethereum, as payment for real estate.[5] The rise of non-fungible tokens and smart contracts is also reshaping property transactions. Some platforms, such as Propy in the U.S., are enabling fully digital real estate purchases in which ownership transfers instantaneously and securely via blockchain, eliminating the need for traditional intermediaries.[6]

AI

AI is playing an increasingly vital role in real estate property searches and the buying experience. AI-powered platforms, such as that of China's KE Holdings, can process vast amounts of data to deliver highly personalized property recommendations based on user preferences, behaviors, and historical data.[7]

On the back end, AI-integrated CRM systems are providing real estate developers and agents with predictive analytics that help them better understand buyer intent, forecast market trends, and optimize marketing strategies. U.S.-based Zillow utilizes AI to analyze consumer behavior on its platform, offering insights that inform pricing, sales outreach, and home valuation.[8] These applications not only streamline operations but also significantly enhance the customer journey by making it more intuitive and tailored.

Metaverse potential

Meanwhile, forward-looking metaverse developers are experimenting with ways to tie virtual real estate investments to physical properties that could offer buyers a hybrid ownership model or exclusive access to physical amenities. Although it is still in its early stages, metaverse real estate represents an evolving frontier where digital presence, social interaction, and property investment intersect—a frontier that is likely to play a growing role in the industry's future.[9]

CONCLUSION

Residential real estate developers in the GCC countries need comprehensive sales strategies that strike the right balance between short-term goals and long-term value creation. They need to rethink the way they sell, using precise target segmentation, optimized sales channels, and a well-structured sales function to move buyers through the sales funnel. Moreover, they need the latest technologies to expand their buyer pools and provide a compelling buyer experience. Developers who become astute and agile sales strategists will gain a significant edge in the GCC's increasingly competitive residential real estate market.

ENDNOTES

1. The GCC countries are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.
2. Faisal Durrani, *The Saudi Report—2025*, Knight Frank (https://www.knightfrank.com/research/report-library/the-saudi-report-2025-11978.aspx).
3. “Luxury Presence Revolutionizes Private Listings with Brokerage Networks,” Luxury Presence, January 31, 2025 (https://www.luxurypresence.com/blogs/brokerage-private-listing-network/).
4. Government of Dubai, Land Department, “Dubai Land Department Launches Pilot Phase of the ‘Real Estate Tokenisation Project,’” March 19, 2025 (https://tinyurl.com/2zz3z96n).
5. “Buy Dubai Property with Bitcoin and Ethereum,” DAMAC, April 20, 2025 (https://www.damacproperties.com/en/blog/buy-dubai-property-with-bitcoin-and-ethereum).
6. Andrew Daniels, “NFTs for Real Estate Explained,” Propy, May 22, 2023 (https://propy.com/browse/nfts-for-real-estate-explained-your-complete-guide-to-nfts-for-real-estate/).
7. “AI and Digital Integration Will Upgrade Home Transactions and Renovations,” Simply Wall Street, May 7, 2025 (https://tinyurl.com/mw7zmtar).
8. O. Linda and A. Bagalkotkar, “Using AI to Understand the Complexities and Pitfalls of Real Estate Data,” Zillow, April 17, 2024 (https://www.zillow.com/tech/using-ai-to-understand-the-complexities-and-pitfalls-of-real-estate-data/).
9. Tony G. Karam, Dany Karam, and Jad N. Baroudi, “A Middle East Perspective on the Metaverse: Is the Region Ready to Seize the US$15 Billion Opportunity?” Strategy&, 2022 (https://www.strategyand.pwc.com/m1/en/strategic-foresight/functional-expertise/digital-capabilities-and-offerings/metaverse.html).

Strategy&

Strategy& is a global strategy consulting business uniquely positioned to help deliver your best future: one that is built on differentiation from the inside out and tailored exactly to you. As part of PwC, every day we're building the winning systems that are at the heart of growth. We combine our powerful foresight with this tangible know-how, technology, and scale to help you create a better, more transformative strategy from day one.

As the only at-scale strategy business that's part of a global professional services network, we embed our strategy capabilities with frontline teams across PwC to show you where you need to go, the choices you'll need to make to get there, and how to get it right.

The result is an authentic strategy process powerful enough to capture possibility, while pragmatic enough to ensure effective delivery. It's the strategy that gets an organization through the changes of today and drives results that redefine tomorrow. It's the strategy that turns vision into reality. It's strategy, made real.

strategy&
Part of the PwC network

www.strategyand.pwc.com/me