

A PSYCHOLOGICAL MODEL OF RESIDENTIAL PROPERTY PURCHASING DECISION IN THAILAND

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ABSTRACT

Research interest in residential property consumer purchase decision has widely conducted over the past years. The majority of the research was conducted based on the external influencing factors such as marketing mix and product attribute. It has overlooked the importance of the internal or psychological factors that play an important role in a customer mind before making a purchase decision.

The purpose of this paper is to study the factors that influencing a residential property purchase decision in another perspective, which focuses on psychological factors including attitude, motivation, personal value and belief in Thailand context. The quantitative approach was used to conduct this research. The data were gathered from 178 respondents and translated into a useful knowledge though the statistical techniques such as descriptive statistic, independent t-test and chi-square.

The result reveals that two main psychological factors that impact purchase decision are motivations and personal values. The consumers purchase a residential property with the intention to satisfy their self-esteem and self-actualization needs. Furthermore, seven out of nine personal values were involved in decision to purchase residential property. The personal values include Sense of belonging, Self-fulfilment, Security, Self-respect, Sense of accomplishment, and fun and enjoyment in life. The customer tends to emphasize on their self-interest over the others. The value of warm relationship with others and being well-respect were not important to their purchase intention. However, belief and attitude have not influenced the purchase decision. Findings of this study will benefit the developers and marketers who have an interest in the residential property business in Thailand as it provides guidance for

better understanding customer insights in order to formulate an effective strategic decisions on product development and marketing strategies.

Psychological factor might interpret purchase decision and intention. However, the purchase decision of a residential property is tied heavily with the financial ability of that person which were not take into consideration in this research.

Keywords: Psychological Factors / Purchase Decision / Residential Property / Housing / Real Estate

1. Introduction

The residential property refers to a place or a zone for single-family homes, multi-family apartments, townhouses, and/or condominiums. The residential property market in Bangkok was growing rapidly since 2010 and the housing boom continues. New supplies were likely added 50,000 units in 2015 and keep adding up in the following years while predicted price rise upwards of seven percent each year. This was mainly the result of government spending and expansion of mass-transit. (Paha, 2016) and (Bangkok's condo index up 14%, despite the politics, 2015). Referring to SorPaha (2016) the demand and supply of high-rise property (condominium) were fast growing and the gap is getting bigger. This can be translated that high-rise market is nearly oversupply. In additional, it has further mentioned about the market growth of the low-rise segment (townhouse, house, townhome). The low-rise segment is not growing as fast as condos due to less liquidity. However, its demand is increasing year by year. Therefore, the competition is getting tougher both low-rise and high-rise market. Furthermore, in the current situation of residential market in Bangkok, the unsold inventory has risen sharply from 130,300 units in 2011 to 167,400 at the end of 2014 and it would take about more than two years to absorb these entire unsold units according to a report by Agency for Real Estate Affairs (AREA). Various developers reported cancellation rates ranging between 15% and 20% in previous years. (Paha, 2016; Yu & Thongpan, 2015)

In the past, one customer might have just a few alternative choices before making a decision to purchase but not anymore. The large number of unsold units allows the customer to have more choices together with the digital age that offers availability of the abundant information everywhere. The customers can easily search for information, compare and contrast before choose with lesser effort. Property

investor faces a great challenge and proper strategic plan needs to apply.

Not only improving the product attributes to answer customer's needs but various marketing tactic were used by the property providers in order to position themselves and also to influence purchaser. By understanding customer psychological (attitude, motivation, belief or personal value), it helps the business to be innovated. They can understand the different ways in which customers value products. Therefore, provide product that satisfy the customer not just functional but into the emotional and psychological level. The marketing become more efficient when they really understand customer insight how they live their life and how they make decision. "Successful marketers are able to able to drive sales by appealing to customer psychology" (Patel & Puri, n.d.)

Problem Statement

In this fierce competitive environment, it is important for the investor to know what really influence customer to buy a residential property. As mentioned in Hall (2012) knowing a customer in depth is one of the key characteristics of highly successful business entrepreneurs. It is not only about their need but also what drive their decision. The residential property purchase decisions are different from other business decisions due to "the innate, durable and long-term characteristic of real-estate" together with its fixed in location and uniqueness in each specific site. (Kinnard, 1968, p.10-16)

The previous studies in this field try to identify the key factors that influencing customer buying decision in Bangkok. Sanichwannakul (2009) reveals trustworthiness of the company ranks highest, follows by facilities, price, location, marketing and promotion respectively. Although other relevant studies such as Chedsadawarangkul, Waweewanich and Saransom (2010) and Myra (2016) reports that location is the biggest factor affecting consumers' decision to purchase a residence. However, what if there are still much more choices at that same location provided by few trustworthiness companies. There are a dearth of study that evaluates the role of psychological thinking and attitudes in the decision to own a residential property. The internal force of the person or the real purpose of purchasing a particular residential property has not analyzed. Thus, every firm is still driving to the same direction by

providing just to satisfy external factors. The problem of unable to sell the house still remains. Additionally, as a property provider, it is important to understand the customers' real intention to purchase a particular product and tries to satisfy them rather than just trying to influence them to purchase a product that might not add value or even match their need. Consequently, in terms of residential property purchase decision of customers, the research questions of this paper are raised as the following question:

What are the psychological factors that influencing a residential property purchase decision?

The objectives of this research are to study the psychological factors that influencing a residential property purchase decision and to give recommendation on the possible strategy or marketing tactic to property providers or marketer in order to achieve business goals.

2. Literature Review

2.1 A Model of Buyer Behavior

The analysis of customer behavior by observing and researching on consumer buying behavior and characteristics in order to understand the needs, motives and step to purchase is the basis for marketing strategy formulation. (Kotler,1997; Hawkins, Best & Coney, 2004).

Figure 2.1 shows the black box model of consumer behavior, it is a well-developed model that shows the interaction of stimuli, customer characteristics, decision process and customer responses. The final customer decision is derived from various factors. It considers both external (4P's, PEST) and internal (Buyer characteristic) stimuli. The black box likes a customer's head that shows whys of buying behavior take from. The marketing tactic and other stimuli enter into the customer "black box" and produce certain responses whether to purchase or not. This reaction is based on 1) the buyer's characteristics 2) the buyer's decision process. The critical stage is to discover customer's mind. The first step in understanding buyer behavior is to focus on the factors that determine their characteristics in the black box model. The broadly major factors are cultural, social, personal, and psychological. (Tintin, 2016; Perreau, 2016).

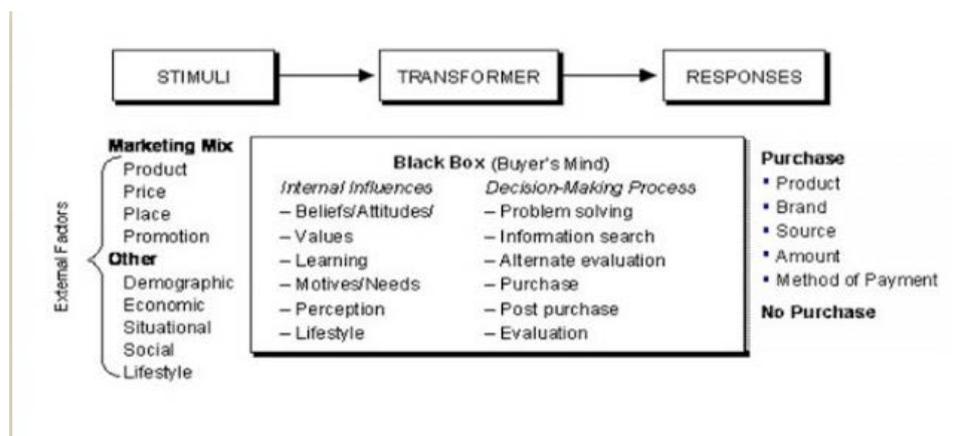


Figure 2.1 Kotler's buyer behavior model or the 'black box' model

Source: Kotler & Keller (2009)

2.2 Psychological factors

Psychological factor is one of the important factors that change how a person thinks and acts. It is more deeply into the individual level. Furajji, Łatuszyńska and Wawrzyniak (2012) mention that the research on factors influencing consumer behavior reveals that the psychological factors have the strongest correlation including attitude, motivation, personal value and belief. It represents its strongest affect on consumer behavior compared to other factors like social, cultural or marketing mix.

2.2.1 Attitude

According to Eagly & Chaiken (1993) defines attitude as "...a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor" (p.1) It allows a person to develop a coherent behavior against a class of similar objects or ideas. (Perreau, 2016) Previous studies shows that the positive attitude towards behavior plays an important role in predicting changes in residential property purchase decision. (Sangkakoon, Ngarmyarn & Panichpathom, 2014; Huang, 2012). The result reveals that even the economic recession, people develop negative attitude toward owning a house only in that short period of time. Their positive attitude remains and still wishes to buy a house in the future time. (Rohe & Lindblad, 2013) In additional, Al-Nahdi, Nyakwende, Banamah and Jappie (2015) mention that the intention to purchase a residential property is influenced by attitude.

H1: There is difference in terms of attitude between those who wanted to purchase a residential property versus those who did not.

2.2.2 Motivation

Motivation is “the driving force within individuals that impels them to action”. (p.83) Motivation views as a psychological force that stimulates response. It is a reason for behavior. (Hawkins, Best & Coney, 2001 p.362) Maslow’s hierarchy of need is widely used in the decision making based research to study customer motivation to purchase a property as it can provide the environment which can encourage a person to express their ability and potential. (Abdullah, Jumadi, Nor & Arshad, 2012) The Maslow’s hierarchy of need, based on the idea that human actions are directed toward goal accomplishment. It represented in a hierarchy pyramid with five levels such as physiological, safety, belongingness, esteem, and self-actualization need. The lower one must be satisfied before the higher-order need. (Sheth & Mittal, 2004) Previous study regarding motivation to own a house in Hong Kong reveals that the respondents are mostly purchase a house because they wish to meet housing needs, improve quality of life and security need respectively. And only 4 percent purchase a house just to raise their social status. (Tang & Freda, 1996)

H2: There is difference in terms of motivation between those who wanted to purchase a residential property versus those who did not.

2.2.3 Personal values

Values are a major motivating force for people because it gives you a sense of importance, standard and quality toward something. Comparatively, Aron (2001) also reports that consumer’s value systems and involvement have been recognized to be the potential influencing which directly linked to an individual’s lifestyle. It produces direct energy and activities of an individual’s lifestyle and consequently their consumption behavior. Further discusses by Aron (2001) that the values also affect consumption motives that partially set the choice criteria. Personal values tend to play more important factor in decision making especially for the product with high involvement. Hawkins, Best & Coney (2004) mentions homes are frequently have high purchase involvement. Therefore, values play a critical role on home buying decision.

H3: There is difference in terms of personal value between those who wanted to purchase a residential property versus those who did not.

2.2.4 Beliefs

A belief is a trust or confidence that a person has on something. It may derived from his/her experience, learning or even from external influences such as family and friends. The beliefs will be developed and eventually influence his/her buying behavior. (Perreau, 2016). Previous study shows that a personal with strong beliefs in the benefits of ownership are more likely to expect to buy own asset in the future compare to those without such belief.

H4: There is a association between belief and decision to purchase.

2.3 Demographic

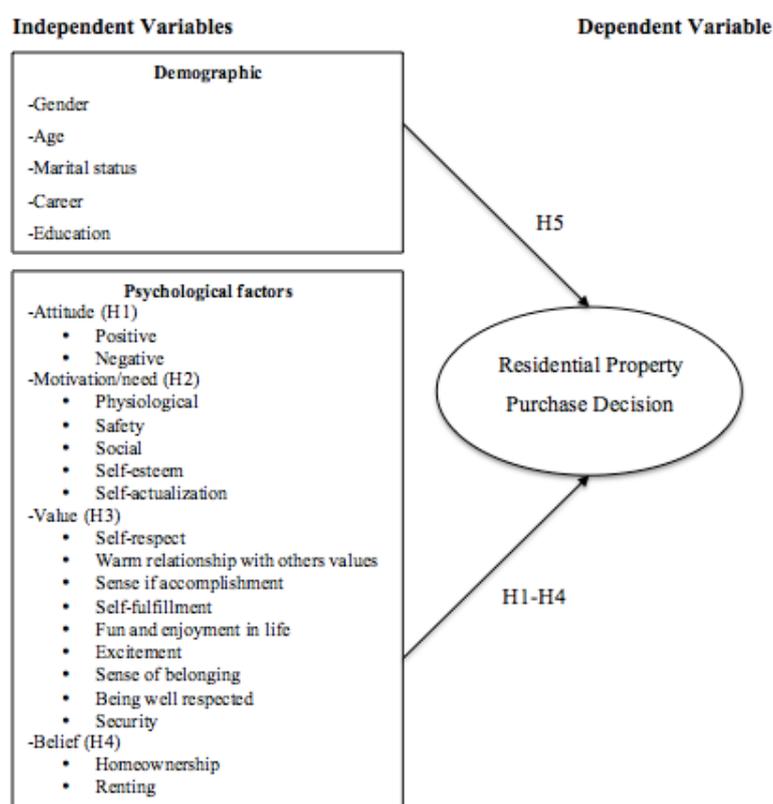
Demographics describe a population in terms of size, structure and distribution. Size involves the number of people in the society while structure describes the society concerning age, income, education and occupation. Distribution includes physical location of that group of people such as rural, suburban and urban location. (Hawkins, Best & Coney, 2004). The demographic data is considered reasonable predictors of buyer behavior and other marketing activities. (Pol, 1991) In addition, demographic clearly influences consumption behavior both indirectly and as by individual influencing factors such as personal value and decision style. (Hawkins, Best & Coney, 2001). According to previous studies, the study on what drive consumer's intention to own or rent. The result shows that demographic (income, age, marital status, employment status) is the primary driver towards intention to purchase a house for current homeowner. Their housing choice preference is driven more by their demographics, specifically income and employment status. Conversely, demographic factor is less important for those who is looking for a house. (Huang, 2012)

H5: There is an association between demographic variables and decision to purchase a residential property.

2.4 Psychographic and demographic profiles

Psychographic factors and demographic profiles are highly complimentary approached that work best when they are applied together. The knowledge from both approaches is provided strong and insightful information about target market. For example, it helps the advertiser/marketer to know who is their audience, what should the advertisement say and where should they say. (Schiffman & Kanuk, 2007, p.62)

2.5 Conceptual framework of psychological model of residential property purchase decision in Thailand



3. Research methodology

The quantitative survey was used to gather data and translated into a useful information and knowledge. The total sample size was 178 respondents from convenience sampling method. Considering 90% confidence level in sampling from population of Yamane (1967), sample size shall be more than 100 respondents. Thus, 178 respondents are considered sufficient and good representation of population. The analysis will conduct mainly on two groups of people for those who wanted to buy new residential property versus those who did not want to buy soon and further analyze its statistical to identify significance differences between these two groups in terms of their psychological factors. Several statistical techniques were employed to test the hypothesis. The descriptive statistics were used to describe demographic profiles of the

respondents. Independent t-test was employed to identify significance differences between those who wanted to purchase a residential property versus those who did not want to purchase soon in terms of their attitudes, motivations, and personal value. Additionally, chi-square test was used to test relationship between beliefs, demographic profiles and decision to purchase a residential property. All of the significance tests in this study were performed at 90% and 95% confidence level. Five hypotheses have been proposed and tested.

4. Research findings

4.1 Descriptive analysis

The survey reports the demographic profile of the respondents in this survey. Total sample size was n=178. The majority of the participants were female (70%), aged between 20-30 years (63%), single (76%), studied or finished bachelor degree (53%), most of them worked as employees (57%), had monthly personal income 24,001-35,000 baht (30%) and had monthly household income 85,001-160,000 baht (29%).

The question whether the respondent want or likely to purchase a residential property soon was asked in order to categorize the respondents into two groups which are first who wanted to buy new residential property versus second those who did not want to buy soon before comparing its significance differences among them. The result shows the minor group of 56 respondents (33%) of the sample size was not want to purchase a new residential property soon while 122 respondents (67%) wanted to purchase a new residential property.

4.2 A Residential Property Purchase Decision

1. Reason to purchase a residential property

Only the respondents who are willing to purchase a residential property were eligible to answer this question to observe their reason to purchase. More than half of the respondents (55%) were looking for a new residential property because they want to own it by themselves. 16% were searching for a residential property to get a bigger living space. 14% and 12% were giving the reason of family expansion and investment purpose accordingly. However, only 3% were mentioning about relocation.

2. Reason for postponing purchase decision

The majority of the respondents that accounted for 37% were postponing their decision due to financial condition. 21 % of the respondents were unable to find a good choice. 20% of the respondents were postponing their decision due to economy condition. 13% of the respondents were mentioned about interest rate. Only 7% were mentioned that influencers such as friends or families were stopped them from making a purchase decision. And only 2% were derived from other reasons.

4.3 Reliability Analysis

Cronbach's alpha was used to measure the internal consistency of the questionnaires. The reliable of 0.830 and all factors in the questionnaire are greater than 7, which explain that this set of questions is reliable to be used and tested in the research.

4.4 Independent t-test analysis

1. Independent t-test on attitudes

Table 1 Independent t-test on attitudes

Items	Group	Mean	t	p-value
Positive attitudes	Buy	4.18	1.516	0.133
	Not buy	3.97		
Negative attitudes	Buy	3.16	0.077	0.939
	Not buy	3.15		

Table 1 reports the mean responses of positive and negative attitudes towards buying new residential property between those who wanted to buy versus those who did not want to buy. The list of statements were set and grouped into the positive and negative attitude based on the literatures. For example, "Buying a house is reasonable" represents the positive attitude, whereas "Buying a house is too much responsibility involve." represents the negative attitude. The respondents were rated in scale according to their level of agreement on each statement. The results show that the differences in attitude scores between these groups were not statistically significant at 95% confidence level as p-values were greater than 0.05. Therefore, finding was not consistent with hypothesis1, which could conclude that there is no difference in terms

of attitude between those who wanted to purchase a residential property versus those who did not.

2. Independent t-test on motivations

Table 2 Independent t-test on motivations

Items	Group	Mean	t	p-value
I purchase a house or want to own a house because I want a place to stay. (Physiological need)	Buy Not buy	4.15 3.93	1.039	0.301
I purchase a house or want to own a house because I want a stable place. It means security and nobody can take from me. (Safety need)	Buy Not buy	4.28 4.41	-0.728	0.468
I purchase a house or want to own a house because it is one step closer to the complete family. (Love and belonging need)	Buy Not buy	4.33 4.34	-0.066	0.948
I purchase a house or want to own a house because I feel like it is a milestone that everyone should reach for and it signifies that I am successful in life. (Self-esteem need)	Buy Not buy	3.99 3.38	2.199	0.030*
I purchase a house or want to own a house because I want to be able to earn extra income and owning a real estate property is an active investment that would give me that. (Self-actualization need)	Buy Not buy	3.90 2.82	4.578	0.000*

Table 2 also reports the independent t-test results comparing the motivation scores between the two groups. Regarding the test statistics, the higher mean of those who wanting to buy a residential property revealed that this group of people had statistically significantly greater motivation factors in terms of **self-esteem need** ($t = 2.199$, $p\text{-value} = 0.030$) and **Self-actualization need** ($t = 4.578$, $p\text{-value} = 0.000$) than the other group at 95% confidence level. This finding was consistent with hypothesis2 thus it could conclude that there is difference in terms of motivation between those who wanted to purchase a residential property versus those who did not especially in terms of self-esteem need and self-actualization need.

3. Independent t-test on personal values

Table 3 Independent t-test on personal values

Item	Group	Mean	t	p-value
“You believe that buying a house make you become a part of the family” (Sense of belonging)	Buy	3.38	2.384	0.001**
	Not buy	2.69		
“Buying a house is new and exciting to you” (Excitement)	Buy	3.68	3.132	0.001**
	Not buy	2.83		
“Buying a house helps you to build closeness within family or your loved ones.” (Warm relationship with others)	Buy	3.58	1.563	0.121
	Not buy	3.17		
“To you, buying a house is a way to get peace of mind and able to live the way you want” (Self-fulfillment)	Buy	4.13	3.329	0.001**
	Not buy	3.34		
“Buying or owning a house is a way to earn recognition from others” (Being well-respect)	Buy	3.18	1.662	0.100
	Not buy	2.76		
“You think it obligated to have a your own house” (Security)	Buy	3.85	2.630	0.010**
	Not buy	3.24		
“You feel proud of yourself when you can buy your own house” (Self-respect)	Buy	4.43	2.631	0.010**
	Not buy	3.90		
“By purchasing house, your house represent that you are successful.” (Sense of accomplishment)	Buy	4.00	1.986	0.050**
	Not buy	3.52		
“Buying a house helps to create pleasure, fun and enjoyment in life” (Fun and enjoyment in life)	Buy	3.78	3.281	0.001**
	Not buy	2.97		

Table 3 also reports the independent t-test results comparing the personal value scores between the two groups. According to the test statistics, the higher mean of those who wanting to buy a residential property revealed that this group of people had statistically significantly greater personal value in terms of **Sense of belonging** ($t = 2.384$, $p\text{-vale} = 0.001$), **Excitement** ($t = 3.132$, $p\text{-vale} = 0.001$), **Self-fulfillment** ($t = 3.329$, $p\text{-vale} = 0.001$), **Security** ($t = 2.630$, $p\text{-vale} = 0.010$), **Self-respect** ($t = 2.631$, $p\text{-vale} = 0.010$), **Sense of accomplishment** ($t = 1.986$, $p\text{-vale} = 0.050$), **Fun and enjoyment in life** ($t = 3.281$, $p\text{-vale} = 0.001$) than the other group at 95% confidence level. This finding

was consistent with hypothesis3 so it could conclude that there is difference in terms of personal value between those who wanted to purchase a residential property versus those who did not especially in terms of sense of belonging value, excitement value, self-fulfillment value, security value, self-respect value, sense of accomplishment value and fun and enjoyment in life value.

4.6 Chi-square analysis

Chi-square statistic assists the researcher to determine whether a systematic association exists between the two variables. (Malhotra & Birks, 2006)

1. Chi-square tests between belief and decision to purchase a residential property

Table 4 Chi-square tests between belief and decision to purchase a residential property

Item	Chi-square	p-value
“Owning makes more sense because you’re protected against rent increases and owning is a good investment over the long term”	0.717	0.397
“Renting makes more sense because it protects you against house price declines and is actually a better deal than owning,”	0.067	0.796
“Owning a house is a financial suicide. It ties you with a big amount of debt for a long period of time”	0.756	0.385

Table 4 reports the chi-square statistics and its corresponding p-value to test whether there was statistically significant association between belief and decision to purchase. The result reveals that there is no relationship between belief and intention to purchase new house because the p-values were greater than 0.05 at 95% confidence level. This result was not consistent with the hypothesis 4. Therefore, it could conclude that there is no association between belief and decision to purchase. When a person either hold a belief that owning a residential property is good or renting a residential property is better. It does not lead to their decision to purchase.

2. Chi-square were employed to determine the association between demographic variables and decision to purchase a residential property

Table 5 Summary of chi-square tests between demographic variables and decision to purchase a residential property

Intention to buy new houses	Chi-square	p-value
Gender	1.004	.316
Age	2.277	.320
Marital status	3.598	.058*
Education level	3.714	.294
Occupation	3.237	.519
Personal income	3.598	.731
Household income	6.333	.387

Table 5 reports the chi-square statistics and its corresponding p-value to test whether there was statistically significant association between demographic profile and decision to purchase a residential property. The only demographic variable that revealed significant relationship was ‘marital status’ (chi-square = 3.598, p-value = 0.058) and was significant at 90% confidence level.

4.5 Discussion of the findings

This study intends to evaluate how an individual think of owning a residential property regardless of external stimuli such as marketing mix, financial condition or home attribute. Firstly, the analysis reveals two out of four psychological factors are significant, which can illustrate the real reason why people want to purchase a residential property. Those mentioned factors are motivation and personal value. Interestingly, those who want to purchase a house and those who did not carries dissimilar motivation and personal value in life. It explains that purchasing a residential property is not a common product that everyone aims to purchase but only persons that hold certain motivation factors or certain personal values are likely to purchase. It is unlike the conventional thinking that everyone wants to purchase a residential property to satisfy his or her basic need. At this stage, people are looking for more than that.

Attitude factor, the result reveals that there is no difference in terms of attitude between those who wanted to purchase a residential property versus those who

did not. The positive and negative attitudes do not impact their purchase decision. Positive or negative attitude cannot use to predict a person's intention to purchase a residential property. The result is consistent with the previous study that individual's negative attitude might develop only a short period of time. It depends on situation. For example, during the financial crisis, people might develop a negative attitude and develop a positive one once the crisis is over. (Rohe, Boshamer & Lindblad, 2013)

Motivation factor, the research reveals that, those who wanted to purchase a residential property contained different motivation factors in terms of self-esteem need and self-actualization need. The result is not consistent with the previous study in Hong Kong, which states the majority respondents purchased a residential property to satisfy their basic need. (Tang & Freda, 1996) However, the research in Hong Kong was conducted in 1996, which is too old. In addition, Hong Kong faces the problem of limited living spaces. Thus, the major need was just to be able to find a shelter to fit all family members. Surprisingly, supported by the statistic from this study, in Bangkok they think that to purchase a residential property is a milestone that they would like to achieve in life and it represents their success. Moreover, they aim to purchase for a long-term investment to grow their wealth. Similarly, the Thailand property trend in 2016 is expected to shift toward a super luxury market. They are looking for a residential property that fulfill their successful life and to show others. (Benjarong, 2016) This could be the changing in value within Thai people at the present. We need to admit that the new generations value money over other intrinsic factors. They care about self-image and search for social acceptance. The fact can be seen from the increasing in luxury product consumption and personal debt from credit card. The absorption of the western culture also plays an essential role in Thailand society due to social network and globalization. We are more independent and always seeking to improve our life. The salary earners start to invest in condominium or purchase a second home for investment. The use of social network also creates blended society and skewed self-image. We post pictures of us looking perfect. All these factors build our value and motivate us to purchase a particular product that can help us to satisfy those needs. This paper has shown that a residential property has become one of the products that help the customer to satisfy their self-esteem and self-actualization need as well.

Personal values, This paper shows that those who wanted to purchase a residential property contained different personal value factors in terms of sense of belonging value, excitement value, self-fulfillment value, security value, self-respect value, sense of accomplishment value and fun and enjoyment in life value. For example, they think that buying a residential property helps to represent their success (sense of accomplishment) and it makes them proud (self-respect). Personal value refers to a person life goal. Seven personal values out of nine were considered important for the consumer to purchase a residential property. Surprisingly, warm relationship with others value and being well-respect value were not important to them. So, the result explains that in their point of view owning or purchasing a residential property does not help to improve a family relationship. This result is actually quite consistent with the motivation factors that the customer are more concerning about themselves over the others. When it comes to purchase decision, they do not consider about building closeness within family. This fact might somehow interpret the lesser family closeness within the urbanize society. The changing in culture and lifestyle leads to changing in purchase decision. The result was consistent with the previous study in the US; the respondents intended to purchase a residential property to expand their sense of personal accomplishment and social status. The reason to improve relationship with others was not mentioned. (Rohe, Boshamer & Lindblad, 2013)

Indeed, the result of motivation factor and personal value factor are pretty much the same direction. The customers are no longer looking for just a quality residential property to stay but they want to have a place to represent their success or status in the society. The family is important but when it comes to the purchase decision they tend to emphasis more in the interest of themselves.

Belief factor, the result shows that there is no association between belief and decision to purchase. The research was evaluated the belief in benefit of owning or renting. When it comes to decision making to purchase a residential property, the belief itself was not strong enough to influence a person to buy or not to buy a property. Realizing the benefit of either owning or renting does not imply to purchase decision. This was not consistent with the previous research in the U.S. Huang (2012) observes that renters' belief in homeownership play a major role in decision-making. It even forms an ownership optimistic. However, it can be explained that many

Americans hold a mindset of believing in the benefit of owning a house so called an American dream. Most Americans want to own their own home. This belief seems general for them. The belief becomes norm and so results in that pervious research that believes in homeownership plays a major role in decision-making for them. Unlike, in Bangkok, the belief is not as strong as the American. Therefore, it results in dissimilar outcome eventually.

Demographic factor, the only noticeable relationship between demographic profiles and decision to purchase a residential property were the consumer change in marital status. The marital status can be used to explain the family life cycle of a person. Needs have changed according to different requirement in life. When the customers are changing their life stage from single to married, the need of new residential property arise due to family expansion. Interestingly, the result was not consistent with previous studies in Malaysia and Jordan. The marital status or family life cycle shows the lowest importance in decision making to purchase a residential property in those countries. In Jordan, the marital status and education were not significant difference in the respondents answer. Jordan knows as one of the world's lowest rates of female participation in the workforce. (Gender Equality and Female Empowerment, 2016). They tend to concern less about purchase a residential property for themselves or family. Therefore, the marital status seems to have less importance to identify intention to purchase. Furthermore, in Malaysia the marital status was not as important as the financial factor due to higher cost of residential property. Referring to Poo (2015) states the remarkable problem of severely unaffordable housing price in Malaysia especially in the major city like Kuala Lumpur and Penang. Unlike Thailand, the survey were conducted mainly in Bangkok and metropolitan area where people have distinctive lifestyle compared to those who living in poverty. There are still affordable properties available and the shifting in lifestyle of people can explain why the result was not consistent with other countries. In this new era, the smaller family size and the increased smaller condominium space have proved that they tend to move out and live by themselves more. Customers choose a residential property that they can afford in terms of financial and also appropriate space for themselves. Then, they might decide to buy the new one after getting married or having baby to expend the family size later. This is why marital status matters to the intention to purchase a residential property.

Psychological factors are interrelated and largely dealing with culture that a person learn and develop understanding and perception from the surrounded environment overtime. Whenever changes in culture or environment around them have occurred, it will eventually impact people in the society.

5. Conclusion

5.1 Research Conclusion

The property section once has been contributing large proportion in the world economic expansion and also in Thailand. It is an essential sector that can be both causing country wealth and crises. Currently, the increasingly unsold units have recorded in Thailand property market. Most of the studies were conducting on how external factor such as marketing mix, influencers or home attribute impact purchase decision. In fact, there are more variable involved. The internal or psychological factors are overlooked.

This research aims to study the influencing factor on purchase decision in the other perspective, which is the psychological factor i.e. attitude, motivation, personal value and belief. This perhaps derives to the different useful strategy. As the decision to purchase a residential property considers as a lifetime investment. The individual might tie themselves to the mortgage for more than 30 years. It would be better if the provider understand their real desire or goal to purchase a particular product, help them to make a better choice and satisfy their essential need.

The survey was used to gather data and translated into a useful information and knowledge. The total sample size was 178 respondents. Several statistical techniques were employed to test the hypothesis. The descriptive statistics were used to describe demographic profiles of the respondents, their behaviors, and their attitudes, motivations, and personal values to buy a residential property. Independent t-test was employed to identify significance differences between those who wanted to purchase a residential property versus those who did not want to purchase soon. Additionally, chi-square test was used to test relationship between demographic profiles and decision to purchase a residential property. All of the significance tests in this chapter were performed at 90% and 95% confidence level. Five hypotheses have been proposed and tested. Table 6 shows the list of hypothesis with its result after data analysis process.

Table 6 The list of hypothesis with its result

Hypothesis	Result
H1 There is difference in terms of attitude between those who wanted to purchase a residential property versus those who did not.	Rejected
H2 There is difference in terms of motivation between those who wanted to purchase a residential property versus those who did not.	Accepted
H3 There is difference in terms of personal value between those who wanted to purchase a residential property versus those who did not.	Accepted
H4 There is a association between belief and decision to purchase.	Rejected
H5 There is an association between demographic variables and decision to purchase a residential property.	Accepted

The results show that there are two main psychological factors that impact individual purchase decision which is motivations and personal values. Motivation variables, those who wanted to purchase a residential property contained different motivation factors in terms of self-esteem need and self-actualization need. The motivation was no longer just to satisfy their basic needs. They want to purchase a residential property to represent their successfulness and also want to continuous success by growing their wealth. Personal value variables, those who wanted to purchase a residential property are usually consider this value in their life; sense of belonging value, excitement value, self-fulfillment value, security value, self-respect value, sense of accomplishment value and fun and enjoyment. They think buying a residential property make them become a part of the family (sense of belonging), Buying a house is need and exciting (excitement), Buying a house allow them to live their own way (self-fulfillment), Buying a house is obligated to do and provide long-term security (security). Buying a house makes them proud (Self-respected), Buying a house represents their successful life (Self-accomplishment), Buying a house helps them to create pleasure and enjoyment in life (Fun and enjoyment). Surprisingly, warm relationship with others value and being well-respect value were not important to them.

The respondents were focus mainly on their self-interest rather then strengthen relationship with others. We need to admit that the new generations value

money over others. They care about self-image and search for social acceptance. This research was conducted in Bangkok so it basically differs from the suburban people. The absorption of the western culture also plays an essential role in society in Thailand due to social network and globalization. We learn to become more independent and always seeking to improve our life. The use of social network also creates blended society and skewed self-image. All these factors build our value and motivate us to purchase a particular product that can help us to satisfy those needs. This paper has shown that a residential property has become one of the products that help the customer to satisfy their self-esteem and self-actualization need as well. Lastly, the attitude and belief variables were found no significant relationship with the residential property purchase decision.

In additional, the marital status is the only demographic profile that has a relationship with decision to purchase a residential property, as evidenced by the survey that the second highest reason for purchasing a residential property was the family expansion purpose. Therefore, the changing in marital status reflected demand. Although, Thailand has a collectivism culture that we are living in a big family with parent, in this new era the smaller family size and the increased smaller condominium space have proved that they tend to move out and live by themselves more. They buy a residential property that fit their present lifestyle and change to a bigger one when they expand their family or reach a later stage of life.

5.2 Implications

The research provides an understanding of customer insights and motive influencing their purchasing decisions at psychological factors. The paper can serve as a guideline for property developers develop both product and marketing strategy to achieve business goals with the provided customer insights. To be competitive in the market, they should try to satisfy the customer into their intrinsic level. Yet the person's psychological factors are hard to change, the marketer should understand them and try to develop a product that satisfy them and influence them with the right message that matched their value. The customers are no longer looking for just only a quality residential property to stay but they want to have a place that represents their

success within the society. The family is important but when comes to purchase decision they tend to emphasis more in interest of themselves.

For property development firms, concept development plays a vital role that will have significant impact to customers' purchase intention. Clear concept representing motivations and personal values of targeted customers shall be thoroughly developed. Then, marketing communication by sales & marketing team shall ensure this concept is well conveyed to the potential customers. The developer should invest in branding, brand concept and clear positioning that allow customer to picture themselves when they are living in the house from that particular brand. The image of the brand or a product represents the image of the buyer.

Product development and product value, since the buyer is looking for a residential property that represents their success and creates sense of accomplishment, the developer should not only focus on function but also the product appearance such as interior and exterior design. Furthermore, the value that developer can add into their product are investment benefit in long-term to satisfy the customer's self-actualization need. These values shall be emphasis by sales team during customers' contact with the company.

Marketing communication, this is very useful also for the property provider to custom their advertising message to attack the customer personal value. Most people set their personal value as their life goal to achieve. When the property provider can tell them how your product or residential property can help them to achieve their goal. It is more likely to influence their purchase decision. However, the mixture of other marketing mix components and activities should be addressed before sum up with the right strategy. Moreover, the developer can approach the new market that is those who are renting a house at the present. The research shown that the belief in benefit of renting or owning does not impact their purchase decision. Those who preferred to rent now do not mean they will rent forever. In additional, those who have negative attitude towards owning a house or think owning a house is a bad idea now, do not mean that they do not want to buy one in the future.

Lastly, the changing in marital status reflects the customer purchase decision. When people are moving from single to married, they tend to look for a new residential property to expand their family. The sales and marketing team of developer

can view this as an opportunity to create new target segment. People at different life stage might require different product features. The provider can target single people or retirement people with specific facility or architect design.

5.3 Limitations

Limitation of this research is that psychological factor might interpret purchase decision and intention. However, the purchase decision of a residential property is tied heavily with the financial ability of that person which were not take into consideration in this research. (Rohe, Boshamer & Lindblad, 2013)

5.4 Future research

For future research, more variables should involve in the research to compare and see the relationship between the internal or psychological factors and external factors in order to gain more insightful information that will enable them to improve their strategies for attracting more consumers.

Lastly, the future research can also conduct to test these related values or needs on the advertising message whether they are really capable of influencing consumer intention. This could be a useful guideline for the marketer or any related parties to efficiently spend their marketing or media budget.

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