



Factors Affecting Decision to Purchase Homes in Housing Estates in Suratthani Province

Purithath Homudomsap

Faculty of Business, Bangkokthonburi University, Bangkok, Thailand
Corresponding author, E-mail: purithathho@gmail.com

Abstract

This study aimed primarily to investigate the factors such as locations, brand image, design, neighborhoods, and recreation facilities that affected the decision to buy homes in housing estates of civil servants and state enterprise in Suratthani. The close-ended questionnaires verified the reliability and content validity and were implemented to collect data. The samples consisted of 256 civil servants and state enterprise employees who had purchase decision powers and experiences in buying homes in housing estates. The inferential statistics for the hypothesis used in this study were the multiple regression analysis. The study found that majority of the respondents were females aging between 30-39 years old. Most of them were civil servants with undergraduate educational background. They earned average monthly incomes of 20,000-30,000 baht. The hypothesis testing had indicated that locations, brand image, design, and recreation facilities affected the home purchase decisions of civil servants and state enterprise employees in Suratthani at 0.05 statistically significance levels. These factors explained 81.20% of the influence on home purchase decisions of civil servants and state enterprise in Suratthani. However, the neighborhood did not affect the decisions to purchase homes in housing estates of civil servants and state enterprise in Suratthani.

Keywords: *Location , Brand Image , Design , Neighborhoods , Recreation Facilities*

1. Introduction

Housing is essential to everyone's life. Choosing and making a home purchase is very critical. Since a home is also a measure of the quality of life, social, and economic well-being of the people, therefore, those who want to buy a house, which is a high-value property, must consider many factors such as location, project, price, and facilities. For this reason, real estate business operators have to invent different ways to respond to these customers' needs. Due to the intense competition in the real estate business, entrepreneurs must always adjust their business plans to keep up with the competition in the market.

Currently, housing development projects have developed many housing styles, namely, single houses, twin houses, townhouses, and townhomes, by merging new technologies to help build houses that meet the needs of customers. For example, they build an instant house that can be completed in a short time and ready to move in. Customers can choose furniture by themselves and choose a reputable real estate entrepreneur that customers can trust. In response to the customers' needs at full capacity, each housing developer must adopt various strategies to attract customers. Many researchers have studied factors that affect consumers' decisions to buy housing.

As a result, it was found that a location is an essential factor in which most consumers want to choose a location with a security system, convenience, and fast transportation (Chanita Iamsaart, 2015). Also, it was found that brand image has a positive influence on purchase intent. The image of the product is a significant thing that consumers value and remember in their minds as a catalyst for purchasing products (Lien, Wen, Huang & Wu, 2015). Besides, the design must be modern in responding to the lifestyle of the consumers (Hadjri, Faith & McManus, 2015). The village environment, including neighborhoods and recreation facilities, is also important and influences the purchasing decision. (Person Foodstuffs Finch, Donaldson, Mahoney & Otago, 2009).

Suratthani is an important tourist province of Thailand with several beautiful natural attractive places such as Koh Samui, Koh Phangan, Koh Tao, Koh Nang Yuan, and Angthong Islands. Due to the topography of the gulf coast and plateau, Suratthani has an abundance of rain forests, rare plants, and wildlife. However, the population density is quite sparse, considering its vast area. The majority of the population is in the Muang district, where the areas are mainly for agriculture, livestock, fishery, industry,

[1222]



and mining, with well-known products such as Chaiya salted eggs. Suratthani also has diverse geographical features, resulting in a wide variety of natural attractions, including mountains, waterfalls, dams, and seas, and is also fully equipped with amenities, convenient transportation including private cars, buses, trains, boats, and airplanes. There are two airports in the province, which provide an adequate capacity to accommodate tourists. It is also regarded as a tourist center of the coast of the southern Gulf of Thailand, a popular place among both Thai and foreign tourists. The most popular real estates in Suratthani are lands and detached houses, especially the lands in Mueang district in front of the road, of which prices can be as high as up to 150,000 baht / sq.wah, from the latest land appraisal value. The rising price is because it is near the Tapee River and the downtown area and because of the changing competitive environment and economic conditions such as cost of living, baht value, and interest rate.

From the above information, the researcher wanted to study factors affecting the decisions to buy housing in Suratthani province. The results of the research can help real estate entrepreneurs to develop marketing strategies to meet the needs of consumers and is also a guideline for those interested in real estate business to make business decisions appropriately and sustainably.

2. Objectives

To study the factors affecting the decisions to buy housing in Suratthani province.

3. Materials and Methods

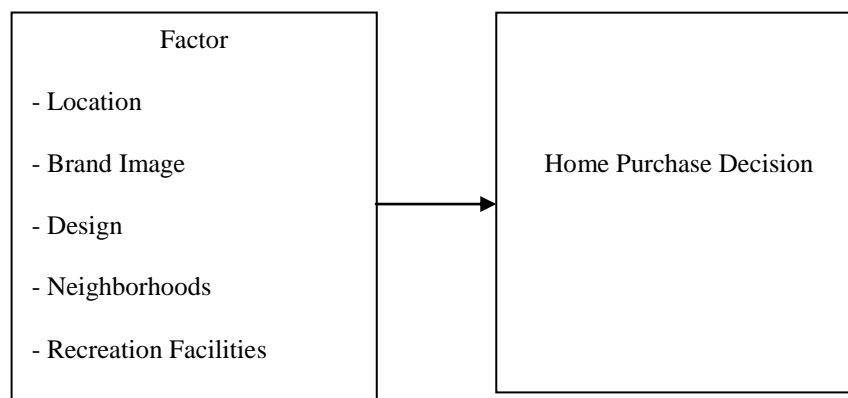


Figure1 Research Framework

Research Design

This research is a quantitative study using survey research and data collection through a closed-ended questionnaire study to investigate and analyze the factors that affect customers' decisions to purchase homes in housing estates in Suratthani province.

Population

Customers who interested and had experiences in buying housing estates in Suratthani province

Sample

The sample size was determined by the number of people interested and have bought housing in Suratthani province, though the researcher did not find out the exact population. However, the researcher determined the sample size according to Yamane's formula (Yamane, 1973) at a 95 confidence level and an acceptable tolerance of no more than 0.05, of which a result showed 400 sample sizes and used the purposive sampling method.

Variable

[1223]



Independent includes Location, Brand Image, Design, Neighborhood, and Recreation Facilities

Independent includes Home Purchase Decision

Research Instrument

This research is quantitative using a questionnaire which consists of 3 parts as follows;

Part 1 General information of the respondents, such as gender, age, education level, occupation, and income

Part 2 Information about factors that influences a decision to buy housing, namely, Location, Brand Image, Design, Neighborhood, and Recreation Facilities

Part 3 Information about the decision to buy housing estates in Suratthani province.

Data Collection

The researcher distributed the questionnaire to 400 samples as calculated from the study population. Only 256 samples of the questionnaires have been returned and completed 64%.

Data Analysis

1. Descriptive statistics include percentage, mean, and standard deviation.
2. The statistics used in hypothesis testing were multiple regression and analysis at a 0.05 significance level.

4. Results

1. Most respondents are female aged 30-39 years with a bachelor's degree, work in a private company, and have an average personal income of 20,001-30,000 baht per month.

2. For the factors affecting the decision to purchase homes in housing estates in Suratthani province, the researcher found that,

2.1 Location opinions are at a high level. When considering each aspect, it was found that the respondents have levels of opinions. The location of the housing estate project that is convenient to travel and near the community and tourist attractions is at the level that agrees with all of the above.

2.2 Brand image opinions are at a high level. When considering each aspect, it was found that the respondents have levels of opinions. The brand's images including quality housing projects that are suitable for the purchase price, the materials used to build houses are up to standard, and famous housing project for purchase are in the level that agrees with all of the above

2.3 Design opinions are at a high level. When considering each aspect, it was found that the respondents have levels of opinions. The housing estates that are beautiful, distinct, and modern, and create an image for customers are in the level that agrees with all of the above.

2.4 Neighborhood opinions are at a high level. When considering each aspect, it was found that the respondents have levels of opinions. The famous housing estates with good neighbors, friendly neighbors, and confidence in the quality and social status of the neighbors are in the level that agrees with all of the above,

2.5 Recreation facility opinions are at a high level. When considering each aspect, it was found that the respondents have levels of opinions. The housing estates with sufficient facilities for exercising and a clean and complete utility system are at the level that agrees with all of the above.

3. The general opinion of the decision to buy housing in Suratthani province is at a high level. When considering each aspect, it was found that a customer decides to buy a housing estate based on the necessity of buying. He decided to buy a house by considering the benefits of buying and studied and compared information about housing estates from various sources before making a purchase.



4. Hypothesis testing

Table 1

Variable	Decision to Purchase Homes in Housing Estates in Suratthani Province						
	B	S.E.	Beta	t	Sig.	Tolerance	VIF
Constant	0.062	0.112		0.555	0.405		
Location	0.144	0.046	0.138	3.276	0.001*	0.459	3.748
Brand Image	0.125	0.042	0.121	2.785	0.007*	0.320	4.424
Design	0.111	0.052	0.227	4.178	0.000*	0.174	5.712
Neighborhood	0.048	0.047	0.044	0.871	0.222	0.245	4.052
Recreation Facilities	0.422	0.044	0.442	7.772	0.000*	0.160	1.212

(R²)=0.757, F=262.540, p<0.05*

Table 1 showed that Location, Brand Image, Design, and Recreation Facilities affect the decision to purchase homes in housing estates in Suratthani province with statistical significance at the level of 0.05. In contrast, the neighborhood does not affect the decision to purchase homes in housing estates in Suratthani province.

From the test results, the statistical values of the coefficients of independent variables six sides, include Location (X₁), Brand Image (X₂), Design (X₃), Neighborhood (X₄), and Recreation Facilities(X₅)

$$Y = 0.062 + 0.144 X_1 + 0.125 X_2 + 0.111 X_3 + 0.422 X_5$$

5. Discussion

Firstly, location affects the decision to buy housing in Suratthani province as predicted in the hypothesis. The preferred housing estates must locate in the community near tourist attractions and department stores and have convenient transportation. Moreover, it must include important locations, causing consumers to make purchasing decisions following Chanita Iamsaart research (2015) on The consumers' decision to buy condominiums in condominiums in Bangkok Metropolis, which found that the factors of their purchasing were due to convenient and fast transportation.

Secondly, the brand image also affects the decision to buy housing in Suratthani province, which agrees with the hypothesis. As the notable housing projects have better materials than other sources, consumers are confident in the quality of their housing estates. It is consistent with the research of Lien et al. (2015), which studied the factors that affect the decision to buy housing by government officials and state enterprise employees. In Nonthaburi, it was found that the brand image is essential because consumers choose housing projects that worth the money they spend, use higher quality materials than other housing projects, are famous and confident in the quality.

Thirdly, according to the hypothesis, the design has a positive impact on the decision to buy housing in Suratthani province as well. If the estate is modern enough to attract the consumers' eyes, it will be able to draw special attention. This finding is in agreement with the research of Hadjri et al. (2015) that studied the factors that affect the decision to buy housing by government officials and state enterprise employees. In Nonthaburi, it was found that the consumers can feel the beauty of the design of housing estates and can feel the uniqueness of the house.

Lastly, facilities also affect the decision to buy housing in Suratthani province, as mentioned previously in the hypothesis. Consumers require a gym, spacious road, street lighting, and security in the village, which is consistent with the research of Rakchanok Maneerat (2007), who studied the factors that affect the decision to buy housing by government officials and state enterprise employees. In the Suratthani province, it was found that housing estates must be clean and tidy, have complete public utility systems, and have enough exercise facilities.

6. References

- Finch, C., Donaldson, A, Mahoney, M., & Otago, L. (2009). The safety policies and practices of community multi-purpose recreation facilities. *Safety Science*, 47(10), 1346-1350.
- Hadjri, K, Faith, V., & Mamanus, M. (2015). Designing dementia nursing and residential care homes. *Journal of Integrated Care*, 20(5), 322-340.



- Iamsaart, C. (2015). *The decision to buy condominiums by consumers in Bangkok*. Digital Economy. Panyapiwat Institute of Management.
- Lian, C.H., Wen, M. J., Huang, L.C., & Wu, K.L. (2015). Online hotel booking : The effects of brand image , price , trust and value on purchase intentions. *Asia Pacific Management Review*, 1(1),1-9.
- Maneerat, R. (2007). *Alternative : Tourist Opinions about management of facilities and services at Thungsalaengluang national park in Phitsanulok and Phetchabun province*. Master of political Science program in political science. Phranakhon Rajabhat University.