

**Factors Influencing Purchasing Decisions for Low-Income Tenants in
Correspondence to Rental Apartment Selection in Nonthaburi, Thailand**

By

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ใบรับรองสารนิพนธ์

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หัวข้อสารนิพนธ์ Factors Influencing Purchasing Decisions for Low-Income Tenants in
Correspondence to Rental Apartment Selection in Nonthaburi, Thailand

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Independent Study Title: Factors Influencing Purchasing Decisions for Low-Income Tenants in Correspondence to Rental Apartment Selection in Nonthaburi, Thailand

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ABSTRACT

Thailand's impressive but unequally distributed economic growth has served as a catalyst for internal migration, particularly towards urban areas with greater employment opportunities such as Bangkok and its adjacent provinces. This pattern of internal migration has led to a strong demand, and subsequent supply of affordable housing aimed at low-income internal migrants.

This study aimed to examine the influence of a number of factors on the purchasing decisions of low-income tenants in correspondence to rental apartment selection in the Nonthaburi area. The factors chosen for examination were differences in demographic profile, the 7p's service marketing mix, and the perceived benefits of the tenants.

The data used in the study was collected using a quantitative survey. Results of distributing the questionnaire over the purposive sample size of 300 individuals yielded 105 responses. Descriptive statistics, One-way ANOVA test statistics and multiple regression statistics were used to analyse the data. Findings from the analysis indicate that differences in demographic profile have no influence on purchasing decisions in this instance. Additionally, the 7p's service marketing mix and perceived benefits have minimal influence on low-income tenants purchasing decisions in the Nonthaburi area, with only partial support for the latter two hypotheses.

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CHAPTER 1

INTRODUCTION

1.1 Background to the Study

Market Overview

The Kingdom of Thailand has experienced phenomenal growth over the last five decades. From 1960-1996, the economy averaged a healthy growth rate of 7.5% per annum, with an average of 5% thereafter. However, the economic growth has been distributed unevenly, which is evident in data from the World Inequality Database 2016. This data indicates that the top 1% of the country (quantified by earnings) generate 20.2% of the total income, while the bottom 50% only generate 13.2% (Thailand WID, para. 1). This, coupled with data from annual income reports, demonstrates that a substantial portion of the population (around 20%) are low-income earners.

According to market research conducted by Krungsri Bank “the real estate sector accounts for 8% of Thailand’s GDP and so is thus of some significance in terms of the national economy” (P. Klinchuanchun, 2018, p.1). As a result of the relatively recent economy boom, areas such as Nonthaburi, a province in the greater Bangkok area, have witnessed a significant surge in the construction of high-rise condominiums and luxury apartments. These however, are not marketed or sold to the lower-income residents in the area.

Internal Migration

Internal migrants in Thailand constitute a substantial population: According to the 2010 Thailand Population and Housing Census, 8.3% of the Thai population had migrated internally during the previous five years, and overall, 21.8% of the population did not live in their hometown. The main migration suppliers are the North and Northeast regions of Thailand, while the main migration destinations are the Bangkok Metropolis and vicinities, as well as the Central region (National Statistical Office 2016, Katewongsa 2015, Guest et al. 1994). This migration pattern has supplied labour for construction, manufacturing, and services. “Internal migrants come from very poor households. The majority of migrants living in Bangkok come from the Northeast, where households are relatively poor compared to those in other regions” (Pholphirul 2012).

The influx of internal migration from Thai citizens living in poorer conditions to the greater Bangkok vicinity helped spur a demand for low-cost apartments, townhouses and condominiums in the region. This is due to the fact that the majority of internal migrants are unable to afford to purchase their own property in the area, or are not committed to moving to the area permanently.

1.2 Research Problem

Similar research into factors affecting the purchasing decision process when selecting rental properties in the greater Bangkok area has been geared towards condominium choice, students or middle-high income earners. This could be attributed to the shift in construction trends since 2008 towards high-rise condominiums and away from low-rise apartment style buildings. The external factors behind this shift consist of declining availability and consequent rising price of land that has potential for development. Furthermore, the post 2006 development of mass transit lines, namely the Metropolitan Rapid Transit and the Bangkok Mass Transit systems, has led to increased numbers of high-rise developments being constructed along these routes. The outcome as a result of these factors is that since 2009, “an average of almost 70% of new housing units have been in condominium developments” (Klinchuan Chun, 2018).

The growing popularity and demand for modern, high-rise condominiums is likely to have a negative impact on demand for traditional mid to high rise apartments and townhouses. Therefore, it is important for landlords of such properties to fully understand the factors of causation in relation to decision making from the tenant’s perspective to successfully compete in an increasingly crowded market.

Given that the majority of high-rise condominiums are priced above the affordability of low-income residents, it is safe to assume that apartments and townhouses are the most likely source of rental property options when it comes to decision making in the selection process. Therefore, this study will concentrate specifically on rental apartments in order to gain a better understanding of the purchasing decision process. This study will also aim to determine precisely which factors have the greatest influence on low-income tenant’s purchase decision when selecting an apartment for rent.

Additionally, this study will use Boom & Bitner’s 7 p’s of the marketing mix theory to ascertain which of the theory’s components are relevant in the purchase decision process. Inclusion of this theory was decided through the idea of it being a “set of controllable variables or a “tool kit” (Shapiro, 1985) at the

disposal of marketing management which can be used to influence customers”. The decision to use the 7p’s theory over McCarthy’s 4 p’s theory is largely down to the inclusion of people, process and physical evidence as these elements add “the definition and promotion of services in the consumers’ eyes, both prior to and during the service experience” (Booms and Bitner, 1981, p. 48).

1.3 Research Questions

After considering the research problem, three research questions have been proposed and are as follows:

- Will differences in the demographic profiles of low-income tenants i.e., age, gender, income levels etc. have an influence on their purchasing decisions towards apartments?
- Do any of the factors in the service marketing mix, as defined by Booms & Bitner, have an influence on low-income tenants’ purchasing decisions towards apartments?
- Do perceived benefits in regards to apartments have any influence on low-income tenants’ purchasing decisions?

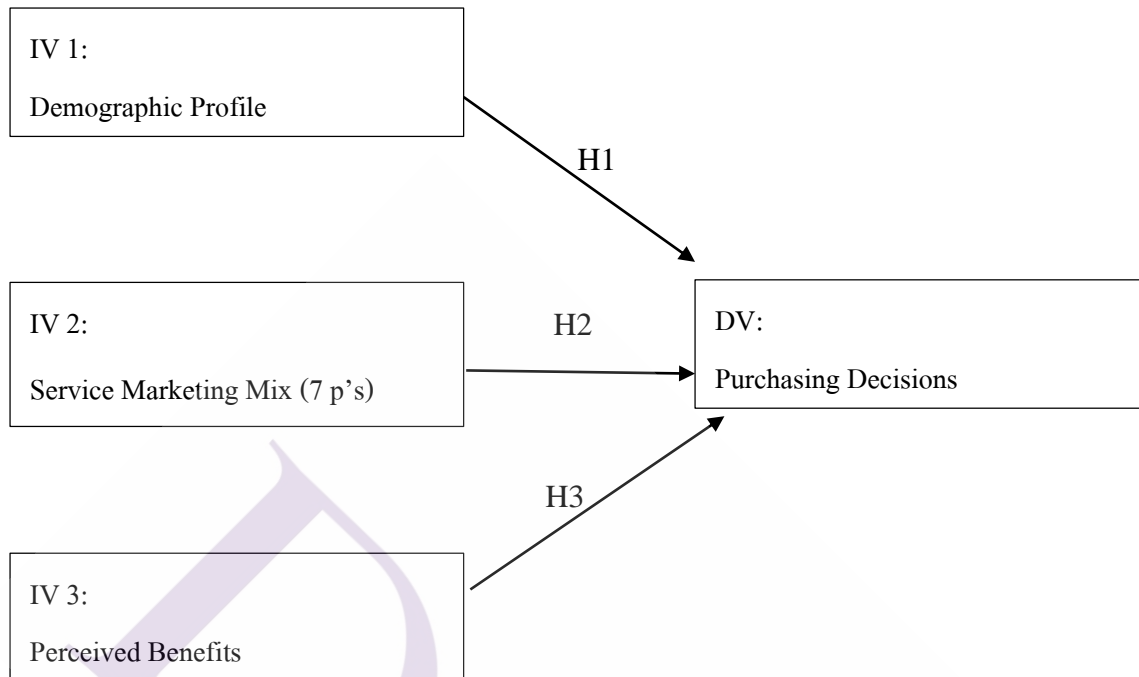
1.4 Research Objectives of the Study

The objectives of the proposed research topic are as follows

- To understand the current situation and trends related to the apartment rental market in the Nonthaburi area.
- To ascertain whether or not differences in demographic profiles have an influence on purchase decisions in correspondence to rental apartment selection
- To ascertain whether or not the 7p’s (service marketing mix) has an influence on purchase decisions in correspondence to rental apartment selection
- To ascertain whether or not perceived benefits have an influence on purchase decisions in correspondence to rental apartment selection

1.5 Conceptual Framework

The conceptual framework of the study is presented as follows:



The diagram above represents the conceptual framework that will be used in the study. H1, H2 & H3 represent the independent variables, with 'purchasing decisions' being the dependent variable.

Demographic Profile:

Age, Gender, Monthly income, Occupants per household, Province of origin

Marketing Mix (7 p's):

Price, Product, Place, Promotion, People, Physical evidence, Process

Perceived Benefits:

Proximity to work, Proximity to local amenities (parks, shops, public transport), Safety, Proximity to relatives and/or friends.

1.6 Hypothesis of the Study

The following hypotheses have been formed relative to the variables in the conceptual framework:

- **H1:** Differences in demographic profiles will have an influence on purchase decisions in correspondence to rental apartment selection.

- **H2:** The marketing mix (7p's) will have an influence on purchase decisions in correspondence to rental apartment selection.
- **H3:** Perceived benefits of tenants will have an influence on purchase decisions in correspondence to rental apartment selection

1.7 Scope and Limitations of the Study

1.7.1 Scope of the study

The scope of this research has been narrowed to a specific subset of the population residing at Soi Chaeng Wattana-Pakret 40 Alley, Nonthaburi. A purposive sampling method has been implemented when selecting the location to ascertain an accurate representation of the desired core demographic (low-income tenants). The study aims to generate an understanding of the factors that influence the purchasing decision process when selecting an apartment for rent. Three independent variables have been considered for potential sources of influence on the purchasing decision process. These are the differences in demographic profiles of respondents, the influence of the service marketing mix (7p's), and the perceived benefits inferred before selecting the chosen apartment.

1.7.2 Limitations

A relatively small sample size, and the use of a nonprobability sampling technique have the potential to limit the study to some extent. However, in an attempt to maximise probability of responses from the intended core demographic (low-income tenants) this method has been selected. Further studies pertaining to the same area of research could potentially broaden the scope of respondents and data by increasing the sample size, or the geographic location of the study.

1.8 Population and Sample

1.8.1 Sampling Method

Nonprobability sampling, specifically purposive sampling, has been implemented in the targeting of the specific population sample. The purposive sample chosen are residents of Soi Chaeng Wattana-Pakret 40 Alley, Nonthaburi. This method was chosen to ensure that respondents "meet certain practical criteria, such as easy accessibility, geographical proximity, availability at a given time, or the willingness to

participate” (I. Etikan et al, 2016, p. 2). Specifically, the targeted sample criteria were chosen based on income levels and geographic location.

1.8.2 Study Variables

Independent Variables:

1) Demographics

- Age
- Gender
- Monthly income
- Occupants per household
- Province of origin

2) Marketing Mix (7 p’s)

- Price
- Product
- Place (distribution channels)
- Promotion
- People
- Physical evidence
- Process

3) Perceived Benefits

- Proximity to work
- Proximity to local amenities
- Safety
- Proximity to friends and/or relatives

Dependant Variable:

- Purchase Decision

1.9 Definition of Terms

Below are the definitions of key terms used in the title of the research and throughout the study:

- Low-income = 35,000 – 175,000 Thai Baht annual income (Statista, 2020)
- Decision-making process = “in making a decision, the decision maker has several alternatives and the choice involves a comparison between these alternatives and an evaluation of their respective outcomes” (Eilon, S. 1969)
- Apartment = “An apartment in Bangkok is usually defined as a mid or high-rise building owned by a single landlord. Grade B: Apartments in less favourable locations. The buildings tend to be older than Grade A apartments. However, Grade B apartments provide good to moderate services, design, decoration, maintenance, facilities and security”. (CBRE Thailand, 2020).
- Perceived Benefits = Perceived benefits can be classified into two categories; utilitarian and hedonistic. “Utilitarian benefits are relatively tangible and relate to efficiency, utility, and economy. Hedonic benefits are relatively intangible and associate with intrinsic stimulation, fun, and pleasure. (Wang, E. S. T. 2017)

1.10 Significance of the Study

Theoretical Contribution

Results from this study will further broaden existing research into apartment/condominium purchasing decisions in Bangkok and the surrounding areas. Additionally, it will address a research gap found in relation to marketing properties towards the low-income demographic in Nonthaburi.

Practitioner’s contribution

The purpose of this study is to aid owners and landlords of apartment buildings in marketing their products towards low-income renters. This study will hopefully provide insight into what factors influence the purchase decision outcome. Landlords seeking to improve occupancy rates and currently using the traditional price-based method of competition may ascertain valuable information as to why occupancy rates are lower than expected, or what improvements need to be made to the apartment dwellings they have on offer. The findings of this study could also be beneficial to property developers in deciding apartment

location and layout of facilities. The data produced in this report should provide valuable insight into further research in similar fields.



CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

According to Sherwin Rosen's model of hedonic prices and implicit markets, the value of goods and services can be based on their "utility-bearing attributes or characteristics" (S. Rosen, 1974, p.34). This hypothesis is especially poignant when factored into the purchase decision towards property rental selection, given that property acquisition is perceived as a high-involvement process (Biamukda, S., & Tan, C. C, 2016, p. 34). While price could be perceived as an obvious driving factor behind rental property selection, especially in lower-income demographics, there are alternative characteristics or variables that could potentially influence purchasing decisions.

2.2 Independent Variable 1-Demographic profile

2.2.1 Age

Previous studies on the influence of the age demographic on the consumer decision-making process have yielded differing results. A quantitative survey undertaken by H. Evanschitzky, D. Woisetschlaeger (2008), found that older consumers are more likely to seek intensively for information prior to making a purchase. Conversely, a similar qualitative study by Queen, T. L, et al, (2012) found that older adults may still base their ultimate decisions on less information. The same study also found that older adults tended to favour non-compensatory search strategies. A literature review study offering another perspective written by Yoon, et al, (2009) summarised that the older segment of the age demographic was heterogenous by nature, therefore, the age variable in segmentation should be abandoned. This statement may hold true in studies based on probability sampling given the random nature of the population. However, for the purpose of this study, Yoon, et al's findings can be mitigated through the use of nonprobability techniques such as convenience sampling whereby the common demographic factor is low-income earners.

Table 1– Summary of studies on age demographic towards consumer decision-making.

<i>Author (year), country</i>	<i>Method</i>	<i>Sample (age in years if provided)</i>	<i>Key findings</i>
H. Evanschitzky, D. Woisetschlaeger (2008), Germany	Quantitative (survey)	N = 998 (18-70)	-Older respondents are more risk averse and are more likely to seek intensively for information prior to purchase. -Older consumers may not look for alternatives.
Queen, T. L., Hess, T. M., Ennis, G. E., Dowd, K., & Grün, D. (2012),	Qualitative (survey)	N = 135 (25-84)	-Older adults may still base their ultimate decisions on less information -Older adults tended to favour non-compensatory search strategies
YOON, Carolyn; COLE, Catherine A.; and LEE, Michelle P. (2009), USA	Secondary research (literature review)	N/A	-Because the older market is very heterogeneous, managers may want to consider abandoning the age variable as a segmentation variable

2.2.2 Gender

When researching the effect of the gender demographic on the consumer decision-making process, it was found that in the majority of articles studied, similarities between male and female consumer decision-making processes outweighed the differences. A study by Mitchell, V.& Walsh, G. (2004) found that impulsiveness and being confused by over choice were common to both sexes. However, the authors also concluded that “males are slightly less likely to be perfectionists than females” (p. 343). A literary review by Bakshi, S. (2012) summarized that men gather purchase-decision cues based on heuristics, whereas women are more subjective and intuitive.

Table 2– Summary of studies on gender demographic towards consumer decision-making.

<i>Author (year), country</i>	<i>Method</i>	<i>Sample (age in years if provided)</i>	<i>Key findings</i>
Mitchell, V.& W. Walsh, (2004), Germany	Quantitative (survey)	N = 358 (18-44)	<ul style="list-style-type: none"> - Four factors of brand consciousness, perfectionism, confused by over choice and impulsiveness are common to both sexes, with good reliabilities. - “The authors can tentatively conclude with regard to their hypotheses that males are slightly less likely to be perfectionists than females.”
Mokhlis, S., & Salleh, H. S. (2009), Malaysia	Quantitative (survey)	N = 400	<ul style="list-style-type: none"> - Overall decision-making styles are similar between males and females. -Common factors are: quality consciousness, brand consciousness, fashion consciousness, confused by over choice, satisfying and value seeking
Bakshi, S. (2012), India	Secondary research (literary review)	N/A	<ul style="list-style-type: none"> - Men tend to gather information through heuristics and gather salient cues. - Women are more subjective and intuitive, they tend to be more analytical and logical and form their opinions based on other people’s purchases.

2.2.3 Income

Studies on the effects of low-income levels on the consumer decision-making process tend to point in the direction of decisions being based largely from a utilitarian or task-related standpoint. Hedonic purchase decisions tend to be limited by budgetary constraints. This is evident in a 2009 study by K. Hamilton, in which 30 low-income families in the UK undertook qualitative in-depth interviews in relation to their purchase decisions. The study found that for the most part, the respondents were unable to act on hedonic purchase motivations due to their financial circumstances.

Table 3– Summary of studies on income demographic towards consumer decision-making.

<i>Author (year), country</i>	<i>Method</i>	<i>Sample (age in years if provided)</i>	<i>Key findings</i>
Hamilton, K. (2009), UK	Qualitative (in-depth interviews)	30 Families	-Low-income families purchase decisions are “largely utilitarian and task related.” They are largely unable to act on hedonic purchase motivations.

2.2.4 Number of Occupants per Household

In researching the effects of number of occupants per household on their purchasing decisions towards property selection some findings suggest that family size and constitution have a direct effect on purchasing decisions or purchase decision behaviour. A collection of in-depth interviews conducted on real estate agents by Levy & Lee (2004) found that couples without children were likely to have equal influence to one another in the purchasing decision stage. Additionally, it was found that children, particularly those between nine and fifteen, have a strong influence on the decision-making process in particular during the property inspection process of a housing purchase. Of particular interest to this study was the finding that “children from Asian families tend to be more influential in the decision than families from a Caucasian background.”

An additional study conducted in China by Liu & Lee (2018) sought to identify the determinants of housing purchase decisions. The quantitative study ($n = 299$) found that “a forthcoming child” and “getting married” ranked in the top five factors in relation to housing purchase decisions. Both of the aforementioned factors are related to, and indicate the possibility of a relationship between the number of occupants per household and the purchasing decisions in regard to property.

2.2.5 Place of Origin

Geographic demographics will be used as independent variable in testing hypothesis 1. Existing studies testing relationships between geographic origin and purchasing behaviour are as follows: A

quantitative study conducted in Shanghai, China ($n = 650$) by Chu, Liu & Shi (2015) found that a “high level of rural identification has a more significant impact than urban identification on survival consumption including food, medicine and family support” whereas a “high level of urban identification has a more significant impact than rural identification on development consumption including education for children, training and recreation.” This indicates that individuals identifying as ‘urban’ were more likely to make hedonic purchase decisions than those identifying as ‘rural’.

A further quantitative study conducted throughout mainland China by Sun, Su & Huang (2013) sought to measure cultural value, perceived value and consumer decision-making styles across various regions in the country. Their findings were that significant differences in consumer decision-making styles exist across regions with differing degrees of urbanization. However, this particular study focuses on the current geographical location of the respondents rather than their hometown or place of origin.

2.3 Independent Variable 2 – Marketing Mix (7p’s)

Booms and Bitner’s 1981 services marketing mix theory, which is an extension of Kotler’s 1976 4p’s theory, incorporates three further components that cover the unique characteristics of services. In the case of property management and specifically apartment rental the 7 p’s are better suited for dealing with the heterogeneous nature of dwellings and properties. In particular, components such as physical evidence and process have the potential to affect purchasing decisions in relation to rental property.

A study conducted in Malaysia by Chuan, C. et al, (2012), exploring the effects of the service marketing mix on purchase decisions towards property utilized a quantitative survey involving a sample of 323 individuals. The results of the study found that ‘process’ and ‘physical evidence’ were the most influential factors when making purchase decisions for property. The category of ‘product’ was found to be the second most influential factor, with interior features being more influential than exterior features. However, consideration must be made when comparing this study, as the sample used were purchasing property rather than renting which indicates they are less likely to belong to the same core demographic of low-income earners.

2.3.1 Price

Price is often considered as an influential factor in the purchase decision process, especially when high-involvement products are concerned. Studies conducted in the Asia-Pacific region concentrated on purchase decisions in relation to property have produced similar results to this commonly held belief. An example of this is a study conducted by Sudrajad, G., & Sutanto, J. (2020) which concluded that 'price' has a significant effect on the prospective consumer purchase decision in relation to the purchase of property. It was also found however, that 'place' and 'promotion' had simultaneous influences on the independent variable of prospective consumer purchase decisions.

Of further note, research by Beracha, E., & Seiler, M. (2015) analyzed pricing strategies used by landlords and sellers of property and found that sellers using a "just below pricing strategy" yielded a higher transaction price in relation to the actual underlying value of the property. This research highlights the sensitivity of price from the perspective of a property buyer.

2.3.2 Product

When considering product attributes and features of apartment dwellings, research by C.A. Thompson (1999) provides a reference framework for defining the 'product' variable. Thompson's study adopted product variables such as apartment age, size, parking facilities, no. of bedrooms, no. of bathrooms, and no. of units in the apartment building. The results of this study found that apartment age is the most significant factor with respect to rent. This age-rent depreciation effect is greatest during the first five years after development and decrease as age progresses" (p. 59). Additionally, this research found that predicted rent per square foot decreases as the floor area of an apartment increases.

Similar results found in a study by Kieti, R.M. and Ogolla, W. (2021) found there were four "critical components" involved in a potential consumers evaluation of an apartment. These components all carried hedonic characteristics and were classified as "number of parking lots, presence of swimming pool, age of apartment and provision of balcony".

2.3.3 Place

Research aimed at purchasing decisions in relation to an apartments' location by Bina, Warburg, & Kockelman (2006) found that multi-person households and families were less likely to be concerned with commute times and access to highways when selecting an apartment for rent. Whereas individuals,

particularly females, were more concerned with access to highways and reduced commute times when choosing an apartment. This emphasis changed however when respondents were asked to choose between apartment size and travel times, as they were more likely to choose the former option. This response could indicate that items in the product category could have a higher influence on purchasing decisions than those in the place category.

Further quantitative research conducted in Jakarta by Hartuti et al. (2020) on apartment dwellers found that “location has a positive and significant effect on purchasing decisions.” The outcome of this particular research is of particular relevance to hypothesis 2.

2.3.4 Promotion

The effects of promotions on purchasing decisions in correspondence to rental apartment selection has not been as widely researched as other factors in the service marketing mix. However, a qualitative study involving landlords and real estate developers conducted by Selvi et al. (2020) found that they were largely inadequate at using advertising and promotional tools. Real estate developers were found to give discounts at undesirable rates for renters which in turn resulted in a loss of customers due to poor customer relations. There is evidence of a research gap involving the ‘promotion’ factors’ influence on purchasing decisions related to rental apartments.

2.3.5 People

Existing research into the influence the ‘people’ factor of the service marketing mix on consumer purchasing decisions in correspondence to apartment rental is rather limited. However, the influence of the ‘people’ factor on variety of alternate product categories has been widely studied. According to Rybaczewska et al. (2020) human capital is “an intangible factor potentially influential for consumers' purchase decisions.” A quantitative study involving 896 respondents by the aforementioned authors found that employer image can influence consumer’s choice and purchasing decisions (p. 6). This was concluded as being the result of using human resource factors to create differentiation amongst competitors.

Furthermore, Ekinici et al. (2008), found in their research that the dimension of physical quality and staff behavior had a positive impact on customer satisfaction and post purchase behavior. This data used in this particular study was in the form of a quantitative survey administered to 185 participants in the UK hospitality industry.

2.3.6 Physical Evidence

Mackmin, D. (2013) suggested that “external and internal design of residential property has an impact on buyers and their attitudes to certain types of property” (p.14). He also states that external design of a building’s layout is more subjective, than internal design. On the other hand, M. Gibler, K., Tyvima, T. and Kananen, J. (2014) found that influential indicators of satisfaction in relation to rental apartments stemmed from internal design such as the kitchen, living room, and storage space. Recommendations from this study suggested landlords to renovate these areas whenever applicable to avoid high turnover rates of tenants.

Table 4- Summary of studies on 7 p’s towards consumer decision-making

<i>Author (year), country</i>	<i>Method</i>	<i>Sample (age in years if provided)</i>	<i>Key findings</i>
Chuan, C. S., Kai, S. B., Wan, C. W., & Chen, O. B. (2012), Malaysia	Quantitative (survey)	N = 323	-Process and physical evidence were found to be the most influential factors in the 7 p’s marketing mix when making purchase decisions for property. -Product was found to be the second most influential factor, with interior features being more influential than exterior features.

2.4 Independent Variable 3 – Perceived benefits

In a paper titled ‘High-Rise Apartments and Urban Mental Health’ written by D. L. Larcombe et al. a study was conducted on the negative mental health effects of living in a high-rise urban dwelling. They concluded that location plays a significant role in the attractiveness of an apartment dwelling as well as being close to friends and family, as this can counteract feelings of isolation. Due to the fact that the majority of the sample group are likely to be internal migrants, the following factors will be included in the 3rd variable: Proximity to work, Proximity to local amenities, Safety, and Proximity to friends and/or relatives.

Furthermore, proximity to mass transport systems has also been highlighted as an important perceived benefit amongst prospective apartment tenants. So much so that the “distance of properties located from a metro station has an adverse impact on apartment rent, i.e., each one-tenth mile increase in distance from the station results in a decrease in rent per apartment unit of about 2.50%” (J. D. Benjamin, 1996, p. 1).

Table 5– Summary of studies on perceived benefits towards consumer decision-making.

<i>Author (year), country</i>	<i>Method</i>	<i>Sample (age in years if provided)</i>	<i>Key findings</i>
Dhar, R., & Wertebroch, K. (2000), USA	Qualitative (focus groups)	N = 141 (university students)	-Consumers may be more reluctant to accept cuts on the more hedonic product dimensions. -Markets involving private sellers may be less efficient for hedonic perceived benefits than utilitarian ones.
Smith, K.T. and Pinkerton, A. (2020), USA	Quantitative (survey)	N = 865	-Majority of apartment attributes were identified as having utilitarian benefits. -Key differential for Asian respondents was the need for security and accessibility.
Bagga, C. K., Bendle, N., & Cotte, J. (2019), Canada	Qualitative (survey)	N = 165 (M = 25.1 years)	-Findings that renting leads to higher object valuation has important managerial implications. As renting creates psychological ownership. - higher psychological ownership leads to higher monetary valuation and higher product evaluations lead to higher willingness-to-pay

2.5 Dependant Variable – Purchase Decision

The five-stage model used to describe the decision-making process, theorized by Kotler and Keller (2012, p. 166), describes the process by which the consumer passes through when considering a product or service:



The purposive sample residing at Soi Chaeng Wattana-Pakret 40 Alley, Nonthaburi are likely to have completed a least one of the stages in the model, that being the purchase decision stage. Therefore, this study will use stage 4 (purchase decision) as a basis for measuring the dependent variable.

Purchase Decision

Kotler & Keller's non compensatory model of consumer choice (2012, p. 170) details three common choice heuristics that consumers use when making a purchase decision:

1. The **conjunctive heuristic** – “the consumer sets a minimum acceptable cut-off level for each attribute and chooses the first alternative that meets the minimum standard for all attributes.”
2. The **lexicographic heuristic** - “Consumers first rank the attributes in terms of perceived importance. Then, the consumer selects the brand that performs best on the first attribute.”
3. The **elimination-by aspects heuristic** - “Consumers first rank the criterion by importance and then set a cut-off level for each criterion. Brands are eliminated in order of attribute importance if they fail to meet the cut-off”

Kotler and Keller's non compensatory model of consumer choice has been selected as a criterion for measuring the sample's purchasing decision behaviour. A series of multiple-choice questions will be used to gather responses for the dependent variable.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Identifying Population and Sample

The primary method of data collection consists of a cross-sectional survey in the form of a self-administered questionnaire on a purposive sample. The questionnaire was designed to deliver quantitative results. The sample was chosen to represent the target core demographic of the independent study which is low-income earners.

Sample: Residents of four apartment buildings on Soi Chaeng Wattana-Pakret 40 Alley, Nonthaburi.

Sample size: The questionnaire was distributed to 300 individuals in the designated sample area and returned a response rate of 35% ($N = 105$). The response rate was slightly lower than desired, however, given the time constraints during the study, the sample was deemed acceptable. Given a longer timeframe, the response rate would ideally be larger in order to give a more accurate representation of the sample population (Morton, Susan MB, et al, 2012).

3.2 Measurement Items and Validations

Measurement items consist of IV1, IV2, IV3 & DV:

IV1 – Demographic profile – Consists of 7 items of measurement which include 6 multiple choice questions and 1 nominal answer question (age).

IV2 – Service marketing mix (7 p's) – Consists of 24 items of measurement made up of 24 interval scale-based questions using the Likert scale and measuring 7 factors in the variable.

IV3 – Perceived benefits – Consists of 1 item of measurement using a rank-order (ordinal scale) to measure 4 factors included in the variable.

DV – Purchasing decisions – Consists of 3 items of measurement made up of multiple-choice type questions.

3.3 Data Collection

Results of distributing the questionnaire over the purposive sample size of 300 individuals yielded results of 105 responses (35% response rate). Questionnaires were distributed to the purposive sample on 5/03/2021 and collected for analysis on 12/03/2021.

3.4 Data Analysis

Descriptive statistics for differences in demographic profile will be analysed using frequency and percentage of distribution. One-way ANOVA testing will be used to test the relationship between IV1 and DV (H1). Multiple regression analysis will be used to test the relationship between IV2 and DV (H2) & IV3 and DV (H3).



CHAPTER 4

FINDINGS

4.1 Descriptive results

4.1.1 Demographic profile

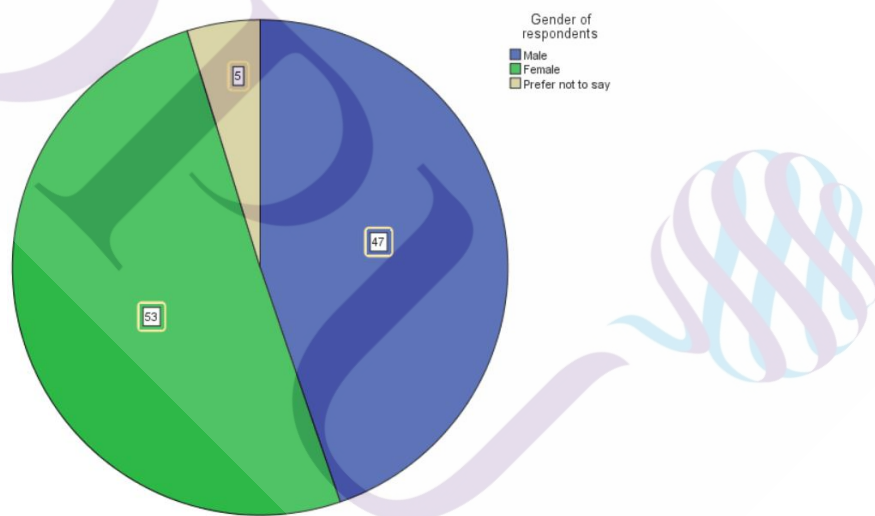
Results of frequency and percentage of responses for the demographic profile variables are as follows:

Table 1 - Demographic descriptive table

Variable	Classification	Frequency	Percentage
Gender	Male	47	44.8
	Female	53	50.5
	Prefer not to say	5	4.8
Age	20-29	32	30.5
	30-39	42	40
	40-49	26	24.8
	50+	5	4.8
Number of people living in household	1	23	21.9
	2	67	63.8
	3	14	13.3
	4	1	1
Status of employment	Employed	93	88.6
	Self-employed	6	5.7
	Unemployed	1	1
	Student	5	4.8
Place of origin	Northern Thailand	18	17.1
	North-Eastern Thailand	52	49.5
	Western Thailand	18	17.1
	Central Thailand	10	9.5

	Southern Thailand	7	6.7
Combined monthly income of household	Less than 15,000 THB	21	20
	15,000 – 30,000 THB	82	78.1
	Over 30,000 THB	2	1.9
Purpose for renting household	Long-term residence	6	5.7
	Temporary accommodation for work	93	88.6
	Temporary accommodation for studying	5	4.8
	Other	1	1

Table 2 - Gender pie chart



The slight majority of respondents were female with 53 respondents (50.5%) selecting this category. 47 respondents identified as being male (44.8%), and 5 respondents (4.8%) preferred not to mention their gender.

Table 3 - Age of respondents

		Age of respondent			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	22	4	3.8	3.8	3.8
	23	1	1.0	1.0	4.8
	24	4	3.8	3.8	8.6
	25	5	4.8	4.8	13.3
	27	3	2.9	2.9	16.2
	28	9	8.6	8.6	24.8
	29	6	5.7	5.7	30.5
	30	1	1.0	1.0	31.4
	31	5	4.8	4.8	36.2
	32	7	6.7	6.7	42.9
	33	5	4.8	4.8	47.6
	34	6	5.7	5.7	53.3
	35	7	6.7	6.7	60.0
	36	1	1.0	1.0	61.0
	37	5	4.8	4.8	65.7
	38	3	2.9	2.9	68.6
	39	2	1.9	1.9	70.5
	40	1	1.0	1.0	71.4
	41	4	3.8	3.8	75.2
	42	5	4.8	4.8	80.0
	43	2	1.9	1.9	81.9
	44	2	1.9	1.9	83.8
	45	5	4.8	4.8	88.6
	46	1	1.0	1.0	89.5
	47	1	1.0	1.0	90.5
	48	4	3.8	3.8	94.3
	49	1	1.0	1.0	95.2
	50	1	1.0	1.0	96.2
	52	2	1.9	1.9	98.1
	54	2	1.9	1.9	100.0
	Total	105	100.0	100.0	

The highest frequency of response for age is at 32 and 35 years old, with 7 respondents in each.

When grouped into age ranges, the majority of respondents are aged between 30-39 years old (40%) followed by 20-29 years old (30.5%), 40-49 years old (24.8%) and 50+ years old (4.8%).

Table 4 - No of people living in household

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	23	21.9	21.9	21.9
	2	67	63.8	63.8	85.7
	3	14	13.3	13.3	99.0
	4	1	1.0	1.0	100.0
	Total	105	100.0	100.0	

The majority of respondents indicated that there were 2 people currently living in their household (63.8%). This was followed by a single person living in the household (21.9%), 3 people living in the household (13.3%) and 4 people living in the household (1%).

Table 5 – Employment status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Employed	93	88.6	88.6	88.6
	Self-employed	6	5.7	5.7	94.3
	Unemployed	1	1.0	1.0	95.2
	Student	5	4.8	4.8	100.0
	Total	105	100.0	100.0	

The vast majority of respondents claimed to be employed (88.6%). Respondents who are self-employed were the next biggest contingent (5.7%), followed closely by students (4.8%). Just one of the respondents in the survey claimed to be unemployed.

Table 6 - Place of origin

		Place of origin			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Northern Thailand	18	17.1	17.1	17.1
	North-Eastern Thailand	52	49.5	49.5	66.7
	Western Thailand	18	17.1	17.1	83.8
	Central Thailand	10	9.5	9.5	93.3
	Southern Thailand	7	6.7	6.7	100.0
	Total	105	100.0	100.0	

Respondents from the North-East of Thailand represented the largest group in the survey (49.5%) and made up almost half of the sample size. Respondents from Northern Thailand and Western Thailand returned equal numbers of respondents (17.1% each). Central Thailand and Southern Thailand represented a relatively low percentage of the sample returning results of 9.5% and 6.7% respectively.

Table 7 - Combined monthly income

		Combid monthly income of household			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 15,000 THB	21	20.0	20.0	20.0
	Between 15,000 - 30,000 THB	82	78.1	78.1	98.1
	Over 30,000 THB	2	1.9	1.9	100.0
	Total	105	100.0	100.0	

Respondents claiming to receive a combined monthly income of between 15,000 and 30,000 THB represent a significant majority in the study (78.1%). Those earning a combined monthly income of less than 15,000 THB made up 20%, and even fewer claimed to earn over 30,000 THB (1.9%).

Table 8 - Purpose of renting household

		Purpose for renting household			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Long-term residence	6	5.7	5.7	5.7
	Temporary accommodation for work	93	88.6	88.6	94.3
	Temporary accommodation for studying	5	4.8	4.8	99.0
	Other	1	1.0	1.0	100.0
	Total	105	100.0	100.0	

The vast majority of respondents in the survey indicated that the purpose of renting their household was for temporary accommodation for work (88.6%). Only 5.7% of respondents used their household for long-term residence, and even fewer (4.8%) used it as temporary accommodation for studying.

4.2.1 Results of Hypothesis Test

H1 – Differences in demographic profile will have an influence on purchase decisions in correspondence to rental apartment selection.

One-way ANOVA was used to test the relationship between demographic profile and purchasing behaviour. H1 (differences in demographic profile will have an effect on purchasing decisions) will be tested using the following data:

Table 9 - Gender - PD

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Number of apartments viewed prior to selection	Between Groups	.308	2	.154	.224	.799
	Within Groups	69.921	102	.685		
	Total	70.229	104			
Current apartment meets expectations	Between Groups	.150	2	.075	2.062	.132
	Within Groups	3.698	102	.036		
	Total	3.848	104			
Tendency of purchasing behaviour	Between Groups	.031	2	.015	.024	.976
	Within Groups	65.360	102	.641		
	Total	65.390	104			

Results from one-way ANOVA testing indicate that equal variances are assumed across all three dependant variables in relation to the gender demographic (Sig. = 0.799 > 0.05, Sig. = 0.132 > 0.05 & Sig. = 0.976 > 0.05). Therefore, the hypothesis 'gender has an effect on purchasing decisions' will be rejected.

Table 10 - Age – PD

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Number of apartments viewed prior to selection	Between Groups	23.663	29	.816	1.314	.173
	Within Groups	46.565	75	.621		
	Total	70.229	104			
Current apartment meets expectations	Between Groups	1.131	29	.039	1.077	.388
	Within Groups	2.717	75	.036		
	Total	3.848	104			
Tendency of purchasing behaviour	Between Groups	15.767	29	.544	.822	.718
	Within Groups	49.624	75	.662		
	Total	65.390	104			

Results from one-way ANOVA testing indicate that equal variances are assumed across all three dependant variables in relation to the age demographic (Sig. = 0.173 > 0.05, Sig. = 0.388 > 0.05 & Sig. = 0.718 > 0.05). Therefore, the hypothesis ‘age has an effect on purchasing decisions’ will be rejected.

Table 11 - Ppl in household – PD

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Number of apartments viewed prior to selection	Between Groups	.646	3	.215	.312	.816
	Within Groups	69.583	101	.689		
	Total	70.229	104			
Current apartment meets expectations	Between Groups	.193	3	.064	1.778	.156
	Within Groups	3.655	101	.036		
	Total	3.848	104			
Tendency of purchasing behaviour	Between Groups	2.752	3	.917	1.479	.225
	Within Groups	62.639	101	.620		
	Total	65.390	104			

Results from one-way ANOVA testing indicate that equal variances are assumed across all three dependant variables in relation to the number of people living in the household (Sig. = 0.816 > 0.05, Sig. = 0.156 > 0.05 & sig. = 0.225 > 0.05). Therefore, the hypothesis ‘the number of people living in the household has an effect on purchasing decisions’ will be rejected.

Table 12 - Area of origin – PD

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Number of apartments viewed prior to selection	Between Groups	2.164	4	.541	.795	.531
	Within Groups	68.065	100	.681		
	Total	70.229	104			
Current apartment meets expectations	Between Groups	.036	4	.009	.234	.919
	Within Groups	3.812	100	.038		
	Total	3.848	104			
Tendency of purchasing behaviour	Between Groups	.312	4	.078	.120	.975
	Within Groups	65.079	100	.651		
	Total	65.390	104			

Results from one-way ANOVA testing indicate that equal variances are assumed across all three dependant variables in relation to the area of origin (Sig. = 0.531 > 0.05, Sig. = 0.919 > 0.05 & Sig. = 0.975 > 0.05). Therefore, the hypothesis ‘area of origin has an effect on purchasing decisions’ will be rejected.

Table 13 - Employment Status – PD

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Number of apartments viewed prior to selection	Between Groups	2.981	3	.994	1.493	.221
	Within Groups	67.247	101	.666		
	Total	70.229	104			
Current apartment meets expectations	Between Groups	.944	3	.315	10.951	.000
	Within Groups	2.903	101	.029		
	Total	3.848	104			
Tendency of purchasing behaviour	Between Groups	.841	3	.280	.439	.726
	Within Groups	64.549	101	.639		
	Total	65.390	104			

Results from one-way ANOVA testing indicate that equal variances are assumed across two of the dependant variables: ‘number of apartments viewed prior to selection’ (Sig. = 0.221 > 0.05) and ‘tendency of purchasing behaviour’ (Sig. = 0.726 > 0.05). There was shown to be significance between ‘current apartment meets my expectations and employment status (Sig. = 0.00 < 0.05), however post-hoc tests could not be determined due to one group having fewer than two cases (unemployed = 1 case). Based on the results, the hypothesis ‘employment status has an effect on purchasing decisions’ will be rejected. (statistically significant proof)

Table 14 - Monthly income – PD

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Number of apartments viewed prior to selection	Between Groups	.039	2	.020	.029	.972
	Within Groups	70.189	102	.688		
	Total	70.229	104			
Current apartment meets expectations	Between Groups	.043	2	.021	.573	.566
	Within Groups	3.805	102	.037		
	Total	3.848	104			
Tendency of purchasing behaviour	Between Groups	.816	2	.408	.645	.527
	Within Groups	64.574	102	.633		
	Total	65.390	104			

Results from one-way ANOVA testing indicate that equal variances are assumed across all three dependant variables in relation to monthly income (Sig. = 0.972 > 0.05, Sig. = 0.566 > 0.05 & Sig. = 0.527 > 0.05). Therefore, the hypothesis ‘area of origin has an effect on purchasing decisions’ will be rejected.

Table 15 - Renting purpose – PD

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Number of apartments viewed prior to selection	Between Groups	3.669	3	1.223	1.856	.142
	Within Groups	66.559	101	.659		
	Total	70.229	104			
Current apartment meets expectations	Between Groups	.111	3	.037	1.001	.396
	Within Groups	3.737	101	.037		
	Total	3.848	104			
Tendency of purchasing behaviour	Between Groups	.341	3	.114	.176	.912
	Within Groups	65.049	101	.644		
	Total	65.390	104			

Results from one-way ANOVA testing indicate that equal variances are assumed across all three dependant variables in relation to purpose of renting (Sig. = 0.142 > 0.05, Sig. = 0.396 > 0.05 & Sig. = 0.912 > 0.05). Therefore, the hypothesis ‘purpose of renting household has an effect on purchasing decisions’ will be rejected.

4.2.2 Results of Hypothesis Test – 7 p’s Service marketing mix

H2A – Product (7p’s) will have an influence on purchase decisions in correspondence to rental apartment selection.

Table 16 - Product – No of Apartments

Model Summary ^b										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.291 ^a	.085	.038	80840	.085	1.820	5	98	.116	1.999

a. Predictors: (Constant), Prod -Amenities as an important factor, Prod -Interior decoration as an important factor, Prod -Electrical appliances as an important factor, Prod -Room size as an important factor, Prod -Furnishings as an important factor

b. Dependent Variable: Number of apartments viewed prior to selection

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.947	5	1.189	1.820	.116 ^b
	Residual	64.044	98	.654		
	Total	69.990	103			

a. Dependent Variable: Number of apartments viewed prior to selection

b. Predictors: (Constant), Prod -Amenities as an important factor, Prod -Interior decoration as an important factor, Prod -Electrical appliances as an important factor, Prod -Room size as an important factor, Prod -Furnishings as an important factor

Coefficients ^a										
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	2.551	.842		3.031	.003	.881	4.221		
	Prod -Room size as an important factor	-.109	.124	-.089	-.876	.383	-.356	.138	.900	1.111
	Prod -Interior decoration as an important factor	.015	.067	.023	.231	.818	-.117	.147	.929	1.076
	Prod -Furnishings as an important factor	.042	.098	.044	.430	.668	-.153	.238	.886	1.129
	Prod -Electrical appliances as an important factor	.196	.100	.200	1.958	.053	-.003	.396	.892	1.120
	Prod -Amenities as an important factor	-.164	.070	-.236	-2.358	.020	-.303	-.026	.929	1.077

a. Dependent Variable: Number of apartments viewed prior to selection

Results from testing H2A revealed that number of apartments viewed prior to selection will not be affected by combined elements in the product category (Sig. = 0.116 > 0.05). However, coefficients

values indicate that ‘electrical appliances as an important factor’ has a mildly positive effect on the number of apartments viewed prior to selection (Beta .200, $p < .05$). This means respondents that ranked electrical appliances as an important factor were somewhat more likely to look at a larger number of apartments prior to selection.

Table 17 - Product - Expectations met

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.272 ^a	.074	.027	.19062

a. Predictors: (Constant), Prod -Amenities as an important factor, Prod -Interior decoration as an important factor, Prod -Electrical appliances as an important factor, Prod -Room size as an important factor, Prod -Furnishings as an important factor

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.285	5	.057	1.569	.176 ^b
	Residual	3.561	98	.036		
	Total	3.846	103			

a. Dependent Variable: Current apartment meets expectations

b. Predictors: (Constant), Prod -Amenities as an important factor, Prod -Interior decoration as an important factor, Prod -Electrical appliances as an important factor, Prod -Room size as an important factor, Prod -Furnishings as an important factor

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.618	.198		3.111	.002
	Prod -Room size as an important factor	.052	.029	.182	1.779	.078
	Prod -Interior decoration as an important factor	-.004	.016	-.025	-.244	.807
	Prod -Furnishings as an important factor	.029	.023	.129	1.247	.216
	Prod -Electrical appliances as an important factor	-.008	.024	-.033	-.324	.747
	Prod -Amenities as an important factor	.035	.016	.216	2.142	.035

Results from testing H2A revealed that ‘current apartment meets expectations’ will not be affected by combined elements in the product category (Sig. = 0.176 > 0.05). However, coefficients values indicate that ‘amenities as an important factor’ has a mildly positive effect on ‘current apartment meets expectations’ (Beta .216, $p < .05$). This means respondents that ranked apartment amenities as an important factor were somewhat more likely indicate their current apartment meets their expectations.

Table 18 - Product – PB

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.187 ^a	.035	-.014	.79851	.035	.713	5	98	.615

a. Predictors: (Constant), Prod -Amenities as an important factor, Prod -Interior decoration as an important factor, Prod -Electrical appliances as an important factor, Prod -Room size as an important factor, Prod -Furnishings as an important factor

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.273	5	.455	.713	.615 ^b
	Residual	62.487	98	.638		
	Total	64.760	103			

a. Dependent Variable: Tendency of purchasing behaviour

b. Predictors: (Constant), Prod -Amenities as an important factor, Prod -Interior decoration as an important factor, Prod -Electrical appliances as an important factor, Prod -Room size as an important factor, Prod -Furnishings as an important factor

Coefficients ^a										
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	2.678	.831		3.221	.002	1.028	4.328		
	Prod -Room size as an important factor	-.115	.123	-.098	-.933	.353	-.359	.129	.900	1.111
	Prod -Interior decoration as an important factor	-.106	.066	-.167	-1.620	.108	-.237	.024	.929	1.076
	Prod -Furnishings as an important factor	-.039	.097	-.043	-.405	.687	-.232	.154	.886	1.129
	Prod -Electrical appliances as an important factor	.034	.099	.036	.343	.732	-.163	.231	.892	1.120
	Prod -Amenities as an important factor	.007	.069	.011	.103	.919	-.130	.144	.929	1.077

Results from testing H2A revealed that tendency of purchasing behaviour will not be affected by combined elements in the product category (Sig. = 0.615 > 0.05). Coefficients values indicate that individual elements in the product category will have no effect on tendency of purchasing behaviour ($p > .05$).

H2B – Price (7p’s) will have an influence on purchase decisions in correspondence to rental apartment selection.

Table 19 - Price - No of apartments

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				Durbin-Watson	
					R Square Change	F Change	df1	df2		Sig. F Change
1	.253 ^a	.064	.036	.80670	.064	2.305	3	101	.081	1.872

a. Predictors: (Constant), Price -Rental fees significance, Price - Compared to other apartments, Price - As a significant factor
 b. Dependent Variable: Number of apartments viewed prior to selection

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.501	3	1.500	2.305	.081 ^b
	Residual	65.728	101	.651		
	Total	70.229	104			

a. Dependent Variable: Number of apartments viewed prior to selection
 b. Predictors: (Constant), Price -Rental fees significance, Price - Compared to other apartments, Price - As a significant factor

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	2.465	.776		3.176	.002	.925	4.005		
	Price - Compared to other apartments	-.247	.109	-.221	-2.267	.026	-.464	-.031	.975	1.025
	Price - As a significant factor	.120	.116	.102	1.033	.304	-.110	.351	.944	1.059
	Price -Rental fees significance	.104	.117	.087	.890	.375	-.127	.335	.965	1.036

a. Dependent Variable: Number of apartments viewed prior to selection

Results from testing H2B revealed that ‘number of apartments viewed prior to selection’ will not be affected by combined elements in the price category (Sig. = 0.081 > 0.05). However, coefficients values indicate that ‘price compared to other apartments’ has a mildly negative effect on ‘number of apartments viewed prior to selection’ (Beta -.221, p < .05). This means respondents that stated their apartments were priced reasonably - compared to others, viewed fewer apartments in the selection process.

Table 20 - Price - Expectations met

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.131	3	.044	1.187	.319 ^b
	Residual	3.717	101	.037		
	Total	3.848	104			

a. Dependent Variable: Current apartment meets expectations
 b. Predictors: (Constant), Price -Rental fees significance, Price - Compared to other apartments, Price - As a significant factor

Results from testing H2B revealed that ‘current apartment meets expectations’ will not be affected by combined elements in the price category (Sig. = 0.319 > 0.05). Coefficients values indicate that individual elements in the price category will have no effect on ‘current apartment meets expectations’ (p>.05).

Table 21 - Price – PB

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.467	3	.489	.773	.512 ^b
	Residual	63.923	101	.633		
	Total	65.390	104			

a. Dependent Variable: Tendency of purchasing behaviour

b. Predictors: (Constant), Price -Rental fees significance, Price - Compared to other apartments, Price - As a significant factor

Results from testing H2B revealed that ‘tendency of purchasing behaviour’ will not be affected by combined elements in the price category (Sig. = 0.512 > 0.05). Coefficients values indicate that individual elements in the price category will have no effect on ‘tendency of purchasing behaviour’ (p>.05).

H2C – Place (7p’s) will have an influence on purchase decisions in correspondence to rental apartment selection.

Table 22 - Place - No of apartments viewed

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.022	4	.505	.741	.566 ^b
	Residual	68.207	100	.682		
	Total	70.229	104			

a. Dependent Variable: Number of apartments viewed prior to selection

b. Predictors: (Constant), Place - as a significant factor, Place - convenient for public transport, Place - convenient for shops/services, Place - convenient for work/school

Results from testing H2C revealed that ‘number of apartments viewed prior to selection’ will not be affected by combined elements in the place category (Sig. = 0.566 > 0.05). Coefficients values indicate that individual elements in the place category will have no effect on ‘number of apartments viewed prior to selection’ ($p > .05$).

Table 23 - Place - Expectations met

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.025	4	.006	.165	.956 ^b
	Residual	3.822	100	.038		
	Total	3.848	104			

a. Dependent Variable: Current apartment meets expectations

b. Predictors: (Constant), Place - as a significant factor, Place - convenient for public transport, Place - convenient for shops/services, Place - convenient for work/school

Results from testing H2C revealed that ‘current apartment meets expectations’ will not be affected by combined elements in the place category (Sig. = 0.956 > 0.05). Coefficients values indicate that individual elements in the place category will have no effect on ‘current apartment meets expectations’ ($p > .05$).

Table 24 - Place – PB

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.486	4	.372	.581	.677 ^b
	Residual	63.904	100	.639		
	Total	65.390	104			

a. Dependent Variable: Tendency of purchasing behaviour

b. Predictors: (Constant), Place - as a significant factor, Place - convenient for public transport, Place - convenient for shops/services, Place - convenient for work/school

Results from testing H2C revealed that ‘tendency of purchasing behaviour’ will not be affected by combined elements in the place category (Sig. = 0.677 > 0.05). Coefficients values indicate that individual elements in the place category will have no effect on ‘tendency of purchasing behaviour’ (p > .05).

H2D – Promotion (7p’s) will have an influence on purchase decisions in correspondence to rental apartment selection.

Table 25 - Promo - No of apartments viewed

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.962	2	1.981	3.050	.052 ^b
	Residual	66.266	102	.650		
	Total	70.229	104			

a. Dependent Variable: Number of apartments viewed prior to selection

b. Predictors: (Constant), Promo - likelihood of selection from promotion, Promo - apartment selection from promotion

Results from testing H2D revealed that ‘number of apartments viewed prior to selection’ will not be affected by combined elements in the promotion category (Sig. = 0.052 > 0.05). Coefficients values indicate that individual elements in the promotion category will have no effect on ‘number of apartments viewed prior to selection’ (p > .05).

Table 26 - Promo - Expectations met

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.301 ^a	.091	.073	.18520

a. Predictors: (Constant), Promo - likelihood of selection from promotion, Promo -apartment selection from promotion

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.349	2	.175	5.088	.008 ^b
	Residual	3.499	102	.034		
	Total	3.848	104			

a. Dependent Variable: Current apartment meets expectations

b. Predictors: (Constant), Promo - likelihood of selection from promotion, Promo -apartment selection from promotion

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.993	.074		13.352	.000
	Promo -apartment selection from promotion	-.043	.015	-.292	-2.899	.005
	Promo - likelihood of selection from promotion	.041	.018	.228	2.259	.026

a. Dependent Variable: Current apartment meets expectations

Results from testing H2D revealed that ‘current apartment meets expectations’ will be affected by respondents’ apartments being selected on the basis of a promotion and the likelihood of them selecting an apartment based on a promotion (Sig. = .008 < 0.05). It was also found that respondents’ apartments being selected on the basis of a promotion and the likelihood of them selecting an apartment based on a promotion can explain 9% of variance in respondents’ current apartments meeting their expectations (R square = .091).

Coefficients values indicate that respondent’s current apartment selection on the basis of a promotional deal has a negative effect on their beliefs that their current apartment meets expectations (Beta = -.292, p < .05). Additionally, coefficient values have indicated that the likelihood of selecting an apartment on the basis of a promotion has a positive effect on respondents’ beliefs that their apartment meets their expectations (Beta = .228, p < .05).

Table 27 - Promo – PB

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.308	2	.654	1.041	.357 ^b
	Residual	64.083	102	.628		
	Total	65.390	104			

a. Dependent Variable: Tendency of purchasing behaviour

b. Predictors: (Constant), Promo - likelihood of selection from promotion, Promo -apartment selection from promotion

Results from testing H2D revealed that ‘tendency of purchasing behaviour’ will not be affected by combined elements in the promotion category (Sig. = 0.357 > 0.05). Coefficients values indicate that individual elements in the promotion category will have no effect on ‘tendency of purchasing behaviour’ (p > .05).

H2E– People (7p’s) will have an influence on purchase decisions in correspondence to rental apartment selection.

Table 28 - People - No of apartments viewed

Model Summary^a

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				Durbin-Watson	
					R Square Change	F Change	df1	df2		
1	.384 ^a	.148	.122	.76978	.148	5.839	3	101	.001	1.898

a. Predictors: (Constant), People -Attitude of landlord as significant factor, People -Staff easy to deal with, People -Staff are friendly and polite

b. Dependent Variable: Number of apartments viewed prior to selection

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.380	3	3.460	5.839	.001 ^b
	Residual	59.848	101	.593		
	Total	70.229	104			

a. Dependent Variable: Number of apartments viewed prior to selection

b. Predictors: (Constant), People -Attitude of landlord as significant factor, People -Staff easy to deal with, People -Staff are friendly and polite

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	4.202	.446		9.412	.000	3.316	5.088		
	People -Staff are friendly and polite	-.343	.120	-.320	-2.853	.005	-.581	-.104	.673	1.486
	People -Staff easy to deal with	-.096	.105	-.091	-.909	.366	-.305	.113	.835	1.197
	People -Attitude of landlord as significant factor	-.034	.090	-.040	-.384	.702	-.213	.144	.789	1.267

a. Dependent Variable: Number of apartments viewed prior to selection

Results from testing H2E revealed that ‘number of apartments viewed prior to selection’ will be affected by staff being friendly and polite, staff being easy to deal with and the attitude of the landlord

being a significant factor. (Sig. = .001 < 0.05). It was also found that staff being friendly and polite, staff being easy to deal with and the attitude of the landlord can explain 15% of variance in the number of apartments viewed prior to selection (R square = .148).

Coefficients values indicate that staff being friendly and polite has a negative effect on the number of apartments being viewed prior to selection (Beta = -.292, p < .05). This means that a higher level of agreement on the staff being friendly and polite leads to a lower number of apartments being viewed prior to selection.

Table 29 - People - Expectations met

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.155	3	.052	1.409	.245 ^b
	Residual	3.693	101	.037		
	Total	3.848	104			

a. Dependent Variable: Current apartment meets expectations

b. Predictors: (Constant), People -Attitude of landlord as significant factor, People -Staff easy to deal with, People -Staff are friendly and polite

Results from testing H2E revealed that 'current apartment meets expectations' will not be affected by combined elements in the people category (Sig. = 0.245 > 0.05). Coefficients values indicate that individual elements in the people category will have no effect on 'current apartment meets expectations' (p>.05).

Table 30 - People – PB

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.703	3	.901	1.452	.232 ^b
	Residual	62.687	101	.621		
	Total	65.390	104			

a. Dependent Variable: Tendency of purchasing behaviour

b. Predictors: (Constant), People -Attitude of landlord as significant factor, People -Staff easy to deal with, People -Staff are friendly and polite

Results from testing H2E revealed that ‘tendency of purchasing behaviour’ will not be affected by combined elements in the people category (Sig. = 0.232 > 0.05). Coefficients values indicate that individual elements in the people category will have no effect on ‘tendency of purchasing behaviour’ (p>.05).

H2F– Physical evidence (7p’s) will have an influence on purchase decisions in correspondence to rental apartment selection.

Table 31 - PE - No of apartments viewed

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				Durbin-Watson	
					R Square Change	F Change	df1	df2		Sig. F Change
1	.436 ^a	.190	.166	.75050	.190	7.895	3	101	.000	1.734

a. Predictors: (Constant), Physical evidence -likelihood of selection based on maintenance, Physical evidence - Exterior appearance, Physical evidence -no of floors as significant factor

b. Dependent Variable: Number of apartments viewed prior to selection

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13.340	3	4.447	7.895	.000 ^b
	Residual	56.889	101	.563		
	Total	70.229	104			

a. Dependent Variable: Number of apartments viewed prior to selection

b. Predictors: (Constant), Physical evidence -likelihood of selection based on maintenance, Physical evidence - Exterior appearance, Physical evidence -no of floors as significant factor

Results from testing H2F revealed that ‘number of apartments viewed prior to selection’ will be affected by likelihood of selection based on maintenance, exterior appearance and number of floors in the building as a significant factor. (Sig. = .000 < 0.05). It was also found that likelihood of selection based on maintenance, exterior appearance and number of floors in the building can explain 19% of variance in the number of apartments viewed prior to selection (R square = .190).

Coefficients values indicate that individual elements in the physical evidence category will have no effect on number of apartments viewed prior to selection ($p > .05$).

Table 32 - PE - Expectations met

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.145	3	.048	1.319	.272 ^b
	Residual	3.703	101	.037		
	Total	3.848	104			

a. Dependent Variable: Current apartment meets expectations

b. Predictors: (Constant), Physical evidence -likelihood of selection based on maintenance, Physical evidence - Exterior appearance, Physical evidence -no of floors as significant factor

Results from testing H2F revealed that ‘current apartment meets expectations’ will not be affected by combined elements in the physical evidence category (Sig. = 0.272 > 0.05). Coefficients values indicate that individual elements in the physical evidence category will have no effect on ‘current apartment meets expectations’ ($p > .05$).

Table 33 - PE – PB

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.696	3	.232	.362	.780 ^b
	Residual	64.695	101	.641		
	Total	65.390	104			

a. Dependent Variable: Tendency of purchasing behaviour

b. Predictors: (Constant), Physical evidence -likelihood of selection based on maintenance, Physical evidence - Exterior appearance, Physical evidence -no of floors as significant factor

Results from testing H2F revealed that ‘tendency of purchasing behaviour’ will not be affected by combined elements in the physical evidence category (Sig. = 0.780 > 0.05). Coefficients values indicate

that individual elements in the physical evidence category will have no effect on ‘tendency of purchasing behaviour’ ($p > .05$).

H2G– Process(7p’s) will have an influence on purchase decisions in correspondence to rental apartment selection.

Table 34 - Process - No of apartments viewed

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.919	3	.973	1.460	.230 ^b
	Residual	67.310	101	.666		
	Total	70.229	104			

a. Dependent Variable: Number of apartments viewed prior to selection

b. Predictors: (Constant), Process - ease of securing apartment, Process - bond amount as a significant factor, Process - payment options as a significant factor

Results from testing H2G revealed that ‘number of apartments viewed prior to selection’ will not be affected by combined elements in the process category (Sig. = 0.230 > 0.05). Coefficients values indicate that individual elements in the process category will have no effect on ‘number of apartments viewed prior to selection’ ($p > .05$).

Table 35 - Process - Expectations met

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.053	3	.018	.467	.706 ^b
	Residual	3.795	101	.038		
	Total	3.848	104			

a. Dependent Variable: Current apartment meets expectations

b. Predictors: (Constant), Process - ease of securing apartment, Process - bond amount as a significant factor, Process - payment options as a significant factor

Results from testing H2G revealed that ‘current apartment meets expectations’ will not be affected by combined elements in the process category (Sig. = 0.706 > 0.05). Coefficients values indicate

that individual elements in the process category will have no effect on ‘current apartment meets expectations’ ($p > .05$).

Table 36 - Process – PB

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.311 ^a	.096	.070	.76486	.096	3.592	3	101	.016

a. Predictors: (Constant), Process - ease of securing apartment, Process -bond amount as a significant factor, Process - payment options as a significant factor

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.304	3	2.101	3.592	.016 ^b
	Residual	59.086	101	.585		
	Total	65.390	104			

a. Dependent Variable: Tendency of purchasing behaviour

b. Predictors: (Constant), Process - ease of securing apartment, Process -bond amount as a significant factor, Process - payment options as a significant factor

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	.907	.906		1.001	.319	-.891	2.705		
	Process - payment options as a significant factor	-.194	.078	-.249	-2.486	.015	-.349	-.039	.890	1.123
	Process -bond amount as a significant factor	.321	.157	.203	2.039	.044	.009	.633	.901	1.110
	Process - ease of securing apartment	.014	.068	.022	.207	.836	-.121	.149	.808	1.238

a. Dependent Variable: Tendency of purchasing behaviour

Results from testing H2G revealed that ‘tendency of purchasing behaviour’ will be affected by payment options as a significant factor, bond amount as a significant factor and ease of securing current apartment. (Sig. = .016 < 0.05). It was also found that payment options as a significant factor, bond amount as a significant factor and ease of securing current apartment can explain 10% of variance in the number of apartments viewed prior to selection (R square = .096).

Coefficients values indicate that payment options as a significant factor has a negative effect on purchasing behaviour (Beta = -.249, $p < .05$). This means that multiple payment options are likely to increase the likelihood of a decision based on the conjunctive heuristic. Alternatively, ‘ease of securing current apartment’ has a positive effect on purchasing behaviour (Beta = 0.022) which could indicate a trend towards using the elimination-by-aspects heuristic.

4.2.3 Results of Hypothesis Test – Perceived benefits

H3 – Perceived benefits will have an influence on purchase decisions in correspondence to rental apartment selection.

Table 37 – PB – No of apartments viewed

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.316 ^a	.100	.073	.79112	.100	3.737	3	101	.014	2.095

a. Predictors: (Constant), Ranked perceived benefits - proximity to public transport, Ranked perceived benefits - security, Ranked perceived benefits - proximity to work
 b. Dependent Variable: Number of apartments viewed prior to selection

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.016	3	2.339	3.737	.014 ^b
	Residual	63.212	101	.626		
	Total	70.229	104			

a. Dependent Variable: Number of apartments viewed prior to selection
 b. Predictors: (Constant), Ranked perceived benefits - proximity to public transport, Ranked perceived benefits - security, Ranked perceived benefits - proximity to work

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
		1	(Constant)	3.316			.588		5.636	.000
	Ranked perceived benefits - proximity to work	.100	.127	.093	.791	.431	-.151	.352	.645	1.552
	Ranked perceived benefits - security	-.208	.117	-.202	-1.775	.079	-.440	.024	.686	1.458
	Ranked perceived benefits - proximity to public transport	-.186	.105	-.186	-1.766	.080	-.395	.023	.806	1.241

a. Dependent Variable: Number of apartments viewed prior to selection

Results from testing H3A revealed that ‘number of apartments viewed prior to selection’ will be affected by proximity to work, perceived safety and proximity to public transport (Sig. = .014 < 0.05). It was also found that proximity to work, perceived safety and proximity to public transport can explain 10% of variance in the number of apartments viewed prior to selection (R square = .100).

Coefficients values indicate that individual elements in the perceived benefits category will have no effect on ‘number of apartments viewed prior to selection’ (p>.05).

Table 38 - PB - Expectations met

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.014	3	.005	.126	.945 ^b
	Residual	3.833	101	.038		
	Total	3.848	104			

a. Dependent Variable: Current apartment meets expectations

b. Predictors: (Constant), Ranked perceived benefits - proximity to public transport, Ranked perceived benefits - security, Ranked perceived benefits - proximity to work

Results from testing H3 revealed that ‘current apartment meets expectations’ will not be affected by combined elements in the perceived benefits category (Sig. = 0.945 > 0.05). Coefficients values indicate that individual elements in the perceived benefits category will have no effect on ‘current apartment meets expectations’ (p>.05).

Table 39 - PB – PD

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.037	3	.679	1.082	.360 ^b
	Residual	63.354	101	.627		
	Total	65.390	104			

a. Dependent Variable: Tendency of purchasing behaviour

b. Predictors: (Constant), Ranked perceived benefits - proximity to public transport, Ranked perceived benefits - security, Ranked perceived benefits - proximity to work

Results from testing H3 revealed that ‘tendency of purchasing behaviour’ will not be affected by combined elements in the perceived benefits category (Sig. = 0.360 > 0.05). Coefficients values indicate that individual elements in the perceived benefits category will have no effect on ‘tendency of purchasing behaviour’ (p>.05).

4.2.4 Summary of H1 Testing

Table 40 - Summary of H1 Testing

Influence of Demographic Profile on Purchasing Decisions

Factors	F	Sig.	Meaning
Gender			
Number of apartments viewed prior to selection	.224	.779	No influence
Current apartment meets expectations	2.062	.132	No influence
Tendency of purchasing behaviour	.024	.976	No influence
Age			
Number of apartments viewed prior to selection	1.314	.173	No influence
Current apartment meets expectations	1.077	.388	No influence
Tendency of purchasing behaviour	.822	.718	No influence
No of people living in Household			
Number of apartments viewed prior to selection	.312	.816	No influence
Current apartment meets expectations	1.778	.156	No influence
Tendency of purchasing behaviour	1.479	.225	No influence
Status of employment			
Number of apartments viewed prior to selection	1.493	.221	No influence
Current apartment meets expectations	10.951	.000*	No influence*
Tendency of purchasing behaviour	.439	.726	No influence
Place of origin			
Number of apartments viewed prior to selection	.795	.531	No influence
Current apartment meets expectations	.234	.919	No influence
Tendency of purchasing behaviour	.120	.975	No influence
Combined monthly income of household			
Number of apartments viewed prior to selection	.029	.972	No influence
Current apartment meets expectations	.573	.566	No influence
Tendency of purchasing behaviour	.645	.527	No influence
Purpose for renting household			
Number of apartments viewed prior to selection	1.856	.142	No influence
Current apartment meets expectations	1.001	.396	No influence
Tendency of purchasing behaviour	.176	.912	No influence

* *post-hoc tests could not be determined due to one group having fewer than two cases (unemployed = 1 case).*

4.2.5 Summary of H2 Testing

Table 41 - Summary of H2 Testing

Influence of 7p's on Purchasing Decisions			
Factors	R²	Sig.	Meaning
Product			
Number of apartments viewed prior to selection	.085	.116	No influence
Current apartment meets expectations	.272	.176	No influence
Tendency of purchasing behaviour	.035	.615	No influence
Price			
Number of apartments viewed prior to selection	.064	.081	No influence
Current apartment meets expectations	.034	.319	No influence
Tendency of purchasing behaviour	.022	.512	No influence
Place			
Number of apartments viewed prior to selection	.029	.566	No influence
Current apartment meets expectations	.007	.956	No influence
Tendency of purchasing behaviour	.023	.677	No influence
Promotion			
Number of apartments viewed prior to selection	.056	.052	No influence
Current apartment meets expectations	.091	.008	Some influence
Tendency of purchasing behaviour	.020	.357	No influence
People			
Number of apartments viewed prior to selection	.148	.001	Some influence
Current apartment meets expectations	.040	.245	No influence
Tendency of purchasing behaviour	.041	.232	No influence
Physical evidence			
Number of apartments viewed prior to selection	.190	.000	Some influence
Current apartment meets expectations	.038	.272	No influence

Tendency of purchasing behaviour	.011	.780	No influence
Process			
Number of apartments viewed prior to selection	.042	.230	No influence
Current apartment meets expectations	.014	.706	No influence
Tendency of purchasing behaviour	.096	.016	Some influence

4.2.6 Summary of H3 Testing

Table 42 - Summary of H3 Testing

Influence of perceived benefits on Purchasing Decisions			
Factors	R²	Sig.	Meaning
Perceived benefits			
Number of apartments viewed prior to selection	.100	.014	Some influence
Current apartment meets expectations	.004	.945	No influence
Tendency of purchasing behaviour	.031	.360	No influence

4.2.7 Summary of Hypothesis Testing

Table 43 - Summary of hypothesis testing

Hypothesis	Level of support
H1: Differences in demographic profile will have an influence on purchase decisions in correspondence to rental apartment selection.	None
H2: The marketing mix (7p's) will have an influence on purchase decisions in correspondence to rental apartment selection.	Partial support
H3: Perceived benefits of tenants will have an influence on purchase decisions in correspondence to rental apartment selection	Partial support

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1 Discussion

The findings of this independent study indicate that the majority of the independent variables selected for testing against purchasing decisions in correspondence to rental apartment selection have little or no influence on the dependant variable. Differences in demographic profile (H1) were found to have no significant relationship to purchasing decisions (see table 46). Therefore, H0 can be assumed for H1, and differences in demographic profile are found not to have an influence on purchase decisions in correspondence to rental apartment selection in this instance.

Assumption of a null hypothesis for H1 correlate with Yoon et al (2009) findings that the age demographic is too heterogenous by nature have meaningful influence. Furthermore, findings by Mitchell, V.& Walsh, G. (2004) found that similarities outweighed differences when gender was used as a variable to measure the consumer decision making process, which coincides with the results of the null hypothesis.

Testing of H2 found that the majority of variables had no significant influence on purchasing decisions in correspondence to rental apartment selection (see table 47). There were however some exceptions, with factors in promotion, people, physical evidence and process having some influence on factors related to the dependent variable. Respondents' beliefs that their current apartment meets their expectations prior to moving in was found to be influenced by their agreement levels towards whether or not they had selected their apartment as part of a promotion (see table 32). This could indicate that promotions offered on apartments have a positive influence on renters' expectations being met.

The findings of the partial support for H2 support the conclusions drawn by Selvi et al. (2020) in which they suggested a lack of, or inadequate, promotions used by landlords resulted in a loss of customers due to poor customer relations. Support for Selvi et al's findings from this study indicate that landlords would benefit somewhat from utilizing promotional tools in their marketing strategies, and further research on the efficacy of promotional tools in rental apartment marketing is required.

Additionally, staff being friendly and polite at the apartment complexes was found to have a negative influence on the number of apartments viewed by respondents prior to moving in. It could be

suggested that interactions with friendly staff may influence renters selecting their current apartment, however, this would require further investigation to determine. The partial support for H2 in this instance support Rybaczewska et al. (2020) & Ekinici et al. (2008) findings that staff behavior and employer image have a positive impact on both customer satisfaction and consumer purchasing decisions.

Results from testing H2 also revealed that ‘number of apartments viewed prior to selection’ will be affected by likelihood of selection based on maintenance, exterior appearance and number of floors in the building as a significant factor (see table 37). These results support the work of Mackmin, D. (2013), in which the exterior appearance of a building was identified as having an impact on buyers and their attitudes to certain types of property.

In testing H3, it was found that factors in perceived benefits had some influence on the number of apartments respondents viewed prior to selection. More specifically, a combination of proximity to work, perceived safety and proximity to public transport was shown to influence the number of apartments viewed by respondents prior to moving in.

5.2 Implications of the Study

Practical Implications

Implications of this study on the field of marketing apartments towards low-income tenants could potentially be applied in the following areas:

- Marketing of apartments through use of the ‘people’ factor in the service marketing mix, in particular staff working at apartment complexes and interacting with potential tenants.
- Marketing apartments through the use of the ‘physical evidence’ factor in the service marketing mix in regards to building maintenance and appearance (both interior and exterior).
- Marketing apartments through the use of the ‘promotion’ factor in the service marketing mix and its potential to increase the likelihood of expectations being met of an individual’s apartment.
- Marketing an apartment’s location in regards to proximity to public transport.
- Marketing an apartments safety features.

5.3 Limitations of the Study

Sample

The purposive sample used in this study was targeted at low-income tenants in a specific area of Nonthaburi, Thailand. Therefore, the results of this study may not be applicable to demographics in higher-income brackets, or those from different suburbs of the Bangkok metropolitan area. Additionally, the sample size was relatively small ($N = 105$). Given a longer time frame, the study would have been ideally targeted at a much broader subset of the population in order to achieve a more accurate representation.

Data Collection Method

The quantitative data collection method used in the survey is somewhat limited in producing specific results in regards to the relationships between some of the variables. Given more time and scope for this specific study, a qualitative method of collection i.e., in-depth interviews, could have been implemented to ascertain, and further understand, the relationship between the 'people' element in the service marketing mix variable and the purchasing decision variable. A more qualitative and in-depth research methodology would be a recommendation for further study in this area.



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APPENDIX

Questionnaire

Factors influencing the Purchasing Decisions in Correspondence to Rental Apartment Selection

This questionnaire is a partial fulfilment of the degree of Master of Business Administration concentration in Integrated Marketing Communications, College of Innovative Business and Accountancy (CIBA) – International Program, Dhurakij Pundit University. The data collected through these questions will be used to identify factors influencing purchasing decisions in correspondence to rental apartment selection in Nonthaburi. Any information given in the following questionnaire will be strictly confidential, and used for academic purposes only.

Remark: This questionnaire has 4 parts:

Part 1 Personal information

Part 2 Service Marketing mix (7P's)

Part 3 Perceived benefits

Part 4 Purchasing decisions

Please answer all of the questions provided, and thank you for taking your valuable time to complete this questionnaire, it is greatly appreciated. If you have any questions regarding the use of this data, please do not hesitate to contact me on the email given below.

Liam Redhead

Email: 625151220005@dpu.ac.th

Please mark [X] in the answer most applicable to you.

Part 1: Personal Information

1. Gender

Male Female Prefer not to say

2. How old are you?

_____ years old.

3. How many people currently live in your household?

1 2 3 4 5 more than 5

4. Which area of Thailand are you originally from?

- Northern Thailand North-eastern Thailand Western Thailand
 Central Thailand (including Bangkok metropolitan area) Eastern Thailand
 Southern Thailand Not from Thailand

5. What is your employment status?

- Employed Self-employed Unemployed Student
 Retired

6. What is the combined monthly income of your household?

- Less than 15,000 THB Between 15,000 – 30,000 THB Over 30,000 THB

7. What is the main purpose for renting your apartment?

- Long-term residence Temporary accommodation for work
 Temporary accommodation for studying Other

Part 2: Service Marketing Mix (7 p's)

Please circle the number that represents your level of agreement towards each statement. Agreement levels are as follows:

- 5 = Strongly agree with the statement
4 = Agree with the statement
3 = Feel neutral with the statement
2 = Disagree with the statement
1 = Strongly disagree with the statement

Service Marketing Mix Factors	Level of Agreement				
	1	2	3	4	5
Product					
1. Room size is an important factor for me when choosing a rental apartment.	1	2	3	4	5

2. Interior decoration (paint, flooring, etc) is important to me when choosing an apartment.	1	2	3	4	5
3. Furnishings included with the apartment (bed, sofa, tables, etc) are important to me when choosing an apartment.	1	2	3	4	5
4. Electrical appliances included with the apartment (TV, air-conditioning, etc) are important to me when choosing an apartment.	1	2	3	4	5
6. Amenities at the apartment building (parking, laundry, etc) are important to me when choosing an apartment.	1	2	3	4	5
Price					
1. My current apartment is reasonably priced compared to similar apartments.	1	2	3	4	5
2. Price was a significant factor when choosing my current apartment.	1	2	3	4	5
3. Monthly rental fees make up a significant portion of my monthly income.	1	2	3	4	5
Place					
1. The location of my apartment is convenient for my job or school.	1	2	3	4	5
2. The location of my apartment is convenient for public transport.	1	2	3	4	5
3. The location of my apartment is convenient for local shops/services.	1	2	3	4	5
4. The location of my apartment was a significant factor when choosing it.	1	2	3	4	5
Promotion					
1. I selected my current apartment because of a special offer or promotional deal.	1	2	3	4	5
2. I would be more likely to select an apartment based on a special offer or promotional deal.	1	2	3	4	5
People					
1. The staff at my current apartment are friendly and polite.	1	2	3	4	5

2. The staff at my current apartment are easy to deal with if I have a problem or concern.	1	2	3	4	5
3. The attitude of the landlord was a significant factor in choosing my current apartment.	1	2	3	4	5
Physical Evidence					
1. The exterior appearance of my apartment building had a significant impact on my decision to choose it.	1	2	3	4	5
2. The number of floors in my apartment building had a significant impact on my decision to choose it.	1	2	3	4	5
3. I would be less likely to choose an apartment if the building was not maintained to a high standard.	1	2	3	4	5
Process					
1. Multiple payment options (cash, bank transfer, etc) would have a significant impact on my decision to choose an apartment.	1	2	3	4	5
2. The bond amount would have a significant impact on my decision to choose an apartment.	1	2	3	4	5
3. The process of securing my current apartment was relatively simple.	1	2	3	4	5

Part 3: Perceived Benefits

Please rank the following items in order of importance when you are choosing an apartment for rent (1 = most important, 4 = least important).

1. Proximity to work []
2. Proximity to friends/relatives []
3. Security []
4. Proximity to public transport []

Part 4: Purchasing Decisions

Please mark [X] in the answer most applicable to you.

1. Approximately how many apartments did you view before deciding on your current apartment?

None 1-2 3-4 5-6 more than 6

2. Does your current apartment meet all of your expectations prior to moving in?

Yes No

3. Please mark the statement with an [X] which best describes your purchasing behaviour when selecting apartments for rent (please select only 1 answer).

When choosing an apartment to rent I tend to make a list of attributes I require and then select an apartment that meets my minimum standards for all of the attributes I listed.

When choosing an apartment to rent I tend to rank attributes I require based on importance. I then choose the apartment that performs best based on the most important attribute.

When choosing an apartment to rent I tend to rank attributes I require based on importance. I then eliminate any apartments that do not meet the minimum standard for the most important attribute.

Thank you for your time in completing this questionnaire.