



MALACCA HOUSE BUYERS' HOUSING PREFERENCES IN MALAYSIAN NEW RESIDENTIAL MARKET

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ABSTRACT

The Malacca residential property market consists of various segments. In order to ensure the property developer could successfully communicate with each specific segment separately, a psychographic research could shed some light into the different segments of house buyers. Each of these segments can then be profiled to give a more insight picture of the purchasing decisions of house buyers. In view of these statements, this paper attempts to use AIO variables to identify the purchasing criteria of Malacca house buyer's. The data was collected through self-administered questionnaires. The sample consisted of 245 respondents. The target house buyers were all adults aged over 18 years old who were attended the property expo held in State of Malacca, Malaysia. Preliminary finding reveals that the majority of the respondents were Malays followed by Chinese and Indians. From the study, it was concluded that most respondents preferred single storey semi-detached houses in their future purchase. The results also indicate that house prices and reputable property development companies are the main factors that affect their purchase decisions and behaviours.

Keywords:

Marketing, Market Segmentation, Psychographic, House Buyers, Malacca

1. INTRODUCTION

Malaysia residential housing market is highly competitive. Today, Malaysian home buyers want something unique (The Stars, 2006). A house being purchased to serve as a "home" is being evaluated for not only physical, but also social and psychological characteristic (Hayward, 1977). It is a place where a person can express him or herself (Marcus, 1997) and a person can develop his or her identity, where human activities and social relationships start to be structured, and where the most important experiences occur (Aragonés, 2002) and providing a continuous sense of identify over time (Csikszentmihalyi and Rochberg-Halton, 1981; Hummon, 1989; and Somerville, 1997). It had long been argued by the researchers that many developers only based their marketing decisions on hunches and guesses, rather than on intelligence drawn from marketing research.

Consequently, the property development industry is in need of a comprehensive market intelligence to be able to predict and satisfy the needs of house buyers. Thus, property developers must apply different sets of marketing strategies for different group of house buyers to ensure that they could successfully communicate with each specific segment separately (Cadman & Austin-Crowe, 1983). Hence, the purpose of this study is to shed some light into the different segments of house buyers in the country. This paper begins by briefly exploring the concepts of market segmentation. Then, it looks into the concept of psychographic segmentation and the general views on the Malacca residential market scenario. Finally, some of the preliminary results are briefly presented in this paper.

2. CONCEPT OF MARKET SEGMENTATION

Our highly complex economy depends heavily on marketing activities. It seeks to uncover the consumer requirements, and convert it into products that will provide mutual satisfaction or benefit of both the producer and consumer (Chee and Harris, 1993). It is a key factor in business success. Marketing helps to produce the profits that are health and ultimate survival of the economy as a whole (Pride and Ferrell, 1993) and trying to achieve the link between production and consumption and not purely one of selling.

The basic concept of market segmentation is that in any market there are likely to be important differences among buyers in terms of their product and service need, buying behaviour, and attitudes (Funk & Hudon, 1988). It is a means used to identify markets and submarkets within a general market. The concept of market segments had been first introduced by Smith in 1956. This concept offers the

important advantages to supplying organization (Stokes, 2002). Consumers within such a sub-market are assumed to be quite similar in their needs, characteristics and behaviors (Lin, 2002). The opportunity for segmentation occurs when differences in buyers' demand or response functions allow market demand to be divided into segments, each with a distinct demand function (Cravens, 2000).

Furthermore, there is closer matching between what are offers by the marketer, customer needs and concentration of resources on areas of greatest advantage and market leadership through domination of a narrowly defined market and lastly, key to profitability in competitive markets (Senguder, 2003). As a result, if buyers with similar needs, buying behaviour, and attitudes can be identified and grouped into segments, marketers can focus on these specific groups by developing individualized programs for each group (Funk & Hudon, 1988). These differences imply that different marketing programs may be needed to effectively meet the needs of different buyers.

To understand who marketer customers are in order to target their marketing activity as precisely as possible (David & Stokes, 2002). It can help marketers to predict the needs of consumers more accurately and better formulate their marketing strategy (Tam & Tai, 1998) and a useful concept for marketing and advertising planning purpose (Wells & Tigert, 1977; Kaynak & Kara, 1996). As a result, it often is a higher level of satisfaction among buyers, and greater effectiveness in company marketing and communication programs (Funk & Hudon, 1988). It is also an important part of a firm's strategic marketing planning (Nylor and Kleiser, 2002) because the market segment, sub-segment and niches from separate markets are required distinctive marketing strategies (Stokes, 2002). In today's companies face stiff competition and the rewards will go to those who can best read customer wants and deliver the greatest value to their target consumers. The market is not a homogeneous mass of buyers, but consists of individual consumers, each with unique needs, wants and desires (Matzler et al 2004). This also applies to the property market to enables marketers to spot new opportunities in the market and better serve the customers' needs and wants.

3. CONCEPT OF PSYCHOGRAPHIC SEGMENTATION

The concept of lifestyle can be traced back to the sixteenth century and was first intensely researched by the psychologist Alfred Adler in the 1960s (Matzler et al, 2004). Adler stressed the uniqueness of the individual but also recognized similarities among individuals and their lifestyles. This concept and its relationship to marketing then were introduced by Lazer in 1963 (Tam & Tai, 1996). The psychographics was a term first introduced by Demby (1974). Still, there is no general agreement on the definition of "psychographics" or "lifestyles" in literature yet. However, the definition of lifestyle used in this paper is the one suggested by Engel and Blackwell (1982) who define lifestyles as '... the patterns in which people live and spend money', and see psychographics as the principal technique used by consumer researchers as an operational measure of lifestyle which are those things in their immediate surroundings they consider more or less important; and opinions, the view they have of themselves and of the world around them (Pessemier and Tigert, 1966; Wells and Tigert, 1971; Wind and Green, 1974; Unger, 1982).

There are many definitions of this concept from sociology and marketing researchers. In its broadest definition, psychographics is any measurement and analysis of the consumer's mind which pinpoints how he or she think, feels, reacts and reflects (Nelson, 1971). Wells (1975) found that psychographic a quantitative attempt to place consumers on psychological dimensions. More specifically it focuses on what people like to do, what are their areas of interests, and what the opinions people hold on various matters (Lazer, 1963, Plummer 1974, Guttman and Mills 1982). Peter and Olson (1994) define 'lifestyle' as 'the manner in which people conduct their lives, including activities, interests, and opinions' and Chaney (1996) defined in simple way as 'patterns of action that differentiate people. Solomon (2002) defines lifestyle as a consumption pattern that reflects a person's choice of how to spend time and money. Blackwell et. al., (2000) explain that people use their lifestyle to understand, interpret, conceptualize, and predict events happening around them, and to reconcile these events with their values. According to Beane and Ennis (1987), the psychographic description looks at the inner person rather than the outward expression of the person. Ziff (1971) states that attempts to define psychographics narrowly have proved difficult. Tam & Tai (1998) called psychographics is an approach used to define and measure the lifestyles of consumers. It has been utilized interchangeably with the activities, interest and opinions measures (AIO) (Engel et. al., 1993; Gunter and Furnham, 1992). In general, lifestyle research is based on extensive surveys using appropriate quantitative methods (Vyncke, 2002).

In marketing, psychographic or lifestyle refers to consumers' Activities, Interests and Opinion (AIO). It has been used for decades and several commercial applications (Sjöberg & Engelberg, 2005). The psychographic research using AIO variables has been widely used since 1970 by the scholars such

as Wells & Tigert (1971), Plummer (1974, 1977), Douglas & Christine (1977), Cosmas (1982), Aaker et al. (1982), Wells (1985), Parameswaran & Yaprak (1987), and (Sjöberg & Engelberg, 2005). The dominant use of psychographics has been in segmentation research (Edris & Meidan, 1989).

Lifestyle segmentation research measures people's activities in terms of how they spend their time; what interests they have and what importance they place on their immediate surroundings; their views of themselves and the world around them; and some basic demographic characteristics (Kucukemiroglu, 1999). In reality, psychographic research generally seeks better understanding of the consumer as a whole person, and attempts to measure numerous aspects of the way he or she lives, the things that interest the customer most, and his or her opinion on various topics (Reynolds et al., 1974). Moreover, it seeks to describe the human characteristics of consumers that may have bearing on their responses to product, brand, store, advertising, and public relation efforts (Demby, 1975). Plummer (1974) and Anderson & Golden (1984) describe using AIO to measure how people live and spend their time and money. They also justifies the importance of psychographics in market segmentation when they states that the more the marketers knows and understands about customers the more effectively he or she can communicate and market to them.

4. MALACCA RESIDENTIAL MARKET OVERVIEW

The housing market in Malaysia deals with a high involvement consumer product (Chee and Peng, 1996). Housing is a means of fulfilment that allows other human activities to take place (King, 1996). The transaction of houses is a complex one as buyers pay larger sums of money long before they even see their purchase. A buyer merely buys based on promises of future satisfaction. Therefore, prior knowledge of consumer needs and wants is important for the formulation of appropriate marketing strategies, ensuring buyers' satisfaction and long-term success (Chee and Peng, 1996).

Table 1: Summary of Sales Performance in Malaysia Market (2004 – 2009, Q2)

Year(s)	Unit Launched	Unit Sold	Sales Performance (%)
2004	95339	16435	17.24
2005	57290	9944	17.36
2006	38526	5027	13.17
2007	52664	9125	17.33
2008	50879	4438	8.72
2009	16069*	3447*	21.45*

* Preliminary Estimate

Table 2: Summary of Residential Property Market Report - Q1 2009

States	New Launches (Unit)	Total Number & Value of Overhang		Unsold Under construction (Unit)	Unsold Not Under Constructed (Unit)
		Unit	Value (RM Mil)		
WP Kuala Lumpur	385	1299	412.50	4004	364
WP Putrajaya	0	6	5.2	14	0
WP Labuan	0	0	0	125	0
Selangor	386	3827	634.87	9228	943
Johor	601	6513	1174.05	12905	2069
Penang	6	426	100.09	1289	62
Perak	373	976	113.03	2654	219
Negeri Sembilan	525	1373	151.98	5415	371
Malacca	140	1943	258.23	1860	442
Kedah	24	2619	236.52	5340	587
Pahang	434	695	87.68	3042	328
Terengganu	36	0	0	234	20
Kelantan	11	196	21.78	628	193
Perlis	0	139	15.45	14	0
Sabah	100	2590	386.92	1741	201
Sarawak	180	654	134.37	1411	118
Total	3201	23 256	3732.67	49904	5917

products. It had long been argued by researchers that, many developers based their marketing decisions on hunches and guesses, rather than on intelligence drawn from marketing research. At the 2000 census, it was recorded that Malacca accommodates almost 3% of the nation's population on 0.5% of the Malaysian land mass (WTW, 2009). The summary of the residential property market quarter one in year 2009 shown in Table 2.

The residential industry makes up an important part of the Malaysian economy. As Malaysia is a supply-oriented market. However, there are a number of industry development plans to launch before the start of the study is not precise enough and not a very good determine the actual needs of market. This forming in some areas the supply exceeds the demand level. The previous studies have also shown that projects are abandoned because developers did not understand the market, and the markets for whom are they build. Moreover, National Property Information centre (NAPIC) had also reveals that the Malaysia housing market showed signs of weakening demand. Table 1 shows the summary number of the sales performance of new launched housing units and unit sold the market from year 2004 to second half 2009.

Given the problems of property glut in some parts of the country, developers have to analyse the market scenario before continue to launch new

According to NAPIC (2009), in Q1 2009, developers offered 3,201 new housing units with only 676 units taken up, achieving sales performance of 21.1%. It saw fewer new houses launched into the market by developers (NAPIC, 2009). Malacca was only new launched 140 units at this year. Moreover, in the low-cost housing sub-sector, there were 2,807 units in the market across the country (NAPIC, 2009). Malacca was the main contributors of unsold units in the country at 329 units in Q1 year 2009 and all of the unsold under construction residential low-cost houses were in Jasin district (NAPIC, 2009). The number of unsold not constructed residential units Malacca experienced increase of 2.9% from 869 units to 894 units (NAPIC, 2009).

The table 3 indicated that the types of houses launched and sold in Malacca in year 2008 and quarter one in year 2009. There are only five types of houses launches in Malacca market. Single storey terraced is the highest launched (NAPIC, 2009). Followed by 2-3 storey terraced and 1 Storey Semi-Detached is in the third rank. However, only 40% of the Single storey terraced sold till this year. Remaining 356 units and 91 units 2-3 storey terraced and 1 Storey Semi-Detached unsold. 32.8% of the 2-3 Storey Semi-Detached still on sale. Only 2 units of detached house sold for the total of 61 units launched. According to WTW (2009), the first half of 2008, Malacca mustered 6169 property transactions. The value per transaction at RM153 373 is significantly below the Malaysian average of RM272 369. The year-end financial global credit crunch coupled with the falling commodity prices has given rise to a softening property market in Malacca towards the 4th quarter of 2008.

Despite these circumstances, the residential sector remains the stalwart mainly due to population growth (WTW, 2009). A large scale residential project comprising bungalows, commanded favourable take-up rates in 'Krubong' developed by GJH Development (WTW, 2009). Year end activity in the commercial and tourism sectors has, on the other hand, dispelled some concerns of the softening property market (WTW, 2009).

As business enters an era that is becoming more complex and hostile, and where consumers are becoming more vocal and demanding, a customer orientation measure is much needed (Chee and Peng, 1996). It is important to understand the way that housing contributes to this major life interest

Table 3: Type of House Launches in Malacca (2008 & Q1, 2009)

Type of Houses	Launches (units)			Sold (units)		
	2008	Q1 2009	Total	2008	Q1 2009	Total
1 Storey Terraced	998	78	1076	417	18	435
2-3 Storey Terraced	455	62	517	154	7	161
1 Storey Semi-Detached	178	0	178	87	0	87
2-3 Storey Semi-Detached	140	0	140	46	0	46
Detached	61	0	61	2	0	2
Total	1832	140	1972	706	25	731

or project (Giddens, 1991). The success of a housing developer would depend very much on obtaining up-to-date information on home buyers' preferences (Chee and Peng, 1996). Hence, the measurability of

customer orientation enables marketers to assess their level of customer orientation and those of their competitors from time to time. To this end, a psychographic segmentation research could shed some light into the different segments of house buyers in the country.

5. RESEARCH METHODOLOGY

The basic approach used in this study is survey methodology. The data for this study were collected through self-administrated questionnaires at states of Malacca in Malaysia. Respondents were randomly intercepted in the property exhibition booth. A total of 245 usable questionnaires were completed. Before the survey administration, pre-test of the questionnaire with a small group of respondents was conducted, and the results were satisfactory.

As part of a larger study, the survey instrument identified and measure the newly developed residential by the over 18 age group for attended the property exhibition. Psychographic characteristics were measured by the respondent's activities, interest, and opinion (AIO). Demographic characteristics of the respondents were also collected. A five-point Likert-Scale was used, "1" being "strongly disagreeing" and "5" being "strongly agree".

The data collection methods considered to taking part of this study is a semi-structured exploratory interview with residential property expert during questionnaire design. The survey instrument will be undertaken is self-administrated questionnaire used to determine the psychographic characteristic of the potential house buyers over age 18 attending property exhibitions to define the house buyer's decision making in exploring their psychographic segmentation. A convenience of 245 respondents was drawn from potential house buyers in at Malacca. The basic criteria for those participating in this study were age, income, education level and type of houses for future purchase.

6. RESULTS AND DISCUSSION

Quantitative data from the survey responses were coded and entered into an SPSS database. Frequency analysis was conducted on the respondents' demographic characteristic, type of home purchase in future, intention to purchase and their purchasing criteria. Furthermore, cross-tabulation analysis between gender and type of home purchase in future was conducted in this study. Lastly, descriptive analysis was conducted only on the respondent's purchasing criteria.

A total of 245 self administrated surveys were completed and the interviewers found that the vast majority of the respondents were willing to participate in the survey. The following is a discussion of the findings for the two separate types of information obtained through the survey and there are the respondent's demographic characteristics and mean of respondents purchasing criteria. Results from the respondents' demographic characteristics and mean of respondents purchasing criteria are described next.

6.1. Demographic Characteristics of Respondents

Results from the survey indicate (Table 4) that one hundred eighty four (n=135) were men (55.1 percent) and one hundred and five (n=110) were women (44.9 percent) completed the questionnaire.

Overall, the age distribution was as follow, the respondent's ages in this study ranged from 18 to 60 or above. In this study, there were no participants less than 18 years of age. This confirmed that all

Table 4: Type of House Launches in Malacca (Q1 - Q4, 2008 & Q1, 2009)

Demographic Characteristic		n	%
Gender	Male	135	55.1
	Female	110	44.9
	Total	245	100.0
Age	18-24	54	22.0
	25-29	67	27.3
	30-34	40	16.3
	35-39	25	10.2
	40-44	17	6.9
	45-49	22	9.0
	50-54	16	6.5
	55-59	3	1.2
	60 or above	1	0.4
Total	245	100.0	
Marital Status	Single	98	40.0
	Divorced	1	0.4
	Married	145	59.2
	Widowed	1	0.4
	Total	245	100.0
Race	Malay	152	62.0
	Chinese	80	32.7
	Indian	7	2.9
	Native / Indigenous Ethnic	1	0.4
	Foreign Citizen	5	2.0
	Total	245	100.0
Education Level	Primary	1	0.4
	Secondary/SPM/'O' Level	48	19.6
	Certificate	3	1.2
	Diploma/STPM/'A' Level	72	29.4
	Degree (Bachelor)	96	39.2
	Masters	15	6.1
	Doctorate	2	0.8
	Professional Qualification	8	3.3
Total	245	100.0	

were doctorate (0.8%). Only one of the respondents (n=1; 0.4%) had primary education.

Respondents represented various employment categories, the top five respondent occupation are including a big majority of the respondents (n=35; 14.3%) as an officer or executive, 12.7% (n=31) were lecturer, teacher and trainer. 10.2% of the respondents (n=25) work as professional and running their own business respectively. Another 10.2% of respondent (n=23) work as manager or senior executive. Furthermore, majority of the respondents about 22 percent reported an average income between RM3000 to RM3999 (n=54), followed by 21.6 percent between RM2000 to RM2999 (n=53). 12.2% (n=30) reported an average income less than RM1500. About 11.8 percent between RM1500 to RM1999 (n=29). There are less minority of respondent with RM4000 or more. 8.6% of the respondents reported their household income to be between RM5000 to RM5999 (n=21), 4.1 percent between RM6000 to RM6999 (n=10), 0.4 percent between RM7000 to RM7999 (n=3), only 2 percent between RM9000 to RM9999 (n=5). Lastly, 5.3 percent of the respondents (n=13) reported their average income between RM8000 to RM8999 and RM 10 000 and above respectively.

Table 5: Type of home's purchase in future

Type	n	%	Valid Percent	Cumulative Percent
1 Storey Terraced	35	14.3	14.3	14.3
2-3 Storey Terrace	35	14.3	14.3	28.6
1 Storey Semi-Detached	41	16.7	16.7	45.3
2 -3 Storey Semi-Detached	39	15.9	15.9	61.2
1 Storey Detached House	37	15.1	15.1	76.3
2-3 Storey Detached House	29	11.8	11.8	88.2
Low Cost House/Flat	2	0.8	.8	89.0
Apartment	6	2.4	2.4	91.4
Cluster House	2	0.8	0.8	92.2
Town House	2	0.8	0.8	93.1
Village/Country House	5	2.0	2.0	95.1
Condominium	10	4.1	0.8	95.9
Shop Houses	2	0.8	4.1	100.0
Total	245	100.0	100.0	

6.2. Type of home's purchase in future

When asked about their preferences with respect to their future ideal dwellings options (See Table 5), majority respondents indicated a preference for Single Storey Semi-Detached (16.7 percent; n=41), 2-3 Storey Semi-Detached (15.9 percent; n=39), and 2-3 Storey Terrace and Single Storey Terraced (14.3 percent; n=35) respectively. In contrast, very few of them prefer condominium (4.1 percent; n=10), apartment (2.4 percent; n=6), Village/Country House (2.0 percent; n=5), cluster house and town house (0.8 percent; n=2) and low cost flat (0.8 percent; n=2). Furthermore, this

study was interested in determining whether gender was associated with the type of houses want to purchase shown in Table 6. The respondents were divided into thirteen categories of houses based on the survey.

Table 6: Type of home's purchase in future vs. gender

Type of houses want to purchase *		Gender		Total	
		Male	Female		
Type of houses want to purchase	1 Storey Terraced	Count	23	12	35
		Expected Count	19.3	15.7	35.0
		% within Type of houses want to purchase	65.7%	34.3%	100.0%
		% within Gender	17.0%	10.9%	14.3%
		% of Total	9.4%	4.9%	14.3%
	2 - 3 Storey Terrace	Count	14	21	35
		Expected Count	19.3	15.7	35.0
		% within Type of houses want to purchase	40.0%	60.0%	100.0%
		% within Gender	10.4%	19.1%	14.3%
	1 Storey Semi-Detached	Count	22	19	41
		Expected Count	22.6	18.4	41.0
		% within Type of houses want to purchase	53.7%	46.3%	100.0%
		% within Gender	16.3%	17.3%	16.7%
2 - 3 Storey Semi-Detached	Count	18	21	39	
	Expected Count	21.5	17.5	39.0	
	% within Type of houses want to purchase	46.2%	53.8%	100.0%	
	% within Gender	13.3%	19.1%	15.9%	
1 Storey Detached House	Count	20	17	37	
	Expected Count	20.4	16.6	37.0	
	% within Type of houses want to purchase	54.1%	45.9%	100.0%	
	% within Gender	14.8%	15.5%	15.1%	
2 - 3 Storey Detached House	Count	20	9	29	
	Expected Count	16.0	13.0	29.0	
	% within Type of houses want to purchase	69.0%	31.0%	100.0%	
	% within Gender	14.8%	8.2%	11.8%	
Low Cost House/Flat	Count	1	1	2	
	Expected Count	1.1	.9	2.0	
	% within Type of houses want to purchase	50.0%	50.0%	100.0%	
	% within Gender	.7%	.9%	.8%	
Type of houses want to purchase	Apartment	Count	5	1	6
		Expected Count	3.3	2.7	6.0
		% within Type of houses want to purchase	83.3%	16.7%	100.0%
		% within Gender	3.7%	.9%	2.4%
	Condominium	Count	6	4	10
		Expected Count	5.5	4.5	10.0
		% within Type of houses want to purchase	60.0%	40.0%	100.0%
		% within Gender	4.4%	3.6%	4.1%
	Cluster House	Count	1	1	2
		Expected Count	1.1	.9	2.0
		% within Type of houses want to purchase	50.0%	50.0%	100.0%
		% within Gender	.7%	.9%	.8%
	Town House	Count	0	2	2
Expected Count		1.1	.9	2.0	
% within Type of houses want to purchase		.0%	100.0%	100.0%	
% within Gender		.0%	1.8%	.8%	
Village/Country House	Count	4	1	5	
	Expected Count	2.8	2.2	5.0	
	% within Type of houses want to purchase	80.0%	20.0%	100.0%	
	% within Gender	3.0%	.9%	2.0%	
Shop Houses/ Commercial Property	Count	1	1	2	
	Expected Count	1.1	.9	2.0	
	% within Type of houses want to purchase	50.0%	50.0%	100.0%	
	% within Gender	.7%	.9%	.8%	
Total	Count	135	110	245	
	Expected Count	135.0	110.0	245.0	
	% within Type of houses want to purchase	55.1%	44.9%	100.0%	
	% within Gender	100.0%	100.0%	100.0%	
		% of Total	55.1%	44.9%	100.0%

In this study, gender would be considered as the independent variable and type of houses want to purchase as the dependent variable. While the case processing summary table indicates that there are no participants with missing data. Gender was coded as 1 for males and 2 for females. There were n=135 males and n=110 females.

The types of houses want to purchase * gender cross-tabulation is shown in Tables 5. There are 13 types of houses varied preference as a function of the respondent's gender. It can be seen that the big majority of the male's respondents prefer single storey terraced (Count=23; % Within Gender=17.0%) over single storey semi-detached (Count=22; %Within Gender=16.3%) and single storey detached house (Count=20; %Within Gender=14.8%). For females respondents, their preferences was 2-3 storey terrace (Count=21; %Within Gender=19.1%), followed by single storey semi-detached (Count=19; %Within Gender=17.3%) and single storey detached house (Count=17; %Within Gender=15.5%). Results revealed the discrepancies between the male and female respondents from the house preferences in this study.

Table 7: Purpose of respondents home's intended purchase

Purpose intended purchase	Frequency	Percent	Valid Percent	Cumulative Percent
Primary Residence (Own Home)	167	68.2	68.2	68.2
Investment Property (To be rented)	36	14.7	14.7	82.9
For Retirement	23	9.4	9.4	92.2
For Children	13	5.3	5.3	97.6
Holiday Home	6	2.4	2.4	100.0
Total	245	100.0	100.0	

their own home. Nearly 10 percent (9.4%) mentioned their home for retirement use and 5.3 percent were for their children. The remaining 2.4 percent of them indicated their intention to have holiday home for their holiday and retreat purpose. This result would be as expected, considering the "first time owner" status of the majority respondents, as well as their age brackets.

6.4 Respondents Purchasing Criteria

In table 8, the respondents were requested to indicate the relative agreement of a given set of "Purchasing Criteria" variables. The residential AIO items were rated using a five level agree-disagree scale ranging from 1 "strongly disagree" to 5 "strongly agree". The results shown in table 8 reveal that, the three most important features in house buyer purchasing criteria are "I will only buy a reasonably priced house", "I will only buy a house from reputable property development companies", which have the first and second ranked. "Able to notice the quality differences among competing property developers" is in the third rank. On the other hand, the least important types of purchasing criteria in Malacca house buyers are "The salesperson plays a crucial role in my purchasing decision" and "I consider geomancy principles when I purchase my house" which have the rank six and seven respectively.

Table 8: Purpose of respondents home's intended purchase

Purchasing Criteria Variables	n	Min	Max	Mean	Std. Dev	Mean
I will only buy a reasonably priced house	245	2	5	4.23	0.683	6.193
I will only buy a house from reputable property development companies	245	1	5	4.15	0.861	4.819
My reputation can be judged by the type of house I buy	245	1	5	3.53	0.926	3.812
My reputation can be judged by the quality of house I buy	245	1	5	3.71	0.988	3.755
I consider geomancy principles when I purchase my house	245	1	5	3.23	1.090	2.963
The salesperson plays a crucial role in my purchasing decision	245	1	5	3.21	1.142	2.811
Able to notice the quality differences among competing property developers	245	1	5	3.92	0.826	4.745
Valid N (list wise)	245					

7. CONCLUSION AND IMPLICATIONS

Home buying is an important segment of the national and local economies, especially due to the housing sector's unique power to revitalize the economy during challenging times. This research identified and prioritized preferences of Malacca house buyer, with the survey questions identifying the prime drivers behind the decision-making process. The results show that Malacca house buyers

were generally purchase houses as to be a primary residential. It reveals that the decision by buyers is not based purely on housing characteristics and the purchase cost, but is linked to demographic characteristics that drive the demand for house product. Majority of the respondents are a first time buyer.

It is often said that the first time buyer is the lifeblood of the housing market. The average age of Malacca house buyer is between 25-29 years old reflects the normal trends age as this age would have stable job and disposable income. Many potential house buyers are having tertiary and higher education at this age, providing them with necessary knowledge to choose the right house for them. Most of them secure jobs in the private sectors, running their own business and apart from them are working in the local government sectors. Overall, the age distribution was as anticipated and concentrated on the prime home-buying years. In addition, all respondents had the economic capacity to repay a housing loan, and were considered to be genuine home purchasers in that respect. In the intention of house buyers to purchase houses, however, observes that only small number of house buyers will used as their holiday home. Malacca house buyers are less willing to buy a house for other than used as own home purpose. It is clearly indicated that most purchasers were first time owners, and as housing investors are not always seeking the same attributes in a first time as owner-occupiers.

As with the respondent's personal characteristics, the choice of home buying varies between buyers and their different preferences prescribe different housing needs. Understanding the differences in the types of homes purchased and the purchasing criteria for doing so among distinct groups of home buyers is important so that industry players can better respond to the diverse segments of the market and maximize their sales potential. Moreover, for most households, purchase a home is one of the most significant financial and lifestyle choices they can make. The selection of homes purchased by buyers covers the spectrum of housing options and varies not just in the type of buyer but also in their location, income, first-time buyer status and living situation. Nonetheless, this paper may be drawn as to what differences type of houses is a function of the gender of the buyer. This study discovers that overall majority of the potential house buyers are preferred to purchase is a single storey semi-detached and 2-3 storey semi-detached. The majority house launched in Malacca current residential market is single storey terraced as show in Table 3. The results also indicate that there has been discrepancy between male and female preferences in the cross-tabulation analyze. The finding reveals that male house buyers like a single storey houses and the females would be prefer 2-3 storey houses.

The results also indicated that there are a sign of slightly increasing demand on the high rise residential, which are not been supply by the property developer in Malacca residential market recently. The house type that major been supplies in the market are terraces and detached houses respectively. As results, although both type of houses are highly demanding by Malacca house buyer. However, there still happen a number of unsold units of these houses. This scenario has indicated that the new generation of Malacca house buyer's becoming more vocal and demanding. There is a discrepancy of buyer needs and wants with the market residential house product. Quite clearly, in the decision by house buyer's to buy house are related to lifestyles, the choice of housing, and the decision to buy new residential. It appears that the residential product should change to suit this change market.

Despite the purchase intention, the descriptive statistics seek to provide a better understanding of the distinct submarket for home buyers using available survey data (see Table 8) in the purchasing criteria for Malacca house buyer. Results revealed that they only will buy a reasonably priced house mean that they survey all the prices in the market before make any decision on purchase. Furthermore, they will only buy a house from the reputable property development companies because many numbers of them are able to notice the quality differences among the competing property developers in the market especially in their states. This scenario shows that Malacca house buyers very careful in the decision to purchase although most of them are the first time buyer. Moreover, a reasonably priced house and a reputable property development companies are the main feature to consider as Malacca house buyer purchasing criteria.

In conclusion, this was an exploratory study attempting to use the AIO variables to the buying behaviour of Malacca consumers. This study shows that psychographic segmentation can help enhance house buyer satisfaction and thus this paper has shown the different dimensions of the purchasing criteria that reflects house buyer identity and lifestyle. Based on the data furnished by Malacca house buyer in Malaysia residential market industry, and the subsequent analysis of the data, some important findings were made.

Managerial implications from this study suggest that the further analysis of house buyer preferences should reflect the profile of house buyer they want to purchase. Measuring house buyer purchasing criteria is not enough, it is important to examine which factors and patterns contribute to

satisfaction and whether they differ across different lifestyle segments in order to customise product, service and experience for the house buyer. Therefore, the marketers, is to see where global market appeals challenge and message strategies will be successful, and where more localized approaches are called for. Malaysia property developer will be able to develop future residential property which will be sensitive to the Malaysian residents' lifestyle. Also, they will be able to develop marketing strategies according to the lifestyle profiles of their target groups and underpinning their market segmentation by deriving a right product to the right customer may be better understood and targeted by local marketers.

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