

FACTORS OF SUCCESS: CONDOMINIUM SELLING AND SALES PROMOTION

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ABSTRACT

The shortage of quality living space for both local customers and international customers in Bangkok causes the market booming for condominium. Condominium living space is considered as one of the lucrative businesses in Bangkok, Thailand. In fact, the market demand is high from both for residential and investment purpose. Customers tend to purchase condominium with variety of market factors. The aims of this research study was to investigate the vitality of factors of successes of condominium selling and sales promotion. The population included all condominium customers in the areas of Bangkok, Thailand. About 400 of condominium customers were selected from ten different large condominium projects in order to elicit the information from their experience of the process of condominium purchasing and post purchasing. A Likert five scales of questionnaire was developed to collect data. Part one was about demographic information, part two was about factors of success, and part three was about the customers' suggestions. Statistics analysis included percentage, means, standard deviation and t-test. The findings revealed that there were five important factors of success which included location, price, discount, image, banking assistances.

Keywords: Factors of success, Condominium, Selling, Sales Promotion.

Introduction

In the modern world, the demand of housing and condominiums are increasing faster than the supply of housing and condominiums which created the situation of short-term shortages and high prices and even over-prices. However, it is expected the market equilibrium will bring price and quantity into the equilibrium point. In fact, for the past few decades, Many ASEAN nations and Thailand are increasing in high demand for property development. The demand for condominiums is increasing with the demand of foreigners. In ASEAN nations, the laws states that foreigners can buy condominiums but not the housing attached with land. With this laws, come up with new marketing to promotion that aims at international market, huge market indeed. Since Bangkok is the capital city and the largest city of Thailand, it is expected to draw many international investors to have more interested in real estate and property development in Thailand.

Condominium is one of the booming industries in Thailand. As anyone can observe that there are many new projects on every road in Bangkok, it is certainly one of the busiest businesses in Bangkok. The demand of residential property of condominiums is reported on the news that they are high from both for residential and investment purpose. Both domestic and international customers tend to purchase condominium with different market factors with different perspectives, and different buying decisions. Since we live in the modern world of business, the customers can obtain all available information about the condominium prices, location, benefits, and other significant information. The decision from both domestic and international customers often make a big decision with careful risk. The understanding of how customers making decision actually a key factor of success. If the majority of customers focus at some important factors such as location, prices, discount, quality, promotion, and so forth. It is imperative to understand what factors are important to customers and how and why. The depth of understanding these factors could help the real estate and condominium sellers to be success in the long run and in a sustainable way.

In addition, the target groups must be segmented and positioning in the way that all sellers can understand easily. The majority of the modern high rise condominiums now sold to the people between the ages of 25-35 years old who have stable job and income or they are the majority of middle income people in Bangkok and vicinity. These groups are the best target group of new condominiums. Many include newly graduated and looking for small condominium. Another target market for these new condominiums is, in fact, the investors who want to buy new condominium for rents. These may be both domestic investors or ASEAN and international investors. Therefore, it is important to understand the way these target groups making the buying decision.

Methodology

In order to answer the core of the research problem, the information from customers both domestic and international customers can be crucial. The purposes of this research study was to examine and to investigate the vitality of factors of successes of condominium selling and sales promotion as well as to provide some important suggestion from this study. The population of this study included all condominium customers both domestic and international customers in the areas of Bangkok, Thailand. A total of 400 of condominium customers were selected from ten different large condominium projects in order to gain the understanding of how they were making buying decision and the vital information from their experience of the process of condominium purchasing and post purchasing. A Likert five scales of questionnaire, both Thai and English, was designed and developed to collect data. Part one was about demographic information, part two was about factors of success, and part three was about the customers' suggestions. Statistics analysis used for this study included percentage, means, standard deviation and t-test.

Findings

According to the demographic information from the data collection of the respondents, it is revealed that male and female international customers were collected with this proportion 76:24. The majority of the respondents were domestic customer or about 88 percent, whereas the international customers were about 12 percent. The majority of the respondents had the age between 35-45 years old, they are in the medium to high level white collar working class of Thailand. Up to 52 percent of the respondents were single, while other 37 percent of the respondents were married and the rest of sample were divorced. In addition, the majority of respondents were single and preferred to buy a one-bed room condominium.

Since the factor of success depend on the important factors of buying decision of the customers, the ranking of important factors was reported on table on. First, the majority of the respondents rated "Location" as the number one important of factors for buying decision of the condominium in Bangkok, Thailand with a mean of 3.92 and standard deviation of 0.984. Second, the majority of the respondents rated "Prices" as the number two important of factors for buying decision of the condominium in Bangkok, Thailand with a mean of 3.84 and standard deviation of 0.966. Third, the majority of the respondents rated "Discounts" as the number three important of factors for buying decision of the condominium in Bangkok, Thailand with a mean of 3.76 and standard deviation of 0.878. Fourth, the majority of the respondents rated "Bank Supports" as the number four important of factors for buying decision of the condominium in Bangkok, Thailand with a mean of 3.64 and standard deviation of 0.891.

TABLE 1. IMPORTANCE OF FACTORS OF BUYING DECISION

	Mean	S.D.	Rank
Factors			
1. Location	3.92	0.984	1
2. Prices	3.84	0.966	2
3. Discounts	3.76	0.878	3
4. Bank Supports	3.64	0.891	4
5. Project Image	3.51	0.871	5
6. Facilities	3.44	0.912	6
7. Surrounding Areas	3.32	0.981	7
8. Developer Background	3.29	0.872	8
9. After Sales Services	3.18	0.769	9
10. Information available	3.02	0.854	10

Fifth, the majority of the respondents rated “Project Image” as the number five important of factors for buying decision of the condominium in Bangkok, Thailand with a mean of 3.51 and standard deviation of 0.871. Sixth, the majority of the respondents rated “Facilities” as the number six important of factors for buying decision of the condominium in Bangkok, Thailand with a mean of 3.44 and standard deviation of 0.912. Seven, the majority of the respondents rated “Surrounding Areas” as the number seven important of factors for buying decision of the condominium in Bangkok, Thailand with a mean of 3.32 and standard deviation of 0.981. Eight, the majority of the respondents rated “Developer Background” as the number eight important of factors for buying decision of the condominium in Bangkok, Thailand with a mean of 3.29 and standard deviation of 0.872. Ninth, the majority of the respondents rated “After Sales Services” as the number nine important of factors for buying decision of the condominium in Bangkok, Thailand with a mean of 3.18 and standard deviation of 0.769. Finally, the majority of the respondents rated “Information Available” as the number ten important of factors for buying decision of the condominium in Bangkok, Thailand with a mean of 3.02 and standard deviation of 0.854.

Suggestions

There are the ten important buying decision making that considered as important for both domestic and international customers. Since customers need to use these ten factors as an important guide to make decision whether to buy the condominiums or not. Therefore, the developers need to pay heed to these important factors according to the ranking. The top three important factors include location, prices, and discounts. The top three factors should be priority for the developers to create marketing campaign based on these factors.

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