

FACTORS INFLUENCING TO PURCHASING DECISION MAKING ON CONDOMINIUM IN BANGKOK.

Maneerat Suwannaket

Graduate School, Suan Sunandha Rajabhat University

Bangkok, Thailand

Email: maneerat.su@ssru.ac.th

ABSTRACT

The research objective aimed to study the factors influencing to purchasing decision making on condominium in Bangkok. The research methodology represented the qualitative approach with in-depth interviewing, the instrument was the questionnaire. The population represented the middle-sized condominium buyers in Bangkok. The samples selection was made by purposive sampling. The structured interviewing data were collected from the informants who bought the middle-sized condominium as the sample group. The data analysis represented the data extraction from interviewing data to obtain the relevant of research answering. The finding found that the marketing mix that consisted of product, price, place, promotion, people, physical evidence and process influencing the purchasing decision making.

INTRODUCTION

Thailand's economy had changed radically, almost of an economical prosperity concentrated in urban areas or central of capital cities only that caused the population from all directions relocated from rural areas to urban areas. The urban area was crowded with people especially in Bangkok and its suburbs. The increasing of population occurred outside the urban area causing the increasing of housing demand accordingly, but a small number of traditional low-rise housing in the city and the price was so high causing most people turned to choose housing in a new style, namely high rise housing and new housing options. The condominium was considered a popular project that people bought, especially in the central of capital because of being inexpensive, location on communities and comfortable travelling. There were many condominium projects occurred, some projects was more expensive than houses, because condominium models that provided the similar facilities as houses or more, some condominium projects focused on the landscape to meet the needs of buyers in all groups.

LITERATURE REVIEW

The concepts and theories of marketing mix referred to Phillip Kotler's concept of marketing mix for service business represented the appropriated concepts that were different from the consumer products and necessary to perform all 7P's of marketing mix in marketing formulation and comprised of following:

1. Product represented the things that response to needs and wants of customers, the products provided utilities and value on customers' orientation with differentiation from the competitors like the various of car insurance policies in appropriated protection and compensation.
2. Price represented the amount of money to purchase the product, the customers determined to buy if the value of products or service and valuable were higher than its price.
3. Place represented the product or service delivering to customers that influenced to the perception of value in location and channels like many channels of the car insurance

policies, insurance companies, brokers, convenience stores, banks, online agencies and auto showroom for broad access.

4. Promotion represented the marketing communication tools to stimulate sales and introduction, motivate and remind needs that contributed to feeling, believe and buying decision making products or services through marketing promotion that represented advertisement, sale promotion, sales force and also public relation.

5. People represented all staff in organization especially the front officers who possessed the knowledge and ability in products or services, prompt problems solving, good working attitude, courteous servicing to create customer satisfaction by training and motivation staff.

6. Physical evidence and presentation represented the factors that produced and presented the physical things like the gorgeous decoration, modern equipment, service facilities and organizational image.

7. Process represented the efficient service procedures that provided customer satisfaction through the obvious procedures and made service impression with standard, right, fairness and speedy like the procedure of notified claims, rapid response of notified accident, claim recommendation, rapid policies mailing. A study of consumer behavior theories in buying decision making and marketing mix found that the entrepreneurs should examine and recognize other factors influencing buying decision making and involved these factors to be guidelines for marketing mix strategies formulation with consumer responsiveness.

Decision making meant the process of selection in doing something from various alternatives that consumers might make decision in alternatives of goods and services, they chose goods or services with the situational constraints. The decision making represented the crucial process in consumers' mind. (Chatyaporn Sameojai, 2007:46)

Buying decision process represented the stages of consumers' decision making five stages as following (Siriwan Serirat and et al, 1988:145)

1. Problem or need recognition

The person recognized the difference of the ideal stage and realistic stage that they felt to be good to themselves and caused the needs to fulfill the gap of the ideal and reality which was different and depended on individual. The consumers' problems might be occurred by following.

1.1 The old thing were gone and could not to solve the problem that resulted from new demand of new existing ones, consumers might to find new things to replace.

1.2 The result of the problem solving in the past led to new problems that using the old product might repeat old problems.

1.3 The personal changes like the growth of a person in terms of maturity and qualifications or even a negative change.

1.4 The change in family conditions caused to other changes.

1.5 The change in financial status regardless of changes in financial status, both of the positive or negative with lifestyle change.

1.6 The result of changing the reference group, each person would have a reference group for each aging period. Therefore, the reference group was an influence on the behavior and consumers' decisions.

1.7 The efficiency of marketing promotion when promoted various markets whether advertising, public relations, bundle pricing, sales force or effective direct marketing contributed to stimulate consumers to be aware of problems and needs

2. Searching for Information

2.1 Personal searches represented a personal information source like family, friends, reference groups, experts or reviewers.

2.2 Commercial searches represented a source of news at the point of sale of companies or stores that were manufacturers or distributors or salespeople.

2.3 Public Search represented sources from various mass media like television, radio, as well as internet searching.

Experimental search represented a news source that had been tried and tested. Some consumers use the effort to search for information in order to make a purchasing decision, but depending on the amount of information that they had previously the intensity of desire or the convenience of searching.

3 Evaluation of alternatives

When consumers got the information from step 2 and evaluated the options and decided the best one. The methods that consumers evaluated by comparing information about features and selecting a variety of brands and becoming to only one brand with ideas for making easier decisions as follows

3.1 Attribute and benefits represented the consideration of the benefits and the product features that can be used its characteristics to meet their needs.

3.2 The degree of importance represented the consideration of the attribute of product rather than the salient attributes that we seen. Consumers repaid the attention to various types of products at various levels in accordance with their needs.

3.3 Brand beliefs represented the consideration of the brand trust or the brand image that consumers perceived from recent experiences.

3.4 Utility functions represented the assessment of satisfaction. Consumers adopted the attitude to choose the brand and specified the features of the products they wanted and compared the features of the desired products with the characteristics of various brands.

3.5 Evaluation procedures represented the combined methods in decision making such as satisfaction in brand trust, product characteristics, consider, brand trust that were compared and rated them for choosing later.

4. Decision making in buying

Ordinarily, each consumer needs information and time in difference to make a decision for each product. Some products were required much information and a long time for comparison, but no need a long decision time for some consumer products.

5. Post purchasing behavior

Post purchasing behavior occurred after the purchasing and consumed the products, the consumers evaluated products for the further that represented the marketers should realize the consumer satisfaction before or after their purchasing due to retain customers and brand loyalty in long-term.

RESEARCH METHODOLOGY

The research methodology represented the qualitative approach with in-depth interviewing, the instrument was the questionnaire. The population represented the middle-sized condominium buyers in Bangkok. The samples selection was made by purposive sampling. The structured interviewing data was collected from the informants who purchased the middle-sized condominium as the sample group. The data analysis represented the data extraction from interviewing data to obtain the relevant of research answering.

RESULTS

The finding revealed that marketing mix factors affecting the selection of medium-sized condominiums in Bangkok as following:

1) For products, there should be a system for building prevention and warning such as installing fire protection systems, fire alarm system, fire extinguishing system, modern design and advanced materials for construction.

2) Regarding the price, the project pricing should be valuable when compared to the room size, equipment for decoration, payment terms in many programs such as 0% interest, low-down payment, etc.

3) For distribution channels, the location of sales offices and condominiums that eased for travelling by mass transit, adequacy of parking.

4) For marketing promotion, they should have a sample room to visit including regular advertising and clearly explanation, explain the details of the project clearly, the promotion period and extraordinary privileges should be provided.

5) For personnel, they should have training and development of sales and service skills to staff all the time.

6) Service process, there should be stepping in service providing to deliver services to customers quickly, punctually, impressively and without mistakes.

7) Physical evidence, the facilities design should be developed, including complete public utility systems like electricity, water supply, and telephone, security systems should be organized like key card systems to prevent errors in acquiring the service, the adequate parking space for residents, rest areas, gardening, swimming pool and exercising rooms.

REFERENCES

- [1] Ariyawansa, R.G. and Udayanthika, A.G.P.I. (2012). "Living in high-rise: An analysis of demand for condominium properties in Colombo". *International Journal of Sociology and Anthropology*. 4 (1): 31-37.
- [2] Ibrahim Mohammed Khrais. (2016). "Factors Affecting The Jordanian Purchasing Behavior of Housing Apartments: An Empirical Study in Irbid City". *European Scientific Journal* Vol.12, No.7
- [3] Mwfeq Haddad, Mahfuz Judeh and Shafiq Haddad (2011). "Factors Affecting Buying Behavior of an Apartment an Empirical Investigation in Amman, Jordan". *Research Journal of Applied Sciences, Engineering and Technology*, 3(03): 234-239.
- [4] National Statistical Office. (2017). *Statistics of Condominium*. Bangkok.
- [5] Siriwan Sereerat (2008). *Organization and Management*: Thammasarn Printing.
- [6] Stephan Anthonisz and Chad Perry. (2015). "Effective marketing of high-rise luxury condominiums in a middle-income country like Sri Lanka". *Journal of Work- Applied Management*, Vol. 7 Issue: 1, pp.61-83.