



**FACTORS INFLUENCING CUSTOMERS' PURCHASE INTENTION
TOWARDS RESIDENTIAL PROPERTY IN DESA ILMU, SAMARAHAN**

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ABSTRACT

The purpose of this study is to understand the factors that influence purchase intention of the consumers towards buying a house. The paper makes a closer look into four major factors that have already been revealed in an earlier study. These four leading factors are Location, Price, Financial and Lifestyle. This study focuses on these four factors and uses a self-administered Questionnaire on a 185 customers drawn from selected destinations at Samarahan city. The results of the study indicate that the customers' consider location as the most important factor of consideration and other factors ranked in terms of importance are price, financial, and lifestyle. Most of the respondents who have ranked location as their most important factor have also ranked price as the second important factor and vice versa. The findings of this study are limited by the number of respondents and the absence of other methods to obtain the results other than secondary research and questionnaire. This study is more important for developers to be used as their guideline to know the major factors in customers' preferences when buying a house.

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CHAPTER 1

INTRODUCTION

1.1 Background of Study

One of the human basic needs is to have a house. Customers as a house buyer have an option to make a purchasing on a various types and sizes type of houses that they want such as they can choice condominiums, apartment, bungalow, terrace house, semi-D house and so on. According to (Nohed, 2013), it is pertinent for any country to ensure its' citizen have adequate access to housing. Therefore, the purpose of this paper is to investigate on the factors affecting customer preferences on the purchase of houses at Desa Ilmu. This is in order to better understand the consumer buying patterns to enable the firms develop more effective marketing strategies to attract the customer to purchase houses build by them. The factors such as location, price, financial and lifestyle might be the most influencer factor that influence customer to buy a house at Desa Ilmu.

As universal population levels continue to rise, the housing shortage in many developing countries has reached critical levels (Morel, 2001, p. 1119). Real estate is one of the most important things to citizens, so "the house purchase decision of them can change their life" (Wells, 1993). The house purchase decisions are different from other business decisions due to "the innate, durable and long-term characteristics of real estate". It is a highly differentiated product with "each specific site unique and fixed in location" (Kinnard, 1968).

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter covers the literatures on concept and theory of consumer behavior. This research study has to evaluate the previous research in order to conduct a new research. Thus, reviewing on all variables regarding the study is essential in order to address the problem comprehensively and to get the whole picture of relationship between those variable regarding the factors influencing customers' purchase intention.

2.2 Purchase Intention

Purchase intention can define in to different of term. One of the meanings is, purchase intention is a plan to purchase particular products or service (Monash University, 2009). According to Tawfik Salah AL-Nahdi, (2015) intention is an indication of a person's willingness to perform the behavior, and it is an immediate antecedent of behavior. However, in term of buying roles, purchase intention means "The activities that one or more persons might perform in a buying decision. All products and services can be described in terms of characteristics or features that have been technically termed as attributes (Loudon & Dell, B. 1984). These attributes are important to consumers because they deliver the benefits that consumers are seeking from the products. Attributes are defined as characteristics or features that an object may or may not have. Purchase of a house is considered as a high involvement purchase involving a high expenditure of the costumer. As a result, the number of attributes is more. Attributes and its importance vary