A CONCEPTUAL FRAMEWORK OF SATISFACTION AND MOTIVATION TOWARDS RESIDENTIAL PROPERTY OWNERSHIP

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ABSTRACT

Residential property is important in the investment for a country. This is because it is not only very important issue that affects social, economic and politic for a country. The good planning should be taken over to tackle this issue. The motivation and satisfaction among resident should be concentrate to explore the cause dissatisfaction on housing ownership. So, this study review the conceptual of the previous study, the effect of housing motivation and satisfaction toward housing ownership. The proposed model extended model which are developed by Tan (2008), Aziam Mustafa & Maznah, Ghazali (2012) and Tan & Khong (2012). Finally, the study develop the proposed model the effect of residential quality and residential characteristic on housing satisfaction and demographic characteristic and subsidy on housing motivation. Then the effect housing satisfaction and motivation on housing ownership..

KEYWORDS: Real State**.**

BACKGROUND OF STUDY

Except preferring for occupation, residential property is major investment option in Turkey (Balamir, 1999; Kumurlu and Önel, 2007; Esmeray, 1996; Ruveyda, 2013). Access to land for housing is one of the major problems faced by almost all developing countries. Land problems vary according to the particular town or city and its size, topography and public policy. With a naturally restricted land supply and an increasing population in 2003 approximated at 6.9 million, Hong Kong encounters problems with availability and affordability of housing (Eddie, 2004). In research by Bujang and Hasmah (2008), housing construction without planning and forecasting early will cause economic losses for the housing sector. Besides, failed to identify the demand's factors will affect unbalance between demand and supply. At the same time, it will be difficult to housing developer to build the accurate numbers of housing for the future. Therefore, a good residential property market should concern the balance between demands and supplies (Rosadah and Salleh, 2004). As revealed in many of previous research, the issues of dissatisfaction among the house buyers is commonly due to housing abandonment and poor product and services quality. Moreover, poor housing conditions are generated by problems posed by inadequacy of internal facilities. This was verified by various studies related to housing quality condition and services (Torbica & Stroh, 2001). However, Aziam Mustafa and Maznah Ghazali (2012) attempted to develop an extended conceptual framework of house buyers in Malaysia by introducing new constructs namely delivery system and house buyers characteristics. Next, this study will extended the model of Tan (2008), Mustafa and Maznah Ghazali (2012) and Tan & Khong (2012) by introducing the effect of housing satisfaction and housing motivation on residential property ownership. In general, this study is to develop a new conceptual model for various residential property ownership models. The Specific objectives is to develop a model of effect of buyers' satisfaction and motivation towards residential property ownership in the Malaysia.

LITERATURE REVIEW

Land and property development processes can be clearly seen as the social conditions in which the interaction of individuals or groups of individuals is one of the key elements (Goodchild and Munton, 1985; Adams and May, 1991; Adams et al, 1985, 1988). According to Theory of Maslow, the residential is one of the physiological needs which most important needs of five outlined hierarchical needs (Maslow, 1954). In order achieve sustainability in the housing delivery system, it is important to know what the market really wants by examining factors which account for satisfaction or dissatisfaction among households, and a model which may explain housing satisfaction. Hence, housing satisfaction theory need to be examined.

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International Journal of Engineering Researches and Management Studies

Housing Motivation

Motivation is important to explain the homeownership. There are many reasons to support this statement. According to Tan and Khong (2012), the expectancy theory of motivation is used to determine how and why homeowners are motivated. The expectancy theory emphasizes the importance of link between behavior and performance. Besides they also indicated that interdependencies among homeownership motivation variables were important extensions of the housing satisfaction because they help improve the ability of model to predict housing satisfaction.

Housing Satisfaction

Housing satisfaction is a sub dimension of customer satisfaction. Satisfaction defined as the evaluation the acceptable by customer satisfaction in the current literature (Parker & Mathews, 2001; Mastura Jaafar, 2005). It measures the extent of satisfaction with the housing situation (McCray and Day, 1977). According to Galster (1987a), housing satisfaction is the "perceived gap between a respondent's needs and aspiration and the reality of current residential context". Housing satisfaction is a complex concept that attracts researchers from various disciplines such as economics, sociology and planning (, 2013). Housing satisfaction is influenced by factors such as users' characteristics, dwelling unit characteristics, management, and environmental and location (Awotona, 1991; Vrbka and Combs, 1991). Based on past literature review, housing satisfaction consisted of housing quality, household characteristic and housing cost (Mastura Jaafar, 2005). The better quality of housing will increase the housing satisfaction. Besides, the cost of housing is expected to have a significant influence on housing satisfaction. High housing costs are expected to result in lower housing satisfaction, especially if the relationship between the cost of housing and housing quality is not optimal. We expect that the residents of the higher cost of the project will be more satisfied with their homes compared to the lower cost. Residents of the projects more cost thought to get better housing environment, in terms of physical structure and social environment (Marja and Joris, 2005). Moreover Popkin and Olson (1995) housing satisfaction by examining expected differences by development type such as high-rise and landed (housing characteristic).

Housing Demand

Ballesteros (2001) identified that income will contribute the housing demand. Megbolugbe et. al (1991), explained about the useful conditions to describe the theory of housing demand. He defined that housing demand is the total production of houses and housing investment. The literary terms, the housing has been viewed from the perspective of neo-classical theory of the customer, which makes certain assumptions about the nature of consumer behavior, housing commodity and the housing market. Muth (1969) also concluded that income is a critical factor affecting the quality housing demand. He stated that if a person has a high income tend to buy a house. Goodman and Kawai (1982) stated the majority of households will look to their current income in making the decision to buy the house if they are able to buy a house or vice versa. Attanasio et.al (2011) dan Bandyopadhyay and Saha (2009), also found that income is directly proportional to the demand for houses. While housing prices are inversely proportional to the housing demand. It show that when the housing price increase then housing demand decrease.

REVIEW PREVIOUS THE CONCEPTUAL MODEL

However, Aziam Mustafa & Maznah Ghazali (2012) attempted to develop an extended conceptual framework of house buyers in Malaysia by introducing new constructs namely delivery system and house buyers characteristics. The different of this study compare to others, this study focus on residential property ownership instead of housing. Then this study will extend the model of Tan (2008), Aziam Mustafa & Maznah, Ghazali (2012) and Tan & Khong (2012) by introducing the effect of housing satisfaction and housing motivation on residential property ownership. Besides, other researcher also disclosed that higher housing demand in the city is dominated by the community of houses close to the workstation location (Cho et.al, 2005). The area has good facilities were more likely to choose to be occupied. Besides, Rosadah Mahmud and Abdul Ghani Salleh (2004) said that subsidies were provided to increase the housing's demand.

Adam Fuss (2010) has identified the macroeconomic effects of the price of the house in his study concluded that an increase of 1.0 percent in economic activity increased 0.6 percent home demand. The increase in construction costs have increased by 0.6 per cent in housing prices if the number of home supply reduced demand for housing for rent. Goodman and Kawai (1982), Ermisch et al. (1996) and Rapaport (1997) concluded that the factors in housing demand equation consisted of level of education, gender, marital status and income. Arbelaez et. al (2011) identified variables that influence the housing demand are marital status, education , age and size of the head of household . Besides, higher housing demand in the city is dominated by the community of houses close to the workstation location (Cho et.al, 2005). The area has good facilities are more likely to choose to be occupied (Hafazah Abdul Karim, 2008). Besides, Rosadah Mahmud and Abdul Ghani Salleh (2004) said that subsidies are provided to increase the housing's demand.

Figure 2 show the model developed by Tan (2008) which economic characteristic, housing characteristic and socio-cultural characteristic contributed to the homeownership. Homeownership is strongly correlated with income, education, stage in life cycle, the existence of children, employment types, EPF withdrawals, liquidity constraint, and relative price of owning.
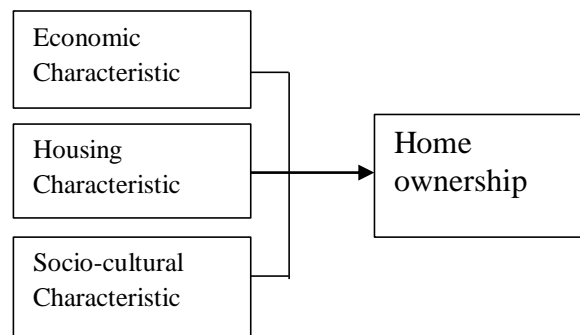
Figure 2: Model by Tan (2008)

While the Figure 3 illustrated the model by Tan & Khong (2012). In his model, housing satisfaction was housing motivation which consisted of financial benefit, social capital, local amenities and household ability. He found that increased 1 percent on social capital and household stability would increase 0.359 and 0.347 on housing satisfaction respectively.
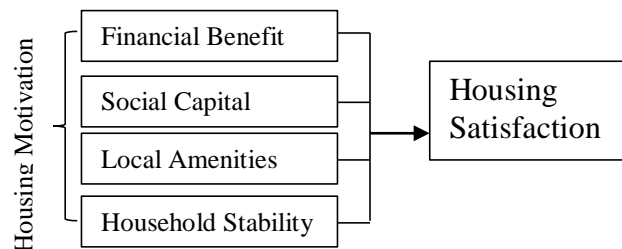

Figure 3: Model by Tan & Khong (2012)

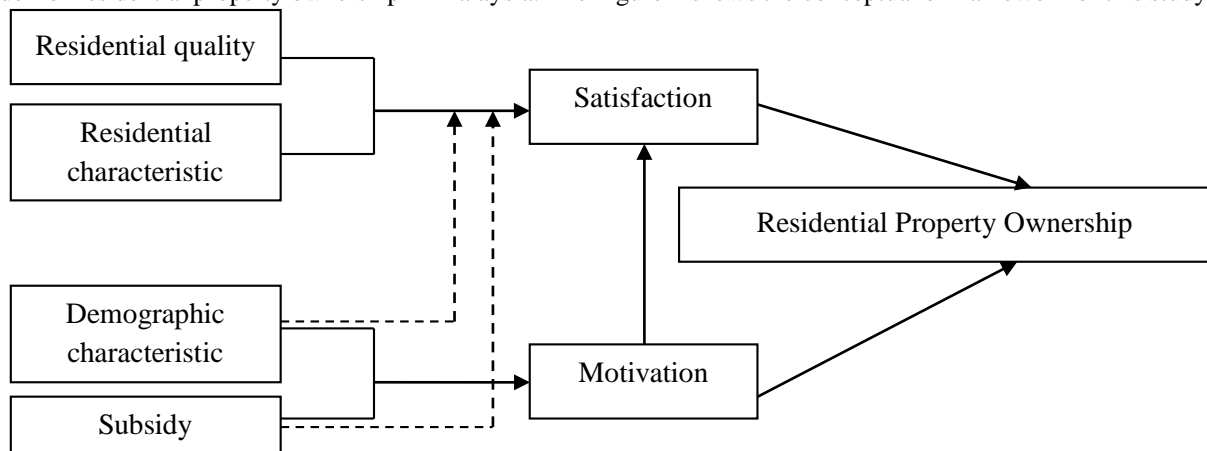# International Journal of Engineering Researches and Management Studies

Then, according to the model developed by Aziam Mustafa & Maznah Ghazali (2012), housing satisfaction in Malaysia were affected by price, project location, delivery system and service quality. The house buyers' characteristic became a moderator factor between price, project location, delivery system and service quality and housing satisfaction. According to them, this model was based on the theory of customer satisfaction, expectancy disconfirmation (EDP) theory, GAP analysis and purchase buying behavior model. This model could help to increase customer satisfaction especially buy then sell (BTS) delivery system in gaining competitive advantage in the market place.
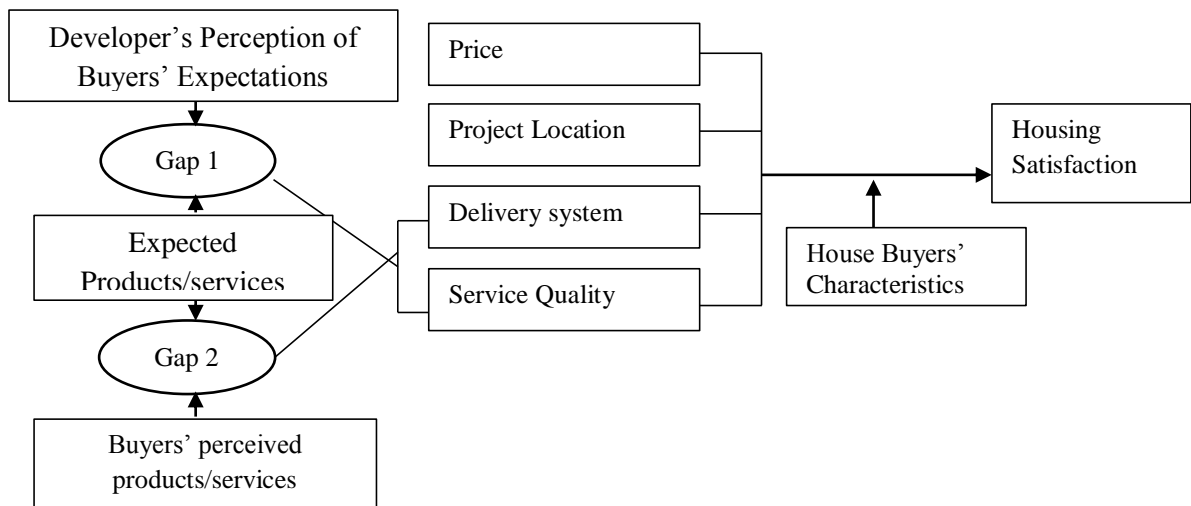
Figure 4: Model by Aziam Mustafa & Maznah Ghazali (2012)

DEVELOPMENT OF NEW CONCEPTUAL MODEL

As revealed in many of previous research, the issues of dissatisfaction among the house buyers is commonly due to housing abandonment and poor product and services quality. Besides, the role of motivation needed to be tested in explanation of residential property ownership based on Tan & Khong (2012), psychologist Abraham Maslow generalized a useful theory of basic human motivation. Here is the objective of this research to develop estimated model for residential property ownership in Malaysia. The Figure 1 shows the conceptual of framework of this study.

Figure 1: Conceptual Framework

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CONCLUSION

Although many researches has been explored to overcome this problem before, but scenario and related activities should be continuously monitored and reviewed from time to time. Then, because of that, this study is important to know effect the factors that contribute to the residential property ownership to help the government and other developer to increase the demand of residential property and always ensure that the balanced between demand and supply. This study would provide residential property ownership among buyers model extended of Tan (2008), Aziam Mustafa & Maznah, Ghazali (2012) and Tan & Khong (2012) model and determine the underlying additional factors for residential property ownership. I hope this study may not only will help the government and developer but its can help the buyer to achieve their need to own housing especially to those have low income. From this study, then the estimated model will provide a guideline to the government and housing developer to improve their efforts to balance between demand and supply by determining the effect satisfaction and motivation between residential quality, characteristic, demographic and subsidies towards residential property ownership. Furthermore, will help the government to concentrate on the factors and determine the solutions to overcome property ownership problem among those low income group which are not affordable to own a house.

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