CHAPTER 6

CONCLUSION AND RECOMMENDATION

This chapter will sum up the research results and come-up with an overview of the study, its implication and also some recommendation and need for future research.

6.1 Overview of study
Housing is an important basic need in any human civilization. A house provides "shelter" and "housing" as if they are synonymous. The house is essentially a family place, a home. It represents shelter from not only physical elements, but also social, spiritual and psychological. The house is also a claim to a particular position in society. It provides to its main occupant the title of head of household. Its facade and front fence reflect the image of the occupants, and give a social status to them.

More importantly, housing industry has been identified as catalyst for development especially during the implementation of the New Economic Policy during the 1970’s and later continued with The New Development Policy during the 1990’s. These policies were targeted towards eradicating poverty and restructuring society so as to correct social and economic imbalances and thereby contribute towards national unity (Razali, 1996).
Thus, Perbadanan Kemajuan Negeri Selangor or PKNS in short was given the task to undertake the social responsibility to create social justice, economic development and quality of life in the property development sector, specifically the housing industry. The Federal government envisaged the housing industry to play the leading role in providing stimulus to economic growth and in spearheading further industrialization and urban development in Malaysia (Razali, 1996).

As a responsible developer who wants to remain competitive and relevant, PKNS is very much concerned about the level of their customer's satisfaction. Thus the objective of this study is to identify the attributes that the potential house owners consider being important and to determine the satisfaction level of PKNS house owners.

Primary data using an eight-page questionnaire were distributed to PKNS house owners. The questionnaire consists of six parts namely; description of the home, characteristics of an ideal home, features of house quality, features of housing area, general opinion and demographic profile.

Two development areas were selected for this study namely Shah Alam and Kota Damansara, both in the Klang Valley. The study employed quota sampling due to the fact that the houses developed by PKNS were divided by type of cost namely low, medium and high cost.

The questionnaire was self-administered by the respondent, with a strict instruction that the original house owners who bought the house directly from PKNS can only fill the questionnaire. Tenants are not eligible for this survey.

The survey managed to collect 295-sample size, which is 98% from the planned sample size of 300. Out of the 295 respondents, 84.4% are Malays while the balance 15.6% other races. The large amount for Malay respondents are
understandable because PKNS policy on house ownership is 70% Bumiputera and 30% non-Bumiputera. While response from other major race namely, Chinese and Indians were not enough to be presented as three main races.

About 38.3% of the household are between 30 to 39 years old while another 37.6% at 40 to 49 years old. Quite interestingly there are significant percentages of young and old house owners. This is shown by 3.7% between the ages 20 to 29 years old and another 3.7% above 60 years old. Therefore one can conclude that PKNS house buyers are well distributed in terms of age composition, and there is no distinction that PKNS house is only popular among the older or younger generation.

The result also shows that 44.1% of PKNS house buyers are working with the private sector while 36.6% are working with the government/statutory body and another 12.5% are self-employed. This is quite interesting because PKNS houses usually are only popular with the government employees. This result shows that the private sector employees are also showing their preference for PKNS houses. This could also be true because nowadays there are more Malays working in the private sector. Nevertheless, this composition shows that PKNS houses are now popular with both government and private sector employees.

When the monthly household income of respondents were examined, the study found that 59.0% of the respondent were in the RM1000 to RM2999 category, 19.0% having income less than RM1000 and another 14.6% earning from RM3000 to RM4999 per month.

Findings also reveals that 49.1% of the household have 5 to 6 occupants, 28.5% have 3 to 4 occupants while a significant percentage of 15.9% have 7 to 8 occupants. This shows that Malaysian still has big family, it could either be the nucleus or extended family.
The findings of this survey reveal that 30.2% of the houses are low cost, 54.9% medium cost and the balance of 14.9% high cost. It is also observed that 24.4% of the residence are double-story terrace, 20.3% single story terrace, 17.3% apartment, 15.3% flat while a significant percentage of 13.6% LRMD. This sample of residence is representative of the popular house type amongst the house buyers.

The area selected for this study is the two big areas of development, developed by PKNS so far. Shah Alam, as mentioned before, is an old development area and nearing completion while Kota Damansara is a new development area. Thus the bigger sample collected for Shah Alam (66.8%) and a smaller sample for Kota Damansara (33.2%) is justified.

It is revealed that 54.6% of PKNS house buyers renovated their house while the balance of 45.4% did not. The result also shows that the most popular part of the house renovated is the back (40.3%) and front (25.8%) areas. While the least renovated part is separating the toilet and baths which accounts for 6.4%. As regard to type of house, Low Rise Medium Density (LRMD) did the most renovation with 95% count while double story semi-detach did the least renovation at 20%.

The famous quote "location, location, location" once again dominate the decision of house owners in their search for an ideal home. However, findings of this survey, have a little twist, instead of choosing a strategic location, consumers were more concerned towards a safe location such as non flooded-proned area.

As expected, price also scored a high point, reason being, house is a price-sensitive product. Delivery period of the house is also a major concerned due to the fact that a household could have committed their whole life savings to
purchase a house. A late delivery or non-delivery of a purchased house will affect the household financially.

Quality is not a compromise and consumers expect quality to be equivalent to the price that they paid.

An interesting point to note is that consumer felt that large floor area is important to them during the decision process of choosing an ideal house. Nevertheless, a nice and beautiful design is also an important feature to consumer but they would not want to pay more just to have a nice house design. One can conclude that, given both features a consumer would want a large floor area and nice design for an ideal home.

Thus, we can conclude from this findings that price, location, large floor area, good construction and building materials quality, delivery period, clean and safe environment, and good neighbors are important attributes to house buyers.

House buyers generally have average satisfaction on house quality. However they do register a mean value just slightly above average for features like number of bedrooms, safety features, number of bath and toilet, color scheme and size of bedrooms. The lowest satisfaction level was towards features such as size of kitchen, paint quality, size of bath and toilet and construction quality.

Generally, high cost house owners are relatively more satisfied than other cost type, towards house quality. This in line with the findings that double story terrace, single story terrace and apartment owners are relatively more satisfied than other type of residence. Important to note that LRMD was the least satisfied house owner.

Results illustrated that Kota Damansara house owners were relatively more satisfied with their area of dwelling as compared to house owners in Shah Alam.
These finding is supported by Lansing and Marans (1969) which found out that there is a tendency for higher levels of satisfaction to be associated with a higher degree of residential planning, however no clear patterns of liked or disliked attributes are associated with different levels of planning. Moreover, studies of the quality of life indicate residential satisfaction is partially based on assessments of nonsite attributes such as availability of schools.

Generally, house owners also have average satisfaction on housing area features. Relatively, facilities for religious activities, road system, neighborly relationship and facilities for shopping activities gives more satisfaction to house owners as compared to youth recreation facilities, drainage system, safety features, level of noise pollution, cleanliness of housing estate, rubbish collection system, level of air pollution, children playground and parking facilities.

Important point to note that old folks' recreation facilities are relatively the least facilities that gave them satisfaction. The result on old folks' recreation facilities can stand on the argument that 20% of the respondents are above 50 years old.

Generally, the results illustrated that high cost house owners relatively are more satisfied towards their housing area as compared to the low and medium cost house owners. These findings are in line with high cost house owner's satisfaction towards house quality as well. In other words, one can conclude that high cost owners are relatively satisfied with their house quality and housing area.

One important point to note, LRMD relatively scored the highest mean for satisfaction towards housing area but on the other hand relatively scored the lowest mean for house quality.

Generally, one can conclude that LRMDs dwellers are not satisfied with all the house quality features. Specifically size of kitchen scored the lowest mean
value. Yeh (1975) supported this finding that household would very much prefer a bigger kitchen even on the expense of bedrooms.

Results also reveals that flat dwellers are not satisfied with youth recreation facilities, old folks recreation facilities, cleanliness of housing estate, rubbish collection system, and level of noise pollution.

Flat dwellers are barely satisfied with children playground, safety features and drainage system. Flat dwellers are however quite satisfied with facilities for religious activity and shopping facilities.

It should be noted that apartment dwellers are not satisfied with the cleanliness of the housing estate and old folks' recreation facilities.

Respondents were asked on their general opinion about their overall satisfaction and feelings towards the house that they have bought and lived-in. Results shows that although PKNS house owner's expectations and requirements are not fully met, nevertheless they do not regret owning the house as well as they are quite satisfied owning the house. However, they do not think that the delivery date is timely enough. At the same time, the house owners also do not think that they can buy the same house with cheaper price at a different location.

6.2 Implication of study

6.2.1 Ethnic group

The survey managed to collect 295-sample size, which is 98% from the planned sample size of 300. Out of the 295 respondents, 84.4% are Malays while the balance 15.6% other races. The large amount for Malay respondents are understandable because PKNS policy on house ownership is 70% Bumiputera and 30% non-Bumiputera. While response from other major race namely, Chinese were not enough due to the fact that Chinese respondents either refuse to participate or most Chinese households are out at work. Results from this
survey might be bias towards the Malays, however, there is no known studies that can confirm the different perception of ethnic group.

6.2.2 Sample size
The collected sample size of 295 might be considered small as compared to the population of more than 100,000 units completed by PKNS. However with the consideration of characteristics of the population which are quite homogenous, whether they are in Shah Alam or Bangi, thus it is quite safe to generalize the findings to cover all areas. On the other hand, with time and budget constrain, the recommended sample size is justifiable.

6.2.3 Large floor area at the expense of nice house design
Findings from the survey demonstrated that price, location, large floor area, good construction and building materials quality, delivery period, clean and safe environment, and good neighbors are important attributes to house buyers.

Nevertheless, it was also stated that a nice and beautiful design is also an important feature to consumer but they would not want to pay more just to have a nice house design. One can conclude that, given both features a consumer would want a large floor area and nice design for an ideal home. However, if consumers were forced to make a choice due to budget constraint, the plausible choice would be a larger floor area than a nice house design. This choice is logical because a nice house design will eventually grow out of fashion while a large floor area have better short and long term benefits. Thus, the possible implication of this finding is that, developer should not build a nice house design in expense of a large floor area.

6.2.4 House value
According to the Gestalt Theory of Cognitive Knowledge, psychologists believe that people perceive inputs from the environment as part of a total concern. As such, market researchers tend to perceive a product in terms of its individual
characteristics – price, color features, reliability, and so forth. But consumers tend to perceive a product as an integrated whole (Mowen and Minor 1998). Hence in this context price together with good and safe location, clean and safe environment, good neighbors, large floor area and timely delivery period will make a product a sure success.

In short, to the researcher’s opinion, the value accorded to a house might be perceived in the following formula:

\[
\text{Value} = \text{Price} + \text{Good and safe location} \\
\text{Clean and safe environment} \\
\text{Good neighbors} \\
\text{Large floor area} \\
\text{Timely delivery period} \\
\text{Good construction and building materials quality}
\]

6.2.5 Satisfaction towards house quality

It was noted in the findings that LRMD relatively scored the highest mean for satisfaction towards housing area but on the other hand relatively scored the lowest mean for house quality.

Generally, one can conclude that LRMDs dwellers are not satisfied with all the house quality features. Specifically size of kitchen, which scored the lowest mean value. Thus, future LRMDs need immediate adjustments. Yeh (1975) supported this finding that household would very much prefer a bigger kitchen even on the expense of bedrooms. However, in accordance with UN recommendation, there is a limit to which the size of a bedroom can be reduced. Hence, Yeh (1975) recommended in another survey the respondent was specifically asked to express preference for a bigger kitchen at the expense of space in the living room.
A study by Zrudlo (1978) looks at the value of integrating users into the design process based on a case study for the Inuit (Eskimos). The experience from this project shows that the local village housing committee would be responsible for carrying out the model tests and for the housing type and activity pattern classification or “fit”. The “fitted” house plan would be re-submitted to the family for final adjustments and approval. The house would then be built according to the approval plan. The family has the dignity of having created their own house, and not just given a house in which they played no part. Zrudlo’s approach might be relevant to the Inuit’s context but the denial of user participation because of its cost in extra time and variety of house models is to deny people dignity and self-respect. Thus, responsible developers can start small by getting feedback from consumers and incorporating those feedbacks in future developments.

6.2.6 Satisfaction towards housing area
Another quite interesting finding is the response of house owners towards their housing area. Results from the survey reveals that flat dwellers are not satisfied with youth recreation facilities, old folks recreation facilities, cleanliness of housing estate, rubbish collection system, and level of noise pollution. Flat dwellers are however quite satisfied with facilities for religious activity and shopping facilities. It should be noted that apartment dwellers are not satisfied with the cleanliness of the housing estate and old folks’ recreation facilities.

Cleanliness of the housing estate and old folks recreation facilities are two common features found from the feedback of the flat and apartment dwellers. As regard to cleanliness, it has always been a big problem for developers. Strata title units such as flats and apartments need to pay maintenance fees to enable the Management Corporation to implement maintenance jobs including cleaning-up of common areas. However, house owners are sometimes very sticky in paying up their dues. PKNS, alone has unpaid maintenance fees up to the
millions of Ringgit. Thus, it is called for designers to come up with flat design, which need less maintenance.

On the other hand, developers who should have social responsibility must from time to time upgrade old housing areas. Upgrading works should not only confined to making old facilities look new like new coat of paint, but ideas to include entirely new facility such as old folks recreation facilities. This is important to enhance quality of life, city quality and the like especially now that Shah Alam is to be announced a city in year 2000.

6.3 Recommendations for future research
As mentioned earlier, consumer does not evaluate a product by its intrinsic attributes alone, while extrinsic attributes also have a role in defining consumer satisfaction. Thus, future research on consumer satisfaction on PKNS houses should also include “customer service features” such as the service quality model.

Perceptions and values change over time. So does customers’ values change frequently. Thus customer satisfaction surveys should be conducted frequently and incessantly. The incessant surveying approach will enhance PKNS knowledge of their future target market as well as maintain an ongoing relationship with the existing current market (James, 1996).

The next step for PKNS to be sure they are satisfying their customer is to set up a consumer satisfaction monitoring program and integrate its results into their marketing strategies. Results from the incessant surveying will note the increases and decreases of consumer satisfaction. The marketing strategy developed will counter any decline in satisfaction and capitalize on increases where possible.
Besides instituting a consumer satisfaction monitoring program, PKNS can take other actions or strategies to increase consumer satisfaction and minimize dissatisfaction, namely:

- The entire marketing mix for a product influences consumer satisfaction, not only the product itself. We should avoid the myopic notion that "good products satisfy". Consumers buy more than the product. They buy the images and life-styles that come along with it. Thus consumer value comes into question.
- We should keep in mind that consumers usually buy or want to buy a product to satisfy more than one need. Marketing managers should encourage this efficient approach. The point is that the marketer should, through product and consumer research, strive for multineed satisfaction or specific need satisfaction because this is what consumers want.
- Communicate the need satisfaction of our offerings well and always remember to highlight on the extra points. Some information if not shared will be useless. PKNS need to act on what ever findings they have. They should begin by sharing the key findings with all their employees, who must know the results to determine what they should be doing differently.

Earlier in the chapter, the researcher have mentioned that consumer satisfaction is nothing more than human satisfaction, which is known to be multi-faceted. Beliefs, expectations and household circumstances are expected to influence the future housing assets and career choices. Socio-economics and the emergence of "psychological economics" offer a new way of exploring this complex terrain. Links also have to be made to demographic changes, not just aging of populations but single-parenting, divorce and separation and entry to independent living, but still the discipline divide. Thus, there is need for housing research in the future to concentrate more on the interfaces between disciplines rather than focusing on single-discipline perspectives (Maclellanan and Banister, 1995).