

## **CHAPTER 4**

### **ANALYSIS AND FINDINGS**

This chapter presents the analysis and findings gathered from the research. It consists of four sections. The first section discusses on the demographic profiles of respondents, following by housing profile in the second section. The subsequent section highlights the type of residence choice and factors that the house owners consider important in their choice of house. The forth section reveals the search behaviour of house owner.

#### **4.1 Demographic Profile**

From the 350 planned samples, the survey produced a total usable questionnaire of 306 copies, which represented an actual response rate of 87.4%. The demographic profile of respondents was summarized in TABLE 4.1. Of the 306 respondents, 62.09% were Chinese and 30.7% were Malay. The balance of 7.19% consisted of Indian and other races. The race profile of respondents managed to reflect the residential pattern of Klang Valley where Chinese community seems to be the major residents of Klang Valley. Besides, the respondents were quite equitability distributed to male and female respondents with 55.2% and 44.77% respectively.

As for the age profile of the respondents (see TABLE 4.1), the house buyers were mainly at their matured age with 50.3% between 30 to 39 years old, while the age group between 20 to 29 years old and 40 to 49 years old contributed 28.1% and 15.36% to the study respectively. The age group above 50 years only contributed 6.2% of the overall study. As compared with the study by Sidek (2000), the age profile of house buyers appeared to be quite similar, where the age group of the house buyers were mainly between 30 to 39 years old (38.35) and 40 to 49 years old (37.6%) as illustrated in her study.

**TABLE 4.1**  
**DEMOGRAPHIC PROFILE OF RESPONDENTS**

<b>Demographic Variables</b>		<b>Frequency</b>	<b>Percentage</b>
<b>Gender:</b>			
	Male	169	55.23
	Female	137	44.77
	<i>Total</i>	306	100.00
<b>Ethnic group:</b>			
	Malay	94	30.72
	Chinese	190	62.09
	Indian	20	6.54
	Others	2	0.65
	<i>Total</i>	306	100.00
<b>Age:</b>			
	20 – 29 years old	86	28.10
	30 – 39 years old	154	50.33
	40 – 49 years old	47	15.36
	50 – 59 years old	18	5.88
	60 years old and above	1	0.33
	<i>Total</i>	306	100.00
<b>Marital Status:</b>			
	Single	61	19.93
	Married without children	67	21.90
	Married with children	176	57.52
	Divorced or single parent	2	0.65
	<i>Total</i>	306	100.00
<b>No. of Children:</b>			
	0	67	21.90
	1	39	12.75
	2	74	24.18
	3	41	13.40
	4	14	4.58
	5	6	1.96
	6	4	1.31
	<i>Total</i>	245	80.07
Missing	N/A	61	19.93
<i>Total</i>		306	100.00

Continuation of TABLE 4.1

Demographic Variables		Frequency	Percentage
Household Size:			
	1	21	6.86
	2	54	17.65
	3	41	13.40
	4	71	23.20
	5	62	20.26
	6	30	9.80
	7	16	5.23
	8	9	2.94
	9	2	0.65
	<i>Total</i>	306	100.00
Highest Education Level:			
	SRP/PMR/LCE and Below	16	5.23
	SPM/SPVM/MCE	38	12.42
	STPM/HSC	30	9.80
	College diploma	57	18.63
	University degree/professional degree	165	53.92
	<i>Total</i>	306	100.00
Monthly Personal Income:			
	Below RM1,000	5	1.63
	RM1,000 – RM1,999	85	27.78
	RM2,000 – RM2,999	89	29.08
	RM3,000 – RM3,999	73	23.86
	RM4,000 – RM5,999	34	11.11
	RM6,000 – RM7,999	15	4.90
	RM8,000 and above	5	1.63
	<i>Total</i>	306	100.00
Monthly Household Income:			
	Below RM1,000	0	-
	RM1,000 – RM1,999	14	4.58
	RM2,000 – RM3,999	93	30.39
	RM4,000 – RM5,999	97	31.70
	RM6,000 – RM7,999	54	17.65
	RM8,000 – RM9,999	28	9.15
	RM10,000 – RM11,999	12	3.92
	RM12,000 and above	8	2.61
	<i>Total</i>	306	100.00

Continuation of TABLE 4.1

Demographic Variables		Frequency	Percentage
Occupation:			
	Government employee	61	19.93
	Private sector employee	209	68.30
	Self employed/owned business	31	10.13
	Retired	3	0.98
	Others	2	0.65
	<i>Total</i>	306	100.00

As for the age profile of the respondents (see TABLE 4.1), the house buyers were mainly at their matured age with 50.3% between 30 to 39 years old, while the age group between 20 to 29 years old and 40 to 49 years old contributed 28.1% and 15.36% to the study respectively. The age group above 50 years only contributed 6.2% of the overall study. As compared with the study by Sidek (2000), the age profile of house buyers appeared to be quite similar, where the age group of the house buyers were mainly between 30 to 39 years old (38.35) and 40 to 49 years old (37.6%) as illustrated in her study.

House buyers while still predominantly "traditional families", were more diverse than ever before (See TABLE 4.1). One-person households (single, 19.9%) and young married couples (no children, 21.89%) were showing their in route to house market, but it was the married couple with children that were still dominating the housing market which represented 57.5% of the respondents. Other household, i.e. divorced or single parents only making up small portion (less than 1%) of the home buyers in the study. From the study, it was noted that 86.5% of the married couple with children and divorced or single parents have only 3 children and below, while the balance of 13.48% was made up of 4 to 6 children. These findings were corresponding with the study by (Bady and Lurz, 1997) which found that majority of the potential house buyers was married, while single person house buyer were increasing.



Similarly, the household size which dominated the housing market was between 4 to 5 persons (43.46%) and 2 to 3 persons (31.05%), while other household sizes making up of 1 person (6.86%), 6 persons (9.8%), 7 persons and above, i.e. 8.79% to the study (see TABLE 4.1). The result showed that house buyers have a medium family sizes, and it was compatible with the household size of the Chinese community who was the major respondents in the study. Nevertheless, study by Sidek (2000) revealed that 49.1% of the household have 5 to 6 occupants, while a significant percentage of 15.9% have 7 to 8 occupants. The discrepancy in household pattern was likely due to the different concentration on house buyers, where 84.4% of the respondents in her was mainly consisted of Malay respondents of PKNS house owners. Generally, Malay community has bigger household size as compared to Chinese community.

The result in TABLE 4.1 also showed that 68.3% of the house buyers were working with the private sector while 19.9% were working with the government, and about 10.13% of the house buyers were self-employed or owned business. The balance of the house buyers (1.6%) were retired or others. As mentioned above, while most of the respondents were Malay in the survey conducted by Sidek (2000), it reflected a different work profile of the respondents where PKNS house owners were mainly government employees.

From the study, it revealed that 53.9% of the respondents were having higher education level of university or professional degree, while 18.63% were with college diploma. Another 22.2% of the respondents were having at least SPM and STPM education level. The balances of 5.23% were with SRP/PMR/LCE and below education level (see TABLE 4.1).

With regards to the personal income group, most of the house buyers were within the range of RM1000 to RM3999 which equivalent to 80.72% of the respondents (see TABLE 4.1). Another 11.11% of the respondents were in the

RM4000 to RM4999 and 6.53% were consisted of house buyers earning RM5000 and above. Only minority was made up of house buyers who were below RM1000 income group.

Correspondingly, when the monthly household income of respondents were examined, the study found that 62.09% of the respondents were in the RM2000 to RM5999 category, which was about double of the personal income as noted above. Nevertheless, it was noted that the higher monthly household income which were in the range of RM6000 and above were showing strength now and represented 33.3% of the respondents. Only 4.58% of the respondents were having household income of less than RM2000. Once again, due to different concentration on house buyers, study by Sidek (2000) revealed that majority of the respondents (78.0%) were having less than RM3000 monthly household income.

## **4.2 Housing Profile**

### **4.2.1 Types of Residence**

The findings of this survey revealed that 36.27% of the type of residence was double-story terrace, 23.20% was apartment, 14.05% was single-story terrace, 8.82% was condominium, 6.86% was semi-detached, 5.88% was detached, while flat, townhouse, and others represented 4.91% of the residence (see TABLE 4.2).

These findings were supported by Sidek (2000) which illustrated that double-storey terrace, single-storey terrace and apartment were the most popular type of residence in the local market.

**TABLE 4.2**  
**TYPE OF RESIDENCE**

<b>Type of residence</b>	<b>Frequency</b>	<b>Percentage</b>
Single Storey Terrace	43	14.05
Double Storey Terrace	111	36.27
Single Storey Semi-Detached	8	2.61
Double Storey Semi-Detached	13	4.25
Single Storey Detached	12	3.92
Double Storey Detached	6	1.96
Flat	10	3.27
Townhouse	1	0.33
Apartment	71	23.20
Condominium	27	8.82
Others	4	1.31
<i>Total</i>	<i>306</i>	<i>100.00</i>

Besides, this housing profile appeared to have similar pattern as revealed by Research Inc. (Lim, June 4, 2001) in transaction volume trends in Klang Valley between 1997 and 2000, where the more actively transacted types of properties were the double-storey and condominium/apartments.

***(a) Type of Residence by Ethnic Group***

To further examine the popular type of residence against the selected ethnic group, i.e. Malay and Chinese, a cross-tabulation analysis (chi-square) was conducted. These two ethnic groups were more represented in the analysis with 94 Malay respondents and 284 Chinese respondents, which represented 92.79% of the total respondents. Indians and others had been taken out from the analysis due to the small sample size. The type of residence was regrouped into 4 major categories according to the likely features of each house type for the purpose of the analysis. As showed in TABLE 4.3, there was not much difference in the selection of type of residence against the two major ethnic groups. It was found to be insignificant at 0.061. No other study was noted on this area thus far.

**TABLE 4.3**  
**TYPE OF RESIDENCE BY ETHNIC GROUP**

<b>Type of Residence</b>	<b>Malay</b>	<b>Chinese</b>	<b>Total</b>
Single Storey Terrace	19 (20.2%)	27 (14.2%)	46 (16.2%)
Double Storey Terrace	34 (36.2%)	73 (38.4%)	107 (37.7%)
Detached/Bungalow	17 (18.1%)	19 (10.0%)	36 (12.7%)
High-Rise Residence	24 (25.5%)	71 (37.4%)	95 (33.4%)
<i>Total</i>	94 (100%)	190 (100%)	284 (100%)

Chi-Square Tests = 7.360, p = 0.061

#### **4.2.2 Purchase Price of the House**

As depicted in TABLE 4.4, it was noted that the popular type of house which was purchased by the respondents was between the purchase price of RM100,000 to RM149,999, which represented 34.31%, while 28.1% of the house buyers favoured the house which was between RM150,000 to RM249,999. Houses priced below RM100,000 were also interested by the respondents which represents 27.78% of the house buyers. Another 9.81% of the respondents favoured the house which was priced above RM250,000.

The above findings once again correspondent with the information revealed during the National Property Outlook Conference held in Petaling Jaya in June 2001, where affordable housing below RM150,000 is the most popular. More than 90% of residential properties sold in 2000 were within the RM150,000 with 42% below RM75,000. Besides, these findings were also in line with the study by Sidek (2000) where medium cost house were popular among the respondents.

**TABLE 4.4**  
**PURCHASE PRICE OF THE HOUSE**

<b>Purchase Price of the House</b>	<b>Frequency</b>	<b>Percentage</b>
Below RM 50,000	28	9.15
RM 50,000 – RM 99,999	57	18.63
RM100,000 – RM149,999	105	34.31
RM150,000 – RM199,999	61	19.93
RM200,000 – RM249,999	25	8.17
RM250,000 – RM299,999	16	5.23
RM300,000 – RM399,999	13	4.25
RM400,000 and above	1	0.33
<i>Total</i>	<i>306</i>	<i>100.00</i>

**(a) Choice of House by Ethnic Group**

Analysis has also been conducted to illustrate the choice of house (in term of purchase price of the house) by ethnic group. The type of house was regrouped according to the purchase price of the house for the purpose of above study. The chi-square test illustrated in TABLE 4.5 was significant at 0.0048, showing that different ethnic group differs in the type of residence they purchased.

From the TABLE 4.5, it was noted that Malay home owners tend to buy house which is priced below RM100,000 as compared to Chinese home owner, which represented by 38.30% and 20.00% respectively. For houses priced between RM100,000 to RM149,999 and RM150,000 to RM249,000, the Chinese home owners appeared to be the more interested party towards this types of house as compared to Malay home owner with 40.00% and 30.53% as against 25.53% and 24.47% respectively.

The reverse pattern was noted for Malay home owners when come to the house priced above RM250,000 where Malay residents (11.70%) scored higher in this category as compared to Chinese residents (9.47%). Generally, the reverse pattern in house ownership for Malay respondents was likely due to the gap of income distribution among the Malay community. No other study was noted to support the above findings.

**TABLE 4.5**  
**CHOICE OF HOUSE (PURCHASE PRICE) BY ETHNIC GROUP**

<b>Purchase Price of the House</b>	<b>Malay</b>	<b>Chinese</b>	<b>Total</b>
Below RM100,000	36.00 (38.30%)	38.00 (20.00%)	74 (26.1%)
RM100,000 to RM149,999	24.00 (25.53%)	76.00 (40.00%)	100 (35.2%)
RM150,000 to RM249,999	23.00 (24.47%)	58.00 (30.53%)	81 (28.5%)
RM250,000 and above	11.00 (11.70%)	18.00 (9.47%)	29 (10.2%)
<i>Total</i>	<i>94.00</i> <i>(100.00%)</i>	<i>190.00</i> <i>(100.00%)</i>	<i>284</i> <i>(100%)</i>

Chi-Square Tests = 12.934,  $p = 0.0048$

***(b) Choice of House by Age Group***

Another cross-tabulation was also used to demonstrate the choice of house (in term of purchase price of house) by age group. The analysis revealed that different age group house buyers favoured different price category of property.

This cross-tabulation study was also found to be significant at 0.033. As noted from TABLE 4.6 that home buyers aged more than 50 years are more interested in the house priced below RM100,000 while younger home buyers aged between 20 to 29 years have greater interest towards house between RM100,000 to RM149,999, i.e. 45.4%. For home buyers between the age of 30 to 39 years old were generally have more liking towards both the houses priced between RM100,000 to RM149,999 and RM150,000 to RM249,999 with 33.77% and 31.82% respectively. For house more than RM250,000, the home buyers between 40 to 49 years old seem to the major buyers in this price range. From the above findings, we would conclude that house buyers who were in the mature age of 40 to 49 years old tend to have higher purchasing power as compare to young house buyers.

TABLE 4.6  
CHOICE OF HOUSE (PURCHASE PRICE) BY AGE GROUP

Purchase Price of the House	20 – 29 years old	30 – 39 years old	40 – 49 years old	50 and above	Total
Below RM100,000	19 (22.1%)	37 (24.0%)	19 (40.4%)	10 (52.6%)	85 (27.8%)
RM100,000 to RM149,999	39 (45.4%)	52 (33.8%)	11 (23.4%)	3 (15.8%)	105 (34.3%)
RM150,000 to RM249,999	22 (25.6%)	49 (31.8%)	11 (23.4%)	4 (21.1%)	86 (28.1%)
RM250,000 and above	6 (6.9%)	16 (10.4%)	6 (12.8%)	2 (10.5%)	30 (9.8%)
<i>Total</i>	86 (100.0%)	154 (100.0%)	47 (100.0%)	19 (100.0%)	306 (100.0%)

Chi-Square Tests = 18.1503,  $p = 0.03347$

**(c) Choice of House by Household Income**

The same approach of testing was employed for this study. From the TABLE 4.7, it was noted that for home buyers with monthly household income less than RM4000, they were more favourable to the house below RM100,000, followed by house between RM100,000 to RM149,999. For houses priced between RM100,000 to RM149,999, generally all the four household income groups have about the same interest towards this type of house. The findings are line with our earlier findings where the most popular type of house which was purchased by the respondents was between the purchase price of RM100,000 to RM149,999.

For houses priced between RM150,000 to RM249.999 and above RM250,000, buyers with higher monthly household income were the major buyers which was in line with their higher purchasing power.

This cross-tabulation study was also found to be significant at 0.000. It is assessed that the lower is the household income, the more likelihood that buyers will go for cheaper house. These findings were supported by the earlier findings by Sidek (2000) that lower household income group tends to buy low to medium cost houses.



**TABLE 4.7**  
**CHOICE OF HOUSE (PURCHASE PRICE) BY HOUSEHOLD INCOME**

<b>Purchase Price of the House</b>	<b>Below RM4000</b>	<b>RM4000 – RM7999</b>	<b>RM8000 &amp; above</b>	<b>Total</b>
Below RM100,000	45 (42.1%)	35 (23.2%)	5 (10.4%)	85 (27.8%)
RM100,000 to RM149,999	39 (36.4%)	56 (37.1%)	10 (20.8%)	105 (34.3%)
RM150,000 to RM249,999	21 (19.6%)	47 (31.1%)	18 (37.5%)	86 (28.1%)
RM250,000 and above	2 (1.9%)	13 (8.6%)	15 (31.2%)	30 (9.8%)
<i>Total</i>	<i>107</i> <i>(100.0%)</i>	<i>151</i> <i>(100.0%)</i>	<i>48</i> <i>(100.0%)</i>	<i>306</i> <i>(100.0%)</i>

Chi-Square Tests = 51.578, p = 0.000

#### 4.2.3 Year of Purchase

As presented in TABLE 4.8, of the total 306 respondents, 51.3% of the respondents purchased their house between the years of 1996 to 1999 while 19.9% in the year of 2000 to 2001. Another 17.3% purchased their house between the years of 1990 to 1995 and the balance of 11.4% purchased their house before the year of 1990.

**TABLE 4.8**  
**YEAR OF PURCHASE**

<b>Year of Purchase</b>	<b>Frequency</b>	<b>Percentage</b>
Below 1990	35	11.4
1990 – 1995	53	17.3
1996 – 1999	157	51.3
2000 – 2001	61	19.9
<i>Total</i>	<i>306</i>	<i>100.00</i>



#### **(a) Year of Purchase by Ethnic Group**

To study whether different ethnic groups differ in the year of purchasing house, a chi-square test has been conducted. From TABLE 4.9, it was noted there was not much different between the ethnic group in year of purchase and the chi-square test was insignificant at 0.259.

TABLE 4.9  
YEAR OF PURCHASE BY ETHNIC GROUP

Year of Purchase	Malay	Chinese	Total
Below 1990	7 (7.4%)	26 (13.7%)	33 (11.6%)
1990 – 1995	20 (21.38%)	27 (14.2%)	47 (16.5%)
1996 – 1999	48 (51.1%)	97 (51.1%)	145 (51.1%)
2000 – 2001	19 (20.2%)	40 (21.1%)	59 (20.8%)
Total	94 (100.0%)	190 (100.0%)	284 (100.0%)

Chi-Square Tests = 4.024, p = 0.259

#### **4.2.4 Renovation of the House**

The study revealed that more than 60% of the respondents have renovated their house (see TABLE 4.10). The most popular parts of the house renovated were the back (39.54%) and front part (22.2%), while other parts such as floor finishes and others (e.g. which is normally the kitchen area etc.) were also considered as favorite areas for renovations. The above findings were correspondent with the findings by Sidek (2000) where the most popular parts of the house renovated were the back (40.3%) and front part (25.8%).

TABLE 4.10  
RENOVATION OF THE HOUSE

Renovation Done	Frequency	Percentage
Yes	191	62.42
No	115	37.58
Total	306	100.00
Renovated Parts	Frequency	Percentage
Front	68	22.22
Back	121	39.54
Separating toilet and bathroom	35	11.44
Separating living and dining room	38	12.42
Changing the floor finishes	48	15.69
Others	53	17.32

**(a) Renovation of the House by Type of Residence**

This study wanted to find out which type of residence did the most renovation. A cross-tabulation in TABLE 4.11 showed that double-storey terraced and high rise residence were the most renovated with 39.8% and 29.2% as compared to semi-detached and detached houses, which represented 5.7% and 8.4% respectively. It was significant at 0.027.

TABLE 4.11  
RENOVATION BY TYPE OF RESIDENCE

Type of Residence	Yes	No	Total
Single Storey Terrace	32 (16.8%)	21 (18.3%)	53 (17.3%)
Double Storey Terrace	76 (39.8%)	35 (30.4%)	111 (36.3%)
Semi-Detached Residence	11 (5.7%)	10 (8.7%)	21 (6.9%)
Detached Residence	16 (8.4%)	2 (1.7%)	18 (5.9%)
High Rise Residence	56 (29.3%)	47 (40.9%)	103 (33.7%)
Total	191 (100.0%)	115 (100.0%)	306 (100.0%)

Chi-square Test = 10.950,  $p = 0.027$

The above findings were supported by the study by Sidek (2000) where it revealed the most renovated type of house was the medium cost houses. From the findings, it was concluded that semi-detached and detached houses were least renovated and it is believed these two types of residence were normally more spacious and well design as compared to terrace houses.

**(b) Renovation of the House by Ethnic Group**

The survey also wanted to identify which ethnic group did the most renovation. A cross-tabulation test as in TABLE 4.12 showed that both ethnic groups were not much different in their decision to do the renovation. It was insignificant at 0.912.

**TABLE 4.12  
REVONATION BY ETHNIC GROUP**

<b>Renovation Done</b>	<b>Malay</b>	<b>Chinese</b>	<b>Total</b>
Yes	60 (63.8%)	120 (63.2%)	180 (63.4%)
No	34 (36.2%)	70 (36.8%)	104 (36.6%)
Total	94 (100.0%)	190 (100.0%)	284 (100.0%)

Chi-Square Tests = 0.012, p = 0.912

At the same time, the test result as shown in TABLE 4.13 revealed that there was not much different between Malay and Chinese in identifying the most popular parts of the house that had been renovated. The chi-square test was insignificant at depicted in TABLE 4.13.

**TABLE 4.13**  
**RENOVATED PARTS BY ETHNIC GROUP**

<b>Renovation Parts</b>	<b>Malay</b>	<b>Chinese</b>	<b>Total</b>	<b>P</b>
Front	24 (20.2%)	43 (18.6%)	67 (19.1%)	0.588
Back	40 (33.6%)	74 (32.0%)	114 (32.6%)	0.560
Separating toilet and bathroom	12 (10.1%)	21 (9.1%)	33 (9.4%)	0.672
Separating living and dining room	8 (6.7%)	29 (12.6%)	37 (10.6%)	0.112
Changing the floor finishes	15 (12.6%)	33 (14.3%)	48 (13.7%)	0.765
Others	20 (16.8%)	31 (13.4%)	51 (14.6%)	0.305
Total	119 (100.0%)	231 (100.0%)	350 (100.0%)	- -

### **4.3 Housing Choice for House Buyers**

From the survey, it has brought to our attention that the majority of the respondents (86.93%) preferred newly built house in their choice of house (see TABLE 4.14). The result seemed to be the same as per the finding revealed in the property poll results through thestar.com.my as at 15<sup>th</sup> January 2001, where 94% of the respondents chose the option of build-then-sell as against sell-then-built. Nevertheless, the cross-tabulation analysis reflected insignificant result at 0.237, i.e. Malay and Chinese have the same perception towards the preferred house as depicted in TABLE 4.15.

**TABLE 4.14**  
**THE PREFERRED HOUSE**

<b>Preferred House</b>	<b>Frequency</b>	<b>Percentage</b>
Newly Built	266	86.93
Resale	14	4.58
Under Construction	26	8.50
Total	306	100.00

**TABLE 4.15**  
**PREFERRED HOUSE BY ETHNIC GROUP**

<b>Preferred House</b>	<b>Malay</b>	<b>Chinese</b>	<b>Total</b>
Newly Built	86 (91.5%)	160 (84.2%)	246 (86.6%)
Resale	3 (3.2%)	11 (5.8%)	14 (4.9%)
Under Construction	5 (5.3%)	19 (10.0%)	24 (8.5%)
Total	94 (100.0%)	190 (100.0%)	284 (100.0%)

Chi-Square Tests = 2.876,  $p = 0.237$

#### **4.3.1 Influence Factors In Choice of House**

Respondents were asked regarding their consideration in making the choice of house, and what will be the influential factors in making their choice of house. Mean scores were measured based on a scale of "1 = no influence" to "5 = very strong influence". The higher is the mean score, the more significant is the influencing level (more than 3 point).

From the TABLE 4.16, it revealed that all of the factors as categorised in the five major variables (i.e. property design or characteristic, distance variables or location, environmental or neighbourhood, financial variables and developer's track record) appeared to be important in influencing respondents in their choice of house.

From the underlying list of 30 factors, security from crime, price of house, distance to work, developer's reputation to deliver house on time, developer's reputation for quality, amount of noise, the built-up/floor area of the house and necessary experiences of developer were the most significant factors influencing home buyers in their choice of house. The results seemed correspondent with the 55 most influential variables that were identified by Adair, Berry and McGreal (1995).

**TABLE 4.16**  
**INFLUENCE FACTORS IN THE CHOICE OF HOUSE**

<b>Variables</b>	<b>Mean</b>	<b>Std. Deviation</b>
Security from crime	4.36	0.85
Price of house	4.25	0.90
Distance to work	4.24	3.07
Developer's reputation to deliver house on time	4.20	0.91
Developer's reputation for quality	4.19	0.94
Amount of noise in the area	4.15	1.00
The built-up/floor area of the house	4.10	0.84
Developer has the necessary experience	4.04	0.89
Interior layout/design	3.99	0.87
Good customer services	3.94	1.05
Social standing of the area	3.94	0.91
Mortgage interest rate	3.89	0.97
Type of neighbouring houses	3.82	1.46
Maximum monthly repayment	3.81	0.90
Capital appreciation	3.81	0.90
Exterior design and appearance	3.80	0.90
Density of housing	3.75	0.90
Attractive view	3.73	0.91
Downpayment	3.72	0.85
Distance to city centre	3.69	0.96
Distance to public transportation	3.63	1.05
Topography of the land	3.63	1.01
Distance to schools	3.62	1.08
Availability of spacious car park	3.59	0.92
Distance to shopping facilities	3.54	1.00
Assistance in arranging for financing	3.52	1.01
Rental income	3.39	1.05
Accessibility of leisure and recreation facilities	3.37	1.00
Additional amenities from standard package	3.29	0.99
Flexibility of renovation	3.24	1.06

*Note: Based on a scale of "1 = no influence" to "5 = very strong influence". The higher is the mean score, the more significant is the influencing level (more than 3 point).*

Even though the researcher had adopted different approach, the above findings have provided some valuable supports to the previous studies by Suresh (1996) and Lim (September 3, 2001) where location, price of the house, developer's reputation, housing environment, house design etc. has proved to have significance influence on house buyers.

***(a) Influence Factors In Choice of House by Ethnic Group***

From the independent t-test, it was noted that all of the underlying factors have same influences to both Malay and Chinese respondents except for distance to public transportation where Malay was more favourable to this factor as compared to Chinese respondents (see TABLE 4.17).

Generally, one can concluded that both Malay and Chinese house buyers are indifferent in the house choice and public transportation used to be more popular among Malay community.

**TABLE 4.17**  
**INFLUENCE FACTORS BY ETHNIC GROUP**

<b>Variables</b>	<b>Ethnic</b>	<b>N</b>	<b>Mean</b>	<b>Significant</b>
Built-Up Area	Malay	94	4.06	0.733
	Chinese	190	4.10	
Exterior Design & Appearance	Malay	94	3.79	0.724
	Chinese	190	3.75	
Interior Layout & Design	Malay	94	4.01	0.596
	Chinese	190	3.95	
Car Park Availability	Malay	94	3.46	0.141
	Chinese	190	3.63	
Flexibility Of Renovation	Malay	94	3.18	0.701
	Chinese	190	3.23	
Additional Amenities	Malay	94	3.22	0.658
	Chinese	190	3.28	
Distance To Work	Malay	94	3.93	0.275
	Chinese	190	4.36	
Distance To City	Malay	94	3.60	0.387
	Chinese	190	3.70	
Distance To Shopping Facilities	Malay	94	3.46	0.409
	Chinese	190	3.56	
Distance To Public Transportation	Malay	94	3.82	0.014
	Chinese	190	3.49	
Distance To School	Malay	94	3.73	0.108
	Chinese	190	3.52	
Acessibility Of Leisure & Recreation Facilities	Malay	94	3.39	0.691
	Chinese	190	3.34	
Type Of Neighbouring Houses	Malay	94	3.65	0.166
	Chinese	190	3.91	
Density Of Housing	Malay	94	3.72	0.659
	Chinese	190	3.77	
Topography Of The Land	Malay	94	3.61	0.960
	Chinese	190	3.60	
Attractive View	Malay	94	3.68	0.662
	Chinese	190	3.73	
Amount Of Noice	Malay	94	4.15	0.893
	Chinese	190	4.13	
Security From Crime	Malay	94	4.38	0.704
	Chinese	190	4.34	
Social Standing	Malay	94	3.94	0.815
	Chinese	190	3.96	
Price Of House	Malay	94	4.29	0.426
	Chinese	190	4.19	



Continuation of TABLE 4.17

<b>Variables</b>	<b>Ethnic</b>	<b>N</b>	<b>Mean</b>	<b>Significant</b>
Mortgage Interest Rate	Malay	94	3.90	0.706
	Chinese	190	3.86	
Downpayment	Malay	94	3.73	0.576
	Chinese	190	3.67	
Maximum Monthly Repayment	Malay	94	3.81	0.902
	Chinese	190	3.79	
Capital Appreciation	Malay	94	3.72	0.290
	Chinese	190	3.84	
Rental Income	Malay	94	3.34	0.895
	Chinese	190	3.36	
Developer Quality Reputation	Malay	94	4.23	0.422
	Chinese	190	4.14	
Deliver House On Time	Malay	94	4.19	0.776
	Chinese	190	4.16	
Necessary Experience	Malay	94	4.05	0.572
	Chinese	190	3.99	
Assistance In Arranging For Financing	Malay	94	3.59	0.229
	Chinese	190	3.43	
Good Customer Service	Malay	94	3.99	0.390
	Chinese	190	3.87	

#### 4.3.2 Influence Factors In Choice of House by Ranking

Respondents were asked to rank the five key factors according to "1 = most influential" to "5 = least influential" in making their house buying decision. The lower is the mean, the more influential is the factor. TABLE 4.18 showed that location was the most influential factor with the mean of 2.01 when come to the buying decision, followed by price of the house (2.04), environment of the housing areas (3.25), physical characteristics of the house (3.76) and developer's reputation (3.98).

**TABLE 4.18**  
**INFLUENCE FACTORS BY RANKING**

Variables	Mean	Rank
Price of the house	2.04	2
Location of the house	2.01	1
Environment of the huosing areas	3.25	3
Physical characteristics of the house	3.76	4
Develop's reputation	3.95	5

*Note: Based on "1 = most influential" to "5 = least influential" in making their house buying decision. The lower is the mean, the more influential is the factor.*

**(a) Ranking of Influence Variables in Choice of House by Ethnic Group**

To examine what will be the ranking by ethnic group on the five major variables when they come to the decision to buy a house, the researcher has conducted an independent t-test on the above. The result was insignificant as reflected in TABLE 4.19, which indicated that both Malay and Chinese has the same opinion when come to the point of purchase a house.

**TABLE 4.19**  
**RANKING OF VARIABLES BY ETHNIC GROUP**

Variables	Ethnic	N	Mean	Significant
Price of the house	Malay	94	2.01	0.753
	Chinese	190	2.06	
Location of the house	Malay	94	1.93	0.317
	Chinese	190	2.06	
Environment of the housing areas	Malay	94	3.37	0.097
	Chinese	190	3.15	
Physical characteristics of the house	Malay	94	3.71	0.611
	Chinese	190	3.78	
Developer's reputation	Malay	94	3.98	0.870
	Chinese	190	3.95	

### 4.3.3 Influence Factors In Choice of House By Comparison

To further examine the perception of buyer in their choice of house, respondent were asked to make comparison among the five major variables. There were 10 statements have been constructed to compare the important of the five variables in choice of house. Mean scores were measured based on a scale of "1 = strongly disagree" to "7 = strongly agree". The higher is the mean score, the more significant is the influencing level.

From the highest mean scores computed in TABLE 4.20, we noted that most of the respondents agreed that they were willing to pay much more as a compensatory for better location, better housing environment, better housing design and reputable developer.

TABLE 4.20  
INFLUENCE FACTORS BY COMPARISON

Variables	Mean	Std. Deviation
To me, quality housing environment is much more important than the house design	4.98	1.52
I don't mind paying much more as long as the location is strategic	4.90	4.41
To me, strategic location is much more preferred than the house design	4.89	1.50
To me, strategic location is much more preferred than developer's reputation	4.66	1.53
To me, strategic location is much more preferred than housing environment	4.62	1.54
I don't mind paying much more as long as the housing environment is nice	4.57	1.51
To me, quality housing environment is much more important than the developer's reputation	4.52	1.54
I don't mind paying much more as long as the house design is nice	4.07	1.64
I don't mind paying much more as long as the developer's reputation is good	4.00	1.58
To me, house design is much more important than the developer's reputation	3.99	1.58

*Note: Based on a scale of "1 = strongly disagree" to "7 = strongly agree". The higher is the mean score, the more important is the variable.*

Generally, location appeared to be the most favourable variable, followed by housing environment, house design, developer reputation and price. These findings were line with the previous findings (by ranking approach) where location was noted to be most influential factor in choice of house. These findings also supported by previous study by Sidek (2000) where location dominated the decision of house owners in their search for an ideal home.

**(a) Comparing Influence Variables in Choice of House by Ethnic Group**

In comparing the influence of the above five major variables by ethnic group, an independent t-test has been conducted. As depicted in the TABLE 4.21, it showed that Malay and Chinese were indifferent when come to making their choice of house except for the comparison between housing environment and house design where Malay respondents preferred house design more than the housing environment. Nevertheless, no previous findings were available for comparison.

TABLE 4.21  
COMPARING INFLUENCE VARIABLES BY ETHNIC GROUP

Variables	Ethnic	N	Mean	Significant
I don't mind paying much more as long as the house design is nice	Malay Chinese	94 190	3.88 4.14	0.217
I don't mind paying much more as long as the location is strategic	Malay Chinese	94 190	4.56 5.09	0.357
I don't mind paying much more as long as the housing environment is nice	Malay Chinese	94 190	4.49 4.62	0.509
I don't mind paying much more as long as the developer's reputation is good	Malay Chinese	94 190	3.97 4.07	0.606
To me, strategic location is much more preferred than housing environment	Malay Chinese	94 190	4.67 4.66	0.949
To me, strategic location is much more preferred than the house design	Malay Chinese	94 190	4.88 4.99	0.539
To me, strategic location is much more preferred than developer's reputation	Malay Chinese	94 190	4.76 4.71	0.808
To me, quality housing environment is much more important than the house design	Malay Chinese	94 190	4.99 5.06	0.689
To me, house design is much more important than the developer's reputation	Malay Chinese	94 190	4.28 3.87	0.038
To me, quality housing environment is much more important than the developer's reputation	Malay Chinese	94 190	4.72 4.44	0.135

#### **4.3.4 Why Buy House?**

From the analysis of the survey, it revealed that people buy house mainly due to the reasons that they want to own house, not rent, to establish own household, and for financial investment purposes (see TABLE 4.22).

The above findings were quite similar with the previous study done by Marbeck (1994). According to him, people buy property for three basic reasons, i.e. personal, investment, and speculation. Besides, previous study by Bady and Lurz (1997) revealed that the major reasons for buying a house include want to own home, not rent, financial investment, want to settle down, have roots, etc.

**TABLE 4.22  
REASONS OF BUYING HOUSE**

<b>Reasons of Buying House</b>	<b>Frequency</b>	<b>Percent</b>
Want to own house, not rent	231	75.49
To establish own household	144	47.06
Financial investment	128	41.83
Change in marital status	79	25.82
Wanted better quality house	55	17.97
Wanted larger unit	49	16.01
Commuting reasons	17	5.56
New job/transfer	11	3.59
Others	3	0.98

#### ***(a) Housing Needs By Ethnic Groups***

To identify the housing needs by ethnic groups, a cross-tabulation test has been conducted and it seemed that only the reason of change in marital status noted different between Malay and Chinese respondents (see TABLE 4.23). For Chinese respondents, owning a house due to change in marital status was important, whereas, Malay respondents did not view as the same.

**TABLE 4.23**  
**REASONS OF BUYING HOUSE BY ETHNIC GROUP**

<b>Reasons of Buying House</b>	<b>Malay</b>	<b>Chinese</b>	<b>Total</b>	<b>P</b>
Want to own house, not rent	74 (33.2%)	139 (31.2%)	213 (31.9%)	0.308
Change in marital status	16 (7.2%)	57 (12.8%)	73 (10.9%)	0.019
To establish own household	46 (20.6%)	87 (19.6%)	133 (19.9%)	0.617
Financial investment	44 (19.7%)	75 (16.9%)	119 (17.8%)	0.238
New job/transfer	2 (0.9%)	8 (1.8%)	10 (1.5%)	0.370
Commuting reasons	5 (2.2%)	12 (2.7%)	17 (2.5%)	0.739
Wanted larger unit	15 (6.7%)	32 (7.2%)	47 (7.0%)	0.850
Wanted better quality house	19 (8.5%)	34 (7.6%)	53 (7.9%)	0.637
Others	2 (0.9%)	1 (0.2%)	3 (0.4%)	0.214
Total	223 (100.0%)	445 (100.0%)	668 (100%)	- -

#### **4.4 Buyer Search in the Housing Market**

Using data collected from the survey, the duration of search by a house buyer is measured in two ways, in terms of time and number of houses seen. Many other significant variables, such as prior information, the quality of information provided by the developers and sources of information were also examined in understanding buyer search behaviour in the housing market.

##### **4.4.1 Sources of Information**

To measure the most popular channel in reaching the house buyers, respondents were asked to indicate how frequent they used the various searching tools, i.e. never, seldom, sometimes, regular, always. From the TABLE 4.24, it was noted that the most frequent use search tool in housing is

through the advertisement in newspaper, following by home exhibition centres, advice from friends/colleagues, and advice from relatives. Other sources of information appear to be unpopular for the house buyers.

Previous findings by Bady and Lurz (1997) revealed that brokers and newspaper ads are the most important tools in home search, besides advice from friends. It was noted use of brokers/agency sales was not popular in local housing market as indicated by a lower mean score of 2.30. Researcher believe, the use of brokers/agency and Internet would gain their popularity in future besides advertisement in newspaper.

**TABLE 4.24**  
**SOURCES OF INFORMATION**

<b>Searching Tools</b>	<b>Mean</b>	<b>Std. Deviation</b>
Advertisement in newspaper	3.65	1.1067
Home Exhibition Centres	3.44	0.9706
Advice from friends/colleagues	3.27	1.0122
Advice from relatives	3.22	1.0878
Counters in shopping mall	2.93	0.9657
Classified advertisement	2.64	1.1454
Billboards/signage	2.53	1.0246
Broadcasting media (TV, Radio)	2.51	2.7042
Advertisement in magazines	2.39	1.1686
Brokers/agency sales	2.30	1.1405
Builder web site	1.81	0.9967
Third-party web site	1.70	0.9196

*Note: Based on the scale of "1 = Never" to "5 = Always". The higher is the mean score, the more significant is the influencing level.*

To identify the most effective channels in reaching the house buyers, an independent t-test has been conducted. Nevertheless, the result showed that both the ethnic groups did not have any significant different in the use of searching tools (see TABLE 4.25).



TABLE 4.25  
BUYER SEARCH BY ETHNIC GROUP

Searching Tools	Ethnic	N	Mean	Significant
Brokers / Agency Sales	Malay	94	2.14	0.088
	Chinese	190	2.38	
Advertisement In Newspaper	Malay	94	3.65	0.888
	Chinese	190	3.67	
Advertisement In Magazines	Malay	94	2.21	0.073
	Chinese	190	2.47	
Classified Advertisements	Malay	94	2.54	0.254
	Chinese	190	2.71	
Broadcasting Media	Malay	94	2.82	0.184
	Chinese	190	2.35	
Advice From Friends/Colleague	Malay	94	3.24	0.886
	Chinese	190	3.23	
Advice From Relatives	Malay	94	3.20	0.982
	Chinese	190	3.21	
Billboards/Signage	Malay	94	2.63	0.112
	Chinese	190	2.43	
Builder Web Sites	Malay	94	1.85	0.687
	Chinese	190	1.80	
Third-Party Web Sites	Malay	94	1.80	0.295
	Chinese	190	1.67	
Home Exhibition Centres	Malay	94	3.38	0.521
	Chinese	190	3.46	
Counters In Shopping Mall	Malay	94	2.95	0.901
	Chinese	190	2.93	
Internet Search	Malay	94	1.74	0.341
	Chinese	190	1.79	

#### 4.4.2 Use of Internet in Home Searching

It was disappointed to note that the use of Internet in house searching was the most unpopular among other sources. As showed in TABLE 4.26, only 21.90% of the respondents used Internet to search for information in their home searching efforts. On the bright side, for those who use Internet, more than 70% of the respondents found the information gathered from the Internet helps to shorten their time in home searching.



TABLE 4.26  
USE OF INTERNET IN HOME SEARCHING

Internet Search in House Information	Frequency	Percentage
Yes	67	21.90
No	239	78.10
Total	306	100.00
Internet Shorten your Time of Search	Frequency	Percentage
Yes	50	74.63
No	17	25.37
Total	67	100.00

While to examine the quality of information provided by Internet, generally respondents viewed the quality of information as average in terms of accuracy, relevancy, usefulness and attractiveness. However, respondents were slightly skeptical about the reliability of the information provided by Internet, which represented by mean score of 2.94 (please refer to TABLE 4.27).

TABLE 4.27  
QUALITY OF INFORMATION OBTAINED FROM INTERNET

Quality of Information	Mean	Std. Deviation
Reliability	2.94	0.74
Accuracy	3.01	0.69
Relevancy	3.01	0.84
Usefulness	3.18	0.74
Attractiveness	3.15	0.82

*Note: Based on the scale of "1 = Low" to "5 = High". The higher is the mean score, the more significant is the influencing level.*

A cross-tabulation test (chi-square) has been used to examine by ethnic groups on the use of Internet in gathering housing and the efficiency of the Internet in providing the information. The test results as depicted in TABLE 4.28 showed that the study was insignificant at 0.142 and 0.296 respectively due to small sample size.

**TABLE 4.28**  
**USE AND EFFICIENCY OF INTERNET BY ETHNIC GROUP**

<b>Use of Internet</b>	<b>Malay</b>	<b>Chinese</b>	<b>Total</b>	<b>P</b>
Yes	24	39	63	0.339
No	70	151	221	
Total	94	190	284	
<b>Efficiency of Internet</b>	<b>Malay</b>	<b>Chinese</b>	<b>Total</b>	<b>P</b>
Yes	20	28	48	0.296
No	4	11	15	
Total	24	39	63	

To examine the quality of Internet information by ethnic group, the result as depicted in TABLE 4.29 showed that Malay and Chinese house buyers only different in their opinion on the relevancy of Internet information, where Malay respondents has higher credit on the relevancy of Internet information. Other quality on reliability, accuracy, usefulness and attractiveness appeared to be indifferent for both ethnic groups.

**TABLE 4.29**  
**QUALITY OF INTERNET INFORMATION BY ETHNIC GROUP**

<b>Quality of Information</b>	<b>Ethnic</b>	<b>N</b>	<b>Mean</b>	<b>Significant</b>
Reliability	Malay	24	3.13	0.250
	Chinese	39	2.92	
Accuracy	Malay	24	3.13	0.485
	Chinese	39	3.00	
Relevancy	Malay	24	3.38	0.013
	Chinese	39	2.85	
Usefulness	Malay	24	3.38	0.147
	Chinese	39	3.10	
Attractiveness	Malay	24	3.33	0.180
	Chinese	39	3.05	

#### **4.4.3 Duration of Search**

As reflected in TABLE 4.30, it revealed that respondents normally were more careful where they spent more than 4 months (42.48%) in looking for their ideal

home before they bought the house. We believe the caution steps taken by respondents were caused by low consumer sentiment towards the uncertainty of the real estate industry and economic outlook.

The previous study by Anglin (1997) indicated that shorter time period (3 to 4 weeks or between 1 to 2 months) was taken for house buyers in looking for their ideal home before they bought the house. We believe shorter time taken by the house buyers in Canada may be due to more available housing information and better access to the information.

**TABLE 4.30**  
**TIME SPENT IN HOME SEARCHING**

<b>Time Spent in Home Searching</b>	<b>Frequency</b>	<b>Percent</b>
Less than 1 week	6	1.96
1 to 2 weeks	13	4.25
2 to 4 weeks	41	13.40
1 to 2 months	64	20.92
2 to 4 months	52	16.99
More than 4 months	130	42.48
<i>Total</i>	<i>306</i>	<i>100.00</i>

In terms of the number of houses inspected, 38.24% respondents revealed that they had conducted an inspection for four to six houses prior to buying their house, while another 28.76% and 21.90% respondents paid one to three visits and 7 – 10 visits to the interested houses respectively. Only 11.11% of the respondents conducted more than 10 inspection before they bought their house (see TABLE 4.31).

**TABLE 4.31**  
**NUMBER OF HOUSE INSPECTED**

<b>Number of House Inspected</b>	<b>Frequency</b>	<b>Percent</b>
1 – 3 inspections	88	28.76
4 – 6 inspections	117	38.24
7 –10 inspections	67	21.90
11 – 15 inspections	13	4.25
More than 15 inspections	21	6.86
<i>Total</i>	<i>306</i>	<i>100.00</i>

However, research by Bady and Lurz (1997) revealed that prospective buyers would evaluate 13 different homes before they buy the house. Another finding by Anglin (1997) reported that the probability of purchase is higher with 6 to 10 inspections.

In examining the search behaviour across the ethnic group, the test results were insignificant at 0.336 on the time spend on home searching and 0.760 on the number of house inspected respectively (See TABLE 4.32).

**TABLE 4.32**  
**SEARCH BEHAVIOUR BY ETHNIC GROUP**

<b>Time Spent in Home Searching</b>	<b>Malay</b>	<b>Chinese</b>	<b>Total</b>	<b>P</b>
Less than 1 week	2 (2.1%)	3 (1.6%)	5 (1.8%)	0.336
1 to 2 weeks	4 (4.3%)	8 (4.2%)	12 (4.2%)	
2 to 4 weeks	11 (11.7%)	26 (13.7%)	37 (13.0%)	
1 to 2 months	28 (29.8%)	34 (17.9%)	62 (21.8%)	
2 to 4 months	16 (17.0%)	35 (18.4%)	51 (18.0%)	
More than 4 months	33 (35.1%)	84 (44.2%)	117 (41.2%)	
<b>Total</b>	<b>94 (100.0%)</b>	<b>190 (100.0%)</b>	<b>284 (100.0%)</b>	

Number of House Inspected	Malay	Chinese	Total	P
1 - 3 inspections	27 (28.7%)	56 (29.5%)	83 (29.2%)	0.760
4 - 6 inspections	37 (39.4%)	69 (36.3%)	106 (37.3%)	
7 -10 inspections	19 (20.2%)	45 (23.7%)	64 (22.5%)	
11 – 15 inspections	5 (5.3%)	8 (4.2%)	13 (4.6%)	
More than 15 inspections	6 (6.4%)	12 (6.3%)	18 (6.3%)	
Total	94 (100.0%)	190 (100.0%)	284 (100.0%)	

Respondents were asked to rank from "1 = most attractive", "2 = second attractive" to "3 = third attractive" to indicate what would be the most eye-catching and attractive contents of the advertisement which might draw their interest to make a detailed house inspection. The result showed that (see TABLE 4.33) attractive location (33.93%) ranked as the most appealing factor, followed by attractive pricing (33.44%), attractive house design (13.94%) and attractive town planning (8.99%) etc. Other factors like attractive house features, attractive promotional package and attractive incentive plan seemed to be least attractive in the study.

TABLE 4.33  
ATTRACTIVENESS OF THE ADVERTISEMENT

Attractiveness	Mean	Ranking
Attractive Pricing	1.99	2
Attractive Location	1.96	1
Attractive House Design	3.16	3
Attractive Promotional Package	3.77	6
Attractive Town Planning	3.46	4
Attractive Incentive Plan	3.88	7
Attractive House Features	3.76	5

*Note: Based on the ranking from "1 = most attractive", "2 = second attractive" to "3 = third attractive". The higher is the mean score, the more attractive is the feature.*

Further independent t-test revealed that both ethnic group, i.e. Malay and Chinese were almost equally attracted by the underlying advertisement features, and the test result was insignificant as depicted in TABLE 4.34.

**TABLE 4.34**  
**ATTRACTIVENESS OF ADVERTISEMENT BY ETHNIC GROUP**

<b>Attractiveness</b>	<b>Ethnic</b>	<b>N</b>	<b>Mean</b>	<b>Significant</b>
Attracting Pricing	Malay	94	1.90	0.236
	Chinese	190	2.07	
Attracting Location	Malay	94	2.07	0.055
	Chinese	190	1.85	
Attracting House Design	Malay	94	3.17	0.941
	Chinese	190	3.18	
Attracting Promotional Package	Malay	94	3.77	0.975
	Chinese	190	3.77	
Attracting Town Planning	Malay	94	3.46	0.893
	Chinese	190	3.44	
Attracting Incentive Plan	Malay	94	3.83	0.169
	Chinese	190	3.91	
Attracting House Features	Malay	94	3.80	0.840
	Chinese	190	3.78	

To study the housing knowledge of house buyers, respondents were requested to indicate from the scale of "1 = low" to "5 = high" on the level of their knowledge of the housing market. The research result (see TABLE 4.35) indicated that normally house buyers have an above average level of knowledge about the housing market as evidenced by mean scores above 3.00 for all the areas, i.e. home type, demand and supply of houses, home price, mortgage loan and the availability of the targeted house.

According to Anglin (1997), buyers who are less familiar with an area have less accurate expectation of the distribution of opportunities. Buyers who know that they are unfamiliar can be expected to compensate by obtaining more information before buying because such a buyer recognise the added advantages of extra time.

TABLE 4.35  
HOUSING KNOWLEDGE OF BUYERS

Knowledge about the Housing Market	Mean	Std. Deviation
Home type	3.27	0.95
Home demand and supply	3.17	0.96
Home price	3.62	0.93
Mortgage loan	3.30	1.02
Availability of targeted house	3.21	0.92

*Note: Based on the scale of "1 = low" to "5 = high" on the level of their knowledge of the housing market. The higher is the mean score, the higher is the housing knowledge.*

Nevertheless, when the researcher conducted an independent t-test to ascertain the different between the two ethnic group, the result showed that both Malay and Chinese were indifferent in their housing knowledge as illustrated in TABLE 4.36.

TABLE 4.36  
HOUSING KNOWLEDGE OF BUYERS BY ETHNIC GROUP

Knowledge about Housing Market	Ethnic	N	Mean	Significant
Home Type	Malay	94	3.30	0.986
	Chinese	190	3.30	
Demand And Supply	Malay	94	3.24	0.420
	Chinese	190	3.15	
Price	Malay	94	3.69	0.355
	Chinese	190	3.58	
Mortgage Loan	Malay	94	3.34	0.606
	Chinese	190	3.27	
Availability	Malay	94	3.13	0.238
	Chinese	190	3.26	

At the end of the questionnaire, respondents were asked to indicate whether they believe that the home searching process is useful in their choice of house. Overall, 91.83% respondents viewed the information acquired during the home searching process was useful in concluding their decision before coming to the

point of purchase as showed in TABLE 4.37.

TABLE 4.37  
USEFULNESS OF HOUSING INFORMATION

Usefulness of Information	Frequency	Percentage
Yes	281	91.83
No	25	8.17
<i>Total</i>	306	100.00

By comparing the two ethnic groups, the chi-square test indicated that Malay and Chinese did not differ in their opinion on the usefulness of the housing information and it was insignificant at 0.142. (see TABLE 4.38).

TABLE 4.38  
USEFULNESS OF HOUSING INFORMATION BY ETHNIC GROUP

Usefulness of Information	Malay	Chinese	Total
Yes	84 (89.4%)	179 (94.2%)	263 (92.6%)
No	10 (10.6%)	11 (5.8)	21 (7.4%)
<i>Total</i>	94 (100.0%)	190 (100.0%)	284 (100.0%)