

ABSTRACT

Abstract of thesis submitted to the Graduate School of Maejo University in partial fulfillment of the requirements for the degree of Master of Business Administration in Business Administration

**FACTORS AFFECTING DECISION MAKING ON BUYING HOUSES
IN CHIANGRAI PLANNING AREA FROM 1997 TO 1998**

By

AUYPORN BOONYUEN

May 2000

Chairman: Narongrit Puschadee

Department/Faculty: Department of Agricultural Business Administration
and Marketing, Faculty of Agricultural Business

This research aimed to study 1) housing business situations in Chiangrai planning area; 2) factors affecting decision making on buying houses in Chiangrai planning area; and 3) buyers' problems and opinions on housing projects. The data was collected by means of questionnaires from management staff of housing projects and buyers during the years 1997-1998 and analyzed with the use of the SPSS/PC⁺.

The housing estate projects in the city plan area of Chiangrai (studied in this research) were launched in 1987. Most of them had single owners and capital investments below 20 million baht; financial sources were financial institutes. Target clients were people in and outside Chiangrai whose family income was lower than 30,000 baht or from 30,000 to 60,000 baht per month. The first priority for running housing estate projects was the selection of project sites and the sites best suited for future expansion were along the roads that joined Pahonyotin Road i.e. Kuakae - Nanglae, Fangmin - Nong Bua Dang and Srisaimoon - Wiangchai. With regard to marketing mix, the project owners put a lot of weight on products used

for constructing the houses, house design and space in the houses. Prices of houses were determined with consideration of target clients' purchasing power. Marketing channel was through sale offices at the project sites and marketing promotion was done by means of advertisement. While the projects were being carried out, some problems were found : complexity and time consuming in obtaining permission to run the projects and a decrease in purchasing power of the target clients. Housing estate businesses in Chiangrai was found to gradually decline. However, as this research was carried out in 1997-1998, it might have been too short a period for studying as well as an economic downturn period.

The most important factor affecting decision making on buying houses in Chiangrai planning area from 1997 to 1998 was the marketing mix factor i.e. price, followed by the house itself, channels of distribution, and promotion and source of information.

Personal factors i.e. age of family leaders, occupation of family leaders and family income were found not to cause any difference in decision making on buying houses but number of family members resulted in differences in decision making.

The buyers' most frequently found problem was the quality of houses which did not reach the standard, followed by public facilities and after-sale services, respectively.