



A STUDY OF FACTORS AFFECTING PURCHASING BEHAVIOR OF  
FOREIGNERS FOR SINGLE-DETACHED  
RETIREMENT RESIDENCES  
IN THAILAND

BY

MISS NATTASORN CHAIPRASITTIKUL

THIS INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT OF THE  
REQUIREMENTS FOR THE DEGREE OF MASTER OF SCIENCE  
INNOVATIVE REAL ESTATE DEVELOPMENT PROGRAM  
FACULTY OF ARCHITECTURE AND PLANNING  
THAMMASAT UNIVERSITY  
ACADEMIC YEAR 2015  
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การศึกษาปัจจัยที่มีผลต่อพฤติกรรมการซื้อที่อยู่อาศัยประเภท  
บ้านเดี่ยวของชาวต่างชาติเพื่อการเกษียณในประเทศไทย

โดย

นางสาวณัฏฐสรณ์ ชัยประสิทธิ์กุล



การค้นคว้าอิสระนี้เป็นส่วนหนึ่งของการศึกษาตามหลักสูตร  
วิทยาศาสตรมหาบัณฑิต  
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นางสาวณัฏฐสรณ์ ชัยประสิทธิ์กุล

เรื่อง

การศึกษาปัจจัยที่มีผลต่อพฤติกรรมการซื้อที่อยู่อาศัยประเภท  
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หัวข้อการค้นคว้าอิสระ	การศึกษาปัจจัยที่มีผลต่อพฤติกรรมการซื้อที่อยู่อาศัยประเภทบ้านเดี่ยวของชาวต่างชาติเพื่อการเกษียณในประเทศไทย
ชื่อผู้เขียน	นางสาวณัฏฐสรณ์ ชัยประสิทธิ์กุล
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### บทคัดย่อ

ทวีปเอเชียตะวันออกเฉียงใต้ได้รับการขนานนามให้เป็นทางเลือกที่อยู่อาศัยระยะยาว เนื่องจากมีค่าครองชีพต่ำ และสภาพอากาศอบอุ่น นอกจากนี้ ประเทศไทยถูกจัดอันดับให้เป็น 1 ใน 10 ของประเทศที่เหมาะสมแก่การใช้ชีวิตหลังเกษียณมากที่สุดในโลก โดยการศึกษาทำการค้นคว้าข้อมูลเกี่ยวกับพฤติกรรมการซื้อที่อยู่อาศัยประเภทบ้านเดี่ยวของชาวต่างชาติ ที่เลือกเกษียณในประเทศไทย จุดประสงค์ของการศึกษาได้แก่การศึกษาพฤติกรรมผู้บริโภคและการศึกษาถึงขอบเขต แรงจูงใจ ปัจจัยที่มีผลต่อการตัดสินใจ และขั้นตอนการตัดสินใจ โดยหลักการเก็บข้อมูล จะใช้หลักการเชิงปริมาณมีการแจกแบบสอบถามจำนวน 280 ชุดตามจังหวัดที่มีชื่อเสียงของประเทศไทยสำหรับชาวต่างชาติ ได้แก่ จังหวัดเชียงใหม่ จังหวัดประจวบคีรีขันธ์ และจังหวัดนครราชสีมา นอกจากนี้มี การค้นคว้าข้อมูลทุติยภูมิจากแหล่งข้อมูลที่น่าเชื่อถือ ผลการศึกษาสรุปได้ว่า ชาวต่างชาติอาศัยอยู่ในประเทศไทยตามฤดูกาลเพื่อหนีจากอุณหภูมิหนาวจากประเทศของตน วิถีชีวิตและกิจกรรม ได้แก่ กิจกรรมกลางแจ้งและวิถีชีวิตเพื่อสุขภาพ โดยส่วนมากมีจำนวนสมาชิก 2 คนอาศัยอยู่ในบ้าน ชาวต่างชาติสูงอายุส่วนมากเป็นผู้มีอำนาจในการตัดสินใจซื้อด้วยตนเอง ระดับราคาที่เหมาะสมคือ ต่ำกว่า 2 ล้านบาทถึง 4 ล้านบาท โดยทำเลที่ได้รับความนิยมคือพื้นที่ที่อยู่ไม่ไกลจากทะเล และทำเล ที่ตั้งอยู่ใกล้สถานพยาบาล โดยจำนวนห้องนอนที่ผู้บริโภคต้องการ คือ 2 – 3 ห้องนอน และ 2 ห้องน้ำ เนื่องจากสุขภาพของผู้สูงอายุถือเป็นสิ่งสำคัญ บ้านชั้นเดียวจึงได้รับความนิยมมากที่สุด อย่างไรก็ตาม อุปกรณ์อำนวยความสะดวกและการออกแบบเพื่อผู้สูงอายุไม่ถูกมองว่าเป็นสิ่งจำเป็น องค์ประกอบของสิ่งอำนวยความสะดวก และการออกแบบเพื่อผู้สูงอายุ ที่เป็นที่ต้องการมากที่สุด ได้แก่ราวจับใน

ห้องน้ำ และวัสดุพื้นกันลื่นในบ้าน ในส่วนของการครอบครอง เนื่องจากข้อจำกัด ทางกฎหมาย ประเทศไทย ชาวต่างชาติสามารถครอบครองสิทธิ์สำหรับบ้านเดี่ยว ได้เพียงการเช่าระยะ ยะสั้น และเช่าระยะยาว 30 ปีเท่านั้น การซื้อในนามบริษัทหรือคู่สมรสชาวไทยไม่ได้รับความนิยม ปัจจัยที่มีผลกระทบต่อการตัดสินใจซื้อที่สุด ตามลำดับ ได้แก่ ทำเล ราคา โปรโมชัน และ คุณภาพบ้าน ส่วนขั้นตอนการตัดสินใจ ประกอบด้วยการตระหนักถึงความต้องการสินค้า การหา ข้อมูล การเลือกทางเลือกต่างๆ สรุปทางเลือก และการทำการซื้อ โดยผู้บริโภคมักใช้เวลามากกว่า 1 ปีเพื่อผ่านกระบวนการทั้งหมดในการซื้อ และโดยส่วนมากผู้บริโภคมักจะมีทางเลือกสินค้าไว้ 2 – 4 ทางเลือกก่อนตัดสินใจ สรุปได้ว่าผู้บริโภคไม่ได้ให้ความสำคัญกับชื่อเสียงของผู้ประกอบการ ตรา สินค้า ใบรับรองคุณภาพ รวมไปถึงสิ่งอำนวยความสะดวกต่างๆเพื่อผู้สูงอายุ การศึกษานี้มีประโยชน์ ต่อผู้ประกอบการเพื่อความเข้าใจในผู้บริโภคมากขึ้น คำแนะนำสำหรับผู้สนใจศึกษาในอนาคตได้แก่ การติดต่อหน่วยงานรัฐที่เกี่ยวข้อง เพื่อค้นคว้าข้อมูลทางสถิติ และการวิเคราะห์เจาะลึกด้านสัญชาติ หรือแม้กระทั่งการใช้ทั้งการเก็บข้อมูลเชิงปริมาณและคุณภาพพร้อมกันเพื่อความแม่นยำ

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### ABSTRACT

South East Asia is hugely regarded as a prime area for long stay options owing to the low cost of living and warm climate. Besides, Thailand has become one of the top 10 best countries for overseas retirement. This study investigates foreign retirees' selection of Thailand as their retirement destination and their purchasing behavior. The objectives are to apprehend the expectations and consumer behaviors of foreign retirees in Thailand on cases of detached housing as well as to illustrate the concepts, influences, and decision-making processes. The principal data collections were to conduct 280 questionnaire surveys in popular provinces of Thailand including Chiang Mai, Prachuab Kirikan, and Nakorn Ratchasima, and to obtain secondary from trustworthy sources. The findings reveal that most participants stay in Thailand seasonally to escape cold climate in home countries. Lifestyles include outdoor activities and healthy ways of life. There are commonly 2 persons staying in the house. Almost all participants are solely decision makers themselves. The suitable price range is below 2 to 4 million baht. Residing in seaside city and nearby hospitals are preferable, so are 2 -3 bedrooms, 2 bathrooms, and contemporary housing style. Due to health conditions, 1 storey suits them most. Although, elderly facilities and functionalization are not generally considered necessary, bathroom handle bars and non-slippery floors

materials are expected. As for possession, short-term and long-term lease are the only secured availabilities despite Thailand legal limitation. Top prioritizations and factors affecting purchasing decisions are location, price, promotion or discount, and quality of housing product. Purchasing decision processes rely on need recognition, information search, option assessment, evaluation, and purchasing action. Consumers may spend more than a year to complete all decision-making processes with 2 – 4 options considered before final selection. Eventually, it can be concluded that most consumers are not concerned for developer reputation, brand value, certifications, or elderly facilities. Overall, the study is beneficial to forthcoming practitioners in the aspects of consumer insights in contribution of worthwhile business outcomes. For further studies, it is suggested to gather more precise statistical data from government agencies, to thoroughly focus on each nationality, and to apply both qualitative and quantitative data acquisition methods for higher accuracy of the findings.

**Keywords:** Retirement housing, single-detached, consumer behavior, purchasing behavior, foreign retirees



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Miss Nattasorn Chaiprasittikul

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## Chapter 1

### Introduction

#### 1.1 Introduction and Background to the Research

South East Asia is hugely regarded as a prime area not only for vacationing or career, but also for a long stay option. The accessibility of affordable cost of living, countless foreign retirees consider Thailand as their destination. Many famous provinces in upcountry, such as Chiang Mai, Phuket, Prachuab Kirikan, and Nakorn Ratchasima, were chosen for retirement residency (Investopedia, 2015). Besides, owing to global economic recession and rise in each year's inflation, foreign elders find that their pension planning sums may no longer be fully sufficient to residing in their home countries. Traditionally, normal retirement age has been 65 for many years (Official Social Security, 2015). According to the figure OECD and ISSA, the world's average pension forecast for 2016 as follows in Table 1.1:

Table 1.1

#### *Basic State Pension After 2016 Reforms*

	Country	Maximum annual state pension	Earning related?	Average earnings in £	State pension age	
					Men	Women
1	Spain	£26,630	/	£23,491	65	65
2	Germany	£26,366	/	£29,366	65	65
3	Sweden	£25,155	/	£37,014	65	65
4	USA	£18,856	/	£36,162	66	66
5	France	£15,811	/	£29,817	60	60
6	Brazil	£14,969	/	£5,318	65	60
7	Australia	£12,640	/	£49,283	65	64.5
8	Denmark	£11,381		£45,661	65	65
9	Netherlands	£10,981		£35,627	65	65



Table 1.1

*Basic State Pension After 2016 Reforms (Continued)*

	Country	Maximum annual state pension	Earning related?	Average earnings in £	State pension age	
					Men	Women
10	Ireland	£10,415		£41,803	65	65
11	Canada	£7,843		£35,745	65	65
12	UK	£7,488		£31,413	65	62
13	Japan	£5,530		£28,902	65	65
14	Greece	£3,756	/	£17,772	65	65
15	South Africa	£1,044		£7,421	60	60

Approximately, 1 British Pound is equivalent to 54 Thai Baht (as of December 2015)

(Source: OECD and ISSA, [www.which.co.uk/investments](http://www.which.co.uk/investments))

The main queries for both pre-retirees and retirees are to thoughtfully select the appropriate timing and location to retire. In accordance with the International Living's latest Annual Global Retirement Index (2015), as seen in Table 1.2, Thailand was ranked 10<sup>th</sup> Best Country for Overseas Retirement (Tourism Authority of Thailand Newsroom, 2015). With millions of migrants, Thailand is renowned for outstanding functions; either amenities, low cost of living or entertainment. Thus, Thailand is considered as one of the top intriguing alternatives despite economic downturn, political instability, and threats of terrorism; "haven for the aged" still remains the perception of the nation.

Table 1.2

*The Scores and Ranking of World's Best Places to Retire in 2015*

Country	Buying & Renting	Benefits & Discounts	Cost of Living	Fitting In	Ent. & Amen.	Health Care	Infra.	Climate	Total
Ecuador	100	96	92	95	98	82	78	100	92.7
Panama	80	100	91	97	100	89	84	85	90.6
Mexico	80	80	90	95	97	84	85	89	87.6

Table 1.2

*The Scores and Ranking of World's Best Places to Retire in 2015 (Continued)*

Country	Buying &Renting	Benefits & Discounts	Cost of Living	Fitting In	Ent. & Amen.	Health Care	Infra.	Climate	Total
Malaysia	81	66	90	97	96	94	95	76	86.8
Costa Rica	84	76	90	97	97	89	82	78	86.6
Spain	84	70	89	84	93	87	100	83	86.1
Malta	78	84	87	100	78	86	93	82	86.1
Columbia	84	68	90	82	91	88	85	95	85.4
Portugal	79	74	90	86	88	81	98	82	84.8
Thailand	76	68	92	94	100	89	79	79	84.6
Italy	73	69	82	84	100	83	95	79	82.9
Uruguay	68	70	62	92	97	89	90	86	82.0
Belize	83	84	92	100	74	80	66	78	81.9
Nicaragua	92	70	100	90	75	79	68	80	81.7
New Zealand	64	72	57	100	100	83	91	83	81.0
Brazil	71	76	81	81	96	80	79	82	80.8
France	60	84	57	84	100	87	96	79	80.8
Ireland	69	76	57	100	100	84	97	57	80.0
Honduras	76	73	87	95	79	80	67	79	79.5
Chile	78	73	63	86	97	83	93	60	79.1
Dom. Rep.	84	68	78	82	89	79	73	71	78.1
Guatemala	76	62	92	68	84	80	72	81	77.0
Philippines	73	57	92	92	86	80	66	64	76.3
Cambodia	73	57	92	76	94	72	57	68	73.7
Vietnam	57	57	100	57	57	76	62	72	67.3

Ent. &amp; Amen. = Entertainment and Amenities

Infra. = Infrastructure

Dom. Rep. = The Dominican Republic

(Source: International Living's latest Annual Global Retirement Index, 2015)

Consequently, the real estate development industry performs a significant role in the national economic sector. By which, foreign buyers are partially specified as a target market. The continuous increase in senior population contributes to higher demand for retirement residences. The older consumers are influentially experienced in aspects of life. Likewise, they tend to possess high buying power due to uninterruptedly financial savings over the previous decades. Hence, in order to come up with retirement housing products, there are necessities for entrepreneurs to insightfully comprehend elderly consumer behavior, preference, mindset, ideology, housing needs, cultural norms, and so forth. Additionally, referring to *Aging and Consumer Behavior* written by Carolyn Yoon and Catherin A. Cole, there are slightly behavioral changes in elderly consumers during the past few years due to technological and physiological changes. Such factors ought to be applied in deliberation to conduce towards purchasing decision process.

In general, elderly consumers differ from younger consumers in important ways at each stage of the decision-making process (Yoon & A. Cole, 2008, p. 261). On account of that, it is crucial to perspicaciously foresight target market behaviors and strategic allocation of a particular retirement detached housing project in pursuance of enhancing worthwhile investment outcomes.

Nevertheless, to narrow the scope of the research down by building categories; this study emphasizes solitarily on detached housing associated with aged consumers' preferences and factors influencing the purchasing decision process. Lastly, the research results shall be beneficial to those interested in developing real estate projects, or other related fields, targeting on foreign pre-retirees and retirees.

## **1.2 Research Objectives**

1.2.1 To apprehend and analyze the expectation and consumer behaviors of foreign pre-retirees and retirees in Thailand on cases of detached housing

1.2.2 To illustrate the concepts, influences, and processes of retirement housing purchasing decisions

### 1.3 Research Scope

The study is comprised of the generalization in retirement residences, the concept and characteristics of elderly consumer behavior, design components for retirement housing, retirement residence purchasing decision making processes, and eventually, how such components are relatively applied in acquirement of efficient allocation for developers.

Precisely, the author shall apprehend a combination of factors, which may lead to enhance harmonization between needs of elderly foreigners and residential products' adjustments. In addition, the research shall be conducted in major cities of Thailand ranked by popularity among elderly foreigners. The study consists of five chapters: introduction, literature review, methodology, data analysis, and conclusion.

The scope of the study, in terms of content, encapsulates elaboration on the conceptual and the theoretical frameworks of elderly consumer behavior, real estate consumer behavior, design components for retirement housing, real estate projects in Thailand focusing on foreign buyers, internal and external stimuli affecting purchasing decision, and purchasing decision processes.

In terms of research areas, one shall geographically focus on three major provinces of Thailand i.e. Chiang Mai, Prachuab Kirikan, and Nakorn Ratchasima. Such mentioned provinces gain high popularity among senior foreigners. In 2013, Manager (also known as ASTV) media of Thailand reported that 'Live and Invest Overseas' survey' ranked Hua Hin, a district of Prachuab Kirikan province, as one of the top six most popular retirement cities of the world (Manager News, 2013). Simultaneously, The Nation media of Thailand stated that Chiang Mai has gained popularity for international retirement (Nation TV, 2014). Furthermore, Krit Hirunkij, whom was the president of Nakorn Ratchasima Real Estate Development Association, revealed in 2010 that real estate development sector in the province dramatically grew because of the rise in migration of foreign retirees; while the most common housing type is one-storey and single-detached (MGT Real Estate, 2010). Other provinces are also included in data gathering process. Specifically, only single-detached houses possessed by foreign retirees and prospects are chosen as survey samples for this study.

#### 1.4 Rationale of the Research

Information collection and investigation into the influences and factors affecting foreigners' purchasing decision for retirement single-detached houses in Thailand shall result in contribution to knowledge extension in real estate field. The research results shall be beneficial and implicative to forthcoming practitioners.

In the matter of conceptual and theoretical frameworks, the accumulation of information in this study enhances better apprehension of retirement housing consumer behaviors and decision-making processes. Inquiries shall be investigated through multiple analysis and evaluations. As regards to the findings, the study results are of use in improving work practice for developers, marketing professionals, and any parties interested in retirement residential as their target market.

#### 1.5 Research Methods

The procedures of the research require obtaining information from various reliable sources. Knowledge gatherings approach mainly relevant literatures and existing studies. Aside from methods mentioned, questionnaires shall be designed in searching of quantitative conclusions. Questionnaire surveys are considered the most popular data collection method in the business studies (Ghauri et al., 1995, p. 62; Suwanpimon & Theerabanchorn, 2010, p. 13).

In other words, data gathered can be classified into two categories:

1.5.1 The primary data, which comprises of questionnaires, which are formed having retirement homeowners and prospective foreign pre-retirees and retirees whom are looking for retirement houses as participants. The amount of questionnaire participants is 280.

1.5.2 The secondary data, which involves collecting diverse types of relevant data. Most inclusions are literatures such as existing research and studies, books, and other sources of reliable. We give attention to it because it is accessible easily, obtained quickly, and relatively inexpensive (K.Malhotra, 1999, p. 112; Kummaraka & Jutaporn, 2011, p. 18).

## 1.6 Definitions and Terminology

1.6.1 Single-Detached House is defined as a freestanding residential building or a house that stands alone.

1.6.2 Retirees refer to individuals whom have stopped working in a job or profession, and in this study, are aged 65-80.

1.6.3 Pre-retirees are individuals aged between 50-65, and are contemplating retirement in the next few years.

1.6.4 Foreigners refer to individuals whom are non-native to or naturalized in Thailand or jurisdiction under consideration.

1.6.5 Consumer Behavior is the study of individual consumers, parties, or organizations that purchase products or receive services to satisfy their wants or needs.

1.6.6 Purchasing Decision Process describes the process where consumers go through need-recognition, consideration between different alternatives, information search, and purchasing evaluations.

1.6.7 Purchasing Behavior refers to the sum total of consumers' attitudes, preferences, and decisions. In this study, however, purchasing methods are relevant to the following possessions: short-term lease, long-term lease, owning in the name of Thai spouse, and owning in the name of a company. Since Thailand laws disallow foreigners to possess any plot of land and detached houses directly, purchasing methods may bring the definitions and scopes differently.

## Chapter 2

### Literature Review

This chapter approaches relevant literature in real estate, social science, and marketing fields as well as develops juxtaposition of the research. Conceptual and theoretical frameworks are also comprehended. The chapter first starts with introduction, followed by demonstrations of theories and related contexts. Subsequently, the concepts of consumer behavior, design component, internal and external stimuli, purchasing decision processes, and literature reviews, are apprehended respectively as follows:

- 2.1 Elderly Consumer Behavior
- 2.2 Design Components for Retirement Housing
- 2.3 Real Estate Development Projects in Thailand
- 2.4 Legal Framework: Thailand Retirement Migration
- 2.5 Consumer Behavior
- 2.6 Internal and External Influences Affecting Purchasing Decision
- 2.7 Purchasing Decision Process
- 2.8 Literature Review
- 2.9 Conclusion of Conceptual and Theoretical Frameworks

#### 2.1 Elderly Consumer Behavior

Despite the fact that some marketing researchers and firms have virtually ignored the seniors; older consumers are rather accessible, substantial, and identifiable (Yoon & A. Cole, 2008, p. 247). The aged are considered as a significant market segment due to their relative wealth, discretionary income, lower consumer debt, and available free time.

Seniors continuously experience dramatic changes while aging. According to 'Aging and Consumer Behavior' written by Carolyn Yoon and Catherine A. Cole, the heterogeneity of elders may characterize different level of consumerism. Psychologists have distinguished among "young-old" (65 – 75 years), "old-old" (75 to 85) and "very-old" or "the oldest" (exceeding 85 years). While the "young-old" population may remain relatively

in good health and physical condition, the “old-old” groups may encounter physical decline, and such decline progress continues on rapidly among the “very-old.”

The schemes of segmentation for senior market comprise of age, education, income, personality, and lastly, lifestyle variables. Segmentation can be divided into the different stages of aging as well as circumstances. The consumer contexts are to vary across physiological, cognitive, and socio-emotional changes that circulate along with aging and implications of consumer decision-making. The decisions depend on making certain that consumers’ health, social, and financial needs are met (Elder Care, 2014).

### 2.1.1 Generalization

Most seniors experience emotional changes instantly. Such occurrences are caused by physical changes such as sickness, and declines of organs. These changes cause anxiety and emotional tension, while there also are changes in social roles i.e. change in family role, change in career position, and family loss. The mention factors highly affect emotions of elders. In other words, the negativity leads to rapid change in emotions, the fear of being abandoned, lack of self-security due to physical changes, and so forth.

Humans over 50 years old enter the stage of “silver” (Sri Aad, 2006, p. 12; Klaichit, 2012, p. 19). Speaking of which the silver stands for the following definitions:

S-Secured – stability in career, finance, and family

H-Independent – high self-confidence

Laugh – sense of humor and positive attitude

V-Vivid – being active and alive

E-Exercise – healthy lifestyle

R-Relax – activities that contribute relaxation (Klaichit, 2012, p. 19)

Furthermore, the aged are often concerned about their health condition and their remaining lifespan. All body systems are too quickly to reach the decline stages. Therefore, housing functions ought to be created specifically for retiree consumers.



## **2.1.2 Physiological Changes**

As consumers age, physiological changes affect their behavior considerably. The changes may cause dramatic effects on attention and cognition. The declines alter their peripheral, central nervous system, and changes in control and coordination of motor functions that lead to an array of behavioral decrements (Ketcham & Stelmach, 2003; Yoon & A. Cole, 2008, p. 249). Likewise, the changes in physiological conditions are crucial to businesses in the aspect of product functionalities.

### **2.1.2.1 Vision**

Approximately, half of elders over 65 years old have cataracts (Fozard & Gordon-Salant, 2001; Yoon & A. Cole, 2008, p. 249). The size of the pupil declines as people age and the lens becomes more opaque (Weale, 1961; Yoon & A. Cole, 2008, p. 249). The visual acuity becomes more severe with low luminance. Managers may need to place brands more closely to consumers' direct sight line in retail environments (Yoon & A. Cole, 2008, p. 24)

### **2.1.2.2 Hearing**

Elders find it progressively difficult to detect simple and low-intensity sounds. Their ability to encode information from communication processes may be problematic. Also, conversations involve more difficulty processing phonemes than syllables.

### **2.1.2.3 Motor Functions**

Motor behavior is defined as muscular actions performed to fulfill an objective or the performer. Normal aging people are capable of performing motor behaviors in their routine life well into the 80s. Notwithstanding, the reaction times may be 50% slower on complex tasks.

### **2.1.2.4 Memory**

Age-related changes include memory processes. Aging negatively affects physical performance on most memory tasks. The speed of processing varies; it is accompanied by a general slowing of mental functions. The speed of memory processing slow down across the lifespan (Salthouse, 1996; Yoon & A. Cole, 2008, p. 250).

## **2.1.3 Activities**

Psychologists have classified activities of seniors into three categories: informal activity e.g. catching up with friends and family, formal activity e.g. participations in a

certain organization or charity, and leisure activity e.g. hobby, gardening (Lemon and others, 1972, p. 511).

On the other hand, there are primarily six activities performed by the aged (Tayler, 1982, p. 540-556; Klaichit, 2012, p. 22):

2.1.3.1 Occupational Therapy – involves activities that maintain good health condition and prevent any possible disabilities e.g. handcraft activities, gardening

2.1.3.2 Recreational Therapy – refers to activities that support good mental condition e.g. painting, watching television, watching sport events, dancing, catching up with friends.

2.1.3.3 Bibliotherapy – applying book-reading activities to maintain mental health

2.1.3.4 Physical Exercise – requires body energy to perform activities; exercising prolongs lives as well as enhances body strength. This helps in decreasing body fat and blood pressure.

2.1.3.5 Religion Therapy – religions help elders to mentally relax, solve problems, and lead to happiness.

2.1.3.6 Volunteering – joining charity works help the seniors to visualize their self-value that they are beneficial to the society.

#### **2.1.4 Environments and Wellbeing**

The Attachment Structure Model by Cookman indicates that environment affects elders' sense of security, possession, and pride (Jindanil, 2004, p. 13). The involvements of environment surrounding elders are as follows:

Thing – seniors are emotionally attached to paintings, furniture, books, television, jewelry, and religion related items. They are tied up with different preferences from the youth.

Place – the places surrounding an individual play significant roles in terms of possession and belonging. The places form senses of mental security and privacy. Cookman described that home is the best place of all for elders.

Pet – animals are bonded to humans. Petting animals are considered as elders' opportunity to provide safety, food, and caring for others. Interactions with animals may allow them to feel less lonely.

Ideal and belief – the seniors are attached to their past times and memories in the viewpoints of beliefs, attitude, feelings, careers, projects, and favorite places.

However, foreign retirees in Thailand prefer nighttime entertainment such as going to pubs. As for during the days, the main activities are going to the beach, swimming, internet use, golf, reading, eating out, and travelling (Howard, 2008, p. 155).

### **2.1.5 Theories Related to the Elderly**

There are numbers of theories related to the aged, which may be categorized into the following perspectives (Klaichit, 2012, p. 23-25):

#### **2.1.5.1 Biological Theories of Aging**

This group of theories consists of progress in geratology from the perspective of molecules, cells, organs, system, and organisms. By which the theory provides explanation on the declines of each organ as well as the continuous changes that occur during aging. Biological theories include: (1) Error Theory – the occurrence of changes in aging body cells, DNA, and RNA, which later cause declines and cells' death (2) Free Radical Theory – the free radical systems cause most cells to function improperly and eventually lead to death of cells (3) Cross-linkage Theory – the increase in body protein blocks processes of metabolism which afterward results in reduction of excretion and wrinkled skin (4) Hayfick Theory – the limitation of body cell division in subcultures; cells typically divide up to 50 times before they eventually perish (5) Immunity Theory – the immune system refers to cell-forming tissues that protect the body from being infected or destroyed as well as malignant cells and remove cellular debris

#### **2.1.5.2 Psychological Theories of Aging**

One related psychological theory is Jung's Theory of Individualism, which states that each individual contains consciousness and sub-consciousness. As people age, they tend to look up to their success and individual value rather than the body declines. Nevertheless, they come up with the acceptance of both accomplishments and current body limitations.

#### **2.1.5.3 Sociological of Aging**

The theories include social changes and elderly's transition to their last stage of life as follows: (1) Disengagement Theory – Once people age, they tend to adjust their behaviors to suit the social norms. In most cases, seniors may lower their social

roles to suit their age (2) Development Task Theory – indicates that elders urge for activity or social participations (3) Continuity Theory – suggests that the seniors, even after aging, may continue to perform their activities and practices they previously did

In summing up, it is important that entrepreneurs and researchers be insightful of the older market as well as avoid the wrong stereotypes about older consumers. The nature of elderly differs from other target groups; age ranges, physiological changes, psychological and sociological theories about aging are the keys contributions to apprehending elderly consumer needs.

## **2.2 Design Components for Retirement Housing**

There are several approaches to be considered in barrier free and universal design for the older adults. The elders may easily experience health difficulties and handicap. Speaking of which, barrier free design is conceptually the elimination of product functions or materials that may be obstacles to users (Thamdhamrong, 2007; Sri Aad, 2006, p. 53-59). Universal design is created to accommodate users comfortably, safely, and impartially. In addition, design ought to be accessible to all users, including elderly, for daily life. If a design works well for people with disabilities or the aged, it works better for everyone (Khutin, 2007, p. 8)

Furthermore, Thamdhamrong described that factors affecting an appropriate design for seniors consist of (1) safety (2) accessibility (3) usability (4) affordability (5) sustainability and (6) aesthetics. While, similarly, other experts divide the principles into: (1) equitable use (2) flexibility in use (3) simple and intuitive (4) perceptible information (5) tolerance for error (6) low physical effort and (7) size and space for approach and use (Khutin, 2007, p. 8-11).

### **2.2.1 Concept of Universal Design**

2.2.1.1 Man Power Source – a strategic approach of creating innovation in an attempt to benefit humanity e.g. inventing gadgets and appliances for the disabled

2.2.1.2 Assistive Technology – application of technology to improve quality of life and users' comfort e.g. wheelchair

2.2.1.3 Adaptation – adjustment of product functions or designs to increase suitability of usage e.g. adding more lighting bulbs to stairway areas to create higher visibility for elderly

2.2.1.4 Universal Design – every user is equally capable of gaining benefits and utilization from the product (Thamdamrong, 2007, p. 4)

## **2.2.2 Housing for Elders and Disable People Act of 2005 (B.E.2548)**

Intended and operated for occupancy by elderly and disabled; according to section 5(3) of Building Control Act of B.E.2555 and section 8(1) (4) (5) (6) (7) (8) and (9) of Building Control Act of B.E.2522, the standards of accommodation within the building for elders and people with disabilities are applied (Klaichit, 2013, p. 10).

The accommodation components for elders and people with disabilities must be applied in accordance with the laws. The following list clarifies related legal statements (Klaichit, 2013, p. 10-18):

### 2.2.2.1 Signage

Distinct signage must be provided for elders and people with disabilities. Such signage must be placed in easily visible positions and that lighting is to be provided during nighttime to enhance visualization.

### 2.2.2.2 Elevator and Sloped Walkway or Inclining

The sloped floor or walkway areas must be covered with non-slippery materials. The height of the floor difference must never exceed 20 millimeters. If the length of a sloped walkway is 2,500 millimeters up, walkway banisters, made of non-slippery and strong materials, must be installed.

As for elevators, a building of two storeys or more, is required to have an elevator installed for elders and people with disabilities. Such elevators must be easily and safely applicable for elders and people with disabilities to use on their own. Signage must be provided. Also, other signage must come in forms of number, alphabets, and sound. The emergency buttons must be placed at least 900 millimeters higher from the floor, and the highest emergency buttons must be placed no higher than 1,200 millimeters from the floor. A telephone is to be placed inside the elevator for emergency contact.

### 2.2.2.3 Stairs and Stairways

The width of stairs provided for elderly and disabled must never be less than 1,500 millimeters. Every 2,000 millimeters height is linked by one platform installed for users to rest in between. Banisters are installed at two sides of the stairs. The stairs' materials must be non-slippery. Signage is provided distinctly.

### 2.2.2.4 Car Parking

Disable parking areas are arranged closet to the building entrance or exit for convenience. The appropriate proportion of parking areas is: 10-50 regular parking lots per one disable parking lot, 51-100 regular parking lots per two disable parking lots, 101 up of regular parking lots per two disable parking lots. Increasing one disable parking lot per every next 100 regular parking lots. The shape of a parking lot is created a rectangle of at least 2,400 X 6,000 millimeters.

### 2.2.2.5 Building Entrance

The building entrance, the corridor, and the building transit, must spare space for usages of elderly and disable users. The floor must be non-slippery, no obstructions along the way, and no possible specifications that may cause danger to users.

### 2.2.2.6 Doors

Door designs are conveniently opened and closed. The door width must exceed 900 millimeters. Any harmful instruments that may lead to physical injuries for elders and people with disabilities are disallowed.

### 2.2.2.7 Shower and Bath Areas

Sufficient space is required, in shower rooms and bathrooms, for wheelchairs to turn around in circles; by which the diameter is never less than 1,500 millimeters. Doors are opened up exceeding 90 degree, or are placed as slide doors. The floor surface has no difference or steps. The materials are non-slippery. The toilet bowls come together with backrest to facilitate elders and people with disabilities. Handrails, either horizontal or vertical, are placed on the wall for safety. Emergency buttons, too, are installed for whenever urgent help is needed. As for the shower zone, there are necessities for seats during shower. The shower seats must be 450 – 500 millimeters heighted from the floor.

In summary, housing design and specifications are included in the questionnaire parts of this study. This is due to the fact that older consumers may easily

experience health difficulty. Hence, the particular functions ought to be comfortable, safe, sustainable, and impartial. Such components may contribute to further suggestions in consumer product preferences.

### **2.3 Real Estate Development Projects in Thailand**

The construction and real estate development industry are major components of the national Gross Domestic Product (GDP). The industry brings about employment, transactions among supply chains, and civilization; thus, the revenue received from national property sales definitely contributes to direct outcomes affecting Thailand economy. Construction and real estate development sectors, therefore, attempt to maximize their business productivity and profitability by marketing and production management means. Consequently, one critical success tactic for residential project development is the insightful understanding of consumers' preferences and behavior in order to reaching the expectations of theirs (Marketeer, 2009).

The majority of residential property development projects in Thailand are operated and organized by development companies (Rungruengphon, 2009; Kitvorametha, 2010, p. 7). Specifically, development and marketing procedures are performed by specialized personnel. Likewise, developers offer additional services beyond developing and selling, such as consulting, preparing loan proposal, and maintaining customer relationship during the period of warrantee. These common practices are applied to both local small real estate development entrepreneurs and large companies.

### **2.4 Legal Framework: Thailand Retirement Migration and Home Ownership**

According to Thailand Immigration laws, Thailand retirement visa or so-called Non-Immigrant OA-Long Stay Visa requires that applicants must be at least 50 years of age and have at least 800,000 baht (Howard, 2008, p. 150). The security deposit of 800,000 Baht in any Thailand bank account must last for more than 2 months prior to visa application. The minimum monthly income or pension is 65,000 baht. Proof of income may be acquired

from the foreign embassy or consulate. The combination of bank account and annual income must be over 800,000 baht.

Other legal concerns for foreigners relocating to Thailand is the forms of property ownership. Land possession come under two types of tenure: freehold and leasehold (Jones Lang LaSalle, 2013, p. 2) Lands granted for residential purpose compose of maximum 30 years of possession and with additional 30 years renewable. In some cases, otherwise, foreigners may possess detached houses and land under the name of their Thai-nationality spouse.

The other available alternative is company registration. Foreigners may possess houses in Thailand in forms of company instead of an individual. An individual of non-Thai nationality; an entity registered in another country; or an entity registered in Thailand with 50% or more if its shares held by non-Thai shareholders. The investment must be at minimum 25% of the average operating expenditure for the first three years, but not lower than 3,000,000 baht.

The major property legislation in Thailand for foreigners include Bankruptcy Act, Bankruptcy Court Act, Civil and Commercial Code, Exchange Control Act, Foreign Business Act, General Building Construction Code, General Building Control Act, House and Land Tax Act, Investment Promotion Act, Land Code, Local Development Tax Act, etc.

## **2.5 Consumer Behavior**

Consumer behavior is the study of the processes related when individuals or groups choose, purchase, use and dispose of products, services, experiences to satisfy their needs and desires (Solomon, Bamossy et al., 2006, p. 6). There are different processes and classification involved in the consumer behavior. Initially, consumers seek for which extent of commodities they prefer for consumption; afterwards, they select only those commodities that promise greatest utility (Rani, 2014, p. 53). The most significant feature of the consumer environment is the universal and all-encompassing value that purchasing is not only a necessary activity but also a highly approved way of behaving; a certain type of good itself, as philosophers would put it (Priest, Carter, A. Statt, 2001, p. 5).



Consumer behavior is influenced by factors as shown in the following figure, which emphasizes the theory of consumer behavior:

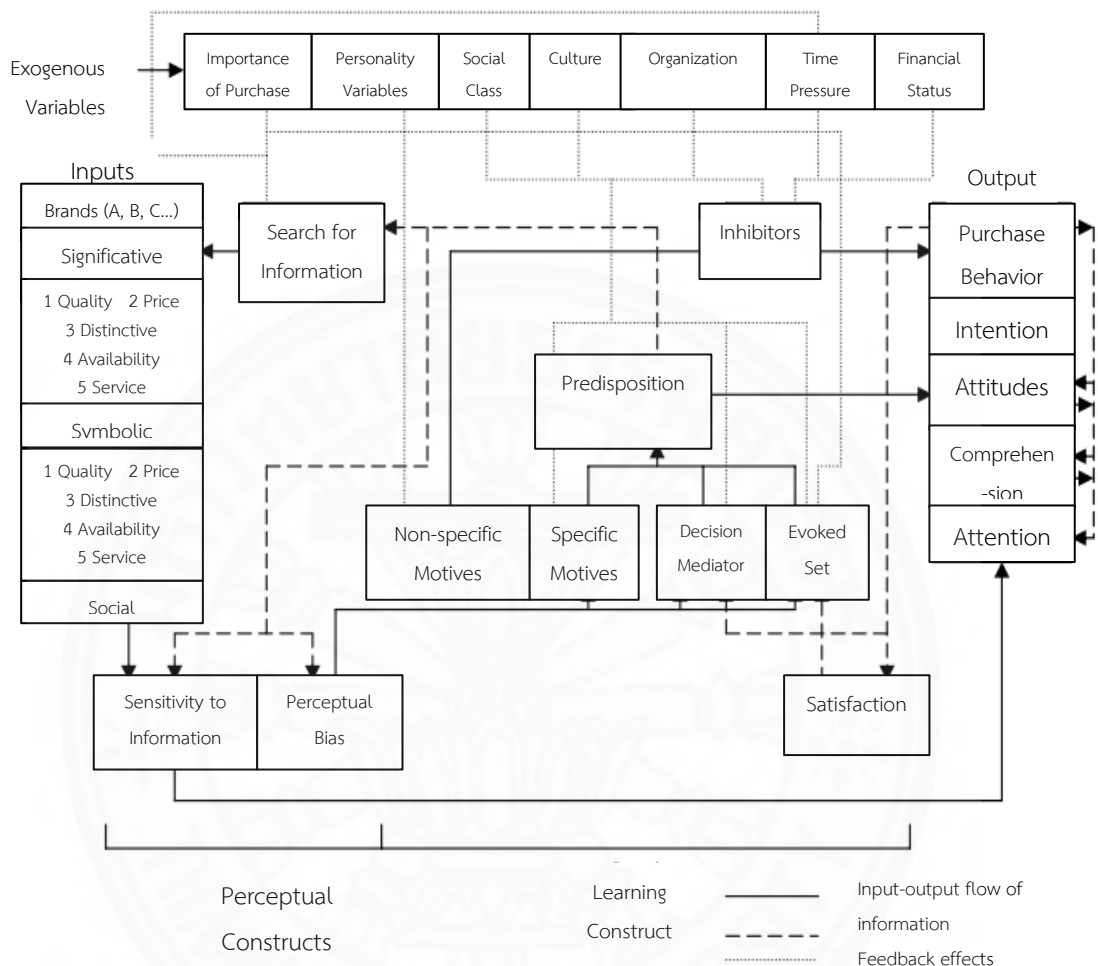


Figure 2.1 Map Illustrating Theory of Consumer Behavior

(Source: Jeff Bray, 2008, p. 12)

According to Figure 2.1, the model dramatically draws six learning constructs as presented (Loudon, 1993; Bray, 2008, p. 12):

2.5.1 Motive – specific goals that impel actions.

2.5.2 Evoked set – consumers' assessment of ability to consumption alternatives that are under active consideration to satisfy their desire.

2.5.3 Decision mediators – purchasers’ mental heuristics for assessing buying alternatives.

2.5.4 Predispositions – preferences toward brands in the evoked set that lead to attitude toward them.

2.5.5 Inhibitors – environmental forces, for instance, limited sources, (e.g. time, financial) which restrain alternatives of consumption.

2.5.6 Satisfaction – represents mechanism of feedbacks from post-purchase reflection applied to subsequent decisions.

Jeff Bray suggested that exogenous variables affect decisions significantly. Next, the five output variables represent buyers’ response and follow by the progresses to purchase, which the author shall discuss in the forthcoming paragraphs.

To conclude, the conceptual framework of consumer behavior sequentially generalizes the total involvements that lead to purchasing behavior. Thus, such factors are combined in the research in order to distinguish elements older consumers desire for.

## **2.6 Internal and External Influences and Stimuli Affecting Purchasing Decision**

Decision-making involvements are based upon the ability to maximize utilization whilst expending the minimum effort (Bray, 2008, p. 4). There are numbers of variables influencing purchasing decision process of which the inclusions are internal external factors.

### **2.6.1 Internal Influences**

Internal factors or personal factors include variables such as age, lifecycle stage, economic circumstances, occupation, lifestyle, personality, and self-concept (Rani, 2014). These may clarify the preferences of consumers. Decisions are apparently influenced by the characteristics of individuals.

#### **2.6.1.1 Age and Way of Life**

Consumers’ values, environment, activities, hobbies, and habits simply evolve throughout their life. Aging and daily circumstances hold potential impacts on purchasing behavior. Obviously, consumers vary their sense of purchase with the passage of

time and age. Family life cycle composes of different stages such youth, married couples etc which allow marketers to develop and adjust appropriate products for each stage.

#### 2.6.1.2 Lifestyle

Lifestyle of individuals comprise of all of activities, interests, opinions, and values. Such lifestyle factor influences on behavioral feedbacks and purchasing decisions. For instance, an individual selects a residence in accordance with their sense of taste.

#### 2.6.1.3 Personality and Self-concept

Personality refers to the set of traits and specific characteristics of each consumer or individual. It is contributed by the interaction of psychological and physiological characteristics, and results in constant behaviors. Besides, it materializes into particular traits i.e. confidence, autonomy, sociability, ambition, charisma, shyness, openness to others, adaptability, and curiosity. Conversely, the self-concept is the image of which an individual would like to have; the ideals that one conveys to entourage.

#### 2.6.1.4 Occupation

The occupation factor leads to significant impact on purchasing behavior. Occupation determines average income and stereotyping, hence, marketers may foresight consumers' purchasing power by their career.

#### 2.6.1.5 Economic Situation

Economic situation influences purchasing behavior for if income and savings of a consumer is in a high stage, it is likely that the consumer shall purchase more expensive products. On the other side, individuals with lower income may purchase inexpensive products.

#### 2.6.1.6 Personality

Personality of each individual varies from one to another, place-to-place, and time-to-time. Thus, It may highly influence the purchasing behaviors. Substantially, personality is rather the totality of behavior of a human in different circumstances.

#### 2.6.1.7 Motivation

The drives to develop purchasing behavior are motivations. The expression of needs and desires it is to carry individuals to satisfy themselves by purchasing

products and services. In most cases, motivation performs at a subconscious level and is difficult to measure. The motivation level greatly affects the likeliness of purchasing action. Every individual has physiological, biological, and social needs. These nature of needs are most pressing while the others are least pressing. As a consequence, needs become a motive to directly encourage individuals to seek satisfaction.

#### 2.6.1.8 Perception

Perception is the progress through which each individual selects, manages, and interprets information they receive in order to perform other sensible activities. One perceives information and interprets it to produce a meaningful experience. There are three main different perceptual processes i.e. selective attention, selective distortion, and selective retention.

#### 2.6.1.9 Learning

Learning is an outcome produced from actions. Once an individual acts, certain lessons are learnt. This provides the implication of changes in behavior resulting from experience. Learning may change behaviors as well as purchasing behaviors.

#### 2.6.1.10 Beliefs and Attitudes

Beliefs are conviction of which an individual has on something. Through the acquisition of experiences, learning, and external influences, one may develop beliefs that influence purchasing behavior. Specific beliefs and attitudes toward various perspectives affect product selection. Since beliefs and attitudes form brand image, marketers are to come up with positive campaigns and managements in this regard.

### **2.6.2 External Influences**

The external influences purchasing behavior and decisions to buy real estate products may be seen in the model below.

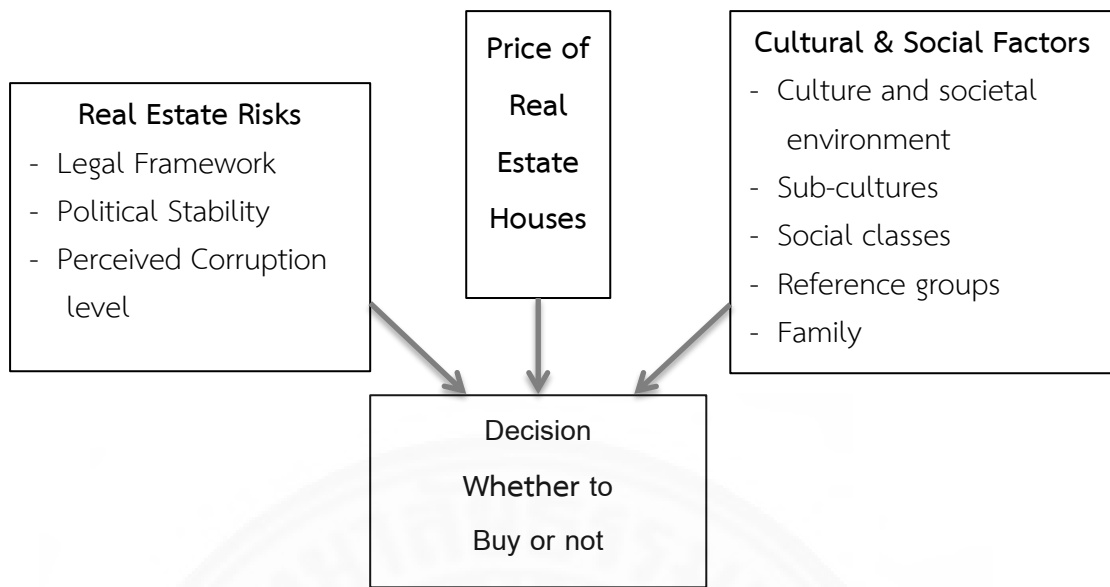


Figure 2.2 Conceptual Framework of External Influences

(Source: the authors' model base on Suwanpimon & Theerabanchorn, 2010, p. 4)

In accordance with Figure 2.2, there are numbers of critical factors; each factor contains variables; which shall be illustrated below.

#### 2.6.2.1 Real Estate Risks

The existence of real estate market is within wide institutional context defined by prevailing political, social, economic, and legal systems (Suwanpimon & Theerabanchorn, 2010, p. 6). Real estate investment has become progressively more to international. Motivations for real estate or property investment vary depending on the background of investors concerned. Although, retirees are no longer working, they still seek investment and financial appreciation from their retirement properties. The main argument to support the aspects of international diversification is that foreign investments ought to offer additional potentials in order to reduce total risk of international investment. Retiree investors appear to be in certain country preferences deciding between international securities and their country of origin (Hines, 1988; Suwanpimon & Theerabanchorn, 2010, p. 6).

#### 2.6.2.2 Legal Framework

The allowance of property acquisition in Thailand, purchasers are to be aware of their position in terms on possession, legal requirements, land tax, and current

physical management of their property (Ratprasatporn & Thienpreecha, 2002; Suwanpimon & Theerabanchorn, 2010, p. 6). The altitude of securities in possessing real estate in Thailand is relatively excessive by global standards. There are certain rights reserved for only Thai citizens. As the rights for foreigners in Thailand are restricted to which extent, according to Nationality Act, Foreign Business Act, Immigration Act, and Land Code; there are certain legal exceptions through which foreigners are allowed to acquire condominiums with freehold titles and that 49% of the total area of the condominium units may be possessed by the foreign nationals with freehold quota. Notwithstanding, Thai laws disallow foreigners to purchase freehold land and houses. To acquire land in Thailand, foreigners are to establish companies to purchase freehold land and houses. In accordance with Thai Juristic Person, companies with exceeding 49% of their capital are possessed by foreigners or more than half of whose shareholders are foreigners (section 97 of Land Code). Hence, in order to possess a single-detached house in Thailand, foreigners may possess properties either in form of the registered company or in possession of their wives.

#### 2.6.2.3 Internal Political Stability

The domestic political stability and government reactions are critically the contributions to attract foreign retirees and investors to purchase properties in Thailand (Suwanpimon & Theerabanchorn, 2010, p. 7). Thai government has recently focused on liberalization on trading, economic sustainability, Asia relations, tourism, and real estate sectors. Currently, Thailand has become a member of World Trade Organization (WTO), General Agreement on Tariffs and Trade (GATT), Free Trade Area (FTA), Association of Southeast Asian Nations (ASEAN), and Asia Pacific Economic Cooperation (APEC) negotiations. There are terms policies occasionally to encourage real estate trades within the nation by allowing extension of housing credit loans in numbers of commercial banks (Bank of Thailand, 2009).

Additionally, the government plans on reducing loan interest rates and decreasing the transfer tax (project of year 2015-2016). Political stability of Thailand is considered crucial as it slightly determines the wellbeing, safety, and investment opportunities for foreign retirees.

#### 2.6.2.4 Perceived Corruption Levels

Corruption leads to negative outcomes on foreign direct investment and trades. It has been a deeply serious issue in Thailand as of present, and has as well been rooted in Thai government (Treerat, 2000; Suwanpimon & Theerabanchorn, 2010, p. 8). Foreign retirees may not be familiar with politics abroad; as in western countries, the level of government corruption tends to be lower than in Thailand.

#### 2.6.2.5 Price of Real Estate Houses

Thailand may be one of the top most favored countries for international real estate purchase, however, pricing of residential products is sensitive and is one important factor in driving the demand of real estate purchases.” The lower the prices of housing can attract more prospective buyers” (Pornchokchai, 2007).

Demand, in the market, implies the appropriateness for numbers of residential units developed. It encourages the entrepreneurs to decrease their product price per unit in hopes to attract purchasers. This is the market mechanism.

#### 2.6.2.6 Cultural and Societal Environment

Culture brings about comprehension of the desires and behaviors of individuals (Rani, 2014, p. 54-60). It basically is the root of the society and behavioral norms. The culture influence on buying behavior varies from one country to another. Hence, real estate development entrepreneurs ought to watchfully analyze target market in their cultural values, regions, and countries.

#### 2.6.2.7 Sub-cultures

Societies are comprised of several sub-cultures that are identifiable. Sub-cultures refer to groups of individuals whose similar values and common experiences are shared e.g. nationalities, religions, geographic regions, and racial groups. The identification of sub-cultures may be of use in the means of market segmentation.

#### 2.6.2.8 Social Classes

Social classes are classified as more or less homogenous and are ranked against individuals based on social status or hierarchy. The similar values, interests, lifestyles, and behaviors in an individual belong to those whom are in the same social class. Behavioral similarities are commonly found among a certain social class. Furthermore, the buying power of consumers may lead to prediction of purchasing behavior. A consumer

from lower class are price-sensitive, while purchasers from the upper class are concerned for features, quality, innovation, and intangible benefits obtained from the products bought.

#### 2.6.2.9 Reference Groups

Reference groups are linked to individuals in ways and are commonly related to their social origin, place of residence, age, leisure, work, and so forth. The reference groups hold the potentials in persuading an individual's attitude and behavior. This includes opinion leader, which is one whom influence others because of their knowledge and other characteristics.

In addition, reference groups can be categorized into three roles:

- Initiator – groups of people who make suggestions to buying products or services.
- Influencer – groups of people whose opinions, point of view, and advice shall influence purchasing decision. Influencers are not necessarily identified as people within the network cycle, but also they sometimes come in forms of celebrities e.g. singer, actor, athlete, and online bloggers.
- Buyer – groups of people who shall purchase the product of which, generally, this is mostly the final consumer.

#### 2.6.2.10 Family

Considerably, family is defined as one most influencing factor for individuals. The formation of environment and socialization are evolved. Family develops attitude and value toward subjects including society, social norms and relation, politics, and personal desires. Purchasing behavior is strongly affected by members in the family. Thus, entrepreneurs may utilize at their best out of individuals' family persuasion (Rani, 2014, p. 54-60).

## 2.7 Purchasing Decision Process

Not all decision processes necessarily lead to a purchase action (Rani, 2014, p. 60). Consumers may purchase different products as the difference is due to purchasing decision processes consisting of several steps as follows (Jeddi, 2013, p. 21-22):



### **2.7.1 Identifying the Problem**

There are needs for recognition as well as for problem awareness i.e. the difference between the desired stage and the actual condition. The deficit in product assortment is formed in this stage.

### **2.7.2 Data Collection**

Information search may be obtained from internal search and memory. As for external search, information may be gathered from friends and relatives, and other means of word of mouth. Also, it can be attained from dominated sources such as comparison-shopping, advertisements, and other public sources. Successful set of information search leaves purchasers with possible alternatives for decision.

### **2.7.3 Assessment Options**

Evaluation of alternative, consequently, is established. There are criteria, features, and functions of the product that buyers want or do not want. During this stage, purchasers may rank, compare, and weight alternatives. If the information attained is not sufficient, they may resume search.

### **2.7.4 Purchasing Decision**

Once purchasers are ensured of their needs and alternatives, they select the best out of the ranges. Purchase stage includes product, package, location, and method of purchase.

### **2.7.5 Purchase**

Purchase stage differs from decision as it refers to different time lapse between deciding and buying. Purchase requires product availability to eventually lead to action.

### **2.7.6 Post-Purchase Evaluation**

Post-purchase outcome may turn out to be either satisfaction or dissatisfaction. The cognitive dissonance distinguishes whether purchasers have made the right decision. This may be measured by warranties, after sales services and communication, and product quality.

## 2.8 Literature Review

The following overviews comprise of related existing researches emphasizing on the findings of each study. Such findings may catalyze to which extent author's research and conduction results may turn out.

Ayan Ismail Ali (2013) has investigated international retirees' choice of Hua Hin, Thailand as their long stay retirement destination. It was mentioned that Thailand has become a top spot for elderly western retirees. The target respondents, whom are western retirees, revealed that they have no desire to earn income or make a living, but to pursue activities and personal interests. Regular income sources are from previous savings, pensions, and funding from their home country. The main reasons Hua Hin were selected for migrating are to cherish their time of retirement with peace, cleanliness, and easy going Thai lifestyle. Medical facilities and low cost of living are also significant factors.

Robert W. Howard (2008) as written journals 'Ageing and Society' for Cambridge University of which the author focused on western retirees in Thailand: motives, experiences, assimilation, wellbeing, and future needs. It was indicated that, increasingly, westerners retire outside their home countries and many selected to reside in Thailand. The study examined resident western retirees in Thailand as well as reasons for migrating, wellbeing, and perceived assimilation. The motives reported were low cost of living, warm climate, the escape from disliked home nation, the desire to live Thai lifestyle, and the availability of sexual partners. It was reported that most western retirees socialize mainly with other foreigners. There are concerns and demands for better health-care, welfare, and income problems.

Krit Kummaraka and Rapee Jutaporn (2011) scrutinized the motives of long-stay tourism and international retirement migration applying Swedish retirees in Thailand as a case study. The study investigated factors affecting attitude of decision making of Swedish retirees to migrate to Thailand. The results turn out that Swedish retirees hold positive attitude towards Thailand. They desire to migrate to Thailand due to warm climate, outdoor activities, and low living cost.

Saifon Klaichid (2012) examined the needs and expectation of elderly in Bangkok, Thailand, and that the findings lead to insight in factors affecting elderly residence

purchasing decisions. The inclusions are safety, welfare, utility, and activities. The physical environment plays significant roles to wellbeing of the aged. There are needs for signs, amenities, and other adaptive product functions for elders' usages.

Similarly, Vanissa Tanopas (2011) investigated on necessary usable areas and facilities for elder resorts. It was revealed that health issue affects elderly routine greatly. There are needs for peacefulness, garden space, and equipment to assist seniors for comfort and to prevent health risks in case of emergency.

Lastly, Chantharat Suwanpimon and Narukod Theerabanchorn (2010) apprehended factors influencing Swedish consumer decisions to buy holiday homes in Thailand. It turns out that the major concerns are internal political stability, price of real estate houses, levels of corruption, and cultural differences.

## **2.9 Conclusion of Conceptual and Theoretical Frameworks**

In this research, one shall investigate through variables formed in conceptual and theoretical frameworks. Of demographical classification, specifically, age and ethnicity are the major keys to respondent selection. Other particularized details such as religion, and social status are not necessarily concerned.

Real estate development entrepreneurs and marketers ought to accentuate the processes of purchasing decision and consumer behavior of their target thoroughly in order to generate highest financial outcomes. The crucial stages to focus on are not only the decision-making stages but also other steps prior to purchasing decision. Every slight component plays important roles to clarification of consumers' actions. For instance, entrepreneurs may consider why consumers have the needs for a product, why consumers are willing to relocate in a particular area, what are the product functions and benefits consumers expect from their purchase, what are the product prominent features of competitors taken to consideration when consumers compare one product to another etc.

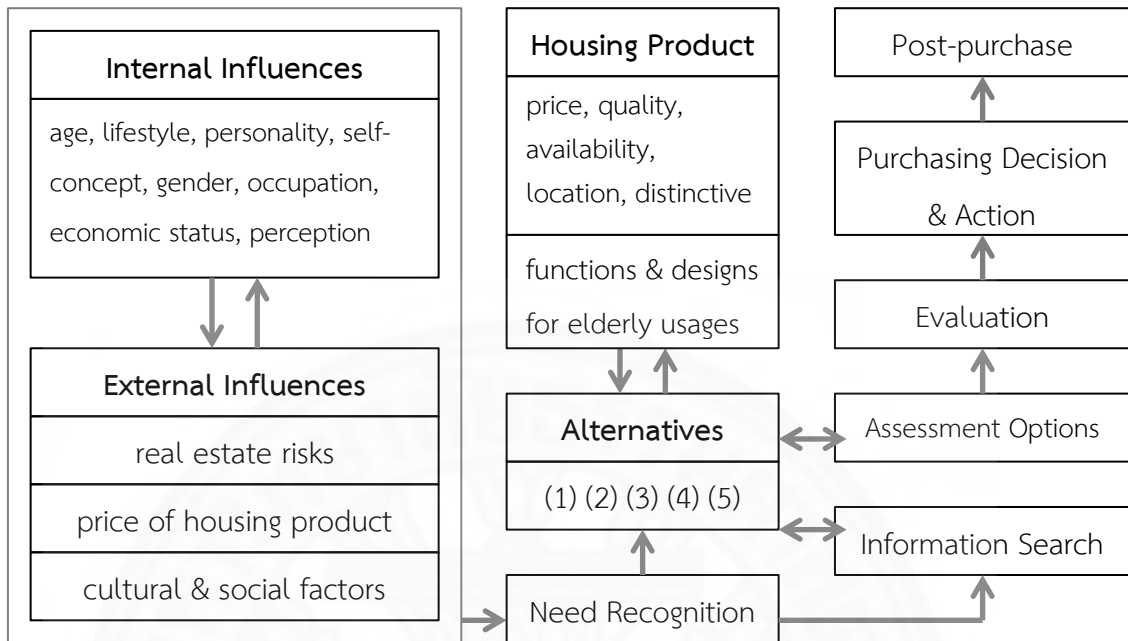


Figure 2.3 Mapping and Describing the Literature in This Study

(Source: author's own illustration)

Figure 2.3 includes the mapping conclusion of relevant literature conceptual and theoretical frameworks of the study. Such components are taken to further research and findings; the internal and external influences are thoroughly examined, together with the product functions and designs, in order to broaden the projection of retirement housing decision-making processes.

This study emphasizes more of consumers' product preference; in other words, one shall focus on consumer preference and product value aspects rather than extreme marketing aspects. Sequentially, in order to apprehend on consumer preference and product value aspects; of all components in 7P's (product, price, place, promotion, process, people, and physical environment), only 'price' and 'product' are focused in this study. This is to allow real estate developers to open up to beneficial information for forthcoming product development and product improvement.

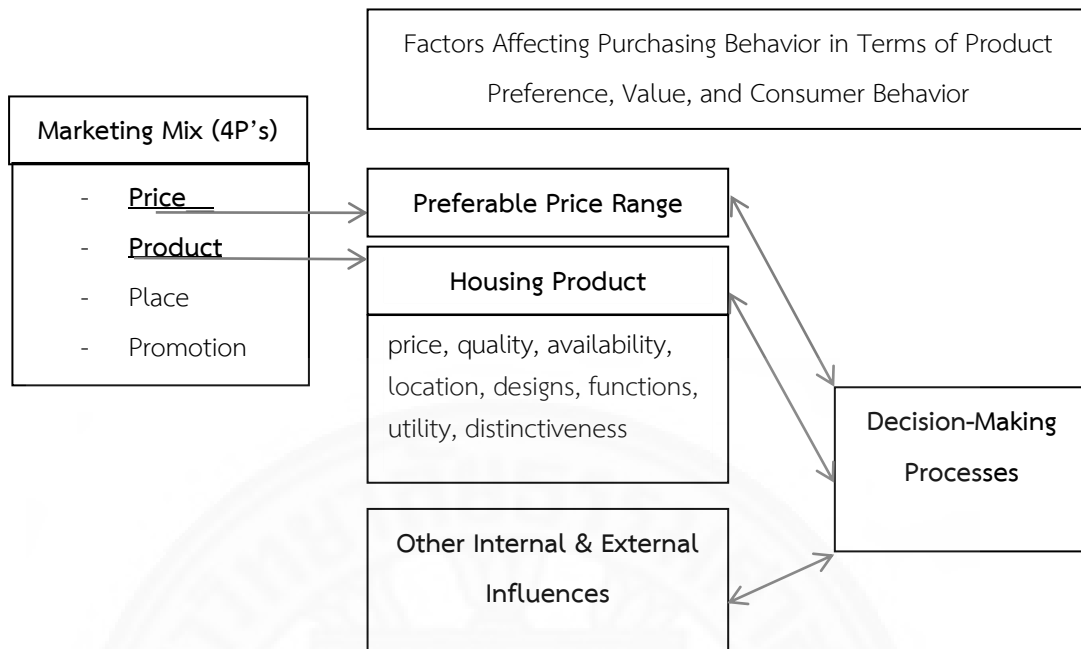


Figure 2.4 Mapping and Describing relativities of 'Price' and 'Product' from 4P's  
(Source: author's own illustration)

Figure 2.4 reveals how the components in 4P's are gradually relevant to factors influencing purchasing decision. The concept of 4P's composes of product, price, place, and promotion. Product comprises of utility, functions, specification, design, location, elderly facilities, and distinctiveness. Next, price is defined as the price range of housing products. Place represents channel of distributions such as sales offices. Lastly, promotion is introduced in forms of discount, vouchers, giveaways, or other privilege offers. All components in 4P's are crucial in marketing aspect. However, the study emphasizes primarily on only consumers' product preference, product value, and consumer behavior rather than focuses only on extreme marketing aspect. Wherefore, 'price' and 'product' are mainly comprehended.

According to Figure 2.4, internal and external influences are the major elements determining preferences of an individual. Once need recognition is met, a consumer then continues in searching for information as well as for substitutes. Product availability differ from one location to another. Each product is somewhat distinctive and different in availability, price, quality, facilities for elderly usage, location, specification, style, and designs. Once alternatives are gathered, an individual may make comparisons or assessment in

accordance with their personal factors to contribute to further actions. With sufficient time given, resource, and consideration, a consumer later pursues to evaluation, conducting to forthcoming purchase actions.



## Chapter 3

### Research Methodology

There are various types of research methods in collecting data such as questionnaires, observation, panels, document, databases, and so forth (Fisher, 2007). Notwithstanding, the research methods selected for this study are questionnaire surveys to collect primary data as well as to precisely acquire accurate data from target respondents. Most appropriate methods and techniques vary from one research to another due to different research questions and purposes. This chapter includes an outline of research methodology along with explanations of the methods chosen, and other relevant contents.

#### 3.1 Research Design

Data collection procedures are classified into two categories as follows:

##### 3.1.1 Primary Data

In this research, quantitative research methodology is applied by using surveys techniques for primary data acquisition. Quantitative research requires collection of numerical data of questionnaire surveys and it is not a complicated way to solve the problem (Bryman and Bell, 2007; Suwanpimon & Theerabanchorn, 2010, p. 13). Following quantitative methods, the research is designed to apply multistage strategies including 'purposive sampling' and 'accidental sampling' techniques by selecting only popular provinces among foreigners to enhance the diversity of information processing. Partially, 280 questionnaires are designed and distributed to gathering data. In accordance with the concepts of consumer behavior and decision-making processes, by the same token, the continuous frameworks within the literature are relatively sufficient to the contribution of findings. The amount of surveys of 280 may result in 90 – 95% of true value and along with 5 – 10% of error.

### **3.1.2 Secondary Data**

Although, secondary data is not originated for author's specified purposes, such data is considered crucial due to easy accessibility, inexpensiveness, and the rapidness of data search (K.Malhotra, 1999, p. 112). Data attained from secondary sources are taken for content analysis, supporting primary data interpretation, and defining research answers insightfully. In addition, such data make the study more accurate, reliable, and efficiently. The sources include academic articles, journals, Google scholar, websites, other library database, and so forth.

## **3.2 Population, Sample and Sampling Strategy**

### **3.2.1 Population**

The target population of this research involves foreign consumers whom are in "Baby Boomer" stage aged between 47-70 years old as well as those whom are older than Baby Boomer stage. Geographically, in order to eliminating data bias and to diverse data gathering areas, the study shall be conducted in different popular provinces of Thailand including mainly Chiang Mai, Prachuab Kirikan, and Nakorn Ratchasima. The mentioned provinces are renowned retirement destinations among target respondents. These three provinces cover all areas regionally. Categorically, the study focuses on only foreign retirees and pre-retirees of any foreign nationalities who have interests in purchasing new houses as well as those who have possessed already a single-detached retirement house within five years. Gender, skin color, religions, and social status are not necessarily specified as major consideration.

### **3.2.2 Samples**

The main objective of sampling is to construct subsets of population, which are fully representative in the main sphere of interest. The sample of this study refers to single-detached house owners whom are foreign retirees or pre-retirees in Chiang Mai, Prachuab Kirikan, and Nakorn Ratchasima, and other popular areas. The sample distribution is proportioned by population density and popularity ranking of foreign destinations. The processes of data collection require 280 samples to fill questionnaires. The sample size of



more than 200, but less than 500, contains 7.1 percent of the margin of error. The sample amount is at the confidential interval equivalent to 95 percent of infinite population (Science Buddies, 2015). The sample size is sufficient. The samples or respondents are randomly justified by the amount of probability of population. The population, furthermore, are not precisely identified. Samplings may seem diverse in nationality. Participants' personal information is kept confidential. Locations, as seen in Figure 3.1 below, are composed of Chiang Mai, Prachuab Kirikan, and Nakorn Ratchasima.

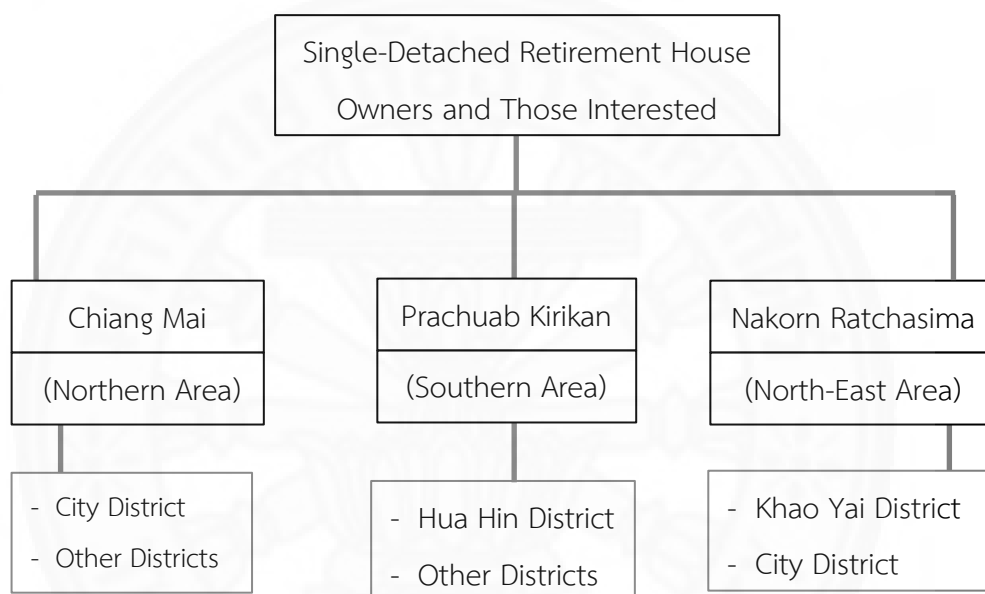


Figure 3.1 Mapping and Demonstrating Sampling Zone Cluster

(Source: author's own illustration)

### 3.2.3 Sampling Strategy

The multistage sampling strategy applied is 'purposive sampling', which is a data gathering process that focuses on specific areas targeted, and 'accidental sampling.' Due to the particularity of chosen target respondents, which point to only foreigners whose age are between 47-70 years old as majority, furthermore, all targets are to possess or plan to purchase single-detached residences in Thailand for retirement. There are estimated to be 2.8 million foreigners living in Thailand as of 2007 (Jerrold, 2014). Moreover, there are 22,388 migrants registered for retirement and long stay, and another 7,163 migrants reportedly stay with Thai wives (International Migration in Thailand, 2009). These Thai wives or spouses are

the main opinion leaders. Nevertheless, official records of specifically, by country or nationality, foreign retirees in Thailand do not appear in any official counts by the government agencies (the author repeatedly wrote to and contacted the Thailand Immigration Department in Bangkok to attain official numbers on issued residences and retirement statistics but no precise information was available). Therefore, ‘purposive sampling strategy’ is applied along with ‘accidental sampling strategy’ for more convenient data gathering process.

Thus, applicable sampling strategies are crucial. There are proper strategies applied to target population of this study; that is a purposive sampling technique, which is applied to questionnaire survey parts. Purposive sampling is appropriate for signifying that one sees sampling as a series of strategic choices about with whom, where, and how one does one’s research (Palys, 2008, p. 697).

Additionally, after applying ‘purposive sampling’ by selecting only targeted provinces, ‘accidental sampling’ is used as a sub strategy; this involves the samples being drawn from a particular part of the population which is close to hand. Likewise, the conduction of questionnaires is as shown in Table 3.1:

Table 3.1

*Amount of Sample in Each Location*

<b>Location (Province)</b>	<b>Amount of Sample Cases</b>	<b>Nationality</b>
Chiang Mai (City and other districts)	Total: 93 samples	All nationalities available
Prachuab Kirikan (Hua Hin and other districts)	Total: 94 samples	All nationalities available
Nakorn Ratchasima (Khao Yai and other districts)	Total: 93 samples	All nationalities available

(Source: author’s own illustration)

### 3.3 Research Instrument and Measurement

This research adopts quantitative research in an attempt to pursue efficient findings. As for quantitative method, the usage of self-complete questionnaires is applied. The research instruments were established from relevant literature, conceptual and theoretical frameworks, and research findings of existing studies. Those components lead to composition of quantitative research questions. The questions used in this study comprise of four different sections, which will be comprehended afterwards. By which, the independent variables and dependent variables are stated in Figure 3.2 as follows:

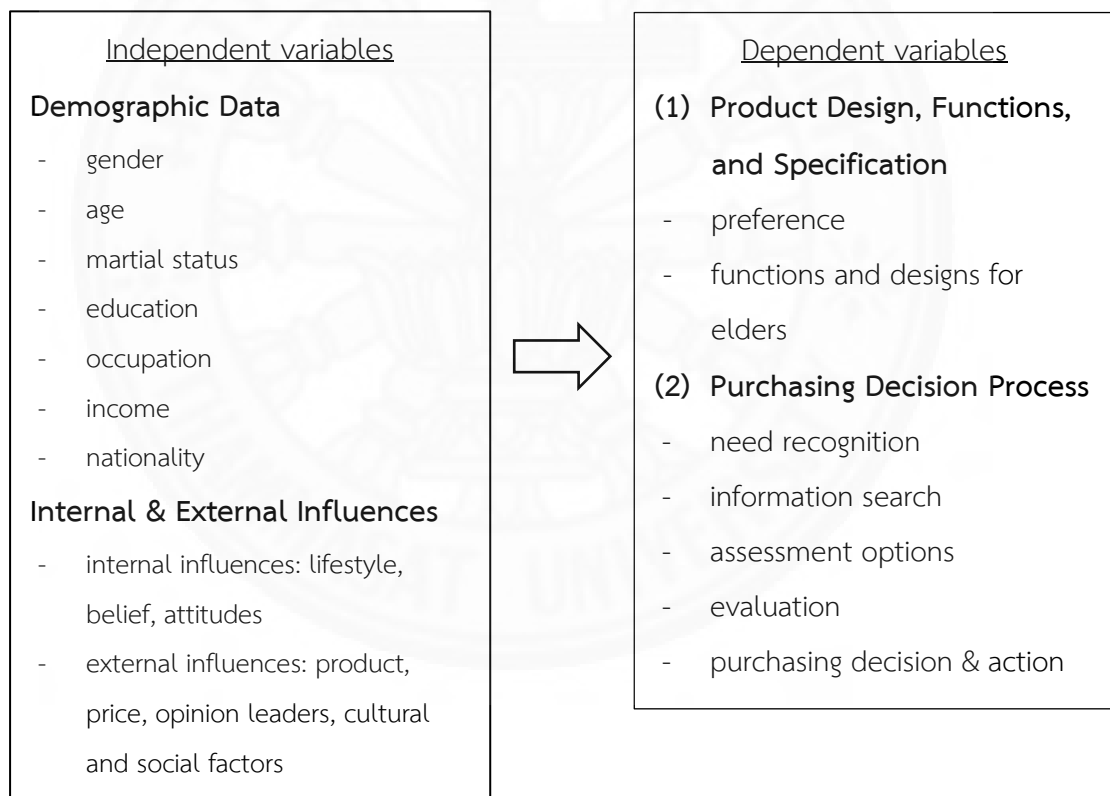


Figure 3.2 Mapping Independent Variables and Dependent Variables

(Source: author's own illustration)

### 3.3.1 Dependent Variables

Dependent variables in this study are comprised of two main elements depending on the context of analysis. Firstly, personal information, product design, functions, and specifications are included. Secondly, purchasing decision processes are apprehended. As for personal information of participants, data shall be divided into different scales as follows:

Gender	Data measurement using Nominal Scale
Age	Data measurement using Ordinal Scale
Marital Status	Data measurement using Nominal Scale
Occupation	Data measurement using Nominal Scale
Education	Data measurement using Ordinal Scale
Career	Data measurement using Nominal Scale
Income	Data measurement using Ordinal Scale
Family Member	Data measurement using Ordinal Scale

Respectively, the multi-item scales are employed for measurement. The scale contains the following measurements:

Scale	Value
Very important	5
Important	4
Moderate	3
Minor	2
Less important	1

Multi-item scales are applied using a Likert Scale that compose of the above measurements: 1 less important to 5 = very important. The respondents are questioned to select a number that represent results as their best to preference level.

### **3.3.2 Independent Variables**

Independent variables in this study are composed of two theoretical categories: individuals' demographic data and influences. As emphasized previously in the literature, such components are primarily crucial factors contributing to purchasing decision. Demographic data and internal influences are human capital and are able to determine the capabilities as well as the tendency of an individual. Sequentially, external influences reflex the reasons for selecting Thailand as a retirement destination in macro perspectives. The multi-item scales or a Likert Scale for measurement are exactly identical as seen in dependent variables.

### **3.3.3 Questionnaire Design**

The sequences of questions are logically formed conforming to the relevance and appropriate order. Questions are written using simple, distinct, and unambiguous wording in order to avoid misinterpretation of participants. The amount of questions is designed to be as short as possible for respondents to stay attentive. All questions in the questionnaire are close-ended in order to maintain the exact focus and clearness. Close-ended questions are convenient for researchers to analyze. The questions are placed as respondents are then requested to tick the boxes of alternatives provided below each question. There also are a several open-ended questions for respondents to fill in their opinions.

### **3.3.4 Formulation of Questionnaires**

The questionnaire comprises of three sections i.e. demographical data, housing specification and demand, and lastly, factors influencing purchasing decision.

#### **3.3.4.1 Part 1: Demographical Data**

The first part composes of general information of an individual. One applies open-closed checklists and a several open-ended questions. The questions involve personal factors e.g. gender, martial status, age, education, occupation, and income. Such information represents individual's human capital for purchasing decision-making processes. The generalization about an individual is provided; thus, it is possible for researchers to anticipate the sensitivity and logic of data gained.

#### 3.3.4.2 Part 2: Housing Specification and Demand

This part gives respondents queries of their ideal housing specification and housing demand. The sub-details are price, quality, after service, availability, location, distinctiveness, and other design components that may relate to elderly utilization such as shower options, space, outdoor features etc.

#### 3.3.4.3 Part 3: Factors Influencing Purchasing Decision

Factors affecting purchasing decision section are a critical data collection; this part contributes to primary findings of the study. In this section, respondents are questioned to identify and provide explanation of the factors influencing their decision-making processes on retirement housing. This includes both internal and external factors. The internal factors involve deeper demographic data, economic status, motivation, perception, learning, beliefs, and attitude. While, external factors include real estate risks where legal framework, internal political stability, and perceived corruption levels are partially concerned. Also, respondents shall be questioned about the price of real estate houses and the effects of each specific price range. Cultural factors are also included; the reference groups, language barriers, cultural differences, and customer habits may affect purchasing decision dramatically. Foreign retirees were brought up from different cultural background; they may not be totally familiar with Thai cultural contexts. In this part, both open-ended and close-ended questions are distributed.

#### 3.3.5 Validity and Reliability

In the aspect of quantitative method of primary data gathering, empirically, it is possible to approve the questions in the study. The questions are set, in this research, base on the conceptual and theoretical frameworks; of which such contexts are universal. It can be indicated that the primary data gained is sufficient to contribution of findings because results match with the concepts and theories selected.

As for another aspect, reliability refers to stability of measurement. Regards to the study, the same validation and standardization are applied to measuring results. The measurement of validity and reliability is considered crucial in accuracy testing.

Content validity is ensured by requiring 3 specialists to approve and assist in setting up questionnaire questions. Using Index of Consistency or IOC (Index of

Consistency); by which IOC must exceed 0.60 to consider questions setting to be valid. Such specialists are related to design and real estate development professions. IOC is extremely effective in ensuring whether surveys are relevant to study objectives and contents.

### 3.4 Data Collection

The main research instrument, as mentioned previously, includes self-completed questionnaires. To conduce to complete data collection progress, one is to transport to major provinces of Thailand selected to gathering data. As the covered population is determined to geographical areas of Chiang Mai, Prachuab Kirikan, and Nakorn Ratchasima provinces, the study employs individual survey and face-to-face data collection techniques. Despite the drawbacks of conducting questionnaires in various locations, and with hours away from the capital city; it is high cost, respondent consent, yet limited geographical coverage; the data acquisition techniques are suitable for the study because it covers location diversity of Thailand to attain accurate results.

### 3.5 Data Analysis

Once the questionnaires are all completed, the next steps are as follows:

(1) Information Inspection or Editing – inspecting the completeness of data written participants and disposing incomplete questionnaires

(2) Coding – bringing questionnaires with high completeness to proceed data coding of questions in each section

(3) Data Analysis – proceeding data by statistical software to contributing results

In addition, interpretation of data is as follows (Wongrattana, 2001):

Mean = 4.21 – 5.00	is equivalent to	Very important
Mean = 3.41 – 4.20	is equivalent to	Important
Mean = 2.61 – 3.40	is equivalent to	Moderate
Mean = 1.81 – 2.60	is equivalent to	Minor
Mean = 1.00 – 1.80	is equivalent to	Less important

### 3.6 Statistics

Descriptive Statistic – comprises of the following calculation:

Firstly, data analysis of each individual who completed questionnaires using frequency and percentage

#### 3.6.1 Percentage

Using percentage calculation as seen in the equation below:

$$P = f \times \frac{100}{n}$$

Substitution:

Assuming that  $P$  represents percentage

$f$  represents frequency converting into percentage

$n$  represents all frequency or size of sample

#### 3.6.2 Standard Deviation

Next, the independent variables apply standard deviation (S.D.):

$$S.D. = \frac{\sqrt{N \sum x^2 + (\sum x)^2}}{n(n-1)}$$

Substitution:

Assuming that  $S.D.$  represents standard deviation

$x$  represents points in each sample

$\sum x^2$  represents sums of points squared

$N \sum x^2$  represents sums of all points squared

$n$  represents amount of participants in sample

$n - 1$  represents amount of independent variables



### 3.6.3 Mean

Next, the formula of Mean is in the equation below:

$$\bar{X} = \frac{n \sum x}{n}$$

Substitution:

Assuming that  $\bar{X}$  represents mean  
 $n \sum x$  represents sums of all points  
 $n$  represents amount of sample

### 3.7 Limitation of Research Methodology

As a result of restricted time provided for data collection, the amount of questionnaire, hence, were constrained to minimal numbers. The efficiency of data evaluation may have turned out higher with greater timing.

Another limitation of this study is the lack of sufficient supportive data sources as many extents of secondary sources are unavailable in original sources. This is due to the fact that retirement housing and elderly segment are not considered as the majority of real estate target market groups. Additionally, Thai government sector does not hold specific statistics toward foreign retirement migration. It is, therefore, difficult to reach highly relevant secondary sources as data.

## Chapter 4

### Data Analysis

This research examines mainly the preferences for single-detached housing products, factors affecting purchasing decision, and purchasing decision processes of foreign retirees in Thailand. This chapter states the research results from the analysis, which is divided into sections as follows:

4.1 Demographical data results of elderly foreigners whom have possessed or are interested in single-detached retirement residences in Thailand

4.2 Analysis of elderly consumer behavior for single-detached retirement residences in Thailand based on product specifications and preferences

4.3 Analysis of factors affecting purchasing behavior and decision-making processes of foreigners for single-detached retirement residences in Thailand

4.4 Analysis of relationships between gender, age, martial status, education, occupation, and income affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand

4.5 Conclusion of data analysis

#### **4.1 Demographical data results of elderly foreigners whom have possessed or are interested in single-detached retirement residences in Thailand**

Data was collected from three popular provinces including Chiang Mai, Chonburi, and Prajoab Kirikan with approximately 93 – 94 questionnaires for each province. The samples were foreign retirees of which each individual's identification varies from gender, age, martial status, occupation, income, and number of family members. Participants filled out 280 questionnaires. Accordingly, the results of demographical data of foreign retirees are explained in the Table 4.1:

Table 4.1

*Amount and Percentage of Demographical Data of Participants*

Demographical Data of Participants	Frequency	Percentage
Gender - Male	152	54.29
- Female	128	45.71
Age		
- Below 60	81	28.93
- 60 - 64	104	37.14
- 65 - 69	72	25.71
- 70 - 74	20	7.14
- 75 - 79	3	1.07
- Above 80	0	0.00
Marital Status		
- Single	95	33.93
- Married	114	40.71
- Divorced	24	8.57
- Separated	36	12.86
- Widowed	11	3.93
Occupation		
- Army, police, fire, government org	62	22.14
- Architect, lawyer, engineering, medical	35	12.50
- Business industry	37	13.21
- Hospitality	22	7.86
- Teaching	24	8.57
- Agriculture, farming	43	15.36
- Marketing	31	11.07
- Unemployed	18	6.43
- Other	8	2.86
Education		

Table 4.1

*Amount and Percentage of Demographical Data of Participants (Continued)*

<b>Demographical Data of Participants</b>	<b>Frequency</b>	<b>Percentage</b>
- High school or lower	35	12.50
- Diploma	118	42.14
- Bachelor degree	96	34.29
- Master degree	28	10.00
- Doctoral or higher than doctoral degree	3	1.07
Income per year		
- Below 6,000 USD	35	12.50
- 6,000 – 17,000 USD	134	47.86
- 17,000 – 33,000 USD	88	31.43
- Above 33,000 USD	23	8.21
Nationality		
- American	28	10.00
- Australian	25	8.93
- British	40	14.29
- Canadian	10	3.57
- Dutch	25	8.93
- French	27	9.64
- German	24	8.57
- Irish	10	3.57
- Italian	5	1.79
- Japanese	5	1.79
- Nigerian	4	1.43
- Norwegian	8	2.86
- Mexican	18	6.43
- Polish	4	1.43
- Russian	5	1.79

Table 4.1

*Amount and Percentage of Demographical Data of Participants (Continued)*

<b>Demographical Data of Participants</b>	<b>Frequency</b>	<b>Percentage</b>
- Spanish	7	2.50
- Swedish	24	8.57
- Swiss	11	3.93
Number of family members staying in the house		
- 1 member	63	22.50
- 2 members	134	47.86
- 3 members	60	21.43
- 4 or more	23	8.21
Having already owned a house in Thailand		
- Yes	97	34.64
- No	183	65.36
Duration of stay		
- All year long	78	27.86
- Half a year	82	29.29
- Depending on seasons	105	37.50
- Other	15	5.36
Lifestyle or activities (can choose more than one answer)		
- Outdoor activities	239	50.74
- Fitness and healthy life style	110	23.35
- Cooking	60	12.74
- Nightlife	56	11.89
- Other e.g. family, sightseeing	6	1.27
Reasons for selecting Thailand as a retirement destination (can choose more than one answer)		
- Cost of living	258	44.95
- Climate	167	29.09

Table 4.1

*Amount and Percentage of Demographical Data of Participants (Continued)*

Demographical Data of Participants	Frequency	Percentage
- Culture	79	13.76
- Food, Cuisine	40	6.97
- Family, friend	21	3.66
- Other	9	1.57
Opinion leader/decision maker (can choose more than one answer)		
- Yourself	239	73.77
- Spouse(husband/wife)	70	21.60
- Relatives	5	1.54
- Children/offspring	10	3.09
- Parents	0	0.00

According to the results, as seen in Table 4.1, there were more male participants than females. 54.29% of all were males, and 45.71% of all were females. The majority of age range is 60 – 64. While most common marital statuses are married, which was 40.71%, and single, which was 33.93%. Correspondingly, most occupations found are in the fields of: architecture, law, engineering, medical, and government organization. As for educational background, the plurality or 42.14% of participants having a diploma degree, and 34.29% having a bachelor degree. 47.86% of annual income range is 6,000 – 17,000 USD. And 31.43% of all participants have 17,000 – 33,000 USD annual income.

Besides, participants' nationalities were 10.0% American, 9.6% French, 8.93% Australian, 8.93% Dutch, 8.57% German, 6.43% Mexican, 1.79% Japanese and many others. Likewise, 47.86% of all participants have family members staying in the house two followed by 22.50% with only one in the house person staying, and 21.4% having three members in the house. And least, 8.21% of family members participants have more than four. 34.64% of participants have already possessed a house in Thailand. As for duration of stay, 37.50%

of all participants stay in ,depending on seasons29.29 %stay half a year ,and 27. %86stay all year longAside from seasonal stay ., others depend on work, spouses, and friends.Most popular activities are outdoor, itnessf, cooking, and nightlife, hile others are sightw-seeing. 44.95% of participants select Thailand due to low cost of living, climate was 29.09%, culture was 13.76%, food was 6.97%, and family and friends were 3.66%. astlyAnd l, 73. %77of participants are opinion leaders themselves for housing purchasing decision. Spouses affect 21 only. .%60Relatives were only 1.%54, and offsprings were 3.09 Since most of the .% ,participants are old agedparents hold none of opinion leading influences.

#### 4.2 Analysis of elderly consumer behavior for single-detached retirement residences in Thailand based on product specifications and preferences

Data acquisition involved 280 participants of which elderly consumer behavior, product specifications, and preferences can be concluded in Table 4.2 as follows.

Table 4.2

*Analysis of elderly consumer behavior for single-detached retirement residences in Thailand based on product specifications and preferences*

Product Specifications and Preferences	Frequency	Percentage
House Styles (can choose more than one answer)		
- Contemporary	112	29.87
- Modern	77	20.53
- Country	50	13.33
- European	54	14.40
- Cottage	5	1.33
- Greek/Roman	5	1.33
- Thai	72	19.20
Bedrooms		

Table 4.2

*Analysis of elderly consumer behavior for single-detached retirement residences in Thailand based on product specifications and preferences (Continued)*

<b>Product Specifications and Preferences</b>	<b>Frequency</b>	<b>Percentage</b>
- 2 bedrooms	126	45.00
- 3 bedrooms	121	43.21
- 4 bedrooms	20	7.14
- 5 or more	13	4.64
Bathrooms		
- 1 bathroom	56	20.00
- 2 bathrooms	172	61.43
- 3 bathrooms	34	12.14
- 4 or more	18	6.43
Storey		
- 1 storey	205	73.21
- 2 storeys	75	26.79
- 3 storeys	0	0.00
Need for garden		
- Yes	242	86.43
- No	38	13.57
Furniture		
- No furniture included	106	37.86
- Fully-furnished	174	62.14
After sales service (can choose more than one answer)		
- Investment/rental guarantee	100	25.84
- Maintenance/repair	174	44.96
- Warranty	42	10.85
- Cleaning and gardening service	71	18.35
Facilities and amenities (can choose more than one answer)		



Table 4.2

*Analysis of elderly consumer behavior for single-detached retirement residences in Thailand based on product specifications and preferences (Continued)*

<b>Product Specifications and Preferences</b>	<b>Frequency</b>	<b>Percentage</b>
- Fitness	88	12.19
- Library	76	10.53
- Swimming pool	179	24.79
- Sauna	11	1.52
- Massage	27	3.74
- Infirmary room	12	1.66
- Garden	167	23.13
- Praying areas	3	0.42
- Convenience store	159	22.02
Housing possession/ownership		
- Short-term rental	145	51.79
- Long-term lease (30 years)	110	39.29
- Owning in the name of company	9	3.21
- Owning in the name of Thai spouse	16	5.71
Location		
- City area	113	40.36
- Countryside area	167	59.64
Most crucial features (can choose more than one answer)		
- Transportation	84	13.77
- City infrastructure	61	10.00
- Mountains	66	10.82
- Seaside	224	36.72
- Hospitals	146	23.93

Table 4.2

*Analysis of elderly consumer behavior for single-detached retirement residences in Thailand based on product specifications and preferences (Continued)*

<b>Product Specifications and Preferences</b>	<b>Frequency</b>	<b>Percentage</b>
- Lakes	29	4.75
Price range		
- Below 2 millions baht	186	66.43
- 2 – 4 millions baht	78	27.86
- 4 – 6 millions baht	13	4.64
- 6 – 8 millions baht	3	1.07
- 8 – 10 millions baht	0	0.00
- above 10 millions baht	0	0.00
Payment method		
- Cash	123	43.93
- Bank loan	157	56.07
Distribution channels and ads (can choose more than one answer)		
- Sales office	169	29.60
- Printed advertisement	33	5.78
- Online advertisement	49	8.58
- Street signs	29	5.08
- Social networking	111	19.44
- Word of mouth	178	31.17
- Other	2	0.35
Promotion (can choose more than one answer)		
- Cash discount	197	43.49
- Voucher	10	2.21
- Free electronic appliances	160	35.32
- Free iPhone/trips	13	2.87

Table 4.2

*Analysis of elderly consumer behavior for single-detached retirement residences in Thailand based on product specifications and preferences (Continued)*

Specifications and Preferences Product	Frequency	Percentage
- Long warranty duration	73	16.11

From the second section of the survey, which involves consumer behavior and product specifications preferred, it can be indicated in Table 4.2 that:

(1) most wanted housing styles are contemporary, with 29.87% vote, followed by modern, with 20.53% vote, while other 19.20% prefer Thai, and 14.40% prefer European.

(2) As for number of bedrooms, 45.00% of participants prefer two bedrooms, while secondly, 43.21% of all prefer three bedrooms.

(3) Accordingly, two bathrooms hold the majority of preference with 61.43% vote. Whilst, other 20.00% prefer one bathroom.

(4) As for number of floors, 1 storey is preferred by the elderly consumers most with 73.21% vote. Other 26.79% prefer 2 storeys. None prefers 3 storeys.

(5) 86.43% of participants find the needs for garden and areas.

(6) Fully furnished is the better option. 62.14% prefer furniture installed, while the other 37.86% prefer no furniture included.

(7) Most popular after sales services are 44.96% for maintenance and repair, 25.84% for investment and rental guarantee, and 18.35% for cleaning and gardening services.

(8) By ranking, most preferred facilities and amenities are 24.79% for swimming pool, 23.13% for garden, 22.02% for convenience store, 12.19% for fitness, and 10.53% for library.

(9) Most preferred possession types are 51.79% for short-term lease, followed by 39.29% for long-term lease of 30 years with another 30 years renewable. Other types such as ownership in the name or company or Thai spouses are minorities.

(10) 59.64% of all participants prefer countryside areas, while the other 40.36% prefer city areas.

(11) Most crucial features for location of retirement housing products are 36.72% for seaside areas, 23.93% for hospital nearby, 13.77% for transportation, 10.82% for mountains, 10.00% for infrastructure, and least, 4.75% for lakes.

(12) Affordable and preferred price range for retirement housing product is below 2 million baht to 4 million baht. There is little demand for housing products with the price range exceeding 4 million baht.

(13) As for payment methods, 56.07% prefer a bank loan, while the other 43.93% prefer cash payment. Consumer behavior in payment aspects shall be discussed in the next section.

(14) Effective distribution channels and advertisements are word of mouth with 31.17% vote, followed by 29.60% directly for sales offices, 19.44% for social networking, 8.58% for online advertisement, 5.78% for printed advertisement, and 5.08% for street signs.

(15) Cash discount is the best type of promotional offer with 43.49% vote. 35.32% voted for free electronic appliances, and the other 16.11% for long warranty duration. Other promotions such as free iPhones or trips, and vouchers, are minorities.

#### **4.3 Analysis of factors affecting purchasing behavior and decision-making processes of foreigners for single-detached retirement residences in Thailand**

Section 3 of the survey reports the characteristics of facilities, factors affecting purchasing behavior, as well as decision-making processes of foreign retirees. Such components are composed of quality of housing, materials applied, developer reputation, elderly facilities needed, factors influencing purchasing decisions, and decision-making processes from need recognition to purchase-action as follows:

Table 4.3

*Analysis of factors affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand*

Factors	Mean	S.D.	Level of Importance
Quality of Housing structure	4.26	0.87	Very important
Materials used	4.16	0.83	Important
Developer Reputation			
- Brand value	3.01	1.18	Moderate
- Developer reputation	3.93	1.28	Important
- ISO certification	3.52	1.17	Important
Total	3.49	1.21	Important
Elderly Facilities			
- Inclining for wheelchairs	2.22	1.06	Minor
- Wide walkway	2.31	1.00	Minor
- Non-slippery walkway	2.52	1.04	Minor
- Non-Slippery shower floor	2.92	1.05	Moderate
- Bathroom grab/handle bars	3.03	1.08	Moderate
- Walkway grab/handle bars	2.18	0.90	Minor
- Safety signage	2.25	0.92	Minor
- Wheelchairs/walking stick for rental	1.43	0.76	Less important
- Shower seats/chairs	1.81	0.82	Minor
- Electric/automatic doors	1.82	0.89	Minor
- Emergency buttons in each room	2.52	1.03	Minor
- Fitness equipment	2.36	0.90	Minor
Total	2.11	0.88	Minor
Factors influencing purchasing decisions			
- Price	4.15	0.73	Important
- Quality of the house	4.12	0.73	Important
- House style/designs	3.71	0.91	Important
- Elderly facilities availability	3.15	1.31	Moderate
- Location	4.25	0.75	Very important

Table 4.3

*Analysis of factors affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand (Continued)*

Factors	Mean	S.D.	Level of Importance
- Distribution channels	3.62	0.71	Important
- Promotion/Discount	4.13	0.77	Important
- Developer reputation	3.66	0.81	Important
- Political concerns	3.24	0.90	Moderate
- Economical concerns	3.98	0.73	Important
- Opinion leaders	2.78	0.69	Moderate

Table 4.3 reveals that, from the results of 280 participants, the most influential factor affecting purchasing decision for single-detached retirement residences is location, which the mean equivalents to 4.25, out of 5.00. Secondly, price of housing product is averagely scored 4.15 out of 5.00. Thirdly, promotion and discount are scored by 4.13. Followed by economic concerns with 3.98 out of 5.00. Housing style and designs were rated 3.71.

In contrast, the least influential factor is opinion leaders. Unexpectedly, elderly consumers only rate the level of importance for opinion leaders at only 2.78 out of 5.00. Elderly facilities availability was rated 3.15 out of 5.00. Respectively, elderly facilities are not as significant to elderly consumers as participants only rate such facilities particularly low.

Table 4.4

*Analysis of decision-making processes of foreigners for single-detached retirement residences in Thailand*

Decision-making processes	Frequency	Percentage
Need recognition: age range to be concerned for needs retirement housing product/recognition		
- 30 – 49 years old	146	52.14
- 50 – 69 years old	94	33.57
- Over 70 years old	40	14.29
Need recognition: concerns for the needs of the product		
- Cost of living	264	46.56
- Weather	135	23.81
- Relocation	13	2.29
- Financial status	36	6.35
- Thai spouse	29	5.11
- Health condition	39	6.88
- Martial status	51	8.99
Need recognition: time spent on need recognition		
- Within 2 weeks	7	2.50
- Within 1 month	50	17.86
- Within 6 months	56	20.00
- Within 1 year	94	33.57
- More than 1 year	73	26.07
Information search: time spent on information collection		
- Within 2 weeks	5	1.79
- Within 1 month	23	8.21
- Within 6 months	49	17.50
- Within 1 year	94	33.57

Table 4.4

*Analysis of decision-making processes of foreigners for single-detached retirement residences in Thailand (Continued)*

Decision-making processes	Frequency	Percentage
- More than 1 year	109	38.93
Information search: most media/mediums likely to receive information or advertisement		
- Television	144	22.12
- Billboard	7	1.08
- Leaflets/brochures	12	1.84
- Word of mouth	205	31.49
- Website	88	13.52
- Webboard/online community	55	8.45
- Social networking	140	21.51
Assessment of options: options had before purchasing a housing product		
- 1 option	10	3.57
- 2 – 4 options	120	42.86
- 5 – 8 options	101	36.07
- 8 – 10 options	24	8.57
- More than 10 options	25	8.93
Purchasing decision: method of purchase		
- One-time cash	51	10.78
- Bank loan	138	29.18
- International transfer	72	15.22
- Barter	9	1.90
- Multiple times of payment	203	42.92



1) Table (4.4) reveals that foreigners with the age of 30 over – 70 recognize the needs for retirement housing products.

2) Concerned about primarily elderly consumers in Thailand are: cost of living (score of 46.56%), weather (23.8%), marital status (8.99%), health condition (6.88%), financial status (6.35%), Thai spouse (5.11%), and lastly relocation (2.29%).

3) Commonly, participants spend their time on the stage of need recognition within one year, which was 33.57% of all. 26.07% spend time more than a year. As for within six months, 20.00% were rated, followed by 17.86% for within one month, and within two weeks were 2.50%.

4) 38% of elderly consumers spend time on collection information more than one year. 33% spend time collecting information within one year. 17.50% spend time within six months, and other 8.21% spending time within one month.

5) 49% of foreign retirees receive information or advertisement awareness through word of mouth. Secondly, 22% received through television. 51% of all, website were 13.52%, webboard and online community were at 8.45%, leaflets and brochures 1 received by only 84%, and lastly, billboard were the least channel with the score of 1.08%.

6) It is revealed that participants mostly have 2-4 options decision a re making before, which was 42.86% of all. 36% go for 5-8 options. From one option and minority of others are the options to more than ten.

7) 42% of purchasers prefer multiple times of payment. 29.18% prefers bank loan, and 15.22% go for international transfer, 10.78% prefer one-time cash payment. Other minority is barter, which was preferred by 1.90%.

#### **4.4 Analysis of relationships between gender, age, marital status, education, occupation, and income affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand**

Some personal factors, such as demographic and psychographic data, certainly vary from one individual to another. Without having examined thoroughly of each personal data, study results may turn into bias. Therefore, it is critical, in order to contributing to justified results, to comprehend the differences of demographical results between gender, age, marital status,

occupation, education, and income. This study only covers demographical correlations. In addition, the relationships between such differences of factors are clarified in the following tables.

Table 4.5

*Analysis of relationships between male and female consumers affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand*

Factors	Male		Female	
	Mean	S.D.	Mean	S.D.
Quality of housing structure	4.24	0.95	4.30	0.77
Materials used	4.13	0.95	4.20	0.67
Developer reputation				
- Brand value	3.00	1.19	3.02	1.18
- Developer reputation	3.98	1.47	3.88	1.03
- ISO certification	3.65	1.23	3.41	1.10
Elderly facilities				
- Slopped way or inclining for wheelchairs	2.08	1.08	2.38	1.03
- Wide walkway	2.30	1.06	2.32	0.92
- Non-slippery walkway	2.46	1.16	2.59	1.14
- Non-slippery shower floor	2.94	1.04	2.90	1.07
- Bathroom grab/handle bars	2.99	1.12	3.07	1.03
- Walkway grab/handle bars	2.15	0.82	2.22	1.00
- Safety signage	2.27	0.96	2.23	0.86
- Wheelchairs/walking stick for rental	1.38	0.64	1.48	0.88
- Shower seats/chairs	1.83	0.82	1.78	0.82
- Electric/automatic doors	1.73	0.85	1.94	0.92
- Emergency buttons in each room	2.54	0.96	2.48	1.11

Table 4.5

*Analysis of relationships between male and female consumers affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand (Continued)*

Factors	Male		Female	
	Mean	S.D.	Mean	S.D.
- Fitness equipment	2.41	0.94	2.30	0.85
Factors influencing purchasing decisions				
- Price	4.09	0.78	4.22	0.65
- Quality of the house	4.03	0.79	4.24	0.64
- House style/designs	3.70	0.93	3.72	0.90
- Elderly facilities availability	3.22	1.37	3.08	1.23
- Location	4.20	0.76	4.30	0.74
- Distribution channels	3.54	0.70	3.71	0.71
- Promotion/discount	4.03	0.81	4.25	0.71
- Developer reputation	3.61	0.86	3.73	0.75
- Political concerns	3.06	0.94	3.46	0.78
- Economical concerns	3.91	0.73	4.06	0.72
- Opinion leaders	2.74	0.71	2.82	0.67

Table 4.5 shows the results from Likert scales. From overall 280 samples, which consisted of 152 males and 128 females, it reveals that both genders' opinions are in common for most answers such as quality and housing structure, materials used, developer reputation, and elderly facilities. As for factors influencing purchasing decision, most answers are also similar except that female consumers tend to slightly be aware of price, quality, political and economical concerns, more than males. It can be concluded that gender almost has no effect on consumer behavior despite only slightly differences on price and quality sensitivity.

Table 4.6

*Analysis of relationships between different age affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand*

Factors	Age (years old)									
	Below 60		60 – 64		65 – 69		70 – 74		75 – 79	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
Quality of housing structure	4.43	0.57	4.09	1.15	4.31	0.57	4.55	0.61	3.00	1.73
Materials used	4.32	0.57	3.97	1.14	4.21	0.56	4.30	0.57	4.00	0.00
Developer reputation										
- Brand value	3.01	1.11	2.90	1.28	3.19	1.10	2.85	1.31	3.33	0.58
- Developer Reputation	3.70	0.81	4.29	1.74	3.83	0.86	3.40	0.94	3.67	0.58
- ISO certificate	3.51	0.91	3.65	1.48	3.46	0.96	3.25	0.97	2.33	0.58
Elderly facilities										
- Stopped way/inclining for wheel chair	2.10	1.02	2.40	1.09	2.00	1.05	2.60	0.94	1.67	1.16
- Wide walkway	2.14	0.93	2.27	0.94	2.47	1.14	2.65	0.93	2.00	1.00
- Non-slippery walkway	2.30	1.04	2.67	0.99	2.60	1.11	2.40	0.88	2.00	1.73
- Non-slippery shower floor	2.81	0.91	3.10	0.98	2.93	1.21	2.50	1.15	2.33	1.53
- Bathroom grab bars	3.05	0.93	3.08	1.09	3.08	1.17	2.50	1.10	2.67	1.16
- Walkway grab bars	2.04	0.84	2.33	0.95	2.22	0.88	2.00	0.92	1.33	0.58
- Safety signage	2.22	0.84	2.21	0.87	2.46	1.02	1.90	1.02	1.67	0.58
- Wheelchairs/ walking stick for rental	1.31	0.61	1.53	0.84	1.42	0.78	1.30	0.57	2.00	1.73
- Shower seats/chairs	1.69	0.75	1.88	0.83	1.79	0.86	1.95	0.89	1.67	1.16

Table 4.6

*Analysis of relationships between different age affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand (Continued)*

Factors	Age (years old)									
	Below 60		60 – 64		65 – 69		70 – 74		75 – 79	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
- Electric/automatic door	1.79	0.82	1.98	0.98	1.65	0.83	1.80	0.77	1.67	1.16
- Emergency buttons in each room	2.34	1.01	2.74	1.04	2.44	1.06	2.45	0.83	1.67	0.58
- Fitness equipment	2.54	0.88	2.13	0.78	2.54	0.93	2.00	1.12	3.00	0.00
Factors influencing purchasing decisions										
- Price	4.25	0.60	4.03	0.86	4.19	0.69	4.15	0.49	4.33	0.58
- Quality of the house	4.22	0.55	4.00	0.90	4.24	0.64	3.95	0.61	4.33	0.58
- House style/designs	3.91	0.75	3.38	0.98	3.96	0.86	3.65	0.88	4.33	0.58
- Elderly facilities availability	2.89	1.21	3.26	1.13	3.33	1.52	3.25	1.55	1.67	1.16
- Location	4.15	0.76	4.20	0.78	4.35	0.72	4.50	0.61	4.67	0.58
- Distribution channels	3.70	0.73	3.49	0.74	3.68	0.65	3.70	0.66	3.67	0.58
- Promotion	4.19	0.65	4.04	0.76	4.19	0.88	4.00	0.80	5.00	0.00
- Developer reputation	3.57	0.85	3.71	0.77	3.69	0.83	3.60	0.82	4.33	0.58
- Political concerns	3.44	0.74	3.31	0.79	3.01	1.11	2.90	0.91	3.33	1.16
- Economical concerns	3.95	0.69	3.98	0.79	4.01	0.74	3.90	0.55	4.33	0.58
- Opinion leaders	2.83	0.69	2.87	0.62	2.64	0.78	2.70	0.66	2.33	0.58

Table 4.6 indicates that aging has little impact on the change of relationships between product specifications and factors influencing purchasing decision. Most consumers have no concerns on brand value. The most wanted elderly facility is bathroom handle bar. Remarkably, elders whose age are over 70 years rate the needs for elderly facilities lower than other age ranges; except for wheelchair and walking stick for rental, those over 70 years old need such facilities more than others. In contrast, those exceeding 70 years old tend to be concerned more slightly about factors influencing purchasing decision such as price, design, and promotion.

Table 4.7

*Analysis of relationships between different marital statuses affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand*

Factors	Marital Status									
	Single		Married		Divorced		Separated		Widowed	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
Quality of housing structure	4.37	0.73	4.05	1.09	4.75	0.44	4.31	0.47	4.36	0.51
Materials used	4.33	0.70	3.89	1.16	4.50	0.52	4.19	0.52	4.55	0.52
Developer reputation										
- Brand value	3.14	1.14	2.85	1.27	3.63	1.10	2.69	0.95	3.27	1.01
- Developer Reputation	3.71	0.94	4.11	1.67	4.25	0.90	3.75	0.87	4.00	0.63
- ISO certificate	3.47	0.96	3.58	1.46	3.50	1.06	3.33	0.72	3.91	0.94
Elderly facilities										
- Slopped way/inclining for wheel chair	2.08	0.91	2.07	1.11	2.67	1.20	2.64	1.07	2.55	0.93
- Wide walkway	2.40	0.83	1.96	0.99	2.42	1.25	3.11	0.67	2.18	1.17
- Non-slippery walkway	2.49	1.01	2.42	1.12	2.46	1.18	2.94	0.67	2.45	1.04
- Non-slippery shower floor	2.96	0.89	2.73	1.16	2.75	0.85	3.44	1.05	3.27	1.01

Table 4.7

*Analysis of relationships between different marital statuses affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand (Continued)*

Factors	Marital Status									
	Single		Married		Divorced		Separated		Widowed	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
- Bathroom grab bars	2.96	0.87	2.81	1.19	3.08	1.21	3.69	0.75	3.55	1.04
- Walkway grab bars	2.02	0.74	2.12	0.96	2.54	1.18	2.47	0.70	2.45	1.13
- Safety signage	2.25	0.92	2.10	0.79	2.83	1.13	2.36	1.05	2.18	0.75
- Wheelchairs/ walking stick for rental	1.54	0.90	1.32	0.59	1.67	1.17	1.36	0.49	1.18	0.41
- Shower seats/chairs	1.77	0.82	1.68	0.66	1.96	1.37	2.28	0.70	1.64	0.67
- Electric/ automatic door	1.93	0.89	1.61	0.79	2.13	1.19	1.94	0.89	2.18	0.41
- Emergency buttons in each room	2.27	0.96	2.38	1.06	2.83	0.89	3.25	0.91	3.00	0.63
- Fitness equipment	2.75	0.79	2.16	0.82	2.38	0.97	2.28	1.00	1.27	0.47
Factors influencing purchasing decisions										
- Price	4.13	0.65	3.96	0.82	4.37	0.50	4.22	0.59	4.00	0.63
- Quality of the house	4.34	0.61	3.80	0.80	4.63	0.58	4.25	0.50	4.18	0.41
- House style/designs	3.86	0.90	3.54	0.89	3.54	0.88	4.06	0.96	3.36	0.67
- Elderly facilities availability	2.62	1.22	3.08	1.18	3.50	1.29	4.39	1.08	3.73	1.19
- Location	4.15	0.68	4.28	0.76	3.92	0.93	4.64	0.59	4.27	0.79
- Distribution channels	3.66	0.58	3.52	0.76	3.63	0.97	3.89	0.58	3.36	0.81

Table 4.7

*Analysis of relationships between different martial statuses affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand (Continued)*

Factors	Martial Status									
	Single		Married		Divorced		Separated		Widowed	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
- Promotion	4.07	0.90	4.10	0.69	4.13	0.74	4.36	0.64	4.18	0.75
- Developer reputation	3.65	0.82	3.57	0.81	3.87	0.99	3.94	0.63	3.36	0.67
- Political concerns	3.20	0.91	3.29	0.71	3.46	0.88	2.97	1.25	3.55	1.04
- Economical concerns	3.83	0.61	3.88	0.78	4.33	0.64	4.36	0.68	4.27	0.79
- Opinion leaders	2.65	0.60	2.82	0.47	3.46	1.06	2.47	0.91	2.91	0.54

Table 4.7 points out that the plurality of participants are married. There were 114 married, 95 single, 36 separated, 24 divorced, and 11 widowed participants. Besides, single, divorced, separated, widowed, spare more likelihood of living alone. Surprisingly, table 4.7 points out that participants with divorced, separated, and widowed statuses tend to be concerned of elderly facilities more than those who are married. Those with divorced, separated, and widowed statuses are concerned more for facilities such as stopped way or inclining, wide walkway, non-slippery walkway, non-slippery shower floors, bathroom grab or handle bars, walkway grab bars, automatic doors, shower seats, and emergency buttons; while most single ones find such elderly facilities unnecessary to their usage. It is mostly implacable that those divorced, separated, and widowed individuals live alone, hence, they tend to need more elderly facilities and assistance more than those who are married or live with more family members in the house.



Table 4.8

*Analysis of relationships between different occupations affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand*

Factors	Gov org	Architecture, law, engineering, medical	Business industry	Hospitality	Teaching	Agriculture, farming	Marketing	Unemployed	Other
	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.
Quality of housing structure	4.42 0.75	4.66 0.50	4.35 1.14	3.77 1.13	4.29 0.00	4.30 0.00	4.13 0.51	3.39 1.98	4.50 0.58
Materials used	4.29 0.64	4.46 0.56	4.08 0.89	3.55 1.01	4.08 0.89	4.26 0.44	4.39 0.62	3.39 1.79	4.38 0.52
Developer reputation									
- Brand value	3.23 1.15	2.94 1.11	2.78 1.11	3.00 1.11	2.79 0.83	3.00 1.23	3.16 1.07	3.17 1.72	2.50 1.85
- Developer Reputation	3.74 0.90	3.63 0.88	3.70 0.81	3.68 1.09	3.92 0.72	3.72 0.63	3.74 0.82	4.22 0.81	3.25 1.04
- ISO certificate	3.42 1.11	3.60 0.85	3.30 0.88	3.50 1.47	3.25 0.85	3.47 1.01	3.90 0.91	3.32 0.91	3.56 1.46
Elderly facilities									
- Stopped way/ inclining for wheelchair	2.31 1.13	2.09 1.07	2.14 1.11	2.05 0.95	2.25 1.11	2.60 0.98	2.6 1.00	1.83 0.86	1.88 1.36
- Wide walkway	2.47 1.04	2.20 1.08	2.16 0.76	2.27 1.03	2.38 1.10	2.33 0.97	2.48 1.03	2.11 0.90	1.75 1.17
- Non-slippery walkway	2.60 1.03	2.26 1.22	2.57 1.07	2.50 0.86	2.58 1.25	2.44 0.93	2.29 1.01	3.28 0.75	2.25 0.71
- Non-slippery shower floor	3.02 1.09	2.80 1.37	2.76 0.96	3.05 0.90	2.92 1.02	3.00 0.93	2.77 1.23	3.33 0.59	2.38 0.52
- Bathroom grab bars	3.26 1.04	2.91 1.38	3.11 1.10	2.86 0.83	2.96 1.00	3.21 1.04	2.42 0.96	3.22 1.00	2.87 0.64
- Walkway grab bars	2.40 1.00	1.97 1.01	1.76 0.60	2.36 0.90	2.21 1.02	2.47 0.91	2.06 0.85	2.06 0.42	2.00 0.54

Table 4.8

*Analysis of relationships between different occupations affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand (Continued)*

Factors	Gov Org	Architecture, law, engineering, medical	Business industry	Hospitality	Teaching	Agriculture, farming	Marketing	Unemployed	Other
	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.
- Safety signage	2.66 1.04	1.77 0.81	2.11 0.84	2.41 1.01	2.54 0.88	2.21 0.86	1.90 0.65	2.39 0.61	1.75 0.71
- Wheelchairs/walking stick for rental	1.61 0.95	1.31 0.53	1.49 0.96	1.50 0.74	1.46 0.51	1.35 0.53	1.29 0.64	1.33 0.97	1.00 0.00
- Shower seats/chairs	1.95 2.06	1.69 0.90	1.68 0.63	2.09 0.75	1.83 0.70	1.91 0.68	1.48 0.68	1.89 0.76	1.50 0.54
- Electric/ automatic door	2.13 1.02	1.74 0.78	1.54 0.65	1.86 0.91	2.00 0.93	1.86 0.83	1.74 0.86	1.50 0.86	1.38 0.52
- Emergency buttons in each room	2.61 0.86	2.11 0.93	2.24 0.98	2.95 1.25	2.75 1.11	2.98 0.99	2.19 1.01	2.56 0.78	1.63 1.19
- Fitness equipment	2.53 0.94	1.66 0.68	2.49 0.99	2.41 1.01	2.58 0.83	2.16 0.75	2.68 0.65	2.39 0.61	2.38 1.41
Factors influencing purchasing decisions									
- Price	4.21 0.66	4.03 0.38	4.05 0.62	3.86 0.83	4.29 0.81	4.23 0.61	4.58 0.50	3.72 1.32	3.75 0.89
- Quality of the house	4.23 0.66	4.11 0.40	4.24 0.76	4.05 0.95	4.29 0.46	3.84 0.65	4.35 0.55	3.83 1.38	3.88 0.64
- House style/designs	3.90 0.92	3.74 0.82	3.62 0.83	3.59 1.14	4.13 0.68	3.53 0.88	3.61 0.92	3.44 1.15	3.25 0.46
- Elderly facilities availability	3.32 1.42	3.71 1.25	2.65 0.95	3.41 1.47	3.21 1.38	3.42 1.12	2.10 1.04	3.56 1.15	2.63 0.92

Table 4.8

*Analysis of relationships between different occupations affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand (Continued)*

Factors	Gov Org	Architecture, law, engineering, medical	Business industry	Hospitality	Teaching	Agriculture, farming	Marketing	Unemployed	Other
	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.	Mean & S.D.
- Location	4.21 0.79	4.51 0.70	4.08 0.64	4.14 0.89	4.38 0.77	4.40 0.58	4.19 0.70	4.17 0.92	3.75 0.89
- Distribution channels	3.63 0.71	3.74 0.61	3.46 0.84	3.50 0.74	3.71 0.69	3.58 0.73	3.87 0.62	3.61 0.50	3.00 0.76
- Promotion	4.11 0.89	3.97 0.57	4.41 0.64	3.95 1.05	4.00 0.66	4.12 0.73	4.13 0.67	4.28 0.96	4.25 0.46
- Developer reputation	3.73 0.87	3.43 0.50	3.62 0.72	3.68 0.95	3.63 0.77	3.74 0.88	3.94 0.81	3.67 0.59	3.00 1.31
- Political concerns	3.10 1.04	3.23 0.77	3.68 0.85	2.91 1.19	2.88 0.90	3.49 0.63	3.10 0.79	3.44 0.62	3.25 0.71
- Economical concerns	4.23 0.66	3.91 0.66	3.89 0.74	4.09 0.87	4.25 0.61	4.09 0.65	3.65 0.71	3.44 0.62	3.25 0.71
- Opinion leaders	2.97 0.92	2.69 0.47	2.86 0.42	2.50 0.74	2.46 0.83	2.91 0.48	2.61 0.72	2.94 0.24	2.63 0.74

Table 4.8 discloses that unemployed participants are least concerned about 'price' and 'quality of housing product'. Though, there are needs for a further study about why unemployed groups responded oppositely of reasonability. Likewise, almost all participants agree upon the importance of elderly facilities except those with marketing profession who underrate some elderly facilities lower than other professions. As for factors influencing purchasing decisions, all participants come up with the same range of rating. It is possible to conclude that professions merely affect consumer behavior as most of the influences and concerns are rated within only slightly differences.

Table 4.9

*Analysis of relationships between different educational backgrounds affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand*

Factors	Educational backgrounds											
	Highschool or lower		Diploma, college		Bachelor degree		Master degree		Doctoral Degree		Higher than doctoral degree	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
Quality of housing structure	4.40	0.50	4.34	0.78	4.25	0.93	4.04	0.96	1.00	0.00	3.00	2.83
Materials used	4.06	0.34	4.36	0.69	4.05	0.91	3.96	1.00	1.00	0.00	3.00	2.83
Developer reputation												
- Brand value	3.09	1.12	2.97	1.30	3.06	1.09	3.00	0.98	1.00	0.00	2.50	2.12
- Developer Reputation	3.91	0.89	3.66	0.90	3.76	0.83	3.79	0.50	3.00	0.00	5.00	0.00
- ISO certificate	3.54	0.85	3.50	1.04	3.34	1.17	3.54	0.64	4.00	0.00	4.00	1.36
Elderly facilities												
- Stopped way/ inclining for wheelchair	2.03	1.07	2.22	1.08	2.21	1.03	2.54	1.11	1.00	0.00	2.00	1.41
- Wide walkway	2.11	1.28	2.39	0.88	2.22	1.01	2.61	0.99	1.00	0.00	1.50	0.71
- Non-slippery walkway	2.26	1.07	2.43	0.99	2.52	1.08	3.11	0.96	3.00	0.00	3.50	0.71
- Non-slippery shower floor	2.54	1.07	3.01	1.00	2.88	1.12	3.18	0.98	3.00	0.00	3.00	0.00
- Bathroom grab bars	2.66	1.26	3.08	1.01	2.95	1.07	3.50	0.92	2.00	0.00	3.50	2.12
- Walkway grab bars	2.23	1.00	2.13	0.82	2.09	0.95	2.61	0.83	2.00	0.00	3.00	1.41
- Safety signage	2.60	1.14	2.08	0.83	2.24	0.96	2.50	0.58	2.00	0.00	3.00	1.41
- Wheelchairs/walking stick for rental	1.31	0.68	1.17	0.38	1.69	0.99	1.68	0.67	1.00	0.00	2.50	2.12

Table 4.9

*Analysis of relationships between different educational backgrounds affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand (Continued)*

Factors	Educational backgrounds											
	Highschool or lower		Diploma, college		Bachelor degree		Master degree		Doctoral Degree		Higher than doctoral degree	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
- Shower seats/chairs	1.86	0.65	1.65	0.76	1.82	0.82	2.21	0.96	2.00	0.00	3.50	2.12
- Electric/ automatic door	1.49	0.74	1.69	0.78	1.96	0.91	2.36	1.03	1.00	0.00	2.50	2.12
- Emergency buttons in each room	2.83	1.34	2.48	1.01	2.26	0.88	3.11	0.88	2.00	0.00	3.00	1.41
- Fitness equipment	2.20	1.05	2.42	0.89	2.36	0.93	2.29	0.60	2.00	0.00	2.00	0.00
Factors influencing purchasing decisions												
- Price	4.29	0.67	4.24	0.62	4.05	0.77	4.07	0.81	2.00	0.00	3.00	1.41
- Quality of the house	4.23	0.73	4.09	0.61	4.18	0.81	4.07	0.72	2.00	0.00	3.50	2.12
- House style/designs	4.09	0.61	3.64	0.86	3.76	1.04	3.50	0.75	2.00	0.00	2.50	0.71
- Elderly facilities availability	3.57	1.17	3.11	1.36	2.85	1.29	3.82	1.06	3.00	0.00	3.50	0.71
- Location	4.37	0.69	4.27	0.70	4.20	0.80	4.32	0.77	3.00	0.00	3.00	0.00
- Distribution channels	3.49	0.82	3.67	0.64	3.53	0.71	3.93	0.77	3.00	0.00	3.00	0.00
- Promotion	4.49	0.70	4.23	0.59	3.92	0.91	4.11	0.74	3.00	0.00	3.00	0.00
- Developer reputation	3.74	1.12	3.74	0.76	3.53	0.79	3.75	0.65	3.00	0.00	3.50	0.71
- Political concerns	3.03	1.07	3.33	0.82	3.18	0.98	3.39	0.63	3.00	0.00	3.00	0.00

Table 4.9

*Analysis of relationships between different educational background affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand (Continued)*

Factors	Income range per year											
	Highschool or lower		Diploma, college		Bachelor degree		Master degree		Doctoral Degree		Higher than doctoral degree	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
- Economical concerns	3.71	0.86	3.93	0.74	4.05	0.62	4.29	0.66	3.00	0.00	4.00	1.41
- Opinion leaders	2.69	0.87	2.75	0.74	2.75	0.58	3.04	0.58	3.00	0.00	3.50	0.71

From Table 4.9, out of 280 participants, the majority or 118 participants have achieved diploma degree. Secondly, 96 of all participants have attained bachelor degree. Others include 35 participants whose educational background is high school or lower, and 28 participants who have achieved master degree. Lastly, there were only 3 participants whose education level is doctoral degree or higher. The educational background analysis in this study may not be strongly accurate due to the fact that the amount of participants per each educational level differs from one to another greatly.

Furthermore, most participants share common responses. The results present that participants with doctoral degree or higher prioritize 'ISO certification' most (mean = 4.00 for both doctoral and higher than doctoral degree.). Similarly, participants with higher than doctoral degree are extremely concerned about 'developer reputation' more than the others (mean = 5.00). Participants with high school degree or lower tend to prioritize 'quality of housing' more than the others (mean = 4.40). Those with diploma or college degree are concerned for 'material used' (mean = 4.36) and 'price' (mean = 4.24) most. Aside from such results, most of the answers are in the same direction except those with doctoral degree who tend to rate some elderly facilities lower than the others.

Table 4.10

*Analysis of relationships between different annual income range affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand*

Factors	Below 6,000 USD		6,000 – 17,000 USD		17,001–33,000 USD		Above 33,000 USD	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
Quality of housing structure	4.43	0.50	4.31	0.78	4.01	1.10	4.74	0.45
Materials used	4.31	0.63	4.20	0.72	3.99	1.07	4.30	0.56
Developer reputation								
- Brand value	3.31	1.28	2.94	1.23	2.81	1.06	3.74	0.92
- Developer Reputation	3.91	0.85	3.63	0.96	3.78	0.65	4.00	0.67
- ISO certificate	3.14	0.81	3.39	0.99	3.57	0.95	3.48	1.08
Elderly facilities								
- Slopped way/ inclining for wheelchair	2.63	1.14	2.05	0.99	2.24	1.10	2.48	1.04
- Wide walkway	2.80	0.99	2.08	1.00	2.43	0.99	2.39	0.89
- Non-slippery walkway	2.80	1.05	2.22	0.98	2.78	1.06	2.83	0.94
- Non-slippery shower floor	3.20	0.87	2.73	0.97	3.17	1.12	2.65	1.27
- Bathroom grab bars	3.23	0.94	2.80	1.00	3.31	1.10	2.96	1.33
- Walkway grab bars	2.17	0.82	2.16	0.96	2.23	0.80	2.13	1.10
- Safety signage	2.06	0.84	2.24	1.04	2.33	0.66	2.30	1.15
- Wheelchairs/ walking stick for rental	1.86	1.14	1.39	0.77	1.36	0.53	1.22	0.52
- Shower seats/chairs	2.03	0.75	1.71	0.81	1.86	0.82	1.74	0.86

Table 4.10

*Analysis of relationships between different annual income range affecting purchasing behavior of foreigners for single-detached retirement residences in Thailand (Continued)*

Factors	Below 6,000 USD		6,000 – 17,000 USD		17,001–33,000 USD		Above 33,000 USD	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
- Electric/ automatic door	1.97	0.95	1.78	0.86	1.86	0.90	1.74	0.86
- Emergency buttons in each room	2.40	1.09	2.46	1.04	2.66	0.93	2.52	1.16
- Fitness equipment	2.69	0.76	2.43	0.98	2.17	0.73	2.13	1.01
Factors influencing purchasing decisions								
- Price	4.29	0.67	4.13	0.68	4.07	0.83	4.35	0.65
- Quality of the house	4.34	0.59	4.05	0.72	4.06	0.79	4.48	0.59
- House style/designs	3.94	0.73	3.67	0.85	3.77	0.99	3.35	1.11
- Elderly facilities availability	2.86	0.97	3.00	1.27	3.59	1.34	2.83	1.53
- Location	4.09	0.78	4.19	0.77	4.34	0.69	4.48	0.73
- Distribution channels	3.60	0.78	3.50	0.68	3.80	0.65	3.65	0.89
- Promotion	4.69	0.47	4.01	0.81	4.09	0.67	4.13	0.92
- Developer reputation	3.77	1.06	3.63	0.90	3.63	0.55	3.83	0.72
- Political concerns	3.11	0.68	3.07	0.98	3.31	0.70	4.22	0.67
- Economical concerns	3.51	0.66	4.03	0.74	3.97	0.70	4.43	0.51
- Opinion leaders	2.66	0.64	2.67	0.72	2.88	0.50	3.22	0.95



Table 4.10 clarifies elderly purchasing behavior in the aspects of income. Of all 280 participants, 134 earn 6,000 – 17,000 USD (approximately 210,000 – 600,000 Baht) each year. Secondly, 88 participants have 17,000 – 33,000 USD yearly income (approximately 600,000 – 1,150,000 Baht). Thirdly, 35 participants earn less than 6,000 USD a year (approximately less than 210,000 baht). Lastly, another 23 participants earn more than 33,000 USD per year (approximately more than 1,150,000 Baht).

The results indicate that those who earn more than 33,000 USD or 1,150,000 Baht yearly are concerned about ‘quality of housing’ (mean = 4.74), ‘brand value’ (mean = 3.74), ‘developer reputation’ (mean = 4.00), ‘price’ (mean = 4.35), and location (mean = 4.48) more than all other income ranges. It is more likely that participants who have high level of affordability do focus on reasonable price, quality of the product, brand value, and reputation most. Moreover, those with annual income range lower than 6,000 USD or 210,000 Baht tend to consider about ‘promotion’ (mean = 4.69) and ‘housing style and design’ (mean = 3.94) more than the others. Overall, apart from the outstanding points mentioned previously, most of the responses of all income ranges are in the same direction.

#### **4.5 Conclusion of data analysis**

After all, information analysis of factors affecting purchasing behavior of foreign elders for single-detached retirement residences in Thailand, covering three major provinces i.e. Chiang Mai, Chonburi, and Prachuab Kirikan; out of 280 samples (with 93 – 94 surveys for each province), it can be concluded that there are more male participants than females. The age ranges of participants are from below 60 years old to 79 years old. 104 of participants are 60 – 64 years old, 81 participants are below 60 years old, 72 participants are 65 – 69 years old, and 23 participants are 70 – 79 years old. Most common martial statuses are either single or married, others are minority. Nationalities found are Swedish, French, American, Australian, Dutch, British, and others. Most of all are westerners, though, there are a several Asian. Most common careers or previous careers variously are army, police, fire, government organization, architect, lawyer, engineer, and medical field. The majority of participants achieve diploma, college, and bachelor degree of education levels. As for annual income, the average income range is 6,000 – 17,000 USD, which is 47.86% of all. The

plurality number of family members staying in the house is 2 members, however 1-3 members are all common. 34.64% of the foreign retirees participated in the survey have already possessed a house in Thailand, while other 65.36% are interested in purchasing one. For duration of stay, most participants stay in their Thailand retirement houses depending on seasons. The most popular activities and lifestyle are outdoor activities and healthy way of life. The main reasons for selecting Thailand as a retirement destination are low cost of living and warm climate. The most influential opinion leaders are the 73.77% participants themselves. Contemporary and modern housing styles are highly preferred. 2 bedrooms are mostly preferred, while 3 bedrooms are rated second. 2 bathrooms are the most suitable, and that most participants prefer 1-storey retirement housing. There are needs for garden as well as needs for furniture included in the house. The highest demand for after-sale service is maintenance and repair. Most demanding facilities and amenities are swimming pool, garden, convenience store, fitness, library, and others. Short-term lease and long-term lease types of possession are preferred. Countryside areas are more suitable for retirement living, while city areas in the provinces are also suitable. Most participants prefer locating nearby seaside, hospitals, and good transportation. Price range for a retirement housing product ought to be around below 2 millions baht up to 4 millions baht. Methods of payment are multiple times of payment, bank loan, and international transfer. Word of mouth, television, and social networking are the most effective distribution channels. Likewise, cash discount is the most alluring promotion for participants, and free electronic appliances are also effective. Quality of housing structure is important so is the quality of materials. As for quality assurance, brand value and ISO certification are moderate, not significant. Developer reputation is also moderate. Most of the elderly facilities are not prioritized by participants as the rating range is 1 – 3 out of 5, however, most demands of such facilities are for non-slippery floors and bathroom grab bars. Most influential factors contributing to purchasing decision are price, quality of the house, housing styles or design, location, and discounts. Participants realize the needs for the retirement housing product at the age range of 30 – 69 years. Concerns for the needs of the product are cost of living, weather, and marital status. Consumers' time spent on retirement housing need recognition stage is within one year, while information collecting stage requires 6 months to more than one year, too. Additionally, words of mouth, television, and social networking are most likely medias for

participants to receive information. During the alternative assessment stage, most participants have 2 – 4 options or alternatives in their mind before deciding to purchase. Multiple times of payment is preferred first, followed by bank loans second, and international transfer third. To sum up, the author shall provide study conclusion and results in the next chapter.



## Chapter 5

### Discussion and Conclusion

This chapter discusses the findings, implications, and limitations of the research. Suggestions for future research are also provided. The chapter demonstrates a summary of the study, discussion of the findings, implication for both academics and practitioners, and further recommendations.

The research examines mainly the preferences for single-detached housing products, factors affecting purchasing decision, and purchasing decision processes of foreign retirees in Thailand. One states the research results from the analysis, which is divided into sections as follows:

#### 5.1 Summary and Discussion of the Findings

This section is composed of discussion of the results and findings of the research. Respectively, the discussion on analysis of principal components are revealed as follows:

##### 5.1.1 Demographical Conclusion of Samples

The acquisition of data consisted of 280 samples indicate results from foreign elderly consumers who have possessed or interests in retirement residences in Thailand. In accordance with the results, there are more males than females mostly aging from below 60 to 69 years old. 40.71% of participants are married, while the rest are either single, separated, divorced, or widowed. Most common occupations are related to architecture, law, engineering, medical, and government organization. The majority complete diploma, college, and bachelor degrees. Average earnings per year are 6,000 – 17,000 USD first, and 17,000 – 33,000 USD second. Nationalities are diverse, however, most samples are westerners. Almost half of participants have 2 members staying in the house. 34.64% have owned a house in Thailand.

Since the study covers all nationalities, furthermore, another limitation is that some participants do not speak English. This may result in inaccuracy of responses due to communication barrier. In order to cope with such linguistic limitation, questionnaires were designed using simple vocabulary to avoid possible misunderstandings. In addition, some target participants were pre-retirees who are below 60 years old. This may create impacts on the results and the findings as those participants aged below 60 have not entered elderly stage yet; thus, their responses may not be entirely relevant to elderly consumer needs. Also, some qualifications of the participants, such as age, income, occupation, and educational background are not sufficient for analysis. There were only three participants who have doctoral degree or higher than doctoral degree, only three participants aged 75 – 79 years, and a few have a particular nationality. Thus, data interpretation is affected by certain demographical qualifications.

### **5.1.2 Consumer Behavior of Samples**

Most common duration of stay depends on seasons to escape wintertime in their home countries. Some participants stay in Thailand half a year. Their lifestyle includes outdoor activities, fitness, and healthy ways of life. Correspondingly, reasons for selecting Thailand as retirement destination are owing to low cost of living or affordability, and warm climate. Almost all participants are decision makers themselves; which means purchasing decision power relies solely within oneself. Residing in seaside city and locating nearby hospitals are preferable. Elderly facilities are taken as not necessary, only moderate. Those who live alone and are either single, separated, divorced, or widowed tend to be more concerned for elderly facilities than those who are married and live among other family members. Moreover, those who have higher income tend to be more concerned for higher quality of product, brand value, and developer reputation. Word of mouth is the most effective channel to receive information, followed by sales office and social networking.

### **5.1.3 Price of Housing and Product Preferences**

Most popular housing styles are contemporary first, and modern second. 2 – 3 bedrooms, and 2 bathrooms are preferable. Besides, due to health condition, 1 storey suits elderly consumers most. There are needs for garden. 62.14% prefer fully furnished. After sales services expected are maintenance and repair, investment guarantee during the

times they are away, cleaning and gardening service. As for facilities, participants prefer swimming pool first, a garden second, followed by convenience store and library. As for possession types, half of participants prefer short-term lease first, and long-term lease of 30 years second. Possessing under Thai spouse's name or company name are rather risky. Again, housing product ought to locate within seaside areas, near to hospitals, and with good transportation. The suitable price range for price setting is from below 2 million baht to 4 million baht. The lower the price, the higher the demand. Notwithstanding, there are also those minorities who prefer 4 – 8 million baht price range. There is little to no demand for above 8 million baht.

#### **5.1.4 Purchasing Behavior and Decision-Making Processes**

The results provide great indications and understanding in elderly consumers' purchasing behavior, starting from the most factors influencing purchasing decisions that participants prioritize most (1) location (mean = 4.25), (2) price (mean = 4.15), (3) promotion and discount (mean = 4.13), and quality of the product (mean = 4.12). Sequentially, other factors affecting purchasing behavior, such as housing style, distribution channels, developer reputation, opinion leaders, political concerns, and economical concerns, are rated in either mostly moderate or slightly important.

Surprisingly, foreign elders are not as concerned for brand value, developer reputation, or certifications; as the results of the study for developer reputation turn out only moderate. Similarly, elderly consumers also perceive elderly facilities as not quite significant. The result of the necessity for all types of elderly facilities is minor (mean = 2.11), and the availability of elderly facilities influencing purchasing decision is rated moderate (mean = 3.15). As to analyze which elderly facilities and functionalization are needed most, elderly consumers most likely prefer 'bathroom grab or handle bars' (mean = 3.03), 'non-slippery shower floor materials' (mean = 2.92), 'non-slippery walkway floor materials' (mean = 2.52), and emergency buttons (mean = 2.52). All other functions aside from these four mentioned are rated minor and non-preferred.

Moving onto decision-making processes, most consumers reach their need recognition stage at the age of 30 – 69 years old. The reasons for recognizing their needs for retirement housing products are cost of living and weather. Their pensions are highly affordable in Thailand compared to home countries. During this stage, time spent on

identifying their problems and needs is mostly within a year. Afterwards, more than a year is spent on information search or data collection stage; during this stage, word of mouth, television, and social networking may play important roles in product awareness. The next stage is assessment of options or evaluation of alternatives. Before final selection is taken place, most consumers spare 2 – 4 alternatives to their product comparison and consideration process. After their minds are made up, there comes purchasing decision stage. Cash discount is the most wanted promotional offering to lead to purchasing decision. Free electronic appliances offering is also preferred second. During this purchasing decision stage, consumers mostly select multiple times of payment as their payment option. Other acceptable payment availabilities are bank loans, international transfer, and cash, respectively. Overall, it may require more than one year, or a several years, for an individual to complete all decision-making processes as real estate products require a large amount of monetary preparation.

## **5.2 Recommendation for Future Research**

In accordance with the study results, a several recommendations are classified into the following categories.

### **5.2.1 Recommendations for Real Estate Developers and Practitioners**

The findings in this study contribute to beneficial information for entrepreneurs to develop retirement residential projects. Since elderly foreign consumers are less concerned for brand value, developers' reputation, and certifications; as importance level is rated moderate; it is more likely that new and local real estate development firms are able to enter the market without the certain necessity of strong brand value or profiles.

Furthermore, from author's discussions with elderly foreign villagers and local real estate developers during surveys, it is revealed that most successful retirement housing projects are partially launched by foreign businessmen. As for selection of land plots for developing projects, it may be beneficial to locate retirement housing products nearby seaside cities as well as nearby hospitals. Due to physical conditions of target market, most

foreign elders prefer experiencing nature, especially beaches, easiness to access hospitals, and good transportation.

### **5.2.2 Recommendations for Marketers**

To begin with product aspects, the needs of elderly consumer differ from other market segments due to individuals' decline in physical conditions. Consequently, one storey suits this aged segment best. Since more than half of foreign elders stay in Thailand only seasonally or half a year, marketers may adjust after-services including rental guarantee and house cleaning to suit consumer behavior accordingly during the times they are away. Suggestively, the classification of segmentation composes of income range and race e.g. Scandinavian retirees may reside in a neighborhood, while Japanese retirees may not reside within the same parameter. It is crucial that marketers do understand their target market, behavioral norms, and elderly consumer behavior sufficiently. Besides, cash discount is a major key to promotion. Since foreigners select Thailand as retirement destination mainly because of cost of living, markers ought to make sure the housing products meet worthwhileness and utilities for consumers. Following study results, cash discount and free electronic appliances are the most alluring promotional offers. And that the most effective distribution channels, in sequence, are word of mouth, sales office, and social networking.

### **5.2.3 Recommendations for Further Studies**

For future researchers and practitioners, it is highly suggested to conducting either questionnaire surveys or interviews during peak season. This is because most foreign participants are easily found during such period as they escape wintertime in their home countries to reside in Thailand. However, according to the study results, it is also possible to conduct surveys during low season as almost 1/3 of all foreign retirees reside in Thailand all year long. In addition, it is recommended to make direct contact to relevant government organizations to attain more precise statistical data owing to some data are unable to acquire through online sources. As in an attempt to collect consumer behavior data with greater accuracy, researchers may project scope of research more specifically by adding the combination of both qualitative and qualitative methods as well as by focusing on each nationality and different contexts; these shall result in more knowledge extension and generalization.



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Appendix



Appendix A

Questionnaire

A Study of Factors Affecting Purchasing Behavior of  
Foreigners for Single-Detached Retirement Residences  
In Thailand

## Appendix A



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### Questionnaire: The Measurement of Factors Affecting Purchasing Decisions for Single-Detached Retirement Residences in Thailand

**Instructions:** This questionnaire is in partial fulfillment of the Independent Study on factors affecting purchasing decisions for single-detached retirement residences in Thailand

The objectives of the questionnaire are to speculate as well as to specify the levels of consumer needs toward single-detached retirement residential products in Thailand. The survey is classified into 3 parts i.e.

Part 1 Personal/demographical information of participants

Part 2 Housing Product specifications and preferences

Part 3 Information related to consumer behaviors and factors affecting purchasing decision

The author urges participants to fill out the questionnaire for which all information gathered shall be applied to further analysis. All information usage is for educational purposes only. The author guarantees that all information participants have given shall be kept confidential. Nevertheless, highly thank you all participants for your time and cooperation in completing this questionnaire.

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 Planning, Thammasat University, Rangsit Campus

## Part 1 Demographical and Personal Information of Participants

**Instructions** Please read each question and provide written answers or tick (✓) in the boxes next to the answer of your choice. You may tick more than one answers you perceive are the most significant or relevant.

### 1. Gender

male  female

### 2. Age (Years Old)

below 60  60 – 64  65 – 69  70 – 74  75 – 79  above 80

### 3. Martial Status

single  married  divorced  separated  widowed

### 4. Nationality

please write down.....

### 5. Occupation (or previous occupation)

army, police, fire, government org

architect, lawyer, engineering, medical

business industry  hospitality  teaching  agriculture, farming

marketing  unemployed

Other please specify.....

### 6. Education

highschool or lower  diploma, college  bachelor degree

master degree  doctoral degree  higher than doctoral degree

### 7. Income per year

below 6,000 USD  6,000 – 17,000 USD

(below 200,000 baht) (200,001 – 500,000 baht)

17,001 – 33,000 USD  above 33,000 USD

(500,001 – 1,000,000 baht) (above 1,000,000 baht)

8. How many persons/family members stay in the house usually?  
 1 member       2 members       3 members       4 or more
9. Have you lived or possessed a house in Thailand?  
 Yes  
 No
10. Duration of stay; how often do you stay in your retirement residence in Thailand?  
 all year long       half a year       depending on seasons  
 other please specify.....
11. Which of the following best describes your lifestyle/activities?  
 outdoor activities       fitness and healthy lifestyle       cooking  
 nightlife       other please specify.....
12. What are the reasons you select Thailand as your retirement destination?  
 cost of living       climate       culture       food, cuisine  
 family, friends       other please specify.....
13. Who are your opinion leaders? (people who affect your buying decision)  
 yourself       spouse (husband/wife)       relatives  
 children/offspring       parents       friends       sales representatives  
 other please specify.....



## Part 2 Housing Product Specifications and Preferences

**Instructions** Please read each question and provide written answers or tick (✓) in the boxes next to the answer of your choice. You may tick more than one answers.

### PRODUCT

1. Which house styles do you prefer?

- contemporary     modern     country     european     cottage  
 greek/roman     Thai     other please specify.....

2. How many bedrooms and bathrooms are preferable for you?

Bedrooms:

- 2 bedrooms     3 bedrooms     4 bedrooms     5 or more

bathrooms:

- 1 bathroom     2 bathrooms     3 bathrooms     4 or more

3. How many storey do you prefer?

- 1 storey     2 storeys     more than 2 storeys

4. Are there needs for garden in the campus?

- yes     no

5. Would you prefer purchasing a house with 'no furniture' or 'fully-furnished'?

- no furniture included     fully-furnished

6. In your opinions, what are after-sale services included following your housing purchase?

(you may tick more than one answers)

- investment/rental guarantee     maintenance/repair  
 warranty of.....years     cleaning and gardening service

7. What are the facilities and amenities you prefer? (you may tick more than one answers)

- fitness room     library     swimming pool     sauna     massage  
 infirmary room     garden     praying areas     convenience store  
 other please specify.....

8. Which of the following housing possession/ownership do you prefer?
- short-term rental
  - long-term lease (30 years)
  - owning in the name of company
  - owning in the name of Thai spouse
9. Which locations do you prefer to live in?
- city area                       countryside area
10. What are the most crucial features for your preferred location?
- transportation       city infrastructure       mountains
  - seaside                       hospitals                       lakes
  - other please specify.....
11. Are most of your options/choices located within the same city/location/parameter?
- yes                       no
12. Do you prefer to live nearby neighborhoods that people from your country live in?
- yes                       no

#### PRICE

13. What price range do you think is reasonable for a single-detached retirement housing in Thailand?
- below 2 millions baht                       2 – 4 millions baht
  - 4 – 6 millions baht                       6 – 8 millions baht
  - 8 – 10 millions baht                       above 10 millions baht
14. Would you prefer making a payment by cash or bank loan?
- cash                       bank loan

#### PLACE

15. To your perception, what are the most common effective distribution channels?
- sales office                       printed advertisement                       online advertisement
  - street signs                       social networking                       word of mouth
  - other please specify.....

**PROMOTION**

16. What are the promotions likely to allure you most?

- cash discount       voucher       free electronic appliances
- free iphone/trips       longer warranty duration       other.....

Further suggestions for housing product specifications and preferences:

.....

.....

.....

.....



**Part 3** Information related to consumer behaviors and factors affecting purchasing decision

**Instructions** Please read each question and tick (✓) in the box next to the answer of your choice.

1. How important do you prioritize the quality of ‘housing structure’?

Quality of Housing Structure	Less important	Minor	Moderate	Important	Very important
	1	2	3	4	5
(Please rate)					

2. How important do you prioritize the quality of ‘materials’ applied?

Materials used	Less important	Minor	Moderate	Important	Very important
	1	2	3	4	5
(Please rate)					

3. To your perception, how important is ‘developer reputation’ or ‘reliability’?

Developer Reputation	Less important	Minor	Moderate	Important	Very important
	1	2	3	4	5
Brand value					
Developer reputation					
ISO certification					

4. What are the necessary elderly facilities, in your opinion, that should be included in the house functions? To your level of needs, please rate from 1 (insignificant) to 5 (most significant).

Elderly Facilities	Less important	Minor	Moderate	Important	Very important
	1	2	3	4	5
Slopped way for wheelchairs					
Wide walkway					
Non-slippery walkway					
Non-slippery shower floor					
Bathroom grab/handle bars					
Walkway grab/handle bars					
Safety signage					
Wheelchairs/walking stick for rental					
Shower seats/chairs					
Electric/automatic doors					
Emergency buttons in each room					
Fitness equipment					
Other please specify.....					

5. Please rate the importance of each factor influencing purchasing decisions:

Factors influencing purchasing decisions	Less important	Minor	Moderate	Important	Very important
(please rate level of importance)	1	2	3	4	5
(1) Price					
(2) Quality of the house					
(3) House style/designs					
(4) Elderly facilities availability					
(5) Location					
(6) Distribution channels					
(7) Promotion/Discount					
(8) Developer reputation					
(9) Political concerns					
(10) Economical concerns					
(11) Opinion leaders					

### **DECISION PROCESS:**

#### **IDENTIFYING PROBLEMS/NEED RECOGNITION**

6. About when or what age do you recognize the needs for the housing product?

30 – 49       50 – 69       over 70 years

Please specify.....

7. What are the concerns for the needs of the product?

cost of living    weather       relocation       financial status

Thai spouse    health condition       martial status

other please specify.....

8. How much time did you spend on need recognition (realizing the needs for the housing product) until you eventually make a buying decision?

- within 2 weeks       within 1 month       within 6 months  
 within 1 year  more than 1 year  
 other please specify.....

#### DATA COLLECTION/INFORMATION SEARCH

9. How much time do/did you spend on collecting information?

- within 2 weeks       within 1 month       within 6 months  
 within 1 year  more than 1 year  
 other please specify.....

10. Through which media/mediums you are most likely to receive information or advertisement?

- television     radio     billboard     leaflets/brochures  
 word of mouth     websites       webboard/online community  
 social networking     other please specify.....

#### ASSESSMENT OF OPTIONS/EVALUATION OF ALTERNATIVES

11. About how many options do/did you consider before purchasing a housing product?

- 1 option     2 – 4 options     5 – 8 options       8 – 10 options  
 more than 10 options       other please specify.....

12. After thorough consideration, what are the main functions contributing to evaluation?

Please write down.....

#### PURCHASING DECISION

13. Method of purchase:

- one-time cash       bank loan       international transfer  
 barter       multiple time of payment (according to contract)  
 other please specify.....

Further suggestions for factors affecting purchasing decision:

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Appendix B

Academic Journal

A Study of Factors Affecting Purchasing Behavior of  
Foreigners for Detached Retirement Residences  
In Thailand

## Appendix B

RSU International Research Conference 2016

29 April 2016

### A Study of Factors Affecting Purchasing Behavior of Foreigners for Detached Retirement Residences in Thailand

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#### Abstract

South East Asia is hugely regarded as a prime area for long stay options owing to the low cost of living and warm climate. Besides, Thailand has become one of the top 10 best countries for overseas retirement. This study investigates foreign retirees' choice of Thailand as their retirement destination. The objectives are to apprehend consumer behaviors of foreign retirees in Thailand, The concepts, influences, and processes of retirement housing purchasing decisions. The principal data collections were to obtain secondary from trustworthy sources to contribute to new findings. The findings reveal that most foreign retirees earn through their past saving, pension, and other sources of funds. Healthy lifestyle and countryside areas are preferable. Elderly facilities, such as non-slippery floor and grab bars, are necessary for elderly consumers. Purchasing influences rely on both internal and external factors such as lifestyle, age, occupation, opinion leaders, real estate risk, pricing, location, product quality, and other social factors. Besides, there are legal limitations to real estate possession for foreigners as most common three alternatives are long-term lease, ownership under a company name, and ownership in the name of Thai spouse. Purchasing decision processes rely on need recognition, information search, option assessment, evaluation, action, and post-purchase stage. Marketing Mix or 4P's, likewise, creates gradual impact on elderly consumers' behavior. In conclusion, the major influences affecting purchasing decision most are location, price of products, cultural differences, and real estate risks.

**Keywords:** Retirement housing, single-detached residence, consumer behavior, foreign retirees, decision making, purchasing behavior

#### บทคัดย่อ

การศึกษานี้มีวัตถุประสงค์เพื่อศึกษาถึงพฤติกรรมการซื้อบ้านพักของผู้นักชรา หรือผู้เกษียณต่างชาตินในประเทศไทย องค์ความรู้ แรงจูงใจ ปัจจัยต่าง ๆ และขั้นตอนในการตัดสินใจซื้อบ้านพักเพื่อการเกษียณ ดำเนินการวิจัยโดยการรวบรวมข้อมูลทุติยภูมิและสรุปวิเคราะห์ข้อมูล ผลการศึกษาพบว่าทวีปเอเชียตะวันออกเฉียงใต้ได้รับกระแสนิยมให้เป็นทางเลือกที่อยู่อาศัยระยะยาวเนื่องจากมีค่าครองชีพต่ำ สภาพอากาศอบอุ่น ประเทศไทยถูกจัดอันดับเป็น 1 ใน 10 ของประเทศที่น่าเกษียณมากที่สุดในโลก ผลการค้นคว้าพบว่าชาวต่างชาติมีรายได้จากการเก็บออม สะสมในอสังหาริมทรัพย์ และแหล่งรายได้อื่น โดยชาวต่างชาติมีวิถีชีวิตเพื่อสุขภาพ และนิยมพักอาศัยในชนบทซึ่งอำนวยความสะดวกสำหรับผู้ชราอยู่ถึงเป็นสิ่งสำคัญอย่างหนึ่ง ปัจจัยที่มีผลต่อการซื้อบ้านเดี่ยวเพื่อการเกษียณแบ่งเป็นปัจจัยภายนอกและภายใน ได้แก่ วิถีชีวิต อายุ อาชีพ บุคลิกภาพ ความเสี่ยงทางอสังหาริมทรัพย์ ราคา ท่ามกลางสิ่งอำนวยความสะดวกของสินค้า และปัจจัยทางสังคมอื่น ๆ นอกจากนี้ มีข้อจำกัดทางกฎหมาย การครองครองที่ดินสำหรับชาวต่างชาติ ชาวต่างชาติในประเทศไทยมีทางเลือกในการเช่าระยะยาว ซื้อทรัพย์สินในนามบริษัท หรือซื้อทรัพย์สิน ในนามคู่สมรสชาวไทย ขั้นตอนการตัดสินใจซื้อบ้านเดี่ยวเพื่อการเกษียณได้แก่ การตระหนักถึงความต้องการสินค้า การค้นหาข้อมูล การเปรียบเทียบข้อมูลและสินค้า การสรุปตัดสินใจซื้อ การซื้อสินค้า และขั้นตอนหลังการซื้อสินค้า ในขณะที่องค์ประกอบของการตลาดที่มีผลต่อพฤติกรรม ผู้นักชราของผู้นักชราพบว่า ปัจจัยที่มีผลกระทบต่อการซื้อสินค้าบ้านเดี่ยวมากที่สุดคือที่ลด ราคา ความแตกต่างทางวัฒนธรรม และความเสียหายของอสังหาริมทรัพย์

**คำสำคัญ:** ที่อยู่อาศัยเพื่อการเกษียณ บ้านเดี่ยว พฤติกรรมผู้นักชรา การตัดสินใจซื้อ พฤติกรรมการซื้อ ชาวต่างชาติ ผู้เกษียณ

#### 1. Introduction

South East Asia is well known not only for vacationing or career, but also for a retirement option. In accessibility of affordable cost of living, foreign retirees from overseas consider Thailand as their destination. International Living's Latest Annual Global Retirement Index (2015) has ranked Thailand as one of top 10 best overseas countries to retire in 2015. Many popular provinces in upcountry such as

Chiang Mai, Phuket, and Prachuab Kirikan, according to Investopedia. (2015), were chosen for retirement residency. Hua Hin was ranked by Live and Invest Overseas Survey (2013), also reported by Manager News (2013), as one of the top 6 most popular retirement cities of the world, while Chiang Mai was reported by 'The Nation' (2014) a popular destination for international retirement. Notwithstanding, due to global economic recession and continuous rise in inflation, foreign retirees find that their pension planning sums may no longer be fully sufficient to reside in their home countries. Therefore, Thailand is one of the most reasonable alternatives.

According to Official Social Security (2015), the global average retirement age is 65. Queries raised for both pre-retirees and retirees on appropriate timing and relocation where Thailand was ranked 10th Best Country for Overseas Retirement by International Living's Latest Annual Global Retirement in 2015. The country is mostly famous for amenities, affordable cost of living, climate, and entertainment. The continuous rise in numbers of senior population contributes to higher demand for retirement residences. Consequently, real estate development industry has performed significant roles in the national economic sector. By which, foreign buyers are partially specified in the market portion.

The elderly consumers are influentially experienced in aspects of life. They tend to hold high purchasing power due to uninterrupted financial savings over the past decades. There are slightly behavioral changes in elderly consumer during the past few decades. As elderly consumers differ from younger consumers in important ways at each stage of the decision-making process; it is therefore crucial that, in order to focus on retirement housing products, there are necessities for entrepreneurs to insightfully comprehend elderly consumer behavior, mindset, ideology, housing needs, cultural norms, and so forth. Well foresight of target market behaviors and strategic allocation may result in pursuance of enhancing higher investment outcomes.

Nevertheless, to narrow the scope of the research down, this study emphasizes solitarily on single-detached housing associated with elderly consumers' preferences and factors influencing purchasing decision process. Krit Hirunkij, whom was the president of Nakorn Ratchasima Real Estate Development Association, revealed in 2010 that real estate development sector in the province dramatically grew because of the rise in migration of foreign retirees; while the most common housing type is one-story and single-detached. Therefore, single-detached were chosen for this research as it is a significant product type with high demand. The research result shall be beneficial to those interested in developing real estate projects targeting on foreign pre-retirees and retirees. After reviewing relevant literature, comprehending conceptual framework, and explaining research methodology, this article shall focus on the findings of the survey of which shall further be discussed. The article shall end with summing remarks and recommendations.

## 2. Objectives

The objectives of this study are to apprehend consumer behaviors of foreign retirees in Thailand as well as to illustrate the concepts, influences, and processes of retirement housing purchasing decisions.

## 3. Methods

This research relies solitarily on obtainable secondary data from trustworthy sources including relevant existing studies, journals, books, statistical information provided by organizations or experts, and other reliable online sites. Such related conceptual frameworks, theoretical frameworks, and literature obtained conduce to formation of new findings.

## 4. Literature Review

The literature review considers several key variables as follows:

### 4.1 Elderly Consumer Behavior

The elderly consumers are considered as a significant segment due to their relative wealth, discretionary income, lower consumer debt, and availability of time. Yoon and A.Cole (2008) explored the elderly aging and consumer behavior that the heterogeneity of elders may characterize different level of consumerism. In the perspectives of psychology, the aged may be classified into "young-old" (65 – 75 years), "old-old" (75 – 85 years), and "very-old" (exceeding 85 years). While the "young-old" segment remain in good physical condition, the "old-old" and older may encounter physical deadline. Such physiological changes include severe vision, hearing difficulty, 50% slower reaction to motor functions, and lower speed of brain and memory processing

Likewise, activities create great sense of belonging to the elders. According to Lemon and others (1972), there are certain types of therapy e.g. occupational therapy that involves crafting and gardening, recreational therapy referring to hobbies and socialization, physical exercise, religion activities, and volunteering. Jindanil (2004) stated that most seniors are emotionally attached to things, places, pets, and ideals. They are attached to certain objects such as jewelry, books, or paintings. The sense of belonging refers to home; as home provides mental security and sense of privacy. Pets also are bonded to relation with elders as interactions with animals allow them to feel less lonely as well as an opportunity to provide caring for others. As for ideology, most seniors are attached to their past times and memories when they were young.

In contradiction, Howard (2008) revealed study results that most foreign retirees prefer nighttime entertainment; for instance, going out to bars. As for during daytime, their main activities are visiting the beach, swimming, playing golf, and travelling. While, another research by Kummara and Jutaporn (2011) on Swedish long-stay retirement migration stated that most retirees have desire to migrate to Thailand due to their positive attitudes toward the country.

#### 4.2 Design Component for Retirement Housing

Most older adults may easily experience health difficulties. Barrier free design and universal design are conceptually the elimination of product functions or materials that may be obstacles to users. Thamdharmong (2007) mentioned that universal design is created to accommodate and facilitate users comfortably, safely, and impartially. The designs are routine applicable and accessible to all users including the elders. Furthermore, Thamdharmong described that factors affecting an appropriate design for seniors consist of safety, accessibility, usability, affordability, sustainability, and aesthetics. While, similarly, other experts concerned about equitable use, flexibility in use, simplicity and intuition, tolerance for error, low physical effort, and so forth.

Besides, there are legal terms referred to housing for elders and disable people. One most relevant law is "Housing for Elders and Disable Act of B.E.2548", intended for protecting elders and people with disability; other related legal terms are found in section 5(3) of Building Control Act of B.E.2555 and section 8(1) (4) (5) (6) (7) (8) and (9) of Building Control Act of B.E.2522. The coverage of restrictions are materials and specifications of signage, elevator, sloped way or inclining, stairways, car parking, building entrance, doors, and bath areas

To sum up, in order to facilitate elderly consumers, most practical elderly housing functions are inclining, sloped way for wheelchairs, wide walkway, non-slippery walkway, non-slippery shower floor, bathroom grab bars, walkway grab bars, safety signage, shower seats, automatic doors, and emergency buttons.

#### 4.3 Legal Framework

According to Thailand Immigration laws, Thailand retirement visa or so-called Non-Immigration OA-Long Stay Visa require that applicants must be 50 years of age or more years who bring in at least 800,000 Baht. The security deposit of 800,000 Baht in any Thailand bank account must last for more than 2 months prior to visa application. The minimum monthly income or pension is 65,000 Baht. Proofs of income may be acquired from the foreign embassy or consulate. The combination of bank account and annual income must be over 800,000 Baht.

Another legal concerns for foreign retirees to relocating in Thailand is forms of property ownership. Jones Lang Lasalle (2013) stated that land possession come under 2 types of tenure i.e. freehold and leasehold. Lands granted for residential purpose composed of maximum 30 years of possession and with additional 30 years of renewable. In some cases, otherwise, foreigners may possess detached houses and land under that name of their Thai-nationality spouse. The other available alternative is company registration. Foreigners may possess houses in Thailand in forms of company instead of an individual. An individual of non-Thai nationality; an entity registered in another country; or an entity registered in Thailand with 50% or more if its shares held by non-Thai shareholders. The investment must be at minimum 25% of the average operating expenditure for the first three years, but not lower than 3 million Baht.

#### 4.4 Internal and External Influences Affecting Purchasing Decision

Bray (2008) quoted that decision-making involvements are based upon the ability to maximize utilization whilst expending the minimum effort. There are numbers of variables influencing purchasing decision process of which the inclusions are the following internal and external factors.

Internal Influences include age and way of life, lifestyle, personality, self-concept, occupation, income, personal economic situation, motivation, perception, learning, beliefs, and attitudes. These are mostly the internal components of an individual.

External influences may vary depending on which aspects to perceive; Ayan Ismail Ali (2013) mentioned that major external influences are location, nature and culture of which an individual was formed, cost of living, medical backup, and safety. Whereas, Suwanpimon and Theerabanchorn (2010) came up with numbers of critical factors as seen in the diagram.

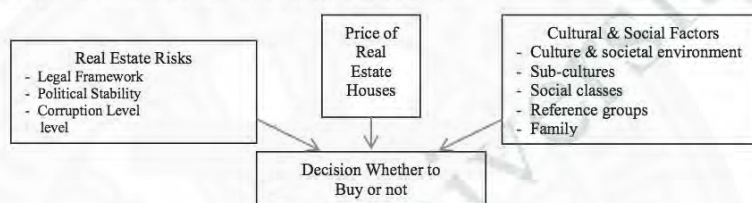


Figure 1 Author's model based on Suwanpimon and Theerabanchorn, 2010

Figure 1 illustrates internal and external factors influencing purchasing decision. To clarify the diagram, contributions of purchasing decision composed of real estate risk of which in macro perspectives; legal framework, political stability, and perceived corruption level play small roles in the decision-making stage. As Thailand holds legal limitation prohibiting foreigners from possessing land for lifetime, foreigners may look up to other countries where lifetime ownership is legalized. Political stability has also been a major threat as during the past few years there were many chaotic political movements in Thailand that could cause life damages and safety concerns. Perceived corruption level determines possibilities of national growth; which may be relevant to foreigners whom seek investment in property value appreciation over years. Next, pricing of real estate house may determine the affordability of an individual. While cultural and social influences, such as reference groups, may be supportive during purchasing decision process.

#### 4.5 Purchasing Decision Process

Rani (2014) stated that not all decision processes necessarily lead to a purchase action. According to Jeddi (2013), consumers may purchase different products due to the following stages:

- (1) Identifying the problem – there are needs for recognition as well as problem awareness for the necessity of purchasing certain products
- (2) Data collection – information search may be obtained from internal search and memory, while external search may be obtained from reference groups and media
- (3) Assessment of option – evaluation of alternative, consequently, refers to whether an individual need to purchase the product; during this stage, purchasers may rank, compare, and weight each alternatives
- (4) Purchasing decision – once an individual is ensured of their needs and alternatives, they select the best alternative and decide to pursue purchasing action
- (5) Purchase – purchase stage differs from decision as it refers to different time lapse between deciding and buying
- (6) Post-purchase evaluation – outcomes may turn out in forms of either satisfaction or dissatisfaction

### 5. Conceptual Framework

A conceptual framework is similar to an overview or a map where researchers design new mapping of which compositions of previous study results, analysis and new aspects are apprehended.

On the basis of Ayan Ismail Ali's investigation on international retirees' choice of Hua Hin (2013), Robert Howard's exploration on western retirees in Thailand (2008), Klaichit's investigation on development of building for the elders in urban Bangkok (2012), and Vanissa Tanopas's apprehension on necessary usable areas and facilities for elderly resorts (2011), the following conceptual framework was established.

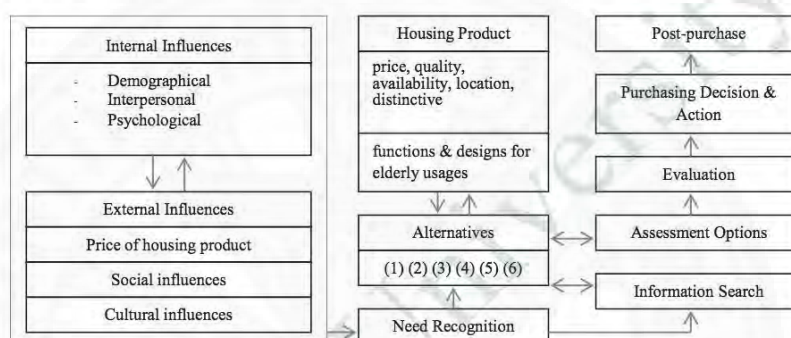
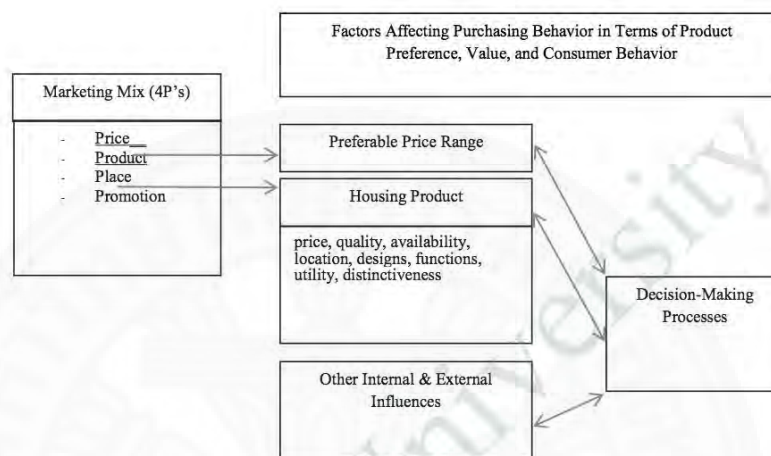


Figure 2 Author's own illustration on factors contributing to purchasing decision

Figure 2 includes mapping conclusion of relevant literature, conceptual, and theoretical frameworks of the study. In detail, such components are taken to further findings; the internal and external influences are thoroughly examined together with the product functions and design, in order to broaden the projection of retirement housing decision-making processes. Internal influences are composed of demographical features, interpersonal factors, and psychological composition of an individual. These are personal information which varies from one to another. Correspondingly, external influences comprised of price of housing product, social influences, and cultural norms; for instance, culture background, societal environment, reference groups, family, and so forth. Together, internal and external factors contribute to formations whether an individual purchases a product or not. Accordingly, another most crucial factor determining purchase action is the product itself. Product functions and specifications include price, quality, availability, location, distinctiveness, design, and functions for elderly usages. Afterwards, an individual's internal and external influences, and product utility lead to decision-making processes. The inclusions for such processes are need recognition or product awareness, information search, assessment of options or alternative considerations, evaluation, purchasing decision, purchasing action, and post-purchase overview.

Generally speaking – and leaving aside supreme marketing perspectives, but to focus on product specification and consumer behavior aspects – real estate developers ought to accentuate the processes of purchasing decision and consumer behavior of their target market thoroughly in order to generate highest financial outcomes. The crucial stages to focus on are not only the decision-making stages but also other steps prior to purchasing decision. Every slight component plays significant roles to clarification of consumers' actions. For instance, entrepreneurs may point out why there is a certain need for housing product, why consumers are willing to relocate in a particular area, and what are the product functions and benefits consumers expect from their purchase, what are the prominent features of other substitutes, etc.



**Figure 3** Author's own illustration on relativities of 4P's, internal and external influences, and decision-making processes

Sequentially, as seen in figure 3, the components in marketing mix or 4P's are gradually relevant to factors affecting purchasing decision. The concept of 4P's comprises of product, price, place, and promotion. Product refers to utility, functions, specification, design, location, elderly facilities, and distinctiveness. Next, price refers to the price range of housing products. Place represents channel of distributions including sales offices. Last, promotion may appear in form of discount, vouchers, giveaways, or other privilege offers. All elements in 4P's are crucial in aspects of marketing. However, the study emphasizes primarily on consumers' product preference, value, and consumer behavior rather than focuses on extreme marketing aspect. Wherefore, 'price' and 'product' are mainly apprehended. Aside from price and product aspects, one shall as well focus on consumer behavior aspects. This is to allow practitioners to open up to beneficial information for product adjustment, product improvement, and elderly consumer behavior insight.

According to the diagram, internal and external influences are the major components that determine preferences of an individual. Once there are need recognition, a consumer then continues to search for information as well as for substitutes. Product availability may differ from one location to another. Each product is distinctive and different in price, quality, availability, facilities for elderly usage, location, specification, and designs. Once options are gathered, an individual may make comparisons in accordance with their personal factors to contribute to further actions. With sufficient time, resource, and consideration, a consumer then pursues to evaluation, leading to forthcoming purchase actions.

## 6. Results

The following results comprised of the combination of related existing researches and other secondary sources. Firstly, the study results revealed that most foreign retirees have no desire to earn income, or make a living as their pension is sufficient to living in Thailand, but to pursue activities and personal interests. Regular income sources are from previous savings, pensions, and funding from their home countries. The main reasons Thailand were selected as a destination are peacefulness, cleanliness, and easy going Thai lifestyle. Besides, medical backup and cost of living are significant factors, too. Some researches indicated that for motives, experiences, assimilation, wellbeing, and future needs, most foreign retirees reside in Thailand due to food, warm climate, the escape from dislike of home nation, the desire to

live Thai lifestyle, polite local people, personal freedom, and the availability of sexual partners. It was reported that some foreign retirees socialize mainly with other foreigners. There are, up to a point, concerns and demand for better health-care, welfare, income problems, and the possibility of their visa cancellation. Moreover, it was scrutinized that many foreign retirees, including Swedish, have positive attitude towards migrating to Thailand. They adore the easy going Thai lifestyle where they can perform any activities they want and mostly prefer to reside in countryside areas rather than urban areas.

As for the aspect of physiological concerns, health issue was reported to affect elderly routine considerably. There are needs for nature, garden, outdoor space, and equipment to assist the elders for comfort as well as for preventing health risks and urgency. Such residential options that facilitate the elderly usage are inclining or sloped way for their wheelchairs, wide walkway, grab or handle bars placed along walkway and bathroom, shower seats placed in the shower room, non-slippery floor materials, wheelchairs or walking stick for rental within residential campus, automatic or electric doors to reduce the use of physical force, emergency buttons placed in each room, and fitness equipment. The availability of care for the elderly is the most crucial factor. Some foreign retirees reside in locations that allow them to transport to healthcare centers conveniently.

Furthermore, individual's personal factors lead to impacts on way of life, lifestyle, self-concept, motivation, perception, learning, beliefs, and attitudes. Internal factors may depend on individual's cultural norms and nationality. While external concerns are pricing, location, product specifications, and macro factors. A study result showed that some European and Singaporean retirees are concerned of real estate risks and cultural differences greatly. This is due to their cultural norms. The tension may reduce if they have friends in Thailand as they will be easily familiarized to easy going Thai environment.

Besides, Marketing Mix, also known as 4P's, also creates gradual impact on elderly consumers' buying decision. On the perspectives of consumer behavior, however, product preferences and needs determine customers' desire; while price range narrows the decision down to individual affordability. Thus, product and price are what real estate developers ought to keep in mind in aspects of product improvement in order to fulfill consumers' needs to the fullest; whilst place and promotion, which are distribution channels and marketing adjustments, are more of promotional adjustments for marketers. Extreme marketing aspects are considered irrelevant to product preferences, value, and consumer behavior.

Housing product specifications, preferable price range, internal and external influences, and slight details of each decision-making stage conduce to varieties in purchasing behavior. Overall, the study results concluded that the main factors affecting residential purchasing decision in Thailand, both internal and external, are location, price of real estate products, cultural differences, and real estate risks.

## 7. Discussion

As stated previously, the aims of the study are to comprehend consumer behavior of foreign retirees in Thailand, and to illustrate purchasing decision processes. The information obtained from secondary sources are conducive to wide aspects of results. There are necessities to generalize the concept of elderly consumer behavior in order to understand foreign retirees better. Design components for retirement housing are concerned with consumer product preference, which greatly affects buying decision, while legal framework also plays gradual roles to purchasing type. All literature reviews gathered contribute to the nature of retirees as well as their internal and external influences, which later lead to purchasing processes.

From the perspectives of consumers, price and product may affect decision-making probability most. Housing products with preferable price (product and price from 4P's) combined with an individual's internal and external influences mostly conduce to purchase action. The theoretical frameworks essentially cover all related perspectives. Likewise, the study results from existing researches project lifestyle, mindset, and behavior of foreign elders thoroughly. Overall, the coverage of all components had answered the study objectives utterly.

Notwithstanding, due the time limitation and location diversity in the research, primary data was not acquired. There were also lack of statistical, numerical, and official data provided by Thailand government sectors for foreign retirees. Therefore, the accuracy of information based on retirees of each nationality was not up-to-date, and not specifically stated. It is suggested that, for further studies, practitioners and researchers reach out for associated government organizations personally for more precise data.



### 8. Conclusion

The primary purpose of this study is to examine the main factors affecting purchasing behavior of detached retirement residences in Thailand. To sum up, existing researches, literatures, and other trustworthy secondary data sources were combined in order to contributing to results. The author apprehends the impact of different internal and external influences such as pricing, product specifications, designs, availability of elderly facilities, personal and social factors; of which these factors discussed lead to purchasing decision processes. Internal factors vary from an individual to another. Such personal information includes demographical, interpersonal, and psychological factors. These depend on each individual. Next, external influences comprised of 4P's, which in consumer behavior perspective refers to 'price of housing product' and 'product features'. As for product preference aspects, there are concerns for price range, product quality, designs, functions, utility, and distinctiveness. Likewise, social and cultural influences also create great impacts externally. Such social and cultural factors composed of culture, societal environment, sub-cultures, and reference groups or opinion leaders. All factors mentioned previously create formation of purchasing behaviors. Elderly consumers, similar to consumers at other age range, completed purchasing decision stages in order to come up with purchase action. The related stages include product awareness, need recognition, information search, assessment of product alternatives, decision evaluation, purchasing evaluation, purchasing action, and post-purchase stage. Generally, this research shall be beneficial and implicative to real estate developers in Thailand who aim elderly consumers as their target market, and to forthcoming practitioner. The digestion of information found in this study shall result in contribution to knowledge extension in real estate field.

In addition, the limitation of this research is the lack of numerous or statistical data provided by the government agencies. It is difficult to estimate the exact number of foreign retirees in Thailand as most information are not revealed in official counts. The author repeatedly contacted Thai Immigration Department, notwithstanding, there were no official statistical records of retirees as foreigners reside in Thailand with various types of visas.

Eventually, real estate developers ought to insightfully apprehend elderly consumer behaviors as consumers in such segment has high level of affordability. Certain actions, product preferences of retirees, product utilities, and affordable pricing determine purchasing actions. With higher understanding in elderly consumer behaviors, legal considerations for foreign retirees, and desirable product, real estate developers may respond to foreign elderly market greater. Additionally, it is suggested that Thailand government sector ought to improve infrastructure system, transportation system, natural heritage, and healthcare centers to higher facilitate foreign retirees as well as to support real estate development entrepreneurs. As foreigners are partial real estate purchasers in Thailand, driving the nation's income forward, improving harmony in the development of the nation is crucial.

### 9. Acknowledgements

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