



**PSYCHOLOGICAL AND ECONOMIC FACTORS INFLUENCING
CONSUMER BUYING BEHAVIOR IN THE SELECTION OF REAL
ESTATE IN ADDIS ABABA**

BY

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DECLARATION

I, the undersigned, hereby declare that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part submitted at any university for a degree.

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Abstract

An understanding of consumer behavior is essential in planning and programming the marketing system. Housing is the layout and development of residential units in which people can live in pleasant, peaceful, sustainable and healthy surrounding with social, cultural and recreational facilities and communities maintaining a decent life, a vibrant local economy and a healthy community. It is a social unit planned on neighborhood or community Principles and is an integral part of the nation's economic development.

The objective of this study is to determine the psychological and economic factors that influence the consumer buying behavior in the selection of real estate in Addis Ababa. The theory explained various consumer behavior models and their arguments. A quantitative research design has been selected as the most suitable method to collect the data from the targeted respondents for this study. A response of 390 sets of questionnaires has been distributed and 382 questions were received from the respondents. Descriptive frequency and percentage have been conducted to explore the demographic characteristics of the target respondents. Using Multiple Linear Regression model, this research is useful to examine the relationship between the independent variables to the dependent variable (consumer behavior) after meeting all the given assumptions successfully. Statistical Package for Social Science (SPSS) version 22 was used to generate the actual results. The result has identified that motivation, attitude, family income and saving as a basic influencing factors and examines each factor on the extent of their effect on consumer buying behavior while selection real estate. The finding revealed that all considered variables had a positive significant effect except motivation.

Key words: consumer Behavior, Psychological factor, Economic factor.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Consumer behaviors are activities people undertake when obtaining, consuming, and disposing of products and services. (Blackwell, 2016). A full understanding of decision making processes help marketers to identify consumers’.

A consumer’s buying behavior is influenced by cultural, social, personal, and psychological factors. Consumer behavior could be a part of human behavior and by studying previous buying behavior; marketers can estimate how consumers might behave within the future when making purchasing decisions (Kotler & Armstrong, 2010).

A consumer engages in purchasing activities several times per day. The acquisition itself is that the only visible evidence of a more complex process that a consumer goes through for each decision he/she makes. However, every decision is different and requires different amount of your time and energy (Lautiainen, 2015).

Complex buying behavior may be initiated by a motive that’s central to an individual’s self-concept. The products that are bought seldom sort of a house or a car require considerable amount of consideration before the purchase decision. The buyer is highly involved because the product is expensive, risky and reflects the consumer itself. Many brands can evaluated separately to determine which brand responds best to the set of desired characteristics (Kotler et al., 2010)

As universal population levels still rise, the housing shortage in many developing countries has reached critical levels (Morel, 2001). Real estate is one in every of the foremost important things to citizens, so “the house purchase decision of them can change their life” (Wells, 1993). The house purchase decisions are different from other business decisions because of “the innate, durable and future characteristics of real

estate”. It’s a highly differentiated product with “each specific site unique and stable in location”.

The level of desire to own a home for residence is increasing. Where population growth continues to extend including the flow of urbanization that never subsided, causing the requirements of the house became one amongst the humans’ needs are felt very urgent. The house additionally to its main function as a residence for its inhabitants, also became a benchmark of the social prestige of the owner, even often people buy a house for economic purpose, namely as a residences also as area of endeavor (Adam, Rizal, Ibrahim 2017).

Purchase decisions are actions or consumer behavior to make a purchase or transaction, the number of consumer purchases become one of the determining factors whether the achievement or absence of corporate goals. The consumer purchase decision is a set of consumer choices made before making a purchase when they have a desire to buy (Segala, Destriani, Puri, and Kumar, 2014).

Purchasing decisions may additionally be influenced by various factors. (Kotler et al., 2014) declare that the purchasing decision process begins with the introduction of needs, at which point consumers will identify the housing product to fulfill their needs. Next, consumers will search for information associated with the product or service they need. The more information you get the extent of information and consumer awareness of the product will also increase. Consumers will therefore use that information to assess alternative brands contained within the set of options as a basis for considerations making purchase decisions.

Understanding the stages and factors that affect the consumer’s decision-making process in making purchase is a vital step in creating customer satisfaction. High customer satisfaction result in repeated product purchase and communicates a positive impression of the product (Negrisea& Edu, 2016).

Real estate could also be acquired, owned and conveyed or transferred by any legal entity as determined and defined by law. This entity may take the class of people, businesses and nonprofit corporations. The real estate market, on the opposite hand, is the market that encompasses all transactions, which involve dealing in rights or interests in land and buildings (UN ECE REAG, 2000).

The rapidly changing real estate landscape in Addis Ababa is one of the more visible aspects of the extended period of growth recently experienced in Ethiopia. From large residential developments sprouting at the city outskirts to rising new office complexes and government-built condominiums being constructed in center city locations, there's no shortage of current facilities to demonstrate change during this area. Of course, despite all this new construction activity, Addis Ababa—like most developing country capitals—retains large swathes of informal and slum-like settlements scattered across the town. Still, over the past decade, the sub-set of city dwellers that are now a part of the formal real estate market has expanded from a tiny low base and is probably going to try and for the foreseeable future (Access Capital, 2010).

Real estate is one in every of the classifications of housing development which are participating to unravel the severe housing problems in Addis Ababa. Income property includes residential and commercial properties that are leased out and expected to make returns primarily from periodic rental income. Residential properties include single family properties (houses, condominiums, cooperatives and townhouses) and multifamily properties (apartment complexes and buildings). Commercial properties include office buildings, shopping centers, warehouses and factories (Selam Yohannes, 2016).

Successful, businesses understand the way to leverage the various factors that influence consumer buying behavior to effectively market their products and maximize sales. Studies show that there are generally four main factors that play a role within the consumer buying behavior. These factors include cultural factors, social factors, personal and psychological factors. The psychological factors that influence an individual's

decision to make a purchase are further categorized into the individuals' motivation, perception, learning and his beliefs and attitudes (Call wood, 2013).

The attractiveness and value of real estate are marked by market principles supported the foremost probable way of acting and behaving within the real estate market. These are of key importance when deciding to purchase real estate. Jack P, Friedman and J. Bruce Linderman (2005) divide market principles into two main categories, which are supported by principles associated with the important real estate itself and principles based on users' perceptions. The primary principles are characterized by factors that we further divide into financial, physical, socio-economic and living environment factors and the second principles associated with buyers' characteristics, among which psychological characteristics are the most important.

1.2 Statement of the problem

The number of house buyers has steadily increased in recent years. They depend upon the market to satisfy their housing needs. Generally, the sort of housing choice an individual makes determines how they perceive the value of the house. With the increasing freedom consumers have in choosing their houses, variations altogether aspect of housing consumption have increased. An examination of house buyers' housing preference is crucial for understanding these variations. Consumers' needs and wants likewise as complex interplay of housing attributes or other housing purchase factors (Bitter & Dall'erba, 2007).

Understanding factors that affect the real estate market are found to be vital and crucial because of the shortcoming of the utility theories which are accustomed study consumer behavior to produce convincing explanations to grasp the market (Gilber& Nelson, 2003)

Real estate development is a highly complex, dynamic and multi-disciplinary challenge. The duration and complexity of the development process involves a substantial amount of time and, as a consequence, real estate developers lack the relative flexibility to respond and adjust quickly to any fluctuations in tenant and investment markets. This

leads to increased economic risk. Furthermore, the construction of real estate and therefore acquisition of a completed property require a substantial investment (Dubben&Sayce, 1991).

A real estate can provide a lot of social and economical yields or benefits to a country if it is operated at its level best. The housing front is most vital for national economy and human settlement. The real estate as a business sector includes many services and operations well beyond the real estate development and brokerage. This market is potentially rich to accommodate many services and operations for employment and investment, which in turn enhances its development. But in an inefficient infant market like what is prevalent in our country the sector has much gap to be filled (KirosAqubamicheal, 2009).

Housing is one in every of the foremost problems prevailing in Addis Ababa and other cities and towns across the country. The shortage of housing in cities is incredibly serious that it is estimated to exceed in over one million. Although there's a development recently in supply by both the government and personal land companies, there's still huge gap between housing need of Addis Ababa residents and also the supply. Real estate business in Addis Ababa is growing because of the problems of owning a house within the city. (Solomon Bedada Jima, 2018).

Real estate in Ethiopia is one of the most profitable, high in demand sectors. The sector majorly resides in Addis Ababa, one of the top fastest growing cities in Africa, which makes the city the right destination for real estate companies in Ethiopia to invest in to build luxury homes. Real estate sector has been one of the fastest growing sectors of the Ethiopian economy and its contributing a large sum to the nations GDP. The sector has gone through several phases from its emergence in 1990's to where it has gotten now. The primary destination of the real estate industry in Ethiopia, of course, is Addis Ababa. The fuel for real estate in Addis Ababa has been and will always be the enormous housing demand which seems to be ever growing(Zerayehu and Kagneu, 2015).

In this fierce competitive environment, it is important for a marketer (Real estate Company) to know what really influences customer to buy a real estate. As mentioned in Hall (2012) knowing a customer in depth is one of the key characteristics of highly successful business entrepreneurs. It is not only about their need but also what drive their decision. The objective of this research is to study the psychological and economical factors that influence the consumer buying behavior in purchasing real estate.

1.3 Research Question

The main research question is;

- How do the psychological and economic factors influence the consumer buying behavior in the selection of real estate?

Sub research questions;

- How does motivation affect the consumer buying behavior in the selection of real estate?
- To what extent does attitude influence the consumer buying behavior in the selection of real estate?
- To what extent does family income influence the consumer buying behavior in the selection of real estate?
- How does saving affect the consumer buying behavior in the selection of real estate?

1.4 Research objective

General objective

- ❖ To determine the psychological and economic factors that influences the consumer buying behavior in the selection of real estate.

Specific objectives

- To describe the effect of motivation on the consumer buying behavior in the selection of real estate.

- To evaluate how attitude affect the consumer buying behavior in the selection of real estate.
- To explore the influence of family income on consumer buying behavior in the selection of real estate.
- To describe the influence of saving on consumer buying behavior in the selection of real estate.

1.5 Significance of the study

The research provides a clear picture of the factors that affect the purchase decision in the selection of real estate. The study enhances the knowledge of the researcher with regard to the concept of real estate market. The study is important for existing real estate companies and also for new real estate companies who are going to join the real estate sector in country. Additionally, it can be used as base line information to interested researchers in the real estate area.

1.6 Scope of study

There are many factors that affect consumer buyer behavior directly or indirectly like socio-cultural factors. However, this study focuses on psychological and economical factors. These variables are selected by referring the model “Stimulus –Response Model”.

The research focuses on consumers purchase decision towards real estate. The study has been geographically limited to customers in Addis Ababa. It explains the psychological and economical factors that affect the purchase decision of real estate customers. The study has focused on real estate’s that are used for residential purpose only. The focus of the study has also delimited to the data obtained from questionnaire and interview in Addis Ababa.

This research investigates the psychological and economic factors that are related with the consumer buying behavior towards real estates. The paper employs cross-sectional

studies. This method helps the researcher to sample individuals and gather information about their past activities.

1.7 Limitation of the study

The sample population was selected from only Addis Ababa. This sample might not represent the larger population. So, this limits the accuracy of the result. The study employed convenience sampling method to select respondents. Due to this the technique might create a bias as it is difficult to get an equal probability of customers. Therefore, the researcher conducts the study considering the limitations, including the fact that the research only represents the selected respondents.

1.8 Organization of the study

This research paper is organized in five chapters. Chapter one is composed of background of the study, statement of the problem, research question, research objective, significance of the study, scope of the study, limitation of the study and definition of terms. The second chapter consist theoretical foundation, empirical studies and on the conceptual frame work hypothesis was developed. The third chapter deals with research methodology, research approach, research design, population and sampling and data analysis technique. In the fourth chapter, presentation, analysis, interpretation of data was discussed. The fifth chapter provided conclusion and recommendation.

1.9 Definition of terms

Real estate is land and anything fixed, immovable, or permanently attached to that like appurtenances, buildings, fences, fixtures, improvements, roads, shrubs and trees (but not growing crops), sewers, structures, utility systems, and walls. Title to real estate normally includes title to air rights, mineral rights and surface which can be bought, leased, sold or transferred together or separately (Business dictionary).

Motivation is a psychological force that stimulates a response. It is a reason for a behavior (Hawkins et al., 2001).

Attitude may be a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor (Eagly&Chaiken 1993).**Family income** is total compensation received by all family members age 15 or older living within the same household. Compensation may include wages, social security, child support, pension's capital gains, and dividends (Business dictionary)

Saving is the part of disposable income not spent on consumption of consumer goods but invested directly in capital equipment or, indirectly through purchase of securities (Business dictionary)

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2. Introduction

The theoretical review of this study will focus on model of buyer behavior, cognitive consumer behavior model, arguments and limitation of the model. The empirical review section covers relevant prior works and on the conceptual frame work hypothesis will be developed.

2.1 Theoretical Review

2.1.1 The theory of consumer behavior

Consumer purchases are highly influence by two factors: internal and external. Internal factor refers to psychological and personal dimension and external factor to cultural and social one. Consumer behavior is tormented by several factors. Consumer behavior is explained by theories that explore the assorted drivers that impel consumers towards their choice. These drivers form the theoretical models of consumer behavior, which contain psychological, sociological, economical and stimulus response models. Each of those domains is said to any or all others. Wayne D. Hoyerand Deborah J. Macinnis give the example that “to make decisions that affect outcomes like buying new products, consumers must first engage in processes described in the psychological core. They have to be motivated, able, and have the chance to be exposed to, perceive, and attend to information” (Wayne et al., 2008).

Schiffman & Kanuk (1997) define consumer behavior as: "The behavior that consumers display in trying to find, purchasing, using, evaluating, and disposing of products, services, and ideas." (Schiffman et al., 1997) elaborate on the definition by explaining that consumer behavior is, therefore, the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items. It includes the study of what, why, when, where and the way often they purchase and the way they use the purchased product. Additionally, it encompasses all the behaviors that

consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs.

The present study of consumer behavior focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items (Schiffman et al., 1997). Consumer behavior is a study of the processes involved when individuals or groups select, purchase, use, or eliminate of products, services, ideas, or experiences to satisfy needs and desires (Solomon 1996).

The study of customer behavior is predicted on consumer buying behavior, with the customer playing three distinct roles: user, payer and buyer. Research has shown that consumer behavior is difficult to predict, even for experts within the field (Armstrong & Scott, 1991). Consumer behavior involves the psychological processes that consumers go through in recognizing their needs, finding ways to resolve these needs, making purchase decisions (e.g., whether to purchase a product and, if so, which brand and where), interpret information, make plans, and implement these plans (e.g., by engaging compared shopping or actually purchasing a product).

Consumer behavior research attempts to understand the customer decision-making process, both individually and collectively. It studies individual consumer characteristics like demographics and behavioral variables in a shot to know people's wants. Consumer behavior research allows for improved understanding and forecasting concerning not only the topic of purchases but also purchasing motives and purchasing frequency (Schiffman et al., 2007).

2.1.2 Model of Buyer Behavior

The analysis of customer behavior by observing and researching on consumer buying behavior and characteristics in order to understand the needs, motives and step to purchase is the basis for marketing strategy formulation (Kotler, 1997; Hawkins, Best & Coney, 2004).

It shows the black box model of consumer behavior, it is a well-developed model that shows the interaction of stimuli, customer characteristics, and decision process and customer response. The final customer decision is derived from various factors. It considers both external (4P's PEST) and internal (Buyer characteristic) stimuli. The black box likes a customer's head that shows whys of buying behavior take form. The marketing tactic and other stimuli enter into the customer "Black box" and produce to be certain response whether to purchase or not. This reaction is based on the buyer's characteristics and the buyer's decision process. The critical stage is to discover the customer's mind. The first step in understanding buyer behavior is to focus on the factors that determine their characteristics in the black box model. The broadly major factors are cultural, social, personal, and psychological (Tintin, 2016; Perreau, 2016).

2.1.2.1 The Simple Stimulus-Response Model

As per the stimulus-response model, there are marketing and other stimuli which enter the 'Consumer's black-box' and subsequently produce certain buyer responses. Figure illustrates the Simple Stimulus-Response Model of Consumer Decision Making.

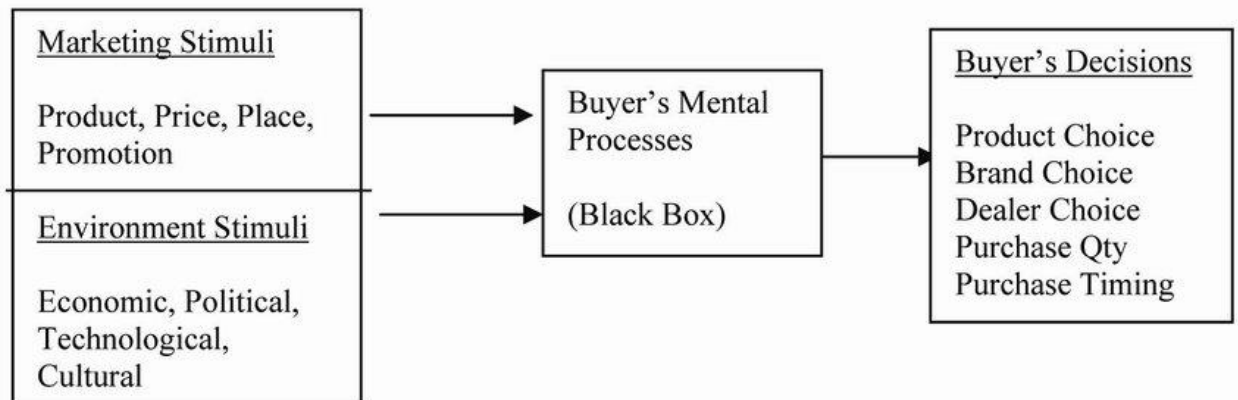


Figure 2.1 the simple stimulus response model

Source: Suja R. Nair. 2010. Consumer Behavior in Indian Perspective Text and Cases. Mumbai: Himalaya Publishing House, p.22

The marketing environment comprises various marketing mix elements which act as cues in influencing consumer response. The buyer is exposed to a spread of information about the product's existence, price to match the product features, availability at the varied outlets, ably supported by the promotional tools such as advertisement, contests and sweep take publicity while marketing environment helps to make up product awareness.

Other stimuli include major forces and events within the buyer's environment: economic, technological, political and cultural. Of these inputs enter the buyer's black box where they're changed into a group of observable buyer responses like the choice of the brand, the dealer and the time of purchase.

2.1.2.2 The Engel-Kollat-Blackwell Model

This model considers consumer behavior as a decision making process in the form of five steps which occur over a period of time. The figure shows the Engel-Kollat-Blackwell Model of Consumer Behavior.

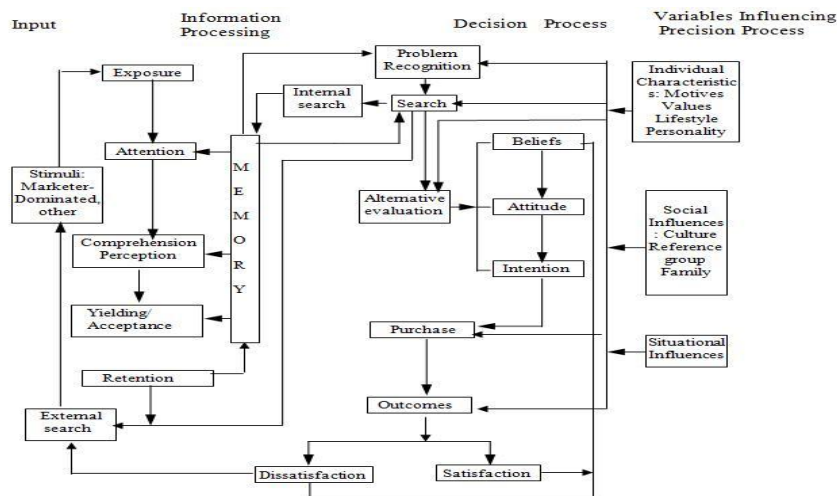


Figure 2.2 The Engel-Kollat-Blackwell Model

Source: SujaR.Nair. 2010. *Consumer Behavior in Indian Perspective Text and Cases*. Mumbai: Himalaya Publishing House, p. 43.

The five steps involved in the decision process stage are:

(i) Problem Recognition

The consumer will recognize a difference between the particular state and what the ideal state should be. This might occur on account of external stimuli. The buyer must perceive a sufficiently large discrepancy between actual and ideal states so as to be activated recognize a problem and find a way to resolve it.

(ii) Information Search

The information available may be consistent to the beliefs and attitudes held by the consumer. While being involved in an information seeking or search stage, the consumer will try to gather more information from various sources like sales persons, friends, neighbors and mass communication media.

(iii) Alternative Evaluation

Now the individual will evaluate the alternative brands. The methods used for evaluating the various products will be dependent on the consumer's underlying goals, motives and personality.

(iv) Choice

The intention and attitude of the consumer determine the selection of the product. The choice will also rely upon normative compliance and anticipated circumstances.

(v) Outcome

The outcome is either positive or negative. If the end result's positive, the outcome will also be positive. If there is dissonance, that is, a feeling of doubt experienced by the consumer about the choice made, the outcome will not be positive. If this occurs, then the consumer will search for more information to support the selection made.

The model has laid emphasis on the conscious decision making process adopted by the buyer. It recognizes that the buyer might not undergo all the steps always. This can be because just in case of repeat purchases, the buyer may bypass number of the steps.

2.1.2.3 The Engel, Blackwell and Miniard (EBM) Model

The model has four distinctive sections, namely, input, information processing, decision process and variables influencing decision process.



Figure 2.3 The Engel, Blackwell & Miniard (EBM) model

Source: Suja R. Nair. 2010. *Consumer Behaviour in Indian Perspective Text and Cases*. Mumbai: Himalaya Publishing House, p. 44.

(i) Information Input

The marketer provides information to the prospective consumers' through marketing and non-marketing sources.

(ii) Information Processing

The consumer must get exposed to the information, attend to it, comprehend or understand it, accept it and finally retain it in memory. Any selective attention or exposure mechanisms which occur in post purchase dissonance would operate at this stage.

(iii) Decision process

This process consists of five basic stages—need recognition, search, alternative evaluation, purchase and outcomes.

(iv) Variables influencing decision process

The individual, social and situational factors influence the decision processes. The EBM model is very flexible and more coherent than the Howard-Sheth Model of consumer behavior. It also includes human processes like memory, information processing and considers both the positive and negative purchase outcomes.

2.1.3 Critiques of the models

Early Stimulus-Organism-Response models suggest a linear relationship between the three stages with environmental and social stimuli acting as external antecedents to the organism. This approach assumes that stimuli influence an inactive and unprepared organism (Eysenck AND Keane 2000). Most theorists now, however, acknowledge that information processing is conducted by a vigorous organism whose past experience will influence not only the processing of such information but even what information is sought and received. Information processing are going to be both stimulus driven and concept driven (Moital 2007); (Groom, Dewar et al. 1999). This development has resulted in additional recent depictions of consumer higher cognitive process being circular in fashion (Peter AND Olson 2008), or drawn through a Venn diagram (Jacoby 2002).

The model provides a clear depiction of the method of consumption making it easy to understand and intuitively pleasing (Foxall 1990). The mechanistic approach is, however, criticized to be too restrictive to adequately accommodate the variability of consumer decision situations (Erasmus, Boshoff et al. 2001, Loudon AND Della Bitta 1993).

Most models, being first proposed in 1960's and 1970's, are developed with limited theoretical background because of the embryonic nature of the discipline during this time (Du Plessis, Rousseau et al. 1991). This concern is also be alleviated, a minimum of partially, by the contemporary revision of some models, for example the EBM Model introduced above.

2.1.4 Psychological factors

The consumer is influenced by psychological factors that focus on motives for buying and on the process of learning during the information search stage in the decision process. Psychological factor is one of the important factors that change how a person thinks and acts. It is more deeply into the individual level. Furaiji, Latuszynska and Wawrzyniak (2012) mentioned that the research on factors influencing consumer behavior reveals that the psychological factors have the strongest correlation including attitude, motivation, personal value and belief. It represents its strongest affect on consumer behavior compared to other factors like social, cultural or marketing mix.

2.1.4.1 Attitude

According to Eagly & Chaiken (1993) defines attitude as “a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor”. It allows a person to develop a coherent behavior against a class of similar objects or ideas. (Perreau, 2016) previous studies show that the positive attitude towards behavior plays an important role in predicting changes in residential property purchase decision. (Sangkakoon, Ngarmyam & Panichpathom, 2014; Huang, 2012). The result reveals that even the economic recession, people develop negative attitude toward owning a house in the future time (Rohe & Lindblad, 2013). In addition, (Nyakwende, Banamah and Jappie 2015) mention that the intention to purchase a residential property is influenced by attitude.

2.1.4.2 Motivation

Motivation refers to the processes that cause people to behave as they do (Solomon, Bamossy, Askegaard & Hogg, 2010). Motives are the explanations why people take action (Blythe, 1997). Motivation is defined as an enclosed state or condition that activates behavior and offers it direction and a desire or wants that controls goal-oriented behavior. Blythe argues that a motive is solely a reason for carrying out a specific behavior; it's not an automatic response to a stimulus.

Motivation is “the actuation force within individuals that impel them in action”. (P.83) Motivation views as a psychological force that stimulates response. It’s a reason for behavior. (Hawkins et al., 2001) Maslows’ hierarchy of need is widely employed in the decision making based research to check customer motivation to buy a property because it can provide the environment which may encourage a individual to express their ability and potential. It represented during a hierarchy pyramid with five levels like physiological, safety, belongingness, esteem and self-actualization need. (Sheth&Mittak, 2004) previous study regarding motivation to possess a house in Hong Kong reveals that the respondents are mostly purchase a house because they want to satisfy housing needs, improve quality of life and security need respectively. And only 4 percent purchase a house just to boost their social status.

2.1.4.3 Personal values

Values are a major motivating force for people because it gives you a sense of importance, standard and quality toward something. Comparatively, Aron (2001) also reports that consumer’s value system and involvement have been recognized to be the potential influencing which directly linked to an involvement have been recognized to be the potential influencing which directly linked to an individual’s lifestyle. It produces direct energy and activities of an individual’s lifestyle and consequently their consumption behavior. Further discussion by Aron (2001) that the values also affect consumption motives that partially set the choice criteria. Personal values tend to play more important factor in decision making especially for the product with high involvement. (Hawkins et.,al 2004) mentions homes are frequently have high purchase involvement. Therefore, values play a critical role on home buying decision.

2.1.4.4 Beliefs/ Learning

A belief could be a trust or confidence that an individual has on something. It should derive from his/her experience, learning or perhaps from external influences like family and friends. The beliefs are developed and eventually influence his/her buying behavior.(Perreau, 2016). Previous study shows that a personal with strong beliefs within

the benefits of ownership are more likely to expect to purchase own asset within the future compare to those without such belief.

The consumer will develop an attitude with regard to the various alternatives which are present on the market and which he knows. Learning relates to any change in long term and is associated with how information is processed. (Solomon et al., 2010, 246) explain that learning refers to a comparatively permanent change in behavior, which comes with experience. Learning can occur through simple associations between a stimulus and a response or via a complex series of cognitive activities (Solomon et al., 2010).

The process of learning of the consumer is to review the effect of former experiments on his reaction when he's confronted with the identical stimulus. The method of learning is capital within the sense that he exerts an influence on all the variables intervening in the consumer's behavior: beliefs, selection criteria, and so on. The method of learning comprises four phases: attention, memorizing, recovery in memory and reproduction, phases during which the individual observes models while focusing himself on relevant information, records in memory these data, and so recovers them for finally reproducing the behavior observed (Solomon et al., 2010).

2.1.5 Economic factors

According to (Ramya & Ali, 2016) economic factors are factors that speak about the amount of sales within the market and also the financial position of the buyer, i.e. what proportion a personal spends on the acquisition of products and services that contribute to the overall sales of the company. The subsequent are the most economic factors that greatly influence the buyer buying behavior.

1. Personal income

The personal income of someone is determinant of his behavior. The gross personal income of a person consists of disposable income and discretionary income. The

disposable income refers to the actual income (i.e. money balance) remaining at the disposal of a person after deducting taxes and compulsorily deductible items from the gross income. A rise within the disposable income results in an increase within the expenditure on various items. A fall in the disposable income, on the other hand, leads to a fall in the expenditure on various items. The discretionary personal income refers to the balance remaining after meeting basic necessities of life. This income is accessible for the purchase of shopping goods, durable goods and luxuries. A rise within the discretionary income leads to an increase in the expenditure on shopping goods, luxuries etc. which improves the standard of living of a person.

2. Family income

Family income refers to the mixture income of all the numbers of a family. Family income influences the buying behavior of the family. The excess family income, remaining after the expenditure on the essential needs of the family, is made available for purchasing shopping goods, durable and luxuries.

3. Income expectations

Income expectations are one among the important determinants of the buying behavior of an individual. If he expects any increase in his income, he is tempted to spend more on shopping goods, consumer goods and luxuries. On the opposite hand, if he expects any fall in his future income, he will curtail his expenditure on comforts and luxuries and restrict his expenditure to reveal necessities.

4. Saving

Savings also influences the buying behavior of an individual. A change within the amount of savings ends up in a change in the expenditure of an individual. If a person decides to save lots of more out of his present income, he will spend less on comforts and luxuries. According to (Miller and VanHoose, 2008) saving is a foregone consumption. They explain foregone consumption as when one does not spend all the income that is earned within a given period. To them, once part of what is earned today is left for future

use, there is saving. Ahmed (2007) put it in an exceedingly simple language as putting money aside for future use. He argues that saving is that the result of careful management income and expenditure, so there's something left to place aside future.

5. Liquid assets

Liquid assets refer to those assets, which may be converted into cash quickly without any loss. Liquid assets include cash in hand, bank balance, marketable securities etc. if an individual has more liquid assets, he goes sure buying comforts and luxuries. On the opposite hand, if he has less liquid assets, he cannot spend more on buying comforts and luxuries.

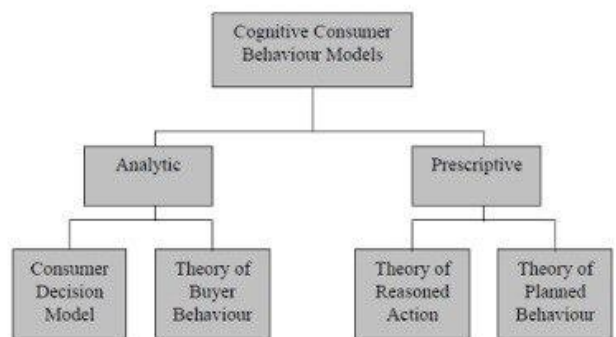
6. Consumer credit

Consumer credit refers to the credit facility available to the consumers desirous of buying durable comforts and luxuries. It's made available by the sellers, either directly or indirectly through banks and other financial institutions. Hire purchase, installment purchase, direct bank loans etc are the ways by which credit is created available to the consumers. Consumer credit influence consumer behavior. If more consumer credit is accessible on liberal terms, expenditure on comforts and luxuries increase, because it induces consumers to buy these goods, and lift their living standard.

2.1.6 Cognitive consumer behavior

Two major types of Cognitive models are often discerned. Firstly, analytical models which give a framework of the key elements that are presupposed to explain the behavior of consumers. These models identify a plethora of influencing factors, and intimate the broad relationships between factors in consumer decision making. Because of their wide ranging scope such models are often labeled the "grand models" (Kassarjian 1982). Typically, they have a tendency to follow the normal five step classification outlining problem recognition, information search, alternative evaluation, and selection and outcome evaluation because the key stages in consumer decision processes (Erasmus, Boshoff et al.2001, Schiffman&Kanuk 2007). The Theory of Buyer Behavior (Howard

&Sheth 1969) and therefore the Consumer Decision Model (Blackwell,Miniardet al.2001) are two of the most widely cited analytical models. Secondly, prescriptive models “provide guidelines or frameworks to prepare how consumer behavior is structured” (Moital 2007). These models include within which elements should appear and prescribe the effect that ought to be observed given certain causal factors. As such they promise to be useful to practitioners who can ‘measure’ what stimuli should be modified or emphasized to draw in a particular consumer response. The foremost widely referenced and used prescriptive models are the Theory of Reasoned Action (FishbeinANDAjzen 1975) and the Theory of Planned Behavior (Ajzen 1985).



(Source: Adapted from (Fawcett ANDDowns 1992, Moital 2007))

Figure 2.4 Cognitive consumer behaviors

2.1.6.1 Analytic Cognitive Models

2.1.6.1.1 The Theory of Buyer Behavior

Howard developed the primary consumer decision-model in 1963 (Du Plessis, Rousseauet al.,1991). This model was developed further in 1969 by Howard and Sheth to become the ‘Theory of Buyer Behavior’ (Howard &Sheth 1969). It provides “a sophisticated integration of the assorted social, psychological and marketing influences on consumer choice into a coherent sequence of information processing” (Fox all 1990). The fundamental architecture of the model is outlined in Figure 1.3 below, with the

exogenous variables not appearing within the first publication of the work (Howard et al., 1969), but in subsequent publications (Howard et al., 1973). The authors' interest was in constructing a comprehensive model that would be accustomed to analyze a wide range of purchasing scenarios, and as such the term 'buyer' was preferred over 'consumer' so on not exclude commercial purchases (Loudon & Della Bitta 1993).

2.1.6.1.2 The buying decision process

When a consumer purchases goods, he goes through the following four stages of the process of making purchase decision: problem recognition, information search, decision making and post purchase evaluation (Wayne D. Hoyer, Deborah J. Macinnis, 2008). In our modern societies, the decision making process turns to be more complicated that it was partly because of the abundance of choice whose consumer faces.

The approach that the consumer will adapt in his decision of purchase on the statute of the purchase in question. It depends if the purchase is new one, a repeat of a previous one, if it is a novel product, if it used in the daily life or occasionally. In this process, the consumer informs himself by all possible ways having the aim of satisfying his needs thus leading him to his buying decision.

2.1.7 Summary of Consumer Buying Behavior Models

Including the models listed previously, there are different models of consumer buying behavior like Bettman information processing model, Nicosia model, Howard-Sheth model and Howard model. The models of consumer behavior attempted to clarify all possible variables and influences on consumer behavior. For this study, the researcher uses the "Simple Stimulus- Response Model" to conduct the research. This model is straightforward and might be used on the current situation of consumer buying behavior towards purchasing decision of real estate.

2.2 Empirical Review

There are limited numbers of journals and researchers that have conducted on real estate projects, especially on private residential real estate projects. These are listed and reviewed below.

2.2.1 Motivation and consumer buying behavior

The research reveals that those who wanted to purchase a residential property contained different motivation factors in terms of self esteem need and self actualization need. Moreover, they aim to purchase for a long term investment to grow their wealth. They are looking for a residential property that fulfill their successful life and to show others. (Nunarong&Punnakitikashen, 2017).The greater consumers have positive motivations, especially, psychological needs, esteem needs and self-actualization needs, the more they intent to buy (LI &Srisutto, 2015).

H1: Motivation has a significant and positive effect on consumer buying behavior.

2.2.2 Attitude and consumer buying behavior

The result reveals that there is no difference in terms of attitude between those who wanted to purchase a residential property verses those who did not. The positive and negative attitudes do not impact their purchase decision. Positive or negative attitude cannot use to predict a person's intention to purchase a residential property.(Nunarong et al.,2017). According to Salah, Nyakwende, Banamah&Jappie, 2015) the research result shows that attitude has significant and positive effect on intention to purchase real estate. LI et.,al(, 2015) revealed that attitude has a positive effect on purchase intention. The more positive the attitude which includes cognitive (learning), affective (feeling) and conative (doing) is the greater purchase intention.

H2: Attitude has a significant and positive effect on consumer buying behavior.

2.2.3 Family income and consumer buying behavior

The study conducted by Gauwmer and Shah (2004), found that dominant marital roles in family purchase decision-making vary consistent with the phase of the decision process (with the tendency to move towards joint final decision). The relative roles of husband wife within the family purchase decision making process have been shown to vary not only with the product category but also with spousal resources and also the stage of decision making process (Thomtone et al., 2000). It was absolutely noted that the considerable oversimplification in defining any particular consumption category as being husband-dominated or wife-dominated based solely on the end result of the process might not give credible result. Specifically, while husband- dominated or wife-dominated patterns indicate clear control of family role structural influence; the autonomic pattern indicates that family decision influence may reside with either the husband or the wife, or both equally. A household's income level combined with its accumulated wealth determines its purchasing power. Income certainly influences purchasing decisions because it determines how much people can afford. As an example, families with incomes below Rs.10, 000 find it very difficult to own a home. On the other hand, families within the higher income categories buy luxury automobiles and vacation homes.

H3: family income has insignificant and positive effect on consumer buying behavior.

2.2.4 Saving and consumer behavior

Subsistence-consumption theories suggest that countries with high income levels are likely to have a private saving and the observed confirmation powerfully chains this close. According to the permanent income hypothesis and Keynesian approach, it is hypothesized that the private as well as national saving are positively associated to the GDP growth national income because an increase in income means a higher saving rate in economy. Therefore the per capita income and GDP growth rates vary in the saving function (Deaton, 2010). Also gave evidence that higher income growth may produce higher saving. He again determines the impact of inflation which reduces the real income growth may produce higher saving. He also observed the impact of inflation which

reduces the real income or purchasing power of the society which can create uncertainty in future income. They again investigated the link between income and saving for Turkey. Results of the statistic data explain that income positively related with saving. The life cycle theory also defines the positive relation between per capita income and saving. (Deaton, 2010)

Edward (2005), study why saving rate in Latin America nations have very low as likened them with a number of the foremost effective countries within the world. He also establish that the per capita income growth seemed to be the most key determinants of aggregate saving, public saving are lesser in countries with sophisticated political instability, public saving crowd out private saving but less than proportionality. There are great interests in people with low income who don't have access to financial intermediaries as financial intermediaries spend a substantial amount of time chasing after people with comparatively higher income levels.

Wheley and Kampton (2006) observed that saving behavior among people of just below average incomes is mainly driven by age and that lasting saving habits seem to develop in childhood.

H4: saving has a significant and positive effect on consumer buying behavior.

2.3 Conceptual Framework

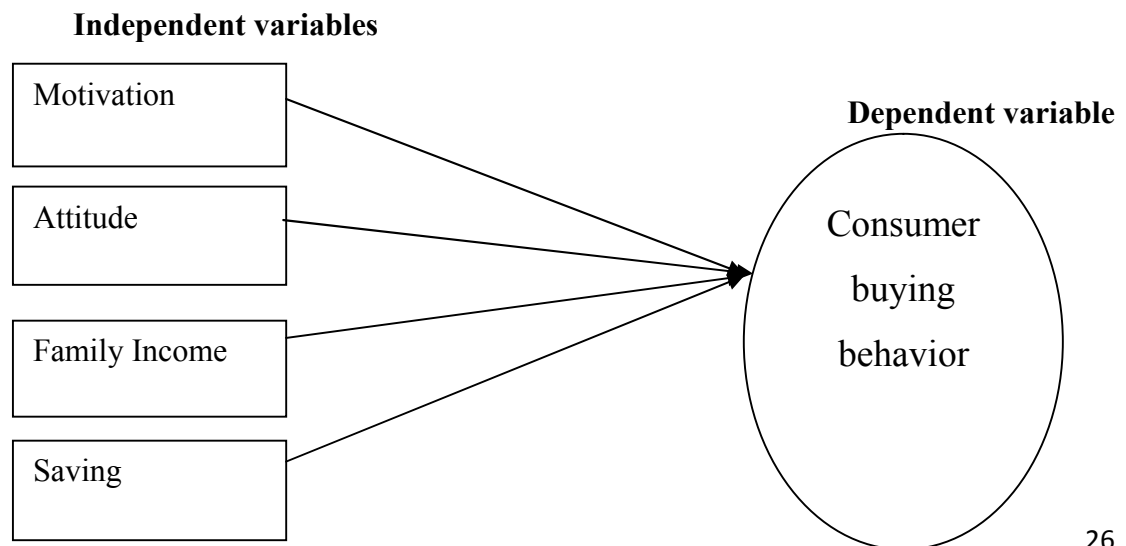


Figure 2.5: Conceptual framework

Source: Nunarong et al., 2017

The consumer is influenced by psychological factors that focus on motives for buying and on the process of learning during the information search stage in the decision process. Psychological factor is one of the important factors that change how a person thinks and acts

CHAPTER THREE

RESEARCH METHODOLOGY

3. Introduction

This chapter contains discussion on various methodological techniques that will be used in the study. This section will present details on research approach, research design, population of the study, sample size, sampling techniques, data collocation, reliability of instruments, data collection procedures and data analysis techniques.

3.1. Research Approach

Creswell (2003) divided scientific research approaches into three: quantitative, qualitative, and mixed research. Quantitative research is an approach for testing objective speculations by inspecting the relationship among variables, which can be measured and analyzed utilizing statistical methods. Qualitative research is an approach for investigating and understanding the meaning people or group assign to a social or human issue “Whereas, mixed research approach includes collecting and analyzing both quantitative (numeric) and qualitative (descriptive) forms of primary data in a single study Creswell (2014). Quantitative research is used to evaluate the problem by way of creating numerical data or data that can be changed into usable statistics. It is used to measure attitudes, opinions, behaviors and other defined variables and generalize the results from a larger sample population (Susan, 2011).

Quantitative approach is used in considering the research objective and to gain a better understanding about the research problem. In addition to this, the research conducts a cross sectional study thus; this study only investigate the phenomenon at a particular time.

3.2 Research Design

As a plan and process of a research project, the research design guides the data collection and analysis procedures to ensure that the study will ultimately address the significant problem of the study (Kothari, 2004).

A research design is the arrangement conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure (Kumar, 2008).

A research design determines the choice of analysis and sampling technique to use. It refers to the overall strategy chosen to integrate the different components of the study in a coherent and logical manner (Brown, 2006). The main type of research designs addressed by (Saunders,2007) include explanatory, descriptive and exploratory studies. This study adopts descriptive and explanatory design because it allows the collection of data at one point to the other.

Descriptive research can include collections of quantitative information that can be tabulated along a continuum in numerical form, like scores on a test or the amount of times a person chooses to use a specific feature of multimedia program, or it can describe categories of information like gender or patterns of interaction when using technology in a very group situation (Hakes et al., 1994). Descriptive research involves gathering data that describe events then organizes, tabulates, depicts, and describes the data collection (Glass et al., 1984). It often uses visual aids like graphs and charts to help the reader in understanding the data distribution. Because the human mind cannot extract the complete import of an oversized mass of raw data, descriptive statistics are vital in reducing the data to manageable form. When comprehensive, narrative descriptions of small numbers of cases are involved, the research uses description as a tool to prepare data into patterns that merge during analysis. Description emerges following creative exploration, and serves to prepare the findings in order to fit them with explanations, and then test or validate those explanations (Krathwohl, 1993).

Explanatory research sometimes referred to as analytical study seeks to identify any casual links between the factors or variables that pertain to the research problem (Saunders et al., 2007)

3.3 Target population

Target population for a survey is that the entire set of units for which the survey data are to be accustomed make inferences. Thus, the target population defines those units for which the findings of the survey are meant to generalize (Paul, 2008)

Parahoo (1997) describes population as the total number of units from which data can be collected like individuals, artifacts, events or organizations. Burns and Grove (2003) describe population as all the members that meet the criteria for inclusion in a study. The populations of the study will comprise consumers of real estate in Addis Ababa.

3.4 Sample size and Sampling Techniques

i. Sample size

A sample is any subgroup or subset of the population under consideration. It can simply be referred to as a part or fraction of a whole (Olateju, 2013). Since it is often difficult to access the entire population, a sample or subject is taken to obtain information about the population. It is important to be able to infer the required information about a population from the sample drawn from it.

The formula used in the study is the one proposed by Krejcie & Morgan (1970) for determining needed sample size in social science research when the population is known. The formula can be stated as:

$$\text{Formula 1: } S = \frac{X^2 NP(1-P)}{D^2(N-1) + X^2 P(1-p)}$$

Where: S = required sample size; X^2 = the table value of chi-square for 1 degree of freedom at 0.05 confidence level (3.841); N = the population size; P = the population proportion (assumed to be 0.50 as this would provide the maximum sample size); and d = the degree of accuracy expressed as a proportion (0.05).

$$S = \frac{(3.841) 4,592,000(0.5)(1 - 0.5)}{(0.05)^2(4,592,000 - 1) + (3.841)0.5(1 - 0.5)}$$

$$S = \frac{4,409,468}{11,481}$$

$$s = 384.0665447261$$

Based on the above formula the sample size of this research will be 384 respondents from the three sub cities.

ii. Sampling technique

Sampling is that the method or the procedure of collecting information from a population. It's difficult to enumerate a whole population, because of some constraints like inaccessibility of the population, time-frame factor, cost, inadequate resources etc. Based on all these factors, there is a requirement to take sample so as to minimize these constraints. So as for the results of the analysis of the sample to be reliable, the sample taken must be a proportional sample of the population. Sampling therefore is mentioned to as a process of obtaining proportional sample from a population (Olateju, 2013). The researcher uses non probability sampling like convenience sampling in selecting sample size and also the population to be conducted in the study.

3.5 Data Collection Tools

There are two main data type to gather relevant data, Primary and secondary data. Primary data, which the writer of the thesis collect on to investigate the distinctive problem (Ghauri, 2005). Secondary, which are collected by others were the purpose of the data may be, distinguish from the research work. This research uses both primary and secondary source of data. Primary data is collected by using semi- structured and self-administered questionnaire that are distributed to real estate customers that are willing to participate. The secondary data are collected from various sources including relevant books, previous researches, journals, articles and other sources on the internet.

Questionnaire is a method of data collection whereby a researcher prepares some investigates questions concerning the research problem which would be set to form questionnaire. These question are forwarded to the respondents (real estate customers).

The questionnaire will be close-ended questions which require respondents to give short answer. This is a better method because the respondents will be required either to tick or to circle the correct answer.

3.6 Data analysis technique

The researcher has determined the unit of analysis in correspondence to the research problem. The researcher must specify whether the amount of investigation will focus on the collection of data about the organization (Adams et al., 2010). Analysis of data could be process of inspecting, cleaning, transforming and modeling data with the goal of discovering useful information, suggesting conclusions and supporting decision making. In research, measurement comes before analysis, and also the process of moving from one to the other is commonly complicated (Brustein et al., 1999).

Researcher uses quantitative data in order to gain a rich and complex understanding of respondent experience regarding the effect of psychological and economic factors on the consumer buying behavior in the selection of real estate in Addis Ababa.

3.7 Reliability and Validity

Reliability

For a research instrument to be reliable, it must capable of yielding consistent results when used more than one to gather from two samples drawn randomly from the similar population (Mugenda&Mugenda, 1999). Reliability refers to the degree to which measure of stability and consistency of a concept. Reliability is specifically at the issue connection with quantitative research (Bryman& Bell, 2011). Reliability occurs when different researchers in numerous associations find the same result and make sense (Saunders, 2003).

Validity

Validity is that the degree to which the findings really are what they seem to be about. Basing on the evidences and data used and people which were collected from the field.

Validity concerned with the integrity of the conclusions that are generated from the research. It's a true measurement so as to approve that a deep study of varies related course should be considered (Bryman et al., 2011).

Construct validity: - "The construct validity refers to how well the study's results support the idea behind the research and if the idea supported by the findings provides the utmost existing explanation of the results, (Graziano&Raulin 2010)". Constructed validity are going to be evaluated by questioners and also the underlying theories (Bryman et al., 2011). The questions designed for the study are going to be considered carefully so that all questions selected going to be associated to the theory presented. Therefore, the study will be valid and reliable since the data collected will direct from the study.

3.8 Ethical Consideration

According (Bryman et al., 2007) there are three ethical principles that require to be considered while conducting business research; these are; (1) Harm to participants, (2) Lack of informed consent, (3) Invasion of privacy. So during this research (1) except from general information confidential data wasn't asked from respondents. (2) To avoid lack of information consent, before distributing the questionnaire, the researcher informs the respondents about the research objective and asks volunteer participation for filling up the questionnaire. (3) To clear away invasion of privacy, the researcher clearly state to the respondents that they're anonymous as there was no identification mark within the questionnaire.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

In this chapter, the data that are collected through the structured questionnaire summarized and analyzed in order to realize the ultimate objective of the study. This chapter contained the data presentation, analysis and discussion of the sample population based on the primary data collected. The demographic facts obtained from the respondents were summarized using frequency distribution. Scale typed questionnaires were analyzed by using descriptive statistics, correlation, regression, T-test and ANOVA and particularly regression and independent t-test are used to test the research hypotheses and answering the research questions. The data was analyzed using SPSS version 22. A total of 390 questionnaires were distributed. Out of the 390 questionnaires 382 were returned, which is about 98% of the total distributed.

4.2 Scale Reliability Analysis

For this study we used 20 items in measurement of five variables and we came to know that the items in this study are reliable. Reliability test was conducted to support checking the research instrument consistency. Cronbach's alpha is used to measure reliability of the measurement items. Generally, reliability coefficients which are more than or equal to 0.60 should be considered adequate to develop a questionnaire. In regards, higher coefficient alpha indicates the sample of items perform greatly in capturing the constructed motivating the measure Malhotra (2007).

As shown below in table 4.1, the cronbach's alpha value for our study is 0.710, which is acceptable with the malhotra's scale.

Table 4.1 Reliability Statistics

Cronbach's Alpha	N of Items
.710	20

4.3 Descriptive Statistics

This section presents descriptive coefficients that summarize a given data set, which can be either a representation of the entire or a sample of a population. These statistical descriptions are wrecked into measures of central tendency and measures of variability (spread).

4.3.1 Gender of Respondents

The male respondents constituted the largest share of the gender composition representing 54.1% while 45.4 % were females, as shown on Table 4.2. Only one respondent hasn't mentioned the gender, as shown in table 4.2.

Table 4.2 Gender Distribution

	Frequency	Percent
Male	206	54.1
Female	173	45.4
Total	381	100.0
Not mentioned	1	
	382	

4.3.2 Employment Status of respondents

From the three employment categories unemployed respondents presented the lower in number registering 14%. Employed and Self-employed respondents constituted almost 42% each as shown in the table below on table 4.3.

Table 4.3 Employment Status

	Frequency	Percent	Valid Percent	Cumulative Percent
Employed	160	41.9	41.9	41.9
Unemployed	53	13.9	13.9	55.8
Self Employed	161	42.1	42.1	97.9
Total	382	100.0	100.0	

4.3.3 Age of Respondents

For ease of age distribution presentation the age of the respondents have been categorized as a group of age ranges as shown on the following table, table 4.4.

Table 4.4 Respondents Age

Age Group	Frequency	Percent
18-25	93	24.3
26-35	135	35.3
36-45	72	18.8
Above 45	82	21.5
Total	382	100.0

4.3.4 Marital Status of Respondents

Table 4.5 shows the distribution of the respondent's marital status.

Table 4.5 Marital Status of Respondents

Marital Status	Frequency	Percent
Single	130	34.0
Married	147	38.5
Separated	100	26.2
Total	382	100.0

4.3.5 Monthly Income of the respondents

It is seen that the frequency of respondents in relation their monthly income is presented below.

Table 4.6 Monthly Income of the respondents

Monthly Income	Frequency	Percent	Valid Percent	Cumulative Percent
<1000	79	20.7	20.7	20.7
1000-5000	111	29.1	29.1	49.7
5000-10000	60	15.7	15.7	65.4
Above 10000	130	34.0	34.0	99.5
Not Mentioned	2	.5	.5	100.0
Total	382	100.0	100.0	

4.4 Descriptive Analysis of Variables

The following results are focused on displaying the descriptive statistics of motivation, attitude, family income, saving and consumer behavior responses to the queries in the questionnaire.

4.4.1 Analysis of Consumer Buying Behavior

The table below shows the range of the respondents answer is from strongly disagree (1) to strongly agree (5). As the mean of the result shows ($X=3.04$), the majority are neutral. Approximately, for all questions most respondents are neutral about the consumer buying behavior.

Respondents gave their response as the following questions as the mean of the respondent shown;

- I always collect information about the recently selling brands($X= 3.16$).
- I use much time and effort to buy the best quality real estate($X = 2.98$).
- I look carefully to find real restate with the best value for money($X= 3.04$).
- I always evaluate the product and proportionate price ($X= 2.98$).

Table 4.7 Descriptive Analysis of Consumer Buying Behavior

Consumer Buying Behavior	Minimum	Maximum	Mean	Standard deviation
I always collect information about the recently selling brands	1	5	3.16	1.513
I use much time and effort to buy the best quality real estate	1	5	2.98	1.457
I look carefully to find real restate with the best value for money	1	5	3.04	1.378
I always evaluate the product and proportionate price	1	5	2.98	1.393
		Total	3.04	

4.4.2 Analysis of Motivation

Table 4.8 shows the range of the respondents answer is from strongly disagree (1) to strongly agree (5). As the mean of the result shows ($X=2.98$), the majority are neutral that motivation having an effect on consumer buying behavior.

Most respondents also agreed for the following questions as the mean of the respondent shown;

- I prefer to buy real estate houses($X= 2.93$).
- Income level of consumers highly affects the purchasing decision of real estate's ($X = 3.15$)
- I tend to buy real estate houses because I want to be a member of wealthy group($X= 2.70$).
- Income level of consumers highly affects the purchasing decision of real estate's ($X= 3.5$).

Table 4.8 Analysis of Motivation

Motivation	Minimum	Maximum	Mean	Standard deviation
I prefer to buy real estate houses	1	5	2.93	1.395
Income level of consumers highly affects the purchasing decision of real estates	1	5	3.15	1.418
I tend to buy real estate houses because I want to be a member of wealthy group	1	5	2.70	1.375
Income level of consumers highly affects the purchasing decision of real estates	1	5	3.15	1.417
		Total	2.98	

4.4.3 Analysis of Attitude

The table below shows the range of the respondents answer is from strongly disagree (1) to strongly agree (5). As the mean of the result shows ($X=2.95$), the majority respondents responded that the influence of attitude on consumer buying behavior are neutral.

It can be seen from the table below that most respondent have chosen the following;

- I feel proud when I buy real estate houses($X= 2.82$).
- I feel that real estate houses are a good residence to me and my family($X = 2.94$).
- I like real estate houses($X= 3.13$).
- I think real estate houses are expensive($X= 2.91$).

Table 4.9 Analysis of Attitude

Attitude	Minimum	Maximum	Mean	Standard deviation
I feel proud when I buy real estate houses	1	5	2.82	1.414
I feel that real estate houses are a good residence to me and my family	1	5	2.94	1.428
I like real estate houses	1	5	3.13	1.458
I think real estate houses are expensive	1	5	2.91	1.442
		Total	2.95	

4.4.4 Analysis of Family Income

Table 4.10 shows the range of the respondents answer is from strongly disagree (1) to strongly agree (5). As the mean of the result shows ($X=2.97$), the majority respondents responded that family income affects consumer buying behavior neutrally.

Most respondents also agreed for the following questions as the mean of the respondent shown;

- Higher income leads me to purchase real estate($X= 2.92$).

- Family with lower income does not engage in purchasing real estate house($X = 2.79$)
- Most real estate houses are built for middle and low income level consumers ($X= 3.01$)
- Income level of consumers highly affects the purchasing decision of real-estate($X= 3.14$).

Table 4.10 Analysis of Family Income

Family Income	Minimum	Maximum	Mean	Standard deviation
Higher income leads me to purchase real estate	1	5	2.92	1.398
Family with lower income does not engage in purchasing real estate house	1	5	2.79	1.454
Most real estate houses are built for middle and low income level consumers	1	5	3.01	1.444
Income level of consumers highly affects the purchasing decision of real estates	1	5	3.14	1.415
		Total	2.97	

4.4.5 Analysis of Saving

Table 4.11 shows the range of the respondents answer is from strongly disagree (1) to strongly agree (5). As the mean of the result shows ($X=3.00$), the majority respondents responded that saving affects consumer buying behavior neutrally.

Most respondents also agreed for the following questions as the mean of the respondent shown;

- Availability of credit lets consumer to purchase real estate houses ($X= 3.01$).

- There are many banks that give out credit for real estate consumers($X = 3.02$)
- I always evaluate the product and proportionate price($X = 2.97$)
- Availability of credit lets consumer to purchase real estate houses($X = 3.01$).

Table 4.11 Analysis of Saving

Saving	Minimum	Maximum	Mean	Standard deviation
Availability of credit lets consumer to purchase real estate houses	1	5	3.01	1.432
There are many banks that give out credit for real estate consumers	1	5	3.02	1.354
I always evaluate the product and proportionate price	1	5	2.97	1.393
Availability of credit lets consumer to purchase real estate houses	1	5	3.01	1.432
		Total	3.00	

4.5 Correlation Analysis

Like the demographic factors, the scale typed questionnaire entered into the SPSS software version 22 to process correlation analysis. Based on the questionnaire which was filled, the following correlation analysis was made in accordance.

Table 4.12 Correlation between the Variables

		CB	M	A	F	S
CB	Pearson Correlation	1	.206**	.300**	.305**	.370**
	Sig. (2-tailed)		.000	.000	.000	.000
		382	382	380	382	382
M	Pearson Correlation	.206**	1	.311**	.485**	.260**
	Sig. (2-tailed)	.000		.000	.000	.000
		382	382	380	382	382

A	Pearson Correlation	.300**	.311**	1	.285**	.213**
	Sig. (2-tailed)	.000	.000		.000	.000
		380	380	380	380	380
F	Pearson Correlation	.305**	.485**	.285**	1	.286**
	Sig. (2-tailed)	.000	.000	.000		.000
		382	382	380	382	382
S	Pearson Correlation	.370**	.260**	.213**	.286**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
			382			

** . Correlation is significant at the 0.01 level (2-tailed).

Pearson correlation test was conducted to know the degree of relationship between the independent variables and the dependent variable i.e. Consumer Buying Behavior. The results of the correlation between these variables are shown above, in table 4.12. As it is indicated in the table there is significant correlation between the independent variables and the dependent variable with p value of less than 0.01 ($P < 0.01$).

4.6 Regression Analysis

Regression Analysis is used to model the value of a dependent scale variable based on its linear relationship or “straight line” relationship to one or more predictors, called independent variables. Regression is a model that presents the relationship between a dependent variable and a group of independent variables. Hence, the study employed multiple regression analysis to determine the relationship.

4.6.1 Multiple Linear Regression Model Assumptions

In order to make the data ready for analysis and to get reliable results from the research, the model stated previously was tested for five multiple linear regression model assumptions. These tests are test for heteroscedasticity, autocorrelation, multi collinearity, normality and constant variable. Accordingly, the following sub-section presents the tests result.

4.6.1.1 Linearity Test

The errors have zero mean ($E(\epsilon) = 0$) or constant variable

The primary supposition states that the middling value of the errors should be zero. As Sekeran, U. (2003) if the regression equation includes a constant term, this pre-assumption will never be violated. Therefore, since from the regression result table the constant term (i.e. β_0 or, α) was included in the regression equation; this assumption seizes fine fit for the model.

4.6.1.2 Homoscedasticity Test

Variance of the errors is constant

A sequence of random variables is homoscedasticity. If all its random variables have the same finite variance. This is also known as homogeneity of variance. The complementary notion is called heteroscedasticity. The misconception with the ambiguousness with homoscedasticity and heteroscedasticity results in unbiased but inefficient point estimates and in biased estimates of standard errors and may result in overestimating the goodness fit as measured by Pearson correlation coefficient.

Heteroscedasticity is an organized pattern in the errors where the variances of the errors are not constant. When the variance of the residuals is constant it is referred as homoscedasticity, which is desirable. To test for the absence of heteroscedasticity scatter plot test was used in this study. In this test, if the scatter plot output spot appears diffused and distributed, it can be concluded that the model doesn't occur to have heteroscedasticity problem.

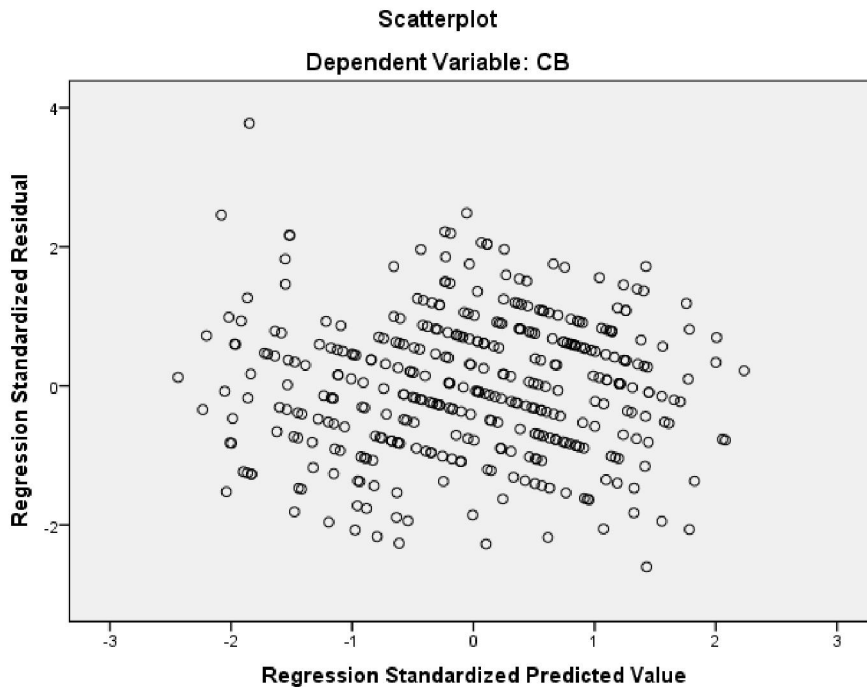


Figure: 4.1 Homoscedasticity Test

Based on the scatter plot output above, it appears that the spots are diffused and do not form a clear specific pattern. This leads to a conclusion that the regression model doesn't have heteroscedasticity problem.

4.6.1.3 Auto-Correlation

Covariance between the error terms over time is zero ($cov(u_i, u_j) = 0$)

This postulation states that covariance between the error terms over time or cross-sectional, for that type of data is zero. That is, the errors should be uncorrelated with one another. If the errors are not uncorrelated with one another it is an indicator for the presence of auto correlation or serial correlation. According to Brooks (2008), presence/absence of autocorrelation is by using the Breusch–Godfrey test.

F-statistic	2.135395	Prob. F(5,382)	0.0608
Obs*R-squared	10.71592	Prob. Chi-Square(5)	0.0573

The result of the statistic labeled “obs*R-squared”, which is the LM test statistic for the null hypothesis of no serial correlation shows a p-value of 0.0573 (which is greater than 0.05) which indicates the absence of autocorrelation.

4.6.1.4 Normality Test

A normal distribution is not skewed and is defined to have a coefficient of kurtosis 3. Jarque-Bera formalizes this by testing the residuals for normality and testing whether the coefficient of skewness and kurtosis are zero and three respectively. Normality assumption of the regression model can be tested with the Jarque- Bera measure. If the probability of JarqueBera value is greater than 0.05, it’s an indicator for the presence of normality (Brooks 2008).

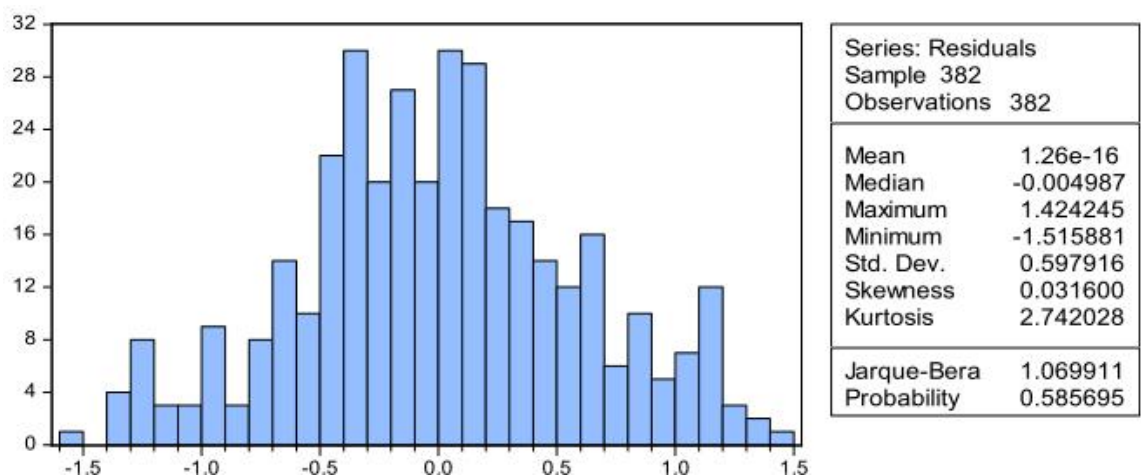


Figure 4.2: Normality Test

The normality tests for this study as shown, the kurtosis is close to 3, skewness close to 0 and the Jarque-Bera statistic has a p-value of 0.586 which is well over 0.05 implying that the data were consistent with a normal distribution assumption.

4.6.1.5 Multi-collinearity Test

According to (Churchill, 2005), multi-collinearity is concerned with the relationship which exists between explanatory variables. When there exists the problem of multi-collinearity, the amount of information about the effect of explanatory variables on

dependent variables decreases and as a result, many of the explanatory variables could be judged as not related to the dependent variables when in fact they are. Many authors have suggested different level of correlation to judge the presence of multi-collinearity. Correlation coefficient below 0.9 may not cause serious multi-collinearity problem. (Malhotra 2007) stated that multi-collinearity problem exists when the correlation coefficient among variables is greater than 0.75. This indicates that there is no consistent agreement on the level of correlation that causes multi-collinearity.

Therefore, in this study correlation matrix for four of the independent variables is shown on the correlation table. The result of the estimated correlation matrix shows that the highest correlation of 0.485 which is between family income and motivation. Since there is no correlation between 0.75 and 0.9 according to (Malhotra 2007) and (Hair, et al. 2006) respectively, it can be concluded that there is no problem of multi-collinearity in the study at all.

Table 4.13 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.462 ^a	.214	.205	.69500

a. Predictors: (Constant), M, A, F and S

The model summary is in the above table which reports the strength of relationship between the independent variables and the dependent variable. In the above table the R is a Pearson correlation between predicted values and actual values of dependent variable, with a value of 0.462. R² is multiple correlation coefficients that represent the amount of variance of dependent variable explained by the combination of four independent variables.

Table 4.14 ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
-------	----------------	----	-------------	---	------

1	Regression	49.272	4	12.318	25.501	.000 ^b
	Residual	181.137	375	.483		
	Total	230.409	379			

a. Dependent Variable: CB

b. Predictors: (Constant), M, A, F, S

The ANOVA tells us whether the model, overall, results in a significantly good degree of prediction of the outcome variable (Field, 2005). F-ratio is the test statistic used to decide whether the model as a whole has statistically significant predictive capability, considering the number of variables needed to achieve it. Since the significance result on the ANOVA table is 0.000 which is $p < 0.05$ and the regression mean square is greater than residual mean square with F value 12.318, the regression model fits to a good degree of prediction.

Table 4.15 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.265	.188		6.736	.000
M	-.010	.045	-.011	-.212	.832
A	.194	.049	.194	3.946	.000
F	.178	.055	.175	3.253	.001
S	.235	.041	.282	5.798	.000

a. Dependent Variable: CB

From the table we can say that α is 1.265, and this can be interpreted as meaning that if all the independent variables were to be zero, the model predicts that there can only be 126.5% of consumer buying behavior. We can also read off the value of β from the table and this value represents the slope of the regression line. It is -0.01 for motivation and although this value is slope of the regression associated with a unit change in the

outcome associated with a unit change in the predictor. Therefore, if motivation variable is increased by one unit, then the model predicts that 1.0% extra decrement of consumer buying behavior will be experienced, which shows motivation affects buying behavior in a negative way, inversely as from its expected. For attitude (19.4%), family income (17.8%) and saving (23.5%) for which an increase in one unit of these respective variables can result in an increase in consumer buying behavior by the percentage shown in the table above. The other thing noticed is that the significance level of motivation to explain consumer behavior is insignificant which means motivation doesn't have significant effect on consumer buying behavior.

A linear model equation formula can be derived from the above regression analysis table.

$$MP = (1.265) + (0.194) A + (0.178) F + (0.235) S + \varepsilon \text{ (Error Term)}$$

4.7 Hypothesis Testing

As it is shown in table 4.13 β values for all predictors, except motivation, were found to be positive and it implies that the positive predictors (positive independent variables) have a positive relationship with consumer buying behavior. Below the researcher has presented the evaluations of the variables hypotheses.

H1: Motivation has a negative influence on consumer buying behavior.

The result of the regression analysis which is showed in the above table shows that motivation has a negative influence on consumer buying behavior. It has statistically insignificant effect on market performance at $p > 0.05$ level as p value of the predictor in the table is 0.832. Therefore the study rejects H1.

H2: Attitude has a positive influence on consumer buying behavior.

The result of the regression analysis shows that Attitude has a positive influence on consumer buying behavior and statistically significant effect on market performance at

$p < 0.05$ level as a regression output has sig. value 0.000 which is less than 0.05. Therefore, the study fails to reject rather it accept H2.

H3: Family income has a positive influence on consumer buying behavior.

The result of the regression analysis shows that Family Income has a positive influence on consumer buying behavior and statistically significant effect on market performance at $p < 0.05$ level as a regression output has sig. value 0.01 which is less than 0.05. Therefore, the study fails to reject rather it accept H3.

H4: Saving has a positive influence on consumer buying behavior.

The result of the regression analysis shows that saving has a positive influence on consumer buying behavior and statistically significant effect on market performance at $p < 0.05$ level as a regression output has sig. value 0.000 which is less than 0.05. Therefore, the study fails to reject rather it accept H4.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the outcome of the study and provides conclusion and suggest possible solutions or recommendation in order to solve the problem. The first section of the chapter consist summarized findings and then conclusions and recommendations are given.

5.2 Summary of Major Findings

Based on the data collected, majority of the respondents were males (54.1%) and the rest of the respondents are females (45.4%) and only one person hasn't mentioned gender. Majority of the respondents are employed (41.9%) and self employed (42.1%) and only (14%) of the respondents are unemployed. Most of the respondents are adults between the ages of 26-35. In addition most of the respondents are married (38.5%) and most respondents have monthly income above 10000 followed by 1000-5000.

The first hypothesis is focused on relation between motivation and consumer behavior. Based on the data collected most of the respondents agreed that motivation has a negative influence on consumer buying behavior. It has statistically insignificant effect on market performance at $P > 0.05$ levels as P value of the prediction in the table is 0.832. As it is shown on the data most of the respondents are much more concerned about money and the quality of the real estate. Their inome level of has no effect on the purchasing descion of customers.

The second hypothesis concerned on relation between attitude and consumer behavior. The result of the regression analysis shows that Attitude has a positive influence on consumer buying behavior and statistically significant effect on market performance at $p < 0.05$ level as a regression output has sig. value 0.000 which is less than 0.05. Respondents responded that having real estate houses makes them feel proud and thinks

that they are good for them and their family. They also agreed that real estate houses are expensive.

The third hypothesis deals with the relation of family income and consumer buying behavior. The result of the regression analysis shows that family income has a positive influence on consumer buying behavior and statistically significant effect on market performance at $p < 0.05$ level as a regression output has sig. value 0.01 which is less than 0.05. Based on the data families with high income levels tends to buy real estate houses however, families with low income level do not usually purchase real estate houses.

The final hypothesis focused on the relation between saving and consumer buying behavior. The result of the regression analysis shows that saving has a positive influence on consumer buying behavior and statistically significant effect on market performance at $p < 0.05$ level as a regression output has sig. value 0.000 which is less than 0.05. As can be seen from the data, most respondents responds that credit availability and offering of credit by many banks do not influence their purchasing behavior.

5.2 Conclusion

This study has given due attention on the analysis of psychological and economic factors that affect the customer buying behaviour in the selection of real state based on the samples taken from the total population of realestate consumers in Addis Ababa. In doing so, it focused on the statistical testing of hypotheses formulated in the introductory part of the thesis. The study has identified motivation, attitude, family income and saving as basic influencing factors and examines each factor on the extent of their effect on customer buying behavior while selecting real estates. Additionally, this study has also analyzed psychological and economic variables and customer buying behavior by employing descriptive statistics. Hence, the following paragraphs present the major conclusion of the study.

In the first place, customers buying behavior is brought up to the respondents. Accordingly majority of the respondents has no concern about the selling brands and reluctant to carefully find the real estate with best value for money. Such behaviour is

contrary to the theoretical framework of the study which affirmatively state that brand and the factor of money has come first to the minds of customers while choosing real estates. On the other side the findings show that majority of respondents give much time and effort to buy a real estate with best quality and proportionate price. Coming to the motivation behind in buying real estate, the finding of the study shows that membership to the wealthy group of the community plays a psychological effect on the customers tends to buy real estate. However, contrary to the basic theoretical study undertaken in this study, the income level has no effect on the purchasing decision of customers and motivation in general has a neutral effect on the customer buying behaviour for real estates.

With regard to attitude, respondents agreed that real estate houses are expensive. However having a real estate houses are good for them and their family and they feel proud living in real estate houses. In addition to this, respondents responded that family income played a significant role in purchasing real estate. Contrary to the above finding, majority of the respondents stated that high income always lead to the purchase of real estate and family with low income do not engage in the purchasing of real estate houses. Concerning saving in customer buying behavior of real estates, respondents feel that the availability of credits and the issuance of credits by many banks doesn't influence that much in purchasing real estate.

In determining the effects of the independent variables on the dependent variable, the study has conducted a regression analysis. With this regards, the study looked at the effects of motivation, customers' attitude, family income and saving to customer buying behavior on the selection of real estates. The findings of the study shows that all considered variables had a positive significant effect on customer buying behavior except to motivation which has a negative β value. The result of the statistical test indicates that customers' attitude and saving to customer buying behavior had the greater effect on financial performance as the effect was significant at p-value of 0.000. However, Family income and motivation were having positive and negative significant effect on customer's buying behavior at p-value of 0.01 and 0.832 respectively.

5.3 Recommendation

The study has examined the effects of psychological and economic factors on customer buying behavior in real estate selection by using four variables and reached at the above conclusions. Based on the findings, the study has forwarded certain recommendations. The recommendations addressed here, therefore, present options for empirical implications and practical interventions by real estate buyers in Ethiopia to improve their selection procedure. Hence, based on the study findings, the following major recommendations are forwarded.

- ❖ In the study, it was pointed out that customers ignore the brand of the real estate they are purchasing and reluctant in carefully finding real estate sellers that best value their money. From the theoretical and empirical perspective, these have an impact in the satisfaction of the buyers and determine the quality of the real estate buyers' purchase. Hence, customers should give a due attention the brand the real estate seller and their money value on the real estate they are purchasing.
- ❖ Despite motivation plays a negative influence on customer buying behaviors, there are times that are shown in empirical researches which plays a reverse role in the behavior and mislead customers by letting them make an emotional decision in the purchase of real estate. Moreover, some literatures suggest that, associating real estate with wealth has a misleading effect on customers and let most customers in high mortgage for the conceivable future. Hence, consumers should make sure that their decision is solely based facts and should not associate the purchase of real estate as an expression of wealth in our country context.
- ❖ One of the staggering findings in this study is the value of income in purchasing decision of customers. Most economists in different literatures and their empirical findings stated that the income level always determines the demand of any product and the purchasing power of customers. Hence, customers should channel their attitude towards such economic principles and always consider their income level in the process of acquiring a real estate.
- ❖ The role of banks and the credits they issue has always played a significant role in real estate customers acquiring real estate. However the findings in this study

shows that customers do not believe the availability of credits and bank issuance of credits for purchasing real estate has no significant role customers buying behavior. Many literatures written in these issue states that the availability of money on the hands of the purchaser always tempt him to make the first move in purchasing the real estate. Hence, customers should not undermine the availability of credits in their process of purchase and should use such credit wisely in their purchase.

- ❖ Finally, there is an attitude from respondents that families with low income do not engage in the purchase of real estate. However, different empirical research showed that families with low income are very conscious with saving and they have high tendency of purchasing real estate in the long term. Therefore, customers should change this attitude and make an appropriate savings to purchase real estate. Moreover, real estate sellers should also provide packages that are more appropriate for low income families and facilitate the purchasing process just like the high income buyers.

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**APPENDIX
SPSS OUTPUT**

Reliability Statistics

Cronbach's Alpha	N of Items
.710	20

Statistics

		Gender	Age	Education Level	Monthly Income	Employment Status	Marital Status
N	Valid	381	382	382	382	382	382
	Missing	1	0	0	0	0	0

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	206	53.9	54.1	54.1
	Female	173	45.3	45.4	99.5
	3	1	.3	.3	99.7
	4	1	.3	.3	100.0
	Total	381	99.7	100.0	
Missing	System	1	.3		
Total		382	100.0		

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	93	24.3	24.3	24.3
	26-35	135	35.3	35.3	59.7
	36-45	72	18.8	18.8	78.5
	Above 45	82	21.5	21.5	100.0
	Total	382	100.0	100.0	

Education Level

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid High School	114	29.8	29.8	29.8
Diploma	149	39.0	39.0	68.8
Degree	117	30.6	30.6	99.5
4	2	.5	.5	100.0
Total	382	100.0	100.0	

Monthly Income

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid <1000	79	20.7	20.7	20.7
1000-5000	111	29.1	29.1	49.7
5000-10000	60	15.7	15.7	65.4
Above 10000	130	34.0	34.0	99.5
5	2	.5	.5	100.0
Total	382	100.0	100.0	

Employment Status

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Employed	160	41.9	41.9	41.9
Unemployed	53	13.9	13.9	55.8
Self Employed	161	42.1	42.1	97.9
4	7	1.8	1.8	99.7
5	1	.3	.3	100.0
Total	382	100.0	100.0	

Marital Status

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Single	130	34.0	34.0	34.0

Married	147	38.5	38.5	72.5
Separated	100	26.2	26.2	98.7
4	4	1.0	1.0	99.7
33	1	.3	.3	100.0
Total	382	100.0	100.0	

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Gender	381	1	4	1.47	.520
Age	382	1	4	2.37	1.074
Education Level	382	1	4	2.02	.792
Monthly Income	382	1	5	2.65	1.165
Employment Status	382	1	5	2.05	.968
Marital Status	382	1	33	2.02	1.780
I always collect information about the recently selling brands	382	1	14	3.16	1.513
I use much time and effort to buy the best quality real estate	382	1	5	2.98	1.457
I look carefully to find real estate with the best value for money	382	1	5	3.04	1.378
I always evaluate the product and proportionate price	382	1	5	2.98	1.393
I prefer to buy real estate houses	382	1	5	2.93	1.395

Income level of consumers highly affects the purchasing decision of real estates	382	1	5	3.15	1.418
I tend to buy real estate houses because I want to be a member of wealthy group	382	1	5	2.70	1.375
Income level of consumers highly affects the purchasing decision of real estates	382	1	5	3.15	1.417
I feel proud when I buy real estate houses	382	1	5	2.82	1.414
I feel that real estate houses are a good residence to me and my family	380	1	5	2.94	1.428
I like real estate houses	382	1	5	3.13	1.458
I think real estate houses are expensive	382	1	5	2.91	1.442
Higher income leads me to purchase real estate	382	1	5	2.92	1.398
Family with lower income does not engage in purchasing real estate house	382	1	5	2.79	1.454
Most real estate houses are built for middle and low income level consumers	382	1	5	3.01	1.444

Income level of consumers highly affects the purchasing decision of real estates	382	1	5	3.14	1.415
Availability of credit lets consumer to purchase real estate houses	382	1	5	3.01	1.432
There are many banks that give out credit for real estate consumers	382	1	5	3.02	1.354
I always evaluate the product and proportionate price	382	1	5	2.98	1.393
Availability of credit lets consumer to purchase real estate houses	382	1	5	3.01	1.432
Valid N (list wise)	379				

Descriptive Statistics

	Mean	Std. Deviation	N
CB	3.0432	.77766	382
M	2.9817	.92819	382
A	2.9487	.77901	380
F	2.9666	.76571	382
S	3.0059	.93162	382

Correlations

		CB	M	A	F	S
CB	Pearson Correlation	1	.206**	.300**	.305**	.370**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	382	382	380	382	382

M	Pearson Correlation	.206**	1	.311**	.485**	.260**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	382	382	380	382	382
A	Pearson Correlation	.300**	.311**	1	.285**	.213**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	380	380	380	380	380
F	Pearson Correlation	.305**	.485**	.285**	1	.286**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	382	382	380	382	382
S	Pearson Correlation	.370**	.260**	.213**	.286**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	382	382	380	382	382

** . Correlation is significant at the 0.01 level (2-tailed).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.462 ^a	.214	.205	.69500

a. Predictors: (Constant), S, A, F, M

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	49.272	4	12.318	25.501	.000 ^b
	Residual	181.137	375	.483		
	Total	230.409	379			

a. Dependent Variable: CB

b. Predictors: (Constant), S, A, F, M

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.265	.188		6.736	.000
	M	-.010	.045	-.011	-.212	.832
	A	.194	.049	.194	3.946	.000
	F	.178	.055	.175	3.253	.001
	S	.235	.041	.282	5.798	.000

a. Dependent Variable: CB

ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE

Questionnaires on the psychological and economic factors influencing consumer buying behavior in the selection of real estate in Addis Ababa.

I am a Masters Student at the institute of Marketing Management, School of Commerce, Addis Ababa University. The purpose of this questionnaire is to collect information on the factors influencing consumer buying behavior in the selection of real estate in Addis Ababa. You have been selected to participate in this study. The information given here will be confidential and will only be used for the purpose of this study.

The questions below are respondent profile. Please **tick** (✓) your answer for the following questions.

Part 1: Customer Profile

1. **Gender**

A. Male

B. female

2. **Age**

A. 18-25 B. 26-35 C. 36-45 Above 45

3. **Education Level**

A. High school B. Diploma C. Degree

4. **Monthly Income**

A. <1000 B. 1000-5000

C. 5000-10000 D. Above 10000

5. **Employment Status**

A. Employed B. Unemployed C. Self-employed

6. Marital Status

A. Single B. Married C. Separated

Part 2: Questionnaire

The questions written below measure your degree of agreement based on the statements. Please encircle the number that represents your opinion the best. (Strongly disagree=1, Disagree= 2, Neutral=3, Agree= 4, strongly agree=5).

No.		S D	D	N	A	S A
1.	I always collect information about the recently selling brands.	1	2	3	4	5
2.	I use much time and effort to buy the best quality real estate.	1	2	3	4	5
3	I look carefully to find real estate with the best value for money.	1	2	3	4	5
4	I always evaluate the product and proportionate price.	1	2	3	4	5
5.	I prefer to buy real estate houses.	1	2	3	4	5
6.	Real estate houses bring me peace of heart and soul.	1	2	3	4	5
7.	I tend to buy real estate houses because I want to be a member of wealthy group.	1	2	3	4	5
8.	Real estate houses can bring me good fortune.	1	2	3	4	5
9.	I feel proud when I buy real estate houses.	1	2	3	4	5
10.	I feel that real estate houses are a good residence to me and my family.	1	2	3	4	5
11.	I like real estate houses.	1	2	3	4	5
12.	I think real estate houses are expensive.	1	2	3	4	5
13.	Higher income leads me to purchase real	1	2	3	4	5

	estate.					
14.	Family with lower income does not engage in purchasing real estate house.	1	2	3	4	5
15.	Most real estate houses are built for middle and low income level consumers.	1	2	3	4	5
16.	Income level of consumers highly affects the purchasing decision of real estates.	1	2	3	4	5
17.	Availability of credit lets consumer to purchase real estate houses.	1	2	3	4	5
18.	There are many banks that give out credit for real estate consumers.	1	2	3	4	5
19.	I prefer to buy real estate houses with my own savings.	1	2	3	4	5
20.	I do not consider credit availability as an important attributes to influence buying behavior in purchasing real estate.	1	2	3	4	5

Thank You for your time !

የአዲስ አበባ ዩኒቨርሲቲ

የንድስራ ትምህርት ቤት

በአዲስ አበባ በሚኖሩ በመጠነ ሰፊ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶችን ለመዘዛት በሚያመርጡ የቤት ገዢዎች ላይ ያሉ ስነ-ልቦናዊ ተፅዕኖዎች እና የገዢዎች ለውጦችን ለመከተል የተዘጋጀ መዋዕል ነው።

እኔ በአዲስ አበባ ዩኒቨርሲቲ፣ በንግድ ስራ ትምህርት ክፍል፣ የሚከተሉትን ሜጅማት የደህረ ምረቃ ፕሮግራም ተመሪ ነኝ። የዚህ መዋዕል አላማ በአዲስ አበባ በሚኖሩ በመጠነ ሰፊ የቤት ፕሮጀክቶች የተሰሩ የቤቶችን ለመዘዛት በሚያመርጡ የቤት ገዢዎች ላይ ያሉ ስነ-ልቦናዊ ተፅዕኖዎች እና የገዢዎች ለውጦችን ለመከተል ለመረጃ ግብዓት ስራ ስምን እርሶም የምልከታ ምላሾችን እንዲሰጡ ተመክቼዋል። ለግብዓት ስራ ስራ ስም ለጥናቱ ብቻ እንደሚሆን ለመግለፅ እወዳለሁ።

ከዚህ በታች ያሉት ጥያቄዎች ለምሳሌ ስጦታ ስጦታ ስጦታ እባክዎን የራዎት (✓) ምልክት በተቀመጠው አራት ስጦታ ውስጥ በመከተል የሚሰጡ ምልክቶችን ያደርጉ።

ክፍል 1: ስለ ምላሽ ስጦታ

1. ያታ
ሀ. ወንድ
ለ. ሴት
2. እድሜ
ሀ. 18-25 ለ. 26-35 ሐ. 36-45 መ. ከ 45 በላይ
3. የትምህርት ደረጃ
ሀ. ሁለተኛ ደረጃ ለ. ም. ሐ. ዲግሪ
4. የወር ገቢ
ሀ. <1,000 ለ. 1,000-5,000
ሐ. 5,000-10,000 መ. ከ 10,000 በላይ
5. የቅጥር ሁኔታ

ሀ. ተቀጣሪሊ. ኮጠረ/ችሐየግል ስራ

6. የጋብቻ ሁኔታ

ሀ. ያላገባ/ችሊ. ር. የተ

ክፍል 2: መጠይቅ

ከዚህ በታች ያለት ጥያቄዎች በተሰጠቱ ሃሳብ ላይ ያለትን የመቆላላት ወይም ያለመቆላላት መዘን የሚከታተል ሲሆን ሃሳቡን አገልግሎት ያሳይልኛል ማለትን ቁጥር በመክበብ ምላሽ ይስጡ። (በፍጹም አልሰማኝም=1, አልሰማኝም=2, ገለልተኛ=3, እሰማኝም=4 እና በጣም እሰማኝም=5).

ተቁ.		በአ	አ	ገ	እ	በእ
1.	አዘወትራ በቅርብ ጊዜ ወስጥ በጭቆና እየሸጡ ስላሉ የቤት ሻጭድርጅቶችን መረጃ እስበስባለው።	1	2	3	4	5
2.	ሰፊ ያለ ጊዜ በመሰጠት በጣም ጥሩ የተባለን በመሆኑ ስራ የቤት ግንባታዎች የተገነባ የመኖሪያ ቤት ለመዘገት እጥረለሁ።	1	2	3	4	5
3.	በመሆኑ ስራ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶች ወስጥጥሩ ዋጋ ያለውን ቤት ለማግኘት በጥጥኝ እፈልጋለሁ።	1	2	3	4	5
4.	ለአቅርቦቱ ተገቢው ዋጋ መቅረብን ሀል ጊዜ አጠፍለሁ።	1	2	3	4	5
5.	በመሆኑ ስራ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶች ምርጫ ናቸው።	1	2	3	4	5
6.	በመሆኑ ስራ የቤት ግንባታዎች የተገነባ የመኖሪያ ቤት የልብ እና የነፍስ ሰላም ይሰጣቸዋል።	1	2	3	4	5

7.	በመካከል ሰፊ የቤት ግንባታዎች የተገነባ የመኖሪያ ቤትን የምዛወካ-ብታዎች ተርታለመደብነው።	1	2	3	4	5
8.	በመካከል ሰፊ የቤት ግንባታዎች የተገነባ የመኖሪያ ቤት ጥሩ የሃብት ምንጭላሆኑ ይችላሉ።	1	2	3	4	5
9.	በመካከል ሰፊ የቤት ግንባታዎች የተገነባን የመኖሪያ ቤት ስገዛ ከራት ይሰጣል።	1	2	3	4	5
10.	በመካከል ሰፊ የቤት ግንባታዎች የተገነባ የመኖሪያ ቤት ለኔም ለቤተሰብም ጥሩ ሚሬያ እንደሆነ ይሰጣል።	1	2	3	4	5
11.	በመካከል ሰፊ የቤት ግንባታዎች የተገነባ የመኖሪያ ቤት እወዳለው።	1	2	3	4	5
12.	በመካከል ሰፊ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶች ወድናቸውብዬ አስባለው።	1	2	3	4	5
13.	ከፍተኛ ገበያ-በመካከል ሰፊ የቤት ግንባታዎች የተገነባን የመኖሪያ ቤት እንደገዛ አስችላኛል።	1	2	3	4	5
14.	አነስተኛ ገቢ ያላቸው የመሀበረሰብ ክፍሎች በመካከል ሰፊ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶች ለመገዛት ሲንቀሳቀሱ አይታዩም።	1	2	3	4	5
15.	በመካከል ሰፊ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶች በአብዛኛው ተደራሽነታቸው ለመከላከል እና ለአበስተኛ ገቢ ላላቸው የቤት ፈላጊዎች ነው።	1	2	3	4	5
16.	የገንጠው የገቢ ደረጃ በመካከል ሰፊ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶች ለመገዛት በሚደርገው ወሳኔ ላይ ከፍተኛ ጫ አለው።	1	2	3	4	5

17.	በመዋህበራዊ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶች ግዢ ላይ የሚከተሉትን ገንዘብ ለመግዛት ያስችላል።	1	2	3	4	5
18.	በመዋህበራዊ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶች ለመግዛት ለሚፈልጉ ብዙ ባንኮች ብድርን ያመቻቻሉ።	1	2	3	4	5
19.	በመዋህበራዊ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶችን በራሴቆጥቤ መግዛትን እመርጣለሁ።	1	2	3	4	5
20.	በመዋህበራዊ የቤት ግንባታዎች የተገነቡ የመኖሪያ ቤቶችን ለመግዛት የሚከተሉትን ብድሮች በቤት ፈላጊው የመግዛት ፍላጎት ላይ ግፊት የሚደርግባቸውን የግዢ አመለካከት ላይ ለወጥን ያመጣል ብዬ አላስብም።	1	2	3	4	5

ግዜ ሰጥተው ስለመለሱልኝ አመሰግናለሁ !