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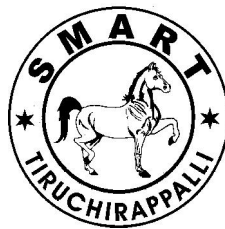
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CUSTOMER PREFERENCE AND LEVEL OF SATISFACTION TOWARDS HOUSING FLATS PROMOTED AND SOLD BY TAMILNADU HOUSING BOARD

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Abstract

Housing is the primary unit of human habitation. Tamil Nadu Housing Board (TNHB) is constructing and selling different types of houses applicable to low income, middle income and higher income groups. TNHB is a business institution and people who buy these houses are to be viewed as customers. An attempt is made in this paper to study how TNHB is able to satisfy their customers. A study was conducted with the help of interview schedule administered to 200 customers who have purchased TNHB housing flats. The results of the study reveal the preference and satisfaction level of customers. Suitable recommendations are made in this regard.

1. Introduction

Housing is the primary unit of human habitation. The house is built for protection against wind and weather and to give insurance against physical insecurity of all kinds. In general, it can be stated that the housing has potential opportunities to a great extent in promoting human welfare, social life, economic growth, and health of community and various other related aspects of human life.

Due to population explosion and migrating of people from rural to urban areas, the need for housing in the cities has been enhanced. The available options of the people are to construct or buy a house or hire a house. Buying house according to people's satisfaction is a difficult task. Constructing a house involves too many difficulties. Hence the emergence of flat system to satisfy the maximum needs of the consumers. Though there are individual houses located in key areas, Tamil Nadu Housing Board flats are spread over all parts of city, and they are better

organized than private flat promoters. This may be due to the availability of variety of models and design with maintenance of better quality or cost when compared to private flats.

2. Statement of the Problem

Housing is an essential component of our security, convenience, status and so on. Tamil Nadu Housing Board is constructing and selling different types of houses applicable to low income, middle income and higher income groups. In this context, Tamil Nadu Housing Board has to be viewed as a business institution and the people who buy these houses are to be viewed as customers. Therefore it becomes important to know how Tamil Nadu Housing Board is able to satisfy their customers. This becomes so necessary due to the existence of private house promoters who are also doing well in this field. Thus, it has become relevant to know the customer awareness, preference and satisfaction towards the houses promoted and sold by TNHB.

3. Objectives of the Study

The following are the broad objectives of the study

1. To study the customers' awareness about various types of housing flats promoted by TNHB.
2. To study the customer preference for different types of housing flats promoted for public use.
3. To study the customers' satisfaction towards the use of housing flats purchased by them.

4. Statistical Hypotheses

1. Age of the respondents has no significant influence over the study factors.
2. Family size of the respondents has no significance over the study factors.
3. Educational level of the respondents has no significant influence over the study factors.
4. Occupational status of the respondents has no significant influence over the study factors.
5. Family income of the respondents has no significant influence over the study factors.

5. Methodology of the Study

The study is confined to Coimbatore City. The study has used only primary data. The data were collected from 200 customers by using interview schedule method that contains 37 questions covering personal and study information. Simple random sampling method was administered in the selection of customers.

6. Analysis

The data collected from the customers were systematically processed and presented under various headings.

6.1. Awareness and Practice

- ✓ Majority of respondents belong to the age group of 45 to 55 years and they are qualified

with postgraduate level of education, belonging to employed category with family monthly income of Rs.5,000/- to 10,000/- and their family size is four

- ✓ Among the sources of awareness like advertisement, friends and relatives and house mela, majority of respondents are aware of housing (flats) through advertisement.
- ✓ Among the various media of advertisements, majority (41%) of other respondents are aware of housing (flats) through newspaper magazines and posters and banners and another (41%) are aware through newspapers and magazines and notices and leaflets.
- ✓ Among various periods like 5 years, 6 to 10 years, 11 to 15 years, and 16 to 20 years during which the houses were allotted, 52% of respondents have got their house allotment 5 years back.
- ✓ Among various types of houses like individual house, twin house, apartment type, majority of respondents have preferred the individual house.
- ✓ Among the types of apartment house like single bed room houses, two bed room houses, three bed room houses, majority of respondents have preferred two bed room house.
- ✓ Among various methods of allotment like lot system, government quota, first come first served allotment basis, house mela scheme etc, majority of the respondents got their allotment through lot system.

6.2. Satisfaction

The chi-square analysis was used to test whether one factor has significant influence over the other. For this purpose, the factors considered in the study are classified into two groups.

Factors in each group are compared with the factors in the other group and chi-square

test was applied and the results are given in the **Table-1 to Table -5**.

- ✓ It is understood from the **Table -1** that the hypothesis is rejected (significant) in two cases, namely, satisfaction over quality of flats and satisfaction over location. Hence it is concluded that the age of respondents have significant influence over satisfaction over the quality of flats and location whereas in other cases, age has no significant influence.
- ✓ It is understood from the **Table-2** that the hypothesis is rejected (significant) in three cases, namely, media of advertisements, type of house, and satisfaction over quality of flats. Hence it is concluded that the size of the family of respondents has significant influence over media of advertisements, types of house, and satisfaction over quality of flats over other factors and hence the hypothesis is sustained.
- ✓ It is understood from the **Table-3** that the hypothesis is rejected (significant) in four cases, namely, media of advertisements, types of flats, satisfaction over quality of flats and satisfaction over location. Hence it is concluded that the educational level of the respondents have significant influence over media of advertisements, types of flats, satisfaction over quality of flats and satisfaction over location.
- ✓ It is understood from the **Table-4** that the hypothesis is rejected (significant) in three cases namely, media of advertisements, type of flats, and satisfaction over quality of flats. Hence it is concluded that the occupational status of respondents have significant influence over media of advertisements, type of flats, and satisfaction over quality of flats.
- ✓ It is understood from the **Table-5** that the hypothesis is rejected (significant) in six cases namely, media of advertisement, type

of flats, types of house, mode of payment, satisfaction over quality of flats and satisfaction over location. Hence it is concluded that the family income of respondents have significant influence over media of advertisements, types of flats, type of house, satisfaction over quality of flats and satisfaction over location.

6.3. Opinion

The 5 point scaling technique similar to Likert is used in this study mainly to convert the qualitative information into quantitative information. Based on the consolidated opinion of respondents, the average score is calculated and expressed in percentages to know the level of opinion of respondents on the various issues. The results are provided in the Table No.6 to Table No.10

- ✓ It is understood from the **Table-6** that regarding age and opinion factors with respect to price and design, respondents have opined that the housing price of flats is high and design is good. Respondents in the age group of 25 to 35 years are very much satisfied with respect to quality.
- ✓ It is understood from the **Table-7** that regarding size of the family and opinion factors with respect to price, respondents with family size of three have opined that the housing price of flats is high and design is good
- ✓ It is understood from **Table-8** that regarding educational level and opinion factors with respect to quality, respondents with informal education are very much satisfied with quality and regarding location, respondents with school level qualification, have opined that they are fairly satisfied.
- ✓ It is known from the **Table-9** that regarding occupational status and opinion factors with respect to price and design, agriculturists

have opined that the housing price of flats is high and design is good

- ✓ It is understood from the **Table-10** that regarding family monthly income and opinion factors with respect to quality and location, respondents belonging to income group of below Rs 5,000 have opined that they are very much satisfied with quality and fairly satisfied with location.

6.4. Priority

In order to ascertain the priority of the different categories of respondents on various issues, the respondents were asked to rank the factors. Based on the consolidated opinion of respondents, the average rank is calculated and the final rank is fixed, based on the criteria “lesser the average rank, more is the priority”. The results are provided in the Table No.11 to Table No.15

- ✓ It is known from the **Table-11** that respondents in the age group of 25 to 35 and above 50 years have given first rank to “price” and respondents in the age group of 35 to 45 and 45 to 55 years have given first rank to “terms of payments”.
- ✓ It is known from the **Table-12** that respondents with the family size of 3 and 4 members have given first rank to “price” and respondents with the family size of upto 2 and above 4 members have given first rank to “terms of payments”.
- ✓ It is known from the **Table-13** that respondents with school level education have given first rank to “price” and respondents with other educational qualifications have given first rank to “terms of payments”.
- ✓ It is known from the **Table-14** that respondents belonging to agriculture, professional and employed category have given first rank to “price” and respondents belonging to business have given first rank to “terms of payments”.

- ✓ It is known from the **Table-15** that respondents with monthly income below Rs 5,000 and Rs 5,000 to Rs 10,000 have given first rank to “price” and respondents with monthly income of Rs 10,000 to Rs 15,000, Rs 15,000 to Rs 20,000 and Rs 20,000 and above have given first rank to “terms of payments”.

7. Recommendations

On the basis of results of the study, the following recommendations are made.

7.1. Developing Individual House : The study has revealed that the customer preference is more for individual type of house rather than apartment type of house. Hence it is recommended to Tamil Nadu Housing Board to design and develop individual type of house so as to attract more customers. This suggestion is also on the basis of the fact that the private house promoters are now a days going for individual type of house to attract more customers.

7.2. Innovating the Design and Model : The study also revealed that customers are not fully satisfied with the design, model and type of construction of houses promoted by TNHB. In this context, it is recommend to the TNHB to go for latest models and design not only to attract new customers but also to retain the old customers. This suggestion is more useful from the point of view of product development rather than from the managerial development.

7.3. Ensuring Quality : It is also understood from the study that majority of respondents have expressed dissatisfaction towards the quality of housing flats promoted by TNHB. It is a serious complaint which will lead not only to customer dissatisfaction but also product failure for TNHB in future. Hence it is recommended to TNHB to concentrate on the quality aspect also. This recommendation is made not only on the basis of views of customers but also due to the existence of large private competitors in this field.

7.4. Revision of Prices : The study also reveals the customers' opinion about the price of housing flats and interest rate on the loan amount. Customers feel that the price of housing flats is high. On this basis, it is recommended to TNHB to take adequate steps to go for suitable downward revision of prices.

8. Conclusion

Housing is an important element in the common life of people. It was viewed as a security activity in the beginning but later on, it has become an activity of convenience and status. Tamil Nadu Housing Board promotes different types of houses for different income groups of people. Gone are the days when people talked about security and low cost but today people are more concerned with the quality aspect. This may be due to the reason that there are more private promoters who are showing better performance by means of providing not only attractive houses but also quality houses for customers. Time has come that TNHB has to necessarily change its strategy

right from the planning and designing the model to constructing housing to suit their customers. TNHB has to design model in such a way that it is not only upto date and fashionable but also a quality house. If the quality is not ensured, people may go for private promoters and TNHB has to lose its business currently and lose the market for ever. Thus the success of business depends more on customers' satisfaction than on selling houses to large consumers.

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Table - 1
Chi-Square Analysis – Age and Study Factors

Study factors	Chi-Square value	Table Value	S/NS
Awareness about housing flats	12.377	12.592	NS
Media of advertisements	7.415	12.592	NS
Type of flats	4.225	12.592	NS
Type of house	1.096	12.592	NS
Satisfaction over quality of flats	20.513	12.592	NS
Satisfied over location	20.180	16.919	S

S-Significant

NS – Not Significant

Source: Primary Data

Table - 2
Chi-Square Analysis – Size of Family and Study Factors

Study factors	Chi-Square value	Table Value	S/NS
Awareness about housing flats	8.270	12.592	NS
Media of advertisements	16.740	12.592	S
Type of flats	10.482	12.592	NS
Type of house	24.780	12.592	S
Satisfaction over quality of flats	24.830	12.592	S
Satisfied over location	9.753	16.919	NS

S-Significant

NS – Not Significant

Source : Primary data

Table - 3
Chi-Square Analysis – Educational Level and Study Factors

Study factors	Chi-Square value	Table Value	S/NS
Awareness about housing flats	5.5201	15.507	NS
Media of advertisements	38.590	15.507	S
Type of flats	16.082	15.507	S
Type of house	15.040	15.507	NS
Satisfaction over quality of flats	32.050	15.507	S
Satisfied over location	31.495	21.026	NS

S-Significant

NS – Not Significant

Source : Primary data

Table - 4
Chi-Square Analysis – Occupational Status and Study Factors

Study factors	Chi-Square value	Table Value	S/NS
Awareness about housing flats	8.893	15.507	NS
Media of advertisements	19.480	15.507	S
Type of flats	28.522	15.507	S
Type of house	14.652	15.507	NS
Satisfaction over quality of flats	18.060	15.507	S
Satisfied over location	19.084	21.026	NS

S-Significant

NS – Not Significant

Source : Primary data

Table - 5
Chi-Square Analysis – Family Income and Study Factors

Study factors	Chi-Square value	Table Value	S/NS
Awareness about housing flats	5.086	15.507	NS
Media of advertisements	18.310	15.507	S
Type of flats	17.471	15.507	S
Type of house	51.680	15.507	S
Satisfaction over quality of flats	31.700	15.507	S
Satisfied over location	28.720	21.026	S

S-Significant

NS – Not Significant

Source : Primary data

Table - 6
Weighted Average Score Analysis – Age Group of the Respondents and Opinion Factors

Opinion factors	Age	25 to 35 yrs	35 to 45 yrs	45 to 55 yrs	55 yrs and above
Opinion about price (5 point scale)		71.40	68.60	67.20	70.80
Opinion about Design (5 point scale)		68.40	68.20	63.20	64.40
Extent of satisfaction with respect of quality (4 point scale)		88.00	73.00	76.00	76.75
Level of Satisfaction (4 point scale) with respect to location		56.75	62.00	59.00	61.75

Source : Primary Data

Table - 7
Weighted Average Score Analysis – Size of Family of the Respondents and Opinion Factors

Opinion factors	Size of the family	Up to 2	3	4	4 and above
Opinion and price		63.20	74.60	68.50	70.80
Opinion and design		53.40	69.20	68.20	68.20
Extent of satisfaction with respect of quality		68.75	80.00	79.25	73.75
Level of satisfaction with respect to location		56.25	60.75	61.25	71.25

Source : Primary Data

Table - 8
Weighted Average Score Analysis – Educational Level of the Respondents and Opinion Factors

Educational Level Opinion factors	Informal education	School Level	Degree/ Diploma	Post graduate	Professional qualification
Opinion about price	70.00	73.00	69.00	68.80	67.00
Opinion about Design	63.40	64.80	70.00	67.40	70.00
Extent of satisfaction with respect of quality	91.75	72.75	61.40	79.50	90.75
Level of Satisfaction with respect to location	50.00	68.00	61.75	53.25	60.75

Source : Primary data

Table - 9
Weighted Average Score Analysis – Occupational Status of the Respondents and Opinion Factors

Opinion factors	Occupational Status	Agriculture	Business	Professional / Employed
Opinion about price		73.00	65.40	71.20
Opinion about Design		71.00	60.00	70.20
Extent of satisfaction with respect of quality		87.50	79.75	77.00
Level of Satisfaction with respect to location		70.50	57.75	57.50

Source : Primary data

Table - 10
Weighted Average Score Analysis – Family Monthly Income of the Respondents and Opinion Factors

Opinion factors	Family Monthly income	Below Rs. 5,000	Rs. 5000 to 10,000	Rs. 10,000 to 15,000	Rs. 15,000 to 20,000	Rs. 20,000 and Above
	Opinion about price		72.00	73.60	68.60	68.40
Opinion about Design		65.00	65.80	69.20	70.00	73.40
Extent of satisfaction with respect of quality		90.75	73.75	79.75	76.75	83.25
Level of Satisfaction with respect of location		70.25	61.00	58.50	58.00	62.50

Source : Primary data

Table - 11
Average Rank – Age and Opinion Factors

Opinion Factors	25 to 35 years		35 to 40 years		45 to 55 years		Above 50 years	
	A.R	Rank	A.R	Rank	A.R	Rank	A.R	Rank
Price	1.96	1	1.88	2	1.93	2	1.86	1
Quality	2.76	3	3.49	3	3.87	4	3.60	4
Type of sellers	3.80	4	3.78	4	3.92	5	4.10	5
Terms of payment	2.15	2	1.73	1	1.60	1	2.05	2
Advance payment	4.19	5	4.11	5	3.68	3	3.36	3

Source : Primary data A.R:Average rank F.R:Final rank

Table - 12
Average Rank – Size of Family and Opinion Factors

Opinion Factors	Upto 2		3		4		4 and above	
	A.R	F.R	A.R	F.R	A.R	F.R	A.R	F.R
Price	1.83	2	2.03	1	1.84	1	2	2
Quality	3.17	3	2.98	3	3.66	3	3.34	3
Type of sellers	4.67	5	3.88	4	3.89	5	4.02	5
Terms of payment	1.67	1	2.03	1	1.90	2	1.64	1
Advance payment	3.67	4	4.10	5	3.70	4	4.00	4

Source : Primary data A.R:Average rank F.R:Final rank

Table - 13
Average Rank – Educational Level and Opinion Factors

Opinion Factors	Informal Education		School level		Degree / Diploma level		Post graduate		Professional Qualification	
	A.R	F.R	A.R	F.R	A.R	F.R	A.R	F.R	A.R	F.R
Price	2.00	2	1.79	1	1.95	2	2.03	2	1.75	1
Quality	4.16	5	3.63	4	3.43	3	3.39	3	2.95	3
Type of sellers	4.50	4	4.13	5	3.68	4	3.98	4	3.60	4
Terms of payment	1.00	1	1.83	2	1.91	1	1.80	1	2.25	2
Advance payment	3.33	3	3.60	3	4.04	5	4.42	5	4.45	5

Source : Primary data A.R:Average rank F.R:Final rank

Table - 14
Average Rank – Occupational Level and Opinion Factors

Opinion Factors	Agriculture		Business		Professional		Employed	
	A.R	F.R	A.R	F.R	A.R	F.R	A.R	F.R
Price	1.90	1	1.85	2	1.83	1	1.76	1
Quality	3.60	4	3.59	3	3.47	3	3.50	3
Type of sellers	4.50	5	3.63	4	3.77	4	4.06	5
Terms of payment	2.10	2	1.74	1	1.87	2	1.93	2
Advance payment	3.00	3	4.13	5	4.07	5	3.83	4

Source : Primary data A.R:Average rank F.R:Final rank

Table - 15
Average Rank –Family Monthly Income and Opinion Factors

Opinion Factors	Below Rs. 5000		Rs. 5000 to 10000		Rs. 10000 to Rs. 15000		Rs.15000 to 20000		Rs. 20000 & above	
	A.R	F.R	A.R	F.R	A.R	F.R	A.R	F.R	A.R	F.R
Price	1.58	1	1.71	1	1.95	2	2.28	2	2.04	2
Quality	3.42	3	3.32	3	3.39	3	3.65	4	3.33	3
Type of sellers	4.13	5	4.32	5	4.09	5	3.35	3	3.50	4
Terms of payment	2.33	2	2.29	2	1.82	1	1.48	1	1.71	1
Advance payment	3.54	4	3.51	4	3.71	4	4.25	5	4.42	5

Source : Primary data A.R:Average rank F.R:Final rank