

-LIFESTYLE AND HOUSING PREFERENCE: MONITORING LOCAL HOUSING MARKETS

Recent trends in the market place call into question the traditional views of housing market segments. This paper addresses this general question by examining the home-purchasing behavior of a sample of recent home buyers or active searchers in a medium-sized city in the Southeast. The results indicate that changing market characteristics and individual habits may be producing new alignments of traditionally accepted market segments that may vary from place to place. Developers interested in tailoring marketing strategies to well defined segments need to invest in research to pinpoint segments in each market where investments are to be made.

LIFESTYLE AND HOUSING PREFERENCE: MONITORING LOCAL AMERICA HOUSING MARKETS

The real estate industry in the United States is currently in a state of flux. Inflation, economic uncertainty, and rapidly changing interest rates have all contributed to customer indecisiveness and resistance to real estate purchases (3, 6, 13, 14). As a consequence, developers and builders in the U.S. have opted to increase density and reduce house size to make home ownership a viable option for greater numbers of people (12, 13). These changes suggest that there may also be a change in the traditional goal of home ownership in the U.S. and an acceptance of attached homes or condominiums as a long term housing option. Changes such as these suggest that additional new research is necessary in order to help insure the success of new housing ventures. This paper begins to examine these changes by examining the behavior of a sample of individuals who are recent home buyers or who are actively searching for a home to purchase in a medium sized city in the southeastern U.S. The specific objectives of this paper are: 1) to describe the economic and social characteristics of the sample and their housing preferences; 2) to identify the perspectives which these individuals may take in evaluating home types; 3) to determine distinctive buyer types, based on home preference, lifestyles, and their attitudes towards various parts of the home-buying procedure.

In this study, a telephone survey was conducted which focused on "recent home-buyers" and/or "shoppers." A random digit-dialing scheme was employed to select 350 respondents identified as the male or female head of household were selected and a twenty-minute questionnaire was administered.

The first part of the questionnaire, that dealing with lifestyle and attitudes, represents an attempt to measure three concepts that may influence whether to purchase a home and the type of home desired.

One set of questions deals with measures of lifestyle. The measures of lifestyle in this project were based on a classification scheme developed by Bell (1, 2). In brief, Bell's scheme suggests that there are three main lifestyle categories that can be observed from the nature of activities which an individual emphasizes in his/her everyday experiences (1, 2). The familistic individual is oriented toward a home and family environment, has a more traditional view of life, and is more likely to put family needs and desires above his or her own, and hence should use that orientation in selecting a home to purchase. Secondly, careerism is shown as an emphasis on achievement, striving and status, almost to the exclusion of other activities. Hence the purchase of a home should

be symbolic of this personal success and status (8, 10). Thirdly, consumerism, includes those individuals who prefer having as high a level of living as possible in the present and their motivation for purchasing a home should be reflective of these values.

The first part of the questionnaire also includes indicators of the economic and non-economic motivations of individuals in purchasing a home. According to the housing literature, there are four general categories of non-economic concerns which prompt an individual to purchase a particular type of housing. The first is housing suitable for the raising of children (8, 9). Traditionally in the United States a detached home has been the housing choice for individuals motivated by this value set. The second category of non-economic motivations is the desire by individuals to strongly personalize their living space. The purchase of any home would provide the opportunity necessary for maximum personalization (4, 5, 8). The third non-economic motivation for purchasing a home is the need for some individuals that they have almost complete control over a part of the world (5). This territoriality is often manifested in the purchase of a detached home with well-defined boundaries. Lastly in the use of the home purchase as a symbol of success in life. The purchase of a "nice" home in a good neighborhood symbolizes power and wealth for the individual (5, 7, 11). This section of the survey also defines the fears and concerns of making that major step including financing, and steps that may be taken to minimize the risks of investing in a home (6, 14).

All of these concepts--lifestyle, motivation for purchasing a home, and fears and concerns over the purchasing decision--were presented in a series of statements to which the respondents indicated the degree to which he or she agreed or disagreed using a four-point Likert-type scale where "1" indicates strong disagreement and "4" indicates strong agreement. These responses were then factor analyzed to statistically tie together the lifestyle attitudes with the other indicators of home purchasing behavior. The patterned responses were later used to identify customer types or market segments.

The last section of the questionnaire included demographic and residential characteristics. This last set of questions was used to describe or profile the customer types that were identified by the factor analytic approach.

The results of the analysis are as follows: First this sample was fairly evenly divided between homeowners and renters. About one-third of our sample had purchased within the last two years, and 18.6 percent were homeowners who either intended to or were currently shopping. Most owners lived in homes priced above \$50,000, while most renters paid less than \$300 per month. Most were shopping for detached housing, over 23 percent were shopping for either attached or detached, while less than 8 percent were shopping solely for attached homes or condominiums.

The next step involved an identification of the perspectives which these individuals may have taken in evaluating home types. This question was answered through the use of a factor analysis procedure of the responses to selected questions from each of the 350 individuals in our sample. From the factors, market segments or buyer types were identified by sorting out those individuals who were located at the extreme ends of the factors (factor scores $\geq +1.0$ and those ≤ -1.0).

Four such factors emerged from a factor analysis of the sample of respondents, and from these factors, five segments were obtained. The first factor is composed of variables that in combination suggest a traditional suburban family perspective. One end of the continuum includes a set of individuals who feel comfortable living within their means who

feel a strong sense of responsibility to their neighborhood and who believe that the reputation of the neighborhood is important. Amongst this group owning a condominium does not signal success any more than does owning a detached house. Correspondingly, neither attached nor detached houses are seen as one having more crime problems than the other. Many of this segment's attributes suggest lifestyles and attitudes that parallel some of those of the familistic lifestyle described earlier in the paper that indicate a strong attachment to home and neighborhood. Hence, this segment will be referred to as the traditionalists.

Segment 2, also found in factor 1, is composed of individuals who have more or less opposite lifestyle characteristics from the traditionalists. The respondents who compose segment 2 do not believe strongly in living within their means, and feel little responsibility for their neighborhood. They enjoy urban type activities as opposed to being in the country, and in fact match very closely the consumerism lifestyle defined earlier in the report.

The second factor dealt with attitudes toward condominiums and the condo lifestyle and only one segment could be obtained from it. This third segment views condominiums negatively. They feel that condos are small, lack privacy, lack outside space and have too many rules and regulations. Most significantly, a majority of this segment believes that condos now represent the only affordable choice for someone wanting to buy a house. This group seems to accept condominium living as their best hope, but that is not viewed in a positive light. They do not represent any of the lifestyle types that were reviewed earlier, suggesting that this segment runs across lifestyle types. They are referred to as the con-condo segment.

Conversely, the fourth segment, a pro-condo group, offers a nearly complete counterpoint to the third segment. They indicate a preference for condominium living, and maintain that condos require less maintenance and offer a livelier lifestyle than detached housing. They believe more than any of the other groups that condo ownership is a sign of success. They do believe that privacy can be maintained in condos and finally, just as in segment 3, they believe that condos are the only affordable choice. This latter point is their most unifying characteristic.

Segment five includes a small single segment showing broadly based and overt expressions of a desire for detached housing. They feel strongly that this type of housing is a sign of their personal success in life and that children are better off reared in this type of atmosphere. Many people in this group have a need to belong, indicating active memberships in more than one group and a strong involvement with their neighborhood and their neighbors, counting them as their "close friends." By the same token these are people who recently moved or are planning to move and most give as a rationale for moving the desire to live in a "better neighborhood." This segment also appears to be related to a familism lifestyle that is strongly supportive of detached housing because of the needs of their families.

This research procedure was built on the premise that buyers in a typical market could be classified by lifestyle into subgroups or market segments. It was postulated that these groups would parallel those advanced by Bell. While Bell's lifestyle classification scheme was never intended to be exclusively specific to the housing market the research presented here outlines some rough correspondence between the subsets obtained by Bell and those discovered in this study. Aspects of Bell's classes can be seen yet other groups which cut across all three of Bell's categories--con-condo--and one group which fits none of his classes--pro-

condo are also observed. The findings indicate that changing market characteristics and individual habits may be producing new alignments of traditionally accepted market segments. For the developer interested in tailoring marketing strategies to well defined segments this flux may signal a need to invest in research to pinpoint segments in each market where investments are to be made.

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POSSESSIONS OF PERSONAL VALUE

Only a few psychological studies have investigated personal possessions and their role in everyday life. Two surveys about a special segment of possessions, namely possessions of personal value, will be presented here. Interviews were carried out in an adhoc survey of 76 people in the streets of Guildford and at Surrey University (England). Method and results are critically related to a study of cherished household possessions in Chicago (USA). The main difference is the more intimate quality of the objects mentioned by the English sample. A second study using structured interviews explored the relation between an individual and his objects in great detail. In presenting selected results emphasis is given to the meaning of personal possessions and the analysis of those situations, in which the objects play a major role.

Two studies of personal possessions were carried out. Possessiveness is a basic characteristic of our society (Marx 1844, 1975; Furby 1978) and possessions represent an important part of our material culture (Simmel 1892, 1968). Possessions are mainly objects, in particular artificial objects. Artificial objects go through a process of design, production, distribution, acquisition and consumption. These aspects constitute different areas of research, eg. Marx analysed the production of objects and their private acquisition as the base of alienation, or Douglas and Isherwood (1978) focussed on consumption as a means of expressing values and as a constituent of social involvement. The fetish character of objects is part of studies in anthropology and clinical psychology (Greenacre 1979); objects are localised in space and time; personal possessions are mainly kept at home and the life-long development of a person is related to the acquisition and giving away of objects. In this respect objects are part of a person's objectification in the physical world and give the individual a sense of identity or to put it another way personal possessions in context objectify the self (Proshansky et al. 1983).

In the first study people were asked to list those possessions, which they felt to be of personal value. 76 people were interviewed in an adhoc survey in the streets of Guildford and at Surrey University (England), being allowed to indicate as many possessions as they wished. The number of objects mentioned ranged from 0 to 13. Almost