

Purchasing intention towards Real estate for wellness and health in Guangdong Province

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Abstract: The aim of this study is to validate the influence of subjective norms, perceived behavioral control, trust and attitude on the intention to purchase real estate for elderly's wellness and health (REWH). 405 valid questionnaires were successfully collected in Guangdong and Foshan city, China. The research findings indicate that subjective norms have a significantly positive impact on purchasing attitude and intention; perceived behavioral control has a significantly positive impact on purchasing attitude and intention; trust has a significantly positive impact on purchasing attitude and intention; and purchasing attitude has a significantly positive impact on purchase intention.

Keywords: Estate for elderly's wellness and health; The elderly; Purchase Intention

1. Introduction

In the global context, as the aging population continues to grow, countries are facing significant challenges. Consequently, the REWH has seen rapid development opportunities. With one of the largest elderly populations globally (Ayodele, Babajide, & Oluwatofunmi, 2015), China's demand for elderly care continues to rise. According to statistics, the size of the REWH in China reached 985.2 billion yuan in 2022, an increase of 72.8 billion yuan from the previous year, with a year-on-year growth rate of 8.0%. Of note, REWH accounts for 15.7% of the overall REWH, with a scale of 1.551 trillion yuan, making it the largest segment (Fan & Zhou, 2019), demonstrating significant development potential.

REWH refers to specialized residential products that provide living and elderly care services for the elderly, including dining, medical care, nursing, and entertainment services. Its primary goal is to meet the physical and mental needs of the elderly, creating a suitable environment for retirement living to improve their quality of life and ensure that the elderly can enjoy a healthy and comfortable living condition (Munawar, Qayyum, Ullah, & Sepasgozar, 2020).

This study comprehensively applies the Theory of Planned Behavior and the Theory of Perceived Risk to analyze the formation process of REWH consumers' purchasing intentions. It addresses the gap in simultaneously applying the Theory of Planned Behavior and the Theory of Perceived Risk to the study of REWH purchasing intentions, enriches the applicability of the Theory of Planned Behavior in REWH, and, for the first time, considers trust as one of the dimensions when investigating purchasing intentions, thus filling a gap in the lack of attention to the trust variable from the Theory of Perceived Risk in the investigation of REWH. Finally, it expands the applicability and scope of the Theory of Perceived Risk.

2. Literature review

The Theory of Planned Behavior posits that under appropriate conditions of perceived behavioral control, the most reliable predictor of individual behavior is their intention to act, which is influenced by psychological factors such as behavioral attitudes, subjective norms, and perceived behavioral control, with attitudes typically serving as mediating variables influencing individuals' intention to act (Ajzen, 1991). Consumers consider a range of factors before making purchasing decisions and evaluate the rationality of their decisions based on these factors. Therefore, this study integrates the theories of perceived risk and planned behavior to investigate the purchase intentions of REWH, with the aim of addressing relevant issues in the REWH domain.

H1: Subjective norms have a positive impact on purchasing attitude.

H2: Subjective norms have a positive impact on purchase intention.

H3: Perceived behavioral control has a positive impact on purchasing attitude.

H4: Perceived behavioral control has a positive impact on purchase intention.

H5: Trust has a positive impact on purchasing attitude.

H6: Trust has a positive impact on purchase intention.

H7: Purchasing attitude has a positive impact on purchase intention.

3. Method

In this study, we employed a quantitative research method and targeted individuals aged 60 and above in Guangzhou and Foshan as the subjects for data collection. We distributed surveys in local parks, chess rooms, streets, and other areas. The survey questionnaire consists of two main sections: personal demographic information and research variables. In the personal information section, we collected details such as gender, age, education level, occupation, and income. The research variables section includes five dimensions: subjective norms, perceived behavioral control, trust, purchasing attitude, and purchase intention. To ensure the quality of the survey, this study meticulously designed the measurement items for each variable in the theoretical model, drawing from the research outcomes of perceived risk theory and the theory of planned behavior. These items aim to accurately capture respondents' opinions and attitudes regarding relevant issues, thereby providing reliable data support for our study. This study utilized a stratified sampling method to conduct offline paper-based surveys among individuals aged 60 and above in Guangzhou and Foshan, resulting in a total of 481 valid questionnaires collected. Out of these, 405 questionnaires were deemed valid, while 76 were invalid.

4. Results

This study using Cronbach's Alpha coefficient to assess the data's reliability. The results of the reliability analysis of the questionnaire showed an overall Cronbach's Alpha value of 0.893, which is greater than 0.8, indicating good overall reliability of the questionnaire. The Kaiser-Meyer-Olkin (KMO) measure and Bartlett's test of sphericity were employed to assess whether the data was suitable for factor analysis. The Bartlett's test of sphericity yielded a significance value of 0.00, indicating that the data is highly suitable for factor analysis (Verma et al., 2021). Additionally, the KMO measure resulted in a value of 0.867, further supporting the appropriateness of the data for factor analysis.

Confirmatory Factor Analysis is conducted to examine construct validity, discriminant validity, and model fit. The chi-square degree of freedom ratio is used for comparing the model fit between different models. A smaller chi-square degree of freedom ratio indicates a higher model fit. The goodness of fit index (GFI), normed fit index (NFI), comparative fit index (CFI), and Tucker-Lewis's index (TLI) values range from 0 to 1, where GFI and AGFI values typically need to exceed 0.9, with values closer to 1 indicating a higher model fit (Hu & Bentler, 1999). Root means square error of approximation (RMSEA) is an important model fit indicator in recent years. Bentler (2000) indicates that an RMSEA below 0.05 suggests an ideal fit, while Hu and Bentler (1999) recommend that RMSEA should be less than or equal to 0.06. Values between 0.05 and 0.08 also indicate a good fit, while a value exceeding 0.1 suggests a poor model fit (Hu & Bentler, 1999).

It is evident that the standard factor loadings for subjective norms (GF), perceived behavioral control (XW), purchase attitude (TD), trust (XR), and purchase intention (YX) are all above 0.7. Additionally, the composite reliability (CR) values are all above 0.7, and the average variance extracted (AVE) values, when rounded to three decimal places, are all above 0.5. In combination with the context, as AVE is greater than 0.5 and CR values are greater than 0.7, it indicates high convergent validity, thus affirming that this questionnaire exhibits good convergent validity.

The purchase intention (YX), the AVE value of 0.695 is greater than the maximum absolute correlation coefficient of 0.377, indicating good discriminant validity. Trust (XR) has an AVE value of 0.643, which is higher than the maximum absolute correlation coefficient of 0.392, suggesting good discriminant validity. Purchase attitude (TD) with an AVE value of 0.693 exceeds the maximum absolute correlation coefficient of 0.403, demonstrating good discriminant validity. Similarly, perceived behavioral control (XW) has an AVE value of 0.639, greater than the maximum absolute correlation coefficient of 0.443, indicating good discriminant validity. Lastly, subjective norms (GF) with an AVE value of 0.699 exceeds the maximum absolute correlation coefficient of 0.443, signifying good discriminant validity. It is evident that this

questionnaire exhibits good discriminant validity.

In summary, the questionnaire data in this study demonstrate good discriminant validity, convergent validity, and model fit indices.

The structural equation model (SEM) fit indices in this study provide several fit measures, each with its own reference standard for assessing the goodness of fit of the SEM (Collier). The ratio of χ^2/df (chi-square to degrees of freedom) is 2.762 (less than 3), which falls within the recommended range and indicates a good model fit, signifying that the structural model is consistent with the observed data. The observed value of RMSEA (root mean square error of approximation) is 0.066, well below the preferred value of 0.08, meeting the standard and emphasizing the suitability of the model. The GFI (goodness-of-fit index) result of 0.907 exceeds the benchmark of 0.9, indicating a satisfactory fit of the model based on this measure. The AGFI (adjusted goodness-of-fit index) of 0.876, exceeding the benchmark of 0.85, further confirms the adequacy of the model. For the NFI (normed fit index), TLI (Tucker-Lewis Index), and CFI (comparative fit index), values greater than 0.9 indicate a good fit. The derived values are 0.922, 0.938, and 0.948, confirming a good fit of the model with the data. The fit indices are consistent with established benchmarks, bolstering confidence in the SEM's representation of the underlying theoretical framework. In summary, the consistency of the results with established benchmarks enhances the credibility of the research, ensuring that subsequent interpretations and conclusions drawn from the SEM are rooted in a statistically sound foundation.

The standardized coefficients corresponding to H1 through H7 are 0.248, 0.175, 0.277, 0.151, 0.216, 0.192, 0.211 respectively. It is worth noting that the p-value for each hypothesis is less than 0.001, indicating that all hypotheses have passed the test significantly.

5. Discussion and Conclusion

In the context of an increasingly aging population, the emerging REWH market has gained widespread attention. The development of REWH is a long-term process that requires collaborative efforts from multiple stakeholders, including the government, businesses, financial institutions, and consumers. It is recommended that the government increase support for REWH, companies enhance their core competitiveness, financial institutions innovate financial products and services, and consumers make informed purchasing decisions. It is believed that with concerted efforts from all parties, the REWH market can achieve healthy, stable, and prosperous development. Additionally, attention should also be paid to the sustainable development of the REWH. As the aging population intensifies, the demand for REWH will continue to grow. Thus, considerations on achieving environmental sustainability and social justice in this process are crucial. In promoting the development of the REWH market, it is essential to focus on environmental sustainability and social justice. It requires joint efforts from the government, REWH companies, financial institutions, and consumers to drive the healthy development of the REWH market.

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