

The Moderating Effect of Gender on Self-Image and House Purchase Intention in Sri Lanka

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Abstract

Self-image is one of the major consumer behaviour constructs that play a major role in house purchase intention. In this context, moderating impact of gender between self-image and house purchasing intention is uncertain and ambiguous. The purpose of this study is to investigate the impact of gender moderation on the relationship between self-image and house purchasing intention. The quantitative research method was used for this study. Potential luxury housing buyers in Sri Lanka were used as a population of the study and a structured questionnaire survey was conducted to collect data. The sample size of the study is 100. Four hypotheses were developed for the study and those hypothesized were analysed using Partial Least Square (PLS) analysis. The findings reveal that actual self-image and house purchase intention have a significant positive relationship and there is no relationship between ideal self-image and house purchase intention. Further, the study failed to support that gender moderates the relationship between self-image (actual and ideal) and house purchasing intention. The present findings of the study will be beneficial for real estate developers, real estate marketers/managers, and academia, relating to the house purchase intention in the luxury housing market.

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Keywords: Consumer Behaviour, Self-image, Actual Self-image, Ideal self-image, House Purchase Intention, House Buying Behaviour

Introduction

Housing is identified as a special good under the durable good market in consumer behaviour research. Housing is distinguished based on two attributes of durables, one is that house buying decision which is generally complex, and the other one is that house prices are always perceived as high. House purchasing is considered as a long-term investment and it is one-time decision making for most of the individuals. Thus, house-buying decision-making is not a simple and easy decision. In this scenario, several factors like physical, economic, social as well as psychological make influence the house buying decision. However, most of the theoretical developments related to housing buying behaviour are based on the perspectives of rational choice and optimizing behaviour which has failed to identify the real behaviour of house buyers (Koklic & Vida, 2011; Karunarathne & Ariyawansa, 2015). That is because these theoretical discussions grounded on rational choice and utility maximization which more focus on physical and economic aspects that do not provide a proper understanding of house buying decisions making. Thus, it is understood that more social and psychological aspects need to be considered in this arena to understand the real behavior of house buyers. This argument has been further proven by Hayward, (1977) as cited in Shafiei (2010) and Karunarathne and Ariyawansa (2015) especially in the housing market where the house is not evaluated only through physical characters, but also

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through social and psychological characteristics. Accordingly, Koklic and Vida (2009) and Karunarathne and Ariyawansa (2015) showed that self-image as a psychological construct plays a significant role in the housing market. However, up to date, there is no sufficient research conducted in this arena for an in-depth understanding of the behaviour of house buyers based on self-image.

Navigation through the existing literature reveals that as mentioned above, most of the discussions are grounded on rational choice and utility maximization. Accordingly, Gan *et al.* (2013) studied income, educational attainment, household occupation, and credit card ownership as influencing factors that determine house-buying decisions. Similarly, another study done by Hoxha and Zeqiraj (2019), showed that preferences of real estate features, financial concerns, location preferences, marketing approach preferences, and real estate purchase process significantly affect generation Z's real estate purchase intention. Moreover, Rachmawati *et al.* (2019) have confirmed that location is the most influential factor followed by price, quality, corporate image and promotion is the least influenced on customers' purchase intention. Although these studies attempt to construct economic models by incorporating the physical, economical, and social constructs, there is a lack of emphasis on psychological aspects related to the house buying decision other than in Karunarathne and Ariyawansa's (2015) study which investigated the relationship between self-image and house purchase intention in Luxury housing market in Sri Lanka.

Accordingly, this study is mainly based on the study of Karunarathne and Ariyawansa (2015) where this study investigates how gender moderates the relationship between self-image and House purchase intention which gives more insights to understand the self-image behaviour in the housing market.

Previous literature reveals that there are significant differences in consumer behaviour based on gender (Oumlil and Erdem, 1997; Bakshi, 2012; Bogicevic *et al.*, 2018; Sreen, Purbey and Sadarangani, 2018). Some studies found that males who are non-minorities with higher level of education are more likely to purchase a house than woman (Manrique and Ojah, 2003 as cited in Gan *et al.*, 2013) while, some studies proved that there is only a joint effect on gender when concerned with real estate decision-making (Oumlil and Erdem, 1997; Gibler and Nelson, 2003). Similarly Asian countries like Singapore, husband and wife tend to make the joint decisions on the other hand, in western countries, household will have an individual purchase decision subject to their culture (Plabdaeng, 2010). Thus, there is uncertainty and ambiguity related to the gender influence on buying decisions, which is similar to the context of house-buying decision-making. Therefore, this study intends to find out whether gender moderates the relationship between self-image and house purchase intention in the luxury housing market in Sri Lanka.

Objectives

General objectives:

To investigate the impact of gender moderation on the relationship between self-image and house purchasing intention.

Specific objectives:

- To identify the relationship between actual self-image and house purchasing intention
- To identify the relationship between ideal self-image and house purchasing intention
- To identify the moderation impact of gender on actual self-image and house purchase intention
- To identify the moderation impact of gender on ideal self-image and house purchase intention

Literature review

Consumer decision-making is one of the most influential areas of consumer behaviour (Simonson et al., 2001; Bargh, 2002; Koklic & Vida, 2011) and the concept of consumer decision-making is one of the key research areas. Gibler and Nelson (2011) have significantly emphasized the importance of understanding individual decision-making in the real estate context. Further, Karunaratne and Ariyawansa (2015) and Gibler (1998) pointed out that the study of real estate would aid by integrating consumer behaviour concepts from sociology and psychology. Incorporating these concepts will assist real estate analysts in better predicting the behaviour of real estate buyers in real estate markets.

Gibler and Nelson (2003) identified the several concepts that can determine a person's diversified behaviour with respect to house buying decisions. They are motivation, attitudes, perception, personality, self-concept, lifestyle and external factors such as culture, social class, reference groups and family. Additionally, Belk (1988) proposed that purchases and ownership that seem economically irrational may be explained through the concept of self-image. This perspective made a significant change to the academic understanding of consumer behaviour that consumers will buy products that consist of their self-image (self-concept).

Self-image is defined as the person's perception of himself and also defined as the totality of the individual's thoughts and feelings with reference to themselves as subjects and objects (Malhotra, 1988; Karunaratne & Ariyawansa, 2015). Self-image is consisting of two elements: actual self-image and ideal self-image. Actual self-image refers to individuals' concepts of themselves based on who they think they are while ideal self-image refers to the concept based on their expectations of who they think they like to be (Oumlil & Erdem, 1997).

Karunaratne and Ariyawansa (2015) postulated whether there is a significant relationship between house consumers' actual self-image and house purchase intention as well as ideal self-image and house purchase intention. Results showed that there is a significant relationship between actual self-image and house purchase intention. But the study failed to validate the significant relationship between ideal self-image and house purchase intention. However, Gibler (1998) stated that consumers will choose to purchase real estate that is either congruent with their current self-image or is associated with the ideal image they expect to achieve.

Purchase intention can be defined as a probability of customers' readiness to purchase a particular product or service in the future (Wu, Yeh & Hsiao, 2011). Further, purchase intention is defined as an individual's motivation to enact particular behaviour (Conner & Armitage, 1998). Person behaviour is determined by the intention to perform that certain behaviour. Although both purchasing intention and purchase decision is two different phenomena, there is a significant relationship between both, especially in relation to house purchases. This has been proved by Choen et al, (2009) in their study that homeownership intentions are related to the actual purchasing of a home during the next year. According to Ajzen (1991), the intention is the best predictor of behaviour and intention is associated with the person's attitude toward behaviour depending on subjective norms influencing such behaviours. Moreover, according to Wee *et al.*, (2014), higher purchase intention for a particular product will induce more customers to purchase the particular product or service. Similarly, the study done by Karunaratne and Ariyawansa (2015) pointed out that there is a significant relationship between house consumers' self-image and house purchase intention.

Traditionally, age and gender have been utilized by researchers as the key moderating socio-economic constructs to investigate research problems (Oumlil & Erdem, 1997; Law & Ng, 2016; Bogicevic *et al.*, 2018; Sreen, Purbey & Sadarangani, 2018). Further, existing literature on gender influence reveals that there is a significant difference between male and female consumers in relation to both ideal self-image indicators and actual self-image indicators, however, both male and female respondents rated most of the actual and ideal self-image descriptors equally

(Oumlil & Erdem, 1997). Generally, it is identified that women are more concerned about social relations than men while men's behaviour is based on benefit and utilitarian motivation (Citrin, Stem, Spangenberg, & Clark, 2003; Steenkamp, Hofstede, & Wedel, 1999 as cited in Law & Ng, 2016). Moreover, gender socialization theorized that males and females undergo different socialization processes from early childhood and develop different social expectations and values (Chodorow, 1978; Gilligan, 1982 as cited in Sreen, Purbey & Sadarangani, 2018). Based on the perception differences, researchers are always interested to study the behaviours of consumers in terms of males and females in product purchasing. Thus, this study focused on finding whether there is a moderating impact of gender on self-image and house purchasing intention.

Based on the above-mentioned discussion following hypotheses are formulated.

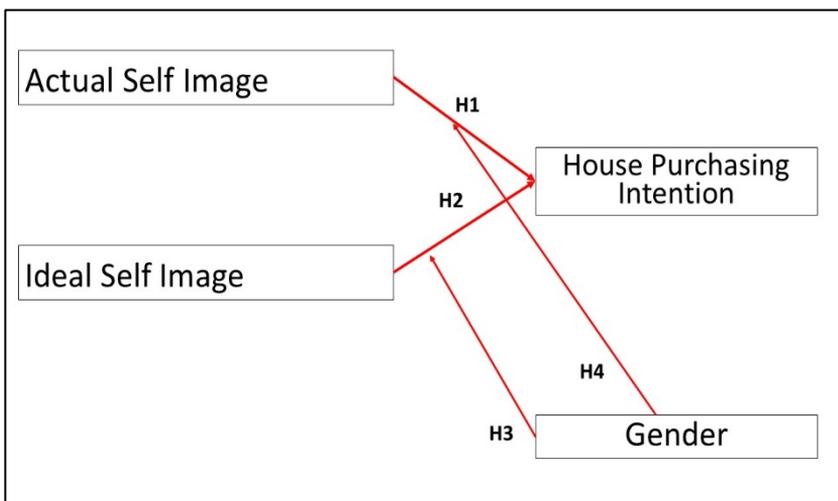
H1: There is a significant relationship between actual self-image and house purchasing intention

H2: There is a significant relationship between ideal self-image and house purchasing intention

H3: Gender moderates the relationship between ideal self-image and house purchasing intention

H4: Gender moderates the relationship between actual self-image and house purchasing intention

Figure 01: Conceptual Framework



Source: Authors (2022)

Methods

The study is based on the positivistic paradigm, quantitative research approach and the population of the study is individuals who have the intention of buying luxury housing units in Sri Lanka. Researchers identified housing units based on the market value between Rs. 30 – 60 million as luxury houses in this context. The purposive sampling approach has been used to identify potential house buyers who intend to buy housing units between the above-mentioned value range. Self-administrated questionnaires were distributed to the selected sample and out of 150 self-administered questionnaires and only 100 of them were acknowledged, depicting a 66.7 per cent response rate.

To test the hypothesized relationships between the variables of the study, the Partial Least Squares (PLS) analysis through path strengths was used to determine the nature of the relationships between the constructs. PLS is an appropriate method since PLS can be handled in a relatively small sample, and data doesn't need to be normally distributed (Hair et al., 2011) Additionally, Jayakody, (2011) have recommended PLS for the early stages of theory-building

and testing. Accordingly, the above literature provides a justification for using PLS for data analysis in the current study (Hair et al., 2011; Jayakody, 2011).

Sample Profile

Table 01: Sample Profile

	Demographics	Percentage (%)
Gender	Male	57
	Female	43
Age	Between 20-30 years	23
	Between 31-40 years	54
	Between 41-50 years	23
Income	Between Rs.50,000 – 100,000	17
	Between Rs.100,000 – 150,000	32
	Between Rs.150,000 – 200,000	30
	Between Rs.200,000 or above	21
Occupation	First line Management	50
	Second line Management	30
	Top-level Management	20

Source: Authors (2022)

As illustrated in Table 01, the majority of respondents were males (57%), while (43%) were females. Most of the respondents' age were ranging from 31-41 years old. Most of the respondents occupied as first-line managers (50%). On the other hand, (32%) of the respondents' monthly income is within the range of Rs.100,000-150,000, while (21%) of respondents earn more than Rs.200,000 per month.

Measures

Table 02: Measurements Description

Variables	Indicators
House Purchase Intention	<ul style="list-style-type: none"> • I want to buy a new house • I intend to buy a new home • I expect to buy a new house • I plan to buy a new house
Actual Self-image	<ul style="list-style-type: none"> • the house I prefer to buy is consistent with how I see myself • house is a mirror image of me • the house design reflects who I am • People who are like me live in such a house
Ideal Self-image	<ul style="list-style-type: none"> • I like to be known as a person who lives in good quality house • house is a mirror image of person I would like to be • the house I prefer to buy is consistent with how I like to see myself • owning good quality house show me as an economically stable person I would like to be

Source: Authors (2022)

Reliability and Validity

Variables of the study were assessed using a 5-point Likert scale ranging from 1 to 5 (strongly disagree to strongly agree). Sampling adequacy was measured through Kaiser-Meyer-Olkin (KMO) and Bartlett's Tests and the results show KMO scores representing an adequate level of sample adequacy greater than 0.8. Further, factor loadings of all the constructs were higher than 0.7 with significant P-values (Figure 02). Reliability was assessed through Cronbach's Alpha and composite reliability and both scores were higher than 0.7 (Hair et al., 2010) (Table 03). Convergent validity is measured through the Average Variance Extracted (AVE) method and all the constructs' scores were above the threshold of 0.5 (Hair et al., 2010) (Table 03). R Square and R Square Adjusted values of 0.595 and 0.587 indicate a good level of model fit in this study.

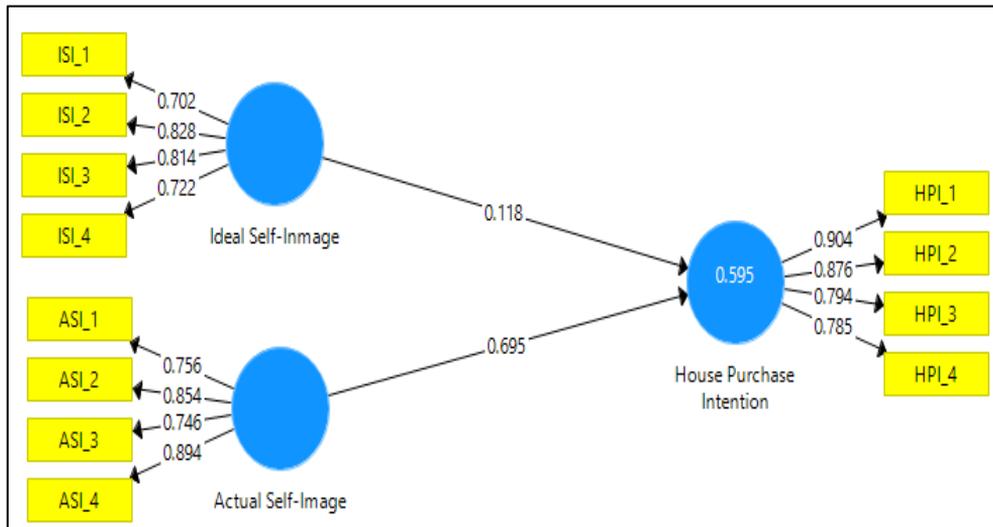
Table 03: Sampling Adequacy, Reliability, and Validity

Variables	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Actual Self-image	0.837	0.887	0.664
Ideal Self-image	0.772	0.762	0.591
House Purchase Intention	0.862	0.906	0.707

Source: Authors (2022)

In order to explore the gender moderation impact on the relationship between self-image and house purchasing intention, four hypotheses have been developed. The Bootstrapping function is employed in this study's structural model analysis. The computed values are shown in table 04 under a 95 percent confidence level.

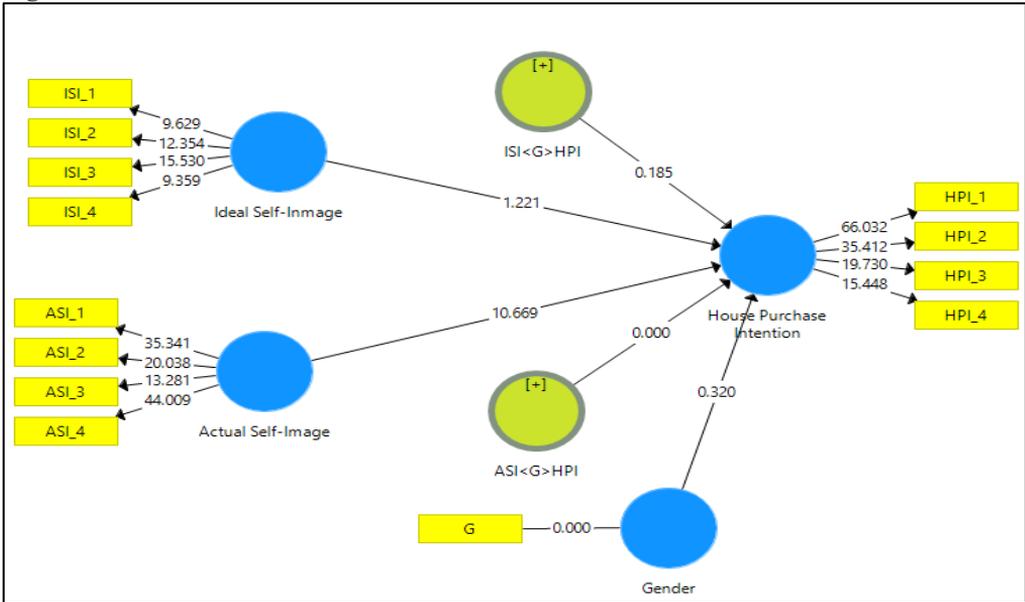
Figure 02: Measurement Model



Source: Authors (2022)

Results and Discussion

Figure 03: Path PLS Moderation Model



Source: Authors (2022)

Table 04: Path Coefficients and Hypotheses Testing

Hypothesis	Path	Path Coefficient	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Result (Support / Reject)
Without Moderation							
H1	Actual Self-Image → House Purchase Intention	0.695	0.694	0.060	11.494	0.000	Supported
H2	Ideal Self-Image → House Purchase Intention	0.118	0.129	0.087	1.364	0.173	Rejected
Moderation							
H1	Actual Self-Image → House Purchase Intention	0.698	0.705	0.065	10.669	0.000	Supported
H4	Actual Self-Image → Gender → House Purchase Intention	0.000	0.006	0.102	0.000	1.000	Rejected
H2	Ideal Self-Image → House Purchase Intention	0.111	0.117	0.091	1.221	0.222	Rejected
H3	Ideal Self-Image → Gender → House Purchase Intention	-0.018	-0.014	0.098	0.185	0.853	Rejected

Source: Authors (2022)

According to table 04, only one hypothesis has been supported out of four hypotheses, where there is a positive relationship between actual self-image and house purchase intention on luxury houses ($t = 11.494$, $p = 0.001$ for significance at 95% level) and rejected the hypothesis on the impact of the ideal self-image to house purchase intention on luxury houses ($t = 1.364$, $p = 0.173$ for significance at 95% level). Hence the first hypothesis (H1) has been supported by the literature where housing can be viewed as an object that assists to form identity and present that identity to the world (Marsh & Gibb, 2011). In this context, individuals prefer to purchase houses that are congruent with their actual self-image which is the image that the buyer reflects of himself/herself (Karunaratne & Ariyawansa, 2015). Although the second hypothesis has been not supported by empirical data, similar results were indicated in the study of Karunaratne and Ariyawansa (2015).

After moderating with the gender, none of the hypotheses has been supported where the gender had no moderating relationship between self-image (actual and ideal) and house purchasing intention. This may be due to the fact that the intention of buying a luxury house in Sri Lankan context is subject to collective decision making rather than individual decision making. This argument is supported by Oumlil and Erdem (1997), who showed that regardless of gender both groups desire to have the same personality attributes (i.e. real and ideal self-image) which may be due to more emphasis being placed on social and economic equality among genders in the society. Similarly Gibler and Nelson (2003) stated that when it comes to housing and financing related decision makings are joint decisions of husband and wife making. Hence it can be implied that in the Sri Lankan context luxury house purchasing decisions followed by intention is made collectively where the households select a house that meets their ideal and actual self-image attributes at a common point.

Conclusion

The purpose of the study is to expand the existing theoretical understanding of consumer behaviour in the housing market arena. Generally, the available theoretical housing models showed economically biased theoretical discussions which are based on utility maximization and rational thinking, and this study developed to diverge from this rational behaviour and focused on psychological aspects that affect house purchasing intention in the luxury housing market in Sri Lanka. Accordingly, two variables have been identified namely, ideal self-image and actual self-image. Results of the analysis indicated that there is a positive relationship between the actual self-image and house purchasing intention. The further study extended to find out the moderated effect of gender on the relationship between self-image and house purchase intention and findings showed that there is no significant effect of gender on this relationship. Even though the literature highlighted that gender has a significant influence over self-image and house purchase intention, house buying is a complex buying decision, it may not influence in terms of individual's self-image whereas, in the Sri Lankan context, house purchasing is a family or collective decision making. However, the study highlighted that self-image is playing a major role in house buyers' behaviour thus this study intends to provide crucial insight for the development of marketing and management strategies to clearly understand the requirements of potential buyers in the housing market and also to congruence buyers' self-image with house image when dealing with promotional activities of selling houses. The generalizability of the finding is limited by the utilization of the purposive sampling approach and the non-normal distribution of the data. Further, future researchers can study this self-image in the context of the housing market by utilizing a qualitative research approach to get an in-depth understanding of the concept.

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