INCORPORATING ENVIRONMENTAL ELEMENTS IN PROPERTY MARKETING STRATEGY IN KUALA LUMPUR

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DEDICATION

In the name of most merciful and loving Allah S.W.T and highest appreciations be upon Him. This thesis is dedicated to almighty of Allah S.W.T and my admire parents, Haji Mawlna Mohammed Ismail Bin Mohammed Sakahwat Hussein and Hajjah Rowshon Ara Binti Mawlna Noor Mohammed, and my maternal uncle Dr, Ma’sum Billah Bin Mawlna Noor Mohammed, who have supported me to start the journey of education in my life. It is also dedicated to my beloved wife Mrs, Sadia Binti Mawln Azizur Rahaman Siddiqui, younger brother Mohoammed Zahidul Islam, sister Mrs, Romiza Akter Hawoah and Mrs, Salma, nieces, nephews and my children who have makes me happy in the way of my PhD research in Malaysia.
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ABSTRACT

Half of the world population all over the countries reside in the cities. By 2050, the world proportion is likely to reach 75%. Malaysia is an urban society with majority people of the country approximately 70% living in the cities. The high demand of accommodation in the cities, and many developers supply the housing unit through condominium complex to fulfil the requirement of accommodation. Every day the number of condominium is increasing in Kuala Lumpur city. The natural green environment is decreasing with destructive impact on physical, mental illness and many problems among the people reside in the city compare to the rural. The modern developers in Kuala Lumpur facing difficulties to influence the target customers due to the lack of green environmental elements in a housing project and marketing strategy are one of the great problems to achieve the high performance of sales. Therefore, incorporate of important environmental elements in a housing project and marketing strategy to achieve the high performance of sales. The level of importance evaluates through quantitative research method with five (5) points Likert types scale. The data collected from Kuala Lumpur city area among condominium users, tenant, owner, management team and developers employees including marketing staff, managers, sales staff, and sales agents altogether 509 respondent. More than 85% respondents are agreed the environmental elements are very important at the condominium complex to have a healthy city life, and it strongly influences customers to buy or rent the apartment units. The green marketing is acting as a mediation to contribute the high performance of sales. As a result, less or no difficulty to reach the high performance of sales. In conclusion, those project has the most demanding environmental elements are more successful projects, compare to less or non-existing environmental facilities projects in Kuala Lumpur, Malaysia.
ABSTRAK

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**Chapter 5**

THE INFLUENCE OF GREEN MARKETING ON PERFORMANCE OF SALES AND DEVELOPMENT OF FRAMEWORK WITH DISCUSSION

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LIST OF ABBREVIATION

°C  Celsius (Temperature in Degrees)
RM  Ringgit Malaysia (Currency)
PSF  Par Square Feet
SQ FT  Square Feet
4Ps  Product, Price, Place and Promotion
CCTV  Closed Circuit Television
NPD  New Product Development
R&D  Research and Development
SWOT  Strengths, Weaknesses, Opportunities, and Threats
US $  United States Dollars
$  Dollars
TV  Television
UK  United Kingdom
KLCC  Kuala Lumpur City Centre
MM2H  Malaysia My 2nd Home
PWTC  Putra World Trade Centre
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<tr>
<td>LRT</td>
<td>Light Rail Transit</td>
</tr>
<tr>
<td>KL</td>
<td>Kuala Lumpur</td>
</tr>
<tr>
<td>SIVA</td>
<td>Solution, Information, Value and Access (model)</td>
</tr>
<tr>
<td>QC</td>
<td>Quality Check</td>
</tr>
<tr>
<td>EFA</td>
<td>Exploratory Factor Analysis</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for Social Science</td>
</tr>
<tr>
<td>REHDAM</td>
<td>Real Estate and Housing Developers Association in Malaysia</td>
</tr>
<tr>
<td>SS</td>
<td>Sum of Squares</td>
</tr>
<tr>
<td>MS</td>
<td>Mean Square</td>
</tr>
<tr>
<td>SD</td>
<td>Std. Deviation</td>
</tr>
<tr>
<td>WiFi</td>
<td>Wireless Internet for Frequent Interface</td>
</tr>
<tr>
<td>GST</td>
<td>Goods and Services Tax</td>
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<tr>
<td>PRSL</td>
<td>Performance of Sales</td>
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<tr>
<td>EE</td>
<td>Environmental Elements</td>
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<td>MS</td>
<td>Marketing Strategy</td>
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<tr>
<td>IV</td>
<td>Independent Variable</td>
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<td>DV</td>
<td>Dependent Variable</td>
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<td>DB KL</td>
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CHAPTER 1

INTRODUCTION

1.1 Introduction

In the perspective of psychology, the safety or housing is the most basic needs of all human being (Maslow 1943). The safety or housing is an important dream for every sagacious person in the world. Currently, the number of wise learnt people, high-level, mid-level income group and foreign people with Malaysia My Second Home (MM2H) program are increasing in Kuala Lumpur city (Tarmiji et, al., 2012). Therefore, the housing demand is rapidly increasing, and the developers are continuously developing more condominium in the city to supply the demand for accommodation. As a consequence, the natural environment is decreasing, and it has the primary adverse impacts on public health in many aspects such as warming, air pollution, water pollution, etc (Muhammad et, al., 2013). The secondary impact on property sales within the specific time frame (product lifecycle). A number of researchers suggested developers to, incorporate the most demandable environmental facilities at the condominium complex. It influences target customers to achieve the target sales within the product lifecycle timeframe. The reason is wise educated, high-level, mid-level income group of people would not like to buy the apartment complex without natural environmental facilities (Bendre et, al., 2000; Norhaslina. 2009). Therefore, this study will discover the most important environmental elements and it’s influence on sales to achieve the developers goals through green marketing strategy.
1.2 Research Background

In the modern era half of the world population all over the countries reside in the cities. By 2030, 60% of the world population will reside in the urban areas and by 2050, the world proportion is likely to reach 75% (Seetharam & Yuen 2010). In Peninsular Malaysia average of 11.1% percent increasing in every year Consequently, the rapid growth of urbanization with bulk accommodation. Therefore, the Malaysia is likely to be a society of urban with (over all 70% percent) majority people of the country is living in the cities (Norhaslina 2009; Tarmiji et, al., 2012). Everyday the natural green environment is reducing, due to the developing new condominium in urban. As an effect, on warming, air pollution, water pollution, sound pollution, physical and mental illness among the people reside in the city compare to the rural (Seetharam & Yuen 2010; Muhammad et, al., 2013). That is why, the green environment is very important issue to get a healthy city life. The modern developers can bring back the natural green environment at the housing complex to minimize the warming, air pollution, water pollution, sound pollution, physical and mental illness among the people reside in the city. Therefore, it would be a great responsibility to build up housing complex with natural green environmental elements. Similarly, the condominium developers will able to achieve the target sale through using the natural green environmental elements in marketing strategy, known as green marketing. The environmental facilities increasing the beauty of housing complex and it influence the target customers to involve to buy or rent the property.

It is a great responsibility for the property business organizations to save both property business and natural environment. The natural green environment at surrounding of the housing can protect the indoor air quality to create a healthy residence. It is well known that the lack of green produce warming at the surrounding, due to this reason the environmentalist are suggested urban people lives with a natural green environment to protect from warming and pollution. Figure 1.1 shows the average daily temperature in Malaysia Kuala Lumpur, recorded maximum 36.°C and minimum 20.°C (Meng et, al., 2007). Therefore, the modern developers must keep the green environment at the surrounding of the housing to minimize the urban temperature to achieve both healthy environment and property business.
On the one hand, most of the current educated and high level of income group know the advantage of the green environment at the surrounding of housing. On the contrary, they know the disadvantages of non-existed of green environment. Therefore, almost all the property developers using the green environmental element at surrounding of housing properties to achieve the business goals and a better lifestyle in the urban. Scientifically it was proved that the natural green trees, grass can keep cooling and improve the air quality from the interrupting of air pollutants and warmness. The green elements also reduce the risk of physical and mental illness in urban people. Therefore, combine the environmental elements in property marketing strategy (Lisa & Jackson 2013).

For example, there is no minimum green environmental element in the Dhaka city especially most of the commercial area, and there is much brick kiln surrounding the city. As a consequence, polluted air and high temperature the people having a lot of physical and mental illness. Only the green environment can reduce the warming and level of pollution in Dhaka city (Motalib, et, al, 2015). One the other hand, Singapore is known as a garden city, a much natural environment exists as an outcome is a minimum of pollution level and healthy city. The housing developers in Singapore developed the house with the eco-friendly environment which can magnify the target customers to achieve the target sales (Seetharam & Yuen 2010).

The natural green environmental element can provide a green marketing strategy to meet the target sales for housing properties business. In the modern days, many
people are well educated, and most of them are living in the cities because of job opportunities and better-earning facilities, etc. Due to the job or income facility, they must need to stay in the towns with a healthy environment. Many developers in Kuala Lumpur try to develop the condominium with the green environment to achieve the business goals. For example; figure 1.2.A displays the green environment at the Seri Riana Residence 2013 project. The green marketing strategic displaying the green environmental elements to magnetize the educated and high level of income people to buy the project.

![Figure 1.2 A: The Natural Environment to Attract the Clientele Green Environmental Project: (Seri Riana Residence 2013)](image)

The Seri Riana Residence is a successful project because of the reasonable price with environmental facilities, and the per square feet is RM 542.57 compare to the Oval, City Center RM 820.00 per square feet (sq ft) the agent posted the price (iProperty). Now the property business organization planned about the healthy and natural environment and most of the property developers are practicing to keep the natural environment in the surrounding of the project. As a result, this types of properties becoming more expensive and a successful project. Currently, the 90% of high rise building in Malaysia is using for residence and the residential building having the natural environment to make beauty and the healthy environment. Mostly they have a swimming pool, playground, grassland and so on. Most of the modern condominium have had this green environment on top of the car park building that is more attractive to the customers. (Seetharam & Yuen 2010; Eric 2012; Abdul & Mar 2012).

So, the natural environmental elements can provide a high security of strategic marketing for housing properties to magnetize the clientele and it has been partly proved at the project of Seri Riana Residence and Riana Green East developed by
IJM Land Berhad. Most of the researcher are agreed for adding the green environmental element in the housing complex to get the better customers to gain the target goals. Therefore, the majority of housing complex are incorporated the natural green environmental element at the surrounding of the project, and these natural environmental elements are mostly highlighted in the marketing policy to draw the targeted customers. (Abdul & Mar 2012; Khairil et, al., 2008).

Figure 1.2.B: The natural environment elements using at the housing complex (Lake Front Cyberjaya – Part II, 2013).

1.3 Research Problem

The housing industry in Kuala Lumpur facing difficulties to influence the target customers due to the lack of green environmental elements in the condominium project and marketing strategy is one of the enormous problem to achieve the high performance of sales (Muhammad et, al., 2013; Eric 2012; Anne 2003; Elforgani & Rahmat 2011; Ezanee et, al., 2013; Woei et, al., 2015). The issue is lacking environmental elements at the surrounding of condominium complex as concern the project is mislaying the high demand as a direct impact on poor sales. Table 1.3 explain many researchers found there is a lot of unkind impact on property business when the environmental elements are absence at the condominium complex.
Similarly, lacking environmental elements in property marketing strategy as a concern on product, price, location and promotional activities are not perfect as a direct impact on poor sales. Table 1.3.A: explain several researchers established there is the much unkind impact on property business when the environmental elements are absence in marketing strategy.

Table: 1.3 Absence of Environmental Elements at Housing Project and it’s Impact

<table>
<thead>
<tr>
<th>Authors</th>
<th>Year</th>
<th>Natural Environment</th>
<th>Entertainme nt Element</th>
<th>Health &amp; Safety</th>
<th>Project Location</th>
<th>Impact on Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Khairil, et. al.</td>
<td>2008</td>
<td>Environmental Beauty</td>
<td>Car Park</td>
<td>-</td>
<td>-</td>
<td>Less Demand</td>
</tr>
<tr>
<td>Eric</td>
<td>2012</td>
<td>Green Environment</td>
<td>Swimming Pool</td>
<td>Security</td>
<td>Less Accessible</td>
<td>Less Buyers</td>
</tr>
<tr>
<td>Abdul &amp; Iman</td>
<td>2012</td>
<td>-</td>
<td>-</td>
<td>Security</td>
<td>Non-Popular</td>
<td>Poor Sales</td>
</tr>
<tr>
<td>Mitchell</td>
<td>2012</td>
<td>No Natural Environment</td>
<td>No Playground</td>
<td>No Security</td>
<td>-</td>
<td>No Human Activity</td>
</tr>
<tr>
<td>Mariana</td>
<td>2008</td>
<td>No Green Environment</td>
<td>No Playground</td>
<td></td>
<td>Less Important</td>
<td>Lower Income Group</td>
</tr>
<tr>
<td>Muhammad et. al.</td>
<td>2013</td>
<td>No Natural Environment</td>
<td>Non-Green Area</td>
<td>-</td>
<td>-</td>
<td>Air, Water &amp; Sound Pollution</td>
</tr>
<tr>
<td>Woei et. al.</td>
<td>2015</td>
<td>-</td>
<td>location</td>
<td>33.4%</td>
<td>-</td>
<td>No Profit</td>
</tr>
<tr>
<td>Ezanee et. al.</td>
<td>2013</td>
<td>Environmental Quality</td>
<td>Security</td>
<td>-</td>
<td>-</td>
<td>Global Warming</td>
</tr>
<tr>
<td>U.S Consumer Commission</td>
<td>2010</td>
<td>-</td>
<td>Perfect Size Playground</td>
<td>-</td>
<td>-</td>
<td>Children Suffering</td>
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<tr>
<td>Seetharam &amp; Yuen</td>
<td>2010</td>
<td>Green Trees And Grass</td>
<td>Playground</td>
<td>-</td>
<td>-</td>
<td>Physical and Mental Illness</td>
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Table: 1.3.A: Absence of Environmental Element in Marketing Strategy and it’s Impact

<table>
<thead>
<tr>
<th>Authors</th>
<th>Year</th>
<th>Product</th>
<th>Price</th>
<th>Place / Location</th>
<th>Promotion</th>
<th>Impact on Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elforgan &amp; Rahmat</td>
<td>2011</td>
<td>Minimum Green</td>
<td>High</td>
<td>Not Settable For Reside</td>
<td>No Discount Price</td>
<td>Less Buyer</td>
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<tr>
<td>Said et. al.</td>
<td>2008</td>
<td>Environmental sustainability</td>
<td>-</td>
<td>Accessibility</td>
<td>No Green Advertising</td>
<td>Less Sales</td>
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<tr>
<td>Abdul et. al.</td>
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<td>Expensive</td>
<td>Non-Popular</td>
<td>-</td>
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<td>Poor Sales</td>
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<td>Ezanee et. al.</td>
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<td>-</td>
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<td>Laurie</td>
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<td>Natural Beauty</td>
<td>-</td>
<td>Noise Location</td>
<td>-</td>
<td>Less Buyer</td>
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<td>Anirban</td>
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<td>-</td>
<td>Warming</td>
<td>-</td>
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<td>John</td>
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<td>-</td>
<td>Hedonic Urban Location</td>
<td>-</td>
<td>-</td>
<td>Less Clients</td>
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<tr>
<td>Woei et. al</td>
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<td>Unit location</td>
<td>33.4%</td>
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<td>No Profit</td>
</tr>
<tr>
<td>Anne</td>
<td>2013</td>
<td>Less Green Product (House)</td>
<td>-</td>
<td>-</td>
<td>No Promotional Price</td>
<td>Less Choose</td>
</tr>
</tbody>
</table>
The problems occur when the environmental elements are absence in both housing complex and marketing strategy. As a result, the apartment complex is not high demand among the wise learnt people, high-level, mid-level income group and foreign people (Khairil, et, al., 2008; Eric 2012; Abdul & Iman 2012; Bender 2012).

The issue is lacking environmental location and apartments position in the complex is the most barrier to sales the property. Finally the developers was waiting since the period 2009–2014 for sales but they was dynamism to 33.4% discount to auction the property for the target customers (Woei et, al; 2015). In this case the developers in Kuala Lumpur faced the most difficulty to sales the property due to the lack of property location finally they sold the property with high discount price that may be considered as a not profitable project.

The direct impact on property business such as, difficulty to meet the target sales, less demand among target customers, and less or no profit due to less number of sales activity. As a result, the property business in great danger and the people in the city will live in a harmful environment (Muhammad et, al, 2013; Anirban 2012). Therefore, the healthy environment is absolutely essential to integrate the natural green environmental elements, entertainment facilities and health and safety elements in the housing project and property marketing strategy to achieve a sustainable property business and green city.

1.4 Research Purpose

The purpose of this study to discover the environmental elements which will carry the success of the modern housing industry through green marketing strategy. It will able to show the level of impacts on the performance of sales while incorporating environmental elements in marketing strategy and without environmental elements in marketing strategy.
1.5 Research Questions

Overall this research able to provide the answer to the below-mentioned questions and it can guide the right direction to achieve the target goals.

i. Which environmental elements are most important at condominium complex?
ii. What is the influence level of environmental elements in marketing strategy?
iii. What is the influence level of green marketing strategy on property sales?
iv. How does the environmental elements and marketing strategy influence performance of sales?
v. How to develop a property marketing framework with environmental elements to achieve the target sales?

1.6 Research Objectives

This study will concentrate on the research question to precisely present a logical answer to the modern property business organizations to achieve the target goals through the below-mentioned research objectives.

i. To identify the most important environmental elements at condominium complex
ii. To examine the influence level of environmental elements in marketing strategy
iii. To investigate the influence level of green marketing strategy on target sales
iv. To evaluate the influence of environmental elements and marketing strategy on performance of sales
v. To develop a property marketing framework with environmental elements to achieve the target sales
1.7 Aim of the Study

The aim of this research is to produce modern instructions of a dynamic property business and novel solution to reach the target sale to achieve the property business goals. The natural green environmental elements is a key to success factors for housing industries. It is also a very essential for the healthy life of customers which can create a perfect solution for global warming. Many developers are able to sell the housing units to the target customers and the potential customers due to the incorporating environmental elements at the condominium complex. Therefore, most of the developers shall be benefited from this research at the same times the user of property will get a healthy, cold, harmony natural green environmental and peaceful life in the cities for current and next generation in each country in the modern world.

1.8 Scope of the Study

This research will strongly focus on the modern condominium developer’s strategic marketing with the external environmental elements in Kuala Lumpur city area. Which will able to show the level of success in the specific time frame. It will bring the cleared picture of the negative and positive impact on property business when the natural green environmental elements are absence or present in the strategic marketing. Therefore, the modern developer will able to take a decision, what need to do in strategic marketing, based on the level of customers demand on natural environmental elements at the housing complex. Finally, this study will ultimately show the degree of successes through incorporate if environmental elements in property marketing strategy.
1.9 Significance of the Study

This research will be very important for modern developers because it will able to show the way how to achieve the target goals within specific time frame. Secondly, the marketing strategy will strongly focus on target sales to reach the success of condominium complex. Finally, how to incorporate environmental elements at the surrounding of the housing complex and that environmental element is most demanding by customers to drown the satisfaction of the client at the top level.

First significant, this study is a guideline for property business organizations because it will able to guide the marketing strategy with environmental elements and the degree of success level in sales and profit margin. At the same times, it will able to show the level of negative impact on property business when the absence of a natural environmental element in marketing strategy. Therefore, the modern developer will able to take a perfect decision which environmental elements are most important to attract the customers in relations to draw the target sales and target profit for the success of property business in the high competition market. Elias Oikarinen (2007) mentioned the natural environmental elements bring the better value of housing property and it typically increasing the value of the property. The eco-friendly environment is most demandable among everyone especially the educated and high level of income people in Japan, Korea, Hong Kong as a consequence the property price become double. The double price habitually brings the more profit and success of the modern developers (Glindro et al., 2011).

Second significant of this study is marketing strategy, there are four elements Product, Price, Place / Location and Promotion are in a group works as a mediator to bring the success of condominium project from the property market. It will briefly discuss the important role of mediator that is acting between environmental elements and the success of apartment project. Baron & Kenny (1986) it is important to use the mediator to maintain the relationship between independent and dependent variable. Therefore, this research will able to show the modern developers, the marketing strategy plays an important role to achieve the target profit margin within the specific timeframe.

Finally, this research will able to identify the most demandable environmental elements which actively magnify the target customer to achieve the target sales
within the particular time. Hamid (2012) found the environmental element such as natural green environment, playground, swimming pool, and security are most demandable for the customers for health and safety purpose. That is why the environmental elements able to increase both price and sale. As a result, the modern developers can achieve target profit successfully. This investigation will show the level of demand among the current customers and which environmental element is most important for what purpose. Therefore, this study is a very important guideline for housing property business organizations to set up the environmental element of the housing project (Doole & Lowe 2008).

1.10 Conclusion

In the current warming world is demanding the cold natural green environment to achieve the healthy city life. The current educated and high levels of income people want the health and safety residence in the modern city. Only the modern developers can supply the health and safety environmental residence in the cities. The modern developers also incorporate the natural green environmental element in the housing complex to create cold and beautiful green natural environment to attract the target customers with target profit margin. Each natural environmental elements are increasing the housing price, but it douses not effect on the sale quantity because of high demand among the customers. Currently, most of the customers are demanding in internal design and external green park, swimming pool, security, mini market, gymnasium etc. Normally these types of facilities are most necessary for daily life to be a healthy and these are the basic need for the modern customer. So, this study will able to show the most important environmental elements which will help to achieve the developers target goals within the precise timeline through marketing strategy.
CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter will express the current practice of incorporating environmental elements in property marketing strategy among modern developers in Malaysia. The natural environmental elements are include the natural green trees, grass, playground, swimming pool, tennis court, squash court, gymnasium, natural viewpoint, care park, parkland, security, etc (Suhaida, et al., 2011; Wong 2001; Chau et al., 2002; Chau et al., 2004). The marketing strategy will bring the target profit margin from the current property market. The elements of marketing strategies are included as a product (house building or condominium), price (value of housing unit), place (project location), and promotion (advertising) are the basic elements call four Ps (Reed 2005). The product refers to this study is the condominium or a housing complex. The price or value of housing units can bring the profit margin, which is very important for customers and the developer. The place is the location of condominium complex and external environment and accessibility. The promotion is a kind of advertising for quick sale and convey the property information to the target customers through using the print media, property agent and electronic media such as television, internet, radio and so on (Maarit 2011; Marcia 2010). It logically proved that the human could be healthy when they associated with a natural green environment. Currently, the modern housing industries are developing housing project with the green and healthy environment to fulfill the needs of customers as much as they can in the cities area to achieve the target goals (Blythe 2005).
2.2 Definition of Marketing

The marketing refers to an organizational occupation and a set of processes of creating, communication and supply the value to target customers and managing the customer relationships between organization and customers in relation to benefit the its stakeholders of the organization (Gregory 2007). Marketing is an administrative and managerial process by which groups, organizations or individuals to get what they requirement and want by detecting, identifying, providing, advertising or communicating and delivering value to customers (Yuriy 2012; Kotler et, al., 2003). The basic concepts that marketing applies are the needs and desires of consumers, the creation, products and services, by the exchange between parties through selected value (Ramin & Ali 2013; Marina, 2012). A strategic communication deals through managing for long-term business activities started through the organization in order to further competitive advantage. The organization allocates and uses its resources in a continuously changing marketing environment aimed at meeting consumer needs constantly while trying to rise to the expectations of different categories of “stakeholders”. The strategic approach involves using a strategy, which allows the organization to compete, to identify new market opportunities, develop and trade new products and services, to guide allocation of resources among the main activities of the market and to guide the development of organizational structure that helps to achieve predetermined performance levels (Kotler, 2003).

Generally, marketing is a set of communication between organization and the targeted customers to achieve the organizational goals and the customer satisfaction. Marketing is the process of commercial communicating with a value of a product or service to the clienteles, for the purpose of selling the goods or service. It is a critical business function to attract the target customers. It is a common view, which the marketing is a strong connection between a member of societies they highly require of the goods or services and the organization who can fulfill the requirement in the society. The marketing these needs and wants through exchange processes and building long-term business dealings. It is a process of collaborating with the commercial value of a product or service through positioning to customers (Karna 2001 Giese & Cote 2002).
Marketing can look at a managerial occupation that set of processes to create a way to communication with valuable customers to build strong relations with them in the ways to have commercial benefit for the industries and shareholders of that organization. The advertising and marketing are the knowledge of selecting a target group by analysis of market and the segmentation of the marketing, as well as an understanding of the consumer, buying behavior and providing higher customer value (Marina 2012). There are five competing concepts under which organizations can choose to operate their business; the manufactured idea, the notion of a product, the selling perception at the marketing, and the holistic marketing concept. There are four components in the holistic marketing such as marketing relationship, internal marketing, integrated marketing, and socially responsive marketing. The set of engagements necessary for successful marketing management includes capturing marketing insights, connecting with customers, building strong brands, shaping the market offerings, delivering and communicating value, creating long-term growth, and developing marketing strategies and plans (Kotler, 2003; Karna 2013). The marketing is the product information that essential to convey the targeted customers to influence to buy and the organization will achieve the target goals (William et al., 2007) Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others (Kotler, 2003).

William and Elizabeth (2007) mentioned the American Marketing Association (AMA) defined the marketing in 1935 modified in 1985 and again in 2004. “Marketing is the performance of business activities that direct the flow of goods and services from producers to consumers.” (1935) “Marketing is the process of planning and executing the conception pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and Organizational objectives.” (1985) “Marketing is an organizational function and a set of processes For creating, communicating and delivering value to customers And for managing customer relationships in ways that benefit The organization and its stakeholders.” (2004).
2.3 Definition of Strategic Marketing

The strategic marketing is a planning between a vendor and a purchaser in a way to the vendor shall be agreed to supply the goods service to buyer and the honorable buyer must agree to pay the value of property or services to the vendor (Ramin & Ali 2013). The strategic marketing is a plan of art to influence the target customer and a direction of controlling the customers choose. The sales person have must apply to the buyer with special skill or knowledge to perform the sales. The strategic marketing plan or policy of sales design commonly practice in the modern strategic marketing (Tom 2010; Ramin & Ali 2013). For example McDonald, they are the success to achieved the target goal in the market. Exactly the property business can follow the same strategic marketing that follows McDonald to success their business, but the product and customers are not exactly same. Therefore, for the property marketing strategic must be customized the strategic marketing plan to success. So, what is the marketing strategy for property business? The strategic marketing for property business has to be analytical, fact finding, reach to target goals, development of management and sustainable strategic marketing. The strategic marketing is a process consists of analyzing the environment, competitive market and business factors affecting the Corporation and its business units. It also identifies the market opportunities, forecasting future trends, and threats in business areas of interest for the industry. It is also to participate in setting objectives and formulating corporate and business unit strategies. To select target marketing strategies for the product markets in each business unit is to establish marketing target goals, to implement and manage the marketing strategies to meet the target market needs (Clark 2002; Jim & Peter 2005).

The strategic marketing is a prosperous art to win the objective of an adherent organization with the specification of the product to catch the target customers buy particular information and providing the absolute need for a client. The most important purpose of a marketing strategy is to assign efficiently and coordinate marketing resources and activities to achieve the firm’s goal within a particular product market (Isobel & Robin 2008; Jari 2013 Karna et, al., 2001). As a result, the decisions about the scope of a marketing strategy involves the specification of the target market segment(s) to be pursued and the product line to be offered. Then, firms look for a
competitive gain and working together environment, planning a well-integrated program of marketing mix elements.

The strategic marketing also refers to look at the overall of a company’s portfolio of products and managing and markets the portfolio to achieve the organization’s overall goals. A marketing strategy consists of an internationally integrated but externally focused set of choices about the company addresses its consumers in the context of a competitive environment (Roger et al., 2012).

2.4 Elements of Strategic Marketing

Strategic Marketing is the set of strategic tools for marketing that the business organization uses to achieve the target objectives from the target market. Distributing the information of goods or services to the customers through marketing variables or mix into four different categories creates it much easier to formulate a marketing strategy. The four categories Product, Price, Place, and Promotion are usually called the 4-Ps (Ramin & Ali 2013; Cole 2012). The term “strategy marketing” reflects to a company’s best opinion as to how it can most profitably apply its skills and resources to the marketplace. It is inevitable in a broad scope. The strategies marketing is the means by which a corporation achieves its marketing goals and are usually concerned with the 4 P's Product, Price, Place and Promotion (Jim & Peter 2005).

![Figure 2.4: Elements of marketing strategy (Ramin & Ali 2013)](Image)
Figure 2.4 explain the Product including Variety, Quality, Design, Brand Name, Features, and Packaging. The Price is including List price, Discount, Promotional price, Payment period and Credit terms if applicable. The place including Advertising, Personal Selling, Sales Promotion, Location and Public relation. The Promotion including Channels, Media Coverage, Promotional area or Location, Inventory, Transportation and Logistics (Ramin & Ali 2013).

The principle role of marketing strategy is assisting in creating a suite for fulfilling requirements of targeted customers and meanwhile focus on improving the efficiency of property sales strategy (Yuriy 2008).

<table>
<thead>
<tr>
<th>Table 2.4 Strategic Marketing Elements in Housing Industries (Yuriy 2008)</th>
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<tbody>
<tr>
<td><strong>Product</strong></td>
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<td><strong>Pricing</strong></td>
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<td><strong>Place</strong></td>
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<td><strong>Promotion</strong></td>
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2.4.1 Product (Condominium Complex)

Armstrong and Kotler describe Product is an anything that could be offered to the market for attention to purchase for use, or ingesting that influence satisfy a want or need (Armstrong & Kotler, 2005). The product is the first element of strategic marketing, which refers to the goods or services that will make available for customer’s needs or wants. In the case of a physical product, such as a house, a developer or housing industries will gather raw materials / information about the features and benefits desired by a target market. Ahead of assembling a house (product), the strategic marketing management’s role is to communicate with the target customer to understand the demand of them to create the house by engineering plan and design. The engineering plan and design must base on customers’ needs and solution of the current problems of product an expected result in the marketers to find as many customers as possible to buy this product (Jim & Peter 2005).

The product itself is the first element. Product must satisfy consumer needs. The product includes the physical product, product services, branding, packaging, coloring, standardizing, planning and developing right product, product modification, product innovation, etc. (Jain, 2007; Jerry 2002). The “Product” refers to the goods or services that the producer offers to the clients. Apart from a physical production itself, there are features connected with the product that customers are having high demand and they attracted on the product such as the way it is packed. Other product attributes include quality, features, options, brand name and warranties. Therefore, it might think to offer as a bundle of services or goods. The goods appearance, role, and support make up what the client is really purchasing. The successful managers immediate responsiveness to the requirements their goods packages address for clienteles. The product bundle must meet the demands of a particular target market (Cole 2012).
2.4.1.1 Production Model

The product model is the basic guideline that strategic marketing follows accordingly to produce a successful product in the modern era are acknowledged the best practice research and consequential methodology have led to some the most significant discoveries in product innovation. They were the first identify what distinguish winning products from losing products, built a perfect product to success predictive tool, and first to initiate the idea of new product assortment management. Their combined works are considered to have achieved the greatest impact on performance in product innovation today. Cooper and Edgett, have stimulated and enabled business executives and their organizations to create product innovation capability that has generated millions of dollars in new wealth (Robert et., al., 2013). This model is vital to create product innovation the housing project to success in the modern days with the new idea and new fact-finding such as the green environment for better human life and health. In reality, most of the developer follows the operations system but not perfectly due to many reasons (Nigel et, al., 2007; Robert et, al., 2013).

2.4.1.2 New Product (Project) Development

Marketing is a vital plane to the role a New Product Development (NPD) through several mechanisms. One is cross the functional communication and collaboration so that marketing elements are incorporated into the NPD development. In addition it is a strategic orientation of NPD, that is included in the commercialization strategy elements such as client orientation and market fit. The marketing investigation plays a specific character, as it offers the knowledge and information that marketing carries hooked on its NPD roles. We show that use of marketing study is the most important to the foundation of higher NPD success in the market of property and development processing. Many theories of NPD achieve because they incorporate market elements and strategic elements in the NPD include client orientation or market appropriate. Implicit in these theories are the hypothesis that businesses must continuously obtain market information for such adaptation to the market to work. Certainly, some work
specifically on NPD stresses the need for this market orientation (John et al., 2007; Robert et al., 2013). Many of the activities discuss are marketing research, and bring in customer information at many different stages of the NPD process. Display how the marketing study could use for guide Research and Development (R & D. This role for marketing study should be improved, if, as noted above, NPD in the Properties industry is quite market driven. So, Market Research is vital to invest in property industries to success the property business in the modern market in any part of the world (Mateja et al., 2010; Robert et al., 2013).

In this case, the new condominium complex is considered as a new product to supply the demand of the customer. The new housing complex develops based on the new design of internal and external according to the current demand in environmental elements and other facilities that most important to the target customers.

2.4.1.3 Variety of Product (House)

There are several variety of housing in Malaysia developed through many developers companies as below.

i. Terraced – single, two- or three-storey
ii. Semi-Detached – single, two- or three-storey
iii. Detached
iv. Townhouse
v. Flat
vi. Serviced Apartment and Condominium complex
vii. Low-cost flat
2.4.1.4 The Quality & Design of Condominium

Each product having the quality and design when the industry produces or develop. The condominium is one of the housing product that is the main product of this study. The housing value analysis that can be applied to the building in order to minimize the construction cost and maximize the quality at the same times, without compromising the building’s efficiency (Farouk 2011). The Condominium complex is known as high-rise building a high rise building (Tower) is a term that means a tall building which is more than total height exceeds 36m or 12 floors. The high rise building use for varies purpose such as administrative, residential, or a hotel. Since the beginning of the high rise, building developers did not pay the attention to surrounding of the environment. Day by day the user of the tower demand environment at the surrounding due the many problems, as a result, the developers develop the environmental design for the new high rise building (Farouk 2011).

2.4.1.5 Packaging and Decoration

The Packaging is a primary function in the business concentration for the protection and beauty of the product. Physical damage and chemical deterioration from mechanical and climatic hazards, as well as changes caused by microorganisms, must be prevented. The product and packaging materials must be compatible”. In reality, after construct, the building developers do the packing by beautiful colors not only outside but also inside to protect the building from rainwater damage and climatic hazards. So, the outside of the building is most important to create a skin by water resist materials that looks beautiful, and it is the best packing of the building (Lockhart & Paine 1996). For instance, complete a high rise building as a product with the beautiful internal and external design that can attractive the customers. The beautiful color of the high-rise building can protect from the rain water that usually damage the building the distemper color use as both for increasing the beauties and packaging also. The figure 2.4.1.5 shows how to damage the building without the packaging by
distemper color, the rate of damage and how to save the building by using the distemper color as packing (Cheng 2008).

![Figure 2.4.1.5 Packing and decorating of the product. Image showing 1. who does enter water 2, the report of damages 3, the solution. (Lockhart & Paine 1996).](image)

### 2.4.1.6 Brand Name of the Product

Basically each commercial product has the brand name but the property does not have the brand name however, there is reputation (good or bad) of the developers in the property market based on the quality of product or condominium building. The branding can influence the target customers to performance the sales activities in the property market. The best branding usually guarantees product / property sale (Cheng 2008). For example, there are many well-known housing brand (developers) in Malaysian property market such as IJM Land, UEM Sunrise Berhad, UDA Holding Berhad, TTDI Harta Sdn Bhd, Mah Sing Group etc.

### 2.4.2 Price (Value of Unit)

The second element of strategic marketing is the price of a goods or services, it must be high enough to cover the costs and make a profit but low enough to attract customers to buy the product. The price can affect the volume of sales in the market.
It is the high values of the product, which can determine the customer to buy or not to buy. The reasonable value of the influence product client to purchase. Price mix includes determining pricing objectives and policies of price fixation, discount policy, concession policy, profit margin, terms of payment, credit policy, etc (John et,al,.2008; Eloisa et, al,. 2011). Term “Price” refers to refers how much you can charge your customers for your product or service and how much is the profit in behind in the total value of the product. Determining your product’s price should reflect the suitable locating of your invention in the marketplace and result in value that covers the production cost per item and includes a profit margin. The result should neither greedy nor timid. The high price will send out of the market, and the too low price will make it impossible to grow your business (Cole et, al,. 2012)

The product then comes the price with profit many projects got to lose if they make the mistake in the stage. Subsequently, the price is most important to get the target profit from the sales in the challenging market. It is the very careful stage to set the price of the product that should be approved by the result of customer’s purchasing behaviors. Marginal theory of costing is that most businesses have a combination of the two resulting in semi-variable costs. Under this, the whole cost of industrial or producing products or services can be separated into two different parts: the fixed and the variable prices. Fixed prices are considered to be the outstanding constant no matter the variation in the number of products though variable (marginal) costs vary directly with production quantity. However, difficulties do arise in categorizing some costs as either fixed or changeable (Sinclair & Talbott 1986).

In the theory, the fixed cost is the land price and very adequate is the quantity of units for example a condominium is total 25 levels, and another condominium is total 35 levels with the same measurement of land. In this case, the land is the fixed cost but total deferment of 10 level is the variable. It means the more ten levels of a condominium can get the more profit compare to the 25 stories one (Sinclair & Talbott 1986). Price is the value of the product that can show the loss or profit of the business, Pricing is the process of determining what a company will receive in exchange for its products. Pricing is the cost of product or services for the manufacturing organization or companies, it starting up based on competitors, marketplace, and quality of the product. Pricing is also a key variable in macro-economic the theory of price allocation. The pricing is a fundamental aspect of strategy marketing it works with four Ps of the marketing strategy. The other three features are promotion, product, and
place / location. The price carried profit, revenue generating, and the strategic price strongly influences customers to purchase or rent the housing property (Elias 2007; John et al., 2008)

Table 2.4.2 Property Price in Malaysia 2000 to 2012 (Price Index 2012).

The property price is increasing based on increasing building materials, as well as many foreign demand to buy the property. As a result, the government makes the rule for them in the pricing is minimum RM 500,000.00 Information by the state government and practicing by the developers and agent such as Property Guru iProperty and others The foreign customer have to pay minimum RM 500,000 to purchase housing apartment / property in Malaysia (Price Index, 2012).

2.4.2.1 Base price

Base price is the original price of the product or services without the additional charge that might be added on the base price, such as decoration, utility, furnisher handling or shipping charges, sales tax, optional equipment charges, etc. Many developers is showing the base price to attract the target customers after booking gradually they show the additional cost to them. If the total price is showing before purchase might be the customers should not buy the property because of price (Roger et al., 2012).
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