Acceptance, user satisfaction and willingness to pay in function of building specifics to develop compact residential buildings

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Abstract
In the recent years the development of housing in conurbations in Germany has shown a strong trend towards concentration. Land areas are scarce and thus investors and municipalities set to amortize the high investment costs on concentrating their developed areas.

The trend towards concentration is likely to intensify in the next few years, ask municipalities and investors for building types which can meet high settlement pressure and can generate a sustainable social and economic contribution to urban development.

This thesis is about developing and designing properties of concentrated residential real estate in order to achieve maximum user willingness to pay and at the same time ensure social acceptance.

Fig. 1 population trends
Satisfaction of the users is decisive and connecting element of this research. It is necessary to investigate in which parameters satisfaction is shown and which existing or missing elements are the base of it. It is assumed that the sustainable development of residential real estate does not take place on its own due to the long-term investment property, but is controlled by incentives or decision-making criteria.

**Research Method**

To investigate the relation of user satisfaction and willingness to pay with certain characteristics, methods of consumer research are used, in an adapted form for residential real estate. Here, users' expectations are to be measured by means of questionnaires to representatively selected users and translated as a willingness to pay.

The data is collected by a standardized questionnaire. The questionnaire must take into account the number of users requested, the geographical location and the number of apartments represented per user. There will be provided a standardized selection of location and property characteristics of a residential building.

The results of the study are evaluated and modeled in relation.

From the results of the investigation, a comparison of the different building types is drawn up, to what extent a balanced relation of user satisfaction and willingness to pay is available.

The evaluation report is being prepared as a guide to give investors and project developers an incentive to implement a sustainable investment strategy for congested residential buildings in metropolitan areas.

From this can derive a guideline for the conception of condensed living space, taking into account the criteria for sustainability for investors and project developers. The guide is intended to provide guidance for an investor strategy that is committed to the customer's sustainability and maximum willingness to pay.

In the examination method, the Kano method for measuring satisfaction seems to have a great advantage of dysfunctional questions. However, this methodology in consumer research must be analyzed to the applicability of densified housing.

The main question of this thesis will be which specifics of a condensed residential building are important to place it on the market in the long term and to ensure its economic success.

The emphasis in evaluating existing research is on concentrated properties, which, despite their density, may lead to measurable user satisfaction. Conceivable here are questions about comfort or social factors. Often investors have been trying intuitively or via a shortened yield analysis to formulate subjectively clear criteria that would be satisfied and willing to pay. The question is whether that will withstand objective criteria of sustainability.

The area of satisfaction and willingness to pay again illuminates general, business-related topics, since they aim at price readiness or price tolerance.

**References**

*Bevölkerungsdynamik 2015-2030 in Gatzweiler Hans-Peter, Martin Gornig: Integrierte Szenarien der Raumentwicklung in Deutschland – Welche Trends sind entwicklungsprägend?*