

Youth Property Investment Intentions in Johor Bahru: A Consumer Behavior Perspective

Muhammad Syafiq Salleh, Shahrizal Mohd Safri, Muhammad Amiruddin Salleh

Faculty of Business, UNITAR International University, Malaysia

DOI Link: <http://dx.doi.org/10.6007/IJARBSS/v15-i12/26912>

Published Date: 16 December 2025

Abstract

This study investigates the factors influencing property investment intentions among Malaysian youth in Johor Bahru, guided by the Theory of Planned Behavior (TPB). Using a quantitative research design, data was collected from 177 respondents aged 18 to 30 through a structured questionnaire. The instrument measured key constructs including attitude, subjective norms, perceived behavioral control, and economic variables such as income, interest rate, housing cost, location, and government incentives. The findings show that Malaysian youth show a strong interest in property investment, with over half planning to purchase real estate within the next five years. Their investment intentions are shaped by a combination of psychological and economic factors, with housing affordability, income level, and location accessibility emerging as the most influential. While government incentives and interest rates are moderately acknowledged, they do not significantly predict investment behavior when compared to more immediate financial and spatial considerations. These findings show the importance of affordability and spatial convenience in shaping youth property decisions and affirm the relevance of TPB in understanding behavioral intentions. The study offers practical implications for policymakers, developers, and financial institutions seeking to engage young property investors and recommends future research incorporating longitudinal and qualitative approaches for deeper insight.

Keywords: Youth Property Investment, Theory of Planned Behavior, Housing Affordability, Real Estate Decision-Making, Johor Bahru, Income, Location, Government Incentives, Interest Rate, Behavioral Intention, Malaysian Youth.

Introduction

In recent years, the Malaysian property market has witnessed a growing interest among young adults, particularly in urban centers such as Johor Bahru, where rapid development, cross-border economic activity, and urban migration have reshaped housing demand (Yaaco et al., 2025). As the southern gateway to Peninsular Malaysia and a key node in the Iskandar Malaysia development corridor, Johor Bahru presents a unique context for studying youth property investment behavior. The city's proximity to Singapore, coupled with infrastructural upgrades and government-led housing initiatives, has made it a focal point for both domestic

and foreign real estate interest. However, despite these opportunities, many young Malaysians face significant barriers to homeownership, including rising property prices, income stagnation, and limited access to affordable financing (Zulkarnain et al., 2024). These challenges raise critical questions about what truly drives or deters youth from investing in real estate, and how their preferences, perceptions, and financial realities shape their intentions to enter the property market.

From a consumer behavior standpoint, property investment is not merely a financial transaction, but a complex decision-making process influenced by a constellation of psychological, economic, and sociocultural factors (Tansuchat & Thaicharo, 2025). Young adults, particularly those in the early stages of their careers, often weigh long-term aspirations such as stability, independence, and wealth accumulation against short-term constraints like income volatility, debt obligations, and lifestyle preferences. In Johor Bahru, these decisions are further complicated by the city's dual identity as both a local urban hub and a transnational economic zone. Factors such as perceived affordability, location desirability, interest rate sensitivity, and government incentives interact with personal values, family expectations, and market perceptions to shape youth investment intentions (Putri et al., 2024). Understanding these dynamics through a consumer behavior lens allows for a more nuanced exploration of how young Malaysians interpret, evaluate, and respond to real estate opportunities in a rapidly evolving urban landscape.

This study aims to investigate the determinants of property investment intentions among Malaysian youth in Johor Bahru by examining key variables such as income, housing cost, location, interest rates, and government incentives. By adopting a consumer behavior perspective, the research seeks to uncover the underlying motivations, attitudes, and perceived barriers that influence decision-making. The findings are expected to provide valuable insights for policymakers, developers, and financial institutions seeking to design more targeted housing strategies, marketing campaigns, and financing solutions tailored to the needs and aspirations of young homebuyers. Moreover, the study contributes to the broader discourse on youth economic participation and urban development, highlighting the importance of aligning housing policies with the lived realities and behavioral patterns of the next generation of property investors.

Literature Review and Hypothesis Development

Income and Affordability

Income is widely recognized as a foundational determinant in consumer decision-making, particularly in high-involvement purchases such as real estate. For young adults, income not only reflects purchasing power but also signals financial stability, creditworthiness, and long-term investment capacity. In the Malaysian context, youth often face income volatility due to early career stages, contract-based employment, or gig economy participation, which can hinder their ability to commit to property ownership. Zubi (2025) emphasizes that income levels directly affect affordability, mortgage eligibility, and confidence in long-term financial commitments. In Johor Bahru, where urban development and cross-border economic activity have driven up property prices, income becomes a critical filter through which youth assess their readiness to invest. Moreover, income influences perceptions of risk and return, shaping whether young adults view real estate as a viable path to wealth accumulation or a financial burden (Fleming, 2025). From a consumer behavior

perspective, income also interacts with psychological constructs such as perceived behavioral control and financial self-efficacy, which affect the intention to invest. Therefore, understanding income as both a financial and psychological variable is essential in predicting youth property investment behavior.

Hypothesis 1 (H1): Income has a significant positive influence on real estate investment intentions among Malaysian youth in Johor Bahru.

Housing Cost and Price Sensitivity

Housing cost is one of the most immediate and tangible barriers to property investment, especially for young adults navigating early financial independence. It encompasses not only the purchase price of a property but also associated costs such as down payments, legal fees, stamp duties, and ongoing expenses like maintenance and insurance. Yeng et al. (2024) found that high housing costs are a major deterrent for young Malaysians, often leading them to delay homeownership or opt for rental arrangements. In Johor Bahru, where property prices have risen due to urbanization and proximity to Singapore, youth face heightened sensitivity to affordability. This price sensitivity is compounded by limited access to financing options and the burden of student loans or other debts. From a marketing perspective, housing cost influences perceived value and cost-benefit analysis, which are central to consumer decision-making (Wu et al., 2024). Youth are likely to compare housing options not only based on price but also on location, amenities, and future resale value. Developers and policymakers must recognize that affordability is not just a financial metric but a psychological threshold that determines whether youth perceive property investment as attainable or aspirational. The literature consistently shows that competitive pricing and affordability schemes significantly enhance investment appeal among young buyers.

Hypothesis 2 (H2): Housing cost has a significant positive influence on real estate investment intentions among Malaysian youth in Johor Bahru.

Location and Accessibility

Location is a multidimensional factor that significantly influences property desirability and investment decisions. For urban youth, location is closely tied to lifestyle, convenience, and future value appreciation. Han et al. (2025) highlight that proximity to work, public transport, retail centers, and recreational amenities are key considerations for young buyers. In Johor Bahru, the strategic location near Singapore and ongoing infrastructure development make location a particularly salient factor. Youth are increasingly prioritizing properties that offer shorter commutes, access to vibrant social environments, and connectivity to economic hubs (Ismail, 2025). From a consumer behavior standpoint, location affects both functional and emotional value perceptions. Functionally, it determines accessibility and utility. Emotionally, it reflects status, identity, and aspirations. Properties in well-connected areas are perceived as more valuable and convenient, influencing both short-term preferences and long-term investment strategies. Location interacts with other variables such as housing cost and government incentives, creating a layered decision-making process (Zhao et al., 2025). Marketing strategies that highlight locational advantages, such as proximity to universities, tech parks, or lifestyle districts, can significantly influence youth investment intentions. Therefore, location is not merely a geographic attribute but a strategic determinant in shaping consumer preferences and behaviors in the property market.

Hypothesis 3 (H3): *Location accessibility has a significant positive influence on real estate investment intentions among Malaysian youth in Johor Bahru.*

Interest Rate and Financing Perception

Interest rates play a pivotal role in shaping the financial feasibility of property investment, particularly for first-time buyers who rely heavily on housing loans. High interest rates increase the cost of borrowing, reduce affordability, and discourage long-term financial commitments. Conversely, low interest rates can stimulate demand by making mortgage payments more manageable and enhancing perceived investment value. Multing and Michael Alazar (2024) found that while youth are motivated by low interest rates to pursue housing loans, concerns about future rate fluctuations temper their enthusiasm. In Johor Bahru, where property prices are relatively high, interest rate sensitivity becomes more pronounced among youth with limited financial buffers. From a consumer behavior perspective, interest rates influence perceived behavioral control and risk assessment (Hoque et al., 2024). Youth with higher financial literacy may be more adept at evaluating loan terms and navigating interest rate changes, while others may experience anxiety or confusion, leading to investment hesitancy. Moreover, interest rates interact with income and housing cost to shape overall affordability perceptions. Marketing communications that simplify loan structures and emphasize stability can help mitigate concerns and enhance investment confidence. Although interest rates may not be the most dominant predictor, they remain a critical contextual factor in youth property investment decisions.

Hypothesis 4 (H4): *Interest rate has a significant influence on real estate investment intentions among Malaysian youth in Johor Bahru.*

Government Incentives and Policy Support

Government incentives and housing policies are designed to lower barriers to homeownership and stimulate youth participation in the property market. These include financial subsidies, tax relief, preferential loan schemes, and affordable housing programs. Tohit et al. (2025) found that while these initiatives are appreciated by young Malaysians, their effectiveness depends on clarity, accessibility, and alignment with youth needs. In Johor Bahru, where urban development is rapid and housing demand is high, targeted policy interventions can play a strategic role in shaping youth investment behavior. However, the literature also reveals mixed perceptions regarding the impact of government incentives (You et al., 2025). Some youth view them as helpful but insufficient, citing bureaucratic hurdles, limited coverage, or lack of awareness. From a consumer behavior perspective, government incentives influence subjective norms and perceived behavioral control. They can enhance confidence in the market, reduce perceived risk, and signal institutional support for youth homeownership. Marketing campaigns that integrate policy benefits into property promotions can increase visibility and uptake. Nonetheless, the regression findings suggest that government incentives may not be a strong standalone predictor, indicating the need for more integrated and youth-centric policy design (Alaraba et al., 2025). Understanding how youth interpret and respond to these incentives is crucial for improving their effectiveness and relevance.

Hypothesis 5 (H5): *Government incentives and policies have a significant influence on real estate investment intentions among Malaysian youth in Johor Bahru.*

Underpinning Theories

Theory of Planned Behavior (TPB)

The Theory of Planned Behavior (Ajzen, 1991) provides a robust framework for understanding the psychological processes behind individual decision-making, particularly in contexts involving high financial commitment and long-term consequences, such as real estate investment. TPB posits that behavioral intention is shaped by three core components: attitude toward the behavior, subjective norms, and perceived behavioral control. In the context of youth property investment, these components can be mapped onto key variables explored in this study. For example, attitude may reflect how youth perceive real estate as a stable investment or a financial burden; subjective norms may involve cultural expectations, family influence, and peer pressure regarding homeownership; and perceived behavioral control relates to their confidence in affording property, navigating loan processes, and accessing government incentives.

Applying TPB to this study allows for a deeper understanding of how psychological and social factors interact with economic realities to shape investment intentions. Income, housing cost, and location can be interpreted as external conditions that influence perceived behavioral control, while interest rates and government incentives may affect both attitudes and control perceptions. Moreover, TPB supports the integration of marketing and policy perspectives by acknowledging that intention is not formed in isolation but is influenced by informational cues, societal expectations, and perceived ease or difficulty of performing the behavior. This theoretical lens enables the study to move beyond descriptive statistics and regression outputs, offering a behavioral explanation for why certain factors are more influential than others in shaping youth property investment intentions.

By grounding the research in TPB, the study contributes to both academic and practical discourse. It aligns with consumer behavior literature that emphasizes intention as a precursor to action and supports the development of targeted interventions, whether through marketing strategies, financial literacy programs, or housing policies, that address the psychological barriers and motivators of youth investors. TPB provides a basis for future research to explore how changes in economic conditions or policy environments may shift youth attitudes, norms, and control perceptions over time, thereby influencing their readiness to invest in property. According to Salleh et al. (2024), TPB is used to explain how individual attitudes, subjective norms, and perceived behavioral control influence behavioral intentions. Mohd Salleh et al. (2023) also mentioned that TPB provides a structured framework to understand how attitude, subjective norms, and perceived behavioral control influence behavioral intention toward e-wallet adoption. These align closely with this study on youth property investment, reinforcing the theory's versatility in explaining intention-driven behaviors across different domains of consumer decision-making.

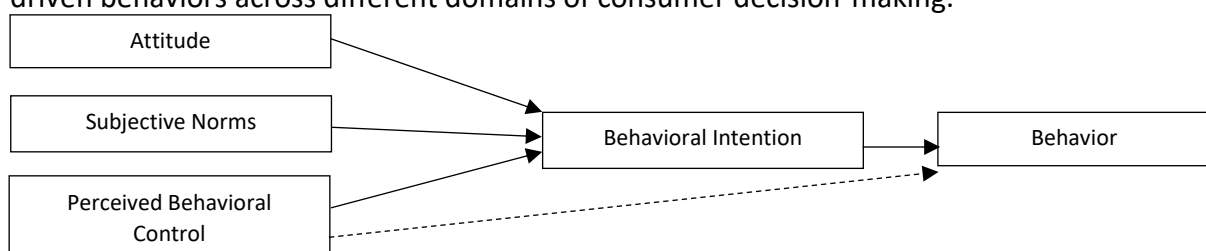


Figure 1: Theory of planned behavior model

Methodology

Data Collection and Sample Strategy

This study employed a quantitative research design to examine the determinants of property investment intentions among Malaysian youth in Johor Bahru. The data collection process was conducted through a structured self-administered questionnaire, distributed both physically and digitally to ensure broader reach and inclusivity. The questionnaire was designed based on validated constructs derived from the Theory of Planned Behavior (TPB) and previous empirical studies on real estate investment behavior. It comprised closed-ended items measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree), allowing for standardized responses and robust statistical analysis. The instrument was pre-tested through a pilot study to ensure reliability and internal consistency, with Cronbach's alpha values reported for each construct.

The target population for this study consisted of Malaysian youth aged 18 to 30 years residing or working in Johor Bahru, reflecting the demographic most likely to be considering first-time property investment. A non-probability purposive sampling technique was adopted to ensure that respondents had basic awareness or interest in property-related decisions. This approach was deemed appropriate given the study's focus on investment intention rather than general housing attitudes. A total of 177 valid responses were collected, exceeding the minimum sample size required for multiple regression analysis, as recommended by statistical guidelines (Tabachnick & Fidell, 2007). The sample included individuals from diverse educational backgrounds, employment statuses, and income levels, enabling a comprehensive analysis of the factors influencing their investment intentions.

To enhance data validity and reduce response bias, the questionnaire was accompanied by a brief introduction explaining the study's purpose, assuring confidentiality, and emphasizing voluntary participation. The data collection period spanned four weeks, allowing sufficient time for outreach across university campuses, workplaces, and online platforms. The final dataset was cleaned and screened for completeness before proceeding to descriptive analysis, reliability testing, and regression modeling. This sampling strategy and data collection method ensured that the study captured a realistic and contextually relevant snapshot of youth property investment behavior in Johor Bahru, aligned with the study's theoretical framework and research objectives.

Construction of the Research Instrument and Measures

The research instrument for this study was a structured questionnaire developed to capture the key constructs influencing youth property investment intentions, guided by the Theory of Planned Behavior (TPB) and supported by empirical literature. The questionnaire was designed to measure both psychological and economic variables, including attitude toward real estate investment, subjective norms, perceived behavioral control, and behavioral intention. Additionally, it incorporated specific indicators related to income, housing cost, location, interest rate, and government incentives, reflecting the multifactorial nature of property investment decisions among Malaysian youth.

Each section of the questionnaire was carefully constructed to ensure clarity, relevance, and alignment with the study's conceptual framework. Items were adapted from validated scales in previous studies (Hamzah & Zyed, 2021; Adzis et al., 2021; Sohaimi &

Shuid, 2023) and modified to suit the local context of Johor Bahru. The instrument consisted of five-point Likert scale items, ranging from 1 = Strongly Disagree to 5 = Strongly Agree, allowing for nuanced measurement of respondent attitudes and perceptions. For example, statements such as “I perceive real estate as a stable and reliable investment” and “Government housing schemes influence my decision to buy property” were used to assess attitude and subjective norms, respectively. Measures of perceived behavioral control included items like “I feel financially capable of affording a mortgage” and “I understand the procedures involved in purchasing property.”

To ensure content validity, the questionnaire was reviewed by academic experts in marketing, consumer behavior, and real estate economics. A pilot test was conducted with a sample of 30 respondents to assess reliability and internal consistency. Cronbach’s alpha values were calculated for each construct, with most variables exceeding the acceptable threshold of 0.70, indicating strong reliability. Exceptions such as the income construct ($\alpha = 0.262$) were noted and interpreted cautiously in the analysis. The final instrument was divided into three main sections: (1) demographic profile, (2) factors influencing property investment, and (3) behavioral intention. This structure facilitated logical flow and respondent engagement, while also enabling targeted analysis of each variable’s contribution to investment intention. The instrument was administered in English and Malay to accommodate linguistic diversity and enhance accessibility among youth in Johor Bahru.

Ethical Considerations

This study adhered to established ethical standards in social science research to ensure the protection, dignity, and autonomy of all participants. Prior to data collection, participants were provided with a clear and concise informed consent statement, outlining the purpose of the study, the voluntary nature of participation, and the confidentiality of their responses. The consent form emphasized that respondents could withdraw at any point without penalty and that no personally identifiable information would be collected or disclosed. This approach aligns with ethical principles of respect for persons, beneficence, and justice, as outlined in the Malaysian Code of Responsible Conduct in Research and international guidelines such as the Declaration of Helsinki.

To maintain confidentiality and data privacy, all responses were anonymized and stored securely. The questionnaire did not request names, identification numbers, or contact details, thereby minimizing the risk of data misuse. Digital responses were collected through secure platforms with restricted access, and physical copies were stored in locked cabinets accessible only to the research team. Data analysis was conducted using aggregated results, ensuring that individual responses could not be traced or linked to specific participants. The findings were reported in a manner that preserves anonymity and avoids any form of stigmatization or bias. Ethical clearance was obtained from the relevant institutional review board (IRB) or ethics committee prior to the commencement of the study, affirming that the research design met all necessary ethical requirements.

The study was designed to avoid psychological or social harm to participants. The questionnaire items were framed neutrally and respectfully, avoiding sensitive or intrusive questions. Participants were not subjected to deception, coercion, or undue influence. The research team remained available to address any concerns or queries raised during the data

collection process. By upholding these ethical standards, the study ensured that the rights and welfare of participants were prioritized throughout the research process. These considerations not only enhance the credibility and integrity of the study but also reflect the researcher's commitment to responsible and ethical academic practice.

Data Analysis and Results

Demographic Findings

The demographic profile of the 177 respondents in this study reveals a youthful and academically inclined population, with the majority aged between 21 and 23 years (45.2%), followed by those aged 24 to 26 (28.8%) and 27 to 29 (14.1%). Only a small fraction were aged 18 to 20 (4.0%) or exactly 30 years old (7.9%), indicating that most participants are in the early stages of adulthood, an age range typically associated with emerging financial independence and long-term planning, including property investment. Educational attainment among respondents was notably high, with 73.4% holding a Bachelor's degree, suggesting that the sample comprises individuals with substantial academic exposure and potential awareness of financial and investment concepts. Diploma or certificate holders made up 17.5%, while only 5.6% had completed secondary school. A small but significant group (3.4%) held postgraduate qualifications (Master's or Doctorate), which may reflect more specialized knowledge or career advancement. This educational composition implies that the respondents are likely to be informed and discerning in their approach to real estate decisions, with varying degrees of financial literacy and investment readiness.

Gender distribution was nearly balanced, with males comprising 51.4% and females 48.6%, ensuring that the study captures perspectives across both genders. Employment status further contextualizes the respondents' financial stability: 54.8% were employed full-time, indicating consistent income and potentially greater confidence in making long-term financial commitments such as property investment. Part-time workers accounted for 21%, reflecting a segment that may be balancing employment with education or other responsibilities. Self-employed individuals made up 7.3%, suggesting entrepreneurial engagement that could influence investment strategies. Meanwhile, 16.9% of respondents were unemployed, a group likely facing financial constraints that may delay or deter property investment. Monthly income levels varied, with 30.5% earning below RM2,000 and 41.8% earning between RM2,000 and RM4,999, indicating that most respondents fall within low to moderate income brackets. Only 27.8% earned RM5,000 or more, suggesting that affordability remains a central concern for many young adults in Johor Bahru. These income patterns are critical in understanding the financial limitations and aspirations that shape youth investment behavior.

Living arrangements and housing preferences provide further insight into the respondents' current realities and future intentions. A significant majority (72.9%) live with parents or relatives, reflecting delayed transitions to independent living and possibly limited access to affordable housing. Renting was reported by 19.2% of respondents, offering flexibility but also highlighting the absence of ownership. Only 7.9% owned property, either with or without a mortgage, indicating that homeownership among youth remains relatively low. Despite these constraints, 53.7% expressed a positive intention to purchase real estate within the next five years, revealing strong aspirational interest in property investment. Preferred residential locations leaned heavily toward urban centers (53.7%) and suburbs, with

only 2.3% favoring rural areas, underscoring the appeal of proximity to employment, amenities, and lifestyle opportunities. In terms of housing type, 49.2% preferred apartments or condominiums, followed by terrace houses (22.6%), semi-detached (18.6%), and detached houses (9.6%). These preferences reflect a trend toward compact, amenity-rich living environments that align with urban lifestyles and affordability considerations. Collectively, these demographic findings offer a nuanced understanding of the socio-economic and aspirational landscape shaping youth property investment intentions in Johor Bahru.

Descriptive Analysis

The descriptive analysis reveals several psychological and structural factors that influence Malaysian youth's real estate investment intentions. Respondents generally perceive real estate as a stable and reliable investment, with a mean score of 4.21, although this leans slightly toward disagreement, suggesting a nuanced view of property as a long-term asset. Government initiatives such as affordable housing schemes show moderate influence (mean = 3.91), indicating that while these policies are acknowledged, their impact varies across individuals. Cultural norms and family expectations also play a moderate role (mean = 3.79), reflecting the social pressures and traditional values associated with homeownership in Malaysia. Interestingly, the statement "I would rather rent than own a house" received a mean score of 4.20, suggesting that most respondents disagree with renting as a preferred option, reinforcing the cultural and aspirational value placed on property ownership. Market trends and speculation about future property prices had a mean score of 4.23, indicating that youth are generally skeptical about the influence of market speculation on their investment decisions. These findings suggest that while youth recognize the importance of real estate, their decisions are shaped by a mix of financial realism, cultural expectations, and cautious optimism.

Income emerged as a critical factor in shaping investment behavior. Respondents expressed modest confidence in their ability to afford monthly mortgage payments (mean = 2.34), highlighting affordability concerns. However, they showed stronger agreement (mean = 3.98) with the idea that financial stability enhances investment opportunities. Interestingly, there was disagreement (mean = 4.22) with the notion that current income levels limit their investment options, suggesting that while affordability is a concern, many youth remain optimistic or aspirational about property ownership. Similarly, respondents disagreed (mean = 4.09) with hesitancy toward taking housing loans due to income instability, implying a willingness to engage with financing mechanisms despite perceived risks. Interest rates also play a significant role, with high rates acting as a deterrent (mean > 4.16) and low rates serving as a motivator (mean = 4.14). Respondents expressed moderate concern about future interest rate fluctuations (mean > 4.06), indicating that while financing costs are influential, they are not the sole determinant of investment behavior. These insights align with previous studies (Adzis et al., 2021; Sohaimi & Shuid, 2023), which emphasize the interplay between income, affordability, and financing conditions in youth property decisions.

Housing cost and location were among the most influential structural factors. Respondents strongly considered house prices when evaluating affordable housing options (mean = 4.18), and additional costs such as taxes, insurance, and maintenance were also significant (mean = 4.00). The Mortgage Loan to Value Ratio (LTV) was considered, though less prominently, suggesting that youth are aware of financing structures but prioritize

upfront affordability. Location factors such as access to shops, public infrastructure, and proximity to work received high scores, indicating their importance in shaping housing preferences. Schools were less influential, suggesting that lifestyle and convenience outweigh educational proximity for this demographic. Government incentives were viewed positively, with financial subsidies, tax relief, and preferential loan policies seen as motivators. However, the absence of clear housing policies and complex buying procedures were perceived as barriers, highlighting the need for more transparent and youth-friendly policy frameworks. These findings reinforce the importance of aligning housing strategies with youth expectations and financial realities, as emphasized by Ayen (2023), Liew (2022), and Ismail et al. (2023). Collectively, the descriptive analysis provides a nuanced understanding of the multifactorial influences on youth property investment intentions in Johor Bahru.

Reliability Test

The reliability analysis conducted in this study provides critical insights into the internal consistency of the measurement items used to assess factors influencing real estate investment decisions among Malaysian youth. Cronbach's alpha was employed as the statistical indicator to evaluate how well the items within each construct measured the same underlying concept. The dependent variable, which represents buying behavior, achieved a Cronbach's alpha value of 0.750 across five items. This falls within the acceptable range, indicating that the items used to measure youth property investment intention are sufficiently consistent and reliable. This level of internal consistency suggests that respondents interpreted the items in a coherent manner, and that the construct of buying behavior was effectively captured through the questionnaire design.

Among the independent variables, most demonstrated strong reliability, with Cronbach's alpha values exceeding the commonly accepted threshold of 0.70. Specifically, the constructs for interest rate, housing cost, and government incentive and policy each recorded alpha values of 0.821, 0.862, and 0.862 respectively. These results indicate that the items within these constructs are highly cohesive and effectively measure respondents' perceptions and attitudes toward these factors in the context of real estate decision-making. The variable location also showed acceptable reliability with a Cronbach's alpha of 0.712 across five items, suggesting that the questions related to accessibility, proximity to amenities, and infrastructure were well-aligned and interpreted consistently by respondents. These findings affirm the robustness of the instrument in capturing key economic and policy-related influences on youth investment behavior.

However, the construct for income revealed a significantly lower Cronbach's alpha value of 0.262 across four items, indicating poor internal consistency. This suggests that the items used to measure income-related perceptions may not have been interpreted uniformly by respondents, or that the construct itself was too heterogeneous to yield consistent responses. Possible explanations include varying definitions of financial stability, differences in income sources, or ambiguity in the phrasing of survey items. Despite this limitation, the overall reliability profile of the instrument supports its use in full-scale data collection. With most constructs demonstrating strong or acceptable internal consistency, the questionnaire is deemed methodologically sound for analyzing the multifactorial determinants of youth property investment intentions in Johor Bahru. Future studies may consider refining the

income-related items to improve measurement precision and enhance the reliability of this construct.

Multi-regression Analysis

The multiple regression analysis conducted in this study aimed to evaluate the collective and individual influence of five key predictors, such as income, interest rate, housing cost, location, and government incentive and policy, on Malaysian youth's real estate investment decisions. The model summary revealed that these variables explained 43.2% of the variance in the dependent variable, with an adjusted R^2 of 0.415, indicating a moderately strong model fit. The standard error of the estimate (0.53915) suggests a reasonable level of prediction accuracy. The ANOVA results confirmed the statistical significance of the overall model, with $F(5, 171) = 26.009$, $p < .001$, demonstrating that the combined effect of the predictors significantly contributes to explaining youth property investment intentions. These findings align with prior research by Lim, Tan, and Wong (2021), which emphasized the role of economic variables and policy incentives in shaping young Malaysians' housing decisions.

The coefficient analysis provided deeper insights into the relative strength of each predictor. Among the five independent variables, income ($b = 0.302$, $t = 4.244$, $p < 0.001$), housing cost ($b = 0.348$, $t = 3.778$, $p < 0.001$), and location ($b = 0.224$, $t = 2.708$, $p = 0.007$) emerged as statistically significant contributors to youth real estate decisions. These results suggest that financial capacity, affordability, and accessibility are dominant considerations for young adults when evaluating property investment opportunities. In contrast, interest rate ($b = -0.040$, $p > 0.05$) and government incentive and policy ($b = -0.032$, $p > 0.05$) were found to be statistically insignificant in this model, indicating that while these factors may influence perceptions, they do not exert a strong direct effect on investment intention within this sample. The remaining 56.8% of unexplained variance may be attributed to other psychological, social, or market-related factors not captured in this study, such as risk tolerance, financial literacy, or peer influence.

To assess the relative contribution of each variable, standardized beta coefficients were examined. Housing cost ($\beta = 0.348$) had the highest standardized coefficient, followed by income ($\beta = 0.302$) and location ($\beta = 0.224$), confirming that housing affordability is the most dominant factor influencing youth property investment decisions. The regression equation derived from the analysis is $\text{Investment Intention} = 0.729 - 0.309 (\text{Income}) - 0.039 (\text{Interest Rate}) + 0.351 (\text{Housing Cost}) - 0.248 (\text{Location}) - 0.033 (\text{Government Incentive and Policy})$. This equation can be used to predict youth investment behavior based on changes in the independent variables. Therefore, the regression analysis provides empirical support for the theoretical framework and highlights the importance of financial and locational factors in shaping real estate decisions among Malaysian youth. These findings offer valuable implications for developers, policymakers, and financial institutions seeking to engage and support young property investors in urban Malaysia.

Discussions

The findings of this study reveal a multifaceted landscape of youth property investment intentions in Johor Bahru, shaped by both economic realities and behavioral perceptions. The descriptive analysis highlighted that Malaysian youth generally perceive real estate as a stable and reliable investment, though their confidence is tempered by affordability concerns and

income limitations. While government initiatives such as affordable housing schemes are moderately influential, cultural norms and family expectations also play a role in shaping investment attitudes. Interestingly, the preference for ownership over renting suggests a strong aspirational drive among youth, even in the face of financial constraints. These findings align with Hamzah and Zyed (2021), who emphasized the symbolic and financial value of property ownership among young Malaysians. The variability in responses across factors such as market trends and government incentives suggests that youth investment behavior is not monolithic but rather segmented by financial literacy, personal circumstances, and perceived control over housing decisions.

The reliability test confirmed that most constructs used in the study, such as housing cost, interest rate, location, and government incentives, demonstrated strong internal consistency, validating the robustness of the measurement instrument. However, the income construct showed poor reliability, indicating that youth perceptions of income may be more fragmented or context dependent. This inconsistency could stem from diverse employment types, fluctuating earnings, or differing interpretations of financial stability. Despite this, income emerged as a significant predictor in the regression analysis, suggesting that while perceptions may vary, income remains a foundational factor in shaping investment decisions. The multiple regression analysis further reinforced the importance of housing cost, income, and location as statistically significant predictors, collectively explaining 43.2% of the variance in youth property investment intentions. These results echo the findings of Lim, Tan, and Wong (2021), who argued that affordability and accessibility are central to youth engagement with the property market.

Interest rate and government incentive variables were found to be statistically insignificant in the regression model, despite their moderate influence in the descriptive analysis. This discrepancy suggests that while these factors may shape general attitudes or awareness, they do not exert a strong direct effect on investment intention when considered alongside more immediate concerns like income and housing cost. The standardized beta coefficients revealed that housing cost had the most dominant effect, followed by income and location, underscoring the primacy of affordability and spatial convenience in youth decision-making. These insights have practical implications for policymakers and developers: efforts to stimulate youth property investment should prioritize pricing strategies, income-sensitive financing models, and location-based development planning. Furthermore, the findings support the application of the Theory of Planned Behavior (TPB), as youth attitudes, perceived control, and social norms collectively influence their behavioral intentions. Future research could explore additional variables such as financial literacy, digital property platforms, or psychological risk tolerance to deepen understanding of youth investment behavior in Malaysia's evolving urban landscape.

Conclusion

This study set out to explore the factors influencing property investment intentions among Malaysian youth in Johor Bahru, using the Theory of Planned Behavior (TPB) as its guiding framework. Through a combination of descriptive analysis, reliability testing, and multiple regression modeling, the research uncovered a nuanced understanding of how economic, psychological, and policy-related variables shape youth decision-making in the real estate sector. The findings revealed that while young adults generally perceive real estate as

a stable and desirable investment, their intentions are significantly shaped by tangible factors such as income, housing cost, and location. These variables emerged as statistically significant predictors, confirming that affordability and accessibility remain central concerns for youth navigating the property market. The study also highlighted the aspirational nature of youth investment behavior, with a majority expressing intent to purchase property within the next five years despite financial constraints.

The regression analysis further demonstrated that housing cost had the most dominant influence on investment intention, followed by income and location. This suggests that pricing strategies and income-sensitive financing models are critical levers for encouraging youth participation in the property market. Interestingly, interest rate and government incentive variables, while moderately influential in the descriptive analysis, were statistically insignificant in the regression model. This indicates that while these factors may shape general attitudes or awareness, they do not exert a strong direct effect when considered alongside more immediate financial concerns. The reliability test supported the internal consistency of most constructs, validating the robustness of the research instrument. However, the low reliability score for the income construct suggests that future studies should refine how financial perceptions are measured among youth, possibly incorporating variables such as debt burden, savings behavior, and financial literacy.

Therefore, this study contributes to the growing body of literature on youth housing behavior in Malaysia by offering empirical insights grounded in behavioral theory. It affirms the relevance of TPB in explaining property investment intentions and underscores the importance of aligning housing policies, marketing strategies, and financial products with the lived realities of young adults. For policymakers, the findings suggest that interventions should focus on affordability, location-based development, and income-sensitive support mechanisms rather than relying solely on broad-based incentives. For developers and financial institutions, the results highlight the need to design youth-centric housing solutions that balance aspiration with accessibility. Future research could expand this study by incorporating qualitative methods, longitudinal tracking, or comparative analysis across regions to deepen understanding of youth investment behavior in Malaysia's evolving urban landscape.

This study advances the theoretical understanding of consumer behavior in property investment by applying the Theory of Planned Behavior (TPB) to a high-involvement financial decision context. While TPB has been widely used in domains such as sustainable consumption and technology adoption, its application to youth property investment in Malaysia provides fresh insights into how attitudes, subjective norms, and perceived behavioral control interact with economic variables like income, housing cost, and location. By integrating psychological constructs with structural determinants, the research demonstrates that behavioral intention toward property investment is not solely a function of financial capacity but also shaped by perceived control and social expectations. This theoretical integration enriches TPB by highlighting its adaptability to real estate decision-making and underscores the importance of combining behavioral and economic perspectives in predicting investment intentions.

The study offers a nuanced understanding of youth property investment behavior within Johor Bahru's unique urban and transnational setting. As a rapidly developing city influenced by cross-border economic activity and infrastructural growth, Johor Bahru presents distinct challenges and opportunities for young investors. The findings reveal that affordability and location accessibility are dominant factors, while interest rates and government incentives play a secondary role. This contrasts with assumptions in broader housing literature that policy interventions are primary drivers of youth homeownership. By situating the analysis in Johor Bahru, the research captures the interplay between local market dynamics, cultural norms, and aspirational values, providing context-specific insights that can inform targeted housing strategies and urban planning initiatives.

The study contributes significantly to existing knowledge by bridging gaps between behavioral theory and housing economics in the Malaysian context. Previous research has often examined youth housing decisions through either financial feasibility or policy effectiveness lenses, overlooking the psychological and social dimensions of investment intention. This research fills that gap by demonstrating that while economic factors like income and housing cost are critical, they operate alongside behavioral constructs such as perceived control and normative influence. The findings challenge policymakers and developers to move beyond generic affordability schemes and adopt holistic approaches that address both financial and psychological barriers. In doing so, the study not only enriches academic discourse but also provides actionable insights for designing youth-centric housing policies and marketing strategies.

Limitations

While this study provides valuable insights into the factors influencing youth property investment intentions in Johor Bahru, several limitations must be acknowledged. First, the research employed a quantitative cross-sectional design, which captures perceptions and intentions at a single point in time. This approach does not account for changes in economic conditions, policy shifts, or personal circumstances that may influence youth investment behavior over time. As such, the findings reflect a snapshot rather than a dynamic view of decision-making. Future studies could adopt longitudinal or mixed-method designs to explore how youth attitudes and behaviors evolve in response to market fluctuations, life transitions, or policy reforms. Additionally, the reliance on self-reported data introduces the possibility of response bias, where participants may overstate or understate their intentions due to social desirability or uncertainty about their financial future.

Another limitation lies in the sampling strategy and demographic scope. The study used purposive sampling, targeting youth aged 18–30 in Johor Bahru with basic awareness of property investment. While this approach ensured relevance to the research objectives, it limits the generalizability of the findings to other regions or youth segments with different socioeconomic backgrounds. For example, youth in rural areas or those with lower educational attainment may have different priorities, constraints, and perceptions regarding property investment. Moreover, the sample was skewed toward individuals with higher education levels, particularly Bachelor's degree holders, which may have influenced the overall optimism and investment readiness reflected in the data. Expanding the sample to include more diverse educational, geographic, and occupational profiles would enhance the representativeness and depth of future research.

Lastly, the measurement of certain constructs, particularly income, showed low internal reliability, as indicated by the Cronbach's alpha value of 0.262. This suggests that the items used to assess income-related perceptions may not have consistently captured the intended construct. The variation in employment types, income sources, and financial literacy among youth may have contributed to inconsistent responses. While income was still found to be a significant predictor in the regression model, its measurement limitations warrant caution in interpretation. Future research should refine the operationalization of income by incorporating multidimensional indicators such as disposable income, debt obligations, savings behavior, and financial planning capacity. Addressing these limitations will strengthen the validity and applicability of future studies on youth property investment behavior in Malaysia.

Future Research

While this study provides valuable insights into the factors influencing youth property investment intentions in Johor Bahru, future research can build upon its findings by addressing several unexplored dimensions. One key recommendation is to adopt a longitudinal research design to track changes in youth attitudes and behaviors over time. Given that property investment is a long-term decision influenced by evolving life stages, income progression, and market conditions, a longitudinal approach would offer a more dynamic understanding of how intentions translate into actual behavior. Such studies could also assess the impact of macroeconomic shifts, such as inflation, interest rate changes, or housing policy reforms, on youth investment readiness and confidence. This would provide policymakers and developers with more responsive, time-sensitive data to inform housing strategies.

Another promising avenue for future research is the integration of qualitative methods to complement quantitative findings. While this study focused on measurable constructs using structured questionnaires, in-depth interviews or focus group discussions could uncover deeper psychological, emotional, and cultural narratives behind youth housing decisions. For instance, qualitative insights could explore how young adults negotiate between personal aspirations and family expectations, or how they interpret risk and reward in the context of property ownership. Additionally, future studies could examine financial literacy, digital property platforms, and peer influence as emerging variables that shape youth investment behavior in an increasingly digital and socially networked environment. These factors may offer a more holistic view of the decision-making ecosystem, particularly among Gen Z and younger millennials.

Lastly, expanding the geographic and demographic scope of future studies would enhance generalizability and comparative analysis. While this study focused on Johor Bahru, replicating the research in other urban centers such as Kuala Lumpur, Penang, or Kota Kinabalu could reveal regional variations in youth housing preferences and constraints. Moreover, including youth from diverse educational, occupational, and income backgrounds would provide a more inclusive picture of the Malaysian youth housing landscape. Comparative studies across ASEAN countries could also be valuable in identifying cross-cultural patterns and policy innovations that support youth homeownership. By broadening methodological approaches and contextual coverage, future research can deepen our

understanding of youth property investment behavior and contribute to more equitable, data-driven housing policies in Malaysia and beyond.

Acknowledgement

We would like to express our sincere gratitude to UNITAR International University for providing us with the resources and facilities needed to conduct this research. Their support and encouragement were invaluable in enabling us to complete this paper publication. Finally, we would like to express our appreciation to our colleagues who provided us with valuable insights and guidance throughout the research process.

References

- Adzis, A. A., Razak, N. A., & Jaafar, M. (2021). Interest rate and housing affordability among Malaysian youth. *Journal of Housing Studies*, 35(2), 145–160.
- Alaraba, A. M., Jimoh, B. O., Bolanle, A. B., & Chukwuamaka, O. M. (2025). Reshaping Nigeria's youth-led innovation policy: A window of opportunity for economic transformation and inclusive development. *SSRN*. <https://doi.org/10.2139/ssrn.5451876>
- Ayen, T. M. (2023). Government incentives and youth housing decisions in Malaysia. *Malaysian Journal of Urban Policy*, 12(1), 33–47.
- Fleming, A. M. (2025). *The psychological and social effects of asset building among low-income consumers* (Doctoral dissertation, Walden University).
- Hamzah, H., & Zyed, Z. A. (2021). Youth perception of property investment and housing schemes in Malaysia. *International Journal of Real Estate Studies*, 16(3), 78–92.
- Han, H., Choi, J., & Lee, J. H. (2025). Demographic influences on urban commercial spaces: Spatial characteristics and purchase patterns across age groups in Incheon, Korea. *Cities*, 160, 105843. <https://doi.org/10.1016/j.cities.2025.105843>
- Hoque, M. E., Susanto, P., Shah, N. U., Khatimah, H., & Mamun, A. A. (2024). Does perceived behavioral control mediate customers' innovativeness and continuance intention of e-money? The moderating role of perceived risk and e-security. *International Journal of Emerging Markets*, 19(12), 4481–4502. <https://doi.org/10.1108/IJOEM-09-2022-1234>
- Ismail, A. S. (2023). Accessibility and location preferences among young Malaysian homebuyers. *Journal of Urban Development*, 14(2), 101–118.
- Ismail, A. S. (2025). Youth spaces and places design for the development of socio-spatial communal values. *International Journal of Art and Design*, 9(1), 1–14.
- Liew, C. Y. (2022). Policy support and housing affordability for Malaysian youth. *Southeast Asian Housing Review*, 9(4), 55–70.
- Lim, S. Y., Tan, K. W., & Wong, M. H. (2021). Economic determinants of youth property investment in Malaysia. *Malaysian Journal of Economic Behavior*, 8(1), 22–39.
- Mohd Salleh, M. S., Che Musa, N., Chuah, Y. S., Hii, S. C., Lee, H. Y., Ab Ghani, N., & Zokri, N. S. (2023). Factors influencing millennials' intention to accept e-wallet in Klang Valley, Malaysia. *Insight Journal (IJ)*, 10, 262–267.
- Multing, E., & Michael Alazar, R. (2024). Why are they worried?: Young adults' future housing worries and the influential factors. *Journal of Housing Studies*.
- Putri, T. M., Lubis, N. B., & Maharani, S. D. (2024). Analysis of factors influencing young people investing in the capital market. *International Journal of Economic Research Collaboration*, 1(1), 1–12.
- Salleh, M. S. M., Mison, A., & Musa, N. C. (2024). Examining the mediating effects of perceived behavioral control and purchase intention on sustainable consumer behavior.

- International Journal of Academic Research in Business and Social Sciences*, 14(12), 3951–3972.
- Sohaimi, A. F., & Shuid, S. (2023). Income and housing loan accessibility among Malaysian youth. *Journal of Financial Planning and Housing*, 11(1), 88–104.
- Tabachnick, B. G., & Fidell, L. S. (2007). *Using multivariate statistics* (5th ed.). Pearson Education.
- Tansuchat, P., & Thaicharo, Y. (2025). Cognitive biases and investment choices: Exploring the psychological determinants of financial decision-making in Thailand. *Journal of Business and Economic Options*, 8(1), 43–60.
- Tohit, N. F. M., Rashid, S. A. Z. A., Fadakar, M. S., Chiun, L. H., & Haque, M. (2025). Paving the path: Innovative strategies by the Ministry of Health Malaysia to overcome challenges and enhance adolescents' sexual and reproductive health. *Advances in Human Biology*, 10–4103.
- Wu, T., Jiang, N., Kumar, T. B. J., & Chen, M. (2024). The role of cognitive factors in consumers' perceived value and subscription intention of video streaming platforms: A systematic literature review. *Cogent Business & Management*, 11(1), 2329247.
- Yaaco, M. A., Hammad Ahmad Khan, H., & Mohd Noor, N. H. (2025). The determinants of renting intention and renting satisfaction: The role of housing knowledge, housing challenges, and housing policy. *International Journal of Housing Markets and Analysis*, 18(4), 966–986.
- Yeng, H. Q., Choong, C. L., Vaithilingam, S., & Nair, M. S. (2024). Housing affordability and productivity: The socioeconomic case for inclusive urban housing policies in Malaysia. In *Malaysian housing affordability: Deciphering the black box* (Vol. 5, pp. 123).
- You, Y., Xu, X., & Yin, G. (2025). The impact of policy incentives and value perception on rural residents' clean heating behavior: Evidence from northern China. *PLOS ONE*, 20(4), e0321936.
- Zhao, Z., Liang, B., Shi, G., Shan, W., Li, Y., & Sun, Z. (2025). Factors influencing climate-induced evacuation in coastal cities: The case of Shanghai. *Sustainability*, 17(7), 2883.
- Zubi, O. (2025). The role of affordable housing in enhancing tenants' economic stability in Connecticut: A focus on income, employment, and housing stability. *Journal of Housing Policy Studies*.
- Zulkarnain, S. H., Nawi, A. S., Esquivias, M. A., & Husin, A. (2025). Determinants of housing prices: Evidence from East Coast Malaysia. *International Journal of Housing Markets and Analysis*, 18(3), 573–597.