



Winning Tenant's Loyalty in the Private Rented Sector

Journal:	<i>Property Management</i>
Manuscript ID	PM-08-2018-0050.R1
Manuscript Type:	Research Paper
Keywords:	Private Rented Sector, Resident Satisfaction, Landlord - Tenant Relations, Lease Renewal

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Abstract

Purpose

The purpose of this research is to help landlords and property managers to understand what they can do to increase tenants' satisfaction and propensity to renew their lease, and their willingness to recommend their landlord to other people.

Design/methodology/approach

This paper analyses almost 5000 interviews with Private Rented Sector (PRS) tenants in the UK, conducted over a four-year period, to investigate determinants of resident satisfaction, loyalty (lease renewal) and willingness to recommend their landlord. Statistical analysis is performed using respondents' ratings of satisfaction with many aspects of their occupancy as explanatory variables. Comparisons are made between interviewees who renew their lease and those who do not renew.

Research Limitations

Limitations to this research include the fact that the residents have a single landlord and live on a single estate, one with particular cultural significance, therefore potentially restricting the general applicability of the findings. Although the sample size is large, the number of residents who have reached the end of their lease is relatively small, because the estate has only been occupied by PRS tenants since 2014.

Findings

The research finds that "ease of doing business" with their landlord is a strong predictor of residents' satisfaction, loyalty and advocacy. Other key indicators for lease renewal include relationship management, rent collection and residents' perception of receiving value for money. Tenants' willingness to recommend their landlord depends mainly on their relationship with their landlord, how the landlord compares with tenants' previous landlords, and the property management service they receive.

Practical implications

Over the past five years, the Private Rented Sector has become a significant asset class for institutional investors in the UK. This research should help to improve the landlord – tenant relationship in the Private Rented Sector, and to increase occupancy rates without compromising rents.

Originality/value

The large sample size in this research, and the use of repeat interviews at various stages of a resident's occupancy, highlight early signs of discontent that a landlord can act upon to reduce the risk of a tenant moving elsewhere.

Keywords: Private Rented Sector; resident satisfaction; lease renewal; Landlord – Tenant Relations

Introduction

The proportion of UK residents renting rather than owning their own home has been increasing substantially over the past decade. Reasons for this trend include the difficulty that young people have in saving for a deposit and unaffordability of house prices in cities where most jobs are located.

Rented housing has mainly been provided by housing associations (who supply much of the social housing in the UK since council houses were sold to tenants in the 1980s under the Right to Buy scheme instituted by Prime Minister Margaret Thatcher), and by private landlords, who typically own only a few properties for rent. However, over the past few years, institutional investors have entered the UK Private Rented Sector (PRS) market and have started developing “Build to Rent” schemes. Capital appreciation and income returns on such investments are expected to be strong despite being perceived as low-risk, and the Private Rented Sector is considered a portfolio diversifier (Portlock, 2018).

In order to achieve high returns, these PRS properties – flats, single-family dwellings and houses of multiple occupation – need to be occupied by rent-paying residents¹. Any vacant periods incur costs to the landlord, including the opportunity cost of an empty property, search costs for finding new tenants, council tax etc. Therefore, landlords generally benefit from having tenants who renew their lease.

Tenants might choose not to renew their lease for a variety of reasons, including the accommodation no longer meeting their needs, job relocation, and believing that the accommodation offers poor value for money or is unaffordable. Nevertheless, there are other factors affecting lease renewal that a landlord is able to influence. If a resident has no over-riding need to move, and is very satisfied with their accommodation, their landlord and the management of their property, then intuitively they are more likely to renew their lease (Gibler, Tyvimaa, & Kananen, 2014). The purpose of this research is to help landlords identify factors within their control that will increase customer satisfaction, loyalty and landlord advocacy; to help them understand ‘*how to win loyal tenants who influence other people*’²

¹ In the UK, some of this rent might come from Housing Benefit

² In tribute to the well-known work by Dale Carnegie (Carnegie, 1936)

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5 This research analyses responses from 4800 interviews with people renting homes at East Village,
6 formerly the Athletes' Village during the London 2012 Olympics, to establish the main
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8 determinants of lease renewal. The interviews include repeat interviews at various stages of a
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10 resident's tenancy, including interviews with residents who have renewed their lease and with those
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12 who chose not to renew. Using quantitative statistical techniques and content analysis, an
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14 assessment of the key factors in resident satisfaction and in lease renewal can be identified.
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19 ***Research Question***

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21 According to the Service – Profit Chain (Heskett, Sasser, & Schlesinger, 1997), satisfied, loyal
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23 customers who are advocates of their service provider should result in a more profitable business.
24 Applied to institutional PRS investors, satisfied, loyal tenants who are advocates of their landlord
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26 should improve profitability. The aim of this research is to help residential landlords understand
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28 what they can do to increase customer satisfaction and the likelihood that they will renew their
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30 lease and recommend the landlord to other people.
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33 The remainder of this paper is structured as follows. The next section comprises a review of
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35 literature, explaining the entry of institutional investors into the UK residential sector and
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37 discussing findings from previous research into determinants of residential satisfaction. Following
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39 this, the data used in this study are described, together with the methods used for this analysis. The
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41 results of the analysis are applied to answer the research questions, after which the conclusions
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43 from the research are presented. Finally, limitations of this research are discussed, together with
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45 proposals for further research into this topic. The focus of the discussion is on factors that are
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47 within the landlord's control.
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Literature Review

Increase in Private Rented Sector Tenure

Approximately one-sixth of all UK households now live in privately rented accommodation (Veldkamp, 2018) and in 2017 such tenants paid £51 billion in rent, more than double the amount paid 10 years earlier (Countrywide Properties, 2018). In particular, the proportion of young people renting rather than owning has increased markedly, from 11% in 2007 to 29% a decade later (Ministry of Housing Communities and Local Government, 2017). In London, the Private Rented Sector is now the most prevalent tenure type, accommodating 30% of households (Veldkamp, 2018). The trends in tenure types for all UK households over the past 20 years is shown in

Figure 1.

Insert Figure 1 here

Figure 1: UK households by Tenure Type (derived from Office of National Statistics data) (ONS, 2018)

In some countries, most notably Germany, long-term renting is seen as the norm, with security of tenure comparable to that of ownership in other countries (Easthope, 2014 p.591). In the UK, conversely, people have generally aspired to own their own home, particularly since the early 1980's when the then Prime Minister Margaret Thatcher gave council home house tenants the 'right to buy' their property at a discount of up to 50% of market value (Gilbert, 2016), believing that increased home ownership would lead to upward social mobility and the propensity of people to vote Conservative. Between 1980 and 2003, 2.2 million houses were sold in Great Britain by local authorities or housing associations (Munroe, 2007). Home ownership was further encouraged by the fiscal incentive of MIRAS (Mortgage Interest Tax Relief at Source), introduced in 1983, but gradually phased out until it was abolished in 2000 by the Labour Chancellor of the Exchequer (and later Prime Minister), Gordon Brown (Scanlon & Elsinga, 2014).

Home ownership, particularly in London, has become increasingly unaffordable. The average house price in London was £496,000 at the end of 2017, while average earnings were £34,200, a house price ratio of 14.5 times Londoners' salaries (Cahill, 2017). Other cities such as Oxford and Cambridge also have similarly unaffordable ratios.

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3 Acknowledging housing unaffordability, the present Government is encouraging renting. Housing
4 benefit is available to supplement salaries or other benefits if a household is otherwise unable to
5 afford their rent. According to Ball (2016), 1.5% of GDP is spent on housing benefit in the UK, a
6 figure that is substantially more than in other countries, and more than twice that of France,
7 Denmark and Germany, other “big-spenders” on such benefit (*ibid*, p.107). This benefit in the UK
8 subsidises private rents by 72%, raising demand and house prices.
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15 *Increased Investment in the Private Rented Sector*

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17 Institutional landlords see this demand for rented residential property as an investment opportunity,
18 and are entering the “build to rent” market. Portlock (2018) finds that “investment into the private
19 rental sector continues to grow in popularity”, and that residential investors “intend to increase their
20 exposure to UK residential over the next 12 months” whilst other investors are considering
21 investing in PRS for the first time. The primary reasons for investing in PRS were found to be the
22 profile of returns and stability of income.
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29 As discussed in the Introduction, returns from such investment come from rent-paying residents.
30 Any vacant periods incur costs to the landlord, so it is usually advantageous for the landlord if the
31 tenant renews his or her lease. As Gibler et al. (2014, p.104) note, “When a tenant vacates a rental
32 housing unit, the landlord incurs costs through search for a new occupant, refurbishment of the unit
33 (painting, cleaning, decorating), and lost rent while the unit is vacant. If turnover can be reduced,
34 then costs are reduced, and profits increased.”
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41 *Resident Satisfaction and its Relevance to PRS Landlords*

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43 The Service – Profit Chain (Heskett et al., 1997) asserts that satisfied customers are typically more
44 loyal to a service provider, and are more willing to recommend them to others, thereby improving
45 the reputation of the service provider. Increased loyalty reduces customer turnover (“churn”) and
46 the improved reputation reduces marketing costs. These factors should combine to increase
47 profitability. The relationship has been investigated in commercial property (Sanderson &
48 Devaney, 2017), finding a positive correlation between occupier satisfaction and benchmark
49 outperformance of individual property returns. Rational landlords in the Private Rented Sector will
50 generally wish to maximise their profit; encouraging tenant loyalty should help to achieve this goal.
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Findings from Previous Studies into Resident Satisfaction

Satisfaction with one's home is a function of a person's "needs, aspirations, and / or abilities to alter their [residential] context" (Galster & Hesser, 1981). Previous studies have investigated residential satisfaction using "housing needs theory, housing deficit theory and psychological construct theory" (Mohit & Al-Khanbashi Raja, 2014), and have examined aspects related to the home itself, the urban environment or neighbourhood, and household characteristics (Ermuth, 1973, 1974; Weichhart, 1983).

Home owners generally have higher levels of satisfaction than those who rent (Elsinga & Hoekstra, 2005; Lu, 1999; Morris, Crull, & Winter, 1976; Ren & Folmer, 2016). Satisfaction has also been shown to be strongly affected by a resident's age, stage of life and the proportion of their income spent on housing (Dekker, de Vos, Musterd, & van Kempen, 2011; Lu, 1999). Whitehead et. al. (2012) deem renting to be more suited to younger, more mobile tenants (as opposed to families, for example). Satisfaction has been found to be higher for those who have a pleasant natural environment and perceive few problems in their neighbourhood (Ermuth, 1974; Weichhart, 1983), and for those with lower educational attainment, and for immigrants (Dekker et al., 2011). This is likely to be attributable to anchoring bias: lower expectations derived from their previous accommodation.

In their study of residential satisfaction amongst council tenants in Spain, Amérgo & Aragonés (1990) find that satisfaction is a function of neighbourhood, neighbours and the home itself. These determinants of satisfaction are supported by Adriaanse (2007) in her study of residential satisfaction in the Netherlands and by Dekker et al. (2011) when investigating residential satisfaction in several European cities. In a review of prior studies, Amerigo & Aragonés (1997) classify key determinants of residential satisfaction using a grid comprising four quadrants according to whether the factors are physical or social, and objective or subjective. Subjective physical aspects relate to the appearance and administration of the neighbourhood whilst subjective social aspects comprise perception of safety, overcrowding, friendships and relationships with neighbours. Objective factors include owning versus renting, noise, age of respondent and duration of residency.

House size, quality, number of bedrooms and quality of renovations have all been shown to affect resident satisfaction (Lu, 1999; Morris et al., 1976). In their study of the mobility intentions of residents in rental accommodation in Finland, Gibler et al. (2014) find that residents' satisfaction

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3 with their kitchen, storage, and living room, together with the age of the building are the most
4 important determinants of overall satisfaction. Those who have more recently moved into their
5 accommodation have, unsurprisingly, been found to be more satisfied with it (Morris et al., 1976).
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10 Residents' satisfaction will also be affected by the relationship they have with their landlord and /
11 or property manager (James & Carswell, 2008; James, Carswell, & Sweaney, 2009), with Sirmans
12 & Sirmans (1991) finding that residents are willing to pay a rental premium for apartments with a
13 property manager who has a professional qualification. An institutional landlord who owns many
14 apartments must work with property managers whose managerial philosophies are aligned with
15 those of the landlord (Read, Hopkins, & Goss, 2016; RealService Ltd, 2010), in order to be able to
16 deliver a good service to residents.
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23 *Resident Loyalty (Moving Intentions and Behaviour)*

24 Satisfaction is considered a precursor to loyalty in consumer behaviour (see, for example, Heskett,
25 Sasser, & Schlesinger (1997)) and, in the context of tenant behaviour, lease renewal in the private
26 rented sector. Resident dissatisfaction is likely to precipitate a desire to move (Lu, 1999; Morris et
27 al., 1976), but "not all families who expect to move actually do so, either because they change their
28 minds or because market and other economic factors prevent them from acting" (Fang, 2006 p.
29 686). Unsurprisingly, the desire to move has been shown to be strongly negatively associated with
30 neighbourhood and housing satisfaction, and to renting when a tenant would prefer to own their
31 own home (Morris et al., 1976). Gibler et al. (2014) found that dissatisfaction with the building and
32 individual housing unit are associated with a greater probability of considering moving.
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43 Research by Kingsley Associates (2017) into the satisfaction of "multifamily" (HMO) residents in
44 America has found that community management (the service residents receive from their landlord
45 or property manager) is one of the most important factors in their lease renewal decision. For those
46 who say they intend to renew, community management is ranked as being more influential than the
47 rental cost. The research found that "residents are most satisfied with management's
48 professionalism and courtesy, the convenience of office hours, and rent-collection procedures" but
49 that "satisfaction with accommodation of special requests and problem resolution ranked the lowest
50 of all management areas". For residents who did not renew their lease, "community management
51 ranks third on the list of what could have been better to have enticed the residents to stay, behind
52 rental rate and nothing".
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3 The determinants of lease renewal have been investigated in the commercial property sector by
4 Sanderson & Edwards (2016) who find that the main reasons for renewing are “assurance”
5 (trustworthiness and professionalism), reliability of service, and value for money for rent and
6 service charges. Perception of receiving value for money was found to depend upon transparency of
7 documentation and a clear understanding of the services that were being provided. Appel-
8 Meulenbroek (2008) has researched “Keep, Push and Pull” factors for office tenants i.e. aspects
9 which encourage or discourage lease renewal, finding aspects relating to the building itself can act
10 as keep, push or pull factors and that customer relationship management is also important in
11 retaining tenants by promoting loyalty.
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20 People leave their rented accommodation for a variety of reasons, some of which are unrelated to
21 their satisfaction. As Gibler et al. (2014 p.105) point out “Tenants also suffer costs from turnover,
22 including search, moving, and establishing new services. While landlords will never be able to
23 control for all the factors leading to turnover (tenant job change, change in marital status, birth of
24 children), if dissatisfaction with physical features and services offered by the apartment building
25 contributes to the intention to move, then owners may be able to alter the building and its services
26 to increase satisfaction, and, thereby, reduce tenants’ propensity to move”.
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34 *Measurement of Customer Satisfaction and links with Loyalty, Advocacy and Financial* 35 *Returns* 36

37 Studies into resident satisfaction generally rely upon responses given in questionnaires, surveys,
38 and interviews, and upon having a representative sample and a common interpretation of any
39 numerical rating system that is used. Limitations of such approaches are discussed in Sanderson
40 (2016), and include “courtesy bias”, ill-considered responses, opinions based upon expectations,
41 misunderstandings and fear of repercussions. An alternative approach is adopted by James &
42 Carswell (2008) and by James et al. (2009) in their analysis of the frequency of topics discussed in
43 comments on an apartment ratings website.
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51 Analysis can be qualitative (examining descriptive comments made by residents) and quantitative
52 (performing statistical analysis of ratings of satisfaction with aspects of residency). For meaningful
53 quantitative analysis, particularly if a Likert or other ordinal response scale is used, the sample size
54 should be large. The importance of underlying constructs affecting satisfaction can be deduced by
55 Factor Analysis (see, for example, Yi & Li (2015)) and Structural Equation Modelling (see, for
56 example, Ren & Folmer (2016)). Ordinary Least Squares Regression can be used to assess the
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3 relative importance of aspects of residency (the home itself, service received, neighbourhood, value
4 for money and socio-economic factors), for example Lu (1999). The latter research suggests that
5 logistic regression is also appropriate for this purpose. This technique has been applied to
6 investigate the propensity of commercial tenants to recommend their landlord (Sanderson &
7 Edwards, 2016), and could be used to investigate the propensity of PRS tenants to renew their
8 lease.
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15 Various metrics have been applied when researching aspects of the service – profit chain.
16 Parasuraman, Zeithaml, & Berry (1988) proposed the use of the SERVQUAL instrument to assess
17 the quality of service provision, measured by customers rating their expectations and their
18 perception of the supplier’s performance in 22 areas, grouped into five dimensions. These ratings,
19 and the gaps between perceptions and expectations, can provide a proxy for customer satisfaction.
20 In much of the research described above, researchers ask respondents to rate their satisfaction.
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27 Marketing theory proposes that it is advisable to exceed customers’ expectations, and that
28 “Customer Delight” is needed to increase profitability (Keiningham, Goddard, Vavra, & Iaci, 1999;
29 Oliver, Rust, & Varki, 1997; Wilson, Leckman, Cappucino, & Pullen, 2001), but Dixon, Toman, &
30 DeLisi (2013) suggest that what matters to customers is making processes as straightforward as
31 possible, minimising the effort they need to expend. Thus, the “Customer Effort Score” is another
32 metric that can be used as a predictor when assessing customer loyalty.
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36 Finally, a widely adopted metric is linked to the “Net Promoter Score”³ (Reichheld, 2003), which is
37 based on customers’ Willingness to Recommend their service provider, on a scale of 0 – 10. The
38 premise upon which this is based is that the higher the NPS, the greater the future profitability of a
39 company.
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58 ³ The Net Promoter Score considers those rating 9 or 10 to be promoters (advocates) and those rating 0 – 6
59 to be detractors. NPS is calculated by subtracting the percentage of detractors from the percentage of
60 promoters.

Data and Methodology

The data for this research comprises 4800 completed questionnaires or interviews⁴ with PRS residents. All share the same institutional landlord, Get Living, and live in a single development in London, built on brown-field land during the past decade. The site, East Village, was formerly the Athletes' Village during the 2012 Olympics, and the estate can be considered part of the Olympic legacy. The 4800 interviews / questionnaires comprise a total of 69,602 responses to questions, and include repeat interviews, conducted over a 4-year period from 2014, with 1865 residents.

Residents answer questions about their satisfaction with various aspects of their tenancy, the neighbourhood, and the service they receive from their landlord. Interviews are conducted at several stages during a lease, including soon after a resident has moved in to their flat (1233 interviews), periodically during their tenancy (3012 interviews), and after they have either renewed their lease (260 interviewees) or have not renewed and have moved elsewhere⁵ (295 interviewees).

This research uses responses and ratings of residents' satisfaction and behaviour to determine key factors in determining residents' decision to terminate or renew their lease, their perception of their landlord, and their willingness to recommend their landlord to other people. Analysis is performed on the full sample, and also the sub-samples of residents who have renewed their lease and those who have chosen not to renew.

Residents are asked about their satisfaction with the service they receive from their landlord, including aspects such as relationship management, communal services, rent collection, property maintenance and property management. Property management comprises aspects of service such as responsiveness to requests, arranging maintenance, issues with utilities, Wi-Fi, parking permits and keys. Residents are also asked about their initial impressions, the viewing, the welcome office and move-in process, and, for those who have not renewed their lease, the move-out process. Other questions relate to the neighbourhood, value-for-money for rent, whether they perceive their landlord is doing a good job, and how their landlord compares with any previous landlord(s) they may have had.

⁴ 3500 telephone interviews and 1300 email questionnaires. All will be referred to as "interviews" in the remainder of this paper

⁵ 23 interviewees did not renew their lease but moved elsewhere within the estate, continuing to rent from the same landlord. T-tests and other analyses are performed both with and without these respondents in the sample of exiting residents

Two other questions are included in the interviews based on research that has shown them to be good predictors of customer satisfaction and behaviour. Ease of doing business is based on the “Customer Effort Score” advocated by Dixon, Freeman, & Toman (2010) and Dixon, Toman, & DeLisi (2013) and Willingness to Recommend Landlord is based on the Net Promoter Score ideas of Reichheld (Reichheld, 2003, 2006; Reichheld & Teal, 1996). Respondents give qualitative answers to all questions, followed by a numerical rating of their satisfaction with, or perception of, the aspect of their tenure under discussion. All ratings use a scale of 1 – 5, except for Willingness to Recommend, which uses a scale of 0 – 10. In addition, residents are asked to comment on aspects of their residency with which they are most satisfied, and aspects with which they are dissatisfied. For this research, these comments are analysed using content analysis, and classified according to topic.

The descriptive statistics for the numerical ratings given by the full sample of residents are shown in **Table 1**. Where multiple interviews have been conducted with the same resident, the mean of their ratings is used in the analysis.

From this table it can be seen that the data are slightly negatively skewed (with scores clustered towards higher values), and mostly positive kurtosis, particularly for ratings of “First Impressions” and the “Welcome Office”. Mean scores for all variables are around 4 out of 5, but mean ratings are generally lower for residents who have not renewed their lease than for those that have renewed. This is examined further in the data analysis, where independent samples t-tests are used to test whether the differences are statistically significant.

Insert Table 1 here

Table 1: Descriptive Statistics for Ratings from all Interviews (Full Sample)

The methods of analysis include both qualitative and quantitative. Interviewees’ comments are examined to identify reasons for their initial decision to rent their property, aspects of their tenancy they are most satisfied with, areas of discontentment, and to establish the main reasons given for renewal or non-renewal of their lease. In particular, any references to the landlord are examined to determine landlord behaviours that meet with residents’ approval. Following this, respondents’ numeric ratings of aspects of their tenancy and perceptions of their landlord and the service they receive are analysed to establish the key determinants of lease renewal and of satisfaction with, and advocacy of, their institutional landlord.

Results and Analysis

Qualitative Analysis of Respondents' Comments

Factors Affecting Residents' Choice of Accommodation

Interviews with new residents include discussion of factors affecting the decision to rent at East Village. Interviewees are asked to give up to three reasons for their choice, and these reasons were then classified into categories relating to the property itself, the neighbourhood, accessibility, price etc. (See **Figure 2**). From this chart, it is apparent that the key reasons given by interviewees for their decision to rent a property on this estate are the quality of the property itself and the location and accessibility of the area. Accessibility was a crucial factor in the choice of this site for the 2012 Olympics, and the apartments at East Village were upgraded following their occupancy by Athletes during the Games, for example with the addition of kitchens. Other factors that influence respondents' decision to rent at East Village include price, the outdoor environment and the terms of the contract. These aspects of their tenancy change very little when residents are interviewed at least 6 months after the start of their tenancy (**Figure 3**).

Insert Figure 2 here

Figure 2: New Resident Interviews

Insert Figure 3 here

Figure 3: Mid-Term Interviews – Aspects of Greatest Satisfaction

When residents who have been living on the estate for at least six months are interviewed, the aspects of their tenancy that they suggest could be improved are property maintenance, responsiveness to requests, price, communication and relationship management (See **Figure 4**).

Insert Figure 4 here

Figure 4: Mid-Term Interviews: Areas of Dissatisfaction

Unlike the factors in **Figure 2** and **Figure 3**, these are largely within the landlord's control. Residents' dissatisfaction with aspects that appear to be less within the landlord's remit, such as the retail mix (shops) and noise, can be assuaged to some extent by appropriate relationship management, good two-way communication and "place-making". Whilst dissatisfaction with the cost of renting their accommodation (price) is partly a function of individuals' financial circumstances, satisfaction can be improved by highlighting the services and amenities available and, thus, spelling out to residents the value they obtain from their rent.

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3 When a resident either renews their lease or chooses not to renew, they are also interviewed. In
4 common with reasons for renting initially, the main determinants of lease renewal comprise the
5 property itself and the neighbourhood, location and accessibility. Of significance, too, are
6 “convenience of living arrangements”, “overall experience / quality of life” and the passive reason
7 for lease renewal “to avoid the hassle of moving”. Value for money is also given as a reason for
8 staying, as are amenities and community. A number of interviewees explicitly state their preference
9 for an institutional landlord, and “customer service” and the “professionalism of the property
10 management team” are also cited as reasons for renewing their lease. For example, to quote one
11 interviewee, “the benefits to an institutional landlord are that you don't get messed around”, while
12 another noted that “compared to private landlords, this is head and shoulders above that”.

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21 The main reason given by interviewees who did not renew their lease is that they moved away from
22 the area; in some cases, abroad, in others the respondents had finished their university studies and
23 moved back home or to start a job outside London. Other interviewees changed jobs which meant
24 they also needed to relocate. Cost was a notable reason for non-renewal, as were “personal issues”
25 outside the control of the landlord. 20% of respondents left in order to purchase a house and a
26 further 10% said that their tenancy was always intended to be temporary.

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33 Aspects cited by non-renewing residents that are within the remit of the landlord include customer
34 service, neighbourhood facilities and security. 23 interviewees who did not renew their original
35 lease actually signed a new lease on a different property within the estate. They moved to achieve a
36 closer match between their actual and desired accommodation, retaining the neighbourhood and
37 accessibility features that had attracted them to the estate in the first place.

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41 **Figure 5** combines responses from those who have renewed their lease with those who have not,
42 highlighting similarities and differences. Location (incorporating accessibility) is the main reason
43 given for lease renewal, whilst the need to re-locate is the main reason for non-renewal. For those
44 who renew, the neighbourhood and its amenities, and the property itself, are fundamental to their
45 decision. For those who renew, cost and perception of receiving value for money are important;
46 these appear to be even more decisive factors for those who have not renewed their lease.

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52 Unfortunately for the landlord, the main reasons for non-renewal are factors outside the landlord's
53 control – the fact that the tenancy was always intended to be temporary (before buying, for
54 example) or for personal reasons such as relationship breakup.

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57 **Insert Figure 5 here**
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Figure 5: Comparison of "Keep" and "Push / Pull" Factors

Analysis of Comments made by Interviewees

Interviewees were asked what they liked about living at East Village, and many respondents referred to the behaviour of the landlord. An analysis of responses sheds light on what landlords should do to increase residents' satisfaction. According to residents' responses, a successful landlord should:

1. Be professional
2. Be easy to contact
3. Have straightforward processes
4. Care for their customer
5. Build the community
6. Be responsive to requests
7. Be trustworthy
8. Deliver value for money

Each of these will now be discussed with reference to interviewees' comments.

Professional Landlord

Several respondents mentioned that they find it easier dealing with a "professional landlord" who is "knowledgeable", "considerate", and one who "makes an effort". They appreciate "dealing with an organisation", and having an "office on-site" rather than "on the other side of the world". They say that a "corporate rather than a traditional landlord" has more "clout with the council" to improve the public realm or arrange better refuse collection and recycling facilities, for example.

Communication

Good two-way communication is crucial. Tenants want their landlord to be "easy to contact", and appreciate being able to use email, for example, rather than "having to set up a meeting". It is also important for landlords to be proactive about informing residents about events and about "potential disruption". Such communication builds good relationships, which are mutually beneficial. Phrases used by interviewees include "nice" and "friendly", and they appreciate a landlord who "wants feedback, and listens to tenants". Such a relationship should be maintained until the end of a tenancy and beyond if landlords wish to enhance their reputation. As one departing resident commented, "the landlord must be friendly during the end-of-tenancy inspection", to leave a lasting, positive impression.

Ease of Doing Business

Interviewees comment on the importance of having “simple processes” using terms such as “slick”, “efficient”, well-organised”, “no arguments” and “modern approach”. Being able to “pay rent automatically using direct debit” makes life easier for residents, and they mention that it was straightforward to sign the contract and move in to their apartment. Processes should be designed with the customer in mind, using techniques such as customer journey mapping (Norton & Pine, 2013) – thinking about all the stages a tenant goes through when renting an apartment, and all the interactions they have with their landlord or property manager. Such customer focus links to the next landlord behaviour desired by tenants: caring for their customers.

Customer Care

This encompasses several of the other aspects, such as good communication, making processes easy, and being responsive to requests, but several interviewees explicitly referred to the importance of “care”. They mention “the feeling that our landlord cares about where we live as much as we do”, “a good modern approach to customer care”, and that the landlord “cares and is considerate”. This sense of empathy enhances the landlord-tenant relationship, and has been found in other studies (Sanderson & Edwards, 2016; Zeithaml, Berry, & Parasuraman, 1996) to enhance customer satisfaction and loyalty.

Community-Building

Institutional landlords who own some or all of an estate are able to engage in community building in a way that individual, small-scale private landlords are not. Interviewees refer to the importance of community, and the way that the landlord can enhance it. Typical comments include: “The landlord makes an effort by putting on events, most of which are free”, and “I like it that they are not just a landlord for the building but they do consider the community as a whole, especially the children's events which have been good to build a community”. Events that residents mention include “fireworks and markets” and “food festivals”. However, it is important that such events do not interfere with other residents’ right to peaceful enjoyment of their accommodation. Some comment that outdoor big screens can be noisy so where they are positioned must be carefully considered, and decisions about which events take place should be made after consultation with residents to assess demand.

Responsiveness to Requests

To avoid disgruntled tenants, it is important to deal promptly with maintenance requests or other issues which tenants raise. Interviewees appreciate that “things get sorted” at East Village, that property managers “fix things efficiently” and that “issues are dealt with swiftly”. Having a team of people, as a corporate landlord is able to do, should make it easier to respond to tenants’ problems promptly compared with an individual landlord, for whom it is more difficult to smooth out peaks and troughs in demand for their attention.

Egenger Trust

In their SERVQUAL model, Parasuraman, Zeithaml, & Berry (1988, 1991) refer to “assurance” as one of the key dimensions of service quality. Assurance encompasses aspects such as professionalism and also Trust. To achieve this requires a good relationship (incorporating several of the other themes previously discussed). Residents at East Village commented on “trusting [their landlord] to sort out any issues” and their “brand image which fosters good subconscious preconceptions of the landlord”. Trust works both ways in a relationship, and another respondent commends the fact that “they aren't particularly intrusive; they leave you to it and trust you to look after the place.” This is reinforced by having clear, transparent contract terms, and the fact that customers do not pay a deposit at the start of a tenancy. Other interviewees liked the fact that there are “none of the nonsense fees you get with other landlords”, that rent is “all-inclusive”, that there are “no service charges”. These comments tie in with the last key behaviour tenants desire from their landlord – good value for money.

Deliver Value for Money

Tenants need reassurance that they are not being “ripped-off” financially, which is helped by the option of taking a longer tenancy of up to three years. This initiative pre-empts Government proposals that tenants should be able to sign leases of 3 years with break clauses at 6-monthly intervals (Brokenshire, 2018; Hammond, 2017; Mayes, 2018).

As one interviewee said, “I like the fact that they aren't cowboy landlords and they are fair with pricing and rent increases; they don't hold you to ransom”. Whilst it is likely that renting from an institutional landlord on an iconic estate such as the former Olympic Park is likely to be more expensive than renting from a small-scale individual landlord, as long as tenants are able to afford the rent what matters most to them is receiving good value for the money they pay. This reinforces

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3 the importance of the other factors – community-building, bonus services such as events, straight-
4 forward processes, responsiveness and a good, professional relationship with customers.
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8 ***Quantitative Analysis to investigate Determinants of Advocacy and Loyalty***

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10 Further insight into determinants of lease renewal can be obtained by a statistical analysis of
11 respondents' ratings of aspects of their tenancy at various stages of the tenancy lifecycle.
12 This analysis uses interviewees' ratings of their satisfaction with, and perception of, aspects of their
13 tenancy and the service they receive. **Table A1** in **Appendix A** shows correlations between all
14 aspects of satisfaction discussed in interviews with residents. From this, it is apparent that
15 satisfaction with most aspects of service, neighbourhood and perception of receiving value for
16 money are highly correlated with residents' perception and advocacy of their landlord. However,
17 correlations between most of the explanatory variables are not so high, and attempts to carry out
18 Factor or Principal Components Analysis did not result in meaningful dimension reduction. Whilst
19 the KMO measure of sampling adequacy is high (0.809), the Bartlett's test of sphericity is not
20 statistically significant ($p=0.291$), implying that the data is not amenable to PCA or Factor Analysis
21 (Tabachnick & Fidell, 2013). The aspects of tenancy discussed in interviews, therefore, are largely
22 covering discrete constructs.
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34 ***Advocacy of Landlord***

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36 Reichheld (1996, 2003, 2006) suggests that a key indicator of the future success of a business can
37 be derived by asking customers how willing they are to recommend the company to other people.
38 Such a question was incorporated into interviews used in this present research, and analysis of
39 responses sheds light on factors affecting residents' advocacy of their landlord.
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45 Using only interviews with residents who have renewed or terminated their lease, **Figure 6** shows
46 the ratings given to this question. It is evident that most residents show a high willingness to
47 recommend this landlord, whether or not they have renewed their lease. However, a higher
48 proportion of those who have renewed give ratings above 8 out of 10. These are considered
49 "promoters" in Reichheld's "Net Promotor Score" approach to measuring advocacy (Reichheld,
50 2003). Conversely, a higher proportion of those who have not renewed give a rating of 0 – 6, and
51 are "detractors", to use Reichheld's terminology.
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57 **Insert Figure 6 here**
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Figure 6: Respondents' Ratings of their Willingness to Recommend Get Living as a Landlord

Determinants of Advocacy of Landlord

All aspects of tenancy included in the interviews are found to have a positive, statistically significant correlation with residents' stated willingness to recommend their landlord to other people⁶. The aspects that correlate most strongly with residents' advocacy of their landlord are:

1. Perception of Landlord Performance (Correlation 0.820**, N = 1833);
2. Ease of Doing Business (0.703**, N=1395);
3. Relationship Management (0.603**, N=1491);
4. Comparison with previous rental experiences (0.583**, N=1269);
5. Rent Value (0.530**, N=1829);
6. Property Management (0.510**, N=866).

As can be seen from **Table A1**, there is high multicollinearity between several of these variables. For example, Ease of Doing Business is very strongly correlated with Perception of Landlord Performance (0.741**, N=1410). Thus, in order to increase the likelihood of landlord advocacy by residents, the landlord must demonstrate that they are doing a good job (and a better job than their customers' previous landlord(s)), by making processes simple and straightforward for residents, building relationships with their customers, providing good value for money and delivering a good property management service.

Factors affecting Likelihood of Lease Renewal

Independent Samples t-tests, comparing differences in ratings between residents who terminated their lease and those who renewed, were performed in order to identify aspects of tenancy that were statistically significantly different between the two categories of interviewee (see **Table 2**). These aspects are highlighted, with the significance level denoted by asterisks in the conventional format. They incorporate the results of Levene's Test for whether or not the variances of the distribution of ratings for each variable has been assumed.

Insert Table 2 here

Table 2: t-tests comparing Ratings from Renewing and Exiting Residents

⁶ See Appendix A for full correlation table

Table 2 shows that renewing residents are more likely to be willing to recommend their landlord, to believe that the landlord is performing well, and to compare this rental experience favourably compared with any previous ones. Aspects of tenancy that can be seen to be rated more highly by renewing residents are Rental Terms, Rent Collection and Rent Value, Ease of Doing Business, Property Management and the Management Office. This is corroborated by the t-test, which shows that differences are statistically significant at the 5% level ($p \leq 0.05$) for Landlord Performance and Rent Collection, and at the 10% level ($p \leq 0.1$) for Willingness to Recommend the landlord, Ease of Doing Business, and perception of receiving Value for Money for Rent. The analysis was repeated, omitting from the sample of those who did not renew their lease residents who moved elsewhere within the estate, and the same results were found, albeit with slightly stronger statistical significance. A further test was conducted, comparing the sample of non-renewing residents with all others (i.e. those who had not yet reached the end of their lease as well as those who had renewed) and in this case Communal Services and Property Management became statistically significant differentiators at the 0.1 level (with lower means for the departing residents in each case) – see **Table A2** in **Appendix A**.

An alternative way to examine the differences in ratings between those who renewed their lease and those who did not is to compare the percentage of respondents who gave a rating below ‘average’ i.e. ‘3’ out of ‘5’ (or ‘5’ out of ‘10’ for willingness to recommend) (see **Table 3**). The aspects included in the table are those which were shown in the previous paragraphs to have a significant difference in mean rating.

Insert Table 3 here

Table 3: Percentage of Residents Rating Below '3' (Average) out of 5⁷

The most notable difference is in residents’ satisfaction with the Rent Collection process, with a rating of ‘poor’ or ‘very poor’ being five times as likely from residents who did not renew their lease. For Value for Money for Rent, Ease of Doing Business, Landlord Performance and Willingness to Recommend their landlord, approximately twice the proportion of non-renewing residents rated these ‘poor’ or ‘very poor’ compared with those who did renew their lease. In general, though, the low percentages demonstrate a high degree of satisfaction with the landlord

⁷ 5 out of 10 for Willingness to Recommend Landlord

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3 and their rental experience. 80% of those who did not renew their lease rated the experience as
4 good as or better than previous rental experiences, which were unlikely to have been with an
5 institutional landlord since few were operating in the past (Ashworth, 2018).
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10 From **Table A3** in **Appendix A**, it can be seen that advocacy of the landlord is more highly
11 correlated with key aspects of service for residents who have not renewed their lease than for those
12 who have. For example, the correlation between Ease of Doing Business and Willingness to
13 Recommend the Landlord is 0.784 for exiting residents and 0.691 for those who have renewed. For
14 Relationship Management and Willingness to Recommend, the corresponding correlations are
15 0.709 and 0.586. For Value for Money for Rent and landlord advocacy, the correlation is 0.613 for
16 exiting residents and 0.526 for those who have renewed their lease. A similar pattern is found for
17 residents' perception of their landlord's performance, and when asked to compare with previous
18 rental experience.
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27 Analysis of residents' opinions during midterm interviews showed that low scores for Ease of
28 Doing Business, Value for Money for Rent, and Willingness to Recommend their Landlord are
29 useful early indicators that a resident has a higher propensity not to renew their lease. Other key
30 early indicators included the Rent Collection process and Relationship Management.
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36 This research has highlighted the crucial aspects that a landlord should focus on to maximise the
37 likelihood that their customers will perceive them in a positive light, will be more likely to renew
38 their lease, and will be promoters or advocates who are willing to recommend their landlord to
39 other people. These aspects are:
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- 45 1. Making processes (such as rent collection) as straightforward as possible for residents -
46 "Ease of Doing Business";
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- 48 2. Treating residents as customers, and building a good relationship with them;
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- 50 3. Providing good value for money, by delivering a good service and offering relevant
51 amenities;
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- 53 4. Managing and maintaining properties effectively and efficiently.
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55 Focus on these things should pay dividends by increasing lease renewal rates and making it easier
56 to let properties through improved reputation.
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Discussion of Findings and Conclusions

Factors affecting initial Choice of Property

As more developers and institutional investors enter the build to rent market, and house-price to earnings ratios remain high, increasing numbers of households will live in housing owned by institutional landlords in the private rented sector. For the interviewees in this study, the main criteria for choosing their rental accommodation initially was found to be the quality of the property and the location and accessibility of the area. Price, the outdoor environment and the terms of the contract, including choice of lease length, were also found to influence the decision, and remained the overriding concerns of tenants when they were re-interviewed during their tenancy.

Resident "Loyalty": Factors affecting Overall Satisfaction and Lease Renewal

Whether or not a tenant renews their lease can be down to factors outside the landlord's control, but there are things that a landlord can do to increase the likelihood that a tenant does choose to renew. Such things include building a good, professional relationship with tenants so that they feel they are valued customers, good two-way communication to understand tenants' requirements and respond quickly to requests, making processes (such as rent collection) as straightforward as possible for residents, providing good value for money for the rent they pay (and service charges if applicable) and managing properties effectively and efficiently. Other "Keep Factors" identified in this research include the neighbourhood and its amenities, and the property itself. Unless residents' circumstances change, these were factors that attracted them initially, so it is important that residents are not disappointed with these aspects.

Advocacy of Landlord

The main determinants of residents' willingness to recommend their landlord are Perception of Landlord Performance, Ease of Doing Business, Relationship Management, Comparison with previous rental experiences, Value for Money for Rent and Property Management. The research has shown that renewing residents are more likely to be willing to recommend their landlord, to believe that the landlord is performing well, and to compare this rental experience favourably compared with any previous ones. Advocacy of the landlord is more highly correlated with key aspects of service for residents who have not renewed their lease than for those who have, so it is particularly important to pick up on low levels of satisfaction early on in a tenancy to increase satisfaction, loyalty and advocacy.

Metrics to include in Resident Satisfaction Surveys

In addition to addressing the research questions listed in the Introduction, this research has also identified the value of asking residents' opinions about the "Ease of Doing Business" with their landlord or property manager. Responses to this question give a good indication of lease renewal intentions. Depending upon whether the survey is looking at the ongoing landlord – tenant relationship or at a specific encounter, the question can be phrased "How easy do / did you find you find it to do business with your [landlord / property manager]. The crucial thing, however, is that the tenant must be invited to elaborate on the score they give, so that the landlord understands where improvements can be made to reduce the effort demanded by the tenants, their customers. Landlords can then employ techniques such as Customer Journey Mapping (see, for example, Shostack (1985) and Norton & Pine (2013) to increase residents' satisfaction, loyalty and advocacy of their landlord.

Research Limitations

Limitations to this research include the fact that the residents have a single landlord and live on a single estate, one with particular cultural significance, therefore potentially restricting the general applicability of the findings. Although the sample size is large, the number of residents who have reached the end of their lease is relatively small, because East Village has only been occupied by PRS tenants since 2014. Reasons for lease renewal by the 260 renewing residents and for non-renewal by the 295 former residents include factors that are outside the landlord's control, as discussed previously. These include the need to relocate for work or family reasons, and the deliberate intention to rent for only a finite period of time before buying a property. Such confounding factors mean that logistic regression to assess the odds ratio for various explanatory variables to predict lease renewal has low explanatory power.

The content of interviews was revised slightly over the years, with some questions such as "ease of doing business with the landlord" being introduced after the first year. This drawback is mitigated to some extent by the open questions which gave respondents the opportunity to add their own comments about aspects they liked best and those with which they were most dissatisfied.

Future Research

The analysis is intended to be repeated when more residents have reached the end of their lease. By that stage, it is hoped that the overall sample size might be sufficient to be able to conduct Principal Components Analysis⁸ and Structural Equation Modelling, to gain further insight into the underlying factors affecting lease renewal, and their relative importance. It is also hoped to be able to perform a comparative analysis of resident satisfaction and lease renewal on multiple estates managed by Get Living.

Acknowledgements

The author would like to acknowledge the help of RealService Ltd and its consultants who conducted the interviews upon which this research is based, and Get Living for its permission to carry out this research.

⁸ i.e. KMO > 0.6 and a statistically significant Bartlett's test of sphericity (Tabachnick & Fidell, 2013)

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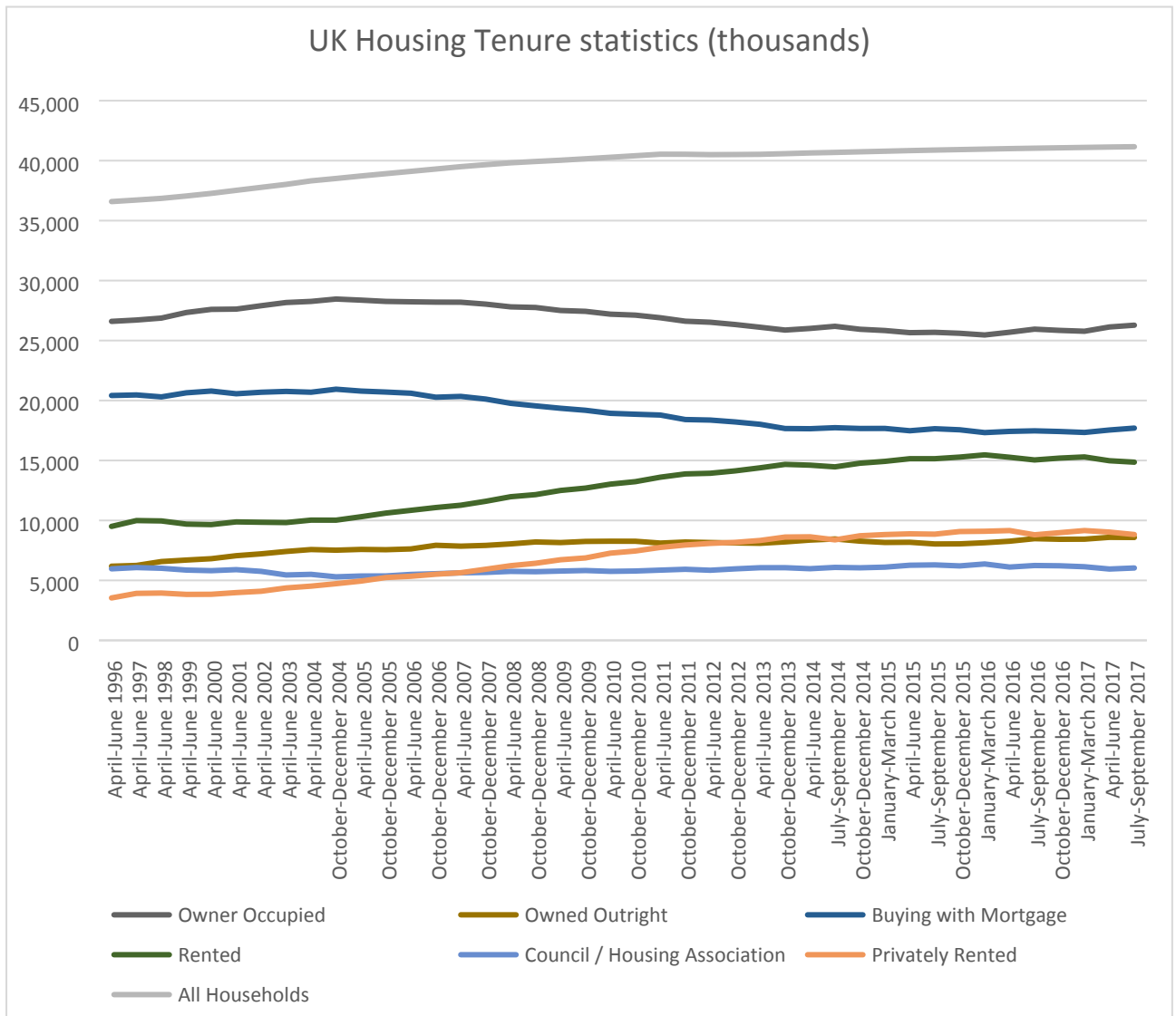
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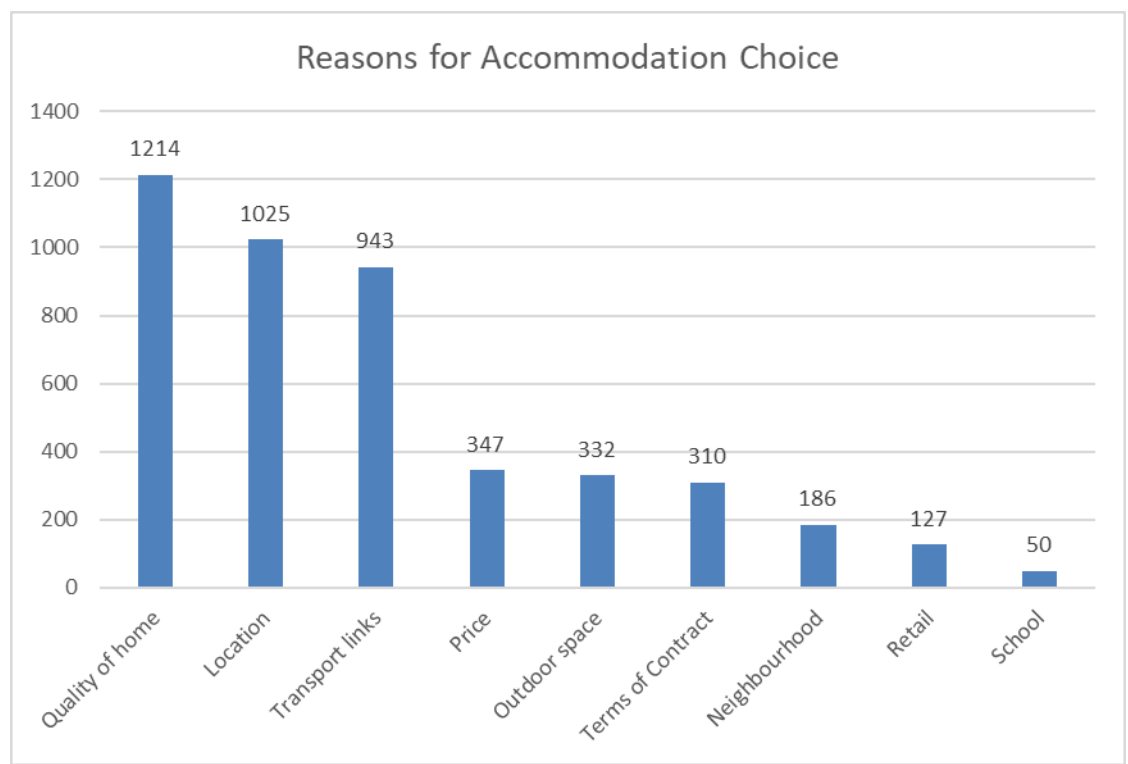


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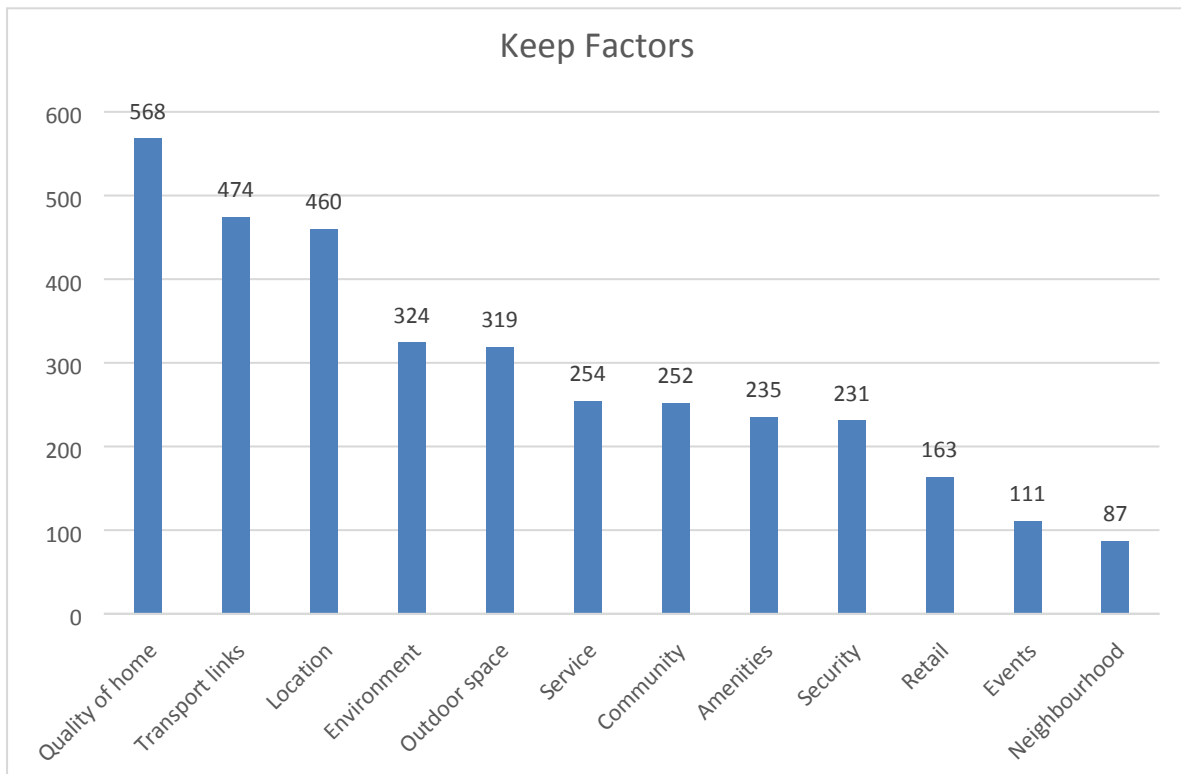
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Figure 2: New Resident Interviews



Property Management

Figure 31: Mid-Term Interviews – Aspects of Greatest Satisfaction

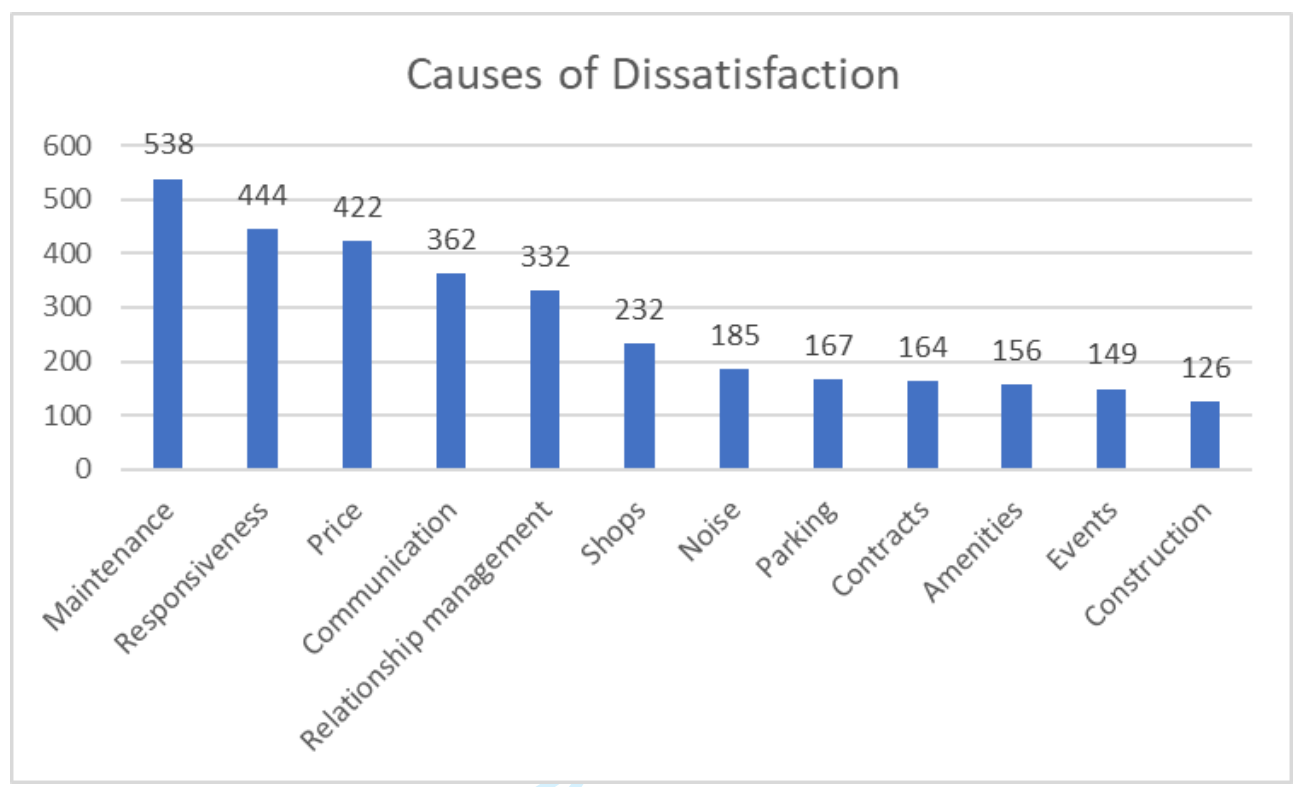


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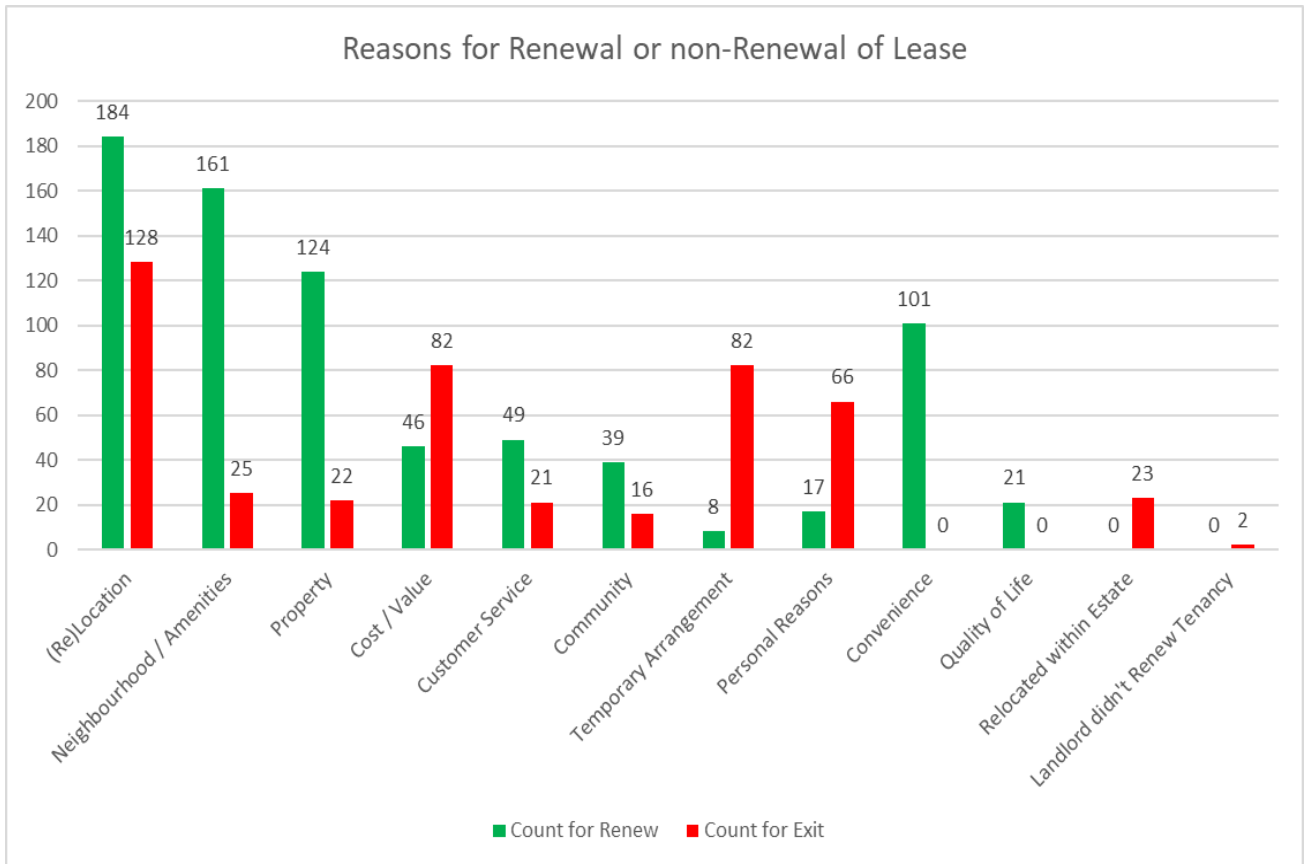
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Figure 4: Mid-Term Interviews: Areas of Dissatisfaction



Management

Figure 5: Comparison of "Keep" and "Push / Pull" Factors



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Figure 6: Respondents' Ratings of their Willingness to Recommend Get Living as a Landlord



Property Management

Table 1: Descriptive Statistics for Ratings from all Interviews (Full Sample)

	N	Min	Max	Mean	Std. Dev	Skewness	Kurtosis
Rental terms	1244	1	5	4.08	.94	-1.16	1.28
Collecting rent	1814	1	5	4.18	.87	-1.41	2.13
Communal places	1125	1	5	4.27	.77	-1.29	2.07
Communal services	1349	1	5	4.28	.76	-1.32	2.07
First Impressions	1232	1	5	4.27	.85	-1.52	2.80
Ease of Doing Business	1411	1	5	3.88	1.00	-.97	.56
Maintenance	1029	1	5	3.51	1.09	-.48	-.52
Marketing information	1448	1	5	4.07	.81	-1.00	1.29
Move In	1194	1	5	4.04	1.06	-1.18	.88
Neighbourhood	1351	1	5	3.95	.82	-.96	1.15
Property Management	875	1	5	3.66	1.11	-.65	-.31
Relationship Management	1508	1	5	3.59	1.08	-.58	-.34
Rent value	1855	1	5	3.68	.80	-.67	.76
Management Office	571	1	5	4.50	.69	-1.59	3.26
Welcome Office	700	1	5	4.56	.65	-1.78	4.16
Viewing	1230	1	5	4.33	.84	-1.43	2.14
Information about Activities	1146	1	5	4.21	.70	-1.09	1.98
CF Previous rental experiences	1280	1	5	3.95	.97	-.94	.32
Landlord Performance	1859	1	5	3.99	.82	-1.16	1.80
Willing to Recommend	1835	1	10	8.10	1.72	-1.38	2.13

Table 2: t-tests comparing Ratings from Renewing and Exiting Residents

	Renew ¹	N	Mean	Std. Deviation	Std. Error Mean
Rental_terms	1	141	4.242	.868	.073
	0	160	4.194	.854	.068
Collecting_rent ***	1	260	4.194	.706	.044
	0	279	3.614	1.074	.064
Communal_places	1	194	4.226	.754	.054
	0	175	4.297	.756	.057
First Impressions	1	137	4.386	.733	.063
	0	158	4.370	.747	.059
Ease of Doing Business **	1	222	3.860	.829	.056
	0	217	3.682	1.064	.072
Maintenance	1	216	3.443	1.053	.072
	0	206	3.496	1.142	.080
Marketing information	1	215	3.926	.844	.058
	0	223	4.072	.772	.052
Move In	1	134	4.070	1.071	.093
	0	151	4.109	1.042	.085
Neighbourhood	1	256	3.952	.749	.047
	0	291	3.940	.907	.053
Property Management	1	194	3.601	1.027	.074
	0	187	3.503	1.093	.080
Relationship Management	1	233	3.451	.979	.064
	0	236	3.536	1.074	.070
Rent_value *	1	258	3.654	.665	.041
	0	293	3.544	.871	.051
Management Office	1	98	4.522	.570	.058
	0	101	4.465	.694	.069
Welcome Office	1	49	4.663	.514	.073
	0	68	4.654	.687	.083
Viewing	1	138	4.405	.756	.064
	0	158	4.389	.813	.065
Information about Activities	1	231	4.157	.675	.044
	0	223	4.145	.701	.047
CF Prev rental experiences	1	244	3.851	.933	.060
	0	278	3.750	1.078	.065
Landlord_Performance **	1	260	3.970	.650	.040
	0	295	3.826	.877	.051
Willing to Recommend *	1	260	7.987	1.556	.097
	0	286	7.708	1.924	.114

Statistically significant differences in Mean Ratings at the 10%, 5% and 1% levels are denoted *, ** and ***, respectively, and incorporate the results of the Levene's test to assess whether the variances of the two groups are equal.

¹ 1 = Renewed; 0 = Did not Renew

Table 3: Percentage of Residents Rating Below '3' (Average) out of 5²

	Rental Terms	Rent Collection	Rent Value	Ease of Doing Business	Property Management	Landlord Performance	Comparison with previous Value forexperiences	Willingness to Recommend
Renew	4.3	4.6	10.9	11.3	18.0	5.4	14.3	7.2
Did not Renew	5.0	22.9	20.0	20.2	23.2	11.3	20.0	18.5

² 5 out of 10 for Willingness to Recommend Landlord

Appendix A: Statistical Tables

Table A1: Correlations between Ratings for all Questions

(Statistically significant correlations at the 5% and 1% levels are denoted * and **, respectively)

		Willing to Rec	Landlord Perform	Ease of Doing Business	Rent value	Collecting rent	Rent terms	Communal places	Communal services	CF Prev rental experiences
Willing to Recommend	Corr	1	.820**	.703**	.530**	.393**	.392**	.358**	.422**	.583**
	N	1835	1833	1395	1829	1789	1229	1112	1334	1269
Landlord Performance	Corr	.820**	1	.741**	.500**	.466**	.464**	.368**	.404**	.576**
	N	1833	1859	1410	1853	1812	1241	1125	1347	1280
Ease of Doing Business	Corr	.703**	.741**	1	.421**	.424**	.386**	.279**	.256**	.559**
	N	1395	1410	1411	1406	1372	968	999	952	1024
Rent Value	Corr	.530**	.500**	.421**	1	.268**	.297**	.382**	.367**	.428**
	N	1829	1853	1406	1855	1809	1243	1122	1346	1274
Collectin Rrent	Corr	.393**	.466**	.424**	.268**	1	.327**	.179**	.160**	.340**
	N	1789	1812	1372	1809	1814	1215	1100	1333	1265
Rental Terms	Corr	.392**	.464**	.386**	.297**	.327**	1	.154**	.142**	.124**
	N	1229	1241	968	1243	1215	1244	734	961	716
Communal Places	Corr	.358**	.368**	.279**	.382**	.179**	.154**	1	.304**	.286**
	N	1112	1125	999	1122	1100	734	1125	629	860
Communal Services	Corr	.422**	.404**	.256**	.367**	.160**	.142**	.304**	1	.281**
	N	1334	1347	952	1346	1333	961	629	1349	1015
CF Prev rental experiences	Corr	.583**	.576**	.559**	.428**	.340**	.124**	.286**	.281**	1
	N	1269	1280	1024	1274	1265	716	860	1015	1280
First Impressions	Corr	.382**	.474**	.406**	.256**	.304**	.387**	.087*	.128**	.150**
	N	1217	1229	956	1231	1203	1222	730	952	712
Maintenance	Corr	.428**	.484**	.472**	.300**	.208**	.157**	.231**	.212**	.399**
	N	1025	1029	1026	1024	1018	611	780	785	966
Marketing information	Corr	.359**	.427**	.331**	.311**	.252**	.339**	.190**	.267**	.229**
	N	1427	1445	1041	1446	1414	1182	819	1169	928
Move In	Corr	.409**	.508**	.430**	.243**	.303**	.334**	.182**	.197**	.141**
	N	1180	1192	937	1194	1167	1183	706	912	683
Neighbourhood	Corr	.350**	.354**	.198**	.312**	.167**	-.016	.282**	.318**	.316**
	N	1338	1351	1070	1348	1334	754	894	1074	1264
Property Management	Corr	.510**	.589**	.324**	.315**	.235**	.303**	.214**	.278**	.313**
	N	866	874	487	874	867	610	385	874	693
Relationship Management	Corr	.603**	.660**	.699**	.370**	.318**	.304**	.257**	.163**	.454**
	N	1491	1508	1384	1503	1472	1011	1110	1006	1105

Management Office	Corr	.343**	.354**	.124*	.182**	.174**	.263**	.177**	.309**	.113*
	N	570	571	350	571	569	566	223	570	400
Welcome Office	Corr	.305**	.397**	.376**	.316**	.262**	.399**	.200**	.176**	.106*
	N	686	698	630	699	674	693	544	419	342
Viewing	Corr	.397**	.467**	.398**	.259**	.263**	.402**	.130**	.199**	.163**
	N	1215	1227	954	1229	1204	1219	731	952	710
Information about	Corr	.343**	.363**	.338**	.266**	.226**	.014	.260**	.211**	.281**
Activities	N	1141	1146	1087	1141	1134	652	866	858	1071

		First Impressions	Maintenance	Marketing info	Move In	Neighbourhood	Property Mgmt	Relationship Mgmt	Mgmt Office	Welcome Office	Viewing	Info about Activities
Willing to Recommend		.382**	.428**	.359**	.409**	.350**	.510**	.603**	.343**	.305**	.397**	.343**
	N	1217	1025	1427	1180	1338	866	1491	570	686	1215	1141
Landlord Performance		.474**	.484**	.427**	.508**	.354**	.589**	.660**	.354**	.397**	.467**	.363**
	N	1229	1029	1445	1192	1351	874	1508	571	698	1227	1146
Ease of Doing Business		.406**	.472**	.331**	.430**	.198**	.324**	.699**	.124*	.376**	.398**	.338**
	N	956	1026	1041	937	1070	487	1384	350	630	954	1087
Rent Value		.256**	.300**	.311**	.243**	.312**	.315**	.370**	.182**	.316**	.259**	.266**
	N	1231	1024	1446	1194	1348	874	1503	571	699	1229	1141
Collecting rent		.304**	.208**	.252**	.303**	.167**	.235**	.318**	.174**	.262**	.263**	.226**
	N	1203	1018	1414	1167	1334	867	1472	569	674	1204	1134
Rental Terms		.387**	.157**	.339**	.334**	-.016	.303**	.304**	.263**	.399**	.402**	.014
	N	1222	611	1182	1183	754	610	1011	566	693	1219	652
Communal Places		.087*	.231**	.190**	.182**	.282**	.214**	.257**	.177**	.200**	.130**	.260**
	N	730	780	819	706	894	385	1110	223	544	731	866
Communal Services		.128**	.212**	.267**	.197**	.318**	.278**	.163**	.309**	.176**	.199**	.211**
	N	952	785	1169	912	1074	874	1006	570	419	952	858
CF Prev rental experiences		.150**	.399**	.229**	.141**	.316**	.313**	.454**	.113*	.106*	.163**	.281**
	N	712	966	928	683	1264	693	1105	400	342	710	1071
First Impressions		1	.157**	.323**	.375**	.060	.248**	.305**	.325**	.376**	.484**	.084*
	N	1232	607	1177	1170	748	605	999	562	691	1212	646
Maintenance		.157**	1	.125**	.148**	.198**	.274**	.457**	.077	.131*	.214**	.262**
	N	607	1029	697	586	1012	460	1020	326	298	607	1025
Marketing information		.323**	.125**	1	.305**	.236**	.354**	.329**	.296**	.385**	.320**	.139**

	N	1177	697	1448	1133	978	852	1111	550	665	1171	765
Move In		.375**	.148**	.305**	1	.040	.378**	.359**	.285**	.281**	.392**	.078
	N	1170	586	1133	1194	717	568	975	530	680	1173	621
Neighbourhood		.060	.198**	.236**	.040	1	.212**	.244**	.046	.049	.041	.294**
	N	748	1012	978	717	1351	732	1156	423	356	747	1124
Property Management		.248**	.274**	.354**	.378**	.212**	1	.292**	.314**	.113	.287**	.115**
	N	605	460	852	568	732	875	552	540	102	604	512
Relationship Management		.305**	.457**	.329**	.359**	.244**	.292**	1	.108*	.345**	.325**	.306**
	N	999	1020	1111	975	1156	552	1508	360	678	998	1134
Management Office		.325**	.077	.296**	.285**	.046	.314**	.108*	1	.237	.261**	.123*
	N	562	326	550	530	423	540	360	571	35	561	350
Welcome Office		.376**	.131*	.385**	.281**	.049	.113	.345**	.237	1	.458**	.119*
	N	691	298	665	680	356	102	678	35	700	691	317
Viewing		.484**	.214**	.320**	.392**	.041	.287**	.325**	.261**	.458**	1	.092*
	N	1212	607	1171	1173	747	604	998	561	691	1230	645
Information about Activities		.084*	.262**	.139**	.078	.294**	.115**	.306**	.123*	.119*	.092*	1
	N	646	1025	765	621	1124	512	1134	350	317	645	1146

anagement

Table A2: t-tests comparing Ratings from all Interviewees with those from Residents who did not renew their Lease

	Exit Dummy ³	N	Mean	Std. Dev	Std. Err Mean
Rental_terms	.00	1089	4.06107	.956157	.028974
	1.00	155	4.19076	.849636	.068244
Collecting_rent ***	.00	1543	4.27554	.781654	.019899
	1.00	271	3.61501	1.080827	.065656
Communal_places	.00	953	4.26273	.777371	.025182
	1.00	172	4.29834	.761466	.058061
Communal_services **	.00	1101	4.29788	.750550	.022620
	1.00	248	4.19358	.809667	.051414
First Impressions	.00	1079	4.26243	.863429	.026285
	1.00	153	4.35776	.751223	.060733
Ease of Doing Business ***	.00	1200	3.91931	.989479	.028564
	1.00	211	3.68186	1.052403	.072450
Maintenance	.00	829	3.51330	1.074513	.037319
	1.00	200	3.51067	1.135398	.080285
Marketing information	.00	1232	4.07085	.820226	.023368
	1.00	216	4.06116	.774458	.052695
Move In	.00	1047	4.03502	1.063370	.032863
	1.00	147	4.10827	1.049591	.086569
Neighbourhood	.00	1068	3.94998	.788635	.024132
	1.00	283	3.93266	.915474	.054419
Property Management *	.00	694	3.69256	1.121492	.042571
	1.00	181	3.52186	1.070050	.079536
Relationship Management	.00	1278	3.59521	1.080950	.030237
	1.00	230	3.53664	1.064651	.070201
Rent value ***	.00	1570	3.70306	.785129	.019815
	1.00	285	3.55551	.865774	.051284
Management Office	.00	473	4.50035	.687056	.031591
	1.00	98	4.47391	.697466	.070455
Welcome Office	.00	633	4.55503	.643041	.025559
	1.00	67	4.65711	.686415	.083859
Viewing	.00	1077	4.32482	.841506	.025642
	1.00	153	4.38404	.812125	.065656
Information about Activities	.00	929	4.22010	.694693	.022792
	1.00	217	4.14600	.707299	.048015
CF Prev rental experiences **	.00	1010	4.00435	.930773	.029288
	1.00	270	3.75149	1.082540	.065881
Landlord Performance ***	.00	1572	4.02071	.803165	.020257
	1.00	287	3.82537	.879435	.051911
Willing to Recommend ***	.00	1557	8.17627	1.676895	.042497
	1.00	278	7.69618	1.915689	.114895

Statistically significant differences in Mean Ratings at the 10%, 5% and 1% levels are denoted *, ** and ***, respectively, and incorporate the results of the Levene's test to assess whether the variances of the two groups are equal.

³ 1 = Did not Renew Lease

Table A3: Correlations for Non-Renewing and Renewing Residents

	Willing to Recommend (Exit)	Landlord Performance (Exit)	CF Prev rental experiences (Exit)	Willing to Recommend (Renew)	Landlord Performance (Renew)	CF Prev rental experiences (Renew)
<i>Willing to Recommend</i>	1	.901**	.661**	1	.862**	.507**
		278	263		260	244
<i>Landlord Performance</i>		1	.672**		1	.537**
			270			244
<i>CF Prev rental experiences</i>			1			1
<i>Rental_terms</i>	.147	.270**	.122	.333**	.315**	.129
	154	155	151	141	141	133
<i>Collecting_rent</i>	.425**	.528**	.375**	.407**	.413**	.344**
	263	271	257	260	260	244
<i>Communal places</i>	.431**	.410**	.383**	.398**	.386**	.253**
	169	172	166	194	194	185
<i>Communal services</i>	.429**	.441**	.346**	.415**	.410**	.155*
	240	248	235	237	237	222
<i>First Impressions</i>	.270**	.396**	.188*	.340**	.369**	.155
	152	153	150	137	137	129
<i>Marketing info</i>	.354**	.456**	.248**	.288**	.280**	.140*
	211	216	210	215	215	201
<i>Move In</i>	.303**	.395**	.211*	.367**	.417**	.149
	146	147	144	134	134	126
<i>Neighbourhood</i>	.428**	.448**	.380**	.311**	.333**	.278**
	274	283	269	256	256	241
<i>Welcome Office</i>	.331**	.427**	.314*	.457**	.383**	.270**
	66	67	64	98	98	94
<i>Viewing</i>	.330**	.388**	.222**	.329*	.290*	.087
	152	153	149	49	49	45
<i>Information about Activities</i>	.372**	.399**	.310**	.251**	.365**	.156
	214	217	205	138	138	130
<i>Ease of Doing Business</i>	.784**	.821**	.695**	.257**	.280**	.242**
	208	211	199	231	231	219
<i>Maintenance</i>	.494**	.513**	.473**	.691**	.699**	.468**
	197	200	190	222	222	211
<i>Property Management</i>	.524**	.590**	.302**	.416**	.487**	.375**
	175	181	175	216	216	205
<i>Relationship Management</i>	.709**	.737**	.542**	.498**	.538**	.245**
	227	230	219	194	194	183
<i>Rent_value</i>	.613**	.575**	.454**	.586**	.584**	.429**
	276	285	268	233	233	221

Statistically significant correlations at the 5% and 1% levels are denoted * and **, respectively