The Demand of Rental Accommodation: A Case Study of Muang District, Nakhon Pathom Province

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Abstract
The objective of this research was to study the demands of rental accommodation for general public within the Muang district of Nakhon Pathom Province, study the financial factors affecting the demands, study the marketing factors affecting and the behaviors relating to selection of such accommodation. Also to study the level of demand in each related issues affecting the demand. Population means the general public renting the accommodation within the Muang district of Nakhon Pathom Province. The determination of the sample utilized the process of Yamane. The total number of sample is 384 persons. The sampling process used was the Proportional Stratified Sampling Method. Data collection was by questionnaires. Statistical techniques used in calculating and analysis of the data were basic statistics, multiple regression analysis using multiple regression coefficients.

The results of the research were found that the tenants were female 63.5%, male 36.5%. Most of the tenants were under graduate students aged 21-25 years old with average monthly income less than Baht 10,000 per month. These were from central area 48.2%, and 12.8% were from the north eastern provinces. The persons having influence in making selection were parents at 50%, followed by the tenants themselves at 40.1%. The average monthly income of the tenants affect the rental the most, followed by the number of tenants per room, comparison of the establishment information before making decision to rent, the rental period of current accommodation, and the space of the rooms respectively. Marketing factors were found that the tenants’ priority of cheaper rent compared to the size of the room and security of the place with Key-card at the entrance.

Background and significance of the problems.

Rental accommodations were important to the general public as it was one of the four basic needs of human being, therefore humans must have accommodation to satisfy this need. In the past human lived in caves as their homes, but nowadays people who had enough income to purchase their own house selected to make the purchase. But some who did not have sufficient funds or were required to move place of accommodation with the location of work or study had to resort to the rental type of accommodation so that the cost of traveling could be reduced. Therefore rental accommodations were important to those who needed to relocate themselves due to work or study.

Therefore, to effectively evaluate the demands, it was inevitable to study (Panarat Pornsetmethakul 2552) the behaviors and the decision making of employees in the area of Nong Bon Daeng, Ban Bueng District, Chonburi. The sample chosen were employees in Nong Bon Daeng, Ban Bueng District, Chonburi. (Chaiyuth Jumkatoo 2552) study the factors affecting the selection of the rental accommodation of under graduate students from Rangsit University Muang District, Patumthani Province. (Narin Nopsatea 2536) study of housing business abd the demand trends in Bangkok Metropolitan area between 2534 and 2539, (Wanida Homkajorn 2537) The demand analysis of housing in the form of apartment in Bangkok, (Sukij Triwanapong 2439) study of the demand of accommodation from...

The above referenced studies had not included the demand study of rental accommodation in Muang District, Nakhon Pathom Province. Therefore this research would be carried out in Muang District, Nakhon Pathom Province.

Objectives
1. Study the demands of rental accommodation in Muang District, Nakhon Pathom Province.
2. Study the financial factors affecting the demands of rental accommodation in Muang District, Nakhon Pathom Province.
3. Study the marketing factors affecting the demands of rental accommodation in Muang District, Nakhon Pathom Province.
4. Study the behaviors of general public in selection of rental accommodation in Muang District, Nakhon Pathom Province.

Technical Terms

Accommodation means building for dwelling in form of rental establishments only, one room for one contractual party only. (Sirijanya Pijittham 2551:4)
Rent means custodian without being the owner of the establishment, also must pay money in return for the accommodation as per the rental contract (The National Statistics Institute)

Framework of the study

- Personal factors
  - Sex
  - Age
  - Occupation
  - Family
  - Education

- Financial Factors
  - Monthly Income

- Marketing Factors
  - Products
  - Price
  - Distribution
  - Channel
  - Promotion

Demands of rental accommodation
Research Methodology and tools used.

Population and Sample

Populations in this research were the tenants in rental accommodation establishments in Muang District, Nakhon Pathom Province totaling 9,580 persons. (Social development and human security, Nakhon Pathom Province).

Determination of Sample size for this research used the Yamane method. Example of the calculation were as follows

\[ n = \frac{N}{1 + N(e^2)} \]

where,  
\( n \) = Sample size  
\( N \) = Population size  
\( e \) = Margin of error of sampling

Substituting the values \( n = \frac{9,580}{1 + 9,580(0.05^2)} \)

\[ n = 384 \]

The resulting sample size was 384 persons and Proportional Stratified Sampling Method was employed as per assigned ratio.

Tools used for the research

Tools used for the research were questionnaires developed by the author from the questionnaires on the customers’ demands in accommodation of the Government housing bank and the questionnaires from Property Perfect Plc. The questionnaires were separated into 4 sections: Personal information section, Behavioral information on selection of rental accommodation, information on demands and selection of rental accommodation and Suggestions and recommendations section. The development and quality control of the questionnaires were by setting the questions as per the assigned topics and checked for content validity by 3 experts, checked for consistency and evaluated the accuracy of the contents by determining the index of consistency (IC) and also the appropriateness of the language used. (Puangrat Taweerat 2538: 57 - 68). The results of calculation of IC found that the value was between 0.7 – 1.00, without any items having IC less than 0.50. After that the wording was scrutinized and improved according to the expert advice. The improved questionnaires were brought out for a trial run on 30 of tenants who were not in the chosen sample. Answered questionnaires were checked for reliability using Cronbach’s alpha coefficient with a result of 0.94 for overall questionnaires, 0.88 for reliability of the property of the rental room, 0.86 for reliability of price, 0.83 for the distribution channel, and 0.90 for reliability on promotion. This meant that the questionnaires were of good quality and reliability levels since the IC was more than 0.70 (Boontham Kijpreeaborisut 2540 : 207 - 212).

Scoring and evaluation Criteria

The levels of scores according to the attitude were in 5 level 5,4,3,2 and 1. Evaluation for each score level of the questions was defined as displayed in the table 1

Data Collection
Data collection was done by interviewing the tenants of rental accommodation in the area of Muang District, Nakhon Pathom Province during the evening hours after work, answers were returned on the same day until all 384 sets of questionnaires were completed.

**Data Analysis**

Analysis of the data was carried out by using statistical computer program (SPSS). The statistics used in the analysis included Frequency distribution, percentages, means, and standard deviation, Multiple Regression Analysis using Multiple Regression Coefficients to determine the predictors and hence forecasting equation. There were also discussions and suggestions or recommendations.

**Conclusions and Discussions.**

The results of the research were found that the tenants consisted of female 63.5% and male 36.5%. Most of the tenants were of the age 21 – 25 years’ old 58.1% followed by under 20 at 37.2%. The education level of the sample was bachelor degrees at 90.6 and diploma at 6%. Most of the sample were single (97.4%). 91.1% were students and 2.6% were company employees. 48.2% were from central region, 12.8% from north eastern region and 11.5% from the south of Thailand. Most of the sample had income less than Baht 10,000 and followed by between Baht 10,001 – 15,000 per month.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing criteria</td>
<td></td>
</tr>
<tr>
<td>Highest</td>
<td>4.50 – 5.00</td>
</tr>
<tr>
<td>High</td>
<td>3.50 – 4.49</td>
</tr>
<tr>
<td>Medium</td>
<td>2.50 – 3.49</td>
</tr>
<tr>
<td>Low</td>
<td>1.50 – 2.49</td>
</tr>
<tr>
<td>Lowest</td>
<td>1.00 – 1.49</td>
</tr>
</tbody>
</table>

**Table1: Evaluation criteria scoring level for factors.**

**Table2: The level of marketing factors or Criteria affecting the demands of rental accommodation**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>$\bar{X}$</th>
<th>S.D.</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room Conditions</td>
<td>3.86</td>
<td>0.68</td>
<td>Very important</td>
</tr>
<tr>
<td>Price</td>
<td>3.86</td>
<td>0.73</td>
<td>Very important</td>
</tr>
<tr>
<td>Distribution Channel</td>
<td>3.93</td>
<td>0.59</td>
<td>Very important</td>
</tr>
<tr>
<td>Promotion</td>
<td>3.49</td>
<td>0.83</td>
<td>Medium important</td>
</tr>
<tr>
<td>Overall results</td>
<td>3.78</td>
<td>0.56</td>
<td>Very important</td>
</tr>
</tbody>
</table>

The results of the research were found that the overall marketing criteria affecting the change in demands of the tenants was very important having the score of 3.78 as in Table 2. Other personal affecting the demands was as shown statistically in Table 3.
Table 3 Multiple Regression analysis where criteria affecting the demand also affect the decision to select the rental accommodation in the price per month as a factor

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Variables</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td>3.907</td>
<td>.446</td>
<td></td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>1. Income</td>
<td>X1</td>
<td>.175</td>
<td>.076</td>
<td>.101</td>
<td>2.286</td>
<td>.023</td>
</tr>
<tr>
<td>2. Members</td>
<td>X2</td>
<td>-.333</td>
<td>.046</td>
<td>-.329</td>
<td>-7.211</td>
<td>.000</td>
</tr>
<tr>
<td>3. Comparison of different establishment before deciding</td>
<td>X3</td>
<td>.171</td>
<td>.044</td>
<td>.168</td>
<td>3.925</td>
<td>.000</td>
</tr>
<tr>
<td>4. Current rental period</td>
<td>X4</td>
<td>-.201</td>
<td>.051</td>
<td>-.165</td>
<td>-3.907</td>
<td>.000</td>
</tr>
<tr>
<td>5. Reasons for moving</td>
<td>X5</td>
<td>.138</td>
<td>.038</td>
<td>.153</td>
<td>3.644</td>
<td>.000</td>
</tr>
<tr>
<td>6. Rent not too high in comparison to the room.</td>
<td>X6</td>
<td>-.203</td>
<td>.067</td>
<td>-.138</td>
<td>-3.048</td>
<td>.002</td>
</tr>
<tr>
<td>7. Convenient for travel</td>
<td>X7</td>
<td>-.076</td>
<td>.073</td>
<td>-.048</td>
<td>-1.049</td>
<td>.295</td>
</tr>
<tr>
<td>8. Key-Card Entrance</td>
<td>X8</td>
<td>.139</td>
<td>.044</td>
<td>.141</td>
<td>3.195</td>
<td>.002</td>
</tr>
</tbody>
</table>

Research results were found that criteria affecting the demands of rental accommodation the most were the number of members in one room, comparison of different establishment before deciding, current rental period and the reasons for moving by having P-value = 0.000. Rent not too high and security system with key-card where P-value = 0.002 and income where P-value = 0.023. However individual requirement were different, the proprietor should improve the accommodation according to the requirements of the tenants. The equation stipulating the demands of the tenants in Muang District, Nakhon Pathom Province was as follows.

**Multiple Linear Regressions**

\[ \hat{Y} = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \ldots \ldots + \beta_n X_n \]

Substituting the independent and dependent variables

\[ \hat{Y} = 3.907 - (0.101) X_1 - (0.329) X_2 + (0.168) X_3 - (0.165) X_4 + (0.153) X_5 - (0.138) X_6 - (0.048) X_7 + (0.141) X_8 \]

Summary the equation explaining the relationship between the demand and personal criteria and the financial criteria were as follows.

\[ \hat{Y} = 3.907 - (0.101) X_1 - (0.329) X_2 + (0.168) X_3 - (0.165) X_4 + (0.153) X_5 - (0.138) X_6 + (0.141) X_8 \]

From the equation it was concluded that the decision regarding the price or rent per month of the tenants in Muang District, Nakhon Pathom Province related to the demands meant that if the rent would be increased if the improvements were carried out to the building. Comparison with other places before deciding, room size, rent not too high, comparing with room size and key-card entrance and income would extend the rental period.

**Discussions**
The results of the research were found that the tenants consisted of female 63.5% and male 36.5%. Most of the tenants were of the age 21 – 25 years old 58.1% followed by under 20 at 37.2%. The education levels of the sample were bachelor degrees at 90.6 and diploma at 6%. Most of the sample were single (97.4%). 91.1% were students and 2.6% were company employees. 48.2% were from central region, 12.8% from north eastern region and 11.5% from the south of Thailand. Most of the sample had income less than Baht 10,000 and followed by between baht 10,001 – 15,000 per month. The dormitory type of rental accommodation most of the tenants paid less than Baht 1,500 per month. The person who had influence to the decision was parents, and followed by the tenants themselves. The reasons for changing accommodation were due to the state of the room, dirty or in disrepair, or not convenient for traveling. On the other hand the reasons affecting decision were room size, location, price and reasonable payment conditions, marketing activities, design and construction and the reputation of the establishment. The most important criteria affecting the decision was income, followed by the number of member per room, comparison of room conditions, rental period, room size resulted in moving respectively. In marketing factors it was found that the monthly rent not too high comparing to the room size and secondly keycard entrance.

From the research it was found that the sample population did have some suggestions such as the location of the accommodation should be near the University or their place of work, where rent should be according to the conditions of the room. The location and situation of the building should be so that there was good ventilation, clean and tidy with internet services in the room and other community activities.

Recommendations

The results of this research found that the demand was affected by the following factors: income and the number of members per room, comparison, current rental period and the room size respectively. Some other marketing factors or criteria did not actually affect the demand was probably due to the fact that the data was insufficient. Therefore the research should also emphasize on the marketing criteria as well.

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