

FACTORS AFFECTING THE SUCCESS OF CONDOMINIUM RENTAL BUSINESS IN BANGKOK

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ABSTRACT

This research aims to study the factors affecting the success of condominium rental business in Bangkok. This is a mixed methods research to make the study more effective ; quantitative research : The population and sampling group residents living in condominium in Bangkok of 400 samples by non-probability sampling method and random sampling method and qualitative research : The population and sampling consists of condominium rental business in Bangkok as key informant totaling 10 individuals, using purposive sampling without relying on probability sampling. The research results found that most were aged 31- 40 years. They were single. They had a bachelor's degree, were employed in private companies and had an average monthly income of 30,001- 40,000 baht. The research results found that most people chose an condominium because it was convenient to travel and good location. The reason for moving condominium was because they changed their workplace. They would make the decision themselves. They paid 10,001- 15,000 baht per month in condominium rent. They stayed for less than 1 year and lived alone. They found information from relatives recommendations. They decided to rent a studio room. They chose a furnished condominium and they chose the condominium location because it was close to their workplace. The findings of the marketing mix that influenced the decision to use condominium rental services overall was at the highest level of importance and The findings of the overall success factors in operating an condominium rental business were at a very important level. The hypothesis test result found that different behaviors in using condominium rental services have different effects on the success of condominium rental businesses in Bangkok at a significance level of 0.05. and the different marketing mix factors have different effects on the success of apartment rental business in Bangkok at a significance level of 0.05.

Keywords: success, condominium rental, business

INTRODUCTION

The condominium rental business in Bangkok is one of the high-growth real estate markets due to the rapidly expanding urban structure. The growth of mass transit systems such as the MRT and BTS Skytrains has led to a continuous increase in demand for high-rise housing, particularly among urban workers, the new generation (Gen Y-Z), and expatriates who come to work or reside long-term (Knight Frank Thailand, 2024). Condo rentals have therefore become an important alternative to purchasing a home due to their cost flexibility and mobility (CBRE Thailand, 2022)

However, despite the high potential of the rental condo market, competition has intensified due to an oversupply of units in many locations, as well as changing tenant behavior. Current tenants

prioritize location with access to transportation, safety, building quality, management, service, and reasonable rental prices (REIC,2025). Furthermore, economic changes, such as inflation, maintenance costs, and building control laws, necessitate developers to adjust their strategies to maintain competitiveness (Bank of Thailand, 2025).

Post-COVID-19, Bangkok's condominium rental market has seen a significant recovery, with average occupancy rates recovering to 85–90%. However, tenant behavior has become more sensitive, requiring fully furnished units with high-quality furniture, smart home systems, and high security (area, 2024). Therefore, the key success factors for developers are not just a good location, but also include value proposition strategies, customer experience management, after-sales service, and innovative differentiation.

In addition, the Thai condo rental business is facing competition from new platforms such as Airbnb and online short-term rentals, resulting in legal challenges and requiring operators to adapt their management models to meet tenants who need convenience through digital technology. (kasikornresearch,2025) These factors make the study of the factors affecting the success of the rental condominium business important, both from the perspective of real estate developers, retail investors, project managers as well as public sector policymakers.

Therefore, this research is necessary to analyze the key elements that influence the success of the condominium rental business in Bangkok. This will help operators develop strategies to increase revenue, reduce vacancy rates, and create tangible business sustainability.

OBJECTIVE

To study the factors affecting the success of condominium rental business in Bangkok.

Hypothesis

Hypothesis 1: Different behaviors in using apartment rental services have different effects on the success of condominium rental businesses in Bangkok.

Hypothesis 2: Different marketing mix factors have different effects on the success of condominium rental business in Bangkok.

METHODOLOGY

To study the factors affecting the success of condominium rental business in Bangkok. This is a mixed methods research to make the study more effective. The study methods are as follows:

Population and sample group

Quantitative research : The population includes tenants or residents living in condominium in Bangkok. The sample group includes tenants or residents living in condominium in Bangkok of 400 samples. Operators selected from the vicinity of Incheon Monument and Ratchadaphisek road. Because the occupancy rate of apartments is basically high, a 95% confidence determination is obtained from the size determination of the sample population of Taro Yamane (1973) and the deviation value is equal to 0.05 and sampling by non-probability sampling method and random sampling method.

Qualitative research : The population consists of condominium rental business operators in Bangkok. The sample includes condominium rental business operators in Bangkok, selected from local operators as Key Informant totaling 10 individuals, using purposive sampling without relying on probability sampling.

Research tools

The research tools of this research created a tool for collecting data : quantitative data, questionnaire, qualitative data, in-depth interview.

Data analysis

Data Analysis In this study, the researchers analyzed the data obtained from the questionnaires and in-depth interviews using the following data and statistical analysis guidelines. Quantitative data analysis The researchers analyzed the data obtained from the questionnaires using the following statistical tests. Descriptive statistics Frequency, Percentage, average and standard deviation inferential statistics.

The data obtained from the questionnaire is analyzed for statistical values using techniques for factor analysis and path analysis and processed using t-test statistics and one way anova statistics to prove the assumption at the percentage confidence level. 95 with a ready-made computer program and in order to test consistency and be used for hypothesis testing and qualitative data analysis, the researchers analyzed the data obtained from in-depth interviews with the sample group using content analysis.

RESULTS

The findings of factors affecting the success of condominium rental business in Bangkok aimed to study the factors affecting the success of condominium rental business in Bangkok as follows;

Part 1 : The findings of most were male and female. Most were aged 31- 40 years. They were single. They had a bachelor's degree, were employed in private companies and had an average monthly income of 30,001-40,000 baht.

Part 2 : Data on condominium rental management behavior. The research results found that most people chose an condominium because it was convenient to travel and good location. The reason for moving condominium was because they changed their workplace. They would make the decision themselves. They paid 10,001-15,000 baht per month in condominium rent. They stayed for less than 1 year and lived alone. They found information from relatives recommendations. They decided to rent a studio room. They chose a furnished condominium and they chose the condominium location because it was close to their workplace.

Part 3 : The findings of the marketing mix that influenced the decision to use condominium rental services overall was at the highest level of importance (mean = 4.22). When considering each aspect, it was found that the product aspect was at the highest level of importance (mean = 4.36), followed by the distribution channel aspect at the highest level of importance (mean = 4.26), the physical characteristics aspect at the highest level of importance (mean = 4.24), the promotion aspect at the highest level of importance (mean = 4.22), the price aspect at the high level of importance (mean = 4.10), the personnel aspect at the highest level of importance (mean = 4.11) and the process at the high level of importance (mean = 4.00), respectively.

Part 4 : The findings of the overall success factors in operating an condominium rental business were at a very important level (mean = 4.13). When considering each aspect, it was found that satisfaction was at the highest level of important level (mean = 4.21) and loyalty was at the high level of important level (mean = 4.05), respectively.

Part 5 : The hypothesis test result found that:

The results of the Hypothesis 1 : Different behaviors in using condominium rental services have different effects on the success of condominium rental businesses in Bangkok as follows;

1. The reasons for deciding to rent different condominium have an effect on the success of running an condominium rental business in Bangkok at a significance level of 0.05.
2. The individuals who have different influences on the decision to use condominium rental services have different influences on the success of the apartment rental business in Bangkok at a significance level of 0.05.
3. The different condominium rental costs have different effects on the success of condominium rental business in Bangkok at a significance level of 0.05.
4. The length of time staying in the current condominium has different effects on the success of operating the condominium rental business in Bangkok at a significance level of 0.05.
5. The different sources of information in deciding to rent an condominium have different effects on the success of operating an condominium rental business in Bangkok at a significance level of 0.05.
6. Single rooms and suite room have different effects on the success of condominiums rental business in Bangkok at a significance level of 0.05.
7. The characteristics of unfurnished and furnished condominium have a statistically significant effect on the success of condominium rental business in Bangkok at a significance level of 0.05.

The results of the Hypothesis 2: Different marketing mix factors have different effects on the success of condominium rental business in Bangkok as follows;

1. The different marketing mix factors have different effects on the success of apartment rental business in Bangkok at a significance level of 0.05.
2. The results from in- depth interviews, findings revealed that most entrepreneurs possess all three characteristics of condominium rental business operators: 1) Risk-taking: Most entrepreneurs accept risks that may arise from losses or failures in business operations. This requires entrepreneurs to make quick and careful decisions based on reliable information; 2) Creativity: Most entrepreneurs are creative, seeing opportunities and channels for creating businesses in various environments and 3) Competitors : Able to compete with competitors by creating a business that has unique features and is different, and by using technology to help make it more modern.
3. The findings revealed that external environmental factors have an effect on the success of operating condominium rental businesses in Bangkok, namely : 1) the cultural and social environment and the social conditions of Bangkok as a metropolitan society with a high growth rate; 2) the changing values of condominium living; 3) technological changes; 4) government investment in building the BTS stations or MRT stations or Redline stations; and 5) changing economic factors.

4. The survey results show that the factors that affect the success of condominium rental business in Bangkok include: 1) Floor and location; 2) The room design should be comfortable; 3) The price should be appropriate; 4) room environment; 5) the room is clean and tidy; 6) security system; and 7) corporate condo

CONCLUSION AND FUTURE WORK

The findings of The different marketing mix factors have different effects on the success of apartment rental business in Bangkok at a significance level of 0.05 with Pahasing,B., et al. (2022) ; As for the hypothesis testing, it was determined that business innovation products and processes affect online shopping behavior in terms of cost per time with a significance level of .01, and that innovations in technology and products affect online purchase frequency (times/month) with a statistically significant level of 0.1, and that online shopping behavior cost per time and purchase frequency (times/month) are related to the trend of using the service for future purchases and refinancing.

The results from in-depth interviews, findings revealed that most entrepreneurs possess all three characteristics of condominium rental business operators: 1) Risk-taking: Most entrepreneurs accept risks that may arise from losses or failures in business operations. This requires entrepreneurs to make quick and careful decisions based on reliable information; 2) Creativity: Most entrepreneurs are creative, seeing opportunities and channels for creating businesses in various environments and 3) Competitors : Able to compete with competitors by creating a business that has unique features and is different, and by using technology to help make it more modern with Miller(2020) ; Entrepreneurial Orientation concept in Modern Entrepreneurial Behavior ; Innovativeness, Risk-taking, Creativity and proactiveness / competitive posture.

The findings revealed that external environmental factors have an effect on the success of operating condominium rental businesses in Bangkok, namely : 1) the cultural and social environment and the social conditions of Bangkok as a metropolitan society with a high growth rate; 2) the changing values of condominium living; 3) technological changes; 4) government investment in building the BTS stations or MRT stations or Redline stations; and 5) changing economic factors. with kasikornresearch (2025) ; A key factor influencing the decision to rent a condo in the current era is the development of rail mass transit infrastructure. The expansion of the BTS, MRT, and Red Line train routes has made the areas surrounding BTS stations popular residential areas for those seeking convenient transportation. They also serve as strategic locations that enhance the potential for real estate investment.

The findings revealed that the factors that affect the success of condominium rental business in Bangkok include: 1) Floor and location; 2) The room design should be comfortable; 3) The price should be appropriate; 4) room environment; 5) the room is clean and tidy; 6) security system; and 7) corporate condo with kasikornresearch (2025) ; The residential preferences of urbanites, particularly working-age people in Bangkok, have changed significantly. Previous preferences for low-rise housing have shifted to condominiums, which offer greater convenience. This is a result of rapidly growing urban society, a fast-paced lifestyle, and time constraints. This has led the new generation to choose residences that reduce travel time and accommodate urban lifestyles. In addition, the working age group also attaches importance to privacy, safety and indoor facilities, resulting in a rapid recovery of the Bangkok rental condo market after the COVID-19 situation.

ACKNOWLEDGEMENTS

I would like to express my sincere thanks to Suan Sunandha Rajabhat University for invaluable help throughout this research.

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