

A STUDY OF RESIDENTIAL PREFERENCES IN KOREA

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With all the different forms of housing available, it has become important to examine Korean residential preferences. The belief that culture and demographic characteristics influence the consumer preferences is an integral part of the study of housing consumption. Over the years, there have been rapid changes in the housing market in Korea, with a rapid increase in the construction of new apartment houses. In 1970, 95 % of the Korean housing stock was single detached houses, but by 1990, only 66 % of the housing stock was single detached houses. In 1990, in metropolitan areas like Seoul, 48.8 % of the housing stock was single detached houses, with the rest of the housing stock in apartment housing. There are also apparent indicators that the size of the housing spaces has become larger during recent decades, but in spite of the current situation, consumer preferences for residences are not well understood.

The purpose of this study is to examine the variables that may influence the residential preferences of the Korean people with regard to housing types, the size of the housing space, and location.

The data used in this study are from interviews from the Korean Household Panel Study, which were collected in 1997. This survey is one of the most comprehensive sources of household and personal information available at the national level in Korea. The sample for this study consists of 2092 married couples from different regions in Korea. The SAS Program was used to analyze the relationships among factors affecting residential preferences. The statistics used for data analysis were Mean, Percentile, Multiple Regression Analysis, and Logit Analysis.

The major findings from the research are summarized as follows:

1. A large number (61.8%) of the sample described the single detached house as the preferred ideal home. The size of the present house, region, husband's occupation, housing tenure, current housing type, and family assets demonstrated significant effects on the preferred housing type.
2. The majority of the respondents (56.8%) would prefer living rurally, if possible. Where they live now, affects where they would prefer to live.
3. The preferred house size is 43.7 pyung (1555 ft²). Those who currently live in a single detached house prefer larger living spaces than those who live in other types of housing. It was found that the size of the present house, annual income, region, the number of family members, current housing type, and preferred housing type have a significant effect on the preferred housing size.

According to the results of the analysis, for Korean residential preferences, the relative importance of demographic variables and current housing conditions can be seen. The result of this study could be useful to predict housing market demand and also to develop housing policies for special groups of people and regions.