ANALYSIS OF EXPECTED MONTHLY RENTAL PRICES AMONG AN GIANG UNIVERSITY'S STUDENTS

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ABSTRACT:

This study examines the expected monthly rental prices of An Giang University's students students using the expected price determination technique and survey data from 250 students. The findings reveal a discrepancy between students' expected rental prices and actual market rates, particularly in areas near the university and city center. These insights can assist landlords and investors in better understanding student affordability, enabling them to adjust pricing strategies accordingly and enhance service quality to better meet student housing needs.

Keywords: student accommodation, expected rental price, students, An Giang University.

1. Introduction

Renting accommodation is one of the most important issues for university students, especially those who study far from home. At An Giang University, the limited number of dormitory spaces cannot meet the demand, forcing the majority of students to rent housing outside the campus. Choosing suitable accommodation not only affects students' quality of life but also has a significant impact on their daily activities and academic performance. However, renting is not a simple matter, as many factors must be considered, including price, amenities, security, and landlord management.

Rental costs account for a significant portion of students' overall living expenses. Determining a reasonable rental price helps students balance their budget, reduce financial pressure, and focus more on their studies. Research by Nguyen and Le (2020) indicates that price, particularly the balance between rental cost and room quality, strongly influences students' rental decisions.

In An Giang, rental prices currently range from 1 million to 3 million VND per month, depending on location, room size, and included amenities. Accommodations near universities or city centers tend to be more expensive than those in farther areas. However, an important concern is that rental prices continue to rise while students' financial capacity remains limited. Most students rely on family support or part-time jobs, making them eager to find affordable housing that still meets basic living standards (ttttlease.com, 2023).

From the perspective of landlords, understanding the rental price expectations of students enables them to adjust their business strategies, improve service quality, and offer competitive prices. This not only attracts student tenants but also ensures sustainable profits for landlords. Research by Huynh and Le (2024) highlights that perceived price is the most crucial factor influencing students' rental decisions. Providing information on reasonable rental costs also helps new students or those relocating from other areas better prepare for their transition, reducing difficulties in the early stages of their studies.

Therefore, researching students' expected rental prices is not only a practical issue but also holds significant social implications. By understanding students' expectations and financial capabilities, relevant stakeholders can make necessary adjustments to improve student living conditions. Ensuring an affordable and suitable living environment contributes to enhancing students' academic performance and daily lives while fostering sustainable development in the student housing market in the future.

2. Research methodology

This study applies a quantitative approach with a cross-sectional survey design to assess students' expected monthly rental costs. The Price Sensitivity Measurement (PSM) method by Van Westendorp will be used to determine acceptable price thresholds, as well as price points that are considered too low or too high, leading to rental rejection. This method helps identify the optimal price based on students' perceptions. PSM is a widely used market research technique that helps determine the Range of Acceptable Prices (RAP), which customers consider reasonable for making a purchasing decision (Kloss & Kunter, 2016).

Data is collected through both online and in-person surveys at universities in An Giang. The Van Westendorp method includes the following key questions:

- At what price do you consider the rental cost so low that you doubt its quality?
- At what price do you consider the rental cost low and acceptable?
- At what price do you consider the rental cost high but still acceptable?
- At what price do you consider the rental cost too high to be unacceptable?

The collected data is compiled into cumulative frequency curves, allowing the identification of four key price points in the analysis. The Optimal Pricing Point (OPP) is the price at which the number of respondents who consider the price too low equals those who consider it too high - this is generally regarded as the most optimal price. The Point of Marginal Cheapness (PMC) is the lowest price within the acceptable range, below which customers may doubt the product's quality. Conversely, the Point of Marginal Expensiveness (PME) is the highest price within the acceptable range, beyond which customers may refuse to rent. Additionally, the Indifference Price Point (IDP) represents the price at which an equal number of respondents perceive the cost as either cheap or expensive, helping to determine a reasonable price from a general consumer perspective.

Using the PMC and PME points, the study identifies the Range of Acceptable Prices (RAP) - the price range within which most customers feel comfortable making a rental decision. The optimal price is typically set within this range to balance consumer affordability with business profitability (Lipovetsky, 2011; Luu, 2007).

Survey data is compiled and analyzed using statistical methods, with cumulative frequency curves used to determine key cut-off points in the price analysis. Additionally, descriptive statistics are applied to analyze variables such as gender academic year, family economic status, current rental situation, and issues students face when renting accommodations. Secondary data is gathered from online sources and relevant studies, while primary data is collected through direct interviews with 258 university students in An Giang who rent accommodations monthly. After data processing and cleaning, 250 valid responses were retained for analysis, accounting for 96.9% of the total sample.

3. Research results

3.1. Characteristics of the research sample

Survey results indicate that the majority of students participating in the study are female, accounting for 78%, while males make up only 22%. This reflects the reality that the number of female students at An Giang University is higher than that of male students.

Regarding average monthly income, most students earn between 2 to 3 million VND (42%), followed by those earning less than 2 million VND (38%). This suggests that many students still rely on financial support from their families or have limited income from part-time jobs. A smaller percentage (14.4%) earn between 3 to 5 million VND, while only 5.6% of students have an income above 5 million VND, indicating that few students have substantial financial resources.

In terms of academic year distribution, second-year students make up the largest proportion at 35.8%, followed by first-year students (32%) and third-year students (29%). Fourth-year students account for a very small percentage (3.2%), suggesting that many final-year students have completed most of their coursework or moved elsewhere for internships and work.

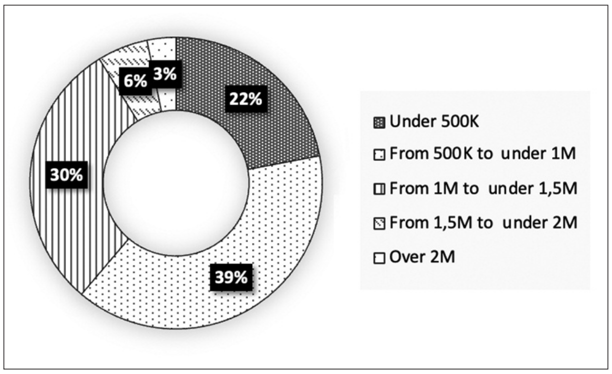
3.2. The rental situation of An Giang University students

An Giang University students choose various types of rental accommodations, with the most common being renting a private room, which accounts for 53.6%. This reflects a trend among students who prefer private spaces for studying and personal activities. Additionally, 38.8% of students choose to share a rental room with friends or relatives to save costs and share amenities. Notably, only 7.6% of students opt for dormitory accommodation, indicating that it is not a popular choice. Possible reasons include limited dormitory availability or insufficient amenities and comfort to meet student needs.

Regarding monthly rental costs, most students spend between 500,000 and 1 million VND, making up 39%. This price range is considered reasonable and aligns with the financial capabilities of most students.

Next, 30% of students rent rooms priced between 1 million and 1.5 million VND, reflecting

Figure 1: Monthly rental costs excluding electricity and water



Source: Direct survey results from 250 students

a demand for higher-quality or more conveniently located accommodations. Meanwhile, 22% of students manage to find rentals under 500,000 VND, typically smaller rooms, those further from central areas, or shared accommodations.

Rental prices above 1.5 million VND are less common, accounting for only 9%, indicating that most students prioritize mid-range rental options that fit their financial constraints.

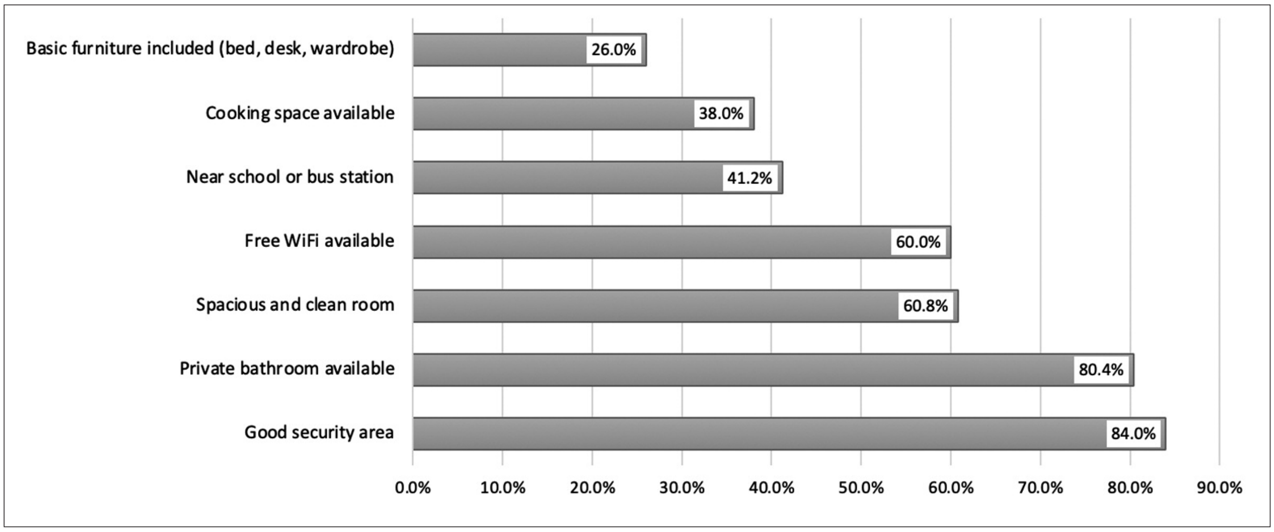
In addition to rent, students must also cover utility costs such as electricity, water, and internet. The majority (74%) spend less than 300,000 VND per month on utilities, suggesting that rental accommodations in the area have relatively reasonable living costs.

Furthermore, 20% of students spend between 300,000 and 500,000 VND per month, possibly due to higher electricity and water consumption or residing in accommodations with higher service fees. Only 6% of students spend more than 500,000 VND per month on utilities, indicating that such expenses are not common.

3.3. Students' perception of rental costs and amenities

Students at An Giang University consider not only rental prices but also the available amenities when choosing accommodation. The most important factors for students include security (84%), a private bathroom (80.4%), clean and well-ventilated rooms (60.8%), and available WiFi (60%). Additionally, other amenities such as

Figure 2: Preferred amenities when renting accommodations



Source: Direct survey results from 250 students

proximity to the university or bus stops (41.2%) and access to a cooking space (38%) are also highly valued, reflecting the demand for a comfortable living environment that supports their academic needs.

However, when asked about the rental price they are willing to pay for a well-equipped room, most students expect a lower price than the actual market rate. Up to 47.8% of students prefer to pay less than 1 million VND per month, while only 8.7% are willing to pay over 1.5 million VND. Notably, the ideal rental price range for most students is between 500,000 and 1 million VND, accounting for 69%. The gap between actual rental costs and students' expectations indicates that many still feel financial pressure when renting and hope for more affordable options.

3.4. Challenges and suggestions from students on rental housing

Students at An Giang University not only consider price and amenities but also face several issues affecting their quality of life and studies. Among the most common challenges, high electricity and water costs are the most frequently reported issue (58.4%). Many landlords charge higher electricity and water rates than the regulated prices, creating financial strain for students.

Additionally, security concerns such as theft and burglary in certain rental areas worry 49% of students, making them concerned about their safety and belongings. Poor infrastructure is another major issue, with 45.6% of students reporting problems such as deteriorating rental conditions, unstable electricity and water supply, or lack of regular maintenance. Furthermore, 28.4% of students cite noise from neighbors or the surrounding environment as a significant distraction affecting their studies and rest.

To address these issues, students have proposed several solutions to improve rental housing conditions. About 72.8% of students call for more transparency in electricity and water pricing, urging landlords to comply with government-regulated rates or publicly disclose prices to prevent overcharging. Additionally, 67.2% of students advocate for better security measures, including surveillance cameras, secured gates, and asset protection strategies.

Regarding infrastructure, 54.4% of students suggest upgrading facilities, including repairing electrical and water systems and improving room conditions to enhance the overall living environment. To reduce noise pollution, 46% of students believe stricter regulations on quiet hours and noise control should be enforced, especially in areas with a high student population.

3.5. Students' expected rental prices

Expected rental price refers to the price that students perceive as neither too high nor too low, reflecting a reasonable amount they are willing to pay for their needs. This study examines two types of rental housing: Standard accommodations (providing basic living conditions such as electricity, water, and security) and Well-equipped accommodations (offering additional amenities)

Assessing students' expected prices for each category will help landlords establish appropriate pricing structures that best align with market demand and student affordability.

3.5.1. Standard Rental Rooms

Using the PSM method, we can determine key price points, including: PMC, PME, IPP and OPP.

The PMC is identified at 585,000 VND, meaning this is the lowest price at which students still find the rental reasonable before considering it too cheap. Next, the IPP is at 670,000 VND, representing the price at which the number of students who think it is cheap and those who think it is expensive are balanced, making it a neutral price point.

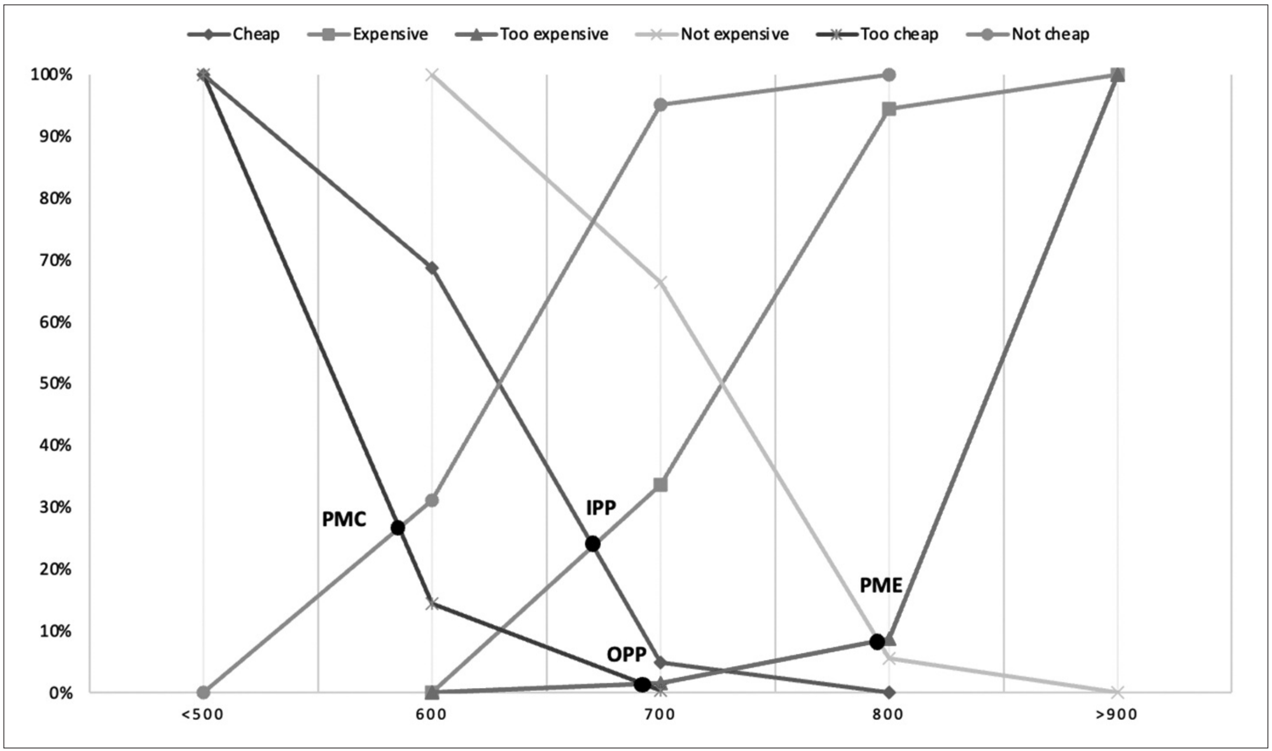
The OPP is 690,000 VND, indicating the most reasonable price that balances students' perception of value and affordability. Meanwhile, the PME is 790,000 VND, marking the threshold where students start to perceive the rent as too expensive.

The RAP, defined between the PMC and PME, falls between 585,000 and 790,000 VND, reflecting the price range students can accept without finding it too cheap or too expensive. Thus, the optimal price range to maximize both revenue and student satisfaction is between 690,000 and 790,000 VND. Prices below 585,000 VND may reduce the perceived value of the rental, while prices above 790,000 VND may be seen as too expensive, limiting market accessibility.

3.5.2. Well-equipped rental rooms

Similarly, the data shows that 100% of students consider 750,000 VND as too cheap and 41% still perceive 900,000 VND as too cheap. This suggests

Figure 3: Students' expected price range for standard rental rooms (1,000VND per month)



Source: Direct survey results from 250 students that the too cheap price range falls between 750,000 and 900,000 VND.

On the other hand, the too expensive price is the point at which students begin to find the rental cost unreasonable and unaffordable. The results indicate that at 1.5 million VND, 22% of students consider it too expensive, and this figure rises to 100% at 1.7 million VND. Thus, the too expensive price range is between 1.5 million and 1.7 million VND.

Next, the IPP represents the price where the number of students who find it cheap and those who find it expensive are balanced. At 1.14 million VND, 6% of students rate it as cheap, while 18% consider it expensive.

Meanwhile, the OPP is where the number of students who consider it "too cheap" and "too expensive" are equal. According to survey results, the optimal price for well-equipped rentals is 1.175 million VND, making it the best choice that balances affordability and perceived value.

From these key price points, the RAP for well-equipped rental rooms is identified between 900,000 and 1.5 million VND. This is the price range where most students can still afford the rent without perceiving it as too cheap to be of low quality or too expensive to be unaffordable.

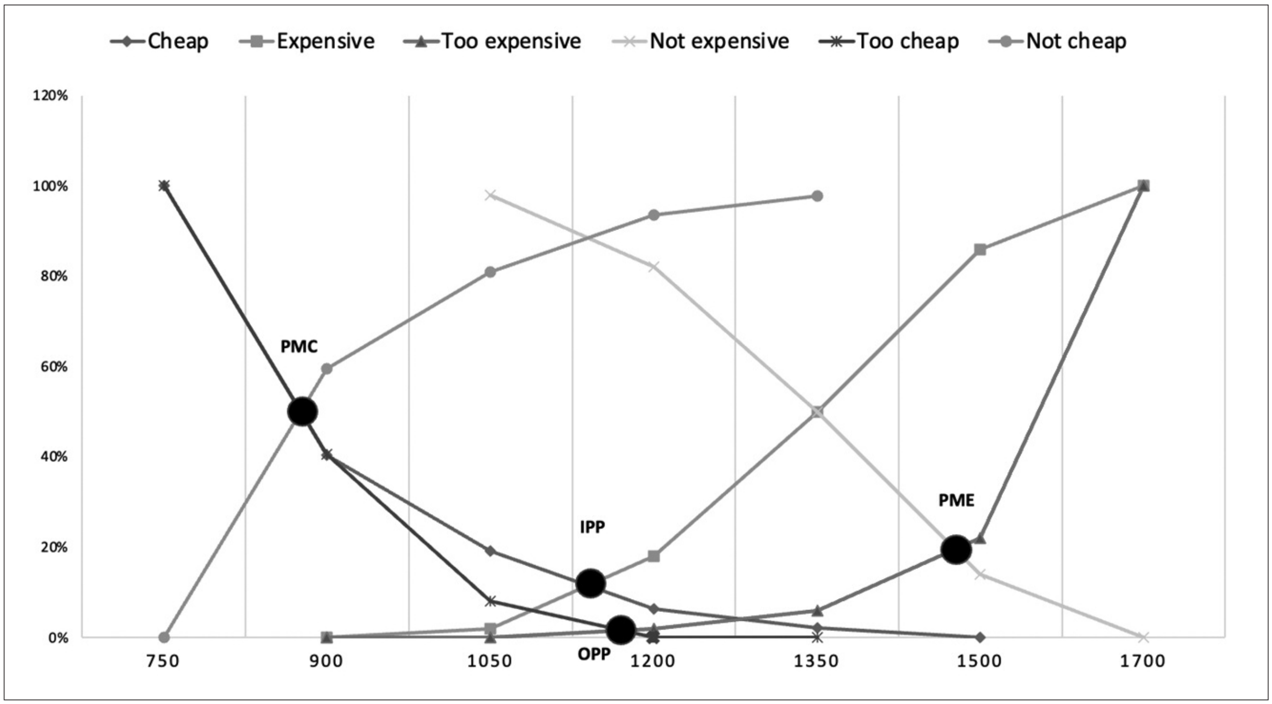
Since actual rental prices currently range from 1.2 million to 1.5 million VND, they still fall within the acceptable range, ensuring students can access suitable accommodations without exceeding their financial capacity.

4. Conclusion

In summary, the expected rental cost of An Giang University students for monthly accommodation is influenced by various factors such as income, location, amenities, and the quality of rental housing. Students tend to seek rental rooms that align with their financial capabilities while also meeting their basic needs for living space, security, and accompanying facilities.

The research results indicate that students' expected rental costs differ from actual market prices, particularly in areas near the university and city center. Students prioritize accommodations

Figure 4: Students' expected price range for well-equipped rental rooms (1,000VND per month)



Source: Direct survey results from 250 students with reasonable rental prices, but the gap between their expectations and reality presents challenges for both students and landlords.

Based on the analysis of factors affecting students' rental decisions, especially the crucial role of pricing, this study proposes several managerial implications to support stakeholders, including landlords, investors, universities, and students, in developing appropriate strategies to enhance the efficiency of rental housing management and improve student accommodation conditions.

First, for landlords and investors, it is essential to develop flexible pricing strategies that ensure competitive rates suitable for students' financial capabilities. Rental pricing models may include tiered pricing based on amenities or special discounts for long-term student tenants. Additionally, improving service quality through infrastructure upgrades, ensuring security, and maintaining transparency in utility costs (electricity, water, internet) will enhance the attractiveness of rental properties. Furthermore, investors should consider developing private dormitory models or student-exclusive rental housing with reasonable pricing, accompanied by supportive amenities for studying and daily living, to attract more students.

Second, for universities and regulatory authorities, measures should be implemented to assist students by providing transparent information about suitable rental options and developing a rental price database for students to consult before making decisions. Expanding university dormitory systems at affordable rates is a crucial solution to accommodate students with lower incomes and alleviate financial burdens. Additionally, universities and regulatory bodies should strengthen cooperation with local authorities to monitor rental prices, protect students' rights, and prevent unreasonable charges from landlords.

Third, for students, it is necessary to improve negotiation skills in rental agreements and thoroughly review contract terms before renting to avoid unnecessary risks. Moreover, students should actively participate in online communities and networks that share rental information, enabling them to access up-to-date details on pricing, amenities, and common issues in student housing. This proactive approach will help them make more informed decisions that align with their needs and financial situation.

Thus, understanding students' expected rental costs not only helps stakeholders adjust their strategies accordingly but also contributes to improving the student living environment and ensuring the sustainable development of the rental housing market in the region ■

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MỨC GIÁ THUÊ NHÀ KỲ VỌNG HÀNG THÁNG CỦA SINH VIÊN TRƯỜNG ĐẠI HỌC AN GIANG

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TÓM TẮT:

Nghiên cứu này phân tích mức giá kỳ vọng của sinh viên Trường Đại học An Giang đối với chi phí thuê trọ hàng tháng thông qua kỹ thuật xác định mức giá mong đợi và dữ liệu thu thập từ 250 sinh viên trên địa bàn. Kết quả nghiên cứu cho thấy, mức giá mong đợi của sinh viên có sự chênh lệch so với giá thuê trọ thực tế trên thị trường, đặc biệt là ở các khu vực gần trường học và trung tâm thành phố. Những phát hiện từ nghiên cứu này có thể giúp các chủ nhà trọ và nhà đầu tư hiểu rõ hơn về khả năng chi trả của sinh viên, từ đó điều chỉnh chiến lược giá cho thuê hợp lý, đồng thời nâng cao chất lượng dịch vụ để đáp ứng tốt hơn nhu cầu của nhóm đối tượng này.

Từ khoá: nhà trọ sinh viên, mức giá mong đợi, sinh viên, Trường Đại học An Giang.