

## PERCEPTIONS ON SHARED ACCOMMODATION: A SAMPLE FROM CHINA

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### ABSTRACT

*With the rapid development of urbanisation in China, today more than half the population live in cities. Migrant workers move from rural areas to the cities for job opportunities. Most cannot afford to buy or rent their accommodation, due to the high cost of dwellings in cities, particularly in the first-tier cities such as Beijing, Shanghai, and Shenzhen. As a result, shared accommodation has become one of the ways of obtaining shelter. Shared accommodation in the private sector, however, has received minimal attention in the research literature. This study aims to understand peoples' perceptions of shared accommodation in terms of several criteria including the selection of accommodation, and economic and social experiences. Through surveys, 194 questionnaires were received in which 57.5% of respondents live in shared accommodation, either sharing a flat (72.2%) or a room in a flat (27.8%). Transportation, rental price and roommates are the top three factors that people consider in their experience of shared accommodation. Most people living in shared accommodation are positive about their current circumstances and social interactions with neighbours and roommates.*

Keywords: Shared accommodation, affordability, survey, social activity, economic consideration

### INTRODUCTION

The economic reform and opening-up policies implemented for more than four decades has changed China's urban and rural settings. Rapid urbanisation is one of the distinct features in which China's 1.3 billion people live. Though massive high-rise buildings have been built to accommodate new migrants from rural areas, the demand for housing has seen residential prices skyrocket from 1,612.5 yuan (AUD322.5) per square metre in 1995 to around 8,544 yuan (AUD1,708.8) in 2018, or 4.3 times (CEICDATA, 2019). According to CEIC data (2019), the price-to-income ratios for Beijing, Shenzhen and Shanghai were 45.45, 44.76 and 38.60, respectively. Many households typically a large number of migrant workers who cannot afford to buy houses, have to be in the rental market. However, rental costs are not cheap, particularly in the first-tier cities. For example, in 2018 the rent of an old 50-square metre flat in Beijing cost 8,000 yuan (AUD1,600) per month when the medium monthly wage was around 6,000 yuan (AUD1,200) (Ko, 2018). Faced with an increasingly unaffordable rental market, renting low-cost accommodation or sharing accommodation has become an alternative. The term 'shared accommodation' is defined as renting a flat or a room with others and sharing experiences and costs. Who lives in shared accommodation? How do people perceive shared accommodation and the living environment in which they experience?

Relatively little research has focused on the topic of private shared accommodation. Some papers have addressed shared accommodation for the needs and preferences of Australian Aboriginal prisoners in custody (Grant and Memmott, 2008). Other papers have paid attention to the tourism industry, such as Zaharia and Ghita (2014), who examined shared accommodation capacity and analysed the supply of tourist accommodation in rural areas of Romania. Similarly, Stors and Kagermeier (2015) provided an empirical study

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identifying the role of, and reasons for, people participating in the economy of tourism using Airbnb. They concluded that collaborative consumption, in general, has the potential to expand in tourism. The literature related to this study includes Green and McCarthy (2015), who identified potential barriers to shared accommodation among young people in England and the ways in which such barriers may be overcome. In addition, Hill et al. (2018) studied the differences in experience among single people who share accommodation with those who live alone. They found that there are no major differences in the minimum cost of living resulting from sharing, apart from rent and other housing-related cost savings. Rugg et al. (2011) claimed that shared accommodation was lacking in London.

Building on the previous study, the current research aims to explore the attitudes, sentiments, and satisfaction in rental shared accommodation in China. The research contributes to the body of knowledge in private rental shared accommodation and provides insights for governments or developers who regulate and develop real estate properties. The next section presents the research framework and method. The research results will be discussed and concluded after that.

## RESEARCH FRAMEWORK AND METHOD

Shelter is one of the basic human needs. According to Maslow's hierarchy theory (1943), people have five needs including physiological, safety, love and belonging, esteem and self-actualisation. The first four needs are called 'deficiency needs', while the need for self-actualisation is a 'growth need'. Initially, Maslow stated that people must satisfy the lower-level deficit needs before progressing to the higher-level growth needs. However, in a later study (1987), he suggested that the order of needs might be flexible based on individual differences or external circumstances. Figure 1 depicts Maslow's five needs.

Physiological needs	Safety needs	Love and belongingness	Esteem needs	Self-actualization
<ul style="list-style-type: none"> <li>• air</li> <li>• Food</li> <li>• Shelter</li> <li>• Clothes</li> <li>• Etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Security</li> <li>• Stability</li> <li>• Freedom from fear</li> <li>• Etc.</li> </ul>	<ul style="list-style-type: none"> <li>• friendship</li> <li>• affiliating,</li> <li>• Trust</li> <li>• Being part of group</li> </ul>	<ul style="list-style-type: none"> <li>• Achievement</li> <li>• Reputation</li> <li>• Respect from others</li> <li>• Etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Self-fulfillment</li> <li>• Personal growth</li> <li>• Peak experience</li> </ul>

Figure 1: Maslow's Hierarchy Theory [Source: Maslow (1943)]

In order to address the aforementioned research questions, a survey questionnaire was created to explore how people perceive shared accommodation. The steps to carry out this research are summarised in Figure 2.

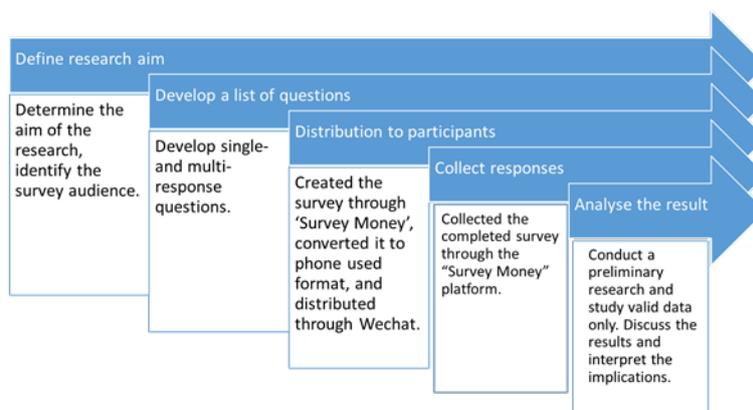


Figure 2: Research Procedure (Source: Author)

## Survey Questions

The survey questions include four parts: general information, the attitude towards sharing space, sentiment, and residential satisfaction. The development of the survey questions relied on the literature that concerns factors about basic human needs (Maslow, 1943), economic and social issues (Barratt, et al., 2012; Unison, 2014), living conditions, and the built environment of living in shared accommodation (Rugg, et al., 2011). Table 1 summarises the contents of the survey questions and objectives.

**Table 1: The Contents of Survey Questions**

Topics	Objectives	Contents	Reference
<b>General Information</b>	Identify the people who live in rental shared accommodation and understand the profiles of the people in the shared accommodation.	Age, sex, education background, occupation, salary, and the type of company, rent or own, property type; original location, working location and current live location, as well as location characteristics.	Rugg, et al. (2011); Crisis (2014); Green and McCarthy (2015)
<b>Attitude Towards Sharing Space</b>	Reasons for undertaking shared accommodation.	Share rent, make friends, get help when needed, conflict.	Rugg, et al. (2011); Clapham, et al. (2014); Kamp (2011)
<b>Sentiment</b>	Investigate the social needs of shared accommodation.	Focus on whether people are satisfied in their relationships with co-sharers, and whether people can find someone to talk to and get help when needed.	Page (2002); Evans, et al. (2003); Barratt (2011).
<b>Residential Satisfaction</b>	Find out the level of satisfaction in shared accommodation among respondents.	factors of economic, building physical characteristics, interior design, social, infrastructure and surrounding built environment.	Crisis (2014); Barratt et al. (2012); Unison (2014)

## Survey Distributions and Data Collection

The survey questionnaire was designed using Survey Monkey and distributed through the Wechat platform. People who received the questionnaire may have their own or rental properties. At the beginning of the survey, an explanation is offered to advise on the eligibility who can fill in the form, confidential measures of personal information, and instructions for filling the form. The survey period ran from 27 April 2019 to 08 September 2019. The completed submitted forms were automatically recorded and collated through Survey Monkey, and can be downloaded for analysis. Prior to conducting the data analysis, the results of each of the questionnaires is tested for validity.

## RESULT ANALYSIS

The results are analysed in four sections: general information, participants basic information about shared accommodation, shared accommodation status, and perceptions of shared accommodation.

### General Information

A total of 194 completed questionnaires were received in the data collection period, of which 39.5% were answered by males and 60.5% by females. Shared accommodation seems to be more common and acceptable among young people. Around 58% of the participants living in shared accommodations are less than 30-years old, while 65% are under 35-years old. This result supports the work by Hill et al. (2015), who found that 8% of working-age adults in England and Wales are in the sharers' category and 17% in London as single young people prefer to share rather than living alone for working in London. Similarly, Green and McCarthy (2015) found that private rental households in England accommodating people aged between 25 and 34 increased from 21% to 48% during the period from 2003 to 2013. This implies that more and more young people are entering the private rental markets and particularly the area of shared accommodation.

This section records information on the survey participants' residence of originally lived and current city of residence, education background, working experiences and skills, income range, property ownership, and status of shared accommodation. The information collected allowed us to determine whether the participants fall into the study area and understand who is currently engaging in shared accommodation and their background. We found that the participants came from 24 provinces or cities, with the greatest number from Beijing (32%), followed by Guangzhou (18%), Shenzhen (6%), Shanghai (5%), Dalian (7%), Taiyuan (5%), Liuzhou (10%) and others (14%) (refer to Figure 3). This distribution indicates that most of the participants live in large Chinese cities. Among the participants, 80% hold university or higher education degrees, including undergraduate degrees (30.3%), Master degrees (36.4%) and/or a PhD (11.3%). The employment status shows that 58% of the participants are working full-time, 24.1% are students and 9.2% are self-employed or unemployed. Most of the participants (68.8%) earn a monthly salary less than the national average (8500 yuan) in major Chinese cities (Refer to Figure 4); two-thirds of the participants earn less than 4000 yuan per month. This partly explains why some of the participants are in shared accommodation.

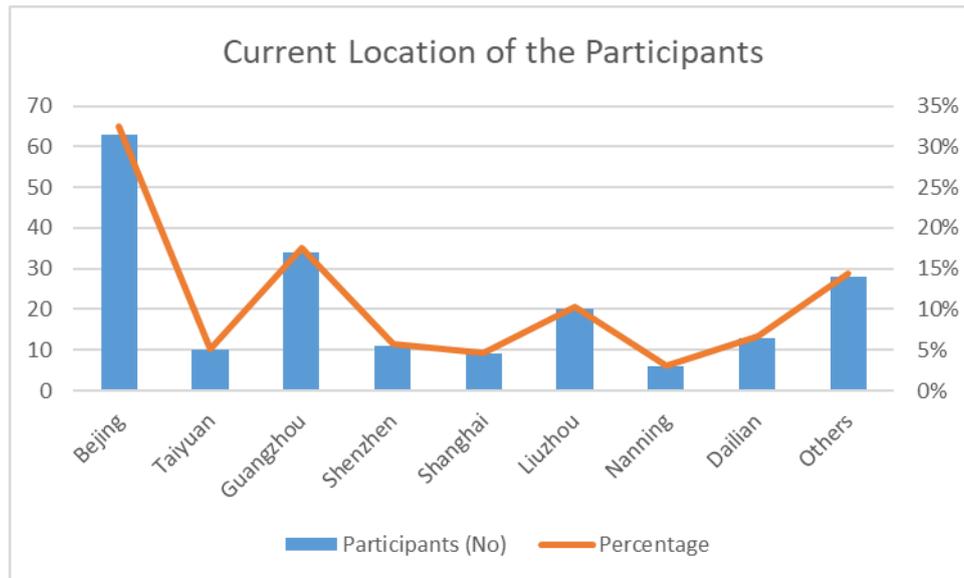


Figure 3: Participants (Source: Author)

The results also show that some of the participants relocated from their original hometown to work or study in different cities or provinces, and some of them own one or more properties in their original hometown and rent a place at the working location. Because this study focuses on rental properties and shared accommodation, only 54 of the 194 valid questionnaires have been selected for analysis.



Figure 4: Monthly Salary of the Participants (Source: Author)

## Living Condition and Consideration of Shared Accommodation

Most of the participants (63%) have found their rental properties through real estate agents, with half of these through add-in rental APP on the phone. Those who found properties through friends/relatives or direct contact with the owners are 16.7% and 7.4%, respectively. Participants who rent a flat form 40.7%, while 59.3% of participants rent a room within a flat, of which 72.2% share a flat with different rooms and 27.8% share the same room.

Most of the participants live in very small areas. Figure 5 indicates the average living space per person. Evidently, two-third of the participants live in areas less than 20 square metres, with 24.1% living in rooms less than 10 square metres and 42.6% living in rooms from 11 to 20 square metres; 20.4% and 13% of the participants live in areas from 21 to 40 square metres and more than 41 metres, respectively.

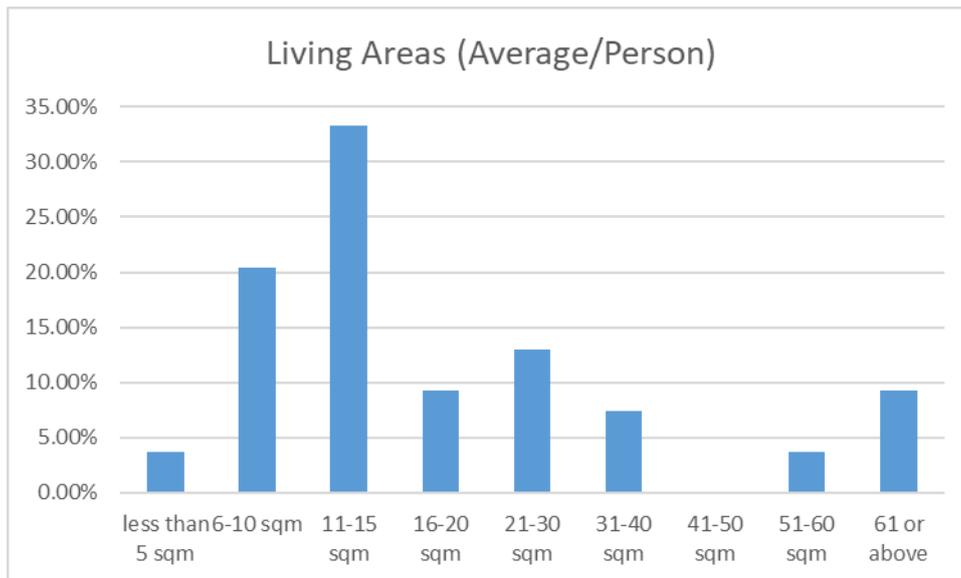


Figure 5: Living Area (Average/Person) (Source: Author)

Most of the participants (72.2%) pay a rental bond before renting a flat or room and have been sharing the accommodation for more than one year (51.9%), six months (33.3%) or less than six months (14.8%). Of the participants, 40% pay a monthly rent of more than 2500 yuan, which is more than 30% of their monthly income. About 30% of the participants pay between 1500 and 2500 yuan per month, and 31% pay less than 1500 yuan per month (refer to Figure 6). Participants were asked about the main factors they considered in finding shared accommodation. The factors cited include (1) location, (2) rent, (3) roommate, (4) living environment, (5) infrastructure, (5) fully-furnished, (7) interior design, (8) management, and (9) maintenance.

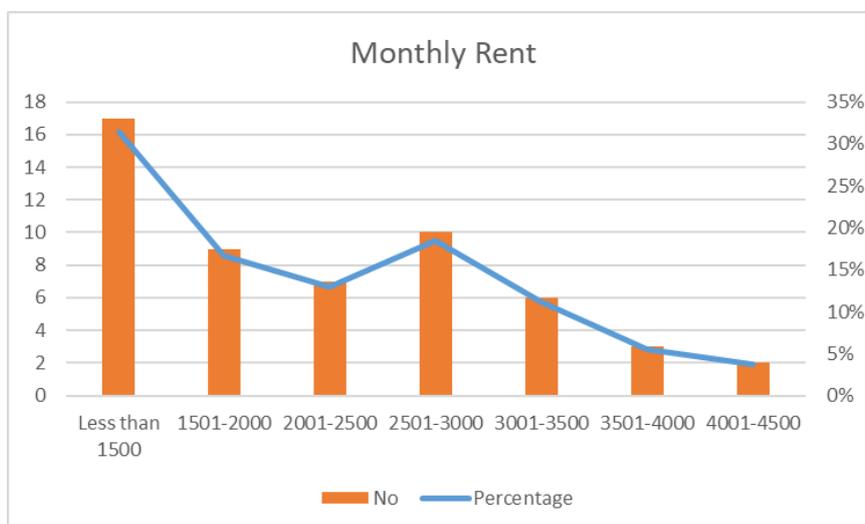


Figure 6: Monthly Rent (Source: Author)

## Attitude Towards Shared Accommodation

Participants' attitudes towards shared accommodation have been assessed with the following questions:

- (1) Sharing with others is better than alone.
- (2) Accommodation provides not only private but also social spaces.
- (3) I am willing to share space with others to improve the comfortability and larger living environment.
- (4) Shared accommodation can help to defray rental costs with others.
- (5) When I have trouble, I can get help in shared accommodation.
- (6) It may create conflict when sharing with someone with different living habits.
- (7) Shared accommodation may be difficult to manage, noisy and non-secure.
- (8) Conflicts may occur from sharing expenses.

Most of the participants agreed or strongly agreed with the opinions listed above. In particular, it shows that only around 40% of participants agreed or strongly agreed that sharing is better than living alone. The results indicate that people are not willing to share with others in the same flats or rooms. The findings are different from Hill et al. 2015) who suggested more young people prefer sharing accommodation rather than living alone. However, more than 90% of the participants support the notion that shared accommodation can defray rental costs (refer to Figure 7).

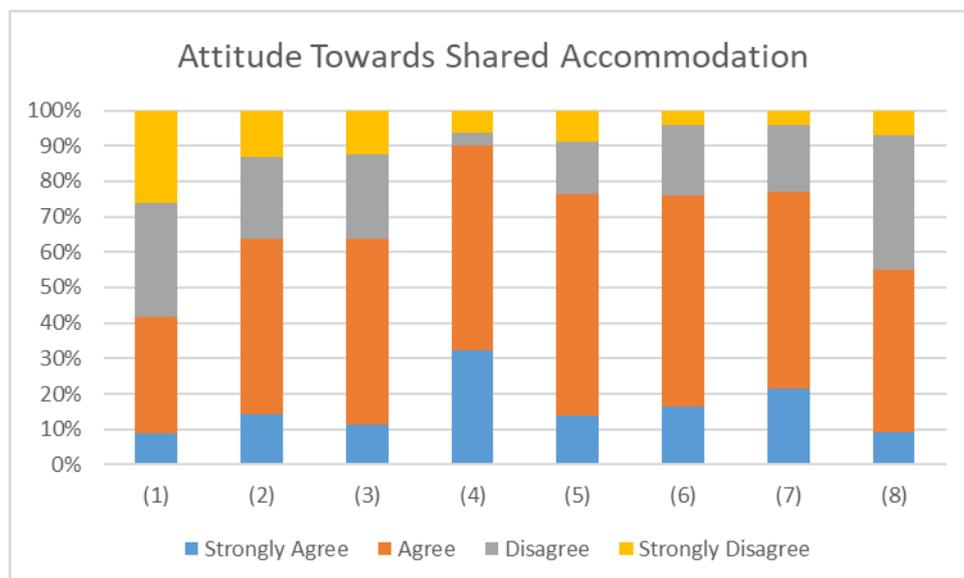


Figure 7: Attitude Towards Shared Accommodation (Source: Author)

Participants were also asked about their willingness to share space with others using the following questions.

- (1) I am satisfied with my roommate or neighbour.
- (2) I can find my roommate or neighbour to help when needed.
- (3) I can talk to my roommate or others easily in the household.
- (4) I know there are people that care about me in the household.
- (5) I often say 'Hi' to my roommate or neighbours.

Closed to 80% of participants are satisfied with their current roommate or neighbours. They communicate with their roommate well and believe that they can receive help when needed. However, around 55% of participants have doubts about whether their roommates or neighbours will care for them (refer to Figure 8).

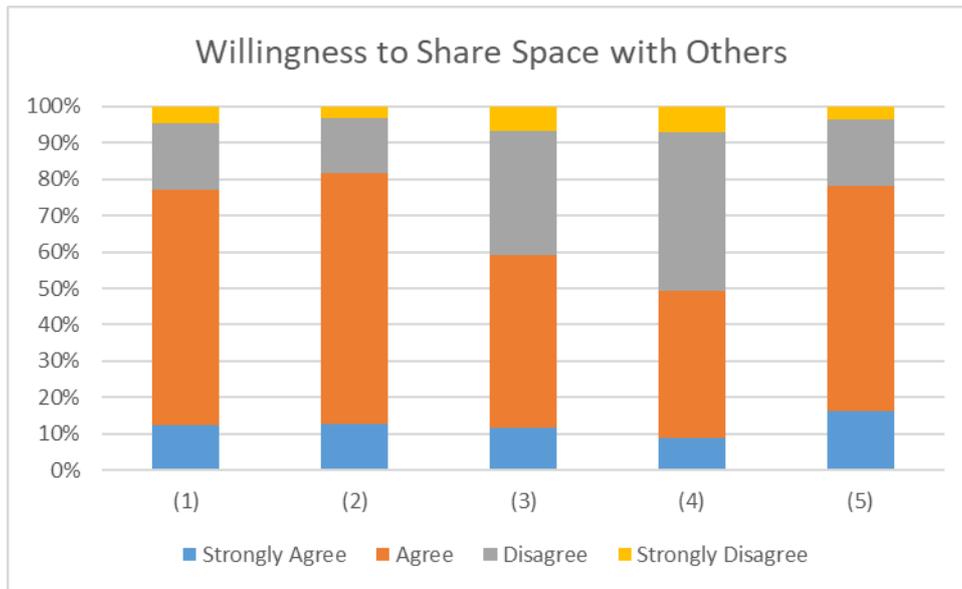


Figure 8: Willingness to Share Space with Others (Source: Author)

### Satisfaction with Shared Accommodation

The measurement of residence satisfaction consists of economic considerations, common space, interior design and living environment, building and management qualities, social elements and location.

#### *Economic Considerations*

Sharing accommodation offers economic benefits such as sharing rent, sharing non-rent housing costs and other living costs (Hill et al. 2015). Close to 80% of participants either strongly agreed or agreed on their (1) rent and (4) renting period. Around 60% of participants agreed with the (2) management fee and (3) rental bond, whereas 40% were dissatisfied or strongly dissatisfied. The results can be explained as some of the low-income people have to spend more than 30% of their income to pay rent or other related expenses, though the shared accommodation reduces the proportions of the cost of living. The results also imply that management fees and rental bond may be charged too much for people living in shared accommodation.

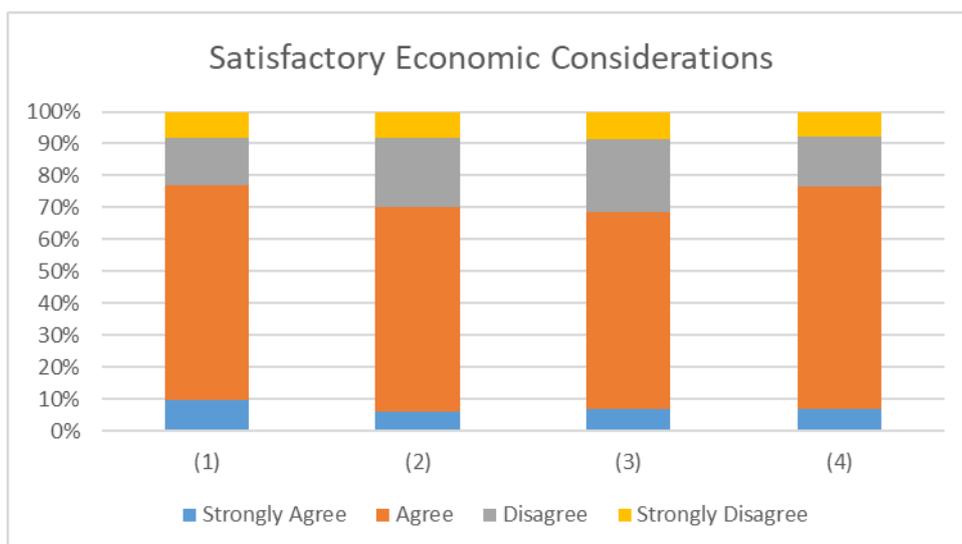


Figure 9: Satisfactory Economic Considerations

### Location

The results of whether the participants are satisfied with the (1) convenience of accessibility, (2) public transportation, (3) amenities such as hospitals and shopping centres, (4) noise and (5) safety are presented in Figure 10. Apart from noise, about 26% of participants dissatisfied or strongly dissatisfied in shared accommodation, while other dissatisfying factors are less than 20%.

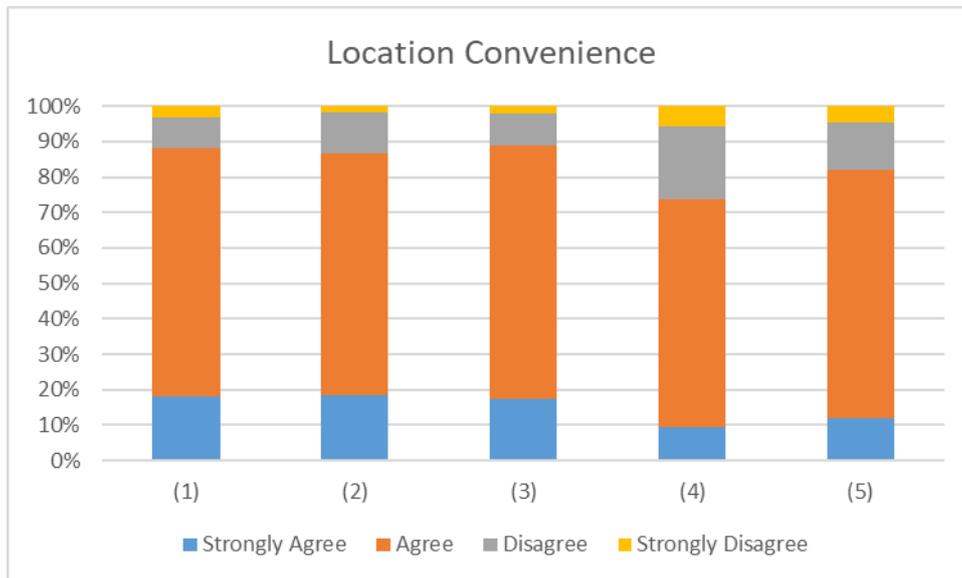


Figure 10: Satisfactory Location Elements of Shared Accommodation

### Social Elements

The measurement of social elements includes (1) the distance to reach relatives or friends from the shared accommodation and (2) the frequency of communication with neighbours (Refer to Figure 11). Participants that are happy about the social aspects of their shared accommodation means they can access relatives easily and make connections with other people. This result is consistent with the findings of Hill et al. (2015), demonstrating that people make friends through the sharing experience. Moving from one's hometown to a new environment is challenging. Participants that are able to access and maintain relationships with relatives or friends provides them with confidence and helps them to overcome the worries of shared accommodation, especially the first time they share with strangers.

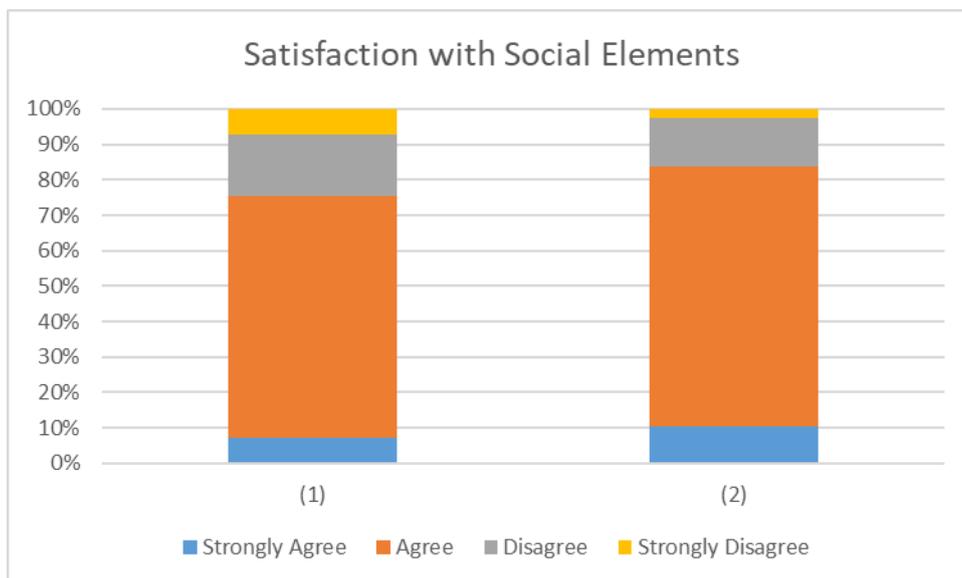


Figure 11: Satisfactory Social Elements of Shared Accommodation (Source: Author)

### Public Space and Common Areas

Around 80% of the participants are happy about (1) the public space and (2) common areas provided through shared accommodation (refer to Figure 12). Public space and common areas are places for people to make connections and conduct social activities. A good design of space may encourage or allow strangers meeting for the first time to have a comfortable moment assisting in communication and friendship development. Green and McCarthy (2015) stated that people have different experiences and challenges of sharing accommodation with strangers.

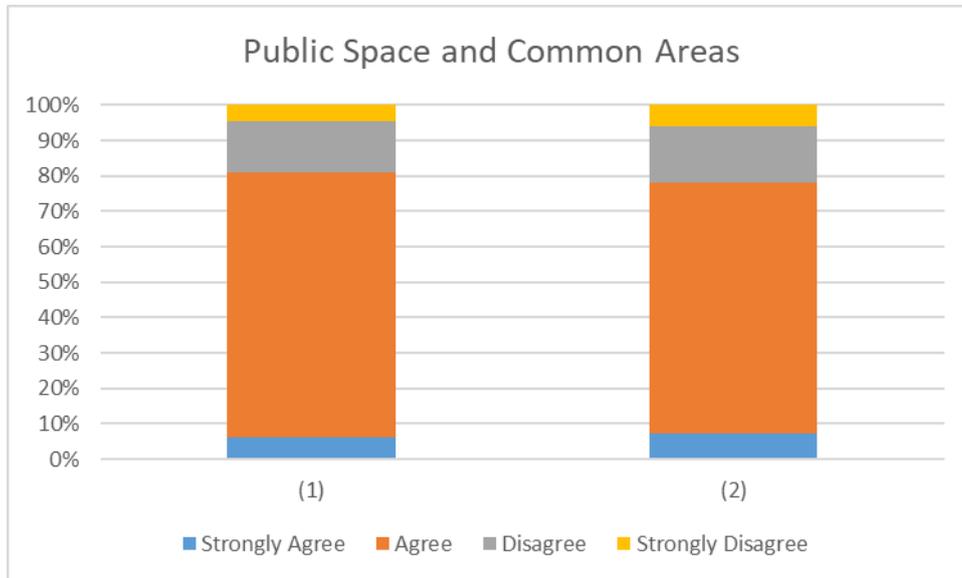


Figure 12: Satisfactory Public Space and Common Areas (Source: Author)

### Satisfaction with Interior Design

Participants provide their perceptions on (1) room size and (2) type, (3) design of kitchen, bedroom, bathroom, (4) the quality of internal finishes, (5) privacy and (6) furniture (e.g., some household items provided by landlords) in the shared accommodation. The participants seem happy with the design of shared accommodation (70% or above agreed or strongly agreed) (refer to Figure 13).

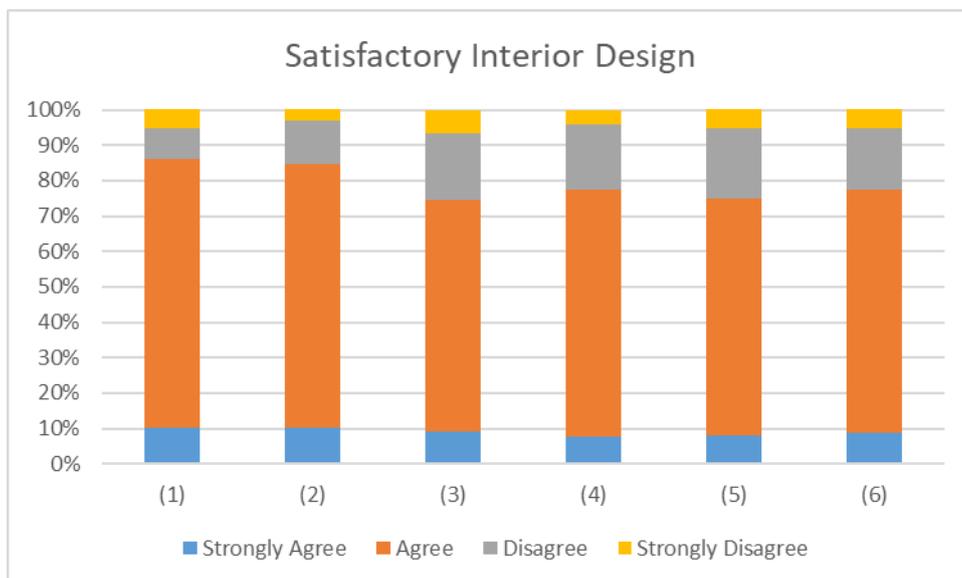


Figure 13: Satisfactory Interior Design (Source: Author)

## Building and Management

The building and management quality is measured by (1) insulation, (2) acoustics, (3) air-conditioning, (4) leaking, (5) natural disaster prevention, (6) fire alarm, (7) security (e.g., theft prevention), (8) cleanliness and (9) maintenance. The survey results show consistent satisfaction in these areas (80% or more agreed or strongly agreed), except for the acoustic element, in which around 30% of participants were unhappy about the noise impact generated through the shared accommodation (refer to Figure 14). On-site management of shared accommodation with joint tenancies could be a challenge (Green and McCarthy, 2015). This happens when one tenant could not afford to pay his/her rent given the changing circumstances. Other problems could be broken locks or many keys in circulation, and people wandering in and out that residents do not know (Green and McCarthy, 2015).

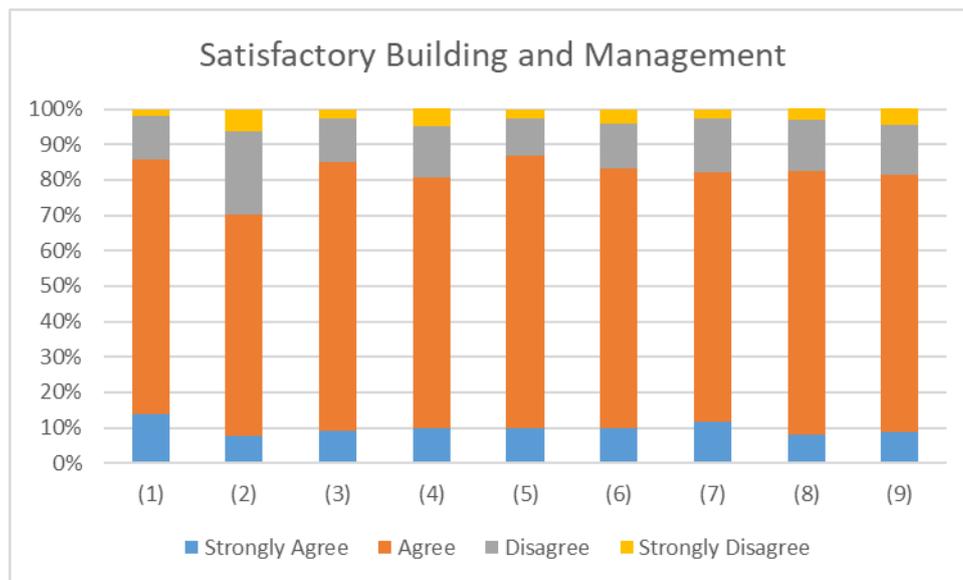


Figure 14: Satisfactory Building and Management (Source: Author)

In summary, the survey results indicate that participants are generally satisfied with the shared accommodation they live in. The economic factors that relate to the high costs of rent and other fees and noise factors relating to the building seem to be the obvious drawbacks in the shared accommodation.

## CONCLUSION AND IMPLICATIONS

This research has investigated people's perceptions of shared accommodation in China to provide some insights into aspects of the sharer's experience. It has been found that young people less than 30-years of age (58%) and highly educated people (78%; with undergraduate degrees or above) form the majority of people that live in shared accommodation. This group of people have migrated from their hometowns to the first- or second-tier cities working mainly in organisations or studying at universities. While they do not really want to share or live with others in the same flat or rooms, they have to engage in the rental market by sharing accommodation due to income constraints or other factors. The findings from the survey advise that people are satisfied with the sharing experiences as it provides not only the economic benefit of cost savings but also social aspects such as getting help when needed from roommates or neighbours. They are also satisfied with the built environments at the shared accommodation, except the noise factor which is unavoidable due to more people live in the same place.

With continued urbanisation, this research may appeal to the government to determine how many people have arrived in the cities and require shared accommodation. Migrants do not have not only the benefits such as medical treatment, unemployment benefits, children's education, etc. comparing to the local residents; but also the same rights to purchase properties and are thus forced into the rental market. A potential benefit may be to design standard rent costs based on the CPI index—equivalent to mortgage payments—to help young migrants overcome the burden of income constraints.

On the other hand, the government may deal with the issues of scarcity in shared accommodation geographically and the availability and affordability. The potential barriers to facilitating shared accommodation should be recognised. The government may also need to produce some programs that promote the success of shared living environments to change perceptions of sharing, managing shared properties and supporting tenants. For the property industry, the design of shared accommodation (e.g., micro-unit) may consider providing separate bedrooms but communal kitchens and dining areas in properties. Sleeping with strangers in the same room is not a conformable environment and people should have their privacy and own space in their own time. Social connections and activities can be developed in the kitchen or living areas.

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