



# Residential Choice – Urban and Suburban Areas

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## Abstract

This paper deals with the topic of residential choice in two types of settlement – urban and suburban areas. The importance of selected factors of residential choice is evaluated, using the questionnaire survey. The findings point out the importance of these factors of residential choice in the both types of settlement. However, several ‘urban specifics’ as well as ‘suburban specifics’ are noticed. Additionally, some factors are residential choice are of higher importance for particular types of respondents defined on the basis of their socioeconomic status, age or household composition.

*Keywords: residential choice; residential preferences; urban areas; suburban areas*

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## 1. Introduction

Residential choice is an important research topic nowadays. This research not only extends the knowledge on housing market characteristics and mechanisms (e.g., Usman, Malik & Alousa 2015) but is also relevant for spatial and urban planning (e.g., Gomaa 2022). This is because residential choice is closely connected with peoples’ migration/relocation and housing belongs to the most important landuse types particularly in urban areas (e.g., Gomaa 2022; Usman, Malik & Alousa 2015; Fu et al. 2014). Moreover, there is a relationship between the quality of housing on one hand and peoples’ well-being on the other (e.g., Fu et al. 2014) because residential choice is a crucial decision that has long-term impacts on peoples’ life (e.g., Ubani, Alaci & Udoo 2017). Consequently, it is not surprising that a vast body of literature deals with the topic of residential choice.

This paper adds to the literature on residential choice in the following way. Its main focus is on the factors of housing quality that are appreciated for two different types of settlement – urban and suburban areas. The question is: ‘What people appreciate about urban and suburban living?’ In this regard, the differences between urban and suburban areas belong to important research subthemes as indicated by the various studies dealing with the issue (e.g., Jansen 2020, Chi & Ventura 2011; Shen & Wu 2013; Rossi 1955). In our research, the differences in the answers of respondents from Czechia are evaluated.

The paper is structured as follows. The second section provides literature review. The third section introduces data and methodology while the fourth section summarizes main findings. The last section concludes.

## 2. Literature review

The topic of residential choice attracts attention of various scientific domains. These include economists, urban and spatial planners, sociologists, geographers and many others (e.g., Fu et al. 2014; Usman, Malik & Alousa 2015). The crucial questions related to the residential choice are (Usman, Malik & Alousa 2015):

- What are the motives for residential choice?
- What are the characteristics of people who make the residential choice?
- What is the final destination of residential choice?

Cosacov (2019) claims that residential choice is a complex problem that includes various questions and determinants. In this regard, Cosacov (2019) gives three steps closely related to the residential choice. Firstly, there is the decision to leave 'my old home'. Secondly, there is a search for 'my new home'. Thirdly, there is the final decision, i.e., the residential choice from existing alternatives and based on the most relevant determinants.

The literature mentions a number of factors that influence the residential choice. In this regard, these factors are embedded in different influential theories such as push-pull theories of migration (e.g., Ubani, Alaci & Udoo 2017), classical location theories that emphasize the influence of distance (e.g., Alonso 1964), economic-based theories that emphasize the influence of housing price and income (e.g., Lee 1985) or sociologically oriented theories that emphasize also non-economic factors and peoples' irrationality (e.g., Rossi 1955). The particular factors of residential choice include (e.g., Ubani, Alaci & Udoo 2017; Gomaa 2022; Huang et al. 2014; Cosacov 2019; Usman, Malik & Alousa 2015; Jansen 2020; Chi & Ventura 2011; Fu et al. 2014; Shen & Wu 2013):

- house/flat characteristics – price, size, quality and others;
- employment opportunities;
- employment accessibility and accessibility of other amenities (e.g., shops and other commercial services, education, healthcare, culture);
- closeness to family, friends and other social ties;
- social quality of neighbourhood/community (e.g., socioeconomic status, crime, ethnic composition);
- environmental quality;
- household characteristics – age, size, income, socioeconomic status, personal values and preferences and others;
- households' financial and other constrains.

Cosacov (2019) point out also the need to distinguish the factors at different spatial scales (e.g., macro-scale, micro-scale). Altogether, housing may be understood as a complex 'package of factors on different spatial scales' that are related to physical and non-physical structures in particular places (e.g., Ubani, Alaci & Udoo 2017).

Different methodological approaches were used to study the factors of residential choice. These include basic methods of descriptive and inferential statistics (e.g., Ubani, Alaci & Udoo 2017; Usman, Malik & Alousa 2015; Jansen 2020) as well as advanced method of quantitative modeling, such as agent-based modeling (e.g., Huang et al. 2014), latent class choice modeling (e.g., Ibraimovic & Hess 2018) or discrete choice modeling (e.g., Wu,

Zhang & Dong 2013). Moreover, the specifics related to particular peoples'/households' characteristics (e.g., Wang et al 2016 for senior citizens) as well as to particular characteristics of places (e.g., Jansen 2020 for urban, suburban and rural areas) were surveyed.

### 3. Data and Methodology

The electronic questionnaire survey that was realized in autumn 2021 is the main source of data. The respondents were asked to answer the following types of questions:

Firstly, the situation of residential choice was created. In this regard, one urban area (city) and one suburban area in the Czech Republic were introduced. Subsequently, the respondents were asked to evaluate the importance of particular factors in the situation of (hypothetical) residential choice (see table 1 for the list of these factors). The 5-point Likert scale was used for this purpose.

Secondly, the respondents answered the question related to their socioeconomic characteristics (e.g., socioeconomic status, age, household type). Table 2 provide the list of these characteristics.

Note that respondents' subjective preferences were revealed from this research design.

**Table 1: Factors of residential choice**

Factors	Factors
1. House/flat price	5. Accessibility of commercial services
2. House/flat size	6. Neighbourhood – socioeconomic status
3. Employment accessibility	7. Environmental amenities
4. Accessibility of public services	8. Closeness to family and friends

**Table 2: Socioeconomic characteristics**

Characteristics	Values
Socioeconomic status	Three categories based on self-evaluation: (a) low; (b) medium; (c) high
Age	Three categories: (a) less than 30 years; (b) 30 – 50 years; (c) 50 years and more
Household type	(a) households without children; (b) households with child/children

Methodologically, basic methods of descriptive statistics were used to evaluate the questionnaire data. Hence, central values were calculated for particular factors and subsequently compared. The same approach was used to reveal the differences between particular groups that were defined for socioeconomic characteristics. The results are based on the answers from 324 respondents (see table 3 for basic characteristics of the sample of respondents).

**Table 3: Socioeconomic characteristics of respondents – share of particular groups**

Characteristics	Shares
Socioeconomic status	(a) low – 18 %; (b) medium – 58 %; (c) high – 24 %
Age	(a) less than 30 years – 15 %; (b) 30 – 50 years – 63 %; (c) 50 years and more – 22 %
Household type	(a) households without children – 42 %; (b) households with child/children – 58 %

#### 4. Results

The results that are related to the perceived importance of particular factors of residential choice are presented in this section. The arithmetic means of the values that respondents chose on the 5-point Likert scale for each of the factors are reported in table 4. The following findings may be especially drawn:

- The importance of all the factors of residential choice can be observed for urban as well as suburban areas due to the relatively high arithmetic means. In this way, the complex nature of residential choice is confirmed.
- House/flat price, employment accessibility and socioeconomic status of neighbourhoods are the top three factors of residential choice in urban areas. Two of these factors – house/flat price and socioeconomic status of neighbourhoods – belong to the top three factors of residential choice also in suburban areas. Hence, urban and suburban areas have a lot in common when considering respondents' residential choice. However, several urban or suburban specifics can be noticed as well.
- Concerning 'urban specifics', house/flat price and all the accessibility factors are evaluated higher in urban than in suburban areas. These findings can be related to relatively higher prices in core cities than in city edges as well as to better accessibility to employment, public and commercial services.
- Concerning 'suburban specifics', house/flat size and environmental amenities are evaluated higher in suburban than in urban areas. These findings can be related to the trade-off between house/flat size on the one hand and on the other hand house/flat price when comparing urban and suburban areas. Moreover, suburban areas are often appreciated for their environment (e.g., closeness to nature, less severe pollution).

Altogether, the factors of residential choice are of high importance for both urban and suburban areas. The specifics of the both types of settlement are in accord with their traditionally given strengths and weaknesses (e.g., Booi & Boterman 2020; Jansen 2020; McCrea, Shyy & Stimson 2014).

**Table 4: Importance of factors of residential choice for urban and suburban areas (arithmetic mean of respondents' answers – 5-point Likert scale)**

Factor	Urban areas	Suburban areas
House/flat price	4,5	4,1
House/flat size	3,2	3,8

Employment accessibility	4,1	3,7
Accessibility of public services	3,8	3,2
Accessibility of commercial services	3,6	3,1
Neighbourhood – socioeconomic status	3,9	4,1
Environmental amenities	3,1	3,8
Closeness to family and friends	2,9	3,2

Source: own elaboration

Some additional insights are provided for particular socioeconomic characteristics of respondents:

The importance of house/flat price and employment accessibility is evaluated higher by the respondents of low socioeconomic status. Hence, it is confirmed that this type of respondents is more price sensitive than respondents of higher socioeconomic status and with higher income.

The accessibility of public services (e.g., health services) and closeness to family and friends were evaluated higher by older respondents. The accessibility to commercial services (e.g., entertainment), environmental amenities and also closeness to family and friends were evaluated higher by younger respondents. These findings point out the change in preferences during the peoples' life cycle.

The importance of house/flat size, accessibility of public services (e.g., education) and environmental amenities is evaluated higher by the respondents with children. Obviously, these factors are closely related to the parents' desire to ensure high quality of life for children. On the contrary, other factors of residential choice seem to be crucial for singles or households without children. The relevance of peoples' life cycle is repeatedly confirmed.

The results, altogether, support the thesis about the complex nature of residential choice. Hence, various factors, including peoples' socioeconomic characteristics and different types of settlement, play their parts for understanding the complex nature of residential choice.

## 5. Conclusions

This paper dealt with the topic of residential choice in two different types of settlement – urban and suburban areas. Peoples' preferences were revealed, using the method of questionnaire survey. In this regard, the importance of selected factors of residential choice and the mediating effects of respondents' socioeconomic characteristics were evaluated. The findings point out the importance of all the analyzed factors of residential choice in urban as well as suburban areas. However, several 'urban specifics' as well as 'suburban specifics' were noticed. Additionally, some factors are residential choice are of higher importance for particular types of respondents defined on the basis of their socioeconomic status, age or household composition.

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