

A CONCEPT OF AUSTRALIA RETIREMENT VILLAGE AND A NEW APPROACH FOR REAL ESTATE INDUSTRY IN THAILAND

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ABSTRACT

Thailand's real estate industry has been growing steadily and has been highly competitive while the options for projects have been limited. There has been stiff competition among the property developers in the same industry. It is, therefore, necessary for the real estate industry in Thailand to expand its options in order to penetrate a greater prospective customer market. This has been of great interest especially the housing market for expats residing in Thailand, because it is considered a highly profitable market, that is to say; there are a lot of foreigners staying in Thailand after the age of retirement. One of the marked businesses for the real estate business in Thailand is the retirement village. In fact, the retirement village as it is presently understood includes various levels. Among them, a level for elderly people who are still healthy and do not require much care is called "Retirement Village", which is generally found like other communities, but its prospective clients includes only the elderly and not a home for older people with the need for intensive medical care. Aged care has been an interest of study in Thailand, where the proportion of elderly population has increased and Thai societal structure focuses on family care for seniors. However, many families are not ready to elicit the services of aged care. One of the solutions is to provide a home for the elderly where constant nursing care is provided. In spite of numerous aged care facilities for the elderly in Thailand, most of them have been established in the form of a foster home, thereby they have been received a negative image for a long time. An alternative for Thailand is the retirement village that incorporates a beneficial image of age care that is more likely to be popular in the future. Australia is ideal as a case study and the research of protocols for the business of Thailand's retirement village, because Australia is a country that has operated retirement villages for an extended time. Presently the business of a village for retirement may not be able to penetrate the domestic market; however, foreign customers retiring in Thailand are likely to be a potential market. A business relating to retirement villages can be expected to promote the real estate industry, to penetrate foreign markets, and to generate revenue for Thailand. An interesting focus of research is Australian ageing population as a model to identify the characteristics of retirement villages that meets the needs of the foreign customers. This paper is to offer one important aspect of a large-scale study that investigates the retirement village in Thailand for foreigners; a dimension that the real estate entrepreneurs, researchers and other interested parties can apply to develop a business model for retirement villages desired by foreigners as well as a future model for the domestic market.

Keywords: Retirement village, real estate industry

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Introduction

The construction industry is one of the world's largest industries and is considered a major industry in driving the economy of several countries (Yiu & Cheung, 2006), and is an entrepreneurial industry where development is needed to achieve change and progress to meet the ever-changing needs of consumers. Many aspects of real estate development projects must be adjusted continuously; inventing marketing models, launching products and services in various formats just to keep abreast of customer current, economy, law and other driving forces. Real estate projects are a high-risk business. Many projects have emerged due to market demand. Conjecture-driven goals, risks of business operations, and uncertainty in the processes are elements of the real estate projects' vulnerability. To achieve project development and profitability requires productivity to be fed to the market at the right time and the right price, in addition to cost and quality control. Nonetheless, real estate development has limitations in terms of time, space and the enormous costs (Wiegmann, 2012). Real estate development has been extremely complicated and engagement in activities that require highly disciplined, qualified and experienced work teams from different backgrounds, as well as project operation which includes a variety of activities that make up real estate property development, including planning, design, construction, implementation and management (Ntiyakunze, 2011; Bertelsen, 2003). The complexity of diversified professional personnel causes different objectives in performance. For example, an employer needs a project with lower cost and faster completion while a contractor prefers a project that generates high income with fewer requirements on time. (Yousefi, 2009) In addition, the construction project usually encounters numerous problems. Ntiyakunze (2011) conducted a pilot study of 15 state-owned projects, and found that all of the projects faced a problem of lateness, construction costs exceeding the estimated budget, and dissatisfied employers with the quality of the work done. Some problems are caused by designers who misunderstood or mistranslated the needs of the employer; or failed to understand, interpreted or conformed to

the client's requirements as agreed in the contracts, as well as delayed caused by personnel who did not complete their tasks on time, delayed in payments, and additional cost of the project incurred by unexpected items (Ntiyakunze, 2011).

In spite of its complexity, real estate projects in Thailand continue to grow steadily, with an overall growth of approximately 5% per annum. The growth has been higher in regions such as Bangkok and its surrounding vicinity. The most stable growth is in condominiums, especially in Bangkok with access to Bangkok Transit Systems and provinces with fascinating tourist attractions such as Phuket, Chonburi, and Chiang Mai. Real estate prices grow at an average rate of 5-10% per year due to the higher costs of land and construction. The interest rates for house loans are not so high while the banks are competitive to expand housing credit as a key factor in driving purchasing power. In addition, the purchasing power of domestic consumers remains promising; especially with the Asean Economic Community (AEC) will create higher demand for real estate in Thailand, particularly offices, serviced apartments, industrial estates, hotels, condominiums and others (Athip Pichanon, 2012). As projects have dramatically increased in number, the competition is accordingly stiffer. While the alternatives for projects are limited; main players are competitive in the same real estate category such as housing estates and condominiums. Whether the real estate business in Thailand will grow; more options to penetrate the growing customer groups is an interesting topic to be examined.

1. The elderly

The world's population is rising every year; however, suitable land for buildings is limited. Therefore, the use of land as a valuable resource for housing development to accommodate a population that is increasing rapidly requires great skill. In addition to land development for residential housing, there is also a need to use the areas for other developmental purposes; for examples, business, recreation, school, transportation, cultivation and livestock, and many more. The demand for space used to build these facilities increasingly encourages and challenges land

development. The population has increased in many countries, including Thailand which the population growth has increased substantially. According to the Institute for Population and Social Research, Mahidol University, stating that the population estimates as of mid-year 2014 (July 1), Thailand has a total population of 64,871,000 people. Elderly citizens aged 65 and over are estimated at 6.647 million people, representing 10.25 percent (Institute for Population and Social Research, Mahidol University, 2014). Compared with other ASEAN countries, Thailand is one of the countries with the greatest number of the elderly. For the country with the elderly population aged 65 years and over is more than 7 percent of the entire population, this phenomenon is suggesting that the country is entering an "aging society" and a percentage over 14 percent is considered an "aged society" (Jongjit Rittirong et al 2013). Therefore, it is said that Thailand is a country of the elderly. Furthermore, the forecast of the Institute for Population and Social Research, Mahidol University (2014), is anticipating that the elderly population of Thailand has been noticeably increasing every year. The allocation of limited affordable space in the country is; therefore, a huge challenge to operators of real estate projects.

Getting old is inevitable and the elderly have to be treated with care. In the present day Thai social structure, caregivers are generally family members, but nobody knows what the future may bring. The increasing percentage of the elderly population increases the burdens on family and society. When the burden of elderly care has been added to society, morally the government is required to give further and value added support. The state is expected to establish nursing homes for the elderly in order to care for the elderly who have no family care support (ASTV Manager Online, 2013), as the cost of health care for this proportion of elderly is so costly. Thus, it is inevitable that Thailand's percentage of aged people will increase, it is, therefore, necessary for Thailand to prepare to address the issues arising out of an aging society as soon as possible before it is too late. In other countries, problems such as these have been addressed for a number of years.

The New Zealand government has discussed the future issue of a growing number of elderly and has initiated a scheme called "Positive Ageing Strategy"; by which the elderly have the opportunity to participate in society in such a way that meets the individual needs of independence and self-reliance, and a happier well-balanced society (Ministry of Social Development, 2001). It is anticipated that within the next 10 years, Thailand will become an Aged Society, and by 2032, Thailand will become a Hyper Aged Society i.e. when the population of 65 years and older will increase by more than 20 percent; the need for health care, welfare services, other public facilities, and residential houses for the elderly will increase accordingly. Nonetheless, some sectors have been aware of the possible problems that may occur due to the growing number of elderly. Including issues that are beyond their capacity to deal with, including planning for a readiness to address the issues; for instance, the Mahidol University has set up the full-service Elderly Health and Palliative and End of Life Care Center to accommodate the aging society on 100-rai space located in Nongplub, Hua Hin, Prajuab Khirikhan. It is a prototype elderly health center in Thailand on the basis that the caring and well-being of the elderly should start from the age at which individuals begin to step into old age, and continue with self-reliance until the end of life. (Mahidol University, 2012)

2. Elderly homes

There are numerous terms for an elderly care home. In Australia, it is called a "Retirement Village" or "Home for Aged care". In the United States, the elderly home is called "Continuing Care Retirement Communities: CCRCs" (Buys L., 2006), and other terms such as "Home for Independent Living", "Home for Assisted Living", or Home for Rehabilitative Care (Nursing Homes). The types of elderly homes ranges in caring from maximum to minimum, which provides alternatives for the elderly to choose the level of care that meets their individual need (Robinson et al., 2014). For examples, if an aging person stays healthy with everyday life and enjoys physical activities without assistance, they can choose a retirement village where independence

is higher. The retirement village usually has similar characteristics to a housing estate in Thailand, except it often includes more public utilities and services tailored to the elderly. The concept of retirement villages is common in countries such as New Zealand, Australia and North America (Davey et al., 2004). However, for Thais, the retirement village usually refers to the non-profitable elderly home organized by the government or a home for homeless, neglected or destitute elderly, and there are not many families that would want to send their aging parents to this kind of the elderly home. Furthermore, the belief in Karma in Thai society limits the acceptance of offspring to send their ageing parents to an elderly home. From this viewpoint and with Thai cultural values and beliefs, the elderly home is still viewed as home for elderly, sick, infirmed or homeless people. These beliefs force the Thai younger generation to be accountable for their elderly even if they are not equipped either in terms of finance, housing environment and facilities for the elderly. Even if the elderly choose independence and search for a better choice of living as they desire, there is still limited opportunities. Though taking care of their elderly is considered a virtue, other factors such as, the families members have the skills to look after the elderly or the house is designed for access; should be taken into consideration. Trairat Charutas et al (2005) conducted research with the aim to determine the minimum requirements for elderly housing and environment; The research found housing for the elderly must be ergonomically appropriate for the capabilities of the elderly; it should be provided with suitable cabinets or shelves with varying levels, adequate handrails, flooring material must not be too smooth, ramps for wheelchairs, bedrooms and

bathrooms are big enough for easy movement of wheelchairs, switches are positioned not too high, and the plug must not be too low, doorknobs and faucets are also important (Trairat Charutas et al, 2005). Even the color of the furniture and lighting should be taken into account (Nuanwan Thuaycharoen, 2013). Evidently, adapting an old house to match the suitability of the elderly is not easy. It is important to provide a home which is designed for the elderly and with a standard of quality. In Thailand, homes for the elderly held by both public and private organizations are available, although inadequate in number and in quality.

3. Business for retirement village

However, today's home for the elderly is no longer characterized by what society of former times expected. In developed countries like Australia, the retirement village is characterized by various levels; a level for the elderly who are healthy and do not require much care with the independence and less family-dependent, known as a "retirement village". The term "retirement village" herein defines a real estate project that focuses on consumers aged 55 years and above, including profit and non-profit projects (Consumer Affairs Victoria, 2015), which are generally similar to gated communities, but only focuses on the aging persons. These are not nursing homes for the elderly who need high medical care like a home for aged care. Besides, retirement villages includes facilities applicable to the elderly, a place where the elderly voluntarily move to and have the view they will stay at the retirement village after their retirement. The following table describes the differences between the retirement village and aged care home.

Table 1 The differences between the retirement village and aged care (Property Council of Australia, 2014)

Retirement Village	Aged Care Home
Organizational	
Typically, it is a long-term lease with a charge when moving out of the retirement village (Deferred management fee: DMF).	Optional between upfront lump sum or daily accommodation payment) or combination of both
Fee is collected when moving-in and moving-out (in addition to DMF) or resale.	
Residents share a capital gain or loss.	
Resident	
Independence	Less independence
Do not rely on staff,	Weaker with demand a greater care, and need help in everyday matters, i.e. dressing, bathing and cooking.
Able to pay extra for additional assistance, such as cooking or home care.	

In Thailand, the retirement village is being established in more pleasant environments and more luxurious amenities than ever before. Unlike ever before, to live in a retirement village is to spend a considerable amount, especially in today's retirement villages; in making retirement villages a home for the elderly rich. In the past, the residents of old people's home were perceived as poor or destitute; however, elderly homes are now being set up to facilitate the elderly, equipped with the facilities and the appropriate environment that facilitates self-help of the elderly, a place to socialize with people of the same age, with nurses or doctors for appropriate care. To be equipped with these facilities and medical services requires a very high cost. When there are high costs, retirement villages have to transform themselves to a profitable business to survive, thereby becoming a choice of those who are financially viable to access these well-equipped villages. At present, retirement villages have been competitively evolving through their availability of equipment, environment and facilities to motivate the customers, and are becoming a business with the intense goal of profitability (Blaikie, 2000). In the past, New Zealand had no laws regulating this business, thereby causing confusion in the terms of the agreement and the rights of the residents, and

leading to the Retirement Village Act 2003 (Grant, 2006). Under New Zealand's law, the objective of the retirement village is for residence; to provide suitable facilities to the guests, to use a planned system for the comfort and convenience of the guests and to promote independence and self-sufficiency in the long term (Law Commission, 1999). In New Zealand, the retirement village usually includes between 40 and 170 households. Two-thirds of retirement villages include less than 80 households for independent living. Retirement village are characterized as independent houses, townhouses, semi-detached houses and condominiums. Retirement villages come with suitable environments with well-organized care, and medical treatment in certain localities. All these are to ensure that residents have the required comforts, and to enhance quality of life. The price varies depending on quality and size of the accommodation, and location. There are approximately 5% of the New Zealand population aged 65 years and above. Some enter the contract for residence with the village owner, some are even home owners, and some enter a lease agreement (Grant, 2006).

In Thailand, real estate entrepreneurs have operated development projects to accommodate the elderly and retirees, both Thais and foreigners. Dr. Ketsara Thanyalakphak, Director and Executive Director

of the Sena Property Development PCL said, the company's idea is to develop a "housing project for people aged over 60 years or for retired people" in Pattaya, mirroring the model of Canadian retirement villages. Launchai Vongvanich, President and Managing Director of the Good For You Co., LTD., said post-retirement foreigners have an increased focus on health; thereby emerging the "Jirang Residence Health and Resort Chiang Mai" (Siam Business, 2013), including "Meesuk Residence Chiang Mai", led by the project owner, Dr. Sivaporn Changkachang, Thailand's famous doctor for brain diseases, former Dean of the Faculty of Medicine, Chiang Mai University, and former Director of the Medical Council of Thailand (Prachachat Turakit Online, 2013). In addition to the private sector, the government sector has ideas to develop residential condominium under the name "Sawangkanives Project", which Dr. Nart Fongsamut is Executive Director for the Sawangkanives Project of the Thai Red Cross. Despite Thailand having operated homes for elderly for a long time; the fashion of the retirement village in Thailand has not been as popular and flourishing as the overseas retirement villages for reasons of social, cultural and traditional beliefs that are ingrained. Besides, in the Thai's mindset there is no difference between retirement village and aged care. In addition, the aging population themselves have a negative perception about staying at a home for elderly. According to a study by Dr. Acharawan and Dr. Natthawat (2012), most elderly people preferred their own home to a retirement village despite their own home's inhospitality to the elderly's deteriorated physical health, even though these seniors were financially capable of getting the services of the well-organized aged care. Disseminating factual information, and an exchange of attitude that living in the aged care was not as awful as they believe, can convince them to make a choice to live in an elderly home that provides pleasure, safety and comfort. Besides, elderly these days have had some financial preparation for post-retirement living, so a market gap has existed in this business; home for elderly model that meets the needs and financial capabilities of the elderly can be proposed.

The finding indicated that despite 82.8% of the seniors wanting to live in their own home for the rest of the life, the remaining market share is a somewhat considerable portion of the elderly population. This proportion was likely to become a customer of the home for aged care, leading to an expansion for this type of business (Acharawan and Natthawat, 2012). In addition, if the number of the retirement villages increases, the old belief may gradually deplete and it has eventually been recognized by Thais that the retirement village is a viable alternative. On the contrary, if the number of customers is not sufficient, the retirement village will not survive, without charging enormous fees, and the image of the retirement village probably will be restricted to those specific prospective that have high purchasing power only. To reduce the costs of retirement villages to a level that the general public will recognize, the number of the serviceable users must be sufficient enough. However, it takes time for Thais to change the old belief system. One solution is to import the demand from overseas to grow this business, and as it grows and becomes a norm, Thai people will pay attention to the service.

4. Thai and expat real estates and business opportunities for retirement village in Thailand

There are a number of expatriates who reside in Thailand. A portion of the real estate business in Thailand has been operated together with foreign investors. The housing markets for expatriates in Thailand are in high demand; the selling points include location, climate, tourist attractions, facilities, and Thai food, which all are the highlights of Thailand. Hence, the growth rate of condominiums is high, partly because the buyers are foreigners. As prescribed by Thai law, foreigners are not entitled to hold land ownership, therefore, to live in Thailand, to own their property, or to buy for investment purposes, the foreigners have focused on the acquisition of the real estate in the form of condominiums, particularly in big cities or tourist destinations such as Bangkok, Pattaya, and Phuket. In the case that a foreigner wants to buy a home, it needs to be executed in the format of a long-term lease agreement; the term of contract usually lasts

for 30 years, however, it incurs the issues of fees and housing taxes which remain unclear, and resale is problematic. (Aliwassa Pattanathabutr, 2009).

There is an accepted practice of part of the population of a country to move and settle in a new country. Some have migrated for reasons regarding work, and upon retirement, they look for accommodation that contributes to their health, well-being and ageing. An alternative is the retirement village. Some migrate for retirement to new country, especially foreigners such as Australians. The government contributes a retirement fund which is sufficient to survive in a country with a lower cost of living. Several research studies have investigated migration as a way to spend the rest of the life abroad, especially from the United States, Australia and Europe, where immigrants have lived and then planned to make permanent settlement. Some sold their old house in their home country to spend their life in a new country, making new friendships and new society without the intent to return to home country, partly because the cost of living problems. When making a new settlement in a new lower cost of living country, returning to old higher cost of living country is also relatively rare (Gibler et al, 2009). Consistent with the study of Dr. Liesl Gambold, indicating that aging single female Americans are more likely to achieve retirement abroad, as a result of the exorbitant high cost of living, moving to another country with lower costs of living is preferred (Gambold, 2013). Each country deals with visas for retirees differently, to accommodate those foreigners who desire to relocate after their retirement. Asian countries such as Indonesia, Malaysia, Philippines and Singapore have enhanced the visas for retirees. (Apichart Chamrusitthrong, 2013). In Thailand, there are a lot of expatriates staying for retirement purpose. Like other Asian countries, Thailand issues visas for retirees aged of 50 years up, but they are not permitted to work in Thailand. The period of stay is one year and the renewal of visa is allowed every year without leaving the country (Bureau of Consular Affairs, 2013). Issuance of entry visas and long-term stay visas results in the growing

number of elderly tourists traveling to Thailand. In 2006-2007, the number of elderly foreigners traveling to Thailand was 2,119,675 and 2,259,161 out of the total number of 13,821,802 and 14,464,228 visitors, or 15.3% and 15.6%, respectively, and the growth rate of the past year has been 17.87% and 10.78%, indicating that the elderly and retiree tourists markets have been growing and is a target market for Thailand (Ranee Issichaikul, 2009). Also, aging foreign visitors are financially secure and have been granted funds in the format of the retirement benefits or pension by the state (Kawin Wonglidi, 2011); thereby they can live without work and do not have to rely on their dependents. Moreover, they have an adequate amount of time to travel or stay longer. The growing number of these senior foreign visitors enhances the opportunities for the real estate segment to increase the prospective markets. Real estate in the format of the retirement village can be proposed as an alternative to this customer market and be no longer restricted to the purchase of the condominiums. This will create a comforting, safer, and worthwhile environment in the format of long-term lease rather than the purchasing of condominiums.

5. Concept of retirement villages in Australia

Australia is an ideal country for examining the retirement village as a business model for Thailand as Australia has operated retirement village businesses dating back to the 1950s; the concept is evolving today (Jones et al., 2010). Australian entrepreneurs have also entered the retirement market in New Zealand. Advertising shows the retirement village as a place of excessive beauty, of wondrous facilities and impeccable safety. This image targets the Australian market with Australians migrating to New Zealand after their retirement. Furthermore, most New Zealanders choose not to reside in retirement villages (Davey, 2004), partly because of its images portrayed by Australian marketers show that retirement villages are ideal for the rich only (Greenbrook, 2005). Even without the New Zealander market, demand for retirement in New Zealand is strong. (Grant, 2006). Researchers believe that the increasing number of facilities for the elderly will outstrip the facilities

provided to the Baby Boomers and other generations. During the period between 1981 and 2001, the Australian population aged over 65 years raised by 67% and the number of older people living in accommodation for the retired or aged grew from 27,400 people to 147,700 people. In 2001, the elderly residents in retirement villages alone were 80,400 people (ABS, 2003). The 2014 survey found that the number of Australian living in the home for the elderly increased to a total of 184,000 representing 5.7% of the total population aged 65 and over. Also, it is expected that portion of elderly people living in the retirement village will rise to 7.5% by 2025. According to the growing rate of elderly population means that the number of the elderly people residing in the retirement villages will be 382,000, twice from the previous figures (Property Council of Australia, 2014).

Retirement villages offer various services and facilities from basic to luxurious. However, they are common in offering the better quality of life; the elderly are as independent and as comfortable as they live in their family home, plus they are provided with medical services when needed, and they meet socially with people of similar age (Buys et al, 2006). It also found that the seniors living in the retirement village exert more physical activities and workout at leisure time than if they lived in their family house (Miller & Buys, 2007). Additionally, retirement villages are encompassed by stores within walking distance, thereby motivating the elderly to exercise by walking (Nathan, 2014). The retirement village not only helps improve the better living conditions of residents, but also helps save money for governments. Analysis found that the retirement village can reduce the cost of the health care system up to 2.16 billion Australian dollars. The retirement village helps to slow the aging population to receive government assistance, but also help to lessen visits to the doctor, quickens discharge from hospital, and more effectively improve mental health (Property Council of Australia, 2014). The findings also demonstrated that ageing people living in retirement villages were happier than before they moved into the village (McCrindle Research,

2013a; McCrindle Research, 2013b).

In Australia, there are laws and regulations regarding retirement villages (Retirement Village Act and Regulations) which vary between states and territories (IRCAS, 2015). The Retirement Village Acts and Regulations have been amended and updated regularly. Typically, a retirement village consists of independent living units (ILUs), and serviced apartments (SAs), public facilities for community activities and social meeting (McAuliffe, 2010a; McAuliffe, 2010b). Although it is known as a retirement village, it welcomes the specific customer group aged 55 years and above, or those who have still not reached a retirement age. Factors affecting seniors' decision to move to a retirement village include health condition and need for extra care, a demise of spouse, problems concerning own home care, the need for change in new lifestyle, the need for family closeness, environment and location preferences, affordability and convenience (Craddock & Blake, 2012). The residents pay the operator of the retirement village in the format of a long-term lease or purchase the rights of residence. Generally, the housing rate for a retirement village is lower than normal housing and mostly houses in such villages are inapplicable to receive a bank loan to pay for housing and unable to be transferred or resold the rights. The customers shall have 15 days as stated in the contract to change their mind (Cooling-off period) with a full refund. When moving in, the residents will also have 90 days (settling-in period) to terminate the contract and shall not be construed as a breach of the contract and simply need to pay some fees. When moving out, a deferred management fee (DMF) or exit fee is need to be paid. The fee calculation is based on the amount paid at the first entry (entry contribution) or the achieved resale price, or even sometimes capital gains, and capital losses, and other fees associated are calculated collectively (McAuliffe, 2010a; McAuliffe, 2010b). During the stay period, the residents pay for additional service charges; i.e. public maintenance fee (recurrent charges/maintenance fund), monthly consumables costs, staff wages, even food cost, and capital replacement fund as maintenance cost, or

in case of the replacement of the appliances or devices, or long term maintenance fund or sinking fund, which is similar to the common fund for condominiums in Thailand. This includes a long-term maintenance and repair costs apart from the planned budget, i.e. road reconstructing, re-painting, swimming pool renovation, personal or additional service charges; i.e. room cleaning or extra ordered menu. Occasionally, a special meeting is held within the retirement village, or at least once a year, for example, to summarize the agreement for adjusting monthly maintenance fee required by the operators. The established village committee (Department for Health and Ageing, 2013) were similar to that found for condominium in Thailand.

6. Factors for a purchase of retirement village

Like other forms of housing, the choice of a retirement village has both advantages and disadvantages. It is quite important for a buyer to have a firm understanding of legal and financial variances related to this decision, and to consider the needs of current and future needs carefully, because relocation may be a major change in the lives of the buyers. Many questions may come to mind; for example, transport service, a distance between the village and destinations (libraries, shops, hospitals, churches, etc.), insurance, maintenance, type of residences; to rent or to purchase, expenses (initial fee, monthly fee, exit fee), regulations (pets, visitors, parking lot) private garden, addition by the residents themselves, food court, public health facilities in the village, and so on (Government of Western Australia, 2015).

Whether older people are choosing to live at own home or to relocate, the main issue is to maintain or increase the independence and quality of life of themselves. Two-thirds of the population have moved house between the ages of 55 - 75 years old (National Seniors Productive Ageing Centre, 2009). Although "elderly" is defined as an individual aged 65 years and over, what is considered important, as well as the needs of the individual, varies between people aged 65-74 years and people aged 85 and over. The decision-making process on relocation of housing varies with the age range of the elderly, because the motivation and the desire

for change vary with the increasing age of people (Eyles et al., 2014). Some decided to relocate due to divorce or death of a spouse, health and mobility, deterioration, and issues concerning the house maintenance and family downsizing or preferences in lifestyle (Olsberg & Winters 2005). Stimson and McCrea (2004) addressed that the reasons related to the elders' decision to relocate include five push factors mainly; living changes, treatment needs, social isolation, health-related causes, and mobility. The reasons that older people decide to choose a retirement village as new accommodation included several factors, of them, three main pull factors including; the environment, the affordability to acquire a new accommodation, and the ability to maintain the same lifestyle and familiarity (Stimson & McCrea 2004).

7. Conceptual framework of the study

Despite the retirement village business in Thailand not flourishing for the reasons of the belief, culture, custom and tradition, a rapidly growing rate in the elderly population may result in more popularity of this type of business in the future; as it has been in the western countries. Presently, Australia is an interesting case for the retirement village business for it has operated this type of business for a long time with laws and regulations and a business model that can be adopted and applied. In Thailand, this kind of business may not be presently thriving to penetrate domestic markets; however, the foreign customer market is attractive and tends to hold promise and should be observed closely. There are a great number of expatriates working and living in Thailand, who tend to continue staying after retirement and are looking for a suitable accommodation at aging life. As a result, there should be a thorough examination of the areas that relate to retirement, for examples, legislation to control and protect the residents and entrepreneurs, retirement village styles with amenities, the calculation of rates and fees, immigration and retirement laws for aliens. Furthermore, a thorough examination should be conducted of how foreigners regard the options of the retirement village in Thailand, and what level interest they have in the retirement village in

Thailand, as well as what they would expect from retirement village styles, systems and management in order to relocate to reside in Thailand. A thorough examination in every aspect of the retirement village is needed to provide the business model for the real estate industry in Thailand, and the opening of markets for more foreign customers. In addition to the sales of condominiums, it is also expected to generate further revenue on the sales of the right of residence after retirement, and a business that can make money for Thailand. It is also a starting point in the elimination of the negative image of retirement villages in Thailand, and to have it evolve into positive image for Thais, and eventually become the norm rather than the exception. This will assist in solving the problems of the elderly care, and alleviate the burden on families and society in the future. Moreover, the real estate industry in Thailand has limited business models. Operators have had few options on project models, and are limited to such projects as condominiums, housing and commercial buildings. Operators have competed with each other using the same business model, thus a new model for business will expand the business opportunities over the real estate industry. The features of the retirement village that is interesting to foreigners and the satisfaction with services are parts of the business model that should be explored. This will navigate the understanding of this respective business, and can be applied and further investigated in other relevant areas.

A decision in relocating to a new place is not easy, especially the decision to migrate the house at ageing because there are several factors involved. Moreover, the selection of housing for retirement, various appropriate components to be taken into account, and overall factors with respects of areas must be considered for retirement village. A few studies examined the relationship between the buying

behavior and the nature and quality of service for retirement village. The retirement village business is complex and highly competitive in western countries. The aim of the study is to determine which characteristics of the retirement village the elderly take into account for a purchase/relocation decision. The Australian ageing people can be chosen as model. The research problem is

“What are the important characteristics and services of the retirement village that influence a decision to buy or move into, and influence satisfaction after buying or moving into a retirement village?”

The research questions to be studied include.

1. What are the major characteristics of the retirement village that influence a decision to buy or move into among the elderly Australians?
2. What are the services of the retirement village that influence a decision to buy or move into among the Australian elderly?
3. What are the characteristics of the Australian elderly that influence the evaluation of the characteristics and service of the retirement village?
4. What are the characteristics of the retirement village that influence the satisfaction after buying or moving into among the elderly Australians?
5. Does the service of the retirement village influence the satisfaction after buying or moving into among the elderly Australians?

8. Scope of the population

Australia comprises six states; including New South Wales, Queensland, South Australia, Tasmania, Victoria and Western Australia. It also includes two major territories; including the Northern Territory and the Australian Capital Territory. Number of the elderly Australians who reside in the retirement villages in Australia by state and territorial is shown in Table 2 and the number of the duly registered retirement villages with address contact by states and territories are shown in Table 3 below.

Table 2 Number of elderly residents in Australian retirement villages by state and territories (Property Council of Australia, 2014)

States and Territories	Number of elderly residents living in retirement villages
New South Wales and ACT	55,413
Victoria	43,107
Queensland	38,842
South Australia	23,236
Western Australia	20,599
Tasmania	2,883
Northern Territory	N/A
Australia	184,080

Table 3 Number of the duly registered retirement villages with address contact by state and territories

States and Territories	Number of retirement villages	Sources	Latest revision
New South Wales	909	villages.com.au, 2015	13/4/2015
Victoria	1,977	Consumer Affairs Victoria, 2014	09/10/2014
Queensland	308	Queensland Government, 2014	14/10/2014
South Australia	522	Data.sa, 2015	28/1/2015
Western Australia	227	villages.com.au, 2015	13/4/2015
Tasmania	75	villages.com.au, 2015	13/4/2015
Australian Capital Territory	24	villages.com.au, 2015	13/4/2015
Northern Territory	2	villages.com.au, 2015	13/4/2015
Australia	4,044		

Presently, the population being examined included older Australians residing in retirement villages in Australia's six states (the territories were excluded because of its small number of the elderly residents). Northern Territory, in spite of its vast area, has limited elderly residents. The number of population of the Northern Territory in 2011 was of approximately 232,400 people only (ABS, 2012), and in 2010, the number of seniors aged 65 and over was only around 12,684 people (ABS, 2011).

Conclusion

The percentage of older population has increased in many countries. Thailand's proportion of the older population has increased as well. Thai societal structure focuses on families as primary caregivers for elderly. However, many families are unable to support the elderly with proper accommodation and

above normal care. One solution is an aged care home with adequate facilities and thorough medical care to alleviate this portion of burden. Although homes for the elderly are provided by the public and private sectors, they have mostly been set up as a shelter, which produces a negative image for aged care. Another alternative is a home for the elderly with a better image, where an additional service fee is charged to accommodate the current elderly who are more financially secure. This would be a new promising business in the future as it is in several western countries. Australia is an ideal country for investigating the business model for retirement village in Thailand, since Australia has operated retirement villages commercially for a long time, along with its applicable legislation and regulations that can be examined and further applied, as well as the practical business models. In Thailand, this

type of business is not mature enough to penetrate the domestic markets, but overseas markets tend to be attractive and promising to explore, and also, would be complementary to the domestic real estate industry. Expanding the overseas markets, which are limited to condominiums, the retirement village business can create a profitable import market. Furthermore, it will change Thai people's negative belief of the home for the elderly into more positive way and they will be more likely to use the service of the retirement village and aid in solving the problem of elder care, and options for lightening the burden on families and society. In addition, Thailand's real estate industry has been restricted in the business model. Presently there are few options in operating business among the real estate entrepreneurs. These options are highly competitive as they are using the same business model. New models of businesses are considered to be a wider opportunity for the real estate industry in Thailand. In regard to new real estate businesses, several dimensions are needed to be examined. Inevitably, one of them is the characteristics of the real estate and services provided by the enterprises for market demand. So, to understand what the prospective customers are demanding and which factors are important, the entrepreneurs, therefore, will be able to run a business that meets the needs of these clients. For this reason, it is imperative that further research is made to investigate the characteristics and quality of service for retirement villages that influence older people's decision-making in buying or re-settling in retirement villages. In such research, the ageing population of Australia as a population for the study is considered appropriate. This is to determine the characteristics of a retirement village that satisfies the needs of foreigners for retirement village in Thailand. This study offers an important starting point for aspect of a large-scale study that investigates the retirement village in Thailand for foreigners; a dimension that real estate entrepreneurs, researchers and other interested parties can apply to develop a business model for retirement villages desired by foreigners, as well as a future model for the domestic market.

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