

Senior housing as a service business – Finnish case

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Abstract

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From the customer point of view housing business has traditionally been the construction of new dwellings and selling or renting these new or existing dwellings to the housing market. The service element in housing sector has mainly consisted of facilities maintenance. Integrating other services into housing business has not previously been contemplated. Thus it can be argued that housing has been seen as a product-oriented offering.

Here housing is seen in wider context in which a dwelling is just one, although admittedly the most important, part of service oriented housing offering. Using the vocabulary of Kotler, it can be said that dwelling is the core of the product. More value producing layers could be added around this core to construct an augmented product. This way housing could be seen as service business and a housing offering with more than just walls could be constructed.

This study concentrates in one housing segment, namely senior housing. It appears that senior housing has never before been depicted as a service offering or as service business. In this paper the aim is to sketch a senior housing product that includes many service- and product elements in addition to physical core. These potential service and product elements will be studied empirically. After this, three Finnish cases will be used to illustrate how much of additional element are attached to housing in the real world.

As a result ten additional service/product elements are suggested to a senior housing product. Three of these can be found from the case buildings. As these cases could be seen as advanced in Finnish system, there seems to be much improve in this field. It is suggested that if more of these elements would be added to the housing product, there would be added value to both the entrepreneurs and to the customers.