# A CASE STUDY ON THE OPERATION AND MARKETING STRATEGIES OF GROUP HOME IN JAPAN

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#### **ABSTRACT**

This study uses the Sky Group Home case study method to understand the current status of the industrial environment where the case is located, and explore the development trends and business strategies of Japanese companies in the group home market. It also analyses the corresponding marketing strategies of the industry based on regional expansion points, so as to improve the competitiveness of the industry's regional channels and open up new markets for international group home development. In recent years, Taiwan's group homes have been gradually privatized, and Japan's implementation experience has a high degree of reference value for my country's policy construction and group homes. This study focuses on operating groups in Japan Company A of Home House is taken as the research object, and the standard policies and operating models for the establishment of Japanese group homes are discussed through literature. Company A is used to understand its operating model based on its service content and current operating conditions. Environmental analysis and marketing mix analysis are conducted to explore its market, management and Marketing strategy; Finally, use SWOT analysis to summarize A The current situation of the company and suggestions for the future development of the industry. The legal entity creates a daily life environment similar to home, adhering to the core concept of "serving users", focusing on personal uniqueness, and providing users with social care in a small unit. In Japan, group homes gather two major groups: the elderly and the physically and mentally disabled, living in a house the size of an average family. Or apartments, with nursing staff working around the clock to provide living assistance, giving customers a convenient and secure living space and a comfortable and barrier-free daily life. After a preliminary understanding, I realized that compared to Taiwan, the development of group housing in Japan is more prosperous, and because the government adopts a "government subsidy, private operation" approach in the implementation of group housing welfare policies, it not only provides operating subsidies to private operators, and also provide consulting services and other assistance to the industry to make this social welfare industry more common in the country, so it was decided to further explore this policy.

Keywords: Group Home, Aging Trend, Business Strategy

# 1. INTRODUCTION

Recent years, the primary patients are dementia and disability patients at home group in Taiwan. The dementia patients of ageing's body functions are worse time by time. However these mild symptoms are regarded as ageing normally, we neglect these. It needs medical care, until the family notice the symptoms are worse.

These study analysed the Case Study of A Group Home. Interview the head of operations to explore the strengths and weaknesses of the organization itself, as well as the opportunities and threats that the external environment may bring. These study may offer suggestions for organization's business strategies.

In recent years, Accompanied by Europe, America and japan, have successively launched community-based, home-based, and humanized "living unit-based care models" that emphasize life instead of care service models, "group homes for the elderly with dementia" have been set up scattered in the community. " and measures such as small-scale multi-functional care similar to

nursing homes (Hsiu-Mei Chuang, 2000) A dementia care model that emphasizes meeting "individual needs" and providing home care services while maintaining a sense of autonomy and belonging has become a new care trend for the elderly with dementia.

There are three purpose of study:

- 1. To explore the difficult runs home groups' business.
- 2. To analyse strategies and policies for internal and external environment of the Case Study
- 3. Through conclusions and suggestions, it provides reference for future operations and management.

The first part of this research process confirms the motivation of the research and the research purpose to be achieved. Than is to collect relevant literature and explore its operation and management strategies and key success factors. The third part will interview the senior executives of the organization to discuss their business and management concepts. The fourth part will analyse, summarize and organize the focus interviews and analysis of institutional social workers. Finally, through the overall summary analysis, conclusions and suggestions related to this study are put forward.

Institutional residential long-term care services place care recipients in institutions, which provide 24-hour care services. Care recipients can seek residence in relevant institutions based on their physical needs; institutions provide life assistance, care, social participation and related medical services at different levels according to the disability status of the care recipients, and can properly care for and manage the care recipients. Institutional types include: nursing care, long-term care, general care homes, veterans' homes, spiritual care homes and hospice services. Among them, those who can provide long-term care for the elderly with dementia include welfare institutions for the elderly, nursing homes, institutions for the physically and mentally disabled, and homes for veterans. What is group home care? Through the creation of "home", the home provides a second home where the elderly can live safely, have a sense of belonging, live independently, and have quality. The space arrangement of group homes is just like that of ordinary families. There are single rooms and double rooms, providing better privacy for the elderly. Elderly people living in their homes are just like at home. They arrange their daily schedules by themselves and move freely according to their own habits, instead of bathing or sleeping at the time arranged by the organization. This allows the elderly to go through daily activities, Maintain original functions and memory, and delay symptoms of aging.

The space planning of a group home is like that of an ordinary family, with shared living rooms, dining rooms, kitchens, toilets, and their own bedrooms and toilets. Care attendants and staff have received dementia-related training. They respect the life experience of elderly people with dementia and develop individual life care plans based on their uniqueness. They integrate care and rehabilitation skills into daily life to help the elderly live a normal life with peace of mind., slowing down the rate of degeneration is different from general institutional care.

The development of group homes - Sweden In 1918, the Swedish government promulgated a new Poverty Act, which stipulated that local governments were obliged to set up institutions such as nursing homes and divide them into different types of institutions to provide different types of care needs; in 1957, the Poverty Law was abolished and replaced by a social Welfare law; therefore, housing to provide independent living for young people and the elderly with physical and mental disabilities began to appear in the late 1950s. By the 1960s, serviced housing and housework assistance officially appeared and flourished (Kwan, Hwa-San, 2007). The design of group homes

emphasizes home-like design in terms of both hardware and software. In addition to changing the interior space, it allows residents to have a sense of belonging and live at ease. Although it is currently mostly used to care for people with dementia, and through this model, expand the service targets of group homes.

# 2. RESEARCH METHOD

Based on the research purpose, one of the methods is to collect relevant books, journal articles, survey reports and data, etc., and analyse and integrate the above data to accurately grasp the research topic. This research method emphasizes broadness, rigor and objectivity. After selecting the research purpose, read the relevant information extensively, carefully classify and explore the content, and then objectively interpret what you see and hear.

This study is used to search for the policies and systems of group homes and the establishment of institutions for persons with disabilities in Taiwan, and to conduct an in-depth discussion of the group home opening process, conventional business models, and a preliminary understanding of the research purpose and background. The case study method uses a single individual or organization as the research object for in-depth discussion.

Focus on observing the context of the case, the factors that influenced past decisions, and exploring the impact of the strategy. In order to analyse the operation of Company A's case, we interviewed social workers and visited residential long-term care institutions with group homes in China to understand the provision of care services and the use of the environment, as well as the advantages and disadvantages of the existing environment and possible improvements.

Use the SWOT analysis method to understand the current operating status and business model of the case as a reference for future group home living. When a company makes decisions, it uses the four major factors of the company's own strengths, weaknesses, and the company's external opportunities and threats to analyse the situation and formulate future development strategies.

# 3. RESULTS AND DISCUSSIONS

The domestic field visit for this research case is due to the immature development of domestic dementia care areas, resulting in a very small number of overall research samples, which has a certain impact on the representativeness of the inspection results. When group homes are introduced to Taiwan, it is necessary to consider the differences in culture and habits in our country and provide group homes suitable for various ethnic groups to meet the needs of the elderly. The welfare of the elderly in China is the most similar to that in Japan. Therefore, the development of group homes can first refer to Japan's experience and apply it to general needs through the care service model, providing a future that is more suitable for Taiwanese people and culture and taking into account the elderly care system in the overall living circle. Group homes are an alternative to institutional and home care. The purpose of care services is no longer just to focus on the patient's illness or life extension, but more importantly, to help those in need live a higher quality and more dignified life. Study the current situation to understand the need to promote group homes in Taiwan? There are many difficulties in the construction of software and hardware. From the experience of Europe, the United States, Japan and other countries and a review of literature, we know that "group homes" bring care experience to the elderly and their families who still have living functions and ability to take care of themselves, including caring for the environment., social support, delaying degradation deinstitutionalization, realizing aging in place, etc. are all positive

and affirmative answers. But why does Taiwan promote that only a very small number of service units are willing to invest in such care services? The operation of group homes has its own particularities and is different from the general industry. In addition to the need to make profits to maintain sustainable development, connection and interaction with the community are also important features of the organization's existence.

Company A arranges a total of eight caregivers to work 24 hours a day throughout the year to provide a living environment that can make residents feel at ease. The caregivers will provide residents with a safe and secure living environment based on the personal information form submitted by the resident when they move in (recording the detailed disability level, physical condition, etc. of the disabled person). Provide living environment and planning suitable for individual residents, and provide appropriate medication management, meal supply and financial management services. At the same time, the care situation is recorded daily to detect any changes in the resident's status as early as possible. In addition to hiring caregivers,

Company A also maintains close contact with partners such as residents' families, job training operators, and full time counsellors for people with disabilities, and has also set up complaint handling measures to provide residents with a more comprehensive and complete life. In addition, residents and caregivers will participate in local activities together to maintain their connection with the community, integrate into society, and promote residents' ability to live independently.

Use SWOT analysis to identify the internal and external status of the Sky Group House as well as the positive and negative factors.

# Strengths:

- 1. Currently, there are already residents in the Sky Group Homes and their income is stable, which allows Company A to expand its business. The industry is preparing for the second room.
- 2. Company A's original business included lightweight furniture manufacturing, so it was able to turn its own production into. The furniture is used in the sky group house, which not only reduces the cost of purchasing furniture, but also creates a perfect match and more disability friendly housing.

#### Weaknesses:

- 1. Due to the special situation of group home residents, the company must hire sufficient professional caregivers. However, there are not many people holding relevant nursing licenses, which may lead to manpower shortage and operational difficulties.
- 2. Company A is one of the group home operating companies that was founded later and is smaller in scale.

The reputation is no better than that of other large companies, and it is more difficult to recruit residents.

# Opportunities:

- 1. Group homes can be converted into ordinary residences. Operators can own or rent properties to build and build without extensive renovation. If the company operates real estate business, this can also be used to reduce the vacancy rate of the company's properties.
- 2. Since the government has vigorously promoted the group home industry in recent years, it also provides the majority of the operator's income, so the revenue of this project is stable.

#### Threats:

- 1. Government subsidies for business operations and accommodation for residents are the main sources of income for group homes. If the government reduces or cancels these types of subsidies, product prices will rise and market demand will decrease.
- 2. As of March 2022, people with disabilities living in their own homes or care centres the number tends to increase, which is not conducive to the development of the demand market for group homes.

Business partners: By analysing the business cooperation partners of Company A's case, we can draw the following business strategy of Sky Group Homes:

# 1. Group home counselling company:

After signing a contract with the coaching company, the coaching company will provide data analysis, operation application, personnel recruitment, resident

Recruitment and other support services to assist in the operation of Sky Group Homes.

# 2. Group home rental information website:

Publish various information such as the location, layout, equipment and services provided by Sky Group Homes in the group The home rental information website allows target customers to learn about Sky Group without actually going to the company to inquire. Group Home is one of its sales channels.

#### 3. Medical institutions:

By cooperating with nearby medical institutions, Sky Group Homes can be located in hospitals that are frequently visited by the target group of customers. Post advertisements inside, and you can also cooperate with hospital doctors to recommend suitable patients to stay as a sale channel.one.

#### 4. Government:

Applying for business subsidies from local governments in accordance with relevant laws and regulations is a major source of income. in addition, the government also strengthens the group home policy by providing group home support services, such as consultation, etc.

By Product, Price, Position and Promotion The 4Ps marketing portfolio formed, analysing the differences between Sky Group Homes and its competitors, etc., in order to achieve the goal of Company A company marketing strategy

#### 1. Product:

In the operation of this group home, Company A cooperates with the caregivers to provide breakfast and dinner, so that the managers do not have to Go out to buy meals or order delivery to reduce expenses such as delivery fees; provide personal finance management by caregiver's services to help residents with mental disabilities manage their money; there are also employment consultations to help customers find new jobs. for convenient work. In addition, when building a house, we choose company A's own light-weight furniture to reduce the cost of building a house. Reduce potential hazards in your home and improve quality of life.

### 2. Price:

Comparing the average monthly housing rent for singles in Japan in 2021 is 50,854 yen, Company A Group The monthly rental price of a house is 32,750 yen, which is much lower than that of a

single person. overhead. In addition, the average monthly expenditure on water, electricity, food and household supplies for Japanese individuals is 53,975 days' yen, which is higher than Company A's monthly daily charge for a group home of 45,000 yen. Therefore, the group home's Rental and daily living fee pricing is attractive to target customer segments.

#### 3. Position:

According to "Toyo Keizai Shinto's five indicators for selecting liveable cities, towns and villages in Japan: "Safety, Convenience" convenience, comfort, affluence and fulfilment of living standards."44 The housing location of Sky Group House is in Narita City, Chiba Prefecture. Narita City was ranked as the most liveable city in 2019. The village ranks 76<sup>th</sup>, ranking in the top 5% of Japan (1,724 municipalities nationwide in 2018), built

The house is also located in a residential area with high living functions close to convenience stores, supermarkets and other businesses, making it suitable for people with disabilities. For residents, it is a relatively friendly living environment. Narita's neighbouring city, Inzai City, has won the most liveable cities in Japan for seven consecutive years (2012~2018). Champion, thus driving the development of neighbouring areas.

#### 4. Promotion:

In order to increase the exposure of its group home, Company A, in addition to advertising on the group home rental website, also We also signed a contract with a group home consulting company and entrusted the consulting company to go to medical institutions to find potential customers. A The company itself will also go to hand out business cards and attract customers by providing rental consultation and check-in experience. household.

Use "PEST General Environmental Analysis" to understand the current external environment conditions in Japan and Chiba Prefecture and make overall adjustments. The impact of the development of the sports industry and even sky group housing: Political:

In Japan, both the central and local governments have established special laws for group homes for people with disabilities. Through the implementation of these policies, the lives of people with disabilities can be guaranteed.

1. Nationwide: Comprehensive Support Law for Disabled Persons - The Comprehensive Support Law for Disabled Persons aims to protect the basic rights of persons with physical and mental disabilities. Human rights and personal dignity, and contribute to the realization of a community where individuality is respected and people can live in peace of mind. And group The family house system was established based on this law. It can reflect the life of ordinary families and the relationship with peers. Eliminate the isolation of people with disabilities in society. (Law No. 123 of the 1990s) The Law on Supporting Victims in Combining Daily Life and Social Life General Provision 5 strip).

#### **Economic:**

1.Nationwide: Japan's per capita GDP is much higher than the global average all year round. Except for the impact of the new coronavirus epidemic in 2019 Impact, from 2017 to 2019, Japan's per capita GDP continued to grow, and its economic development was stable.

2. Locality: Chiba Prefecture, where Sky Group Homes are established, will have the highest regional average annual income in 2022 Ranking among the top 24% in the country, it is an area with relatively good economic development in Japan. Social:

Japan has a large population, including many citizens with disabilities; and Japan's comprehensive social welfare is very prestigious internationally, so the country's domestic social environment can provide a large group home market.

## Technological

Online rental website for group homes: In response to modern people's Internet habits, existing companies have set up a rental website specifically for group homes, allowing people with disabilities with a manual to browse the rental properties online at home. Detailed information about group homes and contact the group home operator. The case is one of the companies that uses this rental website to achieve product marketing. Application of artificial intelligence robot care technology: Robot technology can be applied in areas such as mobility support, excretion support, companion communication, bathing support, and care business support. It can improve work efficiency and reduce the physical and mental burden of caregivers. It is also a direction that the government wants to develop and promote popularization one.

#### 4. CONCLUSIONS AND SUGGESTIONS

Japan's group housing can be said to be a policy for housing rental operators. It encourages housing rental operators to invest in the group housing industry due to reasons such as large subsidies, stable income, and the ability to renovate ordinary small-scale houses. On the one hand, it can reduce the burden on the government and Medical institutions bear the burden of caring for people with disabilities. On the other hand, they also increase the willingness of people with disabilities to move in with a family-like atmosphere and lifestyle, thereby helping some people with disabilities adapt to normal social operations and even enter production.

Externally, we seek assistance from partners, which is beneficial to the operation of group homes, recruitment of residents, and reduction of fees; internally, we make good use of our own resources, such as using furniture produced by Company A in the group homes, providing three meals a day, etc., and emphasizing that Provide care according to the individual needs of residents, and also choose locations with convenient living functions

The initial investment threshold for group homes is relatively high. Since Company A has learned about, is familiar with, and established a group home, the group home business model should take this opportunity to continue to invest and expand its business scale to avoid higher competitive pressure it will face in the future.

- 1. Create its own characteristics and highlight the differences from other group homes to attract more residents.
- 2. Establish stable cooperative relationships with more medical institutions to gain more opportunities to contact potential customers and expand customer sources.
- 3. Invest in more smart devices to help take care of residents to make up for the shortage of manpower.

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