The Brand Image of Silver Housing Industry

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Abstract: 本研究の目的は、韓国のシルバー住宅を対象にした住宅業界における小さなブランドマーケティングの特徴と問題点などを分析・調査し、その効果を考察することにある。現在のシルバー住宅業界は、韓国での国民意識が、生活レベルの向上に合った、より多様で優れたサービスを必要としている。しかし、社会・経済的な支援が十分ではなく、商品の機能開発の単一化など、世界的な先進国に比べてまだ研究が必要な段階と言えるだろう。

Key Word: Senior Citizen, Silver, Silver Housing, Brand Image

1. Introduction
Aging of population in Korea is the most rapidly going on among OECD countries, and it is predicted that Korea will enter hyper aging society by 2025 in which 20.8% of the whole population are aged as the average life span increases (Korea National Statistical Office, research on social statistics, 2005). In addition, as the overall income increases, the life level and economic power of aged population have improved, thus development and upbringing of silver industry to meet their welfare demand is needed. Construction companies in Korea start to use their own differentiated brands since late 1990s centered on apartment, and now the brand has emerged as the essential tool for competition because it has influences on real-estate value as well as sale rate and company reputation (S. B., Lee, plan on construction companies' marketing strategy of brand apartment, 2004). Construction companies that succeeded owing to the apartment brand introduced brand marketing also in silver house building and try to advertise actively the aged population, consumers of silver house. The purpose of this research is to examine cases of apartment brands for the development of Korean silver house market and analyze the reasons of its success and finally to propose the necessity of brand image of silver house business based on the result.

2. The Brand Image of Residential Apartment
2.1 The Brand Image of Apartment
(1) The Notion of Apartment Brand
Brand means generally trademark, however it includes company services and images which are provided to meet consumers' desire in current market economy. Brand means generally trademark, however it includes company services and images which are provided to meet consumers' desire in current market economy. Accordingly, brand is an index to be regarded as the standard for consumption in current complex market and also helps consumers remember and select easily certain company's services and image. Korean consumers sensitive to brand name are afraid of not maintaining general trend due to consumption homogenization, and they are likely to pursue the best products and get easily indulged in new stuffs. 30% of Korean consumers regard high price brand as a tool for lifting their value, thus they want to show off their social status by residing in high class apartment with brand value. Therefore construction companies introduced apartment brand marketing characterized by high class strategy through brand naming in order to meet consumers' desires and help them select apartment they want.

(2) The studies of Apartment Brand
Korean construction companies start to reinforce the brand advertisement to heighten the brand reputations of apartment. Table 2-1 shows the current images and features of main apartment brands in Korea, here we can observe various strategies for differentiation. Various apartment brands have been developed to meet consumers' desire ranged from brands highlighting human oriented convenience and eco-friendly images to high class brand based on cutting edge technologies. This customer centered marketing has broadened the consumers' selection opportunity, as result consumers' purchase motivation have changed. The motivations of apartment are in the following order, Brand 25.6%, transportation 18.9%, investment value 11.1%. Here we can see brand is the first consideration (LG Economic Research Institute, Herald Economy, 2004). Brand value made by brand differentiation strategy is very important in apartment business.

(3) The Factors of successful Apartment Brand
The strategy to meet customers' needs is one of the reasons that they think highly of brand when purchasing apartment. As current consumers tend to prefer high class products and individualism, various forms of design, interiors and appearances are being developed to heighten the brand image. And brand value can also be heightened by differentiated brand name through designs in which functional aspects such as high technology facility and space arrangement with the consideration of consumer's conveniences.
### Table 2-1 Construction Companies’ Brands

<table>
<thead>
<tr>
<th>Brand Name (Company)</th>
<th>Differential Policy</th>
<th>Brand Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HILLSMART</strong> (Hyundai)</td>
<td>Europe Style Interior Design</td>
<td>High Subscribe-application Rate, Noticeable Brand Award 2006</td>
</tr>
<tr>
<td><strong>PARKROYAL</strong> (Daeum)</td>
<td>Korean Traditional &amp; Friendly Nature Concept Interior Design</td>
<td>High Subscribe-application Rate</td>
</tr>
<tr>
<td><strong>FRUGO</strong> (Daewoo)</td>
<td>Upgrade of the Place Plan &amp; complete Composition Interior Design for Housewives Convenience</td>
<td>The Best Subscribe-application Rate, The Brand Recognition &amp; Advertisement Award 2006</td>
</tr>
<tr>
<td><strong>RAEMAN</strong> (Samsung)</td>
<td>Future-oriented Ubiquitous Apartment Concept, Individual Heating System Every Rooms</td>
<td>Achieved 40% Sale Extension Average, Grew up the Double Amount of Sales, Construction Rights in a Year</td>
</tr>
<tr>
<td><strong>Xi</strong> (GS)</td>
<td>Xi-Innahal/Xi’s home wall, luxury in Xi</td>
<td>The Typical Korean Apartment Award (The 9th Green house Culture Award), The Present Year’s Brand Award 2006</td>
</tr>
</tbody>
</table>

### 2.2 The Brand of Silver Housing

**1) The Phenomenon of Silver Housing Brand**

Aged people with enough wealth increase as the social structure is changing recently, thus house business needs to be activated. Design and facilities have to be prepared for the conveniences of aged people to make their lives stable, and especially silver house should provide various services such as residence, health care and cultural program. Accompanied by this trend, brands with the strategy of various differentiated programs now are being developed or planned in current silver house business.

**2) The Examples of Silver Housing Brand**

The brand of silver house takes the physical handicaps of aged people into consideration preferentially, and tries to develop the complex health service by cooperation with hospitals. Table 2-2 shows the current situation of brands of silver houses in Korea which are now being sold.

### 3. The Analysis of Silver Housing Brand Factors

**3.1. The Factor of Silver Housing Brand**

Silver house business makes efforts to heighten the brand power by emphasizing various services such as health care, nursing, nourishment, culture and daily life programs. Korean society still regards even silver house as the previous institution for the aged, thus that way of thinking needs to be changed. Therefore silver house business tries to develop silver house brands by introducing brand differentiation strategy, however the specific ways of differentiation have not been proposed so far. To improve the image of silver house, it is important to give customers broadened opportunities for selection by understanding the needs of aged people and proposing superb housing brand to customers.

**Table 2-2 Silver Housing Brand**

<table>
<thead>
<tr>
<th>Silver Housing Brand</th>
<th>C.R.A.C.E</th>
<th>GRACE HILL SK</th>
<th>SK</th>
<th>Noble County</th>
<th>Noblesse Tower</th>
<th>Noblesse Tower</th>
<th>Seol Sanset Tower</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>Med-Friend Hospital</td>
<td>Noble County Medical Center</td>
<td>Corona Medical Center</td>
<td>Sengdo Hospital</td>
<td>Kanghwa Herb Clinic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Healthcare</td>
<td>Fitness Center</td>
<td>Sports Center</td>
<td>Prevention of a Disease Campaign</td>
<td>Personal Healthcare Service</td>
<td>Chinese Medicine Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meal</td>
<td>AMC Support</td>
<td>Chinese &amp; Family Restaurant</td>
<td>Nutritious Meals, Hotel Chef, Savourable Menu</td>
<td>Chinese Medicine Menu</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Culture Life</td>
<td>Theme Park/Golf</td>
<td>Theme Park</td>
<td>Leisure &amp; Education Program</td>
<td>Social Welfare Service</td>
<td>Connected with Art Gallery</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Living</td>
<td>Household Service</td>
<td>Fresh Residential Area</td>
<td>Assistance / Property Management</td>
<td>Large Private Area</td>
<td>Hotel Smart Room Service</td>
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</tbody>
</table>

### Complication Year

- Nov, 2006
- May, 2001
- Nov, 2007
- Feb, 2008
- Feb, 2008

### 4. Conclusion

This paper has examined the brand image of silver house business and reasons, based on cases and reasons of success in apartment brand of each construction company in Korea. As the apartment brands have been successful in Korean market, it is predicted that silver house business will introduce brand concept. The value of silver house is estimated to lie not in company image but in brand image as consumers now tend to prefer brand image. Currently some construction companies start to brand image silver house business, however consumers are confused due to lack of differentiation. Thus to make brands succeed in silver house business, health & medical care and cultural programs to satisfy needs of the aged have to be managed continuously based on specialized, differentiated brand strategy.

### 5. References

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