



## A customer focused approach to a new extra care housing development

This case study explores the findings from a piece of bespoke market research that was undertaken for Sussex Housing and Care, a not-for-profit housing association, to better understand the needs of potential residents for a new extra care housing development in Seaford, East Sussex. The research was undertaken twelve months before the marketing commenced or a digger had arrived on site.



Written for the Housing Learning & Improvement Network by **Helen Bailey**, Director of Aviatrix.

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## **Introduction**

Extra care housing is perceived as a new and attractive business proposition for existing housing and care providers. Whilst many providers have extensive experience and understanding of how to run a development, create and manage an extra care housing scheme, for others it is an enormous challenge.

There are a number of extra care housing specialists who advise on how to create the perfect scheme for older people, drawing on their experience of assisting and creating many developments for a number of different providers.

## **About Sussex Housing & Care**

Sussex Housing & Care are a not-for-profit Housing Association providing quality, affordable housing and care services for around 800 older people in Sussex. They prudently used the services of a consultant as part of their first step into this market.

Part of their strategy was to stamp their own values and beliefs on to the development and, in order to achieve this, Sussex Housing & Care decided to invest in customer research. This enabled their staff to better understand potential residents' perceptions of their plans, especially in relation to purchasing an apartment. Moreover, it allowed them to overcome the potential barriers to sales before they had even started marketing the scheme.

Conducting customer research as a step in creating or enhancing an existing scheme is an efficient and effective tool for housing providers. It can help to improve the quality of decisions, the communication of 'the offer' and, above all, the confidence in the management team to take the right actions.

The following summary is the work that was completed on behalf of Sussex Housing & Care to demonstrate the insights that the charity derived and how they have used these to increase success.

## **Background**

Sussex Housing & Care are creating their first 'extra care' housing scheme in Seaford on the site of a well established and known care home. The development is planned to open this year and will provide 35 state of the art extra care apartments for affordable rent or private sale.

The challenge was to develop and understand what the perceptions of such a development were amongst the target audience and how much potential residents would be prepared to pay.

## **Objectives**

The objective of the customer research was to gain a greater understanding of the appeal of the new development with the 'target' market including:

- gaining an insight into purchase price and service charge costs
- the design and size of accommodation that is required
- the perception of how the development should be described
- the expectations of all aspects of new development.

## **The Approach**

Consultants were commissioned to conduct quantitative and qualitative research amongst the target groups.

This primarily consisted of conducting two focus groups with 15 people, all aged 70 plus, who were all current residents of Seaford.

In addition, fifty telephone interviews were carried out to quantify the findings from the groups. The average age of the respondents was 72, 60% female, 64% married, 20% widowed and 92% owning their homes.

## **Summary of Findings**

The following headings summarise the particular issues reported by respondents; namely:

### ***Perceptions of the types of accommodation***

- The majority of respondents are aware of “retirement housing” (90%), “sheltered housing” (94%) and “rest homes” (84%) as the main descriptions for older people’s accommodation.
- Three quarters of the respondents had never considered moving into older people’s accommodation. Of those that had, residential care homes, retirement homes and sheltered housing were the most popular.
- Interestingly, they stated that there is a lack of understanding as to why the accommodation has to be described rather than named like any other home. Even though they are “old” they do not want to be “constantly” reminded of it especially by the name of the place that they live, “alzheimers or retirement home.” However, if the accommodation has to be named then an acceptable description is Retirement Village or ‘Lodge’.
- The awareness and understanding of the different types of older people’s accommodation available primarily comes from their experience of visiting family and, in particular, elderly friends.

### ***Lifestyle of respondents***

- All respondents that were interviewed and participated in the groups were socially active with family and friends. Those women that had been widowed appeared to be more socially active and independent.
- For those women who lived with their husbands, three quarters described their husbands as being in ill health and that a significant part of their time was taken up with caring for them.
- Generally, fitness is not seen as a separate activity but part of their lifestyle – gardening, walking, bowling or looking after grandchildren are pleasurable activities that also keep them fit.
- Going out to eat and enjoying coffee with family and friends is a part of their regular routine for 84% of respondents, with an emphasis on coffee shops as opposed to restaurants.

## Location

- There is high awareness of the old care home on the site which, for the vast majority of respondents, was perceived as very positive as a result of its good reputation. However, there was low awareness of why it closed and why the building has to be replaced. Explaining why the building is being rebuilt is important for respondents to understand so that it is not perceived as a waste of money.



*Digital plan for the new building*

- The location is perceived as a good place for the new development by the majority of respondents because it is on a bus line, in a part of town where there is “life”, has fabulous views and there is plenty of parking for them and visitors.

## Design

- Overall the design of the building is really appreciated and the apartments are perceived to be well planned with the right number of rooms. Getting the right balance of more living space than space in the bedrooms is important. (The two bedroom apartment is the most popular, if affordable, to accommodate guests and allow couples to sleep separately if necessary).
- The top three desired features of the apartments are i) plentiful car parking; ii) built in wardrobes; and iii) a location for mobility scooter storage and charging.
- Consideration to the noise from the road and the school drop offs and pickups in the design of the apartments is needed and also for the garden.
- It is pointed out that the seat in the shower will be essential as a compromise to not having a bath and ideally a discrete solution to the toilet height needs to be considered. The availability of a bath in a spa setting was liked.



*Plan for an apartment interior*

- Storage is a massive consideration for all respondents as they would all be downsizing and they want to have plenty of space for their “things”. Offering basement or loft space as additional storage areas would be their ideal.
- Efficient ventilation for the kitchen and for airing the apartment is important in addition to having the ability to adjust the heating in each individual home.

## Catering

- The restaurant is generally perceived as ‘nice to have’ and there was concern about the economics and the impact on the service charge. This perception is in the context of not knowing how important that might be for their “future self” who is less able to cook a decent

meal every day. However, there was an appreciation of the benefit of a well cooked meal on their health and well being and the social benefits of eating with the other residents.

- The self service cafe style was preferred by the majority of respondents to the option of a restaurant as they liked the idea of being able to have a proper coffee and cake in the morning as well as lunch. Lunch in this instance is a snack similar to what is available in high street cafe's such as paninis, toasted sandwiches and salads.
- Respondents commented that they would be happy to make an upfront financial commitment to eating in the restaurant regularly but it would be dependent on the restaurant serving good quality food.

### **Garden**

- The garden is well liked and perceived as a nice place for them to relax but would be better if it was more "real" with lawn and trees. The vast majority of respondents reported that they are keen gardeners and would like the opportunity to get involved in the garden.

### **Communal Areas**

- The communal areas are liked and seen as modern but any opportunities to decorate them to include local links to the local surroundings or being able to add personal touches would be welcomed, to make it feel like more of a home.



*Plan for a communal lounge area*

- Additional areas that would be liked are a laundrette, a guest room for those that can only afford a one bedroom apartment, balconies in the apartments and a communal drying area to hang clothes in the garden. Particularly important is the ability to dry clothes outside the apartment.
- A number of respondents currently regularly go for a dog walk, and many stated that they would like the new development to be pet friendly.
- The availability of wifi throughout the building was important to the majority of respondents with the possibility of computers in one of the communal areas.
- Interestingly, respondents were keen to ensure that all power should be eco-friendly and, not surprisingly, as economic as possible.

### **Entertainment and Services**

- Visiting hairdressers, manicurists and chiropodists are considered by respondents welcome services that they would use on a regular basis. This together with a post box available on site would be liked. It is important however that not everything is provided on site so there is an incentive to remain independent and visit the town.
- A regular twice a week programme of entertainment and events would be expected to be organised as part of living in the new development. This is perceived as an essential and important part of creating a great, social community.

### **Pricing**

- At £189,000, as of early 2014, it was noted that the price of the one bedroom apartment is slightly higher than expected but the two bedroom apartment at £220,000 appears to be more in line with what residents are willing to pay. However, the majority had no idea how much the value of the apartment would be as they were not currently aware of market prices.
- The awareness of a service charge was low with less than half having an idea of the quantum. For those that did estimate what the amount would be, it was in line with expectations, after they understood what is included especially with the inclusion of household bills.
- The service charge would need to be ideally expressed as a monthly or annual cost as opposed to a weekly cost so they can judge value for money and affordability.
- Clarity is needed if you would be able to stay in the new development, should you get too ill or run out of money to pay the service charge. Equally there is a need to know that the property can be included in your will and that your family can recoup the money invested.

### **Neighbours**

- Mixed tenure for the majority is not perceived as a problem. For those that had a problem there was a need for an assurance that the residents that were renting would be vetted to ensure that they would fit into the environment and would respect the accommodation.

### **Care and on site management**

- Varying levels of care needs are perceived as less of a problem than the mixed tenure, as long as the mix is carefully managed to avoid an imbalance in the community. Essential will be assessing all care needs before people move in
- Experienced on site management and great staff are perceived to be critical to the success of the accommodation.
- Assurances that the community would be well managed would come from understanding the process for people applying and being offered a place to live in the new development, and promoting the heritage and credentials of Sussex Housing & Care.

### **Why Move**

- There is a fear that a move to the new development or similar will bring to a close an independent lifestyle, being part of the larger community and leaving their beloved homes. However, feedback suggests that the catalyst to making the change for three quarters of respondents would be not being able to look after themselves, for health reasons, if widowed and if their children make them consider a move.
- There was a unanimous sense in the groups that once they fully understood the scheme that it became more attractive. One quarter stated that they would be quite or very likely to move to the new development.

### **Must have's**

- The absolute must haves included storage space, place for my car, accommodation, built in wardrobes, needs to be pet friendly, proper garden, balcony – access to outside space and to not be claustrophobic after living in a house, parking is important to accommodate the residents, staff and visitors, make it affordable, need a laundrette, communal area for outside drying and making sure the place is safe and secure at all times, good management and 24/7 warden.

## Key Learnings

The findings from the research highlighted the following learnings and opportunities for Sussex Housing & Care, in the plans for the new development:

1. The architecture and well planned accommodation will attract families and older people to the accommodation. However, it will be the creation of a highly social community that will make the new development a huge success and make it a sought after place to live for older people as this is a priority when choosing to move.
2. Eliminate all aspects of the development that will not be used and will cost money as financial prudence will attract older people who are price sensitive and do not like waste.
3. Be seen to be cost and eco-conscious in all aspects of the scheme.
4. Promoting the heritage of Sussex Housing & Care as a local, not-for-profit organisation with over 60 years of experience of housing and care will gain the trust of potential residents. They will therefore believe in the vigorous processes to ensure that the accommodation is just right for them.
5. Fantastic management and staff will be critical to creating Sussex Housing & Care's version of "assisted living" accommodation.
6. Remove all the barriers for not moving in – storage, garden, management and staff, benefits of owning your place, 24/7 management.
7. Emphasise what is included in the service charge and guarantees if possible on the annual increases, even making a comparison with an average home and the costs of running it. This will allow the potential residents to make an informed decision about moving.
8. Name the property, don't describe it.
9. Create a unique catering offer for the development that responds to the level and quality of the demand. In this case, this is an all day cafe that is "like what the residents are used to visiting" and offers hot snacks at lunchtime.
10. Investigate the possibility of including a number of meals a week as a commitment to the restaurant to make the economics work. Respondents were happy to make a regular financial commitment if the food was of the right quality.
11. Be clear on the boundaries both for residents, management and staff to ensure that there are realistic expectations on what services are offered and when they are available to create a positive and happy environment.
12. Throughout the discussion, it is evident that money is limited for the majority of people as they have an income that is fixed and do not have any potential increases in their earnings. Therefore, cost sensitivity is extremely high and any messages that promote the prudence will be highly attractive as you are 'talking their language.'
13. Promoting the life enhancing qualities of living in the new development to encourage more enthusiasm about a move will be effective. The essence of the discussion highlights that for the person who is moving the emotional benefits will far outweigh the practical ones.

## What Next

Sussex Housing and Care took the above recommendations and held a meeting with the architect, surveyors, builders, designers and operational teams to ensure that all the points were addressed. As a result of this work, a number of changes have been made including:



*Plan for the cafe restaurant*

- The cafe restaurant has been redesigned and will have longer opening hours, be open to the public and offer a range of cafe style snacks at lunchtime. The cafe restaurant concept is being sold to the public from the outset and the response has been positive. A “proper” coffee machine is being installed into the cafe and staff will receive barista training to ensure they can serve a quality range of coffees.
- Larger cupboards have been incorporated and built in wardrobes are now optional for sales properties to accommodate the need for storage.
- An outside drying area has been created in the garden. A spa/bathroom has been created that will be available for residents. It is being designed to be a luxury room with a Jacuzzi bath, reminiscent of a spa treatment room. The room will not be labelled an assisted bathroom!
- The service charge costs have been broken down into two elements – the service charge and the support and welfare costs. The details of the costs are being discussed as part of the selling process so that each line is clearly understood.
- The garden has been re-planned to include raised beds and larger lawns. The intention of having a resident’s gardening group has been discussed with prospective residents.
- There is a focus within the selling process to set the scene that Sussex Housing and Care are a not-for-profit organisation with a long heritage of providing quality housing and care support for older people.
- The recruitment process for the new team at Cheney’s Lodge is about finding people from a blend of backgrounds who are customer focused and keen to interact with residents.
- To help keep monthly running costs as low as possible for sales properties and eliminate the potential for any additional charges in future, major repairs will be funded by contribution to a sinking fund payable on sale. This contribution is 1.5% of the value of the property per year up to ten years (i.e. a maximum of 15%). This has provided reassurance to potential residents when making a decision to move.
- There are several upgrades in sales properties compared with rented ones. These include kitchen type, a washer dryer, integrated kitchen appliances, floor and lighting upgrades. Additional options include built in wardrobes, fireplace and carpets.
- And finally, local consultation (including the research project), engaged with the local community to such an extent that nearly half of sales properties have been reserved before the marketing campaign has started.



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## **Note**

The views expressed in this paper are those of the authors, and not necessarily those of the Housing Learning and Improvement Network.

## **About Aviatrix**

Aviatrix are a strategic research consultancy that have collaborated with Care Sec Ltd to provide catering advice and support to the housing and care industry. Projects include defining an appropriate catering offer, conducting a feasibility study, auditing a current offer, managing and assisting catering tender processes and conducting research amongst existing and potential residents. Helen Bailey MD of Aviatrix has twenty five years experience of working in the hospitality industry as adviser, researcher and operator. [www.aviatrix.co.uk](http://www.aviatrix.co.uk)

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## **About the Housing LIN**

Previously responsible for managing the Department of Health's Extra Care Housing Fund, the Housing Learning and Improvement Network (LIN) is the leading 'learning lab' for a growing network of housing, health and social care professionals in England involved in planning, commissioning, designing, funding, building and managing housing, care and support services for older people and vulnerable adults with long term conditions.

The Housing LIN welcomes contributions on a range of issues pertinent to housing with care for older and vulnerable adults. If there is a subject that you feel should be addressed, please contact us.

For further information about the Housing LIN's comprehensive list of online resources and shared learning and service improvement networking opportunities, including site visits and network meetings in your region, visit: [www.housinglin.org.uk](http://www.housinglin.org.uk)

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