

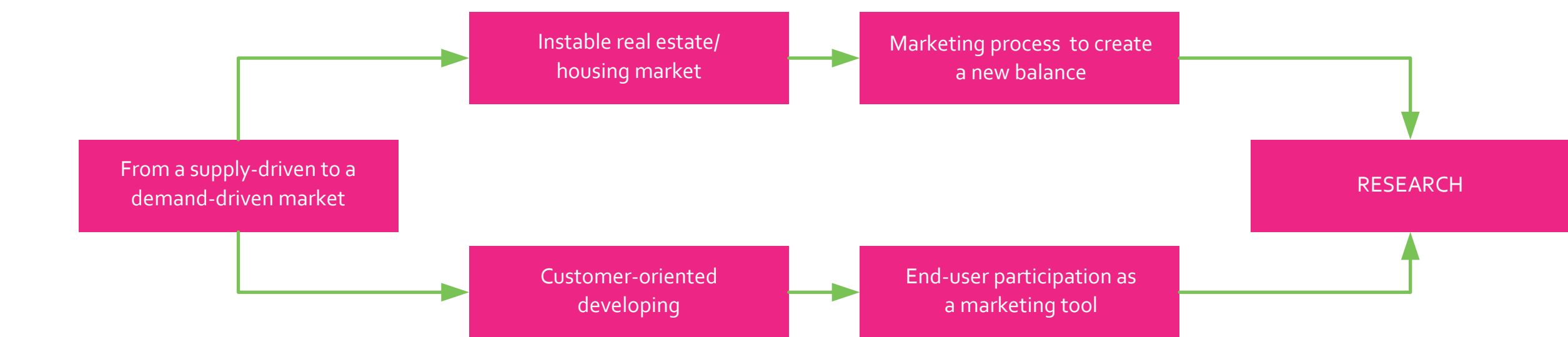
(End-user) participation as a commercial marketing tool

How can a developer use end-user participation as a commercial marketing tool, focused on developing a customer-oriented housing program, in inner city area development?

RESEARCH DESIGN

Motivation

The housing market recently altered from a supply-driven market to a demand-driven market. This, together with the growing self-consciousness of citizens, demands a more customer-oriented development. As a result of the two developments, the developer should make more effort to sell its dwellings and pay more attention to marketing. Therefore, the interest in end-user participation as a marketing tool is growing. Due to the shift of the assignment to inner city area development, that forms the overarching framework

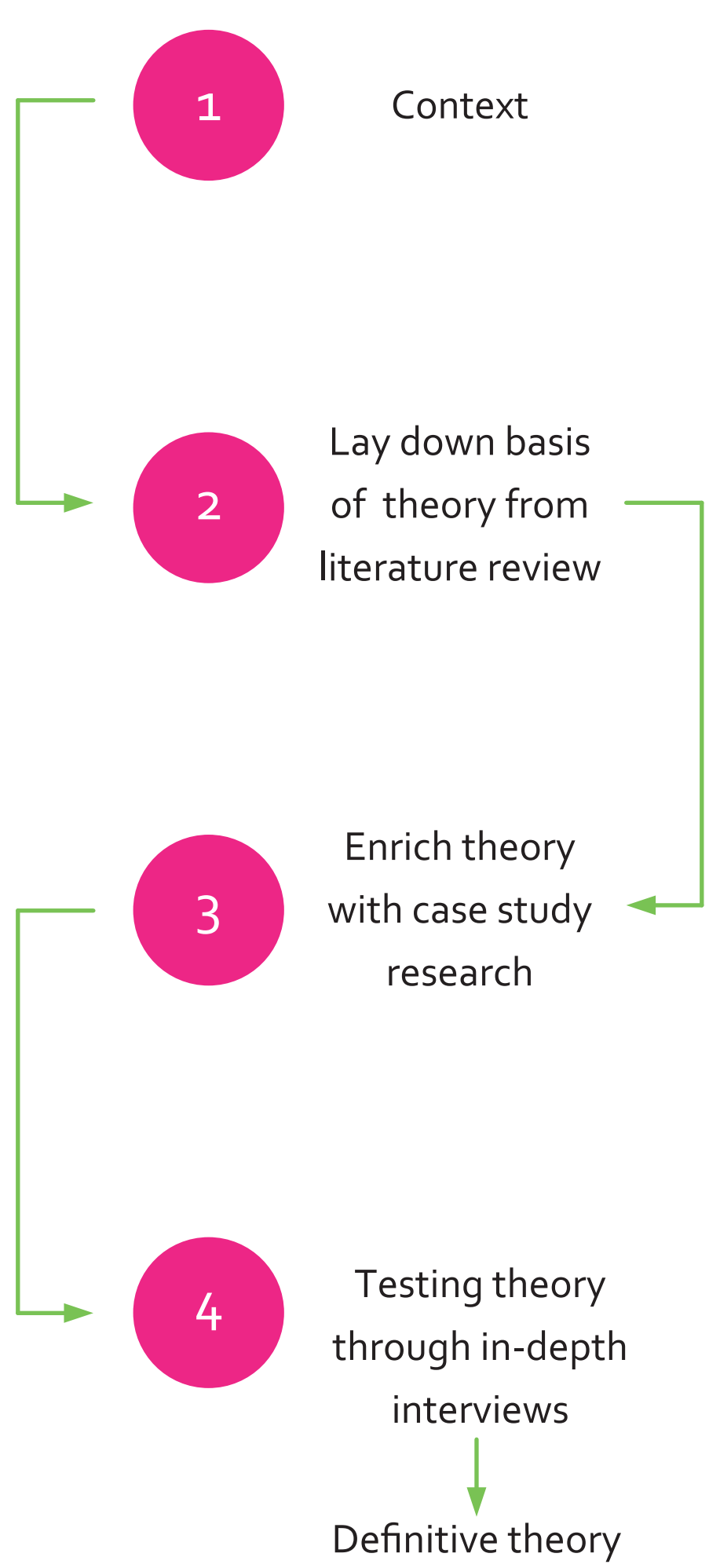


Problem statement & goal of research

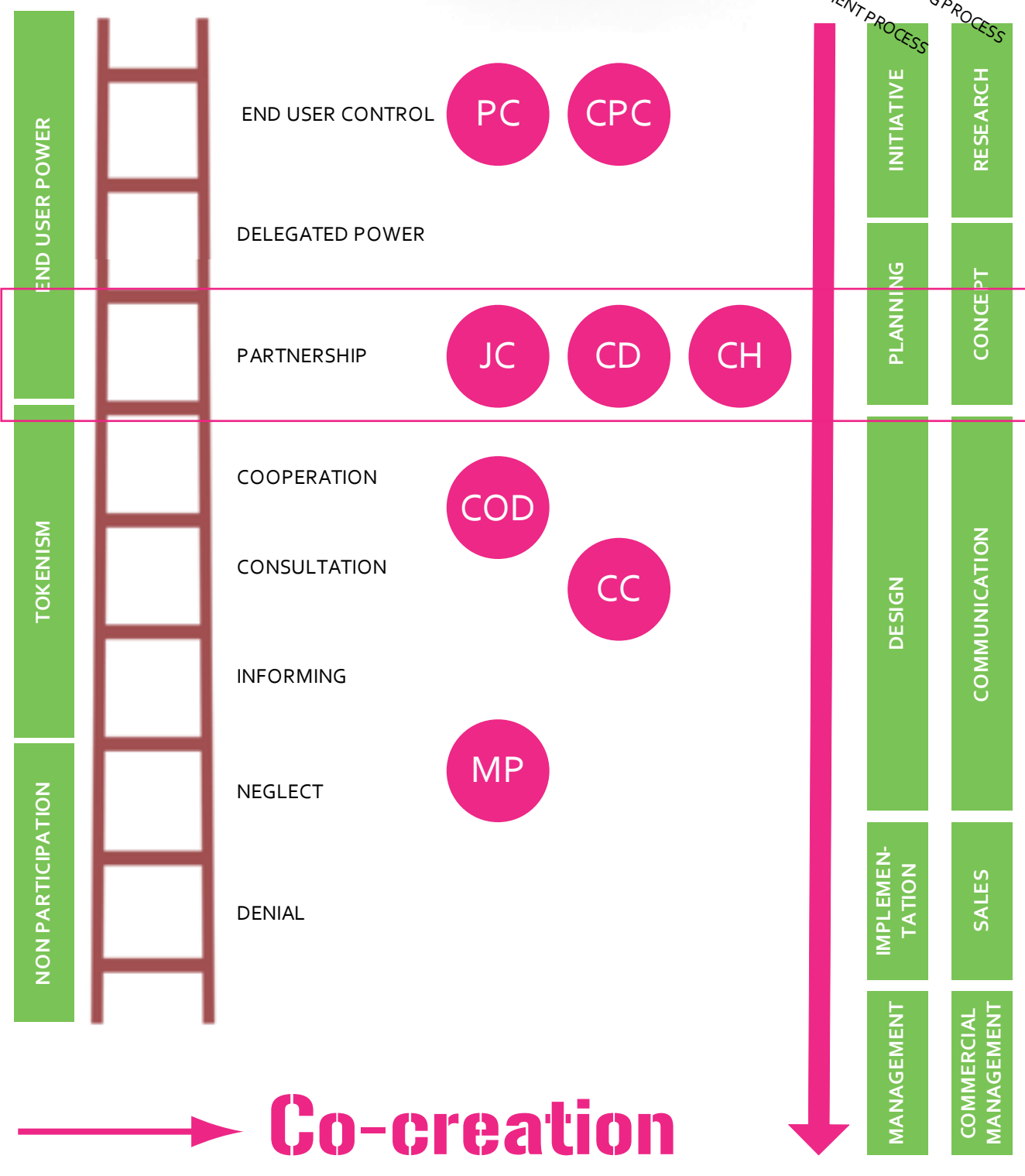
Problem. Although recent developments make it inevitable, participation has been rarely used as a commercial tool at the level of housing development. Furthermore, parties who serve the real estate market are not or hardly versed in marketing, and the marketing is often limited to the communication around a project

Goal. Examine how end-user participation can be effectively used as a commercial marketing tool within the inner city area development, to reduce walk away and sales risk

Research steps

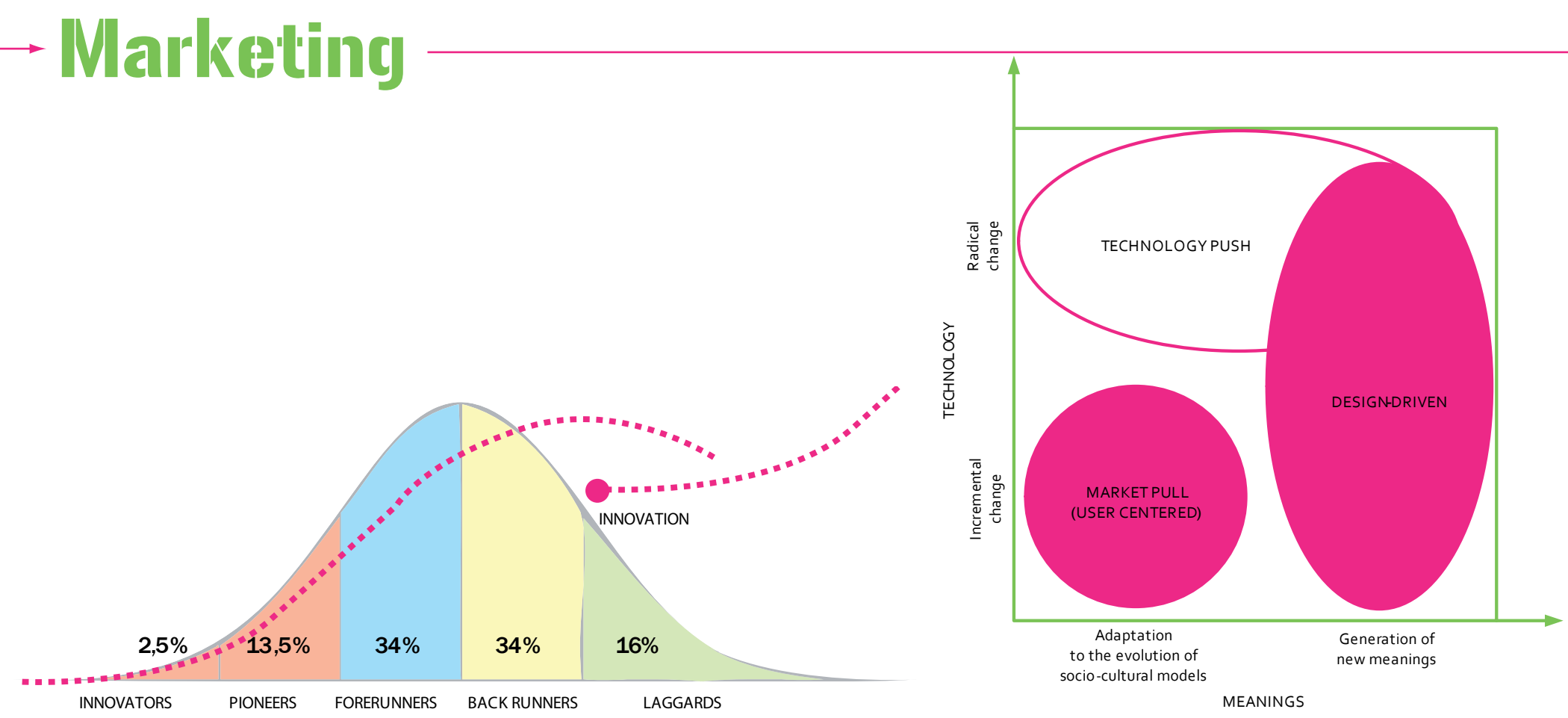
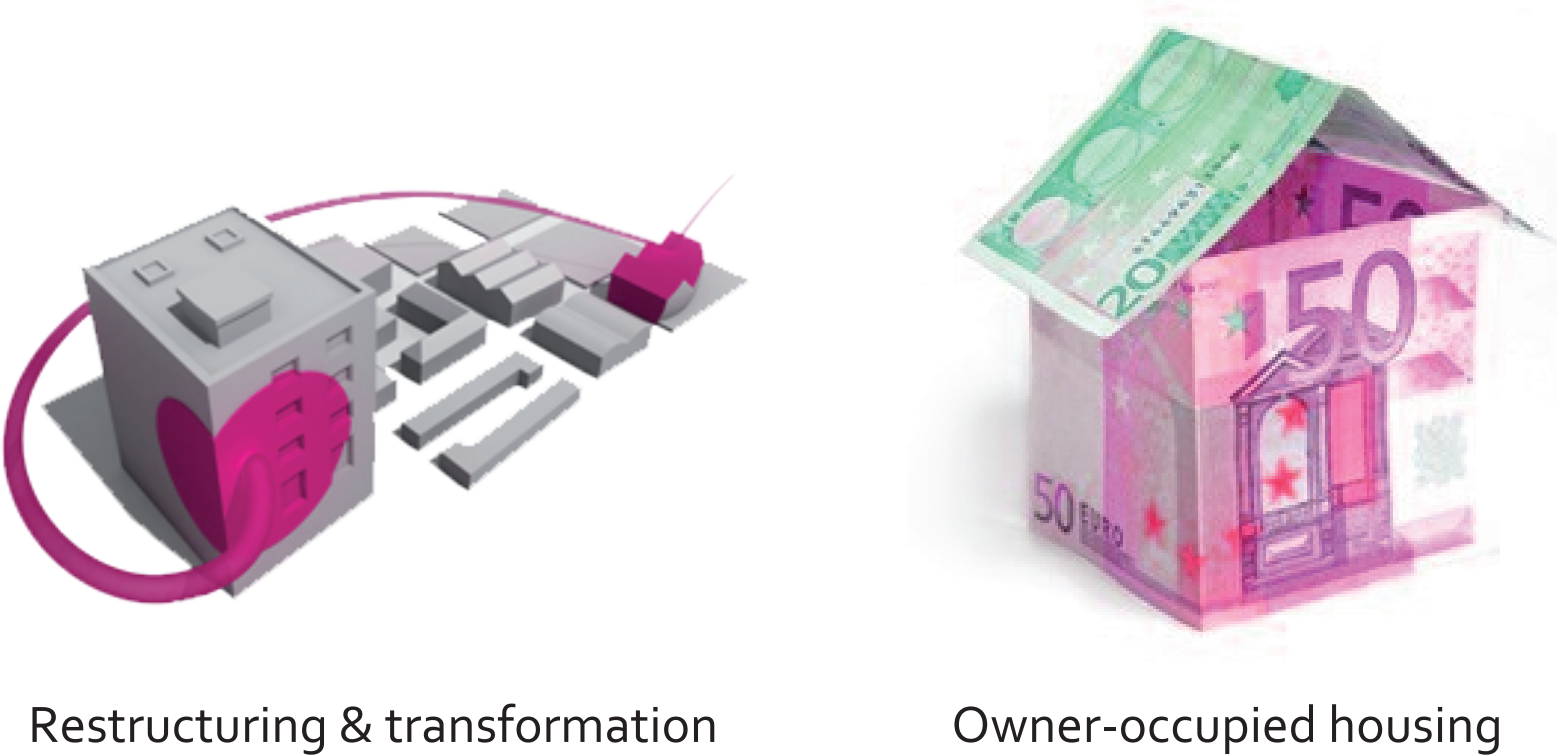


Positioning



CONTEXT

Inner city area → Housing market → Marketing



End-user participation/ co-creation

End-user participation. Personal involvement of actors who discuss and explore their housing preferences, as well as ways to make their needs known to designers and developers

Co-creation [positioning research - development form between traditional development and DIY]. Any form of dialogue between the initiator and participating consumer or organization, with the aim to create a new or improved product or service, in order to achieve an experience for the consumer and economic value for the initiating organization

CASE STUDY

Poptahof - Delft	Sion - Rijswijk	Strijp R - Eindhoven	Wiener & Co - Amsterdam	Delft à la Carte - Delft
<ul style="list-style-type: none">Poor marketRestructuring1100 dwellings and facilitiesRed and yellow lifestylesInformation center, soundig board (2) and design studio (3*)	<ul style="list-style-type: none">Poor marketTransformationApprox. 1200 dwellings and facilitiesAll lifestylesWebsite and information center (2)	<ul style="list-style-type: none">Poor marketTransformationApprox. 500 dwellings and facilitiesBlue lifestyle, combined with red and greenInformation center, website, soundig board, focus group combined with design studio (2 and 3*)	<ul style="list-style-type: none">Good marketTransformation69 dwellings and facilitiesRed and blue lifestylesWebsite (2), design studio (2 and 3*), eParticipation and focus group (3*)	<ul style="list-style-type: none">Poor marketTransformation55 dwellingsAll lifestylesDesign studio (3)

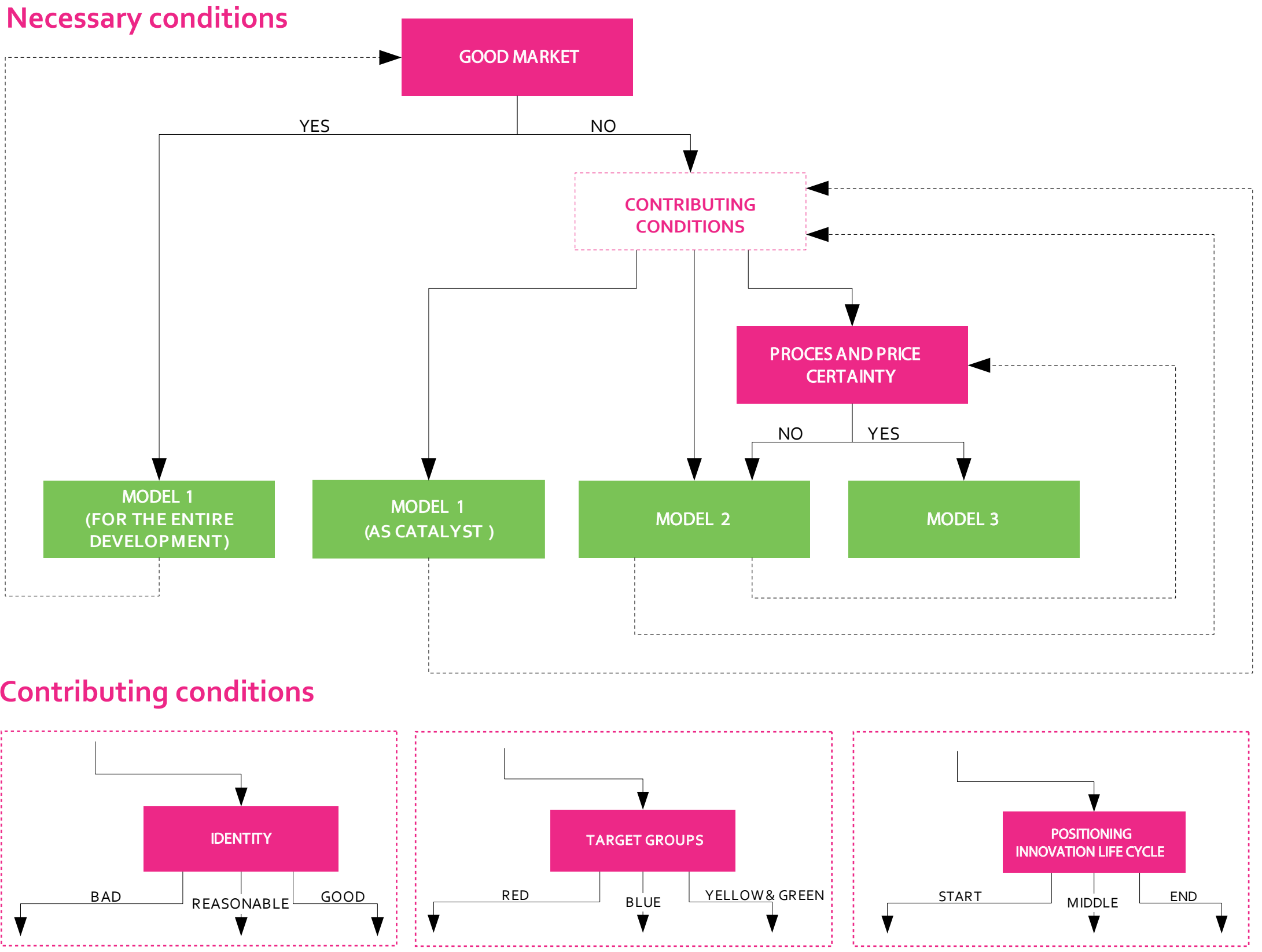
*Not applied yet

DEFINITIVE THEORY

Descriptive characteristics

	MODEL 1	MODEL 2	MODEL 3
Co-creator	Expert	Representative	End user
Positioning innovation lifecycle			
Lifestyles	Red	Blue	Yellow and green (and red and blue)
Identity	Poor		Good
Level	Global plan	Urban level	Level of plot
Ratio marketing / involvement end user			
Focus marketing	'Above the line'	'Above the line' / 'Below the line'	'Below the line'
Type of marketing	Area marketing	Location marketing	Product marketing
Marketing means	Personal network/ local environment	Research data and interested people	Research data and interested people
Core values communication	New media, experiential, colorful, images	Exclusivity	Sober, cosiness, harmony, cohesion, text
Participation means	Brainstorming session	Focus group, sounding board and design studio (on- and offline)	Design studio (offline)
Time use	Little		Large
Reference requirement	Little		Large
Risk acceptance	Large		Little

Conditions of application



Recommendations for future research

Investigate the possibilities of end-user participation among existing buildings Now the assignment shifts towards renovation and (temporarily) reallocation due to the changed reality, it is interesting to see how end-user participation can be deployed in that sense	Investigate the possibilities of end-user participation in the rental sector Due to the framework of the owner-occupied sector it is also interesting to investigate the possibilities for the rental sector. Especially now the demand shifts to rental dwellings and developers often enter into cooperation with investors	Research about extending the activities of the developer Because the developer has to do more effort to sell his dwellings, he should also start thinking about other business models	Investigate the opportunities of sustainability related to end-user participation It is interesting to investigate to what extent end-user participation offers opportunities to bring the sustainability aspirations of the entire project to a higher level
--	---	---	---

Recommendations from this research

The developer should: General <ul style="list-style-type: none">Not see the customer-oriented developing as a temporary hypeInvolve market knowledge early in the development processTempt the consumer himselfMonitor trendsBe detached from the resultMake use of segmentation for better reflecting to the value orientation of an areaIncreasingly think in terms of potentially successful target groupsHave the expertises product innovation, process management, expectation management, relationship management and communication skillsConsider the following soft factors: consistent implementation of core values and lifestyles, positive coverage, trust, listening, speed, transparency, enthusiasm, flexibility, clarity, good mindset, responsibility allocation, empathy, financial incentives, respect, reciprocity, feedback, inspiration and encouragementDevelop facilities that can contribute to the process reliabilityRe-engineer his process and construction flowAlso offer other types of development to serve the whole market Regarding the first model <ul style="list-style-type: none">Offer unique products and processesFocus on the practical value and experience of the product rather than on the product itselfDeploy brainstorming sessionsUse new media for communication and make it experimentally and colorful looking Regarding the second model <ul style="list-style-type: none">Reward participants, even if they have not become end usersDeploy focus groups, sounding boards and design studiosIn addition to the above means, also offer online features (website and eParticipation)Make the communication looking exclusively Regarding the third model <ul style="list-style-type: none">Employ a small grain sizeEncourage individual participation trajectories, but do not overlook groupsOrganize physical design studiosGuide the end users kindlyUse the communication to show the atmosphere of the neighborhood and to explain things

Student
Trienke Hooghiemstra

Head mentor TU Delft
Agnes Franzen

Company supervisor
Rob van Kalnouthout

Graduation company
PROPER STOK

Graduate departments
TU Delft

Student number
1360418

Second mentor TU Delft
Kees van der Flier

Graduation lab
Real Estate Management (UAD)

ONTWIKKELAARS

Praktijkleerstoel
Gebiedsontwikkeling

RE&H
Real Estate & Housing

Email
trienkehooghiemstra@gmail.com

External examiner TU Delft
Ad Straub

Date
July 3, 2012

Proper-Stok Ontwikkelaars

Praktijkleerstoel Gebiedsontwikkeling
(Urban Area Development)

Department of Real Estate & Housing