Innovative Transformation Leading Leisure and Wellness Smart Resorts in Industrial Parks: A Case Study of Newer Stone Carving Park Resort

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ABSTRACT

This case study uses the example of Newer Group's Mindfulness Health Smart Leisure Resort. Within the resort area, 3,000 ping on the southern side has been designated for the development of health-focused vacation homes. A groundbreaking ceremony took place on October 10, 2024, with the completion of the smart health resort expected by the end of 2026. The transformation project within the resort aims to explore how innovative design and the application of smart technology can enhance service quality and meet the leisure, and wellness needs of modern travelers. It reveals the differing demands across generations and proposes solutions for implementing smart technology. The main contributions include addressing retirement and elder care needs, applying smart home technologies, innovating the resort's business model, and suggesting transformation strategies, with the aim of providing reference and guidance for the sustainable development of the resort.

Keywords: Newer Art Resort, Smart Health Homes, Business Model Innovation, Transformation Strategy

INTRODUCTION

Case Introduction

In recent years, trends such as declining birth rates, an aging population, and a growing proportion of single individuals have led to increasing business opportunities related to aging awareness. According to statistics from the Ministry of the Interior's Household Registration Office in Taiwan (2024), the number of newborns in 2023 was approximately 133,800 (a decrease of 2.56% compared to 2022), while the population aged 60 and above reached about 6.05 million (an increase of 4.31% from 2022). Additionally, the number of single individuals was approximately 10.41 million (an increase of 1.37% compared to 2022) (see Table 1).

The primary focus of this case study is Newer Group's Mindfulness Health Smart Leisure Resort, established in 1987 and located in the Puli Basin of Nantou County, Central Taiwan. Covering an area of over 20,000 pings, the second-generation founders are considering how to sustainably operate and innovate within the resort area, creating unprecedented projects that integrate new smart medical technologies for dignified elderly retirement living. This has led to plans for dividing part of the land within the resort for self-built housing, emphasizing the concept of purchasing homes without extensive advertising.

Table 1. Population Registration Statistics for the Past Five Years

Year	Single Population	Population Aged 60 and above	Number of Newborns
2023	10,406,656	6,051,706	133,895
2022	10,266,230	5,801,373	137,413
2021	10,256,620	5,622,429	157,019
2020	10,257,479	5,464,400	161,288
2019	10,236,143	5,234,646	175,074

Source: Department of Household Registration, Ministry of the Interior, ROC (2024)

Rise of Vacation Rentals

According to statistics from the Transportation and Tourism Bureau (2023) (See Table 2), there are currently 119 registered tourist hotels (down from 3,354 in 2018) and 11,464 registered bed and breakfasts (up from 8,464 in 2018). Following the impact of Covid-19 and heightened awareness of fire safety inspections this year, significant revisions have been made to evacuation routes and public facility regulations, resulting in a survival-of-the-fittest scenario for existing operators. Additionally, the trend of smaller family structures due to declining birth rates has led to a rise in short trips and camping, as families seek to strengthen bonds during holidays. Table 1 clearly indicates the increasing number of bed and breakfast operators, presenting a challenge for established brands like Newer.

Table 2. 2023 Statistics of Registered Tourist Hotels and Bed and Breakfasts in Taiwan

Total Statistics of Tourist Hotels and Bed and Breakfasts in Taiwan																
	International Tourist Hotels				General Tourist Hotels				Total					合法民宿		Data Period: December 2023
Region / Number of Rooms	Number of Establish ments	Single Rooms	Double Rooms	Suites	Subtotal	Number of Establish ments	Single Rooms	Double Rooms	Suites	Subtotal	Number of Establish ments	Single Rooms	Double Rooms	Suites	Subtotal	Number of Establish ments	Room Statistics
New Taipei City	4	162	700	72	934	4	173	195	21	389	8	335	895	93	1,323	294	1,002
Taipei City	21	2,194	4,032	879	7,105	16	1,187	958	395	2,540	37	3,381	4,990	1,274	9,645	1	5
Taoyuan City	6	614	586	215	1,415	4	355	324	125	804	10	969	910	340	2,219	122	494
Taichung City	5	565	494	76	1,135	3	280	229	29	538	8	845	723	105	1,673	98	401
Tainan City	5	366	646	102	1,114	1	17	21	2	40	6	383	667	104	1,154	598	2,296
Kaohsiung City	8	937	1,715	390	3,042	2	95	238	64	397	10	1,032	1,953	454	3,439	147	589
Yilan County	5	260	534	99	893	4	137	385	67	589	9	397	919	166	1,482	1,933	7,253
Hsinchu County	1	261	92	33	386	1	242	105	37	384	2	503	197	70	770	105	499
Miaoli County	0	0	0	0	0	1	11	174	6	191	1	11	174	6	191	358	1,304
Changhua County	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	117	477
Nantou County	3	130	175	90	395	1	2	178	17	197	4	132	353	107	592	905	4,394
Yunlin County	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	72	332
Chiayi County	0	0	0	0	0	3	95	113	28	236	3	95	113	28	236	288	1,100
Pingtung County	2	122	593	24	739	1	24	184	26	234	3	146	777	50	973	1,184	5,536
Taitung County	3	143	295	69	507	1	20	259	11	290	4	163	554	80	797	1,482	6,526
Hualien County	6	266	833	304	1,403	0	0	0	0	0	6	266	833	304	1,403	1,787	7,298
Penghu County	1	61	247	23	331	1	44	17	13	74	2	105	264	36	405	1,243	5,894
Keelung City	0	0	0	0	0	1	73	64	4	141	1	73	64	4	141	3	15
Hsinchu City	2	320	114	31	465	0	0	0	0	0	2	320	114	31	465	2	10
Chiayi City	1	40	200	5	245	1	49	68	3	120	2	89	268	8	365	15	69
Kinmen County	0	0	0	0	0	1	3	41	3	47	1	3	41	3	47	473	2,272
Lienchiang County	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	237	1,241
Total	73	6,441	11,256	2,412	20,109	46	2,807	3,553	851	7,211	119	9,248	14,809	3,263	27,320	11,464	49,007

Research Contributions

This study aims to integrate leisure wellness, smart technology, and environmental design to provide a novel innovative model for resort vacation homes. By analyzing the needs of different generations, the research will reveal how to design leisure spaces that align with modern lifestyles while emphasizing sustainability and environmental concepts. The findings will offer theoretical foundations and practical recommendations for relevant industries, assisting policymakers and developers in considering diverse needs when designing smart vacation homes, thereby promoting industry transformation and upgrading.

Research Objectives

Explore Generational Needs: Analyze the leisure and wellness demands of different generations to understand their preferences and behavior patterns.

Smart Technology Application: Evaluate the potential applications of smart technology in vacation homes and explore its impact on improving living quality and health management.

Innovative Design Models: Propose new design models for leisure wellness vacation homes that incorporate concepts of environmental protection and sustainability.

Industry Transformation Recommendations: Provide concrete transformation strategies and practical suggestions for relevant industries to enhance overall service quality and market competitiveness.

Through this in-depth exploration, the study aims to offer new perspectives and insights into the development of smart leisure wellness vacation homes in the resort area, laying a foundation for future related research.

LITERATURE REVIEW

Declining Birth Rate and Aging Population

The world's population is currently undergoing aging, with the elderly population rising steadily in most countries (Zubiashvili & Zubiashvili, 2021). Population aging affects a nation's workforce and financial markets, influencing demand in areas such as food, clothing, housing, transportation, and social security, as well as family structures and intergenerational relationships. Older adults are increasingly viewed as active participants in the development process. According to Cho (2021), many countries will face significant challenges in public health systems, retirement mechanisms, and social security in the coming decades. In Taiwan, the birth rate ranks second lowest globally, just above South Korea, leading to ongoing changes in the age structure of the population. This situation heightens the sensitivity of societal demands and necessitates innovative policy responses, placing considerable pressure on national leaders to address the impending challenges for the next generation.

Taiwan is one of the countries with the lowest fertility rates in the world. Data released by Taiwan's Ministry of the Interior shows that only 181,601 newborns were recorded in 2018, marking the first time the birth rate fell below 200,000 during the financial crisis in 2008. Although the number of newborns increased in the following years, it began to decline annually from 2017, with a crude birth rate of 7.56% in 2018. Many observers are concerned that aging will adversely affect public finances and living standards. The impact of age structure on families and the government indicates that a fertility rate close to replacement level is most beneficial for living standards. When considering the costs of providing capital for an expanding workforce, a fertility rate below the replacement level can maximize per capita consumption. While low fertility rates indeed pose challenges for government planning and extremely low rates can diminish living standards, moderate low fertility and population decline can be beneficial for broader material living standards (Pan & Yang, 2020).

Over the past few decades, Taiwan has experienced extremely low fertility rates (Tsai et al., 2023). Age cohort analysis provides empirical evidence regarding the changing acceptance of childlessness and singlehood in response to this demographic trend. Support for non-traditional values related to marriage and childbearing has shown more consistency and significance in period effects compared to moderate differences between generations. From a gender perspective, highly educated and skilled women are more likely to embrace these new values compared to their male counterparts.

Viewing aging and the elderly from a political economy perspective highlights the significant impact of economic life on older adults and societal attitudes toward them (Estes, 2020). The core challenge of the political economy of aging is to understand the characteristics and implications of differing treatment of the elderly and connect this to broader social trends. A key task is to comprehend how the aging process itself is influenced by the treatment and social status of older individuals. The socio-historical, political, and economic context in which people age and become perceived as "problem groups" relates to understanding the relative influence of state and class relations, as they affect the resources allocated to different elderly populations.

The decline in fertility and mortality rates is a major driving factor behind global population aging (Jensen et al., 2020). Over the past thirty years, the rapid and sharp decrease in fertility rates, combined with a significant increase in life expectancy, is leading to a swift aging of the population. Two key issues arising from this rapid aging are gender-related concerns and the socioeconomic security of the elderly. Similar to many rapidly aging populations, there is a need for a strategy that provides social and economic support for the aging population, one that does not promote the view of aging as a burden.

Smart Wellness Residences

In response to the aging population, advancements in AI, Internet of Things (IoT) sensors, big data, and artificial intelligence have made discreet home health monitoring a research focus over the past few decades. Within an unobtrusive health monitoring framework in private spaces, physiological parameters can be reasonably monitored within a limited scope. Community facilities are equipped with basic recreational areas, while household appliances (such as smart sensors for water and electricity) in shared spaces ensure safety. In private areas, devices like smart beds and bathroom equipment can detect safety and security anomalies through environmental and behavioral data. Social interaction monitoring primarily relies on direct surveillance of communication tools, such as smartphones and computers. The community can offer immediate concierge services, shuttle buses, scheduled wellness classes, and regular health check-ups by medical personnel. This smart wellness residence serves as both a vacation home and a retirement dwelling, allowing retirees to maintain their dignity and hope for the future while minimizing the burden on the next generation (Wang et al., 2021).

According to Stolojescu-Crisan et al. (2021), the Internet of Things (IoT) is a system that enables devices to connect and be monitored remotely via the internet. The concept of IoT has significantly evolved and is now applied across various fields, including smart homes, telemedicine, and industrial environments. Wireless sensor network technology facilitates the global interconnection of advanced smart devices. A wireless home automation network consists of interconnected sensors and actuators that share resources, serving as a key technology for implementing smart homes. "Smart residences" are part of the IoT paradigm, designed to integrate home automation, allowing objects and devices within the home to connect to the internet, enabling users to monitor and control them remotely. This includes smart light switches that can be turned on and off via smartphones or voice commands, thermostats that adjust indoor temperatures and generate reports on energy usage, and smart irrigation systems that activate at specific times of the day to control water waste. Smart home solutions have become extremely popular in recent years, showcasing examples of smart homes utilizing various IoT-connected applications.

The smart home system architecture explores thermal comfort in indoor environments by employing fuzzy control to accurately operate devices within the smart home, thus ensuring thermal comfort. This study utilizes a distributed layout to measure data from three nodes within the indoor environment, ensuring the stability and reliability of the overall environmental data (Sung & Hsiao, 2020).

Smart appliances are evolving towards more contextual and intelligent applications (Lu & Zeng, 2022). With the increasing use of numerous smart devices, the load on the power grid continues to rise, reaching new highs. The smart grid, as an important carrier, features adaptive regulation and distribution of electrical energy. Among these innovations, smart electricity usage serves as a key means to enhance interaction between supply and demand sides. Smart devices are integrated into the distribution network through internet technology. The ongoing rise in public electricity demand, combined with technological advancements in smart devices, makes it more relevant to explore these issues from the perspective of electricity usage tasks. By scheduling various household electricity tasks according to dynamic real-time pricing, costs can be reduced, and daily peak loads can be minimized. An optimized scheduling model for smart appliances can effectively address these challenges.

Smart Homes: Emerging Trends and Challenges. The concept of smart homes is gaining increasing attention. The primary challenges facing smart homes include intelligent decision-making, secure identification and authentication of IoT devices, continuous connectivity, and issues related to data security and privacy. However, developing smart home automation systems that not only ensure security but also possess intelligent decision-making and analytical capabilities takes time. The novel concept of smart homes employs machine learning

algorithms (such as support vector machines) for intelligent decision-making and utilizes blockchain technology to ensure the identification and authentication of IoT devices. Emerging blockchain technology plays a crucial role by providing a reliable, secure, and decentralized mechanism for the identification and verification of IoT devices used in proposed home automation systems (Majeed et al., 2020).

The main task of novelty and practical value is the development, improvement, and research of methods and technologies for constructing smart home systems (Dudnik et al., 2020). In this work, a smart home network monitoring system was developed, which is divided into subsystems for controlling electrical and electromechanical devices. A method has been developed to measure the distance between wireless sensors within the smart home system to determine the point of occurrence of emergencies. An algorithm has been developed and studied for "bypassing" wireless sensor devices in smart home systems, allowing them to function in areas with limited visibility. A concept has been developed for placing sensors and ensuring stable system operation, enabling timely responses to emergencies.

Business Model Innovation

Velter and Bocken (2022) argue that without sustainable business model innovation, the potential for sustainable development cannot be fully realized. Their research emphasizes the necessity of multi-stakeholder collaboration to achieve sustainable business model innovation, yet few studies provide guidance for companies engaging in this collaborative process. Based on the concept of boundary work, the study proposes a tested process tool to assist companies in collaborating with multiple stakeholders to innovate sustainable business models. For companies, business model innovation can guide processes such as redesigning multi-stakeholder systems, assessing the distribution of their organizational branches, exploring, negotiating, and determining strategic action priorities based on changes in organizational boundaries, and initiating new partnerships, thereby enriching sustainable business model innovation.

Bachmann and Jodlbauer (2023) emphasize that business model innovation is crucial for both established companies and startups. The intensifying competition from market entrants, the ever-changing customer demands, the impact of new digital technologies, and the need for sustainability have all heightened its importance. With no retreat and increasing pressure from competitors, the significance of business model innovation continues to grow. To maintain competitiveness, businesses must continuously innovate their business models, as this process is not a one-time effort but a commitment to sustainability. Research indicates that existing companies capable of continuously innovating their business models in response to changing market conditions and customer needs are more likely to achieve sustained long-term success. Established firms leverage their market position, resources, and capabilities to maximize their impact in the economy, while also facing unique challenges and opportunities in innovating their business models.

The study examines how existing companies leverage digital technologies to create new business models and develop dynamic capabilities for digital transformation. The dynamic capabilities related to business model innovation have evolved significantly since the onset of digital transformation. Focusing on the integration of technological innovation and business model design jointly influences corporate growth. Utilization innovation and exploratory innovation are suited for different business model designs; an efficiency-centric business model design tends to reduce exploratory innovation, while a path-centric design minimizes the negative impacts of utilization innovation. This research, set against the backdrop of emerging economies, highlights that a company's choice to support either exploratory or utilization innovation pathways significantly affects the success of business model design, thereby

enhancing the understanding of the connections between business models and technological innovation processes (Bachmann & Jodlbauer, 2023).

Nansubuga and Kowalkowski (2024) emphasize that business models refer to how product-centric companies develop and implement expanded service models while addressing both developmental and inherent challenges. This includes pursuing ferritization through traditional product-centric models that rely on product sales and operational leasing. A business model can be viewed as a framework that simultaneously manages physical sales as the primary business model while incorporating services that operate in an intersecting manner, requiring high levels of innovative thinking and facing significant challenges.

Zott and Amit (2024) argue that business models serve as the foundation for entrepreneurship, encompassing entrepreneurial mindsets, working methods, driving factors, and obstacles. With the transformation brought about by new technologies and business models, these obstacles are continually adjusted and updated. Lean methodologies represent new ways of thinking and working, designing new business models that incorporate fresh thinking elements. Therefore, the intersection of "lean entrepreneurship" and "business models" is particularly challenging for companies and individuals, as their practices and prevailing mindsets are often based on established, traditional, non-lean, and product-centric approaches. Overcoming these strong cognitive barriers is a topic worthy of future exploration. The inherent tensions between these central models make business model innovation particularly challenging. Based on the above findings, this study defines a business model as a strategy and operational approach that combines physical and online technologies to create revenue and profit in the context of pet trade shows.

From the perspective of business innovation driven by artificial intelligence (AI), this study makes significant contributions by deriving six propositions regarding the potential impact of AI as a driver of business innovation on the dynamics of overall industry operations and work environments (Kanbach et al., 2024). The research is based on three categories of business innovation: value creation innovation, new proposition innovation, and value capture innovation. It specifically examines the potential impacts of AI across three industries: software engineering, healthcare, and financial services.

Transformation Strategies

This study identifies three emerging approaches that lead to successful digital transformation (Albukhitan, 2020). It challenges the effectiveness and validity of traditional linear transformation processes, which typically involve first formulating new strategies, business models, or organizational designs supported by digital technologies, followed by executing the plan.

Digital transformation refers to the unprecedented disruptions caused by advancements in digital technologies such as artificial intelligence, big data analytics, cloud computing, and the Internet of Things (IoT) across society, industries, and organizations. Currently, there is a lack of research on digital transformation in the field of environmental sustainability. Through a systematic literature review, this study identifies the disruptions brought about by digital transformation in the realm of environmental sustainability. The results present a framework outlining transformations in four key areas: pollution control, waste management, sustainable production, and urban sustainability. Each key area of transformation is further divided into additional subcategories. This research proposes a future research agenda concerning organizational capabilities, performance, and digital transformation strategies related to environmental sustainability (Feroz et al., 2021).

Digital transformation is reshaping society and industries, driven by the convergence of social, mobile, cloud, and intelligent technologies, alongside the growing demand for automation and integration (Fischer et al., 2020). While product and service innovations

present new opportunities, they are often perceived as threats to traditional business models, current organizational structures, and established business operations. As more companies face these challenges, digital transformation has become a top priority.

Research on digital transformation is thriving, particularly considering the COVID-19 pandemic, which has significantly impacted daily business operations and influenced their efforts toward greater digital maturity. During and after the pandemic, digitalization barriers may continue to emerge, leading to a new strategic discipline called "strategic action," which may aid manufacturing enterprises in successfully achieving digital transformation. The various definitions and drivers of digital technologies create obstacles for traditional industries in achieving digital maturity (Fischer et al., 2020).

The increasing digitization of the economy highlights the importance of digital transformation and how it helps businesses maintain market competitiveness (Jones & Zeng, 2020). However, disruptive changes occur not only at the company level but also have environmental, social, and institutional impacts. This is why research on digital transformation has garnered increasing attention over the past two decades. The literature review showcases the primary research pathways in digital transformation, viewing technology as the main driver of these changes. The literature on digital business transformation is qualitatively divided into three distinct clusters based on technological, business, and social impacts. Several research gaps identified in digital transformation suggest future research directions that could provide valuable insights for both government and the private sector. These insights can help them adapt to the disruptive changes brought about by this phenomenon and mitigate its negative impacts on society and the environment.

Digital transformation is crucial for all companies and industries, with key factors including systems, IT, strategy, and personnel (Porfírio et al., 2021). This study examines the relationship between digitalization strategies and corporate and business strategies, considering company and management characteristics. The findings represent an important step forward in understanding the conditions that facilitate higher levels of digital transformation, particularly concerning leadership and management associated with certain company characteristics. The conclusion underscores the critical role of leadership, highlighting that managerial consistency is vital for advancing the mission of driving higher levels of digitalization. Additionally, this research contributes to the development of knowledge regarding the optimal combination of company and management characteristics to promote digital technologies.

RESEARCH METHODOLOGY AND RESULTS

Case Analysis Study
Case Introduction
The primary focus of this case study is the Mindful Wellness Smart Leisure Resort of the Newer Group, established in 1987 and located in the Puli Basin of Nantou County, central Taiwan. It is just a five-minute drive from the Alian Interchange on Highway 6, making it a key stop on the way to Sun Moon Lake. Originally an art space showcasing the stone sculptures of renowned Taiwanese sculptor Lin Yuan, the resort is adorned with numerous works by Master Lin. The resort's rear mountain area is adjacent to Chien Shin University and features a unique hiking trail exclusive to Newer, creating a serene oasis amidst the bustling surroundings.

Chairman Huang, the founder of Newer, hails from a political family and aimed to promote the indigenous stone sculpture culture of Puli through a commemorative park model, initially relying on entrance fees for maintenance. Following the devastating 921 earthquake in 1999, the resort suffered significant damage, leading to operational difficulties. At this critical juncture, the second-generation manager, Huang Shou-ji, returned to Taiwan to take over the management.

Under his leadership, the resort underwent a transformative shift aimed at profitability. Seeking inspiration, he traveled to Canada to explore transformation opportunities. He imported Canadian fir wood to build small cabins and engaged Canadian technicians for nearly a year to assemble 78 cabins of varying sizes. During this period, the resort's landscaping was drastically redesigned by a team of Japanese horticultural experts associated with Tokugawa Iyasu, significantly enhancing the site. This marked the first major transformation for Newer.

The purpose of this study is to explore the development and challenges of the "Newer Group's Mindfulness Wellness Smart Resort." In the post-pandemic era, domestic tourism spending has decreased, while the maintenance and marketing costs of the extensive park remain high. Consequently, the study will categorize the park into different areas to adjust offerings for various age groups and stimulate on-site spending. The Newer Park is in Puli, a rare example of a complete flatland amidst mountainous terrain, providing a unique geographical advantage. Initially, the park will be divided into the following main areas:

A: Tour Bus Travel Group Consumption Area: Chinese group meal restaurants, DIY guided tours at the Nui Zhuangzi marketplace.

B: Small Family Individual Consumption Area: Omakase Japanese cuisine restaurant, French teppanyaki restaurant, outdoor afternoon tea area at Cupid's wood-fired oven, children's splash pool, and a petting zoo (opening by the end of 2024).

C: Business Group Consumption Area: Mindfulness Japanese conference center, outdoor plaza in the camping area (for weddings, company year-end parties, etc.).

D: Daily Rental Accommodation Area: Water and Pine Camping Area (treehouses, camper vans, various tents), small cabin area.

Different consumer segments will be categorized, and specific guided services will be developed for each group, ensuring that customers feel warmly welcomed and at home.

Case Study

As consumer demand for leisure and wellness continues to rise, the resort faces the challenge of transformation. This case study employs participant observation to gain an in-depth understanding of the resort's internal operations and customer needs, providing empirical evidence to support the transformation project.

Survey Objectives

Understanding Customer Needs: To gather customer expectations regarding the resort's facilities, services, and environment.

Assessing Existing Facilities: To analyze the current usage of facilities within the resort.

Exploring Transformation Opportunities: To identify improvement strategies that can enhance customer satisfaction and competitiveness.

Survey Methods

Observation: The research team conducted on-site observations at the resort, recording customer behavior and interactions.

Interviews: n-depth interviews were conducted with resort managers, staff, and customers to collect qualitative data.

Survey Content

Customer Background: Age, gender, travel purposes, and frequency of visits.

Facility Usage: Utilization rates and satisfaction levels for facilities such as the swimming pool, gym, spa, and dining options.

Needs and Expectations: Customer expectations regarding new facilities, services, and the application of smart technologies.

Suggestions and Feedback: Specific recommendations from customers for improving services or facilities.

Expected Outcomes

Customer Needs Report: An analysis of the needs of different customer segments,

providing a basis for the transformation project.

Facility Assessment Report: A summary of the current usage of facilities, identifying areas for improvement.

Transformation Recommendations: Concrete improvement measures and strategies to enhance the resort's competitiveness and customer satisfaction.

Conclusion

Through participant observation, this study aims to comprehensively understand the resort's internal operations and customer needs, providing robust support and guidance for future transformation projects. The findings will serve as a critical reference for transformation strategies, helping the resort stand out in the market.

Research Exploration

Resort Transformation

Resort transformation typically involves various models and theories, primarily encompassing the following aspects:

Business Model Innovation:

This entails altering the resort's profit generation methods and service offerings, such as shifting from traditional accommodation to providing comprehensive experiential services, including wellness, cultural, or eco-tourism.

Sustainability Theory:

Many resorts consider environmental protection and social responsibility in their transformation, promoting green tourism and community engagement to ensure long-term resource sustainability.

Market Segmentation and Positioning:

Resorts may adapt their offerings based on changing market demands, providing personalized products and services tailored to specific customer groups, such as families, honeymooners, or adventure seekers.

Experience Economy Theory:

Focusing on customer experiences, resorts aim to attract and retain clients by creating unique and memorable experiences.

These theories and models intertwine, enabling resorts to maintain competitiveness in an ever-evolving market landscape.

SWOT Analysis of Constructing Wellness Smart Residences in the Resort

When considering the construction of wellness smart residences within a resort, a SWOT analysis can help clarify our thoughts (see Table 3). Here are some key points:

Strengths

Firstly, these smart residences can offer customers a high-quality living experience that combines smart technology with wellness concepts. For instance, smart control systems can adjust the indoor environment to enhance comfort. Additionally, resorts often have prime locations surrounded by natural resources conducive to health and relaxation, which significantly aids in attracting customers.

Weaknesses

However, there are some challenges to consider. The high costs associated with the construction and maintenance of smart residences may impact profitability. Moreover, some customers may feel uneasy about relying too much on technology, especially older travelers or those less familiar with smart devices.

Opportunities

On the opportunity front, there is a growing market demand as people place greater emphasis on health and wellness. Particularly post-pandemic, more individuals are seeking safe

and healthy vacation options. This trend provides ample growth potential for our wellness smart residences, allowing us to attract more health-conscious customers.

Threats

Finally, we must be aware of potential threats, such as competitors quickly following suit or the proliferation of similar products in the market, which could affect our market share. Economic instability may also lead consumers to be more cautious about high-priced vacation choices.

In summary, building wellness smart residences in a resort presents numerous strengths and opportunities, but we must also confront certain challenges and threats. Careful analysis of these factors will help us develop more effective strategies to ensure the project's success.

Table 3. SWOT Analysis of Constructing Wellness Smart Residences in the Resort

Strengths	Weaknesses
Growing Market Demand: There is a continuous rise in the demand for wellness products and services due to increasing health consciousness among consumers. Integration of Technology: Smart home technology enhances convenience and improves the living experience through features like environmental control and health monitoring. Enhanced Competitiveness: Compared to traditional resorts, wellness smart residences are more attractive to customers seeking a healthy lifestyle. Diverse Services: Offering wellness programs, fitness facilities, and other related services can increase customer stay duration and spending.	High-Cost Investment: Constructing smart residences and related facilities requires significant capital, with a potentially long payback period. Technology Dependence: Any technical failures can negatively impact customer experience and satisfaction. Insufficient Market Awareness: Potential customers may lack awareness of smart residences, necessitating additional marketing and education efforts. Maintenance Costs: Ongoing maintenance and updates for smart devices require continuous investment, adding operational pressure.
Opportunities	**Threats**
Health Tourism Trend: With the rise of health tourism, wellness residences can attract more travelers seeking a healthy lifestyle. Policy Support: Government initiatives supporting smart cities, and the health industry may provide funding and favorable policies. Partnership Opportunities: Collaborations with health brands and medical institutions can enhance service offerings. Online Promotion: Utilizing digital marketing and social media can increase visibility and attract a younger demographic.	Intensified Competition: As market demand grows, competitors may quickly enter the market, impacting profitability. Economic Fluctuations: Economic downturns could lead consumers to reduce their vacation spending. Technological Changes: Rapid advancements in technology may render existing equipment obsolete, necessitating ongoing investment for updates. Environmental Issues: Climate change and other environmental challenges could affect the sustainable development of the resort.

CONCLUSIONS

This case study focuses on the "Newer Stone Sculpture Art Resort," situated in the Yushan Mountain range, benefiting from a unique geographical location in central Taiwan, lush natural scenery, and distinctive ethnic art sculptures. Under the current leader's transformative vision, the resort aims to thrive over the next 30 years by embracing change. While sustainable business practices often involve dismantling old structures to rebuild, clinging to outdated norms risks obsolescence in a competitive market. Innovative thinking can rekindle interest among both new and returning guests.

In summary, the resort's transformation is a multifaceted process that integrates business model innovation, sustainability theories, market segmentation and positioning, and experiential economy concepts. By applying these theories, the resort can adapt to changing market demands, offer unique customer experiences, and enhance economic benefits while promoting environmental protection and social responsibility. This transformation not only boosts the resort's competitiveness but also contributes to a more attractive travel destination.

Building wellness smart residences within the resort presents significant market potential, aligning with the growing demand for health tourism. By combining smart technology with wellness concepts, customer experience and satisfaction can be enhanced, further strengthening the resort's competitive edge. However, careful consideration of high investment costs and technology reliance is essential, alongside robust marketing education to raise market awareness. Overall, if risks are effectively managed and market opportunities leveraged, this initiative could become a core attraction for the resort, paving the way for long-term success.

Research Limitations

Sample Representativeness: If the customer sample surveyed in the study is small or lacks diversity, it may not comprehensively reflect market demand, thus affecting the generalizability of the research conclusions.

Rapid Technological Development: Smart technology evolves quickly, and the technologies discussed in the research may become outdated in the coming years, leading to a decline in the timeliness of the findings.

Cultural Differences: Definitions and demands related to wellness may vary across different regions. This cultural diversity can pose challenges when conducting comparative studies in a global context.

Financial and Cost Considerations: The initial investment required for constructing wellness smart residences may be high, potentially becoming a barrier for some resorts considering transformation.

Recommendations for Future Research

Expand Sample Size: Future studies could consider broadening the sample scope to include customers from various age groups and backgrounds, thereby obtaining more representative data.

Longitudinal Studies: Conduct long-term follow-up research to assess the actual operational effects of wellness smart residences and changes in customer satisfaction, adjusting based on market demand.

Cross-Cultural Comparisons: Explore demand differences for wellness smart residences across various cultural contexts to provide more targeted design and service recommendations for the international market.

Technology Assessment and Innovation: Continuously monitor the impact of emerging technologies on wellness smart residences and investigate how to effectively integrate new technologies to enhance customer living experiences.

Sustainable Development Research: Further exploration into the practices of wellness smart homes regarding environmental protection and sustainable development is essential. This includes investigating how to reduce energy consumption and utilize renewable resources to enhance overall social responsibility.

By implementing these follow-up research recommendations, we can continuously improve the design and operation of wellness smart homes within the resort, better meeting customer needs and adapting to market changes.

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