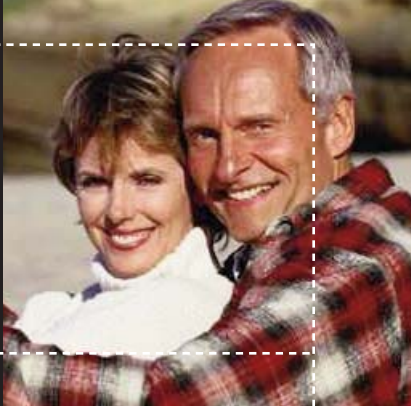


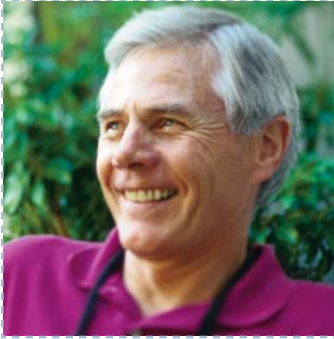
# What Seniors Think About CCRCs: What's Most Important to Your Residents and Prospective Residents



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# Acknowledgement



ARAMARK Senior Living Services thanks the following communities for their participation and cooperation in scheduling one-on-one interviews with their independent living residents. We appreciate all the support of administration, marketing, and activities for their time spent in recruiting residents to participate, scheduling, and logistics that made the study possible.

- ACTS Plantation Estates—North Carolina
- ACTS Edgewater Pointe Estates—Florida
- ACTS Indian River Estates East—Florida
- Amica Bayview—Toronto, Ontario, Canada\*
- Amica Villa da Vinci—Woodbridge, Ontario, Canada\*
- Epworth Villa—Oklahoma City, Oklahoma
- The Highlands—Wyomissing, Pennsylvania\*
- Holland Home—Grand Rapids, Michigan\*
- Manzano del Sol—Albuquerque, New Mexico
- Medford Leas—Medford, New Jersey\*
- Presbyterian Homes of Minnesota—Inver Grove Heights, Minnesota
- Presbyterian Homes of Minnesota, Boutwells Landing—Oak Park Heights, Minnesota
- The Village at Penn State—State College, Pennsylvania
- Weinberg Campus—Buffalo, New York\*
- Wesley Willows—Rockford, Illinois\*
- Westminster Canterbury Richmond—Richmond, Virginia
- Westminster Canterbury on Chesapeake Bay—Virginia Beach, Virginia\*

\*ARAMARK clients

# What Seniors Think About CCRCs:

## What's Most Important to Your Residents and Prospective Residents



**A full 60 percent of future potential residents do not know anyone who has been a resident of a CCRC, with 11 percent having never heard of a CCRC.**

### Objective

This position paper examines senior attitudes toward retirement options by exploring ARAMARK Senior Living Services' (SLS) proprietary research of perception and awareness concerning Continuing Care Retirement Communities (CCRCs). Utilizing this data to offer an understanding of the marketplace and what's important to the next generation resident, this position paper will also provide strategic suggestions for CCRC operators to meet the needs of current residents while gaining the attention of and recruiting new residents.

### Commissioning a Research Study

For the past five years, the senior living industry has made it a priority to begin planning for Baby Boomers as they begin to consider retirement housing alternatives. ARAMARK SLS set out to identify and quantify senior attitudes, to develop solid data that will help create messaging, planning, and programming that will resonate with current as well as the next generation of retirees.

ARAMARK SLS commissioned this research to address a gap that existed in the available information regarding seniors' perceptions of current and future housing options. The study was based on interviews and surveys of more than 2,000 seniors from the U.S. and Canada. The respondents represent two categories: independent living residents of CCRCs (521 respondents) and a random sampling of non-residents between ages 50 and 70, who represent future potential residents (1,500 respondents).

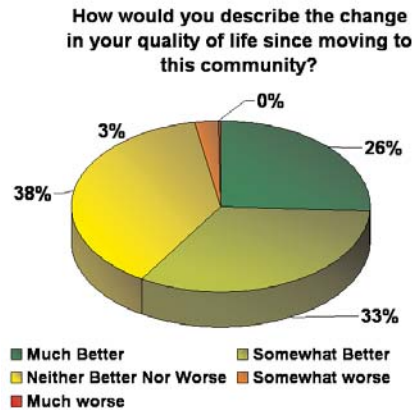
### Senior Perceptions of Retirement Living

Perhaps the biggest surprise of the study was in the area of awareness. A full 60 percent of 50 to 70 year olds do not know anyone who has been a resident of a CCRC, with 11 percent having never heard of CCRCs. Compared with other options, 72 percent of future potential residents know someone who currently lives in a skilled nursing facility; 70 percent know someone who lives in an assisted living community; and 53 percent know someone in an active adult community.

From the CCRC perspective, the lack of awareness among future potential residents translates into a misconception about quality of life. CCRCs rated the lowest in terms of perceived quality of life by those aged 50 to 70. Active adult communities were perceived to provide the highest quality of life, followed by assisted living and skilled nursing. In stark contrast 59% of independent living residents of participating CCRCs indicated that the change in their quality of life (excluding their health) since moving to the community was much or somewhat better.

Once a CCRC was described to future potential residents, 65 percent rated the quality of life excellent or very good (a 48 percent increase).

### Residents

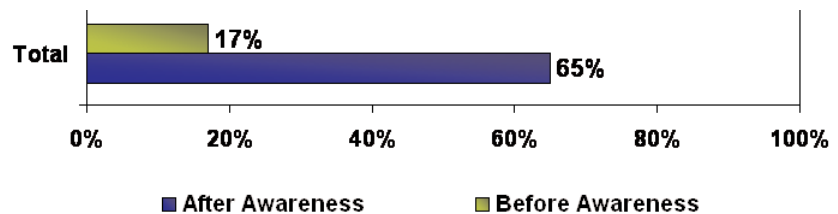


### Future Potential Residents



On the other hand, once a CCRC was described to future potential residents, 65 percent rated the quality of life to be excellent or very good (a 48 percent increase)—far higher than active adult, assisted living and skilled nursing communities. Based on the statistical sampling, which was weighted to reflect the U.S. population, more than 55 percent (or approximately 23 million people nationwide between the ages of 50 and 70) indicated after reading the description of a CCRC, that they would strongly consider a CCRC for themselves or their loved ones.

### Describe the Quality of Life Provided at a CCRC (Percent Excellent or Very Good)



Additionally, when CCRC residents were asked about their housing decision, 96 percent said that they were satisfied with their communities and, if they had it to do all over again, would make the same decision. Moreover, 88 percent said they would recommend their community to a friend.

	Total Residents %
Please tell me how satisfied you are with this community overall. (% Saying Very Satisfied)	79
If you had to do it all over again, how likely would you be to choose this community? (% Saying Very Likely)	88
How likely would you be to recommend this community to a friend? (% Saying Very Likely)	88



This means that CCRCs have a very good story to tell. While CCRCs have waiting lists of those who want to enter their communities, data suggests many seniors enter CCRCs later in life (average age 78) when they need more medical care and after they have first tried an active adult or assisted living community.

Many communities have couples on waiting lists for up to 15 years in the future so that “if something should happen, we’ll have a spot.” From a CCRC operator’s perspective, it is much more desirable to provide current residents with a high-quality experience with the expectation that they can attract additional seniors at an earlier age rather than when they are older and have committed a fair amount of their financial resources to living in other communities.

Boomers and the next generation resident have been much more mobile than their parents, relocating several times for new positions throughout their careers. This has led to a sense of flexibility and willingness of respondents from 50 to 70 years old to leave their family homes. In fact, our research shows only 12 percent of the future potential resident group said that they would not leave their homes. The willingness of today’s seniors to keep an open mind when determining retirement options makes the CCRC value proposition as critical as ever.

## Comparing Today’s Residents with Tomorrow’s

According to ARAMARK SLS findings, 94 percent of CCRC independent living residents are retired, 35 percent of which are widowed and their average net worth is nearly \$1 million, and annual household income of \$67,000. Not only that, but current residents are very well educated, with 31 percent holding master’s degrees or higher, well above the national sampling of 50 to 70 year olds. Residents are financing their retirement with a “three legged stool,” including Social Security, pension, and home equity.

Future potential residents also intend to finance their retirement primarily with Social Security and with money from the sale of their homes. However, less than one-third of future potential residents are actively preparing for retirement, and 34 percent of that group cited financial issues as top concerns. Not surprisingly, our additional segmentation of the 50 to 70 age group indicates that approximately 50 percent of the U.S. population will either not be interested or simply will not have the means to pursue lifestyles such as those provided by active adult, assisted living, or CCRCs.

### CCRC I/L Residents Background and Demographics

- **Gender**—Female: 63% vs. Male: 37%
- **Average Age**—79
- **Education** Less than two-year degree—19%  
Two-year to four-year degree—51%  
Masters degree or higher—31%
- **Annual Income Average**—\$67,302
- **Net Worth Average**—\$997,190

**Our research indicates that 63% of CCRC residents are women; and a senior's decision to enter a community is primarily influenced by daughters, sisters, and daughters-in-law.**

## Engaging Key Influencers

Family (43 percent) and friends (23 percent) offer the most guidance to those choosing a CCRC. Of this group, women have the most say. They represent the greatest number presently living in communities and also have the greatest influence on another's decision to enter a community. Our research indicates that 63 percent of CCRC residents are women; and a senior's decision to enter a community is primarily influenced by daughters, sisters, and daughters-in-law.

This finding is a clear opportunity to develop messaging through targeted marketing tactics "to women, for women." For example, one CCRC holds "high tea" for residents and encourages them to invite their families. This goes a long way toward making residents feel proud to be part of the community, delivering an exceptional experience and ensuring family members are confident their loved ones are actively engaged in satisfying activities. It is also a great way to introduce a potential resident and their loved ones to the community. It is no secret that current residents are CCRCs' most valuable marketing tools.

Another tactic to reach this demographic is gaining visibility in publications with women as the target audience. Putting advertisements or securing a public relations story in your local newspaper may help keep your community top-of-mind with potential residents and their female influencers.

According to our research, marketing to the boomer generation is an integral part of the mix for CCRC operators. Doing so helps foster a dialogue between boomers and their parents about living arrangements after retirement. Many boomers are feeling the effects of being the "sandwich generation," torn by demands of both their children and their parents. Since the boomer population is influencing decisions for their parents and may be future potential residents themselves, it makes sense to pursue opportunities to engage them as soon as possible.

Furthermore, post-retirement living realities for boomers will be closely tied to financial planning. Opportunities exist for retirement community operators to partner with and communicate their value propositions to financial advisory organizations, such as financial or estate planners, who will be working with the next generation to realistically plan for how they will live in retirement. Currently, our research shows 31 percent of 50 to 70 year olds are preparing financially for their future.



## Providing a Balance

CCRCs have to balance their efforts to attract new residents with activities that meet the needs of current residents. As the research indicates, current and future potential residents have different priorities when it comes to retirement living.

In some cases, communities are actively considering a real estate approach such that construction upgrades are available for enhancement to the standard package. This puts the onus on residents who are willing to pay for the amenities they desire for their lifestyle without the community assuming the risk for identifying preferences.

Other senior living communities are taking a hotel-like approach to providing a quality resident experience. By offering a variety of amenities, such as larger living spaces and hospitality programs that promote health and wellness, CCRCs are striving to meet the needs of current and prospective residents.

### What you should focus on to meet the needs of both groups

In terms of seniors' primary expectations from a community, both current CCRC residents and future potential residents placed high value on a number of drivers, several of which are emotional—including:

- Security.
- Appearance and upkeep of the facility.
- A warm and friendly atmosphere.
- A sense of pride in their living space.
- Availability of wellness programs.
- Access to quality medical care.
- Sense of well-being.
- Food quality.

More than half of all current and future potential residents rate healthy dining options as an important consideration. Creating customized dining programs that highlight fat-free as well as fresh and healthy menu items will appeal to residents. Furthermore, offering seminars about nutrition, health and wellness as well as diabetes and cholesterol screening, will ensure residents are engaged and confident that the community has their health in mind. CCRCs can also offer cooking classes to teach residents how to prepare their own healthful meals.



**Current residents prefer fine dining while potential residents prefer more casual dining opportunities.**

Current residents rated dining room appearance and value as important factors. CCRCs offer dining options ranging from fine dining to buffets to sports bars to room service. While both current and potential residents acknowledge food quality as being a top priority, current residents prefer fine dining while potential residents look for more casual dining opportunities. Both groups agree that having an on-site pub/sports bar and room service are the least preferred dining options.

Question	Highest Scoring Amenities	Definitely Use Participate	Very Important in Loved One's Choice
		Residents %	Future Potential Residents %
List of dining options that might be available in senior living communities	Fine Dining with wait staff	60	16
	Guest Meal Services	52	19
	Casual Dining	5	25
List of activities or amenities that might be available in senior living communities	Ample parking for residents/visitors	71	34
	Wellness Center	67	35
	Library	62	27
	Proximity to Performing Arts	52	12

Residents are also looking for recreational activities that help promote a healthy lifestyle. Both current and potential residents agree that the availability of a wellness center (exercise program, gym equipment, pool, etc.) plays a role in the decision to select a retirement community. While many CCRCs offer outdoor recreational activities, such as tennis and golf, most current and potential residents would prefer to go bowling or take a gardening class.

Convenience also plays a role in the decision to select a CCRC. Both current and potential residents agree that ample parking and an on-site library are important amenities when considering a facility. Potential residents also rated access to religious services and Internet availability very highly. However, potential residents are not overly interested in the community's proximity to the performing arts or theaters.

### **Communicating Your Value Proposition**

The research confirms that boomers will be a more demanding group to satisfy. With a variety of housing options available for seniors and a construction boom taking place within the senior living housing market, it is critical for CCRCs to differentiate themselves from active adult, assisted living and skilled nursing communities. Developing a strategic plan based on the preferences of current and prospective seniors may help recruit a larger share of the market.

Creating targeted messaging around key areas will resonate with both current and potential residents, as well as family members and friends who influence a senior's decision to enter a community. When considering messaging on all levels, it is important that CCRCs honestly and realistically assess their key strengths and develop brand attributes that speak to influencers and residents alike by aligning their message points with unmet emotional needs.

## Focus on Issues Important to Seniors:

- Security
- Environment
- Experience

### Focus on Issues Important to Seniors

**1. Increase staff and safety protocols**—Security is the number one driver of residents (87 percent) and top priority of potential future residents (73 percent). Communication regarding attention to safety and access to quality healthcare as appropriate will make residents feel more comfortable. Eighty percent of current and 70 percent of future potential residents say having access to medical professionals when needed is essential. Based on the research, potential residents value the fact that health professionals are readily available to help ensure residents have the appropriate medical attention when needed.

**2. You can judge a book by its cover**—The environment is more important to both future and potential residents than activities or dining options. Keeping up the facility and grounds and not deferring maintenance will positively impact current resident satisfaction while helping to recruit potential residents.

**3. Providing a dining experience**—With 75 percent of current and 71 percent of future potential residents rating food quality as a top priority, CCRCs will continue to focus on upgrading not only their culinary talent, but also on the dining environment. ARAMARK SLS has learned, for instance, that service delivery and the environment are inextricably connected. Some communities require a formal dining experience, however, a restaurant-style approach will not succeed if the other ingredients you would typically find at a five-star establishment are missing. This includes everything from the menu to the atmosphere of the dining room to the attire of the servers to a point-of-sale system that encourages participation by residents and their guests. Consider hospitality training for your wait service staff and the rest of your organization as well. Daily interaction with residents is really the truest test of the mission, vision, and values of your community. From fine to casual dining, communities must create an approach that provides for the needs of current residents and at the same time appeals to potential residents. Stated another way, we must ensure that all operations and employees are aligned with (i) the promises made to our residents; (ii) the marketing and sales claims made in our brochures to new, incoming residents; and (iii) ultimately the reputation we wish to hold in the market.



**Culture change:  
identify what  
needs to happen  
in the market**

## Staffing for Best Outcomes

Trying to deliver on very different experiences with a limited employee base could result in dissatisfaction from both residents and employees. Instead, ensure a hospitality experience by staffing adequately and developing employees who are sensitive to the specific emotional needs of the residents.

With labor shortages within the industry, what will help ensure that CCRCs are able to find employees with the right behaviors to fill open roles, while helping to retain that workforce after selecting, hiring, and training them? Service workers are delivering the resident experience that is promised to residents and future residents.

For example, the study determined that boomers will be more focused than past generations on fitness and wellness programs. It would make sense to have staff specifically oriented to delivering quality programs in this area. Boomers also expect a service-focused culinary experience. Delivering a quality outcome in this area also will take specific expertise.

The words “culture change” identify what needs to happen in the market. But what is being done to begin this change? This may mean engaging an organizational development resource to help gear up the organization to make the changes that are necessary. Organization development is basically a training and development strategy for shifting beliefs, values, systems, and structures to improve performance and effectiveness. What may seem like simple operational process changes can result in significant consequences. Converting from a tray line to dining room service should be the standard for residents in healthcare. However, unless nursing, certified nursing assistants (CNAs), and dining staff work together, the effort can result in significant frustration. One nursing home, of which we are aware, experienced nothing short of disaster when it converted from tray line to buffet service. The community had not thought through the implications of the operation, and CNAs were frustrated and stressed when they arrived in the dining room only to discover that they not only had to seat residents, but also let them know what was on the buffet, take their order, pick out their food, and then bring it to the table.

ARAMARK SLS has set the standard to benchmark its services against the hospitality industry rather than long-term care. We have discovered that service employees who view their jobs in a way that is focused on how they will make people feel, rather than simply completing a task, will deliver the best outcomes. In fact, we have been able to quantify the correlation that exists between resident and employee engagement. Staff that can consistently and sensitively deliver high-quality service with an understanding of emotional triggers, such as preserving a person’s dignity, quality of life, pride, and independence, will produce the best experiences. Many times this starts with hiring people with the behaviors and personalities that are geared to these outcomes, then training on specific skill sets.

## Preparing for the Future

As the research indicates, boomers expect “experiences” in life. In the next few years, CCRCs that are geared up culturally to deliver programs that meet their higher expectations will be set apart from the others.

CCRCs that plan now to strategically raise awareness and engage boomers with emotionally connected messages will be positioned best. Those able to deliver their value proposition by actively reaching boomers’ children, women family members, and financial planners also will have an advantage.

Once boomers begin to enter the continuum, CCRCs that have created a service culture trained to deliver hospitality-based experiences with outstanding execution of the most valued programs and services will retain residents and maintain high levels of resident satisfaction.

### About ARAMARK Senior Living Services

At ARAMARK Senior Living Services, we assemble one best team where purpose, passion, and respect for the individual are keystones of service delivery to achieve our commitment to provide a superior dining experience and maintain safe, clean, and attractive communities for our clients’ independent, assisted, and skilled nursing residents. ARAMARK SLS’s vision for the senior living industry sets us apart and provides our professionals with lifelong career opportunities and pride in their daily interaction with 36,000 residents each day at more than 170 client locations across North America.

### Why ARAMARK Senior Living Services Conducted this Study

ARAMARK Senior Living Services set out to identify those attributes which CCRC independent living residents consider as most important to help develop and refine the company’s market-based strategy and better relate to our clients’ missions. ARAMARK currently surveys approximately 500,000 customers per year to gain input into dining and life style expectations.



1.800.909.7373 • [solutions@aramark.com](mailto:solutions@aramark.com) • [www.aramark.com](http://www.aramark.com)