



LIVING IT UP DOWNTOWN
Seniors bailing on the burbs
in Buffalo!

CHANGE
Redesigning the maze!

YOUR DATABASE
Does it need a plumber?

YOU'VE GOT MAIL
Why it's all about the list.

Rob Wallace

*President and CEO of Episcopal Church Home Services
Executive Director at Canterbury Woods*

Williamsville, New York



THE RD TEAM Left to right: **Jeff House**, Director of Research; **Tina Mcleod**, Principal, Consultant; **Patti Briggs**, Sales Specialist; **Ann Marie Ladis**, Principal, Consultant; **Beth Williams**, Administration; **Patti Hutton**, Principal, Consultant; **Bonnie Blair**, Founding Principal; **Bobby Sumner**, President, Founding Principal; **Perry Aycock**, CEO; **Patty Scotten**, Marketing Manager, Consultant; **Deborah Potter**, Consultant.

WHAT WE LEARN BECOMES A PART OF WHAT WE ARE

It is a wonderful opportunity to serve many retirement communities as they emerge better and stronger during the economic recovery. After the 2008 recession and the subsequent sluggish years, retirement community leadership responded to the challenging environment of dwindling occupancy and the accompanying financial difficulties in numerous ways, including reducing staff; creating new contract and refund structures; re-pricing; and deferring maintenance and renovations. Today, in a stronger economic environment, many communities and organizations are beginning expansions; starting Continuing Care at Home programs; repositioning their communities, and conducting analysis and repricing residences.



As an authentic, passionate, results-driven consulting firm, **Retirement DYNAMICS** has been successful — even during the downturn in the economy — because of our desire and ability to serve a variety of needs in a range of environments. Over the past few years, our consultants have learned a great deal and further refined RD's services to be an even better custom fit for our clients.

BUFFALO SENIORS ARE LIVING IT UP..DOWNTOWN



There is a new generation of seniors who want to enjoy a dynamic urban lifestyle. In the past, seniors have had very few options for upscale downtown living, where residents are near a city's restaurants, cultural events, entertainment and sports venues-and at the same time accommodate a continuum of care. As today's seniors remain active and engaged and baby boomers arrive in the marketplace, this is seen by many to be the future of senior living.

For Episcopal Church Home & Affiliates, the parent of the successful continuing care community, Canterbury Woods in suburban Williamsville, New York, the future is here now. Priority deposits have been taken for apartments to be built at Gates Circle, a historic area in the heart of the charming Elmwood district near downtown Buffalo and demand is already high. More than 130 people have signed up to invest in entrance fees that will enable them to become residents of the progressive community. The \$28 million campus will feature 53 independent living and 5 assisted living apartments and will be prominently featured on Gates Circle facing Chapin Parkway. Rob Wallace, President and CEO of

Episcopal Church Home Services and Executive Director at Canterbury Woods explains, "We're very excited about all of the interest in the Gates Circle community, and we view this as an extension of our Williamsburg community in everyway. Canterbury Woods has been on the forefront of senior care since we opened our doors 15 years ago, and now people who live at Canterbury Woods Gates Circle can access and enjoy all that they love about city living with the same freedom they enjoy today, backed by the security and peace of mind that is inherent to being part of the Canterbury Woods community."

Mr. Wallace describes RD's contribution to the project. "Retirement DYNAMICS worked closely with our development and leadership teams to create a successful strategic marketing plan and worked hands-on with our sales team to reach our goals. I believe the engagement of Retirement DYNAMICS to advance this project has been key to our rapid progress."

RD now offers a "buffet" of services that are adapted to clients' opportunities, challenges and budgets. Clients can select from a wide range of types of engagements and product lines. A few examples follow.

- OVERALL MARKETING CONSULTATION WITH SYSTEMS**
- FULL MARKETING CONSULTATION WITH SINGLE SITE**
- SUPERVISORY CONSULTATION**
- HOURLY CONSULTATION**
- FULL CONSULTATION FOR EXPANSIONS OR GREENFIELD PROJECTS**
- SALES SPECIALIST**
- LEAD GENERATION SURVEY**
- RADICAL SALES TRAINING**
- SPREAD-THE-WORD CAMPAIGN**
- PRICING ANALYSIS**
- MARKETING & SALES MANUAL**
- AND MORE**

Retirement DYNAMICS offers a myriad of services that can be custom-fit to meet the ever-changing needs of today's senior living community. Visit www.retirementdynamics.com to explore our services and find what fits your community.

CHANGE AND REDESIGNING THE MAZE

By Bobby Sumner



Jim Rohn, the late leadership and motivational guru once said ...

People and organizations change for one of two reasons: “inspiration” or desperation.

While many people accept the premise that change is inevitable, very few people know how to anticipate change or how to be proactive before change happens. Doing nothing doesn't mean that nothing is going to happen.

The retirement industry is undergoing significant changes, and more changes are coming – it's guaranteed. The questions have to be asked of all providers and professionals, “What have you done to change? What are you doing to anticipate changes? How can you be proactive?”

Many people have read the book by Dr. Spencer Johnson, ***Who Moved My Cheese?*** It's about change and how we adapt to it; however, a significant premise of the book is that change happens “within” the maze/paradigm. In quite simple terms, communities have been looking for “new cheese” – new prospects within the maze. There's nothing wrong with looking for new cheese – new prospects to fill our existing communities, but why not look for new cheese in the form a new product, not necessarily on your existing campus?

Change does not necessarily happen within the maze or within our paradigm. According to the experts, we have to anticipate change in and from all areas of our communities and organizations. Is there an unmet need that virtually no one is meeting?

Enter Deepak Molhata, the author of the new book: ***I Moved Your Cheese.*** Deepak insists that while change does occur, in today's world, there is no maze. “The main characters are three unique and adventurous mice: Max, Zed and Big. As we watch their lives unfold and intersect, we discover that instead of just reacting to change and chasing the cheese, each of us has the ability to escape the maze or even reconfigure the maze to our liking.”

We must all think and act proactively **OUTSIDE** of the maze or paradigm that is known as the Senior Industry.

QUESTION: How can you redesign the maze?

ANSWER: The more active Silents and upcoming Boomers want more than an “isolated” community. They want to be a part of a neighborhood, in a place where the action is. A Satellite Community may be just the answer.

New at Retirement DYNAMICS is Retirement DYNAMICS Development, which is focused on the concept of New Urbanism. We have helped to successfully launch Gates Circle, a new Satellite Community in Buffalo, NY. Let us help you explore the possibilities for your community.

Call us to also learn about the progress of our Active Adult Choice Communities for smaller towns with vibrant, active downtowns. Learn how to dramatically reduce costs on common areas, amenities and full health care. Limit expansion risks. Why not? You have nothing to lose.



YOU'VE GOT MAIL

(AND WHY IT'S ALL ABOUT THE LIST)

By Patti Hutton and Jackie Velazquez



Facebook, YouTube, Instagram, blogging ... it's an increasingly digital age with new social media avenues developing every day. And yet, one-to-one targeted direct mail — combined with digital email marketing — remains one of the most effective marketing strategies and a key component of a good strategic marketing plan.

No matter how a message is delivered, the basics of direct marketing have not really changed. When the right offer is made at the right time to the right person, there will be success. So how do you make that happen?

DIRECT MAIL IS THE MOST EFFECTIVE MARKETING

According to **Target Marketing Magazine**, expenditures on direct mail are increasing, with a prediction that direct mail alone will see costs increase by 2 percent this year to more than \$46 billion dollars annually.

When done correctly, direct mail is one of the most effective marketing tools for a retirement community. Receiving mail from the postal service is a visual and tactile experience that can make a lasting impression. According to the **Direct Marketing Association Fact Book 2015**, 65% of consumers of all ages have made a purchase as a result of direct mail. Mail campaigns may succeed or fail for many different reasons; however, the two most common reasons are the list or the offer. Generally, the rule of thumb or the equation for success is as follows: • **40 % list** • **40 % offer** • **20 % mail piece**

IT'S ALL ABOUT THE LIST

Successful mailings begin with a good list. Without an accurate, targeted list, the mailing will, more often than not, fail. List vendors are working every day on ways to improve their data and add more variables that allow campaigns to better target customers to the offer. SmarTarget Marketing (STM) has been focused on finding the right person since 1986 with SmarTarget's legacy original source consumer marketing database, which was started during the 1980s when the Public Record Birth Date Data was much more available than it is today.

What has been exciting in the development of direct mail marketing is the ability to personalize messages and to an increasingly targeted customer based on the demographic, lifestyle and pscho-graphics profiles. In recent years data variables available have grown from just a few to hundreds. Two key components are:

• DEMOGRAPHIC

Every Campaign relies on solid demographics such as geography, age, family makeup and homeownership. The STM database brings your community the most current, accurate demographic data available.

• LIFESTYLE

What consumers do in their spare time is a good indication of how they spend their money. STM's lifestyle database, created from self-reported sources such as product registration and survey responses, offers a true insight into interests and spending.

E-MAIL VS POSTAL MAIL

While direct mail list vendors have been working on their databases for decades, email lists are rapidly improving, but they still are not at the same level of quality. Unlike direct mail, email lists have to remain compliant with regulations for opt-in lists. Currently, approximately 20% - 30% of postal addresses are available in email lists. Thus, your direct mail lists will always have a higher quantity than your email lists, and your direct mail list from a reputable vendor will be more tightly targeted to your desired customer. RD and STM are having increasing success with these improved email lists and use them as an integral component of all direct marketing campaigns to increase overall success rates.

WHY RD? SUPERIOR DATA QUALITY AND QUANTITY



- Exact age for more than 240 million individuals
- More females by name than any other source
- 110 million mature consumers
- 30 million families with children
- Largest source of consumer interest and lifestyles

Isn't it time you made an impact
with direct mail?

Contact Retirement **DYNAMICS**
to develop a strategic plan to
expedite your ROI.

DEFINING PROSPECTS THROUGH DATA

By Jeff House



More than 30 retirement communities throughout the United States have engaged Retirement DYNAMICS to conduct lead generation surveys to generate interest in their communities and learn more about what prospective residents want.

RD has mailed surveys to 185,000 age- and income-appropriate households, and we have received replies from more than 5,000 households a **2.9 percent response rate**. **The cost per lead has averaged less than \$160.**

The surveys are designed with 13 required questions that are the same for each community, with a similar number of customized questions that address the needs and concerns of each specific community. The required questions are scored according to a proprietary algorithm that highlights the most promising prospects.

RD maintains a database of the results from all of the communities, which allows us to compare the results from an individual survey to the rest of the market, providing a context on its relative strengths or weaknesses. For instance, in a recent survey the location was scored at 1.3 out of 5 points, compared to an average of 3.6 from 55 previous studies. This gave the community its first warning that the location was likely to be a marketing challenge. **Here are some of the broad data points:**

TARGET AGES

- Good prospects fall in the age range of 73 to 87.
- Younger people will respond from a greater travel time radius than older respondents.

Women vs. Men vs. Couples

- Women plan to move earlier, and couples are willing to travel farther.
- Women expected to move when they are at age 75.9, but men expected to move at age 78. And couples expected to move at age 77.3.

FINANCES

- FINANCIALLY STRONG COUPLES ARE GOOD PROSPECTS.
- Couples' incomes were higher by \$24,448
- Their home values were higher by \$41,868.
- Their net worths were higher by \$61,969.

IMPRESSIONS AND CONCERNS

- THE QUALITY OF LONG-TERM CARE AND THE IMAGE OF YOUR COMMUNITY MATTERS.
- All types of households were most concerned about the quality of long-term care and least concerned about access to long-term care.

GOOD PROSPECTS LIVE NEAR YOUR RETIREMENT COMMUNITY.

- Respondents living within 10 minutes of the community had a quality impression of 3.9 out of 5, compared to 1.9 from people who lived 40-49 minutes away.

GOOD PROSPECTS WILL GIVE YOU THEIR PHONE NUMBERS.

- The 11 percent of respondents who volunteer their telephone numbers have the highest prospect scores (578 points) and are most likely to move to a CCRC (63 percent).

**Does your community want to get to know its prospects better?
Contact Retirement DYNAMICS to ask about our Lead Generation Surveys.**



DOES YOUR DATA BASE NEED A PLUMBER?

By Ann Marie Ladis



Is your sales team optimizing your Customer Relationship Management (CRM) database and getting a return on investment? Or is it a challenge to even get them to use that database at all?

When Retirement DYNAMICS consults with a retirement community, often the sales problems stem from an old or underutilized database — or no database at all. **Do any of these issues sound familiar in your organization?**

- The database isn't being used consistently, and there are many people making the same mistakes, such as inconsistent data entry, missing information and adding duplicate records.
- Leads are misidentified or mistakenly changed to inactive, and the appropriate follow-schedule is not selected.
- The database has gotten extremely large, often due to purchasing a mailing list and dumping it into the database.
- The staff does not know how to extract the data in order to run useful reports.
- The staff is not effectively trained on how to use the database and does things that undermine the accuracy of the data.
- There is no in-house expert who knows how the tool works and how to use all the functions.
- The staff is not held accountable for using the database to follow up.

Regardless of what kind of CRM software you have, Retirement DYNAMICS works with communities to target inefficiencies in your database management. We look at the following:

- How do you use your database? Many organizations just use it as a repository for names, addresses and phone numbers. Notes may be made by sales staff, and then nothing happens with those notes. What sort of follow-up timeline is used, and is it based on any protocols? We help you understand the things your database is able to do.



- How clean is your data? We find out how you categorize prospects, what data is missing and whether there are many missed follow-up calls.
- How is your database managed? Who oversees the database for your organization, and how is the staff that uses the database trained? We look at whether you know how to run reports and whether you are running the right reports.
- What improvements do you want to make? If you don't have a database at all, we can recommend options. If you currently use a database, we can make recommendations on whether it needs to be cleaned, updated or changed to another one.

Call RD to assist in cleaning up your database today.

MAKING YOURSELF AT HOME

THE GROWTH OF CCAH PROGRAMS

By Perry Aycock



Sixteen years of experience consulting with more than 260 senior-focused communities and services has given Retirement DYNAMICS perspective from entities ranging from single-site CCRCs to full-service communities to complex integrated health systems. Today, legislative, economic and market forces are influencing many of these institutions to explore and launch continuing care at home (CCaH) programs, thus offering services to consumers who choose to live in a setting other than the traditional CCRC. RD has been honored and humbled with the responsibility of launching two of these programs. ChooseHome is the first CCaH program in Virginia and is sponsored by the Riverside Health System based in Newport News.

A normal test for any new community or service is to perform the market research. For new ideas, such as CCaH programs, the markets are generally underserved or completely unserved and, as such, market research provides overly positive indicators. That being said, consumer research, surveys and focus groups provide valuable insights into program design and pricing. In addition, RD has found that participants in consumer research are often the core early adopters of a new offering. Thus, those contacts should be captured (even though traditional research often does not). Your community will save money and time by choosing a research partner who understands the value of the idea of research as lead generation.

Riverside was actually one of the original recipients of the Robert Wood Johnson grants that funded the first CCaH programs. Friends-At-Home, the largest program in the nation, was another of those early grant recipients. The leader at Riverside who started that early effort determined that while all of the disciplines were required, marketing of the CCaH program was the most important service during the first three years of the program. Building awareness, educating prospective members and converting interest into memberships are the keys to success, sustainability, and mission or margin expansion. Communities must use metrics to measure leads, contacts, meetings and commitments, and focus their marketing and sales plans on referrals, rewards and recognition. The early adopters are the best advocates.



Many leaders and other team members may perceive the CCaH program as a threat to their CCRCs and choose not to pursue the program, or attempt to distance the community from the program. The word from the existing programs and communities — along with the few studies that have explored the topic — points to a different reality. The members who are drawn to the CCaH programs are passionate about staying in their homes and are not part of the 10 percent of age- and income-qualified people who choose to move to a CCRC. RD's research and experience with these new CCaH programs confirm these experienced voices. The few families that have divided preferences usually embrace the CCaH program as a plan that serves both partners. RD strongly advocates that CCaH programs provide entrance fee credits toward the current CCRC, thus providing a CCRC “runway” vs. a “run away” for these couples whose preferences do not align.

The CCaH model is thought provoking. Variations of the concept have already been created and are being explored. Communities with deep waiting lists and excess health capacity are preselling approval and access. Some systems with CCRCs and CCaH program members are trying to offer the same coverage to be more consumer-friendly and expand their risk pool more rapidly. Others accurately see the growing demand in their markets for any well-conceived and well-managed services to better older lives.

The number of seniors is growing, and they'll make themselves at home where they choose. Shouldn't we aim to please them in the location of their choice? Shouldn't we give them a compelling choice of a good plan for themselves and the ones they love?



RENTAL RETIREMENT LIVING COMMUNITIES THE BENEFIT IN TODAY'S MARKETPLACE



By **Bonnie Blair**

The financial crisis of 2008 is not easily forgotten especially among older Americans. The well-publicized defaults and bankruptcies, the emotional and revealing senate hearings, the retirement saving losses and more linger on in the hearts and minds of retirement community prospects.

Because of the recession, there was a slowdown in development of retirement options; and entrance fees, contract options and refundable options have changed. While many seniors have recovered financially, they have also deferred making a move out of fear and uncertainty about finances. Given their risk-averse nature, they may be wary of the financial obligation that a retirement community requires and its effects on them and their futures. Thus, as they have aged over the last seven years, many have waited too long for an entrance fee community to make financial sense. Even with a 75 or 90 percent refund, the fee structure doesn't seem to work for them financially.

More and more often we hear from prospects who have delayed moving because they did not want to surrender any of their assets to a retirement community, even if it may cost them more in the long-run. They depend on the income from those assets to pay their way, and they fear losing them if the economy goes south again.

WHAT ARE THEIR OPTIONS?

A good option for seniors to consider is a rental retirement community. This type of community is being developed more often, in both the for-profit and not-for-profit sectors.

Masonicare at Mystic, under construction in Mystic, Connecticut, is an example of such a community. Management at Masonicare felt the rental model would be congruent with the Mystic geography and market.

Currently, in the Mystic area, there is one continuing care retirement community (CCRC), which is deemed expensive by many prospects and has not been able to reach full occupancy. A developer in the Mystic area proposed a rental community of Independent Living and Assisted Living and approached Masonicare—a large, not-for-profit senior continuum with home care, skilled nursing, rehab and different residential options throughout the state of Connecticut—to make it a reality. Retirement DYNAMICS became a partner in this endeavor. “Retirement DYNAMICS was integral to the hiring, training and promoting of our new rental community, Masonicare at Mystic,” states Jon-Paul Venoit, Chief Operating Officer of Masonicare.

Masonicare operates with a strong mission, vision and values. The company also owns and operates a large CCRC in Wallingford, Connecticut, about 65 miles away. Mystic is Masonicare's third foray into the residential senior living arena. The new rental community, which is now being marketed, will provide independent living, assisted living and memory care. Masonicare's home health agency, which provides home health care, rehab and hospice care, will reside in the current marketing offices adjacent to the community adjacent to the community once it opens.

Reception to the planned community has been positive and indicative of a strong market for a rental retirement living community. This product is what the Mystic market is looking for. The important question, however, is whether it is possible to repeat this product in other locations?

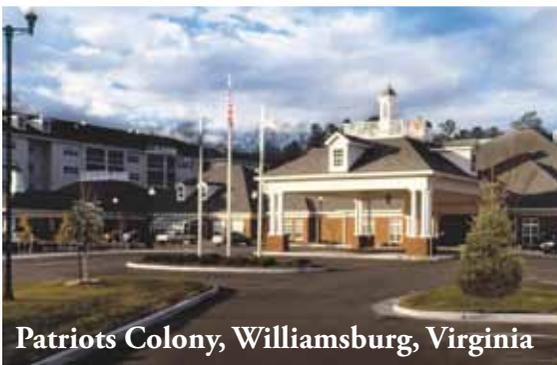
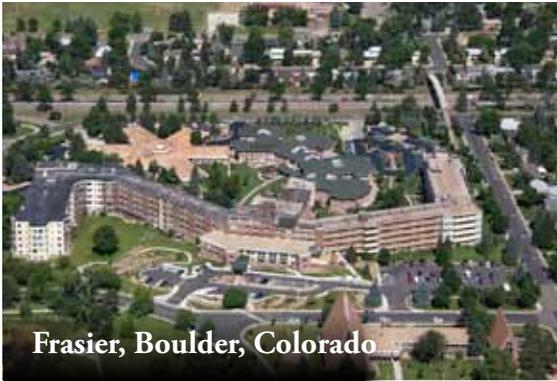
Retirement DYNAMICS believes that it can be done in other locations when the sponsor/owner is financially sound and can deliver the product and service level that the CCRC market has sought. Not all sponsors/owners can provide that, nor can they sustain the risk involved with the potential for a lack of occupancy. Masonicare is a great example of a strong provider.

THE RENTAL MODEL: WHAT ARE THE BENEFITS?

- **No large upfront entrance fee**
- **Leaves investments and money from a home sale to provide additional income for living**
- **No worry about default on an entrance fee refund by a community**
- **Works well for older seniors who wish to avoid an entry fee**
- **30-day notice to move out**
- **Flexibility of a rental with many amenities of an entry fee community**



THE COMPANY WE ARE IS BECAUSE OF THE COMPANY WE KEEP..



RD values the close relationships we have developed with so many of the great retirement communities throughout the country. Our experiences have provided us with valuable insights into the unique needs of the Senior Living Industry. We will always endeavor to exceed expectations. We consider it a blessing to know that what we've learned, what we've taught, what we've given and what we've received is dedicated to the cause of serving older adults.



Retirement DYNAMICS[®]

Defining the Future of Retirement Living

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