



# ALFs STRENGTHEN COMMUNITY BONDS

**Amy E. Waye**

ately, it seems assisted living professionals have many reasons to smile: Occupancy rates are up, corporate and individual proprietors are both recording strong financial results, and unit sales prices are on the upswing. While experts agree that the overbuilding of the 1990s has been absorbed and the supply of assisted living units is in better balance with demand, this is no time for facility marketing staff to rest on their laurels.

Today's challenges in the marketing of assisted living are numerous, and those providers that do not address the key issues will quickly fall behind, say providers and seniors housing market analysts.

Among those challenges are growing competition from an array of newly built properties with the latest amenities, the ever-present resistance that some seniors and their families exhibit toward facilities, and the vital need to connect with community gatekeepers to keep the referrals flowing.

## **Standard Techniques Outdated**

Beyond the initial fill-up stage, media advertising is not a key factor for most assisted living facilities in today's market. Instead, savvy marketers are taking their cue from recent market research, which points toward a greater emphasis on basic customer-service techniques, improvements in staff training, and broadening the array of services to better serve current and future residents.

Finding creative and personalized approaches for building relationships with qualified leads is proving to be more successful in boosting closing ratios than standard marketing techniques like offering routine property tours or handing out folders full of brochures and rate sheets.

"As an industry, we are just starting kindergarten in terms of our level of knowledge in sales and marketing of our properties," says Margaret Wylde, president and chief executive officer (CEO) of ProMatura Group, a seniors housing market research firm in Oxford, Miss. "We know this isn't rocket science, but



Meeting with discharge planners, hosting a Bingo game, and partnering with local businesses are among some successful strategies employed by today's assisted living marketers.

there is a science in understanding what is important to family members, asking the right questions, and relating your property's attributes to individuals' concerns and needs," she says.

Another marketing challenge, says Wylde, is that current assisted living facilities will have to compete in the future with newer, more residential-style skilled nursing facilities (SNFs). "As these Green House-type properties continue to open, assisted living facilities will have more difficulty differentiating themselves from SNFs," she says.

Because decisions to move into an assisted living facility are most often made in the midst of a family crisis, marketing staff need a broader skill set than most sales people. "Even in the best of circumstances, the trauma of transition can impact a senior's health," says Betty Ann Lepak, a housing counselor with Westwood, a 35-unit assisted living facility in Duluth, Minn. "A marketer's emotional intelligence quotient is critical to being successful in this field."

### Connecting With The Community

Also critical is a marketer's ability to connect a facility with the community. This means becoming a community resource for seniors services and education about senior care. Providers across the country, in both corporate and proprietary settings, say that active community involvement is critical to generating leads, building name recognition, and developing a positive reputation.

"We call it 'reputation referral,'" says Randy Bufford, president and CEO of Trilogy Health Services, a regional operator of facilities that combine assisted living, skilled nursing, and



Jeff Veira/Imagery-Photo.com



At Bethany Meadows in Brandon, S.D., Administrator Deborah Herrbolt, right, and Community Relations Director Alecia Zuehlke say the beauty of the campus serves as a marketing tool.

adult day care services on one campus. "When you make a significant investment in the community, you have a great opportunity to get those reputation referrals," he says. Each of Trilogy's 24 communities in Indiana, Ohio, and Kentucky employs a community service representative who serves as a sort of ambassador, making presentations at local health fairs and senior centers; maintaining contact with doctors, physical therapists, and other related professionals; and keeping an eye out for potential partnerships with health- and senior-related enterprises.

"We are very local in our thinking about how we fit into the community," says Bufford, who focuses on building facilities in secondary and rural markets that have what he calls an "overlooked demographic." Many businesses, he says, "don't look at rural areas as pockets of wealth."

Another factor in Trilogy's success is market research. Bufford notes that in-depth research about an area's age and income demographics, as well as its commerce and social centers, helps determine the potential success for a seniors housing facility. "A lot of

research on the front side is critical to your success," he says. "If you get in a bad market, there's only so much you can do with it."

### Hosting Events

Another way of generating community interest is by hosting events such as lectures and Bingo nights. At Bethany Meadows, a 66-unit assisted living facility in Brandon, S.D., special events have boosted visibility, helped educate the community about assisted living services, and encouraged prospective residents to drive the 20 minutes from nearby Sioux Falls.

"I am convinced that if they come to Bethany Meadows, they will choose to live here," says Administrator Deborah Herrbolt, who competes with at least 10 nearby senior care facilities. Her one-level building sits on a 175-acre campus at the base of a hillside, she says, and offers apartments with more than 1,000 square feet. The building features a general store, fitness room, game room, beauty salon, and chapel, all centrally located around a landscaped courtyard. The apartment wings are located off the central circle, like spokes of a wheel. Occupancy is currently 94 percent.

Still, with all those amenities and a

solid reputation for quality care, Herrbolt and Community Relations Director Alecia Zuehlke know their biggest obstacle is getting prospective residents to relocate outside the city. Their array of events brings the community to the facility and generates qualified leads. Among their most successful events to date were an antiques open house, which offered appraisals of antiques brought to the event; a classic car show; a gingerbread contest during a holiday open house; and a chili cook-off, which raised some \$4,000 for tsunami relief.

To bring more visitors to the facility, Zuehlke created the Bethany Meadows Bingo Bus, which makes prearranged stops at a community senior center and shuttles the riders to the facility for Bingo, refreshments, and prizes. "It's a great way to show off our community, not just by giving a tour but by allowing local seniors to experience life at Bethany Meadows," she says.

### **Developing Key Partnerships**

Herrbolt, Zuehlke, and Dennis Sever, executive director for Bethany Meadows' parent company, Bethany Lutheran Homes, also work closely with local government officials and business people. The facility's grand opening plans in October 2003, for example, included separate ribbon cuttings with the Brandon Chamber of Commerce and the Sioux Falls Area Chamber of Commerce. Sever meets regularly with Brandon city planners to see how they can partner on future services to meet the community's needs.

"There are a multitude of services we can bring to our property," says Sever, noting that he and the planners have discussed a pharmacy, a bank, and home health services.

"We would not be where we are without the support of the Brandon community," Herrbolt concurs. "They have been critical to our success."

Community events are also popular at Elmhurst, The House of Friendship,



**Housed in a 100-year-old Victorian mansion, Elmhurst, The House of Friendship in Wheeling, W.Va., throws two special parties a year to keep in touch with people on its paid wait list.**

a 36-unit assisted living facility in Wheeling, W.Va. Executive Director Cheryl Jones says the facility's annual covered dish picnic on the front lawn draws more than 400 guests each year, while its annual Easter egg hunt for pre-school children generates news coverage for the facility. Even better, Jones says, the front lawn faces a four-lane highway and grabs the attention of passing drivers.

Housed in a 100-year-old Victorian-style mansion that was fully renovated in 1991, Elmhurst was originally opened in 1940 as a home for women. Today, Elmhurst is in an enviable position. The facility is full, and there's a paid waiting list of 33 people. "We have worked very hard to get here," says Jones, noting that weekly newspaper ads, open houses, and community events were all part of the marketing strategy during the fill-up stage, which took about two years. She also notes that the wait list fee, which is equal to one month's rent, is refundable if a person gets off the list.

### **Maintaining Contact**

Jones makes sure to keep in touch with those on her waiting list, throwing them two special parties a year. In early summer, she invites them to an outdoor deck party and, in December,

to a holiday gathering. The socials are a great way to maintain interest in the facility, says Jones. "The residents act as hosts, so by the time someone new moves in, they already know the house," she says.

Now that fill-up is complete, Jones says, most marketing of the facility is accomplished via "word of mouth, reputation in the community, and extra attention from our vans with the facility logo running around town." In Wheeling, a town of about 35,000, Jones faces competition from only one or two other facilities.

Jones also keeps in regular contact with her wait list, local professionals, and residents' families by publishing a monthly newsletter with articles about excursions taken, upcoming activities, and an activities calendar. Though she has only 36 residents, her newsletter mailing list exceeds 250.

She also encourages the residents to be active in the community and regularly takes them to read with children at a local school and volunteer with Easter Seals. "When we get the residents out in the community, they will talk about Elmhurst," she says.

Media outreach is another way to generate community interest in an assisted living facility. Coverage of a facility's events in local newspapers or

on local television programs helps build name recognition and community awareness. Zuehlke distributes news releases regularly to reporters in Brandon and Sioux Falls as well as to nearby Minnesota and Iowa markets. Jones carefully chooses the events for which she sends out releases. “If you send too many, they don’t have the same impact,” she says.

One strategy consistently noted by assisted living marketers is keeping in close contact with local professionals related to seniors issues such as physicians, social workers, hospital discharge planners, and others. But Susan Barnes, administrator of Windsor Place Assisted Living in Hockessin, Del., issues this warning: Be sure your contacts are genuine.

“Building a relationship doesn’t mean bringing them brochures and M&Ms,” says Barnes. One way is by visiting residents who are in the hospital and taking some time to chat with the discharge planners in person, says Barnes, adding that it’s valuable to speak with hospital staff and get to know them well. The personal contacts can be invaluable, she says.

Westwood’s Lepak has much the same philosophy. She sends local physicians, social workers, discharge planners, and others invitations to facility events and copies of the Westwood newsletter. She has also found some success in inviting particular groups to breakfast at the facility—area social workers, for example. “They can network with each other, and we can take the opportunity to talk about new services and give tours,” Lepak says. Recently, she hosted the monthly meeting of the Estate Planning Council, which included estate and financial planners.

### Tying Into Community Culture

“If you find the culture of a community, you can build an assisted living program around it,” says Dean Solden,



Besides being able to listen to guest lecturers, residents of University Living in Ann Arbor, Mich., can participate in research studies.

founder and co-owner of University Living, a 66-unit assisted living facility in Ann Arbor, Mich. Solden specifically designed the facility’s program to offer what he calls an “interdisciplinary approach” to aging.

“I saw the social model of assisted living, but something was missing,” he says. “There was custodial care, but not a strong component of mental stimulation or nurturing a person’s spirit or passion.” By connecting with the Institute of Gerontology at the University of Michigan, Solden tapped into human and intellectual resources to benefit his residents.

Besides being able to take courses and hear from guest lecturers on campus, residents of University Living participate in research studies with both graduate students and professors. Since the first project in 1997—in which four graduate students looked at how learning affects students and the elderly—the partnerships have expanded beyond the institute. Research work has been conducted by the university’s schools of nursing, biomedical engineering, psychology, and social work, with study topics ranging from an evaluation of tai chi vs. fast-movement exercise to the outcomes of intergenerational community action.

Though Solden’s initial concept of research as an activity for his residents—many of whom have spent their lives as educators—has helped keep them engaged in the hobby of thinking, he found the more powerful result was in the relationships developed with

the students. “The residents became much like grandparents to the students and felt they were making a contribution,” he says.

The facility and its program have great appeal to families and residents alike, though Solden sees this as a niche market. Not everyone, he says, seeks out opportunities in assisted living to interact with university students and faculty. “That partnership is our major marketing tool and drives peoples’ decisions to come here.”

Solden teams his program with a high-quality care program and amenities such as a library, fitness center, and a cultural center that resembles a student union. He says some of his residents have a high level of acuity, requiring catheters, IVs, and two-person transfers. There is also a separate unit for residents with dementia. “Our care reputation is as high as our program,” he says. About 20 percent of his residents are independent.

Word-of-mouth, says Solden, accounts for 95 percent of his referrals. His second most important source of leads is the facility’s Web site. “Because we have this niche, we don’t have to use traditional marketing methods to attract residents,” he says.

Solden hopes to take his university concept on the road to other college towns, such as Champaign, Ill., or Madison, Wis. “This could really fit anywhere,” he says, surmising that the seniors of the upcoming baby boom generation will seek out programs that offer such intellectual stimulation.

### Marketing Distinctions, Service

Even without such well-defined niches as Solden’s college partnership, providers across the nation have found many successful ways to set themselves apart from the competition. Strategies that have worked for many providers include expanding services by offering options like respite care as a short-

## WHAT MARKETERS CAN DO BETTER

Too many of today's assisted living marketing staff try to be successful by simply being "order-takers," says David Smith, president of One On One—Service to Seniors marketing firm in St. Louis. He says success requires more than mailing brochures and giving tours.

"We have found success by building strong interpersonal relationships with qualified prospects."

In a recent controlled mystery shop of 152 seniors housing properties, Smith and co-author Margaret Wylde, president of ProMatura Group, a marketing research firm in Oxford, Miss., found that a majority of sales counselors showed no interest in learning about the

customer or demonstrating how the property's amenities and services answered the caller's needs. The research was published in the *Seniors Housing & Care Journal*.

The sales counselors were shopped by at least three people aged 50 to 70, who used the same shopping scenario for each facility. The shoppers rated the receptionist's helpfulness and the seller's sales techniques using a 61-item form.

On average, the telephone receptionists earned a 6.4 rating based on a 0-to-10 scale. A "10" was earned when the receptionist provided his or her name, identified the property, and offered a pleasant greeting. According to this study's results, few communities reliably captured information about prospects, since the receptionist asked for the caller's name only 19 percent of the time.

When rated on 27 solutions-based sales techniques, none of the sales counselors achieved the mid-point

ranking of five on a scale of 1 to 10. A "10" was earned when a sales counselor asked about the topic and related the benefits of the community to the shopper's responses. About 60 percent of the sales counselors offered to send information while only 38 percent invited the prospect to visit.



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and immediately begin  
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The authors concluded that today's sales counselors are not using effective sales methods and are failing to attend to the most basic issues such as inviting the prospect to tour the facility. In view of this performance, the authors assume many leads are lost.

To counter the situation, Wylde and Smith suggest that assisted living sales counselors use the following techniques:

- Learn to ask the right questions to understand what is important to family members and demonstrate how the property's attributes answer those needs. Smith suggests "SPIN Selling" by Neil Rackham as a guide.

- Listen more. Stop rattling off a laundry list of amenities and services before you understand why someone is calling.

- Be friendly and kind and immediately begin building a relationship with prospects.

- Be accessible. Offer tours on weekends, evenings, and holidays. Smith estimates that more than 20 percent of selling activity takes place after hours.

- Increase the number of face-to-face encounters, phone conversations, and follow-up activities. Don't wait for prospects to call you back.

"Our properties sell despite us," says Wylde. "It's not hard to improve; it's just taking on the right mindset and then practicing it."

term introduction to assisted living or creating a-la-carte packages of services that allow residents to choose the care that suits them.

With all factors considered, providers and marketing professionals agree there is no more powerful marketing tool than testimonials from residents and families who are happy with high-quality care and customer service. "Our biggest separator is that we are very focused on customer service," says Trilogy's Bufford. "From the parking lot to five-star dining, we get up and think about how we can be better than our peers."

While providing exceptional customer service may seem simple enough, Wylde says it's not that easy. "Many administrators do lip service to customer service, but don't offer employees any training," she says. "Many people haven't been exposed to good customer service and won't automatically know how to greet a visitor, look up when someone walks through the door, or say 'no' in a positive manner." Wylde says it's up to administrators to train employees in basic marketing techniques and clearly communicate their expectations.

To be sure each employee clearly understands the meaning of quality customer service, every staff member at Trilogy Health Services takes a formal customer-service training course designed by Bufford and a marketing consultant. "The class entails role-playing and conflict resolution, and, at the end, [the employees] have a good understanding of our expectations for service."

The class also helps employees learn to solve issues. Knowing that no one is perfect all the time, Bufford wants employees to realize that "you are only as good as your ability to recover and resolve the issue quickly."

To further help the staff execute high-quality customer service, Trilogy administrators prepare for each employee the "Expectations of Excellence," which offers 10-15 sug-

gestions on giving good customer services that are tailored to each job.



### Everyone's Responsibility

Having a well-informed and personable staff means that all employees, not just those in the marketing department, must undergo training. From the most basic tenet of greeting every visitor to more advanced concepts—like getting anyone who answers a phone to take appropriate messages with complete information for the sales staff—all employees must help take responsibility for the marketing of a facility. Impressions are formed the moment anyone calls the facility or steps through the door, says Bufford.

"Marketing is always a team approach," he says. "Everyone is always selling the service."

The personalities of staff are also apparent during tours. According to researcher Wylde, the most successful tours allow prospective residents to see activities in progress and meet current residents and staff. Barnes makes a point of introducing every resident she encounters on a tour and encourages staff to stop and chat. "One family told me this was the only place that the maintenance man stopped and talked with them," she says.

Tours of Elmhurst, The House of Friendship, in West Virginia, include stops in residents' rooms and conversations with residents and most of the staff, including the cook and the housekeeper, if desired. "We're very open," says Jones, who adds that all 21 of her staff are educated about the services and amenities and can talk to anyone about the facility.

Herrbolt echoes the need for staff to

be well informed about not only services and amenities, but also community events. "There's nothing worse than employees who are asked by neighbors about an upcoming event and they can't say anything about it."

Wylde also exalts the value of good communication skills, not only from management to staff but also from staff to families and residents. Regular e-mail

messages to family members about how a loved one is doing, timely calls in the event of an emergency, and stopping to chat with them while visiting a resident go a long way toward building good rapport. "If you have residents and family members who will talk about your property in good terms, that's your greatest marketing force," says Wylde.

### Continuum Of Care

Another marketing advantage Bufford extols is offering a continuum of care. Trilogy campuses encompass skilled nursing, assisted living, dementia, and adult day care services. "The most successful financial investments have multiple levels of service that offer multiple entries into the market," says Bufford, noting that while the skilled nursing and assisted living areas are distinct, they share administrative services. That allows some economies of scale in terms of staffing, space, and overhead.

Bethany Meadows' Herrbolt exhibits a similar philosophy. Since the facility added entrance-fee-based duplexes for independent seniors, with the promise of an assisted living unit when needed, she sees more opportunity for the community to grow. "By having the garden homes, we are able to get people to make a commitment to Bethany

Meadows earlier and keep them through the continuum," she says.

For those stand-alone assisted living operators, market research expert and senior housing developer David Smith advises a broader perspective. "Start planning for expansion of services tomorrow," says Smith, who is president of One On One—Service to Seniors, a St. Louis-based marketing consulting firm. "The time span to work with an assisted living resident is relatively short, which forces stand-alone operators to continually struggle with turnover issues," he says, noting that facilities with more levels of care have the opportunity to be more stable in occupancy.

To overcome that ever-present resistance of seniors to leave their homes and move into assisted living, Windsor Place's Barnes offers respite care and adult day care services as a way of easing the transition to assisted living. The 54-unit facility offers some intermediate care and employs licensed nurses around the clock. "It's a wonderful way to introduce people to the concept," says Barnes. She often invites up to three individuals who are not residents to come in for a day or a weekend to enjoy the food and activities. Many eventually convert to full-time residency, she says.

### Marketing On The Web

Some providers see the Internet as another valuable tool for introducing people to assisted living. But it's still not a solid source of qualified leads, says Bufford, who notes that when a facility has high visibility in the community, like Trilogy campuses do, the Internet is more useful as a source of information. Bethany Meadows, for example, plans to update its Web site, but doesn't expect a windfall of move-ins as a result. "It's really a tool for family members that live outside of Brandon," says Herrbolt.

Another source of information that Zuehlke offers for families who may live too far away for a visit is a DVD

All 21 members of the staff are educated about the amenities and can talk to anyone about the facility.

that features a virtual tour of the facility and details about services and amenities. Produced by a local photographer for about \$1,200, the DVD comes in two versions, one shot in summer and one shot in winter. Zuehlke also



sends copies to referral sources and uses it at presentations.

### **Mining Local Connections**

For the marketing staff specifically, providers suggest hiring someone with strong local connections and who fully

understands and believes in the value of assisted living services. Lepak says having lived in Duluth for 30 years gives her a strong advantage over her competitors. “People know me and trust me,” she says, noting that people with longstanding relationships in the business community tend to be more successful in this field.

Sever of Bethany Lutheran Homes agrees. “Deb and Alecia have a strong reputation in the community and that gives us an edge over our competitors,” he says, adding that he’s noticed some competitors have tried to replicate their strategies. “That tells us that our marketing is top-notch.”

While long term care experience is not critical for someone to succeed in selling assisted living, a complete understanding of the facility’s services and amenities is. Along with that understanding, says Wylde, marketers must truly believe that the facility is a good place for people to live. “Marketers must be proud to show the property and comfortable meeting residents.”

### **Getting The Contract Signed**

In a highly competitive market, the assisted living marketing staff can be a deciding factor in a family’s decision to sign a contract. It is by virtue of establishing and building a personal relationship with qualified leads that many marketers are able to close the deal.

One On One’s Smith suggests taking the time to understand a prospective resident’s needs and background and respond with a creative, personalized campaign that addresses his or her concerns. He calls it “creative follow-up.”

“This can be a myriad of personalized, outrageous, and amazing proactive selling initiatives,” he says. “Used consistently, it will promote additional face-to-face encounters, increase sales, and reduce marketing costs.”

This process can take as much as 35 hours per lead, Smith says. “Until you have spent a great deal of time learning

about people's dissatisfaction with their living situations and their motivations, you can't move a prospect to sign a contract," he says. Marketers must discover common denominators, interests, and how decisions will be made by or on behalf of the prospect. He advises that marketers adjust their style to that of the prospect; don't bowl over prospects with a litany of services and amenities until you hear their concerns and needs.

Smith, who has consulted with hundreds of facilities and is a developer and co-owner of four seniors housing properties, has used many forms of creative followup. He has sent nicely designed certificates for "lunch and a tour" or a "weekend stay" instead of common-looking letters of invitation on company letterhead. And he has included dog treats with brochures for pet owners. To a defiant prospect who claimed, "I have no intention of visiting your community ever!" Smith had his chef prepare the man's favorite meal and delivered it to his home. He even stayed to serve the meal and clean up. Later, the man said it was one of his best meals ever and moved in.

"Creative follow-up is used to meet specific needs and build trust," says Smith. "This process addresses specifically the personality and style of your prospect."

However, it could flop, says Alexandra Fisher, vice president of sales and marketing at One On One. "You can't apply the same technique to everyone," she says. "If it's not authentic, it will backfire," she says, giving the example of sending candy to a diabetic or a book to a prospect who is vision-impaired.

Another obstacle to getting to the contract stage is a "problem of perception," says Smith. In a recent article, Smith noted that "consumer awareness and acceptance of both assisted and congregate living remain at less than 10 percent of age- and income-qualified seniors living within defined service areas."

The true challenge, says Smith, is to grow the market. One approach is for the assisted living profession to collectively launch an educational and public relations campaign. Though he doesn't see that kind of collaboration on the horizon, he thinks the idea for such a campaign



will gain traction in a few years.

"To say the market is competitive when 95 percent of those who are age- and income-eligible are not in it is an oxymoron," he says. "Such a campaign would be best for everyone." ■

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