

# Does “Life Plan Community” Really Resonate with Prospects?

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# BACKGROUND

At its Annual Meeting and Expo in November of 2015, LeadingAge, the national association for non-profit organizations supporting aging, announced “Life Plan Community” as the new categorical term to replace “Continuing Care Retirement Communities (CCRCs).” Why? To find a name that resonates with people who are planning for, and seeking, an active retirement living lifestyle, as opposed to one that focuses on decline and a perception that care is needed.

## EXECUTIVE SUMMARY

To understand whether the naming strategy described above resonates with seniors and their Adult Child Influencers (ACIs), Zion & Zion conducted a nationwide survey of 1,021 seniors (age 75+) and their adult children. We investigated how these two groups react to senior housing naming conventions (i.e. Life Plan Community vs. Retirement Community). Furthermore, we included Life Care in the options, to see if consumers would prefer the Type A product type moniker over a categorical term. We found that a majority of seniors are drawn to the naming convention Retirement Community, while their adult children have a slight preference for Life Care Community.

## SENIORS, ACIS AND BRANDING: THE DISCONNECT

As we age, we hope to stay healthy and active, but sooner or later most of us will cease working full time. Many seniors are delaying formal retirement (40%), and 63% plan to work part-time after that. Why not embrace retirement after a life of 40+ hours a week?

Maybe it's the word *retirement*.

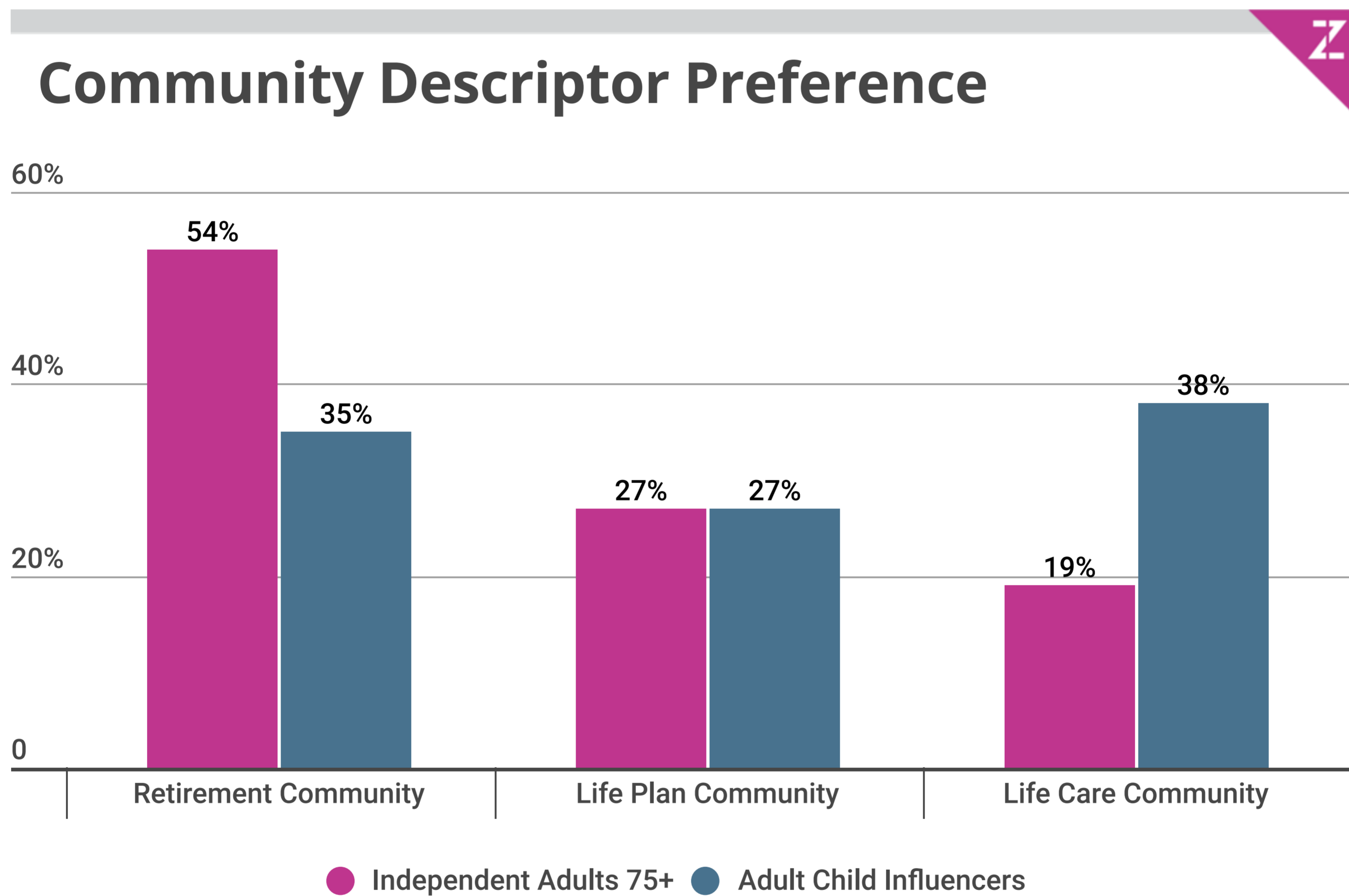
Continuing care retirement communities (CCRC) have also been concerned with that word. Many are choosing to re-brand themselves as Life Plan Communities. The communities themselves still offer healthcare for residents, when their needs change from independent living to assisted living, memory care and skilled care. However, removing the word “care” from the name, may attract a different breed of retirees who want more self-reliance and desire to *plan* for the future.

Here's the question: Does it matter?

Prevailing winds are against using “retirement” and “care” in senior community names. For example, Willow Valley Retirement Management, in Lancaster, Pennsylvania, has dropped the word “retirement” from its name—it's now known as Willow Valley Living.

Our research shows in figure 1, however, that the rush away from “retirement” may be premature.

Figure 1



**Respondents:** Independent Adults 75+: People 75 years and older who live in their own home or with a child. They do not live in a retirement community or nursing home. Adult Child Influencers: People who have a parent 75+ who lives with them or in their own home; the parent does not live in a retirement community or nursing home.

**Question:** Independent Adults 75+: “Imagine you are open to the idea of moving to a senior residential community. Which of the following communities would you visit first?” Adult Child Influencers: “Imagine that you need to help your aging parent move to a senior residential community. Which of the following would you encourage your parent to visit first?”

We asked people 75+ that if it came time to consider a senior residential community, would they first visit one that called itself a Retirement Community, Life Plan Community, or Life Care Community. Far and away, seniors preferred Retirement Community best, which was preferred by more than half of respondents. Life Plan Community and Life Care Community were left in the dust.

The name least preferred by seniors—Life Care at just 19%—was in contrast, most preferred by ACIs at 38%.

## PUTTING THE DATA TO WORK

The implications of our findings for managing and marketing residential senior communities are two-fold.

First, while the change from Continuing Care Retirement Community to Life Plan Community may have been well-intentioned, neither audience preferred the categorical term. This could be because of a lack of awareness or even education. These complex terms may be understood by providers, however, consumers have yet to, and may never, adopt them in the initial research and engagement phases during the buyer journey.

Second, the branding of retirement communities needs to pursue a balancing act between the preferences of the seniors and those of their ACIs. While seniors have the lowest preference for seeing their destination as one where needing care is in the foreground, their children are perceiving the provision of care as an important consideration. The term Life Plan Community has so far failed to strike that balance and is not preferred by either group.