



The Effects of COVID-19 on the Senior Living Industry

May – June 2020

Project Background

- On March 11, 2020, the novel coronavirus disease, COVID-19, was declared a pandemic by the World Health Organization. Two days later, a national emergency was declared in the United States over the outbreak
- While senior living professionals immediately knew this virus could potentially have a profound impact on the senior living industry, there were big question marks with regard to its extent
- In response, in late April of 2020, Sage Age set out on an effort to get answers for our client-partners and the industry via a comprehensive survey effort to current senior living prospects

Survey Goals, Distribution & Response



Survey Goals

- To obtain feedback from prospective residents who had already demonstrated interest in senior living prior to the COVID-19 outbreak, to be able to gauge how the pandemic changed their views and potential decision to move to a senior living community
- To provide concrete, supported answers to questions surrounding how COVID-19 was going to impact senior living sales in the near term and the industry as a whole in the future

Survey Distribution & Response

- The survey was electronically distributed to the leads database of Sage Age client-partners who agreed to assist in this survey effort
- Communities in Arizona, California, Delaware, Florida, Georgia, Maryland, Massachusetts, Pennsylvania, Tennessee and Texas were represented by this distribution effort
- A total of 826 survey responses were obtained and analyzed in this study

Survey Respondent Data



- Approximately 80% of respondents were prospective residents age 70+, with the remaining representing adult children or a primary caregiver
- 84% of respondents are most interested in independent living, with assisted living represented at 11% and memory care at 5%
- 54% of respondents live with a spouse/partner, while 35% live alone
- All regions of the country were represented in responses, with 42% from the South, 36% from the Northeast, 18% from the West and 4% from the Midwest





Key Findings

- 17% of respondents say they have had NO support through the pandemic
- 13% of respondents say they did not leave their house during quarantine
- 61% of those who indicated an interest in moving to senior living prior to COVID-19 noted they still have some level of interest
- 27% of respondents reported planning to move to a senior living community within the next two years (down from about 41% pre-COVID-19)
- 60% say that COVID-19 has NOT changed their mind about moving to a senior living community

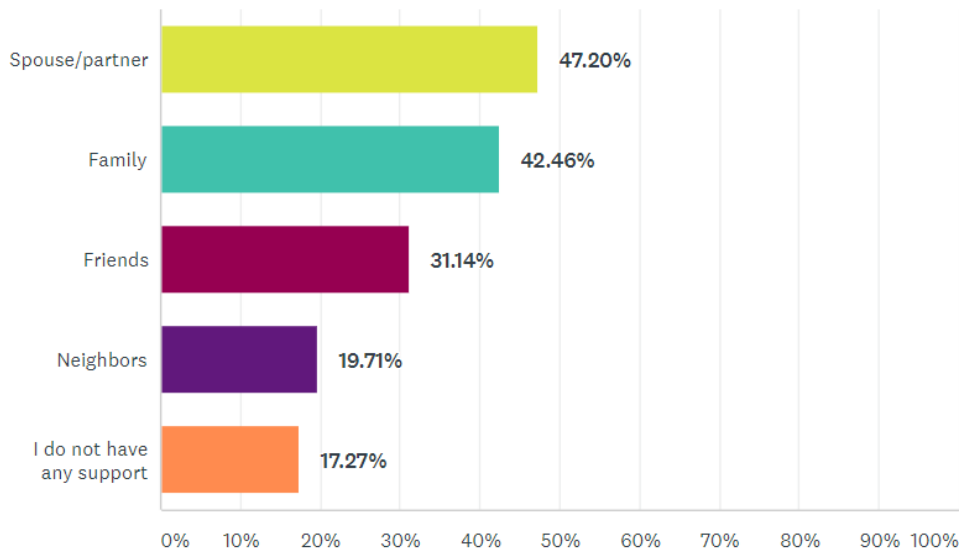


Key Findings

- 75% say the biggest benefit of living at a senior living community is the on-site access to care and support, followed by socialization, dining and lifestyle/activities
- Financial/cost considerations remain the most important consideration for most prospects, over health and safety, when thinking about a move to senior living
- 41% say they would feel either safe or very safe living in a senior living community during a pandemic; 27% say not safe at all
- 14% say they would feel better living in a senior living community through this pandemic (vs their home); 16% are unsure
- 55% plan to resume life as usual once restrictions are lifted; 25% are unsure
- 52% indicated they utilized video conferencing to socialize during quarantine

Support During COVID-19

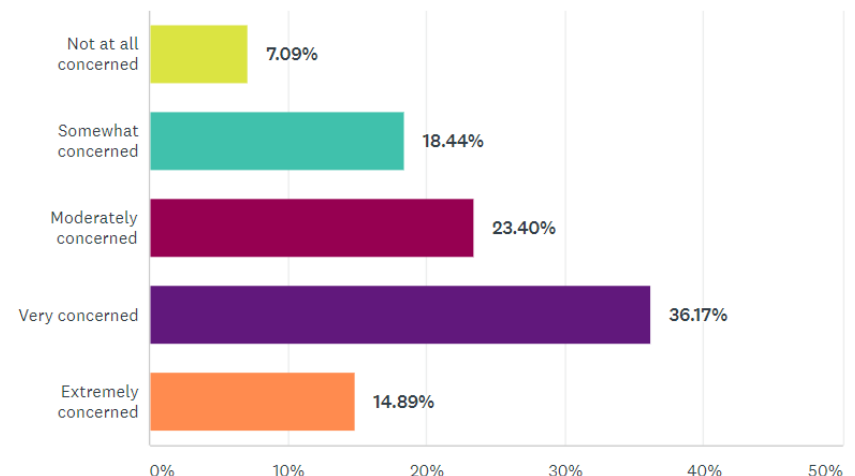
- Most commonly, respondents indicated support from their spouse/partner and family during the pandemic
- About 30% stated they receive support from friends and nearly 20% receive support from neighbors
- Approximately 17% of respondents indicated not having any support during the COVID-19 quarantine



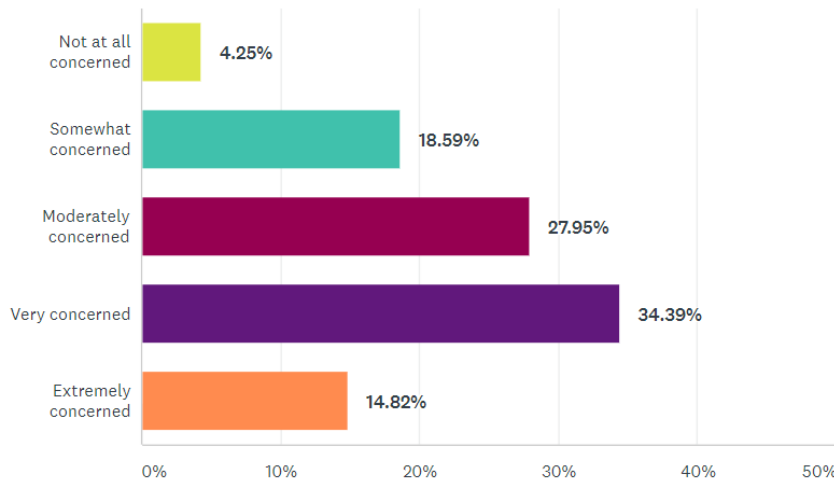
Of those who stated they had no support during the pandemic:

- 86% said that they had some level of interest in moving to a senior living community prior to COVID-19; ***at the time of this survey, that number dropped to 71%***
- Prior to COVID-19, 49% said they were planning to make a move to a senior living community within the next two years; ***at the time of this survey, that number dropped to 39%***
- 67% felt that they were better off at home than in a senior living community during the pandemic

About 75% of those who indicated having no support during the pandemic have either a moderate or high level of concern about COVID-19.



Concern About COVID-19

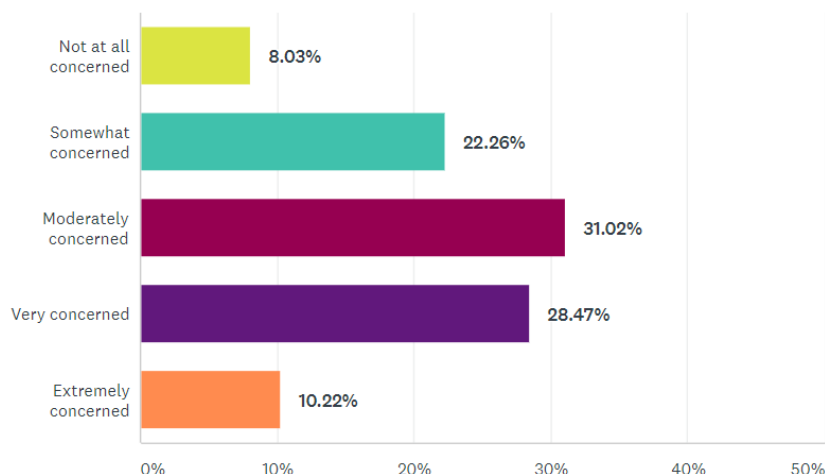


About 50% of respondents indicated they are either very or extremely concerned about COVID-19, with another 28% noting moderate concern.

Of those who expressed that they are **very or extremely concerned** about COVID-19:

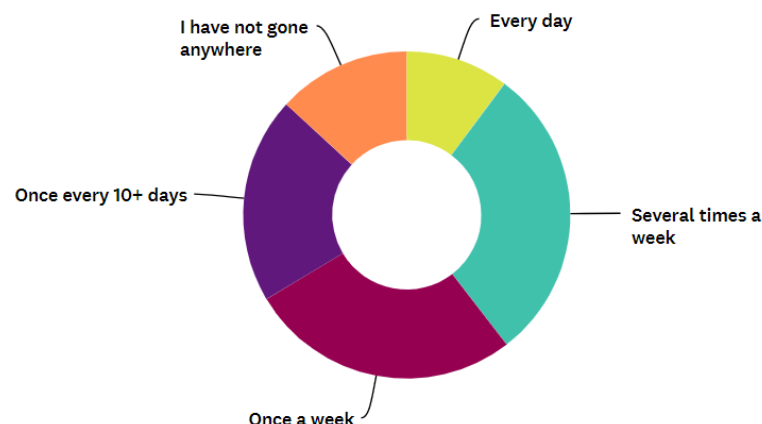
- 85% said they had some level of interest in moving to a senior living community prior to COVID-19; at the time of this survey, about 64% of this group indicated a continued interest
- 48% say COVID-19 has NOT changed their plans to consider moving to a senior living community
- 35% indicated they would feel safe or very safe in a senior living community, while another 33% indicated they would feel somewhat safe there

Leaving Home During COVID-19



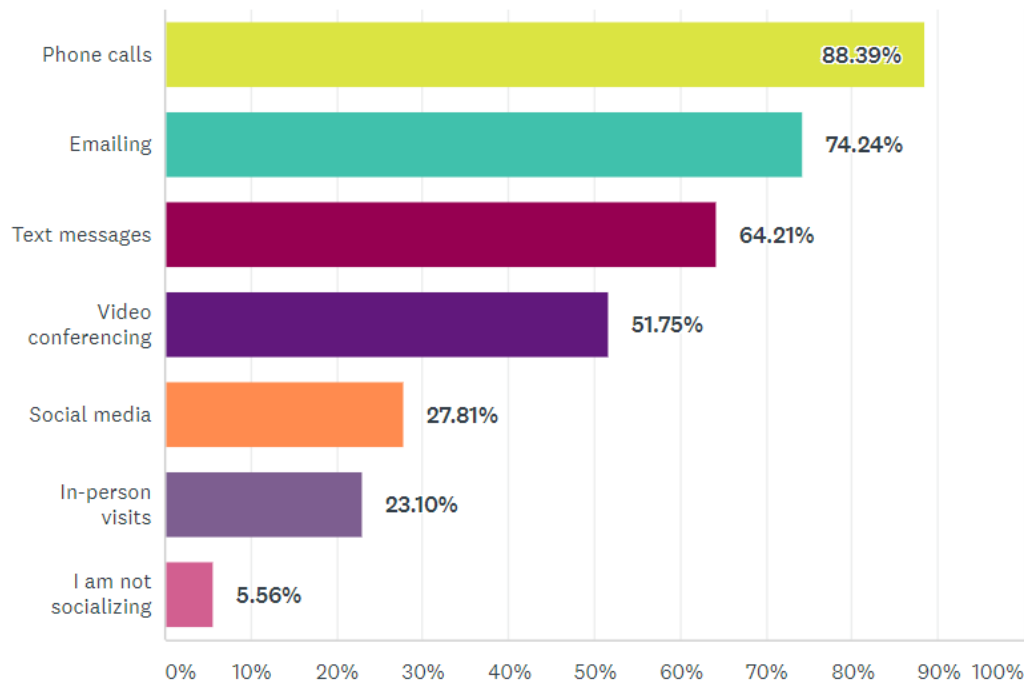
- About 31% of respondents stated they were moderately concerned about leaving their home during the pandemic
- Nearly 39% indicated that they were very or extremely concerned

- The majority of respondents indicated that they have been leaving their home **at least** once a week during the pandemic
- 40% indicated they left their house at least several times a week
- 13% say they did not go anywhere during the quarantine



Socializing During COVID-19

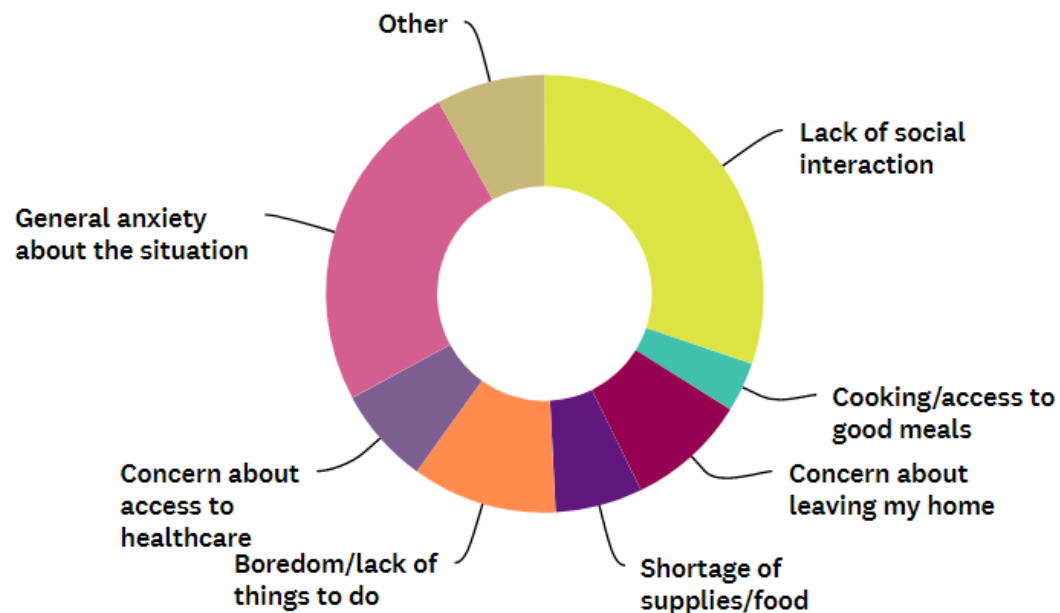
- The majority of respondents said they mainly socialized via phone calls, with 74% emailing and 64% texting



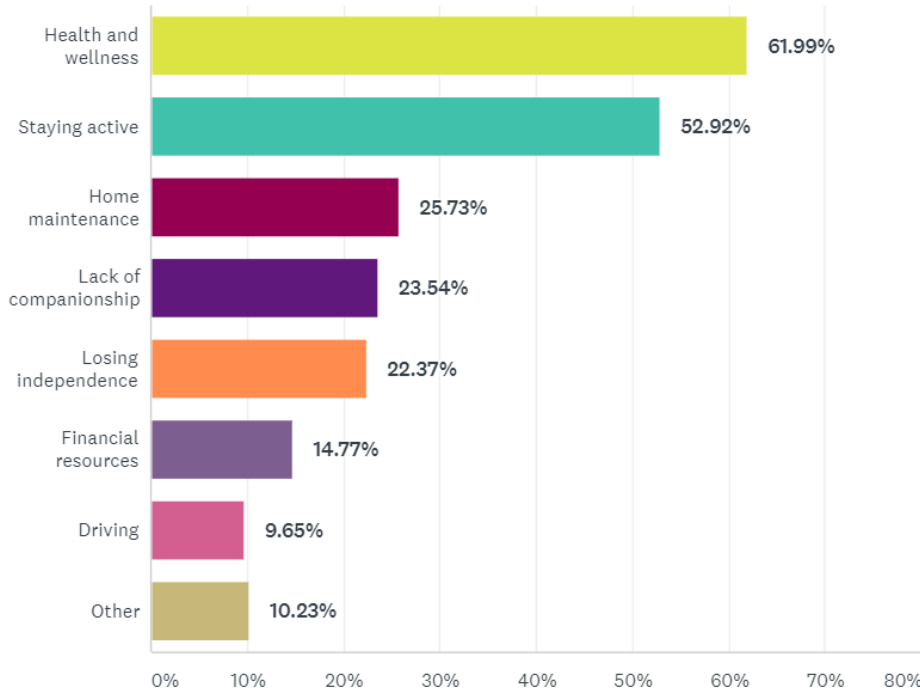
- 52% indicated that they were utilizing video conferencing
- 28% noted the use of social media

Most Challenging Aspects of COVID-19

- 30% of respondents stated that the lack of social interaction was the most challenging part of COVID-19 while another 25% expressed that the general anxiety about the situation was the hardest part and 11% noted the boredom and lack of things to do
- “Other” responses, which accounted for about 8%, commonly noted items such as the economy, lack of information, having to wear a mask or a combination of provided options



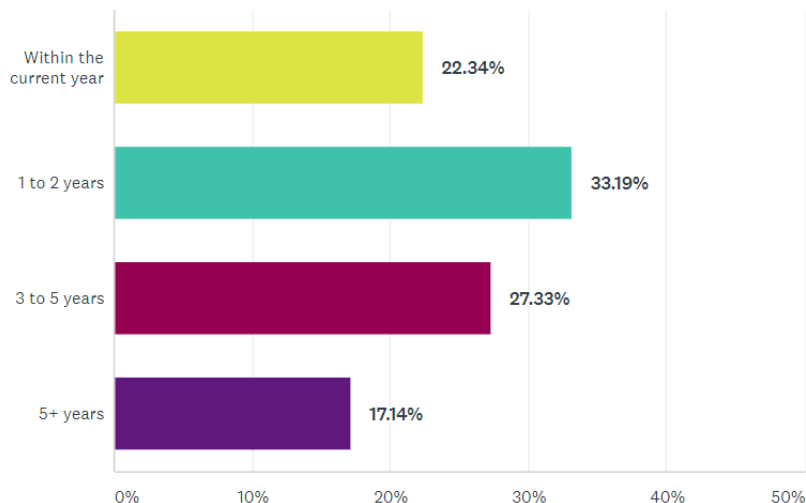
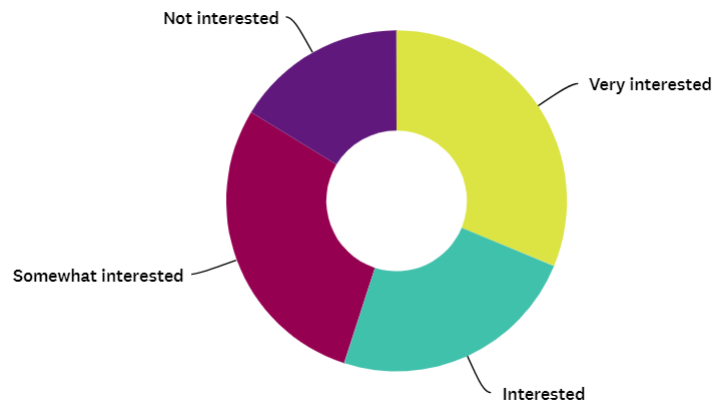
Biggest Concerns About Current Lifestyle



- Nearly 62% indicated that maintaining health and wellness were the biggest concerns about their current lifestyle
- Almost 53% were concerned with their ability to stay active
- Ongoing home maintenance was a concern for nearly 26% of respondents
- Both lack of companionship and losing independence were the biggest concerns for about 23% of respondents

Interest in Moving to Senior Living Prior to COVID-19

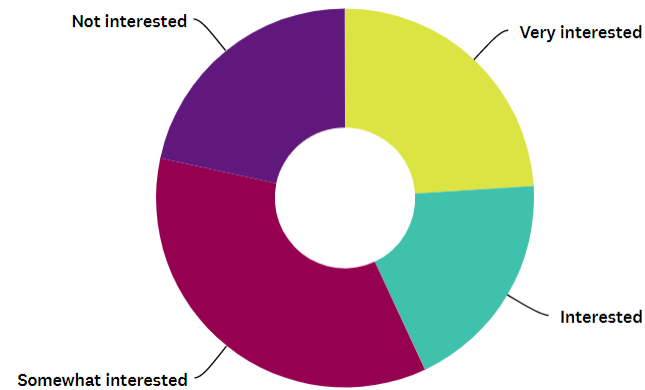
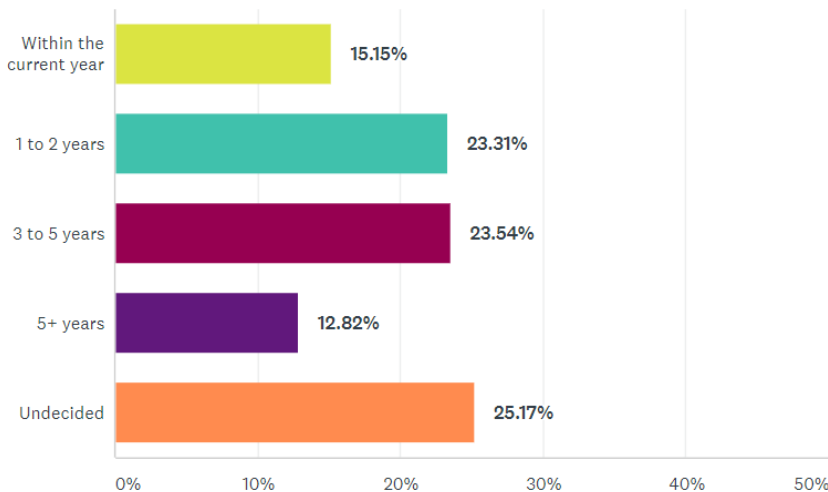
- 31% Very interested
- 24% Interested
- 29% Somewhat interested
- 16% Not interested



- Among those who indicated interest in moving to a senior living community prior to COVID-19, 55% say they planned to do so in the next two years

Interest in Moving to Senior Living Now

- Of those who had indicated interest in moving to a senior living community before COVID-19, 61% indicated that they still have some level of interest
- 21% indicated that they are no longer interested in moving to a senior living community

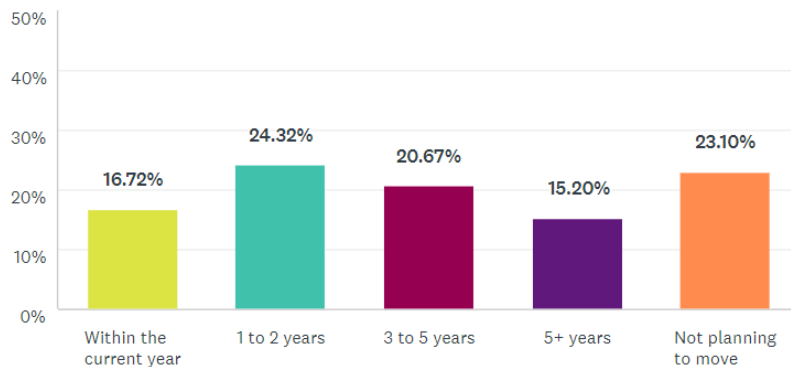


- Now, approximately 38% of those who indicated an interest in moving to senior living prior to COVID-19 plan to make the move within the next two years
- About 25% have indicated they are now undecided about when they will make a move

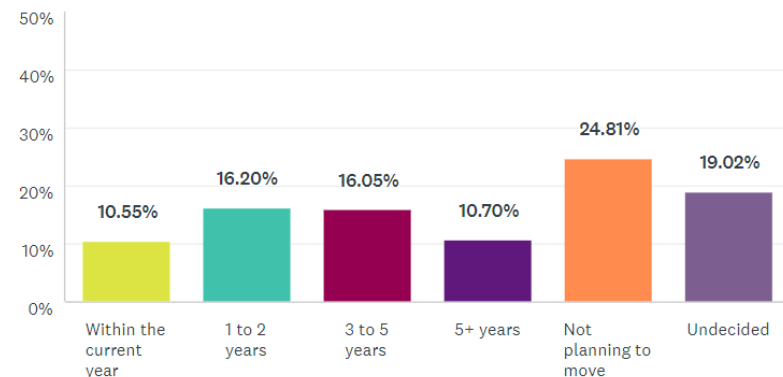
Change in Timeframe for a Move to Senior Living

- Overall, the percentage of respondents who are not planning to move increased by just over 1%; however, nearly 20% are now undecided about their timeframe for a move
- The percentage of respondents who planned to move within a year fell by about 6%, while those planning to move within one to two years fell by about 8%

Timeframe for a move to senior living prior to COVID-19

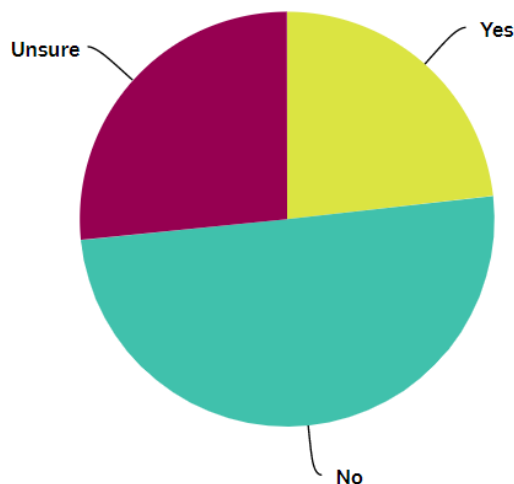
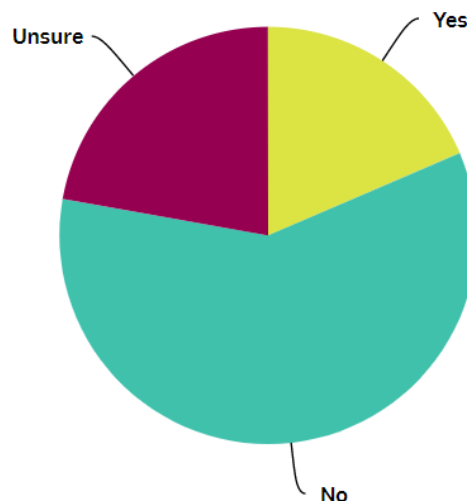


Timeframe for a move to senior living now



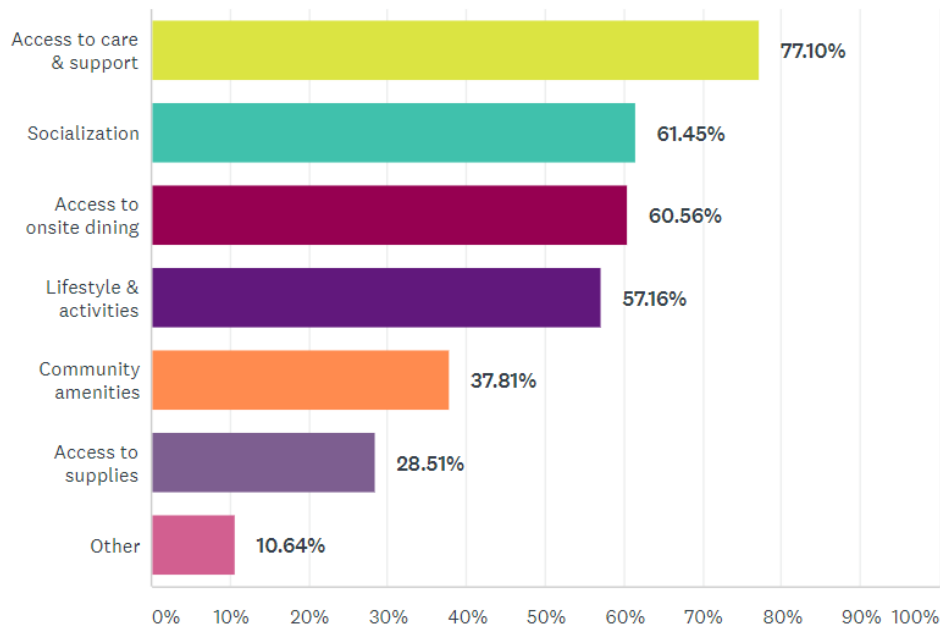
Changes in Moving Plans Due to COVID-19

- Nearly 60% of respondents indicated their plans to move to a senior living community have NOT changed due to COVID-19
- Almost 19% indicated that COVID-19 has changed their plans, while about 22% are still unsure



- Among those respondents who planned to move within the next two years (prior to COVID-19), just over 50% stated that COVID-19 has NOT changed their plans to make a move to a senior living community
- More than 23% indicated that COVID-19 has changed their plans to move
- Nearly 27% are still unsure

Biggest Benefits of Senior Living



- When asked to indicate the biggest benefits of living in a senior living community, the majority of respondents noted on-site access to care and support, socialization, access to on-site dining and the overall lifestyle and activities
- Community amenities and access to supplies ranked lower in overall response
- “Other” responses included low/no maintenance, safety and security, healthcare, and transportation services

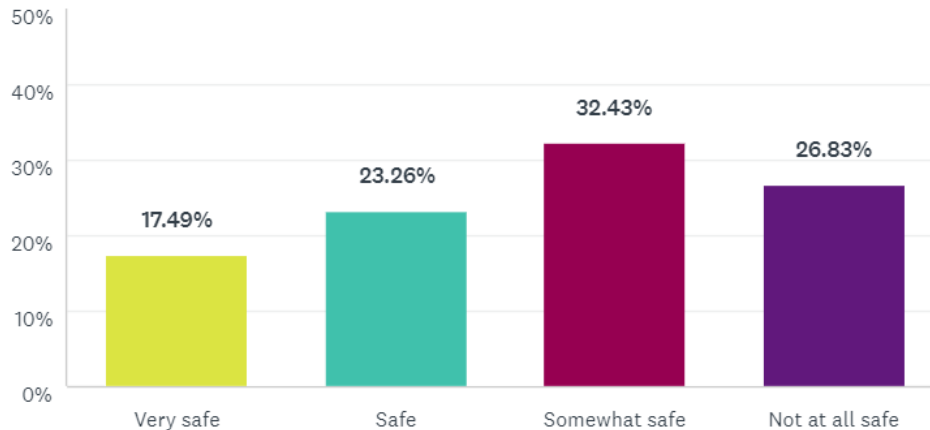
Key Considerations When Making a Move

- Among survey respondents, the words/phrases most commonly used when asked about the most important considerations when making a move to a senior living community were as follows:



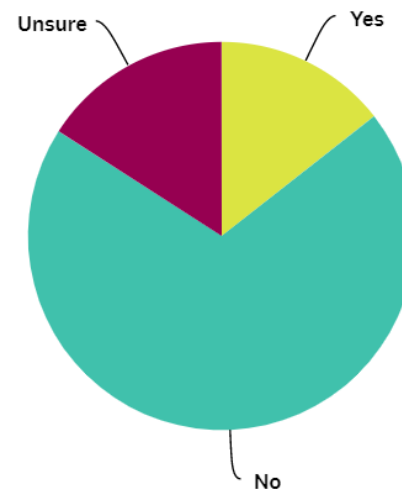
Financial/cost considerations remain most important to most prospects, with health and safety also now becoming key concerns.

Senior Living vs. Home During COVID-19



- Nearly 41% of respondents indicated they would feel safe or very safe from a health and wellness perspective if they had been living in a senior living community during COVID-19

- 14% of respondents say they feel they would have been safer in a senior living community during the pandemic instead of their home
- 16% are unsure if they would have been safe in a senior living community



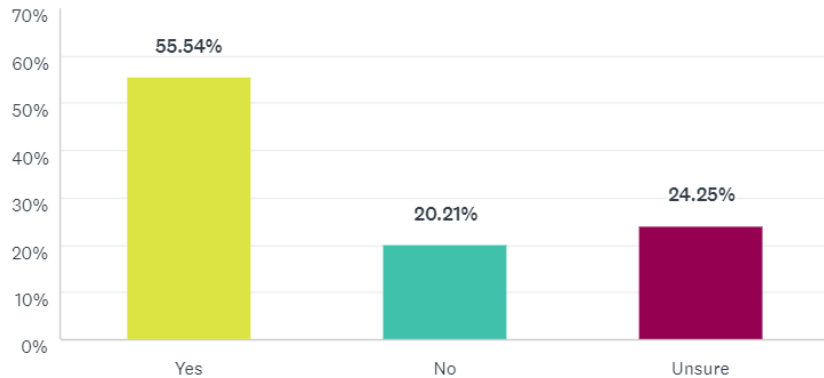
Reasons for Feeling Safer at Home

- Among survey respondents, the words/phrases most commonly used when asked about why they would NOT feel safer in a senior living community during the pandemic were as follows:



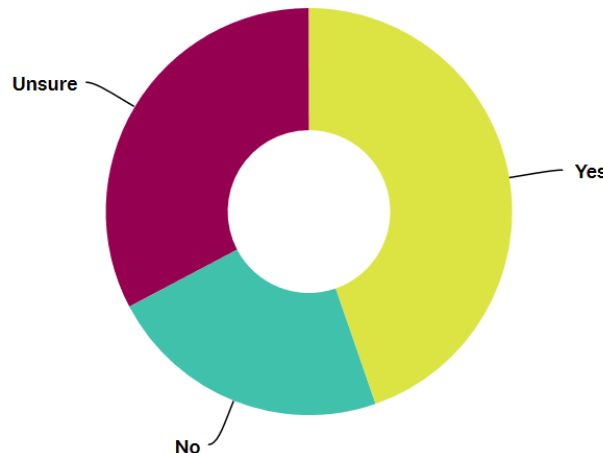
Most respondents indicated the ability to quarantine/isolate and the fact that their home is a controlled environment as the primary reasons they feel safer at home.

Resuming Normal Life After COVID-19



- More than 55% of respondents indicated they plan to resume their prior daily routine and activities after quarantine restrictions are lifted, with nearly 25% stating they were unsure what they would do

- About 45% of respondents said they plan to continue social distancing even after experts indicate it is no longer necessary, with nearly 33% expressing that they were unsure of what they will do



COVID-19 Effects on Overall Lifestyle

- The words/phrases most commonly used by respondents when asked about how the pandemic will affect their overall lifestyle include:



Safety and being safe were of highest note, followed by having a plan and procedures in place to maintain cleanliness and control. The need for overall responsiveness by senior living and businesses was also a common note.

Moving Forward with Exploring Senior Living

- When asked about how they intend to proceed with their decision-making process regarding senior living options once they are comfortable doing so, the most common words/phrases among responses included:

Waiting list Online research Sales
Undecided Wait Not sure
Gather facts Reevaluate Tour Visits
I wish I knew Unknown Family
To be determined Vaccine Sell house
Weigh pros and cons Questions Assess
Consult attorney Talk to friends/family
Financial assessment Create spreadsheet

The vast majority of respondents are clearly unsure of how they plan to proceed with the decision-making process, making it essential for communities to help guide prospects and give them smart and safe options for next steps in the sales process.

About Sage Age Strategies

With over 35 years of experience, Sage Age Strategies is a multiple-award-winning, strategic growth, marketing and consulting organization that operates ***exclusively*** in the unique senior living marketplace.

Sage Age is nationally recognized for its comprehensive consulting services including strategic planning and business growth, market research and feasibility, branding, program development and marketing and sales support.

