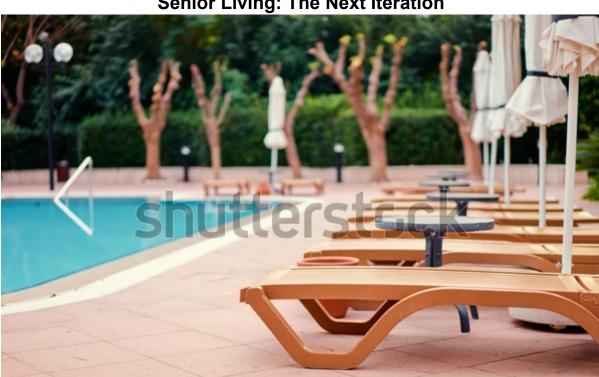# Senior Living: The Next Iteration

By Serena Lipton, Associate, Healthcare, Artemis Real Estate Partners

Senior Living - June 2022

About the Author

Serena Lipton is an Associate with Artemis' healthcare business, responsible for supporting acquisitions and asset management activities across the healthcare platform with a focus on seniors housing. **LinkedIn**

Senior Living: The Next Iteration

Image by [Kudla](#) on Shutterstock

Why is Senior Living Important?

In the past fifty years, the world's longevity has expanded by thirty years. In 1940, people lived until the age of sixty-five, and now, people are living well into their eighties, nineties, and even past the age of 100 (Roser, 2013). According to researchers at the University of Oxford, "globally the life expectancy increased from less than 30 years to over 72 years; after two centuries of progress, we can expect to live much more than twice as long as our ancestors. And this progress was not achieved in a few places. In every world region people today can expect to live more than twice as long" (Roser, 2018).

Until recently, all seniors housing infrastructure was built with an average lifespan of sixty-five years in mind. People lived and worked until the age of sixty, had four "golden years," spent one year in a state of declining health, and prepared for eternity. Today, as people start living longer, healthier lives, society needs to start thinking about creative ways to approach these additional (and highly welcomed) thirty to forty years of life.

This is a question that is challenging the industry at all phases of the care continuum and will continue to be a hot topic for many years to come. In the past, all senior living infrastructure was built with the previous generation in mind, but now that people are living longer, healthier lives, what exactly needs to change?

What Do Current Seniors Want?

The past couple of years have certainly been a true testament to the strength and resilience of the industry, and the coming years represent an opportunity to rebuild and restructure all prior operating models in order to better adapt to the evolving needs of seniors everywhere.

The senior of the future comes with an entirely new set of criteria. With a little more spending power, many seniors are turning away from housing options that typically represent a need-driven marketplace and are instead looking toward luxurious new offerings all across the care continuum.

In senior living, "the community is much more than a place you'll stay for a night or two. Therefore, incorporating hotel-style hospitality into the culture is about making sure those impressions last much longer than just a short period of time. Residents should come to expect the highest levels of hospitality and attention to detail throughout our organization" (Miller, 2018).

Person-Centered Care

One of the most important points of evolution was the creation of assisted living, which represented the transition from an institutional care model to a social model, and even more recently, the social model has been moving toward a person-centered care model.

The senior living industry has long struggled to differentiate itself from the world's skewed perception of traditional nursing care, often associated with fractured operational practices and dated infrastructure. In the past decade, modern senior living ventures have become increasingly inspired by the practices of the hospitality industry. The continuation of this industry-wide adaptation will help to shift the world's perception of the industry, as well as shape the lives and well-being of residents. Person-centered care "is a focus on elders' emotional needs and care preferences, consistent with their lifestyle. The emphasis is on relationships in the care, rather than task-centered approaches that focus on physical health of elders (Medical Model)" (Alzheimer's Association, 2017).

Senior living professionals, at all levels, are adapting to practices surrounding person-centered care as the importance of wellness-based practices become

increasingly relevant to the evolution of the industry going forward. Person-centered care represents a dignified and fully-customized care approach that focuses on the needs of each individual, granting residents access to safely and thoughtfully coordinated care, while honoring personal freedoms and increasing optionality in terms of care preferences, all of which are rooted in the residents' holistic well-being.

Wellness

The role of person-centered care does not exclusively apply to care practices, as the incorporation of wellness and hospitality-based services will be essential to the success of senior living communities going forward. As the industry continues to grow and evolve, owners and operators are realizing the importance of abandoning prior stigmas surrounding an institutionalized care model, and embracing a wellness-oriented operating model driven by person-centered care. Providing elevated dining experiences through chef-inspired and dietician-approved menu offerings, offering multiple and unique dining venues, sourcing from locally grown and organic food providers, increasing in-house spa amenities, and placing a stronger emphasis on life enrichment services are just a few ways in which operators are transforming the resident experience. Incorporating such practices in both infrastructure as well as operating models will further encourage wellness and longevity.

Tech Innovations

Advancing technology has quickly become one of the most relevant trends in the senior living industry, and adapting to these trends is crucial for companies that want to be well-positioned for the future.

The Covid-19 pandemic has created larger need gaps at vulnerable points within the senior living industry, thus accelerating the need for quick, creative, and cost-effective solutions.

What kind of role will technology play in the industry going forward? Depending on the type of technology being introduced to a community, there are numerous different factors to consider. Such factors may include resident safety, financial feasibility, and impact on operating margins, staffing needs, engagement with residents, and human interaction. To date, there have been numerous different tech ventures that have entered the senior living space, each of which has the ability to elevate and serve unique purposes. In community dining, residents are using tablets to order their favorite courses, both in the comfort of their own apartments or around the dinner table among friends, followed by a trip to the community's self-serve wine bar. Artificial intelligence

has been harnessed to improve operations across all departments, through robot-delivered meals, goods, and medication, in addition to data analytics, which can now be used to monitor resident well-being, identify health risks or even prevent falls.

Brands, Brands, Brands…Could It Work?

Although it is still a relatively young (no pun intended) industry, few senior living operators have looked to the hospitality industry as an example of how to begin restructuring operations through brand-building and expansion.

Currently, the hospitality industry represents a landscape of brand proliferation. This is mainly due to the fact that building sub-brands was proven successful from very early on and, thus, brands and sub-brands were continuously formed and built out.

Accor, for example, has 43 sub-brands, and each of these sub-brands represents a different consumer and an entirely different experience (*Accor Hotels - Discover All Our Hotels*). Each brand has a distinct design target and profile that defines who they are and what kind of consumers they kept in mind when constructing their brand. Each of these sub-brands has built highly successful empires under its wings, each with something for everyone.

However, when building a brand and expanding into sub-brands, it is of the utmost importance to try and break out in a way that is meaningful, rather than just adding to the existing noise that already exists in the marketplace.

In doing so, it is important to try and identify the moral of each brand's story; what are its core beliefs? What guides the brand? How can the moral of its story be worked into all aspects and touchpoints of the brand? Luckily, the seniors housing industry does not have to search too hard for such answers, as the industry has been built to fulfill an incredibly important purpose: caring for seniors.

However, it seems that the seniors housing industry may have forgotten the importance of building and maintaining a particular brand position, outside of what types of care a particular community can offer, and it could be interesting to see what kind of change increased brands could bring to the industry. Bernardo Gubert, Executive Director of Maplewood at Weston, explains, "With an increased number of hospitality professionals entering the senior living industry, there may be an increased number of new senior living brands and sub-brands popping up in the near future. However, it is worthwhile to consider that this can be quite a tricky feat, seeing that the greater the number of brands and sub-brands, the greater the risk of brand dilution, however, we have seen

great success thus far with Maplewood's recent sub-brand venture, Inspīr. Inspīr is a brand-new luxury senior living destination situated in Manhattan's Upper East Side. This development generated an overwhelmingly positive response in the marketplace, and I look forward to seeing what the future holds."

Whether or not brand expansion is possible in the senior living sector, the most important benchmark for a successful community is maintaining a strong culture, and a brand can only get so big before it loses sight of it. At the end of the day, it doesn't matter what name is on the building, it's the level of warmth one feels when stepping inside of a community during mealtime, and it's the smile on each resident's face.

New Industry, New Roles

With nationwide labor shortages expected to continue in the near term, the labor market will continue to be quite competitive. Senior living operators will have to maintain a meaningful focus on attracting, developing, and retaining talent within communities. The past couple of years have created entirely new standards across the job industry, and it is important that senior living operators do all that they can to adjust to the evolving demands within the labor market. Among these demands are fair compensation, flexible schedules, and increased optionality for need-based paid time off, among others.

There is an abundance of opportunities for those looking to explore careers at all levels within the senior living space. Due to the apparent and increasing importance of the intersection between the hospitality and senior living sectors, there is an entirely new pool of jobs evolving. For example, many senior living communities are beginning to hire hospitality consultants and leaders to maintain consistent practices both operationally and at the property level.

Above all, the industry needs dedicated talent across all departments. Even more important than figuring out creative ways to retain talent is to stop the revolving labor door by recruiting caring hearts.

References

Accor Group. (n.d.). *Accor Hotels - Discover All Our Hotels: Accor*. ALL - Accor Live
    Limitless. https://all.accor.com/brands/index.en.shtml.

Miller, David. (2018, July 5). Hospitality, Once Reserved for Hotels and Resorts, Now a
    Key Component of Senior Living. *McKnight's Senior Living*.
    https://www.mcknightsseniorliving.com/home/columns/guest-columns/
    hospitality-once-reserved-for-hotels-and-resorts-now-a-key-component-of-
    senior-living/

Person Centered Care in Nursing Homes and Assisted Living. (2017, July). *Alzheimer's
    Association: Greater Missouri*. Retrieved May 10, 2022 from
    https://www.alz.org/greatermissouri

Roser, Max, et al. (2013, January 23). Life Expectancy. *Our World in Data*.
    https://ourworldindata.org/life-expectancy

Roser, Max. (2018, October 8). Twice as Long – Life Expectancy around the World. *Our
    World in Data*. https://ourworldindata.org/life-expectancy-globally