Retirement Community Meets Occupancy Goals with Predictive Modeling

Client Name
Acts Retirement-Life Communities

Industry
Continuing Care Retirement Community

Client Since
2014

"Instead of mailing everyone all of the time, we now target the groups most likely to respond to specific offers. AccuData's modeling provided efficiency, effectiveness, cost savings, and a 2.5x lift in response rate."

- Bill Tamulonis, Director of Market Research, Acts Retirement-Life Communities

BACKGROUND

Acts Retirement-Life Communities is the nation's largest not-for-profit owner and operator of 21 continuing care retirement living communities in eight states. Acts' 6,000 team members serve more than 8,600 individuals who live in its residences. Since its founding in 1972, Acts has experienced steady growth with approximately 600-700 new resident move-ins expected this year.

THE CHALLENGE

Although Acts had a resident database, it lacked robust demographic and psychographic details about its residents, which were needed to build a complete profile. Acts also sought to segment its prospects into smaller groups for more targeted marketing efforts that would produce better results.

"We hadn't developed a profile of who our current residents were," said Bill Tamulonis, Director of Market Research at Acts. "So we weren't sure which demographic or behavioral traits predicted whether someone would respond to our marketing and sales efforts."

Acts partnered with AccuData to develop a profile of its current senior residents to better identify and target seniors seeking the active retirement lifestyle that Acts provides.

THE SOLUTION

First, AccuData appended demographic and psychographic information to a list of Acts' customers who had placed a deposit to live in one of their communities. Then, AccuData used descriptive analytics to develop a profile of Acts' current audience of responders.

Next, AccuData appended Acts' prospect list to include lifestyle and demographic information to create a detailed predictive analytics profile. This would be used to forecast and rank the prospects most likely to respond.

"We knew we could do a better job identifying who is most likely to move into our communities from our list of 50,000 possible prospects," said Tamulonis. "You can waste a lot of time and money if you treat all prospects the same."

Analyzing more than 300 demographic, behavioral and lifestyle attributes along with Acts' internal variables, AccuData determined which 10 attributes were the most likely predictors of who would move into an Acts community.

Using its AccuModel predictive analytics, AccuData scored Acts' prospect list and ranked it into 10 separate groups.

THE RESULTS

The quality scores were uploaded into Acts' CRM system and contributed to targeted marketing and sales campaigns that helped Acts surpass sales goals and reach 90% average occupancy. It was determined, in fact, that 19% of Acts' prospect population, when identified and targeted with marketing offers, resulted in 37% of its move-ins.

AccuData's predictive model also helped Acts target specific prospects based on the square footage of their current home. The profile allows Acts to target down to the available floor plan level. "Most seniors are looking to downsize, but we've found that cutting their current space by half is the most realistic expectation," Tamulonis said. "So we know not to market a 700 square foot home to someone who is currently living in a 3,500+ square foot house. But those homeowners would be perfect prospects for our stand-alone villas that are larger."

Acts has used AccuData's AccuModel for several years and continues to see the top 5 ranked groups outperform all of the other groups in their prospect database. The sales team is able to prioritize their efforts while making fewer calls than they were previously.

"Acts is tremendously satisfied with AccuData's performance and customer service. From really trying to understand our business to offering us solutions we may not have thought of, AccuData has provided valued consultation and advice along the way. We've definitely benefitted from your team's experience and responsiveness. We consider the predictive modeling effort to be a project that has returned great value to our organization."

- Bill Tamulonis, Director of Market Research, Acts Retirement-Life Communities