

I began my tenure on April 6, 2020. My draft goals for 2020 were presented to the BOD in April and accepted the following month. A monthly progress report was submitted for every BOD meeting, using this format.

Added to this report on page 2 is a primer on marketing in life plan retirement communities as a Board education item.

GOAL 1: Response to COVID-19

Thanks to Hanh Ta, Operations Director and Incident Commander for the pandemic, and her team of managers & directors, this goal is being successfully met. Since 3 positive tests in early April, 2020, we have had no other positive test results except for one contract employee in Dec, 2020 (no resident or team member tested positive as a result of potential contact). **[Breaking news: we did have a positive test result for a team member on Jan 19; details will be forthcoming via written updates.]** All required reports and plans were timely submitted by Hanh & her team, and approved by the various regulatory agencies. The first vaccinations were given on Jan 4 and as of this writing the second vaccinations are scheduled for Jan 25. Unfortunately, this is not the end of our response. The terrible infection rate in the Bay Area, the state, and the nation and the choppy rollout of the vaccine nationwide mean that we will likely continue precautions at least through the first half of 2021.

GOAL 2: Planning for Post COVID-19 Surge

- a. *Financial:* **Staff reported its projection of financials beyond COVID-19-related expenses at the Aug BOD meeting**, and continued to track for the rest of the year. Budget for 2021 will be presented in Jan; it will include continued higher costs of the pandemic.
- b. *Marketing plan:* **The executive summary was included in the Oct staff report to the BOD.** The marketing plan will continue to be held in abeyance pending resolution of strategic discussions and the arrival of the new CEO. A marketing primer is attached to this report as a board education item.
- c. *Second wave preparation:* See Goal 1 above.
- d. *Review of emergency plan:* **Work is ongoing.** Hanh will continue to work w/consultant Ray Boudewyn. Formal review and revision will likely have to wait until the pandemic is substantially over and a thorough debrief is possible.
- e. *Apartment conversions:* **We completed the previously approved conversions of apartments in 2020, creating 3 new large apartments from studios.** As reported earlier, we are suspending future apartment conversions until clarification of strategic direction.

GOAL 3: Transition to Permanent CEO/Executive Director

- a. *Staff development:* Executive coaching was an ongoing project despite the demands of the pandemic. **Executive job evaluations, reflecting that coaching as well as individual performance, were conducted the first week of Jan** and will be included in the CEO transition packet (Goal 3c).
- b. *BOD evolution:* **The monthly training was completed at the Aug BOD meeting.** The summary syllabus of training and an explanation of the Board Governing Policies will be included in the CEO transition packet (Goal 3c).
- c. *Specific transition plan:* **The CEO turnover file was substantially completed on Jan 15, 2021.** A few stray items will be added by Jan 22. I will be available for whatever orientation session(s) the new CEO will want at our mutual convenience after I leave.

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MARKETING 101: A PRIMER ON MARKETING LIFE PLAN COMMUNITIES

January 2021

Marketing Approach: Marketing a life plan community is *relationship selling over time*, usually taking 2-3 years or more, with 8-15 meaningful “touches” over that span. Touches are substantive marketing contacts, like an event at the site or an in-depth visit or phone call, to create trust and credibility with the future resident over time – trust and credibility are key to the sale. A mass email is not a touch, but a handwritten letter could be if it has substance and is interlaced with other contacts like invitation to a lecture or open house. That we managed five moves to HOTM in 2020 is in large part due to marketing touches done years ago.

Relationship selling puts into relief the importance of the marketing team. It also makes judging effectiveness of marketing campaigns trickier b/c the **return** (i.e., move to HOTM) could be a couple of years in the future. There are interim data that serve as useful proxies, such as numbers added to the query list, deposit lists, and attendance lists for events.

Bread n’ Butter Techniques: Still the most effective way to market are events at the site (e.g., a lecture or other educational event, a social occasion) with good interaction w/existing residents selected by marketing and usually nice refreshments. People are invited by USPS with mailing list of age/income qualified persons bought from a service. These events are meant primarily to gather new candidates, but they are also strong “touches” for existing candidates (see above). Another effective technique: meals with residents, with or without an open house of some kind or other draw. Common theme: get them in the door.

Evolving Techniques: While bread n’ butter techniques are still effective, there are clear signs that online, social media, virtual, other tech-based marketing are growing in importance. This has gone beyond a good webpage & effective SEO to a separate social media strategy, and nuanced webpage design (e.g., what works on a full screen will not work on a mobile device). Even people whose first contact is via telephone will usually have checked out the website and one or two social media sites. Developing this “infrastructure” should be one of the priorities for the next 1-2 years.

Unappealing Product: While Heritage has some definite marketing strengths (intimacy, location, history, etc.), we are at a net disadvantage because we have too many very small studios (230sf avg) and limited amenities, including scant resident-oriented technology (beyond wifi), a poor fitness room, lack of parking, and so on.

Print Media: Print media can be a modest secondary or tertiary technique but they don’t work as a primary marketing strategy unless you’re willing to devote big bucks to it (professional copy and photography, large ads, regular appearance in selected media). The random ad in, say, the Symphony program rarely (I’m tempted to say never) generates leads.

Dealing with the Pandemic: We had no on-site events during 2020 and it is unlikely we’ll have any through the first half of 2021. While we nurtured existing persons on our query lists with virtual “touches,” we did not add new candidates to the rolls in meaningful numbers. We will need an aggressive campaign when we return to a semblance of normalcy and beef up our online marketing infrastructure. With the time lag of relationship selling, we will begin to feel this in 1-2 years.