

American Association of Retirement Communities
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Trends in Retiree Attraction Research
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Retiree Attraction brings these types of jobs to a community:

Real Estate	Health Care
Banking	Finance
Doctors	Lawyers
Accountants	Retail

Why attract retirees?

1. Value
2. Focus on 65+

Value – Excellent economic development strategy

- Size of potential markets
- Retiree spending – spend more than any segment of population
- Job Creation
- Value of retirees to community:
 - Provides sales and property tax revenues
 - Volunteer generation

How to Attract Retirees (55 – 64)

From an Economic Development Perspective

1. Fueled by spending
 2. Job creation comes from local spending
 3. Retiree Relocation is cost effective
 4. Valuable especially to the rural communities
- Retirees are about ten percent of the population now. By 2030 there will be 360 million people in the United States, of which 72 million will be retirees (20 percent)
 - Only about ten percent of retirees have moved (3,700,000)
 - 20 percent will likely relocate after retirement
 - By 2030, 13,400,000 retirees will relocate, which is four times the current numbers

Consumer Expenditures

- \$36,000 average spending per retiree per year
- Spending multiplier of 1.75 to 2.25

- Total economic impact - \$72,000 annually

Housing

- 75 percent purchase new houses
- Housing value typically above the community average

In the year 2000 people who had already retired controlled:

- Silent generation (Born before 1946) 50 percent of the wealth
- Baby Boomers (Born 1946 -1964) 45 percent of the wealth
- Retirees spend money before they are retired – Tourism is linked
- They will make their living decisions over three to five years.
- Their visits average two to three days in communities and as they narrow their search, retirees will start staying longer as tourists.
- Only one in ten will actually relocate in your community.
- However, as they make their decision, the retiree will have created ten to twenty weeks of bed taxes (average of \$150 spent per day)

Job Creation

- Job multiplier is 2.0 to 2.5
- One retiree is equal to 3.7 industrial jobs (according to Pat Mason of North Carolina)
- The presence of retirees creates jobs on both entry and professional levels
- Boomer retirees are looking at more plastic surgery than other generation, as well as have a need for more veterinarians. Boomers love their pets!
- Each retiree household is worth \$3,000 a year to communities in revenue
- In the year 2000 a 65-year old was expected to live to be an average 83
- NPV - \$30,000 at n=15 and i=5%

Retiree Attraction mostly happens through these avenues:

Word of Mouth	Marketing Communities (recommends Target
Tourism	Approach rather than Shotgun)

Principles of Targeted Marketing

- With what your community has to offer, which targeted groups can you attract
- Know your competitors – Are competing with a smaller amount of communities than you think
- What are your comparative attributes?
- What do retirees want?

Baby Boomer Characteristics:

- More willing to relocate
- Traditionally want to be somewhere warm – Florida is known as “God’s Little Waiting Room”
- Want amenities not climate