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RESIDENT SATISFACTION IN CONTINUING CARE RETIREMENT COMMUNITIES

The senior living industry is big business and growing fast, thanks to increasing life expectancy. According to the U.S. Census, there were 53 million Americans aged over 65 in 2019. That figure is set to rise by 55% to 82 million—one in five of the population—by 2050. More and more seniors are already attracted to continuing care retirement communities (CCRCs). But what impacts resident satisfaction in this increasingly competitive market? New research led by Dr. Suja Chaulagain and Dr. Abraham Pizam at UCF Rosen College of Hospitality Management finds that above all, it's the social environment.

Feeling at home. It's what every senior hopes for when moving into residential care. Seniors have traditionally had to choose between an age-restricted community, independent living facility, assisted living scheme, or a nursing home. However, a new model of residential care provides elements of all—the continuing care retirement community (CCRC).

CCRCs allow residents to stay in one place and receive different levels of support and care over time. Seniors can start by living independently and move to an assisted living or nursing care plan later, according to their developing needs. Part of the appeal of CCRCs is their focus on lifestyle, with many offering services more commonly associated with luxury hotels. With fitness suites, swimming pools, different dining options, and beauty salons, as well as laundry, medical, and personal care services, CCRCs have developed as a hybrid of hospitality and healthcare.

It should therefore come as no surprise that leading hotel chains like Marriott International

More and more seniors are attracted to continuing care retirement communities (CCRCs).



What impacts resident satisfaction in the CCRC market?



discussions with CCRC residents and senior living experts to identify what affects resident satisfaction.

They found ten categories of CCRC attributes that matter. These comprised facility-based factors such as management and staff, rooms, food and beverage services, location and design, as well as cost. Other categories included the availability of activities, sociopsychological factors such as opportunities to socialize, spiritual environment, for example whether religious activities were arranged, and the medical services offered.

The research findings were based on a 2021 survey involving 332 CCRC residents in the

relationship between them, and to quantify their relative levels of importance.

WHAT MATTERS MOST

The results confirmed that resident satisfaction was affected by all categories of CCRC attributes tested. Sociopsychological factors had the greatest influence, followed by cost, medical services, and the availability of activities.

Dr. Chaulagain, Dr. Pizam and their colleague argue that the high value placed on social environment suggests that, above all, residents appreciate the sense of belonging to a community and opportunities to socialize. This brings home the striking

SENIOR LIVING COMMUNITIES HAVE PROGRESSIVELY SHIFTED FROM PROVIDING HEALTH-CARE SERVICES TO PROVIDING HEAVILY RESIDENT-CENTERED SERVICES.

U.S. aged 65 and over. Participants were evenly split across gender and had varying levels of educational achievement. Their income ranged from less than \$15,000 a year to more than \$251,000, with the largest group—22%—earning between \$50,000 and \$75,000. Almost half of the interviewees were married, and 71% were white. Additionally, around half lived independently within their CCRC, 46% had lived there for a year or less, 33% for between one and five years, and 20% for more than five years.

Residents were asked to complete a questionnaire and give satisfaction ratings for statements about their CCRC's facility-based attributes on a seven-point scale from 'strongly agree' to 'strongly disagree'. In addition, they were asked to give ratings of 'yes', 'no', or 'unsure' for whether they would recommend their CCRC by word-of-mouth, and for whether satisfaction with their CCRC affected their overall satisfaction with life.

The research team analyzed the questionnaire data using a rigorous statistical technique based on exploratory factor analysis (EFA), confirmatory factor analysis (CFA), and structural equation modelling (SEM). This allowed them to investigate the factors that impact resident satisfaction and the

alternative to the potential loneliness of aging alone in their own homes.

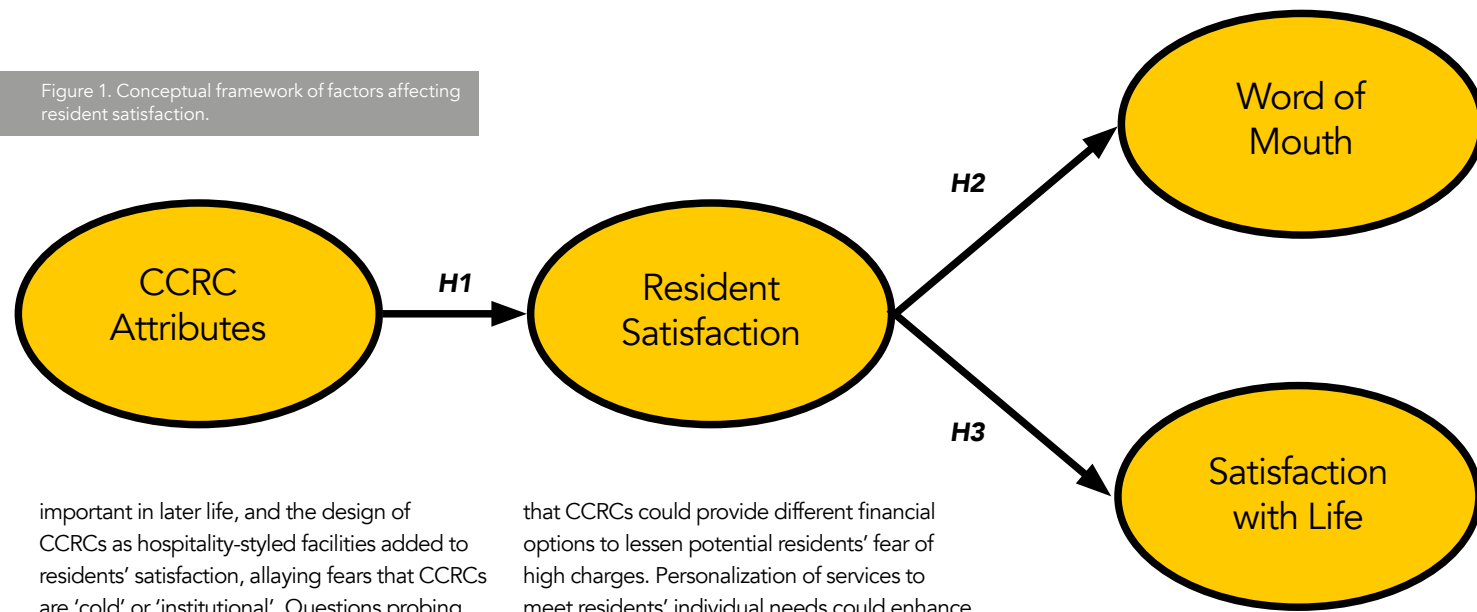
The high rating for cost and value was more surprising. CCRC fees are significant, due to the cost of providing high-end services, but this was not a barrier to resident satisfaction. The study finds that 'the high investment may significantly increase residents' value expectations for the service they receive from CCRCs.'

The importance of medical services for resident satisfaction was expected to be high, as the need for medical care is a major reason for seniors to move into CCRCs. Given that residents valued the social environment most of all, the high value placed on recreational activities could also be anticipated. Both of these suppositions were borne out in the study's results.

The next most important factors affecting resident satisfaction were facility-based attributes associated with residents' physical environment. In priority order these were: food and beverage services, design, rooms, management and staff, and location.

As the research team explain, these attributes have a direct impact on residents' daily lives. Healthy and nutritious food is especially

Figure 1. Conceptual framework of factors affecting resident satisfaction.



important in later life, and the design of CCRCs as hospitality-styled facilities added to residents' satisfaction, allaying fears that CCRCs are 'cold' or 'institutional'. Questions probing the importance of management and staff included service-delivery-constructs, and the results confirmed residents' appreciation of the customer-service-skills associated with high-end hospitality venues. Location also mattered, for example, being in a 'good neighbourhood' and close to leisure facilities.

Spiritual environment positively impacted resident satisfaction but was the least important attribute.

The findings confirmed that resident satisfaction does lead to word-of-mouth recommendation and that it positively affects overall satisfaction with life (Figure 1).

OPPORTUNITIES FOR CCRC OWNERS AND OPERATORS

The research has important implications for CCRC owners, not least in the importance of

that CCRCs could provide different financial options to lessen potential residents' fear of high charges. Personalization of services to meet residents' individual needs could enhance value perceptions, and medical costs could be reduced by building stronger relationships with local hospitals and clinics and inviting them to deliver some services in CCRCs.

The report finds that the importance for resident satisfaction of facilities-based factors such as food and beverages demonstrates how different baby-boomers are from their parents' generation. Suggestions for CCRC owners include providing more diverse menus and different dining venues. The design of buildings could also focus on features that enhance wellness, facilitate engagement with other residents, and create a sense of comfort and belonging.

The study emphasizes the importance for CCRCs of the people and service-delivery skills found in high-end hospitality settings. Dr. Chaulagain, Dr. Pizam and their colleague

facility may not be aware of the benefits of CCRCs, and recommendations from existing residents could help their decision making. The report suggests that residents could, for example, be encouraged to provide feedback on social media platforms.

WIDER BENEFITS

The pioneering study led by Dr. Chaulagain, Dr. Pizam and their fellow researcher provides a comprehensive insight into resident satisfaction in CCRCs. It goes further than previous academic studies by analyzing the relative impact of multiple categories of attributes on resident satisfaction, and by confirming that resident satisfaction impacts word-of-mouth recommendation and residents' overall satisfaction with life.

The research team find that 'senior living communities have progressively shifted from providing healthcare services to providing heavily resident centered services.' It follows that, in a burgeoning market, paying greater attention to resident satisfaction can help CCRCs to enhance their competitiveness.

The benefits go even further. As the report concludes, 'Residents who are not satisfied with CCRCs are more likely to have low levels of life satisfaction, which will affect their health negatively and may increase their healthcare costs ... To increase residents' life satisfaction, and to reduce their level of depression and other negative health outcomes, CCRC operators should make sure that seniors who reside in their CCRCs are happy with the services and care provided in their communities.'

HIGH INVESTMENT MAY SIGNIFICANTLY INCREASE RESIDENTS' VALUE EXPECTATIONS FOR THE SERVICE THEY RECEIVE FROM CCRCs.

social environment for resident satisfaction. The researchers suggest that owners could create more opportunities for residents to get to know one another, and for management and staff to get to know residents. They could also provide more activities to combat loneliness and ensure that activities include something for everyone.

In response to the high rating that residents attributed to cost and value, the report suggests

suggest that staff from traditional healthcare backgrounds might benefit from additional training in customer management and care, and that standards should be monitored regularly.

Confirmation of the importance of resident satisfaction for word-of-mouth recommendation is particularly helpful for CCRC marketing teams. Seniors contemplating moving into a senior living

RESEARCHERS IN FOCUS

RESEARCH OBJECTIVES

The study explores the attributes that affect resident satisfaction in continuing care retirement communities (CCRCs) and quantifies their relative levels of importance.

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PERSONAL RESPONSE

Your study is one of the first to look at how residents' satisfaction with their living environment affects their overall satisfaction with life. Were you surprised that there was such a strong correlation and what leads you to your conclusion?

“We expected a high correlation between residents' satisfaction with their living environment and their overall satisfaction with life. However, we were surprised by our study finding that sociopsychological factors had the highest impact on resident satisfaction. Since CCRCs have more control over the facilities and services they provide but have limited influence over the residents' sociopsychological status, CCRC owners and operators should take action to create a favorable social environment by focusing on the commonality among their residents.”

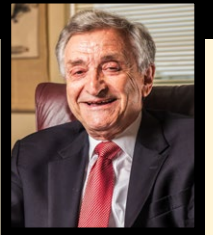
Dr. Suja Chaulagain



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Dr. Abraham Pizam is the founding dean (2000–2018) of the Rosen College of Hospitality Management at the University of Central Florida. Currently, he serves as Professor and Linda Chapin Eminent Scholar Chair in Tourism Management. Professor Pizam is widely known in the field of hospitality and tourism management and has conducted research projects, lectured, and served as a consultant in more than 30 countries.

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