

Experts Say Sales Training Essential

Assisted Living Prospects Emotional About Decision To Move

Offering rate discounts is not an effective strategy in persuading prospects to move into an assisted living community in the current economic climate, experts say. Instead, assisted living communities should train their sales and marketing professionals in an approach that focuses on a prospect's needs rather than making the sale—especially in question-based selling, relationship building, and creative follow-up skills.

“Getting and staying full is going to be difficult for some time,” says Anthony Mullen, a senior fellow at the National Investment Center for the Seniors Housing and Care Industries, Annapolis, Md. “Offering discounts on rates has little impact on a majority of prospects. The antidote is professional sales skills.”

Mullen estimates that 90 percent of

seniors housing does not train or have ongoing training programs for its sales and marketing staff. For the past 10 years, Mullen has chaired an annual sales and marketing conference held each December in Naples, Fla.

A speaker at that conference was David Smith, president of One on One, a St. Louis-based sales consulting firm for seniors housing and long term care. In addition to his consulting firm, Smith is co-owner, developer, and manager of The Gatesworth at One McKnight Place, a St. Louis campus with 400 units of congregate, assisted living, and skilled nursing care that consistently maintains 100 percent occupancy. Smith's approach focuses on converting those prospects who have called or visited a community by using a specific sales approach based on the prospect's needs.

are therefore seeking predictability over the long haul.

Q: How should salespeople approach emotionally sensitive areas?

Smith: Give the prospective resident as much time and control over the conversation as possible. Spend time actively listening, supporting, and reassuring. Avoid attempts to manipulate or persuade and instead align with the prospect, looking at the world from his or her point of view. Evoke stories and examples of the prospective resident's lifetime of experiences, including important successes and failures. Understand that no qualified prospect inquires about seniors housing without an underlying need and desire to move. Try to understand from the prospective residents' perspective: why they should move rather than stay where they are, why they should move now, and why they should move to your community instead of somewhere else.

Q: What are the most proactive things a salesperson can do to attract prospects to the community?

Smith: Be genuinely committed to enhancing residents' lives. Adopt a truly resident-centered approach to operations and service delivery. For our community, the operating philosophy is, “The answer is ‘yes.’ What's the question?” Once you are committed to excellent resident services, lots of people, companies, consultants, and agencies can help you find effective ways to communicate that to qualified prospects. If you use effective sales counseling approaches you don't really need that many leads. One on One and others are consistently able to convert around 50 percent of those qualified

Q: With the current economic downturn, what kind of tips do you offer to assisted living sales and marketing departments?

Smith: Be sensitive to the impact of declining portfolio and home valuations but remember that for an overwhelming number of prospects, resistance to making a move to seniors housing is primarily emotional, not financial.

Contact your local residential real estate board for a realistic assessment of what is happening with housing sales velocity and pricing as well as their best forecast of what the next year will bring. Study what housing sales assistance programs and services are being offered by industry leaders such as Erickson Retirement Communities.

Q: How do you handle prospects who have lost 40 percent in their 401(k) and are concerned they can't afford to move into your community?

Smith: Determine if they really can or can't afford to live there regardless of any change in asset value. If they can't afford to live there, try to offer a less expensive solution.

Q: Why are discounts or temporary financial incentives ineffective for ensuring high occupancy?

Smith: Again, for an overwhelming number of prospects, resistance to making a move to seniors housing is primarily emotional, not financial. Temporary discounts are ineffective for senior adults with limited ability to grow their income or assets and who

prospects that visit the community at least one time.

Q: If a prospect or a prospect's family member calls an assisted living community for information, how should that call be handled?

Smith: If a prospect or their family member calls an assisted living community, you can be sure that they are facing a truly difficult and demanding situation where they live now. Qualified prospects do not call assisted living communities out of curiosity. Treat the caller like you would like to be treated if you were forced by difficult and perhaps humiliating circumstances to seek help from a stranger. Don't worry about the outcome. If you truly try to understand and help callers, if they believe that you care more about their problems than about renting units, and if your community really would provide a solution—they will come visit.

Q: What should salespeople remember when they're handling a prospect during a tour of the building?

Smith: The main thing is to listen to prospects. Try to discover who they are and who they were as real people—not just what's wrong with them at the moment. Learn what is motivating them to consider making a change, and then try to “stand in their shoes.”

Q: How does One on One teach sales and marketing professionals to get prospects to self-persuade?

Smith: We start with a “prospect-centered” selling paradigm that defines our “job” as helping prospects enhance their lifestyle and living situation. We believe in giving as much control as possible over the decision-making process to the prospective resident instead of the sale counselor, adult child, or professional decision influencer. We have studied and applied various counseling and therapeutic strategies

and processes, including “motivational interviewing.”

Q: How does relationship selling provide better closing rates?

Smith: It enables and supports qualified senior prospects through a

very difficult and emotional decision-making process. It provides meaningful and ongoing intrinsic satisfaction that motivates sales counselors to try harder in the face of constant rejection. The most certain route to increasing sales velocity is by improving sales conversion ratios.