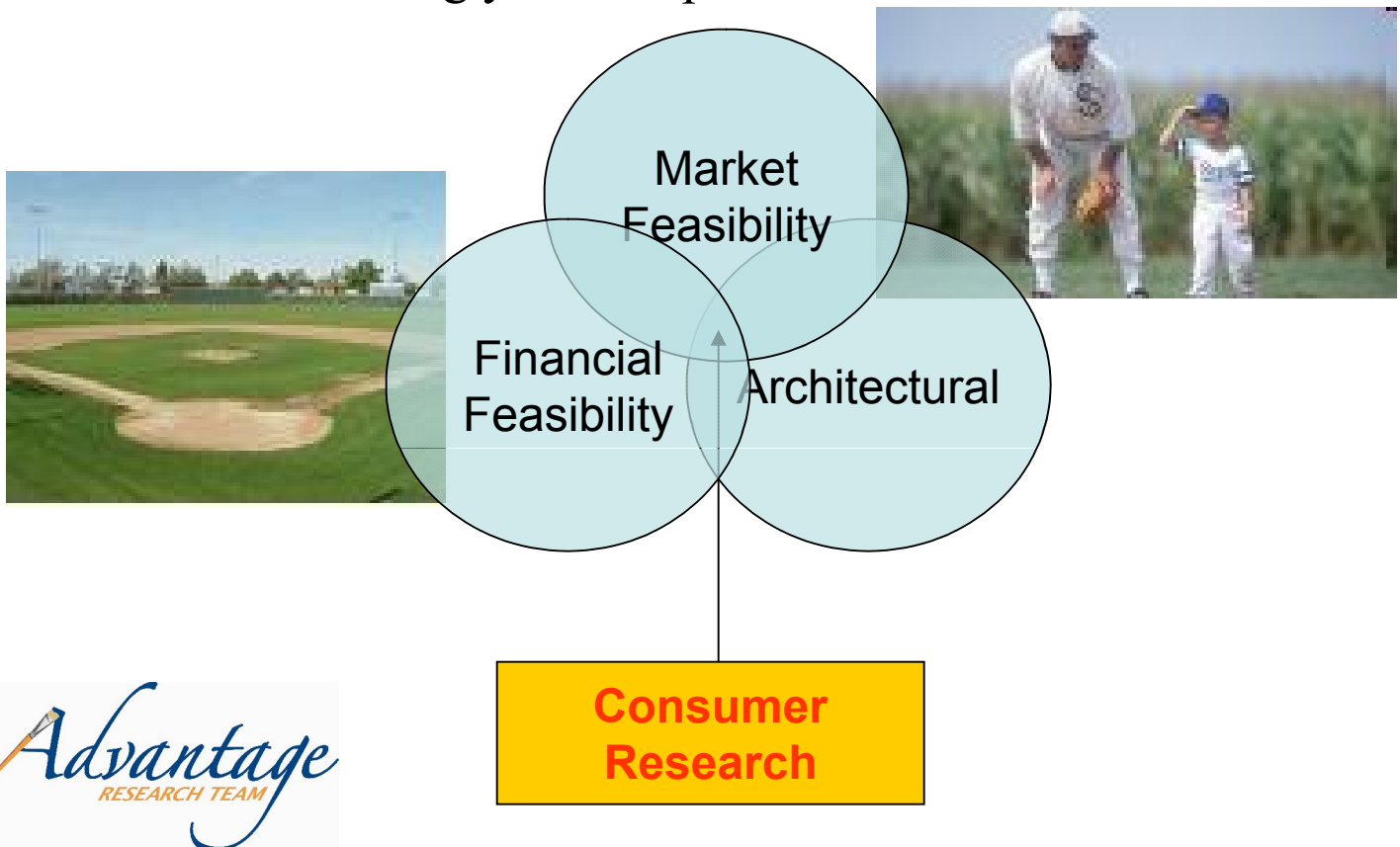
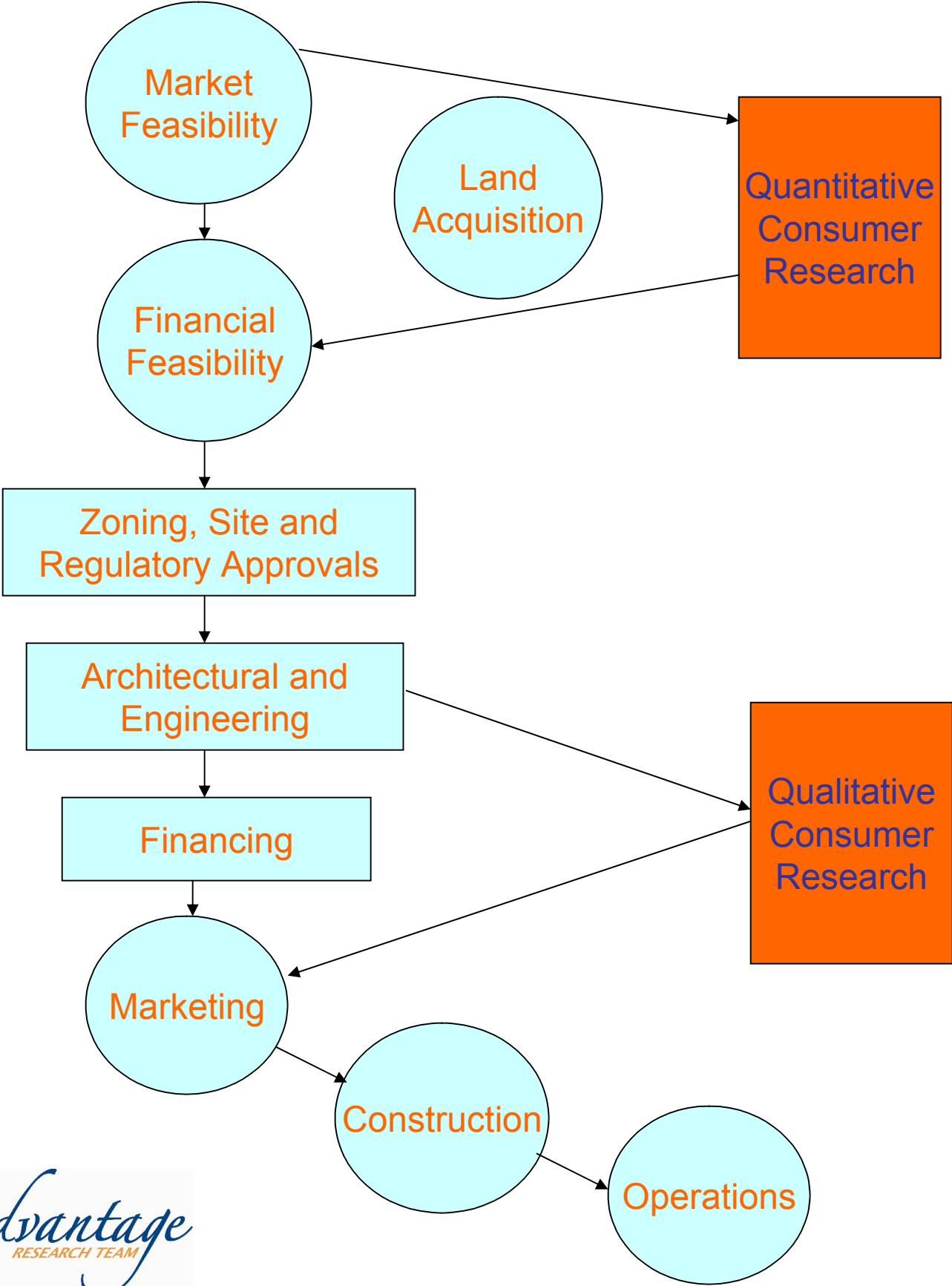


If you build it, will they come?

- Consumer Research is an ongoing process.
- It is the central question that you, as a provider, need to keep returning to.
 - Are you building the type of community that will entice enough prospects (often from a limited pool)?
 - Are the contract options and pricing structures those that will be acceptable to your market?
 - Are the homes that you are designing desirable to potential residents, or is there some important detail that you may be missing?
- The only absolute way to answer these questions effectively is to ask the prospects who will be considering your community – and remember, they'll be considering your competitors too!

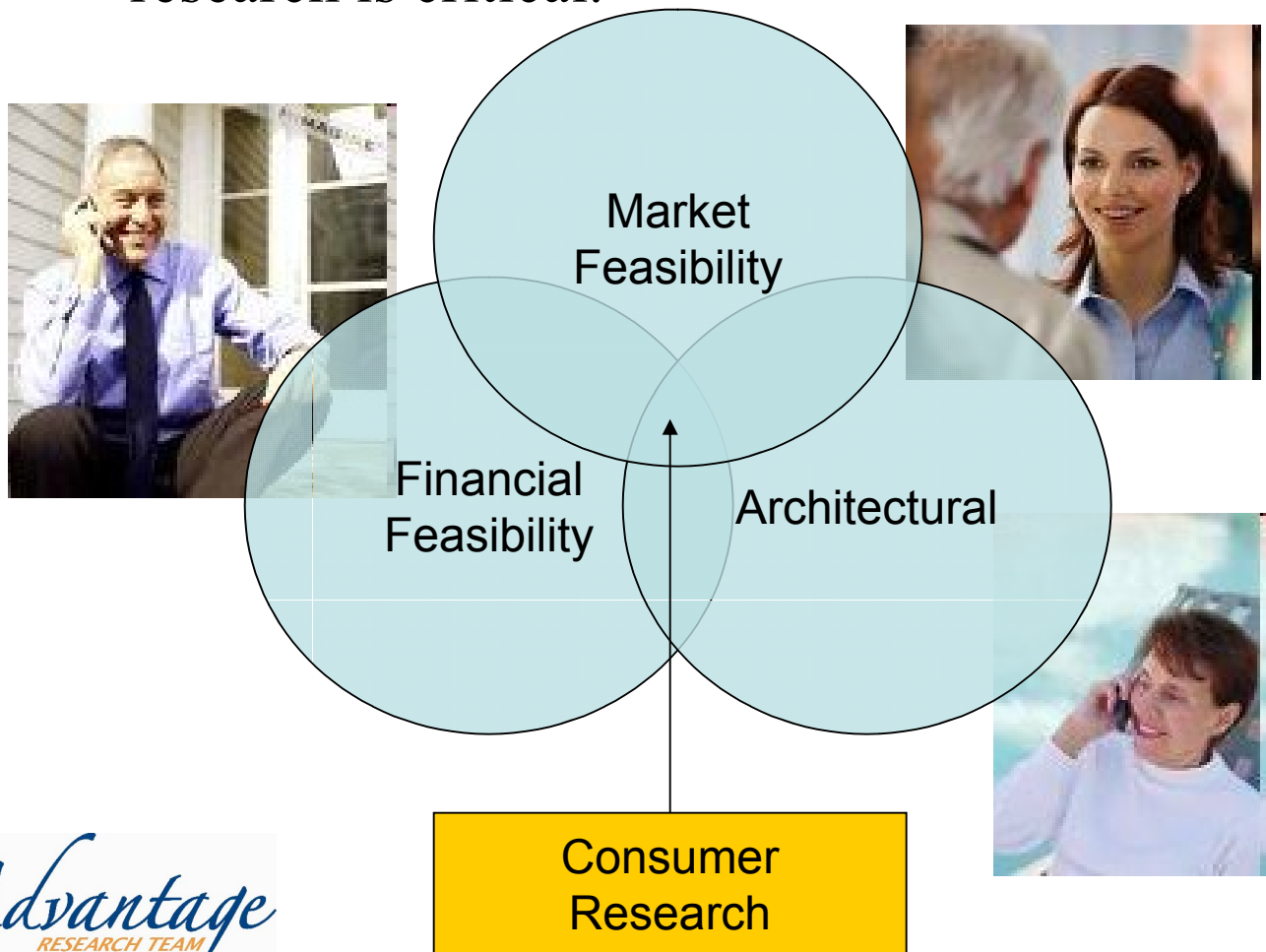


The CCRC Development Process



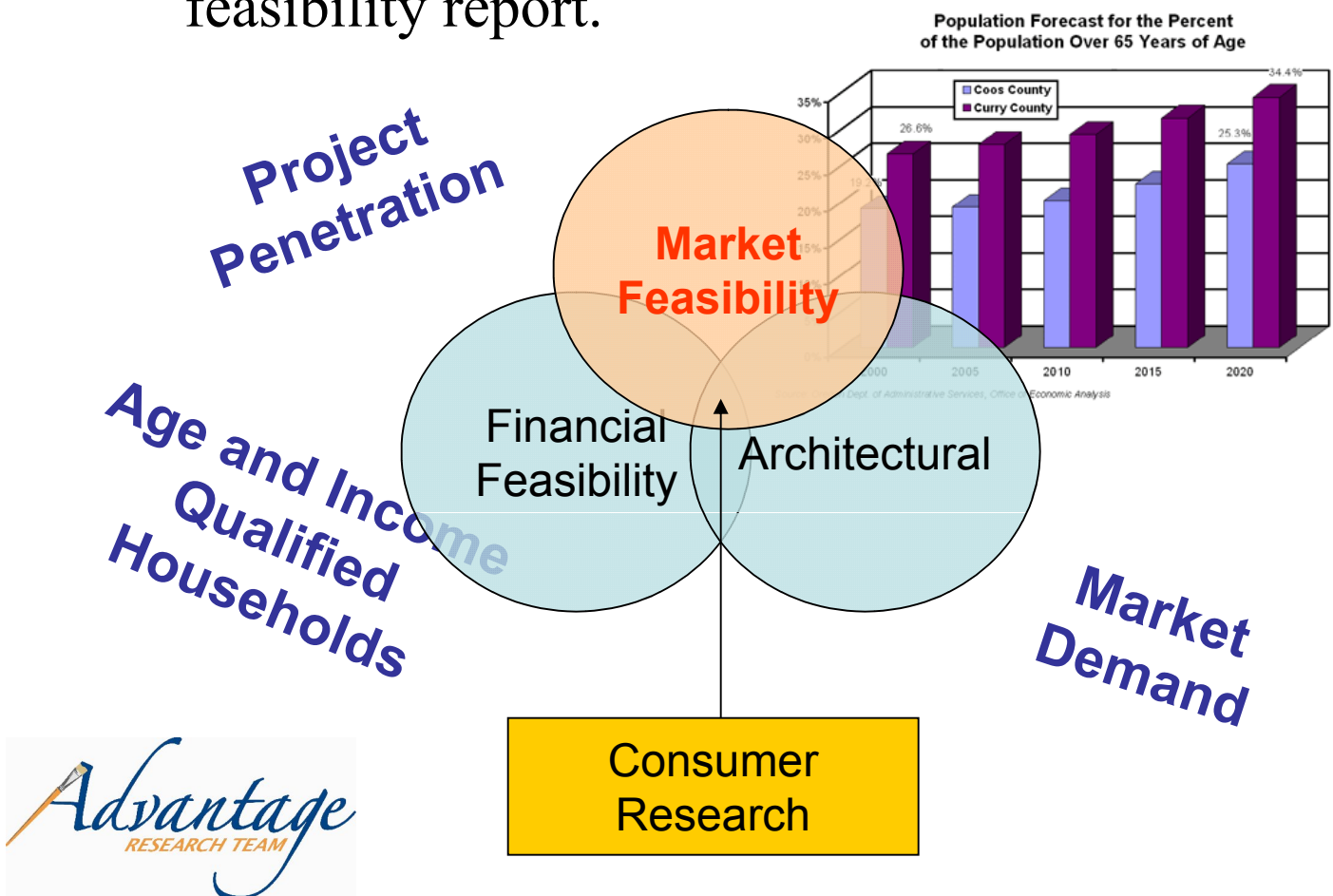
Consumer Research

- Consumer research is an integral and often overlooked component of the development process.
- It is the only way to validate the preferences of *your* target audience and accurately anticipate their behavior.
- There are three components of the development process in which consumer research is critical.



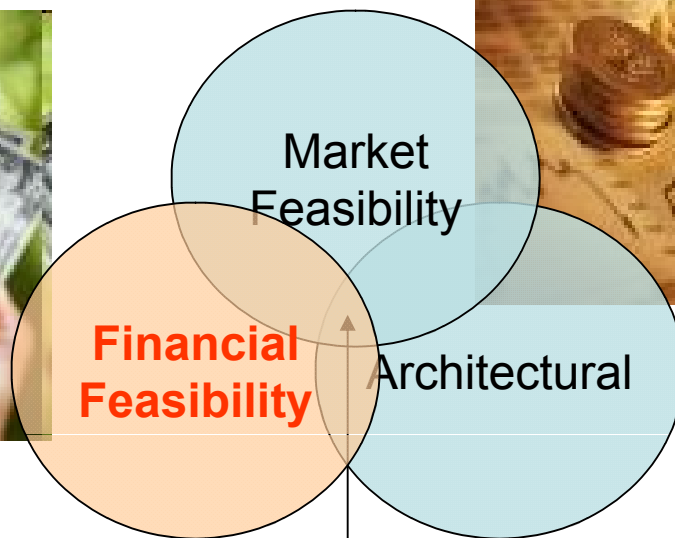
Market Feasibility

- Your Market Feasibility Study tells you several things.
 - Market Depth
 - Market Area
 - Recommended campus size and configuration
 - Recommended unit sizes and prices
- The only way to absolutely confirm these hypotheses are to talk to your core audience directly and ask them if they would, in fact, move to your community as laid out in your feasibility report.



Financial Feasibility

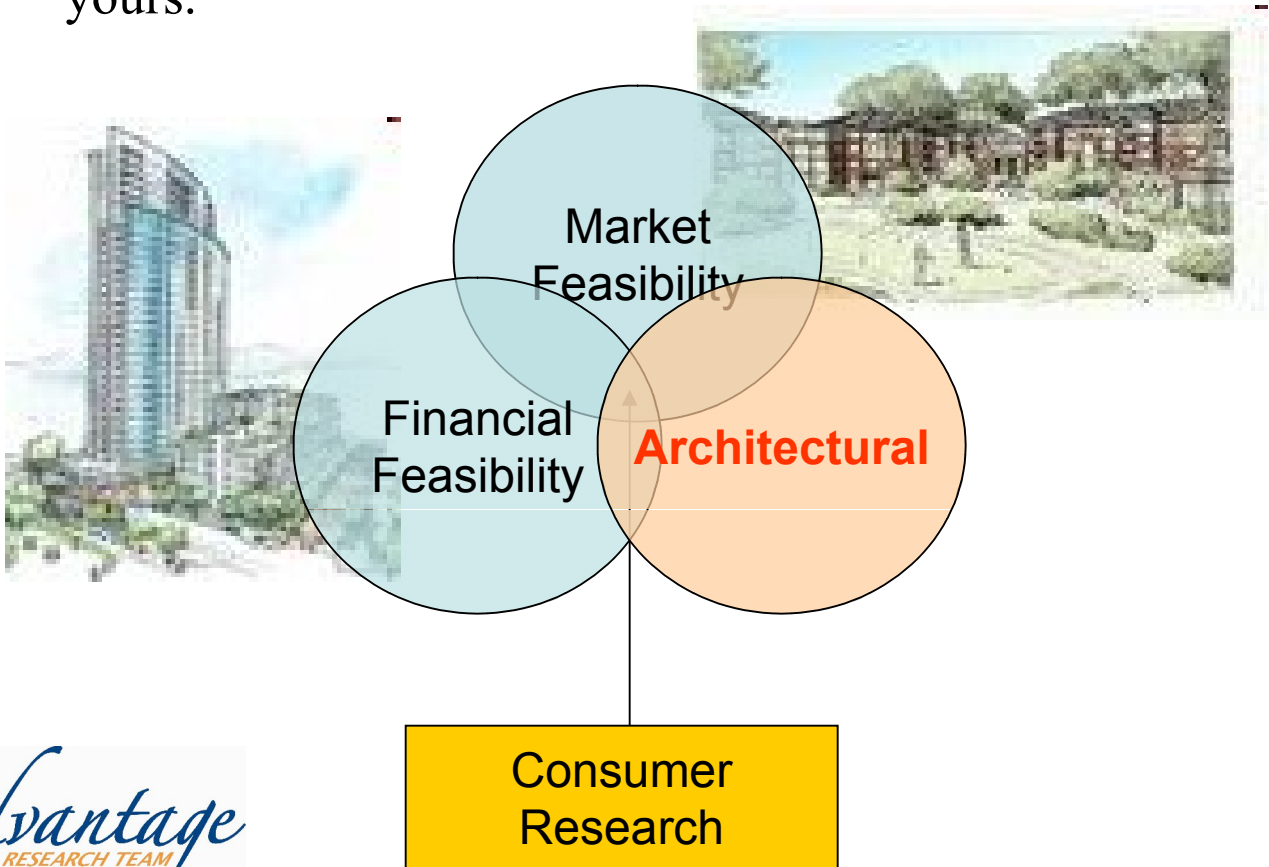
- Your Financial Feasibility Study lets you know if the project will work at the prices defined in the market feasibility report, which are established based upon the competitive landscape.
- Again, the only way to ensure that these prices are acceptable to your prospects is to ask them! Will they move to your community at prices that are economically viable?



Consumer
Research

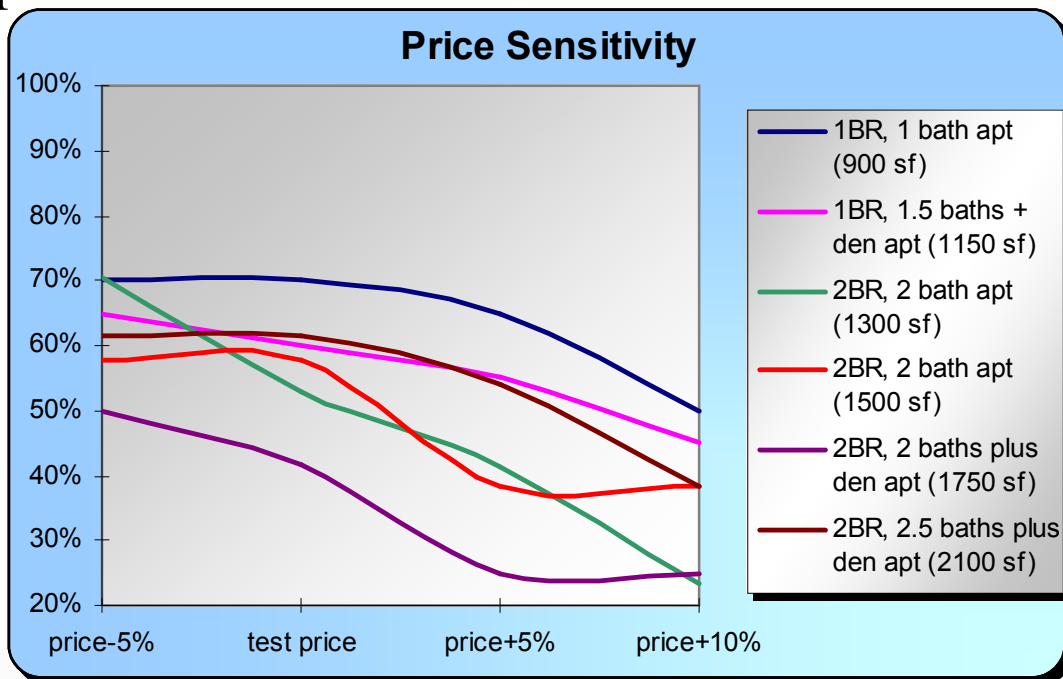
Architecture and Design

- Architecture is the most fun part of the development process – when you actually see your community finally taking shape.
- Do your consumers prefer:
 - An open floor plan or defined rooms?
 - A formal dining room, an open-kitchen casual venue or both?
 - Mediterranean or southwestern architecture?
 - Walking trails or a putting green?
- These are only examples of the multitude of design details that will make your prospects choose your community or your competitor's – or theirs over yours.



Price Sensitivity

- Maximize your profits while minimizing your risks!
- Wouldn't it be wonderful to know which units you could increase in price without negatively impacting sales in order to discount harder units to sell and avoid the costly problem of vacant units?
- Advantage Research Team's proprietary price sensitivity model does just that. It's like having a crystal ball in your CFO's pocket.



The Advantage

- Delays and lagging sales are extremely costly.
 - When sales are slow, marketing budgets are quick to rise.
 - Delays add to your financing costs.
 - Significant delays can allow new competitors to enter the market and steal your prospects!
- Building exactly what prospects want at the right price is the best way to achieve rapid and steady sales.
- Conducting consumer research up front will save you money in marketing dollars.
 - It is much easier and less costly (in terms of time and money) to sell people things that they already want and need at what they consider a fair price.
- The earlier you learn what your prospects want, the more time money you will save over the development process.

The Advantage



- A typical marketing budget for a new CCRC is \$12k-\$18k per IL unit. For 180 ILUs, this is a **\$2.7M** expenditure!
- Even if you only save 5% by reducing the difficulty or duration of the marketing and sales process, that puts **\$135,000** back in your pocket!
- That's almost seven times the cost of learning exactly what your market wants through Consumer Research!



The Advantage

- Consumer research generates lead lists and a “buzz” about the development.
- Consumer research is the perfect transition into marketing and sales.
 - Once quantitative and qualitative research are completed, there are a number of qualified leads to invite to informational seminars and other events.
- Pre-marketing mail surveys are a perfect blend of research and marketing – you can continue to collect consumer preference data while developing leads.
- Informational seminars are a collaboration of the research, marketing and internal project teams.
- Informational seminars are a very successful method of pre-marketing your community for a minimal investment.
- The earlier you bring prospects in and educate them about your offerings, the more you will save during the marketing and sales process.

You Need an Advantage

- Advantage Research Team will put the pieces in place to ensure a successful fill-up.



- We frequently work with experts in all phases of development and can put together a team to handle all of your development needs while infusing research at critical points to blend consumer preferences and acceptance levels with all other key development components to create a successful and desirable community.
- Call us at 215-346-2621 to discuss how we can put Consumer Research to work for you.

