



Marketing Your Community to Attract Retirees

An expanding new industry in America today is the attraction of affluent retirees. This industry presently generates billions of dollars annually in sales of such things as entertainment, financial services, health care, real estate, and utilities. This market presently controls half of the country's discretionary income.

The 69 million Americans in the 50+ market make up the fastest growing market sector in the United States. The bottom line: the number of younger retirees with a high amount of disposable income is increasing. Members of this 50+ market

- Have 77 percent of the country's personal financial assets
- Have 80 percent of the country's savings account deposits
- Have 68 percent of all money market accounts
- Own their own homes (77 percent), which, in most cases, are worth 20 percent more than the national average

This is just a brief glimpse of the economic impact of the retiree attraction industry. A complete identification of economic and intangible benefits provided by attracting affluent retirees to your community is available in the Alabama Cooperative Extension System publication CRD-72, "Why Attract Retirees to Your Community?" For additional information on this publication, contact Publications Distribution, Auburn University, Alabama 36849, (334) 844-1592.

Developing a Community Retiree Attraction Program

Retiree attraction, as with other forms of economic development, is not likely to develop and grow by itself. Success depends on proper assessment, thoughtful planning, and coordination of efforts. The eight basic steps in the development of a vibrant, successful retiree attraction program are the following:

1. *Form a Retirement Attraction Committee.* Formally establish a Retiree Attraction Committee to develop and implement the retiree attraction program.
2. *Designate a Sponsor.* The local program should have an official sponsoring organization.
3. *Establish Official Community Support.* A resolution by the local governing body endorsing the local retirement attraction effort is needed.
4. *Seek Unofficial Community Support.* The success of the local program depends to a large degree on the support of churches, clubs, businesses, and local media.
5. *Establish Committees.* Each community program should have four or five subcommittees: Community Inventory/Assessment, Community Relations/Fundraising, Marketing/Promotion, Ambassadors, Programs Evaluation.
6. *Develop a Community Profile.* A community profile should include tax information, recreation opportunities, housing availability, and crime statistics.
7. *Write a Marketing Plan.* The plan should include details of the following: a mission statement, identification of the target market, identification of the competition, analysis of the community's strengths and weaknesses, and strategies the local program will employ to attain its goals.
8. *Create a Prospect Package.* Send relevant information to prospective retirees in a timely manner and maintain contact through regular follow-up.

Specific details to assist in the development and implementation of these steps are provided in the Alabama Extension System publication CRD-73, "Establishing a Retiree Attraction Program in Your Community." To request this publication, contact Publications Distribution, Auburn University, Alabama 36849, (334) 844-1592.

The greatest community in the world for affluent retirees may not be successful if few people know about it. This publication provides in-depth information on marketing the community retiree attraction program.

Two distinct marketing efforts are necessary for the successful implementation of a retiree attraction program:

- Marketing the idea to the local community
- Marketing the local community to potential in-migrant retirees

Marketing to the Local Community

No retiree attraction program will reach its full potential without the support of the community. Before the community can be *sold* to retirees, the retiree attraction program must be *sold* to the community. The *Community Relations/Fundraising Subcommittee* assumes the lead role in these efforts.

A local community generally finds itself in one of three phases in the development of the retiree attraction program:

- *Interested*. Characterized by the belief that a retiree attraction program has benefits, but the community has not yet developed clear plans and steps of how to develop such a program.
- *Developing*. Characterized by a commitment to develop a retiree attraction program and efforts are being made to initiate such a program. At this stage, much of the initial groundwork has been completed and the community is on target to reach its goals.
- *Established*. Characterized by an organized and functioning retiree attraction program with a community that is focused, credible, and results oriented. Additionally, retirees have begun to make inquiry and retiree in-migration is actively occurring.

Critical to the eventual success of the retiree attraction program is the Community Relations/Fundraising Subcommittee's (and the local community through the subcommittee) understanding of which of the above phases the program is in. Because each phase represents a logical progression to the next, it is important that the subcommittee fully complete the current phase and prepare to lead the community into the next phase of development.

Marketing to the Retiree

Successful implementation of the marketing portion of the retiree attraction program is the responsibility of the Marketing and Promotion Subcommittee and the Connectors/Ambassadors Subcommittee with fundraising assistance from the Community Relations/Fundraising Subcommittee. The overall success of the marketing program will depend, in large part, on the satisfactory development and completion of the following:

- Defining the market
- Funding the program
- Marketing the community
- Handling and tracking the response

The local community must determine who their best prospects are. Specifically, these prospects may be

- Visitors to the local community age 50 and over
- Persons with family and friends in the local community
- Persons seeking the same type of lifestyle the local community offers (college town, small town, resort town, etc.)
- Persons raised in a small town who wish to return to a small-town lifestyle
- Former residents including people raised in the local community who now live elsewhere and people formerly employed in the local community
- Graduates from local colleges and universities who have pursued careers outside of Alabama
- People who desire a retirement destination featuring a milder climate, a safer community, possible year-round outdoor recreation, and a lower cost of living
- Military retirees who were stationed close to the community during their careers
- Other people described here: _____

At this stage of market strategy development, it is important to focus on what retirees require when relocating:

- A mild, four-season climate
- A reasonable cost of living
- A variety of reasonably priced housing units from \$80,000 and up
- Good medical facilities, ideally with at least one physician for every 750 residents
- Recreational, cultural, and leisure opportunities including outdoor activities and programs at local colleges and universities
- Part-time work or business opportunities
- Convenient shopping
- Community openness to newcomers and the opportunity for community involvement

The local community retiree attraction effort should develop a clear concept of the type of retiree that is to be encouraged to locate to that community. While all communities may desire professionals and the most affluent, the majority of relocating retirees are in the middle, between the most affluent and those who cannot afford to relocate.

Funding the Program

Fundraising is a challenge for any project. When the goal is to recruit retirees to the local community, the most effective method is to link fundraising and community relations.

Fundraising and community relations work well in a single committee because those members of the local community most likely to benefit from the attraction of migrant retirees are also those most likely to provide funding for the program. The Community Relations/Fundraising Subcommittee is best suited for this task.

While the overall success of the local program will depend primarily on those involved and their commitment, money must be raised to pay for such things as the following:

- The salary of a retirement director, should a full- or part-time paid director be desired
- The development of printed promotional materials
- Office expenses, such as telephones, including 800 service to receive inquiries
- Postage, computers, and software
- Advertising
- Travel expenses for possible staff attendance at retirement trade shows
- Gifts for visiting retiree prospects
- Events to help relocated retirees become better acquainted with the community

The Community Relations/Fundraising Subcommittee should first establish a yearly budget for retiree recruitment; second, prepare a list of local businesses in the community that would receive the most benefit from retiree migration into the community (as described previously); and third, solicit funding from these businesses.

Marketing the Community

The successful implementation of the retiree attraction program will depend, in large part, on the successful development of a complete marketing strategy. This task will be the primary responsibility of the Marketing/Promotion Subcommittee.

The basis for any successful marketing program is a well-developed marketing mix, commonly referred to as the Four Ps:

- Product
- Price
- Promotion
- Place

In a pure marketing sense, *Product* is what is being offered for sale to the customer; *Price* is what the customer pays for the product; *Promotion* is the method of informing and persuading the customer to make the purchase; and *Place* is the distribution system that moves the product from manufacture to sale.

No matter what is being marketed, these four factors play a role. Regarding the successful development of the retiree attraction marketing program,

these Four Ps must be thoroughly understood, properly developed, and applied to the situation.

In retiree attraction, the local community is being marketed as a retirement destination to amenity/return migrant retirees. Since the Four Ps are highly intertwined in this situation, the following three points need to be addressed:

- Getting Their Attention (Product and Place)
- Marketing the Local Community (Product and Price)
- Developing a Promotional Strategy (Advertising and Publicity)

An analysis of these will provide the product and promotional strategy development framework for the local retiree attraction program.

Getting Their Attention

At this point, the committees have all been formed, the target market has been defined, the top prospects have been identified, and the funding has been secured for the program. The next step is to determine the *competitive advantage* of the local community and capitalize on it.

While some communities may have only one competitive advantage, it is not unusual for a community to have several advantages to promote. The community may be a seat of government, such as a state capital or a county seat; it may be home to a college or university; or it may be close to a river, lake, or mountains. Depending on the target market, any of these features could be considered a competitive advantage.

First, the community must offer the *basic requirements, sought by retirees*. The following are examples of competitive advantages:

- Scenic lakeside community development
- Proximity to the beach (Many retirees do not want to live close to a beach but indicate a preference to live within a half-day's drive from the ocean.)
- Small town with a friendly, know-your-neighbors atmosphere
- Proximity to quality golf courses
- College town
- Excellent fishing or hunting areas
- Above-average health care facilities
- Planned community with strict zoning and sign ordinances
- Quality entertainment and cultural events
- Active retiree organization already in place
- The local community's advantage(s):

Developing a Response From the Target Market

Each program should develop a unique selling proposition—something belonging entirely to the local community, a statement of beliefs unique to the local community—to be used in the marketing program.

The unique selling point of the local community:

Consider several points when developing strategies to elicit the desired response from the target market. Even though this process will be part of the overall development of the marketing program, all of the committees should have the opportunity to participate as illustrated below.

- The Retiree Attraction Committee could work travel and trade shows to promote the local community as a *retirement destination* and to provide the program a learning and information gathering experience, gaining first-hand knowledge of what retirees are seeking in a retirement destination. This could best be accomplished by having the program director attend these shows with possible assistance from selected members of the Marketing/Promotion Subcommittee as well as the Connectors/Ambassadors Subcommittee.
- The Community Inventory/Assessment Subcommittee could produce a complete *retirement community profile* that would provide valuable information to potential retirees. The basis for this would be the community assessment profile this committee developed at the outset of the program. The Marketing/Promotion Subcommittee could be involved later in the dissemination of this information to prospective in-migrant retirees.
- The Community Relations/Fundraising Subcommittee could provide an overnight guesthouse, complimentary lodging, or other amenities, such as a free meal, a round of golf, or a historic home tour to visiting retiree prospects. Some programs have developed an entire coupon book filled with items such as passports for retiree prospects. This could be accomplished with the Connectors/Ambassadors Subcommittee. This subcommittee could meet with the Management of National Businesses that may operate in the local community and provide them with information on retirement opportunities.
- The Marketing and Promotion Subcommittee could develop a quality brochure that provides pertinent information to create interest in the local community.

- Include a postage-paid response card with a telephone number (preferably a toll-free 800 number) to call for further information. For a small fee, most magazines will provide a listing for the program in their response card section and will provide mailing labels for those requesting more information about the program. This is usually worth the investment.
- Develop a media kit on the local community. Write newspaper- and magazine-length articles with photos to include in the kit. Provide permission for the media to use them.
- Create a videotape featuring the local community as a potential retirement destination and allowing interested individuals to visit without leaving their current homes.
- Write a comprehensive story for the local newspaper explaining to the community the benefits of a retiree in-migration effort. This story should also suggest that local residents contact family members and business associates to do the same.
- Develop a Web site for tourism-based kiosks systems.
- The Connectors/Ambassadors Subcommittee could develop a driving tour of the local community featuring historical sights, amenities, and neighborhoods that may be of interest to potential in-migrant retirees. The tour can be especially effective if it is available on audiocassette. Potential retirees can listen to the community's story and take the audiocassette home as a souvenir.
- Develop a pre-retirement minivacation package for the local community to use to encourage out-of-state residents to visit. This could be done with the Marketing/Promotion Subcommittee.
- The Program Evaluation Subcommittee could track the in-migration patterns of retirees who have already settled in the local community. By discovering where these new residents have migrated from, the local program can determine effective avenues for the advertising message and promotional efforts.
- Other ideas: _____

Developing a Promotional Strategy

The promotional strategy for the local retiree attraction program will include both a *creative strategy* and a *media strategy*.

The *creative strategy* states to whom the promotion is directed (the target audience of people 50 to 65 years of age), what to communicate (why the local community is an ideal retirement destination), and what response is desired from the audience (call or write, visit, then move). The *media strategy* outlines the manner in which the target audience will be reached: how many will be reached by what method, how often, and at what cost.

The initial promotional message can be sent effectively to the target audience through the following:

- *Print media.* Utilize both magazines and newspapers for advertising and publicity.
- *Brochures.* Promote the local community as a retirement destination with brochures to be placed in state and local tourist attractions, state welcome centers, and local visitors' centers.
- *Travel and trade shows.* These shows are not only excellent ways to promote the local program, but they provide opportunities to meet with retirees and gain further understanding of what they seek.
- *Direct mail.* Examples include newsletters, invitations to special events, special letters to local high school and college graduates.
- *Promotional videotape.* This tape would highlight the local community, be placed in libraries throughout the target market area, and be available through special order.
- *Internet.* Develop an Internet Web site to promote the area.
- *Broadcast media.* Create radio and television advertising, particularly cable television, and publicity.
- *Welcome center kiosks.* Supply welcome centers with materials for their kiosks.
- *Billboards.* Develop an outdoor advertising campaign.

Each of these methods has advantages and disadvantages in cost, penetration, and exposure frequency of the message. Each must be carefully weighed within the context of the overall promotional budget. Two of these areas, print media and brochures, are discussed below.

Print Media

While each method has the ability to deliver a uniquely different audience, the most frequently used media source is print. Using print media affords the target audience the luxury of exposure at a leisurely pace. If interested, the reader can take time to read long news articles (publicity) or detailed advertisements. Print is far more selective than television, radio, and billboards since it allows the targeting of a specific geographic market and age group. Because there are so many different types of magazines and newspapers available, either in a particular market or region, the message can be tailored to fit the interests of a specific audience.

Following is a list of publications that are of special interest to the 50 and over market. Examining these magazines will provide an idea of what type of public relations stories and advertising commonly appear, as well as provide additional insight to that market. Some of these publications are targeted to

retirees in general; some are targeted to specific audiences, such as travelers or golfers; and some even publish special retirement issues.

- *Fortune*
- *Mature Outlook*
- *Money Magazine*
- *Senior Golfer*
- *Travel 50 and Beyond*
- *Vacations*
- *Kiplinger's*
- *Modern Maturity*
- *New Choices*
- *Trailer Life*
- *U.S. News & World Report*
- *Where to Retire*

One long-term goal of the local promotional strategy may be to have the local community mentioned or even be the focus of a story in a noted national publication, such as the *Wall Street Journal*. Such a goal is definitely achievable, but it will require both time and money: time to develop and promote the initial program and money to make repeated visits to the offices of the desired media. The end result of obtaining "free" publicity in local, regional, and even national publications will be the same as if advertising were purchased. People in the target audience will read and understand why the local community should be their retirement destination. This type of publicity has little or no cost to the retiree attraction program.

Brochures

A brochure is an effective way to promote the local community. Brochures must be tailored to the retiree and those factors that retirees believe to be necessary in choosing a retirement destination. The seven criteria critical to attracting retirees—money matters, housing, climate, personal safety, services, work opportunities, and leisure activities—as specified by David Savageau in his book *Retirement Places Rated* (4th Edition, 1995) should be addressed in the brochure.

All of the amenities identified through the community assessment profile completed at the outset of the program should be considered for the brochure. Include as much factual information as possible.

Example: A statement in the brochure that reads "plenty of affordable housing" isn't as useful as one that reads "housing costs in the more desirable areas of the community start at \$59,000." This could be powerful information if the prices of desirable homes in the retiree's present location start at \$95,000.

The four goals of the brochure should be to target, to reach, to inform, and to generate a positive response—make the telephones ring. To help achieve these goals, a brochure should do the following:

- Target the active retiree and pre-retiree mature adult market and present factors that this market believes to be important when choosing a retirement destination.
- Use an easy-to-read format, such as a tri-fold or quad-fold style in 12- to 14-point type with minimal copy.
- Feature color photographs of active and mature adults, local events, facilities, and scenery.
- Include short statements or bulleted information about the lifestyles and amenities of the local community.
- Include a tear-off, postage paid return panel to provide interested parties with more information about housing, taxes, recreation, shopping, etc.
- Provide a telephone number (preferably a toll-free 800 number) for prospects to call for more information.
- Feature a map of the community's location.

The overall impact of the brochure will be a call to action that is simple, direct, and easy for the in-migrant retiree prospect to follow through.

The Tracking Process

It is essential to maintain a complete and detailed record of each contact made. Ideally, this tracking system should be maintained on a computer database that can easily be updated as each new follow-up contact is recorded. Examples of two database record forms are in the appendix of this publication.

No matter how this database is maintained, whether by computer or card file, the following information should be documented:

- Prospect's name, address, and telephone number
- Date of initial contact
- How the prospect first learned of the local program
- What type of information the prospect requested and when it was mailed
- Date of follow-up contact, by whom, and any comments
- Demographic profile of prospect, including profession, hobbies, interests, etc.
- Dates of all additional contacts and follow-ups with related information
- Date the prospect is to tour the local community
- Comments following the tour
- Date the prospect relocates to the community or asks to no longer be considered as a prospect

Successful tracking of prospects offers evidence that the efforts of the retiree attraction program have been successful. Don't assume that new in-migrant retirees are anxious to inform the local program of their arrival since many simply move to the community and go about their lives.

The Program Evaluation Subcommittee can utilize the following contacts to determine the arrival of prospects as new in-migrant retirees:

- *Real estate companies.* Request that these companies provide names of out-of-town buyer prospects to the Program Evaluation Subcommittee, so these names can be compared to the committee's existing prospect list. Real estate professionals may be reluctant to share the names of these buyer prospects unless confidentiality is promised.
- *Newcomers clubs.* Organize or work with these clubs (e.g., Welcome Wagon) to gain valuable information.
- *Utility companies.* Request names of newcomers.
- *Voter registration records.* Use as a valuable source of names.
- *Tax assessor records.* Use as another source of names.
- *Title companies.* Request information on who is buying property.
- *"Have You Moved Here Recently?"* cards. Place these cards in strategic locations. They can offer a gift for respondents age 50 and over.

Some of these sources may provide information on an ongoing basis, others may require periodic information requests, and some may resist information-gathering efforts. It is vital to be aware of any interest the program is generating; tracking can provide this awareness. Tracking not only reassures committee members that the program is working, but it also proves the value of the program to those providing funding.

Use a quarterly tracking report to help the local program with long-term tracking efforts. This report should show progress both with statistics and by committee activity. The quarterly tracking report can provide the following:

- *Accountability.* It is very useful to have accurate, timely, and cumulative data to justify the existence of the program.
- *Sources of leads.* Effectively assess the marketing strategy by being aware of both how the message reached the prospect and where the prospect resides.
- *Program improvement ideas.* Timely reports can assist the local program in discovering any areas where assistance or improvements may be needed.

A sample quarterly report form can be found in the appendix of this publication.

Additional Helpful Publications

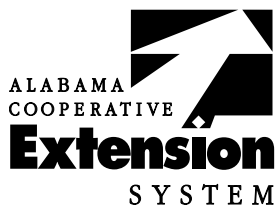
Other publications that may be helpful in establishing a community retiree attraction program include the following:

- “Alabama’s Retirement Safe Haven.” Alabama Department of Revenue, Office of Taxpayer Advocacy, Room 4116 Gordon Persons Building, 50 North Ripley Street, P.O. Box 327001, Montgomery, Alabama 36132. (334) 242-1055.
- “Establishing a Retiree Attraction Program in Your Community.” CRD-73. Alabama Cooperative Extension System, Publications Distribution, Auburn University, Alabama 36849. (334) 844-1592.
- “Retiree Development: A How-To Guide Book.” Mark Fagan (author). Center for Economic Development, Jacksonville State University, 700 Pelham Road North, Jacksonville, Alabama 36265. (256) 782-5324.
- “Welcome to Alabama.” CRD-70. Alabama Cooperative Extension System, Publications Distribution, Auburn University, Alabama 36849. (334) 844-1592.
- “Why Attract Retirees to Your Community?” CRD-72. Alabama Cooperative Extension System, Publications Distribution, Auburn University, Alabama 36849. (334) 844-1592.

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Your Experts for Life

CRD-74

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For more information, call your county Extension office. Look in your telephone directory under your county's name to find the number.

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Appendix

Quarterly Tracking Report

(Local Community Program Name Here)

for the period _____ through _____

In-state leads: This quarter _____

Cumulative _____

Advertisement leads: This quarter _____

Cumulative _____

Internet leads: This quarter _____

Cumulative _____

Other source leads: This quarter _____

Cumulative _____

Leads declined: This quarter _____

Cumulative _____

Total active leads: This quarter _____

Cumulative _____

Leads personally contacted: _____

Calls _____

Letters _____

Office visits _____

Tours given _____

Quarterly Tracking Report

Top 5 states from which leads were gathered:

Rank	State	Quarterly	Cumulative
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Cumulative number of retirees relocated: _____

Names of retirees relocated this quarter, state from which they moved, and any other related information:

Quarterly Tracking Report

Committee activities this quarter:

Names and addresses of leads asking to be removed from the mailing lists (copies of the database record may be attached):

Prepared by: _____

Date: _____

Date reviewed by RAC: _____

Based on the above report, the RAC recommends the following action(s) be taken:
