



As Providers Ready for Baby Boom, Senior Housing Set to ‘Explode’

By Jason Oliva

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Senior care providers have long been tasked with anticipating the wants, needs and preferences of tomorrow’s resident. But now, they’ll have to re-imagine what maturity and growing older really means as they prepare for the new wave of their most demanding consumers.

But it’s not just the boomer age wave and increasing longevity that is propelling what some are saying will be an “explosion” of housing, services and products needed to support the impending demand, according to some experts in the aging field during the American Society on Aging’s annual Aging in America Conference in Chicago this week.

“This is a new frontier,” said Ken Dychtwald, president and CEO of Age Wave, during the ASA conference’s general session Monday afternoon. “This longevity revolution has never happened before and everything that comes along with it will require new services, new products and new ideas.”

Age Wave provides companies with research and education to better understand the challenges and opportunities within the aging marketplace. Among his comments, Dychtwald included predictions on which products and services will “explode” to meet the needs of this aging population.

Recently, the company teamed with Merrill Lynch on a retirement study, which emphasized the tremendous growth of age 65-plus households over the next decade will have widespread implications for how communities nationwide should prepare for an aging population.

Senior housing and care providers stand to benefit from the “caregiver crunch” currently taking root today. And that’s due largely to three major demographic changes that are already happening, Dychtwald said.

As the age 50 and older population is projected to increase about 20% by 2030, the ratio of potential family caregivers for adults over age 80 will decrease from 7:1 today to 4:1, according

to a report last year from the AARP Foundation and the Harvard Joint Center for Housing Studies.

Boomers have had fewer children compared to their parents, inadvertently creating a short supply of caregivers for when they will need such attention. This coincides with the AARP and Harvard's JCHS findings, which also indicated that a significant share of the youngest Boomers, aged 50 to 59, don't have children who might take care of them as they age.

Also, women continue to remain active in the workforce and will be for longer spells, thus limiting the caregiver pool even further since adult daughters tend to be the first to fill the caregiving role.

Meanwhile, all of this is happening during a time when families may be relocating to other parts of the country, in many cases, away from family members.

“And so, industries that can care for people as they age are about to go wild with growth,” Dychtwald said.

For an industry like senior living, where a considerable share of residents might have family living remotely either in a different state or different region of the U.S., the blend of housing-plus-care services addresses a huge need.

But like other industries operating in the aging care sector, senior living will also be further challenged with shifting how it attracts and appeals to an evolving, sophisticated consumer, whether that means playing tug-of-war with Boomer's expectations to prove their communities are anything but “you grandma's nursing home,” or differentiating via design.

“All of the fireworks are about to start,” Dychtwald said. “It's time for us to think about how maturity is going to be resculpted, reformed and how it will shape-shift in the years to come. As maturity shifts, the services, products, programs and housing needed to embrace it and nourish it are going to have to change also.”

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