MARKETING STRATEGY REIMAGINED: POST-COVID ERA

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COVID By the Ages

- CDC Estimates of IFR (infection fatality rate),expressed as survival rates…
  - O-19: 99.997% (.003% fatality)
  - 20-49: 99.98% (.02% fatality)
  - 50-69: 99.5% (.5% fatality)
  - 70 plus: 94.6% (5.4% fatality)
- CFR is higher – Case Fatality Rate is expressed as patients that have died and tested positive for COVID 19 within 28 days of death. This result is highly debated.
- Infection Fatality Rate is the extrapolation by model of the presence of likely cases of COVID 19, reported and diagnostically determined. Assumes accurately, not all cases have been reported/confirmed via testing.

CDC Estimated Data for Minnesota – an Example of CFR

Covid19 Survival Rates in Minnesota				
Age	Detected Cases	Reported Deaths	Case Survival	Est. Survival[1]
0-4 yrs	14,476	1	99.99%	100.00%
5-9 yrs	19,828	2	99.99%	100.00%
10-14 yrs	29,071	0	100.00%	100.00%
15-19 yrs	49,601	0	100.00%	100.00%
20-24 yrs	58,475	5	99.99%	100.00%
25-29 yrs	53,573	8	99.99%	100.00%
30-34 yrs	50,818	21	99.96%	99.99%
35-39 yrs	48,825	33	99.93%	99.98%
40-44 yrs	45,361	40	99.91%	99.98%
45-49 yrs	42,079	86	99.80%	99.95%
50-54 yrs	43,139	147	99.66%	99.91%
55-59 yrs	42,161	218	99.48%	99.87%
60-64 yrs	34,970	376	98.92%	99.73%
65-69 yrs	22,778	513	97.75%	99.44%
70-74 yrs	16,566	750	95.47%	98.87%
75-79 yrs	11,489	920	91.99%	98.00%
80-84 yrs	8,830	1,215	86.24%	96.56%
85-89 yrs	6,771	1,361	79.90%	94.97%
90+ yrs	6,606	1,903	71.19%	92.80%
Non-LTC[2]	586,887	3,118	99.47%	99.87%
LTC[2]	18,530	4,481	75.82%	87.91%
Total	605,417	7,599	98.74%	99.68%

1) based on CDC est. 4x infected (2x infected in LTC) 2) LTC=long term care
Rounded to nearest hundredth of % Source: MN Dept of Health, 07/01/2021

COVID and Senior Housing

- 51% of seniors housing properties had NO COVID deaths
- Mortality rates increased as the health and caregiving complexity of residents increased.
  - IL mortality comparable to local mortality (senior age groups)
  - Memory Care and Skilled were the highest, almost identical
- Providers remained basically “open” during the height of the pandemic, despite many, many challenges
  - Supplies
  - Staffing
  - Regulatory inconsistencies

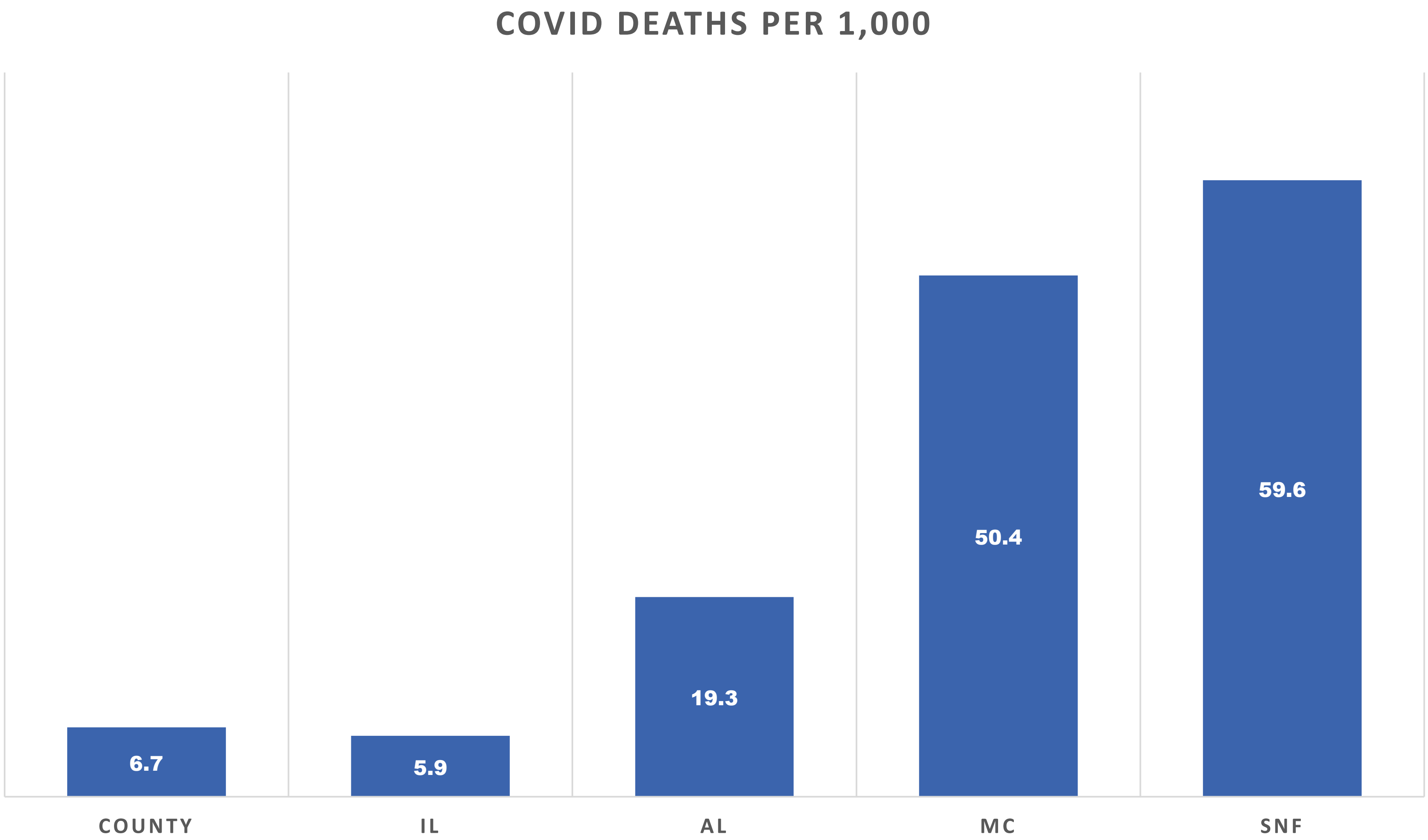
Statistics

- 51% of all properties = NO COVID Deaths
  - IL 67%
  - AL 64%
  - Memory Care 61%
  - SNF 39%
- COVID Deaths per 1,000 by Level of Care
  - County/Community – 6.7
  - IL 5.9
  - AL 19.3
  - Memory Care 50.4
  - SNF 59.6

Age and Health Status by Care Location

	Traditional Private Housing	Independent Living	Assisted Living	Skilled Nursing
Average Age	74	82.2	85.3	83.5
% Help w/ 2 + ADLS	4%	8%	65%	92%
% w/ Cognitive Limits	13%	21%	62%	76%

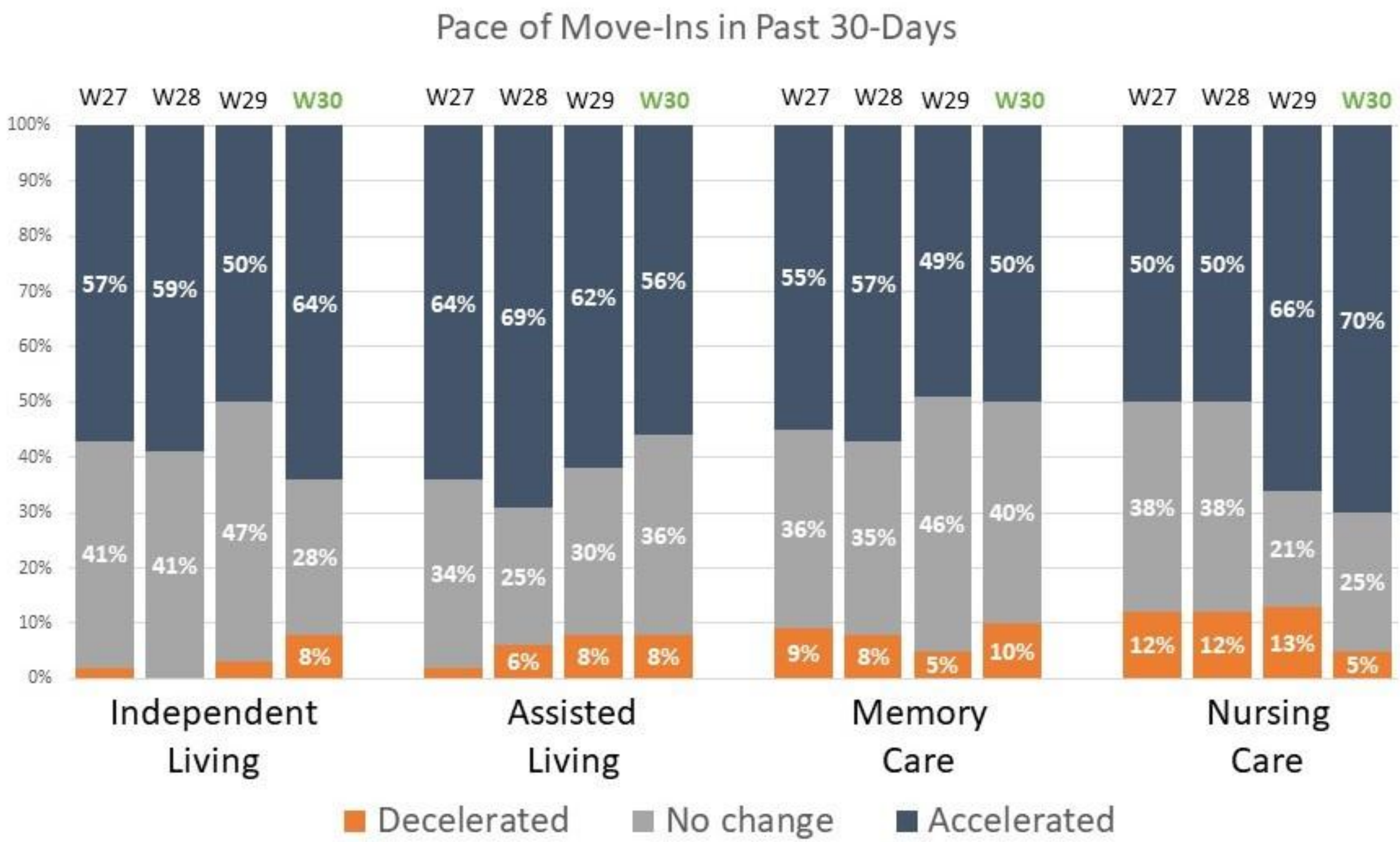
Adjusted COVID Deaths (1,000) by Level of Care



Summary

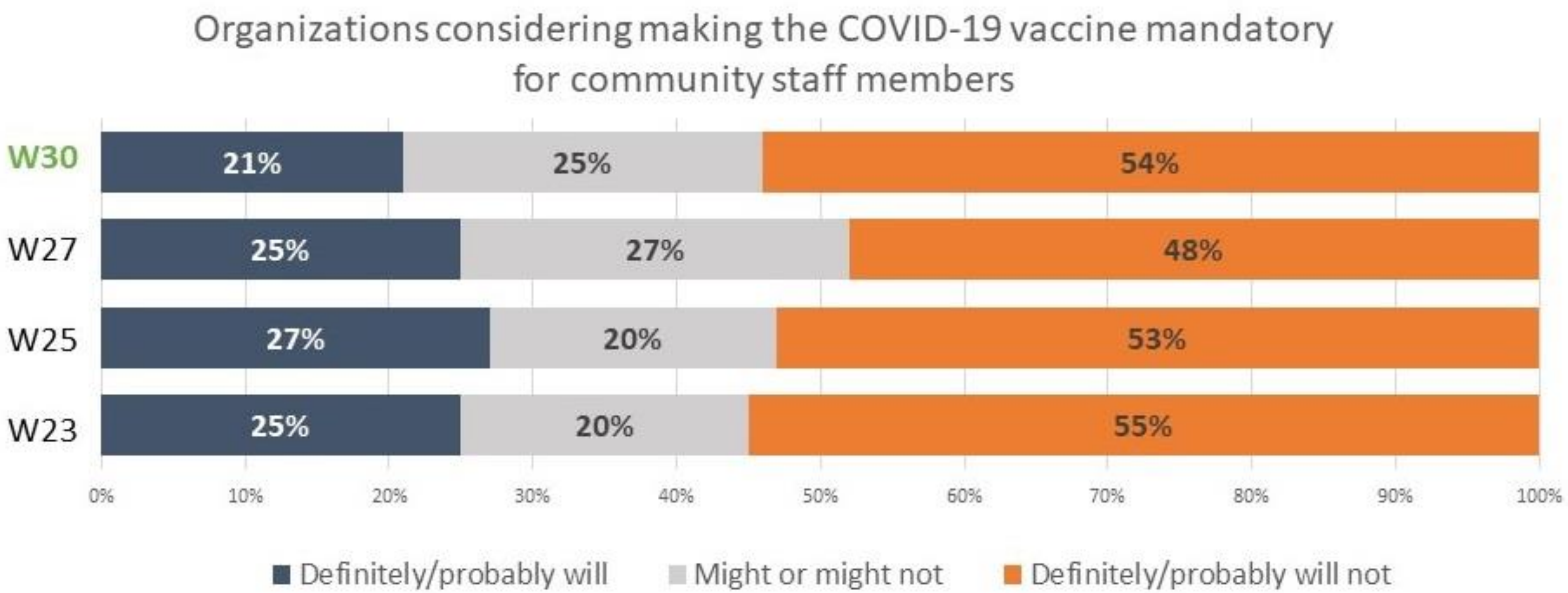
- COVID Mortality in IL was lower than comparable 75 and older living in the community. Why?
- AL mortality rates one-third of SNF rates. Why?
- Mortality in Memory Care was very high. Why?
- What about hospice?
- Hospital?
- Most common comorbidities….
  - Pulmonary
  - Diabetes
  - Dementia
  - Other….

Where are we now? Move-Ins



Wave 27 responses collected April 19 to May 2, 2021
Wave 28 responses collected May 3 to May 16, 2021
Wave 29 responses collected May 17 to June 13, 2021
Wave 30 responses collected June 14 to July 11, 2021
Source: NIC Executive Survey Insights

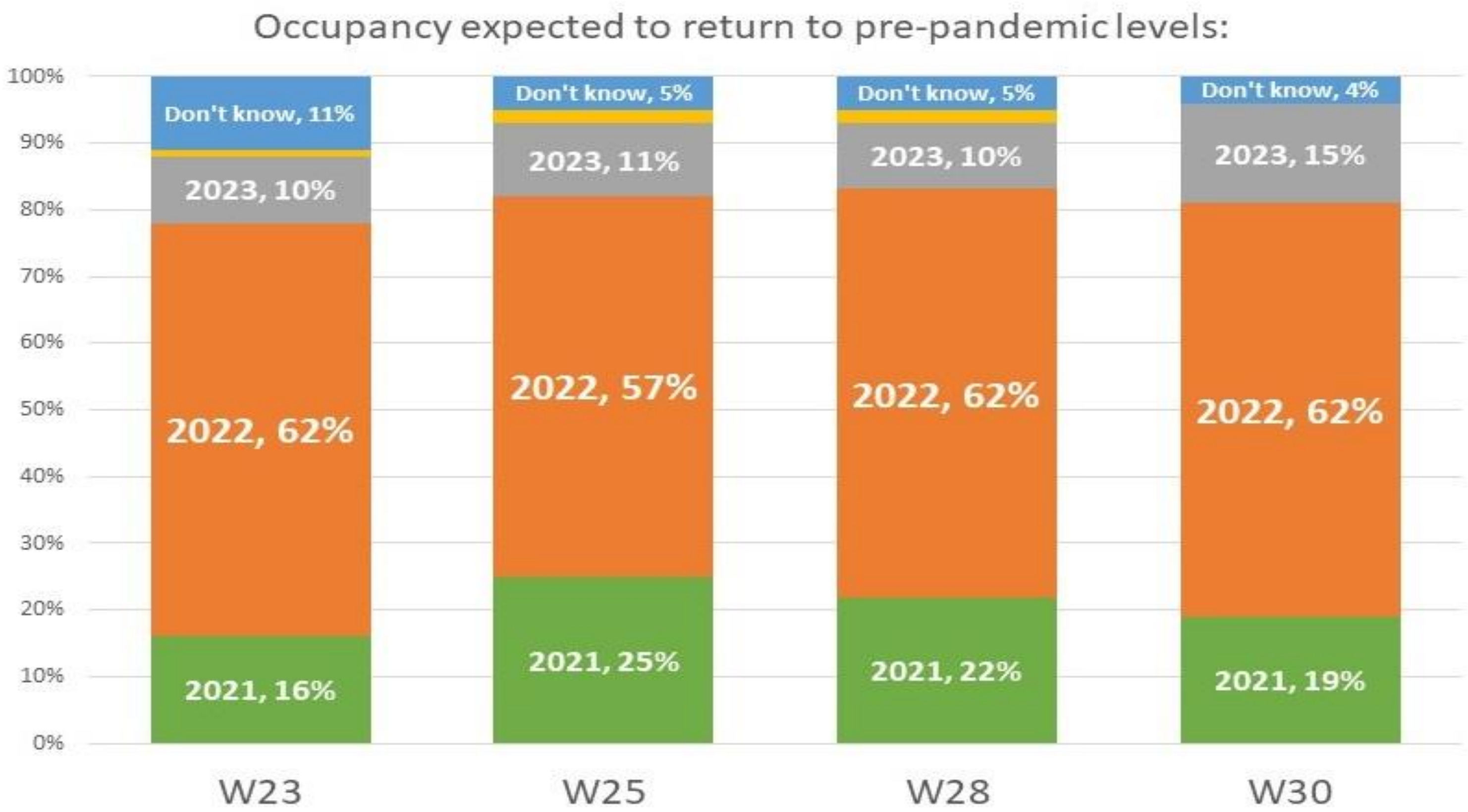
Where are We Now? Vaccines



Wave 23 responses collected February 22 to March 7, 2021
Wave 25 responses collected March 22 to April 4, 2021
Wave 27 responses collected April 19 to May 2, 2021
Wave 30 responses collected June 14 to July 11, 2021

Source: NIC Executive Survey Insights

Where are We Now? Optimism?



Wave 23 responses collected February 22 to March 7, 2021
Wave 25 responses collected March 22 to April 4, 2021
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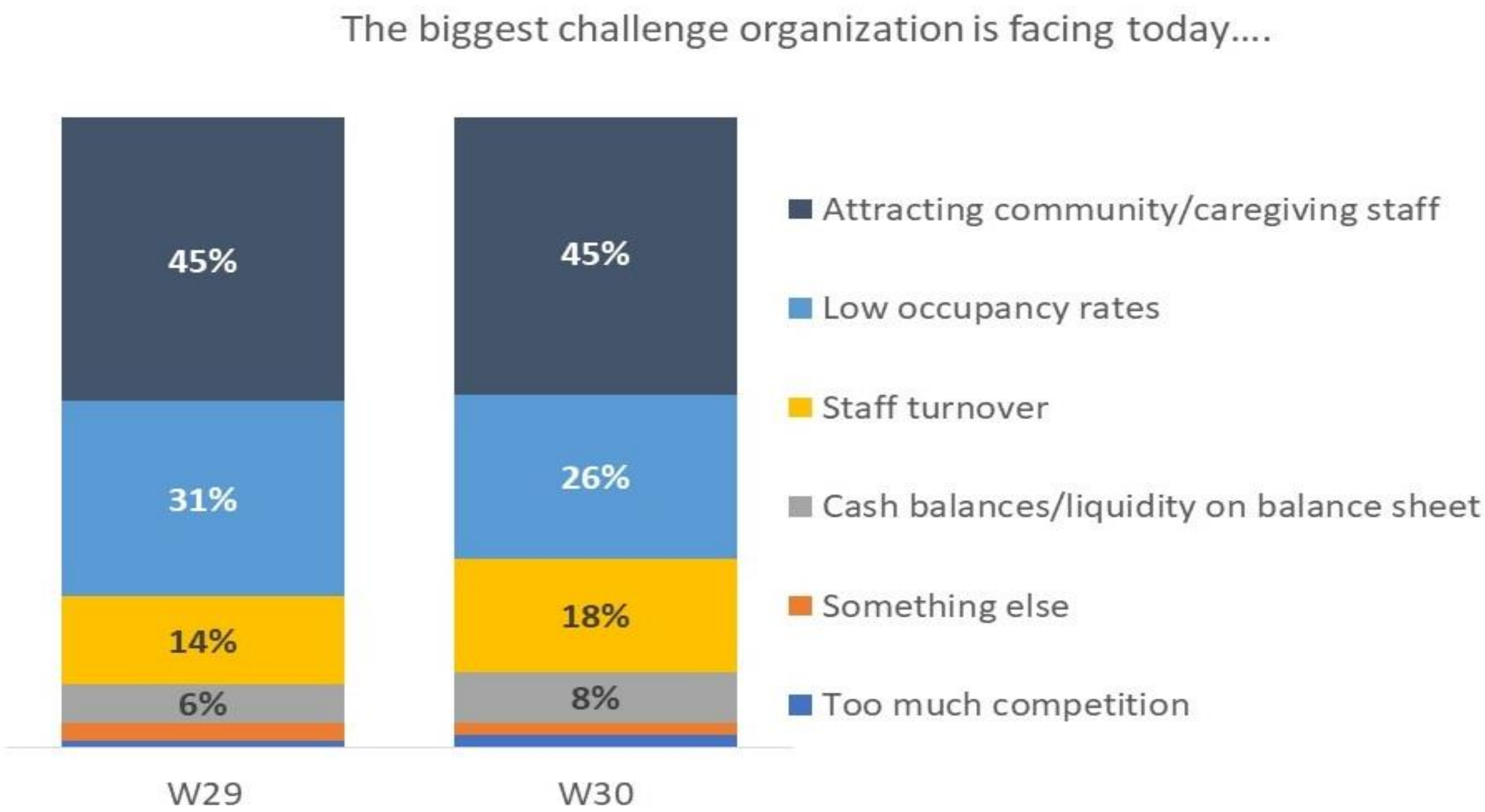
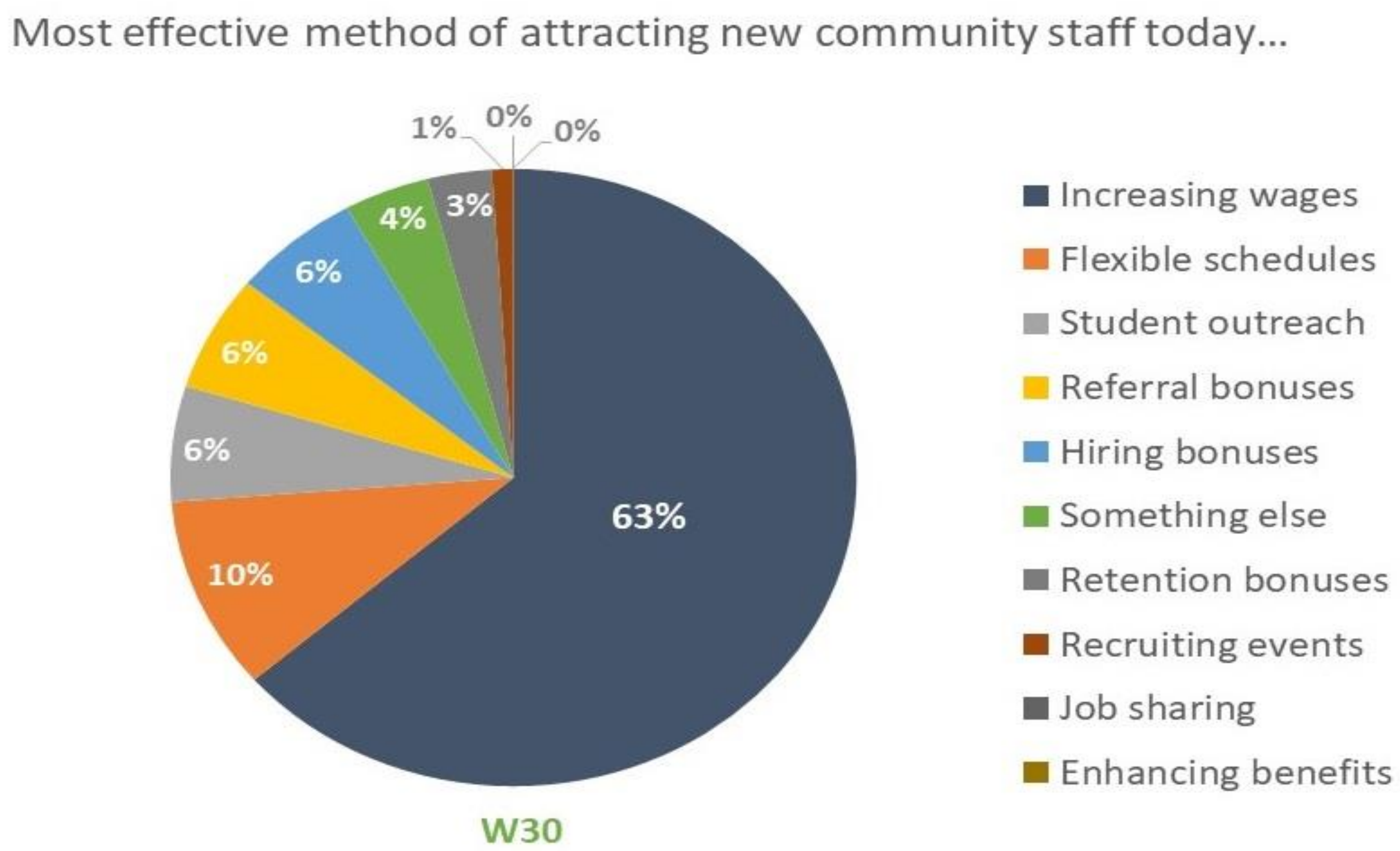
Where are We Now? Challenges



Wave 29 responses collected May 17 to June 13, 2021
Wave 30 responses collected June 14 to July 11, 2021
Source: NIC Executive Survey Insights

Where are We Now? Staffing…



Wave 30 responses collected June 14 to July 11, 2021
Source: NIC Executive Survey Insights

Tragedies and Disasters

- 9/11/2001
  - Stock sale/initial panic
  - Business Impact (oil, insurance, travel)
  - Consumer confidence tanks/small business failures
  - Stock market recovery within weeks
  - Nearly 2 years for other sector recovery
- COVID Pandemic
  - Stock sale/initial panic
  - Business Impact (oil, insurance, travel)
  - Consumer confidence tanks/small business failures
  - Stock market recovery within a few months
  - Unknow timetable for full market recovery

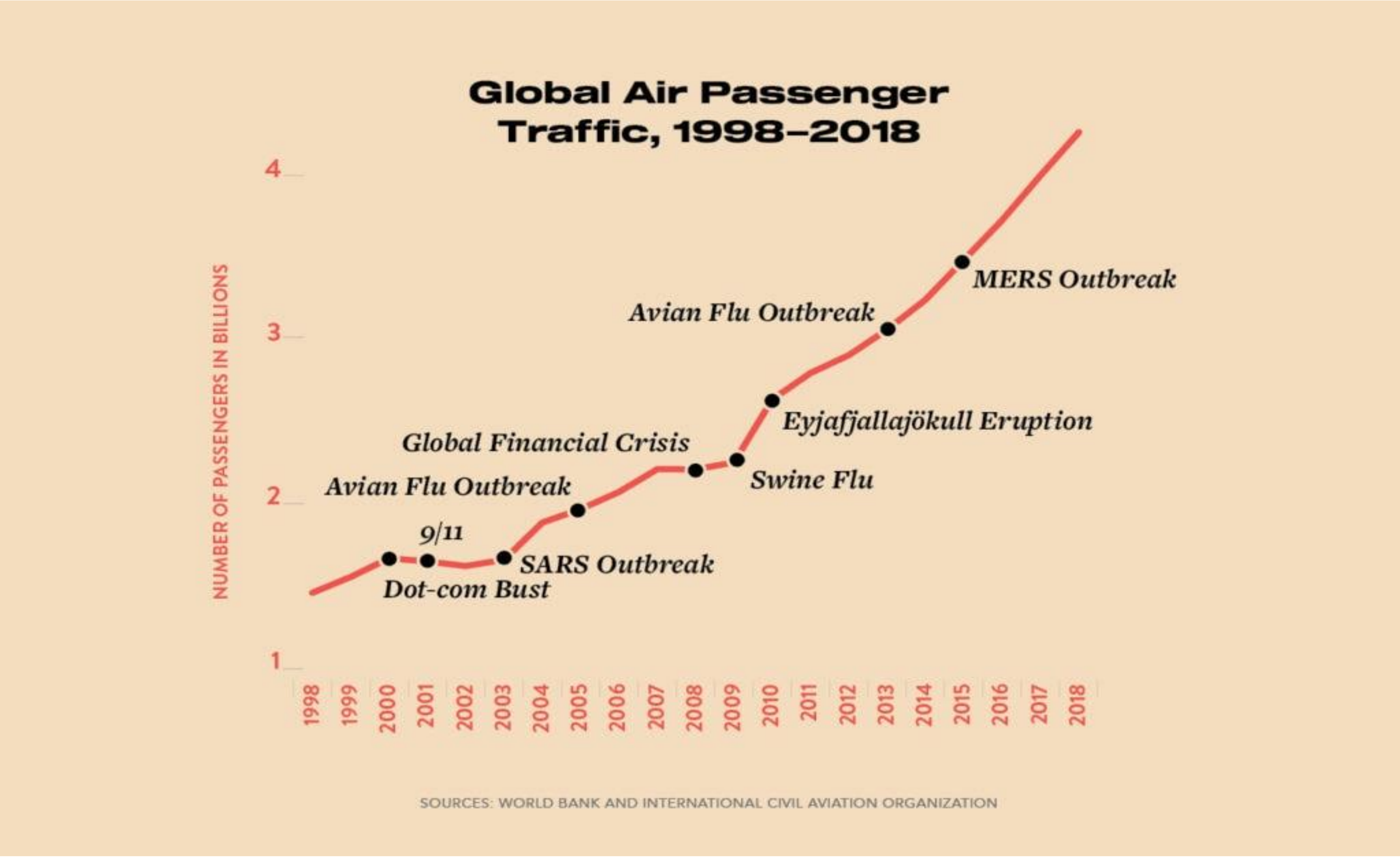
Common Market Reactions to Disasters

- Run Away….Flight or Fight syndrome…
- Risk aversion – BE AFRAID!
- Look for Guidance! Where is the Expertise?
- Search for commonality – who else is in this boat?
- Share the pain!
- Seek salvation!
- Learn new realities!

Regaining Equilibrium

- To first re-build confidence – tell what you know and where your company is at! (BP Deepwater Horizon spill)
  - One voice, many supporters
  - Draw comparisons and contrasts
  - Not all fall-out is the same
  - Don’t compete against the messages; Return Fire!
  - Don’t accept blame for something beyond your control – accept only responsibility for the response!

Regaining Equilibrium: Air Travel



What Key Steps for Airlines?

- What was the fear factor – SAFETY
- What limits are there….
  - Dollars
  - Human Emotion
  - Risk/reward
- Action Plan
  - Restore safety and confidence – be specific
  - Incent action for those who will take risk (need to or want to)
  - Build new communication tools – keep folks apprised
  - Post/show data!

Katrina – Business Recovery

- Occurred in 2005 – 1,863 deaths, 70% of businesses in New Orleans impacted
- Today, 90% of the population has recovered and 90% of the business volume
- Still recovering: Entertainment and local commerce (small business)
- How to “reimagine” what was in terms of “what’s new”?

Post Crisis Strategy – Key Elements

- Assess your financial position – honestly!
- Clarify ongoing challenges
- Update current short-term crisis contingencies
- Define your post-crisis value proposition
- Look for opportunities in the market
- Build positive insights into your current processes

Five Questions for Now!!!

- **What Impression Have you Made on Your Key Constituencies during COVID?** (e.g., airlines/hotels allowing free cancellations, carryout from restaurants, etc.)
- **How important is your brand relevance in a post-crisis period?** (e.g., were you trusted before?)
- **Will you be facing headwinds or tailwinds post-crisis?** (e.g., strong waiting list pre-COVID?)
- **Are you agile enough to adjust to the times ahead?** (still uncertainty ahead).
- **How are your digital capacity and platforms?** (web, social media, etc.)

Where to Begin?

- What has been and is, your COVID experience and IQ?
- Employees and employment…what can you reasonably take-on?
- Who owns your message?
- Who are your key partners?
- What tools do you have at your disposal to deliver a regular message?
- What do your customers think and why?
- Can you “dip your toe in the water”?

Lessons from/to COVID

- **Messaging is really, really messy**
- **Fear has been the dominant player followed by politics**
- **Most people have HUGE COVID fatigue**
- **We are a need-based industry primarily – like airlines, recovery will naturally occur if we can “hold-out”**
- **We can and should partner BETTER.**
- **Advantages: Your COVID reality/Your current reality**
- **What factors do you really control?**
- **Humor is cathartic!**

Suggestions to Reimagine Marketing

- Virtual tours and interview videos
- Zoom/tele-conference admissions – make it painless
- Live cams!
- Carryout food!
- MD/Pharmacy chats
- Resident to resident chats
- Get your partners involved
- Others….

THANK-YOU!

AND THE WINNERS ARE?

Questions, comments, etc.

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