

Senior Living: Combining Hospitality and Healthcare for a Problem-Solving Approach

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Now that the Great Recession is in our rear-view mirrors, the hospitality industry is expanding from all sectors. Particularly, the spa sector has an unprecedented amount of momentum. Services that were once seen as luxury are now healing necessities. Teachings that at one point were viewed as “out there” are now mainstream.

According to the International SPA Association’s (ISPA) annual U.S. Spa Industry Study, the number of spa visits in the United States rose by 2.5 percent, up from 179 million in 2015 to 184 million in 2016, marking the first time that spa visits [have exceeded 180](#)

[million](#).



That number is only expected to grow. Many think this growth is because of the millennial consumer. As the largest generation on earth with \$200 billion in buying power in the U.S., it’s easy to claim the millennial market as the reason for spa growth. According to ISPA’s Consumer Snapshot Research Initiative on Millennial Perceptions and Preferences, 60 percent are invested in their personal well-being, and 56 percent are spa-goers. Similarly, 70 percent say that, if they had some extra time or money, they’d spend it on health and fitness.

Millennials may view spa as mainstream, but their parent’s generation brought the spa industry to the level it is today. In the 18 years since the ISPA U.S. Spa Industry Study has been

conducted, the number of spas has grown from 4,140 in 1999 to 21,260 in 2016. That five-times growth is because baby boomers recognize the proven health benefits of regular spa visits.

Emerging Opportunities Combining Hospitality & Healthcare

By 2030, nearly one-quarter of Americans will be over the age of 65, and almost half will be well beyond age 75, according to the U.S. Census Bureau. This monumental shift in national demographics is driving change

across practically every facet of the health care industry.

From acute and primary care to senior living and ancillaries, health care organizations are shifting strategic focus, exploring new models of care and fundamentally altering the way they will both pay for and deliver care in the next 30 years.

In other words, it's no longer your parents' senior living industry. Until recently, senior living consumers have been largely represented by the Greatest Generation, who are noted for their frugality and are largely influenced by their experiences of the Great Depression. Because of this, personal choices surrounding senior living have been largely need-driven and stemming from a life-altering event.

As baby boomers age, senior living must take on an entirely new look, feel and stigma. Boomers have significantly higher discretionary income than that of their parents. They also make purchasing decisions that are increasingly market-driven surrounding lifestyle and wellbeing. In other words, the new senior consumer is more independent, wealthier, self-centered, educated and demanding than that of their previous generations.

Spa and mind-body-spirit practices have become mainstream over the last 15 to 20 years and new healthcare technologies allow medical records to follow patients to any facility. Therefore, boomers have come to expect a fully integrative lifestyle approach to their healthcare. The exhibiting trend in the senior living industry is representing more emphasis on lifestyle and hospitality coupled with supportive care and with growing recognition that happiness and community breeds better health. This is a significant paradigm shift in thinking and consumerism surrounding aging services.

Convergence Breeds Collaboration

According to the Consortium of Academic Health Centers for Integrative Medicine, a collaborative alliance of 46 academic health centers dedicated to the advancement of integrative health care, "integrative medicine is the practice of medicine that reaffirms the importance of the relationship between practitioner and patient, focuses on the whole person, is informed by evidence, and makes use of all appropriate therapeutic approaches, healthcare professionals and disciplines to achieve optimal health and healing."

Integrated care supports the social model by fostering well-being, which gives people the ability to engage in their lives and enjoy the programs and environment that good hospitality provides. That's why senior living is the next huge market sector for the hospitality industry.

The new face of the senior living industry combines health, wellness, real estate and hospitality to create preventive lifestyles, rather than responsive care. New entrants to this market sector will likely be dramatic game changers and threaten traditional providers. New opportunities will surround leveraging technologies and business collaborations.

Take Serenbe, a wellness community outside of Atlanta. What started as a retired restaurateur's plan to save a piece of Georgia's forestland from Atlanta's sprawl, is now an idyllic nature reserve community that encompasses 300 homes and 600 residents, along with a 25-acre organic farm, three restaurants, a farmer's market, hotel, spa, healthcare facility and bookstore.

Integrative Thinking Re-Defines "The Future of Aging"

For those who want luxury wellness residencies, there are numerous spa-like communities built in partnership with five-star resorts. GOCO is currently building a world-class wellness community next to the famed Glen Ivy Hot Springs in California. GOCO Retreats Temescal Valley will feature both a wellness resort and a real estate community. It will offer integrated wellness programs that combine conventional and alternative approaches that address the biological, psychological, social and spiritual aspects of health and wellbeing. GOCO Retreat Temescal Valley will deliver a comprehensive range of services that are rooted in proven best practices that blend Asian traditions with contemporary Western medical science to give guests the ultimate wellness experience.

These communities, like the Senior Living communities of the future, are multigenerational, attracting retirees and seniors for their wellness-centered lifestyle and inclusive community atmosphere. Instead of isolating seniors into their own facilities, which can feel sterile and impersonal, new wellness communities integrate retirees into the community, keeping them active and healthy.

Wellness communities like Serenbe and GOCO Retreats Temescal Valley increasingly attract boomers looking for a refuge from modern life and a way to sidestep the kind of impersonal care their parents received. According to a new report by the Global Wellness Institute called Build Well to Live Well: Wellness Lifestyle Real Estate and Communities, in North America alone, the market is worth \$52.5 billion and is growing by 6.4 percent annually. Wellness real estate was a \$134 billion worldwide industry in 2017 and is expected to grow to \$180 billion by 2022.

This growing sector is and will continue to pull people from the hospitality industry. High profile spa consultants already have active projects in the senior living arena, which will open doors for many in the hospitality industry to look for new challenges and career paths. Joseph C. McCarron, Jr., Principal and Founder with Capital Care Associates states, "with labor challenges abound in the Senior Living industry the current market cannot attract and retain staff. The need to be a more attractive employer with an operating culture that is more employee and resident centric is essential. Hospitality candidates [can bring new work place enticement, education and career ladders](#) for those engaged in Senior Living." ()

The 2017 ISPA U.S. Spa Industry Study found that there are already an estimated 32,930 unfilled spa service provider positions in the United States. Massage therapists account for the largest number of unfilled positions with a total of 18,780 representing 57 percent of the openings in 2017. When looking at leadership positions, there were approximately 200 unstaffed full-time spa director positions and 1,030 spa manager positions in the United States in 2017.

A shift in the senior living sector to become more mind-body-spirit-centric will naturally pull skilled workers from the spa and hospitality industries into senior living and healthcare. This will give workers more choice and inevitably impact wages.

Conversely, it will also open doors in the other direction. By creating integrated healthcare and lifestyle facilities, the hospitality industry will begin to draw skilled employees from the healthcare and senior living industries.

Senior Living Presents Compelling Opportunity

Traditionally, the senior living industry has suffered from labor challenges. The industry has difficulty attracting and retaining staff (both skilled and unskilled). The traditional senior living environment doesn't have the kind

of operating culture that puts both employees and residents first. The stigma around those facilities is one of “need to be there” not “want to live this way.” It is a taxing career without the wholistic benefits the spa industry provides. There is a genuine caregiving passion in employees, but that passion doesn’t outweigh the lack of workplace appeal, education and career opportunities.

Essentially, hospitality is the missing ingredient. The commitment to current employer is high across all roles in the spa industry indicating employees are in a favorable work environment. ISPA’s inaugural Spa Workforce Study showed 78 percent of respondents plan to be working at their current place of employment in the next year. The study showed that culture and work environment are the two primary reasons why employees noted they plan to stay with their current employer in the spa industry. Spa service providers are passionate about providing exceptional client service and the majority would like a long-term career in the industry. With projected employee shortfalls in the Senior Living industry nearly 20 times that in the Spa industry, it’s only natural that employees will cross industries based on similar character strengths common to both fields.

On the management side, the top aspects that attract managers to the spa industry include: nature of the work (68 percent), career opportunities available (45 percent), pay/salary (37 percent), positive management style/approach (33 percent) and reputation of the organizations in the industry (30 percent). For Senior Living, recruiting from hospitality for management shortages will bring increased customer service and change current ways of thinking for their expanding growth.

Beauty Changes Lives and ISPA are already working towards filling employment gaps in the spa, beauty and hospitality industries. The Get Your Dream Job Campaign elevates and celebrates careers in these industries. The campaign is a collaboration of nearly a dozen industry organizations creating a global call to action. Likewise, Hutchinson Consulting, recruitment leaders in spa and hospitality are now offering services to the Senior Living sector.

As the term wellness begins to encompass and combine several industries, the global employment market will continue to grow more competitive for employers, but that isn’t a dreadful thing at all. The increasing need for passionate and skilled employees will drive wages up, increase educational benefits and requirements, and allow employees a true sense of pride and vision in their career path.

As the hospitality industry continues to involve and include wellness arenas, the senior living space will no longer be able to be ignored. It could just be the answer to not only the industry’s employment problems, but also the long-lasting lifestyle change our society has been seeking.

References:

- [*An Aging Nation: The Older Population in the United States \(U.S. Census\)*](#)
- [*ISPA 2017 U.S. Spa Industry Study*](#)
- [*ISPA Consumer Snapshot: Millennial Perceptions and Preferences*](#)
- [*2018 ISPA Spa Workforce Study*](#)
- [*Global Wellness Institute Build Well to Live Well*](#)

- [Joseph McCarron, Principal and Founder, Capital Care Associates](#)



Mr. Tompkins

A visionary leader in the luxury hospitality, wellness, and spa industries, Michael G. Tompkins has led celebrated brands to success for more than two decades. He transitioned from healthcare to hospitality with Canyon Ranch Health Resorts as part of their executive management team. Then as Vice President of Hotels and Spas for Turning Stone Resort and Casino, he led their team to be the first property in US history east of the Mississippi to have two Four Diamond AAA Hotels, garnering Best New US Spa for Skana Spa and earning New York State Hospitality Association's Hotel Executive of the Year. From there he helped reposition Miraval Resorts in Tucson, AZ starting as General Manager then promoted to President/ CEO of Miraval Resorts. During his seven-year tenure at Miraval, Mr. Tompkins led the brand to an unprecedented 46 industry awards in one year, building one of the most successful hotel real estate projects in the country, the Villas at Miraval, and creating strategic partnerships with National Geographic. Mr. Tompkins can be contacted at 707-935-9760 or michael@hutchinsonconsulting.com. Please visit <http://www.hutchinsonconsulting.com> for more information.

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