



# Home Care Sales and Marketing: Trends in 2020 and Beyond

Presented: July 16, 2020

# Welcome to Our Webinar



This presentation will be shared within a few business days.

Please ask questions – we'll have Q&A at the end.

2020



# Caring.com: #1 Senior Care Resource Online

Founded in 2007, with a Social Mission

Comprehensive Directories for Senior Living and Senior Care — 80,000+ Listings

#1 for Senior Care Reviews: 250,000+ Published — Thousands Added Monthly

Highly Trained, Highly Skilled Team of Family Advisors & Senior Care Experts

Relevant Eldercare Information and Support — Across Portfolio of Websites

[www.caring.com](http://www.caring.com)

The screenshot shows the Caring.com website interface. At the top left is the phone number (800) 973-1540. The logo 'Caring.com' is in the top center, with a search icon and 'Sign in' on the right. Below the logo are navigation tabs: 'Assisted Living', 'Home Care', 'Memory Care', 'All Senior Living', 'All Senior Care', and 'For Caregivers'. The main content area features a large image of a young woman hugging an elderly woman. To the right of the image is a text block: 'Caring for an Aging Loved One? We're here to help. Caring.com exists to help family caregivers like you make better decisions, save time and money and feel less alone. Which of the following do you need?' Below this text are two buttons: 'Expert Guidance' and 'Senior Living & Care Options'. Below the main content is a search section titled 'Find Senior Care & Senior Living Options Near You'. It includes a paragraph: 'Looking for senior care can be stressful and confusing, and you may be unsure where to start. Whether you're looking for a senior living community or help with in-home care, we're here to help you understand your options, learn about financing and guide you through the process.' Below the paragraph is a search bar with a dropdown menu for 'Choose care type', a text input field for 'Search by address, city, zip, state', and a red 'Search' button. At the bottom, there are four featured cards: 'Detailed Cost Info and Photos' (with an image of an elderly couple), 'Thousands of Listings' (with an image of a senior living community), 'Seasoned Family Advisors' (with an image of a woman talking to an elderly man), and 'Reviews from Families' (with an image of a group of people).

2020



# Caring & Home Care Pulse Integration



Integrated with Caring since January 2017

Home care agencies use Home Care Pulse to:

- Request and acquire client reviews for their Caring.com listings
- Display “Trusted Provider” badge
- Display “Best of Home Care” awards

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# Today's Presenter: Kire Madsen

- Vice President, Customer Success @ Home Care Pulse
- Two decades of experience in sales and customer success
  - Led regional sales division for global consumer products company
- Has consulted with executive teams of many of the leading brands in home care to help them implement data and improve operations



Kire Madsen

2020

# What We'll Cover Today



- Dramatic Changes in the Home Care Industry
- Top Referral Sources
- Low-Hanging Fruit For Growth
- What's Changing In Sales/Marketing Strategies
- Q&A



# Dramatic Changes in Home Care Industry

*From the 2020 Home Care Benchmarking Study:*

- Demographics and search for care shifting
- Expand focus beyond agency website and professional referral pipeline
- Significant increase in trust and importance of third-party sites and online reviews
- Understand/market to today's decision-maker



**Peter Droubay**

*Agencies who recognize and plan for these changes will prosper.*



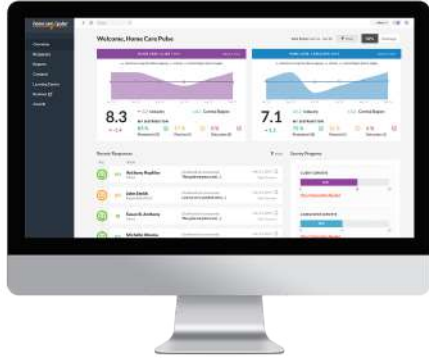


# 2020 Trends





# About HCP and Our Data



*Two kinds of surveys*



## Experience Surveys:

- Data from clients/caregivers
- Experience data
- Ongoing (real-time feedback)
- Agency-specific data with regional benchmarking
- Monthly subscription

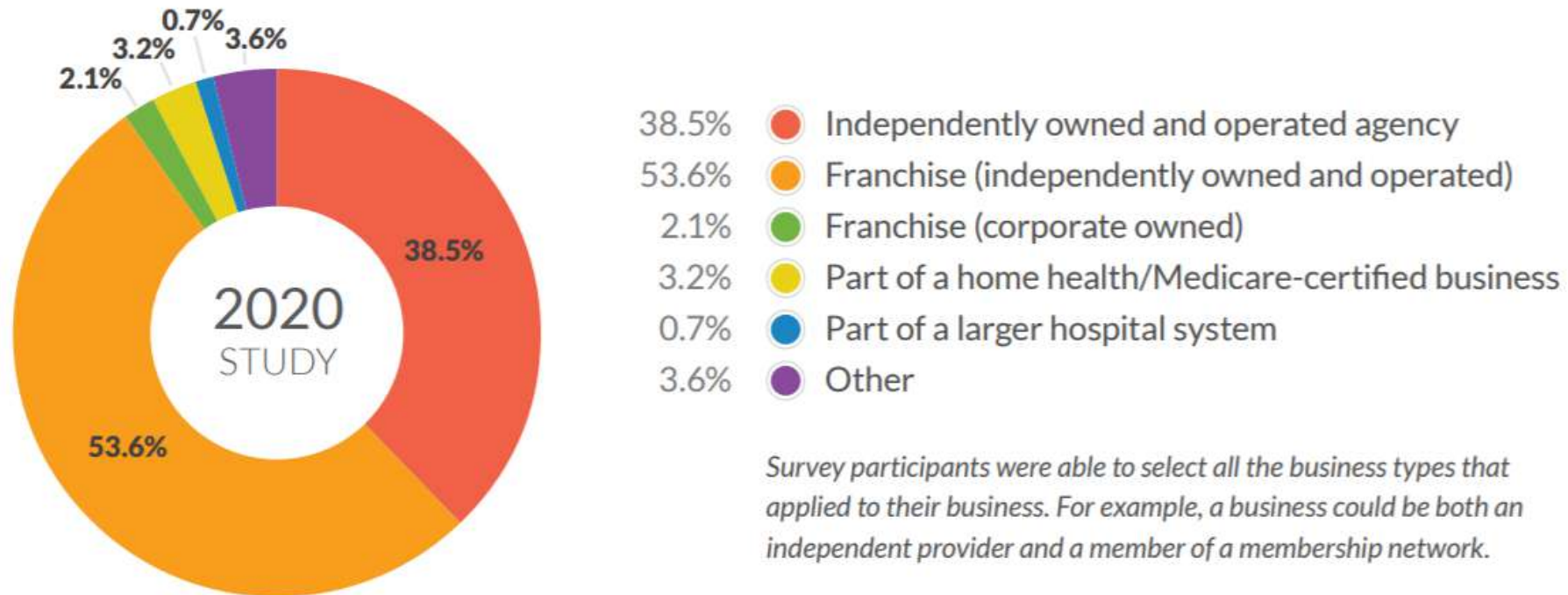
## Benchmarking Study:

- Data from agency owners
- Operational data
- Annual publication
- Industry/regional data
- One-time purchase



# About the 2020 Study Data

## Participation by Provider Type for 2020 Study

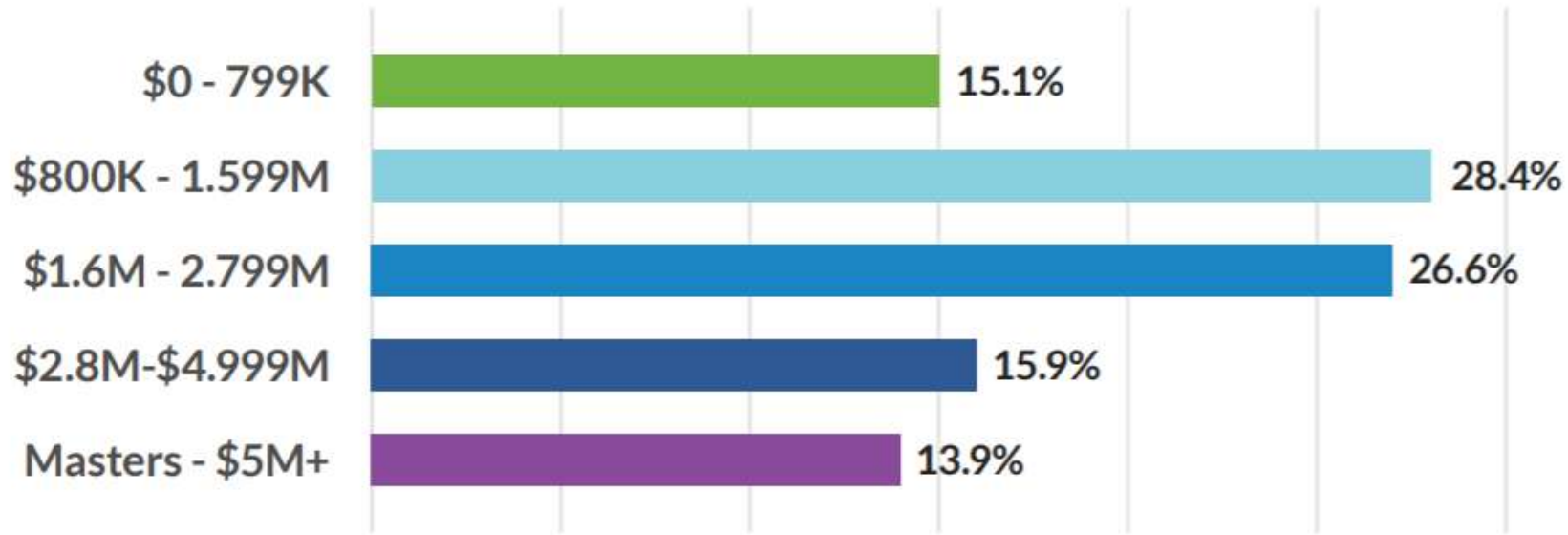


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*1,884 locations are represented.*

# About the 2020 Study Data

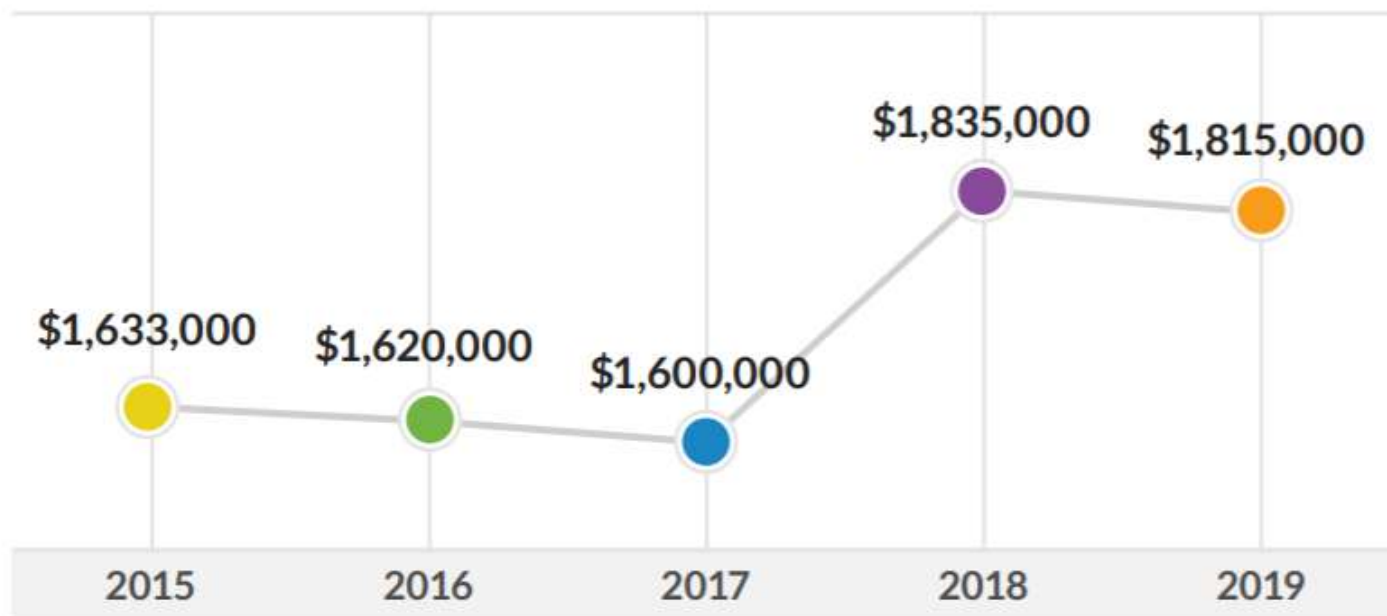
## Participation by Revenue Range for 2020 Study



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# Revenues Are Growing Overall

## Historical Median Revenue



- 2019
- 2018
- 2017
- 2016
- 2015

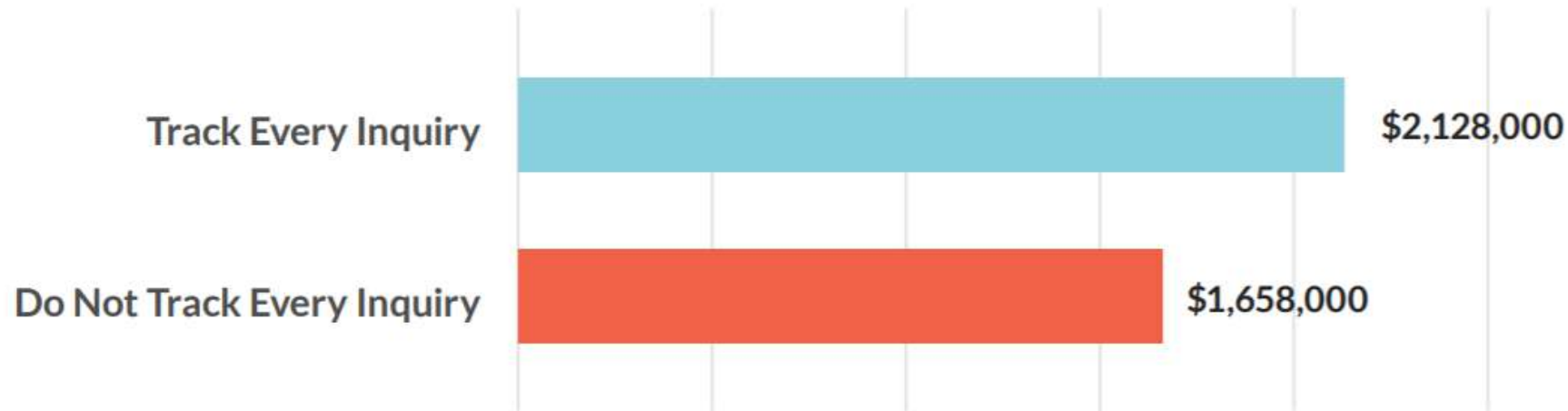
Median Revenue for the industry has grown by 11.1% over the past 5 years.

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# Inquiry Tracking: Diligence Pays Off

## Inquiry Tracking Comparison - Median Revenue for 2019



*This graph shows the median revenue for those providers who track every inquiry about services versus those providers who do not track every inquiry about services.*

# Top Referral Marketing Sources

## 2019 Top 10 Referral Sources/Methods - Overall

Source/Method	Percent of Participants Top Source	Median Percent of 2019 Revenue
<b>Clients</b> - Past and current clients and their loved ones	22.0%	73%
<b>Healthcare Professionals</b> - Home Health Agencies (Medicare Certified)	7.9%	22%
<b>Healthcare Professionals</b> - Hospital discharge planners	6.8%	28%
<b>Healthcare Professionals</b> - Assisted Living Facilities	6.2%	23%
<b>Healthcare Professionals</b> - Hospices	5.4%	26%
<b>Government</b> - State Medicaid Waiver Programs	5.4%	37%
<b>Healthcare Professionals</b> - Skilled nursing facilities	4.0%	29%
<b>Government</b> - Area Agency on Aging Case Managers	4.0%	40%
<b>Government</b> - Veterans Administration Programs	3.9%	29%
<b>Healthcare Professionals</b> - Physician offices	3.7%	22%

The following was asked of survey participants: "Please input your top two revenue-generating referral sources in 2019. Then select the percentage of 2019 annual revenue each top method was responsible for."

As such, Median Percent of 2019 Revenue shown here represents the percentage of revenue that came from a given source for the agencies who listed it as one of their top sources.

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# Top Consumer Marketing Sources

## 2019 Top 10 Consumer Marketing Sources - Overall

Source	Percent of Participants Top Source	Median Percent of 2019 Revenue
<b>Internet</b> - Search Engine Optimization (consumers can find you online)	17.6%	20%
<b>Internet</b> - Google Ad Words/Pay Per Click	13.8%	18%
<b>Internet</b> - Corporate Web Leads (i.e. Franchisors Website, etc.)	9.0%	21%
<b>Internet</b> - Facebook	8.4%	28%
<b>Internet</b> - Google+	4.9%	15%
<b>Ads</b> - Senior Directories	4.4%	17%
<b>Consumer Events</b> - Public Speaking at churches, senior centers, etc.	3.9%	20%
<b>Ads</b> - Newspaper	3.7%	24%
<b>Ads</b> - Television	3.5%	19%
<b>Internet Lead Sites</b> - Caring.com	3.0%	21%

Survey participants were asked, "Please select your top two revenue-generating consumer marketing sources in 2019. Then select the percentage of 2019 annual revenue each top method was responsible for."

As such, Median Percent of 2019 Revenue shown here represents the percentage of revenue that came from a given source for the agencies who listed it as one of their top sources.

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# Top Consumer Marketing Sources – Masters (\$5M+)

## 2019 Top 5 Consumer Marketing Sources - Masters

Source	Percent of Participants Top Source	Median Percent of 2019 Revenue
<b>Internet</b> - Search Engine Optimization (consumers can find you online)	31.6%	13%
<b>Internet</b> - Google Ad Words/Pay Per Click	20.3%	9%
<b>Internet</b> - Facebook	5.1%	5%
<b>Internet Lead Sites</b> - Caring.com	5.1%	5%
<b>Internet</b> - Corporate Web Leads (i.e. Franchisors Website, etc.)	3.8%	20%

Masters represent those providers who billed \$5M+ in annual revenue in 2019.

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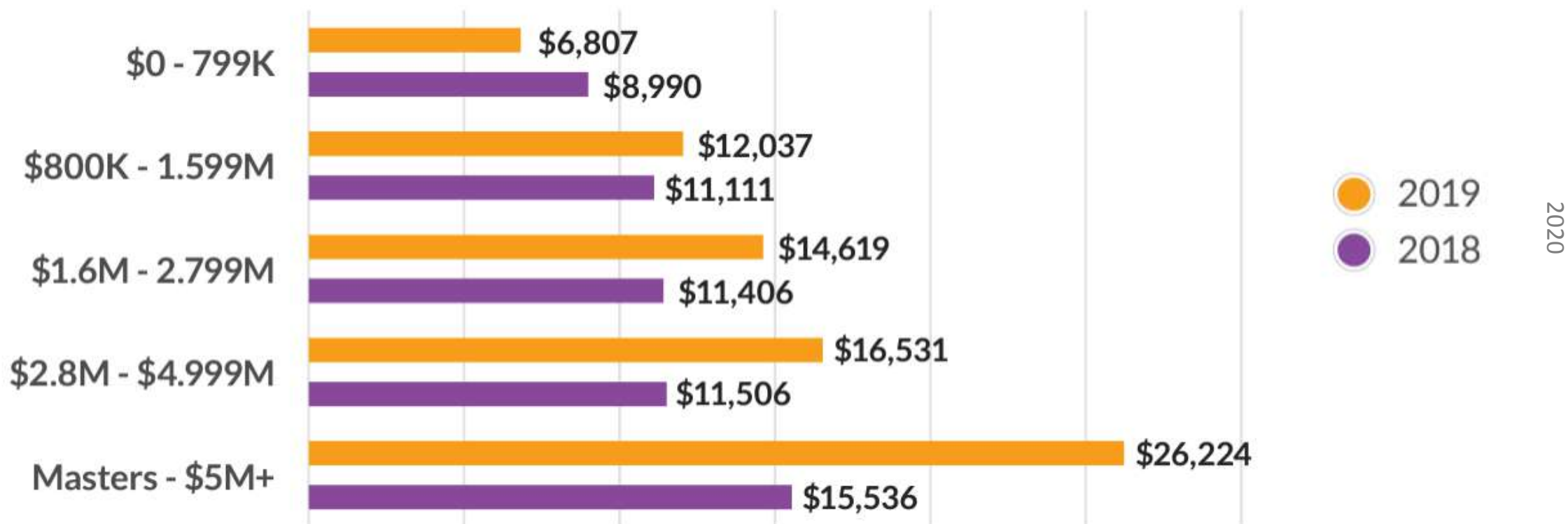
# It's getting more expensive to acquire clients. . .

## Historical Median Client Acquisition Costs



# But clients are bringing in more revenue.

## 5.18 Historical Client Average Lifetime Value - Revenue Range



# Sales & Marketing Expenses

Revenue Range	\$5M+	\$2.8M-\$4.999M	\$1.6M - \$2.799M	\$800K - \$1.599M	\$0 - \$799K
<b>Median Annual Revenue</b>	<b>\$6,627,000</b>	<b>\$3,509,000</b>	<b>\$2,167,000</b>	<b>\$1,176,000</b>	<b>\$393,000</b>
<b>Sales &amp; Marketing Expenses</b>					
Traditional advertising (radio, print, etc.)	0.2%	0.5%	0.3%	0.4%	1.2%
Internet advertising (Google Ads, paid ads on Facebook, etc.)	0.3%	0.3%	0.4%	0.3%	0.9%
Networking and events (community, gifts, conventions, etc.)	0.1%	0.2%	0.2%	0.2%	0.3%
Search Engine Optimization (SEO)	0.2%	0.2%	0.3%	0.5%	1.1%
Sales rep salaries	1.6%	1.9%	2.7%	3.4%	3.8%
Sales rep bonuses and perks	0.3%	0.4%	0.4%	0.4%	1.1%
Lead Generation websites (Caring.com, etc.)	0.0%	0.1%	0.1%	0.1%	1.0%
All other marketing-related expenses (consulting, etc.)	0.2%	0.4%	0.3%	0.5%	0.9%
<b>Total Sales &amp; Marketing Expenses</b>	<b>2.9%</b>	<b>3.9%</b>	<b>4.7%</b>	<b>5.7%</b>	<b>10.2%</b>

# Agencies are hiring more sales reps than any other position.

## Median Staffing Summary for 2019 - Overall & Revenue Ranges

Position	\$0 - 799K	\$800K - 1.599M	\$1.6M - 2.799M	\$2.8M - 4.999M	Masters - \$5M+	2019 Median
Active owners (5%+ ownership)	1	1	1	1	1	1
Executives (non-owners)	0	0	1	1	2	1
Admin staff (payroll, billing, secretarial)	0.5	1	1	2	4	1
Sales reps	1	1	2	2	4	1.5
Staffing coordinators/care schedulers	0	0.5	1	2	3	1
Supervisors in the field (checking on clients/caregivers)	0	0	0	0	2	0

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# Which payer sources are agencies relying on?

## Historical Payer Source Percentage of Revenue

Service Offerings	2019	2018	2017
Private Pay	67.5%	72.1%	69.6%
Long Term Care	11.4%	11.3%	12.0%
Veteran Assistance	3.6%	3.5%	3.6%
Billed Medicaid	2.6%	1.9%	1.8%
Medicare reimbursement	0.7%	Didn't Ask	
Medicare Advantage reimbursement	0.3%		
Medicaid Waiver	6.6%	5.2%	6.1%
Workers Compensation	0.6%	1.1%	0.8%
Other Insurance	0.6%	0.6%	0.6%
Trusts/Banks	0.9%	0.7%	0.6%
Billed Hospitals Directly	0.4%	0.2%	0.1%
Area Agencies on Aging	1.5%	1.1%	2.2%
Accountable Care Organization (ACO)	0.0%	0.1%	0.3%
Managed Care Organization (MCO)	1.7%	0.7%	0.8%
Other	1.8%	1.4%	1.7%

Survey participants were asked, "What percent of your annual revenue came from the following payer sources?"

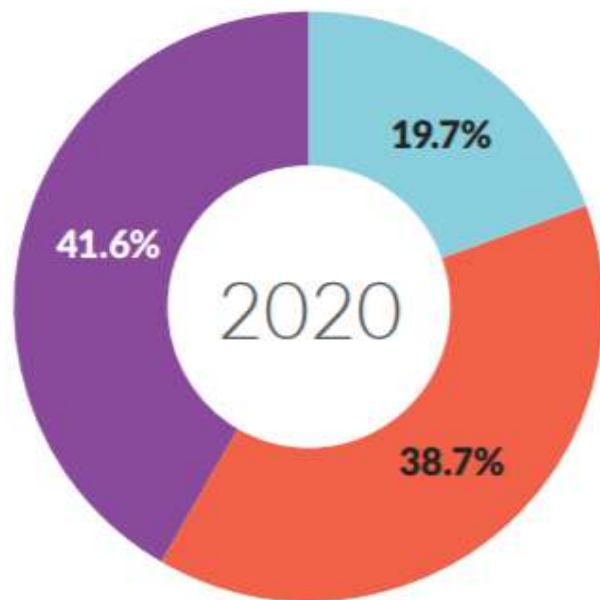
### Other Payer Sources Mentioned

- Alzheimer's Association
- Charitable Organizations
- Contributions
- County Funding
- Grants
- HUD Wellness Program
- Jewish Family Services
- MS Society
- PACE Program
- Schools
- State Funding

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# Medicare Advantage

## Agencies That Anticipate Benefiting from Medicare Advantage Plans in 2020



- 19.7%  Yes
- 38.7%  No
- 41.6%  Do Not Know

*Survey participants were asked, "Medicare Advantage (MA) plans are now allowed to cover a range of in-home care services. Do you plan to benefit from Medicare Advantage in 2020?"*

# Key Takeaways



**Tracking every inquiry is a simple component to optimizing agency growth.**



**When it comes to referral sources, past and current clients are the heavy hitters.**



**It's becoming more expensive to acquire a client, but each client is bringing in more revenue.**



**Agencies are hiring twice as many sales reps as they used to.**

2020



Q & A





# How to Reach Home Care Pulse

**Learn More:**

**homecarepulse.com**  
**info@homecarepulse.com**

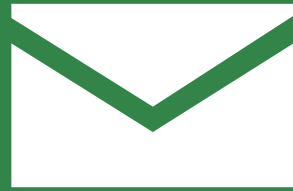
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# Thank You!

We Welcome Your Feedback and Suggestions



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