



Agelessness

2 billion – people over 60 by 2050

\$15 trillion – value of over 60s healthcare market in 2020

Agelessness

A person's physical age becomes less important as society adapts to the new demographic landscape. New opportunities arise for creators and consumers of all ages, though benefits are often only for the wealthy.

“Chronological age is completely irrelevant”, says Sarah Harper, professor of gerontology and director of the Oxford Institute of Population Ageing. While exaggerated for effect, the comment speaks to how society is increasingly adapting to an older population and reducing age-based limitations. Adaptations will be felt in particular at work, in patterns of consumer spending and in culture at large.

The demographic transition the world is going through is as unprecedented as it is profound. In historical terms, change has come very quickly. There will be a billion people over 60 by 2020 and 2bn by 2050. By then, one third of people will be over 50 (up from 18% in 2000). The pace of change is accelerating. According to Credit Suisse, in the 80 years from 1900 to 1980 the U.S. median age rose seven years, from 23 to 30. In the following three and a half decades it rose another eight to 38. These dramatic shifts are taking place in countries all across the world.

In January 2016 the first of the baby boomers (born between 1945-1964) will start turning 70, and they are changing the experience of ageing, just as they have led cultural and societal changes over the past half-century. The cohort is been the largest and wealthiest the world has ever known, and continues to adapt society to meet its needs; baby boomers control 80% of personal financial assets. Over the next ten years they will change the nature of the workforce, the consumer market and shift societal attitudes around ageing – as well as dictating insurance and healthcare financing.

One of the main changes we will see will be around work. Financial concerns will mean that for many the dream of a long retirement will remain just that. 2015 was the year in which the working-age population (15-64 year olds) in developed economies peaked. From now on it will start to decline and by 2050 it will have shrunk by 5%. Corporations in need of talent will have increasing incentives to make their workplaces suitable for all ages and capture the value of ‘wisdom workers’ who are rich in experience and judgment. For individuals with good health, a longer life will allow them to extend their careers, remaining creative and involved, and potentially develop new businesses.

As the populations age, businesses will be developed to support them. Organizations such as Encore.org work on having a productive and engaging ‘third age’, retraining older professionals as teachers without having to join a class of 20 year olds. Workforce productivity is another area of innovation – BMW made changes on its production line in Germany to accommodate the needs of older workers, and found that the productivity of all workers went up. Expect more companies to follow suit.

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Beliefs and belonging



Companies are increasingly recognizing that older people are an economic powerhouse and source of growth. The over 50 demographic accounted for an estimated \$1.6tn of the \$2.7tn U.S. healthcare market in 2012; by 2020, the 60+ market will account for around \$15 trillion total globally – approaching half the GDP value in many western countries. As marketers will be keen to capitalize on those who can afford to pay, expect a shift away from the youth sector, created by Madison Avenue in the 1950s, to a broader audience. Growth will come from the overlap of health and lifestyle – senior living, new opportunities for lifetime planning, ageing in place, pharmaceuticals, travel & leisure, beauty & cosmetics, fashion and retail, with brands such as Superdry selling their teenage-oriented apparel to parents as well.

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Work by Silvergroup.asia has identified a number of attributes that manufacturers of products and services should pay close attention to in order to design for the older population. Key is to provide an ageless experience all the way through the product lifecycle: design, marketing, distribution and support. Physical (vision, hearing, dexterity, mobility) and cognitive impairments don't necessarily exclude older people from being active and engaged consumers, and companies who've developed very customer-centric product design processes, such as Apple, tend to develop products that work for all ages.

Also, expect older performers to increasingly be active in the media and many to see them as role models in popular culture. The music industry is leading the way, as the artists baby boomers grew up, such as Mick Jagger, Paul McCartney, Bob Dylan, Paul Simon, Art Garfunkel, Aretha Franklin and Leonard Cohen, all well into their 70s, remain active. Hollywood is following, celebrating positive roles for older people with films such as *The Best Exotic Marigold Hotel*, *Intern*, and *Quartet*. Dove's Real Beauty commercials and MAC Cosmetics' use of Iris Apfel (born in 1921) are also beginning to challenge the prevailing youth-obsession.

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However, the picture is not universal. Life expectancy, while growing on average, is not growing for all. Income, health and life expectancy are highly correlated. Noted gerontologist Bill Thomas says, “As long as you have your health you are ageless”, however the converse is also true. In the UK and the US, the difference in life expectancy between the poorest and the richest sectors of society is around 10 years; across Northern Europe, around 7. In certain demographic groups, for example middle and lower income American women, life expectancy has actually fallen over the past decades. White males with only high-school level education have been dying early at an unprecedented rate, due to early onset heart disease and suicide. As the divide between the haves and the have nots increases, so will this trend. Addressing these health and longevity disparities present some of the greatest opportunities for innovation and for new models of collaboration between government, community-based organizations and the private sector.

As we look forward to 2025, the extent to which we achieve an ageless society will be determined largely by how readily we embrace a new model of long life. How older workers are kept on or taken back into the workforce, what skills these wisdom workers can pass on, what products and services they will need and wish for, and how society will adapt to embrace a positive view of older people – these are the challenges ahead.

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Related insights

Caring for those left behind



Although significant progress has been made positive change has limited reach. Millions of people continue to be left behind from main-stream progress -especially the young, the poor and those who are disadvantaged.

Care in the community



The desire to ‘age-in-place’ meets a healthcare reform agenda that promotes decentralization. A new care model is customer-centric, caregiver-focused and enhances coordination across care settings.

Enhanced performance



We are developing key technologies that could integrate humans and data to make us safer, more informed and potentially super-human in performance - but should we?

Working longer



People are having to work for to support longer retirements. Flexible working practices and policies are emerging, but some employers continue to remain ambivalent about older workers.