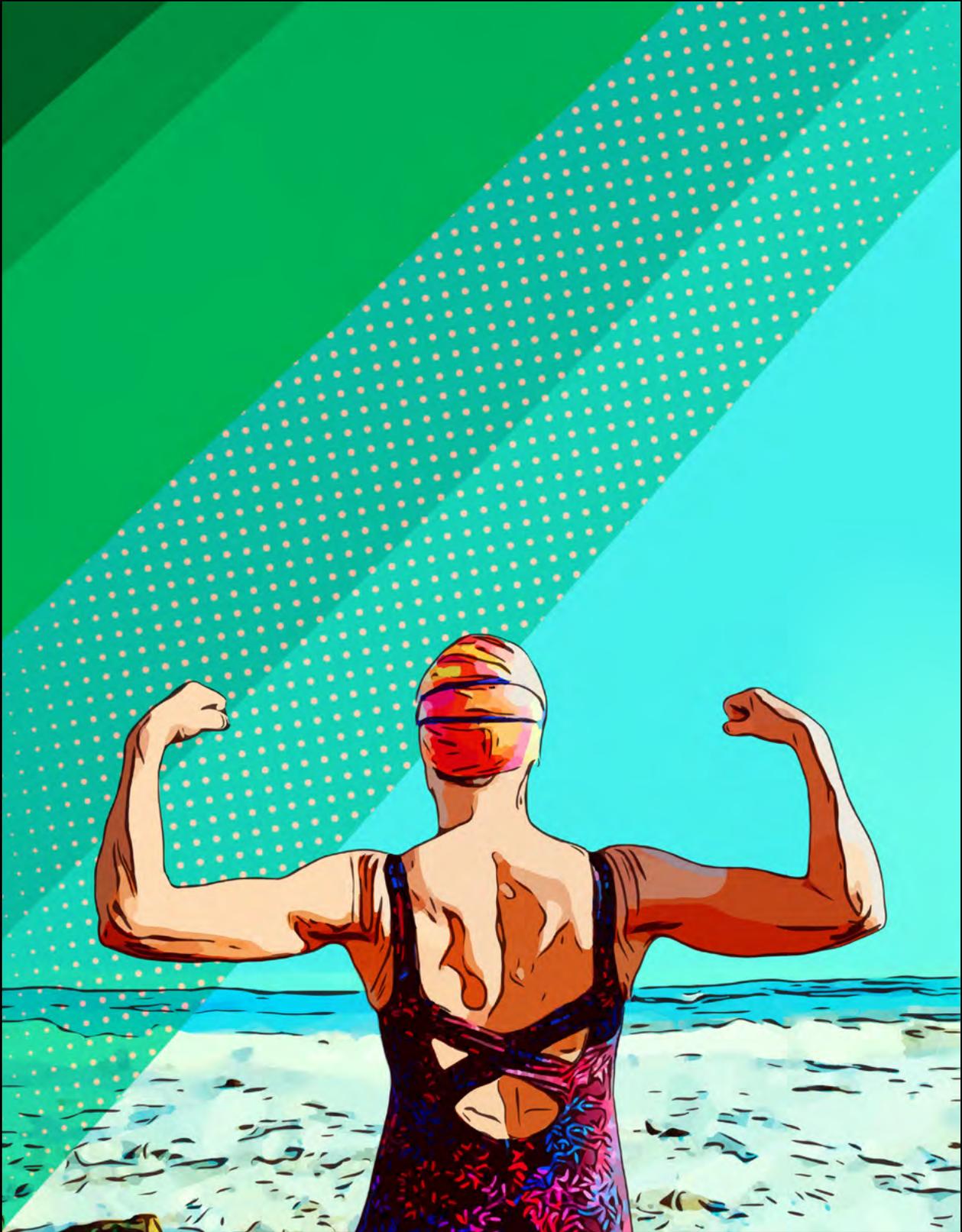


# REBOOTING LONGEVITY

NOVEMBER 2020



# INDEX

<u>Introduction</u>	<u>5</u>
<u>The Profile of Older Adults</u>	<u>8</u>
<u>Smart Home &amp; Ambient Assisted Living</u>	<u>16</u>
<u>Life Science &amp; Wellbeing</u>	<u>20</u>
<u>Active Ageing</u>	<u>24</u>
<u>Finance &amp; Business</u>	<u>28</u>
<u>Conclusions</u>	<u>32</u>
<u>Methodological Notes and Bibliography</u>	<u>34</u>

# INTRODUCTION

## Why this Research?

The United Nations estimates the over-65s demographic [UN, 2019] will grow from 700 million in 2019 to over 1.5 billion in 2050. The extent of this huge increase varies according to the geographical area: over 200% in Africa and West Asia, 48% in Europe and North America, and 120% in Southeast Asia.

Our extended lifespan and a “smart” approach to the second part of our lives will be among the key issues in the near future. The global Coronavirus pandemic has accelerated the global emergence of certain trends which, driven by digitisation, were already apparent in Western societies.

Companies, which today struggle to communicate with older adults, must learn to design products and services valued by a population that is becoming dominant in terms of its size, spending power, and assets.





## The Profile of Older Adults

“ Older people have higher disposable incomes than the young in countries such as the US, the UK, Germany, France, Italy and Australia. Yet they are frequently marginalised by mainstream brands. ”

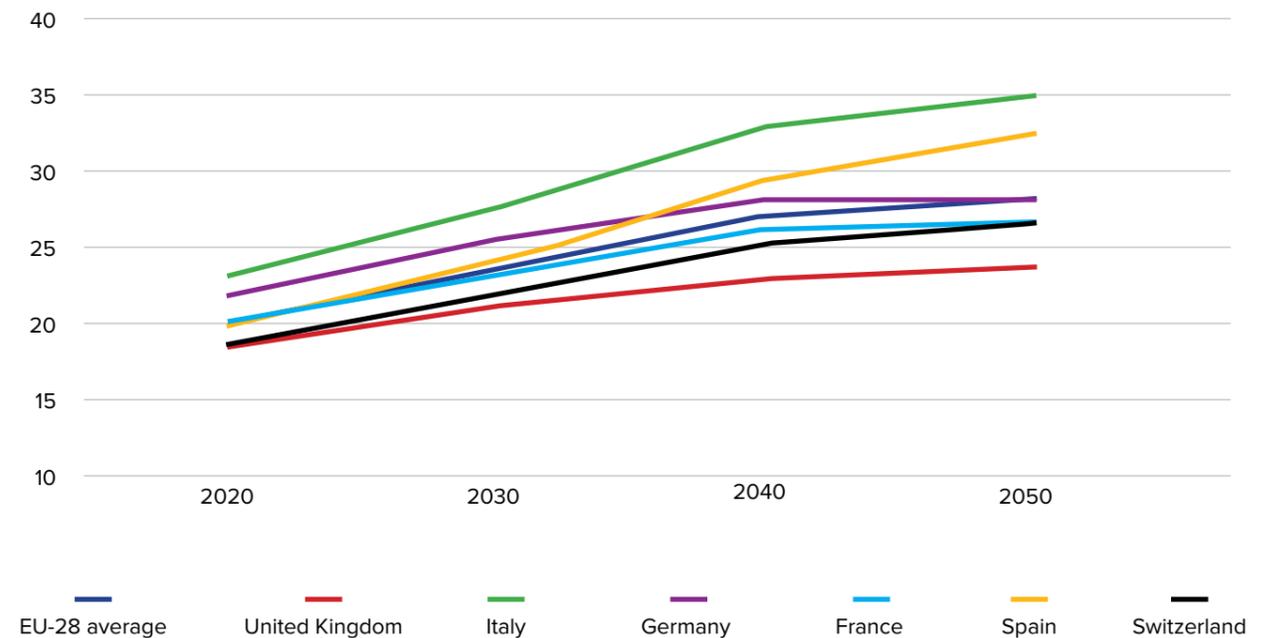
Ipsos, Global Trends 2020 - Understanding Complexity [Ipsos, 2020]

### The average age is rising at a global level, but the most significant changes will result from longer healthy life expectancy due to scientific and technological innovation

Today 80% of over-65s live in the 20 most developed economies [Rodà-Sica, 2020], which together produce 85% of global GDP.

Percentage of over-65s in the population

Source: Eurostat

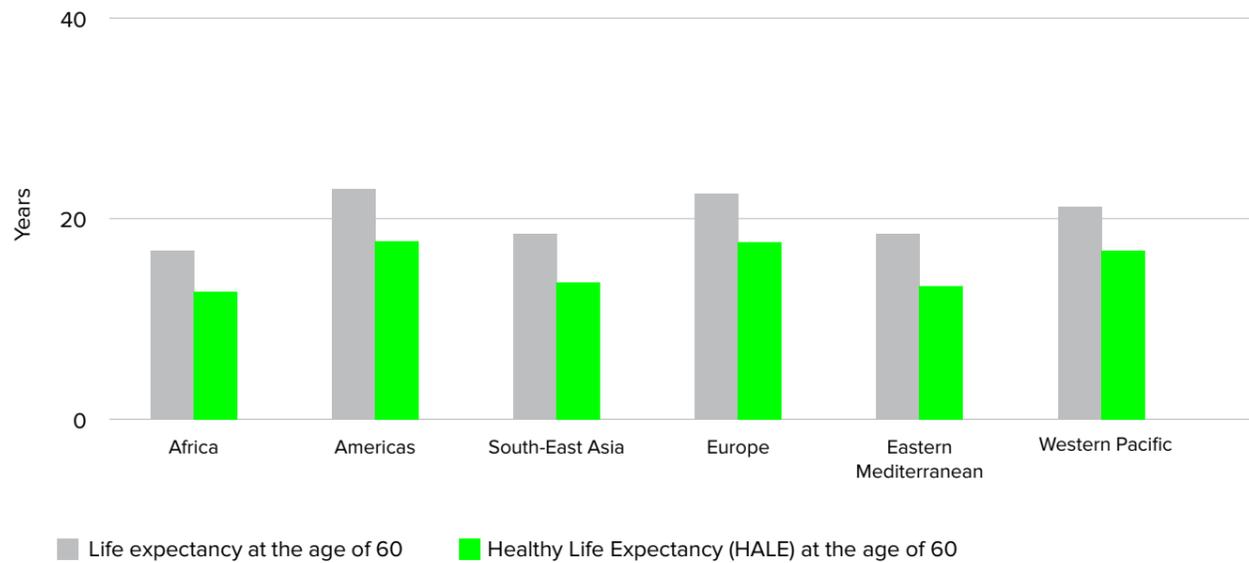


Europe is one of the areas where this demographic evolution will bring about the greatest socio-demographic changes, although this will vary between nations. While in countries such as the United Kingdom the growth will be moderate (from 18.5% to 23.7%), in other nations such as Spain and Italy, the trend will be significantly higher. Italy, in particular, is already the most obvious example of this in action: the proportion of the population aged over 65, which currently stands at 23.2%, will rise to 34.8% by 2050, partly resulting from an expected decrease in the overall population due to the country's low birth rate.



Life expectancy and HALE at the age of 60, by WHO area

Source: [WHO, 2019]



One of the most important figures for understanding longevity trends is the increase in healthy life expectancy, the so-called HALE (Healthy Life Expectancy) parameter, which major international organizations monitor and seek to increase through policies to support health and quality of life. Today the global HALE [WHO, 2019] at the age of 60 is 15.8 years, while life expectancy is 20.5 years: this varies based not only on the geographical area but also on income. It ranges from 12.9 years in the countries that the World Bank defines as “Low income” (out of a life expectancy of 17.1 years) to 19 years for “High income” countries (out of a life expectancy of 24.3 years).

**Digitisation of older adults is one of the main global trends thanks to the availability of easy-to-use devices and an increased interest in digital services**

Technology is an important driver to improve older adults’ quality of life. According to an Ipsos survey, 55% of respondents in 29 countries [Ipsos, 2019] believe in the improvements coming from technology. 63% of the 60++ believe that technology has improved their lives; just 7% feel “weary” of technological evolution.

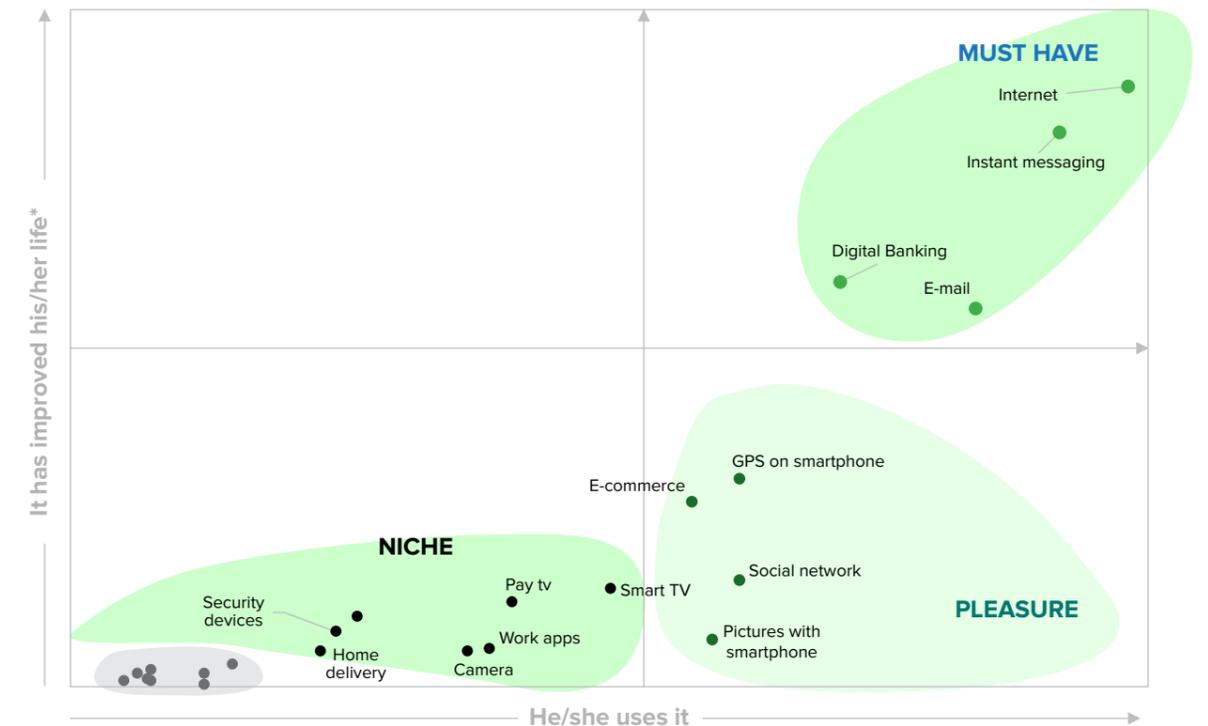
“ Internet use drops precipitously with age. About 82% of individuals between the ages of 65 and 69 use the Internet, while only 60% of individuals between the ages of 75 and 90 use the Internet ”

Mark Gilbert, Gartner [Gartner, 2020]

E-mail use in Europe, for example, varies significantly between countries, but the current difference in the level of use between today’s baby boomers (aged 55-64: 64%) and the next bracket (aged 65-74: 47%) will gradually blur as the former, who have probably used it extensively at work, enter the next bracket.

Relationship with technologies among 60++

\* Data from technology users



We see that 88% of 60++ use a smartphone as the main tool to access the Internet, strongest in the 60-69 age group (75%); while 41% of them use a tablet. In the United States, the smartphone adoption rate in the 55-64 age group is 86% [GWI, 2019] and different analysts estimate usage of a tablet at 50%.

The 60++ particularly favour instant messaging, which is widely used and considered (along with the Internet) to be the technology that has most improved their lives. They really appreciate video-call features, used to keep in touch with family members living abroad.



The Internet is increasingly being used as a source of information: 91% of over-60s watch TV every day (vs. an average of 75% in Italy), while 48% inform themselves through news websites, compared to a continuous decline in the use of newspapers.

Lack of access to bank branches during lockdowns has further increased interest in digital banking, which was already significantly used in Europe (61% of users every 3 months in the 55-64 age group vs. an EU-28 average of 66% according to Eurostat). 71% of the 60++ said they are satisfied with their Internet Banking, although 38% consider the pages to be too complicated, asking for them to be “simpler and more accessible”; 33% complain that security systems are too complex, especially after the last wave of updates due to the new levels of PSD2-compliant security.

Thanks to investment in innovation and simplification in recent years, banks have managed to effectively reply to the “forced digitisation” of customers, including the over-60s, caused by Coronavirus. In recent years, for example, Iriscube Reply has supported major European banks to improve the accessibility of their mobile applications, as well as in the introduction of remote relationship technologies. Today, over-60’s customers are served by solutions such as smart call routing, which enables banks to connect customers with the best possible contact person, regardless of whether the branch is physical or remote. Another example is co-browsing, which allows a bank’s remote operator to view, with complete security and privacy, the customer’s screen to support them when they use Internet banking.

**For older adults to be financially independent, they must frequently extend their working lives in a challenging environment**

Employment rate in Europe over the last 10 years (55-64 age group)



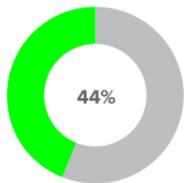
In Europe, the employment rate for the 55-64 age group has risen significantly over the last 10 years (from 46% to 60% according to Eurostat), compared to a broadly stable overall employment rate. Istat estimates that the Italian employment rate in the 60-64 age bracket has doubled in 10 years [Istat, 2019] from 20% to 41%; 12% of people in the 65-69 age bracket currently work. Relevant seniority enables older adults to earn higher salaries and to hold prestigious positions: Ipsos estimates that the global average age of CEOs is 55; the most common age is 58 [Ipsos, 2019].

A desire and a need to continue working over the age of 60 has led to an unprecedented range of generations at workplaces [Pollak, 2019], all with different requirements and experiences. The “Traditionalists”, mostly in their 70s, today mainly serve as entrepreneurs and chairmen. “Baby Boomers”, now aged at least 55, who for several decades have been the dominant force throughout the Western world in both quantitative and cultural terms. “Generation X”, mainly consisting of people currently in their 40s; the “Millennials”; the “Generation Z”.

Several companies around the world are addressing this generational mix by launching mentoring/reverse mentoring programs and establishing corporate welfare systems. The former are based on younger generations sharing technological knowledge with older generations, compensated by the transfer of expertise from groups such as baby boomers, who are considering the possibility of continuing to work after retirement [Transamerica, 2019] as a way to stay active (48%), to keep their brain alert (44%), or to have a purpose (37%).

Corporate welfare programs are reminiscent of the “Health and Productivity Management” projects [Nishikawa, 2019] tested in Japan in recent years: investing in employees’ psychophysical well-being to obtain a more productive workforce and to meet the criteria of sustainable corporate governance (ESG). In the United States alone, the over-50 population accounts for 44% of jobs [AARP, 2019] and this group of workers is particularly concerned about balancing personal health and work performance. Ipsos has estimated that more than half of the over-55s in the UK [Ipsos, 2019] have felt discriminated against because of their age: programs to improve intergenerationality within companies must also take into account the fight against prejudice and psychological support.

USA: workforce over-50



The user group looking most enthusiastic about the implementation of the corporate wellbeing solution is the group aged between 50 and 60. For example, Laife Reply’s solution combining “health corners” at their companies and wearables that can detect vital signs and exercise levels, gave these workers a more comfortable approach to the working environment, with consequent improvements in absenteeism and presenteeism. The global pandemic is now leading companies and workers to consider the very close relationship between personal health and productivity at work in a new light.

**Interaction with companies is pretty difficult, no matter older adults’ relevant spending and financial assets**

The income of older adults is growing in Europe, especially when compared to that of the under-65s, although there are a few variations between countries. Among the 60++, 48% have a total income between €21,000 and €50,000 (vs. the Italian average of 45%) and 15% have a higher income (vs. the average of 12%). Today, earned income is the second-largest item (32%) after pensions (65%), investments (7%) and real estate income (5%).



This relevant business opportunity is seldom capitalised upon by companies, and yet the trend is very widespread: there are companies all over the world that simply treat the over-60s as passive, in need of care and weak; however, there are growing generations around the world which, on the contrary, feel active, open to new experiences and eager to listen to positive messages. Corporate language is



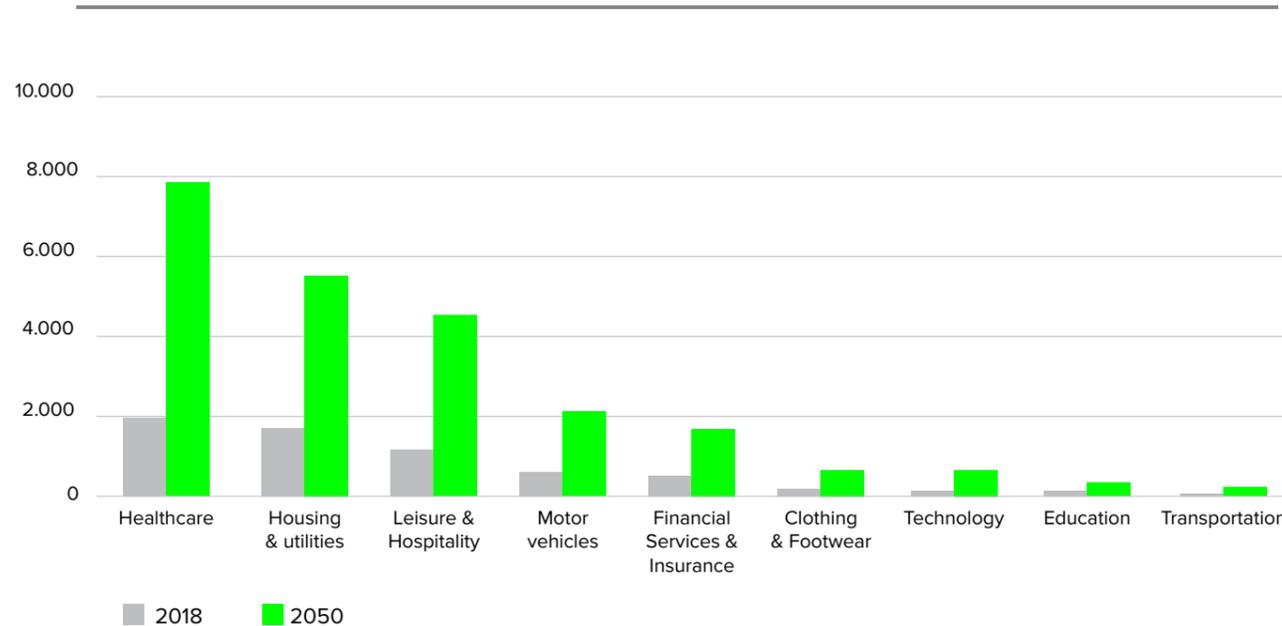
often considered to be hard to understand or incomprehensible by the 60++ (54%), especially by the over-80s (71%). 77% of the 60++ (89% of the over-80s) consider companies' products and services to be of little or no relevance.

Interactions with companies are increasingly taking place online: among baby boomers [GWI, 2019] brand discovery is certainly driven by television (43%), as well as by search engines (40%) and advertising seen on the Internet (25%). Indeed, the Internet plays a very important role in the search for product information: 59% via search engines, 40% via consumer reviews, 37% via company sites and 33% via price comparison sites.

An Ipsos study has revealed that older adults in the UK are among the top spenders in several categories: travel, food, clothing, household goods, and restaurants [Ipsos, 2019]. While the Coronavirus pandemic may affect or reduce the willingness to spend in some of these areas, there is no doubt that this customer segment will continue to be crucial in the long term.

Widening our focus to the over-50s, and therefore including the entire current population of "baby boomers", we can see the enormity of this group's contribution to the general economy: today in the United States alone it is worth \$8.3 trillion and this is expected to rise [AARP, 2019] to \$28.2 trillion by 2050.

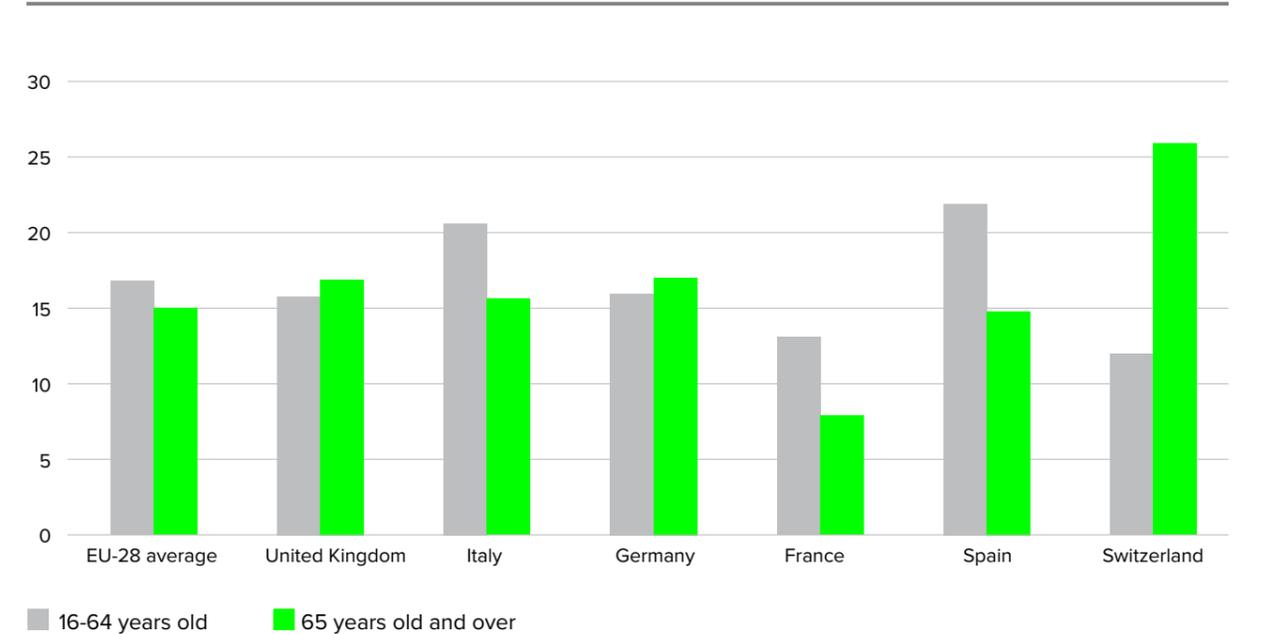
Spending areas of USA over-50s, in billions of \$ Source: [AARP, 2019]



Spending projections for the over-50s in the US are an interesting proxy for identifying areas of global growth over the next 30 years: the 300% increase in healthcare spending, for example, indicates this group's interest in investing not only in their health but also in their family's health. Indeed, globally and in particular

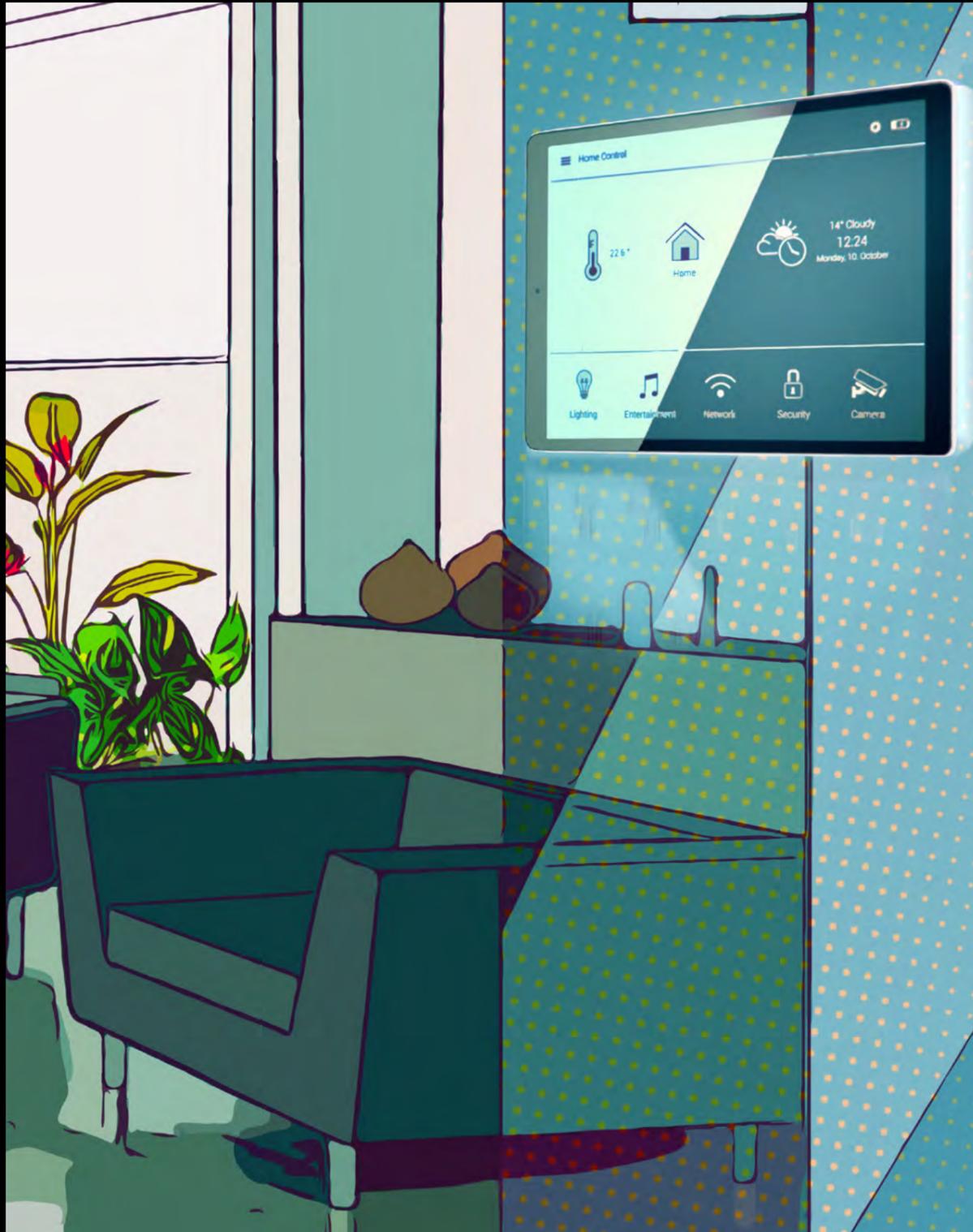
in the most economically developed countries, the 50-70 year-old age group will increasingly be a "sandwich-generation". On the one hand, they will have to look after children whom they have had at an increasingly late age (as is already the case in low-development economies such as Italy, where 36% of the 60++ live with children, 23% of whom are of adult age), even after their children have finished their studies. On the other, they will have parents with an increasingly long average life expectancy to support, not only in financial terms. In Italy alone [Censis, 2019] there are around 10 million people who take look after grandchildren, as well as 5 million who take care of other older adults.

Risk of poverty, by age group, % Source: Eurostat



In terms of assets, the population of older adults in various countries is splitting into two extremes: a particularly wealthy segment of the population and, conversely, a segment at risk of poverty. The United Kingdom is an interesting example: 17% of people are at risk of poverty, while 20% of over-65s are millionaires [Asgari, 2019].

An important aspect of the groups with greater assets is redistribution to younger generations: to be used, on the one hand, for current expenses, and, on the other, to lay the foundation on which tomorrow's older adults will be able to enjoy and develop the family estate. 57% of the 60++ believe that they will be able to pass on a large amount of their assets to their children and grandchildren; 67% think that their personal assets should be used to help their children and grandchildren. Censis estimates [Censis, 2019] that today in Italy 7.6 million older adults provide funds to their children and grandchildren, 1.7 million of which do so regularly.



## Smart Home & Ambient Assisted Living

“ With increasing age, the characteristics a suitable home environment needs to fulfil can change drastically. Many homes at present are not built to adapt to such changes, nor include smart home solutions. ”

European Commission, The Silver Economy [Europe, 2018]

### The strict lockdown measures imposed in several countries during the pandemic have rapidly raised awareness about the need to improve the home life of older adults

The WHO believes that precarious housing conditions can reduce the quality of life and in the most extreme cases can even lead to the death of inhabitants. In the case of the older adults, the risk is accentuated, on the one hand, by a need to preserve their self-reliance by preventing domestic accidents, and, on the other, by living in houses that are often old and inadequate in terms of accessibility, heating, and protection from natural/catastrophic events.

Out of 13.7 million Italian over-65 [Censis, 2019], the non-self-sufficient currently account for 20.7% and this figure will rise to 24.4% by 2040. This group will consist of almost 4.7 million people who need to be supported in their daily lives with dedicated services and housing solutions. Today over 2.7 million older adults live in housing that is inadequate because of their reduced mobility and 1.2 million live in housing that is “inadequate and cannot be made adequate”.

The obligation to stay at home may have influenced the over-60s’ relationship with their home: while before the pandemic 30% wanted to invest in renovating their home, the limitations that have emerged during this period of enforced home life have resulted in a new level of awareness. Today, just 5% of 60++ is using specific technologies such as stairlifts, trackers and similar devices at home; the health emergency does not seem to have raised significant interest in such technology. Alternatively, domotics solutions can help older adults to improve their life-at-home quality while remaining independent.

As an example, Connect Reply, the Reply Group Company that specialises in home automation, is supporting TIM to make IoTIM an open platform that is being gradually enhanced with new services and connected devices. Today, security, lighting, air conditioning and wellness services can already be managed using a very simple smartphone and smart TV applications, which make it possible to coordinate all your smart devices, both indoors and outdoors, from a single point.

Reply estimates that today’s 50-year-olds, who are discovering the significant potential of the tools and services already available on the market, will also be future users in the coming decades, improving their quality of life thanks to the Internet of Things and sensors that are advanced but discreet.

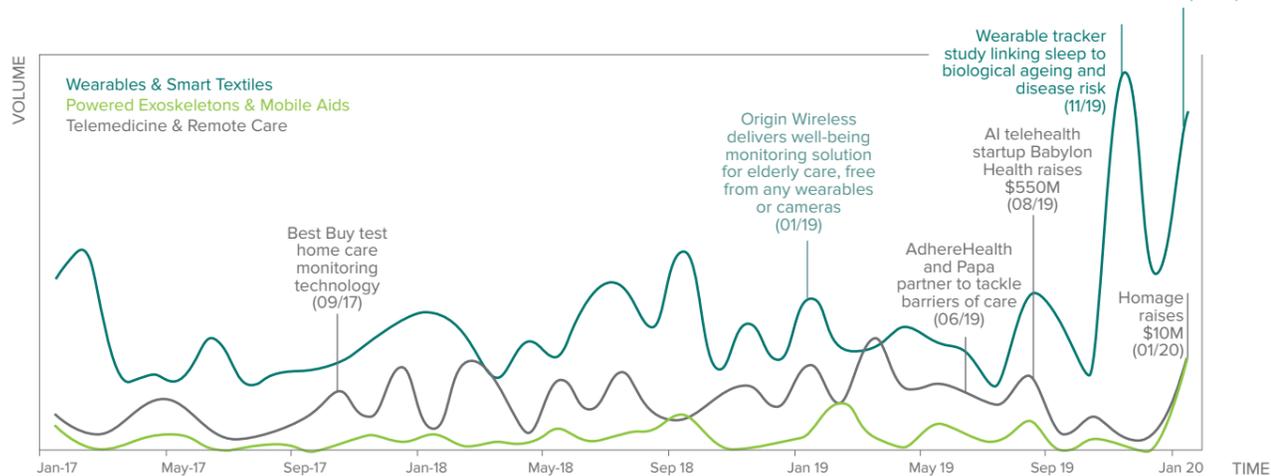


## Wearables, smart textiles, powered exoskeletons and telemedicine are the fastest-growing innovation areas on the market

Analysis of Ambient Assisted Living (AAL) by Reply's Trend Sonar has identified several areas of major development in terms of innovation and funding: the common denominator is the development of technologies that assist people in everyday life with minimal intrusiveness and which permit remote interaction with healthcare specialists.

### Smart Home & Ambient Assisted Living Evolution of major trends on the Reply Trend Sonar

CarePredict honoree at CES 2020 innovation awards for wearable tech for seniors (01/20)



Large IT companies, pharmaceutical/healthcare spin-offs and startups are entering this competitive arena to take advantage of a market that we estimate will be worth between 10 and 15 billion dollars within the next 10 years: concepts and products that are already available today are often a combination of devices, services and applications.

According to Gartner, current and future virtual care technologies and applications for ageing in place include Internet of Things and Sensors, Robots and Automation, Immersive Technology, Voice-Enabled User Interfaces, and Artificial Intelligence. [Gartner, 2019] Based on Reply's view of the market, each of these sectors is significantly expanding to meet different needs: not only emergency management and health monitoring, but also support for active living at home and improvement of quality of life.

Around half of the 60++ say that they are interested in the possibility of 24x7 remote support and 23% would like to have specialist medical assistance via telephone or the Internet. Although at the end of the emergency we might envisage a partial return to normal habits (40% visited the doctor once or several times a month before the emergency), more than 50% of 60++ report a significant advantage in being able to digitally receive prescriptions for recurring drugs (75% of respondents take at least one).

Healthy Reply, the Reply Group Company that specialises in innovative solutions in the healthcare sector, has launched several projects with leading European healthcare institutions thanks to the Ticuro Reply IoMT platform's televisit, telemonitoring, and teleconsultation modules. Today more than 270,000 users are using Ticuro Reply and among these, particular attention is given to the over-60s: remote monitoring of the so-called "complex chronic diseases" is carried out using this solution.

[More info about Ticuro Reply](#)

Several startups too, around the world, are investing in the design and implementation of solutions for older adults. For example, in the last year, the AI-based telemedicine startup Babylon Health has raised \$550M; the professional home care services startup, Cera Care, has raised £54M; the care services startup, Homage and the caregiver marketplace, HomeCare.com have each raised \$10M.

## Excessive costs, usage difficulties and privacy concerns are obstacles that need to be overcome to achieve widespread adoption of AAL solutions through the use of everyday devices

The Coronavirus pandemic has unfortunately shown that hospitals around the world can reach full capacity very rapidly, especially in the event of the spread of diseases with a major impact on people already suffering from chronic diseases. Structural deployment of healthcare-at-home solutions is a necessary investment that cannot be postponed, both in the public and in the private sector.

Gartner identified several end-user barriers to adoption of ageing-in-place technologies: cognitive impairment, physical limitations, privacy concerns, cost, ongoing management of devices, poor technology literacy, end-user perceptions, and ethical issues [Gartner, 2019]. Reply suggests that user-friendly design of solutions based on devices owned by users and already used for other purposes, like smartphones, tablets, voice assistants, can smooth the adoption curve of this kind of technologies.

Use of "serious gaming" and simple tools such as Microsoft Kinect, for example, have made it possible to design rehabilitation sessions in which specialists can monitor the results of exercises and data collected by the integrated devices in real-time, enabling greater customisation of the rehabilitation program. Older adults feel supported in a way that is not invasive, reassured by the video presence of their trusted therapist. The cognitive rehabilitation experiments using AR/VR on this age group also received positive feedback.



## Life Science & Wellbeing

“ If medicine can keep us healthy and sharp for longer, though, tomorrow’s 80-year-olds could do the work of today’s 50-year-olds. ”

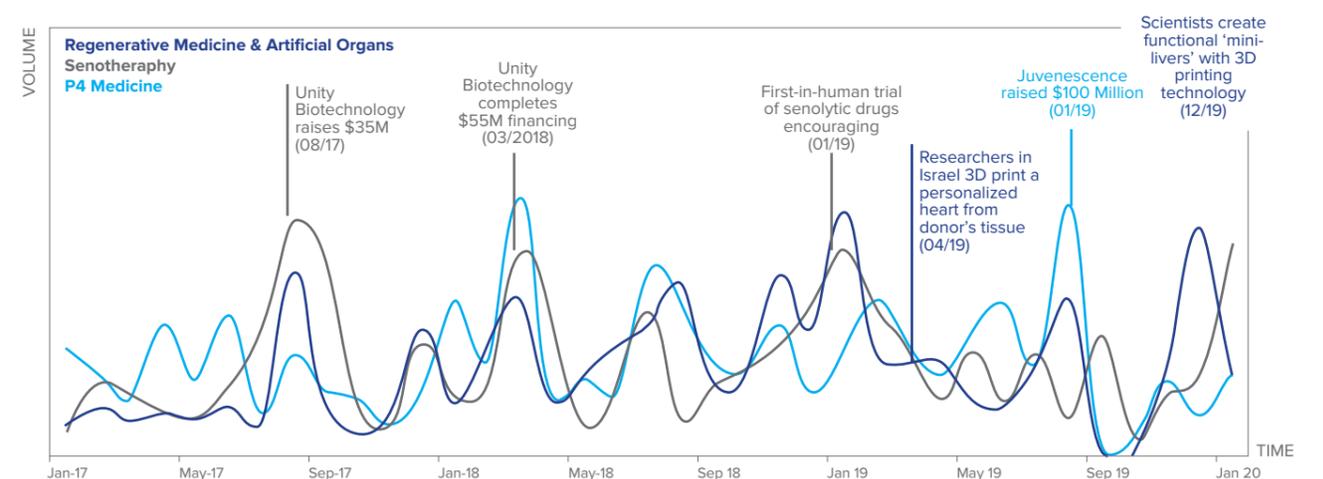
Rebecca Roache, University of London [MIT, 2019]

### Life science, medicine, biology, pharmaceuticals and technology: new cross-disciplinary solutions specialising in different areas of longevity are obtaining significant funding in international markets

The reduction of morbidity, shortening or even eliminating the critical end-of-life period, is a goal that is attracting enormous economic and scientific interest. Reply Trend Sonar has reported a significant growth in market attention to different areas of longevity extension and improvement in the quality of life of older adults. Juvenescence (\$100M of funding in 2019), Life Biosciences (\$50M), AgeX Therapeutics (\$43M), Elysium Health (\$40 M) and Insilico Medicine (\$37M) are examples of companies that are receiving major investment, and which, alongside companies like Calico Life Sciences (a Google spin-off), are specifically working on “anti-ageing” solutions.

#### Life Science & Wellbeing

##### Evolution of major trends on the Reply Trend Sonar



The “P4” approach, which requires medicine to be predictive, preventive, personalised and participatory, perfectly applies to older adults. In the coming decades, the convergence of technology, life science and pharmaceuticals could lead to a significant acceleration in the processes of identification of the early signs of possible diseases and the individually tailored treatment of confirmed diseases. Older adults are really relevant players in this market.

“ The 65+ population represents just 8.5% of the total population, yet consumes over one-third of global health spending, and that spending is growing rapidly. ”

Mark Gilbert, Gartner [Gartner, 2020]

Eurostat estimates that the three main causes of death for the over-65s in Europe are circulatory system diseases (almost 1 million women and over 700,000 men every year), cancers (1.1 million per year) and respiratory disorders (supposedly on the rise due to Coronavirus complications). New technologies, mainly supported by artificial intelligence, make it possible to detect symptoms of several significant diseases in advance and to support health specialists in the diagnosis of these diseases.

The recent global race to develop tools to rapidly respond to Covid-19 infection positivity and analysis of associated symptoms/repercussions on patients' bodies is a good example of the potential that the application of artificial intelligence and machine learning in pharma and healthcare can bring to the field of complex or chronic diseases.

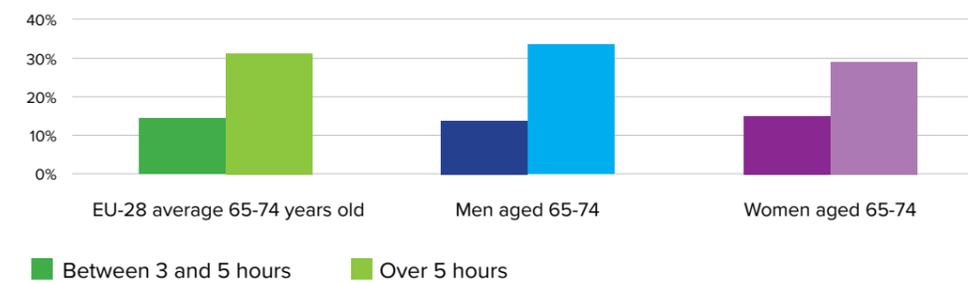
More info about  
[X-Rais Reply](#)

The extensive use of artificial intelligence systems in diagnostic radiology could provide significant benefits in the detection of cancers and other diseases that currently have a major impact on longevity. In the last two years, for example, Laife Reply has developed X-Rais, a medical imaging analysis tool based on artificial intelligence and neural networks: it helps doctors to analyse the density level of the breasts, to detect any lesions present and therefore to intercept any tumours.

## Healthy lifestyles are an antidote for preventing chronic and neurodegenerative diseases

Physical activity outside the home per week, % by gender and age group

Fonte: Eurostat



European data on physical activity among the over-65s reveal many differences according to country and gender. The Netherlands and Scandinavia stand out as areas where the general average of over 5 hours per week is higher. Countries like Germany have higher than average figures across all 6 survey areas, while others like Italy have lower figures. Before the global pandemic, 36% of the 60++ said they did physical activity, while 59% said they were “very health-conscious”.

A study lead by Harvard University [King, 2020] during the Coronavirus lockdown revealed that the over-60s forced to stay in their homes had various higher negativity values than other age groups, in areas such as loneliness and lack of physical exercise/social activity. All over the world, the health emergency has made it necessary to provide remote support services for older adults, for example, personal training, psychological assistance, and support for everyday life.

One interesting case study is the initiative launched by ParkinsonCare together with the Confederazione Parkinson Italia Onlus, the Istituto Neurologico C. Besta and Villa Margherita - Santo Stefano Riabilitazione. It is a collaborative medicine network set up in March during European Covid-19 emergency to ensure continuity of care for people with Parkinson's disease who are isolated at home and no longer have access to clinics and hospitals.

More info about  
[ParkinsonCare](#)

Through the ParkinsonCare platform and their specialised nurses, around 1,800 nursing teleassistance sessions and around 150 video consultations with neurologists, physiotherapists, speech therapists and neuropsychologists have been carried out. Arlanis Reply, the Reply Group company that specialises in Salesforce technologies, is continuing to support Careapt (the Zambon Group's startup that launched the ParkinsonCare service) to make the service increasingly easy to use, both for the medical and nursing staff involved and for patients. Alongside the telephone channel, additional features are being implemented with a videoconferencing system integrated into the ParkinsonCare online experience.



## Active Ageing

“ On peut être monumentalement heureux, à tous points de vue, mentalement, physiquement, sexuellement, à 50 ans et bien au-delà ”

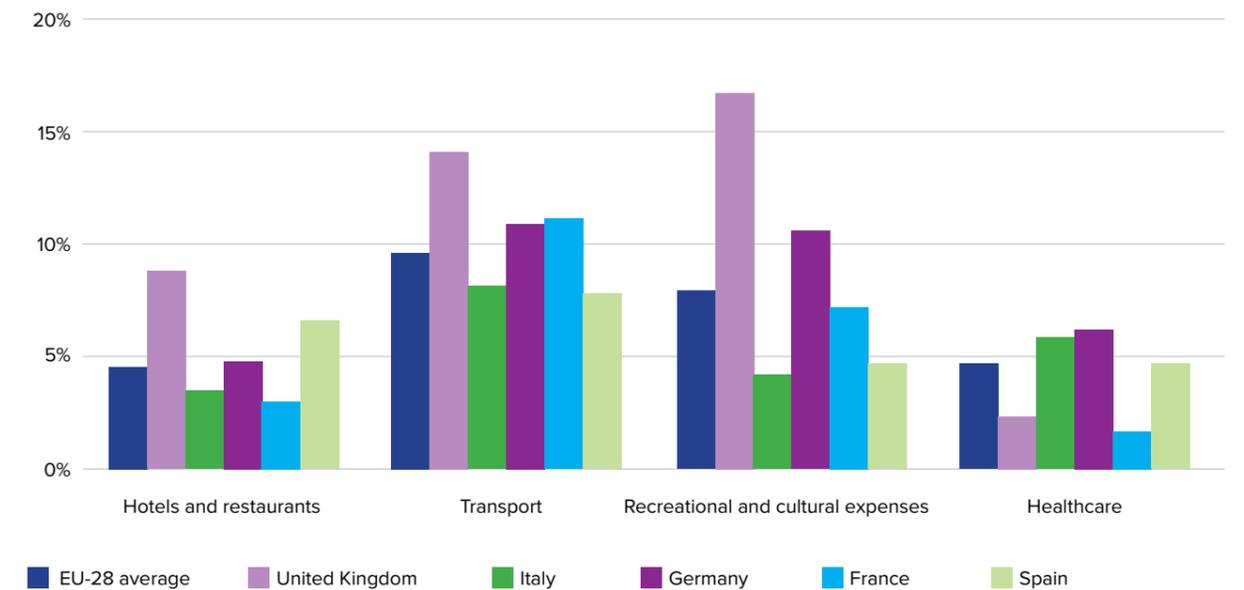
Christine Lagarde, FMI/BCE [Elle, 2019]

### Active ageing is the key to improve healthy life expectancy

Several international studies demonstrate that “active ageing” is essential to increasing longevity and quality of life. Among today’s under-65s [Ipsos, 2019], expectations for retirement include, in the first place, more free time for family and friends (36%), in second place, more free time for favourite hobbies (32%), and, in third place, more free time to travel (26%).

Percentage of overall spending among the over-60s on certain significant categories, %

Source: Eurostat



Spending on active lifestyle varies from country to country and includes tourism, mobility, and recreational and cultural expenses. In the United Kingdom and Germany, for example, recreational and cultural expenditure accounts for over 10% of total expenditure.

A 14-year longitudinal study [Elsa, 2019] of the British population aged over-50 showed that the risk of death for those engaged in cultural activities was up to 31% lower than the average.

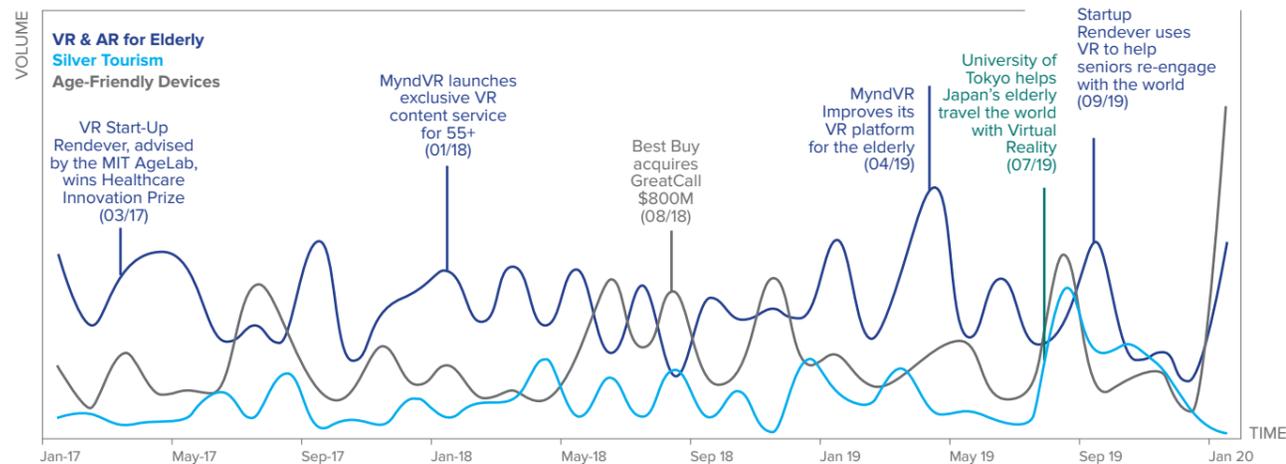
Not surprisingly, one of the favourite activities of older adults worldwide, cultural consumption, plays an important and growing role. Italy showed [Censis, 2019] its sustained growth among older adults in the last 10 years: +58% for cinema, +47% for museums and exhibitions, and +74% for archaeological sites and monuments. If these activities could be somehow impacted in the medium term by the effects of the global pandemic, this will probably not negatively affect book reading, which was already the hobby most frequently referred to by the 60+, with 61% favouring it (vs. the national average of 52%).

The 60++ regard car driving as fundamental to maintaining this active lifestyle: two out of three have a driving license and regularly drive, including 50% of the over-80s. Older adults' generally cautious driving style could be further helped by driver-assistance or self-driving systems: 38% of 60++ are quite or very interested in automated driving when considering their next car purchase. 77% are interested in support technologies, which are useful, for example, when parking or to prevent driver drowsiness. Three out of four would buy a new car instead of a used car, making this age group a relevant market for car manufacturers.

## Investment in anti-ageing innovations have focused on age-friendly devices, AR/VR, and tourism

### Active Ageing

#### Evolution of major trends on the Reply Trend Sonar



Today, companies in different sectors with an “active ageing” focus are concentrating significant planning and investment: entertainment, culture, mobility, tourism and continuing education are just some of the areas most appreciated by older adults. Tourism, more than anything else, is a constant feature of all research on their interests. Before the global pandemic, 58% of the 60++ considered it one their main hobbies. It is also the most popular activity as they look towards the future: a study conducted on workers in the United States [Transamerica, 2019] ranked it first (67%) among “dreams” to fulfil during retirement.

The companies with the most funding in the last year included Intuition Robotics, which raised \$36M for its company robot ElliQ, which entertains older adults through music, videos, cognitive stimulation and simple ways of contacting their family; Papa, a startup that raised \$10M with its mobility project shared between college students and older adults; Voyage, the Udacity spin-off that raised \$13M to fund its driverless technology focused on this segment.

## Socialisation is a fundamental aspect of active ageing, especially to combat the deadly effects of loneliness

Among 60++, almost 18% of the 60-69 age group are interested in volunteering. Istat [Istat, 2019] has observed that community service and volunteering are among the fastest-growing social participation activities: today 10% of the older adults are involved, twice as many as 20 years ago.

For older adults, socialisation is a fundamental aspect of active ageing, especially in the case of individuals who have limited social networks to interact with. An example of how older adults try to expand their social relationships is training courses: while 67% of those aged 65-74 attend these courses to increase their knowledge, 42% consider them an opportunity to have fun and meet new people.

A study on dating conducted in North America [MedicareAdvantage, 2018] showed that 18% of over-55s meet potential partners at church and 8% meet them at the gym. 29% have had a date with someone they have met online; not so far from 45% of “millennials”. Spark Reply is designing social platforms to help older adults to socialise virtually, supported with dedicated services.

Before the Coronavirus, only 46% of the 60++ used at least one social network; a third stated that they actively participate by posting photos and posts. The increased use of Facebook, which was already the dominant social network (used by 97% of social media users), has been accompanied by growth in platforms such as Pinterest (used by 21% of social media users), which is mainly seen as a source of creative inspiration (gardening, cooking, fashion, etc.) for individual activities or those shared remotely with friends and family.



## Finance & Business

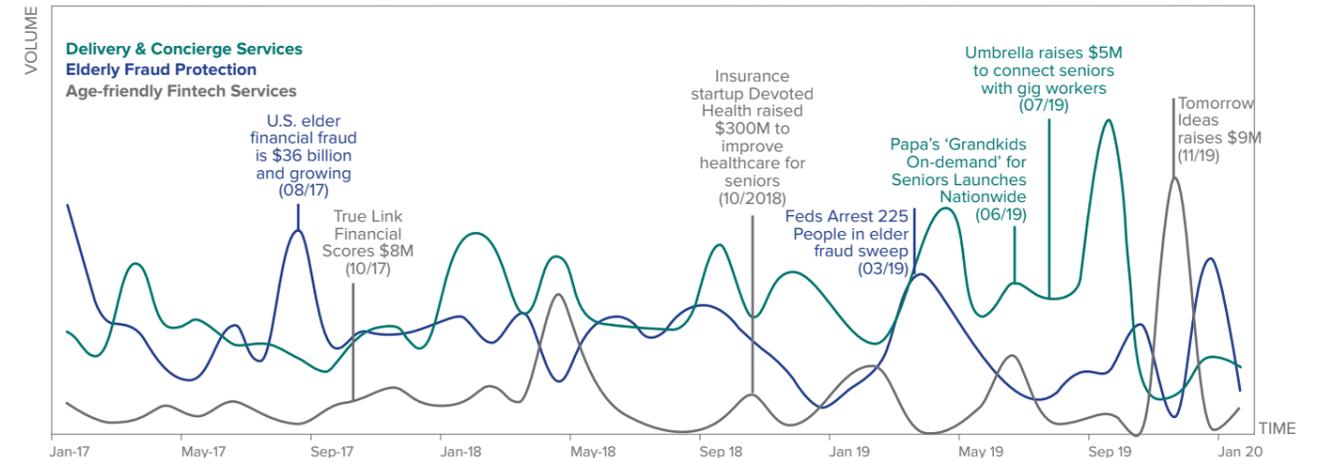
“ Companies, the financial industry, governments, marketing and communication gurus are to blame for not trying to update their vision of the future by focusing not just on demographic data, but on those who constitute that data. And how they are transforming. A demographic category that not only needs health and security, but also wants to have fun, consume, stand out and travel. In other words, to live

Nicola Palmarini, UK's National Innovation Centre for Ageing  
[Palmarini, 2019]

## Digital delivery/concierge services and fraud protection are among the most significant trends

### Finance & Business

#### Evolution of major trends on the Reply Trend Sonar



Between the trend groups that are most complex to evaluate, those related to e-commerce are experiencing strong visibility. Before the global pandemic, among the 60+, e-commerce was used by 49% of men and 40% of women: only 8% bought food, cosmetics or medicines online; 18% bought electronic products vs. a market average of 33%. N26 has reported [Dotta, 2020] an increase in e-commerce transactions made by the over-65s during the pandemic of 13% in Italy, 14% in Austria and 7% in Spain and France.

During European lockdowns, purchasing attempts increased steadily. However, limitations encountered (e.g. no delivery slots available for weeks from various retailers in the grocery sector; the closure of Amazon for non-essential goods, especially in France) have slowed growth in the segment, which has even been promoted with incentive measures in certain countries (e.g. free or discounted delivery for the over-60s), often creating a sense of frustration that could persist in the over-60s' relationship with e-commerce after the health emergency has ended.

A particularly critical aspect raised by those who are more reluctant to use e-commerce is the fear of being scammed. AgeUK, for example, has estimated that over 12% of British over-65s [AgeUK, 2019] have been scammed in the last year; 43% believe they have been targeted. Startups such as EverSafe provide identity protection services and monitoring of investments, cards and current accounts, raising alerts in the event of possible manipulation or attempted fraud/theft.



## Older adults are among the main customers of international financial institutions

An important factor in improving the independence and quality of life of the over-60s will be to integrate progressive scientific discoveries and bio-tech innovations with an economic sustainability model, especially concerning welfare and social security. The Einaudi Centre [Einaudi, 2019] has found that 47% of Italians today are worried about their future standard of living in retirement; yet less than 14% have a pension fund, less than 16% have a “long-term care” policy, and around 20% have a life insurance policy.

Specialists at e\*finance consulting Reply note that on the current European insurance market the over-60s are among the most active policyholders: they demonstrate greater attention and sensitivity to risk and therefore to insurance needs, are on average more loyal and have a greater capacity and propensity to spend. Insurance companies are developing products and services dedicated to welfare, with particular reference to the over-60s target, designing processes and operational models for local care (e.g. home delivery of medicines) and remote care (e.g. televisit) services to complement the traditional insurance catalogue with a focus on integrated service ecosystems for customers.

90% of respondents have at least one insurance policy



Among the 60+, 90% of respondents have at least one insurance policy. Not only is third-party motor liability very common among older adults throughout Europe, but it is also interesting to note that policies are mainly taken out to protect the home: 46% protect against fire and 29% against theft. Real estate, on the other hand, is also one of the main investments: the Einaudi Centre [Einaudi, 2019] reports that the Italian over-65s own real estate with an average value of €184,000, vs. movable assets with an average value of €108,000. This figure is not just based on the 87% of over-65s who own first home, but also on the 30% who own at least one other property.

Using savings for hobbies 57%



Use savings to enjoy themselves 48%



Savings kept liquid 80%



Banks are investing in financial training programs as part of their financial advisory services, initially aimed at establishing long-term sustainable assets and then moving towards active income support during retirement. 57% of the 60+ say that they are “very/quite” interested in using their savings to support hobbies and passions; 48% would use them to enjoy themselves in ways which they have not been able to in previous years. 80%, however, want to keep them available and liquid at all times.

In the projects to support the main European financial consultancy networks carried out by e\*finance Consulting Reply, considerable attention is paid to older adults, for whom consultancy services focused on effective asset management are of primary importance, making it possible to also achieve short-term savings/spending targets that are more leisure-oriented than health-oriented. A comprehensive financial advisory service must allow these types of customers to protect themselves from

the risk of losing the value of their power to purchase a holiday, not just a walking frame; it must be able to advise on the best place to spend the rest of your healthy life while having fun. The practice of accumulating capital in the first part of your life and then decumulating it in the second part, simply to support current expenses, is increasingly outdated.

## The generational shift is a crucial issue

The examples of investment in startups detected by Reply’s Trend Sonar in the last year are mainly related to Insurtech and will management: for example, Tomorrow (\$9M), which enables financial and legal planning of the generational transition; Farewill (£7.5M), dedicated to writing wills; Trust & Will (\$6M), devoted to wealth planning.

One aspect of financial advisory that has had particular success in the European market in recent years is that of generational shift. Attitudes change according to age: while in Italy the 60-69 age group is the most interested in inheritance consulting, before the pandemic there was a prevalent attitude of “not wanting to think about the future” (45%).

Attitudes towards the future vary from state to state and are currently heavily influenced by the evolution of epidemiological data: while in countries in the Anglosphere an average of 70% have wills [Amabile, 2020], in Italy notaries have estimated this figure to be between 15% and 20%. Before lockdown, one 60+ in four believed that their asset situation did not require any special actions. Today, Coronavirus is influencing consideration of the future of assets and inheritance for children tops the list of concerns of older adults.



# CONCLUSIONS

“ Blind optimism will not deliver the longevity dividend; taking an overly rosy view of what ageing means for society can incentivise complacency and be counterproductive. However, there are enormous opportunities if we can support older people to live healthy lives for longer, stretching the period of productive life and compressing the period of morbidity. ”

Sophia Dimitriadis, ILC UK [ILC, 2019]

## The “longevity dividend” is an opportunity to overcome the effects of the global pandemic

The health emergency caused by Coronavirus is a new hot topic in the global debate in recent years between certain theorists who believe that the ageing population will lead to a “catastrophe” and others who are enthusiastic about the infinite lengthening of the human capacity to live and work. The high mortality rate among the over-60s is a warning that must be considered in future health policies; changes in economic and social behaviour introduced in society for all population groups will be partly temporary, but in other cases long-lasting and significant for older adults.

This research has attempted to focus on some areas in which companies and consumers can start to engage again in order to “reboot” longevity: industries such as banking, healthcare, insurance, consumer electronics, wellness, and home automation can restart with technological solutions that are now well-developed, and on which they can build universal “customer experiences” that meet the needs of older adults. Industries such as travel and fashion may take longer to recover, but there will be plenty of room for development thanks to this segment’s potential.

The concept of a “longevity dividend” [Olshansky, 2019], which is nowadays widely accepted by the scientific community, encompasses the economic, social and health benefits that our societies will enjoy in the coming decades, faced with longer working life and slower signs of ageing. In Silicon Valley, startups that specialise in gerontology and bio-tech are raising significant investment to create a market that could be the main focus of the next waves of global economic development. The dividend will certainly bring personal benefits to many human beings, but it will also be a significant business development driver.

Longer working lives will allow companies to retain valuable knowledge, will enable older adults to remain more mentally active and could also have positive impacts on welfare systems. Experience gained during the pandemic in areas such as e-commerce or telemedicine will have long-term benefits on older adults’ quality of life, as well as on the companies and public administrations that will support them. The design of affordable home automation and AAL solutions will lead to their increased adoption by baby boomers: now for their parents and in the coming decades for themselves.

This research is the first result of the new Reply Market Research Hub, focused on understanding the technological, business and social trends that will accompany our companies in the coming decades. We have chosen to dedicate it to the issue of longevity, in the belief that this issue could be a powerful enabler of initially restoring our economies to the pre-global pandemic stage and then guiding them towards new goals in terms of innovation, development and, above all, improvement of human life.



# METHODOLOGICAL NOTES AND BIBLIOGRAPHY

**The “Rebooting Longevity” Research was mainly conducted using three sources: evidence from Reply’s Trend Sonar, the “60++” study carried out by Reply based on a survey by Eumetra MR, and desk research on over 200 studies, articles and statistical publications released between 2018 and today**

Where the text of the research project contains quantitative data cited with the reference “60++”, this evidence is taken from the survey conducted by Eumetra MR on a sample of 1,000 Italian over-60s during Q4-2019 using CAWI and CATI technologies. The sample is representative of Italian over-60s (17.5 million) in terms of gender, age, geographical area and size of the place of residence.

Eurostat data were verified at <https://ec.europa.eu/eurostat/data/database> on 1<sup>st</sup> of May 2020. Reference should be made to the individual Eurostat tables for the specific year of the survey and the notes updating each data item, where not indicated in the graphs.

## **Bibliography**

The following list contains references to the sources mentioned in this research project. Links were verified on 1st of July, 2020.

- ▶ [\[AARP, 2019\] AARP - The Economist Intelligence Unit, The Longevity Economy Outlook, 2019](#)
- ▶ [\[AgeUK, 2019\] AgeUK, Older person becomes victim of fraud every 40 seconds, 2019](#)
- ▶ [\[Amabile, 2020\] Flavia Amabile, Aumentano le richieste di testamento, i notai: “Ci chiamano molti parenti di malati”, LaStampa.it, 2020](#)
- ▶ [\[Asgari, 2019\] Nikou Asgari, One in five UK baby boomers are millionaires, Financial Times, 2019](#)
- ▶ [\[Censis, 2019\] Censis, La Silver Economy e le sue conseguenze - 1° Rapporto Censis-Tendercapital sui buoni investimenti, 2019](#)
- ▶ [\[Dotta, 2020\] Giacomo Dotta, Sempre più over-65 comprano online: i dati di N26, Punto Informatico, 2020](#)
- ▶ [\[Einaudi, 2019\] Centro di Ricerca e Documentazione Luigi Einaudi - Intesa Sanpaolo, Indagine sul Risparmio e sulle scelte finanziarie degli italiani 2019, 2019](#)
- ▶ [\[Elle, 2019\] Erin Doherty, Anne-Cécile Sarfati, Christine Lagarde: «Ne renoncez jamais à vos ambitions», Elle.fr, 2019](#)
- ▶ [\[Elsa, 2019\] Daisy Fancourt, Andrew Steptoe, The art of life and death: 14 year follow-up analyses of associations between arts engagement and mortality in the English Longitudinal Study of Ageing, 2019](#)
- ▶ [\[Europe, 2018\] European Commission, The Silver Economy - Final Report, 2018](#)
- ▶ [\[Gartner, 2019\] Sharon Hakkennes, Gartner, “Prepare for Aging Epidemic by Extending Your Virtual Care Strategy to Support Aging in Place”, 2019](#)
- ▶ [\[Gartner, 2020\] Mark Gilbert, Gartner, “Digitally Engaging Older Populations in Healthcare Requires New Practices to Be Effective,” 2020](#)
- ▶ [\[GWI, 2019\] GlobalWebIndex, Baby Boomers - Understanding the mature audiences across the world, 2019](#)



- ▶ [\[ILC, 2019\] International Longevity Centre UK, Maximising the longevity dividend, 2019](#)
- ▶ [\[Ipsos, 2019\] Ipsos, The perennials - The future of ageing, 2019](#)
- ▶ [\[Ipsos, 2020\] Ipsos, Global Trends 2020 - Understanding Complexity, 2020](#)
- ▶ [\[Istat, 2019\] Istat, Rapporto annuale 2019, 2019](#)
- ▶ [\[King, 2020\] Gary King et al., Evaluating Coronavirus Public Health Messaging in Italy: Self-Reported Compliance and Growing Mental Health Concerns, 2020](#)
- ▶ [\[MedicareAdvantage, 2018\] MedicareAdvantage.com, How Seniors and Millennials Date - A New Comparative Study on Dating Habits, 2018](#)
- ▶ [\[MIT, 2019\] MIT Technology Review, The Longevity Issue, 2019](#)
- ▶ [\[Nishikawa, 2019\] Kazumi Nishikawa, How to get ageing populations to invest in their health, World Economic Forum, WEFForum.org, 2019](#)
- ▶ [\[Olshansky, 2019\] S. Jay Olshansky, The Longevity Dividend: A Brief Update, Public Policy & Aging Report, Volume 29, Issue 4, 2019](#)
- ▶ [\[Palmarini, 2019\] Nicola Palmarini, Immortali - Economia per nuovi highlander, Egea, 2019](#)
- ▶ [\[Pollak, 2019\] Lindsey Pollak, The Remix: How to Lead and Succeed in the Multigenerational Workplace, Harperbusiness, 2019](#)
- ▶ [\[Rodà-Sica, 2020\] Massimo Rodà, Francesca G.M. Sica, L'economia della terza età: consumi, ricchezza e nuove opportunità per le imprese, Nota dal CSC, Centro Studi Confindustria](#)
- ▶ [\[Tong, 2019\] Baldwin Tong, Silver Economy Spending Power Trends in Europe, World Data Lab, 2019](#)
- ▶ [\[Transamerica, 2019\] Transamerica Center for Retirement Studies, 19th Annual Transamerica Retirement Survey - A Compendium of Findings About U.S. Workers, 2019](#)
- ▶ [\[UN, 2019\] United Nations, World Population Ageing 2019 - Highlights, 2019](#)
- ▶ [\[WHO, 2019\] World Health Organization, World health statistics 2019 - Monitoring health for the SDGs, 2019](#)

### Disclaimer

This document “Rebooting Longevity” (the “Research”) is for disseminative and informative purposes and is not aiming to exhaust the panorama of information available on the topic.

Research is based on information collected also from third party sources, which Reply considers updated and accurate. However, Reply cannot guarantee the adequacy, accuracy, completeness, or correctness of such information, nor can guarantee or represent that the Research is in every respect complete.

Reply therefore expressly declines any liability related to the use of the information provided, and makes no warranty of any kind with regard to the information provided, including, but not limited to, warranties of merchantability or fitness for a particular purpose.

Reply also does not warrant that the quality of the information obtained by readers through the Research will meet their expectations.



REPLY specialises in the design and implementation of solutions based on digital media and new communication channels. Through its network of highly specialised companies, Reply partners with major European corporations in the telecoms and media, industry and services, banking and insurance, and public administration sectors, to devise and develop business models built on the new paradigms of big data, cloud computing, digital media and the Internet of Things. Reply's services include: Consulting, Systems Integration and Digital Services. [www.reply.com](http://www.reply.com)