Critical Issues in Aging Session:

How Baby Boomers Are Redefining the Healthy Aging Market

Presented by:
Steve French, MBA, Managing Partner, NMI
Xenia Montenegro, PhD, Senior Research Advisor, AARP
Colin Milner, CEO, International Council on Active Aging

Moderated by:
Brent Green, MA, President, Brent Green & Associates Inc.

Sponsored by:

March 18, 2006
Session Agenda

- Brent Green - BGA
  - Introduction/Perspective
- Steve French - NMI
  - The Boomer From A to Z
- Xenia Montenegro - AARP
  - Diversity Among Boomers and Healthy Aging
- Colin Milner - ICAA
  - Changing the Way We Age
- Questions & Answers
Boomers Are Aiming For a Healthy Aging Era

- Poverty declining: 35% - 1959 v 10% - 2003
- Disability decreasing: 26% - 1982 v 20% - 1999
- Education rising: BS 3.4% - 1950 v 17.4% - 2003

Source: National Institute on Aging
Boomers Are Facing Healthy Aging Obstacles

- Brain fitness critical to healthy aging
- Primary fear: loss of mental capacity
- 88 – 90% dissatisfied with fitness regimen
- 55 – 64 obese: 33% in 2003 v 40% in 2005

Sources: Alzheimer's & Dementia, NMI, NCHS
The Boomer
From A to Z

Presented by:
Steve French, Managing Partner, NMI

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March 18, 2006
The Healthy Aging/Boomer Database is NMI’s look into one of the most influential segments of our society, both economically, and ideologically. The research is used to identify drivers of shifting Boomer paradigms, determine unmet Boomer needs, explore underlying Boomer attitudes, and identify marketplace opportunities. Many applications exist across multiple industries/organizations that will be explored throughout this presentation.
METHODOLOGY

• Annual quantitative study since 2005, now with 2 years of trended data

• 2006 research of 2,000 U.S adults comprised of:
  – Nationally representative sample based on gender/age/income
  – 1,500+ sample of Boomer population (41-60 years old)
  – 500 sample of general population non-Boomers

• Balanced to U.S. Census data across key demographics

• Conducted via online research methodology
Anti-Aging

The older a Boomer gets, the younger they feel, or want to...

Initial Drivers Of A Healthier Lifestyle

- Half want to **live longer**
- Two out of five want to **look better**
- A third want to **reduce the effects of aging**

**4 years younger than the youngest in the age group!**

<table>
<thead>
<tr>
<th>Actual Boomer age group</th>
<th>Average age they FEEL</th>
</tr>
</thead>
<tbody>
<tr>
<td>41-45</td>
<td>42</td>
</tr>
<tr>
<td>46-50</td>
<td>48</td>
</tr>
<tr>
<td>51-55</td>
<td>51</td>
</tr>
<tr>
<td>56-60</td>
<td>52</td>
</tr>
</tbody>
</table>
Brain fitness is the most important part of healthy aging
89% agree

An individual can make changes in their daily lives that will improve brain fitness
92% agree

Biggest fear about aging is losing mental or brain capacity
53%

I am so stressed out sometimes that it affects my ability to think clearly
46%

Compared to 10 years ago, my brain fitness has declined
46%
15% of Boomers are currently caring for a loved one with a serious illness or disability.
42% have, at one time, cared for a loved one with a serious illness or disability.

**PRIMARY CHALLENGES**

- Emotionally dealing w/ a loved one in a debilitated state: 68%
- Having enough time to be there for them: 60%
- Getting their own daily activities completed: 48%
- Having enough time for themselves: 45%
- Getting the information needed to care for them: 45%

**OPPORTUNITY**

- 15% of Boomers are currently caring for a loved one with a serious illness or disability.
- 42% have, at one time, cared for a loved one with a serious illness or disability.
Majority of Boomers (71%) want to **maintain health** to prevent disease.

In fact, 52% started thinking about a **healthier lifestyle** to prevent disease.

Three quarters feel they have “some” **control over** preventing disease.

85% believe that, through proper **nutrition**, they can prevent disease.

**Primary disease fears of aging**
- Losing mental capacity
- Heart attack/stroke
- Restricted mobility

Fear of wrinkles/dry skin is more feared than osteoporosis.
Energy

Large differences between needs and satisfaction

- 82% Want to maintain a healthy lifestyle to have energy
- 66% Energy level is very important
- 38% Fatigue biggest fear about aging
- 21% Currently managing fatigue
- 16% Very satisfied with energy levels

OPPORTUNITY
Financial Health

Primary fear about aging is…
“Running out of money”

Primary event which has affected Boomers lives …
“Experienced debt or financial problem”

HOWEVER….
65% believe their financial situation will be better in 10-20 years
AND 67% believe the American dream is still alive!
While 59% feel they **will have to rely** on the government to ensure that they are able to retain their independence, choice and control of their life as they age……

Three quarters feel they have little or NO CONTROL over government programs such as Social Security or Medicare.

- 58% are aware of Medicare Part D program for prescription medications; 82% STATE they are **not** eligible.
  …but only 20% plan to sign up when they are eligible, and 41% are unsure.

- Only a quarter are aware of “donut hole” in Medicare
  … 18% indicate they will **not be able to afford Rx**, will not be able to be as compliant, or will buy Rx outside the U.S. due to the “donut hole”
Healthcare Services Boomers Are Interested In

- Long term healthcare insurance (61%)
- Cooperative healthcare plans (57%)
- Getting Rx from sources outside the U.S (53%)
- At home healthcare services (Dr, nurse, dentist) (41%)

4 out of 5 Boomers trust their doctor to give them the best care possible
57% consider themselves spenders more than savers

Only 44% have a secure financially sound plan for retirement

Only 41% are on target with their retirement plan

15% admit to having no investments

Median Net Worth of Boomers = $78,000
Having a successful, rewarding job….

- Important 20 years ago: 41%
- Important today: 41%
- Satisfied today: 20%

70% would like to get a part-time job they **REALLY ENJOY** after they retire.

- Boomers feel they will retire at 65
- Of those already retired, the average age was 55
- 3 out of 5 feel little to no control over having enough money to retire
### Key Healthy Aging Drivers

#### How Priorities Have Shifted Over Past 20 Years...

<table>
<thead>
<tr>
<th>Priority</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Enough money to retire</td>
<td>40 pts</td>
</tr>
<tr>
<td>2. Financial health</td>
<td>35 pts</td>
</tr>
<tr>
<td>3. Government programs (S.S., Medicare)</td>
<td>33 pts</td>
</tr>
<tr>
<td>4. Enough money for healthcare</td>
<td>32 pts</td>
</tr>
<tr>
<td>5. Preventing certain diseases</td>
<td>32 pts</td>
</tr>
<tr>
<td>6. Taking prescription medicine</td>
<td>29 pts</td>
</tr>
<tr>
<td>7. Eating a healthy nutritious diet</td>
<td>28 pts</td>
</tr>
<tr>
<td>8. Getting good advice from my doctor</td>
<td>28 pts</td>
</tr>
<tr>
<td>9. Taking vitamins, minerals...</td>
<td>26 pts</td>
</tr>
<tr>
<td>10. Finding ways to manage stress</td>
<td>25 pts</td>
</tr>
<tr>
<td>11. Using technology</td>
<td>25 pts</td>
</tr>
<tr>
<td>12. Mental/brain health</td>
<td>24 pts</td>
</tr>
</tbody>
</table>

Gap from “very important” 20 years ago and “very important” today

Considerable shifts are evident across many drivers
Leisure & Travel

Importance of having enough leisure time: 45%

Satisfaction with having enough leisure time: −17%

GAP: 28%

Majority of Boomers (59%) would like more travel options for people their age; both leading edge and tail end boomers agree.

Boomers are taking an average of...

- More than Gen Y: 6 trips for business/yr
- Similar to Gen Y & Gen X: 3 for vacation/yr
## Marketing to Boomers

<table>
<thead>
<tr>
<th>Segment</th>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARRIVERS</td>
<td>19%</td>
<td>The most financially prepared, proud of what they have accomplished in life, and successful at achieving their ambitions. They understand the connection between lifestyle and healthy aging. Products that enhance self-direction and independence appeal to this segment.</td>
</tr>
<tr>
<td>STRIVERS</td>
<td>18%</td>
<td>Youthful-oriented segment that is healthy in body, extremely active, and well on their way to achieving their goals. Attracted to non-mainstream, anti-aging health products that are hip, cool and trendy. Most likely to be searching for the “fountain of youth.” Very brand loyal consumer.</td>
</tr>
<tr>
<td>WORRIERS</td>
<td>21%</td>
<td>This female skewed group fears poverty more than those who are actually poor. They take responsibility for their health, although they have a significant fear of future illnesses which drives a range of preventive health modalities. They want new brands that are affordable, proven, and provide peace of mind.</td>
</tr>
<tr>
<td>BEWILDERED</td>
<td>17%</td>
<td>Least well-off financially and most likely to be managing current health issues. They do not take full responsibility for their own health, have a high reliance on Rx, and are highly dependent on others. Least likely to have health insurance. They want control over their lives, providing an opportunity for various industries to provide guidance.</td>
</tr>
<tr>
<td>PETER PANS</td>
<td>19%</td>
<td>They share the values of a much younger cohort, with no impetus to mature or become associated with the typical Boomer stereotype. They are relatively healthy and less concerned about future health issues. Most male skewed group. Over-arching attitude is that there is still plenty of time to sort out their affairs. Great prospects for buy now, pay later.</td>
</tr>
</tbody>
</table>
9 out of 10 Boomers feel *healthy eating* is a **primary way** to promote healthy aging

**Want foods with…**
- Vitamins
- Whole grains
- Antioxidants
- Calcium
- Protein

**HOWEVER…**

4 out of 10 are *confused* about what to do when it comes to eating healthy.
Old Age

According to Boomers, “OLD AGE” begins at….

Yet, 72% are concerned about aging and getting old.

“Old age” begins!

Tail end

Leading edge

Age EXPECT to live to

Age WANT to live to

64 66

65 82 90

Yet, 72% are concerned about aging and getting old
9 out of 10 feel exercise is a primary way to promote healthy aging, however.....

OUT OF 10 BOOMERS

1. (only) are very satisfied with their level of physical fitness and exercise
2. would rather be overweight than exercise regularly
3. feel their daily routine provides enough physical activity to maintain their fitness level
Almost all Boomers (95%) feel a healthy lifestyle is more important as they get older.

Half of Boomers feel their physical health is worse than 10 years ago!

However...

7 out of 10 feel it is much more difficult as they get older.

Almost 9 out of 10 would be interested in trying new approaches to managing their health.

2 out of 10 feel the lifestyle choices they make don’t have any real impact on their health.

Three quarters believe their family health history and genes determine their health and longevity.

82% believe advances in healthcare are going to extend their lifespan.
Reliance

Boomers indicate they will need to rely on the following “a lot/some” in order to retain control of their life as they age.....

<table>
<thead>
<tr>
<th>Source</th>
<th>Reliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family</td>
<td>76%</td>
</tr>
<tr>
<td>Government</td>
<td>59%</td>
</tr>
<tr>
<td>Friends</td>
<td>58%</td>
</tr>
<tr>
<td>Church/Religious</td>
<td>43%</td>
</tr>
<tr>
<td>Private Org’s</td>
<td>28%</td>
</tr>
<tr>
<td>Charities</td>
<td>18%</td>
</tr>
</tbody>
</table>

Major source of retirement income

- Social security 45%
- Workplace plan (401K) 38%
- Monthly pension 26%
- Personal savings 25%
- Employment 21%
- IRA 20%
Supplements

1. Taking vitamins, minerals (VMS) has shown considerable shifts.

<table>
<thead>
<tr>
<th>Important 20 years ago</th>
<th>Important TODAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>45%</td>
<td>77%</td>
</tr>
</tbody>
</table>

2. VMS usage is as strong a healthy aging driver as visiting a doctor

   8 out of 10 Boomers feel **seeing a doctor** and **taking VMS** are primary ways to promote healthy aging.

3. Alternatives and confusion creates barriers

   - 80% would rather **use VMS than Rx** to stay healthy, but.....
   - 73% feel there is **too much conflicting info** about what supplements they should take.
Technology

Boomers show high comfort level with technology

8 out of 10 say...

- They are comfortable using new technologies
- Technology is a vital part of their life

They use technology to stay connected...

- Use e-mail on a regular basis 95%
- Use technology to stay connected with family 81%
- Regularly purchase products via the internet 62%
Understanding Gaps

**Satisfaction gaps highlight unmet needs...**

**BOOMER OPPORTUNITIES**

<table>
<thead>
<tr>
<th></th>
<th>Very Satisfied</th>
<th>Very Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Having enough money to retire</td>
<td>10%</td>
<td>71%</td>
</tr>
<tr>
<td>Having enough money to live on</td>
<td>18%</td>
<td>74%</td>
</tr>
<tr>
<td>Financial health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Having enough money for healthcare</td>
<td>11%</td>
<td>62%</td>
</tr>
<tr>
<td></td>
<td>16%</td>
<td>66%</td>
</tr>
<tr>
<td>Having enough energy</td>
<td>16%</td>
<td>66%</td>
</tr>
<tr>
<td>Preventing certain diseases</td>
<td>14%</td>
<td>59%</td>
</tr>
<tr>
<td>Government programs</td>
<td>7%</td>
<td>46%</td>
</tr>
<tr>
<td>Mental/brain health</td>
<td>26%</td>
<td>64%</td>
</tr>
<tr>
<td>Maintaining proper weight</td>
<td>12%</td>
<td>47%</td>
</tr>
</tbody>
</table>
View of Themselves

- Family person
- Hardworking
- Loving
- Independent
- Intelligent

Leading Edge (50-60)
- Home Body
- Traditional
- Patriotic
- Optimistic
- Spiritual
- Living a balanced life

Tail End (41-49)
- Stressed
- Depressed
- Burnt out
- Anti-social
Half of Boomers (54%) do NOT have the discipline to go on a strict diet

In fact, two-thirds (66%) just watch what they eat

43% are currently managing their weight

47% feel maintaining proper weight is very important

38% feel they have “a lot” of control over their weight maintenance

Only 12% are very satisfied with their ability to maintain their weight

BUT.....
Generic Rx are just as effective as brand name

Would rather use VMS than Rx to stay healthy

Concerned about negative side effects of Rx, looking for alternatives

Taking Rx is a primary way to promote healthy aging

Have asked doctor for Rx brand after seeing an ad for it

Would rather use Rx than VMS to stay healthy

One out of five Boomers feel they have little to no control over access to prescription medicines
A quarter of Boomers are youth seekers

- ...Are always looking or the next “fountain of youth” remedy
- ...Want health products that are hip, cool, trendy
- ...Feel it is very important to “look younger”

- Over one-third (38%) specifically maintain a healthy lifestyle to “look younger”
Zooming in on the Boomers

- A portion of Boomers can be considered youth seekers → on average, the older a Boomer gets, the younger they state they feel
- Boomers seek a long life, but lack financial preparedness and energy levels
- Their biggest disease fear of aging is losing mental capacity with half already noticing a decline
- Overall, Boomers’ biggest fear of aging is running out of money
- Finances also create the biggest satisfaction gaps, creating unmet need states
- Boomers understand the connection between nutrition and disease prevention but conflicting messages create confusion
- They understand exercise promotes healthy aging but are unsatisfied with their level of fitness
- Boomers are technology savvy and use to stay connected
- They describe themselves as independent but feel they will have to rely a lot on government programs and social security in retirement
- Leading edge and trail end Boomers describe themselves very differently
The Boomer
From A to Z

Presented by:
Steve French, Managing Partner, NMI

Sponsored by:
March 18, 2006
Diversity among Boomers and Healthy Aging

Presented by:

Xenia P. Montenegro, Ph.D.
AARP
Boomers…

Feeling Young!!!

Diversity among Boomers and Health Aging
Boomers Feeling Young!!!

% of Baby Boomers who...

- Feel younger than their real age: 64%
- Feel the same as their real age: 21%
- Feel older than their real age: 10%
- Refused/No Answer: 5%

(AARP Boomer Study)
Boomers Feeling Young!!!

(AARP Boomer Study)
Boomers…

Reasons for feeling younger than their age

- Generally feel young: 41%
- Stay in shape/exercise: 19%
- Healthy/Good health: 26%
- I am active/energetic: 9%

(AARP Boomer Study)
Boomers...

Feeling Good!!!
Boomers Feeling Good!!!
Boomers Feeling Good!!!

Satisfaction with physical health

<table>
<thead>
<tr>
<th>Group</th>
<th>Very Satisfied</th>
<th>Somewhat Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boomers</td>
<td>32</td>
<td>51</td>
</tr>
<tr>
<td>Young Adults</td>
<td>36</td>
<td>50</td>
</tr>
<tr>
<td>Older Generation</td>
<td>39</td>
<td>40</td>
</tr>
</tbody>
</table>

AARP Boomer Study
Boomers and Healthy Aging

Expectation of Physical Health Today

- Boomers: 25% Better than expected, 44% Where expected
- Young Adults: 21% Better than expected, 47% Where expected
- Older Generation: 34% Better than expected, 37% Where expected

(AARP Boomer Study)
Reasons to start thinking about a healthier lifestyle:

- live longer: 53%
- lose/manage weight: 52%
- prevent disease: 52%
- personal serious health condition: 50%
- To look better: 43%

• NMI Survey
Reasons to start thinking about a healthier lifestyle:

Vs.

- Doctor’s advise: 34%
- Reduce effects of aging: 34%
- Death of family member/friend: 22%
- Family/friend got sick: 14%

• NMI Survey
• Reasons to maintain a health lifestyle
  – have the energy to do the things I want to do:  82%
  – be able to remain active:  79%
  – keep a healthy body:  75%
  – have a healthy mind:  74%
  – prevent disease:  71%
  – be around for my family/spouse:  68%
  – spend time for children/grandchildren:  56%
  – avoid nursing home later:  56%

• NMI Survey
Activities to stay healthy:

- Exercise
- Balanced diet
- Get routine health care
- Vitamins

(AARP Boomer Study)
Extent of Influence on Health Purchase Decisions

- Spouse/SO: 29
- Physicians: 47
- Friends/Relatives: 19
- Pharmacist: 15
- Books: 10
- Internet: 12
- Health Relates mag.: 8
- Alternative med.practitioner: 12
- Dietitian: 8
- Membership org.: 7
- Product brochures: 6
Boomers…

Looking Great!!!

Diversity among Boomers and Health Aging
Boomers... Looking Great!!!

Look as good or better than expected: 81%

Look worse than expected: 19%

NMI Survey
Boomers and Healthy Aging

• Most important in boomers’ life today:
  • Finances, esp. money to live on: 74%
  • Relationships with family and friends: 72%
  • Money for health care, energy to do what I want to do: 66%

(AARP Boomer Study)
Boomers and Healthy Aging

Feeling Young Differences
Boomers and Healthy Aging

Feeling Young Differences

- Boomers: 61%
- Low health rating: 38%
- Medium health: 65%
- High health rating: 74%
- HS or less: 53%
- Some college: 63%
- College: 72%
- Hispanic: 52%
- African Am: 58%
- Asian: 67%
- White: 63%
Boomers and Healthy Aging

Feeling Good Differences
Boomers and Healthy Aging

% very and somewhat satisfied with their...

(AARP Boomer Study)
% VERY satisfied with their physical health highly dependent on….

- **Personal Relationships**
  - High: 42%
  - Medium: 23%
  - Low: 23%

- **Rel./spiritual life**
  - High: 42%
  - Medium: 32%
  - Low: 24%

*(AARP Boomer Study)*
Boomers and Healthy Aging

% worse off than they expected at this point in their life….

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Mental Health</th>
<th>Physical Health</th>
</tr>
</thead>
<tbody>
<tr>
<td>LT $25k</td>
<td>19</td>
<td>38</td>
</tr>
<tr>
<td>$25k-$50k</td>
<td>11</td>
<td>28</td>
</tr>
<tr>
<td>$50k-$75k</td>
<td>9</td>
<td>30</td>
</tr>
<tr>
<td>$75k+</td>
<td>10</td>
<td>27</td>
</tr>
</tbody>
</table>

(AARP Boomer Study)
## Boomers and Healthy Aging

% who say they have a ‘great deal of control’ over...

<table>
<thead>
<tr>
<th></th>
<th>LT $25k</th>
<th>$25k-50k</th>
<th>$50k-$75k</th>
<th>$75k+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mental Health</td>
<td>57</td>
<td>61</td>
<td>61</td>
<td>69</td>
</tr>
<tr>
<td>Physical Health</td>
<td>45</td>
<td>47</td>
<td>52</td>
<td>58</td>
</tr>
</tbody>
</table>

(AARP Boomer Study)
Boomers and Healthy Aging

Stark differences by gender, race

Importance of Health Issues

- **Preventing diseases/conditions**
  - Men: 51
  - Women: 67
  - White: 59
  - African Am.: 63
  - Hispanic: 63

- **Enough $ for health care**
  - Men: 56
  - Women: 77
  - White: 65
  - African Am.: 73
  - Hispanic: 73

- **Enough energy**
  - Men: 58
  - Women: 76
  - White: 65
  - African Am.: 71
  - Hispanic: 71

(AARP Boomer Study)
Boomers and Healthy Aging

- **Take vitamins**: Boomers 53%, Generation X 60%, Older gen. 71%
- **Get routine health care**: Boomers 66%, Generation X 77%, Older gen. 83%
- **Eat balanced diet**: Boomers 61%, Generation X 71%, Older gen. 79%
- **Exercise**: Boomers 69%, Generation X 69%, Older gen. 74%

(AARP Boomer Study)
Boomers and Healthy Aging

- Take vitamins
  - Not Married: 64%
  - Married: 59%
  - Women: 66%
  - Men: 54%
- Get routine health care
  - Not Married: 80%
  - Married: 70%
  - Women: 84%
  - Men: 70%
- Eat balanced diet
  - Not Married: 63%
  - Married: 73%
  - Women: 76%
  - Men: 65%
- Exercise
  - Not Married: 69%
  - Married: 70%
  - Women: 71%
  - Men: 68%

(AARP Boomer Study)
Large proportions in certain segments of boomers do not exercise at all

- Lower income (under 50K): 38% (vs. 25% of middle income and 16% of higher income)
- Less than college: 33% (vs. 17% of college grads)

• NMI Survey
Perceptions Of Personal Health
Not Doing Enough To Stay Healthy…

Hispanic 38%
Black Non-Hispanic 37%
White Non-Hispanic 27%
Extent of Influence on Health Purchase Decisions

- Physicians: 47
- Spouse/SO: 29
- Friends/Relatives: 19
- Product brochures: 12
- Alternative med.practitioner: 12
- Dietitian: 8
- Health Relates mag.: 8
- Internet: 12
- Books: 10
- Pharmacist: 15

NMI Survey
• Extent of Physician Influence on Health Purchase Decisions

NMI Survey
Boomers and Healthy Aging

Health Altering Events

- Survived major illness
  - Boomers: 25
  - Generation X: 16
  - Older Generation: 49

- Major change in diet due to medical condition
  - Boomers: 31
  - Generation X: 20
  - Older Generation: 44

AARP Boomer Survey
Perceptions of Personal Health

• Expecting serious illness

- Hispanic: 39%
- Black Non-Hispanic: 20%
- White Non-Hispanic: 21%

AARP Boomer Survey
Looking Great Differences

Diversity among Boomers and Healthy Aging
Boom... Looking Great!!!

- Perception of appearance

(NMI Survey)
Boomers and Healthy Aging

How long do you expect to live?

Median Age

Boomers, 80  Men, 80  Women, 80  Tail End, 80  Ldng. Edge, 80  White, 80  African Am., 85  Hispanic, 80
### Boomers and Healthy Aging

- How long would you like to live??
- How long do you think you will live??

<table>
<thead>
<tr>
<th>Median Age by Generation</th>
<th>Like</th>
<th>Think</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boomers</td>
<td>87</td>
<td>80*</td>
</tr>
<tr>
<td>Young Adults</td>
<td>85</td>
<td>80</td>
</tr>
<tr>
<td>Older Generation</td>
<td>88</td>
<td>85</td>
</tr>
</tbody>
</table>

*90 in NMI Survey

AARP Boomer Study

© 2006 The Natural Marketing Institute
How long do you want to live?

- African Am., 94
- Hispanic, 88
- White, 90
- Ldng Edge, 90
- Tail End, 89
- Women, 90
- Men, 90
- Boomers, 90

NMI Survey
How old is old?

AARP Boomer Study
What age would you like to be?

- Boomers: 33
- Young Adults: 25
- Older Generation: 46

- Median
- (AARP Boomer Study)
What age would you like to be?
(Mean Age)

- Boomers, 33
- Women, 35
- Ldng Edge, 36
- Men, 31
- Tail End, 31
- Income<25K, 30
- $25K-<50K, 33
- $50K-<75K, 33
- $75K+, 36
Diversity among Boomers and Healthy Aging

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Changing the Way We Age

Presented by:
Colin Milner, CEO, ICAA

Sponsored by:
March 18, 2006
Active Aging in America

Volume 1. Residential and Commercial Fitness, United States 2005

- The facts
- The opportunity
- What this means to you
At the turn of the 1900’s

Today, life expectancy is 77.6

30 year’s more

Planes, trains and automobiles
Active Aging in America

Volume 1. Residential and Commercial Fitness, United States 2005

- 1996 was a good year
  - US Surgeon General’s Report
  - Tufts University
  - Baby Boomers turn 50
There are two good reasons to focus on physical activity for older adults:

1. It’s the right thing to do for quality of life.

Physical activity prevents or controls the most common chronic diseases in older adults (for example, diabetes and heart disease), enables people to function independently so they enjoy and grow in their lives, and allows older adults to stay part of the active lives of their children, grandchildren and communities.
2. It's the smart thing to do to save money and generate revenue.

Controlling health care costs for private insurance, government and the consumer could save money—75% of the US $1.66 trillion health care cost (2003) is spent on a few chronic diseases. Already private insurers and businesses are incentivizing employees and insureds to exercise because it saves them money. What can private companies and consumers do with these savings? Spend it, which raises revenue for other companies. For example, the seniors housing industry is rapidly moving to focus on activity options because these services generate revenue.
Quality of life is a top concern for aging adults, reinforced a 2005 poll by USAToday/ABC News. For the 1,000 respondents,

- losing their health (73%),
- losing the ability to take care of oneself (70%),
- losing mental abilities (69%) and
- running out of money (60%)

And these people were currently healthy—31% rated their health as “excellent” and 58% rated it “good.”
How do older adults maintain their health and their savings? Research provides a clear answer: exercise, physical activity, healthy eating, healthy spirit. Physical activity and healthy eating can prevent or mitigate prevalent “lifestyle” diseases (coronary heart disease, diabetes, high cholesterol, hypertension). Health saves money, for the government, the individual and the businesses that care for the older adult.
The reasons people don’t exercise include:

- **Time availability.** For those 50+ balancing full-time or part-time jobs while caring for parents and children, there is not much time left in the day.

- **Fear of falling or injury.** This concern is prominent for those who have no history of exercise or who are more frail.

- **Health conditions.** A chronic or acute condition can leave a person feeling ill or in pain, or suggest to them that they should not exercise (even though movement might aid the condition).
- **Lack of interest in activity.** Older adults who grew up during the Depression and World War II years do not have cultural support for physical activity, which they view as hard work and unnecessary.

- **Not enough money.** People may not have adequate income or see the value in paying to exercise compared to paying for other household expenses.
Yet, **98% of 50+ adults** in an AARP survey are aware that getting enough exercise is important and 64% stated that physical activity was the “best” thing they can do for their health. *This level of awareness means that marketers do not have to establish need, but rather show how they are providing a solution that will overcome the barriers.*
The case for physical activity is well-supported by research. What private and public organizations need to develop are the opportunities for exercise and activity. In fact, a projected 78% growth in available programs is required to meet the needs of the aging population, project the authors of a new study that surveyed multiple types of facilities in seven regions in the United States.

Source: (Hughes et. al., 2005).
Active Aging in America

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The opportunity

- Senior centers
- Community centers
- Active adult communities
- Retirement communities
- Assisted Living
- Skilled nursing
Why don’t more community facilities offer physical activity? The 326 facilities that did not offer physical activity programs cited...

- perceived lack of interest among older adults (50%).
- lack of funding (46%).
- lack of staff interest (44%).
- lack of staff knowledge regarding frail adults (34%).
- staff shortage (34%).
- lack of staff training regarding older adults (24%)
- and concerns about liability (23%).
What does this mean to you?

Communities that embrace the wellness and physical activity models will not only be responding to the needs of the market, they will be offering service that will make their organizations more appealing.
Helping Boomers stay engaged in life is good for them, society and your bottom line.
Changing the Way We Age

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Critical Issues in Aging Session:

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Critical Issues in Aging Session:

How Baby Boomers Are Redefining the Healthy Aging Market

Q&A
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