Challenging Innovators:

Matching offerings to the needs of older adults

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June, 2014

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EXECUTIVE SUMMARY

Baby boomers and seniors age 50+ comprise an enormous cohort. But they do not represent a market segment that can be divided neatly by age. This amorphous population of 100 million people confounds innovators with widely different needs, budgets and marketing channels. But entrepreneurs can learn from prospective customers, experts from specific sub-segments and market niches, and from the learnings of those who have done well.

Key takeaway from 2006-2007 – nothing succeeds like persistence. Looking at the past performance and results of those who began nearly a decade ago is a reminder that determination and commitment are the key pre-requisites to success. **Caring.com** (just acquired by BankRate in 2014), **Care.com**, and **GreatCall** were all founded in the 2006-2007 time period. This was also the time in which **Philip**s acquired Lifeline, **VRI** was re-launched by its founders as a healthcare services company, and **MobileHelp** entered with one of the earlier mobile Personal Emergency Response System (PERS) technologies.

This 2014 interview report reveals new tactics, but as much determination as ever. The interviewees in this report advised new entrants to consider innovating at life transition points; seeking interested funders and accelerators, using crowdfunding to gain visibility; leveraging policy changes that open up new opportunities; entering a market at disruptive price points; and above all, seeking partnerships carefully – and early.

WHO SHOULD READ THIS REPORT?

This report examines the approaches established businesses and startup entrepreneurs are using to identify and reach the sub-segments of the 50+. As such, it is relevant to:

- Entrepreneurs considering entry into the 50+ market
- Technology platform providers
- Telecommunication carriers
- Business service providers
- Media organizations
- Social services and non-profits focused on the 50+
- Government agencies and policy makers
- Angel and venture capital investors

"Loveliness doesn't matter as much as thoughtfulness. Take away the patronizing aspect in terms of design -- six big buttons painted in red because you might make a mistake. Anything that says 'you can only do this but you can't do that." – Jeh Kazimi, **Breezie**

OLDER ADULTS – A LONG-STANDING BUT STILL EMERGING MARKET

The lives of many older adults have been greatly enhanced by new technologies in recent years – whether through social technologies like chatting and video, or new car smart features to assist older drivers. There have been successful companies targeting the 50+: from **GreatCall** with its Jitterbug phone and multiple new services to **Home Instead**, the largest franchised home care company in the US. Some firms have done well through partnerships with **AARP**, like **Consumer Cellular**, **ADT** and most recently, **Posit Science**.[1]

Age Doesn't Matter – Personas Help Shape Scenarios That Inspire

As the first era in which so many are still living into their 90's, terms like 'aging', 50+, or 'senior' are ineffective ways of evoking a mental image of an addressable market. At every age, we are all independent and thriving – until and unless we're not. Consider three personas reflected throughout its publications that represent the AARP cohort of age 50+ (see **Figure 1**):
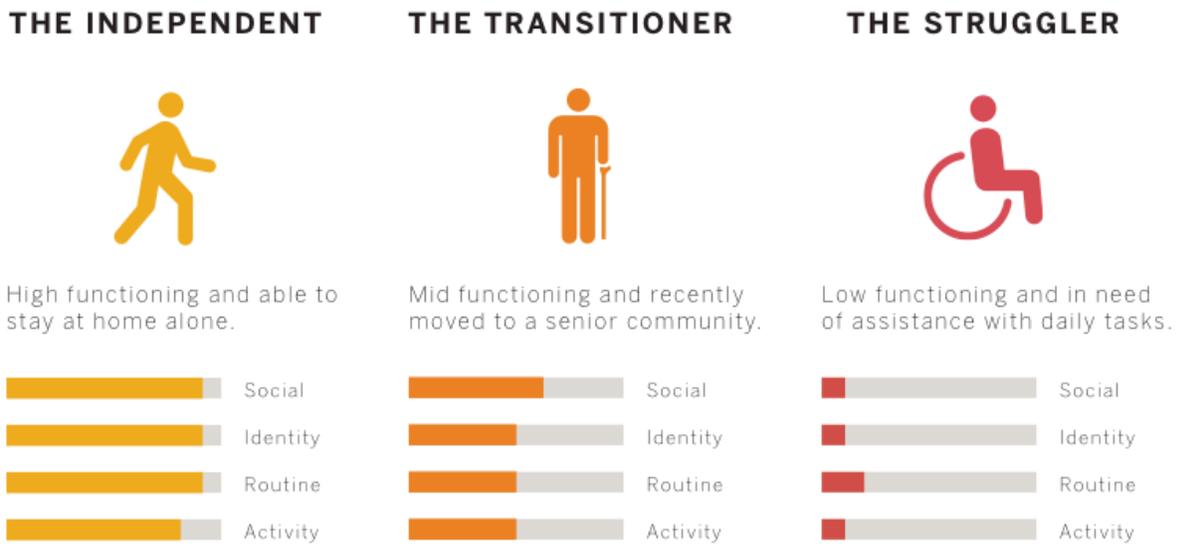
Figure 1   Personas of aging adults (Courtesy frog design[2])

- **Consumers and their advocates speak up about what they want.** The addressable market population groups are vocal about their needs – their voices can be heard through Facebook, via Amazon reviews, AARP and Pew Research surveys. They are represented by membership organizations that serve **The Independent** and/or their caregivers – like AARP and NCOA. Along with their adult children, they are targeted as **Transitioners** by senior housing for-profit and non-profits. And when they become **Strugglers,** they are served by member companies of consortia like LeadingAge or ALFA. Sampled in focus groups by technologists, tracked by Nielsen – many think that they know what older adults need.

  "We are interested in talking about what this means – people who are innovating to give residents higher quality of life, reduce costs, help keep buildings fuller." – Steve Moran, ***Senior Housing Forum***

- **Entrepreneurs and established businesses try to fill perceived gaps.** Serving the 100 million people that make up the 50+ market is a tall and amorphous order – in the technology sector, that can mean considering the personas individually and within product categories. Target health and social engagement needs, caregiving issues faced by their children, brain training, housing design – or mobility limitations, wander management or hearing or vision aids. And reaching them is challenging. What are the right channels? Who is the audience, really? For those who are the Real Seniors (aged 75+) which is correct – online or on paper; families or doctors; service groups or direct?[3] Mapping channels is confusing – referral and distribution channels may not be committed for the time it takes to build a following.

- **Personal experience clouds entrepreneurial judgment.** Too often when asked why they started a company to help older adults, entrepreneurs explain their passion for the market beginning with the words 'My mother' or 'My grandmother.' While this may explain the reason for their offering and passion, founders may be describing a limited market of the people who are most familiar to them – their relatives or themselves.

    *"The emotional journey can be good and bad -- the entrepreneur believes it gives credibility so that they are not seen as just wanting to make money. And now investors may have older parents." – Stephen Johnston, **Aging 2.0***

- **Misplaced confidence is reinforced in the startup cycle.** Further down their startup path, entrepreneurs may find themselves confusing an apparently willing distributor, retailer or senior-oriented agency with the ultimate end customer. For example, although there was no sized market for fall detection products, a fall detection company, **Wellcore**, was launched with a splash at a 2010 CES.[4] During its startup phase, the firm was very proud of its 'deal' with regional Best Buy stores.[5] But Best Buy was not committed to a broad rollout or explaining and training store staff or customers about product benefits. **Wellcore** shut its doors in July 2013.[6]

    *"Self-centered thinking and naïveté may work in some situations because the entrepreneur is building for their own demographic and that happily coincides with the actual user base, but when the young are building for the older demographic, they must check to see if the solution actually solves a perceived need or real problem." – Lisa Suennen, **Venture Valkyrie***

Do innovators understand the struggles of predecessors?

With all of mechanisms to validate that the product or service is right for the need, history is replete with stories of companies that go to market with poorly thought-out ideas, misapplied money and publicity, and for those that are funded by venture capital – add their names to the list of the 75% of all companies that fail within five years.[7] Non-venture startups come and go – or stagnate trying to penetrate industries that are phobic about technology or business model change. Or they launch concepts that don't work, for example:

- **Reading the wrong tea leaves and making mistakes.** You probably don't remember the FlohClub older adult telephone tech support business.[8] It appeared in 2009 with massive hype and publicity about its signature founder, Florence Henderson – and then disappeared in

2010 without a trace. And Amazon50+ launched a site for baby boomers that featured adult diapers.[9] After a number of comments, the site was quickly revamped to broaden its message.[10] Perhaps Amazon should have read the 2008 Harvard Business Review (HBR) case of a failed retail store that was designed especially for baby boomers that refused to shop there because it made them feel old.[11]

*"My mother was a diabetic using an insulin device the size of an oven timer. When that was phased out for a pen dispenser, the tiny dosage window and click-stops were too subtle for her to see and feel. So she had numerous diabetic incidents." – Ron Goldberg, **Isowalk***

- **Trying to convince reluctant senior housing firms to innovate.** Once established in a market of older adults, firms may not break ranks to change. For example, despite tough talk about expanding the senior housing world into home care, virtual assisted and tech-enabled services, the senior housing industry is slow to adopt new models. Brick-and-mortar firms rarely offer virtual assisted living (extending services broadly into the community). Industry players describe it as an 'area to explore.'[12] Even the market innovators may represent long sales cycles and slow adoption of new technologies.[13]

- **Pitching to home care providers cautious about technology.** As the senior housing industry 'explores', the home care industry fills in service gaps, rapidly expanding nationwide.[14] The home and home health industries are ripe for greater technology use to improve both management and service offerings.[15] But home care providers are also cautious about change. Staffers worry about threats to jobs from broadened use of remote monitoring, for example. Efforts to deploy technology can be sporadic or fleeting.[16]

- **Missing the "Personal" in Personal Emergency Response Systems (PERS).** The PERS industry's reluctance to vary from 'I've fallen and can't get up' is an example of an industry that has the technologies to offer new services. These include GPS tracking, fall detection,
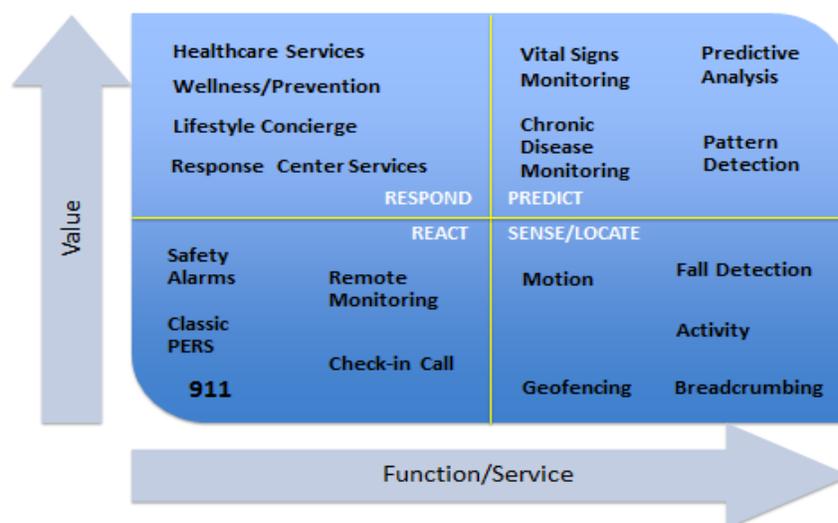

Figure 2   PERS usage versus PERS Potential[17]

wearable devices that can transmit and monitor health information, as well as broader service offerings to include non-emergency communication like concierge services with Verizon's SureResponse.[18] But the industry resists change – preserving a multi-billion market until consumer adoption of smartphones forces leverage of valuable data that could be collected and provided in service offerings (see **Figure 2**).

Beyond passion – how do firms evaluate proposed concepts?

At the early stage, all startup founders face the same dilemma – even when it is compressed into the warp speed of Silicon Valley time. How do they explain – first to their friends and family and then to investors – their reasons for launching the company and why it will succeed? Today's market offers options for characterizing a prospective market. Before manufacturing is ramped up or a website fully developed, entrepreneurs sort through the options available to them – like:

- **Focus groups and visibility campaigns – validate need, willingness to pay.** Once founders have a concept and perhaps a mockup or prototype, they usually try to verify in the field. This can be done through focus groups – as Lively did with the Institute for the Ages in Sarasota, Florida – the county with the oldest population in the US – prior to manufacturing and launching the product. Executives spent time with seniors to learn what worked and what might not work with their new home monitoring offering.[19] They became convinced that the target buyer was the worried adult child, not necessarily seniors themselves. They also ran a Kickstarter campaign, not necessarily to raise funds (which it did not do), but rather to gain visibility and test both messaging and usefulness of the product's direction.[20]

  "Tech entrepreneurs must define primary and secondary customers – and then put themselves in the environment to see the use case." – John Reinhart, **InnovateLTC**

- **Personas – help founders understand the profile of their intended audience.** Who is the offering intended to help? As a concept is refined, founders need to refine the definition of the intended audience who will likely benefit from and use the technology. As they go out and talk with people, proposing an offering that can solve a problem that is real and not yet solved, they learn who the offering is really intended to help. Soon they have an understanding of the right persona. From that, they have a clearer picture of who their potential partners may be and how the offering's benefit is described.

  "Organize the market into use cases, noting that multiple personas including the family caregiver. There are some situations, some categories where function is so low, tech tools become less relevant unless it is for the family." – Scott Peifer, **AgeTech West**

- **Market surveys – who is the real customer?** Online surveys can be great accompaniments to a launch campaign. Tuning survey questions to match the concept forces clarity of thought. With a persona such as CoPatient Carol or Sarasota Sarah's son, some companies use a survey to validate and quantify interest as an underpinning of product launch.[21] Following the launch of its FiveStar Responder Service in early 2011, **GreatCall** fielded an online survey that underscored the product's messaging about being prepared in the event of an emergency.[22]

WHAT SHOULD TODAY'S INNOVATORS DO?

Despite the patchwork history of senior-focused product and service offerings, new spaces have emerged between the market and service lines of established players and processes. To succeed, entrepreneurs must recognize and leverage the dimensions of today's world that make it different from previous eras. They should:

1. Find funding and accelerators that spur innovation for older adults

Within the past five years, incubators, accelerators, and venture capital funding partnerships have surfaced to spur innovation and speed up time to market, for example, Cambia Health and Aging 2.0 GENerator.[23] Some of these have sponsored innovation contests, some host startup companies, some award funding, and others provide access to pilot user communities. In 2013, AARP collaborated with StartupHealth to identify VC investors and deals in nine tech categories relevant to the 50+.[24] AARP also hosts its Health Innovations@50+ LivePitch competition.[25] InnovateLTC grew as a byproduct of senior housing firms already established in Louisville, KY. Now they are hosting an initiative called 'Beyond Beta' to fund 10 companies that serve its market (see **Figure 3**).[26]

Name	Sponsor	Type	Purpose/ Example
InnovateLTC	Signature Health Care	Accelerator	Beyond Beta (pilots)
AgeTech West	LeadingAge companies	Tech-focused for senior care	Pitch for Pilots
Link-age Ventures	Link-age Senior Housing	Fund focused on needs of member companies	Fund
Generator Ventures	Formation Capital LLC	Accelerator, early stage fund	Aging 2.0 as portfolio company
AgePower	Ecumen	Non-profit CCRC	Competition
Rock Health	Seed fund	Digital health	$100K grants
Healthbox	Accelerator	Healthcare entrepreneurs	$50K grants
Cambia Health	Commercializing	Senior care	Led Lively funding

Figure 3   Funding sources available to entrepreneurs

"Talk to your customers, it is too easy to talk to everybody else but the end user. Feedback is invaluable at all stages of the development process, even when all you have is a sketch." – Joseph Gwin, **BioSensics**

2. Leverage policy changes – for providers of care, insurers

The 2010 Affordable Care Act (ACA) spurred consolidation of providers and related companies. It also produced a number of perceived opportunities for health and technology startups that focused on the newly insured. Medicare reimbursement changes like penalties for readmission triggered consolidation of hospitals with short-term rehab facilities and related services. And as a byproduct of Medicaid expansion, startups emerged to serve the low-income population (see **Figure 4**).[27]

ACA change	What it triggered	Example/ Description
CMS Readmission penalty	Incentives to keep patients at home	**Careticker** – incentives for family caregivers **Independa** – remote monitoring/engagement
Push for efficiency of services	Reduce trips to ER	**Propeller Health** – asthma care
Medicaid expansion	New services for lower-income population	**Purple Binder** - workers find community services

Figure 4   Affordable Care Act Innovation Catalysts[28]

Scenario: Careticker – Take nursing home diversion into the private sector

What it is: Use incentives to help family caregivers keep loved ones at home
Founder: Chiara Bell
Description from founder: "Careticker is working with caregivers, tracking the care they are providing, and working with Medicare Advantage and managed Medicaid plans. Careticker helps insurers set the incentives for the caregivers, all the way to compensation to keep loved ones out of the hospital. Medicare Advantage and Medicaid plans – give incentives to family members."
Learn more: http://www.crunchbase.com/company/careticker, careticker.com

*"The goal: to partner with those plans – taking the nursing home diversion program into the private sector." – Chiara Bell, **Careticker***

3. Precipitate price disruption – a byproduct of innovation or miniaturization

Innovators seize an opportunity offer a product or service that is distinctly different and at a lower price point. For example, Lively's initial price point of $149 in 2013 was lower than others in that market segment – June 1, 2014, they lowered the initial price further. Other disruptors include low-cost Personal Sound Amplification Products, or PSAPs, for hearing assistance, wearables that help families track seniors, tablets replacing home monitoring interfaces, or smarter (and waterproof) phones replacing feature handsets or PERS. And for firms using these underlying technologies in age-related segments, repurposing them for new solutions can enable other applied uses that also benefit baby boomers (see **Figure 5**).

Component technologies	As applied to older adult segment	General market application
GPS location tracking	**Wander management**	**Children, pet, vehicle tracking**
Accelerometer	**Fall detection**	**Fitness tracking**
Motion sensor	**Home monitoring**	**Home security system**
Room temperature/ moisture sensor	**Home monitoring**	**Home security system**
Vital sign (pulse, skin) sensors	**Dehydration monitoring**	**Fitness and well-being**
Sound amplification	**Hearing aids and PSAPs**	**Audio, headphones**

Figure 5   Component technologies applied for older adults, general application

Scenario: ClearSounds – Facilitated disruption in hearing-aid industry
What it is: Design, manufacturer, distributor of products for people with hearing challenges
President, CEO and Company Cheerleader: Michele Ahlman
Description from Founder: "The Personal Sound Amplification Product (PSAP) world is about convenience and affordability. Consumers have lower expectations, but it works as well at a fraction of the price of the hearing aid from the audiologist. But the consumer with hearing loss may not want a hearing aid for thousands of dollars – and the PSAP is the same technology right now at Wal-Mart."
Learn more: clearsounds.com

"It amounts to a hearing aid, but not programmed for the individual – it requires a few settings.[29] The audiologists now see the opportunity – and will sell it."—Michele Ahlman, ClearSounds

4. Utilize crowdfunding to validate concept and gain early customers

Since passage of the JOBS Act in 2012 eased security regulations, crowdfunding has mushroomed.[30] From charitable efforts to post-graduate startups, time-limited crowdfunding campaigns raised over $2 billion by the end of 2012, reaching $5 billion by the end of 2013.[31] Kickstarter, Indiegogo, and other theme or regionally focused crowdfunding sites should be one first step to verify the existence of a product or market.[32] Even when campaigns fail, they succeed in getting a message out. And sometimes the product idea is so good, they raise more money than requested, such as **XY**, a secure, Bluetooth tracking tag for finding items like keys or a pet – an idea also helpful to older adults (see **Figure 6**[33]).[34]

Kickstarter	$1 billion pledges	5.7 million donors	135,000 projects
Indiegogo	Launched in 2008	2013 Ubuntu phone $32 million – largest pledged campaign to date	45,000 'campaigns'
AppsFunder	Owned by Herman Van Loo	Focused on mobile apps	Examples: Airblazer, Android Belgium
Crowdfunder	Launched in 2012	Equity-based funding	2000 companies have applied
Appbackr	Clearinghouse for distribution	Investment, not donation	Wholesale market
Microventures	FINRA-registered broker-dealer	Equity-based funding	Raised $20 million by 2013
Seedinvest	New York-based	Equity-based funding	Launched in 2013, raised $2.8 million
CircleUp	New York-based	Equity in small consumer and retail	Raised $14 million of its own

Figure 6   Top Crowdfunding Sites, Inc Magazine

Scenario: Lively Used Kickstarter for visibility, focus group of seniors for validation
What it is: Home monitoring sensors
**Founder:** Iggy Fanlo, previously founder of Shopping.com
Description from founder: "We implemented easy-to-configure sensor-based monitoring at a low price point to help older adults remain independent, communicate status to caregivers, and delay entry into long-term care."[35]
Learn more: mylively.com

*"The history of all technology is always about lower price." – Iggy Fanlo, Founder, **Lively***

5. Innovate at life-stage transition points

Why has the Personal Emergency Response System (PERS) grown far beyond $1 billion in annual revenue?[36] Because it addresses a need-based challenge that worries families and care providers. Typically that challenge occurs after a life event marking a transition to feeling or being more at risk. The transition can result from a newly-diagnosed chronic disease with mobility limitations or a sudden fall leading to hospitalization. Innovators see multiple opportunities in these care transitions – technologies to help older adults maintain independence, minimize care costs by keeping a person at home, or helping them function after a fall.
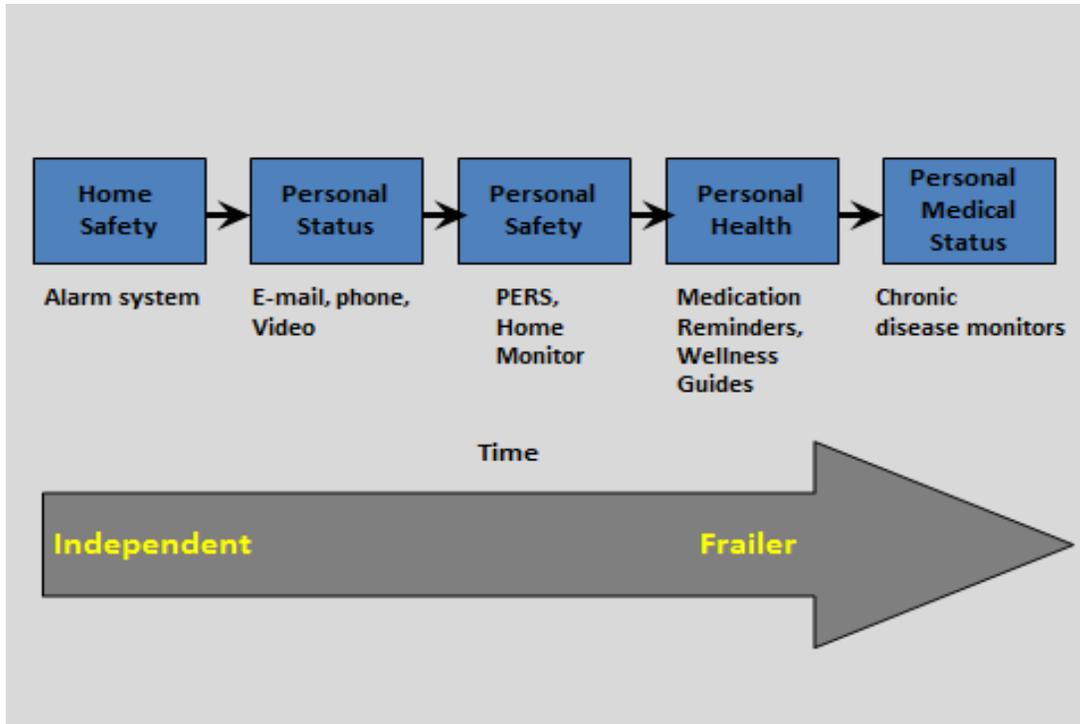
Figure 7   Needs and solutions vary across life stage transitions

"We are trying to innovate at the intersection point where a life/health event triggers a challenge to aging at home safely – at that point, there is a willing payer." – *Sombit Mishra,* **QMedic**

6. Hire a product to do a job – solving a problem

No one, said Clay Christensen, wants a drill – they want the hole that it produces.[37] Innovators today use their knowledge and prior experience to deliver a service that fits into the space between services. For example, consider CoPatient, which was launched by health industry experts to help patients understand and save money hidden inside complex medical bills. And ClearSounds helps bring new Personal Sound Amplification Products (PSAPs) into the market that offer a far lower price point for hearing assistance to the 80% of people with hearing impairment who avoided purchase of expensive hearing aids.

> **Scenario: CoPatient – Tech-based service with partners, Revenue Day 1**
> **What it is:** A software platform that enables consumers to submit medical bills for a free audit
> **Founders:** Rebecca Palm, Katie Vahle
> **Description from Founder:** "Mountains of paper are received by cancer patients, hundreds of pages. CoPatient offers pricing information to help patients understand variation in pricing and helps them mitigate issues with they have been billed. The software looks for coding and administrative errors – one keystroke error on a medical claim can make a difference to patients. The process leverages patient advocates, former nurses and coders, assisted by technology."
> **Learn more**: copatient.com

"We identified a persona for our service – CoPatient Carol. She uses Angie's List and buys shoes at Nordstrom. Defining where she shops, web sites she views, her financial service choices, helps identify channels of distribution." – Rebecca Palm, **CoPatient**

7. Unseat the gorilla in the market

Finding appropriate assisted living or nursing homes is typically a search driven from urgent need. It has depended on a lead referral business in which facilities pay referral services following move-in. The industry is dominated by a few large players, often with sales incentives for reps (like **A Place for Mom**) or long-standing, not entirely transparent relationships between referral sources and senior housing companies. Even with referrals, finding an appropriate and affordable space for a family member is labor-intensive. **OpenPlacement** asked – where is the OpenTable for the discharged patient or resident?

> **Scenario OpenPlacement – Disrupt the ALF and SNF placement processes**
> **What it is:** Search site to help people find senior care
> **Co-founders:** Daniel Trigub, Justin Usher, Dominic Scotto
> "Hospitals, Skilled Nursing Facilities and families have the same pain points. The market is dominated by organizations with a vested interest in referring discharged patient to specific partner locations – Assisted Living Facilities (ALF), Skilled Nursing Facilities (SNF). Instead, why not create a data source of real-time available caregiver destinations that meet the described needs AND have an available bed."
> **Learn more:** openplacement.com

*"For a Digital Health service, it is critical that you get out to market and obtain revenue early on, incorporating feedback as quickly as possible." – Daniel Trigub, **OpenPlacement***

PARTNERSHIPS MATTER – FROM THE VERY BEGINNING

When asked how they fit in the landscape of existing offerings, early startups can demonstrate surprising tunnel vision. Entrepreneurs with an idea for a great product need to begin by surveying the landscape of what exists, what's missing, why it is needed and how it should be priced.[38] But even before they march off to the drawing board, they also need to consider where the product will fit into functioning ecosystems and go-to-market channels – resellers, retailers, media, and catalog publications. They should know that:

- **Consumers don't care about products, they want solutions.** The senior home monitoring market has historically been more aligned with home security and security installer/dealers than with the hands-on consumer/family. But in fact, home security dealers were not well-prepared to market to seniors. Now innovation and price disruption are pushing those offerings into the hands of consumers, where what matters is simplicity. And what matters is ease of integration into what exists PLUS availability of training on how to use it.

  "Customizable implies training -- yet another revenue opportunity." – Jeh Kazimi, **Breezie**

- **The influencer and referrer are as important as the consumer.** The more you move up the spectrum of need, the greater the role of the influencer, the more complex the channels are, and the deeper the expectations become for service skills. Whether an older adult wants technology in their home that helps them be safer, their adult children may be searching for something – and unsure what is best and what others may have found. And entrepreneurs need to ramp up their support capabilities along with the product, helping the end users to clarify what they need, why they need it and how they will use it.

  "For caregiving solutions, phone support matters because people want to talk. The emotions around caregiving are deep and lonely – staff must respond with empathy." – Mary Furlong

- **Where there is a device, there is a partner.** Consumers don't want an installer, they want to install. But higher functioning devices for telehealth or home security systems do not jump out of their packaging ready to run, even today. And even if they did, partners may still be required to handle necessary process steps required for serving their chosen market.

  "There is no such thing as a single optimal partner. There are infrastructure partners, manufacturing partners, payment partners, and service partners." – Sombit Mishra, **QMedic**

- **Creating a brand is costly and often underestimated.** Companies can have an initial market splash with a great concept, catching attention in the first year – but years two and beyond can be tough. Media interest may fade, consumer adoption can be slow, or the funds for branding dry up. And too much time and money can be devoted to pitching concepts to organizations whose pace to complete deals is slow or whose attention is elsewhere.

  "A common misconception of startups is that they think their offering is just going to go "viral" to help establish their brand. In fact, businesses that successfully build a brand

*without investing significant time and money are very rare. If you are trying to build a consumer business, odds are you are going to need significant capital and time before you gain true awareness." – David Inns, **GreatCall***

DESIGN FOR ALL, CUSTOMIZE BASED ON NEED

Targeting and reaching older adults seems like a sure thing – demographics are obvious and need is great. But mistakes are made – as the 2008 Harvard Business Review case demonstrates, the obvious opportunity, such as a retail store for boomers, may not resonate with the consumer. Back in 2011, AARP's advice to innovators was to design for all – but tailor technology experiences to individuals. That advice still resonates in 2014 as entrepreneurs are learning to:

- **Transform senior technology products to be health specific.** The ACA, the cost of managing chronic diseases, and a push from insurers make this more vital than ever. We are in the midst of a self-care software and device boom – perhaps even a bubble.[39] As noted, there is a yawning gap between prospects for senior products like PERS versus consumer wearables like Fitbit – or those thousands of marginally beneficial smartphone health apps.[40] But there is nothing preventing a PERS vendor from integrating gait analysis and health status monitoring into the service. The flipside is also true – each of the so-called Digital Health/mHealth technologies can match needs of the large and wealthy boomer cohort in the Longevity Economy.[41] Incubators and innovators know that health technology is increasingly aligned with insurer interest and government incentives.

  *"Our partners are focused on making a real impact – for example, focusing innovation on pre-diabetics could help prevent progression of disease." – Jenna Rose, **Healthbox***

- **Separate user interfaces from physical devices.** Regardless of device, today's apps like **MyFitnessPal** and **Netflix** can quickly remember who we are and what we've done, storing preferences and history 'in the cloud.' Technology vendors offer an opportunity to customize – not just what apps we see, but how they are configured, what our preferences are, who we know, and where we have been. Customization capabilities have evolved significantly in the past few years. But pre-configured profiles that match our aging personas? **Samsung**'s Easy Mode is a small start, but much more must be done.

  *"Make products everyone can use. Notice that I am making a mistake – tell me to move my mouse to the right! Everyone may want a sensor in their house – healthy young people too." – Laura Carstensen, **Stanford Center on Longevity***

- **Craft a total customer experience that blends online and offline.** Offline doesn't necessarily mean retail – unless it is a simple and self-explanatory product that a consumer recognizes from advertising and online sources. Instead, crafting the total experience can involve publications, online sites, and great service through call centers – driven by advertising in publications that the target audience reads. For examples see **FirstStreet Online** and **GreatCall** in AARP news publications.[42]

- **Understand that design-for-all means experienced by all.** Following the 2010 introduction of the iPad, thanks to Steve Jobs we can now find tablets everywhere, at multiple price points, form factors and configurability. Tablets are being given away upon move-in to assisted living, found in homes across generations, at the entrance of hotels, and in the executive suite. As AARP saw with its AARP TEK training in Atlanta, seniors are eager to learn what tablets can offer and how to use them.[43]

  "One of our community's testers took a product apart and discovered two software bugs that led developers to make changes." – Tom Esselman, **Institute for the Ages**

- **Engage with older adults to turn bystanders into buyers.** As Lively executives learned from testing at Sarasota's Institute for the Ages, older adults want input into product design.[44] And they may also be waiting in the wings as a target audience – as Wello discovered with its high-end online personal training.

  "We started out expecting that this was NOT our target population, we don't message to them – but we stumbled across the AARP market segment and now see the opportunity." – Ann Scott-Plante, Founder and Co-CEO, **Wello**

FINDING APPROACHES THAT WORKED FOR OTHERS

In some ways, when economic growth is challenging, it can be the best of times for entrepreneurs – whether in startup companies or established firms. And that has never been more notable than today. Barriers to initial entry for online businesses are low, public policy has created gaps and opportunity, and ideas for new products and services are plentiful. But obstacles and risks are also plentiful. As would-be entrepreneurs, innovators, and investors evaluate the pathways ahead of them, they should consider past learnings coupled with the advice and experiences of interviewees featured in this report (see **Figure 7** and **Figure 8**):

Starting the Business	Why/Example
Find incubators and accelerators that are open to investing in a segment of the 50+ population	Start Up Health (health and wellness) to Innovate LTC (aging)
Watch for regulatory shifts and leverage them	Affordable Care Act cost, quality incentives and penalties
Precipitate price disruption from innovation or miniaturization	If existing products require installation, can new designs be user-installable?
Utilize crowdfunding to validate concept, gain early customers	Enabled by the 2012 JOBS act, sites have proliferated
Innovate at life-stage transition points	Death of a spouse, divorce, serious illness
Hire a product to do a job	Avoid invention because it is cool – find gaps that need new products
Unseat the gorilla	Find a weakness that can be exploited

Figure 7 Starting the Business Practices

Design for all, Customize on Need	Why/Example
Create a solution, not a product	Look for prospective partners before launching the company
Market to the influencer and referrer	Families, not the ultimate user, need a message that resonates with them
Transform senior technology to be health condition-specific	Narrow focus (like diabetes, arthritis, dementia) to succeed, then expand
Separate user interfaces from physical devices	Design site or software to be portable (PC/Mac versus Tablet/Phone)
Create a total customer experience online and offline (not necessarily retail)	Phone support + online + channel partner
Design-for-all – include product customization features that embrace multiple audiences	OXO cutlery incorporates universal design principles
Engage with older adults to turn bystanders into buyers	Send developers to meet users like Co-Patient Carol or a Real Senior

Figure 8 Design for all – principles for entrepreneurs and innovators

Interviewees

Scott Peifer, AgeTech West
Katy Fike, Stephen Johnston, Aging 2.0
Joseph Gwin, BioSensics
Jeh Kazimi, Breezie
Chiara Bell, Careticker
Michele Ahlman, Clear Sounds
Rebecca Palm, CoPatient
David Inns, GreatCall
Eric Baczuk, Lindsey Mosby, frog design
Jenna Rose, Healthbox
John Reinhart, InnovateLTC
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Ron Goldberg, Isowalk
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Daniel Trigub, OpenPlacement
Sombit Mishra, QMedic
Laura Carstensen, Stanford Longevity
Steve Moran, Vigil Systems, Senior Housing Forum
Lisa Suennen, Venture Valkyrie
Ann Scott-Plante, Wello

About the Author:

Laurie M. Orlov, a leading tech industry veteran, writer, speaker and elder care advocate, is the founder of **Boomer Health Tech Watch** and **Aging in Place Technology Watch,** a market research firm that provides thought leadership, analysis and guidance about technologies and related services that enable boomers and seniors to remain longer in their home of choice. In addition to her years of technology background and years as a technology industry analyst, Laurie is certified in geriatric care management from the University of Florida, and has served as a long-term care ombudsman in Florida. She is the author of other market reports, including **Next Generation Response Systems (2013)**, **Future of Home Care Technology (2012),** the **Link-age Technology Survey Age 65 to 100 (2011)** and **AARP: Connected Living for Social Aging (2011).** She has served as a member of the Philips Think Tank on Active Aging and speaks regularly on the topic of technology and older adults.

In her career, Laurie has spent more than 30 years in the technology industry, including 24 years in IT and 9 years as a leading industry analyst at Forrester Research where she was often the first in the industry to identify technology trends and management strategies which have survived the test of time. She speaks regularly and delivers keynote speeches at forums, industry consortia, conferences, and symposia. She has served in an advisory capacity to leading organizations like AARP, J&J, Yahoo!, Microsoft, Novartis and Philips. Her blog posts are featured on numerous websites about topics related to boomers and seniors. Learn more at www.xhealthtech.com and www.ageinplacetech.com.

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