

Gold IN THE Old

India has a little over 100 million seniors – roughly equivalent to the entire populations of Italy and Spain – compelling a host of companies to chase after this lesser bandied about demographic dividend

:: Rahul Sachitanand

Sixty-year old Preeti Kataria bristles at the suggestion that senior citizens like her need to lead a low-key life and leave all the fun to youngsters. The senior executive with realty company Kalpataru and her 62-year-old husband travel more and harder than people half their age – and show no signs of settling down to a docile, retired existence anytime soon. They have travelled the world as a couple, insisting on taking self-drive holidays, and taking up activities most would shy away from.

Last year they visited New Zealand and made an adrenalin-soaked holiday of it; they went hand-gliding, para-gliding and even bungee-jumping. They drove 2,000 km in two weeks as they toured the North and South Islands in search of adventure. Later this year, the Katarias (her husband, Pravindra, 62, is also her colleague at Kalpataru) plan to shift their holidaying another gear up, when they travel to South America for their next vacation. “We don’t like the idea of a bustling group tour...we like to take our time and see everything at our own convenience,” says Preeti. “We surf the internet and we piece together customised itineraries...being old is all in the mind.”

While the Katarias may be defying age, more sedate senior citizens have relatively mundane requirements – someone to keep them company, track their medicines and keep them safe from

intruders. Bengaluru-based home healthcare firm Portea gets almost half its business from senior citizen services, says founder Meena Ganesh. “We act as the healthcare manager for senior citizens,” she explains. “With many senior citizens staying on their own and the guilt and/or inability of children to take care of them, we offer an elder care plan to keep them updated.”

In the past 18 months, Portea has added some 40,000 customers, is present in 24 cities and plans to be in 50 in the next couple of years. “We see an entire range of senior citizens...from those who want to remain on their feet and be energised and active to those who are neglected,” she adds. Portea offers an entire breadth of services – doctor’s visits, nurses, collection of samples, and follow-up with specialists when required. The company uses technology to allow family members living far away to keep tabs on seniors and to know if elders fall or are prone to.

Living Life to the Fullest

This is just the comfort sought by 84-year-old Pandurang Pai, a retired banker who stays in Malleswaram in Bengaluru with his 80-year-old wife Sumathi. With both their sons in the US, the couple have enlisted with Portea to not just keep a track of their health, but also to keep them en-



BHARAT CHANDA



TRAVEL

MARKET POTENTIAL: According to a research by Amadeus and Frost & Sullivan in 2013, the market for outbound Indian senior citizens is projected to grow from **1.3 million to over 7.3 million over the next 15 years.** Thomas Cook India **expects the domestic segment to increase by a minimum of the same 7x multiple** – and on a much larger base

Preeti (60) and Pravindra Kataria (62)

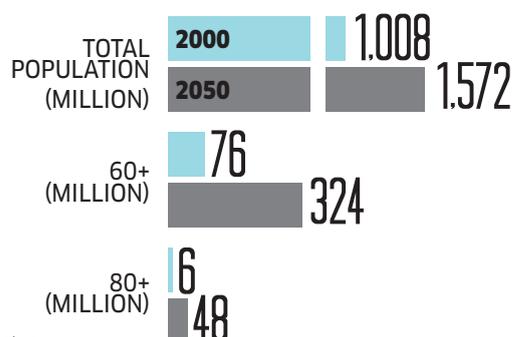
The Katarias are frequent travelers. They will head to South America later this month and, defying most age-related stereotypes, will try most adventure activities at hand

*We surf the internet and we piece together **customised itineraries...being old is all in the mind***

WHAT SENIOR CUSTOMERS NEED: Slower-paced itineraries, **more hand-holding during departure and arrival,** escalators, elevators and wheelchairs, and convenience for those on **dietary restrictions**

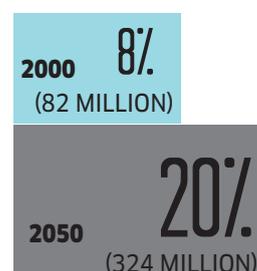
SENIOR CITIZEN SIZZLE

Seniors' Population will Grow Over 4-fold over 50 Years...



...and they will Account for a Larger Part of the Population

POPULATION AS PERCENTAGE OF TOTAL POPULATION



Overall population growth between 2000 and 2015

55%

Population growth of those in their '60s in this period

326%

Population Growth of those in their '80s

700%

By 2050, Jones Lang Lasalle, a real estate advisory, expects the number of senior citizens to equal the under-18 demographic



Sumathi (80) and Pandurang Pai (84)

The retired banker and his wife live on their own in Bengaluru and lean on support from Portea's aides to stay physically and mentally fit



Not only does our nurse give us the right advice and check whether we are taking our medicine, she also spends some time [with us]



HEALTHCARE

MARKET POTENTIAL: According to industry estimates, the market for home healthcare in India is worth **\$4 billion**, growing 20-25% annually

WHAT SENIOR CUSTOMERS NEED: Periodic checks, regular and close monitoring; **technology is expected to play a greater role with this demographic**, to enable remote monitoring of elder folk

gaged. "Both my sons...were worried about us as we are alone," Pai says. "Not only does our nurse give us the right advice and check whether we are taking our medicine, she also spends some time and we love to speak to her."

Senior life is increasingly about finding ways to live life to the fullest. While some like the Kataris are globetrotting, others are moving into swish senior residences to reside in comfort,

with central kitchens, laundry and housekeeping services. Rather than succumb to the vagaries of an ageing mind and body, many are enlisting home healthcare services to keep a close eye on them and investing in tailored financial services products to build a safety net for emergencies. And if they do get lonely as they age, many of them are looking for – and finding – love in their old age.

India has for some time now been perceived as a market of the young; a recent United Nations report states that India has some 356 million 10-24 year olds, far more than any other country. Marketers have dived into this opportunity to hawk an assortment of products and services. However, in the last couple of years, another unexpected – and older – group is standing up to be counted. Senior citizens, those aged over 60 years, are nearly 100 million strong today and growing (see *Senior Citizen Sizzle* on page 20).

A Happy Retired Life

In a youth-centric economy, devising a product or service for seniors can be a challenge. Consider specialised medicine for this demographic. According to experts such as VS Natarajan, India's first geriatric specialist, there are fewer than 100 trained doctors in this field. While remuneration may be one reason, practising medicine with the elderly can be tough. Doctors can obtain a post-graduate (MD) in geriatrics only in five colleges in India and the degree was only recognised in 2012.

The good news is that there's a national institute for the ageing in the works along with seven regional geriatric centres nationwide.

"As people grow older and live longer, there

are more cases of Alzheimer's, dementia, prostate cancer and seniors are falling more," says Natarajan. "As the medical fraternity deals with the needs of this ageing population, more medical institutes will develop subspecialties such as geriatric neurology and orthopaedics to deal with their ailments." While the elderly are treated based on four parameters – medical, mental, functional and social problems – doctors also have to learn to avoid polypharmacy, or using four to six drugs at once.

Preeti Chhabria was a specialist in internal medicine in the US for 15 years; she moved to India two years back and set up a clinic for the elderly at Hinduja Hospital in the neighbourhood of Mahim in Mumbai. However, earlier this year, when Chhabria moved to Sir HN Reliance Foundation Hospital in southern Mumbai where she will be starting a geriatric clinic soon, the Hinduja clinic closed down. Such is the dearth of geriatric specialists like her in India.

In India, often doctors in their old age turn to treating older patients and become gerontologists. Chhabria is an exception. She says: "India as a nation seems to have developed a tunnel vision focused on the youth. We refuse to accept that this large young population in a matter of decades will become old." She sees some hope. "I just got an email

from a young doctor who has passed out specialising in gerontology from AIIMS, New Delhi. It seems some young doctors are realising the scope." The demand too is muted in India. In the US, Chhabria says, the state through their medicare programme takes care of medical needs of people above 65. "In India, seniors somehow accept pain as a part of growing old," adds Chhabria, who loves to show her patients how quality of life can improve in old age with preventive gerontology.

Hip fractures and strokes are the two major events that can cause quality of life to deteriorate in old age, and Chhabria thinks both can be avoided with preventive care. The other need is psychiatric care. "Seniors start losing in old age; they lose friends, spouses, jobs, sight and control over body functions. All these can lead

to depression," she adds.

Even as age eventually catches up, seniors are also leaning on an array of living and health aids – supports, walkers, hearing aids and pill organisers – to keep them on their feet, or at least mobile. And as they get used to living alone, with the breakup of once joint families, they are learning to embrace technology (with senior citizen friendly phones from the likes of iBall, Philips and Panasonic) and in an age of increasing violence against the elderly, take proactive steps to keep themselves safe.

The rise of India's silver economy is opening up an unusual opportunity for companies. Company executives targeting this demographic dividend say that senior citizens are



We have lived in cities for 40 years of our lives and we wanted to live away from all the hustle and bustle of a city, but with all the conveniences"



HOUSING

MARKET POTENTIAL: According to real estate consultancies such as Jones Lang Lasalle and CBRE, there are **30-35 senior citizen projects built in India and dozens more under construction** or on the drawing board. Many, many more are needed

S Gopalakrishnan (62)

is looking forward to his retirement. The financial services veteran has purchased a house on Bengaluru's periphery and can't wait to move in.

WHAT SENIOR CUSTOMERS NEED: Wider entrances, **non-slip floors**, grab rails at entry and in various rooms, one or two person elevators, and **medical facilities within the complex** or in the vicinity. The more affluent can do with laundry services, housekeeping and a clubhouse



The Japanese Way

A decade ago, Japan's population declined for the first time and, over the next two or three decades, the Land of the Rising Sun will feel the full force of this demographic shift. According to forecasts from Japan's Cabinet Office, the country's labour force is expected to decline from 66.57 million in 2006 to 42.28 million by 2050. Already, a quarter of Japanese are over 65 and this will increase to a third by 2030. These data points have compelled companies across industries to innovate for the elderly. According to government data, two sub-categories – those between the age of 60 and 69 and over 70 years of age – are mostly well settled and have better purchasing power than those decades younger.



This has pushed companies ranging from auto giants such as Honda and Yamaha to offer custom-built wheels for seniors; the likes of

ThyssenKrupp, best known for its range of elevators, to **devise aids for those with mobility challenges**; homegrown fashion label Otto, used to dealing with customers aged 35-55 since the '80s, have tailored fashion and fit as their patrons have aged; and **Fujitsu's Raku Raku (easy) phone**, custom-built for the aged, has racked up sales of over 20 million units since the launch. An **elderly care Robot named Paro** has also been



designed to act as a companion for senior citizens in hospitals or care homes. Japanese giants such as Panasonic too are

bullish on this opportunity, providing home makeovers to make kitchens, bathrooms and living rooms more senior-friendly and hawking aid products to help them live a more comfortable life. Even Nintendo, the gaming company typically focused on the young, is targeting its consoles at the Japanese elderly, as everyone scrambles to mine this rapidly greying market

Dr VS Natarajan (75)

has three decades of experience treating senior citizens, and as patients line up, there's no sign of rest for India's first geriatric specialist



*As the medical fraternity deals with the needs of this ageing population more medical institutes will develop subspecialties such as **geriatric neurology and orthopaedics to deal with ailments of the ageing***



MEDICINE

MARKET POTENTIAL: Elderly health problems are complex and require special skills for management and hence the **need to develop geriatrics as a separate speciality**. There are no more than **100 geriatric specialists in India and barely five institutes** providing a post-graduate degree in geriatrics

benefiting from having a much longer post-retirement life than their predecessors. And, to make the most of these years, they are looking for stable monthly incomes, avoiding market volatility and preferring to have returns 2-3% more than bank fixed deposit rates (net of tax) to lead a happy retired life.

"Seniors prefer to have a fixed monthly income and avoid the churn associated with playing the markets, to grow their wealth" says Nimesh Shah, managing director & chief executive of ICICI Prudential Mutual Fund. He adds: "In the long run, equity markets have delivered better returns over other asset classes. We want seniors to not shy away from market volatility as there are products available which provide an opportunity to benefit from it and mitigate risk."

ICICI Prudential's Balanced Advantage Fund is a product that aims to address such investor requirements. The fund uses an algorithm for asset allocation between equity and debt; allowing it to invest more in equities when markets are cheaper and shifting to debt when markets rise by booking profits. This dynamic asset allocation model helps to tackle market volatility favourably.

Senior citizen themselves say that the benefits of these financial services products are welcome, but these companies need to do more for this demographic. "Senior citizens need to be dealt with more patience and need to be explained the nuts and bolts of an account or policy better," says Vijay Aundhe, a 74-year old retired banker who operates multiple senior citizen accounts and mutual funds. "We are a stable demographic who often have mobility issues...initiatives like home banking may help us more than feature-rich products."

Some banks seem to be listening. "It has been six months since we launched targeted

WHAT SENIOR CUSTOMERS NEED: Specialists dealing with senior citizens that look at the big picture – a slight rise in blood sugar, for instance, may mean little **if an 80-year old is otherwise healthy**; doctors generally advise that **older patients tend to live with a number of ailments, whose treatment needs to be balanced**

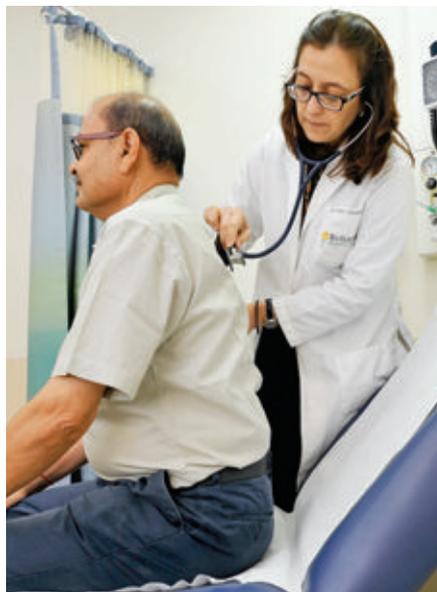
products for this age group and we have been pleasantly surprised by the popularity," says Sumit Bali, senior executive vice-president and head – personal assets, Kotak Mahindra Bank. "These customers are retiring at the same age, but living longer. They are willing to listen to investment advice to make their savings last longer. A few banks such as Kotak Mahindra offer priority service and home delivery of cash to try to attract more senior citizens."

The old way of thinking – and doing business – seems to be giving way to the new. "India's demographics have changed...younger folk now earn their own income and senior citizens don't have to worry about leaving an inherit-



*India as a nation seems to have developed a tunnel vision focused on the youth. **We refuse to accept that this large young population in a matter of decades will become old***

Preeti Chhabria, consultant, internal medicine, Sir HN Reliance Foundation Hospital



ance behind," says Rahul Upadhyay, founder of Seniorshelf.com, a website focused on the needs of seniors. "India has the second largest population of elderly in the world – almost 10 crore total – and this is a massive opportunity for these companies." He points out that in the past 12 months that his site has been operational, it has racked up some 40,000 users, with 500 more being added every day. "Customers aren't aware of most of these products or they think they are expensive," he adds. "We have already catalogued 3,500 products on our site and are adding dozen more."

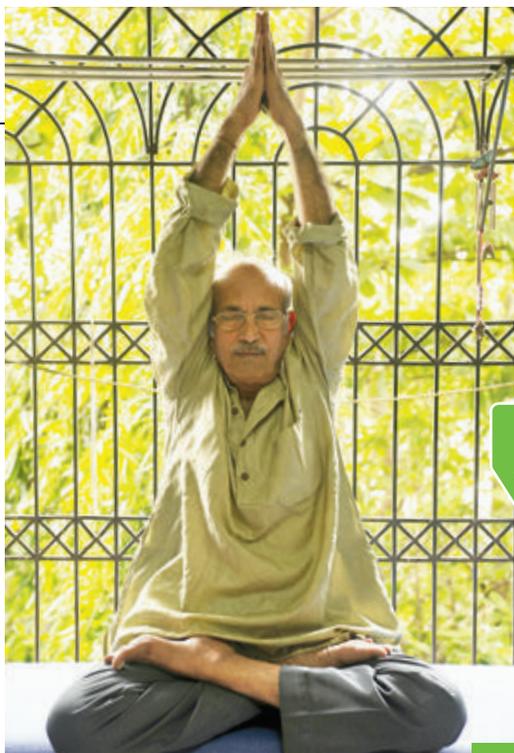
As they zero in on this new opportunity with the old, companies are realising they have to deal with this demographic rather differently. For example, travel giant Thomas Cook spent six months at *Chai par Charcha* organised by the Dignity Foundation to try to understand senior citizen travellers better. This resulted in Thomas Cook discovering two distinct sets of travellers in this age group – the first one a more cautious bunch, often of first timers and the second (like the Katarias) a more adventurous group, willing to push the envelope.

"With senior citizens too, travel is no longer a luxury, but a necessity," says Shibani Phadkar, senior vice-president and head – leisure travel (outbound) products, Thomas Cook India. "Senior citizens want to be handheld more. They are particular about their diet, and schedules need to be carefully constructed keeping in mind their limited mobility." However, backed with growing financial independence, backed by an occasional top-up from their children, many seniors are opting to push the envelope when they go on holiday."

Soaring Demand

According to real estate consultancy Jones Lang Lasalle, the current demand for senior housing in India is about 3,00,000 units. That's only a fraction of the potential in India, reckon industry executives. "The idea is to provide a lifestyle suited to seniors... giving them the freedom to lead a better life," says Brotin Banerjee, managing director and chief executive of Tata Housing. "A significant section of seniors today are financially well off, independent... well-travelled with an openness to spend their retirement in a senior living home." Tata Housing has invested ₹1,200 crore in this initiative and its first unit called Riva Residences opened in 2013 in Bengaluru. The company has been deluged with over 4,000 enquiries for these units.

S Gopalakrishnan, a retired financial services executive, is someone who is looking to move from the chaos of Mumbai – and an apartment on the tony Napean Sea Road – to the calmer confines of a Riva Residence. "We have lived in cities for 40 years and we wanted to live away from all the hustle and bustle of a metro, but with all the conveniences," says the 60-year old.



BHARAT CHANDA

Vijay Aundhe (74)

thinks senior citizens are a force to be reckoned with as customers for financial services companies. He has been practicing yoga for the past 15 years to keep his mind and body nimble, and says banks and other institutes too need to be alert to the needs of this demographic



We are a stable demographic who often have mobility issues...initiatives like home banking may help us more than feature-rich products"



FINANCIAL SERVICES

MARKET POTENTIAL: According to estimates, **barely 5% of senior citizens have health insurance, 5-10% hold bank accounts**

WHAT SENIOR CUSTOMERS NEED: **Stability with their investments, prefer to have people visit them and opt for simplicity in policies, accounts and statements**

senior citizens," adds Parasrampuria.

Gutsy seniors, determined to stay on their feet, are using a combination of healthcare and technology to their benefit. As they learn to adjust to living alone, with children and younger relatives visiting infrequently, they are looking for new ways to stay sprightly. For example, Sujata Kumar works as a vice-president with a large aviation company in Doha, Qatar. Her mother, Leela Kumar, is based in Delhi and is 75 years old. A retired teacher, she has been suffering from a serious kidney condition, but even after her husband passed away 16 years ago, she is determined to keep busy. "We therefore looked for a solution which would allow my brother and me to be in control of her medical treatment," says Kumar.

The duo have opted to sign up with Bengaluru-based Portea to stay updated with her mother's condition. Portea's panel of doctors did a full assessment of her medical condition

and implemented a care plan which included monthly visits from general practitioners, regular tests and nursing assistance. They even connected her to a specialist doctor and have taken responsibility for ensuring that the doctor's recommendation is followed through. "We started using the service in April this year and have since had the peace of mind that my mother's treatment and nursing care are being well taken care of and responsibly followed through," she says. With her medical documents available online, the Kumars say their mother feels more confident to be able to retain control over her life and take her own decisions.

A Feat to Look Forward to

Even as senior citizens become more independent and aim to lead richer post-retirement lives, many admit that staying alive may be a feat. "The single most common concern that people voice when enlisting our services is security," says Shirsha Guha, founder of Deep Probeen Porisheba (DPP), a provider of elder services in Kolkata. "As of now we have not come across a gadget or device that satisfactorily addresses the [safety] needs of seniors."

DPP, then, relies on a small team of trained and vetted *sahayaks* or helpers to keep its senior citizens company and keep them safe. "Regular reports are sent to family members...in cases where family members are outside of Kolkata, a local designated emergency contact is always taken," she explains. Senior citizens are vulnerable, with a report by the UN Population Fund in 2011 revealing that security was cited as the third biggest threat for the elderly in India after health and financial woes.

To try to keep a close eye on senior citizens, DPP has put in place multiple levels of quality control and tracking and screening. "But most of all, we try to be a part of the family," adds Guha. "We try to make them feel like they can turn to us whenever they need something, not just the senior citizen we serve but their children and families as well."

While companies may be chasing after these senior citizens with a slew of products, it just may be a safe walk in the park that makes their day. ■

(With inputs from Suman Layak)

ET magazine VIEW

A COUNTRY FOR OLD MEN, AND WOMEN

In a country fascinated with the young, the old are trying to have their day in the sun. Compared to the frenetic action around hawking products to millions of India's tweens, teens and young adults, selling to the elderly appears to be a drag.

They ask more questions, take longer to decide and are often swayed more by emotion than logic – by sticking with a banker who comes home, asks them about their grandkids, rather than the pushy one proffering a higher interest rate.

However, as India ages, it is inevitable that this demographic – and indeed those who will grow old in a decade or more – is courted. From a country blessed with a demographic dividend favouring the young, India will grey quickly over the next couple of years – a fifth will be over the age of 60 by 2050 according to the UN – and it may be time for companies and brands to think old, for a change.

Two years ago, the Coimbatore native booked his property at this development and can't wait to move in. "We don't have to cook, since there will be a central kitchen, don't have to depend on erratic domestic help and for a cost, even medical assistance is taken care of," he says. This promise has made him book two units here and purchase another retirement home in his hometown. According to industry estimates, there are as many as three dozen senior living homes operational.

If senior living homes is perhaps the largest and most visible category for elders, then mobile phones, an industry obsessed with marketing to the young and the hip, may have unlocked a hidden opportunity at the other end of the age scale. According to estimates from handset makers and retailers, there are at least a dozen handsets targeted at senior citizens. For example, iBall, a consumer electronics firm, launched its Aasaan phone for seniors three years ago and will soon unveil the third generation of this device soon.

Peace of Mind

"Senior citizens have different requirements from their phones," says Sandeep Parasrampuria, director at iBall. "Age, sight and hearing are all factors that they consider when they buy a phone and our phone can even blow a siren when they are in danger." The iBall Aasaan phone has large buttons, larger characters on screen and has an enhanced speaker to improve audio.

The latest generation of the phone will be fitted with a hearing aid-like device, he claims, to further improve audio for older users. "We have also added some direct keys to this phone to enable simpler access to basic apps to make its use as simple as possible for

Senior Citizens have some Key Challenges

LIVING



40% of them live alone

10% of them need help with daily activities

HEALTH

30% of seniors have health concerns

Back & joint aches, cardiac ailments and diabetes are the main concerns

LIFESTYLE

Travel and health the biggest expense after food

Leisure activities to pass time a key need

Barely 8% shop online regularly



The Other Markets

LIVING AIDS



MARKET POTENTIAL: Industry estimates peg the market size at ₹28,000 crore (including all types of living and medical aids); expected to more than treble to ₹96,000 crore in the next five years

WHAT SENIOR CUSTOMERS NEED: **Patience and product awareness from the seller**

SECURITY



MARKET POTENTIAL: In a report by the UN Population Fund in 2011, security was cited as the third biggest woe of the elderly in India after health and financial problems

WHAT SENIOR CUSTOMERS NEED: **A trusted third party to keep a watch over them**

MOBILES AND ELECTRONICS



MARKET POTENTIAL: According to a recent survey by Telenor, **only 6% of people over the age of 50 own a mobile phone connection. With smartphone prices falling below ₹5,000 and data speeds improving, increasingly proficient seniors could be a nascent target market**

WHAT SENIOR CUSTOMERS NEED: **Rather than feature-rich smartphones, which intimidate them, they prefer simpler handsets, with larger keypads, clearer displays and some safety functions too**