



Kawai Memorial OLIS Asia Life Insurance Symposium

Hit Products in the Senior Market - From the perspective of Gerontology

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Senior life design

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Self-Introduction

Public work


- Tokyo Metropolitan Government
Nursing Care Service Public Information System Investigator
- Tokyo Metropolitan Government
Welfare Service Third-Party Evaluation Evaluator

Research work

- Chief Researcher of the Secretariat, Society for Applied Gerontology - Japan
- Collaborative researcher, Institute for Aging and Development, J.F. Oberlin University

General work

- Consulting (ex., Product development for seniors)
- Research (mainly qualitative)
- Corporate consulting
- Lectures, speeches
- Writing



Do you know
what “gerontology” is?



Background of today's topic

Origin of a word, “gerontology”

Gerontology was coined by combining the Greek words••••

geronto (old people) } **Gerontology**
logy (study of~)



In Japan, “gerontology” was translated as “*rojin-gaku*” in 1950.



What is gerontology?

- 1 Scientific study of age-related change
- 2 Scientific study of issues of the middle-aged and seniors
- 3 Study from the perspectives of the humanities (ex., history, philosophy, religion, literature)
- 4 Application of the knowledge useful for adults and seniors

(Maddox et al. eds.: The Encyclopedia of Aging, 1991)

- 5 Study of intergenerational issues

Introduction to gerontology

(interdisciplinary content)



Gerontology

■ ■ ■ ■ ■

Liberal arts college

Law school

Department of sociology

Department of psychology

Nursing school

Medical school

Example of the composition of the department at each university or graduate school



The first half of the Ph.D. program started in 2002.
The latter half of the Ph.D. program started in 2004.

Figure 1 Structure of the master's program in gerontology at the Graduate School of Gerontology at J. F. Oberlin University

From: Hiroshi Shibata, Mission of Society for Applied Gerontology – Japan, Applied Gerontology 2007

Completed the first half of the Ph.D. program at the Graduate School of Gerontology, J.F. Oberlin University





Aging and Senescence

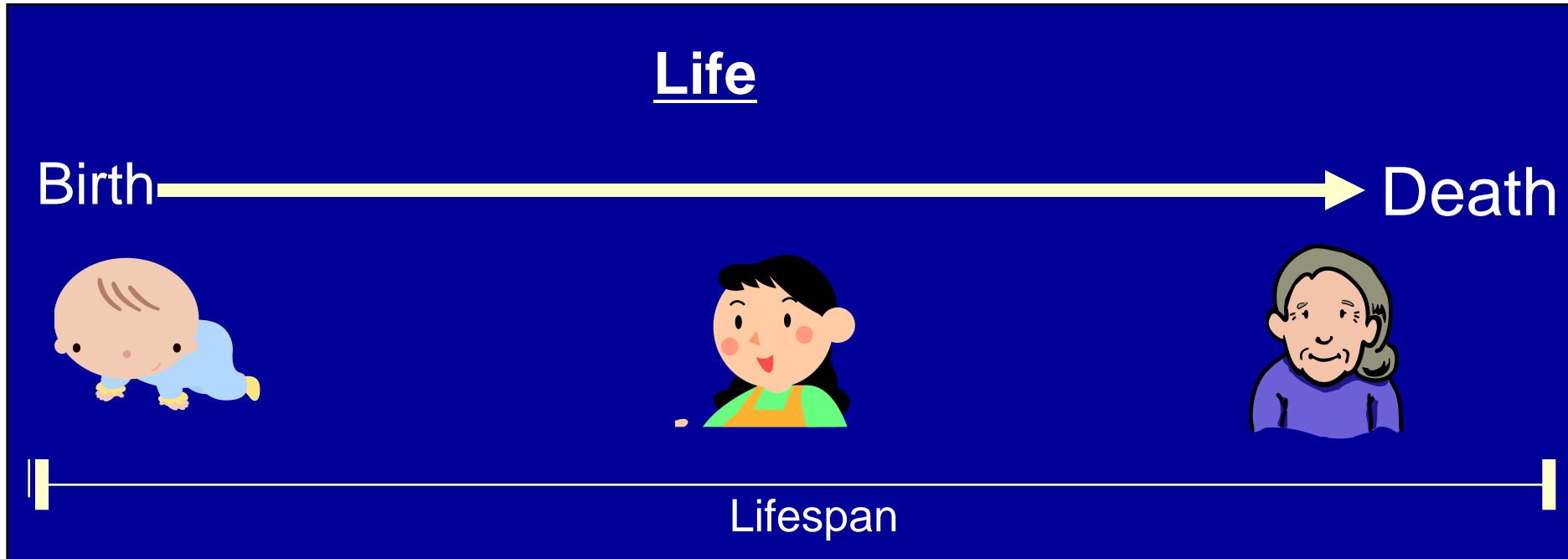


Aging and senescence I

- **Aging** = **Process of getting older**
- **Aging senescence** = **Weakening of mind and body due to aging**

Common = “getting older”

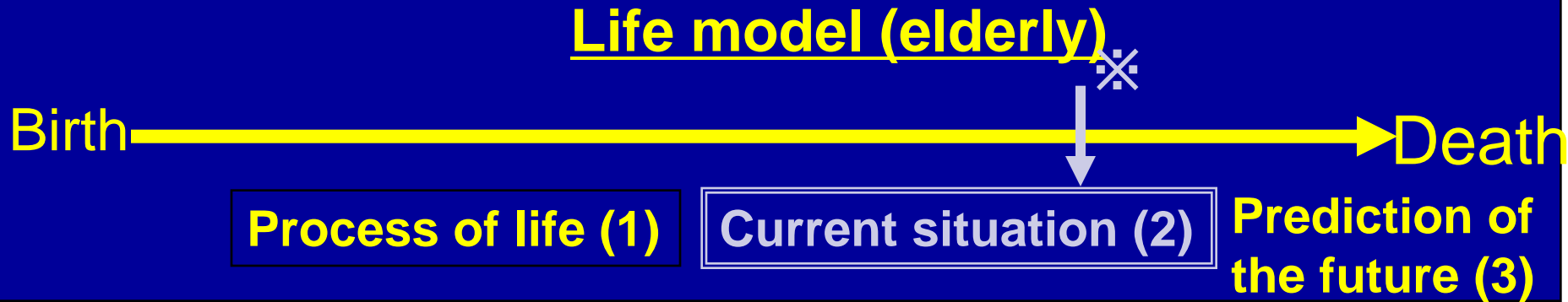
Aging and senescence II



Aging →

Senescence →

Aging and senescence III



Equation to understand elderly

(2) Current situation

- Physical factor
- Psychological factor
- Social factor
- Factor of physical environment

..... etc.

×

(1) Process

(3) Future

=

Understanding of the elderly

- Subjectivity
- Objectivity



Normal aging

- **Normal senescence** → **Physiological senescence**
- **Pathological senescence** → **More significant impairment of mental and physical functions compared with normal individuals of the same age**

Senescence from a biological perspective

- **Senescence of the motor system→**

Characteristically, impairment of motor function is not notable in mild exercise such as walking, but it is more extensive in running or exercise requiring instantaneous force.

- **Senescence of the sensory system→**

Sensory function such as vision, hearing, taste, skin sensation and sense of equilibrium generally decline. The main cause is weakened neurological function.

- **Senescence of the autonomic nervous system→**

Circulatory function, respiratory function, digestive function, urinary continence function, thermoregulation, body fluid regulation, blood sugar regulation, endocrine function

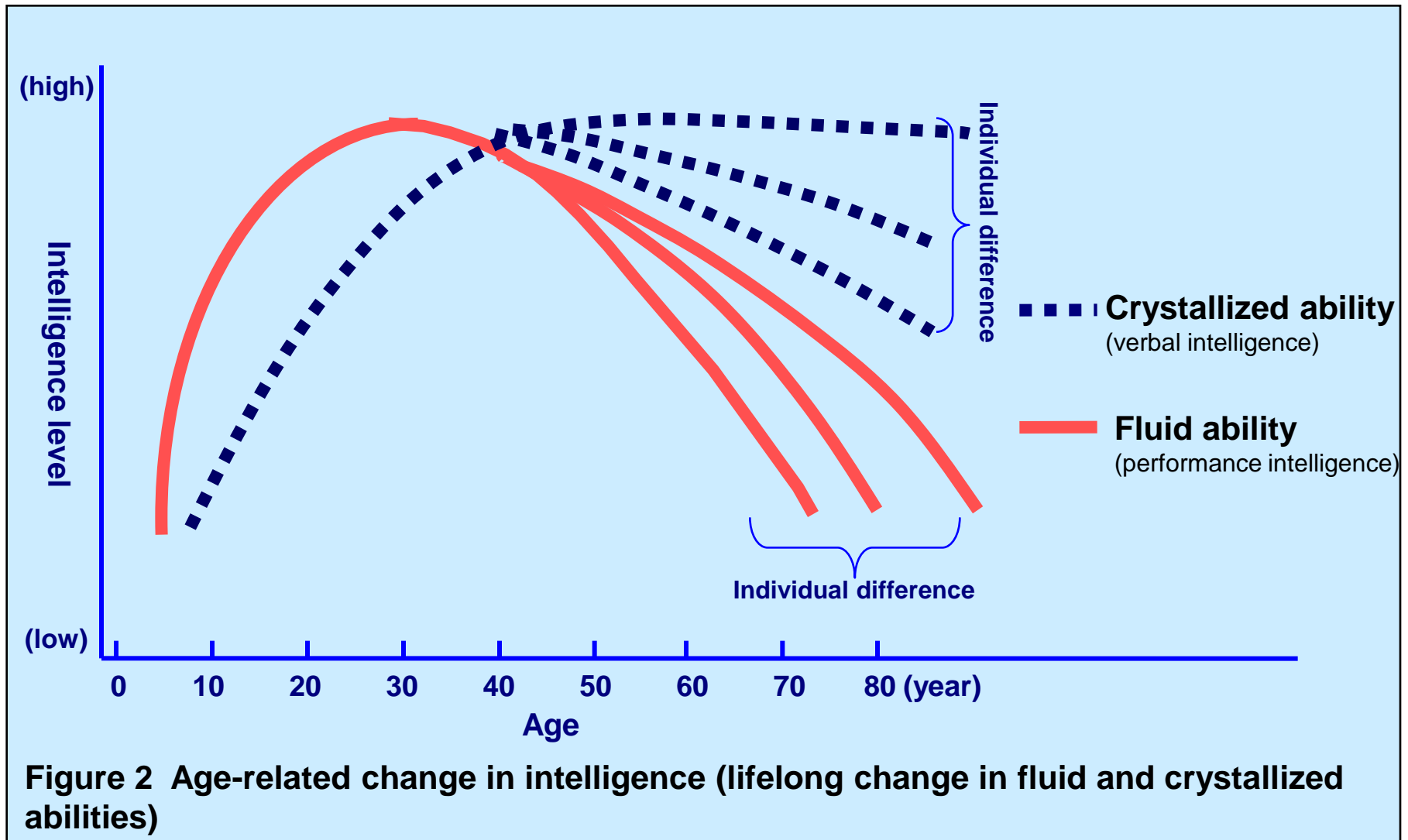
- **Senescence of the sleep-wake function→**

25 to 40% of elderly people complain of sleep disorder. Activity level is lowered with the age-related decline of sensory function and biological clock in the brain.

- **Senescence of the higher-level neurological system→**

Fluid intelligence

Age-related change in intelligence



Psychological change

Erikson's developmental stage and challenges



Age	0 -1.5 years	1.5 – 3 years	3 – 6 years	6 – 12 years	12 – 20 years	20 – 40 years	40 – 60 years	60 years -
Stage	Infancy	Early childhood	Play age	School age	Adolescence	Early adulthood	Adulthood	Maturity (old age)
Challenge or component	Trust Mistrust	Autonomy Shame and doubt	Initiative Guilt	Industry Inferiority	Identity Role diffusion	Intimacy Isolation	Generativity Stagnation	Ego integrity Despair
Energy for living	Hope	Will	Purpose	Competence	Fidelity	Love	Care	Wisdom



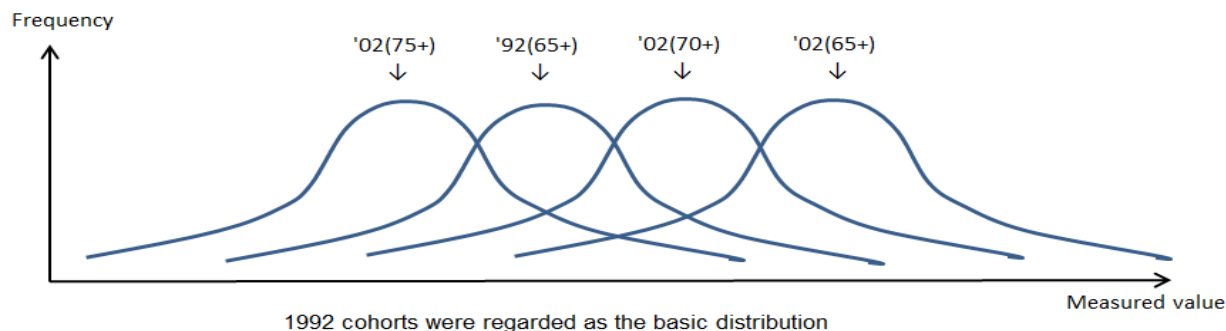
New concept of old age

(Peter Laslett)

- | | |
|----------------|---|
| (1) First age | ▪ ▪ ▪ “Age of dependence, immaturity and being raised” |
| (2) Second age | ▪ ▪ ▪ “Age of independence, work, culture and saving” |
| (3) Third age | ▪ ▪ ▪ “Age of accomplishment, completion and fulfillment” |
| (4) Fourth age | ▪ ▪ ▪ “Age of dependence, decrepitude and death” |

Men became 4 years younger and women became 10 years younger in terms of their grip strength. Both men and women became 11 years younger in terms of normal walking speed.

Improved level of health = prolonged average life expectancy

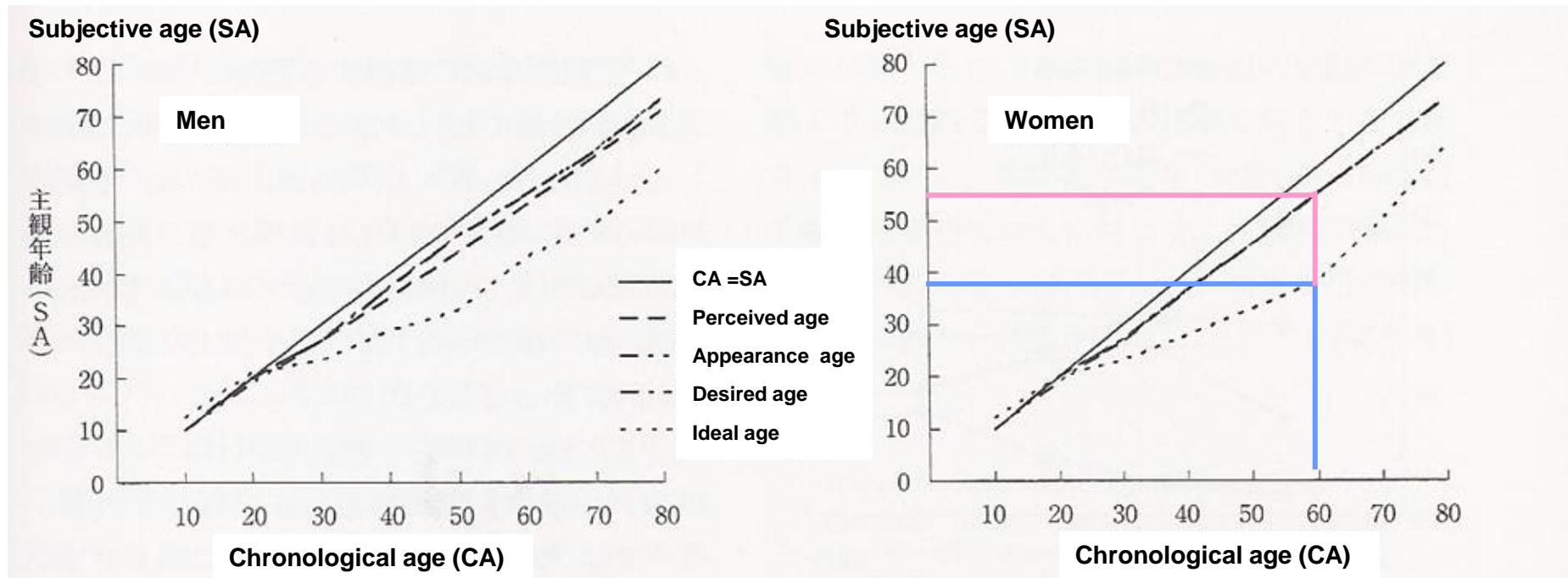


Which age cohort of 2002 matches the distribution of measured values of the 1992 cohort of people aged 65 years or older?


Measured value	Mean \pm standard deviation		
	1992 (65 years or older)	2002 (age of matching distribution)	
Grip strength			
Male	30.2 \pm 6.9	69 years or older	30.0 \pm 6.6
Femail	18.2 \pm 4.9	75 years or older	18.2 \pm 5.3
Standing on one leg			
Male	36.6 \pm 24.0	69years or older	36.8 \pm 23.0
Femail	25.3 \pm 23.0	68 years or older	25.8 \pm 22.1
Normal walking speed			
Male	1.16 \pm 0.27	76 years or older	1.17 \pm 0.30
Femail	1.00 \pm 0.27	76 years or older	1.00 \pm 0.27
Maximum walking speed			
Male	1.92 \pm 0.44	69 years or older	1.92 \pm 0.42
Femail	1.56 \pm 0.40	73 years or older	1.55 \pm 0.38

Matching of data of age cohorts in 1992 and those in 2002

60-year-old women think that they are 5 or 6 years younger than their age.



Subjective age and real age (prepared based on Sato et al., 1998)



How to think about the Senior Market



Why is the Senior Market
hard to understand ???

Assumption by the selling/creating side (stereotype)

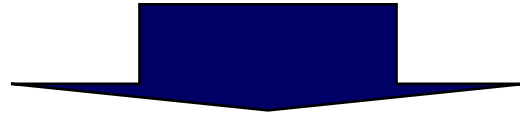


- They don't understand the body, mind and progression of seniors.

II

- The opportunity to holistically study seniors as in gerontology is lacking.

Seniors cannot be generalized.



Seniors are diverse
= highly individual
They cannot be classified by age

Difficulty of the senior market

- (1) Difficulty due to diversity → Income, work status, past experience
 - (2) Difficulty in understanding needs → Long years of experience, appearance
 - (3) Difficulty in recognizing and comparing products → Disparity related to information technology
 - (4) Difficulty of invisible consumption → Consumption for others, “koto” consumption (consumption of intangible values)
 - (5) Difficulty in predicting anxiety about future → Anxiety about disease, senescence and money
- ⋮
Etc.

Equation to understand seniors

Understand the insight unique to seniors based on the following two factors

Aging events + Life events

Equation to understand seniors

Insight
unique
to seniors

=

Era

×

Generation

×

Life
events

Aging
events

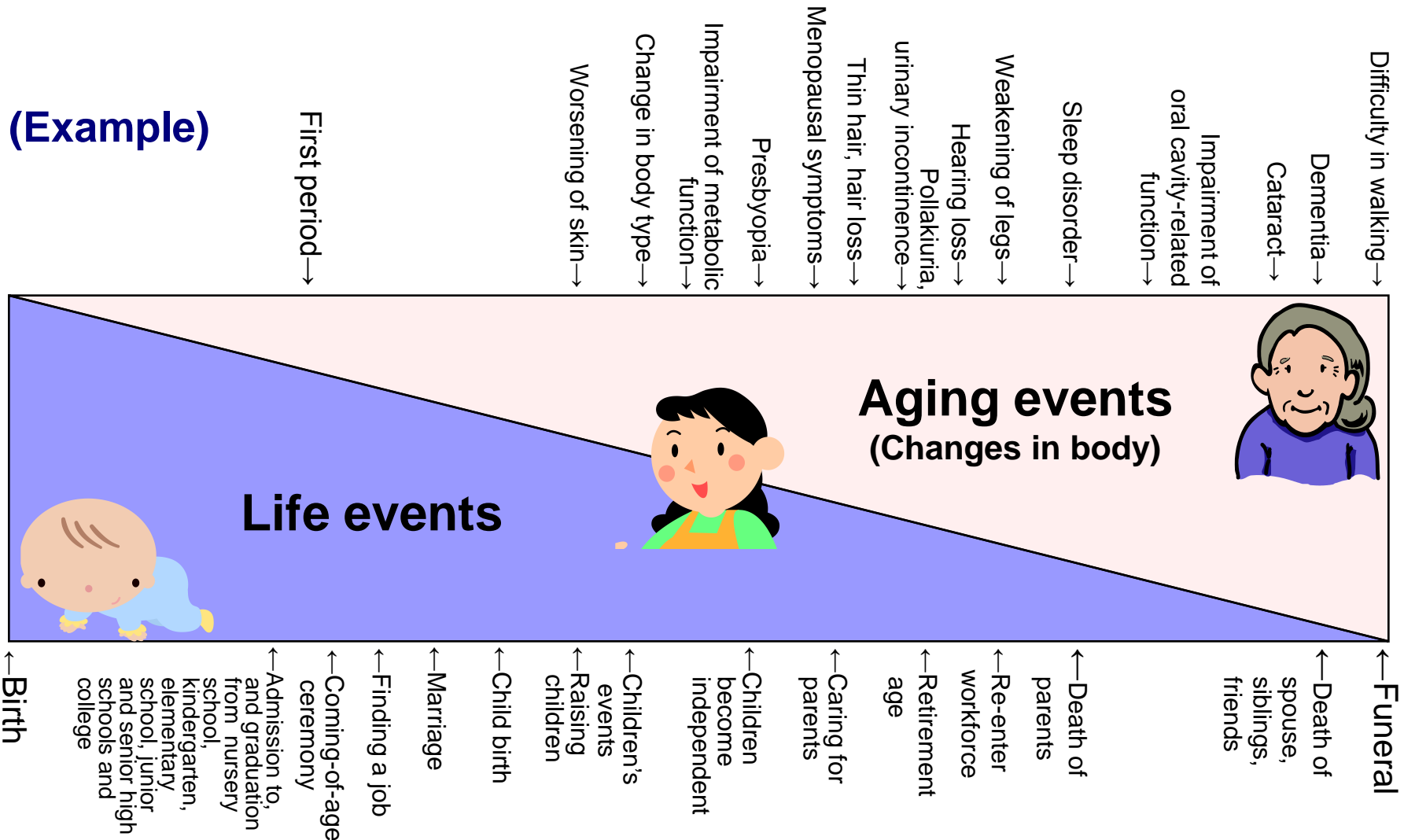
Uniqueness which is
also the origin of the
name at aging lab
(USP)

There must be a discrepancy in what
they feel, their values and
behavior due to different eras or
generations.

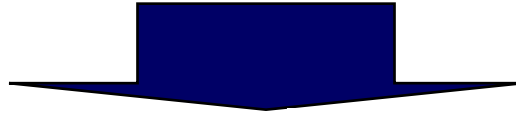
= Trigger for consumption

Key to understanding of seniors

There are many life events at younger ages and there are more aging events at older ages due to diseases or lowered ADL.



Successful example of “era”



Shopping mall



Cell phone

☆Point☆

- Trend toward nuclear families = can share time and communicate with other generations
- Change in the form of commercial facility and communication method

Successful example of “generation”



Clothing store



Sports club

☆Point☆

- Seniors want to have the same things as those owned by younger people and share the same time with younger people. They want to be younger.
Consumption by mother and daughters
- Change in how they use money

Successful example of “aging event”



Nutritional supplement



Cosmetics

Anti Aging Skin Care for
woman over 50
Tension and shine + moisture
and elasticity
EVITA Deep Moisture



Low-sodium soy
sauce

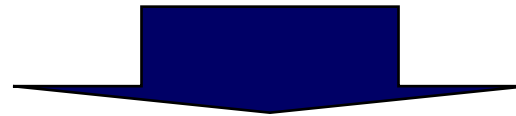
☆Point☆

The product appeal is clear and matches body-related troubles or problems of seniors. It is not sold face-to-face.

Successful example of “life events”




Set of an instruction book and a form for writing wills



JR-East (East Japan Railway Company)
For those who re 50 and up,
take 5% off the price of ticket
with the membership card

満50歳以上の方へ
きっぷが5%割引になる、
旅の必携カード



JR東日本

大人の休日
倶楽部

☆Points☆

- These products have a clear purpose and advantages.
- They suggest that it is good to be a senior (positive attitude toward being a senior).

The most successful example (off the record)



***“Ore ore (it’s me, it’s me)”* fraud (all the factors can be found)**

- Age-related physical change → Hearing loss (aging event)
- Psychological effect → Seniors want to help someone (life event)
- Crystallized intelligence →
Myth of safety of land-line phones (generation)
Ability to respond to the situation that never occurred (generation)
- Social background → Refund fraud, earthquake fraud, etc. (era)
- Adaptability to society → Adaptability to machines such as ATM (generation)

【2011】

Type	# of confirmed	Amount of defrauded money
"Ore ore(it's me, it's me)" fraud	4,656	9,005.60 million yen
Billing fraud	756	1,038.16 million yen
Loan guarantee fraud	525	721.85 million yen
Refund and other fraud	296	253.97 million yen
Total	6,233	11,019.58 million yen (The amount of money withdrawn from ATM later: up to 1,699.42 million yen)

* The total amount of actual damage in 2011 was about 12,719.00 million yen. □

Watch dog "BANK-KEN" against financial crimes says:


Be careful about financial crimes!

Can you say you would never be involved in financial crimes?

We explain the methods of crimes and prevention measures in a easy-to-understand manner.

金融犯罪の番犬「BANK-KEN」の
金融犯罪にご用心!

あなたは、金融犯罪に巻き込まれないと言いえますか?
犯罪の手口と防止策をやさしくご案内!



"Ore ore (it's me, it's me)" fraud

Year	# of confirmed	Amount of defrauded money
2007	6,430	14,532.90 million yen
2008	7,615	15,519.28 million yen
2009	3,057	5,202.66 million yen
2010	4,418	6,043.83 million yen
2011	4,656	9,005.60 million yen
As of the end of August, 2012	2,243	5,997.53 million yen



END