



GEORGIE FROST: Welcome to *The So What from BCG*, the podcast that explores the big ideas shaping business, the economy, and society. I'm Georgie Frost. In this episode, living longer is a triumph of modern science and society, but how ready is your business to serve an aging population? With Iana Kouris, PhD, customer experience leader in BCG X. Iana, what's your so what?

IANA KOURIS: The world is experiencing a longevity revolution. There are so many advances in medicine and technology and lifestyle. All of that has extended our lifespan by multiple decades. However, our health span, the number of years that we live in good health, hasn't followed suit in the same way. So on average, people spend 10, 15, even 20 years battling chronic illnesses, diseases, disabilities, and declining quality of life. So bridging this gap between lifespan and health span isn't just a health care priority, it's a business imperative.

GEORGIE FROST: By 2050, the number of people aged 60 and older will more than double, reaching over two billion. So what does an aging population mean for your customer base, your workforce, and your bottom line?

IANA KOURIS: This is a major transformation, a major shift that we are observing here. The picture is though quite different across different countries. So, Japan is probably on everyone's mind when it comes to aging population, with average age being close to 50.

And one stark example is that companies in Japan that have been producing baby diapers are discontinuing those and moving to adult diapers. Another example would be developing care robots, exoskeletons, and all of that to help aging workers and caregivers.

Now, think about the opposite side of the spectrum, Nigeria. With a median age of about 18 and average life expectancy between 50 and 55, they are facing a completely different set of issues. However, the number of people over 60 is still projected to double by 2050. So the issue is a global one, even though we will see different implications in different countries.

GEORGIE FROST: Well, spell it out for us. In what way does an aging population affect our lives? What will it look like?

IANA KOURIS: The way I look at it as a business leader and customer experience expert, I would probably structure it in three buckets. You will have the business side of things, obviously, the individual side, so what should we change personally? But also, the policy makers and global decision makers. This all is going to be affected in some way. So our workforce is getting older, what are the implications for your business? Do you need to bring in some more flexibility, some upskilling, think about retention in a different way?

Your customers potentially are getting older as well. The silver economy and the opportunities that it brings in health, wellness, but also in adjacent industries like finance, where people need to start thinking, okay, now I'm getting to live not to 60, 70, but maybe to 80, 90 or beyond, and being sick in my 90s is going to be very different compared to being sick in the 60s, in terms of fragility, of amount of money that will be required and funds and support that I will need.

So it means that we need to move from sick care to prevention, from retirement to reinvention, and we need to think about this as an opportunity and the driver for innovation rather than a pure cost. So it's not just a demographic trend, it's a strategic business issue.

GEORGIE FROST: What will happen if we don't do anything?

IANA KOURIS: It's actually quite a scary prospect for me, and this is something that got me into this topic in the first place. The health care systems will be overwhelmed. They're already now, it's only going to get worse. Our workforce is going to shrink. Again, think Japan where in 1960s, the number of working people was a dozen people for every one retired. Now it's only two people to each retired and going to one-to-one.

So the amount of value and the amount of productivity that each of us will need to bring is exploding. So we can't continue in the same way. We need to change the systems, we need to adjust our business, but also our individual behavior, because if we don't do it now, if we don't invest in this whole prevention topic, later is going to be too late.

GEORGIE FROST: Even though we have examples across the world, Japan, South Korea, of aging populations, do you think that we really grasp the



implications? And by that I mean us as individuals, but also businesses and governments.

IANA KOURIS: I believe we are on our way to start addressing this massive opportunity and this, depending on the calculations, about 15 trillion US dollars, unimaginable amount, longevity economy that no one wants to obviously leave untapped. At the same time, the question you're asking is about our awareness.

So are we fully aware of what's going on on the individual level as businesses and as policymakers? The answer to that can be that companies can help consumers almost becoming the CEO of their own health and longevity. So taking on this responsibility and enabling people to drive that, and this can be a major shift that we can start there.

GEORGIE FROST: So you're almost suggesting, I imagine, when we talk about this subject, we will be thinking that this is really only on governments to try and deal with this problem. But what you're saying is actually businesses can lead the way here. How do you start to go about doing that?

IANA KOURIS: Many business leaders are familiar with personas and behavioral archetypes. So, imagine two dimensions. On the one hand you have the awareness and on the other hand, behavioral change. So this will be the two key major dimensions for us to look at. And this is relevant, interestingly, for businesses as well as for individuals.

And it means the very first step that we need to take is figure out, what does it mean even to be aware? Where do we stand today? What's our baseline? And then, what does it mean for our future? How can we change our behavior? Which leads us then to the next customer experience tool that businesses can bring, something along the lines of customer journey. Think longevity journey, prevention journey, think about different moments of truth. So, life events that make people think about prevention, about health care, about the future.

GEORGIE FROST: Iana, are there ways or examples of companies that are adapting now successfully?

IANA KOURIS: There is a number of interesting examples. Let's start with the health care. So in health insurances, one interesting example I came

across recently when interviewing a number of colleagues on this topic, they put in place incentives for people to move. For example, if you get to 10,000 steps a day, you get some pretty valuable vouchers, for example, for a luxury gym or to buy some food.

So this kind of behavioral incentives is the second tool that we observe companies use extensively. So we said bring in your customer experience toolkit, bring your behavioral design toolkit.

And then a second example is actually outside of health care and health care insurances, would be probably financial institutions, because the implications on our life and how we plan our finances is going to be massive. And I know that's one of your topics, so probably you're intimately familiar with that as well. And this is where a major shift will be required in terms of rethinking our financial situation, long-term.

GEORGIE FROST: You're right, Iana, my specialism is in finance and I'm going to take the UK perspective because that's where I have more authority, but we are already struggling to get people to save enough for their retirement, which at the moment is potentially 20 years long. What you are talking about is a retirement, that could be double that. What can we do realistically now, to try to get individuals to really take this seriously?

IANA KOURIS: So, how can we help people to really want to focus on prevention, on longevity, on long-term planning? And you know what doesn't cease to amaze me, given that this is so straightforward on a certain level and everyone knows what needs to happen, we all know that we need to make sure that we eat healthy, that we get some movement, that we sleep well, we avoid stress, alcohol, and drugs, right?

As simple as that, but how hard is it to actually make it happen? And here, let me put on my business leader hat. I tend to approach challenges, with this kind of business perspective. So we said already, be in charge, be the CEO of your own health. What helped me personally to reduce complexity is going to a number of very simple frameworks and one that I use successfully for myself. Again, I'm a doctor, but I'm not a medical doctor. So this is not a medical advice, it's just an advice from a business leader who applied this kind of frameworks in this context.



So what I did, I started with a baseline, then I figured out, what are my goals, and then created a roadmap for me to get from my baseline to achieve my North Star, so to say. What does it mean when I talk about the baseline? You need to do your health checkup if you somehow can. I know some things are financially more strenuous than others, but there is a number of simple things that you can do, in terms of measuring and tracking your sleep, your weight, your blood pressure, and doing blood work from time to time, and if you can do even more. So you have a baseline before you get truly sick.

Then if you think about your long-term goals, what does health mean for you and what does longevity mean for you? For everyone, it's going to be different, but what I found is once I discovered my own motivation, it changed everything. This is what I want to do with my life and hence, I need to save money and hence, I need to stay healthy. So it helped me a lot to develop this perspective and really start doing the things that I need.

And you can imagine being in consulting, it's not always easy. I travel all the time, probably three weeks out of four every month. And when you travel, you don't have this kind of full control of what you eat, how much you sleep, and so on and so forth. So it wasn't always easy and took me quite an effort to create my own roadmap and figure out what I need to do to become healthy and then stay healthy.

GEORGIE FROST: You're right. When you think fundamentally about staying healthy, staying fit, it is quite simple and yet it feels very hard to do. One of the things that's really accelerated that is wearables, technology, that sort of thing. Are we expecting a lot more of that going forward?

IANA KOURIS: I do believe that this will be a major unlock. So, you mentioned wearables. Obviously, smartwatches and other health trackers are already ubiquitous and that for a good reason. We mentioned the baselining before. So thinking about measuring where do you stand today, but also following your progress as you improve. And this is quite important in business, we say, "What you can't measure, you can't manage."

So from this perspective, wearables will be playing a big role and will be playing an even bigger one. And what would be a podcast nowadays without mentioning generative artificial intelligence? So let me bring this in. This is also a major shift that's

now coming, we observe already some impressive results. And for example, think about flagging risks for chronic conditions like diabetes or cancer or Alzheimer's, and doing this years in advance.

At this point, let me maybe mention what really makes this topic so close to my heart for me. And something that I asked my mother a while back, I asked her, "What are your regrets?" And in general, she told me she doesn't have many, but one that is really weighing on her is that they were not able to save my grandparents. Both my grandfathers died quite early of cardiovascular diseases.

One of them I haven't even met consciously, I was two years old when he died. And my grandmothers enjoyed a much longer life, like 20, 30 years longer. However, both of them suffered from Alzheimer's. So from this perspective, this would have been something that would have saved them, potentially.

GEORGIE FROST: What role would you or do you think that companies could play in that situation, Iana?

IANA KOURIS: So in addition to bringing in newest tools and methodologies like what we just mentioned using technology, for example, I think there is a big element of thinking about this whole process as an experience. And this is what we tend to miss. Look at how we think about health care. Prevention amounts to maybe 1 to 2% of overall health care expenditures in the US. And if you look at other countries, it's more here and there, but not much more.

This is what we need, the way to overcome, and this is where companies will play a major role in bringing in all those new technologies, enabling us to taking control. Taking control much earlier, thinking about our retirement much earlier, thinking about our later years much earlier. So this is what the companies can focus on now, helping us to live longer, healthier.

GEORGIE FROST: You're speaking about customers oftentimes, but of course, this is impacting staff. So what practical changes can employers make, do you think, to help their staff?

IANA KOURIS: There is a lot of change that will be coming towards employees as well. So thinking about the employee value proposition in a different way and enabling older employees. This is one key element that companies can think about. Another



element that is quite impactful is, and this is something that I will borrow from another business concept, which is the notion of change management. Imagine companies could improve awareness among their staff, but also help them to drive healthy behavior.

Just recently in a hotel, I saw some notes near the elevators describing how many calories you can burn by taking the stairs. And then clearly visible signs to the stairs, because you know how it is in large hotels, you have whatever, 15, 20 floors, people don't tend to walk. But at least the lower floors you can make it happen by making it more obvious. So this kind of simple nudges, again, thinking about behavioral design type of tools can be extremely helpful to help employees as well.

GEORGIE FROST: Iana, I just want to return back to the opportunities here for business. Is it a case of completely pivoting, slightly adapting? What are we likely to see? Much more M&A activity? What do you think is going to be most likely and how can leaders spot where those opportunities are and start making changes?

IANA KOURIS: I would probably start by mapping the frictions on the one hand, and on the other hand, the old one, follow the money. Right? So mapping the frictions, this is where your longevity journey mapping can help a lot. So this is where you can identify, where do we observe new struggles coming up? And again, this is not only in health care, it can be in any adjacent system like we mentioned already: finance, but think also automotive, for example.

How this is going to change the landscape there, in terms of how people enjoy mobility, in which ways. So mapping frictions, how can you simplify your products? How can you adapt them to the new requirements? How do you create new services?

And the second, following the money. Here, older adults control more than half of global consumer spending. So probably a good idea to tap into this, and specifically analyze those behavioral archetypes or personas that we mentioned before. So depending on the level of awareness, what do people need? Do they need some information first or are they fully aware and they just need support in driving the right behavior? This is where I would start.

GEORGIE FROST: And finally, what's the "now what?" for businesses? You've mentioned there

about sort of where to kind of go next, but what do you need as a leader? If you haven't thought about this, what are the next processes that you need to kind of put in place?

IANA KOURIS: We're in the middle of a longevity revolution, and it changes potentially everything. It brings a lot of concerns, but also a lot of opportunities for us. It means that the biggest shift is probably, in terms of this mindset shift that we need to accomplish, moving from thinking about just life spans to health spans, or if you're in the health care industry, not only thinking about the patient but also about the consumer side of things before people get sick.

So we need to get data not only on sick people, but also on healthy people. Hence, this baselining is quite important. And eventually this will allow us to move from just thinking about living longer, to living longer, healthier.

GEORGIE FROST: Iana, thank you so much. Just a word to keep an eye out for the results of a major global survey, lead by Iana and the BCG team which will be launching this fall. The study captures insights from more than 24,000 participants across 20 countries and explores emerging attitudes, behaviors, and perceptions around healthy aging and longevity. It promises to shed a new light about how people are thinking and feeling about longer lives. If you have any comments for us or topics that you'd like us to delve into, you can drop us an email at thesowhat@BCG.com. And don't forget, you can find us on BCG's YouTube channel.