

MARKETING TO THE AGEING CONSUMER

THE SECRETS TO
BUILDING AN
AGE-FRIENDLY
BUSINESS

DICK STROUD
&
KIM WALKER

'This book examines the essential commercial implications of the unique phenomenon of rapid ageing. As the world's population of over sixties doubles by 2030 and almost trebles by 2050, societies will need new coping mechanisms, and companies will need to adapt to a big shift in the structure of their consumer markets. Dick Stroud and Kim Walker take an important and innovative approach to show why and how.' **George Magnus**, Senior Economic Adviser, UBS Investment Bank, London

'This book informs brand owners on how to grow value by opening up to new audiences, an absolutely essential strategy in saturated markets. *Marketing to the Ageing Consumer* looks at the positives that marketing to an older consumer can bring to brands. Stroud and Walker's debate around age-friendliness adds a very fresh perspective to the age debate.' **Jo Rigby**, Global Insight Director, Omnicom Media Group

'*Marketing to the Ageing Consumer* isn't just about age-neutral marketing in the mode of the brilliant Apple case. It goes way beyond that and powerfully points out the lost profit opportunities for companies that fail to appreciate the enormous purchasing power of older consumers and to understand their needs.' **Professor Malcolm McDonald**, Emeritus Professor, Cranfield School of Management

'We are getting old – and we are all in a state of denial about the physiological and practical impact. Large and easy-opening containers are never sexy topics but organisations, private and public, that want to grasp the opportunities that demographic change represents, have an essential tool in the "age-friendliness" framework outlined in this book. Read it and prepare your organisation for the future.' **Alex Batchelor**, Chief Operating Officer, BrainJuicer

'The commercial world has belatedly woken up to the need to address the 50+ population respectfully and strategically. Dick Stroud and Kim Walker's work is thorough, insightful and backed by both empirical evidence and an instinctive understanding of the various types of characters in this age group. This book proposes an important, ambitious and practical new metric to help businesses address what is without question one of the biggest issues of the 21st century.' **Neil Barrie**, Global Planning Director, TBWA\Chiat Day Los Angeles

'Kim Walker and Dick Stroud say: "Population ageing will soon equal sustainability as a global trend that the corporate world must understand and devise policies to embrace." I agree – and I would further argue that age-friendliness is inextricably linked to sustainable development and therefore to corporate sustainability. Happily, becoming age-friendly makes business sense *and* is the right thing to do too.' **Prof David Grayson CBE**, Director of the Doughty Centre for Corporate Responsibility, Cranfield School of Management

'*Marketing to the Ageing Consumer* is a timely offer not to be missed. The approach, the first of its kind, is firmly based on the latest scientific insights on the physiology of ageing, which the authors then translate into practical marketing knowhow needed to create an age-friendly business. Their work is an indispensable business guide to marketing to the ageing consumer.' **Professor Yuwa Hedrick-Wong**, HSBC Professor of International Business, University British Columbia, Global Economic Advisor, MasterCard Worldwide

'The populations of Asia Pacific, Europe and the US are getting older. The physical effects of ageing mean that companies must adapt their products and re-invent the customer experience. This book is a handbook to help executives navigate this future.' **David Sinclair**, International Longevity Centre (UK)

‘The older consumer population is in growth globally and our collective understanding in how to best engage with this audience is decades behind where it needs to be. Read this book now if you want real expertise and actionable insight on how to build an effective strategic approach.’ **Orlaith Blaney**, CEO, McCann Erickson Dublin

‘With its informative and straightforward approach to understanding older people, this book has wide relevance to people working across the creative industry. A timely and much-needed publication.’ **Rama Gheerawo**, Deputy Director, Helen Hamlyn Centre for Design, Royal College of Art

‘All good marketers need to be able to look into the future and anticipate business opportunities. Few aspects of the future are as certain as the ageing of individuals and populations. The authors are unusually perceptive guides on how to prosper in this different world.’ **Hugh Burkitt**, Chief Executive, The Marketing Society

‘The authors provide a very practical guide as to how to cater for the requirements of the huge segment of the consuming population that is ageing, that is open to change and willing to embrace new channels and technologies, but only when these are designed to take account of their particular physical and emotional requirements.’ **Richard Webber**, Visiting Professor Kings College London, Former Director, Experian Ltd

‘The authors are knowledgeable and perceptive commentators at the interface between ageing and marketing. Their latest book is essential reading for those involved in businesses that aspire to grow in a world in which the ageing of the population is becoming a defining feature.’ **David Metz**, Visiting Professor, University College London and author of *Older Richer Fitter*

‘What I found most valuable and unique about this book is that it gives the reader a deep insight into the physiology of ageing and draws out the implications of the ageing process for the products and services that older consumers need. It’s effectively a crash course for executives who need to evolve their companies to meet the opportunities and challenges of global population ageing.’ **Anne Connolly**, Executive Director, Ageing Well Network

‘Forget the “problem” of ageing, embrace the reality of longevity – for us, for our services, for society. This book confirms the case and provides the tools to make that shift.’ **Jane Ashcroft**, Chief Executive, Anchor

‘This compelling book provides a crash course for executives who need to evolve their companies to meet the challenges and opportunities of such global population ageing. The authors have systematically interpreted the physiology of ageing into a manual for 21st-century business transformation.’ **Professor Adrian Done**, IESE Business School, author of *Global Trends: Facing Up to a Changing World*

‘This book is potentially revolutionary. Because population ageing is a global phenomenon, it is a book most businesses would be well advised to read.’ **Dr. Florian Kohlbacher**, German Institute for Japanese Studies, author of *The Silver Market Phenomenon: Marketing and Innovation in the Aging Society*

‘Through the development of the concept of age-friendliness they demonstrate the necessity to touch all aspects of entrepreneurship and company management, from product development to marketing and sales, and even HR Management. A highly recommendable book for all managers who want to keep their business sustainable.’ **Luc Willemyns**, Director Responsible and Engaged Bank Platform BNP Paribas Fortis

Marketing to the Ageing Consumer

The Secrets to Building an Age-Friendly Business

By

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Kim Walker

palgrave
macmillan



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Introduction

A quarter of a century ago Charles Scheme published a journal paper titled *Marketing to our Aging Population: Responding to Physiological Changes*. The paper outlined the implications for marketers as the senses, minds and bodies of their customers age.

Since then, very little else has been researched and written about the subject. This is surprising because the median age of consumers in the USA has increased by 16 per cent since its publication.¹

Much has been written about the psychological effects of ageing and the mechanics of segmenting and communicating with older consumers. Even more has been written about the apparent differences in attitudes and behaviours between the generations.

Yet the most basic of questions has been largely ignored: ‘How do companies adapt to the relentless ageing of their most important asset – their customers?’ How could such a basic issue be ignored?

The answer lies in the mindset of marketers who pigeonhole products into a very small group that are sold to ‘old people’ and the vast majority that are consumed by everybody else.

Clearly physiological ageing is important if you produce products that ameliorate the effects of ageing (for example, spectacles, hearing aids, anti-ageing cream) and the medical products that repair failing bodies (for example, hip and knee replacements). Until recently, if your company didn’t cater to these specialist sectors, then there appeared few reasons to be concerned about the ageing issue.

Where marketers have considered the issue the perception is that the effects of ageing only manifest towards the end of life. This is not true. Eyesight, hearing and mobility problems start during a person’s 40s and 50s. The more we learn about cognitive ageing points to this changing even earlier in life.

The simplistic model of the world has been exploded by the financial convulsions that have affected Europe and the USA. Policy makers and business leaders are being forced to confront a series of trends that have long existed but that could be ignored during the past two decades of unremitting economic growth. The USA, Europe and increasingly Asia Pacific are rapidly ageing at a time when the finances of the western world are least able to cope with the resulting implications.

For many years the subject of ‘sustainability’ was of interest to a dedicated group of activists on the fringe of the business world. In a matter of five years it became the subject that dominates much of government and corporate decision-making. A similar change is taking place with the subject of ‘population ageing’, which has moved from an academic debate between demographers and gerontologists to become a mega-issue that affects companies, large and small, whether they are based in China or the USA.

Population ageing will soon equal sustainability as a global trend that the corporate world must understand and devise policies to embrace.

Our experience is that companies that are attempting to respond to the population ageing issue have difficulty in knowing where to begin. For the small group of brands that are already targeting the older cohort, the challenge is one of marketing tactics and execution.

For the majority of companies, which have not perceived themselves as being dependent on older consumers, the challenge is much harder to define. Older consumers in Asia Pacific are very different from those in Europe. The poorest of older consumers have radically different needs and aspirations from the wealthiest. Older women have very different behaviours from older men. It appears that a company’s response is totally dependent on the profile of its customers.

There is one factor that is common across all of the geographies, and all of the social and economic classes, and is shared by men and women. With a few small exceptions, the changes to consumers that result from their physical ageing are universal, as are their implications for companies and governments.

It was not difficult for the authors to see that a topic of such importance that was so lacking in understanding was a perfect subject for a book and the creation of tools that translate the nebulous issue of population ageing into insights and metrics that companies can action. This was our rationale for writing *Marketing to the ageing consumer*.

The book’s story is told in four parts.

History and scope

The first two chapters summarize how the discipline of marketing to older people has evolved and the scope and magnitude of the economic changes that population ageing creates. Our objective is to distil a complicated subject so that readers understand the ‘big issues’ that govern how companies market to the older demographic and to explain the potential problems and opportunities that population ageing creates.

Often the facts of population ageing are presented to show either a catastrophe resulting from there being too few young and too many old people or a business bonanza from satisfying evolving consumer demands as Baby Boomers desperately attempt to retain their youth. The reality is far more complex and lies somewhere between these two extremes.

Touchpoints and physiological ageing

The purpose of this part is to explain the intricacies of physiological ageing from the perspective of their impact on a company's products, services, distribution infrastructure and support and communication channels. There is no point in a company trying to understand and respond to the psychological issues of ageing if the foundations of its products and supply channels are not fit for purpose for this age group.

Sophisticated theories about the generational cohort effect and developmental relationship marketing will founder if the customer cannot use the product or see and hear the advertising.

This requires an understanding of the details of cognitive, sensory and physical ageing and how these conditions affect an organization's touchpoints with its customers.

The five chapters of this part explain these issues from the business standpoint, not the scientific theory of ageing. The primary objective is to ensure the reader has the knowledge to understand the changing demands of an ageing customer base and the tools to exploit the business opportunities this creates.

Age-friendliness – what it is and how it is measured

The authors' definition of age-friendliness is an environment in which the unique physical needs of older people are satisfied in a way that is natural and beneficial for all ages.

The three chapters in this part explain in detail the concept of age-friendliness and how it is measured. The authors have audited the age-friendliness of many global brands and explain what good (and bad) lessons can be learnt from their experiences. The final chapter in this part considers the practical issues of how companies overcome the internal and external obstacles of creating and implementing an age-friendly strategy that becomes part of their corporate culture.

Making age-friendliness a way of life

Population ageing affects much more than the relationship between the company and its customers. Older customers are also older employees; they are also older citizens. The book's final part explains how the concept of age-friendliness and the techniques that have been developed to improve customer touchpoints can be applied to helping companies use their ageing workforce and governments to best serve an ageing citizenry.

The final chapter in the book looks to the future and considers how new technologies and evolving social attitudes will change the corporate and government response to demographic change.

Marketers continually have to acquire skills and knowledge to cope with opportunities provided by new technologies and the ever-changing needs and wants of consumers. The authors hope that *Marketing to the Ageing Consumer* provides the knowledge and techniques to help marketers benefit from a new dimension of change that will progressively affect all areas of their work.

Evaluating age-friendliness

The previous chapter established the need for companies to adopt age-friendly practices that will help them satisfy the needs of older customers. This chapter explains how they can start.

The immediate barrier that companies face when trying to formulate their age-friendly strategy is the lack of business metrics to drive their decisions.

First, companies require a way to measure their existing age-friendliness and that of their competitors. Second, the output from research must be a simple and actionable roadmap with clear-cut actions.

What is the best way of feeding the vast amount of complex research about physical ageing into a methodology that provides practical guidance to business leaders who are unlikely to have doctorates in gerontology?

This chapter begins by describing a simple test to assess a business's age-friendliness. Then it will introduce and explain a tool that the authors created: the AF (Age-Friendly) Audit toolset.

Is your company age-friendly?

Throughout this book we have emphasized the importance of assessing the entire customer journey to determine whether the brand experience is age-friendly.

Answering the six questions in Table 9.1 gives an indication of whether a company is operating in an age-friendly way.

Score each of the following questions 1, 2 or 3, where 1 = never and 3 = always, and add the total.

You can also do this test online at www.age-friendly.com/quickcheck.

These very basic questions provide an indication of the consideration given to the experience of older customers throughout the purchase journey.

Table 9.1 A simple test to determine a company's age-friendliness

Age-friendly quick-check	Score
	1 = never 2 = seldom 3 = always
1 We develop advertising that uses creative techniques that we have tested with older customers.	
2 We include the needs and behaviours of older people in our social networking strategy.	
3 We regularly test our website to ensure it provides an online experience that is easy for older people to navigate and understand.	
4 The particular needs of our older customers are reflected in our retail store presence, product placement and ambience and the training of our customer contact staff.	
5 We design products and services that include the particular needs of older people without overtly referencing age.	
6 We ensure that sales and support call centres and their staff are designed to respond to the needs, concerns and frustrations of older customers.	
Your total score =	
Total possible =	18

Here's what your score means

Score = >15

Good job! You seem to understand the impact of physiological ageing, but don't be complacent; the real test is to understand if your older customers agree with your opinion.

Score = 10–14

Trouble looms. Although you seem to have some understanding of the impact of physiological ageing on older customers, you are at risk of losing customers to more age-friendly competitors. Would alienating your older customers be detrimental to your business? If so, you should conduct a more thorough assessment of age-friendliness and take corrective action.

Score = <9

Serious risk. You may be upsetting older customers to the point where they are leaving for more age-friendly competitors. If you are not monitoring the business your older customers contribute, you should. You urgently need to reassess your business practices and take corrective action to make the customer experience age-friendly.

As explained in Chapter 8, if a process is to provide a comprehensive, accurate and practical evaluation of age-friendliness it must meet seven criteria:

1. Comprehensive – it must reflect all of the major physiological effects of ageing and all the common touchpoints that might influence consumer behaviour.
2. Flexible – it must be applicable to all types of products and services, regardless of the industry.
3. Holistic – it must be capable of evaluating all touchpoints along the entire customer journey.
4. Consistent – it must minimize subjectivity and apply objective measures wherever possible.
5. Comparable – it must employ a standard scoring method that will enable the data to be combined, analysed and compared.
6. Affordable – it must be accessible to companies of all sizes and applied by researchers on a large scale without the need for onerous specialist training.
7. Actionable – it must distil the research and science into a process that will generate metrics that are practical and actionable by business leaders.

The quick checklist of questions might give a simple insight into a company's age-friendliness but it fails to satisfy most of these criteria, as do most of the current forms of evaluation such as MIT's age-suit, mystery shopping, usability studies and so on.

In 2010, the authors concluded that there were no tools that satisfied all the criteria and decided to create one that did – the AF Audit toolset. The rest of this chapter describes the development and refinement of a process that delivers actionable results for any type of business and that has been used to evaluate over 50 customer journeys.

The AF model

The essence of an age-friendly audit is simple.

The different variants of the customer journey are divided into a sequence of unique touchpoints. Then, each touchpoint is evaluated to understand how it might be affected by the customer's sensory, physical and cognitive ageing.



The authors began by defining the set of physiological effects that need to be considered. A detailed explanation of these is provided in Chapters 5, 6 and 7. Medical doctors and gerontologists could probably identify many more effects of ageing but we were anxious to use only those that affected consumer behaviour and that could be resolved by practical business remedies.

The model for understanding customer experiences was described in Chapter 4 and involves grouping the experiences into five areas of business. These ‘CORPS’ experiences were defined as:

Communications – all forms of marketing communications, including advertising, PR, sponsorship, events, etc.

Online – the experience of using search engines, the brand and corporate website and supporting help and e-commerce microsites.

Retail – all aspects of the physical retail shopping experience.

Product – preparing to use and using the product and all of the supporting materials, including packaging.

Sales support – the physical aspects of selling and supporting the product, including face-to-face and phone communications.

Before these customer experiences can be measured, they need to be broken down into their constituent parts.

The customer experience hierarchy

The authors exploded the five CORPS experiences into the next level of detail – the sub-experience. This is the point at which the experience connects with the customer. For example, the packaging is a sub-experience of the product experience.

However, to measure age-friendliness it is necessary to expand the sub-experience into the next level of granularity, the touchpoint.

Table 9.2 shows how the product ‘experience’ is divided into a hierarchy of factors. At the touchpoint level, it is possible to incorporate the physiological effects of ageing.

Table 9.2 Example showing how the graphics touchpoint is linked to the product factor in the CORPS experiences

Experience categories of the customer journey	Sub-experience intersection between the business and the consumer	Touchpoint the specific point being measured
<ul style="list-style-type: none"> • Communications • Online • Retail • Product • Support 	<ul style="list-style-type: none"> • Assembly • Design • Packaging • Pricing • Warrant 	<ol style="list-style-type: none"> 1. Graphics 2. Handling and carrying 3. Information 4. Opening and closing 5. Text

The authors discovered that it was necessary to expand the CORPS customer experiences to over 200 touchpoints to achieve the level of granularity needed to construct an age-friendliness model that satisfied all of the seven evaluation criteria.

It requires only a few applications of the model to real-life situations to reveal that the relationship between companies and their customers invariably creates unique touchpoints that have to be measured. The rule for measuring an additional touchpoint was that it would be included if it could result in a significant impediment to the customer's experience and could be solved by a practical business remedy.

To accommodate this requirement, the AF Audit toolset had to be capable of accommodating customer-specific changes and inclusions.

Tracing the AF customer journey

Having defined the customer touchpoints and the physiological effects of ageing, the two had to be combined into a single model.

To achieve this, the authors considered each of the 200 touchpoints and determined the physiological effect(s) of ageing that were dependent on that touchpoint for an acceptable customer experience.

Table 9.3 Hierarchy of customer experiences and the effect of ageing that could impair the quality of experience

CORPS experience	Sub-experience	Touchpoint	Associated effect of ageing
Communications	Direct mail	Physical format	Dexterity
Communications	Advertising creative	Colours	Eyesight (clarity)
Product	Assembly	Access	Flexibility
Online	Website	Comparison	Cognitive (complexity)

Table 9.3 shows how the hierarchy of the customer experience is connected to the factor of ageing that could impair its quality.

Many of the touchpoints involve multiple effects of ageing. For example, among the many touchpoints involved in a website, the quality and quantity of animation can create major problems for older people. Animated images may actually improve the functionality of the site or, on the contrary, may distract to the point that they make the experience more complex, difficult and annoying. This problem arises because of cognitive ageing.

Animated menus may aid operation of the website or, as is often the case, require excellent pointer–eye coordination that frustrates website navigation for older users. The loss of dexterity causes this problem.

There are touchpoints that involve two or more physical effects of ageing. Examples of these are shown in Table 9.4.

Many of the relationships between touchpoints and ageing seem to be obvious and easy to define. Some are, but many are much more complicated than they appear on first inspection.

Most people are aware of the connection between age and font size but fewer people understand the problems caused by insufficient illumination. This is an issue that most designers of lifts appear to have overlooked. Trying to read the floor buttons in the darkened space within a lift is a common problem that older people encounter.

Unlike the tangible effects of ageing, such as eyesight, hearing and dexterity, some are much harder to observe but are associated with multiple touchpoints. The different types of cognitive ageing affect all of the CORPS experiences.

The process of associating the ageing effects with each touchpoint is not simple but it forms the foundation of any tool to evaluate age-friendliness. This was one of the most challenging tasks in constructing the AF Audit toolset.

Table 9.4 Examples of touchpoints involving multiple effects of ageing

Consumer touchpoint	Physical effect
Reading a newspaper advertisement	Eyesight (clarity) <i>and</i> Comprehension
Navigating a website	Dexterity <i>and</i> Complexity
Assembling a product for use	Strength <i>and</i> Complexity <i>and</i> Eyesight (clarity)
Telephone call to a service representative after buying a product	Hearing (clarity) <i>and</i> Hearing (volume) <i>and</i> Comprehension <i>and</i> Complexity

Measurement and scoring

The specification of a touchpoint and its associated ageing effect is of little use unless there is a way of quantifying how effectively it has been implemented to overcome the problems older consumers might encounter.

To be of use, each touchpoint must have a measureable and comparable metric.

The difficulty is that many of the touchpoints have no established conventions of measurement. These are some examples of the issues the authors encountered and the measurement solutions that resulted:

Shelf height – what is the appropriate product shelf height in a retail store? As people’s heights differ by age group and by geographic region, it is necessary to score on the basis of the average height for males and females in the particular country in which the audit is being conducted.

Lighting – what is the ideal lighting level in a retail store? Available research provides guidance on suitable lumen levels. Based on these metrics we determined the ideal lumen readings for packages, store shelf labels and signs taken at specific distances.

Colour contrast – at what point does low colour contrast render a printed piece of marketing collateral or a website difficult to read? To determine the minimum acceptable level of contrast between colours we used the Luminosity Contrast Ratio algorithm, suggested by the World Wide Web Consortium¹ (W3C).

Seating – does the store provide seating that is suitable for older people? Seats that are too low can cause difficulties in sitting and in raising the body. The ideal height is when the thighs are parallel to the ground or higher than the knees – this was calculated using average height data for each country. Equally important, seating needs to have arms for leverage.

Web search – how easy is it to find information about a company's product online using a search engine? Since Google accounts for over 80 per cent of global web searches, it is used for the test. For Chinese-speaking countries, Baidu would also be used. As Google's search page layout becomes more complex, it can be confusing (and annoying) for older people to search for a specific company or product. Often the required URL is preceded by numerous other references. The authors determined that ideally the required listing should appear as a paid ad or among the top five organic URLs.

Setting such criteria enables auditors (people conducting the assessments) to score more accurately and their results to be more comparable.

As is evident from the above examples, there are cases in which established industry conventions can be adopted or adapted, such as in determining colour contrast and acceptable lighting levels. Where no such conventions existed, the authors created them.

Conducting a comprehensive audit of age-friendliness requires the rigorous application of a sequence of these types of questions and tests for all of the touchpoints associated with the customer journey.

Furthermore, to derive metrics from the process, each touchpoint needs to be 'scored' and, for this purpose, the authors used the established 'one-to-five' scoring method. On the AF Audit scale, a score of '1' means 'unacceptable' whereas '5' means 'perfectly age-friendly'. On this basis, a score of 4 or above qualifies as 'age-friendly'.

To ensure consistency in the scoring it is necessary to have clear guidelines for the measurement of each touchpoint. These were developed for AF Audit questions and are illustrated in Table 9.5.

These examples show how touchpoints are defined to the auditor – first by explaining the issue being examined, then by providing specific guidance for how the touchpoint should be measured.

Table 9.5 Examples of the questions that measure the effectiveness of the touchpoint for the older person

Touchpoint	Issue	Question/test
Printed advertising creative	How easy is it to read the text used in the printed advertising?	Use a micrometer to measure point size of body text. 10-point type is considered the minimum and scores 3. Because serif typefaces are known to be more difficult to read, they are deducted a point.
Website language – use of jargon	Does the site use language or expressions that make it difficult to understand?	If the website employs clear language appropriate for all ages it is scored 5. However, if the site uses jargon, complex technical language and overtly youth-oriented expressions it achieves the lowest ranking of 1.
Retail ambience – lighting	Is the light in the store sufficient for you to easily see the product on display and the packaging?	Using a light meter, measure the lumen reading at a distance of 2 metres. >800 = 5 <750 = 4 <700 = 3 <650 = 2 <600 = 1
Retail ambience – visual	Does the visual noise of the store make the shopping experience difficult and confusing?	A disciplined and orderly display that makes the merchandise easy to see and select scores 5. But cluttered and disorderly displays that make the shopping experience confusing or difficult to navigate are scored 1.

Through the procedure outlined above, it is possible to match the relevant physiological effects of ageing to each touchpoint and then to apply a consistent scoring technique to ensure consistency and reliability of the resulting data.

Later in this chapter we will explain how smartphone app technology helps in undertaking many of the tests.

Not all touchpoints can be linked to a specific physiological effect. For example, there are no quantifiable factors for testing a product design to ascertain whether it reduces the chance of error or accident, or for evaluating the sales support personnel for their knowledge about the product. Both these instances are relevant and important to age-friendliness.

We call such cases ‘sensory independent’ – touchpoints that are independent of specific physiological effects. Roughly one-third of all questions in the AF Audit are ‘sensory independent’.

Customizing the audit

Having created the questions to evaluate each of the touchpoints there were three issues that remained to be solved before the AF Audit questions were complete. How could the questions be adapted to account for the following?

1. Issues that were specific to a company, such as the need to focus on a particular *stock-keeping unit* (SKU) in a particular retail store type or location? A specific piece of communication or website? A specific phone helpline?
2. The particular company's industry or sector. For example, the different emphasis and importance of the touchpoints of a fast-moving consumer goods business compared with a financial services company.
3. Different ages of 'older' people. For example, if the customers were exclusively aged 50–60 the importance of the effects of ageing would be different from if they were over 75 years old.

Ultimately, the system had to be capable of handling this level of sophistication and flexibility, yet remain readily usable by auditors without the need for technical training.

The best, and possibly only, solution to these problems was to employ the Cloud and tablet computing technology.

The AF technology platform

The complexity of the AF Audit model could not be implemented using conventional techniques such as paper checklists and spreadsheets. There were too many questions that were regularly being edited, the total volume of data was too great and there was too much scope for the introduction of human error.

These demands for a more sophisticated mode of processing were apparent when conducting a single audit but were multiplied tenfold when multiple auditors conducted audits simultaneously in multiple locations and countries.

There was a need for a more sophisticated mode of data collection and processing.

The computing architecture that was selected to implement the AF Tool had two components: a processing 'engine' to manage the administration functions and an iPad app that enabled auditors to collect the touchpoint data.

The AF Engine

The processing engine that manages the AF Tool is a cloud-based web application that is:

- Flexible, enabling audits to be customized for individual company and industry requirements.
- Scalable, providing central management of potentially hundreds of simultaneous audits.
- Complex, enabling data analysis and comparison across industries, companies, their subsidiaries and competitors.
- Interactive, allowing real-time monitoring of all the audits.
- Secure, providing multiple levels of user privileges and the firewalls to protect company confidential data.

The AF Engine is used to set up and customize an audit to reflect the specific needs of a company and industry.

Figure 9.1 shows the question-management screen of the AF Engine. This shows how the multiple levels of customer experience, which were discussed earlier in the chapter, are implemented in the computer model.

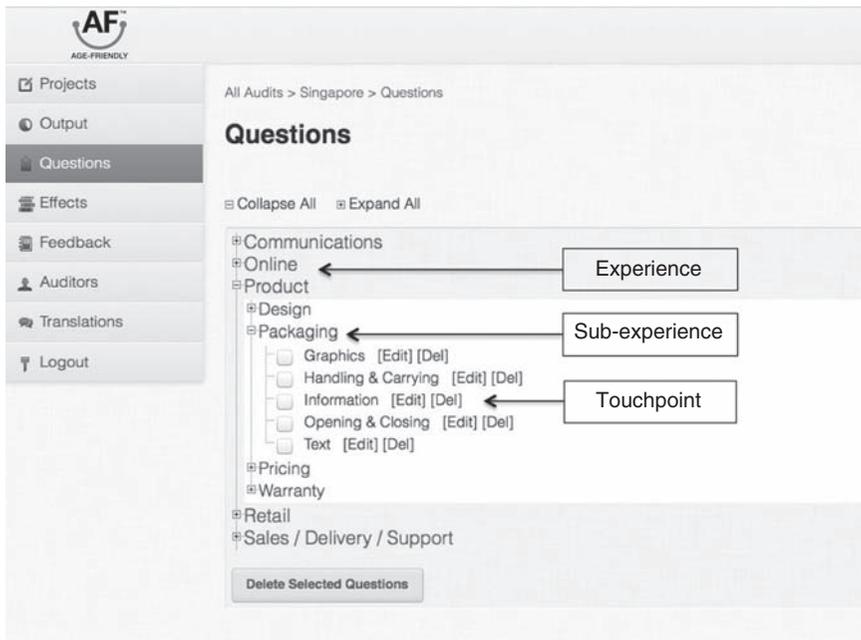


Figure 9.1 The AF Engine screen that is used to manage customer experiences

From this screen, unnecessary questions are removed and company-specific images and links to their advertising, product and website are added, along with imagery and information about the retail channels to be assessed.

During the initial set-up of an audit the AF Engine prompts the user to edit those questions that need to be customized to reflect the peculiarities of the company and the industry.

Once the auditors have evaluated the age-friendliness of a customer journey and the data has been uploaded the AF Engine is used to manage the input.

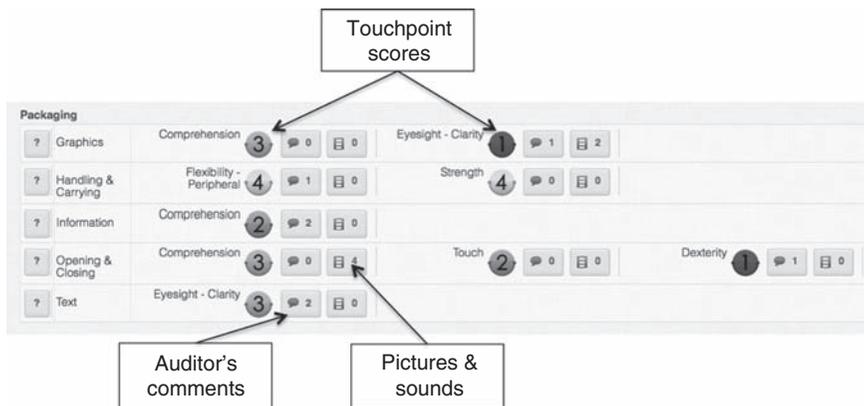


Figure 9.2 The AF Engine input-management screen

Figure 9.2 shows the AF Engine screen where scores, image files and contextual comments can be reviewed and edited.

Once the audit inputs have been received and project editing done, the AF Engine is used for analysing and graphing the information and generating outputs in chart and data format. The charting functionality is discussed later in the chapter.

This is a very short description of what is a complex module of software. There is a video at www.age-friendly.com/videos/AF_engine that gives a more detailed explanation of the tool.

The AF iPad app

A customer journey might include over 200 touchpoints that have to be evaluated. The auditor, the person undertaking the evaluation, needs a simple and portable way of:

- Reading the question explaining what needs to be measured.
- Recording their score and any associated comments.

- Recording images and sounds to substantiate their scores.
- Instantly transmitting their input for analysis.

The Apple iPad was the ideal technology platform to achieve these requirements.

The AF iPad application is a custom-built, licence-only tool (not available on iTunes) containing the specific audit parameters and questions defined via the AF Engine. Auditors are guided through questions and tests for each touchpoint. Figure 9.3 shows a screen image of the functionality to complete a touchpoint test.

The Apple iPad enables the capture of images and sound recordings, both of which are needed to conduct a comprehensive audit.

The ability to record images is needed when evaluating the retail environments, pack labels, displays and other visual references to explain why scores were applied and to add context and specific recommendations on how the touchpoint's age-friendliness can be improved.



Figure 9.3 The AF iPad app screen that is used to test a touchpoint

Sounds files are often recorded in the process of measuring ambient noise levels and to demonstrate other audio issues identified during the assessment. All of this multimedia data and auditor comments can be reviewed using the AF Engine, as was shown in Figure 9.2.

The importance of precision, when evaluating touchpoints, was discussed in the ‘Measurement and scoring’ section of this chapter. Apple’s iPad offers numerous third-party apps that provide precise measurements of environmental factors. These are robust commercial-quality products and are inexpensive.

The third-party applications that are currently used by the AF iPad app are detailed in Table 9.6. Because there are so many new iPad apps being created, this list will undoubtedly grow.

The final reason the iPad was used as the platform for data collection was its ability to instantly transmit and connect with the AP Engine and upload the auditor’s scores, comments and multimedia files.

This is a very short description of the AF iPad app. There is a video at www.age-friendly.com/videos/AF_app that gives a more detailed explanation.

Analysing the results

Once the touchpoint audit is complete, the AF Engine analyses the data and presents results. There are numerous ways this analysis needs to be done. For example, comparing audits for the same company across different locations; how the touchpoint scores have changed over time and compared with audits of competitors’ age-friendliness.

Table 9.6 The third-party apps that are currently being used by the AF iPad app

Tool	Measure	Example of use
Micrometer	Measurements as small as 1 point to as large as the iPad screen	Font sizes on printed or digital matter, including pack labels and signs. Package closures
Pedometer	To measure distances	Distances people are expected to walk – for instance, from car park to retail store
Audio meter	To measure ambient noise levels	Background music levels in a retail or other service environment
Light meter	To measure lighting	Overall lighting levels plus reflected light from store labels and signs

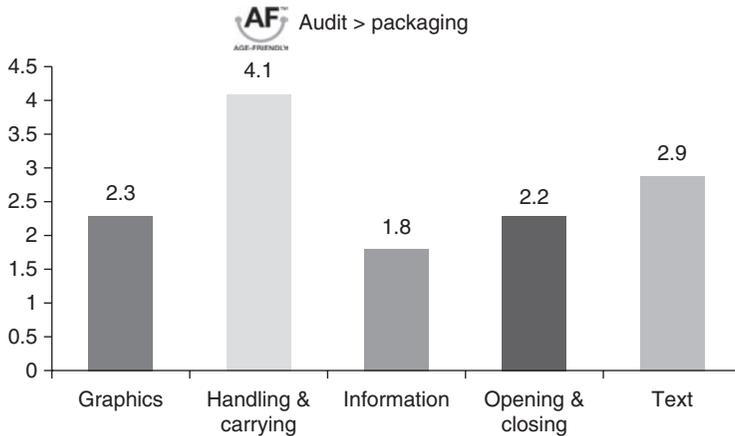


Figure 9.4 The graphical scores of the product and packaging section from auditing a yogurt container

Figure 9.4 illustrates the detail of the output that is required to conduct a thorough age-friendly audit and shows the scores for each touchpoint from the ‘product – packaging’ experiences of using a container of yogurt.

The chart shows that poor graphics, information and opening & closing mechanism would all create difficulties for the older consumer.

These scores were given because of poor colour contrast on the label (Score = 2), confusing technical information in the instructions (Score = 2) and a difficult-to-grasp opener (Score = 2).

The handling and carrying element of the packaging was good (Score = 4) because consideration had been given to making the bulk-pack easy to grasp. The size and colour contrast of the text was satisfactory (Score = 3).

The touchpoint auditing requirements of multinational companies can be complex. These are the requirements of one of our clients:

- Multiple audits of the same customer journey in different retail environments.
- Audits in different countries for the same customer journey to buy the same product.
- Comparison of the quality of the journey with the primary competitors in different countries.
- Measurement of how the quality of customer experience had changed from the previous audit.

Figure 9.5 illustrates this complexity, showing the summary output of an audit conducted for the same product in Singapore and the UK.

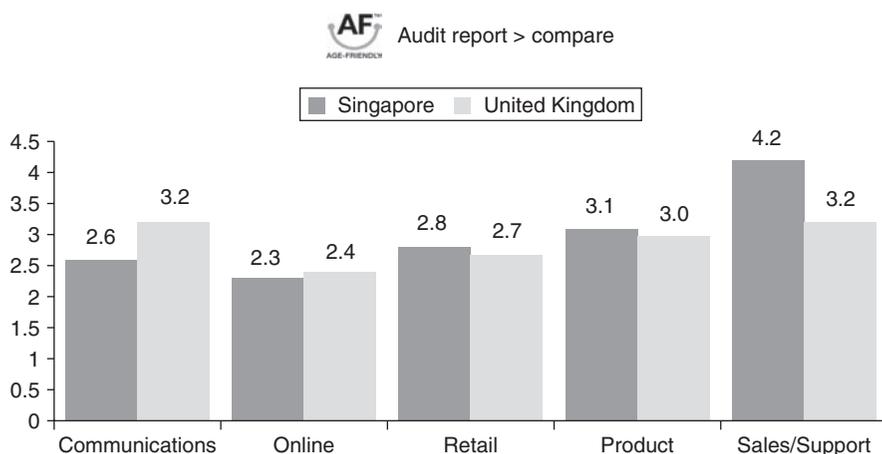


Figure 9.5 Comparing scores of the CORPS experiences for an AF Audit conducted in Singapore and the UK

What is evident from this output is that the online experience in both locations was not age-friendly (2.3/2.4). The only CORPS experience that scored as being age-friendly was the after-sales support in Singapore (Score = 4.2).

Interestingly, although the retail experience is generally something that manufacturers don't control, in this example it scored higher, in both countries, than some of the more controllable aspects of the brand.

In the future, as our database of touchpoint audits grows, it will be possible for companies to see how their performance compares with the norms in their industry. This will provide management with further metrics to help decide their investment priorities.

Although the numeric scores and resulting data are powerful, richness of information is also derived from the comments, photos and sound files captured by the auditor during the process.

This helps management understand why certain elements, particularly negative ones, were scored in a particular way.



Examples from actual audits

How is it possible that one accountant can uncover flaws among the multitude of numbers in a company's accounts or for a pilot to complete all

of the flight checks before an aircraft flies? The answer, of course, is that both follow disciplined checklists in a consistent, replicable way, based on an accumulated body of knowledge.

The same applies to the AF Audit. A forensic interrogation of the customer experience, through the prism of physiological ageing, allows the auditor to identify possible flaws in the brand experience for older customers. Equally important, the process may reveal issues that management can transform into competitive business advantages. The following are examples of the types of issues the audit can reveal.

TV controller

The AF Audit toolset was used to assess the usability of the remote controller for a cable TV service. The audit revealed that the device did not generate any audio feedback when the control buttons were depressed. Audio feedback, as with tactile and visual feedback, provides important reassurance to older users. Although it is currently absent from most TV remote devices, this feature is common on mobile phones.

Unlike TV controllers being sold in other geographies, the one being evaluated could not be adapted to help people with touch and flexibility problems. The size of the keys was on the threshold of acceptability. In total, the audit identified five significant problems with the device. Similar numbers of issues were found in the other CORPS experiences.

Hotel

Applying the audit for a multinational hotel company identified numerous touchpoints that were below the satisfactory score:

- Different factors of the lighting and signage scored poorly.
- The reception area provided insufficient seating.
- The illumination of the lift controls was so bad that even young people found them difficult to see.
- There were numerous issues with navigation and colours used on the website.
- The phone handset in the room was totally unsuitable for older people.
- There was no anti-slip surface on the wet-floor in the bathroom and there were no rails or handles to steady somebody with poor balance.

Needless to say, it was impossible to read the shampoo, conditioner and body lotion labels without wearing glasses.

The most important lesson to be taken from this example is that the hotel had just been redecorated and refurbished. It would have been possible to avoid all of the problems that the audit identified, without spending any additional money, just by doing things differently and taking account of age-friendliness.

Bank branch

The audit revealed that the area reserved for premium customers was uncomfortably cold. As discussed in Chapter 7, older people are more sensitive to cold temperatures and this environment was well below the comfort threshold of 23 degrees.

Furthermore, the low level of illumination made reading and writing difficult. The ambient music was clearly designed for younger ears, both in style and volume. As cognitive filtering becomes more difficult with age, this music created a distraction and made the conversation with the bank representative more difficult than it should be.

Added to all this, the youth of the bank representatives and their manner of speaking could easily create a barrier between them and their older customer.

Why these audit results are particularly important is that over the course of a day approximately 70 per cent of the people using the premium area of the branch were at least 50 years old and probably half were over 60 years.

Fast moving consumer goods product

The package closure had not evolved since the product was first launched. Although the brand remains popular among older adults, it retains a decades-old package design involving a small foil tab. Both dexterity and strength of ageing fingers were challenged in the basic task of opening this product.

The colour contrast on the packaging was just at the threshold of acceptability but for a customer aged 75-plus it would create problems.

It was very difficult to identify the salt and sugar contents of the product and there was no reference made to recommended daily consumption. In most geographies, this information is becoming increasingly important to healthiness-conscious older people.

It takes one auditor roughly three to four days to evaluate all of the touch-points along a customer journey. The exact time is totally dependent on the complexity of the journey.

The time and effort needed to conduct the complete age-friendliness audit depends on the number of audits, the degree of customization, the complexity of the analysis and the number of geographies being studied.

Before embarking on an age-friendliness project, we always stress that the audit is just the beginning. The challenge for management is what to do with the results.

The results of an AF Audit are potentially transformational. Insights and implications revealed across the consumer journey are likely to impact the entire organization. For this reason, top management must be 100 per cent committed to, and supportive of, all age-friendly initiatives.

Chapter at a glance

- ➔ The immediate barrier that companies face when trying to formulate their age-friendly strategy is the lack of business metrics to drive their decisions. First, companies require a way to measure their existing age-friendliness and that of their competitors. Second, the output from research must be a simple and actionable roadmap with clear-cut actions.
- ➔ A simple test comprised of six questions gives an indication of whether a company is considering the needs of its older customers throughout the purchase cycle. To provide the level of information that enables management to make decisions requires a much more complex model.
- ➔ The essence of an age-friendly audit is simple. The different variants of the customer journey are divided into a sequence of unique touchpoints. Then, each touchpoint is evaluated to understand how it might be affected by the customer's sensory, physical and cognitive ageing. The devil is in the detail of how this process is structured and conducted.
- ➔ The absence of a methodology that could satisfy all the criteria required to rigorously evaluate the age-friendliness of a business lead the authors to create the AF Audit toolset. This business tool uses an iPad application and cloud-based technology to evaluate how 24 physiological effects of ageing are satisfied or frustrated at each of around 200 customer touchpoints across the customer journey.

- ➔ Auditing a company's age-friendliness is just the beginning. The challenge for management is what to do with the results. The results of an audit are potentially transformational and likely to impact the entire organization. For this reason, top management must be 100 per cent committed to, and supportive of, all age-friendly initiatives.