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AARP Announces Longevity Economy Accounts for \$7.6 Trillion in Economic Activity Up From \$7.1 Trillion in 2013

New report shows rise in spending and workforce contributions among people 50-plus

WASHINGTON, DC – AARP today released the **2016 Longevity Economy report**, an in-depth look at how our nation's population of 111 million 50-plus consumers impacts the economy. According to the report, the 50-plus age groups generates \$7.6 trillion in economic activity (a \$500 billion increase from 2013), including \$5 trillion in consumer spending by people 50-plus. This increase reflects the shifting demographic and spending patterns of this group due to longer life spans and prolonged employment.

The 50-plus cohort represents a powerful force that drives economic activity and the growth of this age group has a vast impact on the nation's products and services. According to the report, members of the Longevity Economy are staying employed longer and making contributions within the workforce. In addition, the economic activity that comprises the Longevity Economy generates \$1.8 trillion in federal, state and local taxes. As older people extend their work lives, they are fueling economic growth past the traditional retirement age as well as combatting myths about how aging affects the economy.

"As the 50-plus demographic continues to grow, the market opportunities are too large to ignore," said Jody Holtzman, senior vice president of market innovation, AARP. "With those in the 'longevity economy' wanting to maintain independence, employment and health for as long as possible, opportunities abound for companies to develop products and services to meet the demand. This report offers a strong roadmap for companies to address the needs of the 50-plus population."

Additional key findings from the report include:

- **America's Longevity Economy is Becoming More Diverse** : By 2050, Black, Hispanic, Asian, and other non-white groups will make up 45 percent of the 50-plus population, compared with 26 percent in 2015. This will influence the types of goods and services that the 50-plus population consumes and invests in.
- **50-plus Workers are a Contributing Force in the Workplace and Have High Rates of Entrepreneurship**: People 50-plus are staying employed for longer, earning wages, spending more money, generating tax revenue, and producing economic value for an extended period of time. Those aged 55-64 have had the highest rate of entrepreneurial activity in the US over the last 10 years and one in three businesses in the US in that timeframe was started by an entrepreneur aged 50 or older.
- **Compelling findings regarding 50-plus Workers and Productivity** : There's a long-held myth about increasing age and decreasing productivity— that perhaps older workers are not as quick, agile or capable as their younger counterparts. While this may hold true in a few specific occupations, data suggest that the worker productivity does not diminish with age. In many cases, productivity may actually increase—even at advanced ages. The reason: Older workers tend to be active in industries that are more knowledge-intensive and less physically demanding. Workers who remain in the labor force in such roles and sectors therefore tend to be more highly educated and productive than their younger counterparts.
- **The Longevity Economy Supports Job Sustainability**: In 2015 alone, spending by people aged 50 and over in the U.S. supported more than 89.4 million jobs and more than \$4.7 trillion in the nation's labor income — 61 percent of all U.S. jobs and 43 percent of labor income was related to this groups' spending, affecting health services, education and other industries.
- **Motivation of the 50-plus Influences Business Technology**: The 50-plus population has a strong desire to maintain independence and stay active while aging, resulting in businesses developing new technologies – such as remote monitoring, smartphone apps and ambient computing – that cater to them.
- **50-plus Population is Philanthropic and Charitable**: Baby Boomers are found to donate at a larger rate than younger generations, with 80 percent of those 65-plus giving to charity in 2015. Boomers also spend more time volunteering – individuals 55-64 spend 128 hours per year while those 65-plus spend 133 hours per year. In addition, 83 percent of US household wealth is held by those over 50 years old.

The report highlights the fact that the Longevity Economy is redefining economic lines in successfully changing the face of the workforce, helping advance technology and breaking through the traditional perceptions of what it means to age.

For more information about The Longevity Economy, visit: <http://www.aarp.org/content/dam/aarp/home-and-family/personal-technology/2016/09/2016-Longevity-Economy-AARP.pdf>

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About AARP AARP is a nonprofit, nonpartisan organization, with a membership of nearly 38 million that helps people turn their goals and dreams into 'Real Possibilities' by changing the way America defines aging. With staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, AARP works to strengthen communities and promote the issues that matter most to families such as healthcare security, financial security and personal fulfillment. AARP also advocates for individuals in the marketplace by selecting products and services of high quality and value to carry the AARP name. As a trusted source for news and information, AARP produces the world's largest circulation magazine, AARP The Magazine and AARP Bulletin. AARP does not endorse candidates for public office or make contributions to political campaigns or candidates. To learn more, visit www.aarp.org or follow @aarp and our CEO @JoAnn_Jenkins on Twitter.

About the Longevity Network The Longevity Network, founded by AARP and [UnitedHealthcare](#) with the goal of driving innovation and improving the quality of people's lives as they age, is a first of its kind site dedicated solely to sharing information and resources for health tech entrepreneurs and investors seeking to take advantage of the vast and growing 50-plus marketplace. Because of the tremendous opportunities for new products and services in areas ranging from physical fitness to care navigation, vital sign monitoring, and medication management, it is more important than ever for health innovators to have a strategy for engaging the 50+ audience. More information is at <http://www.longevitynetwork.org>.

Media Contacts:

AARP Media Relations, (202) 434-2560, tdunion@aarp.org
