

ARTICLE

The Impact of Increasing Longevity on Corporate Strategies

The impact of increasing longevity will be felt across the corporate landscape. It will be felt in every sector and in all aspects of corporate operations – including HR, sales, marketing and product. **“Increased longevity is not just about healthcare,”** says Nic Palmarini, Director of the UK’s National Innovation Centre for Ageing (NICA). **“It is about the opportunities in multiple sectors for people to live, not just a longer life, but a larger life.”**

The numbers are telling. By 2050 there will be over 2 billion people in the world aged over 60. This neatly encapsulates how increased longevity is both a challenge for companies as employers, and a huge opportunity in terms of potential customers.

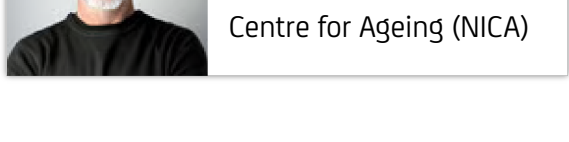
EMPLOYMENT

“We are moving from a world where there was a shortage of jobs, to one where there is now a shortage of workers,” says Professor Tito Boeri, Head of the Economics Department at Bocconi University. **“Therefore, we need to increase job mobility and introduce more flexible working arrangements for older workers.”**

The old paradigm of people working until a certain age and then suddenly retiring from all work needs to be replaced with structures that are much more nuanced. **“We need bold policies to release the untapped potential of the labour market,”** says Stefano Scarpetta, Director for Employment, Labor & Social Affairs at the OECD in Paris. **“Mobilising older workers is the most important thing we can do. Companies need to keep older workers.”**

While people should not retire, there are certain myths that should be retired. One such is that as we age, our productivity declines. According to Professor Axel Börsch-Supan, Director emeritus of the Max Planck Institute for Social Law and Social Policy, individual labour productivity does not decline as workers age. Indeed, in many cases, it actually increases. **“Longevity is a totally good story unless we screw it up by silly public policies like early retirement,”** he says.

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OPPORTUNITIES ON THE DEMAND SIDE

People are not just workers, they are also consumers. Changing demand dynamics as consumers age will benefit a wide range of sectors. The table below shows just where those opportunities might lie.

TRANSLATING THE ECONOMIC OPPORTUNITY

Market spending by key industries (Longevity-Weighted Market Size)

Industry	Market Size (USD trillions)	CAGR
Food & Nutrition	11	6%
Financial services	10	6.50%
Well Being & Personal Care	3.1	5.50%
Built environment	0.9	4.50%
Transportation & mobility	5.8	6.20%
Leisure & Entertainment	2.1	7.50%
Fashion & Apparel	1.1	5.80%
Media & Technology	0.7	6.40%

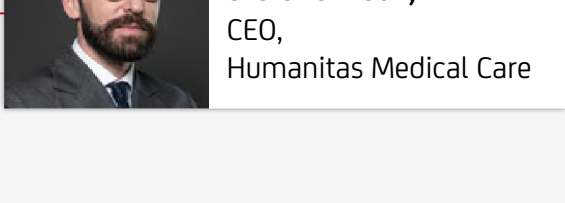
Source: NICA projection based on Dun & Bradstreet source, market shares are indicative and subject to refinement

Even now, across a range of industries, there are companies that are already preparing themselves for older customers. They are developing strategies that not only tap into an expanded cohort of older consumers, but are also developing products and services that cater to their specific needs and wants.

Through ongoing dialogue with clients, UniCredit is already shaping solutions that address longevity trends and providing technical expertise across sectors.

We will look at two: real estate and healthcare.

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REAL ESTATE

As we age, our living requirements change. We tend to need smaller homes but at the same time more connectivity with family and friends. Senior living facilities are increasingly in demand. These spaces provide not just a place to live but also a community with which to engage.

According to Nic Palmarini at NICA, many people want to come together as they age and seek to live in not just homes, but entire villages where they can grow old together.

At the same time there is an increase in vulnerability, and companies that build and operate homes for older people are already incorporating technology into their designs that can help with monitoring and detection of issues associated with this.

Get it right and there are rich opportunities in real estate associated with increasing longevity. **“Senior living trends are all increasing and there is no better asset class in European real estate investing,”** says Mario Abbadessa, Senior Managing Director, Head of Transactions Europe & Country Head Italy at the real estate investment company Hines. However, Abbadessa notes that despite increased demand, the supply of senior living facilities is still limited, especially in Italy, which has the oldest population in Europe. Inadequate supply and increased demand are the foundations of many successful corporate strategies, and as such the senior real estate business is likely to boom. **“Increased longevity is part of our strategy,”** says Abbadessa. **“Senior living has moved from being a niche strategy to a core investing strategy.”**

AGEING CONSUMERS

Consumption patterns are changing as societies age. Already, more adult diapers are being sold in Japan than baby diapers. But it is not just what we buy that changes, how we buy changes too, and this presents an opportunity for the marketing services sector.

As we age our brains change, and while we do lose some cognitive power, other paths compensate. According to Katie Hart, a leading neuromarketer, we become more trusting as we age, but also more risk averse. This is why fraud and scammers tend to target the elderly. But this also means that companies need to be mindful of how they sell to and communicate with this growing demographic. **“Don’t create urgency, and don’t try and create scarcity,”** she says. **“That might work well with the Gen Z’s and the Millennials, but for the older brain, it doesn’t motivate them at all.”**

But even more important than designing strategies that appeal to older consumers, companies should acknowledge their very existence in the first place. **“Absolutely, the worst thing you can do is to ignore them,”** says Hart. **“In a recent survey of people over 60, 75% say they feel nothing in advertising resonates with them. They don’t feel it’s designed for them. They don’t feel it’s written to communicate to them. Ignoring them is almost one of the worst things that we can do. Make sure as part of your strategies you deliberately take time out to consider their needs and their priorities.”**

HEALTHCARE

The key to getting longevity right is to enjoy longer life in good health. But existing healthcare systems are not set up to provide that outcome. According to Stefano Bison, CEO at Humanitas Medical Care: **“people who are over 65 make up 25% of the population but they use 70% of the health spending and a lot of that is spent on cures rather than prevention.”**

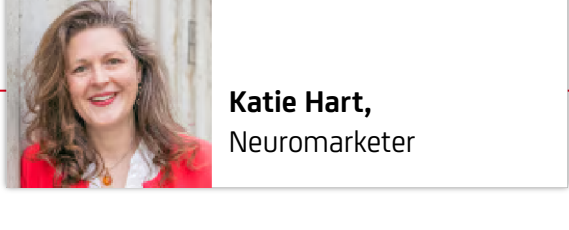
In order to take full advantage of the extra years of life, healthcare systems around the world – and especially in ageing societies – must shift their focus from curing people when they get ill to preventing them getting ill in the first place. **“We need to change everything, from health education to the hardware such as hospitals and medical facilities, and the software with the introduction of much more personalised medicine,”** says Bison.

Companies are already introducing new healthcare products that support this new reality, often using healthcare technology that helps to prevent illness. **“Philipps is investing in solutions to help solve these healthcare challenges,”** says Andrea Celli, Managing Director, Philipps Italy, Israel and Greece. **“In particular we are focusing on preventative equipment, such as first scan and last mile equipment.”**

The health and wellness sector is also looking at ways to help people stay healthy as they age. One example is Technogym, the manufacturer of sports and leisure equipment. **“Longevity is 80% about epigenetics, or the lifestyle that people lead,”** says Erica Alessandri, Member of the Board of Directors of Technogym. **“Exercise and precision training are therefore a hugely important facet of longevity.”**

What is clear is that the longevity society has already opened up the potential for partnerships between different firms working across the healthcare sector. This could be between insurance companies and healthcare providers, or technology companies and wellness providers, or even between real estate companies and health tech companies. **“No one company can do this alone, we need partnerships,”** says Bison at Humanitas.

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CONCLUSION

Increasing lifespans are creating opportunities for forward thinking companies. Firstly, companies will need to change their operations as their employees age but want to stay in work longer. Companies must also acknowledge that their customers are getting older and introduce new products and services that specifically cater to them. Examples of this can already be found in the healthcare, real estate, technology, and consumer sectors.

Longevity is about more than long life, it is about a larger life. And companies that recognise this will benefit.

The people quoted in this article were speaking at the Longevity Economic Forum, hosted by UniCredit in Milan on 28 May 2025.

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