CONTENTS

01 Introduction
02 Consumer Landscape
03 Investment Environment
04 Company Case Studies
05 Conclusion
06 References
INTRODUCTION
IT’S NO SECRET THAT HERE at Alive Ventures, we are passionate about building companies that help older adults live more positive, vibrant lives. However, what might be less obvious is why. Providing some insight into that question is the purpose of this report.

We want to share the objective data and information that has led us to believe that building for older adults is not just a worthwhile cause; in fact, it is a dynamic challenge that an increasing number of entrepreneurs, the people we support, relish tackling. Of course, we couldn’t justify our moniker without also considering the investment opportunities presented by serving older adults.

Whether you have worked with this demographic for decades or just had your interest piqued, we hope that you find something interesting, perhaps even inspiring, in this report.
CONSUMER LANDSCAPE
No matter how you break it down, older adults represent a huge market.

When taking a generational view, older adults span baby boomers, the silent generation, and the greatest generation, for a total of ~100M people.

Source: Knoema 1
This market has grown significantly and is projected to continue at an even greater rate.

Number of persons 65 and older, 1900-2060

Note: Increments in years are uneven. Red bars (2040 and 2060) indicate projections. Source: U.S. Census Bureau.
As expected in later life, the median household income for older adults is much lower than that of the general population.

The median HHI for the total population in 2020 was $67,521.

In comparison, the median HHI for adults 65 and older was $47,357.

Source: U.S. Census Bureau, Statista
However, looking beyond income, baby boomers are the wealthiest generation, holding over half of the nation’s wealth.

While it is expected that older generations have accumulated more assets, baby boomers had more wealth when they were the same age as millennials are today. The pandemic has only widened the generational wealth gap.

Source: CNBC 5
Older adults often spend similar amounts, if not more, on non-essentials.

<table>
<thead>
<tr>
<th>Category</th>
<th>GEN Z</th>
<th>MILLENNIALS</th>
<th>GEN X</th>
<th>BOOMERS</th>
<th>SILENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>$124</td>
<td>$174</td>
<td>$169</td>
<td>$183</td>
<td>$248</td>
</tr>
<tr>
<td>Entertainment</td>
<td>$939</td>
<td>$840</td>
<td>$887</td>
<td>$761</td>
<td>$624</td>
</tr>
<tr>
<td>Restaurant</td>
<td>$2,765</td>
<td>$2,529</td>
<td>$2,460</td>
<td>$2,090</td>
<td>$1,651</td>
</tr>
<tr>
<td>Travel</td>
<td>$3,827</td>
<td>$3,112</td>
<td>$3,414</td>
<td>$3,431</td>
<td>$3,000</td>
</tr>
</tbody>
</table>

Source: Epsilon 6
The pandemic drove a significant increase in tech spending for adults age 50 and older.

According to AARP, spending on personal tech was up significantly during the pandemic in 2020, with older adults spending on average $1,144 on technology. While it started to level off in 2021, spending is still significantly higher than 2019, when the average was $394.

The top three tech purchases:
- Smartphones
- Smart TVs
- Bluetooth headsets/earbuds

Total tech spend, 2019-2021 among adults 50+

Source: AARP 1, Pew Research 2
Older adults are using technology more than people think.

They are engaging across devices and platforms more than ever before and showing a strong willingness to adopt new technologies.

SMARTPHONE
OWNERSHIP

SMART SPEAKER/
DISPLAY OWNERSHIP

PERCENTAGE OF ADULTS
65+ USING ONLINE SERVICES

Source: Parks Associates 9, Cision PR Newswire 10
INVESTMENT ENVIRONMENT
Funds investing in companies serving older adults*

Investors have different levels of focus and different reasons for investing in companies serving older adults.

**01 AGETECH FUNDS**
- Generator Ventures
- Link-age Ventures
- Third Act Ventures
- Mediterranean Towers Ventures
- Primetime Partners

**02 GENERALIST FUNDS**
- Andreessen Horowitz
- Khosla Ventures
- Bessemer Venture Partners
- QED Investors
- Revolution

**03 ACCELERATOR FUNDS**
- Techstars
- Y Combinator
- 500 Startups

**04 IMPACT FUNDS**
- Rethink Impact
- Ananda Impact Ventures
- Trail Mix Ventures

* Lists are examples and not exhaustive

Source: The Gerontechnologist 1
Other investors in companies that serve older adults*

01 CORPORATIONS

EXAMPLES:
Google
Samsung
P&G

In-house venture studios and funds that enhance their business by creating products and services to serve older adults better.

02 NONPROFITS

EXAMPLE:
AARP

Organizations whose main goal is to enable better tools and technology to help older adults stay healthy, independent, and productive as they age.

03 GOVERNMENT

EXAMPLE:
The National Institute on Aging’s Small Business Fund

Funding to support startups that often are too early for private investment.

* Lists are examples and not exhaustive
Investments tend to target early-stage companies.

Ironically, the market for companies serving older adults is still relatively young. Therefore, with a few exceptions, most investments are in nascent startups.

Establishment of initial agtech-focused funds

Average agtech deal size in 2020 (vs. $15M for venture funding in general)

Source: Venture Capital Journal, NVCA
Primary focus areas are largely care-related.

Companies with investor funding in excess of £10M by support domain

Source: Longevity Technology
Many investments are in B2B companies or ones that don’t directly target older adults.

“One of the barriers to mainstreaming the market for goods and services which support healthy aging and later-life living is establishing trust in products and getting the price points right in a market that is breaking new ground. And this stands true for both the B2C and B2B market. I think that if we can establish the products in the B2B market first then the consumer market will naturally follow.”

— LORRAINE MORLEY (AgeTech Accelerator)

Source: Longevity Technology 4, Forbes 5
Significant investment growth

Funding in 2016
$300M

Funding in 2020
>$1B

EMERGENCE OF UNICORNS

PAPA
$1.4B

HONOR
$1.25B*  

There has been a rise in investor interest because the demographic shift is undeniable.

— ABBY MILLER LEVY, Primetime Partners Managing Partner

Funding to US Startups focused on Eldercare, Elderly Populations and Home Health Care

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TOTAL $ INVESTED</th>
<th>NUMBER OF DEALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$334M</td>
<td>67</td>
</tr>
<tr>
<td>2017</td>
<td>$278M</td>
<td>68</td>
</tr>
<tr>
<td>2018</td>
<td>$595M</td>
<td>62</td>
</tr>
<tr>
<td>2019</td>
<td>$351M</td>
<td>83</td>
</tr>
<tr>
<td>2020</td>
<td>$1,140M</td>
<td>91</td>
</tr>
<tr>
<td>2021*</td>
<td>$514M</td>
<td>29</td>
</tr>
</tbody>
</table>

*Data as of Q4 2021

Source: Crunchbase

*Data as of June 3rd 2021
Growth in areas unrelated to care

While much funding still goes toward elder care, this environment is starting to change.

—I estimate that 80 percent of dollars are going into the business-to-business institutional care space, for example technology used by nursing homes, yet only 3 percent of older adults live in institutional care facilities.

—CHETAN PAREKH, P&G Ventures

EXAMPLES:

PAPA
Pairs older adults and families with “Papa Pals” for companionship and assistance with social determinants of health, such as loneliness and isolation, transportation access, technology, and health care literacy.

ELEMENT3 HEALTH
Uses matching algorithms to connect seniors who share hobbies and similar likes.

Source: Crunchbase
Examples of startups focused on older adults in categories other than elder care

**01 CONSUMER GOODS**
- Because Market
- Bue
- ByACRE
- Caddis
- Eyra (UK)
- Hazel
- Kindra

**02 BUILDING COMMUNITY**
- Uniper
- Stitch.net
- GrownandFlown
- Brightly
- Revel

**03 HOUSING**
- Nesterly
- Silvernest
- UpsideHom
COMPANY CASE STUDIES
Founded: 2019
Founders: Jeremy Dabor and Lucas Samuels
Idea: Help adults 50+ navigate the non-financial transition into retirement
Product: Retirement transition program provided by coaches and supported by a virtual community
Model: B2C
Funding: $600K+
Traction: 8,900 members, with 100+ having completed the full program

WHAT SETS IT APART

Focuses on purpose and meaning for older adults, supported in a peer-to-peer way not just through expert advice.

There is a tremendous amount of wealth accumulation platforms but not decumulation.

—Erik Ross, Nationwide Ventures

Source: Bloom 1
Founded: 2020
Founders: Amanda Rees and Hari Arul
Idea: At-home digital fitness program designed to help older adults live their strongest, happiest, and healthiest lives
Product: Personalized exercise programs and classes
Model: B2C2B, then partnerships with Medicare Advantage organizations and risk-bearing providers
Funding: $7M February 2021, led by Andreessen Horowitz
Traction: 2M MAU, global proposition, finding receptive market in India

WHAT SETS IT APART

Harnesses older adults’ increased use of digital technologies alongside digital wellness trends in the wider market.

Preventative health care to improve well-being before medical treatment is required.

B2C2B model: serves the needs of direct customers first, before enterprise business.

Source: TechCrunch 2
**Founded:** 2020

**Founders:** Dana Griffin, Jules Olleon, and Kate Burson

**Idea:** Decades of experience, knowledge, love, loss, and common sense is the most valuable resource that older adults can share with younger generations to help them grow beyond their screens and imagine a better future for all.

**Product:** Online platform that pairs kids with older adults for virtual story times, help with schoolwork, or just a friendly chat.

**Model:** C2C platform, free

**Funding:** $100K (self-funded)

**Traction:** ~2,000 matches in 20+ countries

**WHAT SETS IT APART**

Eldera provides an offering similar to many community programs that connect adult mentors with children. However, its AI-driven, privacy/security-focused platform has the potential to bring these matches to scale, making a caring adult available to any student who needs one.

— KATHERINE HURLEY, Village Capital

Source: Forbes 3
**Founded:** 2019

**Founders:** Lisa Marrone and Alexa Wahr

**Idea:** Revel is a membership-based community where women in their 40s, 50s, and beyond gather to share hard-earned knowledge, experience, laughter, and adventure

**Product:** Online community with local hubs

**Model:** Social platform, free for first 20,000 members

**Funding:** $2.7M

**Traction:** 9,000 members, five locations, 50 events each week

---

**WHAT SETS IT APART**

A community designed for women in midlife and beyond with a focus on providing an engaging, safe, and welcoming space. It does not have any ads, which mitigates concerns about data privacy.

---

**REVEL’S CORE VALUES**

**AUTHENTICITY**
We are forming real connections in the real world

**JOY**
Life is short we are here to laugh and have fun

**RESPECT**
We all have something worth sharing and are all worthy of being heard.

Source: Cision PR Newswire 4
CA DDIS

Founded: 2016
Founders: Tim Parr and Dustin Robertson
Idea: Designing reading glasses that people want
Product: Reading glasses
Model: B2C e-commerces
Funding: $1M

WHAT SETS IT APART

Unique branding: touted as the anti-anti-aging brand. They raise awareness about society’s obsession with youth. Per their mission statement, “We want to call out the whole fountain of youth illusion, industries that profit from the fear of getting older, and the concept of ‘aging gracefully.’”

Source: Envoy 5
Founded: 2015
Founders: Chuck McKenney and Wendi Burkhardt
Idea: Increase housing options for more people; supporting financial resilience for all ages; improving health by fighting social isolation; building genuine connection and community
Product: Room-matching service that pairs aging homeowners with roommates and tools for long-term home sharing
Model: C2C platform, 5% service fee charged on rent received
Funding: $5.6M
Traction: 100K+ members, $31M rental income, $23M saved in rent

WHAT SETS IT APART

Soup to nuts room-matching service that makes home-sharing a breeze. The platform matches homeowners and housemates with a unique compatibility score. They also verify everyone's identity at sign-up.

By using the private and secure in-app messaging system, the platform lets users interview and get to know each other with confidence. Once a match is made, Silvernest provides a lease creator, automated rent payments, and homesharing insurance coverage in one streamlined package.

Source: Silvernest 6
More remarkable companies are yet to come

OLDER ADULTS BELONG to a demographic that is significant in size and rapidly growing. While they may not generate as much income as younger demographics, they, as a group, do hold substantial wealth that they are willing to spend. It is no surprise that they spend relatively more on health care, but they also spend a notable portion of their wealth on nonessentials, with an increasing amount on new products and services.

With this realization, more investors with various objectives have started to invest or are investing more in companies that serve this demographic. Furthermore, they are also funding a more diverse range of companies beyond the traditional sectors serving older adults, such as elder care or health care.
As a result, a wider range of companies, large and small, in various sectors are flourishing. We have given examples of companies in areas such as fintech and fitness in this report, but those are just a subset of the emerging companies that serve older adults.

Whether you are an entrepreneur, an investor, a corporate executive, or just someone curious, we hope you have uncovered more reasons to pursue your interest in building for older adults. Let’s make growing older better, together.
Consumer Landscape:

Investment Environment:

Company Case Studies:

5. “A Brand Embracing Age”, Envoy, https://medium.com/swlh/a-brand-embracing-age-d1fb34e89083
This presentation, including the information contained herein, has been compiled for informational purposes only. The presentation relies on data and insights from a wide range of sources, including: public and private companies, market research organizations, and government agencies. We site specific sources where data are public. The presentation is also informed by non-public information and insights. We disclaim any and all warranties, express or implied, with respect to the presentation. No presentation content should be construed as professional advice of any kind (including legal or investment advice).