

SOPAAL

„Feasibility Study on Socio-economic Parameters to Support a National Implementation of AAL in Austria“

Executive Summary

Expert report on behalf of



Delivered by

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EXECUTIVE SUMMARY

The present study consists of three main parts:

- Description of the various needs of the AAL target group along a segmentation based on functional capabilities (demand side).
- Representative view on current and intended AAL activities of the Austrian industry sector (supply side).
- By comparing demand and supply side gaps and matches as well as key success factors for an implementation of an AAL program in Austria (analysis and recommendations) are identified.

Demand side

A segmentation based on functional capabilities of persons aged 60+ (in 2004) shows the following distribution:

Segment	2004	% Population	% of 60+
GO-GOES ("independent performers")	1,3 Million	16%	72%
SLOW-GOES ("independent survivors")	0,33 Million	4%	18%
NO-GOES ("supported retirees")	0,18 Million	2%	10%

A secondary target group assisting SLOW-GOES and NO-GOES can be identified: supporting relatives (0.43 million) plus several tens of thousands of (semi-)professional personnel for mobile care and support.

SLOW-GOES and NO-GOES are highly fragmented segments due to a large number of various deficiencies and needs in the target groups. Furthermore, the majority is not willing or able to pay for additional products or services.

On the other hand, there is a relatively large number of 60+ people in good mental and physical health with an active lifestyle - the GO-GOES segment. Health and wellness are of high importance within this group. Existing life style segmentations suggest that sub-segments can be identified where a willingness to spend money for new products and services can be assumed.

As a result, business cases are easier to establish for GO-GOES than for the SLOW-/NO-GOES segment.

Supply side

A closer look at AAL research activities in the Austrian industry shows only very limited efforts to support the GO-GOES segment. A few companies are e.g. dealing with enhanced communication applications for the target group - including the setup of (virtual) communities.

On the other hand, there are a number of relatively small companies - supported by research institutions - that focus on rehabilitation and e-health. Their target is

- Monitoring and alerting
- Communication - e.g. care-givers / clients
- Information and mentoring
- Smart homes
- Support for cognitive deficiencies

Analysis and recommendations

Due to the nature of the SLWO/NO-GOES segment it is difficult to set up viable business cases and thus to motivate a wider set of companies to invest in this field. Other financing models including public funds, private insurances, etc. will be needed to address this target group.

As this might take considerable time we recommend approaching the GO-GOES as a first step for AAL activities in Austria. Two effects are to be expected:

- Promising business cases will help to encourage the industry to target this new market
- New projects will reach a wider audience and thus the visibility of the AAL initiative will be enhanced which in turn will help to further stimulate the industry

However, encouraging the industry to participate in such an AAL program will prove to be a challenge for program management. Due to the structure of the Austrian industry where 99.6% of all companies have fewer than 50 employees, it is essential that these small enterprises should be reached and encouraged. Program management will need to take extra care of their needs by establishing appropriate guiding principles, supporting community building and ensuring adequate communication. It should also be considered whether public institutions could act as lead customers in certain application areas in order to reduce the business risk for SMEs.

Relevant topics for targeting the segment of GO-GOES are seen in the health and wellness area by supporting an active and healthy life style. Examples are to be found in the fields of

- Nutrition
- Physical activity
- Cognitive activation
- Social connectivity

To create successful new products and services for this new target group it is essential that companies build up in-depth knowledge about the needs of GO-GOES and are able to evaluate their new ideas, prototypes, products and services in close interaction with potential customers. Especially the latter is seen as a further challenge for SMEs. As a possible remedy platforms for larger testbeds such as living labs could be incorporated into the program. Last but not least, SMEs have to be made aware of the fact that it will need more than a technically perfect product to find acceptance in this market. Fostering interdisciplinary cooperation between researchers, developers, user interface designers, sociologists, psychologists, ethicists etc. will be a key to success in this market segment.