The Quality of Life

- Based within MIT’s School of Engineering’s Engineering Systems Division
- Challenges and opportunities of longevity
- Consumer behavior and decision-making
- Trends in demographics, technology, and lifestyles
Where do you begin?

Agenda

Consumer preference

3 Questions

Different planning process
Consumer preference

Current processes
Data-heavy
Unemotional
Analytical models
Focused on investments
3 Questions

Who will change my light bulbs?

How will I get an ice cream cone?

Who will I have lunch with?
3 Questions

Who will change my light bulbs?

Largest Expense: Housing

Consumer Expenditures—65 Years and older

- Avg. Income: $45,100
- Avg. Age: 74.2
- Household size: 1.8

3 Questions

- Aging in home
  - Home maintenance
  - Home services
- “Village” movement
- Continuing Care Retirement Community

Top 10 Design Trends for Aging in Place

1. Level entry way
2. Live on one floor
3. Kitchen and bath improvements
4. Storage within easy reach
5. Appliances at comfortable heights
6. More drawers
7. Doors that go away
8. Lavatory designs invite an open knee space
9. Comfort- or right-height toilet seats
10. No-threshold showers

Source: http://aginginplace.com/home-modification/test-page/
3 Questions

• Be the agenda-setter
• Cost
• Connector

How will I get an ice cream cone?
3 Questions

Largest Expense: Housing
Consumer Expenditures—65 Years and older

- Avg. Income: $45,100
- Avg. Age: 74.2
- Household size: 1.8


3 Questions

Food Expense
Consumer Expenditures—65 Years and older

- Avg. Income: $45,100
- Avg. Age: 74.2
- Household size: 1.8

3 Questions

**Entertainment Expense**
Consumer Expenditures—65 Years and older

- Entertainment: 5%
- Food: 13%
- Housing: 34%

Avg. Income: $45,100
Avg. Age: 74.2
Household size: 1.8


---

3 Questions

**Cash Contribution Expense**
Consumer Expenditures—65 Years and older

- Cash contributions: 8%
- Entertainment: 5%
- Food: 13%
- Housing: 34%

Avg. Income: $45,100
Avg. Age: 74.2
Household size: 1.8

Second Largest Expense: Transportation
Consumer Expenditures—65 Years and older

- Housing, 34%
- Transportation, 16%
- Food, 13%
- Entertainment, 5%
- Cash contributions, 6%

 Avg. Income: $45,100
 Avg. Age: 74.2
 Household size: 1.8

Who will I have lunch with?

Fewer 40–54 Caregivers
Average Age Distribution Projections for 2010 by Five-Year Age Segment

% Growth in by Age Cohort 2010 - 2020

Source: MIT AgeLab
Maintaining Your Social Network

Women
- Quickly rebuild social networks
- Focus on friends & family
- Live longer

Men
- Social network largely centered on work or activity-based
- Network will naturally dissipate sooner due to mortality
- Self-focused

Creating a Strong Social Network

- Visit a social center & participate in activities
- Join a group focused on physical activity or a hobby you enjoy
- Enroll in a course
- Join a gym
- Remain physically active
- Integrate younger people
- Volunteer
3 Questions

Consumer Expenditures—65 Years and older

- Food, 13%
- Housing, 34%
- Transportation, 16%
- Entertainment, 5%
- Cash contributions, 6%

Avg. Income: $45,100
Avg. Age: 74.2
Household size: 1.8


3 Questions

Health Care Expense
Consumer Expenditures—65 Years and older

- Food, 13%
- Housing, 34%
- Transportation, 16%
- Health care, 13%
- Entertainment, 5%
- Cash contributions, 6%

Avg. Income: $45,100
Avg. Age: 74.2
Household size: 1.8

3 Questions

Other Expenses
Consumer Expenditures—65 Years and older

- Housing, 34%
- Food, 13%
- Transportation, 16%
- Entertainment, 5%
- Health care, 13%
- Other, 13%
- Cash contributions, 6%

Avg. Income: $45,100
Avg. Age: 74.2
Household size: 1.8


Different Planning Process
Different Planning Process

Investments then investors

Investor then investments

Quantity

Quality

Stocks

Bonds

Cash

Light bulb

Ice cream

Fork
Summary

Consumer preference
Personal agenda

3 Questions
Engaging

Different planning process
Quantitative and Qualitative

Main Idea

“Effective planning must be about more than financial security. The new face of retirement planning must go beyond money, and adopt an integrated and holistic approach to helping people prepare to live longer and well.”

—Dr. Joe Coughlin, MIT AgeLab
At Hartford Funds, your investment satisfaction is our measure of success. That’s why we use an approach we call human-centric investing that considers not only how the economy and stock market impact your investments, but also how societal influences, generational differences, and your stage of life shape you as an investor.

Instead of cookie-cutter recommendations and generic goals, we think you deserve personalized advice from a financial advisor who understands your financial situation and can build a financial plan tailored to your needs.

Delivering strong performance is always our top priority. But the numbers on the page are only half the story. The true test is whether or not an investment is performing to your expectations.

All investments are subject to risk, including the possible loss of principal.

The MIT AgeLab is not an affiliate or subsidiary of Hartford Funds.

All information and representations herein are as of 9/15, unless otherwise noted.

REP_QOL_0915 114519-4