



# America — The Land of Unprecedented Audiological Potential

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The success of any business enterprise in any industry is directly influenced by the number of potential “buyers” or “users” of goods and services over time. It’s a simple concept – the more potential customers, the more opportunity for growth and success.

For the past couple of years, I have witnessed the notion that audiological practices are at high risk due to consolidation, new retail distribution strategies, ownership by manufacturers or buying groups and a general hysteria that “all our customers will go elsewhere” for audiological sales and patient care.

Has anyone really looked at the true market potential as it not only stands today, but where it is headed in the foreseeable future? The demographic numbers are not only impressive, but frankly quite staggering. As an industry, we could not satisfy the potential demand even if we doubled the retail reach of the private sector. It is simply a matter of mathematics. Let’s look at our collective opportunity by the numbers.

According to the latest U.S. demographics, as of June 2, 2014, the United States has a total resident population of 318,144,000, making it the third-most populous country in the world – surpassed only by China and India. Over 80% of our population resides in cities and suburbs as of 2011 (the worldwide urban rate is 52%). California and

Texas have more residents than any other state and New York City is the most populous city in the United States.

The American population more than quadrupled during the 20th century—at a growth rate of about 1.3% a year—from about 76 million in 1900 to over 318 million. It reached the 200 million mark in 1968 and the 300 million mark on October 17, 2006. The Census Bureau projects a U.S. population of 439 million in 2050, which is a 46% increase from 2007 (301.3 million).

## **The Great Divide**

The interesting numbers have to do with the aging divisions of the U.S. population – the greatest age shift in history is happening right now!

The Census Bureau has indicated that the U.S. population will be considerably older and more racially and ethnically diverse by 2060,

According to the projections, the population age 65 and older is expected to more than double between 2012 and 2060, from 43.1 million to 92.0 million. The older population would represent just over one in five U.S. residents by the end of the period, up from one in seven today. The increase in the number of the “oldest old” will be even more impressive — those 85 and older are projected to more than triple from 5.9 million to 18.2 million, reaching 4.3 percent of the total population.

Baby boomers, defined as persons born between 1946 and 1964, number 76.4 million in 2012 and account for about one-quarter of the population. In 2060, when the youngest of them would be 96 years old, they are projected to number around 2.4 million and represent 0.6 percent of the total population.

All in all, minorities, now 37 percent of the U.S. population, are projected to comprise 57 percent of the population in 2060.

Some other interesting projections:

- The nation's total population would cross the 400 million mark in 2051, reaching 420.3 million in 2060.
- In 2056, for the first time, the older population, age 65 and over, is projected to outnumber the young, age under 18.
- The working-age population (18 to 64) is expected to increase by 42 million between 2012 and 2060, from 197 million to 239 million, while its share of the total population declines from 62.7 percent to 56.9 percent.

To me, this screams one thing and one thing only: *OPPORTUNITY!*

Take a second to think of the following premise to put things into perspective:

If we have a national service network of audiology providers of some 13,000 retail locations today and if each of those locations could see 5 new prospects a day (that's a stretch), 250 work days a year, the maximum number of people that could fill the sales pipeline would only be 16.2 million customers – a mere fraction of the potential market! Today, we can't serve the population as it stands due to a significant shortage of professionals.

My humble advice...don't waste time worrying about losing customers, worry about how the heck you can do a better job reaching the market that is still under-served. Some ideas about what to review with your practice might include:

- Is there an ethnic element to my market that I am not capitalizing on?
- Are the marketing efforts employed really delivering the customers to my business?
- Have I contacted all of the Assisted Living and Nursing Homes in my service area?
- Am I actively engaged in my referral network on a regular basis?
- Do I have a professional image for my business – am I using state-of-the-art equipment?
- Do I have a public relations strategy for my market?
- Am I really consistently executing a focused sales and marketing plan, or am I simply reacting to the forces in the market from day to day?

**The POTENTIAL has never been greater for increased sales and a broader customer base – the statistics don't lie.** You can choose to let things happen or you can make things happen. As an industry we have extraordinary technology, a growing customer base that will continue to outpace our ability to serve it, and new distribution strategies that will supplement the professional private practitioner by serving specific population segments. Let's get on with it, we have a lot of work ahead of us...