



The Disability Market:
Business Case for Reaching People with Disabilities

A Growing Consumer Niche

Many people are still surprised to learn just how much of the world's population is affected by a disability, and how valuable accessible design is to private industry, government, and educational institutions.

To understand the impact, one has to look no further than the World Health Organization (WHO) (2003) which indicates that people with disabilities are one of the largest and fastest growing minority groups. It is becoming clear that public and private entities who make their technology accessible can reach a largely untapped and underserved market; a demographic that represents both spending and voting power; a population that exhibits a strong desire to learn and improve despite facing physical and cognitive challenges (The Solution Marketing Group, 2007).



Industry analysts expect that this buying power will quickly exceed the \$1 trillion mark in the years ahead. The compelling evidence of the purchasing power of this market segment makes it clear that businesses need to conduct operations in ways that will attract customers with disabilities to their goods and services.

Currently, the American Association of People with Disabilities (AAPD) estimates that the number of people with disabilities is dramatic, impacting an estimated 1 in 5 households or roughly 60 million Americans.

Adding to this population is the 76 million strong “Baby Boom” generation. With the leading edge of this demographic having turned 60 in 2006, the Administration on Aging projects that we will continue to see a dramatic leap in the number of people developing disabilities for the first time in their lives — disabilities such as, but not limited to: vision, hearing, mobility, and cognitive impairments. In fact, the U.S. Department of Labor Office of Disability Employment Policy indicates that as the population ages, approximately 40% of those over 65 will likely acquire a disability.

An inclusive and universal design approach to technology is critical to both federal agencies and private industry wishing to anticipate future needs of this growing population, an untapped market that is fast becoming a prized consumer niche.

In recent years the international community has also recognized the importance of reliable information on various aspects of disability prevention, rehabilitation and care, and most importantly the need to invest in assistive technology services that can ensure equality of opportunities and good quality of life for persons with disabilities.

As an example, the United Nations’ Millennium Declaration; the United Nations’ Standard Rules on the Equalization of Opportunities for Persons with Disabilities; International Classification of Functioning, Disability, and Health officially endorsed at the Fifty-fourth

World Health Assembly in 2001; the United Nations World Programme of Action concerning Disabled Persons; the African Decade of Disabled Persons, 2000-2009; the Asian and Pacific Decade of Disabled Persons, 1993-2002; the New Asian Pacific Decade of Disabled Persons, 2003-2012; and the European Year of People with Disabilities, 2003 (United Nations Statistics Division, 2007).

By recognizing the importance of the protection and promotion of the rights and dignity of persons with disabilities through assistive technology, the world is just beginning to strengthen national policies, strategies, and programs along with an increase in awareness of the public at large of the importance of the issue of disability and assistive technology.



Spending Power Aside, It's the Law

The magnitude of this spending power aside, access to electronic and information technology by persons with disabilities is protected by a federal mandate in the US known as Section 508 of the U.S. Rehabilitation Act, as well as other legislation designed to promote equal access to technology.

The legislation referred to as "Section 508" is actually an amendment to the Workforce Rehabilitation Act of 1973. Section 508 requires that electronic and information technology that is developed or purchased by the Federal Government is accessible by people with disabilities.

Although Section 508 refers to technology that is developed or purchased by the Federal Government, accessibility is quickly becoming an important mandate in the private sector as well. Companies that have responded to this growing consumer base -- comprised of "Baby Boomers," senior citizens, and persons with disabilities -- have developed greater market share by considering accessibility in all stages of product development and marketing.

In addition, many in private industry wishing to do business with the Federal market are now discovering that complying to Section 508 of the US Rehabilitation Act gives government contractors the upper hand.

There are other legal obligations effecting accessibility as well. The Americans with Disabilities Act (ADA), for example, also prohibits discrimination against people with disabilities. Title II of the ADA requires that state websites be accessible. Reasonable accommodations must be made for disabled users. The National Federation of the Blind settled a lawsuit with AOL after the internet giant committed to make version 6.0 of its software accessible to the visually impaired. The Sydney Olympic Committee lost in court and was ordered to make the Olympics website accessible to blind users.

Interestingly, in some states, like Virginia, the government has also put into place efforts such as the *Virginia IT Accessibility Standard*. This Standard requires that Commonwealth

employees and citizens with disabilities have access to and use of information and data comparable to the access and use by people who do not have disabilities.

So who benefits from these laws? That's easy – we all do. More specifically though, there is a marked increase in productivity and participation of employees with disabilities or those working with environmental, physical, or sensory limitations. In addition, companies that comply gain a competitive edge over competitors, as their products and services reach a wider scope of customers.

Complying to the law not only provides tax incentive for business owners, but it also reduces barriers to customers and employees with disabilities. And obviously, taking Section 508 seriously minimizes the liability from potential noncompliance.

Defining Market

Now that accessibility is evolving into a sound business practice for private industry, how does one define the market, and most important – how do you reach this untapped customer base?

Around the world, more than 750 million people with disabilities (World Health Organization) are gaining recognition as a significant and growing market for products and services, and they are making their needs and expectations known. Using information and communication technology that is accessible is the fastest way in which to reach people with disabilities and the elderly.

Millions of people with disabilities regularly travel, shop, and eat out with family and friends. A 1990 study by the U.S. Department of Education found that 20.3 million families in the U.S. have at least one member with a disability. The 2000 U.S. Census reported that almost 42% of older adults (65+ years) have one or more disabilities.

The percentage of people with disabilities is larger than any single ethnic, racial, or cultural group in the U.S. At 19.3%, the number of people with disabilities exceeds the next largest group -- Hispanic people (14.9%) -- by a fairly wide margin.

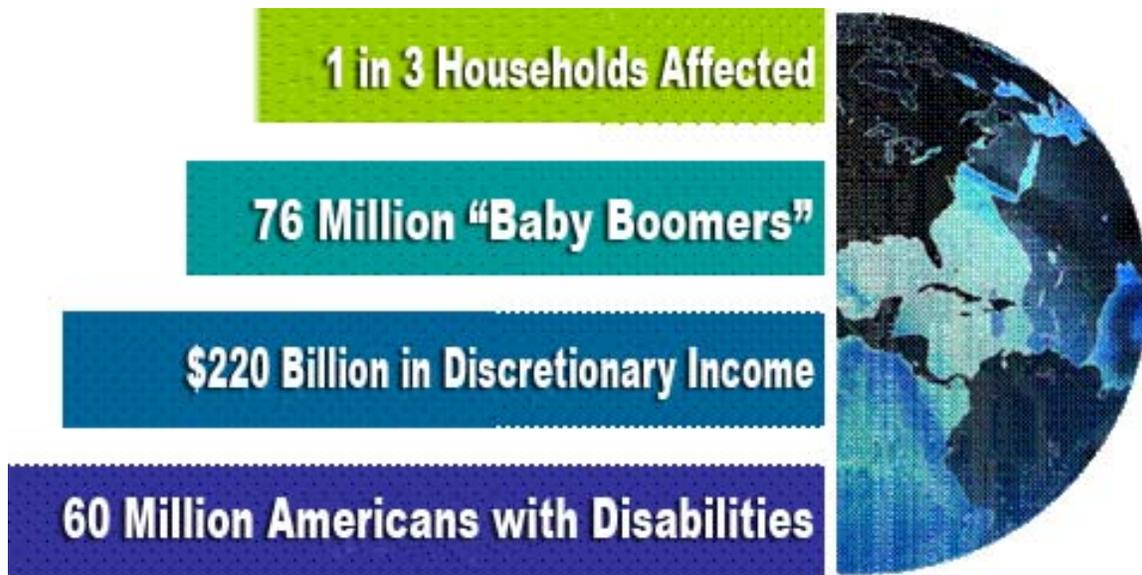
The 2000 U.S. Census stated that at least 16% of the people in each of the Census' defined ethnic, racial, and cultural groups self-identified as having disabilities. For example: 24.3% of both African Americans and American Indians/Alaska Natives, 20.9% of Hispanics/Latinos, 18.5% of Whites, and, 16.6% of Asians reported disabilities.

Why should you care? If for no other reason -- spending power; the large and growing market of people with disabilities has almost two times the spending power of teens and



more than 17 times the spending power of tweens (8-12 year-olds), two demographics sought after by businesses.

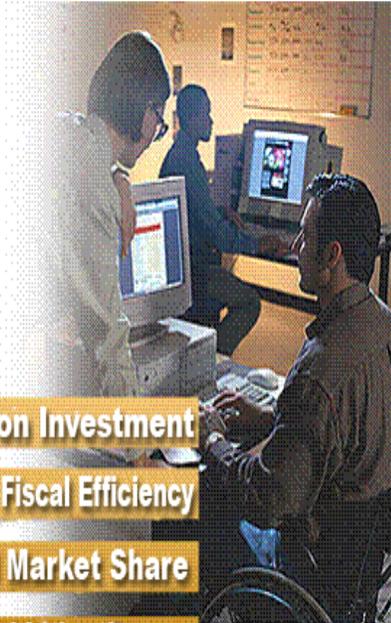
Marketing studies of the Atlanta Paralympics (Solutions Marketing Group, 2003) reveal that even households with no disability connection felt goodwill towards companies that included people with disabilities in advertising and were more likely to buy their products.



Couple these facts and apply them to almost any industry, and the answer is clear: Accessibility makes good business sense. For example:

- An Open Doors Organization study estimated in 2003 that diners with disabilities would spend \$35 billion in restaurants that year. The study found that more than 75% of people with disabilities eat out at restaurants at least once a week.
- The New York Times reported that spending by travelers with disabilities exceeds \$13.6 billion annually.
- The National Captioning Institute recently found that 66% of captioned TV viewers are more likely to buy a product that has a captioned commercial; 53% will actively seek out products advertised with captions; and 35% will switch to brands that use captioned ads.
- AARP says that 4 million Americans turn 50 each year and that people age 50 and older spent nearly \$400 billion in 2003. At age 50, adults are likely to experience age-related physical changes that may affect hearing, vision, cognition, and mobility. While they may not think of themselves as having disabilities, people in this age

group often seek out businesses that accommodate those changes by offering more accessible products and services.



Return on Investment

Increase Fiscal Efficiency

Expand Market Share

Avoid Litigation

Reach An Untapped Market

And the benefits don't stop in the U.S. market, as the World Health Organization (WHO) estimates that there are 600 million people with disabilities around the world. Examples of the global spending power of people with disabilities include:

- United Kingdom: The Institute of Employment Studies reported that in 1999, Britons with disabilities had a disposable income total of £80 billion.
- United States: The President's Executive Committee on Employment of People with Disabilities says individuals with disabilities control well over \$220 billion in discretionary income.
- Australia: The Australian Bureau of Statistics estimated that Australians with disabilities have a discretionary income of at least AUS \$26 billion.

- Canada: The Conference Board of Canada reported that the combined annual disposable income of working-aged Canadians with disabilities was a minimum CAN \$25 billion.

This huge customer market can represent additional business and profit for your enterprise. Accessibility attracts not only people with disabilities, but also their families and friends. Like anyone else, customers with disabilities often visit stores, restaurants, movie theaters, and other businesses accompanied by family or friends. This expands the potential market exponentially!

The key point to remember is that everyone benefits when businesses give customers with disabilities an equal opportunity to obtain their goods and services. By positively recognizing customers of all ability levels, businesses can make it easier for people with disabilities, as well as other customers, to access and purchase the services or products they have to offer. In other words, accessibility pays dividends and makes good business sense.

Making it possible for customers with disabilities to purchase your goods and services is not only an important part of complying with the ADA and Section 508, but is also an important part of any business plan.

Think about it, in the 80s and 90s we built ramps and elevators in lieu of stairs for people with disabilities to better access goods and services. Now it is time that we build ramps to technology!

Opportunities:

Demand for accessible technology and services will continue to rise as private industry and governments move to meet the needs of citizens. According to Forrester Research (2003), there are several notable opportunities currently available for those successfully involved in this endeavor:

- Provide and market accessible E&IT products and services as a market differentiator.
- Leverage the growing global population of aging users of technology - E&IT as a separate market segment by providing accessible products and solutions.
- Leverage accessibility solutions for the growing needs of mobile computing, i.e. PDAs, cell phones, low-bandwidth areas.
- Sale of third party Assistive Technology products.
- Gain loyalty of users of accessible products and features.
- Working with enterprises that need to provide accommodations for their employees.
- Web and Software Accessibility consulting opportunities which include provisions for design, remediation and services with specific public sectors.
- Accessibility consulting opportunities which include provisions for design, remediation and services.
- Partner with other 3rd party web consulting services.
- Provide an all inclusive E&IT/Web Accessibility “solution package” to include standard products bundled with assistive technology products, and provides for installation, training, and support.
- Improve efficiency and ease of use for all end users.

Results:

- By implementing simple and cost effective accessibility strategies, organizations can anticipate setting themselves apart – creating a market differentiator.
- Organizations can increase Federal Government sales by demonstrating and documenting product accessibility.
- Organizations can leverage a new market segment by demonstrating their leadership in the growing accessibility movement, and therefore capturing a valuable customer base that is currently up for grabs.
- Organizations can increase their public image and socially conscious standing by demonstrating their embrace of all customers – those with disabilities, those without disabilities, those who may be aging and acquiring a disability for the first time in their lives, etc.
- Enables organizations to use accessible products to recruit and hire from an untapped, qualified labor pool.
- Organizations will also gain loyalty of users and positive brand recognition from those who rely on accessible products and services.

Summary



If your products prove functional and adaptable according to the user's skills and needs, then individuals with disabilities become more independent and more productive members of society.

The benefits of usable and accessible design extend beyond the people with disabilities and the elderly, reaching firmly into supporting the needs of all people.

Questions:

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