OLD IS GOLD: SELLING ELECTRONICS TO THE ELDERLY

September 2017
INTRODUCTION
AGEING POPULATION
AGED BUT NOT OLD
TECH FOR SENIORS
MARKETING TO THE ELDERLY
OLD IS GOLD
INTRODUCTION

Scope

- Millennials are spoiled for choice when it comes to electronic products, as companies have identified these young adults as a key consumer segment.
- Seniors (aged 60 and over) are often neglected, and there are not many products specifically tailored to suit the lifestyles of these older consumers.
- Manufacturers and retailers are missing out on an important segment by ignoring a group that has money to spend, as they are not burdened by mortgages.

Disclaimer

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Nearly one-third of the population in Western Europe will be 60 or over by 2030. Manufacturers and retailers cannot afford to ignore the silver dollar, and must release products tailored to elderly consumers’ lifestyles.
### Key findings

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The global population continues to age, on the back of rising life expectancy, falling birth rates, and the ageing of the baby boomer population bulge. The number of people aged 60+ is projected to grow by a staggering 80% over 2010-2030, representing 16% of the total population by 2027.
The world is ageing rapidly. The growth in the share represented by later-lifers is rapid, driven by falling fertility and increases in life expectancy. The average global life expectancy at birth is now 72 years, up from 68 in 2000.

In Japan, Italy and Germany, the share of the population aged over 60 is much higher than average, at 34%, 28% and 28% respectively in 2017. In Japan, as much as 8% of the population was aged 80 or over in 2016, compared with a global average of 2%.

The largest over-60 populations by 2021 will be in China and India, at nearly 400 million people combined. The segment is growing more dynamically in India, with a 4% CAGR expected over the period to 2021.

Markets where the segment of over 60s is growing most rapidly in the world are diverse in characteristics, including: Saudi Arabia, the United Arab Emirates, Singapore and Vietnam.

In countries where historically young societies have started to age rapidly, latent opportunities are opening up for first-mover beauty players with portfolios tuned for senior consumers.
The global population will continue to age, and the problem is especially pronounced in developed markets such as Japan, where 40% of the population will be over 60 in 2030.

While China and India will continue to have the largest over-60 populations, and will experience faster ageing than the global average, the most rapid growth will occur in Saudi Arabia, South Korea, Malaysia and Colombia.
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**Life expectancy continues to creep up**

- The median age of the global population was 29.6 years in 2015, up from 27.5 years a decade earlier. Average global life expectancy is now 72 years, up from 69 years in 2005. Over the decade, the global percentage of people aged over 60 years grew from 10% to 12%, and by 2020 this figure is expected to rise to 13%.

- In Japan, Italy and Germany, the share of the population aged over 60 is much higher than average, at 33%, 28% and 27% respectively in 2015. In Japan as much as 8% of the population was aged 80 or over in 2015, compared with a global average of 2%.

![Life Expectancy In Selected Countries 2005/2015](chart)
Future target market demographics

Most similar countries to Japan by demographic structure:

- **Germany**
  - 2018-2030: 86.50%
  - Population: 82,781,000

- **Austria**
  - 2018-2030: 84.10%
  - Population: 9,198,000

- **Croatia**
  - 2018-2030: 83.66%
  - Population: 4,127,000

- **Finland**
  - 2018-2030: 82.86%
  - Population: 5,512,000

- **Netherlands**
  - 2018-2030: 82.44%
  - Population: 17,425,000

- **Bosnia-Herzegovina**
  - 2018-2030: 82.28%
  - Population: 3,740,000

- **Malta**
  - 2018-2030: 82.15%
  - Population: 425,000

- **Belgium**
  - 2018-2030: 81.88%
  - Population: 11,714,000
Similar disparities exist within developed countries, where some benefit from generous pensions, while others have not saved sufficiently for retirement and are struggling with their finances.

Overall, later-lifers are in better financial shape than the rest of the population, boasting the highest spending power among all age groups. In 2015 those aged 60-64 years – many of whom are still working and have reached senior positions, or have inherited wealth from their parents – earned an average of USD16,048 – a full 25% above the average earnings of all age groups (USD12,854). This makes this group a key target market for luxury and indulgence items.

The wealth and well-being of the elderly population varies widely across the globe, according to differences in social policies and living standards.

Due to the lack of well-established pension systems, retirees in emerging markets are often less well-off than their counterparts in the developed world, many of whom benefit from high pensions, and extra incomes from their financial and property investments.
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Age prevention starts early in Asia

▪ It is notable that in many Asian societies, anti-ageing products are directed more at the youth segment than at ageing consumers. Indeed, despite Japan having the world’s oldest population, the Beauty Survey of 2016 found that those in the 15-29 age group were the biggest users of anti-ageing night creams (43%), while globally the 60+ age group represented the biggest users of these products (61%).

▪ In general, ageing in Asia is not seen in such a positive light as in the West. Marketing initiatives featuring over-50s are rare in the region, thanks partly to a lack of older icons, and partly to the region’s obsession with youth and defying ageing. As a result, most beauty-related marketing campaigns in Asia – even those promoting anti-ageing products – are aimed at 30-40 year-olds hoping to hold back the effects of time.

▪ Shiseido’s IBUKI and L’Oréal Paris’s Skin Perfection, both of which have been formulated with anti-ageing ingredients, are aimed at an even younger audience of women in their 20s and 30s, blurring the lines between regular and anti-ageing skincare.
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Covering grey hair

- Beauty Survey results indicated that a high proportion of greying women apply colour to their hair to make themselves appear more youthful, which is positive news for hair colourant manufacturers. While 31% of women of all ages reported having greying hair, 29% had coloured hair.

- Russian and Polish women are most likely to have coloured hair (49% and 46%, respectively), while only 17% or fewer Chinese, Indian, Turkish and Indonesian women have coloured hair.

- The gap between women with greying hair and those who dye their hair widens with age. Many younger consumers colour their hair for effect rather than to mask grey; but although 59% of women aged 60+ have greying hair, only 39% in that age group apply colour. While some women evidently prefer to let nature take its course, the figures suggest that there is still significant potential for growth of hair colourants targeting the older generation.

- Among men, dyeing hair is far less common. While 26% of men had greying hair, just 6% reported having coloured hair.

As many as 62% of women said they have their hair coloured professionally at least occasionally, compared with 30% of men. Among all consumers, the age group most likely to have their hair coloured professionally was 30-44 years, with 51% doing this at least occasionally.
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Keeping active

- Keeping active, maintaining a healthy lifestyle and paying attention to mental wellbeing are other ways in which consumers are challenging ageing. Baby boomers are the generation who want to “stay young forever”, and they are now striving to remain fit and healthy well beyond the norms of their parents.
- As the body ages, metabolism slows, weight increases and, along with it, the risk of Type 2 diabetes and other chronic diseases.
- Strong media interest in health-related matters and a wealth of information available online are making consumers more aware of the importance of good health. They understand the need to maintain good diet and exercise regimes in order to avoid becoming overweight and to improve their chances of living healthily and happily to old age.
- Governments are also actively encouraging their citizens to be healthy in order to reduce healthcare related expenses, especially in developed markets where state-run social welfare programmes are burdened as the population ages.
- Preventive measures such as healthy living and exercise ensure that the elderly can enjoy a good quality of life. Their savings and pensions can be spent on holidays or personal enjoyment rather than on medical bills.

% Respondents Doing Activities At Least Once A Month 2016

- Walk or hike for exercise
- Run or jog
- Cycle or ride a bike
- Other intensive activities
- Fitness class

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PASSPORT 15
Mind over matter

- Brain health and a positive frame of mind are other essential components to staying youthful. The UCL study of 2014, which confirmed that most people feel younger than their real age, also found that those who felt younger than they really were had a better life expectancy than those who felt their age or older.

- Alzheimer's disease and dementia are major concerns for ageing consumers, and staying socially and intellectually active is known to reduce the risks of brain deterioration. As a result, people are choosing to work for longer, and when they do eventually retire they are increasingly taking on volunteer work, joining community groups, travelling, or learning new skills.

The age of “Rewirement”
According to a recent Facebook IQ/Sparkkler study of 45-70 year-olds in France, Italy and the UK, older consumers are entering a phase of “Rewirement”, whereby they choose to stay in employment or start anew with projects and business plans they are passionate about. The study found that 76% of retirees enjoy sharing their knowledge with others, either as mentors, volunteers or paid consultants.

With more freedom and income, “rewired” consumers are also keen travellers, and are prepared to immerse themselves in the culture of their destination by learning the language, dining out locally and making new friends. According to the study, a third of people who retire are learning or plan to learn a new language.

- In the US, a Gallup poll in 2014 found that a third of those aged 67-68 years were still working in some capacity. In December 2016, England's chief medical officer, Dame Sally Davies, released a report advocating that people aged 50-70 continue working or volunteering for as long as possible to stay healthy.
While we cannot stop becoming old, we can age gracefully.

People are trying to slow down or hide ageing by using beauty care products. Cosmetic surgery is also gaining acceptance.

Trying to maintain a healthy living and taking supplements are seen as a natural way to enjoy old age.

The mindset towards ageing is also changing. Old age does not mean redundancy. There is more time to fully enjoy life.
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The connected and curious seniors

Contrary to popular misconceptions, seniors are embracing the internet and not shunning it. The Global Consumer Trends Survey results showed that nearly half (47%) of respondents agreed that they would feel lost without internet access. The results are not too far off those of other age groups. Seniors are also keen to try new products and services (52%), according to the same survey.

Internet access helps seniors be connected with their families and the digital world. Seniors also want to lead active lifestyles and embrace new technologies, opening up a huge potential consumer base for companies seeking to grow revenues amid a saturated consumer electronics market.

Often, tech companies are overly obsessed with millennials, and only launch products catering to this specific consumer segment. Seniors are often overlooked as a viable consumer segment and companies are missing out on the silver dollar as a result.

Seniors, in fact, have more money and are more willing to spend on products and services than the younger population.
Old is not low-tech

- Often manufacturers’ perceptions of products for the elderly are simply cheap and basic offerings.
- While there are elderly consumers who prefer a simple feature phone, the majority would like the latest and greatest products available.
- The challenge for manufacturers to entice the elderly consumers is to make new products and technologies simple and easy for them to use.
- Essentially products that do not have a steep learning curve.
- Many elders are tech-savvy, and the products that they buy must be fully-featured and attractive in appearance.
- Manufacturers have to add the elderly as part of their beta testing group when releasing products, and their feedback must be taken into account when improving products.

Source: Doro and Samsung
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There are not many electronic devices specifically designed for the elderly. Even these phones appear to be a compromise in terms of specifications, and are priced significantly higher than regular products.

Doro’s Liberto 825 was created specifically for the elderly. The phone has a customised user interface (UI), physical buttons, and an extra loud ringtone, amongst other features.

However, the phone is more than 40% more expensive than the Samsung Galaxy J5 (an entry-level phone) with similar specifications.

The perception may be that the elderly are being punished and made to pay more just because of their age.

While Doro specifically created a model to cater to demand among the elderly, there is no justification for charging 40% more for lower specification products.

### Key Specifications Comparison

<table>
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<tr>
<th>Brand/Model</th>
<th>Doro Liberto 825</th>
<th>Samsung Galaxy J5</th>
</tr>
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<tr>
<td>Retail Price</td>
<td>GBP260 (Doro)</td>
<td>GBP180 (Argos)</td>
</tr>
<tr>
<td>Camera</td>
<td>8MP</td>
<td>13MP</td>
</tr>
<tr>
<td>Consumers</td>
<td>Elders</td>
<td>General public</td>
</tr>
</tbody>
</table>

Source: Doro and Samsung
TECH FOR SENIORS

Repackage existing solution

Source: Samsung
No new inventions needed

- Samsung offers a “One Connect Box with Invisible Cable” system for its high-end Q series and Frame TVs. Usually, consumers will connect all the cables directly to the back of a TV. For Samsung, all cable connection goes to the One Connect Box and a thin cable connects the cable box to the TV, allowing the consumer’s TV console table to look neat and tidy.

- With poorer flexibility and mobility due to old age, having a connection box on the table-top reduces the possibility of injury for the elderly.

- TV manufacturers have to implement easy cable management not only on high-end models, but also on mid-range and entry-level models. The elderly tend to purchase entry-level models as they usually do not see the need to have Ultra HD and internet TV connectivity.

- Manufacturers can drop redundant features and focus on easy cable management for selected models and without the high associated cost.

- The value proposition of easy cable management is appealing to a wider range of consumers (females, the elderly, young families). There is no need to market a specific model for the elderly.
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Form follows function

- Laptops are becoming lighter and slimmer as processors become more power and thermal efficient, eliminating the need for fan cooling and ugly ventilation vents.
- Lighter laptops are excellent news for elderly PC users. An entry-level Lenovo Ideapad with a 14-inch screen weighs 1.5kg, whereas a similar model would weigh more than 2kg just a few years ago.
- However, the reduction of weight and the obsession with slimness means that sacrifices have to be made in terms of functionality.
- Keyboards have become smaller and the travel distance of keypads reduced, which affects the ease of typing. Many manufacturers chose to design square keys (top picture) that are virtually flush with the laptop surface.
- Lenovo’s PCs have curved keys (bottom) to accommodate the fingers which improves typing. Lenovo, market leader in PCs, proved that it is possible to strike a delicate balance between aesthetics and usability.
- With reduced mobility and failing eyesight, special considerations have to be made to ensure that using (or learning to use) a PC is as simple as possible.

Source: Apple and Lenovo
Wearables’ misstep to ignore seniors

- When wearables first entered the market, a lot of the use cases centred around seniors. Wearables can be used to track their daily exercise/location, monitor heart rate, set reminders for medication and even remote diagnosis of ailments. However, early movers such as Fitbit and Jawbone chose to focus on younger consumers, and totally ignored the senior segment.

- The Global Consumer Trends Survey found that walking was the most common type of exercise among the older age group, opening up a huge market for activity wearables. However, the push for longer battery life and lower cost meant that display screens are totally removed or very small. Removal affected usability, often making activity wearables ineffective, which dampened the adoption rate of wearables by seniors.

- The AARP (American Association of Retired Persons) conducted a study and supplied seniors with activity wearables. More than half of participants discontinued use even before the end of the 6-week study.

- They also have problems syncing devices, and reported other perceived malfunctions. Users felt that the data reported is inaccurate. They also encountered difficulty putting on activity wearables, or found them uncomfortable to wear.

- Those who quit after the first two weeks of the study do view activity and sleep trackers as motivational, but abandoned their usage due to syncing issues, perceived data inaccuracies, difficulties using the apps, or the lack of a tracker display to show their progress.

- In reality, the problems reported by seniors are commonly faced by users of wearables whatever their age group. Problems (real or perceived) with connectivity and usability ruined the motivation to continue wearing such devices.

- 89% of testers faced problems with set-up

- 81% of testers aged 70+ needed help with set-up
Connections are the bane of all electronics devices, and manufacturers seem to be making the process more complex than ever.

Connection ports such as HDMI for TVs and micro USB (Type B) are unidirectional, and requires some amount of force for insertion and removal.

Apple was one of the first manufacturers to introduce a magnetic connection (MagSafe) on its laptops, which snap into place and can be detached easily and safely (for example, when a person accidentally trips over the cable).

However, Apple’s latest MacBooks have ditched the proprietary magnetic connection and adopted the USB Type C connection; this is bi-directional, but requires some force for insertion and removal.

Electronic devices are becoming more powerful and thus more power-hungry, and more devices are connected, whether wirelessly or by physical cable.

It is puzzling that manufacturers are sticking to old methods of connection instead of seeking new and more user-friendly alternatives.

Easy and safe connections not only benefit the fragile elderly, but all consumers.
Smart assistant for the elderly started as a joke

- Saturday Night Live ran a spoof advertisement of a specially designed Alexa (a smart assistant running on Amazon’s wireless speaker, Echo) tailored for the elderly.
- While started as a joke, the idea gained traction, and software developers are starting to build elderly-specific functionality into Alexa. Making use of Echo’s 2-way communication capabilities, a family member can check whether the senior family member is inside the house, and speak to the person.
- While speaking to a device like Amazon Echo or even Siri on an iPhone may be awkward at first, speaking is a more natural activity for the elderly than trying to type on a smartphone. Critically, there are elderly consumers who are illiterate, and for whom vocal instruction is the only method of communication. Smart assistants can already be easily installed on to any existing connected device, such as smartphone, tablet or computer.
- Minor hardware changes such as more sensitive microphones and software tweaks to tailor to longer pauses when asking a question, and higher audio volume levels, will be needed. These changes do not require extensive redevelopment, and it is ironic that a talk show planted the seed of the idea rather than electronic manufacturers, who are spending millions of dollars on focus group studies and research and development.
Catering to the seniors is not difficult or expensive

- Products need not cost more or be low-tech
- Design with seniors in mind early in the process
- Simple and easy to use is not easy to implement
- Existing solutions are readily available
- Can be a profitable business
- Requirements applicable for consumers of all ages
Japan’s ageing population is the most severe globally, with half of its population expected to be over 50 years of age in 2023. Ominously, the major manufacturers and retailers are still obsessed with selling the latest and greatest to the younger generation. Companies have come to realise that the senior segment is equally, if not more important, but more must be done, especially for companies that tend to rely on the domestic market.

Case study: Japan’s forgotten generation

TECH FOR SENIORS
Case study: The forgotten generation

Companies should involve seniors in advertisements

- Many international fashion brands are starting to notice that consumers want authenticity, and their own customers are ageing fast, especially in developed markets.
- Fashion brands are casting older models – for example, Catherine Deneuve (72) for Louis Vuitton, and Twiggy (66) for L’Oréal and M&S – in advertisements.
- Japan will host the Summer Olympics Games for the second time in 2020. Naturally, Japanese companies are advertising heavily and leveraging on the Olympics both domestically and internationally to promote their brands.
- Japanese companies should also try to revoke the sense of nostalgia when Japan first hosted the Olympics. Many seniors now in their 60s and 70s would remember the sense of pride Japan demonstrated, and how it recovered after the war in 1964.
- Beyond projecting a sense of realism by casting older models, companies need to remember that millennials have less brand loyalty and are more willing to try products from new companies. Companies cannot afford to ignore the most loyal customer segment – the seniors.

Source: Louis Vuitton and Panasonic
Case study: Old is cool

Oldest iPhone app developer

- A female app developer was invited to Apple’s WWDC in June 2017. What is even more amazing is that Masako Wakamiya is not only a female in a male-dominated industry, but that she is also the oldest app developer at 82.
- The retired bank clerk started using the PC at the age of 60, and it took her three months to set up her PC and get online. Wakamiya then joined a “silver club” to learn to use the internet and connect with other senior citizens online.
- When Wakamiya sent requests to games companies to create games for seniors, no one responded. She then decided to create her own iOS game app, Hinadan, which is based on Japan’s traditional festival, Hinamatsuri (Doll’s Day).
- She even wrote her own guide book on computers because she found the readily available options too boring. She also draws on her own experience when trying to setup and learn to use the PC.
- While her game app download was modest compared to games released by Japanese gaming companies, Wakamiya serves as a source of inspiration that age is not a barrier.

Source: TEDx Tokyo
Case study: Targeting the seniors

Building a viable business by catering to seniors

- Yamaguchi is an independent electronics and appliance retailer and targets the elderly (aged 50 and over, who will make up 50% of Japan’s total population by 2023) who live by themselves.
- Yamaguchi decided against giving discounts as the company realised that it is unable to compete on price with large chains such as Yamada Denki and Bic Camera.
- Yamaguchi charges higher retail prices while offering personalised service throughout and after the product lifecycle. The company will help customers to install a TV, and make monthly visits to houses to check on the well-being of the elderly. Yamaguchi’s staff would even help to clean rooms and record Korean drama series for customers, or drop in just to check on the senior consumer.
- Yamaguchi’s store also serves as a place for local senior consumers to hang out by offering weekly events at which non-electronics, including fruit, vegetables and general home care products, are sold. Such an initiative also helps to integrate Yamaguchi as part of the local community.
- Yamaguchi generates more than JPY1,000 million (USD9 million) annually, with 35% margins, which is impressive for an independent electronics and appliance retailer.

Source: Yamaguchi
Case study: Breaking the trust

Upsell support service

- Softmap, a subsidiary of Bic Camera, offers four on-site services for senior consumers over 60 years of age at JPY9,800 (USD90.00) to help set up TVs, PCs and internet, peripherals such as printers and recorders, and PC lessons.
- Included is telephone support for two months, with the seniors able to call unlimited times.
- The offer also comes with non-electronic tasks such as exchanging light bulbs, carrying heavy items, and recycling old newspaper, aiming to going beyond technology service provider.

Breaking the trust

- There are a number of products and services that target senior consumers, but not all have succeeded.
- In fact there is a case in which an electronics and appliance specialist retail chain, PC Depot, was publicly criticised for charging extra just to provide support services for senior consumers.
- The fiasco caused a huge public uproar, especially as the victims are the seniors, who trusted the retail chains. Share prices of PC Depot dropped by 50% after the scandal, and affected the company’s image.
- It takes years to gain the trust of consumers, and even longer to regain their trust. Public resentment against PC Depot affected the company’s sales. In fact, PC Depot reported a 10% loss for its latest financial year.
- The scandal not only alienates the seniors who make up half of the population. Filial piety is a trait that is highly valued, creating resentment towards PC Depot by the whole of Japanese society.
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Basic rules of marketing to the elderly

- Old is taboo
- Sell an experience
- Build loyalty
- Keep it simple
MARKETING TO THE ELDERLY

Mind your As and Os

- While it is important to take a maturing population’s needs into account in terms of product and packaging design, companies have to be discreet when marketing products and services to seniors.
- The marketing message must be subtle and inclusive to avoid alienating those who are sensitive about ageing, and do not wish to be singled out from their younger counterparts.
- In the same vein, consumers in their 40s may not want to buy products that are openly marketed for seniors.
- With clever marketing and communication, there is clear potential for products to be positioned for seniors without mentioning “ageing” or “old”.
- Yoghurt product Cal-in+ is marketed to protect against age-associated losses in bone mass. The company’s marketing material never mentioned the dreaded “A” and “O” words despite prominently featuring older models in advertisements. Cal-in+ also promotes the delicious flavour of the yoghurt as well as the health benefits.
- There are many cheaper tablets in the market but iPads are popular among seniors due to the ease of using iOS, the sharp screen, and large icons. The popularity of iPads provided that the elderly is willing to pay more if the product is suitable for them.

Source: Yoplait Marques and Apple
MARKETING TO THE ELDERLY

Sell a solution and an experience

- Pay attention to the customer experience and offer superior customer support and quick response when the seniors need it. It is also important to stay in touch with seniors after a purchase has been made. Companies can conduct product demonstrations like a social event rather than a lesson/class.
- Other than product usage, seniors should also be encouraged to mingle and interact with each other.
- While seniors (in fact, most consumers) may balk at paying USD500 upfront to buy a new phone or TV, companies can explore offering instalments or free/highly subsidised rates and earn revenues from services.
- Cable service providers are offering programmes catered to seniors’ tastes, and these have proven successful.
- Apple’s genius bar is a great example, and support staff can be seniors who can relate to and empathise with the challenges faced by their senior counterparts.
- Similarly, getting a senior to buy an activity wearable is only the beginning. The device must be able to track the number of steps accurately and provide meaningful feedback.
- The AARP trial revealed than nearly half of participants reported increased motivation for healthier living, being more active, sleeping better, or eating more healthily.
- StarHub (a cable provider) in Singapore offers a package that has shows in local dialect (such as Cantonese, commonly spoken by seniors of Chinese origin) and also shows from the 1970s and 1980s, to appeal to a fast-ageing population, much like many developed markets in the world.
MARKETING TO THE ELDERLY

Big spenders who are loyal

- Compared to the millennials (which lots of companies are specifically targeting/obsessed with), seniors are less price sensitive when it comes to buying for products they like.
- They are willing to pay for a brand and/or product they trust and recognise. Millennials have a lot less brand loyalty and are more willing to try new products or brands.
- Companies should take note that each sale to the senior segment translates into more upsell and a potentially long-term relationship. Once seniors like a product or brand, they tend to be repeat customers. Critically, they will recommend products to their friends and are active brand promoters.
- With fewer financial commitments, seniors are more inclined to spend to pamper themselves rather than saving money.
- Rather than competing on price, companies must fashion their marketing messages to highlight how their products (or rather, solutions) can meet and fulfil a need in elderly consumers’ lifestyles.

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**Important Feature When Buying Tablets**

![Graph showing the important features when buying tablets across different age groups.]

**Putting More Money Into Savings In The Next 12 months**

![Bar chart showing the percentage of respondents planning to put more money into savings across different age groups.]

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Source: Global Consumer Trends Survey 2016

Source: Middle Class Home Survey 2014

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Keeping it simple

- Products must be easy to set up and configure, or the attrition rate will be high. As the study by AARP showed, more than half of seniors stopped wearing activity wearables even before the 6-week trial ended.
- The high attrition rate of wearables is not limited to seniors, who some people would dismiss as non-tech-savvy and hence struggle to use electronic devices correctly. The reality is that many consumers, both young and old, struggled to set up or establish a connection (or sync) with their smartphones.
- The whole objective of wearing wearables is to monitor and track their exercise and if the device is unable to track steps accurately or display the data to the smartphone or on the device itself, the wearable is useless.
- The focus on ease of use is important not only on products themselves, but also on websites and even peripherals such as remote controls. Most TVs have clunky remotes with extremely small buttons or buttons with poor tactile qualities.
- Seniors must be able to set up and use products almost instantaneously, which is not easy. Even a smartphone requires the user to register an account, connect to the internet and update apps, even before the device can be used.
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Consumers are not buying electronics
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Portables are the sector that is driving growth
The seniors segment is critical for companies

- While in developed regions the majority of over-65s fall into income brackets of over USD20,000 a year, in emerging markets the majority of this age group has much lower spending power.
- However, even with lower incomes, such consumers in emerging markets are more willing to spend compared with younger generations, who have mortgages and are burdened with the cost of raising children.
- The market for electronic products is becoming saturated, and growth is limited to portable products such as wearables, wireless speakers and smartphones.
- Global fashion and beauty brands are taking a more age-inclusive approach, both in terms of age-segmented product ranges and tailoring its marketing messages for the elderly.
- Electronics companies have to start learning from other industries and start developing products that are tailored to the elderly.
Focus on selling useful products, not cheaper

- While manufacturers have to consider how failing eyesight (hyper myopia and astigmatism) and faltering fingerprints affect usage of electronic devices, not all of their requirements are specific to their age group. Poor user experience, trouble connecting to the internet or between products, and poor product design, are bugbears of consumers in all age groups.
- Manufacturers are still making their products too complex to set up and use and adding frivolous features to justify higher selling price.
- Insufficient consideration is being given to making products easier to use. Products that are easy to use does not mean low-tech or low-specification offerings. Elderly consumers want high-tech products that can provide a complete solution to their problems or make their lives easier.
- Manufacturers need not be overly obsessed with making products cheaper; the focus should be on making products useful. Consumers of all ages have shown that they are willing to pay for products that suit their lifestyles.
- Established companies such as Sony and Philips, which are struggling to compete with Apple, Samsung and LG, may be able to enjoy a revival by targeting seniors. Seniors grew up with these brands, which thus have a nostalgic advantage due to their familiarity.
- Seniors are attached to brands and companies they are familiar with or have used previously. Companies that can entice seniors to buy their products and provide excellent service will be able to gain the trust of seniors and their wallets.
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