

Silver Markets in Germany and Japan – Areas of Action and Strategies of Stimulation

In contradiction to most public discourses, the ageing of society within this approach is not seen as a burden but as a chance for economy and employment.

Starting points of the silver markets in Germany and Japan ('shirubâ maketto') are the following:

- **Increasing numbers of elders** (in 2001, the share of senior citizens aged 65 years and above was 17.9% in Japan and 15.9% in Germany) that will further rise in both countries (with Japan having the oldest age structure of the world).
- **Increasing affluence** of senior citizens (which is even more the case for Japan than for Germany).
- **Rising demands of support** due to individualisation and ageing.
- **Different lifestyles and situations** in old age necessitate differentiated and innovative products and services.
- **Gaps of services and products** that meet the special needs of elders especially within the fields of housing, new media and leisure.

There are different definitions of the silver market but a broad approach comprises the following branches:

- **Clothing, personal goods, everyday items market** (such as anti-ageing cosmetics)
- **Foodstuffs, groceries, dietary foods** (such as delivery of meals)
- **Home for older persons, housing, dwelling market** (such as special facilities and seat-type stair climbers)
- **Accessible/barrier-free, universal design goods market** (such as hearing aids or nursing beds)
- **Promotion of health maintenance/illness prevention, nursing and medical peripheral markets** (such as bedsores prevention mats or home nursing care services)
- **Emergency alarm and contact service** (such as systems for locating wandering older persons)



- **Motivation for living culture** (such as lifelong learning courses)
- **Relaxation and leisure** (such as special tours for older persons)
- **Information and software market** (such as golden years lifestyle support magazines or medical care television)
- **Finance and insurance market** (such as private nursing insurances or reverse mortgages)
- **Funeral-related market**
- **Social system market – software** (such as training courses for home helpers)
- **Social system market – hardware** (such as barrier-free facilities)
- **Employment and labour market** (such as job placement centres for older persons)

(Kenji 2002: 21f.)

Hindering factors to foster the silver market comprise the following:

- The target groups are very heterogeneous.
- There is a bad image of products and services for senior citizens.
- There are difficulties in developing marketing strategies.

- Both in Germany and Japan, public culture is still dominated by youth and there is no developed culture of old age.
- A lot of companies are still not aware of the growing numbers of elders.
- Co-operation and collaboration between the public and the private sector is still not very prominent in this field.
- Due to growing economic difficulties, a lot of elders are not willing to spend their money.

Strategies and approaches to support the silver market

Both in Germany and Japan, there is an increasing awareness of the chances of the silver market although special fields of the Japanese silver market (for instance tourism) are developed further. By comparing the German and the Japanese approach of stimulating the silver market it becomes clear that following approaches are useful:

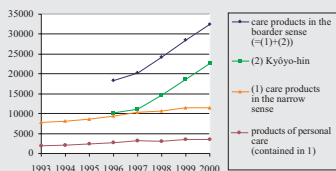
- Giving general impulses for the support of the silver market
- Well-directed sensitizing of German and Japanese industry and commerce
- Development and support of innovative market research and strategies
- Differentiated opening up of markets and addressing of target groups

Case studies

1. Japan: Design for All (Kyôyo hin products)

In Japan, the 'Universal Design' or 'Design for All' approach is very prominent and has increasingly developed in recent years.

Graphic on the right: Market Volume of care and Kyôyo hin products (in 100 Mio. Yen)



Source: Keizai Sangyôsho 2002

2. Germany: Policy initiative 'Business Development for Senior Citizens' of the land North-Rhine Westphalia

In 2000, a policy initiative 'Business Development for Senior Citizens' was launched by the land of North-Rhine Westphalia. Its objective is to:

- improve the life situation of elderly fellow citizens in the land of NRW
- foster innovative approaches in the market for the elderly
- increase the rate of employment (of seniors) in companies
- mobilise the purchasing power of senior citizens from NRW and from neighbouring regions
- distinguish NRW as centre of competence for questions concerning the future of ageing and the ageing of society

Fields of action for business development for senior citizens are:

- telecommunications and new media
- housing, trade and service industry
- leisure time, tourism, sport and wellness

Structure and procedure

In order to activate business development for senior citizens in NRW the office Business Development for Senior Citizens at the Institute for Work and Technology was set up by two state ministries in 2000. It is now completely funded by the Ministry for Health, Social Affairs, Women and Family Affairs of the land North Rhine Westphalia (MGSFF NRW).

The office Business Development for Senior Citizens coordinates and accompanies the project and its workgroups and is assisted scientifically by the Research Centre for Gerontology and the Institute for Work and Technology.

Its task comprises:

- making project ideas concrete and moderating partnerships for innovation and networks of competence
- compiling information about development trends in the field of products and services designed to improve the quality of life in old age
- supporting the different work groups of the project
- aiding the transfer of research results between the different partners

Examples of products and services for senior citizens in different fields of the silver market:

Housing

- In both countries, there are big challenges to enable elders to live independently at home as long as possible. Thus measures as barrier-free dwellings, adaptations of dwellings to the needs of elders, support services at home and specific housing for elders are needed.
- In Germany, a working group of the policy initiative Business Development for Senior Citizens has developed a quality sign "Sheltered Housing for Senior Citizens".
- Japan aims at building more barrier-free dwellings.

Leisure/Tourism

- In Japan, the travel industry is very differentiated and highly developed for specific groups of elders.
- A common requirement of travel offers for senior citizens is the presence of a qualified travel escort.
- In North Rhine-Westphalia, there are two regions that improve their travel offers for the needs of elders.

- In North Rhine-Westphalia, there are several projects within the policy initiative such as a media centres for senior citizens, an internet-based information and support service for older people ('seniors on line' – Senioren OnLine), a television-based support service for elders and a competence paper focusing on smart homes.



New Media

- In Japan, it has been recognised very early that new media for the elderly is a prospering area of action and is reflected by the policy of the Japanese Ministry for Economy, Trade and Industry (METI) of supporting the silver market.
- METI aims at the facilitation of the usage of new media by elders and the development of barrier-free software and software facilitating the usage of personal computers, internet and e-mails.

Sources:

Gerling, Vera & Conrad, Harald (2002): Wirtschaftskraft Alter in Japan: Handlungsfelder und Strategien. Unveröffentlichte Expertise im Auftrag des Bundesministerium für Familie, Senioren, Frauen und Jugend (BMFSFJ); Projektleitung: Frerichs, Frerich & Naegele, Gerhard

Marketing to elders

- In both countries, senior citizens do not want to be addressed as such.
- Intergenerational marketing and a concentration of the advantages of products for senior citizens are most successful strategies.
- Japans third largest and world wide operating advertising company Hakuhodo has set up an 'elder' business promotion division.
- The cosmetics manufacturer Shiseido offers very popular beauty classes for Japanese elders in nursing homes.
- In Germany, there is an increase of conferences on such issues.