

Brands grapple with aging population

Marketers in sectors such as finance need to adapt their approach to older consumers as attitudes toward retirement change

By Benjamin Li

ASIA-PACIFIC Consumers in Asia are changing their attitude toward retirement, posing new challenges for marketers.

A report from HSBC, titled 'The future of retirement — it's time to prepare', reveals that people are working longer and retirement is increasingly taking a back seat. This is the result of an aging population in mature markets, as well as China due to the one-child policy. The global economic downturn has also taken its toll on retirement savings plans.

HSBC's report shows that many Asians do not feel prepared for retirement. This feeling is most profound in South Korea. Indians and mainland Chinese are more confident they will retire as planned, but a growing number of Singaporeans and Hong Kongers are planning to delay retirement.

These trends have particular implications for financial marketers. Brands need to think more flexibly about what they offer to consumers approaching retirement age. They also need to target people with pensions advice from a much younger age. **Kim**



Aging... as attitudes toward retirement change, financial brands need to offer more education

Walker, founder and CEO of consultancy Silver Group, said: "By the time most people think about retirement planning, it's already too late. Education should begin at schools. The finance industry can certainly play a role."

An example of this in action is the Hong Kong Institute of Certified Public Accountants,

which recently launched a campaign through Eight Partnerships to educate children about money management through schools.

But according to Dave McCaughan, director for strategic planning for McCann Worldgroup Asia-Pacific, no matter how educated, the financial meltdown is hurting

people's ability to save. "Lots of people are struggling with daily expenses. They are struggling to put money aside for the future," he said. "The biggest worries revolve around meeting immediate financial obligations."

The change in demographics and retirement trends has wider implications for brands

marketing to mature consumers. More people working later in life could open up new opportunities.

Robert Burr, VP strategy marketing, Sunlife Financial Asia, argues that now more than ever brands need to shift their focus away from the youth market.

"The reality is it is the 40-somethings who have the money to spend or invest. Marketers should understand what their needs are."

Older generations will be looking for products that are specifically designed for them. For example, retailers, including Carrefour and Tesco in China, are offering free bus services to older shoppers, and in India, small corner shops are offering home delivery service.

Kunal Sinha, executive director, Discovery, Ogilvy & Mather Greater China, argues that mobile brands are a good example of a sector that needs to think differently. "The mobile phone industry could produce handsets with louder ring tones. China Telecom Shenzhen has created a phone which has larger display keys and special functions that can help users connect to emergency services."

Industry comments



Dave McCaughan
Director,
McCann
Worldgroup

"There is a massive difference in attitudes to saving and retirement in Asia. In Japan, the life expectancy is mid-80s. Marketers need to realise the older sector is very active. One of the problems with financial or any other marketers is they often focus on the negative aspects of aging. What they should do instead is target the opportunities of aging."



Jason Sadler
MD insurance
Hong Kong,
HSBC

"It is essential that marketers understand the needs and aspirations of this customer segment. While many people are delaying their retirement they still tend to have considerable assets. Businesses need to develop solutions that enable these customers to save for their retirement while protecting their assets. Retirement is not an immediate transition."

2015

When new retirees will overtake new workers in China (HSBC)

31%

Chinese who have stopped saving into pensions

89%

Hongkongers not prepared for retirement

50%

Asians who expect to retire aged 60 or later

58%

Asians who will save cash when they retire

10%

Asians who intend to delay retirement

Ogilvy extends lead as Carat surges on Nokia brief

Creative Performance League June

Rank	Agency	Wins	Billings gained (US\$m)	Billings lost (US\$m)	YTD totals (US\$m)
1	Ogilvy & Mather	Mother Dairy, India; IBM, Singapore	37.7	-	165.6
2	McCann Worldgroup	Onstar, China; Joyoung (soymilk maker), China	61.1	3.9	145.1
3	Euro RSCG	Herbs and Nature, Philippines; Master Kong Egg Roll, China	3	-	102.7
4	TBWA	Nutrillite, Korea; V Guard, India	5.7	-	86.5
5	BBDO	CIMB Bank, Malaysia; Yum! Foods, China	10.1	-	70.6
6	DDB	Golden Circle, Australia; Union Bank of India, India	21	-	68.6
7	Y&R	Traffic Police, Singapore; NSW Government, Australia	14.9	15.5	58.2
8	Leo Burnett	Giordano, Australia; Nestlé, Sri Lanka	0.9	0.8	56.8
9	Saatchi & Saatchi	-	-	-	30.9
10	DraftFCB	Pernod Ricard, Taiwan; Bobson, Taiwan	5.5	-	24
11	Bates141	Taiwan Beer, Taiwan; Epsom, China	10.3	-	22.4
12	Grey Group	Vinaphone, Vietnam; Samsung Mobile, Vietnam	2.4	0.5	14.5
13	Lowe	AIA Insurance, Thailand	0.2	3	3.2
14	JWT	Nikon, Taiwan	6.6	-	-16.6

Media Performance League June

Rank	Agency	Wins	Billings gained (US\$m)	Billings lost (US\$m)	YTD totals (US\$m)
1	Carat	Nokia, Asia-Pacific	296.8	-	532.6
2	PHD	Fortune Life Insurance, Philippines; Pacific Magazines, New Zealand	5.1	-	254.1
3	Mindshare	Asua, Philippines; Securities Future Commission, Hong Kong	6.4	18	96.7
4	OMD	PTT Public Co, Thailand; DTAC, Thailand	18.1	-	66.2
5	MEC	-	-	-	63.8
6	MPG	Jockey, India; Icon Film Distribution, Australia	70.1	7	63.1
7	Universal McCann	Bradford, Australia; Min online, Taiwan	2.2	-	48.8
8	Zenith Optimedia	Singapore 2010 Youth Olympic Games, Singapore	19.6	10	48.3
9	Initiative	SmarTone Vodafone (HTC Magic launch), Hong Kong	3.6	2.6	13.6
10	Vizeum	-	4.5	-	-2.9
11	Starcom	Diageo, Thailand; Singapore Traffic Police, Singapore	4.5	-	-72.6
12	Maxus	Monash University, Australia; Secrets, Australia	6.3	46	-80.8
13	MediaCom	Universal Music Group, Australia; Hubb Organisation, Australia	11.6	238.5	-274.4

METHODOLOGY The Business Performance Leagues are compiled by Media magazine with the assistance of an independent firm of certified public accountants. Performance is measured according to the annualised billings value of accounts won and accounts lost. Agencies are ranked according to the annualised billings value of

accounts won and lost. For accounts that do not have a billings figure attached to them, a billings score is calculated as fees multiplied by 6.5 (a standard industry multiplier). Retained business is not included. It is assumed that the billings data submitted by the agencies is complete, accurate and valid as per the methodology.

VERIFICATION Information submitted by agencies is validated for accuracy on a sample basis against the advertising spend data compiled by Nielsen Media Research, TAMIndia and NDT Japan.