

# Millionaireasia<sup>®</sup>

Issue VI

HONG KONG

**Money maker** – How to invest in Asia's real estate market

**Hang ten** – Art arranging tips from 10 Chancery Lane

**Little Tibet** – River rafting in Himalayan waters



# Right angles

The property issue



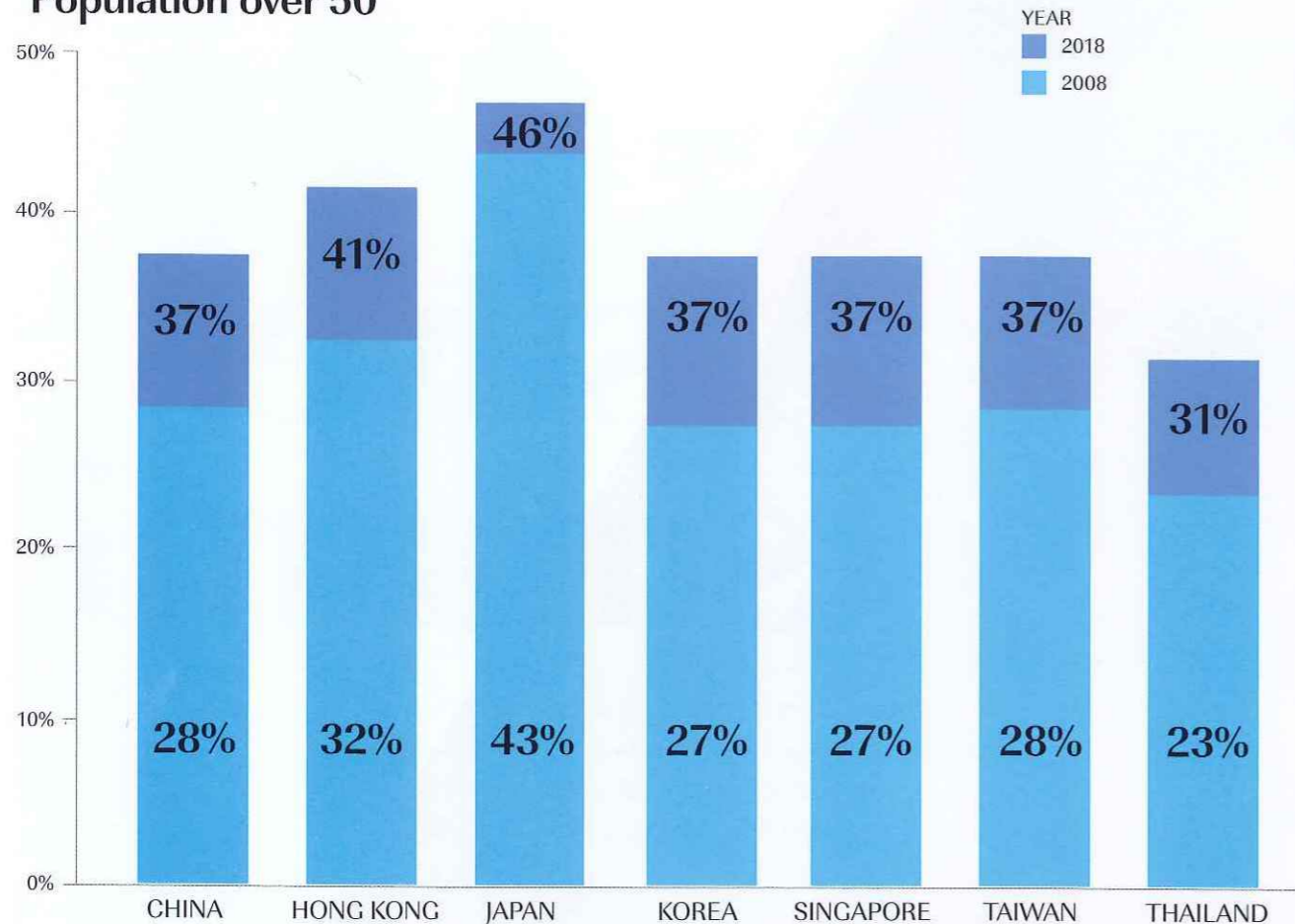
# A silver tsunami

There's no ignoring it, Asia's getting older. But there's a world of excitement and opportunity hidden within its wrinkles: **Jessica Morris** talks to Kim Walker, the man at the head of the age revolution

**A**ccording to data from Global Demographics, Hong Kong is among the "oldest" and fastest ageing cities in the APAC region. In 2010, 34 per cent of Hong Kong's population will be over 50. And by 2020, that figure will swell to 42.7 per cent – a whopping 35.5 per cent growth in just 10 years. Meanwhile, the under-50 population will actually decline by around six per cent. Not to mention that the 50+ segment is the **ONLY** growing segment in China.

Everything from font sizes to pedestrian crossing timings will need to change to adapt to this shift in the population; Kim Walker, CEO of Silver, has understood that already. Formerly the president and CEO of M&C Saatchi, Walker soon realised that he could no longer ignore the rise of Asia's 50+ segment, and so started Silver, in 2009, a company dedicated to helping businesses transform with the times. >>

### Population over 50



Source: Global Demographics

#### Millionaireasia: What will Hong Kong's society look like 20 years from now?

Kim Walker: Older. It's time to wake up and smell the demographics; they don't lie.

As a place to live, I feel that partly due to topography and partly due to a lack of awareness, Hong Kong is not an age-friendly city. Much can – and must – be done to accommodate the changing needs of an ageing society. But the older people of tomorrow will be very, very different than the older people of today. Businesses that can adapt their offerings accordingly stand to reap substantial rewards.

#### What makes you say that the current market isn't accommodating the needs of the older generations?

Today, over 90 per cent of marketing effort and spend is directed towards younger consumers. The remaining 10 per cent is spent on 'products for old people'. Such products and services stereotype and scare off most businesses. But we should look at them in the same context as we do rattles and prams for babies.

Perhaps the most compelling argument is summed up in this 2007 quote from the *United Nations World Population Ageing Report*, which states that: 'Population ageing is unprecedented,



When Kim Walker (above) turned 50, he realised that his generation needed much more attention than it is given today

a process without parallel in the history of humanity'. There's simply no prior learning to go by. Certainly since the inception of modern marketing (post WWII), we've assumed that there will be a plentiful supply of younger consumers to use the products and services and to crave branded goods and services. We used to also feel compelled to 'recruit new users' to a brand thinking that once recruited they would remain loyal for life. This of course is no longer the case. Young or old, loyalty is now much shorter lived.

And in Asia Pacific, we have some of the oldest (Japan), the largest (China) and the fastest ageing (Singapore, China, Korea) populations in the world.

#### What prompted you to do something about the trend you had spotted?

I guess the trigger point was my own 50th birthday. I simply couldn't believe I was looking at a 50-year-old man in the mirror. I realised that many of my friends felt the same way, yet the marketing world seems to think that we no longer spend money. This couldn't be further from the truth. We've worked, earned and saved. We own property and cars, so we often have less debt to worry about, and our kids are either off at university or already in the workforce. We've got more time, and the money to enjoy it.

My main contention is that from the age of about 45 to 70, consumers are basically ignored by businesses yet they still eat, travel, wear clothes, keep fit, have fun, learn, etc. The only thing that is inevitable (though we all deny it), is the process of physiological ageing.

So the trick is to understand the evolving physiological – cognitive, sensory and physical – changes and

### Over 50s feeling neglected



Source: SilverFall™ (Jan 2009)

accommodate the needs of older customers within the everyday products and services a company offers – in other words, to make them age-neutral. We have devised the world's first system to help companies identify these barriers and to make their offerings age-neutral.

I'm pushing for the 'tipping point' at which the business world wakes up to the opportunities presented by the ageing of society. Good for me, good for businesses and ultimately, good for the ageing populations who will be better served with age-neutral products and services.

#### What needs to be done for our society to adapt to these inevitable demographic changes?

Culture plays an important part. Research we conducted across the region in 2009 showed that in individualistic Anglo-Saxon cultures like Australia, retirees

are more likely to spend to enjoy their retirement. On the other hand, Japanese, Chinese and Indian retirees will feel more family-centric obligations. This is important for businesses and marketers. Retirees will spend money but the approach used to convince them will differ depending on their cultural backgrounds.

But fundamentally, I think we need to redefine the term 'retirement'. Unlike our parents, who suddenly stopped working, I think many of us would go insane without something to keep us occupied. Because of the pension burden, governments are already pushing up the statutory retirement age.

Whether paid or unpaid, I believe we will see a far more 'active' approach to ageing in this generation. [www.silvergroup.asia](http://www.silvergroup.asia)