

AGING SOCIETY SEGMENTATION

Suchonnee Matiyotin^{1*}

¹*Graduate School of Commerce, Burapha University, ChonBuri 20131, Thailand*

ABSTRACT

This research article emphasizes on the importance of Generation B (Baby Boomer Generation) marketing segmentation or Aging Society as this segmentation earned potential and grew increasingly. They had the loyalty to the product and possessed financial security as well as they could buy products independently. In addition, it is expected that in the next ten years or in 2020 the aging society will increase to seven million people. Hence, to make market positioning for these aging-society people, the entrepreneur needs to consider in the following topics: 1) Product attributes - Good product positioning could make profit sustainably, 2) Benefit to Aging society - Learn what the benefits of this group and propose them, 3) Usage occasions - the opportunities to use products and service can urge this aging society for return purchase, 4) Classes of users - Entrepreneurs are required to learn what the preferred activities of this group are, what their attitudes are as well as what their favorite location is in order to make market positioning for product and service for this group, 5) Competitors - Entrepreneurs should consider the competitive situation as the aging society is a good target group, there could be several entrepreneurs to get them. The entrepreneur, therefore, should evaluate the competency of its own and its rivals, it needs to learn how to win this aging society. The subjects who were 50-to-65-year-old consumers agreed that friends were important not less than family as friends could fulfill sometime of their lives. People at this age, no matter retired or at work, they have more free time whilst their family members have lesser time with them. Therefore, people at 50's start to socialize with their old friends or do some activities such as doing exercise, making merit, or joining charity activities, etc. People at these ages could open to new societies relatively quickly when they had the similar likeliness and attitudes. Entrepreneurs should be aware the issues that aging society emphasizing on, that is, 1) Family is center, 2) Friends at the same age, 3) Healthcare concern, 4) The use of luxurious products to fulfill personal needs and spending more time to do preferred activities, and 5) Income after retirement, etc.

Keywords: Aging society, segmentation, target group

Currently, the Aging society (elderly whose age are older than 60) is a market with tendency of a rapid growth in the future as the development of medicine and public health could lower the mortality rate. Elderly tend to live longer than the past. Most elderly spend their life after retirement doing several activities, especially recreation activities and travelling or visiting art, culture and nature. Because this group of people have more time and more financial readiness than tourists in other age groups, tourism for elderly could be a new market with quality and high potential to pay than general tourists. Elderly tourists become more potential and more interesting as the social structure would change for the society for elderly. United Nations expected the number of elderly would increase from 687.9 million people in 2006 to 1,968 million people in 2050 and the number

of elderly in Asian continent would be the greatest. Tendency to enlarge market of the elderly in ASEAN member countries in 2015 - 2060 and it could expand as twice as normal. Singapore is a country with the highest ratio of elderly population in ASEAN. The number of foreign elderly tourists in Thailand tends to increase and it is expected that in the next ten years or in 2020 there would be more than seven million people in a year. 31 percent or one out of three of this group were Japanese tourists. The growth of elderly tourists could be a good opportunity for Thailand to enter AEC economic community (Rattanapaitoonchai, 2014).

At present, several entrepreneurs have established the business under the Aging Society concept, the study on expense behaviors of elderly reveals that:

expense behaviors of retired consumers	Percentage
Emphasize on the adjustment of lodgment to facilitate after retirement	82%
Retrieve for information of product and service before making decision	68%
Willing to pay more to get products specially designed for elderly	59%
Willing to learn new technology	55%
Prefer small shopping center to bigger places	45%
Willing to buy electronic equipment for their own convenience	19%

(Business Plus, 2015)

Now, populations in Generation B grow old, their demand for the elderly product will increase according to the number of this generation. The higher incomer the elderly earn, the more demand on products and service they have. One of the four basic needs the elderly need was lodgment even they have already had their own residence. As their body condition changes, the elderly require the change in their house. Thus, when they retire, their requirements for the house change according to their withered body. The requirements could vary, some would like to live in a countryside, a different town or a different country, some would like to spend their more free time to wander around, some would like to prepare

comfortable and safe residence to stay and ready for emergency case like sickness or their body is too weak to take care of themselves. Some elderly who stay alone with limited budget, they might live in a nursing home at the end of my life. However, the study of Bose showed that a nursing home could serve the physical health service but not mental and emotional health service. It was found from the study of nursing homes in South Korea, China, Singapore, Malaysia, and Sri Lanka that the satisfaction on the nursing home was rated low as the majority of them were not willing to stay there but because of the weak body, sick, unable to take care of themselves, they need a place for long-term treatment. With not good

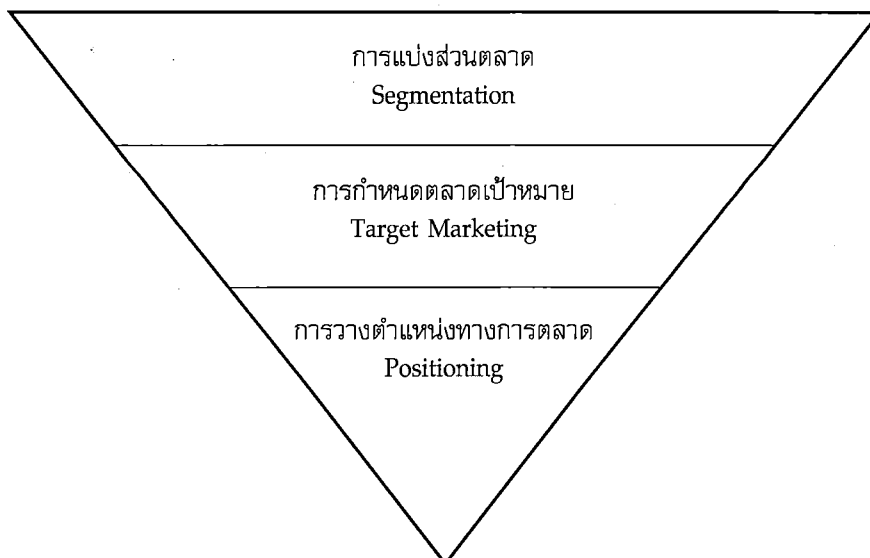
financial conditions, some elderly could not avoid to stay in nursing home. The survey of American Association of Retired Person revealed that 80 percent of elderly preferred to stay at the same place. They did not to move. This differed to the elderly in Asia, it was found that family in Asia could take care of their older family member at home. The study on Thai elderly indicates that even the rapid change in Thai society, Thais preferred to look after their children like the way in the old day. For those who were quite rich, grandparents might not stay in the same house with their grandchildren. They would buy a house for their parents or their children to live in the similar neighborhood. In general, lacking of privacy was not considered a crucial problem among Thai elderly. However, the proportions of elderly to stay at the government and private nursing homes were not high. When considering to the base of elderly population which was larger and larger, the number of elderly who stay at the same place should increase. It means that the housing requirement including nursing home should grow up as well. Apart from

health problem, the reasons to move the residence of some elderly to the new place were the death of spouse, the requirement for security, the lack of physical capacity leading to unable to do housework (Gibler et al., 1998). Therefore, elderly market is an interesting target market as they had financial security, community, and brand loyalty.

Market-Segmentation Procedure can be divided into three stages as follows:

1. Segmentation - To study market segmentation of appropriate consumers of the products
2. Target group - Analyze the segmentation and choose target group that appropriate to the products, marketing budget. Sometime target group that company would like to do the marketing might not appropriate to the financial structure of the company.
3. Positioning - Make a clear market positioning including choosing distributing channels, making advertisement, making marketing activities concentrating on target group (Al Ries & Jack Trout, 2001).

Market Segmentation, Target Marketing, and Positioning (STP)



(Marshall & Johnston, 2010, 238)

Bases for Segmenting Consumer Markets

A market consists of a great number of customers. If each customer possesses the same attributes or shares similarity, the market operation would not be quite complicated. However, customers in a large-scale market could have different requirements. This would absolutely affect decision making to make the market of entrepreneurs or distributors. Placing products on sales could match some groups but might not suit the requirements of other groups. On the other hand, every group prefers similar products but it could differ from the outstanding product attributes.

Generation Segmentation

Generation B (Baby Boomer Generation) could be defined as the people whose age is over 40 years old. They devote their lives for work, believe in rules and criteria, are patient to pay attention to the job details, and willing to make a perfect job even it takes a long time to succeed the job. In addition, they prefer to work hard to be successful, they dedicate to their work and organization and do not change jobs often as they have high organizational commitment. At present, this group is a target market in several countries as they are the massive market with purchasing power and potential to consume the commodity. Good attitudes toward purchasing products for their own and their intimates make them an interesting market group at the current situation.

Generation X (Extraordinary Generation) means people at 30-40 years old whose behaviors are easy-going and casual. They concentrate on the work-life balance. Their thoughts and working styles are to work independently with an open-minded attitude, and ready to listen to suggestions for improving and developing themselves. They prefer smart work using their ideas. The consumption behaviors of people in this generation are to expense extravagantly. Main family members spend their sophisticated lives by using modern gadgets to support their personality to match with the lively society.

Generation Y (Why Generation) is defined as a group of people growing up with computer and

technology. When they enter to the workforce, they are extrovert, independent, do not want to stick in a frame and do not like conditions. They need a clear answer how the job they do could affect to themselves and their organization. They could do job related to communication and also they could do multi-tasks. Gen-Y people are intolerant and would like to see the completion of work quickly as they believe in their own capacity. These people are careless and buy things because of endorsement. They seem to be confident but they are actually reluctant. When entrepreneurs would like to sell product to this group of people, show them the endorsement.

Generation M (Millennium Generation) means people whose age are lower than 20. Gen M group is the consumers that entrepreneurs present them the product and expect to see word-of-mouth behavior. This group concentrates on technology, English language, does not willing to be employee, and prefer to have their own small business. Entrepreneurs who want to present products to this group of people, they should present them up-to-date or trendy products (Hoyer & MacInnis, 2007, 304-310).

Effective Segmentation of Aging Society comprised of 1) Measurability - They could expect their sales, 2) Accessibility - Prepare the activity for elderly, 3) Substantiality- They could sell and make profits sustainably in a long term as the elderly have the brand loyalty higher than other target groups. They will not change their mind to other brands and they would recommend this product to their family members, friends in their society. 4) Action ability - This is not a dream market. It can operate the work practically, 5) Differentiable - The products have to possess outstanding characteristics and could respond to the requirement of Aging Society

For Market Positioning for Aging Society, entrepreneurs should concentrate on the following issues (Bannawit, 2007, 179) 1) Product Attributes - This could make sustainable market positioning of the product, 2) Benefits- What benefits Aging Society earns and what to present them, 3) Usage Occasions - The usage occasions of product and service could urge Aging Society to repurchase more frequent, 4) Classes of users - Entrepreneurs are required to learn what

the preferred activities of this group are, what their attitudes are as well as what their favorite location is in order to make market positioning for product and service for this group, 5) Competitors - Entrepreneurs should consider the competitive situation as the aging society is a good target group, there could be several entrepreneurs to get them. The entrepreneur, therefore, should evaluate the competency of its own and its rivals, it needs to learn how to win this aging society. Hence, the first five products that Baby Boomer Generation would like to purchase were 1) Property, house, residence, health program, 2) Travel- They would like to spend a lot of money on this issue, 3) Family members - They spend money for their family members, 4) Healthy food and exercise - They want to be healthy and, 5) Buy what they want to buy - They would like to buy things they want to please themselves such as planting for gardening. Consumer Inside Division of McCann Worldgroup had an in-depth exploration on the group of 40 consumers in the age of 50-65 in Bangkok and found that currently this group of consumers or '50 Plus Consumers Group' is the age group that could change their requirement and lifestyle of themselves both in the aspects of family and work. They spend their lives carefully in the aspects of their health and their finance. However, they still enjoy their lives. In other words, they learn to get in touch with the trend and establish their happiness for themselves, their family and their friends. Hence, to access to the change of this group of consumers, it is necessary to learn the facts of Thai people in this age that: 1) My life is My Family - Adults in this age have a family as the life center and emphasize on establishing warm family. The findings indicated that most of expense of these people was a purchase of daily products for family and their family members were important to the buying decision. Moreover, their children were an important part that would encourage them to understand more about the new trends, to be optimistic and to learn how to use technology for knowledge and entertainment via Internet such as Internet Banking, Social Network, etc. The most popular websites for this group were Google, Yahoo, Sanook, and Online News. 2) Community: A Must-

Have - For 50-65-year-old consumers, it could accept that friends were as important as family. Friends could fulfill some times of their lives. People at this age, no matter retired or at work, they have more free time whilst their family members have lesser time with them. Therefore, people at 50's start to socialize with their old friends or do some activities such as doing exercise, making merit, or joining charity activities, etc. People at these ages could open to new societies relatively quickly when they had the similar likeliness and attitudes. 3) Purity: A Healthy Comes Back - A trend on healthcare still plays an important role for these consumers and at present it is a Naturopathy. Naturopathy means a treatment through exercise to treat from inside to outside the body and selection of the least synthesized food or to eat comfort food using easy menu that is familiar and could be confident on its benefit. At the same time, the belief on taking vitamin has decreased. 4) The Time of My Life - the results shown that these aged consumers could manage time to balance several daily activities for family, work, and recreation systematically. Due to the fact that they have more free time and less obligations. When entering to the age of 50, they learned to release their lives and learned to buy happiness for themselves. The examples that could be obviously seen were: a travel with friends, the use of luxurious products to respond their own requirement and, more free time to do favorite activities. 5) Something Index Future - Money still the key issue that people at this age concern. It was found that the majority of elderly retire later and find the channel for the extra income. They chose to save in the secured forms such as gold, bond, and life insurance, to guarantee their lives and their family in the future. Furthermore, consumers at this age are still confident. Most of them plan to spend the rest of their lives with this sum of money as they did not want to burden their children (Weekly Manager 360, 2014).

Conclusion

The market positioning for these aging-society people, the entrepreneur needs to concentrate on the following topics: 1) Product attributes - Good product positioning could make profit sustainably, 2) Benefit to Aging

society- Learn what the benefits of this group and propose them, 3) Usage occasions - the opportunities to use products and service can urge this aging society for return purchase, 4) Classes of users - Entrepreneurs are required to learn what the preferred activities of this group are, what their attitudes are as well as what their favorite location is in order to make market positioning for product and service for this group, 5) Competitors - Entrepreneurs should consider the competitive situation as the aging society is a good target group, there could be several entrepreneurs to get them. The entrepreneur, therefore, should evaluate the competency of its own and its rivals, it needs to learn how to win this aging society. The subjects who were 50-to-65-year-old consumers agreed that friends were important not less than family as friends could fulfill sometime of their lives. People at this age, no matter retired or at work, they have more free time whilst their family members have lesser time with them. Therefore, people at 50's start to socialize with their old friends or do some activities such as doing exercise, making merit, or joining charity activities, etc. People at these ages could open to new societies relatively quickly when they had the similar likeliness and attitudes. Entrepreneurs should be aware the issues that aging society emphasizing on, that is, 1) My life is My Family - Adults in this age have a family as the life center and emphasize on establishing warm family. The findings indicated that most of expense of these people was a purchase of daily products for family and their family members were important to the buying decision. Moreover, their children were an important part that would encourage them to understand more about the new trends, to be optimistic and to learn how to use technology for knowledge and entertainment via Internet such as Internet Banking, Social Network, etc. The most popular websites for this group were Google, Yahoo, Sanook, and Online News. 2) Community: A Must-Have - For 50-65-year-old consumers, it could accept that friends were as important as family. Friends could fulfill some times of their lives. People at this age, no matter retired or at work, they have more free time whilst their family members have lesser time with them. Therefore, people at 50's start to

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