



OLDER CONSUMERS AND THEIR NEED RECOGNITION

Dr. Sandip Sane
Saibalaji International Institute of Management Science
Pune, India :411033
sandip.sane@iimspune.edu.in
dr.sandipsane@gmail.com
9881250799

Abstract

Marketers and companies have always given importance to needs and requirements of Children and working generation. They have hardly recognised that the senior citizen, those who are above sixty and are affluent also have specific and precise requirements . Here in this paper, I have interviewed 30 people above 60 and couple of them in 80,s to understand their requirement and expectations from the marketers. The respondents displayed exact and specific needs for Apparels, Shoes, Furniture's, Transportation. As far as food, housing, financial planning, recreation is concerned they have already taken decision and have no dissonance.

Index Terms – Old Consumers, Purchasing process, Needs recognition, segmentation.

I. INTRODUCTION

Managing Director of Samsika Marketing, Jagdeep Kapoor(2006) had said: "Marketers should look at senior citizens as an vital target market, as they have a significant amount of money and have time to spend it". This demographic aspect reflects the affluent, growing and prosperous senior citizens market in India. This 60-plus senior citizen market is growing by leaps and bounds and it would be interesting to know the chances available in the emerging segment for marketers. (Michelle Napolih,2009) of Institutional Investor has also referred the 'ageing boom' as a significant segment in booming housing market. (Suresh Bhagwat,2008) of Athashri housing for senior citizens, said "the housing sector is the most exciting of all lifestyle segments in the business of ageing".

While India goes gaga on its young demographics, the country is home for 2nd largest population of 60 years and above and by 2050(Jones Lang,2008), it is expected to cross the population which is 18 years and less.



As standard of living has improved and life expectancies has increased and perhaps continue to maximum age of 120 (Hayflick ,1994), the elderly have started demanding products and services which caters to their specific needs and taste. From Old age products to Apparels. Shoes, transportation and tour packages. When the Individuals in a large population legion with high disposal money and endure to live long than their predecessor, the marketers do take notice(Moschis,1992,1994). Indian entrepreneurs have started taking note of the same but still it's a virgin market to be explored.

It's a first mover advantage for those who can come with senior Citizen focused market place. There is scope for senior shelf list which has more than 4500 unique monthly visitors. Entrepreneurs are coming out with one-stop shop where the elderly can buy almost everything from Shoes to apparel and retirement homes to travel packages.

Marketers are keen to understand the consumer behavior of the mentioned segment which is old and rich. They want to know how they take decision and the process involved for purchasing various goods and services. However, we have considered the first step in the research described below. The first step which is Need recognition of the elderly consumers.

II. STATEMENT OF RESEARCH PROBLEM

The Study is undertaken with an objective to understand the Needs and requirements of elderly people above 60 years who comes from affluent family and have enough money at their disposal.

III. OBJECTIVES

- To study the needs of the elderly people with respect to purchases..
- To study whether the elderly segment is addressed by the marketers.
- To study the methods and channels of communication between the marketers and the elderly affluent people.

IV. HYPOTHESIS OF THE RESEARCH WORK

Hypothesis (H1): "Old age people have specific needs regarding their purchases".

V. SAMPLE SIZE

Sample Size calculation is very important to find out correct size of sample for the research. We need to know how many members of the population should be selected to ensure that the population is properly represented. I have interviewed 30 senior citizens from affluent family.



1. Male : 16 Female : 14
2. Age : 60-70 : 14 people , 70-80 : 10 people , 80+ = 6
3. All were financially secured and lived in affluent society in posh area.

The researcher collected the Primary data by using.

Interviews

In an interview, the researcher has asked the interviewee questions (in-person) and each interview has lasted more than 90 minutes and sometimes more than that.

The researcher was able to establish trust and rapport with the participant as it was very important to get the real thing out from them. The researcher could probe as it helped us in reaching clarity and gain additional information

The sources and methods of Collection of Secondary Data

Secondary data is collected by conducting a comprehensive literature survey of the books, National and International Journals and internet news.

VI. NEED RECOGNITION

In the paper Engel, Blackwell and Miniard (1995) has suggested the need recognition as "the perception of a difference between the desired state of affairs and the actual situation sufficient to arouse and activate the decision process".

The Consumers have identified and recognized needs for some services and items and as per data. However, for other commodities the difference between their expectations and the deliverable is too small to really have any impact on the process of need recognition so that they can get on with evaluation of post purchase.

The Consumers have clearly identified and stated specific need for Apparel, Shoes, Transportation and specified furniture but failed to find out any differentiation or alternatives for their requirements

VII. GOODS AND SERVICES AROUSING NEED RECOGNITION

Clothing was the most telling need which was recognized by the consumers. They felt that all clothes were designed and marketed for younger generation and they had to choose among them which they did not liked. The comfort which they expected from the clothes was not there They also wanted to be fashionable but the clothes did not match to their likings and taste.



Few respondents in the interview also suggested that they are willing to pay more prices but the clothes must be of their choice, liking and comfort.

Moschis(1992,1994) suggested that “the demand for apparel declines as person grows old not because of loss interest in wearing good clothes but cause of unavailability of suitable clothing”. He further states that “most of the clothes and shoes today are designed and developed for young generation(1992,p.216)”.

Well fitted shoe was also one of the important need which was indicated in the study. The lack of comfortable shoes specially meant for older generation was one of the biggest challenge they faced. The requirement was to have shoes which are sturdy, anti-slippery and light in weight. Further if they can be made stylish and look good without compromising the features mentioned earlier, it would be shot in the arm. The study by (Simons & Nayak, Gabell, 1985; Tinetti & Speechley, 1989) suggest that most of the older people prefer to use sturdy foot wear which reduces the risk of falling. Dunne, Bergman, Rogers, Inglin and Rivara (1993), found out that the older people prefer to wear shoes with laces but not canvas shoes. Four of the respondents used shoes with laces but were ready to move on to different style so long as they are comfortable, safe and would not slip.

Transportation especially commercial airlines was one of the areas where the need recognition seen. Even though the airline travel was good but identifying right airline and tour packages and destination suitable for them was something which old people felt had very little options and lacking.

Furniture was also one of the important need identified for old people where enough options were not available. Particularly old people has specific needs with bed, sofa and mattress.

Hence the Hypothesis (H1): “Old age people have specific needs regarding their purchases”, is accepted.

VIII GOODS AND SERVICES WHERE NEEDS WERE SATISFIED

The needs for which the old people were satisfied were Food Items, Housing, Medical facilities, Financial Planning and Recreational facilities. Even though couple of them had little issues with Food and Recreational Facilities but overall, they were satisfied with the available options and showed no dissonance.



IX CONCLUSION

1. A specific segment has emerged, which is affluent, ready to spend but is unable to procure the precise requirements and needs which they expect.
2. Several companies have come out with solutions for aged people specially in Housing. However most of them make huge mistake when they treat Old and young consumers in equivalent way and so miss out the old segment on the bargain.
3. There is need to understand and analyze the two segments differently. Customized products are the need of the hour.
4. Companies can attempt to tap this new segment, especially online Portals or e-commerce units which can supply customized products at low cost with low investments.

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