

The New Shopping Concept of Chinese Elderly People in the Digital Era

Analysis Based on "2022 'Silver-Haired Group' Consumption Trends Report"

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Abstract: As a product of an aging society, the "silver-haired group" has become an undeniable consumer group in the digital economy era. The article is based on the "2022 'Silver-Haired Group' Consumption Trends Report" released by JD Consumer and Industrial Development Research Institute to study the consumption status of the "silver-haired group". The research results indicate that the number of elderly users and per capita transaction volume of online shopping are rapidly increasing, and the online consumption potential of elderly people is enormous. The online consumption situation of elderly people varies greatly in different regions of the country. Regions with high levels of economic development and "aging friendly" service levels have higher market maturity. Conversely, regions with lower levels of economic development and "aging friendly" service levels have lower market maturity. The online shopping needs of the elderly have also shown a shift from material needs dominated by family needs to spiritual needs that pursue more self-satisfaction, from basic needs dominated by daily necessities to high-level needs dominated by trendy consumer goods. The consumption concept of the elderly has shifted from conservative to trendy.

Keywords: digital economy, silver-haired group, online consumption

1 Introduction

More and more elderly people have joined the ranks of online shopping with the popularization of various electronic communication devices in the consumer market, as well as the gradual improvement of the consumption ability and changes in consumption willingness of the elderly population, resulting in online consumption behavior, and related research has become a research hotspot. At present, research on online consumption behavior of elderly people mainly focuses on the analysis of the characteristics of elderly people in online consumption ^[1] ^[2] and the willingness and influencing factors of online consumption ^[3] ^[4]. The existing research has not deeply considered the online consumption behavior of the elderly. In fact, as China gradually enters an aging society, the use of the Internet by the elderly to carry out online consumption behavior should be regarded as one of the achievements of the digital age in promoting the construction of active aging. Therefore, studying the online consumption behavior of the elderly is the key to understanding whether the implementation of active aging policies has been effective. At the same time, as more and more elderly people join the ranks of online shopping,

understanding the online consumption behavior of the elderly also provides more reference value for various e-commerce platforms to effectively seize the consumption needs of the elderly and improve profit levels.

In September 2022, JD Consumer and Industrial Development Research Institute released the "2022 'Silver-Haired Group' Consumption Trends Report", which was based on JD Mall platform data from January to August 2022, comprehensively deconstructing the new shopping concept of the "silver-haired group" and the consumption characteristics of "age friendly products" under the filial piety economy. Based on this report, this article studies effective measures to help elderly people overcome the "digital divide" in the digital age, the potential of the elderly market and the online consumption characteristics of the elderly. Through this study, we hope to provide useful references for later scholars to study the online consumption situation of the elderly.

2 Continuously launching aging friendly policies and service measures to help "silver-haired group" bridge the "digital divide"

The next subsections provide instructions on how to insert figures, tables, and equations in your document.

The rapid development of science and technology has overturned the traditional way of life and consumption. The Internet, intelligent technology, and digital services are like invisible barriers that affect their lives for the "silver-haired group". In order to bridge the "digital divide" and achieve the strategic goal of active aging, Society has begun to try different ways to help the elderly adapt to the digital age, including government public welfare training, community group support, family support, etc., all of which have emerged, hoping to accelerate the resolution of the "digital divide" problem faced by the elderly.

the General Office of the State Council issued the "Implementation Plan for Effectively Solving the Difficulties of Elderly People in Using Intelligent Technology" at the end of 2020 in order to address the "digital divide" faced by the elderly and enable more elderly people to learn how to access the internet, use smartphones, and enjoy the convenience brought by smartphones in daily life such as travel, medical treatment, and consumption, promoting governments in various regions and each directly affiliated department to focuses on high-frequency matters and service scenarios involving the elderly, adheres to the parallel innovation of traditional service methods and intelligent services, and effectively provides more comprehensive, considerate, and direct convenience services for the elderly.

Large e-commerce enterprises launched various "aging friendly" services to help the elderly better adapt to the Internet shopping environment. For example, JD has launched the "JD APP Elderly Mode", which is not only easy to register but can be completed with just one click on WeChat; Moreover, the page design is tailored to the needs of the elderly, with simplified information, increased font size, and video transformation of product information, in order to facilitate better reading and understanding of product details and product selection for the elderly. At the same time, a "family assistance" function has been designed to facilitate elders to ask their children with just one click when shopping problems arise. JD continues to launch

aging friendly application upgrade services to help "silver-haired group" overcome the "digital divide".

Gradually, more and more elderly people to accept and develop online shopping habits, after the government, communities and businesses had introduced various measures to enable the elderly to adapt to the Internet era.

3 The market potential of "silver-haired group" in the digital age is enormous

The Internet has made some achievements in promoting the construction of an active aging society.

According to the data released in "the 49th Statistical Report on the Development of Internet in China", as of December 2021, the number of internet users aged 60 and above had reached 119 million in China, an increase of 8 million compared to 2020, accounting for 11.5% of the total number of internet users. The Internet penetration rate of people aged 60 and above reached 43.2%. The Internet had further penetrated into the elderly ^[5].

According to Alibaba's "Digital Life Report for the Elderly" released in October 2020, since the COVID-19, China's silver-haired groups over 60 years old had accelerated to embrace digital life. In the third quarter of 2020, the monthly activity rate of elderly people's Mobile Taobao was much higher than that of other age groups, with 29.7% higher than the overall growth rate. The three-year compound growth rate of the amount of consumption of elderly groups reached 20.9%. During the COVID-19, the consumption growth rate ranked second, second only to the post-00s generation ^[6].

According to the "2022 'Silver-Haired Group' Consumption Trends Report" released by JD Consumer and Industry Development Research Institute, the transaction volume of "silver-haired group" on JD had tripled, the number of shopping users had increased by 1.8 times, and the per capita transaction volume had; increased by 1.7 times from 2018 to 2022. The transaction volume was steadily increasing, more and more "silver-haired group" were breaking through barriers and getting used to online shopping.

As more and more elderly people accept and become accustomed to online shopping, their potential for online consumption is gradually being unleashed and should not be underestimated.

4 The New Trendy Shopping Concept of "silver-haired group": From Family to Pleasant Self, From Necessity to Chasing the Trend

4.1 There were significant differences in the online silver-haired market among different regions, with varying levels of maturity

Generally speaking, the per capita consumption amount in the silver-haired market is mainly related to the level of economic development. The per capita consumption amount in online silver-haired markets in economically developed areas is higher, while in economically

underdeveloped areas is lower. The market penetration rate is mainly related to the level of "aging friendly" services. Regions with high levels of "aging friendly" services have higher penetration rates in the online silver-haired market, while those with lower levels have lower penetration rates. Provinces and cities such as Beijing, Tianjin, and Shanghai had high market penetration and high per capita consumption. Therefore, more practical and high-quality products should be promoted for improvement. Provinces such as Yunnan, Guizhou, and Anhui had low market penetration and low per capita consumption. Therefore, more basic products and services should be strengthened to attract more silver-haired groups to access the internet; Provinces such as Heilongjiang, Liaoning, and Jiangxi had high market penetration rates, but relatively low per capita consumption, Therefore, it should make them suitable for investing in high value-added products; Provinces such as Zhejiang, Jiangsu, and Guangdong had relatively high per capita consumption, but their penetration rate is insufficient. Therefore, it is necessary to strengthen investment in service products and improve service quality and shopping experience.

4.2 Household consumption was the main demand for online consumption among the elderly

From the Figure 1: Top 10 categories of "silver-haired group" transaction volume from January to August 2022, It can be seen that the elderly have a rich variety of online shopping options, including daily diet, clothing, home cleaning, personal care, kitchenware, appliances, and home decoration. The online shopping options of "silver-haired group" were becoming increasingly diverse. Among the top 10 categories, 7 were related to household consumption, indicating that categories suitable for family life were more focused on by the "silver-haired group" and had higher transaction volumes. Compared to self-indulgent consumption, elderly people's household consumption was more prominent and was their main demand for online consumption.

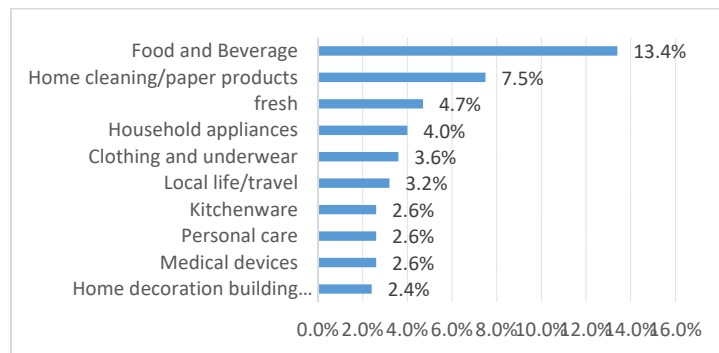


Figure 1: Top 10 categories of "Silver Hair Group" transaction volume from January to August 2022(According to the data compiled in the "2022 'Silver-Haired Group' Consumption Trends Report")

4.3 Elderly people paid attention to healthy consumption, and healthy consumption was diversified

More and more elderly people were paying attention to their own health needs, but there were significant differences in the content of health consumption, and health consumption was diversified.

From Figure 1, it can be seen that the sales volume of "silver-haired group" family oriented medical devices on JD reached 2.6% from January to August 2022, making it one of the top 10 categories in terms of sales volume. More elderly people purchase family oriented medical devices to take care of their health.

From the Figure 2: Year-on-year growth in transaction volume of elderly health consumption categories from January to August 2022, it can be seen that the year-on-year increase in transaction volume of nutritional and health products and traditional supplements was 68% and 59%, More and more elderly people were paying attention to their own health by purchasing daily consumption of health products and supplements. At the same time, more and more elderly people were maintaining their health through exercise and attach great importance to sports protection. Therefore, they consumed more sports and local fitness equipment. Ball games such as badminton and table tennis were also deeply concerned by the "silver-haired group". The sales volume of fitness equipment such as leg clippers, kettlebells, and grippers, as well as protective equipment such as arm protectors and exercise muscle patches, had all increased significantly.

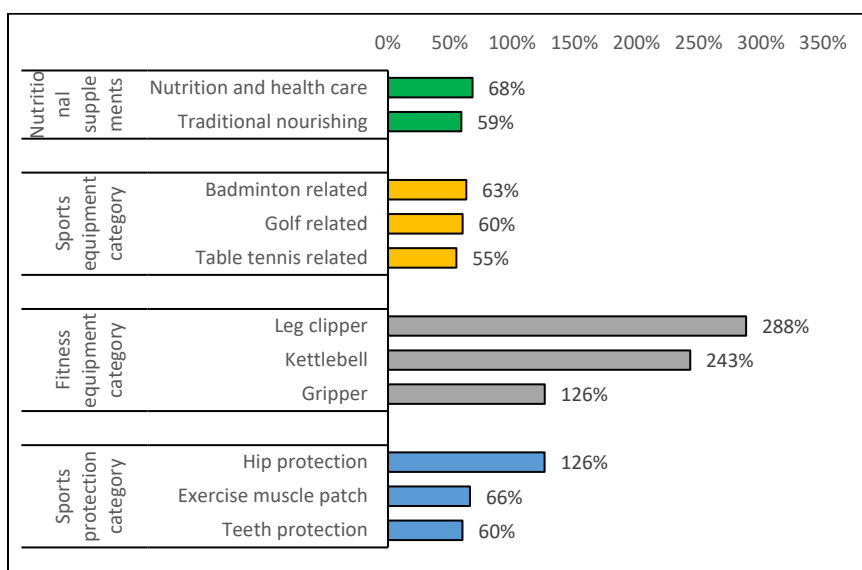


Figure 2: Year-on-year growth in transaction volume of elderly health consumption categories from January to August 2022(According to the data compiled in the "2022 'Silver-Haired Group' Consumption Trends Report")

4.4 In addition to necessities, elderly people were increasingly pursuing consumer trends

According to Figure 3: Year-on-year growth in transaction volume of elderly consumer trend categories from January to August 2022, we can see that pursuing consumer trends was no longer exclusive to young people, and trendy products such as outdoor camping, trendy appliances, imported food, and online fresh food were also popular among the "silver-haired group".

The growth rate of outdoor equipment, such as picnic supplies, tents/mats, and military equipment, had exceeded 60%. More and more elderly people were maintaining their physical and mental health through outdoor activities.

The popular electrical products of the younger generation had achieved rapid growth in the silver-haired market.

The trendy electrical products that make household chores easier had captured the hearts of many "silver-haired group", such as household dryers, shoe washers, underwear/pants cleaning machines and other sub functional household appliances, environmental electrical products such as dryers, mite removers, and household floor washers had all achieved rapid growth. Kitchen small appliances that make cooking easier were also highly favored, with impressive growth rates of transaction volumes for air fryers and sandwich breakfast machines.

The elderly are beginning to pursue a quality of life, and imported food is becoming increasingly popular among them. The "silver-haired group" had a relatively high growth rate in some imported food products, such as imported candies, imported convenience foods, and imported rice and noodles seasoning, with a year-on-year increase of over 55%, indicating a high growth rate.

More and more elderly consumers are keeping up with the consumption trend of young people, purchasing fruits and dairy cold drinks online. silver-haired individuals tended to purchase fruits and dairy cold drinks online, with healthy fresh products such as low-temperature milk showing the most significant growth rate.

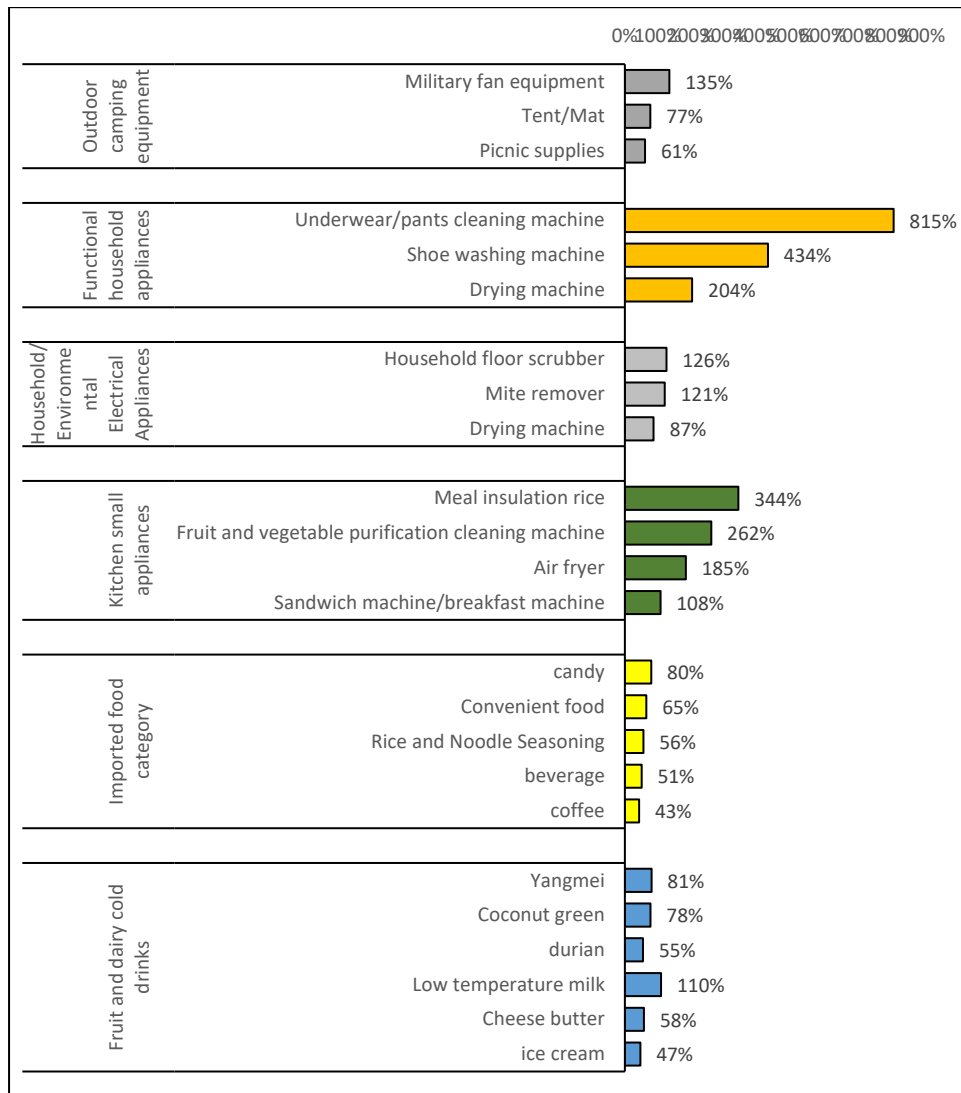


Figure 3: Year-on-year growth in transaction volume of elderly consumer trend categories from January to August 2022(According to the data compiled in the “2022 ‘Silver-Haired Group’ Consumption Trends Report”)

4.5 In addition to material consumption needs, elderly people were increasingly concerned about their spiritual consumption needs, and their demand for self-satisfaction was unprecedentedly high.

Elderly people are increasingly concerned about spiritual consumption needs, consuming fashionable products, pursuing big brands, and also consuming more and more entertainment activities and products [7], especially urban elderly people who pay attention to enjoyment oriented consumption such as dining out, medical treatment, and tourism [8].

The above views had also been confirmed in the "2022 'Silver-Haired Group' Consumption Trends Report". According to Figure 4: Products with year-on-year increase in transaction volume of musical instruments and entertainment from January to August 2022, more and more silver-haired groups were joining the art of blowing, pulling, playing, and singing, and becoming a necessity for communication. Data shows that keyboard instruments, Western wind instruments, ethnic instruments and other products were becoming popular among the "silver-haired group". Some leisure and entertainment activities were also favored by the elderly, such as zodiac signs, psychological tests, and special postcards, all of which had achieved rapid growth. Musical instruments and entertainment have become social tools and topics for the elderly population, meeting their spiritual needs of pleasing themselves.

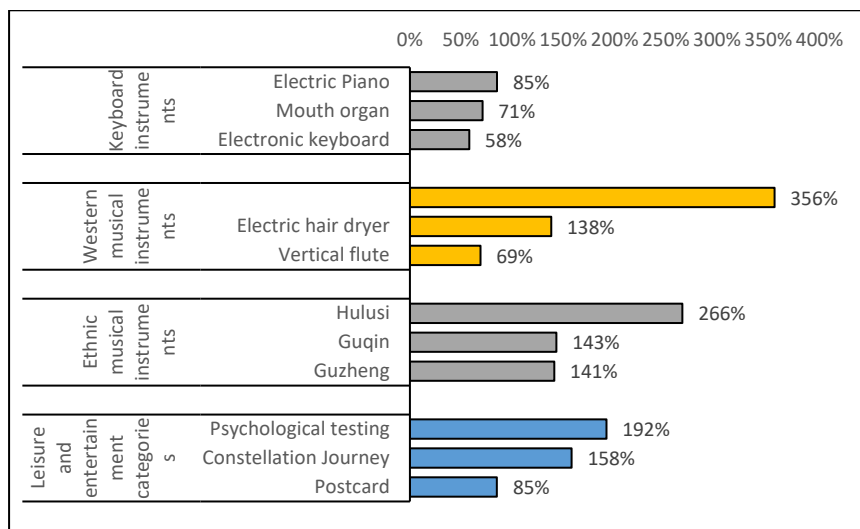


Figure 4: Products with year-on-year increase in transaction volume of musical instruments and entertainment from January to August 2022(According to the data compiled in the "2022 'Silver-Haired Group' Consumption Trends Report")

5 Conclusions

Based on "2022 'Silver-Haired Group' Consumption Trends Report" released by JD Consumer and Industry Development Research Institute, this article studies effective measures to help elderly people overcome the "digital divide" in the digital age, the potential of the elderly market, and online consumption characteristics.

The research results indicate that: In order to enable the elderly to adapt to the shopping environment in the Internet era, the government has issued support policies, and businesses have launched "aging friendly" services to help the elderly to overcome the "digital divide", better and faster adapt to the e-commerce shopping environment, and keep pace with the times. The joint efforts of both parties have also achieved good results, with the rapid growth of elderly users and per capita transaction volume in online shopping, and the huge potential for online consumption among elderly people. The online consumption situation of the elderly also presents its own characteristics. Regions with significant market differences across the country,

high levels of economic development, and high levels of "aging friendly" services have higher market maturity. The online shopping needs of the elderly have also shown a shift from material needs dominated by family needs to spiritual needs that pursue more self-satisfaction, from basic needs dominated by daily necessities to high-level needs dominated by trendy consumer goods. The consumption concept of the elderly has shifted from conservative to trendy.

Based on the research conclusions of this paper, the government should strengthen various support policies, further expand the coverage of Internet use by the elderly, and help more elderly people cross the "digital divide"; Merchants should launch more aging friendly products and services based on the needs of the elderly, further improving the quantity and quality of online shopping for the elderly, and enjoying the shopping pleasure of the digital economy era.

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