



VIRTUAL & AUGMENTED REALITY TOOLKIT TO ENGAGE ELDERLY BRAIN
WITH

INTER-GENERATIONAL UNDERSTANDING

ERASMUS+ PROJECT

Intellectual Output 3

An Empowering Guide to Exploiting AR/VR with Seniors

Chapter 7

Advertising skills: E- COMMERCE

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Chapter 7 ADVERTISING SKILLS: E- COMMERCE

7.1 Introduction

Information and communication technologies (ICTs) are essential to create an inclusive, age friendly environment but they need to be easy to access and with a universal design. They facilitate, financial transactions, learning and social interaction.

Internet was important before the pandemics but after it consumer and business behaviours have changed even the ones of the elderly population. Understanding the elderly population needs and online behaviour is essential to develop and to create businesses and e-commerce activities addressed to this target group.



7.2 Marketing addressed to the silver economy population

The silver economy, a phrase coined in 2015 by the European Parliament is defined as:

“The sum of all economic activity that serve the needs of people aged 50 and over, including the products and services they purchase directly and the further economic activity this spending generates.”

Seniors are the wealthiest age population at present in the world, together with older professionals (45-64 years) and this is not because old people are inherently richer but because rich countries are older and poor countries are younger and the number of seniors grows by 3.2% every year compared to an overall population growth rate of 0.8%.

According to the United Nations, by 2050, more than 31% of the world’s population will be aged 60 and over, compared with today (Eurostat 2020; United Nations 2020). In the European Union, such forecasts for the world average are even higher, with those over 65 expected to comprise 27.8% of the population in 2050 (Eurostat 2011).

This movement of a large part of the population towards more mature age groups represents a challenge and, at the same time, an opportunity for business marketing: the elderly increasingly controls a large part of the wealth of families and contribute significantly to national consumption, thus strongly influencing corporate performance with their consumer behaviour.

7.2.1 Brand loyalty

There is a common belief that age impacts brand loyalty. In fact, people between the ages of 18-24 are considered super-loyalists, dedicated to specific brands or retailers. This number decreases through middle age and does resurge, but not until well into retirement years.

7.2.2 No peer influence

Older consumers are less subject to peer influence than younger consumers. Largely freed from worrying about reactions of others, older consumers tend toward greater practicality in buying decisions than younger consumers. This increased individualization in behaviour makes it more difficult to predict what they will do in the marketplace.

7.2.3 Facts and emotions

If older consumers are considering a purchase, they want unadorned facts, and more of them, than they wanted earlier in life. Years of buying have taught older people what to look for and what information they need for an intelligent purchase. But in fact, is “emotion” what makes them buy. Older consumers tend to be quicker than younger consumers to reflect emotionally a lack of interest or negative reaction to an offered product. This is because our response to emotional stimuli increases with age.

7.2.4. Altruism

Older consumers tend to show increased response to marketing appeals reflecting altruistic values. Mature people are less self-oriented and more.

Marketers to middle aged and older populations must rethink their traditional egocentric appeals in marketing communications.



7.2.5 No hurry

As most people grow older, they experience change in their perceptions of time, but also in its meaning and role in their lives. As a consequence, we spend more time making purchasing decisions.

Older people often ignore time-urgency marketing strategies like "Offer good until ---," or "Only three left in stock." A common attitude among older people, especially those who have retired, is "Time is not of the essence."

7.2.6 Consciousness

Older consumers tend to be more responsive to companies with a conscience than younger consumers. As a result, they see more differences between competing companies and brands.

They are also attentive to warranty issues and a company's reputation

7.2.8 Values

When making discretionary-purchase decisions, older consumers tend to have a decreased sensitivity to price, increased sensitivity to affordability, and sharply increased sensitivity to value.

Value determination by older consumers tends to be an existentialist exercise whereby they combine soul (spiritual) values as well as mind (intellect) and body (tangible) values into the value determination process. Not only does an item purchased symbolize some aspect of the consumer's being, but the entire purchase experience can also be a projection of the consumer's whole being. For example, a person with a passionate concern for the homeless may be more likely to purchase a product from a company with a program benefiting the homeless.

7.2.9 Sensitive to context

Elderly people are sensitive to context in their behaviour. For example, an older shopper may seem penurious in using cents-off coupons in a grocery store, after which she drives off in a Mercedes. This is not evidence of contradictory behaviour, but an example of the rules of thriftiness applied to basics, and the rules of whole value applied to discretionary expenditures. In the first case, price is the common denominator in consumers' interest, in the second, there is no common denominator because each person calculates whole value in a unique manner.

7.3 Helping seniors to be a digital good example: Tencent

While it is good news that so many seniors are already online, they are also frequently the targets of online fraud or unreliable -- even fake -- information. For instance, some apps try and send users to a risky app or website with a huge, conspicuous "open" button at the center and small "skip" button in the corner. These unscrupulous app designers are putting older people and their family and friends at risk.

To help remedy these issues, many businesses are trying to find solutions to help older internet users. Tencent recently launched a poll on its Weixin Official Account to get feedback on the kinds of services people would like to see to help seniors, with people calling for fraud alerts (22 percent), larger font sizes (21 percent), and fewer pop-ups (20 percent).

Making the internet safer for seniors isn't something that can be done through one app, or by tweaking one feature – it requires a multi-pronged approach. In the process of investigating these pain points, Tencent has already started to make some progress. For instance, Weixin, the popular social media and chat app in China's Mainland, has recently enlarged its default font size. It's a small, but important, change that enables people with poorer eyesight to clearly see what's on the screen.

Weixin Pay also officially launched a "Worry-Free Special Line for the Elderly" in May. Whenever customers want to check cost details, add a bank card to their account, or transfer money, users aged 60 and older can access the special customer service line and receive personal, one-on-one help from a real person. Tencent staff have been trained to use plain, easy-to-understand terms and expressions and are prepared to answer a variety of questions regarding processes, collection, payment and more.

Tencent staff members can speak various dialects, too, so elderly users from different regions across China can get the help they need - even if they don't speak Mandarin. More than half a million issues have been resolved since this new, special service was launched.

[Full article : https://www.tencent.com/en-us/articles/2201184.html](https://www.tencent.com/en-us/articles/2201184.html)

7.4 Ageing costumers and e-commerce

Growing e-commerce usage and popularity is a relatively new phenomenon, so consumers aged 75 and older were not familiar with it during their professional career, in contrast with younger generations. Such explanations could lead to a further age increase in this breaking point (which would happen later and later in human life) as technology becomes more and more embedded in society and economy. This is important for the delivery of services and for business activities focused on older individuals and consumers.

Academics have assumed 'older consumers' can be as 'young' as 55; practitioners have sometimes tended to ignore markets beyond this age. Older consumers should be a significant part of the e-commerce target group, contrary to the common marketing practice which focuses on young consumers and underestimates older ones (Nielson and Curry, Reference Nielson and Curry1997; Tréguer, Reference Tréguer2002).

The traditional way of shopping relies on a sequence of physical actions executed in a complex and dynamic environment (especially in big cities) that involves multiple social interactions (Brenner & Clarke, 2019). Many seniors need to walk, drive, or use public transportation to reach a shopping outlet. Even after they arrive in their destination, they may experience such inconveniences as poor footpath condition and broken steps. **Online shopping** removes walking **inconveniences**. It reduces search and transportation costs, increases the range of possible alternatives, and reduces the number of undesirable social interactions (Watanabe & Omori, 2020)



In terms of information search, **seniors tend to consider fewer sources** than younger adults: they stop searching for any new information about an option as soon as they feel that enough detail has been found (Peters, 2010). It has been suggested that this lack of time investment in product or service research can be due to a decline in seniors' cognitive processing that makes information searches too taxing (Salthouse, 1996)

One of the possible ways to facilitate selection of alternatives can be the 'compare products' option integrated into a website. Using this tool, customers are able to consider several offerings (either products or services) in terms of the most important criteria (e.g., price and quality) without the need for using other decision aids like taking notes.

Older adults with vision impairment will also appreciate fonts, **layouts and colours that are easy to process and appear to be familiar**. After all, familiar information is often perceived as true (Law et al., 1998). The feeling of familiarity was found to increase older adults' confidence in making choices (Carpenter & Yoon, 2015).

These are all **observations that website interface developers need to take into consideration** if older adults are the main target consumer group of online stores.

Older adults have been found to consume **more services (e.g., health support, home security, car maintenance and lawn care) than goods** (Schewe, 1984). Although this finding is more than 30 years old, it is probably still valid, especially due to the fact there is very limited academic literature on the current consumption patterns of older adults. The variety of services offered has increased substantially since then and some of these services are delivered online only. Seniors quickly adopt the use of digital technologies, including mobile phones, to access online content. For example, more than a half of older population consume television products online in some European countries (Kuoppamäki et al., 2017). A similar trend was observed in Japan where spending on online entertainment delivery increased during lockdowns (Watanabe & Omori, 2020).

Telehealth is another online growth area for older people in 2020 since it was found to be very effective in the management of infectious diseases (Smith et al., 2020). The fact that telehealth services are offered for free in most cases can be another factor contributing to ICT adoption among older adults in times of the pandemic. Remote access to services may require additional time and effort. In the case of healthcare, patients must collect health data on their own if they want to hear a more accurate opinion about their health condition (Dunlap, 2020).

Companies planning to shift to DTC distribution **need to invest in the improvement of the online shopping experience** (Astound Commerce, 2020). **Virtual and augmented reality are some of the tools that can contribute to such improvement**. A growing number of companies have already introduced virtual retailing during lockdowns or plan to start using it (Ladd, 2020). There is already some evidence suggesting that older adults enjoy using virtual reality, finding this technology easy to use and beneficial (Syed-Abdul et al., 2019).



7.5 Conclusion

To be successful, e-commerce Web sites must be useful, easy to use, easy to navigate, and easy to understand - measures of the Technology Acceptance Model's (TAM) variables Perceived Usefulness and Perceived Ease of Use. Although many studies have used the model to better understand e-commerce, the problem is that they have ignored one very important external variable - the effects that an aging population may have on the usability the Internet and of e-commerce Web site

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