

# Risk or Opportunity

A Study on Building an  
Age-friendly Consumption Environment

## 風險或機遇

共建長者友善消費環境的研究



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## **POSTSCRIPT**

## **ACKNOWLEDGEMENT**

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# ABBREVIATIONS

AARP	American Association of Retired Persons
ACCC	Australian Competition and Consumer Commission
APEC	Asia-Pacific Economic Cooperation
ATM	Automated Teller Machine
C&SD	Census and Statistics Department
CCSV	Pilot Scheme on Community Care Service Voucher for the Elderly
DECC	District Elderly Community Centre
EC	European Commission
EHCVS	Elderly Health Care Voucher Scheme
ESPP	Elderly Services Programme Plan
EU	European Union
EVSS	Elderly Vaccination Subsidy Scheme
FBL	Innovation and Technology Fund for Better Living
GIES	The Gerontech and Innovation Expo cum Summit
HCV	Health Care Voucher
HKCSS	The Hong Kong Council of Social Service
ICT	Information and Communications Technology
IVRS	Interactive Voice Response System
LWB	Labour and Welfare Bureau
NGOs	Non-governmental Organisations
OFCA	Office of the Communications Authority
OGCIO	Office of the Government Chief Information Officer
RCHE	Residential Care Home for the Elderly
RCSV	Pilot Scheme on Residential Care Service Voucher for the Elderly
SWD	Social Welfare Department
UCPD	Unfair Commercial Practices Directive
UK	The United Kingdom
UN	United Nations
US	The United States
WHO	World Health Organization

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# EXECUTIVE SUMMARY

## WORLD POPULATION AGEING

The world's population is ageing rapidly. In 2015, there were 617 million people aged 65 years or more in the globe. By 2050, the global population of elderly persons is projected to be more than double of its size, reaching as high as nearly 1.6 billion. The aged population in the world has now been classified as the "young-olds" (aged 65-84), the "old-olds" (aged 85+), the centenarians (aged 100+) and even the super centenarians (aged 110+). Similar to the global trend, a combined effect of longer life expectancy and a low fertility rate has made Hong Kong become an aged city, having the longest life expectancy in the world with the life expectancy at birth being 81.7 for male and 87.7 for female. The number of elderly persons aged 65 and over is projected to be increased from 1.16 million (16.6% of the total population) in 2016 by over 1 million to 2.5 million (30.6% of the total population) in 2043. In other words, around one in three persons will be an elderly person.

## THE AGEING CONSUMERS IN HONG KONG

The rapid expansion of ageing population in Hong Kong accompanied by increasing longevity would mean that the local elderly have been becoming an extensive consumer group. According to the 2016 By-census, the proportions of post-war baby-boomers born in 1946 to 1965 formed almost one-third (30.4%) of the total population, a sizeable consumer group in Hong Kong. This cohort will remain the largest when becoming "young-olds" in about 10 years' time and finally to "old-olds". Such changing age structure will drive the demand for goods and services in the emerging "silver economy".

Based on the analysis of the Consumer Council (the Council) on the data of the said By-census, ageing consumers in Hong Kong can be classified as soon-to-be-olds (aged 55-64), young-olds (aged 65-84) and old-olds (aged 85 and above) with the following profiles:

- The soon-to-be-olds in general are likely to be part of the labour force and have better retirement protection. Given the longevity of the old-olds, some of them may be carers of the elders of their families. They distinguish from the older cohort of the elderly in that they are more independent in their living arrangement; healthier and financially more capable to afford more in purchasing products and services in the sectors of entertainment, healthcare and finance; and have higher educational attainment and are more receptive to information and communications technology (ICT) development.

- Young-olds are generally retired and have less retirement protection from work as they are not well-covered by the Mandatory Provident Fund Schemes launched in 2000. They tend to be married and live with their spouses, although some might be widowed at later stage. They have comparatively lower educational attainment and might not be skillful in applying ICT, though some of them are trying to acquire the relevant knowledge and skills. They have more leisure time after retirement and may spend more on recreational and leisure activities, as well as travel. They may have higher demand on healthcare products and services, as physical function decline and chronic illness would become more obvious and common in the course of ageing.
- Educational attainment of the old-olds is in general lower than the other groups. They are less likely to know how to use ICT. Quite a number of old-olds are widows resulting from longer life expectancy of female. They are relatively more dependent and tend to live with their children. Given that frailty and cognitive decline are common among old-olds, they are likely to be heavy users of hospital, medical and care services.

Overall speaking, this consumer group is affluent. Though retired, they are in general financially supported by their own savings, assets, children and so on. Moreover, elderly people are expected to stay longer in or rejoin the labour force to meet the manpower demand of society, which remain keen in future as a result of prolonged low birth rate. It follows that they would remain active in consumption as a significant segment of the market.

Despite the heterogeneity amongst these groups of ageing consumers, the commonality is the functional decline along ageing process. Physical or cognitive deterioration would make elders vulnerable to unfair trade practices. Elders suffering from emotional or social distress can be an easy prey for unscrupulous traders, thus, there appears to be a global trend that governments are paying increasing attention to the protection of vulnerable ageing consumers. For instance, the European Union (EU) has given legal protection to vulnerable consumers due to, amongst others, age. The Japanese government has also reviewed the legislations stipulated to protect the vulnerable consumers, including the elderly, as a result, amendments have been made to relevant consumer protection Acts to provide consumers the right to cancel the contract for excessive quantities as selling excessive quantities is found to be an inappropriate behaviour that takes advantage of a consumer's impairment in decision-making.

Be it for the economic gains or social justice, the market has to be shaped to become an age-friendly consumption environment which is the very basis of a robust and healthy development of the silver economy. It is also an attribute of ageing-well as it has positive implication on active ageing and good quality of life in older age. As a consumer, not only should they be offered sufficient choices, they also deserve understanding of their needs, preferences and physical constraints, as well as respect, empowerment and protection.

Nevertheless, in Hong Kong, the needs of the elderly are perceived from a broad social perspective and met generally through delivery of medical, health and social welfare services with the encouragement of pursuit of Active Ageing through life-long learning, extension of working life and use of ICT, as well as building an age-friendly community.

## THIS REPORT

The Consumer Council finds the creation of an age-friendly consumption environment in Hong Kong imminent given the rapid expansion of ageing population. It is high time that society as a whole were engaged in discussion seeking to tap into concerted efforts of various sectors, including the Government, businesses, social organisations and consumer protection bodies for the creation of such a friendly environment for the elderly.

To stimulate the discussion, the Council produces this Report. It analyses the findings from a survey, focus group discussions and desk research on overseas age-friendly initiatives and the complaints lodged by ageing consumers with the Council; and concludes with recommendations to protect ageing consumers and promote their well-being through empowering them with cross-sector collaboration and governmental initiatives. Hopefully, this Report will serve as a useful and objective basis for public deliberation.

## THE SURVEY

The Council, with the support of the Hong Kong Council of Social Service (HKCSS), conducted a survey (the Survey) on Hong Kong residents aged 55-79 to gauge the Hong Kong ageing consumers' consumption patterns, attitudes and behaviours with regard to consumption, susceptibility to unfair trade practices and access to support on matters regarding consumption, and the extent to which the market is meeting their needs. A total of 1,779 respondents were interviewed on-street and on-site in elderly centres between October to December 2016.

## HIGHLIGHTS OF FINDINGS AND OBSERVATIONS

### **Ageing consumers are generally active and socialised**

The findings of the Survey is consistent with those of the Council's desk research on the profiles of the ageing consumers in Hong Kong. Conventionally, the elderly may have been stereotyped as inactive homebody. However, the Survey presents a contrary profile in that the ageing consumers were found in general leading a rather active and socialised lifestyle. The "soon-to-be-old" group (aged 55-64) was found to be more educated, having higher personal income and spend more on average than the older ones aged 65-79. Overall, the top three commonly consumed recurrent items were transportation (94.7%), dining out (79.8%) and telecommunications (including web surfing and use of mobile phone) (67.3%), and the top three commonly consumed non-recurrent items were entertainment/hobbies/leisure/refresher courses (47.8%), festive/birthday expenses (45.5%) and other gifts (41.9%). These items constituted a substantial share of their aggregate expenditure. Travel, though not at the top of the list, constituted the largest share (20.7%) of the ageing consumers' aggregate expenditure on the non-recurrent consumption items.

Difference was found between the two groups, i.e. the soon-to-be-old and the elderly group, in terms of the consumption of the recurrent and non-recurrent items. In the month preceding the Survey, a significantly higher proportion of the soon-to-be-old group consumed lifestyle items like dining out and telecommunications, as well as paid for household expenses and spent to

support family members. Conversely, significantly higher proportion of the elderly group spent on medical care (44%) whereas lower proportion of it spent on dining out, telecommunications and the household expenses. On the other hand, in the period of 12 months preceding the Survey, a significantly higher proportion of the elderly group expended on donation while significantly lower proportion of it had consumed on items like festive/birthday expenses; entertainment/hobbies/leisure/refresher courses; other gifts and fitness/massage. The results of the soon-to-be-old group reflect a pattern that turns out to be the contrary.

## **Satisfaction towards the market and specific industries**

Apart from the consumption patterns of ageing consumers, the Survey also revealed their satisfaction towards the market and specific industries. Vast majority of the ageing consumers of both groups (71.7%) opined that there were insufficient choices in the market to cater to their needs. Public transportation, banking and medical services were found satisfied by most of the ageing consumers in both groups. Conversely, telecommunications, insurance and catering were the top three industries rated with highest dissatisfaction.

## **Age-friendly shopping environment**

Taking shopping mall as an exemplified setting, the Survey has gauged the expectations of ageing consumers towards an age-friendly shopping environment. It was found that availability of physical facilities like clean restrooms with dry and smooth floor (79.5%), seats for ageing consumers (74.3%), and sufficient and easily accessible restrooms (69.3%) were rated by most of the ageing consumers as important for creating an age-friendly shopping environment. These are followed by measures ensuring safety and sufficient information such as clear glass door awareness labels (51.6%), clear information showing directions to stores and restrooms (49.6%), and display of latest information in large typeface (43.6%). Discount offered by shops, or priority customer service specifically rendered to the elderly were only rated by around 40% ageing consumers as important.

## **Attitude towards situation with implication on consumer interests**

The Survey also found that 38.7% of the ageing consumers encountered unpleasant experiences in consumption for various reasons (the Experience) in the 12 months preceding the Survey and more than a quarter (28.9%) of them had even encountered the events leading to the Experience related to or might be related to unfair trade practices, including retailers being dishonest, insufficient information about goods/services, sudden close-down of retail stores, deceit leading to loss, and intimidation by retailers. Information about ageing consumers' responses and attitudes towards situations with implications on consumer interests would serve as an important reference for empowering them to protect themselves and seek redress when aggrieved. The Survey revealed difference between the two groups in this respect. For instance, after befriending with the salesperson, the soon-to-be-old group was found more likely than the elderly group to accept the sales pitch. However, a sizeable portion of both groups were not keen on seeking redress from the traders or filing complaint with the Council when having encountered the Experience. A significant majority of both groups would rather stop patronising the concerned retailer or talked to friends or relatives, and for those that are more intended to seek redress, they are rather from the soon-to-be-old group than the elderly group.

## **Vulnerability as a factor for encountering events leading to the Experience**

Ageing consumers with vulnerability would be more likely to be put in a disadvantageous position in consumption activities, especially when they are treated with unfair trade practices. The Survey had explored the respective associations between the demographic and psychographic characteristics of ageing consumers and their chance of encountering events leading to the Experience related or might be related to unfair trade practices. For the purpose of analysis, four types of vulnerabilities were categorised and defined in terms of the ageing consumers' physical, emotional, cognitive and mobility conditions (more details of the definitions could be found in Chapter 2, P.18). It was found that when an ageing consumer had one vulnerability, the likelihood of encountering would increase by 99%. The likelihood would further increase by 99% points, making the chance to about two-fold (198%) if one had multiple vulnerabilities (i.e. two to four vulnerabilities).

## **Support sought by ageing consumers**

Family care, neighbourhood support and social support network are found to be essential in safeguarding the interests of the ageing consumers. In fact, their most common source of consumption information within social network was family, followed by friends and relatives. However, as compared to the ageing consumers in general, a higher proportion of the ageing consumers with physical, emotional or cognitive vulnerability would obtain consumption information and to seek advice/help from neighbours and social workers/social service organisations. The Survey shows that social network and family ties are amongst the vital institutions that ageing consumers would turn to for information, advice or help on consumption issues and thus a very useful means for their empowerment.

## **CONTENT ANALYSIS OF COMPLAINTS AND FOCUS GROUP DISCUSSION**

Complaint statistics of the Council from October 2015 to June 2018 show that the top five most-complained categories lodged by ageing consumers are telecommunications services (23.6%), electrical appliances (11.2%), travel matters (6.5%), telecommunications equipment (6.1%), and furniture & fixtures (4.2%). Upon content analysis of the complaints, the Council saw the needs to study the “telecommunications services” and “medical products/services and elderly care”. Typical consumption problems faced by the ageing consumers in these two areas were identified by case studies and focus group discussion.

As to telecommunications services, the typical problem identified was the ageing consumers' inability to make use of new technologies. Such digital exclusion resulted in depriving them of options of less cost and higher efficiency and being credulous with promotion of products not suitable for ageing consumers. Grievance arose also from the lack of notification on the part of the trader prior to contract renewal, poor customer service and poor behaviour of retail staff.

As regards medical products/services and elderly care, the problems revealed included confusion of price information, and susceptibility of elders with physical or cognitive vulnerability to misleading sales tactics on health related products, unsatisfactory service quality and insufficient sales information. There were concerns that payment with Health Care Voucher was taken into account in the provision of medical service.

The focus group discussions confirm the finding of the Survey that ageing consumers are rather passive in seeking redress. The possible reason for that as elicited from the discussions is that ageing consumers lack adequate knowledge of complaints handling mechanism and perceive the related process as inconvenient.

The findings of the Council's quantitative and qualitative researches reflect that the following are the cornerstones for building an age-friendly consumption environment:

- Needs of ageing consumers, especially those with vulnerabilities, receive adequate consideration;
- Ageing consumers are provided with sufficient choices in the market;
- Easy accessibility to consumer information for ageing consumers;
- Robust support of social network and family;
- Convenient access to advice on and help for redress;
- Age-friendly shopping settings and customer services;
- Ageing consumers are able to apply ICT skills and knowledge in consumption related activities.

## OVERSEAS EXPERIENCES

The Council also sought insights from the valuable experiences of overseas, especially those which have been addressing the challenges posed by population ageing since the earlier days, such as the EU, Japan, Singapore, Australia, the United States (US), Ireland and the United Kingdom (UK).

The overseas experiences suggest that age-friendly consumption environment should be developed on a holistic basis with shared understanding and efforts amongst different sectors of the government, businesses, academia and non-governmental Organisations (NGOs). The EU and Australia exemplify the pivotal role played by the government in developing an age-friendly market not only through funding support, but also enhancement of the sectors' awareness of addressing the needs of the ageing consumers, in particular those with vulnerability; as well as coordinating resources from the sectors.

Broadly speaking, the foreign age-friendly initiatives head in two main directions, namely, safeguarding ageing consumers against unfair trade practices to which they are regarded vulnerable and building an age-friendly consumption environment meeting the ageing consumers' needs in various aspects.

Legislative protection is afforded to the elderly people as vulnerable consumers, coupled with robust development in research and design for age-friendly and ageing well products underlain by standards and guidelines to ensure elderly people's needs are duly met. By the same token, the ageing consumers' needs, preferences and expectations are seriously considered in product design and development. As the users they are engaged together with different stakeholders in the innovation process and are closely involved in the process of creation and design, to ensure the concept design and prototype meet their actual needs. Such user-centered and co-creative approach in developing age-friendly products optimise the effectiveness in

investment and speed to market on the new products and services, for example, there are initiatives of businesses to build age-friendly shopping environment and promote customer service towards the elderly people, such as provision of wider checkout lanes, larger signage, clearer price tags, rest areas with benches and water coolers, call buttons and magnifying glasses around the stores and foods in portion suitable for the elderly consumption.

Furthermore, initiatives to apply ICT and other advanced technologies such as robotic technology for securing and promoting ageing well are also found in many jurisdictions. They have proven effective in addressing the physical, social and psychological needs of the elderly and promoting ageing well and independent living with an array of innovative settings and assistive devices.

ICT illiterate elderly in Australia and Ireland can be benefited from the extensive ICT education programme. They can easily gain access to updated information on goods, services, market environment and trade practices upon enhancement of their ICT skills and knowledge. This would help them make informed choices, safeguard themselves against unfair trade practices.

International initiative to advance the elderly's consumer interests is exemplified by a workshop report of Asia-Pacific Economic Cooperation (APEC) on standards and innovation titled "The Role of Standards and Innovation for Driving APEC's Silver Economy" published in June 2017. A number of Key ISO silver economy standards and recommendations were set out for the APEC member economies to prepare for challenges and opportunities from the ageing societies. At country level, Standards Australia and SPRING Singapore have exchange on their silver economy standards and best practices under the wider strategic partnership agreement between the two governments.

With the overseas experiences as a useful reference basis, coupled with findings from its quantitative and qualitative researches, the Council put forward the following recommendations that it believes can advance the pursuit of an age-friendly consumption environment in Hong Kong.

## **RECOMMENDATIONS**

### **Recommendation 1: The Government - A pivotal role in developing an age-friendly consumption environment**

To follow the global trend and to increase effectiveness, the leadership from the Government to embrace consumer protection as part of its holistic approach in formulating elderly-related policy is essential. As reference, overseas governments led in:

- a. studying the needs of ageing consumers and raising the awareness of businesses and other stakeholders of such needs and the necessity to accommodate the same;

- b. assessing the unfair trade practice from the perspective of the elderly's vulnerabilities and protecting ageing consumers who are vulnerable through various means or compliance guides;
- c. soliciting cross-sector collaboration to create synergy among businesses, NGOs, academia and so forth for introducing age-friendly goods, services and facilities into the market and enhancing self-empowerment of ageing consumers;
- d. ensuring goods and services for the elderly are age-friendly provided in a safe, quality assured and interoperable manner and ageing consumers are treated fairly and honestly by developing and facilitating implementation of standards and guidelines;
- e. promoting the development of innovation and technology in support of ageing well through dedicated programmes; and
- f. engaging international collaborative efforts for the furtherance and protection of ageing consumers' interests.

**Recommendation 2:  
Concerted efforts to empower ageing consumers for their fair and active participation in the market**

Legal and self-regulatory protection may ensure active and fair participation by ageing consumers in consumption activities in the market characterised by information explosion, quick emergence of new business models and trade tactics and proliferation of online shopping and use of electronic means in daily life. What is equally essential is that they should be empowered to the effect that they can guard against trade practices detrimental to their interests through a well-established support system, keep tabs on relevant market and product information, make use of new technology to facilitate their consumption in an effective manner, and ultimately make informed choices that suit their actual needs. The Council proposes the following strategies:

**Enhance interpersonal support for ageing consumers with a community-based approach**

As indicated by the Council's Study, although family and friends were the predominant sources of consumption information for the ageing consumers in general, a higher proportion of those with vulnerabilities and thus more susceptible to fraudulent marketing practices would obtain consumption information and seek advice/help from neighbours and social workers/social service organisations.

On this premise, persons whom the ageing consumers would turn to for information and advice on consumption should be better equipped through consumer protection education, so that they can advise ageing consumers effectively.

To this end, a community-based approach is recommended. The existing volunteer support networks serving the elderly in particular and the community in general should be tapped on, and consumer protection for the ageing consumers should be incorporated into their agenda.

Centralised training on the ageing consumer protection can be planned and rendered through the District Coordinating Committee on Promotion of Volunteer Service under Social Welfare Department (SWD); or NGOs specialised in volunteer mobilisation and training, like Agency for Volunteer Service. To extend the coverage to individual carers, the training materials can be uploaded online for easy access by the public so that family members, friends or neighbours of the ageing consumers can also equip themselves with necessary information and knowledge to offer advice to the ageing consumers around them.

This initiative can be further evolved to become a “Senior Consumer Ambassador” programme, serving as a neighbourhood support not only to give advice and share information on the consumer issues, but also assist the aggrieved ageing consumers in seeking resolution or redress for consumer dispute promptly when necessary.

### **Empowering ageing consumers with ICT knowledge and skills**

It is promising to note that the Office of the Government Chief Information Officer (OGCIO) will regularise their ICT Outreach Programme for the Elderly from 2018-19 onwards to provide elders with basic information and knowledge in ICT. Through the district networks of Elder Academies established under the funding scheme launched by the Elderly Commission and the Labour and Welfare Bureau (LWB), the OGCIO will also implement training programme to provide more active elders possessing basic ICT knowledge with advanced training to enhance their capability in adopting digital technology. For more agile elders, they can serve as trainers to help other elders acquire ICT knowledge. Besides, a web-based learning portal will be launched in 2019 to facilitate the elderly to learn about digital living and technology. As ICT is commonly used in consumption-related activities, such as search for information on goods, service and market, and online shopping, it is recommended that consumer issues and protection be incorporated as part of the contents of the web-based learning portal, not only on the technique side, but also on the awareness of possible risks in using ICT such as leakage of personal data and online fraud.

### **One-stop information portal to enable ageing consumers make informed choices**

Currently in Hong Kong, there are a wide range of websites operated by different elderly service organisations, targeting elders or on topics such as health tips, home safety, common elderly illness and elderly home services, but the information related to consumer protection is fragmented and varied in reliability.

Availability and accessibility of information are the prerequisite of informed choice and critical for safeguarding the interests of ageing consumers. It is therefore recommended that the online information gap on consumption and consumer protection be filled by capitalising on the web-based learning portal to be launched by the OGCIO next year to develop it into a one-stop information portal on consumer information of relevance to ageing consumers in the long run. Such a portal will be a credible, convenient and timely access to information for ageing consumers and their carers about matters affecting their consumption interests, such as product information, labelling, safe use of goods and consumer alerts against undesirable trade practices.

### **Strengthening consumer empowerment contents dedicated to ageing consumers on conventional media**

The conventional media commonly used by ageing consumers to acquire consumer information are called to strengthen the elderly-consumption-related contents such as Radio Television Hong Kong (RTHK) Radio 5 to accommodate the growing social needs for empowering ageing consumers incidental to the fast expansion of the silver market in the years to come. It is also worth considering to review the minimum programme time of 60 minutes per week dedicated for seniors provided for, in the free TV service licence.

### **Assistive gadgets to facilitate engagement in consumption activities**

Bodily functioning decline is the major barrier to ageing consumers in their participation in consumption activities. Various forms of assistive devices addressing different aspects of bodily functioning decline such as that in mobility, memory, vision, hearing, etc., can help the elderly maintain their daily activities and routines, so as to stay active at home as well as in the consumption environment.

Take as an example the age-friendly electronic gadgets with pre-set alert and record tracking could serve as an effective reminder. They would help ageing consumers and/or their carers plan their consumption and manage their outgoings in a timely manner.

Development of such assistive tool may leverage on the money management tools and mobile apps developed by the Investor Education Centre (IEC) under their Chin Family financial education platform. Their Money Tracker helps users track their expenses, so as to help them manage their money use. The proposed pre-set alert function could be added to such a device to remind the ageing consumers of important dates such as contract expiry notification and renewal alert.

### **Recommendation 3: Businesses should support the Government to enhance traders' age-friendly awareness and to make them age-friendly**

The rapid increase of the ageing consumer population with a profile quite different from their predecessors has indeed called for changes in the mindset and strategy of businesses in taking responsive actions to accommodate their needs. The Council believes, the Government and major players and/or trade associations of various business sectors could possibly collaborate in:

- raising the businesses' awareness of the requirement and benefits of being age-friendly and encouraging them to implement age-friendly practices;
- giving support for initiatives conducive to the creation of an age-friendly consumption environment such as research specific to a business sector, publicity amongst business community to boost incentive to adopt age-friendly practices, setting up and implementing

age-friendly guidelines or code of practice, as well as training on business planning and implementation from an age-friendly perspective for executives and effective communication with the elderly for front-line workers; and

- providing traders with best practice guides and standards on age-friendly operation.

On the other hand, businesses should seek views from the elderly people and other stakeholders for making their operations more age-friendly, and for such a purpose, stipulate their own customised age-friendly operation guidelines or best practices. They should also reflect on whether their goods, services or facilities are sufficiently age-friendly and go further to give safe, accessible and enjoyable customer experience to ageing consumers, for instance, to provide an age-friendly shopping environment. Some of the key aspects have been revealed in the Council's Survey mentioned above. Trade associations in Hong Kong should also encourage their members to build such a shopping environment proactively.

### **Provision of an age-friendly customer service**

A consumption environment cannot be age-friendly without the support of customer service meeting the expectations of the elderly. Retail staff should be well trained to enhance their understanding of the needs and preferences of ageing consumers. Besides, ageing consumers are easily frustrated by the automated answering machine. It is best if a live person answers the phone directly; if not, the system should minimise the number of steps that a caller must go through and buttons that he/she has to press before getting someone to talk to or call back.

### **Other age-friendly business practices**

All too often, elderly people are perplexed by small prints on product labels, promotional leaflets and contracts with too many jargons. Improvement in the visual presentation would make product information effectually accessible by ageing consumers and facilitate their navigation through wide array of products and enhance their purchasing experiences. The setting up of specific guidelines on matters such as font size and user interface design would be a practical solution.

## **Recommendation 4: Increase diversity of quality goods and services for ageing consumers**

Ageing consumers have voiced their expectations in the Survey for being provided more choices in the market. It reminds Hong Kong businesses of the phenomenal demand on large diversity of goods and services meeting the needs and preferences of different cohorts of ageing consumers, which can be met by developing gerontechnology and applying it in producing such goods and services.

It is expected that initiatives such as the Gerontech and Innovation Expo cum Summit (GIES) held since 2017 and the Government's funding support of HK\$1 billion through the Innovation and Technology Fund for Application in Elderly and Rehabilitation Care to subsidise elderly service units to trial use and procure technology products, would represent a good start for local development of gerontechnology for the benefit of ageing consumers.

It will be highly beneficial for this kind of gerontechnology initiatives to be developed under a long-term policy, allowing more innovation and creative initiatives from the market and explore their commercial viability in the long run. For the time being, the Innovation and Technology Venture Fund and the Innovation and Technology Fund for Better Living (FBL) may adopt “ageing well” or “age-friendly” as the theme for fund applications from time to time, to facilitate the development of products and services for the ageing consumers.

It is believed that commercialisation of inventions with products accessible and affordable by the ageing consumers is essential to the creation of an age-friendly consumption environment. Incubation programmes such as those of the Science Park and Cyberport should be encouraged to add “ageing well” or “age-friendly” to their key areas of development, helping the start-up companies turn their inventions into marketable age-friendly products.

## CONCLUSION

The process of transforming Hong Kong into an age-friendly consumption environment requires joint efforts of all the entities in the territory under the stewardship of the Government. Ageing consumers are not homogenous but have different needs arising from their changes in physiological, cognitive and emotional conditions as well as their aspirations in later life. In Hong Kong, the majority of ageing consumers remain healthy and active though like others, they may require assistance for care as they age further. They have the potentials and ability to participate effectively in the market when an age-friendly consumption environment is in place. The recommended empowerment and customer-oriented initiatives would amount to a vital driving force for achieving such a consumption environment.

Age-friendly practice should become a norm instead of an extra requirement. With the ongoing support from the Government, the recommended standards and voluntary code of age-friendly practices would mitigate the market deficiencies and enable the businesses get better prepared for the growing silver economy. The suggested increase of diversity of goods and services to meet the expectations of ageing consumers would boost commercial gains of businesses resulting in a win-win situation.

An age-friendly consumption environment, in which the interests of ageing consumers are well protected and advanced through legislative and self-regulatory initiatives, social network support, self-empowerment and so on, is an integral part of ageing-well. It is a society-wide obligation towards our senior citizens. The Council strongly believes that this obligation can be fulfilled by the recommended cross-sector collaboration.

The Council hopes that this Report and its recommendations will facilitate public contemplation and discussion on how the society should respond to accommodate the coming of a silver economy from the consumer perspective and in such a way an age-friendly consumption environment can be developed timely for Hong Kong coping with the rapid growth of the aged population.

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# 摘要

## 世界人口高齡化

世界人口正急速高齡化。2015年，全球共有6.17億65歲或以上長者，預計到了2050年，將倍增至高達16億人。目前全球高齡人口可劃分成「初老」(young-olds, 65–84歲)、「老老」(olds-olds, 85歲或以上)、人瑞(100歲或以上)，甚至超級人瑞(110歲或以上)。與全球趨勢一樣，在人均壽命延長及低生育率的雙重效應下，香港已成為了一個高齡城市，並登上世界最長壽地區的榜首，男性平均壽命為81.7歲，女性則87.7歲。預計到了2043年，65歲或以上的長者人數將增加超過100萬，從2016年的116萬(佔總人口16.6%)增至250萬(佔總人口30.6%)。換言之，每三個人便有一位是長者。

## 香港的年長消費者

隨著香港人口急速高齡化及人均壽命延長，本地長者逐漸形成一個強大的消費群體。根據2016年中期人口普查，1946至1965年戰後嬰兒潮時期出生的一代，約佔本地總人口三分之一(30.4%)，是香港一個龐大的消費群體。這嬰兒潮世代在10年後將成為「初老」，最後成為「老老」，會一直是本地人口中最龐大的群組。人口年齡結構在這方面的轉變，將推動對新興「銀髮經濟」內的商品及服務的需求。

根據消費者委員會(下簡稱「消委會」)對上述中期人口普查所得數據之分析，香港年長消費者大致可分為「即將成為長者的人士」(soon-to-be-olds, 55至64歲)、「初老」(65–84歲)及「老老」(85歲或以上)，並擁有以下特性：

- 「即將成為長者的人士」一般可能仍在工作及有較好的退休保障。由於現今的「老老」普遍較長壽，所以他們可能仍須照顧家中長者。相比較年長的組群，他們在生活安排上較為獨立、身體更健康，亦在娛樂消遣、保健及金融財務方面更具消費能力。同時，他們的學歷相對較高，對資訊及通訊科技的理解和接受能力亦較強。
- 「初老」一般經已退休，但因為他們仍未受2000年開始推行的強制性公積金計劃保障，所以享有較少的退休保障。他們大部分已婚，並與配偶同住，但部分可能將在人生較後階段喪偶。另一方面，他們的學歷相對較低，縱使當中部分人嘗試汲取有關運用資訊及通訊科技的知識和學習應用，整體來說技能仍未算理想。

因他們退休後有更多休閒時間，在康樂活動和旅遊上有更多消費。隨着身體功能下降和慢性疾病會在老化過程中逐漸明顯和常見，他們對健康護理產品及服務將可能有更大需求。

- 「老老」通常學歷較低，對資訊及通訊科技的應用亦不熟悉。因女性平均壽命較長，女性「老老」不少已喪偶。「老老」多與子女同住，並相對較依賴他人照顧。身體虛弱，以及認知能力衰退，在「老老」中是常見的問題，故此似乎他們會經常使用醫院和醫療護理服務。

總括而言，年長消費者是實力雄厚的一群。即使他們經已退休，但一般而言，擁有個人積蓄、資產及在財政上有子女的支持。由於香港的出生率長期維持低水平，為滿足社會的人力需求，預期長者將會有更長在職時間或重新投入勞動市場，因此他們會繼續活躍於消費活動，成為市場上重要的消費群。

儘管這群年長消費者有著不同的特性，但共通之處是在老化過程中，身體功能將難免逐漸下降。生理或認知能力上的衰退，會使長者容易受到不良營商手法損害；受情緒或社交困擾的長者亦容易成為無良商戶的獵物。因此，全球各地政府亦日趨重視如何保障較脆弱的年長消費者，例如歐盟特別就脆弱消費者提供法律保障，而年齡就是其中一項考慮因素。日本政府亦審視法例，以保障包括長者在內的脆弱消費者，繼而修訂相關的消費者保護法例，賦予消費者取消購買過量產品的合約；因為銷售過量產品是一項被視為利用消費者在作決定方面能力不足的不當行為。

因此，無論是為經濟效益或是社會公義，要令銀髮經濟得以蓬勃和健康發展，市場必須給打造成「長者友善」(age-friendly) 的消費環境。這可促進長者參與生活的積極性及質素，成為長者享度「豐逸頤年」(Ageing well) 的要素。市場亦應該給予年長消費者擁有足夠的選擇。此外，他們應得到尊重、保護，消費保障能力應得以提升，而其需求、喜好和身體限制也應得到理解。

然而，香港主要以宏觀的社會角度來回應長者的需要，包括提供醫療、健康及社會福利等服務，鼓勵長者終身學習、延長工作生涯、和使用資訊及通訊科技以實踐「積極樂頤年」(Active Ageing)，以及建設長者友善社區。

## 關於報告

在高齡人口快速增長的形勢下，在香港建立一個長者友善的消費環境愈趨迫切。消委會認為現在正是適當時機社會該就這議題進行討論，善用各個界別，包括政府、商界、社會組織和消費者保障團體的協作努力，為長者創造友善的消費環境。

消委會撰寫此報告，目的就是促進相關的討論，當中透過問卷調查、聚焦小組討論，以及對海外長者友善措施和消委會所接獲的年長消費者投訴進行研究分析，並提出建議，主張透過政府和跨界別的協作，保護年長消費者及提升其自我保護能力。消委會期望本報告為公眾討論提供有用和客觀的基礎。

## 調查研究

消委會在香港社會服務聯會的支持下進行了一項問卷調查（下簡稱「調查」），對象為55–79歲香港居民，以探討本港年長消費者的消費模式、態度和行為，受不良營商手法影響的程度、遇到消費問題時的支援途徑，以及市場能否滿足他們的需求。調查於2016年10月至12月期間在街頭和長者中心進行，合共訪問了1,779位人士。

## 研究結果重點

### 年長消費者普遍活躍及重視社交

調查結果與消委會就本港年長消費者概況的文獻研究所得的一致。傳統上長者可能被定型為不活躍且喜歡留在家中，但調查結果顯示香港的年長消費者普遍重視社交和生活活躍，與傳統觀念剛好相反。「即將成為長者的人士」（55–64歲）在學歷、個人收入方面較高，比「長者組別」（65–79歲）平均花費更多。整體而言，首三位經常性消費項目為交通（94.7%）、外出用膳（79.8%）及通訊（包括上網、流動電話，67.3%）；而首三位非經常性消費項目為娛樂/興趣/消閒/進修（47.8%），節日/生日開支（45.5%）及其他日常送禮（41.9%）。這些項目亦同時佔了他們個人總開支的重要部分。雖然整體來說，旅遊並非最普遍的消費項目，但卻佔了年長消費群非經常性消費項目總支出的最大份額（20.7%）。

調查發現「即將成為長者的人士」和「長者組別」在經常性和非經常性項目的消費行為有所差異。以調查前一個月統計，有明顯較高比例的「即將成為長者的人士」花費在外出用膳、通訊、家庭開支和供養家人等支出。反之，有明顯較高比例的「長者組別」花費在醫療及藥物（44%），他們相對較少花費在外出用膳、通訊及其他家庭開支上。另一方面，以調查前12個月統計，「長者組別」在捐款的比例上顯著較高，而消費在節日/生日開支、娛樂/興趣/消閒/進修、其他日常送禮和健身/推拿按摩等項目的比例則顯著較低，這與「即將成為長者的人士」的相關結果恰恰相反。

# 年長消費者的多樣性

## 人口特徵



即將成為長者的人士 55-64歲

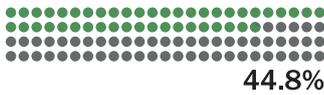
VS



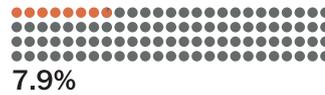
65-79歲 長者



教育程度  
初中或以上



就業情況  
仍就業中



平均個人收入

整體

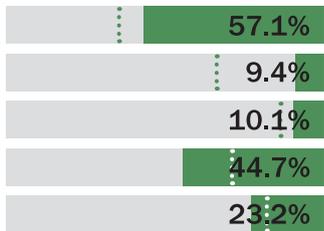
\$10,758.3

\$9,080.2

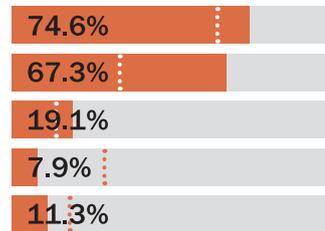
\$6,756.6

收入來源

61.8% > 多於一項



家人或親友  
政府補貼  
退休金  
工作收入  
投資收入



: 整體平均%

平均個人消費

(問卷調查前的一個月)

整體

\$7,380.9

\$6,326.8

\$4,879.2



\$2,000 to <\$5,000  
\$5,000 to ≥\$17,000



: 整體平均%



就業組別的平均個人開支比非就業組別多近 70%

## 對市場和特定行業的滿意度

除了消費模式外，調查亦探討年長消費者對市場和特定行業的滿意度，發現兩個受訪組別的大部分年長消費者（71.7%）均表示市場上沒有足夠的產品 / 服務供長者選擇，以滿足他們的需要。

同時，兩個年齡組別的大多數年長消費者均對公共交通工具、銀行和醫療等行業感到滿意。相反，通訊、保險和餐飲則是最多人評為不滿意的三個行業。

## 長者友善的購物環境

以商場為範例，調查又探討年長消費者對長者友善購物環境的期望。結果發現大多數年長消費者認為商場內實體設施的提供情況如：洗手間清潔衛生及地面乾爽平坦(79.5%)、設有供年長消費者的座位（74.3%），以及有足夠和容易到達的洗手間(69.3%)，是建立長者友善消費環境的重要因素。其次是確保安全的措施和足夠的資訊，例如商場出入口玻璃門貼上適當提示，避免撞上受傷（51.6%）、顯示商店和洗手間方向的清晰指示（49.6%），及以較大字體顯示的最新資訊（43.6%）。而商戶提供長者優惠或長者優先服務，就只有約40%的年長消費者視為重要。

## 對有關消費者利益的處境之回應

調查發現38.7%年長消費者在調查前的12個月內，曾因各種原因在消費時遇到不愉快的經歷（下簡稱「不愉快經歷」），超過四分之一（28.9%）甚至曾經遇到與不良營商手法有關或可能有關的行為，包括商戶不誠實、產品/服務資訊不足、商戶突然結束營業、受騙而遭受損失，以及遭受商戶威嚇等。年長消費者面對消費者利益受影響的處境時所作出的回應和所持的態度，是一項重要的參考，有助提升年長消費者的自我保護能力和當問題發生時如何尋求補償。調查顯示，兩個年齡組別在這方面存在差異，例如「即將成為長者的人士」較易與銷售人員熟絡後接受他們推銷而購物。然而，兩個組別的受訪者在遇到不愉快的經歷時，大多不熱衷於向商戶作出查詢或投訴，或向消委會投訴。他們當中絕大多數人會停止光顧有關商戶或跟朋友 / 親人傾訴。而該些較有意欲尋求補償的，則較多來自「即將成為長者的人士」之組別。

## 個人脆弱點是遭遇不愉快經歷的因素

當年長消費者遇上不良營商手法的時候，具有脆弱點的一群有較大可能在消費活動中處於不利位置。調查探討了年長消費者的人口及心理特徵、與遇到跟不良營商手法有關或可能有關之不愉快經歷的機會之間的關係。本會根據年長消費者的生理、情緒、認知和行動情況定義為四類脆弱點<sup>1</sup>，以便分析。結果發現年長消費者尚有一項脆弱點，遇到上述經歷的機率將提高99%；如果有多於一項脆弱點（即2–4項脆弱點）的話，遇到的機率將進一步增加99個百分點，即約兩倍（198%）的機率。

## 年長消費者尋求的支援

家庭、鄰里和社區支援網絡對於保障年長消費者的利益至關重要。在他們的社交網絡中，最常從家庭，其次是朋友和親戚獲取消費資訊。但與一般年長消費者相比，在生理、情緒或認知方面較脆弱的年長消費者更傾向於向鄰居和社工/社會服務機構尋求資訊，或在遇到消費問題時尋求他們的建議/協助。可見社交網絡和家庭連繫是年長消費者在面對消費問題時獲取資訊、尋求建議/協助，以及提高自我保護能力的有效渠道。

## 投訴內容分析與聚焦小組討論

於2015年10月至2018年6月期間消委會接獲的投訴數據顯示，首五項年長消費者投訴類別是電訊服務（23.6%）、電器用品（11.2%）、旅遊事務（6.5%）、通訊用品（6.1%），和傢俬及裝置（4.2%）。就投訴內容進行分析後，消委會認為有需要深入了解年長消費者在「電訊服務」及「醫療用品/服務及長者護理」這兩方面所面對的爭議，透過案例研究和聚焦小組討論，更進一步發現當中的一些典型消費問題。

在電訊服務方面，典型的消費問題是長者無法應用新科技。這樣的數碼鴻溝使他們無法獲得較低成本及較高效率的選擇，以及容易被推銷而購買並不適合他們的產品。另外，商戶在合約到期前沒有提供續約通知、差劣的客戶服務和銷售員工的態度欠佳，亦令他們感到不快。

在醫療用品/服務及長者護理方面，問題包括價格資訊混亂、生理或認知有脆弱點的長者容易遇到有關健康產品的誤導性銷售、欠妥的服務質素，和銷售資訊不足。亦有年長消費者關注如以醫療券付款會否對所需醫療服務構成影響。

聚焦小組的討論再印證了年長消費者在尋求補償方面是相當被動。從討論中發現，原因可能是年長消費者對投訴處理機制認知不足，並覺得相關程序不方便。

<sup>1</sup> 研究中，長者的脆弱點分為四大類：（一）生理上：i. 自我評估健康狀況差或非常差，至少被診斷出一種疾病或需要長期服藥；或 ii. 自我評估健康狀況一般，至少被診斷出一種疾病，並需要長期服藥；（二）情緒上：i. 被診斷患有抑鬱症；ii. 感到憂鬱或哀傷；iii. 退出有興趣的活動；iv. 持續擔心健康問題，並且喪偶/離婚/分居；或 v. 減少參加社交活動，並且喪偶/離婚/分居；（三）認知上：i. 無法記起五分鐘前發生的事情；ii. 自我評估理解能力差/非常差；或 iii. 自我評估記憶力差/非常差；以及（四）行動上：被診斷為 i. 中風；ii. 帕金森症；iii. 癲癇症；iv. 肺氣腫/慢性阻塞性肺病/哮喘；或 v. 軀體殘障。

# 個人脆弱點增加遭遇不良營商手法之機率

## 人口特徵

不同類別的脆弱點



生理上  
35.7%



情緒上  
13.8%



認知上  
18.5%

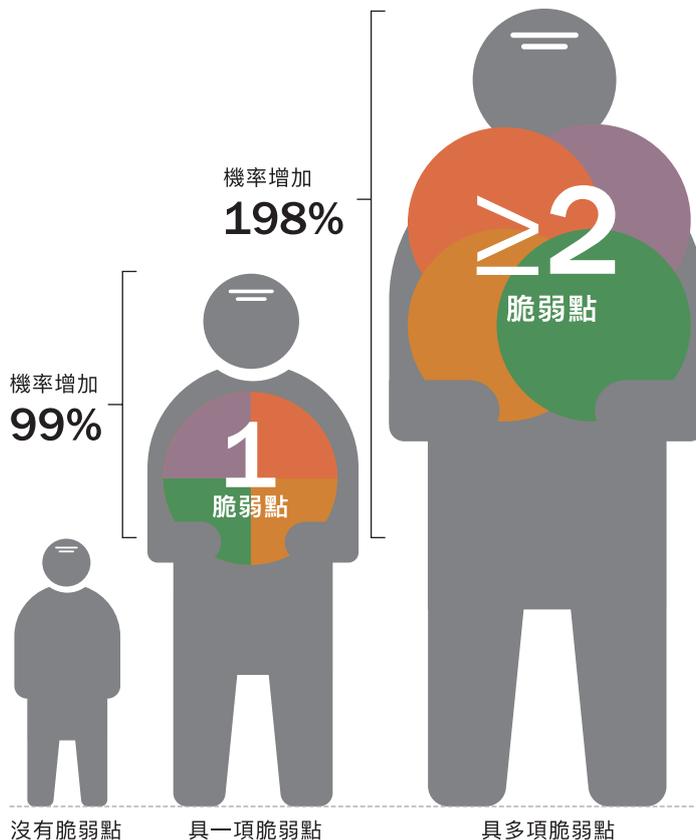


行動上  
5.1%

脆弱點數目

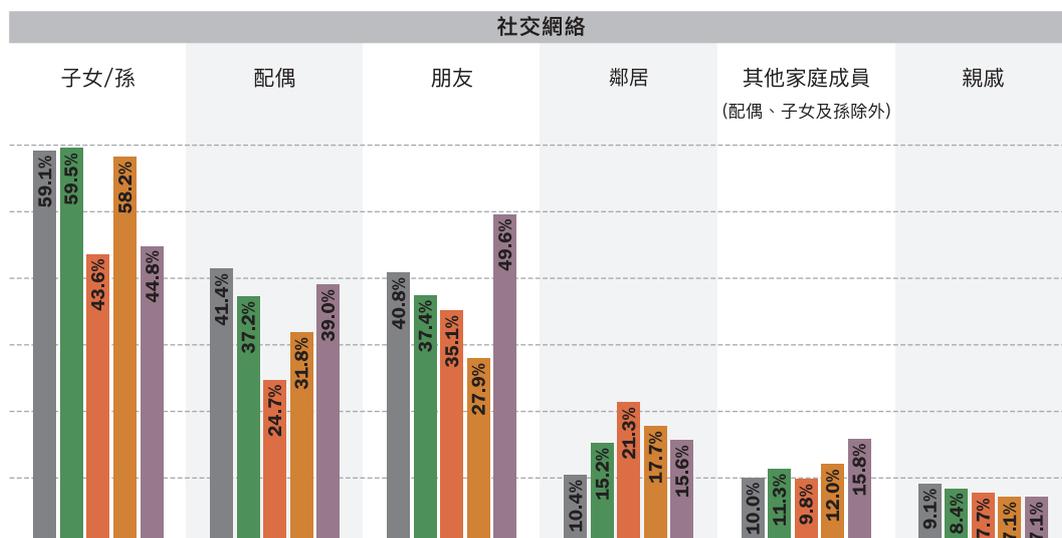


## 遇到不良營商手法的機率



## 尋求建議/協助的途徑

■ 整體年長消費者



消委會的研究結果反映，以下是建立長者友善消費環境的基石：

- 年長消費者的需要得到充份考慮，特別是那些有脆弱點的消費者；
- 市場讓年長消費者有足夠的選擇；
- 年長消費者能容易獲取消費者資訊；
- 社交網絡和家庭的有效支援；
- 方便的渠道提供有關尋求補償的建議和協助；
- 長者友善的消費場所和客戶服務；
- 年長消費者能把資訊及通訊科技的技能和知識，應用於消費有關的活動上。

## 外國的相關經驗

消委會亦借鑑外國的寶貴經驗，尤其是早年已面對人口高齡化挑戰的國家，如歐盟、日本、新加坡、澳洲、美國、愛爾蘭和英國。

這些海外經驗說明長者友善的消費環境，必須透過包括政府、企業、學術界及非政府組織等各方的共識和全方位的通力合作，才能得以發展。歐盟和澳洲政府在長者友善市場發展中可算是扮演關鍵角色的表表者，它們不僅提供財務資助，還提升各個界別對年長消費者（特別是有脆弱點一群）的需要之意識，以及協調各個界別的資源運用。

海外的長者友善措施大致朝着兩個主要方向，即防止年長消費者受到不良營商手法損害，及建立一個長者友善的消費環境以滿足他們在各方面的需要。

長者作為其中一群較脆弱的消費者受到相關法律保障，部分國家在長者友善的產品研發方面正穩步發展，並配以標準和指引以確保產品適當地滿足長者的需要。在產品設計和發展過程中，年長消費者的需要、喜好和期望得以被認真考慮；他們以使用者的身份積極參與其中，與不同持份者緊密地參與創作和設計過程，以確保設計概念和產品初型皆能滿足他們的實際需求。這種以用家為本、共同創造的原則去開發長者友善產品，將優化相關投資效益，及新產品/服務投入市場的速度。舉例來說，有企業特別為年長消費者設計長者友善的購物環境及客戶服務，如設置較寬濶的付款通道、較大的指示牌、更清晰的價格標籤、備有長櫈和飲水機的休息區、在商店間提供求助按鈕和放大鏡，以及售賣適合長者食用份量的食品等等。

此外，許多國家已積極採用資訊及通訊科技和其他先進技術，如機器人技術，確保和提升長者的豐逸生活。事實證明，他們通過一系列創新設置和輔助設備，有效滿足長者在生理、社交和心理的需要，從而提升他們晚年生活的獨立性和質素。

澳洲和愛爾蘭的普及資訊及通訊科技教育計劃，讓不諳這門科技的長者受惠。當長者在這方面的能力和知識提升後，他們可以容易地獲得有關商品、服務、市場環境和營商手法的最新資訊，這有助他們作出明智的選擇，保護自己免受不良營商手法損害。

國際間亦有舉措以推動長者的消費者利益，例如亞太經濟合作組織於2017年6月曾出版一份研討會報告題為「The Role of Standards and Innovation for Driving APEC's Silver Economy」，為成員經濟體制定了若干重要的ISO銀髮經濟標準和建議，以應對高齡化社會面臨的挑戰和機遇。在國家層面，澳洲Standards Australia和新加坡標準、生產力與創新局 (SPRING Singapore) 在兩國政府的合作協議下，就銀髮經濟的標準和最佳實踐方案進行了廣泛交流。

以外國經驗作參考基礎，加上是次量性和質性研究的結果，消委會提出以下建議，期望有助促進長者友善消費環境在香港的發展。

## 建議

### 建議一： 政府在長者友善消費環境的發展中扮演關鍵角色

跟隨全球趨勢及為提高效率，政府應肩負領導角色，在制訂全面的長者政策時引入及加強消費者保障的角度。參考外國經驗，政府的領導角色包括：

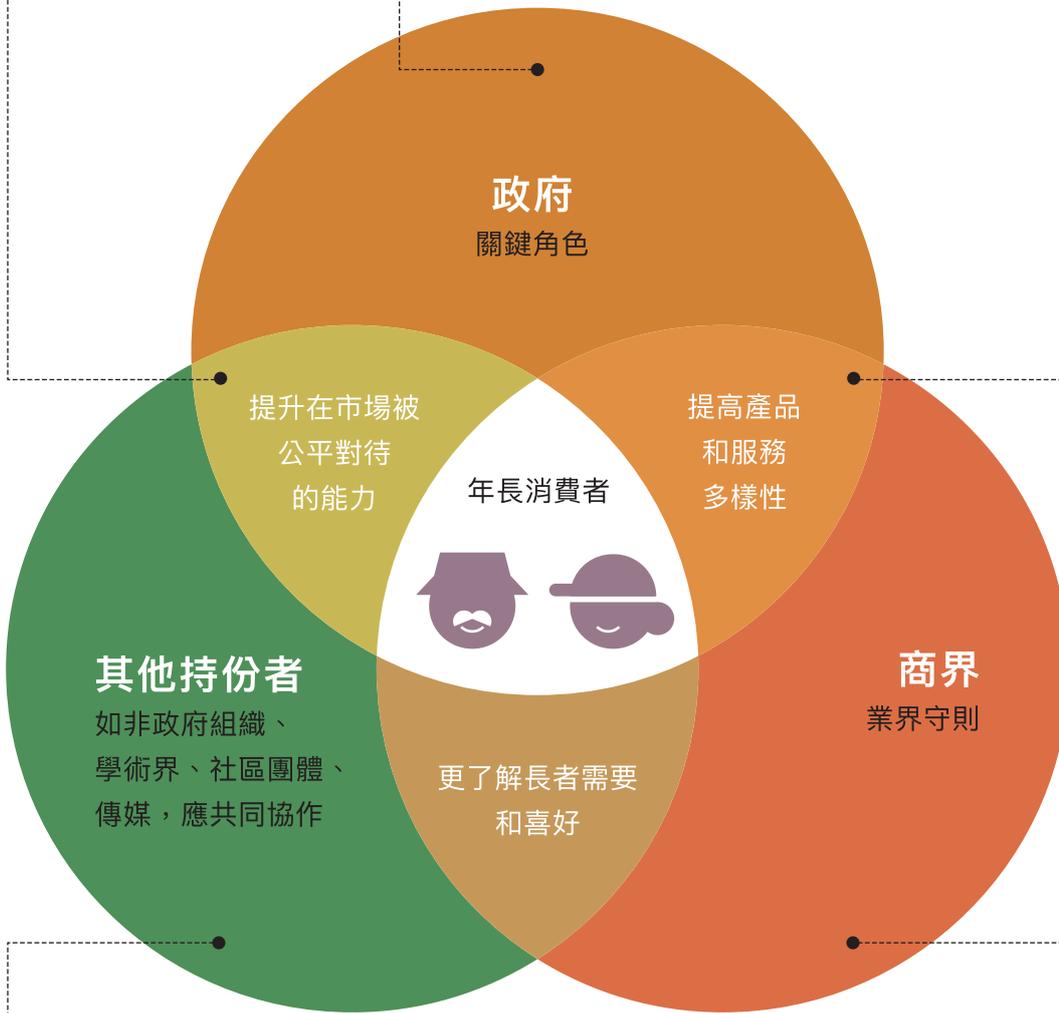
- a. 研究年長消費者的需要，提升企業和相關持份者對這些需要、及滿足這些需要的必要性之意識；
- b. 從長者的脆弱性角度評估不良營商行為，並透過不同途徑或訂立守則指引保護有脆弱點之年長消費者；
- c. 促進跨界別的合作，讓企業、非政府組織和學術界發揮協同效應，以推動長者友善的產品、服務和設施，並提升年長消費者的自我保護能力；
- d. 透過發展及促進落實長者友善的準則和指引，確保提供給長者的產品及服務均是安全、具品質保證和兼容性，以及年長消費者得到公平及誠實的對待；
- e. 透過特定的計劃，促進創意和科技的應用，以助長者享度豐逸生活；
- f. 參與國際間合作，以促進及保障年長消費者的利益。

# 建議

- 資助資訊及通訊科技的培訓項目
- 提供一站式資訊網站
- 發展輔助工具

- 政策支持和制定策略
- 提高意識
- 促進跨界別合作
- 促進創意和科技

- 樂齡科技作為長遠政策
- 把「長者友善」作為創科基金申請主題
- 培育計劃助發明推出市場



- 加強家庭/社交網絡支援
- 提供資訊及通訊科技培訓
- 加強傳媒資訊內容

- 長者友善的購物環境
- 長者友善的客戶服務

## **建議二： 協力使年長消費者能夠公平和積極地參與市場**

在資訊爆炸的年代，新興經營模式迅速湧現，以及網購和電子工具在日常生活的應用日益普遍，要確保年長消費者能夠積極和公平地參與市場，相關法律和自我監管的保護措施實在不可或缺。同樣重要的是，如年長消費者的自我保護能力得以提升，加上透過完善的支援網絡，讓他們掌握最新的市場和產品資訊，以及有效地運用新科技於消費活動上，便能有效抵禦可能損害他們利益的不良營商行為，和作出切合他們真正需要的知情選擇。消委會建議以下策略：

### **以社區為本，加強長者的人際網絡支援**

正如消委會的研究顯示，雖然一般長者多會透過家庭和朋友獲取消費資訊，但有脆弱點及因而較易受到不良營商手法損害的年長消費者中，相對較多的透過鄰居和社工/社會服務機構獲取消費資訊及尋求他們的建議或幫助。按此，這些人士應透過消費者教育得以裝備，使他們能有效地為年長消費者提供建議。

為此，消委會建議採用以社區為本的方案，善用現有支援社區或長者的義工網絡，把年長消費者保障納入其服務範圍內。例如通過社會福利署轄下的推廣義務工作服務地區協調委員會，或專門動員和培訓義工的非政府組織，如義務工作發展局，策劃及提供年長消費者保障的中央統籌培訓。同時，為擴大覆蓋範圍，消委會建議將培訓資料上載至互聯網，讓個別的照顧者，包括年長消費者的家人、朋友或鄰居容易取得所需的相關資訊，加強支援能力。

此方案可進一步發展為「年長消費者大使」計劃，以作為鄰里支援。這些大使不僅可提供建議及分享消費者資訊，還可幫助年長消費者在有需要時迅速尋求解決消費糾紛的方法或相關補償。

### **提升年長消費者的資訊及通訊科技知識和技能**

消委會欣悉政府資訊科技總監辦公室正計劃由2018-19年度起，將旗下的「長者數碼外展計劃」恒常化，向長者提供基本資訊及通訊科技知識，以及通過安老事務委員會與勞工及福利局成立的「長者學苑」地區網絡，為較活躍並具備基本的資訊及通訊科技知識的長者提供進階培訓，提升他們應用數碼科技的能力。

那些較活躍的長者完成培訓後可成為導師，幫助其他有需要長者認識相關資訊及通訊科技的知識。此外，政府資訊科技總監辦公室將於2019年推出一個網上學習平台，方便長者學習最新的數碼生活和科技。

鑑於資訊及通訊科技在日常消費活動上被廣泛應用，例如貨品、服務和市場資訊搜尋及網購等，因此建議上述網上學習平台的內容加入應用科技於消費及消費保障方面，不僅圍繞技術層面，還應包含使用這些科技所帶來的潛在風險，例如個人資料洩露和網上詐騙。

### **一站式資訊網站，讓長者作出知情選擇**

本港目前有許多由不同長者服務機構提供的服務網站，主要對象為長者，內容包括健康小貼士、家居安全、長者常見疾病和安老院舍服務等，惟有關消費者保障的資料卻往往較為分散和可信度極為參差。

資訊的提供和流通是知情選擇的大前提，對保障年長消費者的利益尤其重要。因此，消委會建議發展專為長者而設的資訊網站，以填補他們難於在網上獲取消費和消費保障資訊的缺口，例如可利用上述由政府資訊科技總監辦公室推出的網上學習平台，長遠發展為提供影響年長消費者生活、與消費保障相關的一站式網站。此網站可為年長消費者及其照顧者提供可靠、方便瀏覽和適時的資訊，如產品訊息、標籤、產品的安全使用，以及不良營商手法等消費者提示。

### **傳統媒體加強提升長者消費保障能力的節目內容**

鑑於年長消費者經常從傳統媒體獲取消費資訊，消委會建議傳統媒體可進一步加強長者消費相關之節目內容，如香港電台第五台，以應對今後快速擴張的銀髮市場所引發對提升長者消費保障能力的社會訴求。現時，免費電視服務牌照要求持牌人每週最少提供60分鐘針對長者的節目，當局值得重新審視此項要求。

### **輔助工具以促進參與消費活動**

身體功能下降是年長消費者參與消費活動的主要障礙。各種形式的輔助工具有助長者解決不同方面，如行動、記憶力、視力及聽覺等功能衰退問題。這些輔助工具可以幫助長者維持日常活動，讓他們得以在家中和消費環境中保持活躍。

舉例來說，具有預設提示和記錄追蹤功能的長者友善電子設備，會是一種有效的提示工具，協助年長消費者和他們的照顧者適時地計劃消費和管理支出。

這類工具可藉投資者教育中心旗下的「錢家有道」理財教育平台得以進一步發展，平台現有的理財工具和流動應用程式如可加入上述預設提示等功能，便能協助年長消費者有效管理他們日常與消費有關的事項，如合約到期及續約日期提示。

### **建議三： 商界配合政府加強對長者友善的意識和實踐**

隨着年長消費者的人口不斷增加而其特徵已跟上一代長者有別，商界亦有需要重整態度和策略，要以與時並進的態度滿足現今年長消費者的需求。消委會相信，政府與各個界別的企業及商會可在下列範疇開展合作：

- 提高商界的意識，讓其更了解實現長者友善的必要條件，和推行長者友善措施的好處，並鼓勵他們付諸實行；
- 支持有利於創造長者友善消費環境的項目，例如對特定行業的相關研究、在商界宣傳推廣以鼓勵實行長者友善的做法、制定和實施長者友善的指引或守則、為管理層提供長者友善的業務規劃培訓，以及就如何與長者有效溝通，對前線工作人員進行培訓；及
- 為商戶提供有關長者友善的最佳實踐指南及標準。

另一方面，企業應諮詢長者和其他持份者的意見，使它們的營運對長者更加友善，並為此制定度身訂做的執行指引或最佳實踐模式。它們亦應檢視業務所提供的貨品、服務或設施是否對長者友善，以進一步為年長消費者提供安全、方便和愉快的消費體驗，例如建立一個長者友善的購物環境，而一些重點已給是次研究揭示。此外，商會亦應積極鼓勵其會員建構這樣的購物環境。

#### **提供長者友善的客戶服務**

若客戶服務未能滿足年長消費者的期望，便不能達致長者友善的消費環境。零售業必須充份培訓員工，讓他們加深了解年長消費者的需要和喜好。此外，自動語音電話查詢系統容易讓年長消費者感到困擾。因此，最佳做法是由客戶服務員直接接聽電話；如無法安排，亦應盡可能減省來電者與客戶服務員直接對話前所需的步驟或按鈕次數。

#### **其他長者友善的商業行為**

常見情況如長者會因產品標籤和宣傳單張上細小的文字，以及合約或服務條款中充斥着專門術語而感到困惑。在視覺表述方面的改善，可令年長消費者能夠有效地接收產品資訊，並有助他們在五花八門的產品中作出選擇，同時提升他們的消費體驗。就相關問題，如字體大小和用戶介面設計等制定具體指引，絕對是務實的解決方法。

#### **建議四： 為年長消費者提高產品和服務多樣性**

調查顯示年長消費者期望市場提供更多選擇。這提醒本地商界，市場存在對貨品和服務多樣性的龐大需求，以應對不同組群長者的需要和喜好，而這需求可透過樂齡科技的開發及應用來滿足。

自2017年起舉辦的樂齡科技博覽暨高峰會，以及政府通過樂齡及康復創科應用基金提供的10億元資金支持，以資助安老服務單位試用和採購科技產品等措施，會是本地樂齡科技發展的一個好開始，讓年長消費者受惠。

將這些樂齡科技訂為長期政策，有利於促進更多的創新項目發展及研究其商業可行性，長遠開發為適合年長消費者的產品推出市場。現階段，創科創投基金與創科生活基金可不時把「豐逸頤年」和「長者友善」作為基金申請主題，促進銀髮產品的發展。

創科發明商品化可為市場帶來實際和價格可負擔的產品，是建立長者友善消費環境的重要一環。因此，消委會認為科學園和數碼港轄下的培育計劃，按理可把「豐逸頤年」和「長者友善」加入為主要發展範疇，幫助初創企業將發明轉化為可供銷售的長者友善產品。

#### **總結**

為香港構建一個長者友善的消費環境，實須在政府的領導下集合各方的力量才能得以達成。年長消費者並非一個單一的群體，反之他們因不同生理、認知和情緒狀況，以及對晚年生活的期望，而有不同的需要。在香港，雖然隨著年齡的增長，長者可能在日常生活或需接受幫助，但大部分年長消費者事實上仍保持健康和活躍的狀態，有潛質和能力在長者友善的環境中積極參與市場。報告所建議提升年長消費者之消費保障能力，和以客為本的原則，將成為實現長者友善消費環境的重要推動力。

事實上，長者友善的做法應該成為一種常態而絕非額外的要求。如有政府的持續支持，加上建議中的長者友善標準和自願性守則得以萌芽，自然有助減低目前市場缺失，讓商界能夠為不斷增長的銀髮經濟作更好準備。而增加產品和服務多樣性的建議，不單可滿足年長消費者的期望，更能促進企業收益，從而達至雙贏之局。

透過法律及自我規管、社區網絡支援、自我提升消費保障能力等，而達至一個長者友善消費環境，是長者豐逸生活和安心消費的必要元素，這是整體社會對長者的責任。我們堅信，這責任可以透過建議中的跨界別通力合作來履行。

消委會希望本報告及當中的建議將有助社會的思考和討論如何從消費者的角度去迎接銀髮經濟臨到的挑戰，並發展出一個長者友善的消費環境，以適時應對急速增長的長者人口。

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# BACKGROUND

# 1



The world's population is ageing at a rapid pace. It has never been so old in human history. People aged 65 and over will outnumber children under age 5 for the first time before 2020<sup>2</sup>. In 2015, there were an estimated 617 million people aged 65 years or more in the globe. By 2050, the global population of elderly persons is projected to be more than double of its size, reaching as high as nearly 1.6 billion<sup>3</sup>. According to the World Bank, Japan, Italy and Portugal ranked the top three in the world in 2017 for the greatest share of elderly persons in the country's total population (27%, 23% and 21.5% respectively) while Hong Kong ranked 41<sup>st</sup>. With the rapid ageing taking place in Asia, South Korea, Hong Kong and Taiwan will join Japan at the top of the list of oldest places by 2050. More than one-third of these Asian areas' total populations are projected to be aged 65 and over<sup>4</sup>.

### IMPROVEMENTS IN LIFE EXPECTANCY

Continuous improvement in life expectancy is one of the main causes for population ageing. Globally, life expectancy at birth has increased from 67.2 to 70.8 years, 3.6 years gain between 2000-2005 and 2010-2015<sup>5</sup>.

Not only that the population is ageing, the aged population itself is also ageing. With longevity continues to rise, the aged population has been classified as the "young-olds" (aged 65-84), the "old-olds" (aged 85+), the centenarians (aged 100+) and even the super-centenarians (aged 110+)<sup>6</sup>. Although the young-olds will remain the majority in the coming decade, the number of old-olds is quickly catching up. Globally, the number of persons aged 80 or over is projected to be tripled from 137 million in 2017 to 425 million in 2050. More people are expected to live up to 100 years or more. The global number of centenarians is projected to increase 10-fold between 2010 and 2050 to 3.2 million<sup>7</sup>.

Nevertheless, elderly people nowadays are healthier than those in the past as shown in the gain of 4.8 years in global healthy life expectancy (HALE) at birth from 58.5 in 2000 to 63.3 years in 2016. In Western Pacific region where Hong Kong locates, the HALE at birth in 2016 was 68.9. HALE of Japan and Singapore were even 74.8 and 76.2 respectively<sup>8</sup>. It is therefore not uncommon for people nowadays to remain active and healthy well into their 70s. They may gradually turn frail in the 80s or older. While sharing some common features such as gradual impairment of biological functions and retirement from work, the different age cohorts of this aged population can be distinguished from each other in terms of consumption needs. The young-olds who are generally more active and healthy may demand more financial services, entertainment and travelling services whereas the old-olds are more likely to suffer from various chronic illnesses and have greater medical and care needs.

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<sup>2</sup> An Aging World: 2015, United States Census Bureau, 2016

<sup>3</sup> Ibid

<sup>4</sup> Ibid

<sup>5</sup> World Population Prospects: The 2017 Revision, United Nations (UN), 2017

<sup>6</sup> World Health Organization (WHO), 2018

<sup>7</sup> Global Health and Aging, WHO, 2011

<sup>8</sup> Healthy life expectancy (HALE) at birth is an indicator of health conditions. It is the average number of years that a person can expect to live in "full health". See HALE Data by WHO Region, WHO, 2018

## DECLINING FERTILITY RATE

The ageing of global population is also attributable to the declining fertility rate worldwide in recent years. Total fertility globally is expected to fall from 2.5 in 2010-2015 to 2.2 in 2045-2050. More and more countries have fertility rates falling below the replacement level. During 2010-2015, 83 countries including China, the United States (US), Japan, Russia, Vietnam, Germany had their fertility rates below replacement level<sup>9</sup>.

## WHAT ABOUT HONG KONG?

Similar to the global trend, a combined effect of longer life expectancy and a low fertility rate has made Hong Kong become an aged city. According to the Centre for Health Protection, male's life expectancy was 81.7 and that of female was 87.7 in 2017<sup>10</sup> with a 5-year gain as compared to 76.7 years for male and 82.7 for female in 1996<sup>11</sup>, and Hong Kong continues to enjoy the longest life expectancy in the world, staying ahead of Japan. Based on the latest population projections released by the Census and Statistics Department (C&SD) in September 2017, Hong Kong people's life expectancy is expected to further rise to 84.4 years for male and 90.4 for female by 2036<sup>12</sup>.

With post-war baby-boomers born between 1946 to 1965 entering old age, the number of elderly persons aged 65 and over is projected to be more than double in the coming 20 years. The number of this cohort will increase from 1.16 million (16.6% of the total population) in 2016<sup>13</sup> by over 1 million to 2.5 million (30.6% of the total population) in 2043<sup>14</sup>. In other words, around one in three persons will be an elderly person.

Hong Kong's fertility rate has been on a declining trend in the past 30 years despite a moderate rebound in recent years, and has been consistently below the replacement level<sup>15</sup>. Assuming the retirement age remains at 60, a shrinking labour force is anticipated as there will be more people retiring than entering the labour market<sup>16</sup>.

According to the 2016 By-census, the proportions of post-war baby-boomers born in 1946 to 1965 formed almost one-third (30.4%) of the total population (Figure 1), a sizeable consumer group in Hong Kong. Specifically, those aged 50-54 constituted the largest group of the total population (8.9%), closely followed by those aged 55-59 (8.8%). This cohort will remain the largest when becoming "young-olds" in about 10 years' time and finally to "old-olds"<sup>17</sup>. Such changing age structure will drive the demand for goods and services in the emerging silver economy in Hong Kong.

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<sup>9</sup> World Population Prospects: The 2017 Revision, UN, 2017

<sup>10</sup> Centre for Health Protection, Hong Kong, 2017

<sup>11</sup> Hong Kong Life Tables 2011-2066, C&SD, Sep 2017

<sup>12</sup> Ibid

<sup>13</sup> Population By-census 2016: Summary Results, C&SD, Feb 2017

<sup>14</sup> Elderly Services Programme Plan (ESPP), Elderly Commission, 2017

<sup>15</sup> Hong Kong Monthly Digest: The Fertility Trend in Hong Kong, 1981 to 2014, C&SD, 2015

<sup>16</sup> Preparing for Population Ageing, Research Office Legislative Council Secretariat, 2014

<sup>17</sup> Elderly Services Programme Plan (ESPP), Elderly Commission, 2017

Figure 1: Hong Kong population (excluding foreign domestic helpers) by age group, 2016<sup>18</sup>

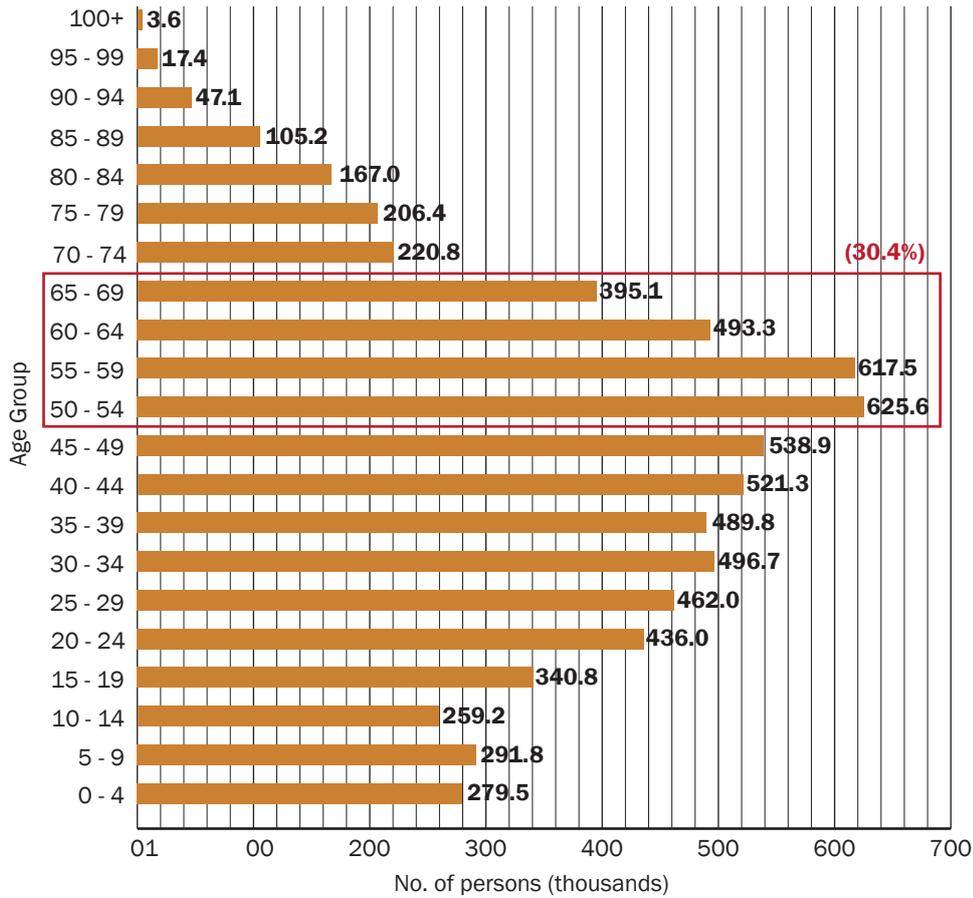
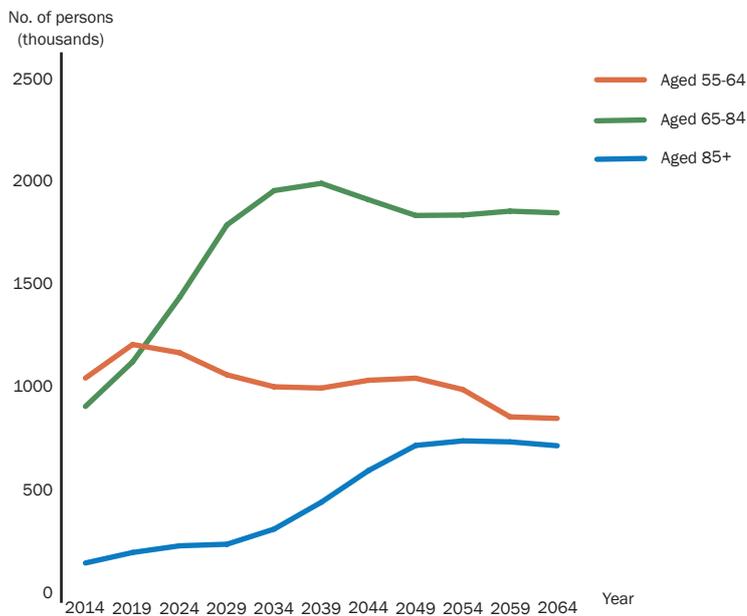


Figure 2: Projected Hong Kong population by age group, 2014-2064<sup>19</sup>



<sup>18</sup> Population By-census 2016 : Summary Results, C&SD, Feb 2017

<sup>19</sup> Hong Kong Population Projections 2015-2064, C&SD, Sep 2015

### ECONOMIC OPPORTUNITIES OF THE SILVER ECONOMY

The World's attention has been drawn to the rapid growth of the ageing consumer segment. It is not only because their lifelong contributions deserves respect, but it is expected that this burgeoning group will also bring about social and economic impact to the society. "The economic opportunities arising from the public and consumer expenditure related to population ageing and the specific needs of the population over 50" are defined by the European Commission (EC) as the "silver economy"<sup>20</sup>, or recognised as the "Longevity Economy" by the American Association of Retired Persons (AARP). Whatever such an economy is called, its size is phenomenal and in the course of expansion. Oxford Economics quantified the ripple effect of this cohort's spending, stating that it amounted to US\$7.6 trillion contribution to GDP, supporting more than 89.4 million jobs and over US\$4.7 trillion in labour income<sup>21</sup>. The US News & World Report released in 2015 also estimated that 70% of the nation's disposable income was in the hands of those aged 50 or over<sup>22</sup>. Direct spending of this 50+ cohort on consumer goods and services amounted to US\$5.6 trillion, as compared to US\$4.9 trillion spending by those aged below 50. In the US, 61% of the jobs and 43% of the labour income were related to spending by the 50+ cohort.

The prolonged low birth rate has resulted in a shrinking labour force and people are expected to work longer than before. In several developed countries like the US, Australia, the Netherlands and New Zealand, labour force participation rates among men aged 65+ increased by 3% to 11% between 1990 and 2009<sup>23</sup>. In 2015, people aged over 65 were the fastest growing age groups in the US labour force. Elderly people are expected to participate longer or rejoin the labour force, in new ways that complement rather than compete with the younger generations. This trend is anticipated to become global. If more and more ageing people continue to stay in the labour force, either full-time or part-time, their consumption needs will be expected to be closer to those of prime-age workers. A study in the United Kingdom (UK) suggested that if older workers remain in the workforce for an extra 3 years, this would add up to 3.25% in real GDP per year by 2033<sup>24</sup>. Growing job opportunities for older people may bring about stronger consumption power, sustaining the growth and vitality of the silver economy.

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<sup>20</sup> Growing The European Silver economy, European Commission (EC), Feb 2015

<sup>21</sup> The Longevity Economy – How people over 50 are driving economic and social value in the US, Oxford Economics and AARP, Sep 2016

<sup>22</sup> [https://www.usnews.com/pubfiles/USNews\\_Market\\_Insights\\_Boomers2015.pdf](https://www.usnews.com/pubfiles/USNews_Market_Insights_Boomers2015.pdf)

<sup>23</sup> Understanding the Needs and Consequences of the Ageing Consumer, The Consumer Goods Forum and AT Kearney, 2013

<sup>24</sup> A New Vision for Older Workers: Retain, Retrain, Recruit, Report to Government, Ros Altmann, CBE, 2015

## CHANGING CONSUMPTION PATTERN OF AGEING CONSUMERS

According to Oxford Economics and AARP (2013), in company with the expansion of the silver economy are the changes of consumption needs and preferences of this ageing segment. From 1990 to 2010, spending by this 50+ cohort has decreased 11% and 35% on food and clothing respectively whereas their expenditures on non-necessities such as recreation and education increased by 23% and 90%<sup>25</sup>. The Boston Consulting Group's research on older people also suggests that they are less eager to acquire material possessions than preceding generations and much keener to acquire experience, particularly through travel and study<sup>26</sup>. The preferences for older people to "Ageing in Place", has amounted to rising demand in assisted living or in-home care services and products<sup>27</sup>.

The Third Quarter Economic Report 2013 of Hong Kong has similar observation. It states that many elderly of the next and future generations will be fitter, better-educated, better-informed, and want to stay active in the community. They will be more individualised in lifestyle and inclined to plan ahead for and take care of their own needs<sup>28</sup>.

A consumer survey conducted in 7 countries and released in 2013 revealed that ageing consumers did not think they were sufficiently served by the market<sup>29</sup>. It is encouraging that in some jurisdictions, the concerted efforts of government, NGOs (non-governmental organisations), research institutes, businesses and so on are being made to develop goods and services, create shopping environment and engage in other initiatives seeking to meet the specific needs of the ageing consumers and facilitate their access to the market in a more independent, informed, safe and efficient manner.

## FULL-FLEDGED DEVELOPMENT OF LOCAL SILVER ECONOMY IS STILL EXPECTED

Back in 2013, the Hong Kong Government has already acknowledged in its Third Quarter Economic Report that an ageing population might bring new business opportunities for some segments of our community such as financial services (e.g. health or medical insurance), tourism, medical care services, etc<sup>30</sup>. Products facilitating independent living and social participation are also critical for "Active Ageing" or "Ageing in Place", as most Chinese prefer to stay in their own homes as far as possible. Since last year, the Government has jointly hosted the Gerontech and Innovation Expo cum Summit (GIES) with the Hong Kong Council of Social Service (HKCSS) to provide a platform for different stakeholders, including industry leaders, academics and policy makers, to engage in dialogue and collaboration in driving policy changes as well as societal and economic developments in Hong Kong to embrace opportunities brought about by population ageing<sup>31</sup>.

Apart from the Government, individual NGOs are also taking initiatives to foster the development of the silver economy and to encourage the business sector to address the needs of the ageing consumers. For instance, the Golden Age Foundation, a charity organisation, held the annual Golden Age Expo and Summit since 2016, which displayed the latest goods and services from around the world that were tailored to the needs of the "Golden Age Population"<sup>32</sup>. Supported

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<sup>25</sup> The Longevity Economy – Generating economic growth and new opportunities for business, Oxford Economics, 2013

<sup>26</sup> The grey market – older consumers will reshape the business landscape, Schumpeter, The Economist, Apr 2016

<sup>27</sup> The Longevity Economy – Generating economic growth and new opportunities for business, Oxford Economics, 2013

<sup>28</sup> Population ageing in Hong Kong: challenges and opportunities, Third Quarter Economic Report 2013, the Government of HKSAR, 2013

<sup>29</sup> Understanding the Needs and Consequences of the Ageing Consumer, The Consumer Goods Forum and ATKearney, 2013

<sup>30</sup> Population ageing in Hong Kong: challenges and opportunities, Third Quarter Economic Report 2013, the Government of HKSAR, 2013

<sup>31</sup> <http://www.gies.hk>

<sup>32</sup> <http://goldenage.foundation/home/>

by the Social Innovation and Entrepreneurship Development Fund (SIE Fund), the Big Silver is a social enterprise with a key business component of a monthly magazine that serves as a resource kit which targets not only the retirees but also the carers, NGOs, corporates, professionals, media and others who concern about the social issues of an ageing population<sup>33</sup>. Another NGO, the Christian Family Service Centre, has launched a HK 50+ Award Campaign<sup>34</sup>, to recognise the best products/services for the emerging silver market through voting by people aged 50 or over. Apart from recognising good practices, the campaign provides a platform for the awarded enterprises to interact with the 50+ people and introduces new services/products tailored for them.

One of the key takeaways of the conference on “The Business of Longevity” organised by the Economist in October 2017 was that many businesses see opportunities in providing products and services for ageing people. However, there appear to be a lot to be done to facilitate a full-fledged development of the local silver market. The age-friendly measures implemented by the local industries to address the needs of the elderly remain to be fragmented, and on a voluntary nature, by far, there are only handful industry-driven age-friendly measures observed in the market. Amongst the few examples found are the age-friendly measures recommended to the telecommunications operators under the Code of Practice on the Provision of Telecommunications Services for the Elderly and People with a Disability issued by the Office of the Communications Authority (OFCA) and those taken by individual banks such as fee waivers and ATM education sessions.

## **GROWING CONCERN OVER WHETHER THE MARKET ENVIRONMENT IS AGE FRIENDLY**

While the economic opportunities brought about by the silver economy have been affirmed, there is also growing concern over the well-being of older people as consumers in the market, in particular with regard to the following issues:

- a. whether the market rightly and promptly responds to the needs and preference of the different age-cohorts of the aged population with varied demographic features;
- b. whether the ageing consumers particularly the vulnerable ones are adequately protected in the market;
- c. whether sufficient initiatives and infrastructure are in place to enable the ageing consumers to participate in consumption activities on a fair basis and in an accessible manner.

Although elderly people nowadays are generally healthier and more active as compared to those in the past, functional decline in general is unavoidable, and the rates of which vary from person to person and are subject to factors such as disease and accident. A study on consumer vulnerability by EC found that 10% of those aged 65-74 and 13% of those aged 75+ felt vulnerable to a great extent because of their age, compared to 5% across all age groups<sup>35</sup>.

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<sup>33</sup> <http://www.sie.gov.hk/en/our-work/funded-ventures/detail.page?content=1408>

<sup>34</sup> <https://www.facebook.com/HK50plus/>

<sup>35</sup> Consumer Vulnerability across Key Markets in the European Union, EC, Jan 2016

Vulnerabilities of ageing consumers whether in terms of physical, mental or psychological conditions or information technology literacy may have impacts on their ability to participate in the market as a consumer in an effective manner and on a fair basis. For instance, physical deterioration and sensory impairment may reduce their ability to carry out consumption activities independently, while declining memory and reasoning may lead to poor judgement and decrease information processing and problem-solving ability. Social isolation and emotional distress is common in old age as a result of poor health, retirement, loss of spouse and peers. All these feelings of loneliness and helplessness would increase the elders' risks of becoming unwitting victims of people who seek to befriend them. When a person is under the influence of multiple risk factors as aforementioned, his or her vulnerabilities would be magnified. Combination of three factors, namely, health status, cognitive ability, and social network was found to be the key to the elderly vulnerability<sup>36</sup>.

According to a research by the Financial Industry Regulatory Authority's Investor Education Foundation, Americans aged 65 or over were 34% more likely to have lost money on a financial scam than those in their 40s<sup>37</sup>. In Japan, the Consumer Affairs Agency also noted increasing consultations on fraudulent tactics from the ageing consumers in recent years<sup>38</sup>. Doorstep selling with application of aggressive marketing techniques to entice the ageing consumers to change providers and sign potentially disadvantageous contracts, was identified as a problem in a number of European countries like Belgium, France, Greece, and Portugal. Another problematic practice identified was the practice of "presentations", in which a group of people were gathered for a demonstration and selling of a set of products, often sold at higher price than comparable products in the market. Such practice was found to be targeting the older and single consumers living in rural locations, having limited access to information<sup>39</sup>.

Besides, ageing consumers are also facing challenges from rapid technological advancement. In recent years, the proliferation of information and communications technology (ICT) in daily consumption activities, such as e-billing and online shopping, has put quite a number of ageing consumers whose ICT literacy is lower in a disadvantageous position. Their participation in the market as consumers is hampered. EC Report 2016 found that the ageing consumers' capability to compare deals is restricted, due to difficulty in obtaining or assimilating information through the Internet, and they would receive less marketing information and be more isolated from networks that could help them navigate the market place<sup>40</sup>. The increasing trend of online or telephone banking also limited the choices of those with lower ICT abilities, usually the elderly persons<sup>41</sup>. Accessibility to service and information is further restricted by poor industry practices like the provision of overly small printed information, bills with too many numbers and footnotes in small print, the making of overly complex bundled offers and the use of complex language or jargons, very long contract with technical terms, as well as offers with unclear clauses.

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<sup>36</sup> What makes older adults vulnerable to exploitation or abuse? Kim and Geistfeld, 2008

<sup>37</sup> Financial Fraud and Fraud Susceptibility in the United States, FINRA Investor Education Foundation, Sep 2013

<sup>38</sup> White Paper on Consumer Affairs, Consumer Affairs Agency, Japan, 2016

<sup>39</sup> Consumer Vulnerability across Key Markets in the European Union, EC, Jan 2016

<sup>40</sup> Ibid

<sup>41</sup> Ageing Population and Financial Services, Financial Conduct Authority, UK, Sep 2017

## AGEING WELL FROM A CONSUMER WELL-BEING PERSPECTIVE

“Ageing well” has become an important agenda of many jurisdictions. Consensus has been reached at international level that ageing consumers who are vulnerable warrant protection. A 2012 resolution of the European Parliament called on the EC to consider reinforcing the rights of vulnerable consumers as a key priority<sup>42</sup>. Article 5(3) of the Unfair Commercial Practices Directive (UCPD) of EC provides for specific protection of consumers who are particularly vulnerable due to their mental or physical infirmity, age or credulity<sup>43</sup>. Similarly, the revised United Nations (UN) Guidelines for Consumer Protection (UNGCP) of 2015 recognised for the first time the protection of vulnerable and disadvantaged consumers as one of the legitimate needs which the guidelines are intended to meet<sup>44</sup>. In 2017, the UN conference on Trade and Development held a round table discussion on the protection of vulnerable and disadvantaged consumers, aiming at developing recommendations for member states to take into account the specificities of vulnerable and disadvantaged consumers and adequately protect them, as recommended by the UNGCP. Suggestions include review of consumer laws and policies; educating consumers about their weaknesses which could lead to vulnerability; fostering a consumer protection culture in society, for instance through school education; setting up one-stop-shop comparison platforms, for goods and services such as financial products; distributing consumer booklets to raise consumers’ awareness about their rights in different sectors, etc. Coordination between national regulatory bodies at all levels was regarded as important to prevent breaches and violations. International cooperation through collaboration and sharing of good practices, putting vulnerable consumers at the top of agenda, was also recommended<sup>45</sup>.

## 1.3 | WELL-BEING OF HONG KONG AGEING CONSUMERS AT POLICY LEVEL

### HONG KONG ELDERLY POLICY

#### **Insufficient weight attached to consumer protection and empowerment for the ageing consumers**

An intriguing question to ask is how far Hong Kong shares the global concern about the well-being of elderly as a consumer at policy level. Although the Elderly Services Programme Plan (ESPP) of the Elderly Commission has stated “enable informed choices and timely access to quality services” as one of its strategic directions, it appears that sufficient weight has yet to be attached to consumer protection and empowerment for the elderly from a consumer perspective. Instead, currently a generic approach is taken. “Care for the Elderly” has been a strategic policy objective of the Government since 1997, followed by a more specific direction on Ageing in Place through the provision of a wide range of long term care services and the encouragement of pursuit of Active Ageing and building an age-friendly community in various aspects, including road transport, community facilities and living environment.

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<sup>42</sup> Consumer Vulnerability across Key Markets in the European Union, EC, Jan 2016

<sup>43</sup> <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32005L0029:EN:HTML>

<sup>44</sup> Round Table on : The protection of vulnerable and disadvantaged consumers, UN Conference on Trade and Development, Jul 2017

<sup>45</sup> Bulletin No.1 : UNCTAD IGE on Consumer Protection Law and Policy, United Nations Guidelines for Consumer Protection (UNGCP), Jul 2017

It follows that the Elderly Commission has been established to provide advice to the Government in the formulation of a comprehensive policy in caring for elders, including matters relating to the care, housing, financial security, health and medical, psychological, employment and recreational needs of the elderly<sup>46</sup>.

The increasing participation of ageing consumers in consumption activities alongside with the growth of the silver economy has indeed invoked the need for responsive adjustment to embrace the need to the existing elderly policy.

### **Effect of Active Ageing on elderly consumption**

That said, some of the initiatives under the policy direction of Active Ageing implemented in recent years, which facilitate active and continuing participation of the elderly in social and community affairs may have the effect of increasing the elderly's consumption activities and exposure to the market.

The elderly's mobility would be enhanced by the Government Public Transport Fare Concession Scheme<sup>47</sup> and the Senior Citizen Card Scheme<sup>48</sup> may facilitate a more active participation of the elderly in the market as consumers.

To enhance the ICT literacy of the elderly, the Office of the Government Chief Information Officer (OGCIO) has been providing funding to support projects and to manage outreach programme, to improve elders' access, knowledge, skills and receptiveness on the use of ICT since 2012. Grants were allocated to individual NGOs to implement centre-based services at the Neighbourhood Elderly Centres (NECs) and District Elderly Community Centres (DECCs), etc. and outreached activities on ICT training to help the elders combat digital divide.

### **Effect of welfare benefits on elderly consumption**

Hong Kong elderly are eligible for certain welfare benefits which would help them meet their general or specific consumption needs. Hong Kong residents aged 70 or above are eligible for Old Age Allowance (OAA) and for those aged 65 or above and have an income and assets not exceeding the prescribed limits are eligible for Old Age Living Allowance (OALA)<sup>49</sup>. The underprivileged elderly may also apply for the Comprehensive Social Security Allowance (CSSA) to support their basic needs. Such welfare benefits would support or encourage the elderly to participate in the consumption activities.

To implement the principle of "money-following-the-user", the Government has been launching voucher schemes for care and healthcare services rendered to the elderly. They include: the Elderly Health Care Voucher Scheme (EHCVS)<sup>50</sup>, the Pilot Scheme on Community Care Service Voucher for the Elderly (CCSV)<sup>51</sup> and the Pilot Scheme on Residential Care Service Voucher for the Elderly (RCSV)<sup>52</sup>. All these initiatives allow the elderly to choose the medical and care services that suit their own needs, which may result in more active consumption activities among the ageing consumer group.

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<sup>46</sup> [http://www.elderlycommission.gov.hk/en/About\\_Us/Introduction.html](http://www.elderlycommission.gov.hk/en/About_Us/Introduction.html)

<sup>47</sup> The Scheme allows the elderly aged 65 or above to enjoy a flat fare of HK\$2 per trip.

<sup>48</sup> With Senior Citizen Card, elderly may enjoy concession, discount or priority services offered by public organisations and commercial establishments.

<sup>49</sup> [https://www.swd.gov.hk/en/index/site\\_pubsvc/page\\_socsecu/sub\\_ssallowance/](https://www.swd.gov.hk/en/index/site_pubsvc/page_socsecu/sub_ssallowance/)

<sup>50</sup> An annual amount of HK\$2,000 is given to elders aged 65 and above with an unutilised accumulation unit of HK\$5,000 to consult a range of healthcare professionals. In 2018, an additional voucher amount of HK\$1,000 is provided on a one-off basis.

<sup>51</sup> CCSV allows the elderly to choose the community care services that suit their own needs.

<sup>52</sup> Eligible elders may choose services provided by registered residential care home for the elderly (RCHE) under the Pilot Scheme according to their needs.

## **Promotion of adoption of technology in development of ageing-well products**

The GIES hosted by the HK Government mentioned earlier is a good example to encourage the adoption of technology in developing ageing well goods and services. The Chief Executive has also announced in 2017 Policy Address that the Government will earmark HK\$1 billion for a fund to subsidise elderly and rehabilitation service units to try out and procure technology products, so as to improve the quality of life of service users as well as reduce the burden and pressure on care staff and carers<sup>53</sup>. The new fund has been named as the Innovation and Technology Fund for Application in Elderly and Rehabilitation Care and is expected to be launched in late 2018.

Organisations who wish to apply financial support to develop innovative products or services may partner with professional bodies or NGOs to apply for government funding such as the Innovation and Technology Fund for Better Living (FBL)<sup>54</sup>. Although this fund is not confined to serving the elderly and the projects have to be non-profit-making during project periods, it could be a good source of financial support for the start-up companies with innovative ideas to approach the silver economy.

## **Ageing Consumer Protection and Empowerment Perspective – A Missing Piece**

Ageing consumers are distinguishable from consumer groups in other age cohorts in terms of their needs, wants, preferences, physical functioning, and adaptability to the rapid technological advancement, vulnerability to unfair trade practices and so on. They deserve specific concern from the society.

As seen from the above, the silver economy is under the watchful eye of the Government, its Active Ageing measures may boost the elderly's engagement in consumption activities and the voucher system gives the elderly or their carers a free hand to choose certain care and healthcare services as a consumer. However, the well-being of the elderly as a consumer has yet to receive sufficient concern from the Government and the businesses. It is high time to review the elderly policy and the current commercial and social initiatives from a consumer well-being perspective to create an age-friendly consumption environment which would sustain and further develop the silver economy to the benefit of the ageing consumers, the businesses and the society as a whole. It also manifests the social values of respect and gratitude to our senior citizens.

The Council hopes to raise public awareness of the consumer well-being of the elderly and elicit discussions with a view to attaining an age-friendly consumption environment in Hong Kong. The Council has compiled this Report seeking to provide a basis for the pursuit of the said purpose. This Report portrays the demographic profile and consumption patterns of older population in Hong Kong with the support of data obtained through desk research, and both quantitative research with street interviews and on-site interviews (Chapter 2) and qualitative studies through complaint case analysis and focus group discussion (Chapter 3). This Report is concluded with a number of recommendations set out in Chapter 5 made in light of overseas experiences detailed in Chapter 4.

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<sup>53</sup> The Chief Executive's 2017 Policy Address, 2017

<sup>54</sup> The FBL is a scheme for funding innovation and technology projects which will make people's daily living more convenient, comfortable and safer, or address the needs of specific community groups.

With global population ageing, as new business opportunities to traders and ideally to build better quality living to the elderly, discussion has been dominantly made on the development of the silver market. However, whether the market can accommodate the needs of the elderly and whether they are treated fairly or adequately protected are amongst a number of issues of essential concern. The sheer number and aggregated wealth from the post-war baby-boomers entering old age, have been making them a sizeable, healthy and independent consumer group that cannot be overlooked in Hong Kong. They may demand more choices of consumption for better quality of life. That said, functional decline in the process of ageing are shared by many of them. Some of them would become vulnerable when challenged by physical, cognitive or mental illnesses, as well as emotional distress. This warrants measures to enable the independent elders to exercise their consumer rights and to facilitate family and social support to protect the vulnerable elders. That is all the more so since in the coming 30 years' time when the baby-boomers becoming old-olds in 2046. There is an imminent need to look into the elderly's needs, attitudes, behaviours and concerns regarding consumption and the extent to which they may be affected by unfair trade practices so as to strengthen the empirical basis and set the strategic direction for making an age-friendly consumption environment. The concerted efforts of the governmental, social and business sectors are essential, not only to protect and further the interests of the ageing consumers, but also empower them and their carers to make informed choices, protect themselves and pursue their rights and interests in the market.

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# CONSUMPTION BEHAVIOUR OF THE AGEING CONSUMERS IN HONG KONG



# 2.1

## CHARACTERISTICS OF AGEING CONSUMERS IN HONG KONG

A meaningful discussion on the creation of an age-friendly consumption environment in Hong Kong has to be facilitated by the understanding of the demographic characteristics of the ageing consumers and their consumption behaviour.

In this Chapter, we take a closer look at these two aspects respectively through a desk research on the statistical data published by the C&SD and treatises of academia, and the survey conducted by the Council, with the support of the HKCSS, through a research company.

### EDUCATION

The level of educational attainment of the current older generation on average is not high as the opportunities for education were not well-developed during the 1930's to 1950's. Nevertheless, the educational attainment of the subsequent cohorts of the older population had been improving and will be further improved in future.

The latest report of the C&SD shows that 39.6% (14.6% points increase as compared to 25% in 2006) of those aged 65 or over in 2016 had secondary school education or above<sup>55</sup>. However, as school education turned popular since 1960's, the level of education attainment is higher amongst the younger ones. 66.6% of the soon-to-be-olds (aged 55-64) had attained that level of education, with 15.9% of them even reaching post-secondary education level (versus 9.5% of those aged 65 or over)<sup>56</sup>. Improving educational attainment would mean greater ability to access to information<sup>57</sup>. There is also overseas evidence that improving educational attainment will contribute to higher income and purchasing power<sup>58</sup>.

### USE OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT)

The soon-to-be-olds are comparatively more receptive and be able to master ICT in their work and daily living than the elderly (aged 65 or above). They show stronger ICT literacy on the items of "knowledge of using personal computer" (72.6% of the soon-to-be-olds versus 31.8% of the elderly), "usage of internet" (87.7% versus 44%) and "usage of smartphone" (86.9% versus 42.9%), when compared to the elderly group<sup>59</sup>. Owing to the proliferation of the use of information technology amongst the soon-to-be-olds, it is anticipated that in the future the proportion of ICT literate elderly will continue to increase. Indeed, the number of the elderly using the internet has increased from 0.2% in 2000 to 44% in 2016<sup>60</sup>.

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<sup>55</sup> Hong Kong 2016 Population By-census - Thematic Report : Older Persons, C&SD, Mar 2018

<sup>56</sup> Data provided by C&SD derived from Hong Kong 2016 Population By-census

<sup>57</sup> A Study on Silver Hair Market Development in Selected Economies, Vol 1, the University of Hong Kong (HKU), Jun 2011

<sup>58</sup> Meeting the 2030 French Consumer, McKinsey Consumer & Shopper Insights, 2010

<sup>59</sup> Information technology and the Internet by Hong Kong Residents, C&SD, 2017

<sup>60</sup> Ibid

## MARITAL STATUS

The current cohort of the elderly is not yet affected by the trend towards late marriage or remaining single. Among those aged 55-79 in 2016, 75.6% were married and 10.6% were widowed; the remaining proportions of never married (6.6%), divorced (6.5%) and separated (0.7%) were comparatively very low<sup>61</sup>.

## LIVING ARRANGEMENT AND HOUSEHOLD COMPOSITION

Living arrangements and household composition could affect social support to the elderly and their consumption patterns. For instance, the single elderly household may spend less on family-oriented commodities when compared with household of elder living with his/her family members. Almost one-third of those aged 80 or over are living with their children (29.9%), probably due to their needs for personal care, as compared to 15.2% of those aged 65-79 and 10.4% of the soon-to-be-olds, who are more likely to live with their spouse only (63.6% and 71.1% respectively)<sup>62</sup>. The increase of elderly households or families with old-olds may imply that there will be more demand on long-term care services, especially in-home care, as most of the elderly prefer to remain living in their own home<sup>63</sup> even when they turn frail.

## HEALTH CONDITION AND MEDICAL CARE

Elderly people are more susceptible to chronic illnesses as the prevalence rate of many chronic health conditions increases with age. For instance, the percentage of people with dementia doubled every 5 years in age groups from 60 to 90<sup>64</sup>. The relative risk of an elderly person being hospitalised is about 4 times higher than a non-elderly person, aged below 65<sup>65</sup>. In 2010, elderly people accounted for around 50% of all patient days in hospitals. In 2016, the soon-to-be-old group and the elderly group constituted 25% and 42.1% of people having chronic health conditions respectively<sup>66</sup>. The chronic health problems commonly found in both groups include hypertension, high cholesterol and diabetes mellitus, which are all highly related to one's lifestyle and ageing. Nevertheless, with medical advancement and enhanced health consciousness, many of these two age groups still remain healthy, active and independent with little or no reliance on health and social care services. In 2016, over half (58.6%) of the soon-to-be-old group and more than one-third (40.2%) of the elderly group perceived their general health status to be either good or very good/excellent<sup>67</sup>.

## EMPLOYMENT AND INCOME LEVEL

Elderly people nowadays are comparatively more economically active than those in the past. The number of the working elderly increased by more than one-fold from 59,256 in 2006 to 125,177 in 2016. Such increase was mainly due to the surge in the number of those aged 65-74, which has grown by 136.6% over the past 10 years (from 47,377 in 2006 to 112,104 in 2016)<sup>68</sup>. However, for obvious health reason, there was relevance between age and the rate of labour force participation in the market. The participation rate of young-olds (22.5%) was much higher than the old-olds (0.2%)<sup>69</sup>.

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<sup>61</sup> Data provided by C&SD derived from Hong Kong 2016 Population By-census

<sup>62</sup> Ibid

<sup>63</sup> Consultancy Study on Community Care Services for the Elderly, HKU, Jun 2011

<sup>64</sup> Trends in Prevalence and Mortality of Dementia in Elderly Hong Kong Population: Projections, Disease Burden, and Implications for Long-Term Care. International Journal of Alzheimer's Disease, Vol. 2012, 1-6, Yu, R., et al.

<sup>65</sup> Strategic Plan, Hospital Authority, 2017-2022

<sup>66</sup> Thematic Household Survey Report No. 63 – Health Status of Hong Kong Residents, C&SD, Dec 2017

<sup>67</sup> Ibid

<sup>68</sup> Hong Kong 2016 Population By-census - Thematic Report : Older Persons, C&SD, Mar 2018

<sup>69</sup> Ibid

In 2016, the median monthly income of the working elderly persons from main employment was HK\$10,250, 68.3% of the median monthly income of the entire working population (HK\$15,000). In fact, over one-third (35.9%) of the working elderly persons earned at least HK\$15,000 per month, with a quarter (26.6%) of them even had a monthly income at HK\$20,000 or above<sup>70</sup>.

Enhancement of the elderly employment is expected. It was announced in the Chief Executive's 2017 Policy Address that the Employees Retraining Board continued to include mature persons as future target group for retraining through workplace re-entry courses and practical activities to equip the mature participants with the necessary skills and assist them in exploring suitable types of work. The Labour and Welfare Bureau (LWB) also promotes the employment of elderly persons by enhancing the employment support services for the elderly job seekers, raising public awareness of the part played by elderly persons in the potential labour force and encouraging employers to adopt friendly employment practices for the elderly. With a higher labour force participation rate, the elders' involvement in consumption activities is expected to increase.

## RETIREMENT PLANNING AND FINANCIAL SITUATION

With better educational attainment, elderly people in future generations were believed to be financially better off<sup>71</sup>. In a survey conducted in 2012 on retirement planning and financial situation for old age, a significantly higher proportion of the future generation of retired persons<sup>72</sup> (79.2%) reported having retirement protection from work, as compared to only 33.6% of the current generation of retired persons. To prepare for their retirement, 50.9% of future generation of retired persons had savings and investment and 17.1% of them had purchased insurance to cover possible medical and healthcare expenses in old age. The corresponding figures for the current generation were 39.1% and 5.5% respectively<sup>73</sup>. These figures implied that future generation of retirees would be financially more viable and independent, more aware of financial security in old age and are prepared to plan for their future expenditures on medical, health as well as having a better sense of resources management. A new initiative was introduced in the 2017 Policy Address to introduce a life annuity scheme that provides an additional financial planning option for the elderly to help them turn cash lump sums into life-long streams of fixed monthly income, which may give them a better sense of security in financial planning and spending. The scheme was officially launched in July 2018.

In a nutshell, the profile of ageing consumers can be summarised as follows:

- The soon-to-be-olds (aged 55-64) in general are likely to be part of the labour force and have better retirement protection. Given the longevity of the old-olds, some of them may be carers of the elders of their families. Being the future cohort of the elderly, they are expected to live longer and are more independent in their living arrangement; have higher educational attainment and are more receptive to ICT development; healthier and financially more capable to afford more in purchasing products and services in the sectors of entertainment, healthcare and finance;
- Young-olds (aged 65-84) are generally retired and have less retirement protection from work as they are not well-covered by the Mandatory Provident Fund Schemes launched

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<sup>70</sup> Hong Kong 2016 Population By-census - Thematic Report: Older Persons, C&SD, Mar 2018

<sup>71</sup> Commission on Poverty, the Government of HKSAR, 2013

<sup>72</sup> Retirement planning and the financial situation in old age, Thematic Household Survey Report No. 52, C&SD, Jun 2013

<sup>73</sup> Ibid

in 2000. They tend to be married and live with their spouses, although some might be widowed at later stage. They have comparatively lower educational attainment than the soon-to-be-olds and might not be as skillful in applying ICT, though some of them are trying to acquire the relevant knowledge and skills. They have more leisure time after retirement. So, they may spend more on recreational and leisure activities, such as sports (e.g. Tai Chi, social dance) and travel. They may have higher demand on healthcare products and healthcare services, especially in later stage of life, as physical function decline and chronic illness would become more obvious and common in the course of ageing; and

- Old-olds (aged 85 and above) are mostly having lower educational attainment and are less likely to know how to use ICT. Quite a number of old-olds are widows resulting from longer life expectancy of female. They are relatively more dependent and tend to live with their children. Given that frailty and cognitive decline are common among old-olds, they are likely to be heavy users of hospital and medical services.

## 2.2 | CONSUMPTION BEHAVIOUR OF AGEING CONSUMERS IN HONG KONG

### THE SURVEY

To better understand the consumption behaviour of Hong Kong ageing consumers for facilitating discussion on the creation of an age-friendly consumption environment, the Council, with the support of HKCSS, conducted a survey (the Survey) on Hong Kong residents aged 55-79<sup>74</sup>. In the preparation of the Survey, advice had been sought from local academia, including the Chinese University of Hong Kong, Hong Kong Polytechnic University, Hong Kong University of Science and Technology, Lingnan University and University of Hong Kong.

### Objective

The objectives of the Survey are to gauge Hong Kong ageing consumers' consumption patterns, attitudes and behaviours with regard to consumption, their susceptibility to unfair trade practices and access to support on matters regarding consumption, and the extent to which the market is meeting their needs.

### Scope

The Survey and related analysis cover the following aspects:

- Consumption needs and patterns in the light of profiles of the ageing consumers;
- Age-friendliness of the market environment;
- Vulnerabilities of the ageing consumers and their experience of encountering unfair trade practices; and
- Sources of information and advice/help.

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<sup>74</sup> The age cohort covered by the survey and related analysis ranged from 55-79. Old age is more of a social construct than biologically defined. According to the World Health Organisation (WHO), there is no consensus on the age at which a person is regarded as old, but many developed economies have made reference to the age of retirement and the criterion for age-related benefits, and have defined "elderly" as those aged 65 or older. Taking a forward looking perspective, the Council included persons aged 55 to 64 in this study with the intention to explore the difference between this group of people who are soon-to-be-old and the elderly group (aged 65-79) with a view to identifying the prospective trend in older generations in terms of consumption needs and protection. Moreover, the upper limit of age range under study was set at 79 because the study was intended to focus on the ageing population who are more active and independent in market participation as consumers.

## Methodology and data analysis<sup>75</sup>

A total of 1,779 interviews, covering Cantonese-speaking ageing consumers aged 55-79 by way of street interviews and on-site interviews, were conducted between 5 October and 6 December 2016, with the same set of questionnaire<sup>76</sup>.

To correct the potential bias as introduced by the incidence of non-response and non-contact cases, all information collected was properly weighted by age group, gender and educational attainment in accordance with the corresponding figures of the “Hong Kong Resident Population of aged 55 to 79 (excluding Foreign Domestic Helpers)” as at the third quarter of 2016 as provided by the C&SD.

Appropriate statistical tests (e.g. t-test) at 5% significance level was used to signify if any significant differences<sup>77</sup> in proportions were observed when comparing the findings between a specific sub-group and the corresponding total<sup>78</sup>. The SPSS stepwise logistic regression was also conducted to examine the factors associated with the experience of unfair trade practices, in other words, the association between the underlying factors (a set of predictor variables, e.g. demographics) and the experience of unfair trade practices (a dependent variable) was tested.

## Key findings of the Study

The findings were analysed in light of the following factors:

- a. Age, broadly categorised as the soon-to-be-old group (aged 55-64) and the elderly group (aged 65-79); and
- b. Vulnerabilities, four types of vulnerabilities were categorised and defined as follows:
  - Physical vulnerability – (i) poor/very poor self-perceived health condition, with at least one disease diagnosed, or in need of long-term medication; or (ii) average self-perceived health condition, with at least one disease diagnosed, and in need of long-term medication;
  - Emotional vulnerability – (i) diagnosed with depression; (ii) emotionally depressed; (iii) withdrawn from interested activities; (iv) consistently worried about health condition and were widowed/divorced/separated; or (v) participated less in social activities and were widowed/divorced/separated;
  - Cognitive vulnerability – (i) have difficulty in remembering things happened five minutes ago; (ii) poor/very poor self-perceived understanding ability; or (iii) poor/very poor self-perceived memory; and
  - Mobility vulnerability – diagnosed with (i) stroke; (ii) Parkinson's disease; (iii) epilepsy; (iv) emphysema/chronic obstructive pulmonary disease/asthma; or (v) physical disabilities.

## DIFFERENCES IN THE TWO AGE GROUPS OBSERVED

Significant differences were observed between the soon-to-be-old group (aged 55-64) and the elderly group (aged 65-79) in terms of educational attainment, employment status, personal income and sources of income.

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<sup>75</sup> Due to decimal rounding issue, the sum of the percentages for the figures presented in this Report may not be equal to 100.

<sup>76</sup> The questionnaire can be downloaded from [www.consumer.org.hk](http://www.consumer.org.hk)

<sup>77</sup> ▲ / ▼ indicates that the percentage is significantly higher/lower than the corresponding total.

<sup>78</sup> To test the difference between two proportions based on two independent samples, it was necessary to calculate the standard error of each set of data. With very large samples, where the sampling distributions would have small standard errors, small differences in proportions would be significant. For all subgroups with a sample size of 30 or less, the data might be subject to large sampling errors, thus no significant test was performed and the data presented, being marked with the symbol of ^, was published for reference only. Readers are advised to exercise caution in making additional statistical inferences.

# AGEING CONSUMERS ARE NOT HOMOGENEOUS

## DEMOGRAPHICS

Soon-to-be-old: 57.7%  
Elderly: 42.3%

Female: 50.2%  
Male: 49.8%



**SOON-TO-BE-OLD** Aged 55-64

**VS**

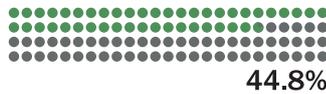
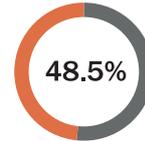


Aged 65-79 **ELDERLY**



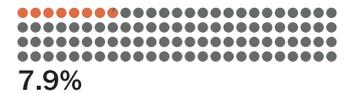
## EDUCATIONAL ATTAINMENT

Junior secondary or above



## EMPLOYMENT STATUS

Still active



## AVERAGE PERSONAL INCOME

Overall

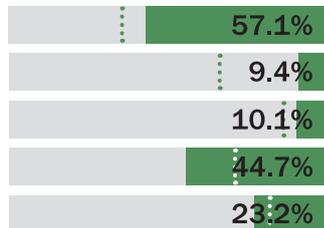
**\$10,758.3**

**\$9,080.2**

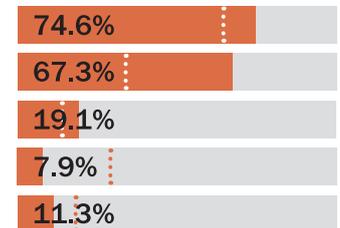
**\$6,756.6**

## SOURCE OF INCOME

61.8% > one source of income



Family or relatives/friends  
Government allowance  
Retirement benefit  
Employment earnings  
Investment income



⋮ average % for corresponding total

## AVERAGE PERSONAL EXPENDITURE

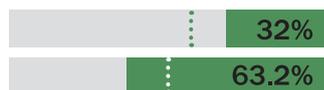
(in the month preceding the survey)

Overall

**\$7,380.9**

**\$6,326.8**

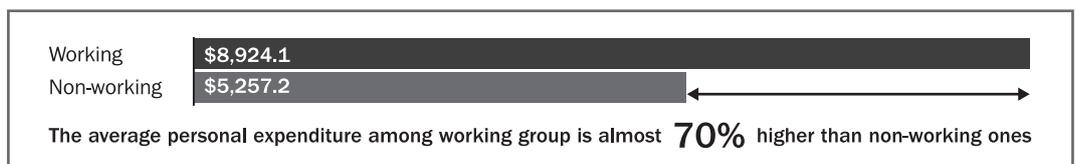
**\$4,879.2**



\$2,000 to <\$5,000  
\$5,000 to ≥\$17,000



⋮ average % for corresponding total



## 2.3 | MAJOR CONSUMPTION PATTERN

### RECURRENT CONSUMPTION ITEMS

#### Most commonly consumed recurrent items

The proportion of ageing consumers engaged in consumption of major recurrent consumption items at their own expense in the month preceding the Survey was assessed.

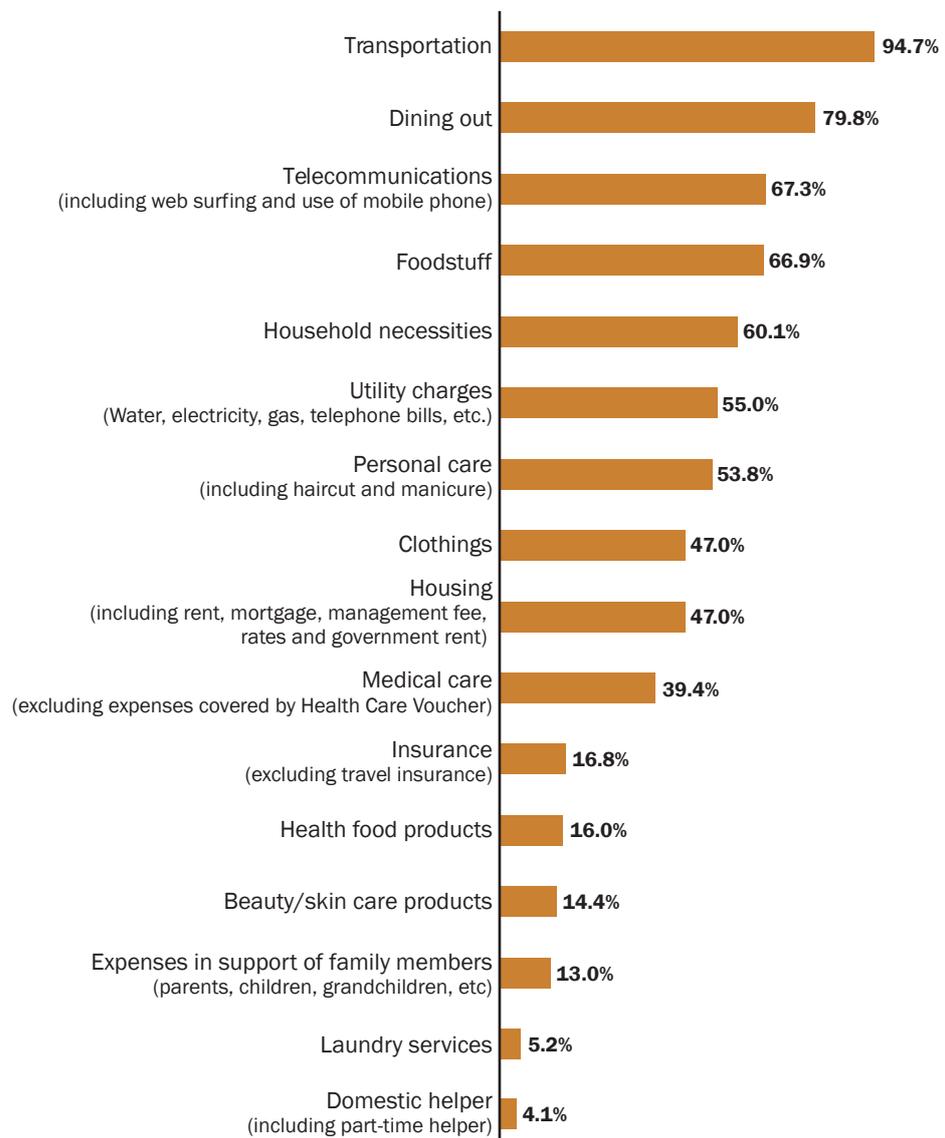
It was found that the top five most popular recurrent consumption items among all the ageing consumers were transportation (94.7%), dining out (79.8%), telecommunications (including web surfing and use of mobile phone) (67.3%), foodstuff (66.9%) and household necessities (60.1%) as shown in Figure 3. It indicates that most ageing consumers actively engaged in activities beyond their home with transportation means; and kept in touch with society and social circles via telecommunications devices and through dining out. It can be inferred that the ageing consumers today are in general living a rather active and socialised lifestyle.

Over half of the ageing consumers paid for household necessities (60.1%) and utilities (water, electricity, gas, telephone bills, etc.) (55%). Some of them even gave financial support to their family members (13%), reflecting that quite a few ageing consumers were still contributing financially to their family in varying degrees. Besides, it is a fact of life that health declines with age. More than one-third of the ageing consumers expended for medical care. And, 16% of the ageing consumers purchased health food products.

#### Comparison between the soon-to-be-old group and the elderly group

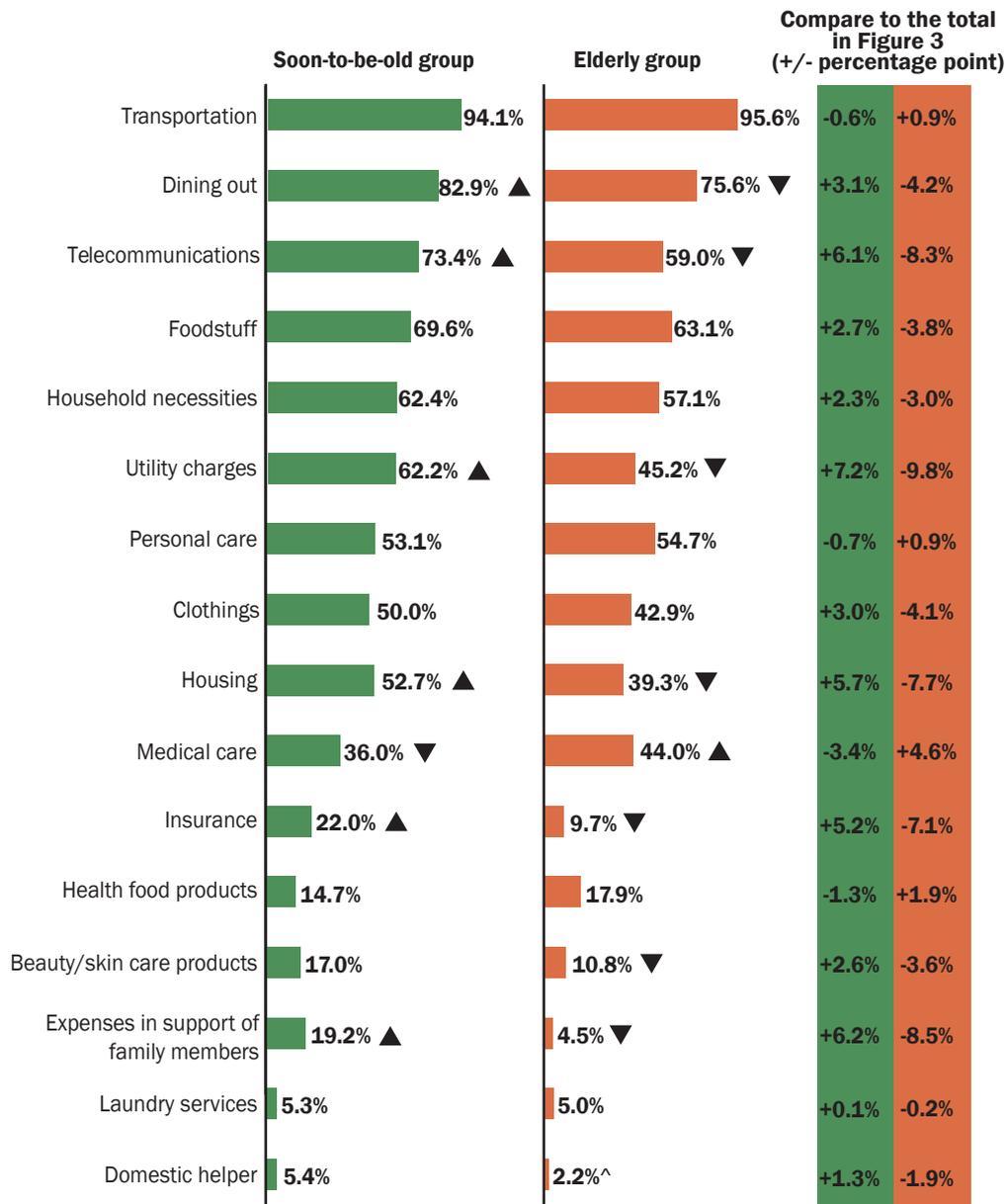
There reveals differences in the consumption needs between the two age groups as shown in Figure 4. A different pattern was identified in the recurrent consumption items between the soon-to-be-old group and the elderly group. For instance, significantly higher proportion of the soon-to-be-old group has consumed on lifestyle items like dining out and telecommunications, as well as living expenses such as utility charges, housing and in support of family members. This may relate to their desire for better quality living and their own economic activities remain active to afford the expenses. Conversely, significantly higher proportion of the elderly group has consumed on medical care (44%) but lower proportion of it has spent on dining out, telecommunications, and the living expenses mentioned above.

Figure 3: Recurrent consumption items being consumed by ageing consumers in the month preceding the Survey



It is also worth noting that significantly higher proportion of the soon-to-be-old group has engaged insurance services while significantly lower proportion of the elderly group has done so. It is probably because the concept of insurance protection was not yet common among the elderly group when they were still young or the age cap and high premium of the current insurance products restricted their intention to purchase.

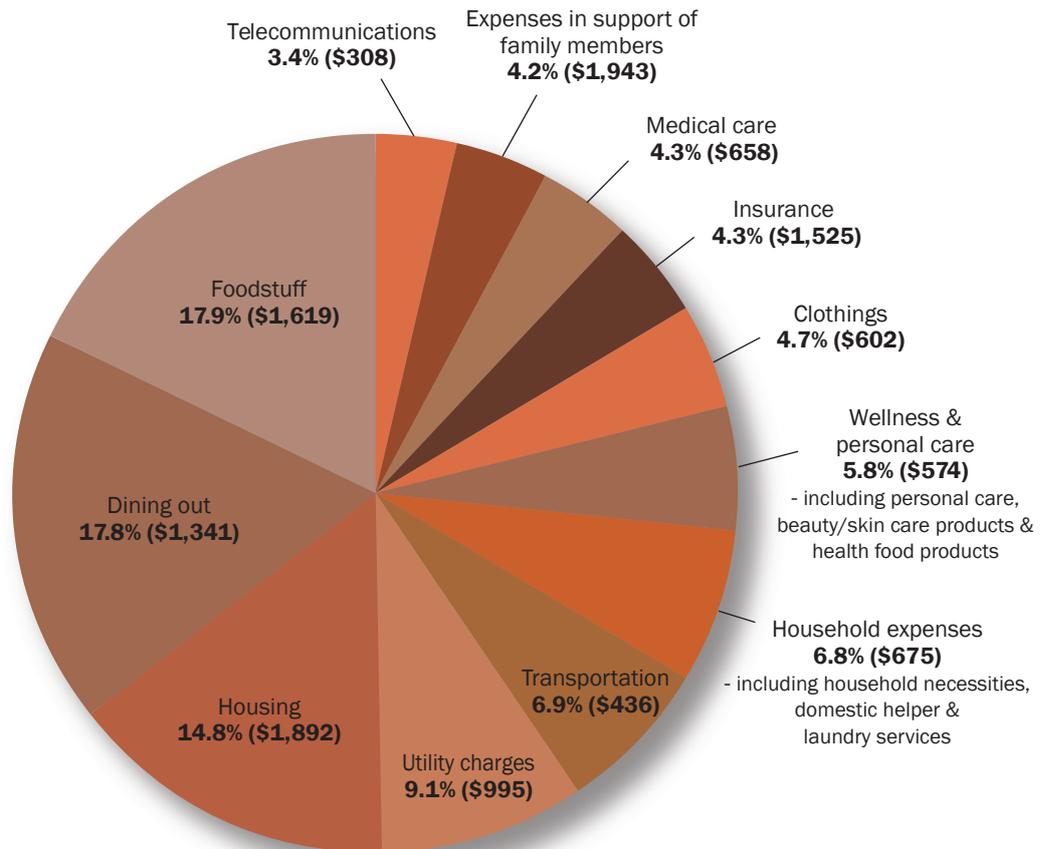
Figure 4: Comparison between the soon-to-be-old group and the elderly group on recurrent consumption items being consumed in the month preceding the Survey.



## Proportion of expenditure on each recurrent item

Looking into the proportion of ageing consumers' expenditure on each recurrent consumption item over the aggregate total expenditure on all those items in Figure 5, it was found that the ageing consumers in total spent most in foodstuff (17.9%), followed by dining out (17.8%), housing (14.8%), utility charges (9.1%) and transportation (6.9%), constituting about two-third (66.5%) of their aggregate total expenditure on the recurrent consumption items under survey.

Figure 5: Share of expenditure on individual recurrent consumption item over the total expenditure on all those items being consumed by ageing consumers in the month preceding the Survey



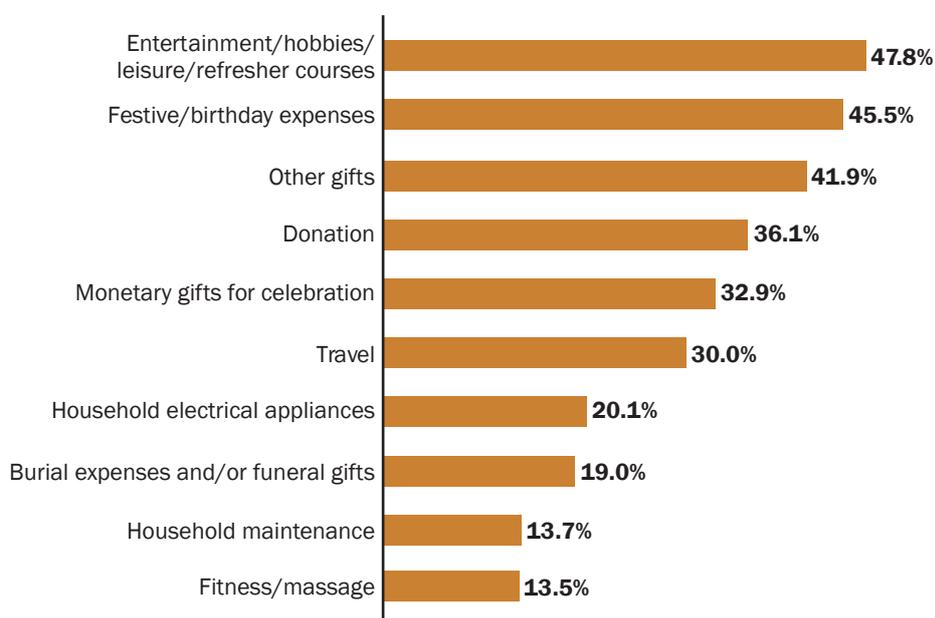
\* figures in bracket are mean expenditure of ageing consumers that had expended on that particular item

## NON-RECURRENT CONSUMPTION ITEMS

### Most commonly consumed non-recurrent items

The respondents were asked about their consumption of certain common non-recurrent items in the period of 12 months preceding the Survey. The five most popular items were entertainment/hobbies/leisure/refresher courses (47.8%), festive/birthday expenses (45.5%), other gifts (41.9%), donation (36.1%) and monetary gifts for celebration (32.9%) as shown in Figure 6. Such non-recurrent expenditure patterns indicated the elderly remains to be socially active and is in demand to contribute for celebrative or funeral incidents.

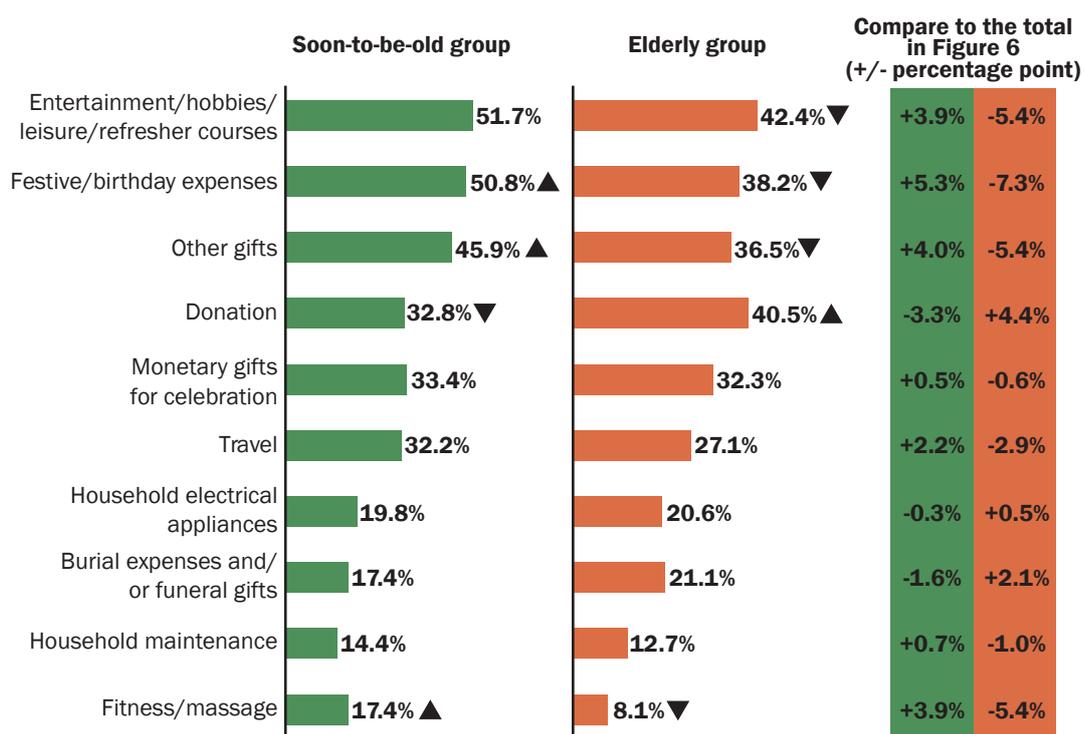
Figure 6: Non-recurrent consumption items being consumed by ageing consumers in the period of 12 months preceding the Survey



## Comparison between the soon-to-be-old group and the elderly group

It was again found that the elderly group differed from the soon-to-be-old group in the consumption of certain non-recurrent consumption items. A significantly higher proportion of the elderly group had expended on donation while significantly lower proportion of them had consumed on items like festive/birthday expenses; entertainment/hobbies/leisure/refresher courses; other gifts and fitness/massage. The results of the soon-to-be-old group has reflected a pattern on the contrary.

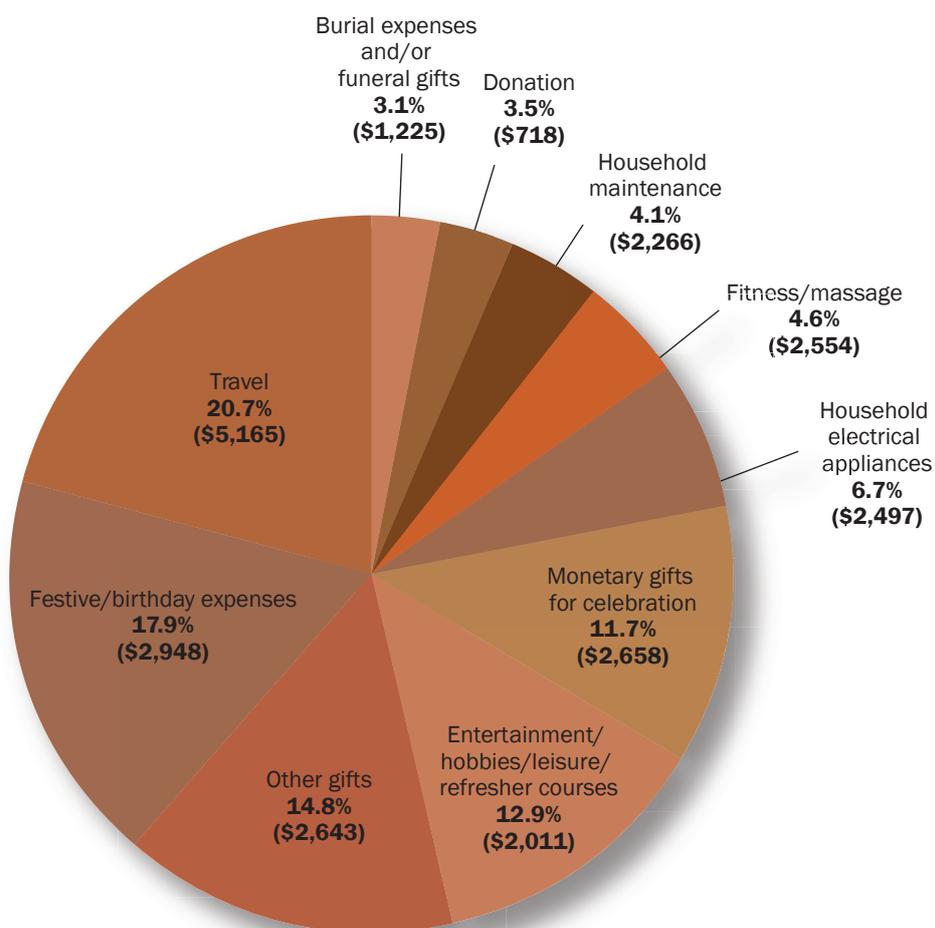
Figure 7: Comparison between the soon-to-be-old group and the elderly group on non-recurrent consumption items being consumed in the period of 12 months preceding the Survey



## Proportion of expenditure on each non-recurrent item

The respective portions of spending on each of the non-recurrent items over the aggregate total expenditure of the ageing consumers on all those items were also analysed in Figure 8. The spending on travel took the largest share (20.7%), followed by festive/birthday expenses (17.9%), other gifts (14.8%), entertainment/hobbies/leisure/refresher courses (12.9%) and monetary gifts for celebration (11.7%). These items accounted for more than three-quarters (78.0%) of the aggregate total expenditure on all the non-recurrent consumption items under the Survey. They, except travel, were also among the five most popular items as shown in Figure 6.

Figure 8: Share of expenditure on the non-recurrent consumption items over the total expenditure on all those items being consumed by ageing consumers in the period of 12 months preceding the Survey



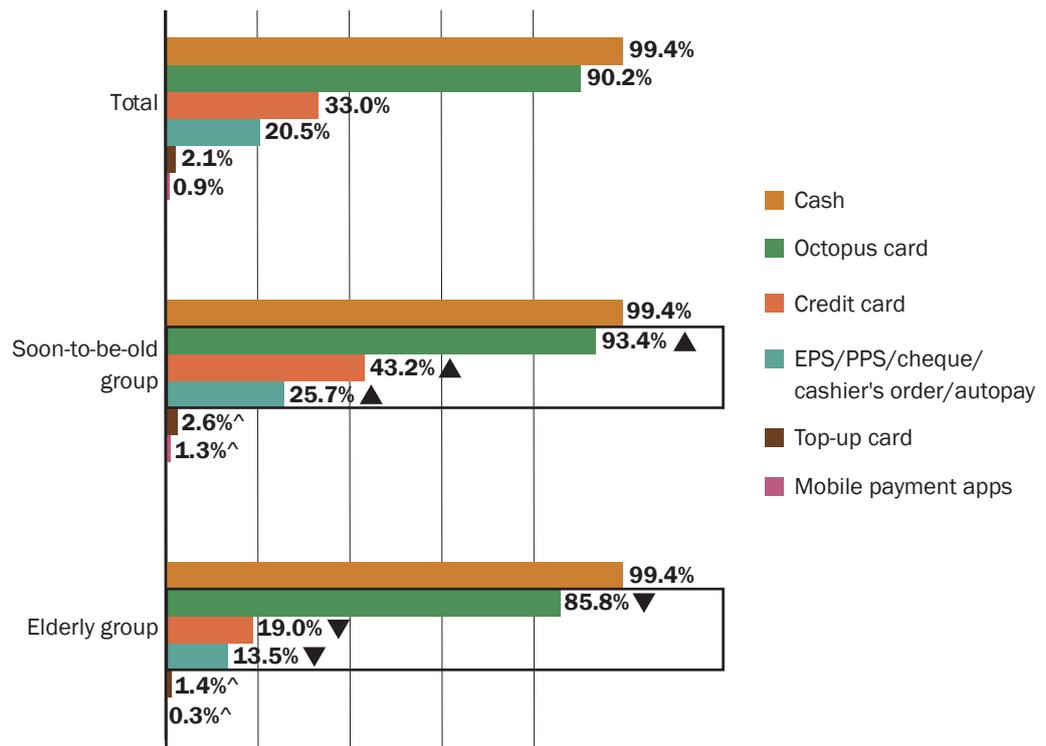
\* figures in bracket are mean expenditure of ageing consumers that had expended on that particular item

## PAYMENT METHODS

The two most common payment methods used for local purchase among ageing consumers were cash (99.4%) and octopus card (90.2%) as shown in Figure 9. These were followed at a distance by credit cards (33.0%) and EPS/PPS/cheque/cashier's order/autopay (20.5%).

Compared to the elderly group, the soon-to-be-old group had significantly higher usage of electronic means, such as octopus card (93.4%), credit card (43.2%) and EPS/PPS/cheque/cashier's order/autopay (25.7%).

Figure 9: Payment methods used for local purchase in the month preceding the Survey by age group



## ATTITUDES TOWARDS ONLINE SHOPPING AND SUSTAINABLE CONSUMPTION

It was found that ageing consumers who shopped online (11.1%) or who would first consider buying recyclable or sustainable products/services (72.2%) tended to be more educated, employed, with less vulnerabilities. They also tended to earn more and spend more. The average monthly spending for those who shopped online (HK\$10,290) almost doubled those who did not shop online (HK\$5,786). While those who have shopped online tended to be younger, no age difference was found for those who would or would not consider buying recyclable or sustainable products/services.

## 2.4

## VIEWES ON AND EXPERIENCE IN THE MARKET

Apart from their consumption pattern, the survey also sought the ageing consumers' views on age-friendly measures, sufficiency of choice in the market, and gauged the impact of vulnerabilities on their engagement in consumption activities and their satisfaction towards different sectors.

### MEASURES FACILITATING AN AGE-FRIENDLY ENVIRONMENT IN A SHOPPING MALL

To better understand the needs and expectations of Hong Kong ageing consumers on how to build an age-friendly environment for a shopping mall, the ageing consumers were asked to select from a number of options the measures they considered important (Table 1). It is worth to note that the availability of physical facilities like clean and hygienic restrooms with dry and smooth floor (79.5%), seats for ageing consumers (74.3%), and sufficient and easily accessible restrooms (69.3%) are being rated by most of the ageing consumers as important for creating an age-friendly shopping environment. They are then followed by measures relating to safety concern and clarity of information such as clear glass door awareness labels (51.6%), clear information showing directions to stores and restrooms (49.6%), and display of latest information in large typeface (43.6%). Discount offered by shops (44.2%), or priority customer service specifically rendered to them (38.0%) are only rated by around 40% of the ageing consumers as important.

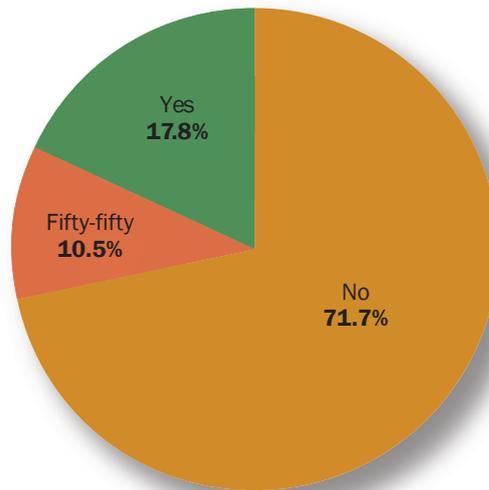
Table 1: Important measures for building an age-friendly consumption environment in a shopping mall

<b>Physical facilities</b>	
Clean and hygienic restrooms with dry and smooth floor	<b>79.5%</b>
Seats for ageing consumers	<b>74.3%</b>
Sufficient and easily accessible restrooms	<b>69.3%</b>
<b>Safety concern and clarity of information</b>	
Clear glass door awareness labels to prevent bumping or injury	<b>51.6%</b>
Clear information showing directions to stores and restrooms	<b>49.6%</b>
Display of latest information of shopping malls in large typeface	<b>43.6%</b>
<b>Service provision</b>	
Line up tenants to offer discount for ageing consumers	<b>44.2%</b>
Priority customer service for ageing consumers	<b>38.0%</b>
Home delivery service at reasonable charges	<b>29.0%</b>
Wheelchair rental service	<b>25.4%</b>
<b>Others</b>	
Good shop mix meeting the needs of ageing consumers	<b>30.8%</b>
Solicit views from the elderly and respect their participation	<b>22.2%</b>

## INSUFFICIENT CHOICES AND PROBLEMS ENCOUNTERED IN CONSUMPTION

Majority (71.7%) of the ageing consumers found that choices of goods/services for the elderly in the market were insufficient (Figure 10), and no significant difference was found between the two age groups. This confirms the observation of previous study that the silver market in Hong Kong was not yet mature<sup>79</sup>, and it appeared that the ageing consumers were not adequately served as a whole.

Figure 10: Sufficiency of choices in the market as perceived by the ageing consumers



## DIFFICULTIES POSED BY VULNERABILITIES

Over half (51.5%) of the ageing consumers with multiple vulnerabilities found it difficult to follow instructions of the product manual, 45.2% to make choice in the purchase of mobile phones or telecommunications services and 18.7% to check their bank statements/old age allowance on their own. Besides, 21.7% of those with single vulnerability and 36.3% of those with multiple vulnerabilities could not complete making inquiry about services through the phone.

## SATISFACTION TOWARDS VARIOUS INDUSTRIES

The ageing consumers were also asked about their satisfactions towards the performance of the industries under survey in meeting their needs. The three industries that the ageing consumers were relatively more satisfied with include public transportation (66.0%), banking (58.8%) and medical (52.0%) as shown in Figure 11. For all other industries, the satisfaction ratings fell below 50% and scored within the range of 18.2% to 44.4%, i.e. for the majority of industries under survey, less than half of the ageing consumers were satisfied with the industry performance.

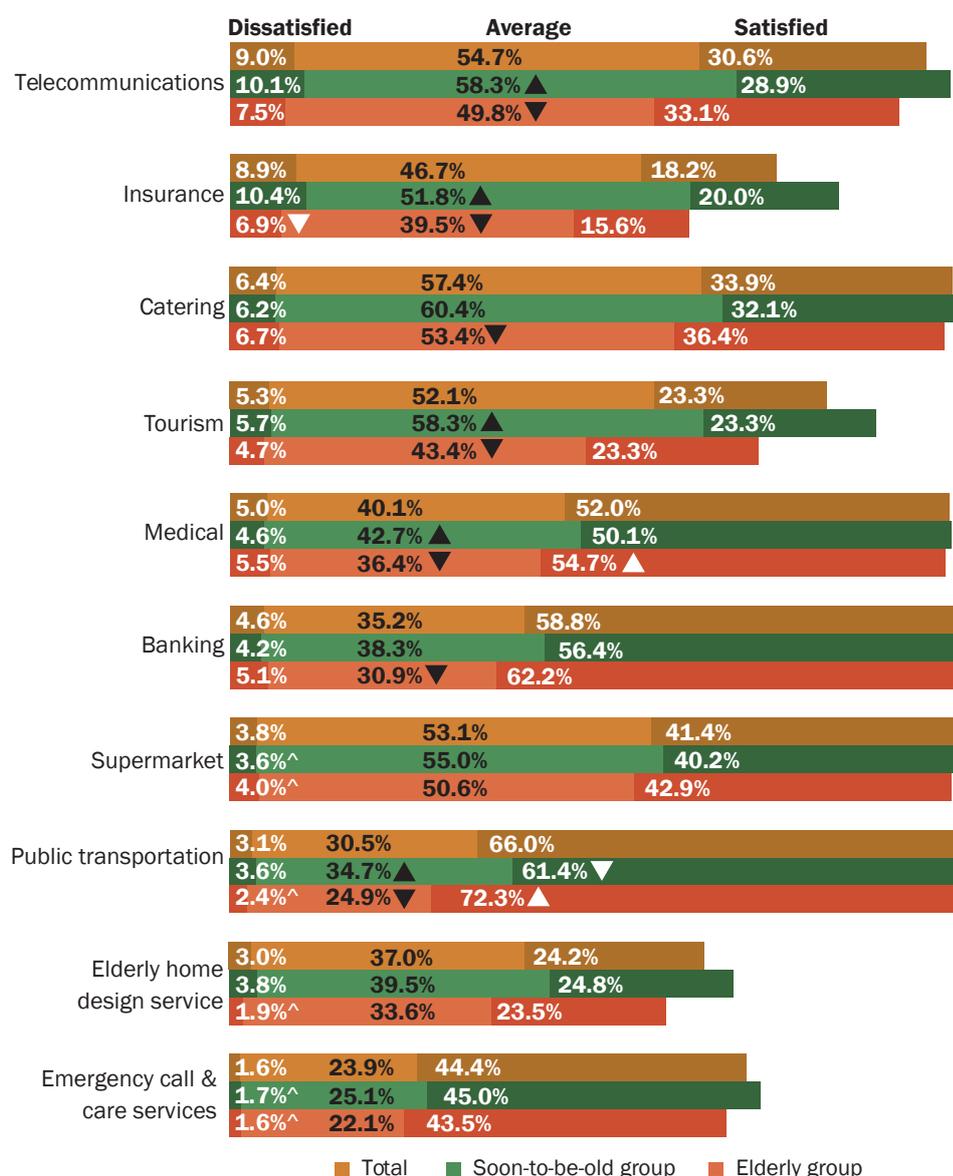
It is worth noting that telecommunications (9.0%), insurance (8.9%) and catering (6.4%) were rated with highest dissatisfaction, and worse still, these are the recurrent items that commonly consumed by the ageing population. For instance, majority of the ageing consumers had

<sup>79</sup> A Study on Silver Hair Market Development in Selected Economies, Vol 1, HKU, Jun 2011

reported dining out (79.8%) and telecommunications (67.3%) as their recurrent consumption, but only one-third of the respondents satisfied with the industries (30.6% for telecommunications; 33.9% for catering industry). Similarly, insurance has become more popular among the soon-to-be-old group and 22% of them reported it as their recurrent consumption, but only 20% of this group found the performance of this sector satisfactory.

The elderly group tended to be more satisfied with the performance of public transportation (72.3%, versus 66% total) and medical industry (54.7%, versus 52% total) in meeting their needs. This could be partly due to the subsidised services provided under the Government Public Transport Fare Concession Scheme and the EHCVS<sup>80</sup> for elderly people aged 65 or above, under which they paid less for the services.

Figure 11: Satisfaction towards various industries by age group



<sup>80</sup> Details of the schemes see <https://www.swd.gov.hk/en/index/>

The results also indicate that ageing consumers with different types of vulnerability had different levels of satisfaction towards various industries (Table 2). As regards those who were cognitively vulnerable, rate of dissatisfaction towards the insurance industry was significantly higher than that of ageing consumers in general (11.6%, versus 8.9% total), whereas higher proportion of those physically vulnerable were dissatisfied with the medical industry (7.8%, versus 5% total).

Table 2: Rate of dissatisfaction towards various industries by vulnerabilities

Industries	% of Ageing Consumers in Total	% of Ageing Consumers who were			
		Physically vulnerable	Emotionally vulnerable ^	Cognitively vulnerable	Mobility vulnerable ^
Telecommunications	9.0	10.3	11.1	9.8	16.2
Insurance	8.9	9.4	12.9	11.6▲	10.0
Catering	6.4	6.1	9.7	8.2^	8.2
Tourism	5.3	6.1	6.5	6.8^	7.9
Medical	5.0	7.8▲	8.6	5.6^	4.5
Banking	4.6	4.8	5.1	5.2^	5.9
Supermarket	3.8	3.7^	2.3	4.1^	1.4
Public transportation	3.1	2.9^	4.5	2.1^	4.1
Elderly home design services	3.0	2.7^	3.4	2.9^	6.7
Emergency call & care service	1.6	1.7^	4.7	0.8^	1.8

## ALERTNESS TO POTENTIAL RISKS OF CONSUMPTION

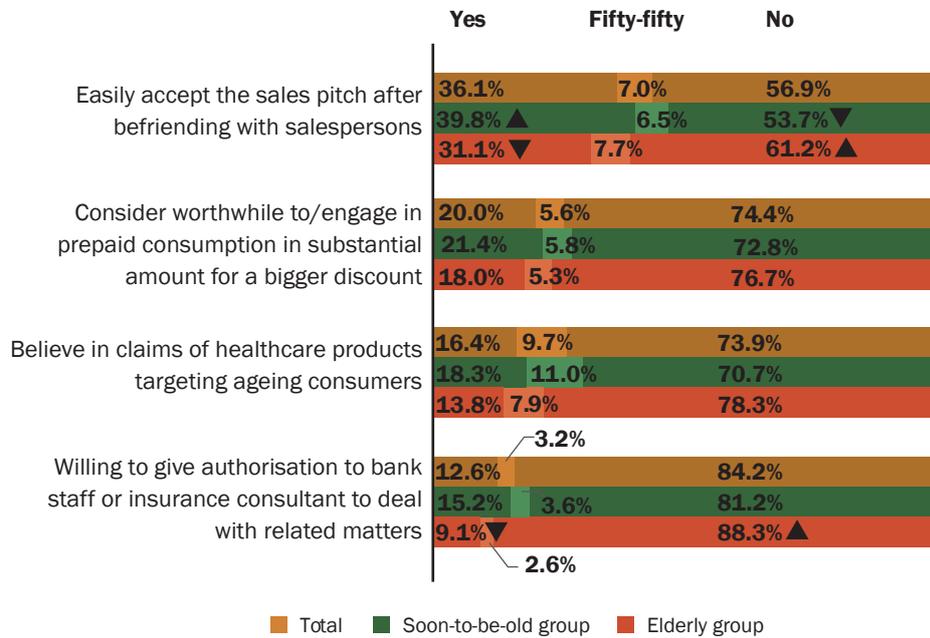
The Survey also gauged the alertness of the ageing consumers to potential risks arising from certain sales practices or consumption situations (Figure 12).

The findings indicate that although the ageing consumers are fairly cautious to consumption risks, around one-third of them are susceptible to sales pitch after befriending with salespersons (36.1%). A group of the ageing consumers (20%) consider worthwhile to engage in prepaid consumption in substantial amount for a bigger discount, lacking sufficient vigilance against potential risks of consumption arising from pre-payment (e.g. subsequent closure of businesses and wastage of unused prepaid service). 16.4% believe in the claims of healthcare products targeting the ageing consumers while 12.6% are willing to give full authorisation to bank staff or insurance consultant to deal with related matters. This may reflect that some ageing consumers are tended to be credulous because of particular individual circumstances, such as physical or intellectual infirmity, causing them to rely on authoritative claims or persons.

Differences are observed in the two age groups. For example, significantly higher proportion of the soon-to-be-old group (39.8%, versus 36.1% total) claimed that they would accept the

salesperson's pitch after befriending with them but significantly lower percentage of the elderly group would do the same (31.1%). Besides, significantly lower proportion of the elderly group (9.1%, versus 12.6% total) said that they would fully authorise bank staff or insurance consultant they trusted to handle related matters. The findings indicate that the elderly group seems to be more vigilant in matters related to monetary transactions.

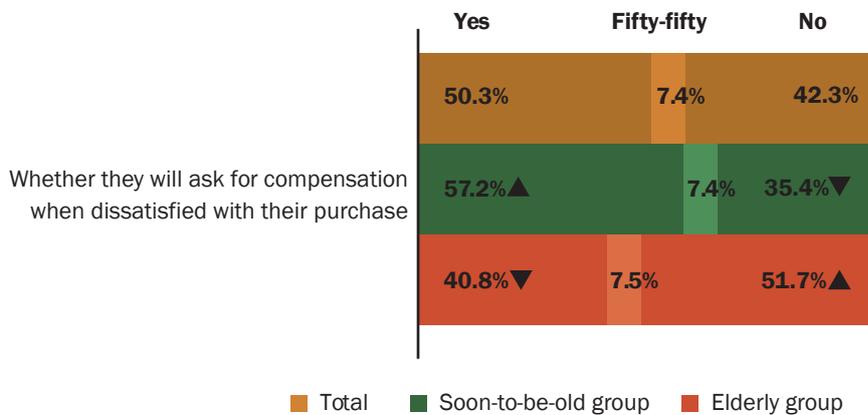
Figure 12: Alertness to potential risks of consumption by age group



## TENDENCY TO SEEK REDRESS

When being asked if something wrong with the purchase happened, quite a number of the ageing consumers answered that they would not seek redress (Figure 13). 42.3% of the ageing consumers indicated that they would not ask for compensation when dissatisfied with their purchase. It is worth noting that a significantly higher proportion of the elderly group (51.7%, versus 42.3% total and 35.4% soon-to-be-old group) were unlikely to ask for compensation when dissatisfied with their purchase.

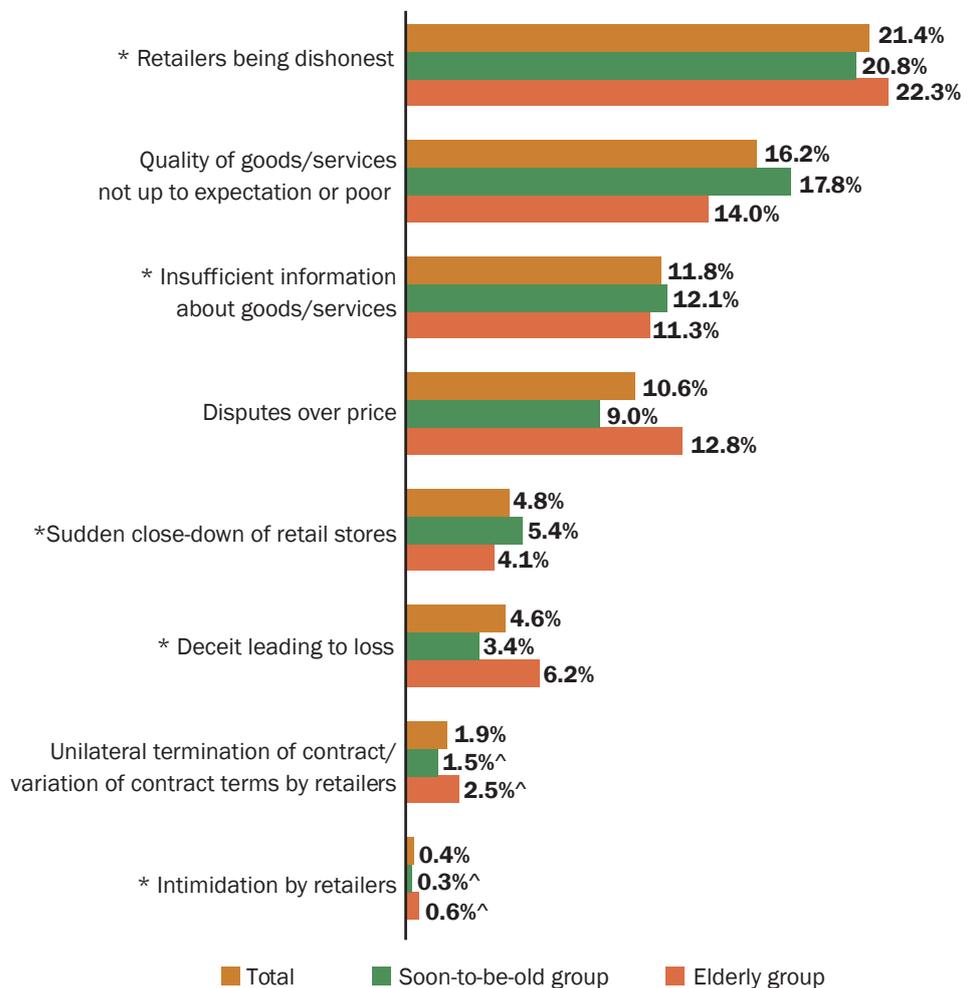
Figure 13: Incentive to seek redress by age group



## UNPLEASANT EXPERIENCES ENCOUNTERED IN CONSUMPTION AND ACTIONS TAKEN TO SEEK REDRESS

About two-fifths of the ageing consumers (38.7%) indicated that they had encountered unpleasant experiences in consumption for various reasons (“the Experience”) in the period of 12 months preceding the Survey. Figure 14 shows that the top three mentioned causes are “retailers being dishonest” (21.4%), followed by “quality of goods/services not up to expectation or poor” (16.2%) and “insufficient information about goods/services” (11.8%). A few had even suffered loss as a result of deceit (4.6%). This shows that there is substantial room for the market to improve in business integrity, quality of goods and services and accessibility of information. No significant difference was found between the two age groups.

Figure 14: Events leading to the Experience encountered during consumption in the period of 12 months preceding the Survey by age group



\* The events leading to the Experience related to or might be related to unfair trade practices

## Associations between demographic features and experience of unfair trade practices

Among the events leading to the Experience encountered, some of them were related to or might be related to unfair trade practices. They include:

- retailers being dishonest;
- insufficient information about goods/services;
- sudden close-down of retail stores;
- deceit leading to loss; and
- intimidation by retailers.

More than a quarter of the ageing consumers (28.9%) had encountered the events leading to the Experience related to or might be related to unfair trade practices. Analysis was made to identify the associated factors and amongst all the demographic characteristics<sup>81</sup>, employment status, marital status, and vulnerabilities were factors associated with their encounter with such events.

Those who were still in employment were less likely to encounter those events whereas those who had not been married were more likely to encounter those events. Among the three factors, vulnerability was found to be the most significant factor associated with the likelihood. When an ageing consumer had one vulnerability, the likelihood would increase by 99%. The likelihood would further increase by 99% points, making the chance to about two-fold (198%) if one had multiple vulnerabilities (i.e. two to four vulnerabilities).

The ageing consumers with different vulnerabilities would encounter the events leading to the Experience related to or might be related to unfair trade practices at different risk levels. Findings in Table 3 showed that the elderly with mobility vulnerability risk the highest (53.1%) while emotional (49.6%) and cognitive (42.1%) rank second and third, then physical vulnerability (39.9%).

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<sup>81</sup> Demographic characteristics here included age (i.e. 55-59, 60-64, 65-69, 70-74, and 75-79), gender (i.e. male and female), educational attainment, (i.e. primary or below, secondary, and post-secondary), economic status (i.e. working and unemployed), housing type (i.e. public and private housing), monthly spending, monthly personal income, marital status (i.e. single (never married), cohabiting, married, and widowed/divorced/separated), living arrangements (i.e. living alone, with parents, spouse, children, grandchildren, siblings, friends, and others), and vulnerability.

# VULNERABILITIES RAISE THE CHANCE OF EXPERIENCING UNFAIR TRADE PRACTICES

## DEMOGRAPHICS

Types of Vulnerabilities



**Physical**  
35.7%



**Emotional**  
13.8%



**Cognitive**  
18.5%

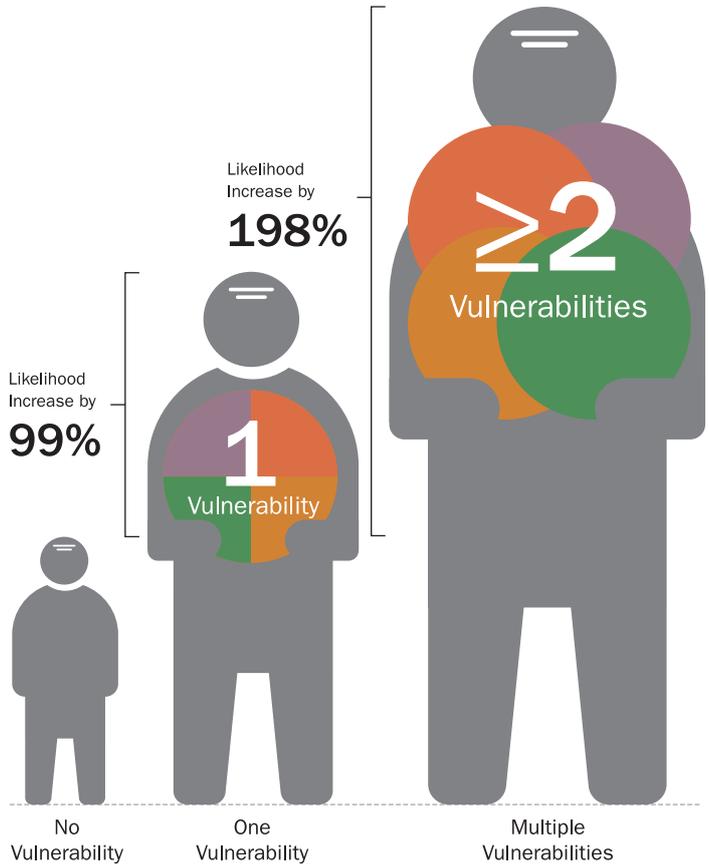


**Mobility**  
5.1%

Number of Vulnerabilities

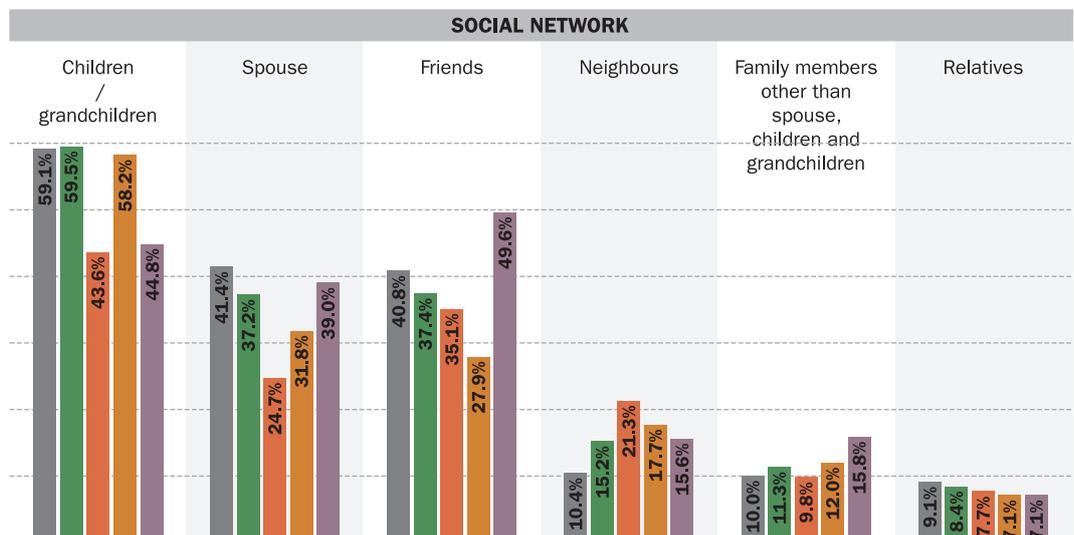


## LIKELIHOOD TO EXPERIENCE UNFAIR TRADE PRACTICES



## SOURCE OF ADVICE/HELP

■ Ageing consumers in general



Specifically speaking, ageing consumers with different vulnerabilities could be more susceptible to different trade malpractices:

- a. Those who were physically vulnerable were more likely to encounter “retailers being dishonest” (31.4%, versus 21.4% total), “sudden close-down of retail stores” (7.9%, versus 4.8% total) and “deceit leading to loss” (7.5%, versus 4.6% total);
- b. Those who were emotionally vulnerable were more likely to encounter “retailers being dishonest” (40.1%, versus 21.4% total), “insufficient information about goods/services” (17.9%, versus 11.8% total) and “deceit leading to loss” (11.1%, versus 4.6% total);
- c. Those who had cognitive vulnerability were more likely to encounter “retailers being dishonest” (34.0%, versus 21.4% total) and “deceit leading to loss” (9.2%, versus 4.6% total); and
- d. Those who were vulnerable in mobility were more likely to encounter “retailers being dishonest” (41.6%, versus 21.4% total).

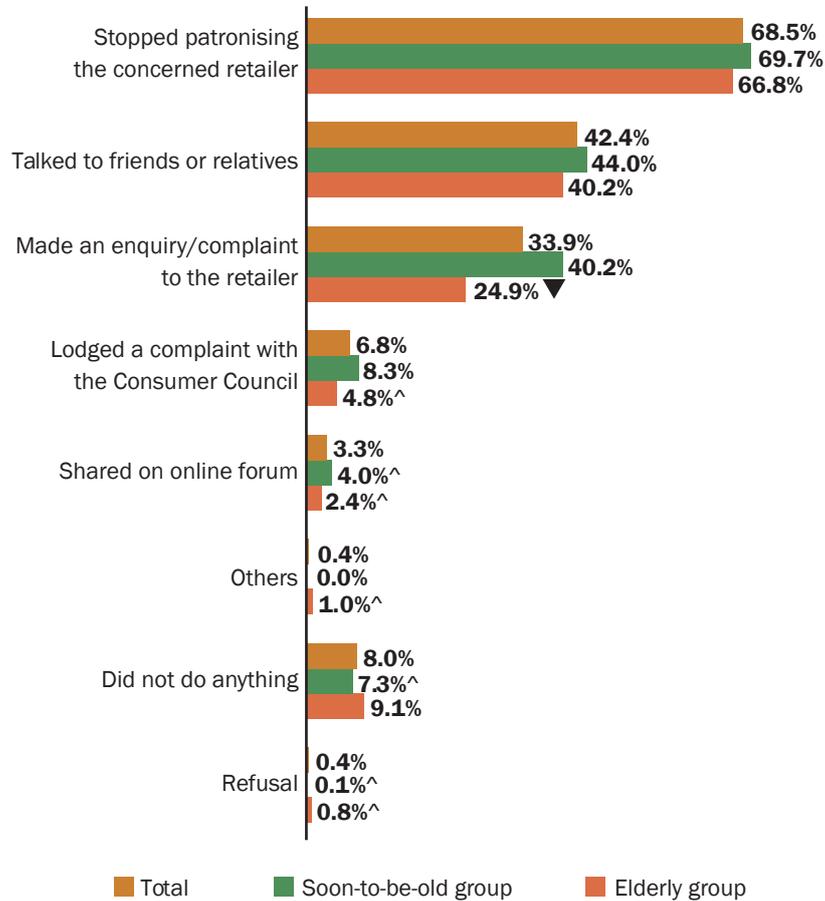
Table 3: Associations between different types of vulnerabilities and encountering events leading to the Experience related to or might be related to unfair trade practices (“the Events”)

Ageing Consumers who had encountered	% of Ageing Consumers in Total	% of Ageing Consumers who were			
		Physically vulnerable	Emotionally vulnerable	Cognitively vulnerable	Mobility vulnerable
Any of the Events (multiple answers)	<b>28.9</b>	<b>39.9▲</b>	<b>49.6▲</b>	<b>42.1▲</b>	<b>53.1▲</b>
Retailers being dishonest	<b>21.4</b>	<b>31.4▲</b>	<b>40.1▲</b>	<b>34.0▲</b>	<b>41.6▲</b>
Insufficient information about goods/services	<b>11.8</b>	<b>13.5</b>	<b>17.9▲</b>	<b>15.3</b>	<b>20.4^</b>
Sudden close-down of retail stores	<b>4.8</b>	<b>7.9▲</b>	<b>14.2^</b>	<b>8.7^</b>	<b>6.6^</b>
Deceit leading to loss	<b>4.6</b>	<b>7.5▲</b>	<b>11.1▲</b>	<b>9.2▲</b>	<b>8.9^</b>
Intimidation by retailer	<b>0.4</b>	<b>0.4^</b>	<b>1.6^</b>	<b>0.9^</b>	<b>0.3^</b>

Those who had encountered the Experience were further asked about the actions they had taken in response. The results in Figure 15 confirmed the earlier finding on the purported case that the ageing consumers were rather inactive in seeking redress. Only 33.9% of them would make an enquiry/a complaint to the retailer and 6.8% would lodge a complaint with the Consumer Council. Over two-thirds (68.5%) of them would stop patronising the concerned retailer, and some (42.4%) would talk to relatives or friends. 8% of them even did not take any particular actions. It is worth noting that significantly lower proportion of the elderly group had

made an enquiry/a complaint to the retailers. This may reflect that the elderly group is even more in need of consumer education in self-empowerment regarding redress seeking. No significant difference was found when factoring in their vulnerabilities.

Figure 15: Actions taken in response to the Experience encountered



## SOURCES OF CONSUMPTION INFORMATION

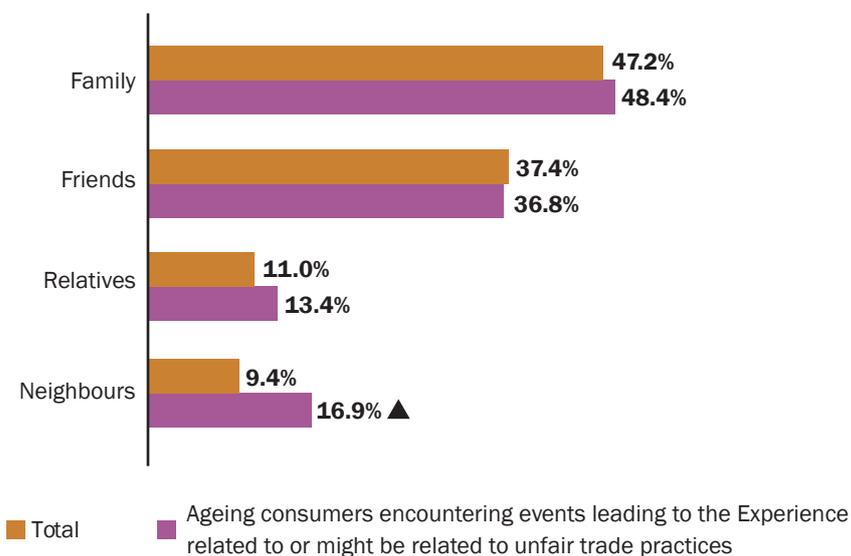
Accurate and easy-to-understand consumption information is critical for ageing consumers to make informed choices. Accessibility of consumption information is a vital issue for safeguarding the interests of ageing consumers. Consumption information can be obtained through social network such as family, friends and relatives and from media in the public domain, such as TVs, radios, newspapers and the Internet. The survey gauged the significance of support from various sources for accessing consumption information by the ageing consumers.

### Social network

More than one-third of the ageing consumers stated that family (47.2%) and friends (37.4%) were their most common sources of consumption information, followed at a distance by relatives

(11.0%) and neighbours (9.4%) (Figure 16). There was not much difference between the ageing consumers having the Experience and the ageing consumers in total in resorting to different sources of consumer information, except that the percentage of the former who turned to “neighbours” for consumption information was significantly higher than that of the latter (16.9%, versus 9.4% total).

Figure 16: Sources of consumption information within social network



It is worth noting in Table 4 that although family was the predominant source of consumption information for the ageing consumers in total, the ageing consumers who were physically, emotionally or cognitively vulnerable were more likely to get consumption information from neighbours when compared with the ageing consumers in general (13.6%, 18.8% and 17.3% for those with respective vulnerabilities, versus 9.4% total) but less likely from friends (29.6%, 28.6% and 29.7% for those with respective vulnerabilities, versus 37.4% total). This may indicate the importance of social support within reach for the ageing consumers with vulnerabilities.

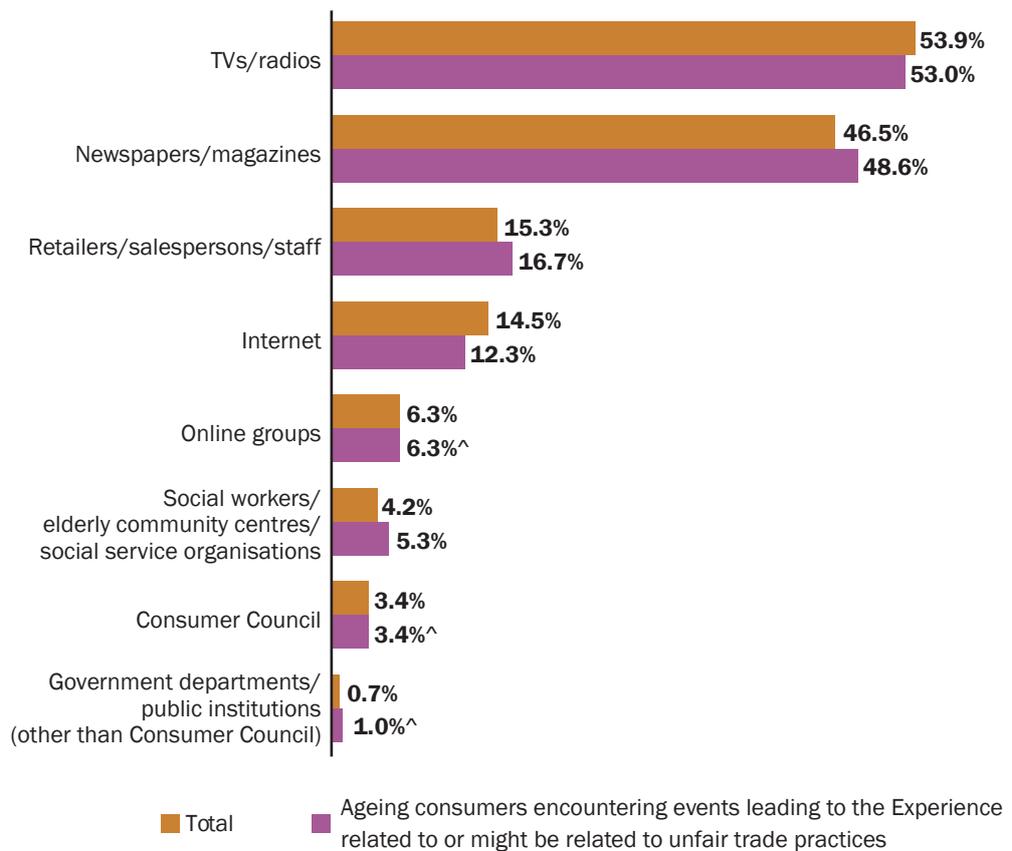
Table 4: Sources of consumption information within social network among ageing consumers with vulnerabilities

Sources of consumption information	% of Ageing Consumers in Total	% of Ageing Consumers who were			
		Physically vulnerable	Emotionally vulnerable	Cognitively vulnerable	Mobility vulnerable
Family	47.2	49.2	31.8 ▼	47.2	42.1
Friends	37.4	29.6 ▼	28.6 ▼	29.7 ▼	39.6
Relatives	11.0	10.1	9.6	8.0 ^	11.0 ^
Neighbours	9.4	13.6 ▲	18.8 ▲	17.3 ▲	12.3 ^

## Public domain

It was found that conventional media, namely TVs & radios (53.9%), newspapers & magazines (46.5%) were the predominant sources of consumption information for the ageing consumers (Figure 17). Only 14.5% of the ageing consumers obtained consumption information from the Internet. In addition to the finding in the earlier section that only 11.1% ageing consumers had shopped online, it was found that ICT application was far from common amongst ageing consumers. No significant difference was found in relation to the source of information from public domain between the general ageing consumers and those who had encountered the events leading to the Experience related to or might be related to unfair trade practices.

Figure 17: Sources of consumption information from public domain



Great majority of the total ageing consumers was satisfied with the information obtained from various sources in public domain. The satisfaction rates were in the range of 85.5% to 97.5%. The top three satisfied sources were Consumer Council (97.5%), social workers/elderly community centres/social service organisations (96.9%) and TVs & radios (91.7%).

Traditional media like TVs & radios, newspapers & magazines were also common sources of consumption information for the ageing consumers with vulnerabilities. Yet, it is worth noting

in Table 5, that as compared to the general ageing consumers, it was more likely that those who were physically, emotionally or cognitively vulnerable would seek consumption information from social workers/elderly community centres/social services organisation (6.0%, 8.9% and 5.5% respectively, versus 4.2% total), whereas ageing consumers who were physically vulnerable were significantly less likely to seek consumption information on the Internet (6.5 %, versus 14.5% total).

Table 5: Sources of consumption information from public domain among ageing consumers with vulnerabilities

Sources of consumption information	% of Ageing Consumers in Total	% of Ageing Consumers who were			
		Physically vulnerable	Emotionally vulnerable	Cognitively vulnerable	Mobility vulnerable
TVs/radios	<b>53.9</b>	<b>53.3</b>	<b>53.9</b>	<b>54.5</b>	<b>43.3</b>
Newspapers/magazines	<b>46.5</b>	<b>44.9</b>	<b>40.4</b>	<b>40.3▼</b>	<b>52.8</b>
Retailers/salespersons/staff	<b>15.3</b>	<b>13.6</b>	<b>11.9</b>	<b>11.2</b>	<b>13.2^</b>
Internet	<b>14.5</b>	<b>6.5▼</b>	<b>5.4^</b>	<b>5.5^</b>	<b>6.5^</b>
Online groups	<b>6.3</b>	<b>4.5</b>	<b>4.2^</b>	<b>0.8^</b>	<b>4.8^</b>
Social workers/elderly community centres/social service organisations	<b>4.2</b>	<b>6.0▲</b>	<b>8.9▲</b>	<b>5.5▲</b>	<b>8.7^</b>
Consumer Council	<b>3.4</b>	<b>2.4^</b>	<b>3.9^</b>	<b>0.6^</b>	<b>3.0^</b>
Government departments/public institutions	<b>0.7</b>	<b>0.9^</b>	<b>1.3^</b>	<b>1.5^</b>	<b>0.5^</b>

## SOURCES OF ADVICE/HELP

Apart from consumption information, the ageing consumers may also need advice or help when encountering consumption problems. The ageing consumers were asked about their sources of advice/help when they found the quality of goods purchased was not up to expectation. The sources were again broadly divided into social network and public domain.

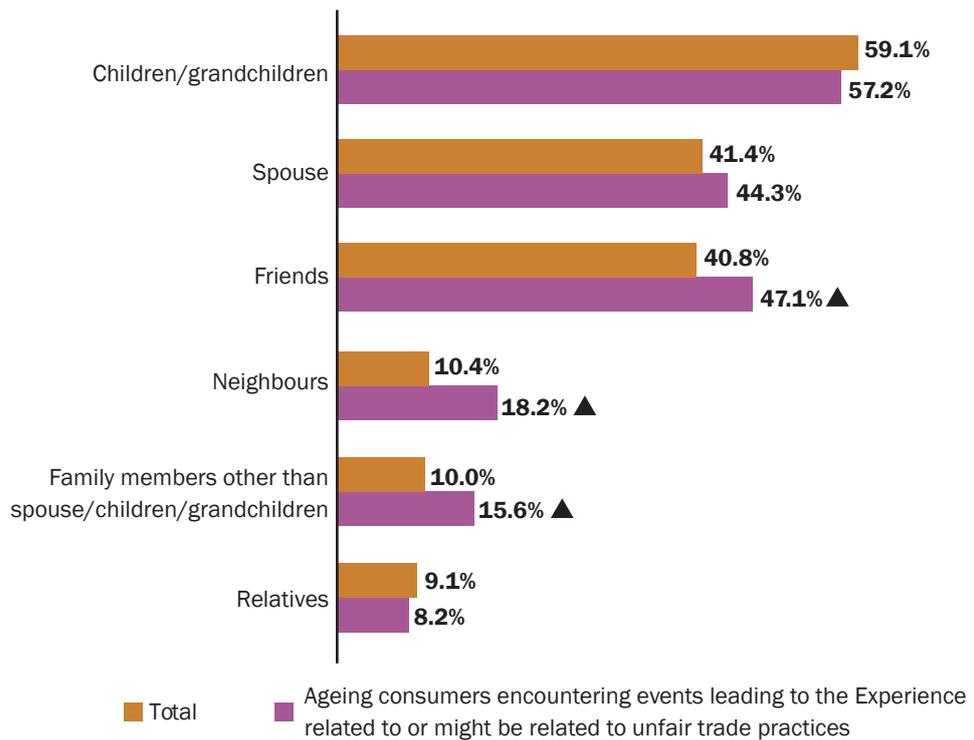
### Social network

The three most mentioned sources of advice/help within social network were children/grandchildren (59.1%), spouse (41.4%) and friends (40.8%) (Figure 18).

Around one-tenth of them would seek help/advice from neighbours (10.4%), and family members other than spouse/children/grandchildren (10%).

Although ageing consumers in general tended to consult their closest family members like children and spouse for advice/help, it is worth noting that significantly higher proportion of the ageing consumers who had encountered the Experience tended to seek advice/help from friends (47.1% versus 40.8% total), neighbours (18.2% versus 10.4% total) and family members other than spouse, children/grandchildren (15.6% versus 10% total) when they found the purchases unsatisfactory.

Figure 18: Sources of advice/help within social network



When vulnerability was factored in, it was found that significantly higher proportion of ageing consumers who were physically, emotionally or cognitively vulnerable would seek advice/help from neighbours than those in general (15.2%, 21.3% and 17.7% for respective vulnerabilities, versus 10.4% total) and significantly lower proportion of them would seek advice/help from spouse (37.2%, 24.7% and 31.8% respectively, versus 41.4% total) (Table 6).

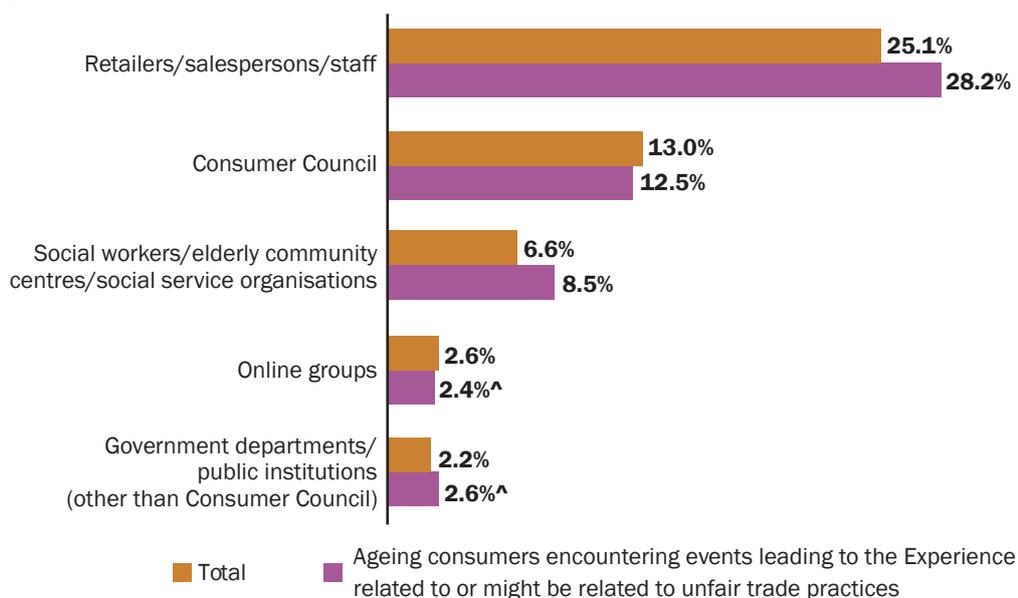
Table 6: Sources of advice/help within social network among ageing consumers with vulnerabilities

Sources of advice/help	% of Ageing Consumers in Total	% of Ageing Consumers who were			
		Physically vulnerable	Emotionally vulnerable	Cognitively vulnerable	Mobility vulnerable
Children/grandchildren	59.1	59.5	43.6▼	58.2	44.8▼
Spouse	41.4	37.2▼	24.7▼	31.8▼	39.0
Friends	40.8	37.4	35.1	27.9▼	49.6
Neighbours	10.4	15.2▲	21.3▲	17.7▲	15.6^
Family members other than spouse/children/grandchildren	10.0	11.3	9.8	12.0	15.8^
Relatives	9.1	8.4	7.7^	7.1	7.1^

## Public domain

No significant difference was found between the ageing consumers in general and those who had encountered the events leading to the Experience related to or might be related to unfair trade practices in terms of the source of advice/help outside the social network. When the quality of goods was not up to expectation, the most popular source of advice/help was retailers/salespersons/staff (25.1%) (Figure 19). It may be because this option was the most direct in resolving consumer disputes. The Consumer Council (13%) came next. The percentages of seeking other institutional support such as from social workers/elderly community centres/social service organisation (6.6%), online groups (2.6%) and government departments/public institutions (other than Consumer Council) (2.2%) were also quite low.

Figure 19: Sources of advice/help from public domain



Similar to the satisfaction ratings on various sources of consumption information from public domain, the ageing consumers were rather satisfied with the advice/help obtained, with the rate of satisfaction ranging from 78.4% (government departments/public institutions), 79.4% (retailers/salespersons/staff), 90% (Consumer Council), 92% (online groups) to 99% (social workers/elderly community centres/social services organisations).

When vulnerability was factored in, it was found that significantly lower proportion of ageing consumers who were physically vulnerable would approach the Consumer Council for redress than those in general (8.1%, versus 13% total). On the contrary, significantly higher proportion of those who were physically, emotionally or cognitively vulnerable would seek advice/help from social workers/elderly community centres/social services organisation for support (10 to 14.6%, versus 6.6% total) (Table 7).

Table 7: Sources of advice/help from public domain among ageing consumers with vulnerabilities

Sources outside social network	% of Ageing Consumers in Total	% of Ageing Consumers who were			
		Physically vulnerable	Emotionally vulnerable	Cognitively vulnerable	Mobility vulnerable <sup>^</sup>
Retailers/salespersons/staff	<b>25.1</b>	<b>23.2</b>	<b>21.0</b>	<b>21.2</b>	<b>18.8</b>
Consumer Council	<b>13.0</b>	<b>8.1▼</b>	<b>7.8<sup>^</sup></b>	<b>6.4<sup>^</sup></b>	<b>7.5</b>
Social workers/elderly community centres/social service organisations	<b>6.6</b>	<b>10.0▲</b>	<b>14.6▲</b>	<b>10.2▲</b>	<b>14.1</b>
Online groups	<b>2.6</b>	<b>0.7<sup>^</sup></b>	<b>0.9<sup>^</sup></b>	<b>1.2<sup>^</sup></b>	<b>0.6</b>
Government departments/public institutions (other than Consumer Council)	<b>2.2</b>	<b>2.8<sup>^</sup></b>	<b>2.2<sup>^</sup></b>	<b>0.5<sup>^</sup></b>	<b>2.3</b>

The ageing consumers in general are leading a rather active and socialised lifestyle, as compared to what seems to be the conventional thinking that they are inactive and staying at home. In fact, the future elderly, i.e. the “soon-to-be-old” group has rather different consumption behaviour as compared to the “elderly group”. The soon-to-be-old group is more educated, having higher personal income and are spending more on average, as compared to the older ones. They are also more able to catch up with the technological trend to meet their consumption needs.

The two groups also differ from each other in consumption patterns, as reflected by the variations in their consumption of recurrent and non-recurrent items. Apart from being active in economic activities and having a stronger desire for quality living, the soon-to-be-old are also spending more to support their family member or to serve as carers of their elder parents.

Vast majority of the ageing consumers opined that there were insufficient choices in the market that caters to their needs, reaffirming that the silver market in Hong Kong is yet to nurture. As regards satisfaction towards particular industries, public transportation, banking and medical services were shared by the two age groups as the ones most ageing consumers found satisfied. Conversely, telecommunications, insurance and catering were the top three industries both age groups rated with highest dissatisfaction.

Responses and attitudes towards certain situations with implications on their consumer interests were also differed. For instance, the soon-to-be-old group was more likely than the elderly group to easily accept the salesperson’s pitch after befriending with him or her, while more respondents of the elderly group tended to be unlikely to seek redress when dissatisfied with their purchases. Majority of them would stop patronising the concerned retailer or talked to friends or relatives when they encountered problematic consumption experiences, but very few would lodge a complaint.

Consumers’ vulnerability is a particularly strong factor that affects the ageing consumer’s chance of encountering events leading to the Experience related or might be related to unfair trade practices. When an ageing consumer had one vulnerability, the likelihood would increase by 99%. The likelihood would further increase by 99% points, making the chance to about two-fold (198%) if one had multiple vulnerabilities (i.e. two to four vulnerabilities).

Family care, neighbourhood and social support network are found to be essential in safeguarding the elders’ interests, especially those with vulnerabilities. In fact, their most common source of consumption information within social network was family, which was followed by friends and relatives, but for ageing consumers with physical, emotional and cognitive vulnerabilities, they were more likely to obtain consumption information as well as to seek advice/help from neighbours and social workers/social service organisations when they encounter consumption problems, which indicates the importance of their availability to offer assistance.

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**GAPS IN  
DELIVERING AN  
AGE-FRIENDLY  
ENVIRONMENT -  
CASE STUDIES**

**3**



## 3.1 | COMPLAINTS LODGED BY AGEING CONSUMERS

The ageing population in Hong Kong has aroused the interest of businesses in the development of silver market. Whether a win-win situation can be created for the benefits of both businesses and ageing consumers would depend on whether businesses can aptly meet the actual needs of ageing consumers and achieve a fair, amicable and accessible environment to facilitate consumption.

The creation of such a market environment would involve amongst others a process of adjustment and improvement by businesses to achieve customer satisfaction. The first step required should be to identify the problems commonly encountered by ageing consumers in a retail context.

In statistical terms, the Survey reported in Chapter 2 found that 38.7% of the ageing consumers had encountered unpleasant experiences in consumption for various reasons in the 12 months preceding the Survey. However, not all of them would seek for a redress and a majority of them stopped visiting the retailers concerned as silent protest of such unpleasant experience.

Apart from the Survey, study was conducted based on the complaints lodged with the Council by ageing consumers with example cases relating to two major sectors that the ageing consumers concern, namely telecommunications services, and medical products/services and elderly care, and the views and experience shared by ageing consumers during the focus group discussions about their interaction with these two sectors.

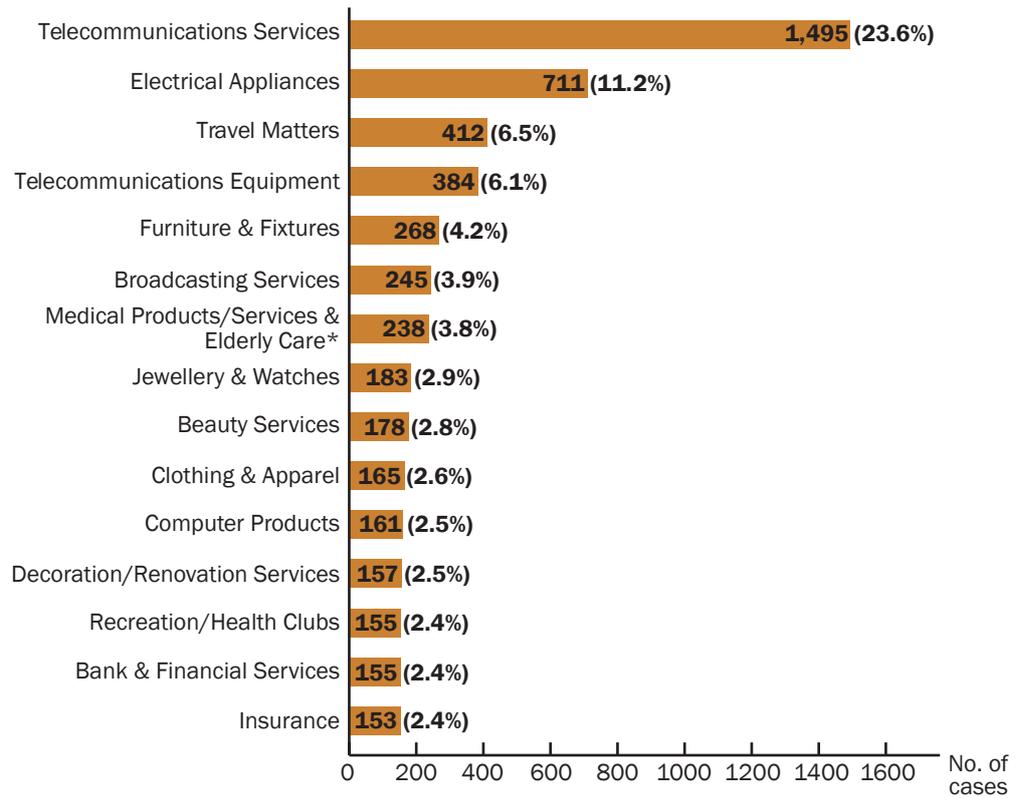
With a view to identifying complaints lodged by ageing consumers, the Council has been requesting complainants to indicate the age range they belong to when filling out the complaint form since October 2015<sup>82</sup>. From October 2015 to June 2018, the Council recorded a total of 6,334 cases lodged by complainants having indicated that they were 55 or older in the complaint form. It was found that the complaints filed by them stand for around 9.0% of a total of 70,334 complaints received by the Council over the same period.

The top five most-complained categories lodged by ageing consumers are Telecommunications Services (23.6%), Electrical Appliances (11.2%), Travel Matters (6.5%), Telecommunications Equipment (6.1%) and Furniture and Fixtures (4.2%). Regarding the nature of complaints, price/charge dispute (25.8%), quality of services (18.7%) and quality of goods (15.2%) are the main areas of dispute. The detailed distributions of complaints amongst different categories of goods or services and the different nature of complaints are shown respectively in Figures 20 and 21 below.

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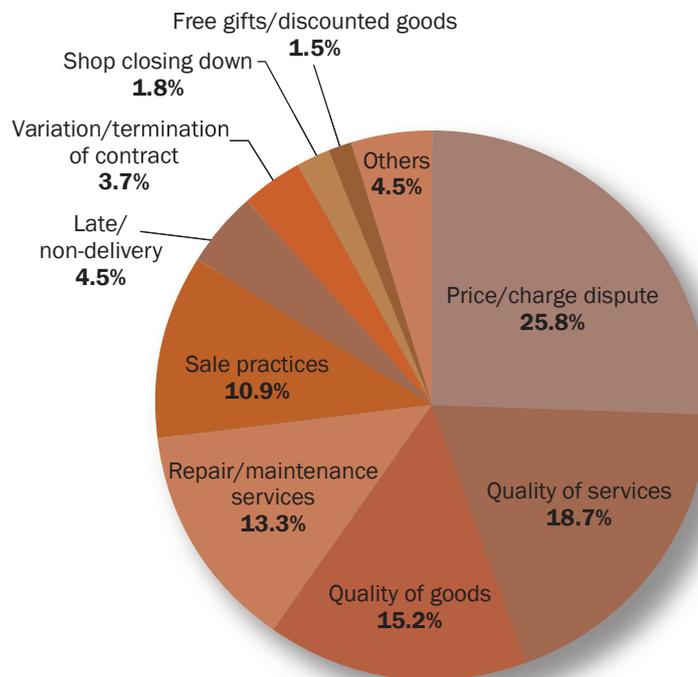
<sup>82</sup> It is worth noting that since the information of age range is provided by complainants on a voluntary basis, complainants could choose not to provide it when lodging complaints. According to the Council's statistics, only around half of the complainants provided such information. Bearing that the one who lodged complaint may not be the complainant himself/herself in some cases, the figures may represent only part of the complaint situation related to elderly consumers.

Figure 20: Top 15 categories of goods or services against which complaints were lodged by ageing consumers aged 55 or above (Oct 2015 – Jun 2018)



\* including Medical Services (98 cases), Medicine & Chinese Herbal Medicine (63 cases), Medical & Health Devices (50 cases), and Elderly Care (27 cases)

Figure 21: Nature of complaints lodged by ageing consumers aged 55 or above (Oct 2015 - Jun 2018)



Seeking to understand the problems commonly encountered by ageing consumers during consumption in a more specific manner, the Council saw the needs to study some typical complaint cases filed by ageing consumers under the categories of “Telecommunications Services”, “Telecommunications Equipment” and “Medical Products/Services and Elderly Care”.

## TELECOMMUNICATIONS SERVICES

As mentioned above, “Telecommunications Services” and “Telecommunications Equipment” are among the top 5 categories of goods or services in terms of number of complaints lodged by ageing consumers. It is in line with the findings of the survey that Telecommunications Services ranked top among 10 industries in terms of dissatisfaction level. The top 3 complaint types under these two categories (hereafter collectively referred to as “Telecommunications Services”) were related to disputes concerning fees and charges (45.7%), quality of services (16.8%) and repair and maintenance services (12%). As regards the top 3 product/service types concerned, they were mobile phone services (26%), mobile handset (18.8%) and internet services (18.6%).

Typical problems faced by the ageing consumers have been identified in the review of complaint cases under this category, which includes their inability to make use of new technologies resulting in digital exclusion depriving them of options of less cost and higher efficiency (Cases 1 and 2) and sales promotion of products not suitable for ageing consumers (Case 3).

### Case 1: Charge on Paper Bill

The complainant, aged 62, had received by post paper bills for telecommunications services for many years and he paid by cash according to the amount of service charge stated in them. One day, the service provider notified the complainant by letter that it was going to charge for paper bill. It suggested the complainant receive the bill by email or settle the bill

by autopay. As only consumers aged 65 or above were entitled by the service provider concerned to the exemption from the paper bill charge, the complainant had to choose between paying the charge by autopay or checking the bill online, which was beyond his ability. He was frustrated.

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### **Case 2: Unsatisfactory Customer Support**

The complainant, aged 78, had doubts about an additional charge shown in a SMS message sent to her. She sought help from the counter staff at the retail outlet of the service provider but was told to contact the enquiry hotline for explanation. She then called the hotline but could not manage to follow the steps of the Interactive Voice Response System (IVRS). After the call was successfully made with the assistance of the counter

staff, the complainant was told that the charge had been caused by exceeding airtime limit. When the complainant requested the bill be sent by post for reference, the staff on the hotline responded that she would be charged for the paper bill and suggested her check the information online. The complainant was upset for she did not know how to use the Internet.

The above cases show that ICT literacy is a serious issue for ageing consumers' consumption. In this digital age, ICT facilitate instantaneous and convenient search of market information and acquisition of goods and services. The inability to use these technologies would inevitably lead to digital exclusion. The ICT illiterate ageing consumers would find themselves unable to get access to information or services in a more efficient and/or less costly manner through the use of ICT technologies, such as email and mobile apps. For ageing consumers who are inept at operating ICT devices such as smartphone and computer, and navigating online may find it difficult to search market information and make purchase in the digital world. In broader terms, they may also be in a disadvantageous position for being prevented from participating fully in consumption activities and society as a whole.

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### **Case 3: Sales Promotion for Products Not Suitable to Ageing Consumers**

A consumer over 90 years of age had hearing problem and poor vision and can only make phone call by pressing the number keys on the mobile phone. He came to a retail outlet to look for a new mobile phone as the one in use was not working. Upon the sales pitch of the staff, he bought a smartphone at a price over HK\$4,000. However, it was a gadget he could hardly manage to use; the buttons on the screen of the phone

were relatively small, and he was bereft of the skill and knowledge to use the functions of it.

Later on, the complainant - his niece came to know the purchase and found that the smartphone should not have been sold to her uncle, an old man with obvious physical limitation, lacking the basic knowledge and skill in using the equipment.

This case is an example for misselling, intentional or reckless, disregarding the actual needs and limitations of ageing consumers. Ageing consumers, especially those encumbered by physical and/or cognitive vulnerability, are susceptible to improper sales tactics, in particular for products they are not familiar with.

## **MEDICAL PRODUCTS/SERVICES AND ELDERLY CARE**

Complaints in this category arose from matters relating to medical services, medicine and Chinese herbal medicine, medical and health devices, and elderly care services. The top three of complaint types in this category were sales practices (23.9%), quality of services (23.5%) and price dispute (19.7%).

Although this category ranks 7th in terms of number among all the categories of complaints filed by ageing complainants during the period concerned (Figure 20), it is a very important sector deserving particular attention because health is of paramount concern for ageing consumers and the demand would simply go higher as they age. Moreover, it is anticipated that the medical and healthcare market will expand with public subsidy under the Government's policy of giving top priority to elderly care and support<sup>83</sup> with several new and on-going initiatives to enhance the provision of primary care, community care and residential care services for the ageing consumers, for instance, the EHCVS and the CCSV/RCSV for the elderly.

It is also noted that most ageing consumers are retired living on limited incomes from sources that may include family, pension, old age allowance or other forms of government assistance. For financial sustainability, it is particularly crucial for them to make choice with accurate information provided.

The following sets out some case studies which are related to confusion to ageing consumers on price information and necessity for undertaking medical services when paying by Health Care Voucher (HCV) (Case 4), and elders with physical or cognitive vulnerability became subject target for suspected misleading sales tactics on health products (Case 5).

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<sup>83</sup> 2016 Policy Address and 2017 Policy Address.

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#### **Case 4: Suspected Pricing Discrepancy/Selling of Extra Treatment When Using HCV**

There were complaints filed by a few elders using HCV against medical service providers who were suspected of having overcharged or provided unnecessary treatments.

One of the complainants alleged that he was used to being charged \$220 for each medical consultation provided by a private clinic. However, after he started to pay the medical fee with HCV, he was charged \$500 for each consultation.

Another complainant visited a private clinic to receive influenza vaccination under the Government Elderly Vaccination Subsidy Scheme (EVSS). After the vaccination, the doctor recommended the complainant get a shingles vaccine claiming that it was “free of charge”. The complainant took it to mean that the shingles vaccination was also subsidised by the Government under the EVSS, so he agreed and received it. However, later on he discovered from the receipt issued by the clinic that the shingles vaccination charge (\$1,500) was actually deducted from his HCV account.

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#### **Case 5: Sales Promotion in Disguise of Free Health Talks**

The legitimacy of sales promotion in disguise of free health talks enticing ageing consumers to buy health products has long been called in question. Relevant complaints filed with the Council show that ageing consumers appear to be susceptible to the influence of traders who offer them free gifts, persuade them with testimony from “satisfied end-users”, and build personal relationship with them. As a result, the ageing consumers may buy products with questionable claimed effects or much higher price against the market.

For instance, an ageing consumer suffering from chronic pains attended a free health talk which in fact promoted a health product claimed to have pain-relieving effect. Seeing that many participants in the health talk purchased the health product, she spent HK\$2,000 on the purchase of it. Afterwards, her son found that the product might be only good for the digestive system but not for smoothing pain. Then he lodged a complaint with the Council pointing out that his mother had hearing problems, weak communication skills and was illiterate. He suspected that his mother had been misled by the salesperson into buying the product.

The Case 4 examples revealed that it would be a good practice of the medical service providers, and other businesses as well, to provide clear, consistent, sufficient and accurate information regarding the products and services provided, and how alternative payment, such as HCV, would be charged. Furthermore, accurate, timely and full disclosure of information alone may not be sufficient for ageing consumers subject to physical and cognitive limitations or under some circumstances such as the information involve professional jargons or terminology. Detailed and clear explanation would help ageing consumers to make informed choices.

Case 5 is an example for sales tactics that provides suspected exaggerated or misleading information about the product efficacy. Elders with physical or cognitive vulnerability may be easily susceptible to such malpractice, especially for health products.

## **3.2 | IN-DEPTH REVIEW ON SELECTED INDUSTRY SECTORS**

For the same reasons as that for selecting cases from the complaint categories for study, the Council carried out two focus group discussion sessions on telecommunications services and medical products/services and elderly care in June 2017, to collect information on ageing consumers' experiences in engaging the services of the categories. The two focus groups comprised a total of 22 participants aged 55-79 recruited through the channels of the HKCSS and the Chinese University of Hong Kong Jockey Club Institute of Ageing. 12 (Group 1) and 10 (Group 2) participants discussed on telecommunications services and medical products/services and elderly care respectively.

The discussions were aimed at exploring how ageing consumers engaged the services of the two categories, examining the barriers which might prevent the ageing consumers with vulnerabilities<sup>84</sup> from engaging the services effectively, and gauging their views on how to make the consumption environment of these two categories more age-friendly.

### **TELECOMMUNICATIONS SERVICES**

During the focus group discussion, participants expressed dissatisfactions in different aspects towards mobile phone service plans and home broadband telecommunications services. Below are examples of unpleasant experiences and problems encountered by them:

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<sup>84</sup> To identify the participants' basic demographic profile and understand their vulnerability(ies) for analysis, they were invited to complete a questionnaire which is an abridged version of the questionnaire of the Survey before the discussions.

## **Lack of notification prior to contract renewal**

A participant aged 70-74 got bombarded with umpteen telemarketing calls from her telecommunications service provider about the contract renewal six months before her fixed line service plan ended. She told the company to call later so that she could have more time to consider. But when the contract was about to be renewed, she did not receive any calls from the service provider. Subsequently, she was charged at the new rate which was higher than the original one on the ground that she could not be got hold of for renewal before the contract was expired.

“個固網服務兩年續一次約，臨合約完結之前半年，不停有好多入打電話來搵我……我話你遲下再打給我考慮下先啦。到期之前卻無再搵我。電訊公司話因為聯絡唔到我，所以要用返正價同我續約。”

## **Knowledge gap/consumer confusion**

Upon the persuasive sales talk of the salesperson, a participant, aged 75-79 had purchased a smartphone bundled with service plan claiming to provide unlimited internet access. However, subsequently she was disappointed and even felt cheated as quite contrary to the claim the data usage was used up in a short period of time.

“我去電訊公司買電話，佢地就講到天花龍鳳，又話無限上網。到換咗嘅時候，剛剛交了費用，不久就話上網數據已經爆，用唔到了。”

In this case, the participant found it difficult and confusing to understand what might be involved in getting the new service plan from the service provider other than the one she was used to patronised. In particular, she was perplexed by the jargons used by the salesperson during his/her sales talks.

But, only two male participants in Group 1 would resort to the service providers' advice and help when problems arose. Only one participant indicated that he would ask for the details cautiously before making any purchase decision. He explained that he had to keep abreast of the technological trend as his wife would rely on him when encountering any technical issues. Moreover, he could spare a lot of time for the enquiry.

“因為我無支援啊……我一定要向前，因為我太太有什麼事情就問我。同埋我現在買電訊產品要好小心同問佢耐啲，即係同佢傾下先啦，我地長者有嘅係時間，即係同佢傾多啲囉。”

When selecting among different brands and models of phones, and/or various service plans or service providers in the market, the participants would seek help and advice from their family members, in particular their grown-up children. A female participant had often been frustrated in her attempts to use the IVRS system for the enquiry hotline, and had to rely on others' help in using the service.

A participant claimed that she would not bother much with the different services available in the market as she was used to pay a basic fixed-line phone rental service at HK\$15 per month.

## **Unsatisfactory customer service**

A participant aged 55-59 shared her unpleasant experience on the on-site installation of home broadband services. As the socket was blocked by a heavy and sizeable bookcase, the technician of the telecommunications service provider asked her to move the bookcase herself for the installation of the networking cable.

## **Not treated with customer-friendliness**

Ageing consumers with reduced intellectual ability may find it difficult to understand a complicated service plan and other sales information so as to work out what is being offered. Such elders should be given more support and explanations with patience. However, from the participants' experience, that was not so.

Participants generally agreed that salespersons of the telecommunications service providers ran out of patience when explaining details on the service contracts or the products, and this put them off seeking further information. The participants also considered that salespersons often failed to understand or meet the special needs of those ageing consumers with visual, hearing and cognitive challenges.

Some participants criticised the salespersons for not being friendly and helpful to ageing consumers. They were of the view that friendliness of salesperson would help banish the ageing consumers' fear in making use of ICT products.

## **Hard to read**

A few participants expressed concerns over the small prints in promotional leaflets especially those denoting the terms and conditions in the footnotes. A participant expressed that she found it difficult to read the contract as the font size it used was too small.

## **SPECIAL OBSERVATIONS BY PARTICIPANTS' PROFILE**

It was observed that participants with no vulnerability tended to be more proactive in the course of consumption than the ones with vulnerability. They would learn from past experience and were eager to learn new technologies. Thus they appeared to be more knowledgeable about the practice of telecommunications service providers and more independent in seeking product information from staff of telecommunications service providers than those with vulnerability. Two participants with no vulnerability shared that they strived to enhance their ICT literacy by participating courses organised by community centres or learning relevant information from the Internet. On the contrary, the participants with vulnerability would rely heavily on their family members in acquiring the services and/or goods and handling pertinent matters. Their role in the purchase appeared to be passive, but they were cautious about their limitations which might attract unfair trade practices. Table 8 below summarises the attitude of these 2 types of participants with extracts of statement collected from the focus group discussion.

Table 8: Attitudinal difference between participants with and without vulnerability

	Participants with vulnerability(ies)	Participants without vulnerability
Acquisition of product and handling ancillary matters	<ul style="list-style-type: none"> <li>Relied heavily on assistance from family members</li> </ul>	<ul style="list-style-type: none"> <li>On their own with past experience</li> </ul>
Making purchase decision	<ul style="list-style-type: none"> <li>Follow the choice of family members</li> </ul>	<ul style="list-style-type: none"> <li>Seeking to get all the relevant information before making purchase decision</li> </ul>
Perception on ICT products	<ul style="list-style-type: none"> <li>Would be regarded by salespersons as susceptible to sales persuasion for being old and lack of relevant knowledge</li> </ul> <p>“佢（電訊公司職員）唔會蝦啲後生，後生識野嘛，我地唔識。”“佢（電訊公司職員）會覺得你年紀大，可能會好易氹。我覺得係咁囉。”</p>	<ul style="list-style-type: none"> <li>Willing to enhance ICT literacy to cope with the technological challenge</li> </ul> <p>“我已經七十幾歲，以前根本無電腦用。我係退休後先去學電腦。” “你就要面對啦，唯一就係要自己認知多啲囉。”</p>

## MEDICAL PRODUCTS/SERVICES AND ELDERLY CARE

During the focus group discussion, participants shared their unpleasant experiences in engaging medical products/services and elderly care in terms of quality and information transparency.

### Service quality not up to expectation and insufficient information about the availability of nursing home services

A participant aged 60-64 expressed her worries on the poor service provided by the private residential care home for the elderly (RCHE). During her father's stay, he was suffered from chilblain, sent to the Accident and Emergency Department of hospital and suffered from bacterial infection. The participant suspected that it was due to poor service of the residential care home as her father had been fine when he was at home. She also expressed her grievance on finding a suitable private residential care home for her father after this incident.

### Balance in the HCV account was taken into account when giving medical advice

A participant aged 75-79 told that she was uncertain about the market prices of the medicines she was used to taking and thus not sure if the doctor had charged a higher price for those medicines. She added that she had followed the doctor's advice to buy a bottle of vitamin with a view to using up the remaining balance of her HCV account before expiry.

“年前醫生說我的醫療券還有剩餘，且就快到期，我便買了一樽維他命丸，三百幾元。”

Another participant aged 70-74 said that he had visited a private dental clinic for scaling and polishing service. Upon seeing that there was a balance of a thousand odd dollars in his HCV account, the dentist recommended him to receive the filling service as well with the balance.

“我洗牙時，牙醫見我的醫療券還有千餘元，便提議我補牙。”

### **Inadequate knowledge on complaints handling mechanism**

Some of the participants had experienced unsatisfactory medical products/services and elderly care they received. Nonetheless, they indicated that they would rather share the unhappy experience with family members or neighbours, than lodge complaint with the service providers, the Council or related regulatory bodies.

Other participants shared such a view believing that it was inconvenient as they were not sure about the procedures or the information they should provide.

A participant shared with the focus group that she had been dissatisfied with the services of a dentist and his/her poor attitude, and wanted to sue him/her. But finally she gave up finding that it would take a lot of trouble to follow the procedures about which she was not clear.

“我好想告佢，但我知道係好麻煩，我要告佢又要查商業牌照、要去幾個部門才可以做得到……有些程序又唔係好清楚。”

Another participant also suggested that he would not lodge complaint if the problem was minor as he was afraid of getting too much trouble.

“怕麻煩，好少事就算。”

## **IMPLICATIONS OF PARTICIPANTS' EXPERIENCES**

Since the EHCVS covers a wide range of private primary healthcare services and preventive care, and the eligibility age for the scheme has been lowered from 70 to 65 from July 2017 onwards, it is anticipated that there would be increasing demand for private healthcare services as a result of government subsidy, especially for those preventive care such as body check-up and vaccination. However, as illustrated from the above, ageing consumers might not have sufficient price information from medical services providers in order to make informed choices in healthcare services. It tends to open the possibility of differential pricing against users of HCVs, or purchase of unnecessary products or services.

The aforesaid disincentive to lodge complaints with the service providers, the Council or related regulatory bodies echoes with the findings of the Survey in Chapter 2, in which 42.3% of the respondents would not ask for compensation when dissatisfied with their purchase. It seems attributable to their perceived inconvenience due to the lack of knowledge about the procedures required to pursue the claims.

## SPECIAL OBSERVATIONS BY PARTICIPANTS' PROFILE

It was found that the participants who went to the elderly community centres regularly would share their experience with their friends there instead of their sons or daughters who might not have time or could not easily understand their needs for medical products/services and elderly care. When they had difficulties in engaging those services, they might also approach social workers at the community centres for advice. On the contrary, those who seldom go to community centres might be more likely to search information themselves or to seek advice from their sons or daughters. However, it is worth noting that their sons and daughters might not have enough information to provide suitable advice.

Community centres and social workers that possess abundant knowledge about medical products/services and elderly care and good communication skills can be an effective channel of information and education. It was observed from the focus group discussion that participants with the assistance from social workers, elderly community centres or social services organisations appeared to be more knowledgeable about the requirement and the procedures for applying for subsidised medical products/services and elderly care. Table 9 below summarises the difference between participants with and those without community support with quoted statements.

Table 9: Extracted views on source of information or assistance and knowledge on community care services of participants with or without community support

	Participants with community support	Participants without community support
Source of information/ assistance	<ul style="list-style-type: none"> <li>Sharing experience in engaging medical services with friends in elderly community centres “我們看中醫，都係大家互相溝通及詢問用家意見，試過OK，互相分享資料。” “我不是和子女一起住，子女需要上班，反而在社區中心與朋友見面多些。”</li> <li>Seeking assistance from social workers “長者又唔係咁識打電話，要靠社區中心的姑娘幫手。”</li> </ul>	<ul style="list-style-type: none"> <li>Consult son(s) or daughter(s) “我雖然獨居，但會和兒子傾，兒子知道去政府輪候需要兩年時間，便替我在網上搜集資料找私家牙醫。”</li> <li>Search information on the Internet “會上網查看哪些健康產品好。”</li> </ul>
Knowledge about community care service	<ul style="list-style-type: none"> <li>More knowledgeable about the application procedures and requirements “這些家居護理服務應該要收費，不過費用比較平，其實每個社區中心都有此服務。”</li> </ul>	<ul style="list-style-type: none"> <li>Not clear about the details of service “不太了解這些服務（送飯、家居護理服務）的收費、服務時間和需要符合甚麼條件。”</li> </ul>

Different from the observation from the focus group of the telecommunications services discussed above, no notable difference was observed on the views on source of information or assistance between participants with or without vulnerability(ies) in this group.

## 3.3 | CHAPTER CONCLUSION

In a market that operates effectively, consumers are able to choose goods/services with confidence and acquire the ones that suit their needs and expectations. This can only be achieved by sufficient accessibility of accurate and complete goods/services information by consumers. Pricing and other information should be easily available and comprehensible.

Product information involving technical and professional terminology and concepts such as that relating to the sectors mentioned earlier would not be easily grasped by average consumers, not to mention those ageing consumers who are bound by age-related vulnerabilities, such as visual and hearing impairments and decline in cognitive ability as evident in memory lapses, slower reaction, lower attentional levels, slower processing speeds, detriments in sensory and/or perceptual functions.

To acquire information necessary for making an informed choice, ageing consumers with vulnerabilities need support and help from their family members, neighbours, social workers and social organisations. Of course, the most important and direct support should come from the traders. Apart from fulfilling their basic obligation of providing accurate and complete product information, the traders, especially their frontline staff in retail outlets or enquiry hotlines should offer assistance to the ageing consumers in amicable and patient manner attaching weight to the physical and cognitive limitations of ageing consumers. It would be all the more important where the product or transaction is far from being simple (e.g. a hi-tech smartphone and a telecommunications service plan with charging and payment structures that are not straightforward). To improve access to information by ageing consumers through enquiry hotlines, procedures of IVRS system can be reviewed. It might even be worth considering designating hotlines for ageing consumers suiting their needs.

The complaints and focus group discussions seem to suggest that while being aware of their being ageing and lack of product knowledge, some ageing consumers would be suspicious of the advice or information rendered by the traders/providers, especially where such advice or information (e.g. that related to effectiveness of medicine and pricing) is not clearly stated and/or explained. Some are even on their guard against the sales pitches of salespersons lest they would fall prey to unfair trade practices.

To gain the confidence of ageing consumers, the businesses has to thoroughly assess their service proposition and operations, together with information provision to strengthen the service experience rendered to the ageing consumers.

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**OVERSEAS  
EXPERIENCES ON  
PROTECTING AND  
PROMOTING  
AGEING  
CONSUMERS'  
INTERESTS**

**4**



## 4.1 | PROTECTION OF THE ELDERLY AS VULNERABLE CONSUMERS

As mentioned in Chapter 1, population ageing is a global trend and Hong Kong is not alone in facing the challenges. Lessons and insight could be drawn from the experience of overseas countries in protecting and promoting the interests of ageing consumers, especially those which have been addressing the challenges since the earlier days, such as Japan and a number of European countries.

The local ageing consumers share many commonalities with their counterparts overseas in respect of physical vitality, financial viability and consumption needs and preferences. As such, the overseas experience in addressing the issues of elderly consumption would be of good reference value. It appears from our desk research that the exemplary initiatives of foreign countries are in many cases undertaken through multi-sectoral collaboration involving, as the case may be, the government, public organisations, non-profit-making organisations, academia, as well as individual business corporate. Those initiatives head in two broad directions, namely, safeguarding the ageing consumers with vulnerability against unfair trade practices and building an age-friendly consumption environment meeting ageing consumers' needs in various aspects, from product design, marketing and sales to customer service.

In European Union (EU), vulnerable consumers are defined as “those who are particularly vulnerable because of their mental, physical or psychological infirmity, age or credulity”<sup>85</sup>. A study purported to gain insight in European consumers' actual behaviour in the marketplace, more specifically, in their capacities, knowledge and assertiveness finds that the consumers who never used a computer or do not use the internet were amongst the others the most vulnerable consumers; while those aged 55 or above were also vulnerable with respect to their limited basic consumer skills and obtaining redress<sup>86</sup>. The UCPD of the European Parliament and the Council of EU, which was adopted in 2005 as the main horizontal piece of the EU legislation regulating unfair practices in business-to-consumer transactions, states that where “age, physical or mental infirmity or credulity are the characteristics which make consumers particularly susceptible to a commercial practice or to the underlying product; and the economic behaviour only of such consumers is likely to be distorted by the practice in a way that the trader can reasonably foresee, it is appropriate to ensure that they are adequately protected by assessing the practice from the perspective of the average member of that group”<sup>87</sup>. It follows that the elderly who tend to have such vulnerabilities are regarded as those consumers deserving adequate protection because they are susceptible to unfair trade practices that may distort their economic behaviour.

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<sup>85</sup> Recital 34 of the Consumer Rights Directive, 2011

<sup>86</sup> Special Eurobarometer n°342 on Consumer Empowerment, 2012

<sup>87</sup> Recital 19 of the Unfair Commercial Practices Directive, 2005

The 2016 Commission study on consumer vulnerability reveals that the ageing consumers (aged 65 and above) find it more difficult than middle aged consumers (aged 33-44) to compare offers and select deals in key markets<sup>88</sup>. The emergence of new complex products and services, and the fast growing application of ICT in consumption activities have also given rise to new challenge to vulnerable consumers, especially the elderly.

## **GUIDING BUSINESS BEHAVIOUR THROUGH ADVOCACY AND POLICY DEVELOPMENT**

Efforts were made by individual governments to raise awareness of the industries on the needs of vulnerable consumers in general or ageing consumers in particular. For example, conduct that detrimentally affects disadvantaged or vulnerable consumer groups is one of the priority areas of the Australian Competition and Consumer Commission (ACCC), an independent statutory authority to enforce the Competition and Consumer Act 2010 and a range of additional legislations for promoting competition, fair trading and regulating national infrastructure.

In 2011, ACCC published the “Don’t take advantage of disadvantage”<sup>89</sup>, a brief general guide for businesses dealing with the disadvantaged, in which the situations of vulnerable consumers were described and tips on how businesses may prepare themselves to serve these consumers were recommended, including aspects of staff training, workflow and system development, marketing messages and documents, as well as complaint handling. Cases of which ACCC had taken legal actions against businesses with unconscionable conduct were illustrated as an alert, e.g. a case about ACCC instituted proceedings against a company that had acted unconscionably against the elderly in the door-to-door sale of beds by taking advantage of the commercial inexperience of the elderly and housebound consumers through high pressure sales tactics and eventually the Federal Court ordered injunctions to restrain the company from a wide range of conduct for a period of seven years.

A report by the National Audit Office of the UK published in March 2017 has also called upon the regulators and government to work closer together to clarify their respective responsibilities to support the vulnerable consumers as a significant number of them were particularly susceptible to bad outcomes or experiences from regulated services such as energy, water, communications and financial services, which usually involved undesirable treatment such as disproportionately high bills, lack of access or choice. In September 2017, one of the regulators, the Financial Conduct Authority (FCA), published a paper titled “Ageing Population and Financial Services”, aimed at helping firms identify and understand the specific needs, characteristics and preferences of the ageing consumers and encouraging sustainable change by fostering an environment that delivers good outcomes for them. Three broad areas were recommended to encourage firms to consider as part of how they treat consumers fairly, namely product and service design, customer support and continuous review and adapt strategies. A number of causes for the issues of poor customer service and potential access barriers in a number of retail sectors were identified.

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<sup>88</sup> Application of the Unfair Commercial Practice Directive: Overview of the Commission’s May 2016 guidance document, 2016

<sup>89</sup> Don’t take advantage of disadvantage, ACCC 2011

The core issues of these retailers involved not having good policies to meet consumer needs and poor retail product and service design to pose unintended consequences. It also finds amongst others that some ageing consumers are experiencing difficulties in using telephone banking, ATMs and online banking; and in accessing or using retail banking services due to a change in distribution model or introduction of new technology. The use of technical language and jargons and closure of bank branches also pose challenges to the ageing consumers. Options for third party access for elderly people relying on others to help them manage their money and later life lending are amongst the issues raised in the report, for which improvement measures were also suggested<sup>90</sup>.

## **REGULATIONS AND MEASURES TO ENHANCE PROTECTION FOR AGEING CONSUMERS**

Although, so far, no regulation is found to be made particularly for the ageing consumer protection, there are legislative initiatives safeguarding the interests of the vulnerable consumers. In response to the increasing number of aged people and the growing complexity of the consumption market, the Japanese government has been reviewing the legislations stipulated to protect the vulnerable consumers, including the elderly, who are often more susceptible to undesirable trade practices due to their various vulnerabilities. For instance, selling excessive quantities was found to be an inappropriate behaviour that takes advantage of a consumer's impairment in decision-making, especially the ageing consumers. As a result, amendments have been made to relevant consumer protection Acts to provide consumers the right to cancel the contract for excessive quantities:

- Consumer Contract Act – The Act sets out civil rules to contribute to the fair and smooth resolution of disputes related to consumer contracts. It applies to all consumer contracts and includes a rule to enable consumers to cancel contracts when they are mistaken about the contents of the said contracts or distressed by certain acts of businesses, and to nullify, in part or in whole, clauses that unfairly impair the interests of consumers. In 2016, an amendment was introduced into the Act in which the consumer may cancel the contract within 1 year from date on which he/she concluded the contract on the basis of the article regarding cancellation of contracts for excessive quantities;
- Act on Specified Commercial Transactions – The right to cancel sales contracts for the cause of excessive quantities of goods was introduced under this Act in 2008, and further amendments had been followed such as the extension of period for exercising the right to 1 year from the date of purchase. Unlike the Consumer Contract Act, the article regarding cancellation of contracts for excessive quantities under this Act covers only 2 types of sales methods, including “Door-to-Door Sales” and “Telemarketing Sales”. However, this Act has much stronger influence on business operators than “Consumer Contract Act” because it has the function of administrative disposition. When a business operator has violated relevant provisions, the competent minister can instruct the business operator to take necessary measures.

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<sup>90</sup> Ageing Population and Financial Services, Financial Conduct Authority, Occasional Paper 31, Sep 2017

It is also worth to note that in the case of Japan, business associations have guidelines that provides the merkmal of excessive quantities of each kind of goods. The consumers can then utilise the guideline for providing reasons and evidences to exercise their rights under the Acts.

## **FACILITATING INFORMATION PROVISION TO INCREASE TRANSPARENCY AND EASE OF ACCESS**

Accessibility to reliable product information and consumer alert is important for consumers to make informed choices and protect themselves. A few governments maintain designated webpages to provide information to the ageing consumers or fund non-profit-making organisations to provide such information. For instance, the “Seniors” webpages of ACCC provides information and services that may be of particular interest to Australian ageing consumers. It offers a collection of resources on product safety, identifying and preventing scams, tips on how to deal with door-to-door selling, etc. The webpages are also linked to relevant sites such as those regarding the law about consumer guarantee and filing a consumer complaint<sup>91</sup>. Besides, the Department of Health has also maintained an information page<sup>92</sup> where the ageing consumers or their carers can browse or download the brochures about their home care packages with a few checklists to help the consumers consider different options.

In the US, the Consumer Financial Protection Bureau (CFPB) has a dedicated webpage on “Working with older adults”<sup>93</sup>, providing both the elderly and their carers with the necessary information and tools to protect the elderly against fraud and financial exploitation. For instance, there are tips in understanding medical bills, social security rights, reverse mortgage and financial planning in old age. The CFPB also collaborates with the Federal Deposit Insurance Corporation to launch a programme – “Money Smart for Older Adults” for identifying and reporting financial exploitation. The US Financial Industry Regulatory Authority (FINRA) also run a hotline, the “FINRA Securities Helpline for Seniors”, a toll-free number that senior investors can call to get assistance in investment services.

Every year in the UK, an estimated sum of £1.2 billion is lost to investment fraud. The Financial Conduct Authority found that those aged 65 or over who have some savings are more likely to be victims of fraud. The Ministry of Housing, Communities & Local Government thus funded the FirstStop Advice, a charity organisation, to provide free service on advice and information for the elderly, their families and carers covering the aspect of finance as well as related rights and entitlements<sup>94</sup>. In partnership with a number of other national and local organisations, they bring together a wealth of expertise to help ageing consumers explore the options and choices covering the aspects of housing, care, finance and rights.

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<sup>91</sup> <https://www.accc.gov.au/about-us/information-for/seniors>

<sup>92</sup> <https://agedcare.health.gov.au/programs/home-care/information-resources-home-care-package-delivery>

<sup>93</sup> <https://www.consumerfinance.gov/practitioner-resources/resources-for-older-adults/>

<sup>94</sup> <http://www.firststopcareadvice.org.uk/abt/>

In Japan, the “consumer hotline”, whose number is common nationwide, connects consumers to a nearby consultation office for consumer affairs established by local governments. To allow consumers to remember and use the number more easily, the number of the hotline was reduced from 10 digits to 3 digits, namely “188”, in July 2015. The number of calls almost doubled since then. Furthermore, consultation service was set up in National Consumer Affairs Centers in every municipality of Japan. Elderly people find it convenient to consult a nearby consumer office in their vicinity with prompt assistance offered, resulting in an increase in usage of the service<sup>95</sup>.

## ENHANCING ICT LITERACY OF THE ELDERLY

Enhancement in ICT competency of the elderly would increase the accessibility by the ageing consumers to updated information on goods, services, the market environment and trade practices. This is conducive to empowering them with knowledge and skill to make informed choices and safeguard themselves against unfair trade practices prevailing both online and in the brick-and-mortar world. The “Broadband for Seniors” programme (BFS)<sup>96</sup>, an initiative established in 2008 and funded by the Australian Department of Social Services, adopted a family and community centered approach targeting those aged 50 years and over, who have minimal or no engagement with digital technology. Long-term volunteers with basic computer competence were recruited to offer one-on-one computer and internet training, such as using the keyboard and mouse, using a web browser or a search engine, as well as setting up and sending emails. Since 2008, training had been offered to over 250,000 seniors at around 2,000 BFS kiosks across Australia, located in places where seniors regularly visit or at places, such as community centres, retirement villages, libraries and community clubs. The network of BFS volunteer tutors were provided with support like online training and professional development in the form of webinars in areas such as cyber safety, social networking, as well as having access to the BFS wikispace where volunteer tutors can share knowledge and resources, e.g. online shopping, internet banking, so as to help the seniors continue to learn. To ensure safety of the elderly, the volunteers had to undergo a police check.

This initiative was replaced by a new Digital Literacy for Older Australians programme named “Be Connected”<sup>97</sup> in October 2017, with similar aims to increase the confidence, skills and online safety of older Australians in using digital technology, so they can participate in and share the benefits of the growing digital economy. A range of resources are tailored to the seniors, including a dedicated website with information and interactive training tools and resources for them, their families and peers, and local community organisations; and free access to one-on-one coaching and support in learning how to use digital technology, and related matters, such as using a digital device, staying safe online, sending emails, using social media applications, shopping and sharing photos online.

Also, the Irish government launched the Digital Skills for Citizens Grant Scheme in November 2016 to support community organisations and NGOs in conducting basic digital skills training with a view to close the gap in digital divide<sup>98</sup>. The Scheme provides citizens who have never used the internet (likely the 50+) with the confidence, motivation and skills to reap the benefits of today’s digital world.

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<sup>95</sup> Consumer Affairs Agency, Government of Japan, White Paper on Consumer Affairs, 2016

<sup>96</sup> <https://ala.asn.au/broadband-for-seniors/>

<sup>97</sup> <https://beconnected.esafety.gov.au/>

<sup>98</sup> <https://www.dccae.gov.ie/en-ie/news-and-media/press-releases/Pages/Naughten-launches-Digital-Skills-for-Citizens-Grant-Scheme-to-help-people-get-online.aspx>

## PROMOTING COLLABORATION WITH BUSINESSES & SOCIAL ORGANISATIONS

Supports enlisted from or given to the businesses or social organisations appear to be a strategy taken by some foreign governments in launching the initiatives. It is exemplified by the collaboration between Queensland Government and one of the leading telecommunications and a technology company in Australia, running the Tech Savvy Seniors Queensland Programme<sup>99</sup>. The Programme provides elderly people the opportunity to develop the skills and confidence to use technology for socialising, accessing important services or conducting personal businesses. Through 30 local government library services and Indigenous Knowledge Centres across Queensland, the Programme offers free training on how to use a computer, laptop, tablet and smartphones to assist elderly people with everyday online tasks relating to shopping, banking, businesses, communication and recreation.

## 4.2 | BUILDING AN AGE-FRIENDLY CONSUMPTION ENVIRONMENT

### GOVERNMENT INITIATIVES

Changes in demographic features and structure of the elderly population warrant innovative endeavours seeking to meet its needs and expectations and promote its well-being. In this way, the ageing consumers would be able to enjoy suitable and adequate product choices in the market. Government plays a pivotal role in developing innovative age-friendly products by giving support in research and development, as well as developing relevant standards and guidelines to ensure age-friendly practices.

#### Fostering and funding research and innovation

In EU, one in three Europeans will be over 65 by 2060; and by that time, the ratio of working people to the “inactive” others is shifting from 4 to 1 currently to 2 to 1<sup>100</sup>. To address this huge demographic challenge, the EU has introduced a series of measures to help the European industry, the small and medium-sized enterprises (SMEs) in particular, to develop the silver economy. These measures included the Active and Assisted Living Joint Programme (AAL JP), the eHealth Action Plan, the European Innovation Partnership (EIP) on Active and Healthy Ageing (AHA) as well as dedicated parts of Horizon 2020 Societal Challenge 1 on Health, Wellbeing and Active Ageing<sup>101</sup>. For instance, the EIP on AHA was started in 2011, bringing together government, care professionals, industry and users across borders to scale up and bridge the gap between seller and buyer, producer and user<sup>102</sup>.

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<sup>99</sup> <http://www.slq.qld.gov.au/whats-on/programs/tech-savvy-seniors-queensland>

<sup>100</sup> <https://ec.europa.eu/digital-single-market/en/policies/ageing-well-ict>

<sup>101</sup> <https://ec.europa.eu/digital-single-market/en/news/growing-silver-economy-europe>

<sup>102</sup> <https://ec.europa.eu/digital-single-market/en/policies/ageing-well-ict>

Furthermore, the EU has been providing support and funding for research and innovation in ICT and ageing well. More than EUR 1 billion have been invested between 2008 and 2013 and a total budget of EUR 80 billion is expected to be invested from 2014 to 2020 to develop innovative product and services for ageing well to benefit people from all over Europe<sup>103</sup>. Robotic technology is applied to help the elderly live independently at home, giving them physical, cognitive and social assistance in daily home tasks. Such technological supports are facilitated by a number of programmes<sup>104</sup>, just to name a few:

- ACCOMPANY, a state-of-the-art service robot platform that contributes to the re-enablement of the elderly by assisting them in everyday home tasks. It specifies and benchmarks design and ethical guidelines for service robots for the elderly. Three test sites were set up in three different European countries (UK, the Netherlands and France) to ensure the application of the development could be cross-cultural and optimise the benefits to the elderly.
- DEVICES OF ASSISTED LIVING (DALi) are also developed to facilitate activity of the elderly in public places. A robotic cognitive walker (c-Walker) helps older visitors to shopping centres, airports, museums and hospitals navigate safely in those places. The device, a walking frame equipped with brakes and motorised wheels uses different solutions (RFID tags, invisible QR codes and cameras) to localise itself in the environment. It can gain remote knowledge of the presence of anomalies, crowded spaces or hazards through connection with remote sensors, such as surveillance cameras, and with other c-Walkers deployed in the environment<sup>105</sup>.

These ageing well products serve to enable elderly people to live independently in their own home with effective social contact, while their health condition and home safety can be monitored by their carers and health service providers remotely with timely advice.

## Setting standards and guidelines

For the age-focused products to meet the actual needs of the ageing consumers, guidelines on age-friendly practices are essential. In 1999, the ISO Committee on consumer policy (ISO/COPOLCO) concluded in a workshop on ageing populations that standards and guidelines are important for different players in the silver economy, such as private enterprises, medical and welfare professionals, as reference. The Guide for addressing accessibility in standards was later published by ISO in 2014, which emphasized the importance of accessible/universal design, and the engagement of older persons and persons with disabilities in standards development to safeguard their particular interests, and training standards developers to incorporate accessibility features into standards<sup>106</sup>.

In February 2017, Age UK published a report called the “Age-friendly business - Valuing and including older consumers in supermarkets and service companies”. It includes tips for age-friendly measures and attitudes, common physical constraints and psychological needs of the elderly, the requirements for an age-friendly shop such as adequate toilets, age-friendly checkouts, social interaction with shop staff, age-friendly telephone-based interaction, simplified telephone menu system, age-friendly websites and complaint resolution.

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<sup>103</sup> <https://ec.europa.eu/digital-single-market/en/news/overview-eu-funded-running-projects-area-ict-ageing-well>

<sup>104</sup> <https://ec.europa.eu/digital-single-market/node/76657>

<sup>105</sup> [http://cordis.europa.eu/result/rcn/164931\\_en.html](http://cordis.europa.eu/result/rcn/164931_en.html)

<sup>106</sup> <https://www.iso.org/news/Ref2168.htm>

In Singapore, with inputs from industry associations, professional bodies, government agencies, institutions of higher learning and voluntary welfare organisations, the Silver Industry Standards Committee<sup>107</sup> has announced a “Standards Roadmap for the Silver Industry”<sup>108</sup> in March 2017 based on four key elements, namely live, work, play and infrastructure development.

It aims at using quality and standards as a strategic tool to address the challenges of an ageing population by ensuring that infrastructure and services are meeting quality and safety requirements. For instance, to enhance the user experience of the ageing consumers in using digital devices and online services, the “Guidelines on user interface design for older adults” recommends at least a 12-point font size should be used as the default setting on a 15-inch screen, with font size scaled according to the screen size and easily adjustable. Furthermore, it also recommends the use of time-based content and setting time limit to fill an online form, should be minimised; otherwise, users should have the option of extending the time limits<sup>109</sup>. Other guidelines include the “Guide for wayfinding signage in public areas”, which serves as a set of generic wayfinding guidelines for common public environments to help the elders commute confidently in public spaces<sup>110</sup>, and the “Guidelines on nutrition and food service for older adults”, which provides benchmarks to assess the nutrition of meals served to older persons in intermediate and long-term care facilities, as well as social care facilities.

In 2016, AFNOR, the French national organisation for standardisation, published a road map promoting an “Act II” of the silver economy. As stated by AFNOR, it is “a new stage to deepen and amplify” the structure of this promising sector, bringing together all product and service offers aimed at senior citizens and reaffirming the key role of voluntary standards and labels on them<sup>111</sup>. Needs were identified systematically via communication between stakeholders of various communities working in the field and distinctive signs such as “Tested and Approved by Seniors” were applied, resulting in a relationship of trust being established between customers and suppliers. Such standardisation strategy not only serves the general interest, but also helps develop export attractiveness which in turn helps structuring the sector. Building on this direction, the “French standardization strategy 2016-2018” was developed<sup>112</sup>, and nine sectors, namely food and drink, transport, housing, workplace, health and social welfare, financial services, leisure, sports and tourism, consumer goods and information technologies, were identified for the standardisation programmes targeting the silver economy.

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<sup>107</sup> Silver Industry Standards Committee (SISC) is set up by SPRING Singapore, an agency under the Ministry of Trade and Industry responsible for helping Singapore enterprises grow and building trust in Singapore products and services, in 2011 to develop and facilitate the implementation of standards to ensure the safety, quality and interoperability of products and services that support active ageing.

<sup>108</sup> <https://www.spring.gov.sg/Inspiring-Success/Enterprise-Stories/Pages/Boosting-Singapore-silver-industry.aspx>

<sup>109</sup> [https://www.spring.gov.sg/Building-Trust/Std/Documents/Brochure\\_A\\_Standards\\_Roadmap\\_for\\_the\\_Silver\\_Industry.pdf](https://www.spring.gov.sg/Building-Trust/Std/Documents/Brochure_A_Standards_Roadmap_for_the_Silver_Industry.pdf)

<sup>110</sup> <http://ifonlysingaporeans.blogspot.hk/2017/03/silver-industry-standards-roadmap-and.html>

<sup>111</sup> <https://www.spring.gov.sg/Inspiring-Success/Enterprise-Stories/Pages/Boosting-Singapore-silver-industry.aspx>

<sup>112</sup> <https://www.afnor.org/en/news/silver-economy-standards-labels-increased-exports/>

<sup>112</sup> <https://normalisation.afnor.org/wp-content/uploads/2016/06/Strategie-francaise-2016-18-GB.pdf>

## Promoting collaboration with businesses

Business collaboration with the government is an effective strategy in launching such age-friendly initiatives. It is exemplified by the partnership between The City of Melville, Australia and a private business in launching a project to adopt age-friendly practice in a shopping centre with the objectives, among others, to

- encourage local businesses to implement age-friendly accessible initiatives to support the older population and people with disabilities;
- raise awareness among business community of the requirements and benefits of becoming more age-friendly and accessible;
- raise general awareness with the community around age-friendly and accessible needs;
- support businesses to have access to free basic training and support around Dementia and Accessibility; and
- as a next step, talk to business owners and provide them with feedback from the community and hold workshops to obtain their ideas and encourage initiatives<sup>113</sup>.

## Joining hands for international collaboration

A project was commenced under Asia-Pacific Economic Cooperation (APEC) to examine how standards and innovation can support the multifaceted societal challenge facing APEC member economies. A report titled “The Role of Standards and Innovation for Driving APEC’s silver economy”<sup>114</sup> was published in June 2017 by the Standards Australia for the 2017 APEC Workshop on Standards and Innovation. It was based on the results of a region wide survey conducted in late 2016. The report identified a number of Key ISO silver economy standards and made recommendations for the APEC member economies to prepare for challenges and opportunities from the ageing societies. At country level, Standards Australia and SPRING Singapore have exchange on their silver economy standards and best practices under the wider strategic partnership agreement between the two governments<sup>115</sup>.

## INITIATIVES OF NGOs OR ACADEMIA

### Pursuing independent research and development

Apart from the governments, another driving force for the development of an age-friendly market is generated from non-profit-making organisations or academic institutions. Initiatives to experiment age-friendly products and settings are found. For instance, the Accessible Design Foundation of Japan (ADFJ) conducted a survey on the problems affecting older people in their daily challenges which helped reflecting the same issues affecting both the elderly and persons with disabilities<sup>116</sup>. This research then formed the basis for developing standards for products related to accessible design in Japan.

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<sup>113</sup> <https://extranet.who.int/agefriendlyworld/afp/age-friendly-garden-city-shopping-centre/>

<sup>114</sup> <https://www.standards.org.au/news/release-of-issues-paper-to-support-apec%E2%80%99s-silver-economy>

<sup>115</sup> <http://www.standards.org.au/OurOrganisation/Events/Documents/B-1127%20silver%20economy%20invite.pdf>

<sup>116</sup> Silver Industries Offer Golden Opportunities, Good to Go, 2015

## **Facilitating user centered and user co-creative product design**

To ensure the product design to better suit the actual needs of the elderly, a systematic user co-creative approach has been adopted by the European Network of Living Labs (ENoLL) – Living Lab ActivAgeing<sup>117</sup> to deliver better health care to the ageing population with goods and services validated in real life scenarios by the key user groups, addressing the emotional and social needs of the elderly. Adopting a participatory design approach, it involves participants in the innovation process and the participants include active and frail elderly persons, carers, health care service providers, insurance companies and entrepreneurs. Field studies to analyse the social interactions and to fully understand all aspects of ageing, prototyping to collect users' feedback and ethnographic observations to study the user needs and constraints in the controlled and actual environment were supported through the participatory design process.

Interdisciplinary collaboration is another approach that may strengthen the ageing well market. The Ageing Well National Science Challenge, which was launched in 2015, is a national research collaboration in New Zealand involving research groups in ageing research with expertise in public health, social science, biomedical science, ICT, and so on<sup>118</sup>. Although it is more health promotion oriented, its inter-disciplinary collaborative and user-centred approach appears to represent a key direction for the development of the ageing well market with more and better choices and enhanced consumer protection.

## **Collaborating in information and advocacy on consumer issues**

A number of large non-profit-making organisations focused on working with the elderly have been providing information related to consumer issues or consumption activities. For instance, AARP has a designated section in their homepage about consumer protection and National Consumer Law Centre (NCLC) of the US has a designated section about ageing consumers, where latest information and discussion about customer issues, fraud and scams are provided; the Age UK and National Seniors Australia have also maintained a section in their homepages to provide information and advice on various issues related to ageing, including but not limited to consumption.

Besides, these large NGOs have been conducting research and running campaigns for the ageing consumer rights. Just to name a few, the Age UK has researched and published reports like “Consumption patterns among older consumers”, “Age-friendly businesses” and in collaboration with the AARP, they have also published a report on “Age-friendly banking”; AARP has published reports like “Understanding Senior Transportation: Report and Analysis of a Survey of Consumers Age 50+”, and “Ways to report fraud and file complaints”.

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<sup>117</sup> <http://www.openlivinglabs.eu/livinglab/living-lab-activageing>  
<sup>118</sup> <https://www.ageingwellchallenge.co.nz>

Their advocacy work will not only empower the ageing consumers in upholding their own rights, but also raise the awareness of the government, community and the industry on addressing the needs of the ageing consumers. Their efforts of the Lloyds Banking Group in facilitating age-friendly banking for people with dementia results in a drop of complaints by 60% in 18 months while the First Financial's Fraud Busters program has eliminated more than \$1 million in fraudulent activity<sup>119</sup>.

## INITIATIVES OF BUSINESSES

### **Businesses drive to understand the needs and preferences of the silver market**

To address the needs and preferences of the ageing consumers, research initiatives are found seeking to deepen customer insight. The Consumer Goods Forum (CGF), a global network of CEOs and senior management of 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries, commissioned a global survey of over 3,000 shoppers and consumers aged 65 or over, in which needs and preferences of the ageing consumers were analysed and recommendations were made for their member companies on how to bring retail spaces and products to meet the changing needs of this growing consumer group.

There are also consultancy firms helping businesses to evaluate the age-friendliness of their brands and to adapt their customer experience for all ages. In 2016, KPMG led an investigation into the customer personas of the 60-80-year-old demographic in South Australia to help the aged care sector, and other industries that serve the elderly, to see the diversity of needs and aligned business opportunities<sup>120</sup>.

### **Developing new products and business models**

Alongside with the understanding of needs and preferences, new products and business models have been created to tailor for ageing consumers. Japan takes the lead in the number of aged population as well as its age-friendly products and services. A renowned Japanese electronics manufacturer rolled out a new series of "Universal Design" home appliances equipped with assistive technology features, to promote barrier-free for every user, including the elderly<sup>121</sup>. One example is the development of a vacuum cleaner in lightweight that is easy even for elders to use. Another Japanese telecommunications company has redesigned its marketing by promoting their new phone with large keys and a big display screen during bus tours for pensioners and providing classes in shops to explain the ins-and-outs of apps<sup>122</sup>. Similarly, a Swedish leading telecommunications brand developed an easy-to-use mobile phones specially adapted to the growing worldwide population of seniors with reduced hearing, dexterity and sight<sup>123</sup>.

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<sup>119</sup> Preventing Exploitation: Five Banks Leading the Fight, AARP Public Policy Institute, Apr 2016.

<sup>120</sup> <https://home.kpmg.com/au/en/home/insights/2017/12/understanding-aged-care-customers-through-research.html>

<sup>121</sup> <http://www.panasonic.com/global/corporate/technology-design/ud.html>

<sup>122</sup> The grey market, The Economist, 7th April, 2016

<sup>123</sup> <https://corporate.doro.com/>

In the US, attempts to understand ageing consumers better is exemplified by a multi-national brand of consumer product which has built a mock-up of what an age-friendly shop might look like in the future, while a popular car brand has created a “third-age suit” for car designers to wear to help them understand the needs of older people<sup>124</sup>. The suit thickens the waist, stiffens the joints and makes movement more cumbersome.

Another excellent reference of how the user co-creative approach helps develop new business model for ageing consumers, comes from the aforementioned Japanese electronics manufacturer when they started their nursing-care store franchise businesses early in 1999<sup>125</sup>. After establishing such stores, the company contacted some seniors and started to provide them with services on a trial basis. Throughout the provision of service, the staff studied carefully the ageing customers’ challenges such as the changes in grip strength and walking posture, and how the field of vision narrowed amongst the seniors. In the end, the group had developed its elderly care services subsidiary named “ComHeart” and its “Solutions for Seniors”, providing various home care services, such as short-stay caregiving and bathing assistance visits. At the same time, “AGE-FREE shops” of the group kept growing, specialising in care products from home care beds with elevate back function, specially-designed toilets, to those with robotics technologies to empower the elderly to undertake daily necessities independently while residing at home.

These are just a few cases to exemplify the efforts of the industry to develop aged-focused products and business models.

## **Building age-friendly shopping environment and customer services**

An age-friendly shopping environment can offer the ageing consumers a quality consumption experience.

In Japan, a convenience store retailer has strengthened support to the elderly care in some of its stores, with a variety of nursing care goods such as diapers, vacuum-packed, easy-to-chew meals, consultation counters focused on family care and social spaces for the elderly customers. Those stores are having wider aisles to accommodate wheel chairs, lower selves and enlarged price tags. Eat-in areas are added as a standard feature for their new outlets to provide a place for the elderly to gather to chat<sup>126</sup>.

In Sugamo, Japan, there is a shopping street named Jizo-dori, “Harajuku of the old ladies”, well known for its adaptation and accessibility for the elderly<sup>127</sup>. Most shops are barrier-free and have ramps to facilitate access with walking sticks or wheelchairs. Customer services are also senior-sensitive with remarkable flexibility and salespersons even speak at a less hectic pace than their counterparts elsewhere in the city.

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<sup>124</sup> The grey market, The Economist, 7th April, 2016

<sup>125</sup> <https://panasonic.net/es/solution-works/agefree/>

<sup>126</sup> <https://www.japantimes.co.jp/news/2015/05/07/business/japans-convenience-stores-catering-elderly-demographics-shift/#.W48riegzblU>;  
<https://www.nytimes.com/2006/09/04/world/asia/04japan.html>

<sup>127</sup> <https://digjapan.travel/en/blog/id=11843>

Another inspiring example comes from a leading retail corporate group in Japan which purportedly launched full-scale efforts to promote the “shift to seniors-oriented markets” across the entire group, and embarked on their senior-oriented strategy<sup>128</sup> since 2011. They purported that they had been developing products like “single-portion sashimi” and “single-cup Japanese sake”, to cater to the growing need for small portion products and the rise in health consciousness following the increase in single-person households due mainly to the population ageing. Besides, they had renovated series of outlets across the country to cater for the needs of ageing consumers, those they named as “Grand Generation (G.G.)”. Take the example in Kasai, the newly renovated store dedicated the entire floor not for ladies, men nor babies, but for their so called “G.G.” customers. It offers not only a range of products and services targeted at the ageing consumers, but also a morning exercise space, together with early opening hours, for making the daily lives of those “morning friends” more convenient and enjoyable.

These seniors-oriented shopping centres apply universal designs to promotional goods, internal displays and signage so as to make them easy for customers of all generations to see; make available comfortable couches, designated wheelchair spaces in food courts and car parking spaces for senior citizens; use lighter shopping carts which were made of aluminum instead of conventional steel; offer one-stop services such as general clinic service and consultation on daily money matters to meet the needs of senior customers. E-money cards are also issued exclusively for those aged 65 or over. For service quality control, hundreds of staff of the stores have completed a training course for becoming supporters for people who suffer from dementia. Together with the certified service care workers, the trained staff are able to support customers needing help when shopping at the stores<sup>129</sup>.

Similarly in Singapore, a large supermarket chain has customised its stores to the needs of the elderly, with features such as wider checkout lanes, larger signage and clearer price tags, rest areas with benches and provision of call buttons and magnifying glasses around the stores<sup>130</sup>. Senior shoppers aged above 60 can also enjoy a discount on selected days of a week<sup>131</sup>. This helps to provide financial relief for seniors who are no longer working and earning an income.

Adding age-friendly security features to services also helps protect the ageing consumers from unnecessary losses. In Japan, the anti-fraud ATMs was introduced in November 2016<sup>132</sup> as Japanese elderly bank customers are often targeted by “it’s me” scams, when criminal groups place phone calls and pretend to be a relative that needs money or a professional demanding payment. The machines are designed to stop users from being conned into transferring money from their bank accounts at an ATM by preventing transactions from completing if it detects that the person is using a mobile phone, as the victims are usually not sure of how to use the ATM to transfer funds, the criminals will talk them through on the phone. More banks are expected to install such kind of anti-fraud ATMs.

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<sup>128</sup> [http://www.aeon.info/export/sites/renewal/common/images/en/pressroom/imgsrc/120328R\\_1.pdf](http://www.aeon.info/export/sites/renewal/common/images/en/pressroom/imgsrc/120328R_1.pdf)

<sup>129</sup> [https://www.aeon.info/common/images/en/pressroom/imgsrc/130522R\\_1.pdf](https://www.aeon.info/common/images/en/pressroom/imgsrc/130522R_1.pdf)

<sup>130</sup> <https://www.marketing-interactive.com/silver-generation-retail-goldmine/>

<sup>131</sup> <https://www.straitstimes.com/singapore/fairprice-extends-pioneer-generation-discounts-till-dec-2018>

<sup>132</sup> <https://www.pymnts.com/news/security-and-risk/2016/anti-fraud-atms-prevent-scams-in-japan/>

## Exchanging knowledge to accelerate silver market development

Businesses are seen to have been partnering with those NGOs which used to serve the elderly. For instance, a wide range of products are offered through the Age UK, AARP and National Seniors Association of Australia (NSA), including insurance, travel packages, healthcare, automotive, financial products. Apart from offering discounts, some of the businesses offer services directly through these organisations to reach out to their members. There are products tailored to meet the needs of the ageing consumers, e.g. insurance products having no age limit with additional coverage like the travel insurance of NSA covering pre-existing conditions<sup>133</sup>, and the one by Age UK covers medical equipment against loss, theft or damage<sup>134</sup>. There are also tailor-made holiday packages like cruises and escorted tours, to meet the various needs and level of assistance that the ageing consumers may require. Age UK also offers easy to use mobile phones in which users do not have to dial but touch a button to make and receive calls which is now a common feature in smartphones. AARP even issue their own credit card with a local bank to offer additional benefits to their members<sup>135</sup>. Magazines to members of these organisations, such as “50 Something” of the NSA, “Life Magazine” of Age UK, are also good platforms for the companies who want to market their goods and services to the ageing consumers.

Recognising the difficulties faced by the elderly in using banking and payments systems, the Age UK and the AARP joined hands to produce a study report entitled “Age-friendly Banking – what it is and how you do it”<sup>136</sup> aiming to provide a blueprint of proven solutions that banks use to fight exploitation and promote age-friendly services.

The Report defines “Age-friendly banking” as banking services, products and facilities that remain accessible and easy-to-use as people age, assist carers and prevent financial exploitation. It suggests that age-friendly banking can be achieved by making age-friendly adjustments to customer service, physical design, systems and products; for instance, to make sure staff are trained to recognise the specific needs of elderly and respond appropriately to unusual requests and situations of vulnerability, especially those relating to cognitive decline, scams and financial abuse; to design branch to be easily accessible and interfaces of ATMs, computers, mobiles, tablets, etc. to be accessible to people with a diverse range of abilities; to ensure information of various systems is handled reliably and processes (call branches, postal, the Internet and mobile) are carried out in ways that meet the needs of ageing customers; to remove arbitrary age limits and to design financial products to fit the shape of later life.

In addition, combining the case studies with the concerns raised by the respondents of the study, the Report proposes an age-friendly banking checklist which includes items such as better systems for detecting and stopping scams in live time, improvement in carer banking, understanding vulnerability, age-friendly technology, better call system, listen carefully and speak clearly, pathways to better interest rates and remove blanket age restrictions on financial products.

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<sup>133</sup> <https://nationalseniorstravel.com.au/insurance>

<sup>134</sup> <https://www.ageuk.org.uk/products/insurance/trab>

<sup>135</sup> AARP Membership - See All Benefits

<sup>136</sup> [https://www.ageuk.org.uk/documents/EN-GB/For-professionals/Policy/money-matters/report\\_age\\_friendly\\_banking.pdf?dtrk=true](https://www.ageuk.org.uk/documents/EN-GB/For-professionals/Policy/money-matters/report_age_friendly_banking.pdf?dtrk=true)

## 4.3 | CHAPTER CONCLUSION

There appears from the foreign experiences a shared understanding amongst different sectors of the jurisdictions, namely the government, businesses, academia and NGOs that it is a high time for an age-friendly consumption environment to be constructed not only for the well-being of the fast growing aged population; but also for meeting the public expectation and for sustaining and advancing business development.

Consumers who are vulnerable due to age is a common and important social issue shared amongst the jurisdictions. Though there appears to be no specific legislation rendering the protection of this particular type of vulnerable consumers against unfair trade practices, different initiatives have been or are being taken to strengthen the protection as illustrated.

Synergies amongst different sectors through collaboration and mutual support were observed. EU and Australia are the examples in which the government plays a leading or supportive role in developing an age-friendly market. They give support not only in terms of funding to the other sectors, but also raise their awareness in addressing the needs of the ageing consumers, in particular those with vulnerability; as well as coordinate resources from them for the development of an age-friendly market.

In addition, collaboration or initiatives at international level would be another vital driving force for the development of an age-friendly consumption environment as exemplified by the APEC and the Organisation for Economic Co-operation and Development (OECD) project.

Initiatives to apply ICT and other advanced technologies for securing and promoting ageing-well were also found and taking practice in many jurisdictions. They have proven effective in addressing the physical, social and psychological needs of the elderly and promoting ageing well and independent living with an array of innovative ambient and assistive devices. The use of ICT in ageing well goods and services is a necessary trend, thus a key strategic direction is to uplift the ICT literacy of the elderly in the society for self-empowerment.

The user-centered co-creative approach would be another key strategy. In researching and developing new products and services, the engagement of ageing consumers would be necessary to ensure the concept design and prototype meet their actual needs.

To summarise, it appears that cross-sectoral, interdisciplinary and international collaborations led by government would be a commonly adopted model in developing an age-friendly consumption environment featured, amongst others, by ICT based and user-oriented ageing well goods and services; as well as the empowerment of ageing consumers to make informed choices and guard against unfair trade practices.

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**RECOMMENDATIONS  
AND  
CONCLUSION**

**5**



As mentioned in the foregoing, we are living in a “never-so-old” world with ageing population growing at a stunning pace. Within the next 25 years, there will be around one in every three persons aged 65 or above in Hong Kong.

This Study reveals that the characteristics and behaviours of older people in this generation are quite different from those of the past ones we perceived. They are no longer the stereotyped “welfare recipients”, but far more educated, affluent, active and socially connected with social network. They are forming a growing affluent consumer group supported by assets accumulated over the years, resulting in a sizable silver market as in most other parts of the world.

Nevertheless, it appears that the market has not been making the right or timely response to this unprecedented demographic change. The Study clearly indicates that the market has not provided sufficient choices for ageing consumers to meet their needs and preferences.

There are also indications that the confidence of ageing consumers and their customer experience need to be enhanced. The comments made by the ageing consumers in the focus group discussion and the Council’s analysis of the complaint cases show that ageing consumers do not have strong confidence in being treated fairly in the market. The Study also finds that they generally lacked the incentive to seek redress when aggrieved.

Besides, ageing consumers in particular those with vulnerabilities would encounter difficulties that hamper their participation in consumption activities and access to consumer information. Some common examples are their difficulties in making service inquiry by phone (especially when the customer hotline is operated in IVRS system), and in reading and following instructions of the product manuals. ICT illiteracy was also found to be a common barrier for ageing consumers to perform some tasks such as searching information, evaluating alternatives, making transactions, handling bills or checking statements online; and thus limit their ability to access consumer information, make informed choice and participate in consumption activities.

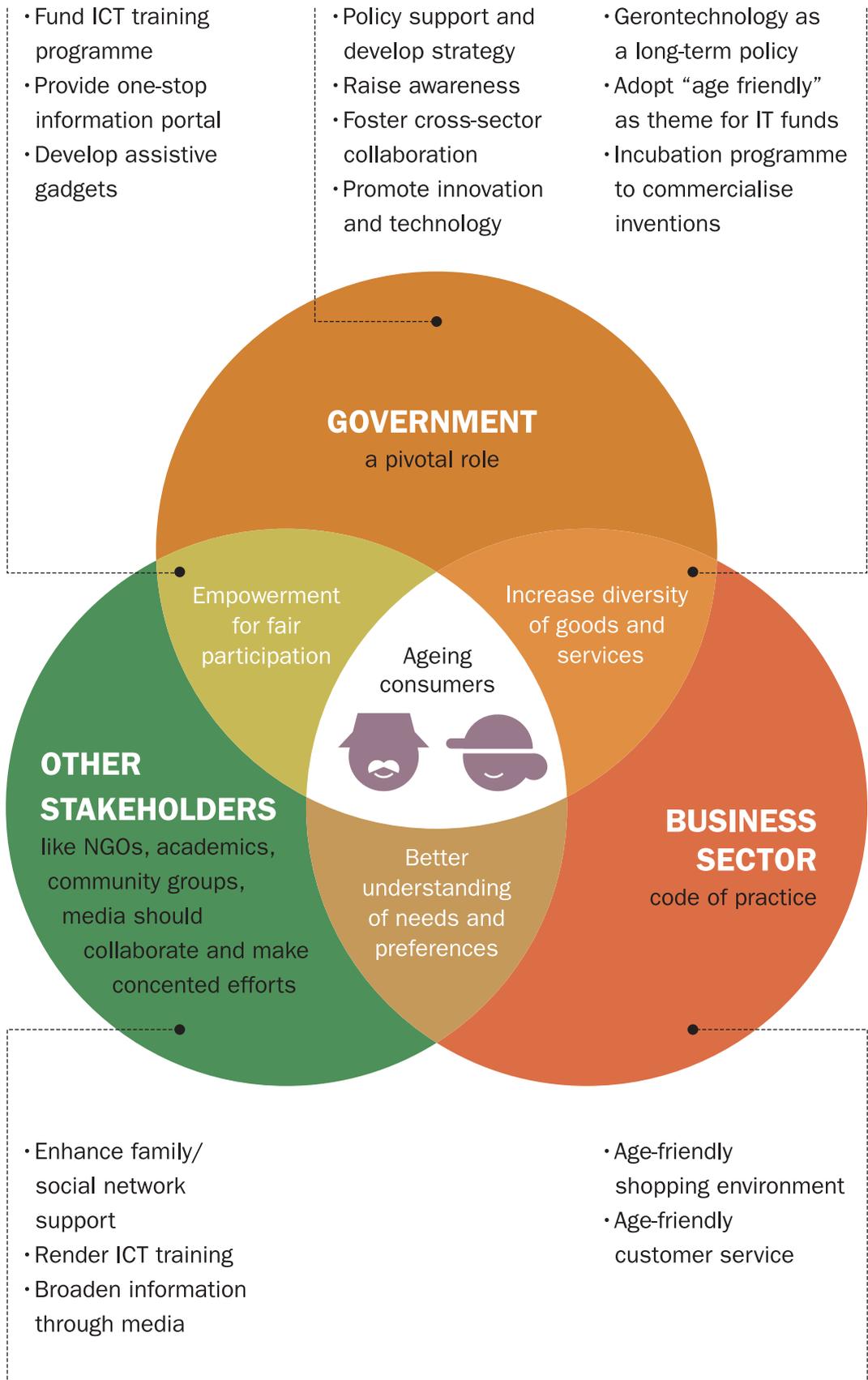
The Study portrays a fast growing consumer group of older people who are subject to bodily functioning decline and vulnerabilities of different degree that hamper their consumption activities and make them more susceptible to undesirable trade practices. They also encounter challenges deriving from the rapid technological development in various aspects of life and increasing complexity of the market. As a consumer, not only should they be offered sufficient choices, they also deserve understanding of their needs, preferences and physical constraints, as well as respect, empowerment and protection.

An age-friendly consumption environment is the very basis of a robust and healthy development of the silver market. It is also an attribute of being ageing-well as it has positive implication on active ageing and good quality of life in older age. It concerns not only the economic interest that the silver market can offer to the economy, but also the manifestation of consumer rights and social obligation to facilitate ageing-well for the older members of the public. The Council is of the view that an age-friendly consumption environment should be forged and sustained by the concerted efforts of all the stakeholders with the support and coordination of the Government.

To facilitate public contemplation and discussion on the issues regarding the development of an age-friendly consumption environment for Hong Kong, the Council puts forward the following recommendations.



# RECOMMENDATIONS



# 5.1

## RECOMMENDATION 1: THE GOVERNMENT - A PIVOTAL ROLE IN DEVELOPING AN AGE-FRIENDLY CONSUMPTION ENVIRONMENT

As mentioned in Chapter 4, some countries, such as Japan and a number of European countries have been addressing the challenges arising from ageing population since the earlier days; and it follows that they have gone a long way in developing an age-friendly consumption environment. To follow the global trend and to increase effectiveness, the leadership from the Government to embrace consumer protection as part of its holistic approach in formulating elderly-related policy is essential.

As reference, overseas governments led in:

- a. studying the needs of ageing consumers and raising the awareness of businesses and other stakeholders of such needs and the necessity to accommodate the same;
- b. assessing the unfair trade practice from the perspective of the elderly's vulnerabilities and protecting ageing consumers who are vulnerable through various means or compliance guides;
- c. soliciting cross-sector collaboration to create synergy among businesses, NGOs, academia and so forth for introducing age-friendly goods, services and facilities into the market and enhancing self-empowerment of ageing consumers;
- d. ensuring goods and services for the elderly are age-friendly and provided in a safe, quality assured and interoperable manner; and that ageing consumers are treated fairly and honestly by developing and facilitating implementation of standards and guidelines;
- e. promoting the development of innovation and technology in support of ageing well through dedicated programmes; and
- f. engaging international collaborative efforts for the furtherance and protection of ageing consumers' interests.

As mentioned in Chapter 1, a number of social and benefit-oriented initiatives have been taken by the Hong Kong Government to strengthen the well-being of the elderly in terms of housing, financial security, health and medical care, and recreation. The ESPP, being formulated by the Elderly Commission and released in June 2017, acknowledges the changing socio-demographic profile of the future generations of the elderly persons, which will lead to users' expectation of more choices of services and autonomy in using elderly services. In light of this challenge, one of the strategic directions proposed by the Elderly Commission for the future development of elderly services is to "enable informed choices and timely access to quality services". The incorporation of such a consumer perspective in the policy consideration about elderly services is welcomed by the Council.

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From the Study findings, there are extra rooms that the Government could lead in the development of an age-friendly consumption environment. The most fundamental of all is to embrace consumer protection as a key strategic direction of the Government's policy to address the needs of this burgeoning group of ageing consumers. To ensure the strategy is developed comprehensively and implemented feasibly, it has to be formulated on the basis of general consensus of all major stakeholders to ensure that they meet the actual needs of local elderly and be practical under the circumstances.

Some overseas experiences mentioned in Chapter 4 may provide Hong Kong a good reference as different jurisdictions have devised different strategies according to their local contexts. For instance, France and Singapore have developed roadmaps to set out well-defined standards and guidelines to cater to the needs of the ageing consumers for the reference of industries relevant to various major aspects of the elderly's life. Similar to the EU, in response to the increasing number of aged people, the Japanese government has been reviewing the legislations stipulated for promoting general consumer protection and has made amendments on relevant statutes in recent years to enhance protection of vulnerable consumers. Although these pieces of legislation were not specifically devised for the elderly, the ageing consumers who are often more susceptible to undesirable trade practices due to their various vulnerabilities would benefit from the protection they afford.

In short, in view of the fast expansion of the silver economy as a result of the rapid socio-demographic change, it is high time that the Government went further to adopt a holistic perspective in the making of elderly policy to cover protection and promotion of the elderly's interests as consumers; and steer in soliciting collaboration and leading discussions among all stakeholders to develop an unique strategy for Hong Kong.

## **5.2 | RECOMMENDATION 2: CONCERTED EFFORTS TO EMPOWER AGEING CONSUMERS FOR THEIR FAIR AND ACTIVE PARTICIPATION IN THE MARKET**

Ageing consumers nowadays are living in a consumption environment fraught with challenges from information explosion, quick emergence of new business models and trade tactics and proliferation of online shopping and use of electronic means in daily life driven by the fast development of digital technology. Their consumption environment is far more complicated than that of their predecessors.

To accommodate these challenges so that ageing consumers can have an active and fair participation in consumption activities, apart from being protected by compliance guides or self-regulatory protection, ageing consumers should be empowered to the effect that they can guard against trade practices detrimental to their interests through a well-established support

system, keep tabs on relevant market and product information, make use of new technology to facilitate their consumption in an effective manner, and ultimately make informed choices that suit their actual needs. The Council proposes the following strategies:

### **ENHANCE INTERPERSONAL SUPPORT FOR AGEING CONSUMERS WITH A COMMUNITY-BASED APPROACH**

From desk research, it was found that social isolation and emotional distress are common in old age as a result of poor health, retirement, loss of spouse and peers. Such feelings of loneliness or helplessness would increase the elders' risks of unwittingly falling victim to unscrupulous salespersons who seek to befriend them. It is especially true for those with vulnerabilities who were found to be more susceptible to fraudulent marketing practices.

At the same time, the ageing consumers were found to be rather inactive in seeking redress on their own after encountering problematic consumption experiences. They tended to seek advice/help from younger family members (children/grandchildren), spouse and friends when they found the quality of goods purchased were not up to expectation. Moreover, a higher proportion of those who had vulnerabilities would obtain consumption information and seek advice/help from neighbours and social workers/social service organisations. All these findings indicate that interpersonal support is very significant in consumer protection for ageing consumers; and thus one of the major factors for the creation of an age-friendly consumption environment.

Persons whom the ageing consumers would turn to for information and advice on consumption should be better equipped with product information and consumer protection education, so that they can advise the elders effectively when being approached. As mentioned above, they may be social workers, younger family members of ageing consumers and their carers.

To this end, a community-based approach is recommended. The existing volunteer support networks serving the elderly in particular and the community in general should be tapped on. For instance, there are a number of volunteer support networks serving the elderly in the community, such as the Support Teams for the Elderly (STEs) established under various District Elderly Community Centres (DECCs) subsidised by Social Welfare Department (SWD) and many other volunteer teams from different social service organisations or business corporates as a social responsibility initiative.

It is recommended that training be offered to enhance the awareness and knowledge of consumer protection among these carers and volunteer groups. Topics may include latest information on the elderly consumption, prevailing undesirable trade practices or consumer issues that the elderly would commonly encounter, legislation relating to consumer protection, anti-deception tips, and sources of consumer information/redress available.

For this, consumer protection for the elderly should be incorporated into the agenda of the volunteer support networks as one of their major tasks. Centralised training on the ageing consumer protection can be planned and rendered through the District Coordinating Committee on Promotion of Volunteer Service under SWD; or NGOs specialised in volunteer mobilisation

and training, like Agency for Volunteer Service, in which a Volunteer Training and Development Centre has been established to provide diversified training for volunteers and volunteer organisations. To extend the coverage to individual carers, the training materials can be uploaded online for easy access by the public so that family members, friends or neighbours of the ageing consumers can also equip themselves with necessary information and knowledge to offer advice to the ageing consumers around them. This way, an effective interpersonal support system at neighbourhood or community level could be efficiently built for empowering ageing consumers on consumer protection. Latest consumer alerts and information can also be quickly disseminated through this extensive network.

This initiative can be further evolved to become a “Senior Consumer Ambassador” programme, serving as a neighbourhood support not only to give advice and share information on the consumer issues, but also assist the aggrieved consumers in seeking resolution or redress for consumer dispute promptly when necessary. For this sake, it is recommended that volunteers trained in consumer protection, in particular those young-olds, who are with better physical condition and educational background, and have the desire to stay active in contributing to society even after retirement, can be invited to join the programme and become the “Senior Consumer Ambassador” with further training. As the peers of the assisted ageing consumers, these senior ambassadors have a better understanding of what the elders think, need and perceive, and thus can provide customised support to them. In turn, through the training and provision of the service, the ambassadors would also have their knowledge and awareness of consumer rights and interests being enhanced.

## **EMPOWER AGEING CONSUMERS WITH ICT KNOWLEDGE AND SKILLS**

Both the Survey and the focus group discussion indicate that ICT application is far from common amongst ageing consumers. Only 14.5% of the respondents of the Survey obtained information about consumption from the Internet and 6.3% from online groups. Poor ICT literacy would be a barrier to many of the ageing consumers, resulting in their being deprived of access to information on products or services and other consumer information, as well as, engagement in consumption activities available online with less cost and/or higher efficiency.

ICT are increasingly used in various aspects of life including activities related to consumption, such as search for information for making choice, shopping online, making mobile payment for goods or service and so forth. In view of the continuous proliferation of ICT in consumption-related activities, the position of these ageing consumers would become more and more disadvantageous if their ICT literacy is not improved.

Empowerment of the elderly to participate in the digital economy through ICT training will not only increase their accessibility to consumer information which facilitates better choice of goods and services, but will also enable ageing consumers to get connected via the Internet and this will in turn reduce their social isolation, and enhance their awareness and alertness of the unfair practices prevailing in both the brick-and-mortar and online sales.

The Council welcomes the Elderly Commission's recommendations in the ESPP report that efforts should be increased to help the elderly effectively use ICT and to explore means to help those with limited financial means to have internet access at their homes. The new initiative enunciated in the 2017 Policy Agenda is to establish a web-based learning and sharing portal to help the elderly and persons with disabilities acquire life and digital skills in a fun and accessible manner so that they can benefit from the advancement in digital technology in their daily lives.

Enhancement of ICT literacy amongst the elderly in general cannot be achieved on a piecemeal basis without a comprehensive strategy leveraging relevant resources to augment and extend the impact of the initiative as far as possible. Such a strategy can be implemented by a network of volunteer support with the Government's coordination and funding effect to ensure sustainability. The volunteer networks mentioned earlier and the interpersonal support system at neighbourhood or community level will also be effective platforms to be leveraged for this purpose.

Like the "Be Connected" programme funded by the Australian Government, volunteers with reasonable level of computer competence could be recruited as "Digital Mentors" to offer one-on-one computer and internet training to those targeted elders. To arouse the interest of the digitally illiterate older people, practicality of ICT skills should be emphasized. Topics would be designed around daily living, e.g. staying safe online, sending emails, using social media applications, shopping and sharing photos online. A range of online resources should also be tailored to support the "Digital Mentors" to keep them updated with the ICT knowledge and to offer support to them when facing difficulties in communicating with the older people, including a dedicated website with information and interactive training tools.

It is promising to note in a paper to the Legislative Council Panel on Information Technology and Broadcasting in June 2018 submitted by the Innovation and Technology Bureau that the OGCI will regularise their ICT Outreach Programme for the Elderly from 2018-19 onwards to provide elders with basic information and knowledge in ICT. Through the district networks of Elder Academies established under the funding scheme launched by the Elderly Commission and the LWB, the OGCI will also implement training programme to provide more active elders possessing basic ICT knowledge with advanced training to enhance their capability in adopting digital technology. For more agile elders, they can serve as trainers to help other elders acquire ICT knowledge. Besides, a web-based learning portal will be launched in 2019 to facilitate the elderly to learn about digital living and technology.

It is recommended that consumer issues and protection be incorporated as part of the contents of the web-based learning portal, teaching the ageing consumers on everyday life consumption topics, e.g. how to search for consumption information, how to shop online and how to detect scams and unscrupulous sales tactics. It is also suggested that learning resources for the ICT training programme for the elderly be uploaded to the portal for free access by anyone who are interested in teaching the elders, e.g. younger family members of the elderly, volunteers of religious groups, so as to maximise the training effect in view of the huge number of elderly who may be in need of ICT training.

## **ONE-STOP INFORMATION PORTAL TO ENABLE AGEING CONSUMERS MAKE INFORMED CHOICES**

As stressed, availability and accessibility of information are the prerequisite of informed choice and critical for safeguarding the interests of ageing consumers. Hence, the proposed ICT training initiative should be accompanied by enhancing the provision of consumer information via electronic means of communication which by far facilitate most effective dissemination of information whether in terms of speed and scope.

It appears from the survey findings that information inadequacy is a problem to the ageing consumers. Around 12% of the consumers reported unfair trade practices relating to “insufficient product/service information” in the 12 months preceding the Survey. During the focus group discussion, some ageing consumers also expressed their worries on not having sufficient or complete information about the products or services being consumed. Apart from sufficiency of information, whether the information, particularly the jargons, is easy to understand was the other critical concern being raised by the ageing consumers.

Currently in Hong Kong, there are a wide range of websites operated by different elderly service organisations, targeting elders or on topics such as health tips, home safety, common elderly illness and elderly home services, but the information related to consumer protection is fragmented and varied in reliability.

As consumption is an indispensable part of elderly persons’ daily life and have significant implications on their well-being, it is recommended that the online information gap on consumption and consumer protection be filled by capitalising on the web-based learning portal to be launched by the OGCI next year to develop it into a one-stop information portal on consumer information of relevance to ageing consumers in the long run. Such a portal will be a credible, convenient and timely access to information for ageing consumers and their carers about matters affecting their consumption interests. The spirit of centralising the information aims to optimise the effectiveness in drawing traffic and enable the ageing consumers to stay in touch with information that helps them make informed choices and use products safely; and enhances their awareness of prevailing undesirable trade practices, the way to avoid falling prey and the legal safeguards and remedies available.

In an era of information explosion, one of the major challenges of such a one-stop information portal would be the assurance of credibility of information and reliability of sources. Concerted efforts of multi-disciplinary stakeholders, including the Council, the governmental regimes, law enforcement agencies, elderly services organisations and experts from different disciplines and professions, can be leveraged as the source of information for the said proposed initiative.

## **STRENGTHENING CONSUMER EMPOWERMENT CONTENTS DEDICATED TO AGEING CONSUMERS ON CONVENTIONAL MEDIA**

Despite the increasing use of the Internet in communication, the conventional media are still commonly used by ageing consumers to acquire consumer information. As evidenced by the findings of the Survey, conventional media, namely TVs/radios (53.9%) and newspapers/magazines (46.5%) are the predominant sources of information about consumption for ageing consumers. Also, as noted there are programmes dedicated to the elderly audience, such as the Radio Television Hong Kong (RTHK) Radio 5 and the elderly programmes broadcast in the various TV channels. They are good means for consumer education and publicity. The conventional media are called to strengthen the elderly-consumption-related contents to accommodate the growing social needs for empowering ageing consumers incidental to the fast expansion of the silver market in the years to come. At present, free TV service licensee is required under its licence to provide programmes for seniors at least 60 minutes per week. With the anticipated fast growing of elderly persons, it is also worth considering to review the minimum programme time dedicated for seniors provided for, in the free TV service licence.

The Council is most willing to play a part in the proposed strengthening of elderly-consumption-related contents on media by sharing the information of goods and services that may be of particular interest to ageing consumers and their carers. Examples are testing on products and, study/survey on services of relevance to the elderly, and consumer alerts against undesirable trade practices.

## **ASSISTIVE GADGETS TO FACILITATE ENGAGEMENT IN CONSUMPTION ACTIVITIES**

Bodily functioning decline is the major barrier to ageing consumers in their participation in consumption activities. Various forms of assistive devices addressing different aspects of bodily functioning decline such as that in mobility, memory, vision, hearing, etc., can help the elders maintain their daily activities and routines, so as to stay active at home as well as in the consumption environment.

For instance, memory loss to a different extent is not uncommon among the elderly. During the focus group discussion, some ageing consumers expressed their frustration at forgetting or missing important dates such as contract renewal and pay dates. Age-friendly electronic gadgets with pre-set alert and record tracking could serve as an effective reminder, helping ageing consumers and/or their carers plan their consumption and manage their outgoings in a timely manner.

Development of such assistive tool may leverage on the money management tools and mobile apps developed by the Investor Education Centre under their Chin Family financial education platform. Their Money Tracker<sup>137</sup> helps users track their expenses, so as to help them manage their money use. The proposed pre-set alert function could be added to such a device to remind the ageing consumers of important dates such as contract expiry notification and renewal alert. This may also allow them time to search for information or seek advice from their

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<sup>137</sup> <https://www.thechinfamily.hk/web/en/tools-and-resources/calculators/index.html>

family members before committing to the renewal of contracts. The tool should have flexibilities to allow the ageing consumers, especially those with vulnerabilities, to grant access to their family members/carers for helping them review their expenses and to identify potential risks of unscrupulous sales practices.

It is even better if the device is complemented with self-assessment scales to gauge own risk assessments, potentially among the four areas of vulnerabilities mentioned in our Survey. Academics of local universities are encouraged to conduct further studies to develop and validate a consumption risk assessment scale easy for use by the ageing consumers and their carers, so as to help prevent the elders from falling prey to undesirable trade practices.

## **5.3 | RECOMMENDATION 3: BUSINESSES SHOULD SUPPORT THE GOVERNMENT TO ENHANCE TRADERS' AGE-FRIENDLY AWARENESS AND TO MAKE THEM AGE-FRIENDLY**

The rapid increase of the ageing consumer population with a profile quite different from their predecessors has indeed called for changes in the mindset and strategy of businesses in taking responsive actions to accommodate their needs, demand and expectations, not only for the sake of fulfilling their corporate social responsibility, but also for tapping into a high potential group of customers.

However, it is much likely that not all the businesses are aware of the socio-demographic changes as a result of rapid ageing in Hong Kong and their commercial implications. Even those aware of the changes may not perceive the benefit of being age-friendly, nor do they know what the age-friendly practices are or how they should adopt them. The Council believes, the Government and major players and/or trade associations of various business sectors could possibly collaborate in the following areas:

- raising the businesses' awareness of the requirement and benefits of being age-friendly and encouraging them to implement age-friendly practices;
- giving support for initiatives conducive to the creation of an age-friendly consumption environment such as research on the age-friendly requirements specific to a business sector, publicity amongst business community to boost incentive to adopt age-friendly practices, setting up and implementing age-friendly guidelines or code of practice, as well as training on business planning and implementation from an age-friendly perspective for executives and effective communication with the elderly for front-line workers; and
- providing traders with best practice guides and standards on age-friendly operation.

Exemplified by overseas experiences mentioned in Chapter 4, it is recommended that the Government stipulates a general guide to the requirements of an age-friendly businesses, after thorough discussions among the stakeholders, to assist businesses to stipulate their own customised age-friendly operation guidelines or code of practice. Individual traders are then urged to take initiative to reflect on whether their goods, services or facilities are sufficiently age-friendly and go further to adopt age-friendly practices so as to give safe, accessible and enjoyable customer experience to ageing consumers.

It is particularly vital for those industries taking the significant shares of the overall consumption activities of ageing consumers but being rated by them with low satisfaction of performance, such as those providing telecommunications services, travel services and insurance products as indicated in Chapter 2 of this Report. The Council took reference of a few industries and raised follow-up enquiries to the respective trade associations on the existence of any age-friendly guidelines.

## **AGE-FRIENDLY PRACTICES OF THE TRADE ASSOCIATIONS**

### **Telecommunications**

- Communications Association of Hong Kong (CAHK) stated some examples of age-friendly initiatives (e.g. waive of paper bill charge, free-of-charge workshops, special fixed line price, elderly care mobile app service, etc.) undertaken by individual telecommunications services providers.
- Code of Practice on the Provision of Telecommunications Services for the Elderly and People with a Disability issued by OFCA, stating that the operators have the responsibility to provide good customer service to the elderly (60 or above) and people with disability; and billing and other important information issued in hard copies should be made in large prints, etc.

### **Insurance**

- The Hong Kong Federation of Insurers (HKFI) listed out some measures including post-sale confirmation calls to reaffirm customers' understanding of the policy and their rights and obligations; plain language and legible font size that benefits customers of all ages, including the ageing consumers. In addition, guidelines were issued by HKFI and Hong Kong Monetary Authority (HKMA) that extra care should be given in assessing risk appetite and product suitability when selling complex products (e.g. investment linked assurance scheme products) to the elderly.

### **Healthcare**

- The Elderly Services Association of Hong Kong (TESA) claimed that the industry has various voluntary accreditation schemes, trainings and guidelines on residential care homes aiming to enhance the service quality of the industry.
  - Other age-friendly initiatives could also be found in the sector, e.g. free medication consulting service for the elderly in selected district, being provided by the Pharmaceutical Society of
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Hong Kong: an information platform being launched by Hospital Authority to help chronically-ill elderly patients learn how to take care of themselves.

## **Banking**

- HK Association of Banks (HKAB) stated that the industry does not have any specific guideline for the elderly, but the Code of Banking Practice has covered some basic principles. Protective measures includes the availability of translation for customers upon request; typeface and size of document is easy to read and legible. In addition, HKAB and individual banks have carried out some initiatives (e.g. fee waivers, ATM educational sessions, simplified ATM cards, mobile branches, cash withdrawals at designated post offices or convenience stores by EPS) to support the elderly access to banking services. For investment products, the pre-investment cooling-off period and the 7-day post-sale cooling-off period being implemented by HKMA and Securities and Futures Commission (SFC) respectively, also provide additional protection to qualified elderly customers of financial derivative products.

## **Travel services**

- Travel Industry Council (TIC) stated that the industry does not have any specific guidelines or codes or initiatives for the elderly, and the provision of specific age-friendly travel products or services is not common in the trade at the moment.

In short, some protective measures or certain age-friendly initiatives could be found in the general practices of some industries being concerned. It is recommended that such age-friendly practices should be codified as internal rules or guidance for staff compliance in the form of code of practice.

## **EXAMPLES OF AGE-FRIENDLY PRACTICES RECOMMENDED**

### **Provision of an age-friendly shopping environment**

Physical and mobility constraints are common concerns for many ageing consumers to go shopping. Poor store layout, lack of seats and toilet facilities, poor lighting, narrow aisles, difficulties in reaching a product on the top of or down to the bottom shelves, small font sizes and insufficient colour contrasts on signage and product labels, just to name a few, are barriers to their consumption activities.

A question was asked in the Council's Survey, revealing the preferences and expectations of ageing consumers in the city on how to build an age-friendly environment in a shopping mall. Top five measures they considered as important are listed as follows for the industry reference (more details could be found in Chapter 2):

- Clean and hygienic restrooms with dry and smooth floor
  - Seats for ageing consumers
  - Sufficient and easily accessible restrooms
  - Clear glass door awareness labels to prevent bumping or injury
  - Clear information showing directions to shops and restrooms
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Japan, being a country with a longer history of aged population, has built good models of a barrier-free shopping environment for the ageing consumers, who have been newly named as the “Grand Generation” by a renowned retail corporate group. More overseas experiences mentioned in Chapter 4, have also demonstrated that the shopping environment can be customised in a thoughtful manner to make ageing consumers enjoy their shopping. Trade associations in Hong Kong should encourage their members to build such an age-friendly shopping environment proactively; and go further to take the lead to coordinate their members for formulating guidelines for providing a safe and enjoyable environment for these silver shoppers.

### **Provision of an age-friendly customer service**

Apart from the physical environment, customer service is another area that is frequently encountered by the ageing consumers. It was found in the Survey that retailers/salespersons are the most popular source of help/advice outside the social network of ageing consumers when the quality of goods was not up to expectation. It is therefore important for staff of customer service to be well trained to serve the ageing consumer. Collaborations with local NGOs or social enterprises which have been serving the elders, could be sought for offering training to organisations to enhance their understanding of the needs and preferences of the ageing consumers through experiential learning workshops.

Besides, ageing consumers are easily frustrated by the automated answering machine. To respond to this need, businesses should take note of and respond to the specific needs of ageing consumers in the process of transaction or customer service communication by enhancing the tools as well as training. It is best if a live person answers the phone directly; while not feasible, should minimise the number of steps that a caller must go through and buttons that he/she has to press before getting someone to talk to or call back. Staff is expected to speak clearly and slowly with ageing customers and to avoid condescending behaviour.

### **Other age-friendly businesses practices**

All too often, small prints on product labels, promotional leaflets and contracts with too many jargons have continued to perplex the elders. Improvement in the visual presentation would make product information effectually accessible by ageing consumers and facilitate their navigation through wide array of products and enhance their purchasing experiences. The setting up of specific guidelines on matters such as font size and user interface design would be a practical solution.

The development of age-friendly businesses practices may be catalysed by offering recognitions to business corporates who take the lead in setting up age-friendly guidelines. For instance, the Caring Company scheme offered by the HKCSS may specify certain criteria of age-friendly practices, formulated after consulting the elderly groups from time to time, for companies to be awarded in social inclusion under the theme of “age-friendly”.

## 5.4

### RECOMMENDATION 4: INCREASE DIVERSITY OF QUALITY GOODS AND SERVICES FOR AGEING CONSUMERS

From the Study, vast majority (71.7%) of the ageing consumers opined that there was insufficient choice of goods or services for the elderly in the market, reaffirming that the silver economy in Hong Kong is yet to be developed. Moreover, the younger ones amongst the ageing consumers who are generally better educated, healthier and more affluent, are expected to have higher expectation on the diversity and quality of products, and will demand more flexibility and control in their choices. Hong Kong businesses should step up and keep abreast of the international trend by increasing the diversity of goods so as to provide ageing consumers with sufficient choices.

This calls for endeavours to increase the variety of goods and services that meet the growing needs and expectations of ageing consumers in a comprehensive manner. Investment in gerontechnology should be strengthened to develop innovative products and services that help fulfil the elderly's physical, psychological, recreational and other aspects of needs so as to enhance their quality of life.

The GIES held since 2017 was a good start. As it will be organised again in November 2018, it is recommended that such kind of gerontechnology initiatives be organised on a regular basis to provide opportunities for the businesses to enrich their knowledge about the latest technological development of age-friendly products and the experts of related fields to exchange ideas and experiences. Apart from being a driving force of gerontechnology, it may help the businesses become aware of the needs and preferences of the ageing consumers and boost their incentive to explore the silver market. Hopefully, more and more choices would be age-friendly open to ageing consumers with more and more traders engage in the silver market and the development of gerontechnology.

It is also pleased to note that in the 2017 Policy Address, the Chief Executive pledged “to proactively promote gerontechnology for improving the quality of the elderly persons and reduce the burden and pressure of carers and care staff, the Government will earmark HK\$1 billion for setting up a fund to subsidise the elderly service units to trial use and procure technology products”<sup>138</sup>.

It will be highly beneficial for this kind of gerontechnology initiatives to be developed under a long-term policy, allowing more innovation and creative initiatives from the market to explore their commercial viability in the long run. For the time being, the Innovation and Technology Venture Fund (ITVF) and the Innovation and Technology Fund for Better Living (FBL) may adopt “ageing well” or “age-friendly” as the theme for fund applications from time to time, to facilitate the development of products and services for the ageing consumers.

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<sup>138</sup> Following the Chief Executive's 2017 Policy Address, it was announced in the 2018-19 Budget Speech that the Innovation and Technology Fund for Application in the Elderly and Rehabilitation Care will be established. The Government plans to launch the Fund in the fourth quarter of 2018.

As the Research Office, Information Services Division of Legislative Council Secretariat has pointed out, “the adoption of gerontechnology solutions or products is not yet extensive as many elderly-friendly technologies developed under the support of ITF (Innovation and Technology Fund) are for demonstration or pilot use only. Possible difficulties include the lack of funding for product commercialisation, shortage of testing grounds, difficulties associated with localising imported products, and limited knowledge or affordability of the elderly. There is also a lack of government-led holistic strategy to drive innovation and technology for elderly care services”<sup>139</sup>.

It is apparent that the Government’s further effort to formulate a government-led comprehensive strategy similar to that of the EU to drive innovation of assistive technology and products, with encouragement and support given to academia and industry, in particular to the facilitation of commercialisation of inventions and make those products available in the market accessible and affordable by the ageing consumers, is essential to the creation of an age-friendly consumption environment. This could possibly be done through the incubation programmes of the Science Park and Cyberport, adding “ageing well” or “age-friendly” to their key areas of development, helping the start-up companies to turn their inventions into marketable age-friendly products.

## **5.5** | **THE WAY FORWARD: AGE-FRIENDLY CONSUMPTION ENVIRONMENT**

In a nutshell, it is high time that an age-friendly consumption environment be constructed in Hong Kong.

The Council believes that such a consumption environment is characterised by sufficient protection for ageing consumers synchronised with empowerment initiatives for them to safeguard their own interests and seek redress, as well as to actively participate in consumption activities making informed choices, with the benefit of timely and reliable information and education available through various avenues.

Ageing consumers have the potentials and ability to be empowered to participate effectively in the market. Such empowerment process can only work in an age-friendly consumption environment built upon respect, care and concern towards these ageing consumers with strategies and facilities to offer them effective access to every part of the consumption process as well as redress. Age-friendly practices should become a norm instead of an extra requirement. In fact, goods and services that are designed in an inclusive way not only work better for the ageing consumers but also suit the majority of consumers, hence increasing levels of customer satisfaction and enhancing corporate image. Through an empowerment approach that builds an age-friendly consumption environment, the growing aged population’s potentials could be tapped into a flourishing silver economy.

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<sup>139</sup> Information note – Policy Measures to Promote Smart Elderly Services at Selected Places, the Research Office, Information Services Division of Legislative Council Secretariat, Feb 2018.

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# POSTSCRIPT

## FOOD FOR THOUGHT

As aforesaid, not only Hong Kong, but worldwide, have been facing the increased longevity and decreased fertility. Our communities and companies will need more employees aged 65 and over. Too often, we “accept” this as a consequence, however, it is the fact that our emerging silver economy needs a sizeable group of age-friendly services workers who could have best understanding about the needs and preferences, characteristics (abilities and limitations) and expectations of the ageing consumers.

Going further to overseas experiences, many countries in Europe have carried out series of reforms and measures to encourage the extension of working life over the past two decades. Take Netherlands as an example, the country, being a OECD member, has implemented a number of specific policies to strengthen incentives to work longer, to close pathways to early retirement, to raise the state pension age, and to reduce employers’ reluctance to recruit older workers, etc. As a result, the country’s employment rate for the 55-64 age group stood at 58.6% in 2012, representing an increase of 17 percentage points from 2002; while for the 65-69 age group, the employment rate stood at 12.7%, representing a considerable increase over the 2002 rate of 6.5%.

The above examples may give us insights on how the government and businesses could partner with the silver workers to pursue the new silver economy on the employment engagement perspective. More importantly, the findings of this Study reveals that the characteristics and consumption pattern of the ageing consumers in Hong Kong are highly affected by their age and employment status. Those who were relatively younger (aged 55-64) were found to be more educated, more likely to stay in employment and to have higher level of income, resulting in consumption patterns more and more similar to prime-age workers. In short, the implications of this “ageing and employment” correlations not only contribute to tackling the challenges of population ageing and reducing workforce, but also illustrate how the consumption needs of the whole economy would evolve. To this end, despite a manpower study on the ageing employment will go beyond the ambit of the Council, it is hoped that the Government would conduct separate exercise to explore the potential of the elders in Hong Kong.

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SAGE Chai Wan District Elderly Community Centre

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