The Silver Economy, Technology and Population Ageing: Framing the Issues

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Two framing questions…

- **What do we mean by the Silver Economy & what is its size, economic impact and potential globally and in Asia?**

- **What role can technology play in improving the agency, participation and well-being of all older people – and helping realize the full potential of the Silver Economy in Asia?**

1. Opportunities in the Silver Economy are about realizing new possibilities from increased longevity & reframing the ageing agenda

- Economic, business & social opportunities in the Silver Economy are a key element of a more positive and balanced narrative around societal ageing

- Silver Economy is not just about *potential* economic opportunities, but also recognizing the *existing* economic contributions of older people as consumers, producers & non-market contributors

Silver Economy is not only about economic activity, but also shifting the narrative around ageing

From…	…To
• Older persons as dependents	• Active economic & social contributors
• Older persons as a homogenous group	• Older persons as heterogenous with diverse needs & preferences
• Ageing being only about older people	• Ageing providing opportunities for adults of all ages
• Older persons as niche market & passive consumers	• Silver consumers as dynamic market shaping consumption patterns
• Older persons as tech-illiterate & senior digital divide	• Tech-adaptable & with digital agency

All Silver Economy definitions have a common core of consumption by older people & supply of that consumption

Examples of classic silver economy definitions:

- The economic activities, products, and services generated by the consumption needs and purchasing power of older people
- Sum of all economic activity that serves the needs of people aged 50 and over, including the products and services they purchase directly and the further economic activity this spending generates (EU)

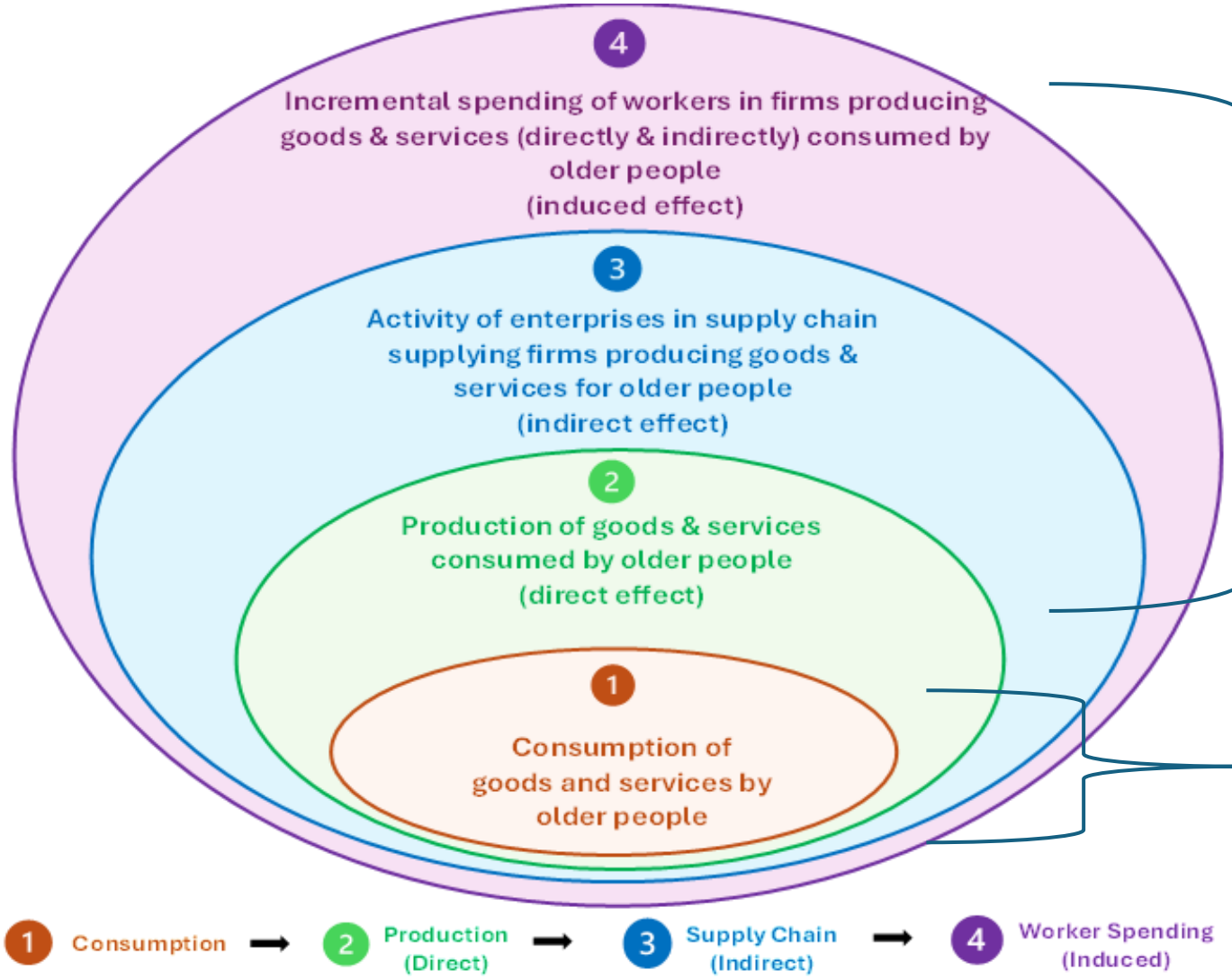
There are three layers of these silver economy definitions:

- **Direct effect** – economic activity of organizations providing the goods and services consumed by older people (often 50+, but may be older)
- **Indirect effect** – economic activity due to procurement of goods & services from businesses in the supply chain servicing organizations supplying those directly servicing older people
- **Induced effect** – the incremental spending of workers in enterprises linked to consumption of older people (directly & indirectly) across the whole economy

Most definitions include both private consumption & publicly financed goods and services consumed by older people

Though some estimates of SE include only age-specific consumption of older people, excluding general consumption and publicly financed goods and services (e.g., silvereconomy.com)

A classic definition of Silver Economy involves an economic ripple effect from the consumer spending of older people



Wider economic impacts of silver market spending

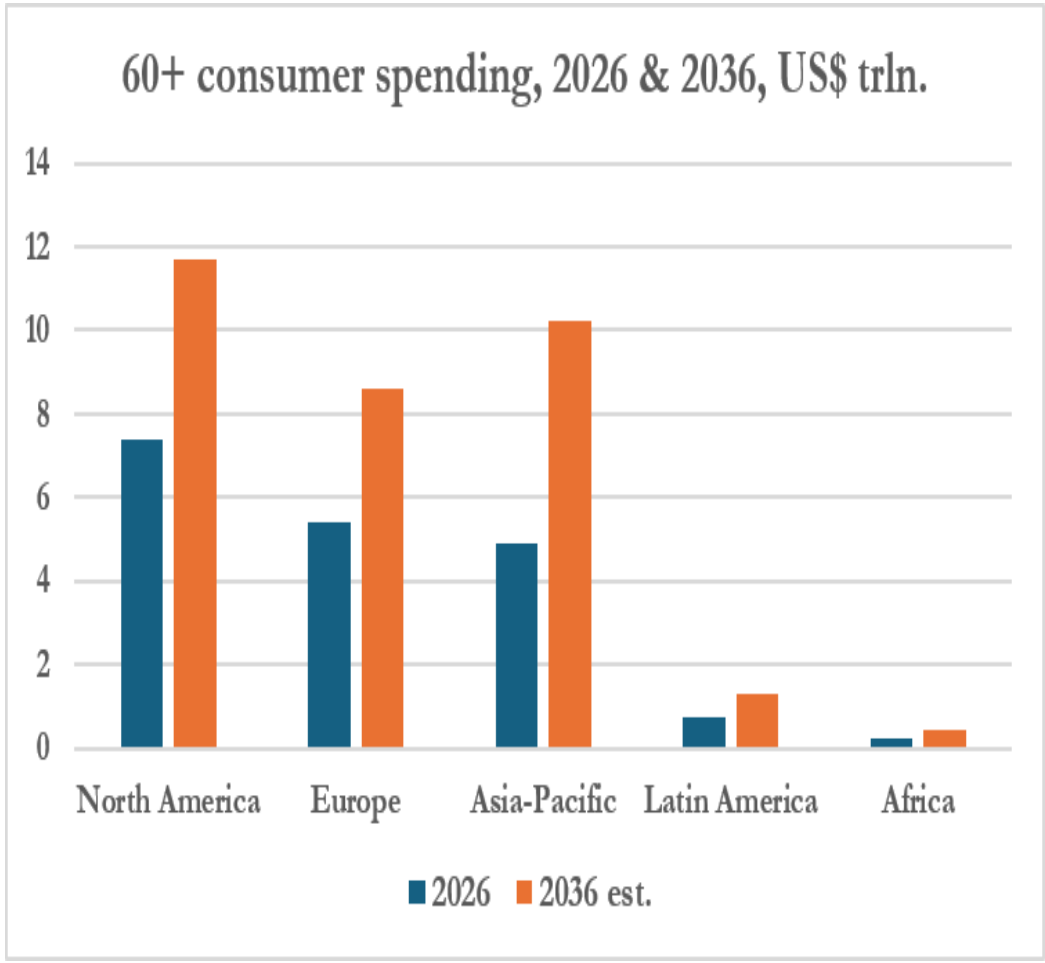
The "silver market" value



Looking only at the value of 60+ consumption, the global silver economy is huge & rapidly growing, especially in Asia

Global total 60+ consumer consumption in 2026 was US$19 trln., rising to US$34 trln. by 2036

(World Data Lab, 2026)



Source: World Data Lab; Nielsen IQ; Silver Economy

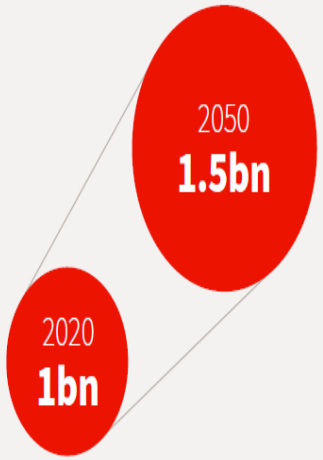
If we include the wider economic impacts of senior consumption, globally the Silver Economy is even larger

Global economic impacts of 50+ population consumption & spillovers, 2020 and 2050

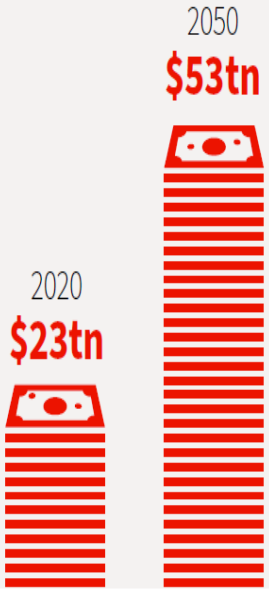
GDP impact:
$45 trillion in 2020 vs. $118 trillion in 2050



Jobs supported:
1 billion in 2020 vs. 1.5 billion in 2050



Labor income impact:
$23 trillion in 2020 vs. $53 trillion in 2050



Consumer spending:
50% of global total in 2020 vs. 59% in 2050



50-plus contribution not restricted by borders:
Close to 30% of their impact on GDP in 2020 occurred outside of the home economy



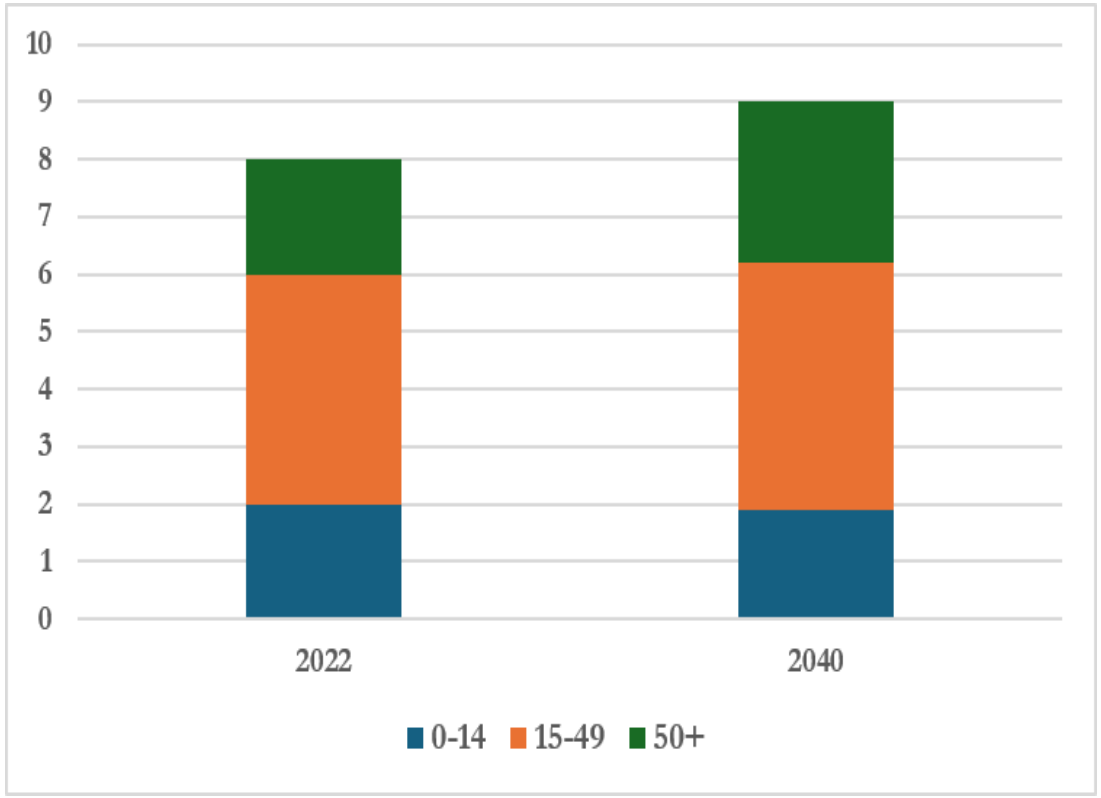
Putting in context:

- the combined GDP of China & USA was around US$ 36 trln. in 2020
- $45 trln was three times the combined revenue of the world's 100 highest-earning companies in 2020 (World Data Lab)

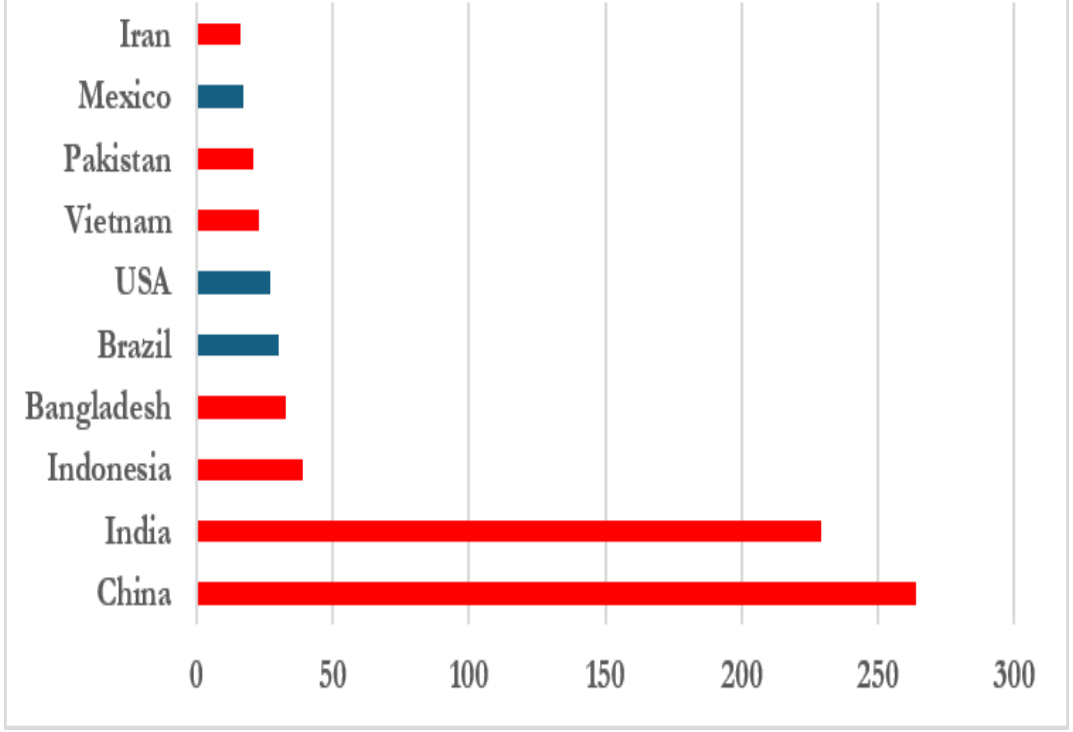
Source: Accius, Ladner & Alexander. The Global Longevity Economy Outlook. AARP 2022.

Focusing on the global *consumer* class, people 50+ will account for most global growth in coming decades & Asian countries for most of that

Size of global consumer class by age grouping, 2022 and 2040 (bln. people)



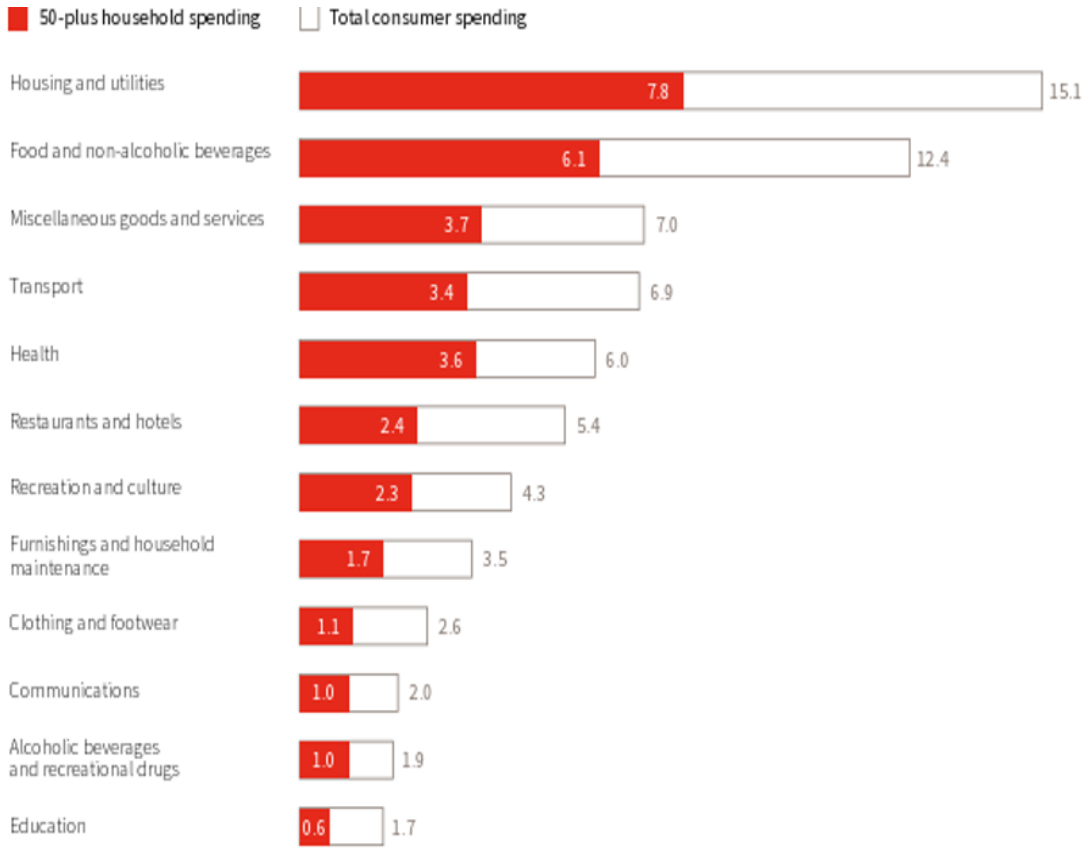
Top ten countries in growth of global 60+ consumer class, 2022-40 (mln. people)



Source: World Data Lab. Note: Consumer class = >US$12 per day at 2017 PPP rates

The Silver Economy is multi-sectoral, and in Asia opportunities exist across countries, with China the standout

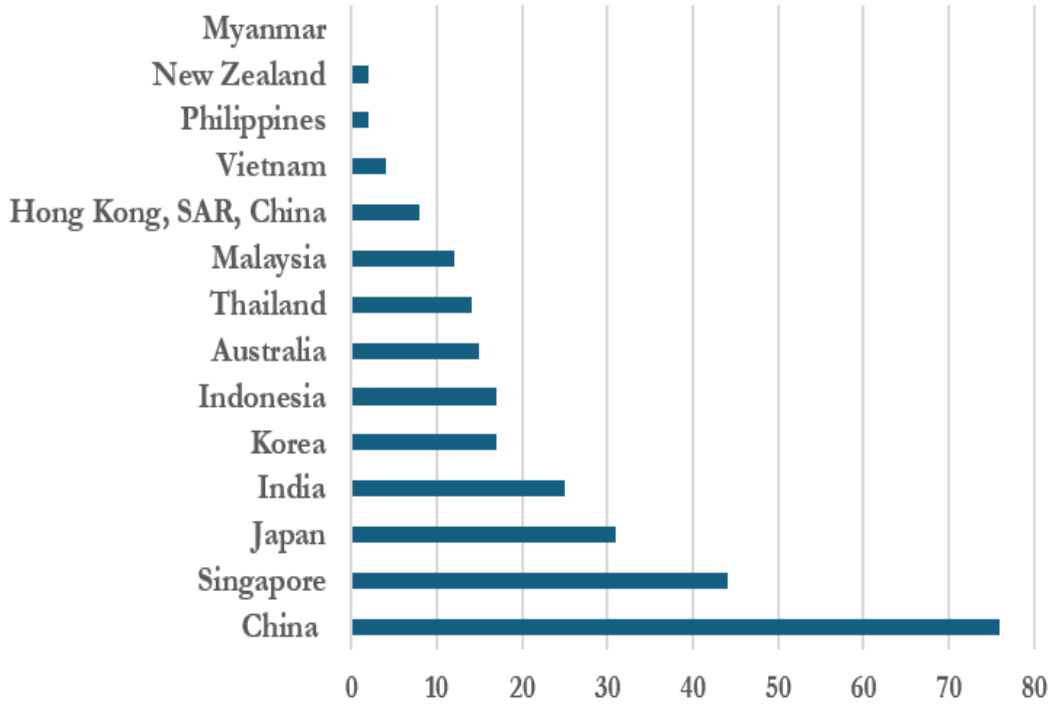
Global share of consumption by 50+ by category, 2020 (US$ trln)



All dollar values reflect PPP-adjusted international dollars and are adjusted for inflation post-2020.

Source: AARP, Global Longevity Economy Outlook, 2019

Which Asia-Pacific markets do you believe hold the greatest potential in the silver economy between 2026 and 2030 (% of respondents, up to three countries)



Source: Ageing Asia State of the Industry Survey, 2026

Technology is a key enabler of the Silver Economy & is creating new markets – but requires inclusive design & consumer education to minimize new risks of exclusion

Technology, increasingly with embedded AI, is foundational for all sectors of the Silver Economy & also a growing standalone market segment:

- **Digital platforms** are increasingly the channel for older persons to access goods and services in all sectors - and manage their finances which enable consumption
- **AgeTech** products & services are rapidly growing standalone market segments – in health & care, fintech and insurance, smart homes & IoT, assistive robotics, e.g., ASEAN AgeTech funding saw 28% CAGR from 2020-Q12025 (AARP).

But realizing the full potential of technology for the Silver Economy requires close attention to ensure that tech/AI are inclusive & promote digital agency of all older people:

- A **"senior digital divide"** remains in access to digital goods and services & their effective usage, though growing government programs to address this challenge
- Many digital devices & services are not designed with age-related changes in functioning in mind, and training data for AI large language models under-represents older people, creating algorithmic bias
- **Digital/AI and data protection governance frameworks** remain under-developed & fragmented across Asia-Pacific & many countries lack policies that explicitly address the digital rights, needs and vulnerabilities of older persons.

2. Recently, wider definitions of the Silver Economy also include the role of older persons as earners and producers of economic & social value - not only consumers – and the enabling environment

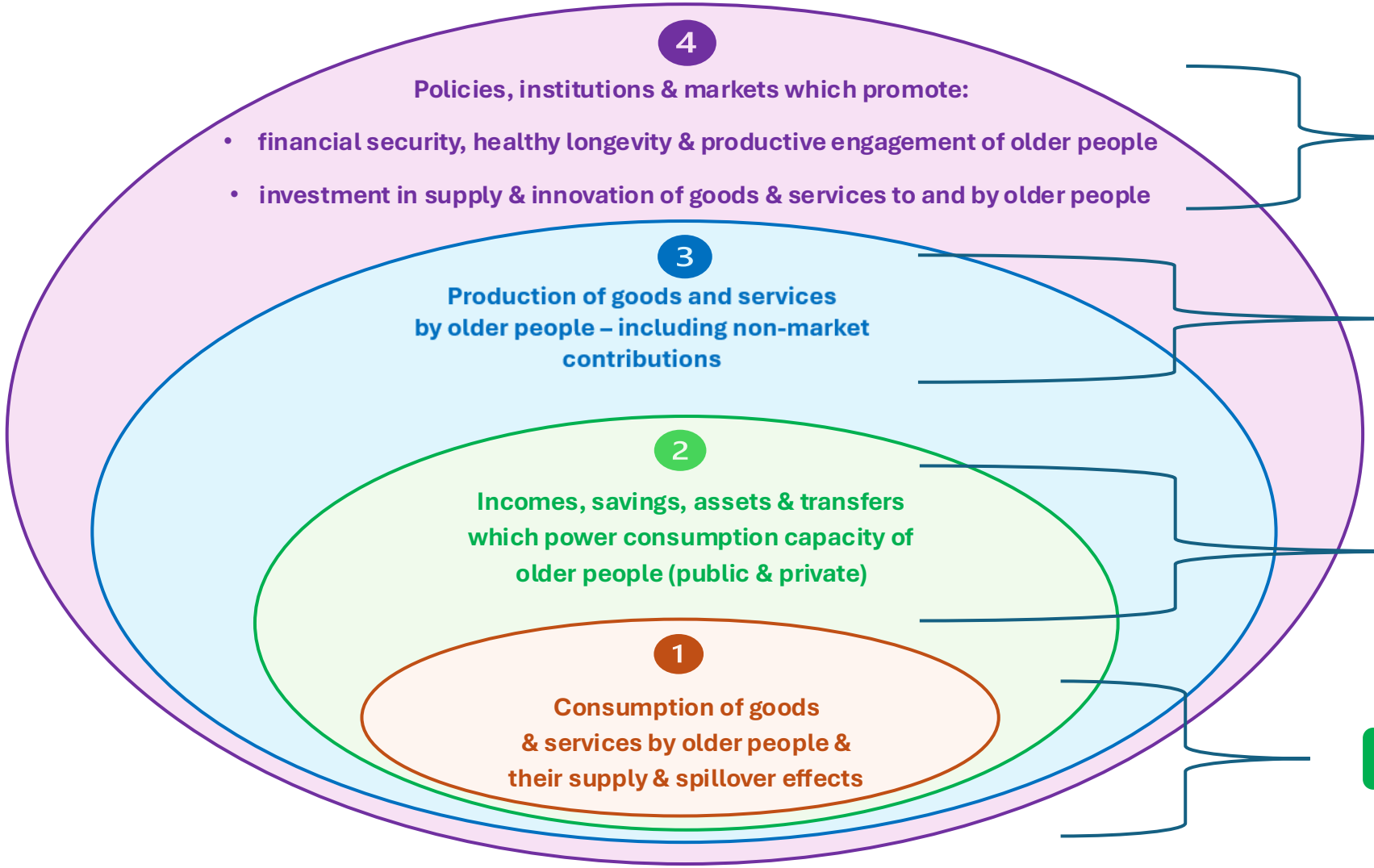
- Silver consumption relies on adequate and reliable sources of income among older people to power consumption

- Broader silver economy approaches therefore include the role of older people as producers of market and non-market value in the economy & the other sources of income which underpin consumption capacity (e.g., pensions, savings & private transfers from children)

Examples of more inclusive Silver Economy definitions:

- The silver economy is "the sum of goods, services, and consumption **by and for older adults**" (Inter-American Development Bank)
- Economic activities and markets driven by **the needs, capacities, and contributions of older persons** (UNFPA)

A wider framing of Silver Economy with older people also as producers and earners & the enabling environment for their productive inclusion



Enabling environment, including labor regulation; silver enterprise incentives; pension/social protection systems; care services; lifelong learning; tech/AI and privacy regulations; etc.

Wage work & self-employment; informal care provision; volunteering

Mature worker labor income; saving & asset income; pension/public transfers; private transfers

Classic silver economy definition

Technology has the potential to raise the productivity, health & skills of older persons & promote age-friendly work – but comes with new risks of exclusion

- As an **enabler for older workers**, technology can enable work & skills through online learning platforms, lowering physical demands of work, facilitating flexible & home-based work, lowering costs of workplace adaptations, accessible formats for accessing online materials, etc.

- **Tech-enabled health & care services** are expanding rapidly in Asia and can promote healthier workforces, more timely prevention & treatment, lessen health spending pressures for households & governments, and promote independent living (e.g., diagnostic AI, digital health platforms, predictive analytics for health insurers, assistive robotics, smart home systems & contactless health monitoring).

- But **exclusion risks are real**: automation, AI and digitalization disproportionately affect workers with limited digital skills, in particular older persons, older women and older persons with disabilities. And AI in workplaces has real risks of algorithmic bias in recruitment & performance assessment. Without targeted support, technological change risks creating new forms of exclusion and widening existing inequalities.

Globally, countries are developing silver economy strategies as part of broader economic, industrial & social policies

Most Silver Economy policies have focused on industry development for providers of goods & services to senior consumers:

- **Korea** (Senior Friendly Industry Promotion Act, 2006), **Singapore** (Silver Industry Committee, 2006) & **France** (*Filiere Silver Economie*, 2013) were leaders in dedicated silver industry policies
- **China's** 2024 State Council Opinions on Silver Economy Development have wide sectoral scope, including promotion of R&D, senior entrepreneurship & industrial clusters
- Other Asian countries emphasize **target/priority sectors** in their Silver Economy policies, e.g., Thailand; India's draft Care Economy Policy; Japan re health & care.
- In both government policies & private sector investment, **AgeTech** is receiving increasing emphasis, including digital health/care, robotics, fintech and insurance, smart homes & IoT

But there are emerging Silver Economy policies which are more holistic, including senior financial security and enhancing productivity of people at older ages:

- **ASEAN** draft Framework on Unlocking the Silver Economy takes a holistic & aspirational view of Silver Economy, recognizing older persons not only as beneficiaries of care & services, but also as consumers, workers, entrepreneurs, caregivers, volunteers & community leaders.
- **Hong Kong, SAR, China's** Working Group on Promoting Silver Economy 2025 measures include policies not only for promoting silver industries & consumption, but also enhancing work & training opportunities for mature workers and promoting their financial security.

Thank you

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