

## MARKETING

# Woopies?

If you want to think how neglected this sector has been, try to think when you last saw an advert whose main focus was a product or service for older people. If you go by this yardstick one cannot blame you for believing that only young people buy products. In the USA and continental Europe this segment has received increased attention reflecting the expanding purchasing clout of this segment.

*Woopies - Well Off Older People is one of a series of acronyms given by the advertising industry to describe a segment in the market. Their needs and aspirations should be taken into consideration, writes Albert Caruana.*

## Growing segment

By 2025, nearly 20 per cent of the population in seven major OECD economies will be 65 or over. Like these countries Malta will see this segment of the population growing. At present 15 per cent of our population is over 60 years of age but it is estimated that by 2030 as much as 21 per cent will be in this segment. The growth in the ageing population segment can be attributed to what has happened in the last 30 years where we have witnessed a falling birth rate coupled with an increase in life expectancy. These two factors in combination will mean a problem for government who needs to finance a larger pensions bill. However it will also represent the emergence of an increasingly important market for a wide variety of products. Inclusion in the woopies segment depends on the threshold

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segment.

## Marketing implications

Often people in the 50 plus age group have by this time seen their children become married and have therefore relieved themselves of a considerable drain on income. They have few other financial burdens and many of them find that they are likely to inherit property and other assets as their parents pass away. In particular those between 50 to 60 years of age are at the peak of their earning power.

This is an obvious segment for many financial products that can combine financial advice, investment options and savings. It is rather surprising that the local banks do not appear to have sought to tackle this segment. People in this age group probably own a disproportionate amount of the total savings of the country and should prove attractive to a bank that wishes to expand its deposit base. Many of those in the 60 to 70 bracket are at the stage when their children are starting to have children themselves and many woopies can be an important segment of toys for grand children. Given the right product they could also prove to be lucrative market for overseas holidays and other leisure

and recreational services. Although those 55 plus are generally much healthier than in the past, it is a time when health concerns become more predominant. This segment is an important market for medical products and services, home support and also for particular groceries. It is a segment that can be fairly easily reached. Many people in this segment probably read more newspapers, watch more daytime TV, and possibly listen also to more radio. In targeting at this segment of the population it must be borne in mind that people buy products because they have needs not because of their age.

## Political implications

Finally the ageing population

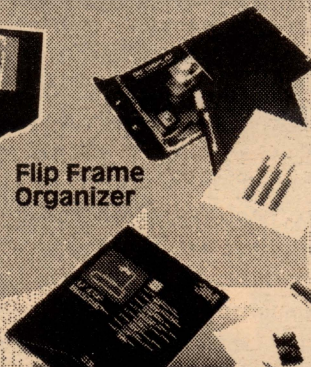
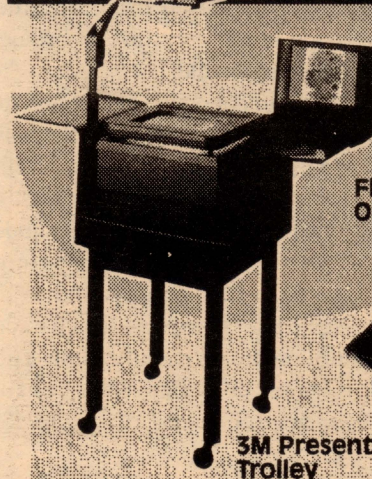
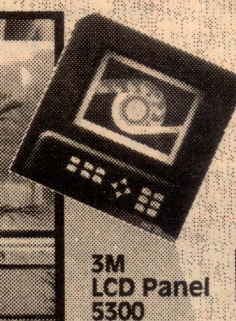
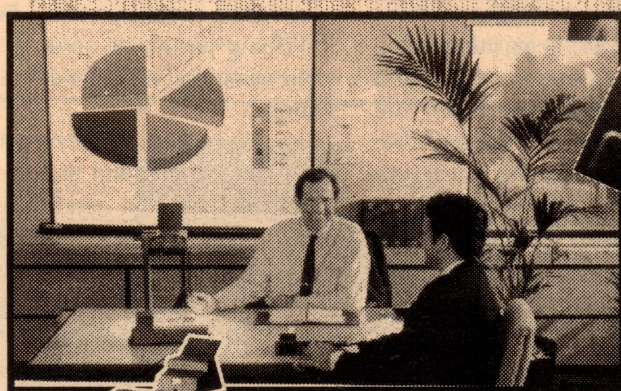


segment will become increasingly important not only to commercial organisations but also to political parties. What are the needs of this segment particularly with respect to housing, pensions and health care? Can governments continue to meet these requirements? Should they? What new structures are required? These are questions that require a political decision. What is certain is that no political party can ignore

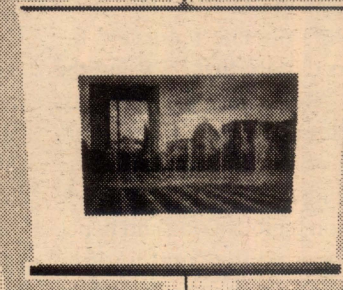
their needs. With over 46 per cent of the voting population over 50 years of age by 2010 they will have overwhelming lobbying power.

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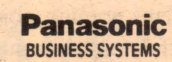
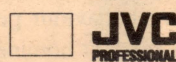
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