The Silver Economy
Redefining ageing in the digital age
A GovLab report
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Preparing for the rise of the silver economy

Longer life expectancies at birth, coupled with lower fertility rates, have resulted in ageing populations for both developed and developing economies across the globe. According to estimates, the elderly population is projected to triple to 3.2 billion globally from 2015 to 2050, with Asia accounting for the largest proportion of the world’s ageing population at 62.3% in 2050¹.

Even as we speak, that future has already begun taking shape. Deloitte’s analysis revealed that by 2025, there will be over 1 billion people aged 50 and above across 10 key comparison markets in Asia: China, Hong Kong, India, Indonesia, Malaysia, Singapore, South Korea, Taiwan, Thailand and Vietnam (see Figure 1).

In particular, mature markets such as Hong Kong and Taiwan will be classified as aged societies. Developing countries such as China and India, too, will see rapid growth in their populations aged 50 and above, which will rise to 39.5% and 21.6% of their total population respectively by 2025.

Figure 1: Estimated population aged 50 and above, in millions and as a percentage of total population in 2025

![Figure 1: Estimated population aged 50 and above, in millions and as a percentage of total population in 2025](image)

Source: United Nations, Economist Intelligence Unit, Organisation for Economic Co-operation and Development, and Deloitte analysis

¹. Based on Deloitte analysis with data from the Central Intelligence Agency and Oxford Economics
The exponential growth in the size of these ageing populations is understandably a concern for governments and businesses, as working populations shrink in size, consumer demographics change, and health care expenditures rise. But increasingly, the ageing populations of today and tomorrow differ from those in the past in significant ways.

Singapore, for instance, is slated to possess one of the fastest-growing ageing populations in the region. At the same time, it has been estimated to have the second highest household expenditure per capita amongst the comparison markets (see Figure 2). Singapore’s Silver Economy – defined as the market of products and services targeted at populations aged 50 and above – is also expected to nearly triple from SGD 33 billion in 2015 to SGD 91 billion in 2025.

Figure 2: Estimated household expenditure per capita in 2025

As one of the fastest-ageing populations in the region, Singapore faces an urgent and critical imperative to prepare for this future. The idea of leveraging digital solutions to harness efficiencies is, of course, not new. Indeed, Singapore has already made much progress in this respect, particularly in the health care sector. Nonetheless, more can be done.

From a government perspective, the pertinent focus should surround the provision of a nurturing overall environment for digital elderly solutions, especially to secure more breakthrough innovations in the sectors where the impact of digital solutions is likely to be the highest and where the intrinsic nature of business is most conducive for digital implementation.

From a business perspective, the crux would be to have the industry take cognisance that digital plays in the Silver Economy is more than implementing new and better technologies; it is about aligning businesses with the needs of the Silver Economy, investing in the right digital opportunities, and rethinking how everyday work can be remodelled in order to improve the user experience for elderly.

In this report, we will explore some of the latest digital solutions within four priority sectors identified for Singapore – Health Care, Food & Beverage, Transportation and Retail – to capture the full potential of an expanding Silver Economy. We will also take a closer look at how the digital solutions in these sectors complement the four themes under SPRING Singapore’s Silver Industry Standards Roadmap, as well as leverage different types of innovation for success.

2. Based on Deloitte analysis with data from the Department of Statistics Singapore

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