

7th International Conference on Engineering, Project, and Production Management

Senior as a Challenge for Innovative Enterprises

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Abstract

The aim of this study is to discuss challenges faced by business in the development of the segment of the seniors. The research emerged from the deeper studies into the national and foreign literature. The main goal of field research was to study attitudes and behaviors of the seniors towards innovations. The research proved that contrary to stereotypical opinions, the researched seniors from Lubuskie Province have a positive attitude towards innovations, especially the market of food products. The obtained results can serve as a basis for the formulation of marketing strategies by entrepreneurs working in the silver sector.

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Peer-review under responsibility of the organizing committee of EPPM2016

Keywords: innovation; demographic transformations; senior; silver economy

1. Introduction

In the development process of the enterprise, it is important to create competitive advantage. Companies compete with each other through rates, quality, distribution, transaction terms and visualization of products, services and places. All these elements involved in creating competitive advantage are often “centered” in the form of innovative actions. P. McGowan calls innovative process such creative activities that put a greater emphasis on the implementation of ideas [14]. This is an ongoing process, starting from noticing an opportunity and ending with a decision to implement this idea and proceed toward its accomplishment [20].

The emergence of new ideas in the form of products, services (product innovations), new methods involving significant changes in the appearance of the product, its packaging, positioning, discount, pricing (marketing innovations) or introduction of new or significantly improved methods of production or supply (process innovations),

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provides the market with increasingly better solutions in terms of usability, economics of use, ergonomics and design. There may also be social innovations associated with finding new ways to address social needs not adequately met by the market or the public sector. All this results in increasing demand for this type of products or services.

The group of consumers who are style-conscious and looking for new solutions more often comprises seniors. They also should be taken into account when thinking of innovative solutions, including those related to new technologies, since they constitute an ever-expanding group of potential buyers. The process of population ageing has been intensifying not only in Europe, but all over the world, which is why it becomes so important, along with longer life expectancy, to maintain good mental and physical health and lead an active lifestyle in order to remain in appropriate social relations, enjoying the autumn of one's life. Representatives of this market segment expect every kind of service and product solutions that will help them improve and maintain an adequate level and quality of life. They should also be considered when it comes to communication solutions, such as effective communication and monitoring their safety in daily life – *smart home*, health products, availability of all kinds of services (e.g. cultural – associations, universities of the third age), etc. This segment has specific needs and expectations toward the offers addressed to it. It therefore becomes a challenge for enterprises to come up with the right offer for this segment, also by offering innovative solutions. The aim of this paper is to discuss business challenges in the face of dynamic growth of the senior segment. The authors reviewed the literature by verifying databases using key words. In addition to that, they conducted a survey among 345 respondents aged 55+ with the use of their own survey questionnaire. The research was carried out in Lubuskie Province.

2. Innovation for the silver economy

Silver economy is based on the shift in approach toward seniors who used to be disregarded as potential customers and virtually ignored, considered by suppliers of products and services to be a target group that was financially unappealing. For years, widespread negative stereotypes about old age prevailed, although growing heterogeneity and diverse images of the elderly associated with a particular age, changes in requirements relating to products and services, as well as the increasing purchasing power of this group, have contributed to the change in this thinking [5]. Older consumers spend twice as much as the younger generation, buy more investment real estate, purchase new cars, travel more frequently and literally buy more products of better quality [15]. The silver market is increasingly recognized as a strategic field of action from the standpoint of both the quality of life of seniors and the general public, as well as the provision of opportunities for sustainable, uninterrupted social and economic development. Thus, seniors are appreciated as consumers capable of absorbing a greater amount of goods and services [4]. Researchers of the silver sector [3, 5, 24] point to the following emerging areas of development of innovative solutions for seniors:

- use of modern technology, especially IT, for increased comfort and independence of seniors (e.g. smart home)
- ensuring long professional activity – provision of up-to-date qualifications, skills and knowledge necessary for successful continuation of a career
- providing organizations with the knowledge and abilities to adapt the conditions and work organization to the requirements of an ageing workforce [11]
- in terms of health and image – any measures that aim to improve health condition, fitness (including, in particular, those of preventive nature), as well as measures to raise self-esteem of individuals through appropriate make-up, outfit
- market of products and services accounting for the needs of patients, health professionals, hospitals, nursing homes and disabled seniors [1]
- development of specialized services in the field of education and culture as a response to the desire of achieving higher levels of education and better free time management, self-empowerment and gaining independence from disabilities and the limitations of age, promoting mobility and leisure, healthy lifestyle as effects of increasing prosperity, but also social awareness
- new forms of social and intergenerational integration

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