

The 60-plus consumer: South Africa's untapped market opportunity

The group of individuals aged 60 and above in South Africa represents a demographic with substantial consumer potential and is considered the most valuable generation for marketing efforts. Combining longevity with ambition, purpose, and wealth, this cohort has consistently defied trends over the decades. Targeting the 60-plus consumer presents a lucrative opportunity yet to be fully explored.



Source: www.unsplash.com

Let's start with the numbers. These are the highlights of the recently released *You've Earned It/YEI* Guide to the South African 60-plus consumer:

- Eight-million 55-plus South Africans amongst which 5.2-million South Africans are aged 60-plus
- Numbers are projected to more than double between now and 2050
- An aggregate taxable income of over R600-billion annually (information from the UCT Liberty Institute of Strategic Marketing recent Forerunner report)
- A rapt audience representing a huge market of people waiting to buy services and products

Fast-growing

"What makes this 60-plus market so important?" asks Marilyn Hallett, Director of *You've Earned It/YEI*, the digital media platform for SA 60-plussers. "60-plussers are the country's fastest-growing demographic segment. They are rebelling against the age-old retirement trend even though they are well established members of society. The thought that they are generally considered to be firmly entrenched consumers of products and services is wrong. This generation is redefining expectations of retirement and ageing, precisely as the Harvard School of Public Health predicted.

They are reshaping consumer behaviour, and middle-class South African 60-plussers are staying economically active for longer. Technology and social media especially have helped 60-plussers set new trends for their generation.”

Hallett continues: “Traditionally, marketers have steered clear of the 60-plus market. However, YEI’s recent survey series, backed up by recent research done by the UCT Liberty Institute of Strategic Marketing, doesn’t just suggest, but screams out that brands with relevant products, services, and solutions would do extremely well to consider the digital-savvy 60-plusser and their nuanced dynamics. I would highly recommend that marketers tailor their strategies accordingly to better serve the distinct needs and preferences of the South African 60-plusser.”



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Danette Breitenbach 24 Jan 2024



The You’ve Earned It/YEI Guide to the SA 60-plus consumer has been compiled from the YEI Survey Series results, resulting in a clearer understanding of the 60-plus audience. The YEI Consumer Guide speaks to the new trends of the SA 60-plusser, plus their needs and preferences, and is packed with data and insights emanating from the YEI surveys.

“Research and data demonstrate that the longevity economy is transforming society. 60-plussers are deemed to be one of the highest contributing sectors to our society. Longer lifespans will revolutionise the way we live, offer incredible new opportunities, and requires change in the way people plan and save. Digital marketing campaigns are key opportunities for organisations to expand engagement with a very valuable 60-plus senior audience, while tapping into the spending power of the growing number of 60-plussers in this country,” Hallett adds.

Pension assets

The perception of senior-centric organisations, including YEI, is that brands and marketers are reticent to spend time and attention on the 60-plus consumer. 60-plussers wish to support purpose-led advertising that aligns with the values of this demographic.

The late Mike Schüssler, South African chief economist, said back in 2019: “Pensioners are becoming increasingly important in the South African economy. Pensioners account for about 10% of SA’s GDP. In total, SA’s pension assets are about the 8th largest in the world. Economists are in agreement that SA retailers should tap into the spending power of the growing number of pensioners by creating special pensioner days or pensioner discounts.

“Partnering with a relevant platform with specifically created marketing campaigns that are in line with the needs and the characteristics of baby boomers is extremely worthwhile. You really don’t want to ignore the specific spending power of the South African 60-plus market! The release of the YEI Guide to the SA 60-plus consumer comes at a time when the world of the 60-plusser is shifting in many respects.

The global trend of “The Great Unretirement” is high on the agenda of many 60-plussers. Most 60-plussers understand the necessity of leading an active and healthy lifestyle, while older adults are embracing technology. This is, without doubt, a vibrant market!

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