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# HOW IS THE SILVER ECONOMY AFFECTING SPAIN AND ITS BUSINESSES?

**FLANDERS INVESTMENT & TRADE MARKET SURVEY**



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# How is the silver economy affecting Spain and its businesses?

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Tom Vermeulen & Pauline Verstraeten  
Flanders Investment & Trade  
Calle Antonio Maura 7 – 1 derecha  
28014 Madrid  
T +34 91 769 15 17  
[madrid@fitagency.com](mailto:madrid@fitagency.com)

**FLANDERS INVESTMENT & TRADE**

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## Executive Summary

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The goal of this study was to answer the question “How is the silver economy affecting Spain and its businesses?”. To form a concrete answer to this question, a well-grounded research was done, based on information from articles, studies and online documents, and on the other hand on in-depth interviews with people who deal with the issue on a daily basis.

The desk research, which consists of the research online, articles and studies, forms a clear and detailed overview of Spain as a country and the silver economy itself. The silver economy, also known as the ageing economy, is a global issue and has affected especially Europe. Out of the desk research can be concluded that the silver economy has affected Spain in many ways and also in many sectors. For the field research, several businesses were contacted in Spain, all somehow connected to the silver economy but all in a different way. In-depth interviews were held with employees (or the CEO itself) from the companies/associations to get different points of view. The combination of these two investigations have formed a clear view about the silver economy.

The conclusion that was made out of these investigations is that, even though some opinions about the issue are rather negative, the silver economy is a good thing for this country, especially in terms of healthcare and technologies. Today and in the future, Spain will still be facing a lot of difficulties while trying to develop an appropriate model for this changing society, but in the end, it will only benefit its economy and the country itself.

Some recommendations could be made for Spain as a country but also for businesses, either Spanish or foreign companies, who are trying to approach the Spanish market and launch their company there. The main recommendation is to grab the opportunities that the silver economy has developed over the past years. After combining the results of the desk research with those of the field research, the most important advice that can be given is to respond to the gaps in the market. Spain is still dealing with the country being affected by the ageing population and many opportunities are still open for companies and businesses. No matter which sector, a lot of companies can respond to the need of the silver economy, especially in terms of health, pharmacy, nursing homes, construction and a lot more.

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## Introduction

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### Background

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#### What is the Silver Economy?

The silver economy, also known as the ageing economy, is the population older than 65 years old. It has been a big growing group of the population all around the world because less children have been born the past decades and people are also getting much older than they used to about a hundred years ago.

Although the segment of older people represents a big and growing market in terms of consumption, they still don't get the necessary amount of attention by big companies. It is very interesting and a very big opportunity for companies to analyze their consumer behavior; which purchases they make, how much they spend, which aspects of a product that they attach more importance to, etc. (Virtual, *Economía del Envejecimiento*, 2015)

#### Why the Silver Economy?

The ageing population - and the silver economy in general - has had a big effect on the economy of several countries, and on the way that businesses have been working. Countries that are the most developed, and especially Spain, have felt the biggest effect of it. The reason for that is because in Spain, one out of five people is over 65 years old and the birth rate is very low. (Hence, *El impacto del envejecimiento de la población en España*)

The silver economy, and the economy in general, is a very interesting subject related to the business world and a lot of companies could benefit from having the right information about a country before doing business with or in that specific country. The silver economy has changed a lot of aspects of the economy during the past few years, so this study is very relevant for starting companies, companies that are interested in the economy of Spain or companies that would like to start doing business there. A lot of them could benefit from the silver economy by adapting their products or policies to it because the silver economy has created a completely new type of consumer. The older generation, that is the silver consumer, is consuming in another way than the younger generation; more money is being spent in their age group.

### Objectives

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With this study, Flemish companies are given an idea about the current economy in Spain. A lot of Flemish companies want to internationalize to Spain, because Spain is booming in many sectors, like transport, food or tourism. It is very important for them to know how the economy and the Spanish market works.

The second objective of this study is to find out how the Spanish market has been reacting to the ageing population for the last couple of years. It is a known fact in Europe that the population has been getting older for the past decade, but most people don't know what the impact is.

The third objective is to know which sectors or segments of Spain have been affected by the ageing population, either in a good or a bad way. There are a lot of obvious sectors that could be thought of, like the health sector, but other not so common ones could also be affected. It is important that companies regardless of their sector know what they will be facing if they are moving their business to Spain and if they are approaching a market that is starting to focus on the elderly.

Another objective of this study is to find out what the advantages and disadvantages are of the silver economy. There are positive sides to everything, but the downsides should also be faced because sometimes they are even more important. If Flemish companies want to succeed and anticipate on the future silver economy in Spain, they should also know what the pitfalls are. On the other hand, the silver economy comes along with a lot of advantages and opportunities for a lot of sectors and companies. By knowing which ones, it will be a lot easier to approach the market. A lot of new products and services have been developed and are still being developed, because of the silver economy. There are still lots of opportunities and pitfalls in this market because it is still at its beginning. If anticipating on it now, companies could be facing a much easier and successful future because of this new market that is currently developing.

A profound investigation of, on one hand, a desk research and on the other hand, in-depth interviews, will be combined to answer to these different questions. This study starts with some desk research, where everything about Spain and its economy is explained. After that, we will elaborate on the silver economy thoroughly and the sectors that affects. Finally, the field research will follow with the results of interviews with Spanish companies and associations and their experiences.

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## Spain and the Spanish economy

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### Facts about Spain

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Spain, which is also known as “Kingdom of Spain” or “Reino de España” is located in southwestern Europe and occupies about 85% of the Iberian Peninsula. Spain is the second largest country in Europe with its 505 992km<sup>2</sup> and 48.958.159 inhabitants. It’s a parliamentary constitutional monarchy and its constitution adopted on December 6th 1978.

The highest legislative body is the Parliament, also known as “Cortes Generales”, which consists of the Senate and the Congress of Deputies. After King Juan Carlos stepped down in 2014, his son Felipe VI became the King of Spain and still is today. Nevertheless, Juan Carlos and his wife Sofía kept their official titles as King and Queen. Its legal system is a civil law system with regional variations.

### Language

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Spain’s official language is Castilian and it’s also the country’s most widely spoken language. Outside of Spain, Castilian is better known as Spanish. The language began as a dialect that was spoken in Northern Spain and became the language of the court of the Kingdoms of Castile and Leon in the 12th century. After that, it finally became the official language of the country. With 406 million people speaking Spanish, it is also the second most widely spoken language in the world. Besides Spain being the official language, other “co-official” languages are Catalan, Galician, Valencian and Euskera. All of these languages are Romance languages, except for Euskera. (Richardson, 2017)

### Spanish economy

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#### General information

In the late 18<sup>th</sup> century, the Spanish economy began to industrialize, and together with the economic growth it has continued throughout the 19<sup>th</sup> century. However, industrialization only happened in a part of the country, in small areas like Catalonia and the Basque Country. Because of the slower economic growth, Spain remained like a poor country during the early 20<sup>th</sup> century, especially compared to countries like Germany, France and Italy which were much more developed by then.

The past decade, Spain has still been suffering from an economic crisis. It started in 2008 and according to official calculations, Spain will finally exceed its pre-crisis level of gross domestic product any day now, after 9 years of a long and bitter recession. Spain is growing again, and this is not only good news for the country itself but also for Europe in general and the rest of the global economy.

Thanks to three years of impressive economic growth, Spain will be passing a crucial milestone in its recovery. The country’s level of unemployment, which stood at 26%, was one of the main reasons together with the global financial crisis and the burst of the real estate bubble. (Goodman, 2017) (Buck, 2017)



## Tourism

Tourism is and always has been the engine of Spain and its economy. Even though the country has been through an economic crisis recently, Spain is still a very popular holiday destination amongst Europeans and the only country scoring better in 2016 is France. In August 2017, Spain welcomed over 10 million tourists in only one month. Tourism represent 6% of the country's GDP and with 2 million jobs the sector represents more than 16% of the total employment opportunities. Some of the most appealing factors about Spain are the beaches, nature, culture, and of course the gastronomy.

## GDP

In 2016, Spain's GDP represented 1,99% of the world economy, which was worth 1040,62 billion euros and represented a strong growth. The average GDP between 1960 and 2016 was 445,23 billion euros with the highest one in 2008, right before the economic crisis took off. (Bank, 2017) After the crisis, the Spanish economy recovered 85% of their lost GDP during that recession in only two years (2014-2015). Spain has the fourteenth-largest economy by nominal GDP in the world and the Spanish economy in general is the fifth-largest in Europe. (Wikipedia, 2017)

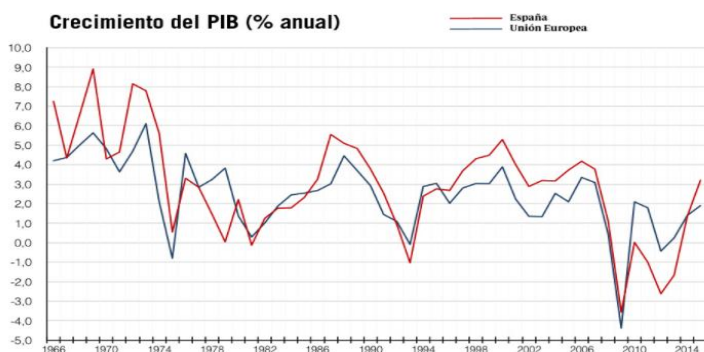


Figure 1: Annual growth of the GDP (red line: Spain, blue line: EU) (Abascal, 2016)

## Trade

Spain is the 17<sup>th</sup> largest export economy in the world (out of 120) and their total export has increased in the last five years with an annual rate of 1.7%. In 2016 they exported over € 305 billion but they also imported for € 332 billion, which ultimately resulted in a negative trade balance of more than € 26 billion. This means that despite their increasing exports, their imports have been overshadowing them and turning into a trade deficit over the past two decades. (SITC, 2017)

Spain's main export products are equipment goods, cars and vehicle parts, beverages, food, chemicals and packaged pharmaceuticals. France is the main trading partner, good for 15% of total exports. Other important trading partners are Germany, Italy, Portugal and the UK. (Carvalho, 2017)

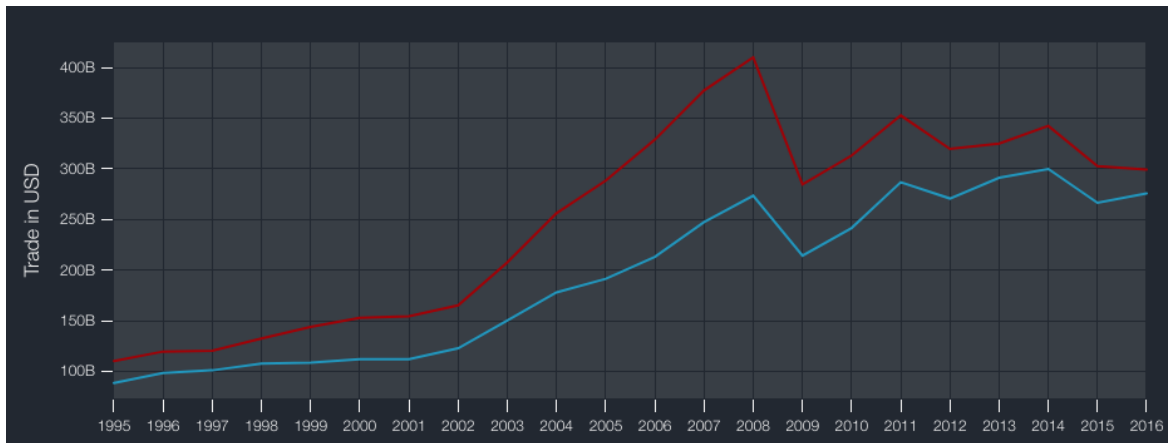


Figure 2: Trade balance of Spain, 1995 – 2016 (red: import, blue: export) (OEC, 2017)

## Conclusion

The first objective of this study was to find out whether Spain is an interesting country to do business, in or with for Flemish companies. After the first part of the desk research, a small conclusion can be made about the Spanish economy.

Analyzing trade turnover and GDP for the last couple of years, more precisely since 2016, Spain is doing really well. It is one of the best countries in Europe in terms of export and tourism and since the end of the economic crisis they have shown an impressive economic growth.

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## Silver economy

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### Definition of Silver Economy

Silver economy, also known as 'greying economy' or 'ageing economy', are the economic chances that have been created thanks to the ageing population. It consists of the existing and emerging opportunities that are directly associated with the growing population and the consumer expenses that are related to the ageing population and the needs of those over 65. The current and future older population are not only offering economic chances for companies and businesses, but also for employees and even consumers. The silver economy thereby also consists of the set of products and services that people will consume when they are old. (Silver Eco, sd) (European Commission, 2015)

### Definition of the Silver Consumer

The "Silver Consumers" are also known as the Silver Generation or the population above 65 years old. It is the older generation that has been developing its own consumer behavior over the past few years. In Europe, they currently have a global average gross income of €12 247, which is a lot more than the global average income of €10 389. (Batsaikhan, Embracing the Silver Economy, 2017)

## Which parts of the world have been affected by the Silver Economy?

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The ageing population has the biggest impact in the most developed parts of our planet. Especially in Europe, where one out of five citizens is older than 65 years old, it has been very intense. In a lot of developed countries, especially in Spain, the ageing population is seen as a problem. Even more, the phenomenon is held responsible for economic decline, as for instance in Japan. (Hence, El impacto del envejecimiento de la población en España)

### Spain

In some countries, like Spain, the ageing population coincides with very low birth rates. In less than 30 years, the number of people aged over 65 doubled in Spain. The United Nations has predicted that Spain will be “the oldest country” by 2050, with 40% of its population aged over 60. Numbers like these prove that Spain is one of the most affected countries in terms of silver economy. (United Nations, 2009)

## Rise of the Silver Economy

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### Globally

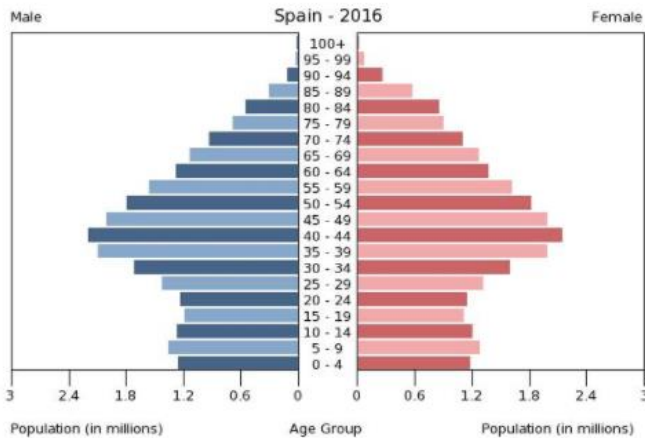
The term “Silver Economy” was created by researchers of the Oxford University because they wanted to define the economic activity of the people aged +50. Thereby, it refers to the economic activity of all +65 people, including all of their expenditures, generating products and demands. It is a small “niche” segment of our total economy but it has a huge economic potential. (Zsarnoczky, The New Hope for the EU - Silver Economy, 2016)

The Silver Economy is a result of the population getting a lot older than decades ago, and the declining birth rate which makes the silver economy more important than ever.

Before focusing on the silver economy in Spain, it is relevant to take a look on a bigger scale, more globally. The silver economy has started in the more developed countries and is a real phenomenon in Europe. Europe was the first continent to develop a modern way of life and has many economic developments and technological innovations. Besides that, Europe currently has the lowest birth rate (1.58 children per woman) and the oldest population in the world with an ageing grade of 18.5% of the population. During the seventies there were 3.3 million people in Europe who were older than 65 years old and now there are 7.6 million. This number doesn't seem to reduce or slow down, so the number of seniors will only increase.

### Spain

The life expectancy in Spain is 85 years for women and 80 for men. With these numbers, the Spanish life expectancy is among the highest in the whole world. Some of the last demographic projections of the United Nations show us that there will be 15.36 million Spaniards older than 65 by 2030. In 2015, this was only 11.24 million. With this number, Spain has the highest dependency ratio in the world and will be the second country in the world with the highest dependency by 2050 (Fernández, 2016). This ratio shows us that for every 100 Spanish people between 15 in 64 years, there will be 69.5 people aged 65 years or older. The only country that currently scores higher, is Japan. (Fernandez, El rapido envejecimiento redibuja la economia, 2016)



(Agency, sd)

Therefore, one of the biggest reasons for the ageing population in Spain is the increased life expectancy. The improvement of life quality, medical and health innovations are just a few of the explanations for this phenomenon. Because of these reasons, the population in Spain is growing older. When they eventually retire at the age of 65, there is still a long time left to live and more and other services are required for these years.

There is a higher proportion of elderly people compared to young people within Spain, which gives the older group more weight. This is because of the decrease of the birth rate in Spain. In 1964, every woman had approximately 3.1 children. In 2015, this number had decreased to 1.33. This trend is clearly noticeable in several cities and regions in Spain. The decrease of the birth rate is a worldwide trend in developed countries because of the comparable lifestyles in these countries. In the past, there used to be higher birth rates but there also used to be a higher risk of child mortality. Thanks to the evolution of our society and medical services this has improved a lot in comparison to the past. Women are also being more integrated in the business world which is also one of the main reasons for the decreasing number of births. Not having time to take care of the child and non-existing financial stability or a place to live are other important reasons for this decrease. (Fuentes-Domenech, Envejecimiento de poblacion en Espana, 2016)

## Which (economic) segments are affected by the Silver Economy?

### Social benefits expenses

There is a large number of social benefits, in terms of economic aid to households in the form of cash or to help families in need. These social benefits can refer to a lot of different things; housing, disability, illness, unemployment, old age, children, ... In the future, especially healthcare will be necessary because of the ageing population. (Fuentes-Domenech, Envejecimiento de poblacion en España, 2016)

### Health services

Growing older comes along with a greater need for sanitary and health services, so our society should prepare for larger expenses in the healthcare sector. Health, hospitality, hospitals; every user of our health system needs these services but as the population grows older, it should be taken into account that these expenses will increase along with our age.

This demand for health services can luckily be reduced if every individual does an effort to lead a healthy life and only uses the health system if strictly necessary. (Herce, El impacto del envejecimiento de la población en España, 2016)

### Real estate and construction

The construction sector is currently the biggest industrial player in Europe and represents 8.5% of the EU GDP. With 42.3 million workers, they are good for 6.4% of Europe's total employment. The silver economy actions have the potential to create a massive impact on the creation of new jobs, which is estimated at 1.7 million new jobs across Europe. (Ruddock, The construction sector and the silver economy: addressing the challenges and the opportunities, 2016)

### Tourism

It is a known fact that traveling is a way to make life more fun and interesting. This isn't any different for the older generation; people who are retired tend to travel even more than people in their younger years.

Since the start of the silver economy, a new niche of tourism has been developing, called "Silver Tourism". Tourism is a continuously developing industry that includes countless opportunities. Senior people will pay more attention and money looking for interesting experiences, because high quality services will be their priority. New services like this "silver tourism" will soon be appreciated and appear within the European Union.

The older generation spends more money on traveling because they are looking for comfort. They like their trips organized by a travel agency or even organized vacations in groups together with other elderly people. Travel agencies are getting a benefit out of this "Silver Tourism" that has been developing the past years. In Spain, the older generation spends about € 391,24 on their accommodation and € 510,60 on their expenses per trip. In comparison, the younger generation, between 25 and 39 years old, spends about € 267,70 on their accommodation and € 389,28 on their expenses. Most of the older people also preferably like to stay in a hotel rather than an apartment, because of the comfort. (Zsarnoczky, The New Hope for the EU - Silver Economy, 2016) (Virtual, Economía del Envejecimiento, 2015)

### Nursing homes and assisted living

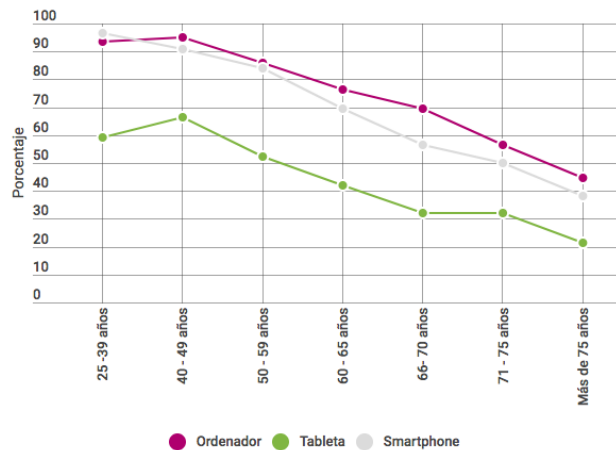
More and more elderly people choose to stay at home as long as possible instead of moving to a nursing home. In 2017, a survey prepared by the Organization of Consumers and Users in Spain has shown that 9 out of 10 elderly still live in their own home and 82% of them expects to be staying there. Most of them, 93%, want to stay in their own home because they are attached to it and only 4% is planning on moving any time soon. The study also shows that this part of the older population is financially stable; others who have economic problems aren't really sure about their future in terms of housing.

Assisted living on the other hand is something that they are more open to. Almost 28% of the elderly expect to be needing assisted living or special equipment in order to keep moving around the house. Others also intend to make a few practical changes in their house, like their bathroom or toilet. Half of the older population is convinced that staying at home is possible if they have assistance at home for household chores or if the government offers financial help. (Efe, 2017)

## IT

More than half of the people aged 65+ use a computer, tablet or smartphone nowadays. 68,5% is connected to the internet and 85% has an email address.

People aged under 60 years old have a bigger availability of smartphones and other electronic devices than people aged 65+. This is also the main reason why the other half of the 65+ year olds doesn't use a computer or a smartphone: simply because they don't have one. Two of the biggest motivations for older people to use the internet, is to read their emails and their newspaper.



(Virtual, Economía del Envejecimiento, 2015)

## Home delivery

The trend of home delivery of food is growing and not only amongst youngsters. Older people are also keeping up with the trend of having their take away food delivered at home. Since the older population is keen on living in their own house for as long as possible, they also find ways to get assisted living as much as possible. Getting their food delivered at home is one of those solutions and an increasing trend. Catering Ibarra at Granada is one of the first to deliver daily fresh menus with varied dishes for the elderly and this business has been a true success. (L.M., 2017)

## Design and fashion

According to Stephen Johnson, the co-founder of "Ageing 2.0" things that were traditionally designed for older people are called 'big, beige and boring'. Nowadays, marketers are moving away from that format and focus on ageless design. This is with good reason, because the older population is spending more on a weekly basis on food, alcohol, transport, hotels, restaurants and recreation than people aged 30 to 50. They also tend to no longer adopt 'old people's attire' and they want to dress fashionably like in their younger years. (Cohen, 2014)

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## How did the Silver Economy affect these specific segments?

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The Silver Economy has affected several economic and non-economic segments in Europe but more specifically in Spain. The segments that have been affected by it are expenses in social benefits, health services, real estate and construction, tourism, nursing homes and assisted living, IT, home delivery, design and fashion. As the population in Spain grows older, there becomes a

greater need of several economic and non-economic services for older people. The group of the population aged 65 or older has a greater need of nursing homes, assisted living, health insurance and medicines because they live longer. Also, real estate and construction are affected because when the group of people aged 65 or more grows bigger, the demand for housing also grows.

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## Advantages and disadvantages of the silver economy

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### Advantages

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#### Creation of new markets

One of the most obvious and important pro's, is the creation of new markets. The number of over 65-year olds is growing rapidly and this part of the population offers many industries the opportunity to target this unsaturated market. Lots of companies are preparing for the wave of the older consumers because the elderly are healthier and wealthier than they ever were. This creation of new markets, for example silver tourism, can be done in many different ways. Some companies are adapting their marketing to the older generation, for instance by creating commercials that are focused on the elderly. Others have used this wave as an opportunity to develop new products or services, solely targeting the older population. (Gasiorowski-Denis, 2017)

#### Job creation

One of the most important positive impacts of the silver economy is job creation. As an example, the silver economy is expected to create one million jobs by 2020 in Germany alone. In the EU, altogether, the increased demand of the elderly will create approximately 2,6 to 4,4 million jobs by 2025. Especially the service-oriented sector that is focused on wealthy silver consumers in more advanced countries will benefit from this. (Batsaikhan, Embracing the silver economy, 2017)

#### Innovation

Innovation is a very big asset of the silver economy because of all the possibilities nowadays for the elderly. The ageing population doesn't necessarily mean that innovation should decrease or stagnate, to the contrary, there is a very large potential in the elderly sector. Especially innovation developers are nowadays focusing on solutions for this segment of the population. They want to develop immediate strategies and clear visions for the next decades, especially in economic sectors that are involved in innovation and development. Some examples are healthcare, social care, health services or senior tourism; they all require future-proof-models. The only question left is whether they will be able to respond to the new needs, or will a new economic model have to be developed?

Because of the ageing population, lots of solutions can be found to improve healthcare and well-being of the silver generation. Connected homes that could make elderly mobility easier or remote assistance to support autonomy are just some of them, and all of this will be possible within a limited amount of time. A great example of the benefits of our tech-savvy generation is the introduction of ICT in telemedicine, which will improve the efficiency of healthcare by approximately 20%. (Batsaikhan, Embracing the silver economy, 2017) (Zsarnoczky, The New Hope for the EU - Silver Economy, 2016)

## Demand for nursing homes

By 2050, the world is expected to have 1.3 billion people older than 65 and they will account for 14% of the total world population. The number of people of working age is shrinking while the number of those retired is expanding. The share of older people is, and will be, increasing significantly in the coming decades because of the post-war baby boomers that are reaching their retirement age. This has led to big challenges for the construction and property sector. Currently, the European housing stock and building environment is not ready to meet the needs of older adults in the community. The ageing population will not find adequate housing options and environments to meet their needs. In Europe, the demand for age-friendly housing will likely be ten million by 2020 and our current level of house building will not be able to provide this. Luckily, this demand for nursing homes is a direct opportunity for the construction sector and also results in more job creation. (Ruddock, *The construction sector and the silver economy: addressing the challenges and the opportunities*, 2016)

## Knowledge

Ultimately, another very positive aspect of the ageing population is the fact that knowledge is growing. Ageing gives us assets in knowledge, generosity and experience. The older population is no longer simply “the elderly” but because of the ageing population people are obliged to be working longer and to be participating in the society. It gives older people the opportunity to be sharing their acquired knowledge with the younger generation. (Senesciència, 2014)

## Disadvantages

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### Demand for nursing homes

#### *Sustainability of public pension systems and growing government spending*

One of the most obvious and negative consequences of the ageing population is the growing government spending. Since the population is ageing fast, more and more people are reaching the age of retirement. At this pace, the pensioners will have lost 7% of their purchasing power by 2022. Organizations that have been analyzing this subject recommend the elderly to increase individual savings to compensate the decreasing capacity of the public pension funds. If this doesn't happen, the current generation of 45+ year old will be the ones to suffer from this change. Our current employees will have lower pensions once they retire and, if they don't have any other sources of income, will not be able to keep their quality of life as they used to.

By 2031, one out of four Spaniards will be older than 65 years old and in total, 62,5% will be younger than 16 or older than 65. This means that 62,5% will be the non-active population and only 4 out of 10 people will be capable to work. The question is, who will keep the economy going? This also means that the demands for health services will increase and the relationship between the number of older people and health spending also shows us that an increase of 1% in the percentage of people over 65 years old, incites an increase of public spending with 0,2% of GDP.

This growth will continue in the coming years and not just because of the higher life expectancy. Budgetary restrictions and high shortages show us that it will be necessary to transfer a part of the investment that is needed, to the private sector. Unfortunately, this will not stop the increase in expenses on health issues because of the demographical changes that are ahead of us. (Mejias, 2017) (Fernandez, *El rápido envejecimiento redibuja la economía*, 2016)



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## Analysis of the interviews

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Even though the silver economy is a big challenge for the whole country, there are still a lot of very big advantages that can be linked to it. First of all, it gives a lot of opportunities for companies to respond to this growing market. The older population is growing immensely but so are their needs. Companies who offer care-at-home for the elderly, are doing it exactly right by creating a business specially focused on our older generation. Businesses like this are doing a great job responding to the gaps in this new developing market but there are still a lot of opportunities left.

Two interviews were held with people who are working in a Spanish company and in a Spanish sector-association. Their views about the silver economy were generally similar, but with some sectoral associations nuances.

Both of them have the same opinion about the fact that the silver economy is offering a lot of opportunities to Spanish businesses. The Spanish company has established its second company that was founded specifically for the age group over 65 years old. The first company provided cohousing for the elderly and the second focuses on caregiving and nursing at home. The current services can directly be linked to the segment 'assisted living' in the desk research, where it is stated that more elderly in Spain want to stay at home instead of going to a nursing home. The company has developed a specific mobile app, so older people can rely on nursing and assistance at home and stay at their own house as long as possible. In the view of the company, it has jumped on the bandwagon by reacting to a need that was developed because of the silver economy.

The sector organization has that same opinion about the opportunities that have been developed thanks to this older age group. The silver economy as a business opportunity has been doing remarkably well because there are a lot of advantages for the medical sector. More elderly in Spain means a bigger need of medication and medical equipment. The older population wants to stay at home as long as possible instead of going to a nursing home or hospital, but this also means that there is a bigger need of medical equipment to take care of themselves at home. Medical companies needed to react to the silver economy, so they are developing new products like medication and equipment to meet the need of the ageing economy. Examples of these products are devices to lower the blood pressure, devices for the heart, control devices etc.

In terms of opportunities it can be concluded that both of the interviewees have the same experience. The silver economy has given a lot of opportunities because of the gaps in the market, especially in the healthcare and nursing sector. This also perfectly connects to the results of the desk research. The company, for example, has developed new ways of working and new tools and is responding to the needs of the elderly this way.

Even though the experiences of the interviewees were overall the same, their points of view weren't. The sectororganization mostly focusses on the positive side of the silver economy while the company also clearly observes the negative side of it and especially the challenges. Although the company is doing great at responding to the gap in the market, the company is convinced that the silver economy is a huge challenge in all of its aspects for the whole continent. As shown before in the desk research, the company also says there are still a lot of challenges in segments like economics, healthcare and pensions.

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## Conclusion and recommendations

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Both the desk research and the field research have shown that the silver economy in Spain is a phenomenon that has only started developing a few years ago and that it probably will go on for a while. We will have to accept the challenge of the population getting older but in the meanwhile also grasp the opportunities that we are getting because of it. In the greying economy we don't only have to take into account the growing costs but also take advantage of the new niches that are being created and the job creation in fields like tourism, health and recreation.

One of the most affected sectors of the silver economy is the healthcare sector. A population that is getting older also means that there is a bigger need of medicines, healthcare, nursing homes, equipment for healthcare, etc. There currently is an enormous demand for places in nursing homes that we can't keep up with. There are not enough places available for people aged 65+ where they can be taken care of or being nursed.

Building companies and the construction sector could potentially also get a huge benefit out of it if they want to meet the need for nursing homes. There is a big need for residential facilities for the elderly because in a few years or decades, this will be the biggest age group in Spain. Construction companies can take this opportunity to build more nursing homes and also to create new housing where the elderly can live independently but in an assisted environment.

Also, other services are being born out of this growing economy. Mobile applications that take care of people at home instead of in a nursing home are an important evolution in terms of technology. The population is not only growing older but also more independent and independence doesn't have limits. Older people who are not capable anymore of doing several things themselves aren't necessarily obliged to transfer to a nursing home or hospital. They can stay at home and rely on mobile applications to get help at home or anywhere they want, at the time they want it. In the future we will need to adapt to this way of working because our older population will not be like the one from several decades ago. We are evolving together with our technologies and older people are no longer strangers to this kind of developments.

As encountered in the desk research, Spain is a blooming country in terms of economic growth and the silver economy is stimulating this even more. After surviving the economic crisis, the country has been doing a lot better over the past five years and the greying population is currently adding to it. The silver economy is developing many new jobs and also new technologies that Spain is benefitting from as a country.

The conclusion that can be given to Flemish companies is to definitely answer to the needs of the silver economy right now. As proven in both the desk research and the interviews, Spain is currently a very interesting country for doing business. Spain is doing very good economically and there are many opportunities that are still open for companies that would like to introduce their business to the Spanish market. Companies that are already active on the market, but would like to develop their business even more, or focus more on the silver economy, would also make a good decision by doing this. There are several sectors that are lacking good solutions to the gaps in the market because of the silver economy.

As said in one of the interviews, the future is not tomorrow, the future is now. The population is not getting older, it is already older, so we need to keep developing in order to create a market that can respond to all of the needs of our elderly.

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