

The elderly are the next big growth market for Chinese tech firms

Notes & Cues:	Article: <p>Soon after dinnertime, Xiangyang Park in central Shanghai transforms into a ballroom. Loudspeakers pump out old pop songs as elderly folk sway under the plane trees. A picture of geriatric nostalgia — until you meet Ms Shi and Mr Zhou, a couple in their 70s whose enthusiasm for the waltz is matched only by that for their smartphones. “I can go without food, but not without my smartphone,” Ms Shi confesses.</p> <p>She and her husband remain unusual. Less than one in three Chinese over 50 reported owning a smartphone in 2016, the latest year for which the Pew Research Centre, a think-tank, has data, half the share in America.</p> <p>Tech companies want to lure more Ms Shis and Mr Zhous online. To tech firms, the disconnectedness of China’s 250m-odd old, or 18% of the population, is an opportunity. Unlike the young, whose fragmented attention is fought over by thousands of apps, retirees are up for grabs.</p> <p>And once on the internet, they splurge. In 2017 JD.com, a big e-commerce firm, found that they spent 2.3 times as much as the average user. Their typical deposit in Yu’e Bao, an online cash-management service controlled by Alibaba, a giant internet firm, is 7, 000 yuan compared with 4, 000 yuan across all ages.</p> <p>The big generalists hope to lock the oldies in early. People over 55 are now WeChat’s fastest-growing cohort. Ele.me, a food-delivery service, is trialling meal and medicine deliveries for the elderly, and one-off help with things like changing light bulbs. With the over-60s’ share of the population expected to double to one-third by 2050, there is wisdom in this strategy.</p>
Summary:	