



Australia's population is pretty old – and getting older. DR marketers with the right recipe of market, message and media just might be able to turn silver into gold.



Welcome to

BY DOUG MCPHERSON

'Agestralia'

No one's getting any younger. And that goes for the populations of countries, too. It's just a well-known little fact that occasionally blips the radar screen then fades away. But in Australia, aging is a topic that, well, never seems to grow old.

The numbers run like this: of the 22 million Australians, nearly 9 million are older than 45. During the past two decades, the median age has increased from 31.8 years to 36.9 years. Furthermore, during the past 35 years, those 65 and older in New South Wales (Australia's most populous area), jumped from 8.9 percent to 14 percent of the population. Plus, life expectancy during that same span rose 10.5 years for men and 8.5 years for women.

Australians, it seems, have something against dying.

Government officials there have said all that the nation's aging will likely pose significant issues in the areas of healthcare, the labor pool and housing.

The issue is so troublesome that a group called the Aged and Community Services Australia, an organization in Melbourne that oversees care to more than 700,000 seniors, has launched a campaign dubbed, "Can't Do It Without You." It includes a spot that features Australia's Prime Minister, Kevin Rudd. As the spot runs, Rudd ages 35 years in 30 seconds. The goal: remind Australians of their aging population and to recruit more elder-care workers.

The voice over reads: "Mr. Rudd, more than a million elderly Australians are now cared for by aged-care professionals. And in just 20 years another million more of us will need looking after. Now is the time for all of Australia to get behind our aged-

care workforce. Because none of us is getting any younger. Show your support at kevin87.com. We can't do it without you." (You can view the spot at www.youtube.com/user/kevin87vid)

Geoff De Weaver knows about the aging issue. He's worked in DRTV in Australia and New Zealand, and is now the chief executive officer of Greenwich Brand + Design LLC, a brand consulting and design firm in Stamford, Conn.

"American marketers should think aging baby boomers," De Weaver says. "Australia's senior population ... is a great target for U.S. direct marketers [and] for companies that sell the kinds of products that help seniors to be self-sufficient and to stay in their homes longer."

Not surprisingly, De Weaver says the big players in DRTV in Australia are the major insurance companies with funeral insurance and term insurance products, followed by banks, telecommunication companies and travel companies.

And De Weaver says Australia didn't go into a recession last year so, "the market has been strong. However, more focused consumer spending, especially in the retail sector, has been on more practical things and less indulgent or luxury products."

Mining Silver

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To better mine this silver(-haired) market, Gill Walker, managing director of Evergreen Advertising & Marketing, a company in Melbourne that helps marketers reach seniors, shares some of the particulars of seniors in Australia and New Zealand. "First, know that they do use multiple media channels," Walker says. "Remember the multiplier effect: response rates skyrocket when at least two to three media are used in one campaign burst. Their thirst for knowledge and information has not diminished."

Incidentally, Walker says travel is their top hobby. She adds that seniors are becoming more selective in what they watch, read and listen to. "We've seen a dramatic increase in special interest programming and publications," Walker contends.

But the older generation has also accepted digital media. And for those who haven't, they're about to get it spoon fed to them. The Australian government has just launched a \$15 million initiative called "Broadband for Seniors," which will install 2,000 internet kiosks during the next three years in community centers and clubs where seniors gather. The kiosks are free to use



Kevin Rudd

and will feature computers, Internet connections and training.

The idea behind the push? The government wants older Australians to use the Internet to stay in touch with family and friends and to access information and services that might help them.

As for marketing on the Internet, Walker says paid and organic searches are mandatory. "It's your product's electronic front door," she contends.

One company is getting creative with social media. Dominic Powers, senior vice president of Asia Pacific for Epsilon, a direct marketing services company based in Dallas, tapped social media for *Zuji.com*, an online travel Web site with an office in Australia. Epsilon developed an application for Facebook that lets consumers track the latest deals for flights and hotels, then click through to *Zuji's* site to book them. "The application leverages

the data that we use for the search-based offer E-mails we manage for *Zuji.com*," Powers says.

But the older generation hasn't forsaken good old direct mail. Walker says she's found older audiences have actually increased their responses to well-crafted and innovative direct marketing — especially traditional direct mail. "What a nice surprise when the letter is addressed to you, and it's not a bill," she says.

As for other channels, Nicole Ali, vice president of international operations for Northern Response Intl. Ltd., a direct response company in Toronto with a major base of operations across the Pan-Pacific region, says Australia and New Zealand offer "excellent markets across all channels of distribution: TV, live home shopping, print, retail and online."

De Weaver says cable TV runs much more of the classic DR products. "Especially the ones that require demos, like *ShamWow*," he contends. "They run a huge amount of spots from 4-8 p.m."

And personal grooming, hair care and fitness products are prevalent as well, with pushes to toll-free numbers and Web site



addresses, De Weaver reports.

This Is Only a Test

Both Walker and De Weaver strongly suggest testing and say it's relatively easy Down Under. In fact, De Weaver says Australia can be an ideal test market for U.S. marketers because of the country's demographics and limited population.

"And, generally speaking, Australia doesn't have the big regional variations like the U.S., such as East Coast versus West Coast and all the other regions in between," he says. "In Australia, it's regional or urban with a third of the population classified as living in regional markets."

Walker recommends testing with a range of older age groups in cities and country settings. Both New Zealand and Australia have many isolated media markets, so testing campaigns by re-

gion is cost effective before a national launch. "Actually, each state tends to have a country town that can test entire channel strategies," Walker says.

She is a big proponent of testing deliverables. "Older Australians demand and appreciate customer service," she says. "The experience of buying will often be a greater decider than the product itself."

See 'Spot' Run

When creating spots, Walker advocates local casting. "For some reason our harsh climate has defined an Aussie look," she says. "We aren't that perfect, we don't all have immaculate white straight teeth, platinum sculptured hair and the pastel cardigan draped over the shoulder."

However, De Weaver says you might not even need Australian accents. "American accents are widely accepted in all metro markets in Australia. They're all used to hearing them," De Weaver says. "And interestingly, despite having a strong English heritage, the U.S. accent is much more widely accepted now than the British accent."

Walker says it's good to know that the populations of both Australia and New Zealand, especially in older generations, are more homogenized — mostly of European descent. "Both countries enjoy a certain cultural irreverence born out of their

distance from Europe and the United States," she says. "They're laid back, a bit more casual, and lifestyle rules many decisions."

She also thinks their sense of humor is more aligned with British wit and can be self depreciating. "But be careful with any age-related put downs and stereotypes — they are a no-go zone," Walker adds.

As for creativity in ads, Walker says, "The subtleties of telling a great story with high production value wins the share of heart and wallet over the sales pitch strategy."

All things considered, the differences between Australia and the United States, De Weaver says, are relatively few. Ali agrees and says the culture, infrastructure and DRTV maturity there are very similar to North America, and that Australians have very similar purchasing patterns and trends. "When we have success in Canada with an infomercial or TV spot or retail product, it performs equally in Australia and New Zealand for the most part," Ali says.

But she adds that Australia can be a "very stringent" market in terms of broadcast clearance, importation regulations and general approvals for ingestibles and cosmetics, for example.

And Walker adds there are rules on the percent of international advertising content allowed in Australia. She says to consider a global communication strategy with a local adaptation.

Finally, it's almost imperative to include URLs in spots. De

Asian Market Trends: 2010 AND BEYOND



Nicole Ali, vice president of international operations for Northern Response Intl. Ltd., a direct response company in Toronto, has done business across Asia and Australia for years. *Response Magazine* asked her to share her thoughts on the key trends she sees surfacing in Asia.

- › **Banking and credit card options:** The infrastructure has greatly improved for credit card penetration and banking payment options, giving consumers multiple choices to pay.
- › **Tech-savvy sophistication:** Last year, drum sets and plastic guitars flew off shelves in China and Japan. But now, digital delivery systems have extinguished such packaged products. Asian consumers can now karaoke and play guitar, get fit on their Wiis or Xboxes — all via digital platforms. And because iPhones have thousands of applications, everything is at a consumer's fingertips digitally, or on the go as a mobile upload.
- › **An emerging "gray market":** The rapidly growing aging population of 60-plus consumers is flexing its considerable collective buying power. Their unique needs are now being factored into product designs, anti-aging formulations, packaging, special retail store sections, healthcare products and ultimately marketing campaigns, irrespective of the industry geared to this emerging market.
- › **Relaxed population-control policies:** Singapore is offering financial incentives to encourage procreation. As a result, the sexual aid and fertilization industry is at a record high. Manufacturers are on the rise with all kinds of items geared to increasing fertility or virility.
- › **Health and well being categories:** New products are placing more emphasis on natural ingredients to create links to local cultures. For example, Coca-Cola Asia launched a canned drink that consumers shake before opening because it has jelly bits, lighter carbonation and apparent health benefits.
- › **A surge in environmentally friendly green products:** Asian consumers are now paying premium prices in this category to be fashionable. And a health kick to reduce smoking and secondhand smoke is giving birth to myriad of non-smoking or stop-smoking products and alternatives, such as drinks, patches, acupuncture devices, pills and even "naturally" filled cigarettes with herbs.
- › **A rebirth of traditional modernization (not Westernization):** To honor national pride, Japan, China, Korea, Indonesia, Vietnam and India are translating their cultural influences into food and diet marketing by incorporating traditional medicine or Far Eastern spices into the products. In the fitness category, Kenpo, Feng Shui and Yoga are growing in popularity and they're making their way into well-known fitness campaigns and top-selling DVD workouts across North America and Europe.
- › **More nostalgia and localization:** Asian consumers are growing more interested in items that evoke childhood experiences, nostalgia and deep-rooted traditions. Commercial success lies in the ability to customize products and services to local needs within each country, not only in terms of surface language translations, but also in terms of taste, content, origin, material construction and ultimately appearance through strategic marketing.

Weaver says, "Consumers like to review product information online and certainly expect fulfillment to be quick, easy and professionally handled. Use it as a test market, but really understand where your markets spend their viewing time."

