

The Level of Economic Preparation for Elderly Life & The Demands for Silvertowns of the Middle-aged Consumers

Ha Yeun Shin, Dept. of Consumer & Child Studies, Seoul Nat. Univ.

Assistant Professor: Jung Sung Yeo, Dept. of Consumer & Child Studies, Seoul Nat. Univ.

The purpose of this study is to examine the economic situations and the level of economic preparation for elderly life of middle-aged consumers and to investigate their demands for silvertowns.

The major findings are as follows:

1. The middle-aged consumers saved the average 862,000 won a month and expected 24.43% of that sum for the later years. Also they have the average 302,370,000 won as their net assets, then expected 25.36% of the net assets for elderly life.

The higher the level of income was, the more they think the responsibility for elderly life would be on them and the less the chance to draw public pensions was, the higher the proportion for their elderly lives from their monthly savings was. And in deciding the proportion for their elderly lives from their net assets, the amount of net assets was the most significant variable. The health condition was significant in the second place. But they weren't satisfied with their economic preparation for elderly life.

2. Most of the middle-aged consumers know silvertowns or ever hear about it. And it's possible to conclude that they think it as something necessary.

As for the appropriate timing to enter silvertowns, the answer of 'when they have trouble in action' was most frequently picked and then 'after children would be independent of them', 'when a husband or a wife would be dead' and 'after retirement' follow on. But a quarter of the respondents answered they would not enter silvertowns at any case. The price they are willing to pay enter was about 3,560,000 won at the time of entering and 540,000 won every month as maintenance cost.

The most important factors in decision-making were the cost, the facilities & the services in silvertowns, the pleasantness of environments, the reliability toward the manager(or operator) and so on. The respondents want silvertowns to be located on the outskirts, next to the suburbs. From this finding, it can be concluded that the middle-aged consumers aren't likely to want to live in cities after their retirements. The respondents preferred the government as an supplier of silvertowns.

The more inadequate their current house was for elderly life, and the more they don't want to live with their children, the more they need silvertowns. But the higher the level of the subjective satisfaction for economic preparation for elderly life, the lower they needed silvertowns.

Based on the results of this research, the following suggestion can be made:

1. It's necessary to develop and diffuse the various methods of financial management for the middle-aged consumers to prepare for elderly life on their best efforts, for they have independent attitudes of thier children for the life after retirement. To make them prepare, the research should develop family financial management programs, consumer education and counselling programs for midlife households. Then, the business side also help the middle-aged consumers to plan more stable elderly life through the development of financial programs related to elderly life for midlife households.

2. It's necessary to promote Silvertown developments as the part of welfare. Since those who have intention to enter silvertowns wanted silvertowns provided as one part of social welfares unprofitably. The success and, So it's needed to consider the involvement of the government or public institutes.