

# Research on Countermeasures for the Development of the Elderly Industry with Chinese Characteristics

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## Abstract

With the advent of the era of moderate aging in China, the experience evaluation of the elderly groups and their families regarding the elderly service products has become particularly important, and at the same time, the main experience feeling has also become an important reference index for the development of the elderly industry. This paper is based on the background of the general environment of active population aging through literature research, market research, rooted interviews, and other methods and combined with relevant data from the seventh census of China. This paper is an in-depth analysis of the current situation and problems in the development of the elderly industry and economy and summarises the basic design strategies for the elderly in the era of active aging based on the actual needs of the elderly groups at this stage, namely co-building; co-governance; and sharing. It provides an initial theoretical framework for the future iterative development of relevant elderly economic industries and the innovation of elderly products, thus promoting the high-quality and sustainable development of the elderly business industry.

## Keywords

Elderly Industry; Development; Countermeasures.

## 1. Introduction

The work of aging concerns the well-being of hundreds of millions of elderly families and the country's overall development. The data of China's seventh population census (2020) shows that the population of people over 60 accounts for 18.7%, and 19.1 billion people over 65 account for 13.5%. China entered an aging society in 1999, and the burden of old-age care on families in China has changed dramatically. In 2020:the average family household size has dropped from 3.1 to 2.6. in the long run, it is expected that China will enter moderate aging in 2024 and deep aging in 2035 (Yao H.et al.,2018). the deepening of aging also poses new challenges for developing China's special aged care industry.

## 2. The Current Situation of the Development of The Elderly Industry and the Existing Problems

### 2.1. The Development of The Elderly Industry Started Early and Fast, But the Regional Differences Are Obvious.

China's "13th Five-Year Plan" (2016) proposes to "build a multi-level elderly service system based on home, relying on the community and supplemented by institutions." "The 14th Five-Year Plan (2020) also further clarifies: "Build a system of elderly care services that are coordinated with home and community institutions and combines medical care, health, and recreation." With the attention of the state and the introduction of relevant policies, the investment scale of the elderly care industry is constantly expanding. The relevant business

management mechanism is constantly being iterated and optimized, and the inflow of capital is also diversifying. Although the development of the pension industry has started early and fast, it is uneven and has obvious regional differences. Due to its natural geographical and economic advantages, the eastern coastal region has introduced advanced healthcare products and elderly education products on the Internet+ and has made significant technological breakthroughs. At the same time, many older people also attach great importance to spiritual experience products, including tourism, cultural and educational lectures, health care knowledge, etc. Through the author's research and visits, I found that Xiamen City in Fujian Province has launched a cycle of elderly recreation products, which are mainly aimed at migratory elderly groups, some of whom have an independent income and can keep up with the times and continue to learn, and to varying degrees have also ventured into the elderly financial industry and elderly real estate industry. Xianxia Street in Shanghai's Changning District has taken the lead in establishing an experimental field of five socially connected wisdom for the elderly with community, social workers, community social organizations, community volunteers (students; university teachers), and community charity resources, and has formed a comprehensive community wisdom service center for the elderly based on an Internet of the Things management platform. However, in the second and third-tier cities in the northwest inland, the total population is low, the elderly population is also low, and the degree of aging is relatively low. As a result, the development of the elderly care industry is basically at a standstill, and the main elderly care service products are only basic service facilities supported by macro policies, and there is a lack of capital investment and technical support compared to the southeast coast.

## **2.2. Imbalance Between Supply and Demand in The Elderly Care Industry, Failure to Optimize Allocation, And Inadequate System of The Elderly Care System**

The initial development of the elderly industry must have sufficient institutional protection and relevant policies to support it. In recent years, China has attached great importance to the aging population. A series of policy documents and regulatory mechanisms have been promulgated to encourage the development of a diversified elderly care service industry and continuously improve the relevant policies of the elderly care industry. The 19th National Congress proposed to build a policy system and social environment for old age, filial piety, and respect for the elderly (2017). Article 18 of the Law on the Protection of the Rights and Interests of the Elderly (2018) also places special emphasis on Family members and supporters who shall care for the spiritual needs of the elderly and focus on spiritual care for the elderly. However, in a comprehensive view, although more policies have been introduced for the elderly industry in China, some policy documents only stay at the level of regulations. There is no comprehensive analysis of China's current stage of old age nor a reasonable consideration of the real needs of the elderly, who will be the only group whose numbers are growing in the next 30 years (Mi Hong et al., 2020). Using the age of 65 as a cut-off point, those aged 50 to 64 are considered the happy elderly, and those aged 65 and above are considered the peaceful elderly. The needs of different age groups of the elderly vary greatly, so the premise of the development of relevant policy documents to support the development of the elderly industry should be broken down into this group and updated and iterated according to the changing needs of this group. It is because some policies only consider how to make them more accessible to the people, but do not take into account the actual situation, so it is very difficult to implement them. In addition, there is no unified industry standard and reasonable evaluation criteria for some private homes, and there is no policy to assess the risks involved in the operation of these homes, which makes it impossible for some private homes to maintain long-term healthy and orderly development. Furthermore, the differentiation of the economic development level of the entity

regions in China is also very obvious. There is also a difference in the book review on population aging, which has caused the development of the elderly care industry to vary, with the very obvious performance being the higher degree of aging in the southeast coastal region. The development level of its elderly care industry is also significantly higher than the northwest inland region (Li Jianxin, 2014), and the policies related to the elderly care industry are also relatively sound. Therefore, there must be a sound system guarantee and proper policy support as the foundation for the market supervision system to be perfect, for social forces to have the right orientation, for social capital to be absorbed scientifically, and for China's elderly care industry develop healthily.

### **2.3. Lack of Professional Service Talents and Low Service Level**

According to the valuation of China's aging degree in 2021, at least 12 million elderly care workers are needed (Mu Guangzong et al., 2011), but the actual employment of relevant professionals in the elderly service industry is less than 500,000. Of these, only less than 50,000 have obtained professional qualifications and received professional and technical training in elderly care, and some of them are still employed by community workers on a part-time basis. Many regions have not established community elderly care service centers, and the elderly care service industry is lagging. Looking at the current elderly service market in China, it is easy to find that the overall professionalism of the elderly service team is low, and the group of practitioners is mainly concentrated in middle-aged women aged 40-55 (Tang Jun 2017). Rural workers account for 70%, and only 30% of employed people have a college education or above. Coupled with China's traditional employment ideology of the low status and overall poor remuneration of the caregiving profession, many young people are reluctant but long-term committed to the elderly care industry. These factors have led to a high degree of mobility and a relatively low level of professionalism in the elderly services industry. In some areas, the practitioners are all interns from tertiary institutions. At the same time, the students lack experience on the one hand. On the other hand, the short-term internship does not allow them to comprehensively assess the real needs of the elderly population nor provide long-term stable services, and the spiritual care for the elderly is even more lacking. This also affects the overall service quality of the industry.

## **3. Measures for the Development Of China's Elderly Care Industry**

### **3.1. Common Construction: Improve the Elderly Service System and Realize The Refinement Of Elderly Service**

World Health Organization: A policy framework for active aging requires action on the three basic pillars of health, participation, and security (2015). Society, families, communities, and governments must strengthen material security and spiritual support and care for older people. Today the world has entered the era of a knowledge-based economy, and the development of China's elderly industry economy has also entered a critical period of structural adjustment (Li Xuebin, 2008). With the huge development potential of China's elderly industry in the context of active aging, China's government departments need to provide the right guidance and assistance to keep up with the times and comprehensive policy protection. At the same time, relevant laws should be introduced as soon as possible, based on national conditions, realistic, to determine the elderly service industry and products in line with China's national conditions and to make long-term plans and goals for the near, medium and long term (Tang Jun 2019), to clarify the main content and development direction of the elderly industry in each stage and period. In this way, the government can actively and truly play a role in making the elderly care industry and elderly care service products to drive economic development and solve the actual elderly care problems in China. At the same time, the government should also change the traditional role and thinking of the elderly service, unite the market and society, and build the

elderly industry chain, while grasping the basic protection, the bottom line, and the construction mechanism considering the local economic development, balancing the regional differences of the elderly industry in the east and west, and actively mobilizing social forces from the practical point of view, using the information platform of Internet+ to build up a national elderly industry chain.

### **3.2. Shared Governance: Monitoring the Quality of Elderly Services and Differentiating to Build the Core Competitiveness of The Elderly Industry**

There is no doubt that the consumption needs of China's low-, middle- and high-aged elderly population are changing dramatically. Their daily concerns are gradually shifting from newspapers and telephones to e-commerce platforms. The shopping patterns of the elderly are gradually changing from physical shopping and TV commercials to live online shopping and short video shopping. In-depth interviews with older people of low, middle, and old age reveal that more and more are taking physical exercise seriously. More than 2/3 of seniors spend money on fitness and sports every month. As the needs of low, middle, and senior citizens escalate, offline categories such as apparel, household chemicals, and electrical and health products will explode into an unprecedented consumer goods market. At the same time, there is also an increase in consumer demand for recreational and cultural service chains. In Beijing, Shanghai, Wuhan, Chengdu and other first and second tier cities, there are entertainment and leisure venues such as KTV lounges and senior dance clubs that are becoming increasingly popular. The main consumer groups on working days are mainly middle-aged, older people. It is more important for the contemporary elderly care industry to combine the age structure characteristics of the elderly group (Yao, H., 2018) and to innovate products that meet the different needs of the elderly based on the actual situation and the real needs of the elderly group (Wu, Fan et al., 2018). The relevant elderly service enterprises should start from the root, under the leadership of the party and government authorities, to conduct objective, comprehensive and real market research work, and make a comprehensive analysis of the changing intentions and real needs of the elderly groups at the present stage, and then use this as the basis to continuously adjust the industrial structure and keep pace with the times, to achieve efficient enterprise transformation.

### **3.3. Sharing: Coordinating the Interests of All Supplying Parties and Improving the Construction of Talent Teams**

At present, because of the poor professional service level of the elderly service team, the high mobility of the personnel, and the low overall cultural quality of the team, institutions need to make adjustments in the following aspects: firstly, to continuously improve the treatment of the employees in the elderly industry, and to implement three links between the relevant enterprises and the society and universities to establish a reasonable, based on the level of development of the city, the length of service and the position of the professional personnel. A complete set of promotion mechanisms for seniority, positions, and titles based on the city's level of development, so that pensioners can have a basic employment guarantee. Secondly, we should look at the developed countries and learn from their experience in setting norms and managing the elderly service industry. Firstly, the service personnel should undergo professional training and assessment and carry out regular adult continuing education to regulate the service personnel to provide more professional services. Thirdly, the construction of volunteer teams should be strengthened. At present, home care and community care are two of the more popular models of elderly care. Some cities are also relying on universities to set up professional volunteer teams, especially for social work and health services management students. In this way, they can work together with full-time elderly care staff to form an echelon of services, enabling the two to integrate more effectively in theory and practice and innovate more innovative models of elderly care services. Fourthly, as the living standards of the elderly

groups improve, their needs for spirituality are becoming more and more obvious, so the current service model should include psychological guidance for the elderly groups (Zheng Juan, 2019), as well as the inclusion of disease comfort and end-of-life care in the service scope, and innovative service concepts to truly cater to the real needs of the elderly groups and their families.

#### 4. Conclusion

A full understanding of the characteristics and needs of different age groups in China is a prerequisite for scientific responses to aging (Bianzhu, 2019). With the current "not-yet-old" population gradually entering the old age stage, the demand for elderly care will grow rapidly in the coming period and become more and more diversified. Government departments, medical institutions, enterprises, and families should form a joint effort to improve the elderly service system and realize the refinement of elderly services; supervise the quality of elderly services and differentiate between building the core competitiveness of the elderly industry; coordinate the interests of all supplying parties and improve the construction of talent teams, to promote the high-quality and sustainable development of the elderly business industry.

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