

SILVER SMES

Identification and implementation of Regional Policies to take advantage of the SILVER Economy derived opportunities to engage SMES in growth and entrepreneurship spirit

SWOT Analysis in the Region Dalarna (Sweden)



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1. INTRODUCTION

1.1. SILVER SMES project

Identification and Implementation of Regional Policies to take advantage of the SILVER Economy derived opportunities to engage SMEs in growth and entrepreneurship spirit.

The strategic objective of SILVER SMES is to improve the implementation and delivery of Regional Policies for SMEs competitiveness by building on significant opportunities arising from the Silver Economy.

The Silver Economy can be defined as the economic opportunities arising from the public and consumer expenditure related to population ageing and the specific needs of the population. In the framework of the project, partners will focus on the opportunities for the development of SMEs to produce goods and products for the retired population, especially for those living in peripheral and rural areas.

Phase 1 will be executed over 36 months: the first 2 years dedicated to the exchange of policy experience, and the last year focused on the adoption of measures & preparation of the Action Plans.

The key result of the project will be to build the engagements of SMEs in the Silver Economy, develop initiatives and pro-active public policies, designed to enable strategic investments. These investments will be aimed at promoting the development of SMES that would benefit from these fast developing market opportunities, in areas of products and services supporting active ageing, good health, social inclusion and independence.

2. BACKGROUND

2.1. Territorial context: maps

National level political map. Sweden

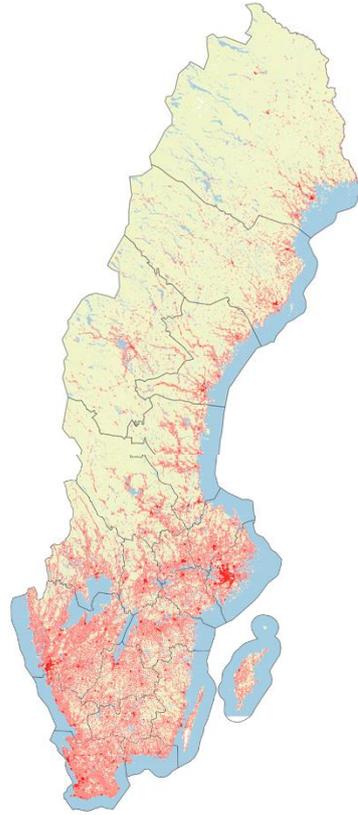


Target territory. Region Dalarna. NUTS III

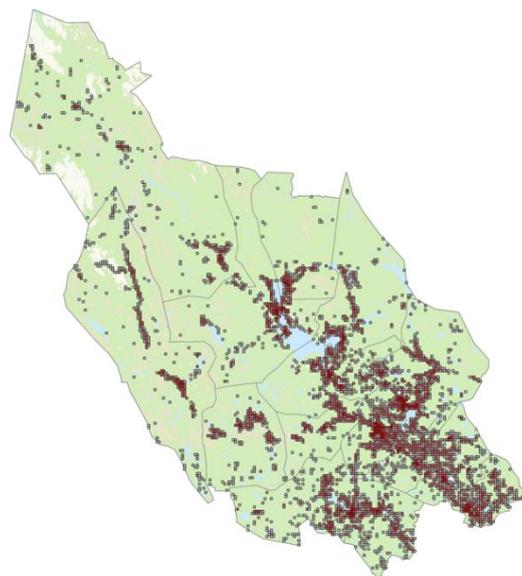


2.2. Demographic structure: maps and data

Country-level demographic map

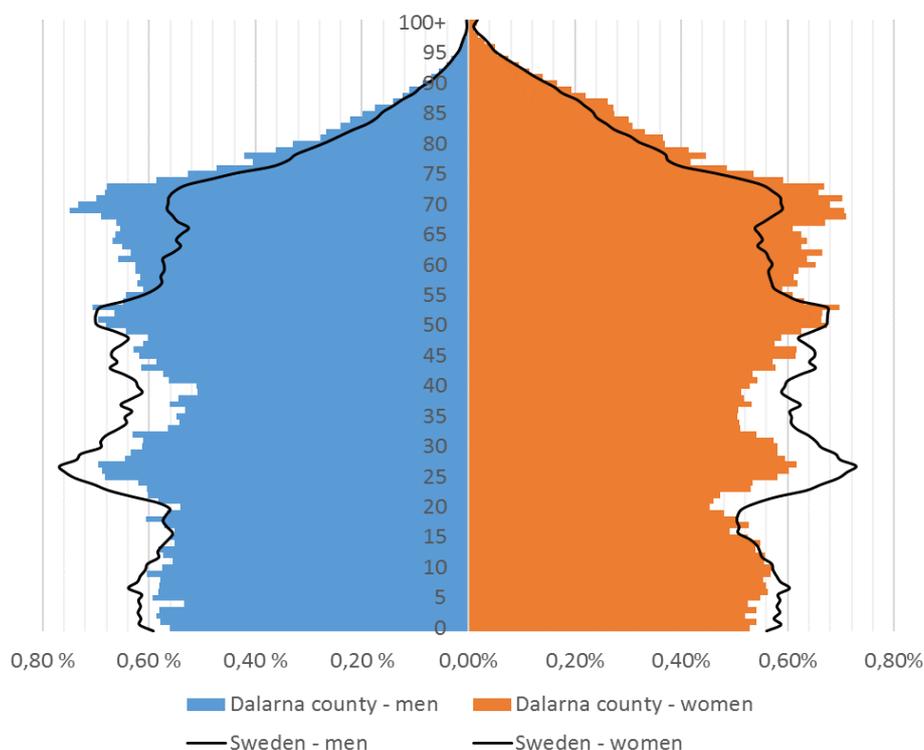


Target territory demographic map



Population data				
Territory	Current Population (2017)	Population density (inhabitants/km2) (2017)	Population from 65 onwards (inhabitants) (2017)	% population age 65+ (2017)
Dalarna (Total population)	286 165	10,2	68 718	24
Dalarna (Rural population)	89 695		24 491	27,3
Statistical source	Statistics Sweden (SCB)			

Inhabitants in Dalarna county year 2017 compared to Sweden



Remarks/Relevant Comments on Maps and Data:

The population data covers both the whole region of Dalarna with its 15 municipalities as well as a measure of the rural population. The definition of the rural population is based on a variable measuring the distance to cities of five different sizes. This gives a measurement ranging from 0 for people living in the middle of a very large city (Stockholm city) to 500 for people living at least 45 min from even a small city of 200 inhabitants. The areas that constitutes as rural here have a value between 200 and 500.

Dependency ratios		
<i>Territory</i>	Dependency ratio (2017)	Dependency ratio, 65+ (2017)
Dalarna (Total population)	69,06	40,60
Dalarna (Rural population)	73,87	47,48
Statistical source	Statistics Sweden (SCB)	

Remarks/Relevant Comments on Maps and Data:
<p>The dependency ratio measures the proportion of the population that is dependent on the working-age population. The original dependency ratio is measured by adding the population ages 0-14 and 65+ and dividing this sum by the working-age population (ages 15-64). This can also be done only on the elderly population, as showcased in the last column. The results show the dependent population as percentage of the working-age population.</p> <p>Visible here is that the dependency ratios are slightly larger in the rural areas with the total dependency ratio being around 5 percentage points higher in the rural population. The difference between the 65+ dependency ratios is around 7 percentage points between total and rural populations.</p>

2.3. Labour Market Data

Productive sectors (2017)				
<i>Territory</i>	% active workers in the agricultural sector	% active workers in the building sector	% active workers in industry sector	% active workers in services sector
Dalarna (Total population)	4,96%	6,41%	22,70%	65,93%
Dalarna (Rural population)	17,85%	10,86%	22,57%	48,72%
Statistical source	Statistics Sweden (SCB)			

Remarks / Relevant Comments on Date

These numbers cover the percentages of employed people within four different sectors. It should be noted that the definition of the service sector here is very broad and includes every sector not included in the other three categories. This means that it includes vastly different sectors such as education, healthcare, transport and work at international organisations to name a few. The numbers for the rural population include the percentages of the total active rural workforce. The rural population is 31,78% of the total workforce in all four sectors which means that just over 68% of the total workforce is situated in the larger cities in the region.

Overall, the service sector is much larger than the other three sectors which mostly is due to it including so many different sectors. Regarding the rural population, there is a slightly smaller portion of workers employed in the service sector compared to the total workforce, but the service sector is still very much larger than the other sectors.

The unemployment rate in the region is at 6,1% for the third quarter 2018 which is slightly less than the national rate at 6,2% for the same period.

3. SWOT STUDY METHODOLOGY

3.1. Methodology

The regional SWOT analysis was conducted by Region Dalarna social analysts based on a summary of the results from highly qualitative focused phone-interviews undertaken in the region of Dalarna during October 2018. Commonly structured interviews took place with a total of 20 respondents in the territory. Respondents represented four sectors: SMEs, Social Partners, Third Level Educational- Research Institutions and Policy makers.

3.2 Interview (Swedish version)

Fråga 1

Vänligen kryssa i vilken sektor som den intervjuade bäst representerar

1. SME
2. Universitet, forskningsinstitut
3. Social partner t ex, medlem av allmänheten, äldreomsorgen, eller andra sociala aktörer för äldre
4. Policy making institution, t ex en lokal, regional el nationell myndighet

Fråga 2

Är du bekant med termen "Silver economy - eller Silverekonomi"?

Vänligen kryssa i endast ett av följande alternativ:

- Ja
- Nej
- Annat
- Kommentar

Fråga 3

- Vad betyder termen "Silverekonomi" för dig?

Fråga 4

Vad anser du om följande påstående:

Små och medelstora företag i vår region ligger bra till för att utveckla nya produkter och tjänster riktade mot Silverekonomin.

- Håller starkt med
- Håller med
- Neutral
- Håller inte med
- Håller inte alls med
- Kommentar

Fråga 5

När silverekonomin utvecklas och ger produkter och tjänster för att förbättra livskvaliteten och främja en fortsatt aktiv ekonomisk aktivitet hos äldre, vänligen visa i vilken utsträckning regionens seniorer drar nytta av dessa produkter och tjänster.

Vänligen välj bara ett av följande alternativ:

- I mycket stor utsträckning
- I stor utsträckning
- Lite eller inte alls

- Annat? (med kommentar tack)
- Kommentrar

Fråga 6

I vilken utsträckning uppmuntras eller underlättas det för äldre vuxna i din region att förbli aktiva ekonomiska aktörer (dvs. att fortsätta köpa/sälja varor och tjänster)

Vänligen välj bara ett av följande alternativ:

- I stor utsträckning
- I viss utsträckning
- Väldigt lite eller inte alls
- Annat, följt av en kommentar tack.
- Kommentrar

Fråga 7

Vänligen välj vilka typer av produkter eller tjänster som oftast används av äldre vuxna personer i din region. Välj alla som stämmer och bidra med en kommentar:

- Turism
- Transport
- Hobby och underhållning
- Anpassade fordon mm för ökad rörlighet
- Anpassade tjänster för hjälp i hemmet och måltidsleveranser
- Smart teknik i hemmet/incl sakernas internet
- Dagverksamhet eller bostadstjänster
- Utbildning som inkluderar Internet och on-line-shopping
- Fitness och träningsutrustning
- Andra varor eller tjänster

Fråga 8

Kan företag i din region delta i lokala utbildningar och kurser relaterat till de växande möjligheterna inom silverekonomin?

- Ja
- Nej
- Jag vet inte
- Annat
- Kommentrar

Fråga 9

Hur skulle du ranka potentialen för små och medelstora företag att utveckla nya affärsmöjligheter inom Silverekonomin?

Vänligen välj bara ett av följande alternativ och bidra med en kommentar:

- Stark potential
- Någon potential
- Svag potential
- Ingen potential
- Annat

Fråga 10

Finns det lokala utbildningskurser som du känner till, för äldre vuxna att säkra nya yrkeskunskaper (t.ex. för anställning, volontärarbete, hälsa/personligt välbefinnande)

Fråga 11

Känner du till någonting inom Silver SMEs-sektorn som skulle kunna anses vara ett gott exempel? (ditt svar kan också reflektera exempel från internationell nivå)

Fråga 12

Har din region/eller nationell nivå strategier och program som fokuserar specifikt på silverekonomin?

Fråga 13

Vilka av följande styrkor associerar du med din region i termer av att få silverekonomin att växa? Vänligen välj alla som passar och bidra med en kommentar:

- A. Stark närvaro av forskning och utveckling
- B. Lämplig skara av små och medelstora företag som kan utveckla varor och tjänster
- C. Lämplig skara av små och medelstora företag som kan utveckla online och digitala produkter och tjänster, specifikt för en åldrande befolkning.
- D. Positiv miljö och initiativ för aktivt åldrande
- E. Positiv stimulans för att få äldre vuxna att förbli ekonomiskt aktiva (dvs. köpa och sälja varor och tjänster)
- F. Annat, med kommentar

Fråga 14

Relaterat till Silverekonomin och alla aspekter av aktivt och delaktigt åldrande, vänligen ange vad du ser som regionala svagheter. Vänligen välj alla alternativ som passar och bidra med en kommentar.

- A. Bortsett från hälso- och sjukvård finns det liten eller ingen politisk inriktning rörande de ekonomiska aspekterna av äldre vuxna.
- B. Det finns få utbildningsinitiativ riktade mot äldre vuxna.
- C. Äldre vuxna ses inte som en potentiell ekonomisk tillgång
- D. Små och medelstora företag fokuserar i allmänhet inte på den växande silverekonomin.
- E. Forskningsinstitutioner fokuserar i allmänhet inte på Silverekonomin

F. Äldre vuxna är i allmänhet inte intresserade av att bidra till eller delta i silverkonomin.

Fråga 15

Vilka möjligheter ser du som kan få silverekonomin att växa i vår region? Vänligen välj alla alternativ som passar och ge en kommentar.

- A. Att introducera mer proaktiv politik för silverdeltagande i ekonomin
- B. Göra små och medelstora företag mer förtrodda med silverekonomins storlek och natur
- C. Utveckla ett ökat forskningsfokus på silverekonomin
- D. Större involvering av äldre vuxna i ledarroller inom aktivt åldrande exempel?
- E. Ökat fokus på utbildning och praktik för hela befolkningen när man närmar sig äldre åldrar
- F. Öka rörligheten för äldre vuxna genom mer kollektivtrafik
- G. Annat

Fråga 16

I avsaknad av ett starkt engagemang för silverekonomin, vilka hot står regionalekonomin inför utifrån det faktum att demografin förändras till en betydligt äldre befolkning? Vänligen välj alla som passar och bidra med en kommentar

- A. Ohållbar försörjningskvot? (Finns det en tillräckligt stor arbetsstyrka som kan försörja dem som inte arbetar?)
- B. Att man misslyckas med eller underlåter att klara hälsokraven
- C. Ökad import av varor och tjänster specifikt inom silverekonomin
- D. Otillräckligt antal i arbetsstyrkan (kompetensbrist)
- E. Potentiell nedläggning av industrier
- F. Annat?

Fråga 17

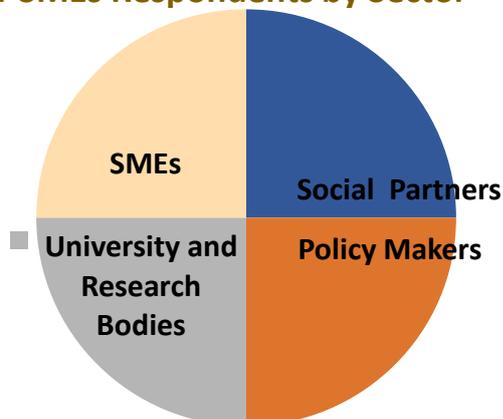
Är du intresserad av att hålla kvar vid kontakterna med Silver SMEs projektet och vill du ge någon annan kommentar eller förslag?

4. FINDINGS OF THE STUDY

Question 1: What sector does the interviewee represent?

The questionnaire has a total of 20 respondents, five from each sector.

Silver SMEs Respondents by Sector

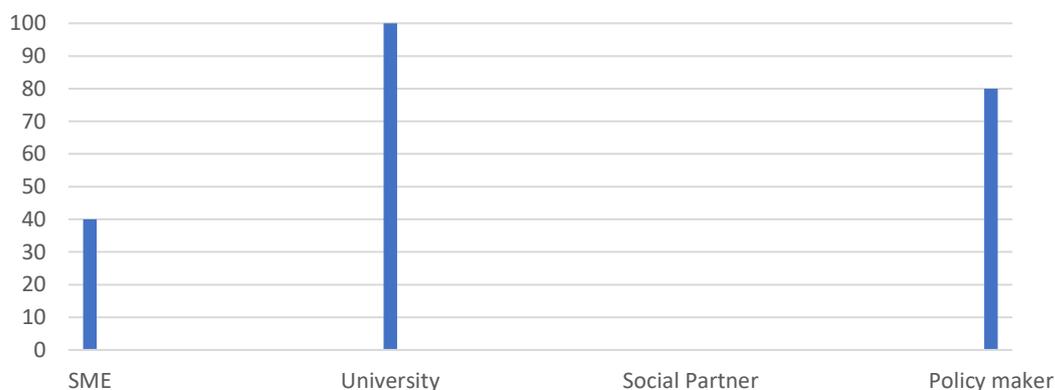


Question 2: Are you familiar with the term Silver Economy?

The table describes the percentage of interviewees within each sector that is familiar with the concept of “Silver Economy”. Visible below is that all five respondents from the university sector are familiar with the concept while only four out of five and three out of five respondents are familiar with the concept from the Policy maker sector and SME sector. No respondents were familiar with the concept out of the Social Partners. As a total, 55% of the respondents were familiar with the term.

There is room for improvement in increasing the awareness of this term, especially among the Social sector but also among SME and Policy makers. However, there is no need the increase that awareness among universities.

Familiarity with term "silver economy"

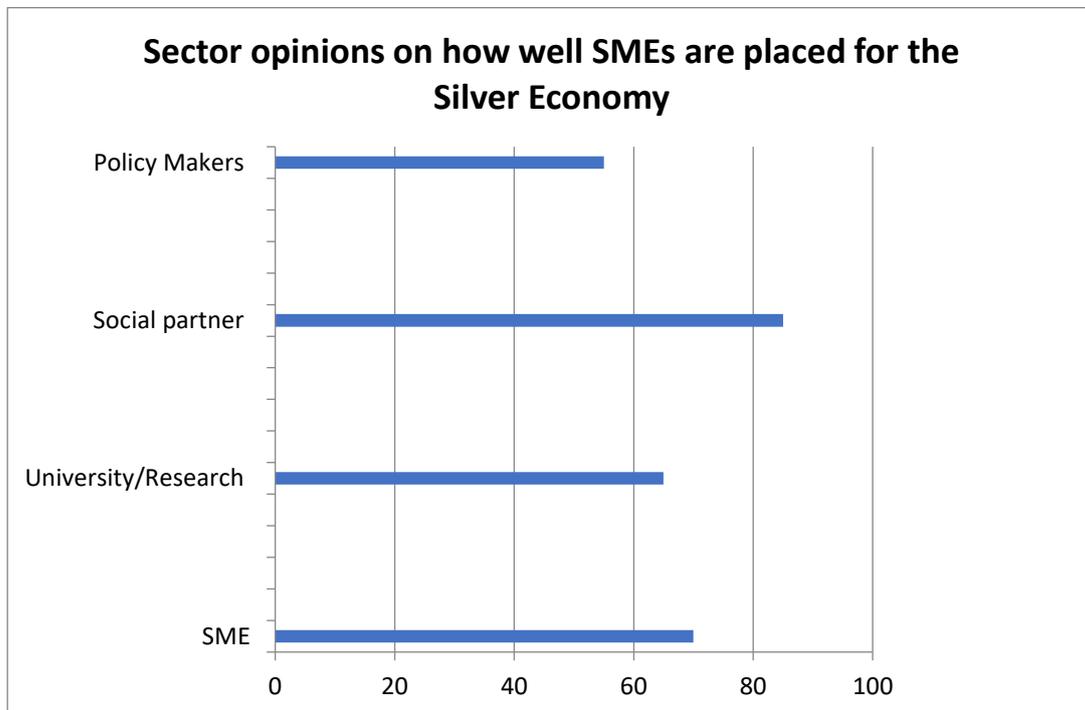


Question 3: What does the term "Silver Economy" mean to you?

Although 55% of the respondents were familiar with the term Silver Economy, almost all respondents were able to figure out that it involved the economy of the older population if only through information gained through correspondence with the interviewer. Out of those that were familiar with the concept, most of them thought of the term as a name for the elderly as a consumer group. Some saw it as a potentially neglected group that possibly could contribute more to the economy than today. It was also expressed that this group appeared stronger than it has been previously. However, one respondent answered that the elderly does not have a good economy. Other views were that the term was about a transformation of society and that it was about age equality in terms of equal opportunities to participate in society.

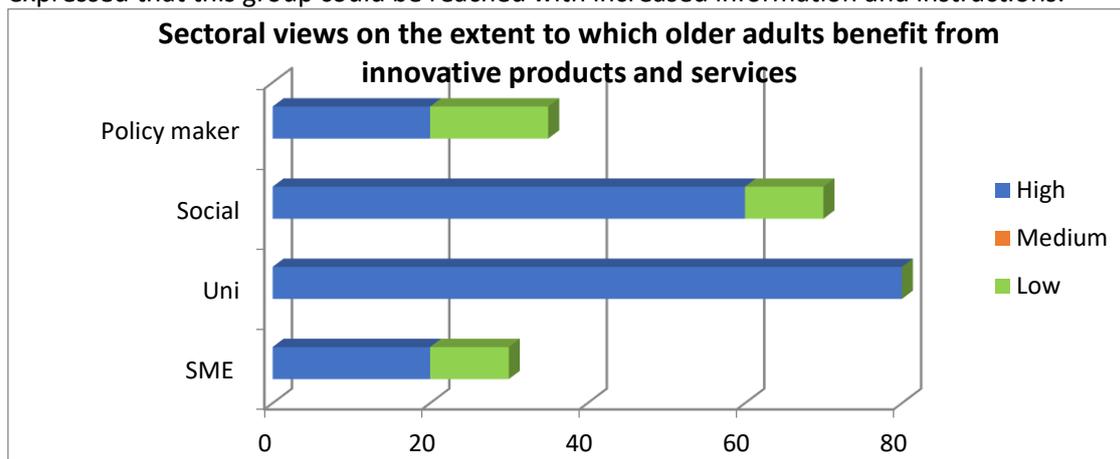
Question 4: What is your view on the following statement? "SMEs in our region are well placed to develop new products and services targeted at the Silver Economy".

The graph below shows the extent to which each sector strongly agrees with the above statement. As a total twelve out of twenty respondents either agree or strongly agree with the statement. Most respondents seem to agree that SME's have to some extent realised the potential in the elderly as a group however many feels that there is room for improvement. A few respondents feel that SME's do not do anything targeted specifically towards this group and that it might be because they have not realised the group's potential.



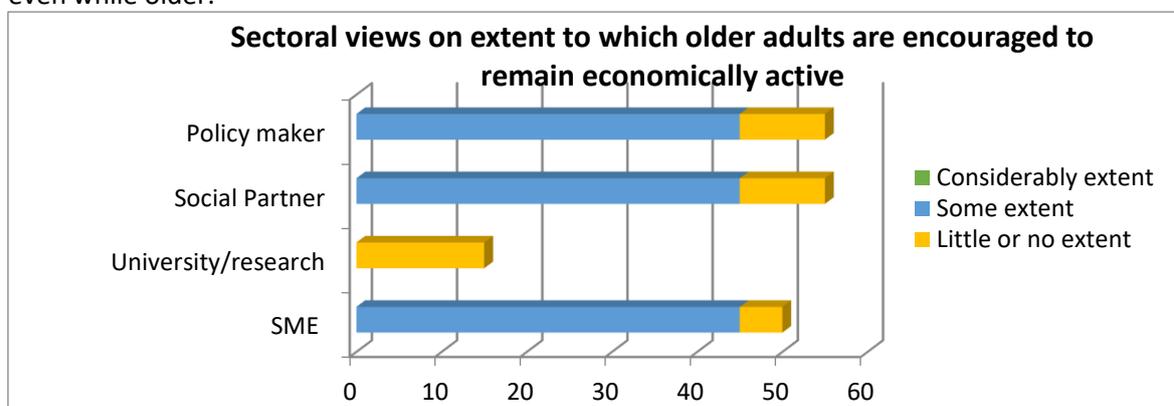
Question 5: To what extent do older adults in your region benefit from innovative products and services?

The graph below shows that the respondents were polarised regarding this question. The university sector was the most agreeable to the statement, however it was expressed that it depends within the group of elderly. The older ages, 80+, were singled out as not benefitting because they were harder to inform than the younger within this group. This was also expressed by the other sectors. The other sectors also expressed that the older elderly does not benefit to the same degree as other age groups because of a lack of computer literacy. A few respondents expressed that this group could be reached with increased information and instructions.



QUESTION 6. Views by sector on extent to which older adults are encouraged to remain active economic agents.

The responses are largely divided between “To some extent” and “Little or no extent” on this question. The university sector stands out as having a more negative view. They express concerns with elderly having larger difficulties and receiving less business support and/or project money than the general population. However, they also express large differences within the group with the younger part of the group remaining more active than the older part of the group (80-85+). The view that there are large differences within the group is also shared with the other sectors and especially former housewives and widows are seen as more economically vulnerable and thus less economically active. Generally elderly are seen as customers instead of owners of firms or entrepreneurs but it was expressed that already active entrepreneurs are likely to remain active even while older.

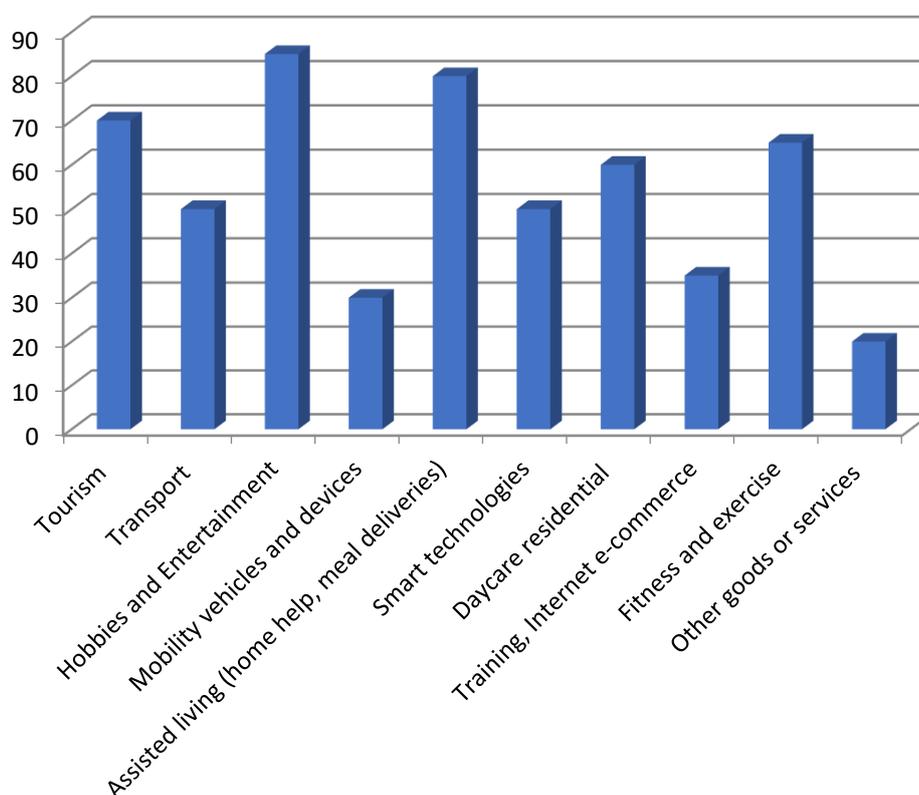


Question 7: Please select the types of products or services most commonly availed of by older adults in your region

The graph displays the percentages of responders that answered Yes on that category being used by older people. The main three product categories are Tourism, Hobbies and Entertainment, and Assisted Living, which could include services such as help at home or meal deliveries. Fitness and Exercise is seen as a category that has grown in use recently. However, there might be differences within the group, both between older and younger within the group and between those people that have “always” exercised and those that have not.

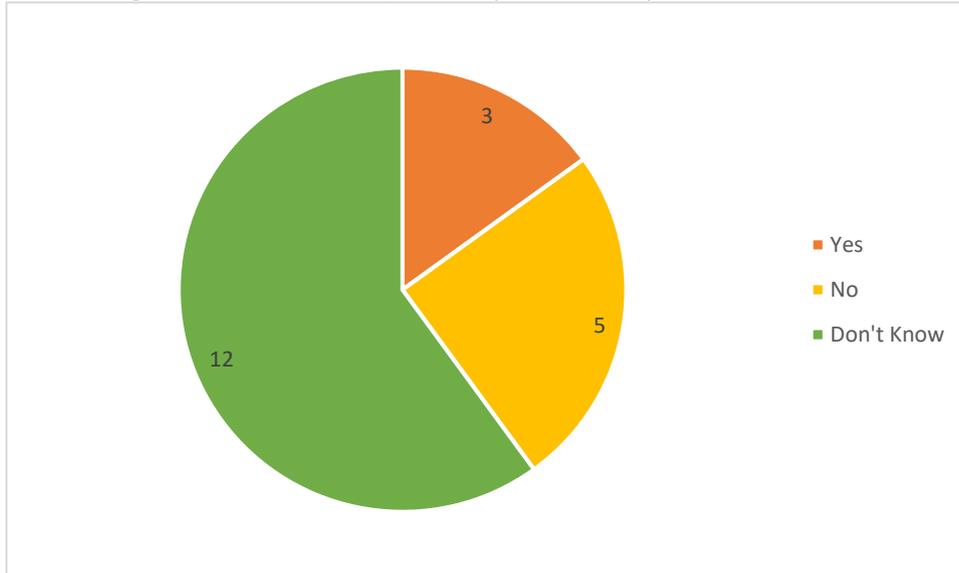
Notable is also that SME’s answered around 10 fewer “Yes”-answers than the other three sectors. This could express a view of fewer goods and services being available to elderly or it could simply be a lack of knowledge of the available supply outside of their own market.

Responses on most commonly availed of products and services



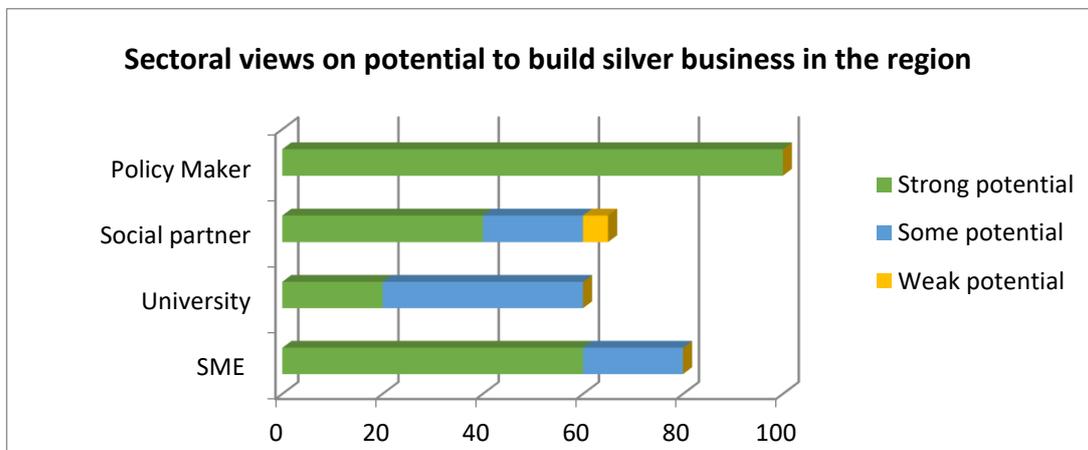
Question 8: Can Enterprises in your region participate in local familiarisation /training courses related to the growing opportunities related to the Silver Economy?

Twelve out of twenty responders do not know whether enterprises can participate in this way or are unaware of any enterprises that do so. Out of those that answered Yes, there are several mentions of a yearly senior fair where companies can show their goods and services to the elderly population. It was also expressed that there are opportunities for companies to contact retiree organisations. However, it was up to the companies to make that contact.



Question 9: How would you rank the potential for SMEs in your region to develop Silver Economy business opportunities?

55% of the responders believe that there is a strong potential to develop business opportunities to the Silver Economy. This belief is the strongest among policy makers where all five responders believe it to be a strong potential. This strong belief was not entirely shared with the other three sectors where fewer believe there to be a strong potential. However, all responders but one believed there to be at least some potential in the region.



Question 10: Are there local training courses that you are aware of for older adults to secure new occupational skills (e.g., for employment, volunteering, health/personal/well-being)?

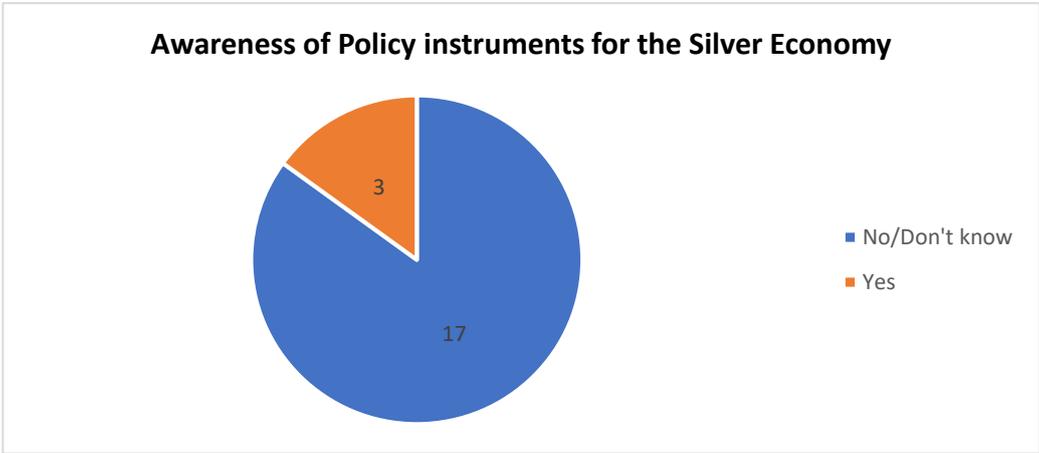
The answers to this question were divided evenly with 11 responders answering no or being unaware of any such courses. Several of the responders that answered yes mentioned that retiree organisations have courses but that those courses most often are more hobby oriented and not related to the working life. Several answers mentioned that certain companies employing retirees specifically educate their employees. Furthermore, private companies might offer courses for their older employees in order to keep them employed. This is connected to a perceived difficulty to recruit replacements for retirees with the right skills.

Question 11: Are you aware of anything in the Silver SME sector which might be considered a good practice?

Only four responders were unable to come up with an example of a good practice. The examples are almost sixteen different examples from different sectors. These examples include things such as companies offering household services to elderly, different cooperatives and Naturum Fulufjället, which is a visitor centre adapted to elderly and physical disabilities. Two responders mentioned a “show flat” where companies could display different resources that make it easier for elderly to live independently in their own homes. There were also mentions of county and municipal councils for elderly where important questions could be discussed. A research centre was also mentioned which aims to connect academia, regional development and companies to each other.

Question 12: Does your region/country have Policy Instruments (programmes) which are focused specifically on the Silver Economy?

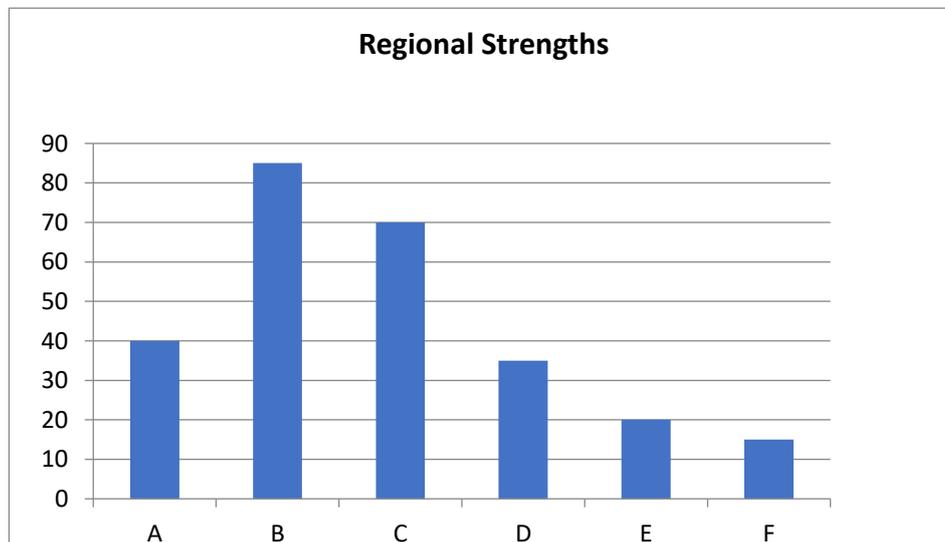
Only three responders were aware of any programmes specifically targeting the Silver Economy. Two of those answers referred to the retiree organisations that handle questions regarding most aspects of elderly’s lives on all political levels; national, regional and local. The last answer mentioned several strategies aiming to get elderly to live independently as well as a national network working preventively with this question.



Question 13: Which of the following strengths do you associate with your region in terms of growing the Silver Economy?

There are two clear categories that stand out when it comes to perceived strengths in the region. 85% of the responders saw category B, that there is a suitable cohort of SME's to develop physical products and services, as a strength in the region. On second place with 70% seeing it as a strength came the other SME category, category C. This category is about having a suitable group of SMEs to develop online and digital products and services specifically for an aging population. None of the other categories had even 50% of the responders seeing them as a strength which makes them suitable areas for development.

Regarding the different sectors, SME's, University and Social partners saw around the same amount of strengths. However, Policy makers saw a third fewer strengths than the other sectors.



Categories

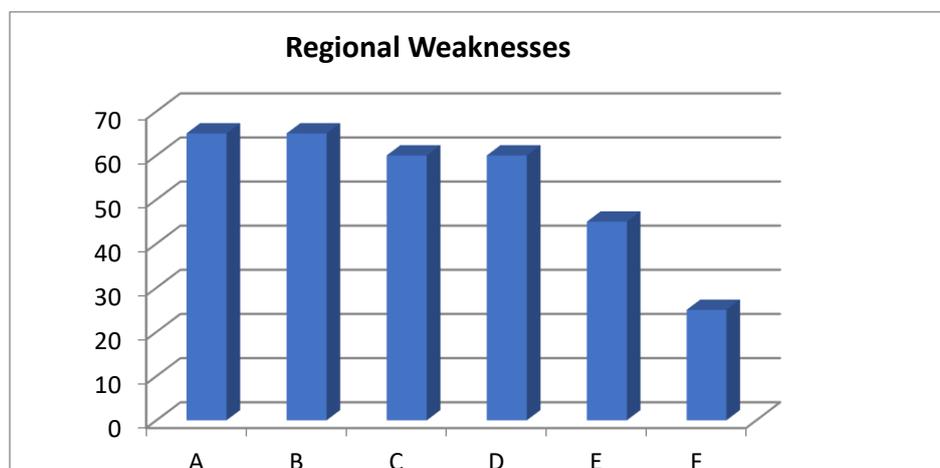
- A. Strong Research and development presence
- B. Suitable cohort of SMEs to develop physical products and services
- C. Suitable cohort of SMEs to develop online and digital products and services specifically for an aging population
- D. Positive environment and policy provision for active aging
- E. Positive encouragement for older adults to remain economically active (buying/selling/goods/services)
- F. Other

Question 14: Which of the following weaknesses do you associate with your region in terms of growing the Silver Economy?

Generally, the responders saw a higher number of weaknesses compared to the perceived strengths in the previous question. Both category A and B had 65% of the responders seeing them as a weakness. Shortly thereafter at 60% of responders came category C and D.

In this question Policy makers and Social partners saw the highest number of weaknesses while SME's saw the fewest with the University sector in between.

From this it is possible to conclude that there is a more negative view of the growth of the silver economy than a positive view since a higher number of weaknesses were identified than strengths.



Categories

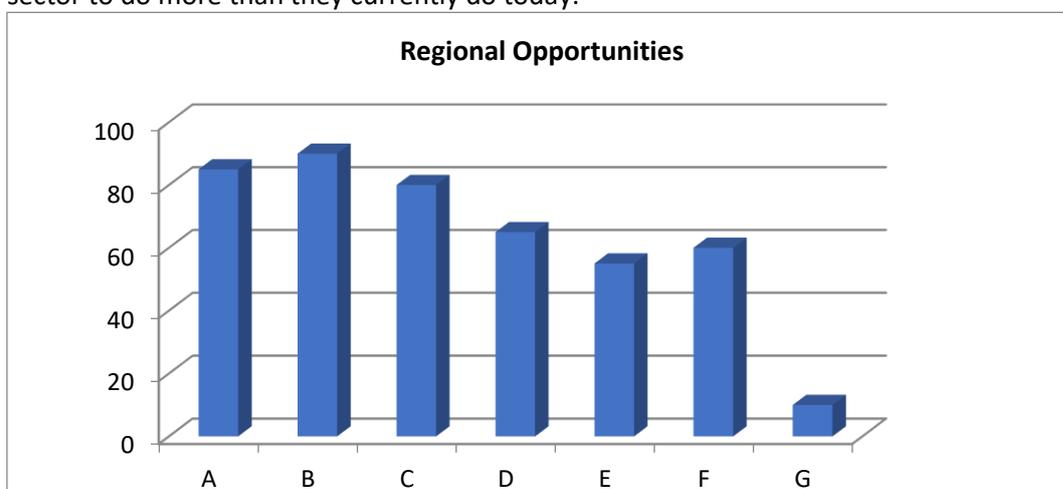
- A. Apart from healthcare, there is little or no focus on the economic aspects of older adults
- B. There are few educational initiatives directed at older adults
- C. Older adults are not recognised as a potential economic asset
- D. SMEs are not generally focusing on the growing silver economy
- E. Research institutions are not generally focusing on the silver economy
- F. Older adults are not generally interested in contributing to or participating in the economy

Question 15: What opportunities do you identify for growing the Silver Economy sector in your region?

All categories were identified as growth opportunities by at least half of the responders with the smallest category being seen as an opportunity by 55%, which indicate a consensus that there is much more that is possible to do in this market.

The category identified as an opportunity by the highest number of responders (18/20) is category B. Close after came category A along with category C with 17 and 16 responders believing there to be opportunity for growth.

The three largest categories indicate a desire for both SME's, Policy makers and the University sector to do more than they currently do today.



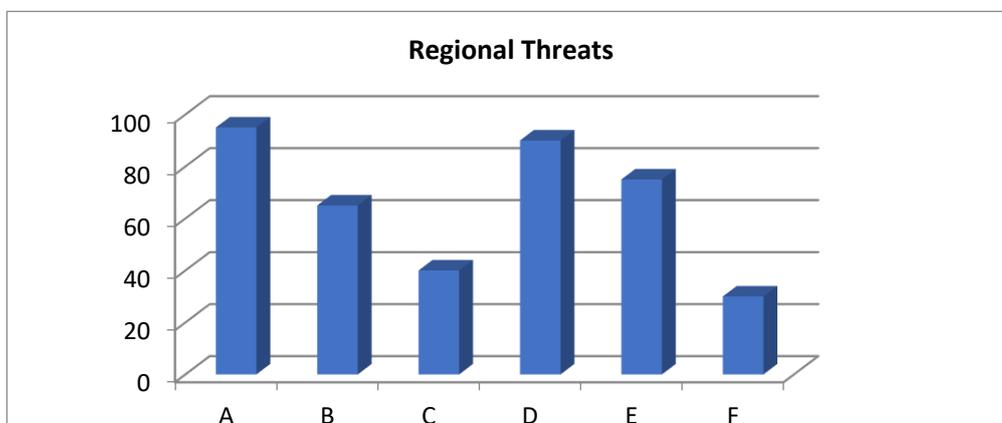
Categories

- A. Introduction of more proactive policies for Silver participation in the economy
- B. Familiarization for SMEs on the nature and size of the Silver market
- C. Developing a heightened research focus on the silver economy
- D. Greater involvement for older adults in leadership roles on active aging
- E. Increased focus on education and training for the whole population as they approach older age
- F. Enhance mobility for older adults through more public transport
- G. Other

Question 16: Which of the following Threats do you associate with your region in terms of identify for growing the Silver Economy sector in your region?

All responders but one identifies unsustainable dependency ratios as a threat to the growth of the Silver Economy. Almost as many responders believe that there are too few in the workforce, which makes sense since the two are very closely connected. Furthermore, 75% of responders are worried about the risk for potential industry closures while 65% worry about a risk of failure to cope with the increased health demands.

Out of the four largest perceived threats, two of them are connected to the changing demography with an increase of elders and a smaller workforce. Many identified the difficulty in making replacement recruitments for retirees as a threat as well as the problem of many young people leaving the region.



Categories

- A. Unsustainable dependency ratios
- B. Failure to cope with health demands
- C. Increased imports of products and services
- D. Insufficient numbers in workforce
- E. Potential Industry closures
- F. Other

Question 17: Are you interested in keeping in contact with the project?

100% of respondents are interested in keeping up contact with the SILVER SMEs project.

5. CONCLUSIONS AND POLICY RECOMMENDATIONS

5.1. Conclusions of the SWOT analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Suitable group of SMEs to develop physical products and services to elderly • Suitable group of SMEs to develop online and digital products specifically for elderly 	<ul style="list-style-type: none"> • Overall, more perceived weaknesses than strengths • Little to no focus on elderly as economic agents apart from healthcare • Few educational initiatives for older adults • Little focus from SMEs on the silver economy
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Overall, all categories received at least 55% of votes indicating much left to do • Possibility for growth if SMEs familiarize themselves with the silver market • Possible growth if more research were done on the silver economy • More proactive policies for silver participation in the economy could grow the market 	<ul style="list-style-type: none"> • Unsustainable dependency ratios • Too few in the workforce • Perceived risk for potential industry closures • Failure of coping with increased health demands • Difficulties making replacement recruits for retirees • Many young people move away from region

5.2. Recommendations for policy development

The policy development should **compile and being aware of the following initial facts:**

- Changes in the demographic structure (low birth rates, increase of life expectancy and reverse population pyramid).
- Incentives to live in rural areas being aware of the need to maintain basic services available for this population (especially health care and transport possibilities).
- Differences between older adults in rural territories and those living in urban areas.
- Changes in retirement periods.
- Changes in the use of free time for elderly.
- Bottom up approach to design policies with useful activities for elderly.