

SILVER INTEGRATION FOR AGE-INCLUSIVENESS – IMPLEMENTING SUSTAINABILITY DEVELOPMENT GOALS IN RETAIL BANKING

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Purpose: The main goal is to explore the advancement of knowledge on senior customers' needs in a banking environment, integrating the Sustainable Development Goals (SDG) in the context of the silver economy. **Methodology:** The study employs a systematic literature review on senior retail banking customers to identify how banks integrate silver economy into their Environmental, Social and Governance (ESG) strategies and how they are reflected in the literature. **Findings:** The paper supports the concept of "silver banking" and shows the research gap in analysing seniors and the sustainability performance of retail banks. **Limitations:** Responding to SDG goals in banking, the research recognises this environment based on the Web of Science. **Implications:** Banks can foster an inclusive and sustainable approach by addressing the needs of the ageing people with a range of ESG-linked initiatives within retail banking, including age-inclusive banking products, services, environments, and community engagement programs tailored to seniors. **Originality/Value:** The research contributes to the discussion on SDG by highlighting the opportunities for banks to contribute to societal well-being through the lens of silver banking. It offers insights into opportunities associated with an ageing demographic, advancing an inclusive and responsible approach to retail banking concerning Sustainable Banking Goals.

DOI
<https://doi.org/10.18690/um.epf.5.2024.33>

ISBN
978-961-286-867-3

Keywords:
silver economy,
bank,
senior customer,
SDG,
ESG

JEL:
G21,
G53,
J14

1 Introduction

The silver economy is a complex phenomenon encompassing various interconnected areas. It refers to the economic opportunities and challenges associated with the ageing population, particularly the growing demand for products and services catering to the needs and preferences of older people. The concept assumes the potential of seniors, increasing their socio-economic contribution to society and improving the quality of life in old age (Reshetnikova et al., 2021). The increasing life expectancy of people in industrialised countries significantly affects many aspects (Colurcio et al., 2022). Technological development results in the necessity to improve the educational qualifications of seniors. The elderly customers express concerns about digital literacy, complex user interfaces, and the lack of personal assistance (Sespiani & Ernungtyas, 2022; Wang & Wu, 2022). Banks have made notable progress in adapting to meet seniors' capabilities, but substantial room remains for advancement.

The article explores the intersection of the silver economy, retail banking, and Sustainable Development Goals (SDG), aiming to verify if financial institutions incorporate senior-focused initiatives into their Environmental, Social, and Governance (ESG) frameworks.

This topic holds significant importance for academic research due to several reasons. Understanding senior consumers' financial needs and challenges becomes crucial for fostering social inclusion and well-being as the global population ages. Research in this area can show how financial institutions can better serve this demographic and contribute to a more inclusive society. The silver economy stands for a substantial market opportunity for retail banks. Academic analysis can help businesses identify market trends, consumer preferences, and innovative strategies to tap into this growing segment. By studying how financial institutions adapt their services, academia can inspire industry innovation and improve customer experiences.

The main goal is to explore the advancement of knowledge on senior customers' needs in a banking environment, integrating the Sustainable Development Goals (SDGs) in the context of the silver economy.

We defined a research question (RQ): *Which SDG goal reflects the problems of senior-focused approaches in the banking sector?*

The paper's structure consists of three parts: a theoretical background implementing the SDG matrix and its reflection on silver banking, a methodological part based on a systematic literature review (SLR) and its results, and a discussion and conclusion.

2 Theoretical Background and Literature Review

SDG and ESG requirements have become crucial for banks due to a growing recognition of their role in promoting responsible and sustainable business practices. Arguello et al. underlined that customers' emotions during service in branches strengthen their interpersonal relationship with the bank (Arguello et al., 2020). Moreover, Kaur et al. noticed that communication between banking employees working in the branch and customers can influence client's intentions to use digital banking products and channels (Kaur & Arora, 2021). The sense of having competence affects the perception of the service as easy. Mbama et al. drew similar conclusions (Mbama et al., 2018). Customer experience influences satisfaction and loyalty, which helps to reduce operating costs and improve sales, efficiency, and profit. Arguello et al. also discovered two primary service quality factors influencing positive customer emotions - quality of staff and quality of outcome (Arguello et al., 2020). When defining segments of older people, specific socio-economic characteristics such as age, level of income, and education level are considered. De Nardi et al. add seniors' consumption level to this list (De Nardi et al., 2010). By examining the behaviour of seniors during the COVID-19 pandemic, Santosa et al. broke the stereotype that the older generation finds it difficult to accept or even resist technology (Santosa et al., 2021).

The intersection of SDGs and silver banking brings both challenges and opportunities. For consumers, ensuring that financial products meet the unique demands of seniors and addressing concerns such as healthcare costs and income stability help inclusiveness. It is closely related to SDG in education, well-being, and health promotion. Products and services for seniors can be designed in a sustainable, environmentally friendly manner, using low-impact materials, minimising energy consumption, and promoting recycling and transportation services to reduce negative impact on the natural environment. Banks and bank associations make a

significant effort to take a step forward to describe the patterns and ways to create inclusive products and services (ABA, 2023), which may require education and building social awareness (Colurcio et al., 2022). With an ageing population accessing banking services, understanding and addressing the unique requirements has become imperative, especially in the era of non-financial ESG reporting and willingness to achieve inclusion and diversity within SDG in the banking sector (CSR, 2022). On the banking side, the challenges lie in developing sustainable financial solutions that prioritise seniors' economic well-being and align with broader SDGs.

3 Methodology

SLR method was used to study retail banking for seniors. Based on earlier research findings, it was conducted to gather insights into the silver economy and its implications for the banking industry. The purpose is to evaluate the adjustment of retail banking products and services to the capabilities of older people, using bibliometric analysis of scientific papers published between 1999 and 2023, indexed in the Web of Science (WoS) database.

The process consisted of several phases. The main stages were defining search terms, selecting a database, setting up search criteria, selecting software, synthesising, analysing, reporting, and sharing results. The research domains studied were the silver economy and banking. We chose the WoS from several recognised databases, among the most extensive for publishing high-value and highly cited articles. It is highly regarded due to its quality procedures. Furthermore, WoS offers convenient tools for filtering and exporting data in all scientific areas to explicate clustering criteria.

4 Results

The range of full search uses the following formula: (((((ALL=(silver economy)) OR ALL=(elderly people)) OR ALL=(senior)) OR ALL=(generation 60+)) OR ALL=(baby boomers)) OR ALL=(client 60+). The number of papers found initially by such a search was as high as 1 372 276. The results for only "silver economy" were lower and consisted of 2859 records (2.08% of the global search). We found four scientific areas of published papers focused on the economic-related disciplines:

multidisciplinary studies (2.352% of full search), environmental studies (2.051%), educational research (1.64%), and business economics.

We narrowed the database using the Business Economics filter in the next stage. The number of papers left was 22,311. Then, we added a "bank" component to the search protocol, and 3978 records were shown in total, while only 837 records were in 2000-2023. As a result, the search was limited to 312 publications.

The SDG approach was addressed in the articles from the defined search in the "silver economy" and "bank" areas. The strongly emphasised goals were: SDG8 Decent Work and Economic Growth (91 papers; 28%), SDG1 No Poverty (79; 25%), SDG 10 Reduced Inequality (65; 20%), SDG9 Industry Innovation and Infrastructure (41; 13%), SDG 03 Good Health and Well-Being (21; 7%), SDG 11 Sustainable Cities and Communities (12; 4%), and SDG4 Quality Education (11; 3%).

After filtering with Meso and Micro Citation Topics, we achieved a set of 152 articles in which we interpreted the co-occurrence of keywords using the entire counting method. In conjunction with the thematic variety of approaches in a selected group of articles related to the silver economy and banks, we defined five internally consistent clusters.

The thematic area of the articles from Cluster 1 is associated with market discipline and risk in the context of debt, wealth, and economic growth. Articles from Cluster 2 focus on topics related to banking and improving performance through effective governance, innovation, leadership, and management. Papers covering the keywords from Cluster 3 delve into consumer behaviour and service industries. They explore issues related to the consequences of customer satisfaction and loyalty, models and strategies for building trust and commitment, and the impact of service quality on overall customer experience. Cluster 3 is related to silver banking and relations between the banks and elderly consumers. Cluster 4 articles primarily focus on corporate governance determinants and their impact on investment quality, indirectly affecting consumers. Cluster 5 articles delve into the relationship between banks, corporate social responsibility (CSR), and economic crises. They also examine the impact of CSR initiatives on consumer trust, confidence, and financial well-being during crises.

5 Discussion

Based on our analysis, we may attempt to conclude that the issue of the silver economy is rarely explored in the academic literature focusing on retail banking customers. Following the article's first goal, we investigated the advancement of knowledge on senior customers' needs in a banking environment, which allowed us to explain and prove the importance of the silver economy in the context of SDG goals.

A detailed content analysis divided articles into five thematic groups: senior management and executives, senior employees, senior customers, and silver entrepreneurship, particularly emphasising customer service in retail banking. A group of articles referred to the respondents who were seniors in the sense of people working in senior management positions. The keywords related to the silver economy and banks included trust, credibility, commitment, and perspective. The analysis showed that researchers in English literature rarely address the topics of banking products and services for senior citizens and the adjustment of traditional banking services to seniors' capabilities.

Some authors emphasise that seniors are a heterogeneous group that requires an individual approach (Horská et al., 2013), and banks often do not meet these needs, leaving challenges that can make banking difficult (Labrèche, 2023). Senior-friendly banking services are essential to ensure that elderly customers can manage their finances effectively and independently, which is why they go back to bank branches in high-touch interactions (Valenti & Alderman, 2021) when modern technologies are challenging for older adults (Jin et al., 2021).

Along with the article's second goal, we integrated the United Nations Sustainable Banking Goals in the context of the silver economy concerning RQ "Which SDG goal reflects the problems of senior-focused approaches in the banking sector?". It can be concluded that sustainable banking practices involve ethical considerations, such as fair lending and investment in affordable housing or community development projects, which can uplift neighbourhoods and create a more inclusive and resilient society (SDG11). Thus, we propose aligning the SDGs crucial for silver economy topics with the Silver Banking Goals. The SDG goals presented in Figure 1 reflect the problems of senior-focused approaches in the banking sector (RQ).

Transparency and accountability are vital in figuring out the authenticity of a bank's commitment to sustainable and ethical practices (SDG16). Sustainable banking is an integrated approach that balances economic prosperity with social and ecological well-being (SDG3). Older customers face challenges with traditional banking services, such as mobility, hearing and vision impairment, and cognitive decline (SDG9, SDG 10), making it challenging to use banking services, leading to frustration and lack of financial independence (SDG1). These services can help elderly customers keep their economic independence, reduce their reliance on caregivers, offer enhanced security features, such as fraud alerts and secure online banking, help seniors manage their money, and achieve their financial goals (SDG1) while promoting financial literacy becomes pivotal to empowering them to make informed choices (SDG4).

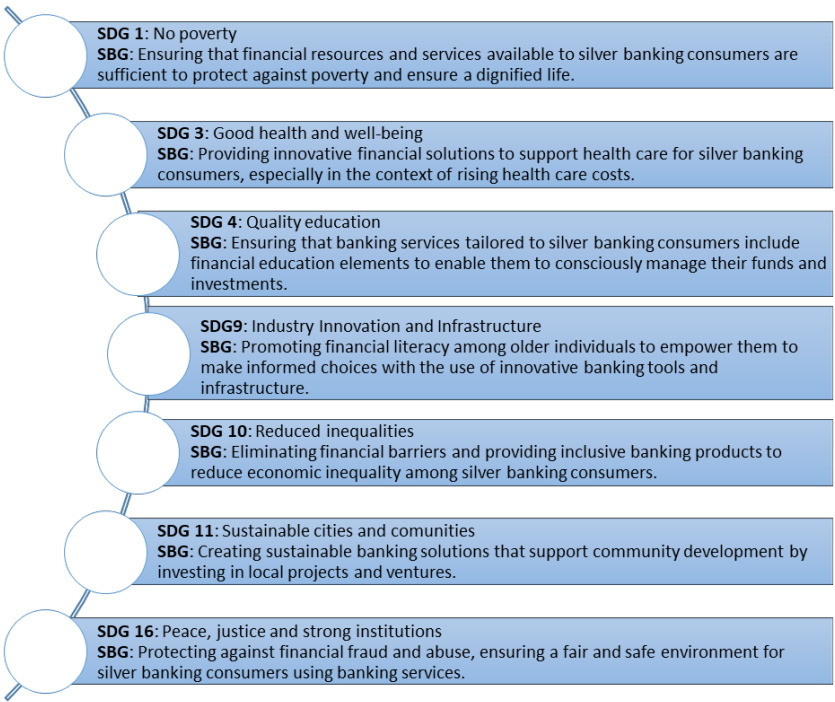


Figure 1: The Matrix of the Sustainable Development Goals (SDG) and their reflection in the Silver Banking Goals

Source: own elaboration based on sustainable development goals defined by United Nations, THE 17 GOALS | Sustainable Development (un.org)

Senior-friendly banking services can address these challenges by providing tailored services that cater to the unique needs of elderly customers, like significant print statements, audio-enabled ATMs, and specialised customer service representatives (CFPB, 2023).

6 Conclusions

The article offers inspiration and support for scientists and retail banking managers in redefining directions and priorities for senior customers. It contributes by systematising literature on the silver economy and retail banking services in the context of sustainable development goals, which is associated with matching the SDGs with Sustainable Banking Goals in specified areas.

The ageing population presents both opportunities and risks to banks, which consider the implications of the silver economy in their risk assessments. By implementing customer-centric strategies and innovative approaches, financial institutions can create inclusive and accessible banking experiences for older individuals, empowering them to participate in human interactions and digital banking services (RQ).

Based on the research results, we suggest introducing the concept of "silver banking" as a new term to distinguish the communication channel in the banking sector tailored to the ageing population. This concept makes it possible to systematise comprehensive knowledge of the silver economy and banking. The limitation of the article was the language, as only publications prepared in English were considered, and the Web of Science database was used only. Then, attention should be paid to the broad meaning of the word senior. Further research should investigate the extent to which current retail banking offerings are tailored to suit the capabilities of senior citizens, focusing on elderly customers' attitudes, preferences, and challenges while using various banking services.

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