

International Conference on Digitalization and Innovation for Aging Society

Shenzhen, November 5, 2024

Prospects and challenges of silver tourism in BRICS countries

Prof. Dr. Marina Y. Sheresheva

Li Tiantian

LMSU Faculty of Economics

BRICS: a global paradigm for economic cooperation



Country Name	GDP current US\$ in billions, rounded	Labor force (in millions, rounded)	Manufacturing value added (% of GDP)	Population, total (in millions, rounded)	Portfolio investment, net (BoP, current US\$ in billions)	GDP per capita (current US\$)
Brazil	1,920	108.4	11.12	215.31	\$4.09	8,917.67
Russia	2,240	73.4	12.84	143.56	\$23.21	15,345.10
India	3,385	523.8	13.32	1417.17	\$18.70	2,388.62
China	17,963	781.8	27.70	1412.18	\$281.11	12,720.22
South Africa	405	24.3	12.04	59.89	\$3.70	6,776.48

- BRICS is an acronym for Brazil, Russia, India, China, and South Africa, a bloc of countries that formed a partnership
- Founded in 2009, BRICS embraces countries with vast populations, economic potential, and global influences
- Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates joined BRICS in 2024



Russia's BRICS Presidency



- The BRICS countries operate as an organization that seeks to further economic cooperation amongst member nations and increase their economic and political standing in the world
- BRICS initiatives like the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA) emphasize global integration as a means of stimulating economic growth and financial cooperation among member nations
- The BRICS open dialogue and consensus-building approach of the alliance have made it attractive to over 40 nations worldwide



BRICS Plus: adding nations

New members of BRICS are important economic players in their regions

- **Egypt:** growing GDP, large population
- **Ethiopia:** the second most populous country in Africa, rapidly growing economy
- **Iran:** second in the world for gas reserves and fourth for reserves of crude oil
- **Saudi Arabia:** large GDP and growing economy, the second largest oil producer in the world
- **United Arab Emirates:** another rapidly growing, large economy, regional center for finance, trade, and travel



Three major oil exporters:
42% of the global oil supply!

After January 1, 2024, BRICS is expected to focus on reforming global governance structures and promoting South-South cooperation

BRICS tourism forum & The Kazan BRICS Declaration



- The Forum (600+ participants) aimed at strengthening ties between BRICS member-states by discussing the most relevant issues in the field of tourism in modern realities, including the restoration of international tourist flows, the use of innovative technologies and digitalization of the tourism sector, as well as the introduction of environmental standards
- The Kazan BRICS Declaration is a sizeable document containing 134 points
- **99.** *Recognising that the BRICS countries have a huge tourist potential, we welcome the results of the first BRICS Tourism Forum, held in Moscow on 20-21 June 2024. We commit to further strengthening people-to-people connectivity, enhancing multi-stakeholder cooperation as well as developing joint projects in the tourist sphere. We appreciate the adoption of the Roadmap for BRICS Tourism Cooperation aimed at facilitating tourist exchanges, skills development, promoting sustainable tourism and digitalizing tourist services*

Number of foreign tourists arrivals in BRICS countries from different continents



Countries or Territories	2000	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Africa											
Brazil	345	923	948	1283	1110	814	704	...	...	...	...
Russia ⁽¹⁾	371	398	352	400	938	502	124	223
India	902	2614	2753	2808	2936	3022	3180	3512	3623	903	689 ⁽²⁾
China	656	5249	5527	5969	5802	5888	6291	6741	6857	...	...
South Africa	...	66565	68561	72798	67461	75015	75593	77864	76008	21375	18736
America											
Brazil	38031	35823	37264	40406	42085	44878	47676	...	...	...	...
Russia ⁽¹⁾	3902	3856	3833	4685	6939	4821	313	393
India	4554	13597	14090	14574	15658	16929	18044	19088	19628	5439	5171 ⁽²⁾
China	12157	31795	31238	31065	31153	33813	35454	37885	36453	...	...
South Africa	...	5134	5455	4349	4038	4737	5455	5612	5607	1199	994
Asia											
Brazil	1038	2447	2476	2567	3053	3096	2638	...	...	...	...
Russia ⁽¹⁾	87817	101676	91049	90893	92544	97941	16998	17385
India	10657	25390	27355	33411	36199	40100	48972	51656	55205	12097	5232 ⁽²⁾
China	61015	166222	160601	163313	165947	178600	183267	191207	203186	...	...
South Africa	...	3983	4313	2692	2515	3279	3172	3110	3114	575	437
Europe											
Brazil	12661	15980	15812	17793	16104	15837	14329	...	...	...	...
Russia ⁽¹⁾	155081	154183	141749	138485	134745	129721	40794	44202
India	9257	21658	22609	22829	22113	24354	26065	27097	26349	7928	3780 ⁽²⁾
China	24890	59482	56881	55143	49167	54715	59116	60443	63327	...	...
South Africa	...	14104	14936	13793	13313	15440	16608	16188	15565	4467	2172
Australasia											
Brazil	219	528	543	804	447	661	434	...	...	...	...
Russia ⁽¹⁾	510	445	491	552	755	660	28	11
India	676	2445	2636	2863	3121	3489	3861	4126	4389	1050	389 ⁽²⁾
China ⁽³⁾	2818	9149	8634	8101	7764	8255	8922	9131	8989	...	...
South Africa	...	1429	1483	1321	1189	1319	1337	1313	1282	247	49
Others (not specified)											
Brazil	840	1067	1091	1446	153	181	107	...	...	...	...
Russia ⁽¹⁾	6698	7959	8231	8886	9589	10542	5332	8584
India	405	74	233	307	246	150	236	100	108	30	11 ⁽²⁾
China	68	19	22	18	21	22	22	22	23	...	...
South Africa	...	668	617	539	522	651	686	635	711	162	168



Economic segments of the silver economy

Media	Fashion	Gerontology, health services	Home services
Real estate, smart homes	Education system	Tourism, medical tourism	Nursing home, assisted living
Fitness	Finance, insurance	Cosmetics	Mobility
Culture, recreation	IT, innovative technology	Home delivery	Robotics
Architecture	Design	Public transport	Local markets (e.g. food)

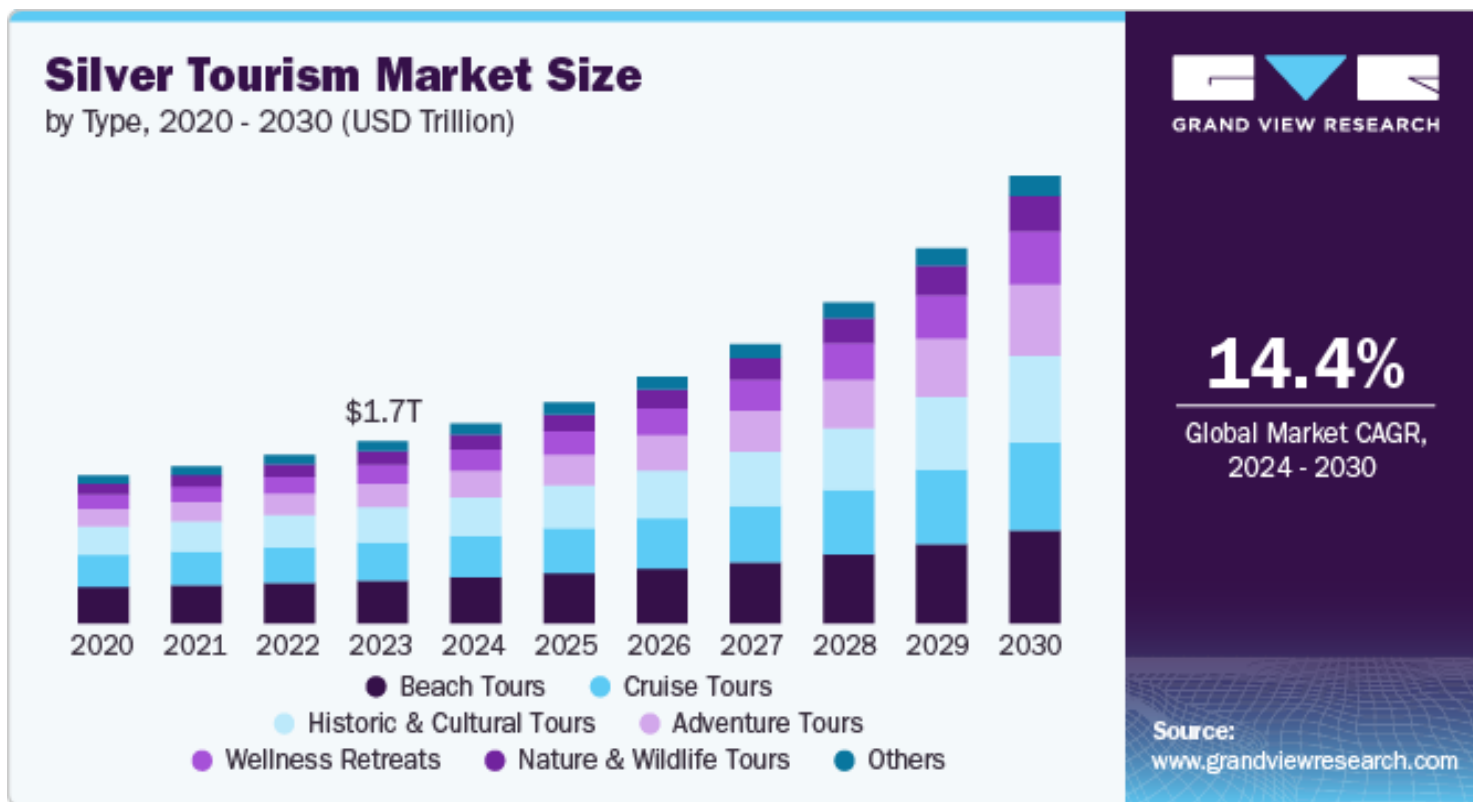


- **Silver Tourism is** an area that can be included in the broader “silver economy” concept
- The “silver economy” is the one that includes elder people in economic activity by creating products and services adapted to their necessities
- The Silver generation wants to travel
- The tourist sector targeting older people is one of the areas that needs more development

Silver Tourism Market Size & Trends



- The global silver tourism market size was estimated at USD 1,779.75 billion in 2023 and is projected to grow at a CAGR of 14.4% from 2024 to 2030

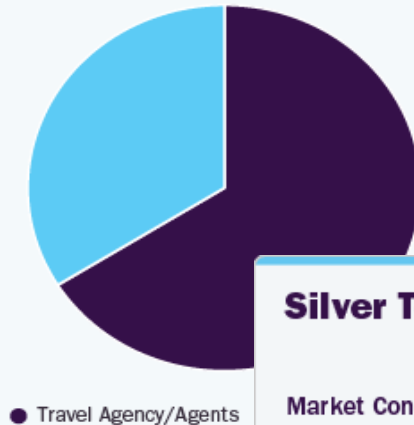


Silver Tourism Market Size & Trends



Silver Tourism Market Share

by Booking Mode, 2023 (%)



\$1.7T

Global Market Size,
2023

Silver Tourism Industry Dynamics



Market Concentration



Market Growth Stage

High

Low | Medium | High

Pace of Market Growth

Accelerating

Accelerating | Decelerating

Market Characteristics

Industry Competition

Low High

Degree of Innovation



Level of M&A Activities



Impact of Regulations



Product Substitutes



End-user Concentration





Silver tourists

- Some **general characteristics** of silver tourists:
 - availability of income (Buzulukova & Lobova, 2023)
 - greater availability of leisure time, therefore they are more flexible with dates (Zsarnoczky, 2017; Talos et al., 2021)
 - senior tourism is very feminized, with statistics showing that elder women do more tourism than elder men and tend to travel to socialize more with locals and their families (Sánchez et al., 2020; Otoo et al., 2022)
 - when they travel, they pursue sightseeing, culture, relaxation, learning and experiential opportunities, a particular climate, natural beauty (Patterson & Pegg, 2013; Lin et al., 2021; Lyu, Huang & Mao, 2021)
 - the focus on health and relaxation during travel: older travelers are enjoying rest and silence, prioritize health and well-being, seeking destinations that offer spa treatments, wellness retreats, and fitness activities (Otoo & Kim, 2020; Patterson et al., 2021; Chang et al., 2022)
 - safety is a crucial point for them (Zielińska-Szczepkowska, 2021; Toubes et al., 2021)
 - they need good communication, and the accessibility is a core point when choosing the type of transport (Zielińska-Szczepkowska, 2021)





Silver age tourism

Age group	Life stage	Main characteristics (statistical majority)
51-64	Mature	Married Very active social actor Large household Large income (one or multiple resources) Medium disposable income
65-74	Young-old	Married Active social actor Medium household Multiple income resources Medium disposable income
75-84	Middle-old	Married / Single Follows social processes Small household One resource of income Large disposable income
85-94	Old-old	Single* Follows social processes Independent household Large disposable income <small>*usually female</small>
95+	Very old	Single* Passive social actor Outsourced household One resource of income Medium disposable income <small>*usually female</small>

(Source: Zsarnoczky, 2016)

- **Silver tourists are not a homogenous group!**
- One of the main differences is age since we can find different generations with different needs in the same group
- The level of education and the monthly income are also determinant factors to choose when and where they travel
- Lifestyles and motivations are different (Stroud & Walker, 2013; Feng et al., 2021; Gregory, 2023)

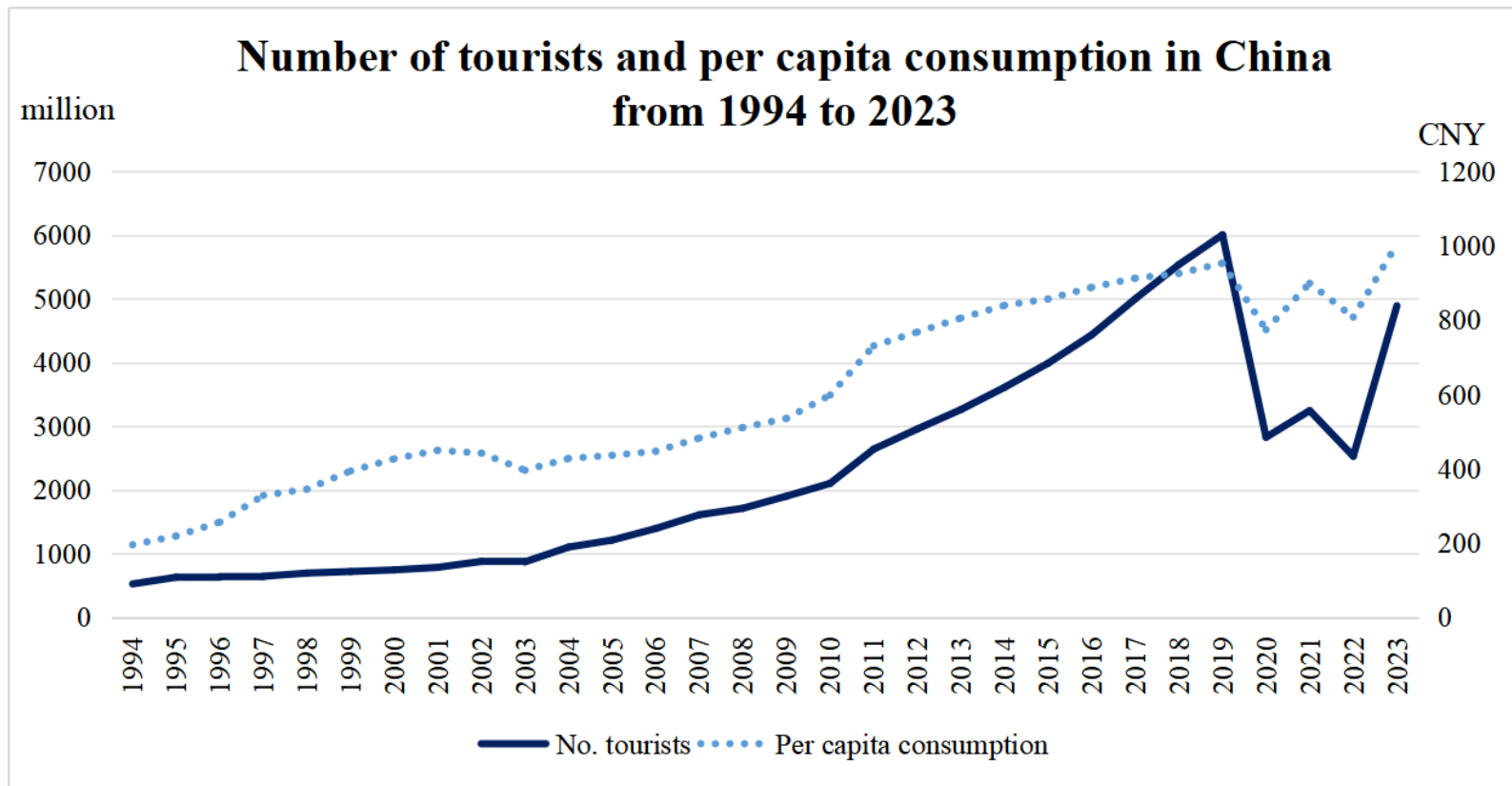
Chinese silver tourists in Russia



How Russia can create value propositions for Chinese silver tourists to expand its inbound tourism market?

To understand the outbound travel intention and behavior of Chinese silver tourists

Growing tourism market in China



Source: National Bureau of Statistics of China (NBSC).

Three-stage development of tourism in China



The First Stage (1978 to 2008): Building a Tourism Services Economy

- focused on product creation and industrial development
- during the first phase, China's tourism industry established a foundational framework, including key industrial elements such as food, accommodation, transportation, shopping, and entertainment

The Second Stage (2009 to 2019): Tourism Serving Society and People's Livelihood

- emphasized the multifunctionality of tourism, catering to various groups such as seniors, homebuyers, and shoppers, while also creating potential for tourism consumption
- the tourism industry shifted from focusing on individual tourism products to promoting multifunctional and diversified products and services
- new offerings emerged, including senior group tours, home-buying tours, and shopping tours
- as the aging population increases, the demand for travel among senior tourists has grown significantly. Senior group tours characterized by "low prices, charter trips, and a relaxed pace" have become particularly popular
- when vacancies arise in these senior groups, younger travelers can join. This intergenerational travel fosters a sense of "mutual assistance": participants support one another in daily itineraries, enhancing the overall travel experience. It also encourages understanding and connection among different generations

The Third Stage (2020 to Present): Transformation and Development of Tourism

- focuses on the transformation and development, emphasizing consumption, experience, and perception
- art, education, entrepreneurship, and innovation have emerged as the new driving forces
- the tourism economy has gradually entered a virtuous cycle where "high-quality demand determines supply innovation, and innovative supply stimulates demand growth"
- tourism industry policies now prioritize the implementation of new development concepts, including innovation, coordination, ecology, openness, and exchange

Empirical study objectives



The objectives of the study was to empirically examine the impacts of perceived value on Chinese silver tourists' visit intention to Russia and the moderating effect of risk perception

- (1) to explore how to adjust the value proposition under the influence of organizational cognitive processes and absorptive capacity in the constantly changing environment, and stimulate the travel intention of Chinese silver tourists to Russia
- (2) to clarify the impact of the perceived value on the travel intention of Chinese silver tourists to Russia under different situations
- (3) The results provide a new perspective for the study of the relationship between tourist perceived value and behavioral intention

Research methodology and sample



- A mixed-methods approach was used to fulfill the research objectives. Both interviews and the survey method were applied to generate data from senior tourists
- A questionnaire survey data set collected from October 08 to November 08, 2023. Using the Questionnaire Star platform, the investigators mainly collected questionnaires by telephone interview, face-to-face interview and online filling
- The respondents were Chinese tourists over the age of 50
- To prompt the enthusiasm of tourists to complete the questionnaire, when asking whether they were willing to accept the survey, they would be informed that they will be rewarded with red envelopes
- A total of 380 questionnaires were sent out, 372 were recovered, and 314 valid questionnaires were obtained

Sample overview

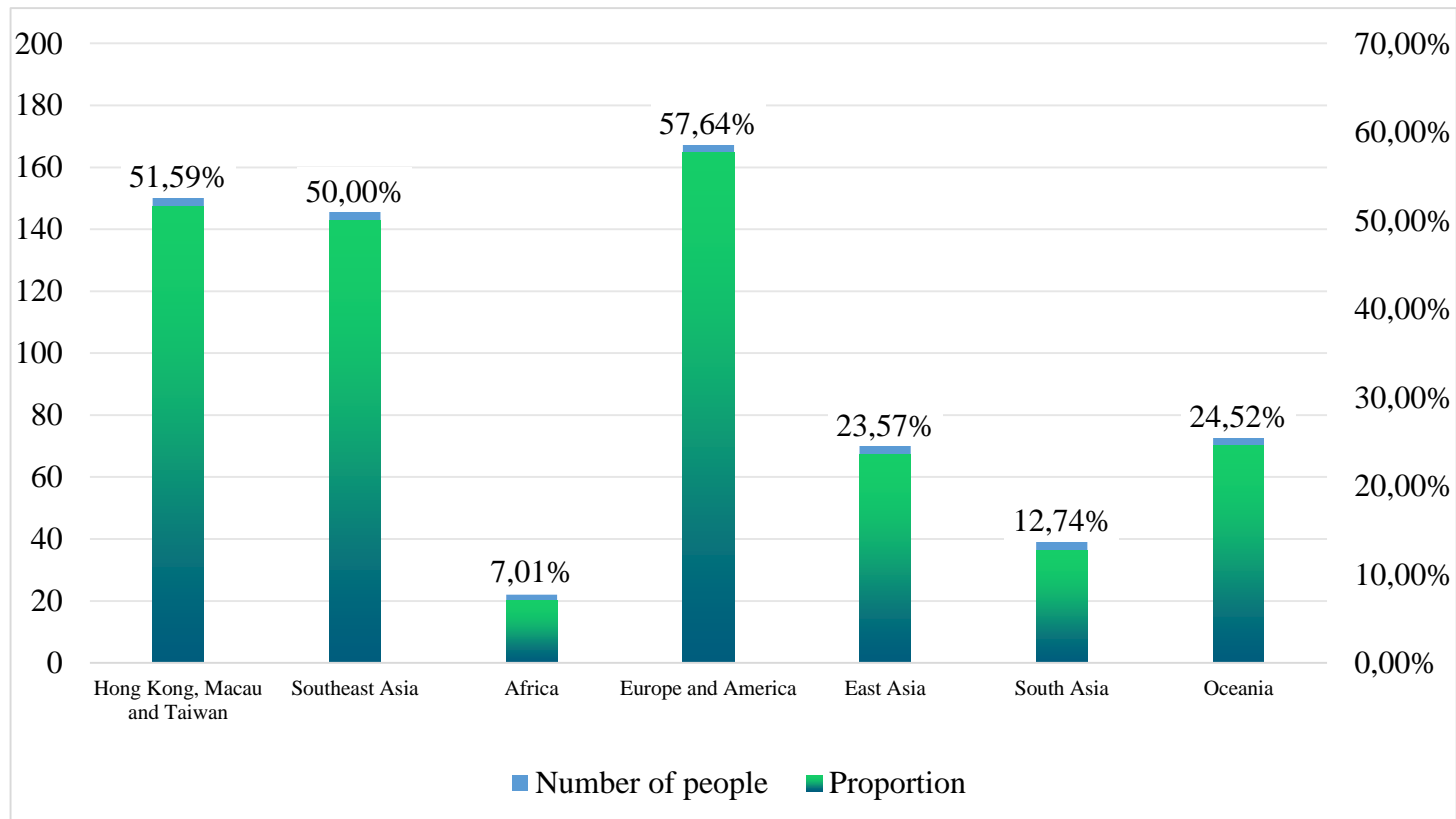


Indicator	Parameter	Percentage
Gender	Male	59.87%
	Female	40.13%
Occupation	Expert/worker	22.93%
	Junior manager	28.98%
	Senior manager	6.69%
	Proprietor	1.27%
	Freelancer	16.88%
	Temporary unemployment	1.27%
	I don't work	1.59%
	Pensioner	16.56%
	Others	3.82%
Education	Junior high school and below	13.69%
	Ordinary high /secondary /vocational high school	29.30%
	Undergraduate/junior College	51.91%
	Postgraduate and above	5.10%
Per capita annual household income	Less than 5,000 CNY	12.10%
	5,000CNY-20,000CNY	12.10%
	20,000CNY-50,000CNY	10.19%
	50,000CNY-100,000CNY	21.97%
	100,000CNY-200,000CNY	25.80%
	200,000CNY-500,000CNY	15.61%
	500,000CNY and above	2.23%

The most attractive foreign destinations



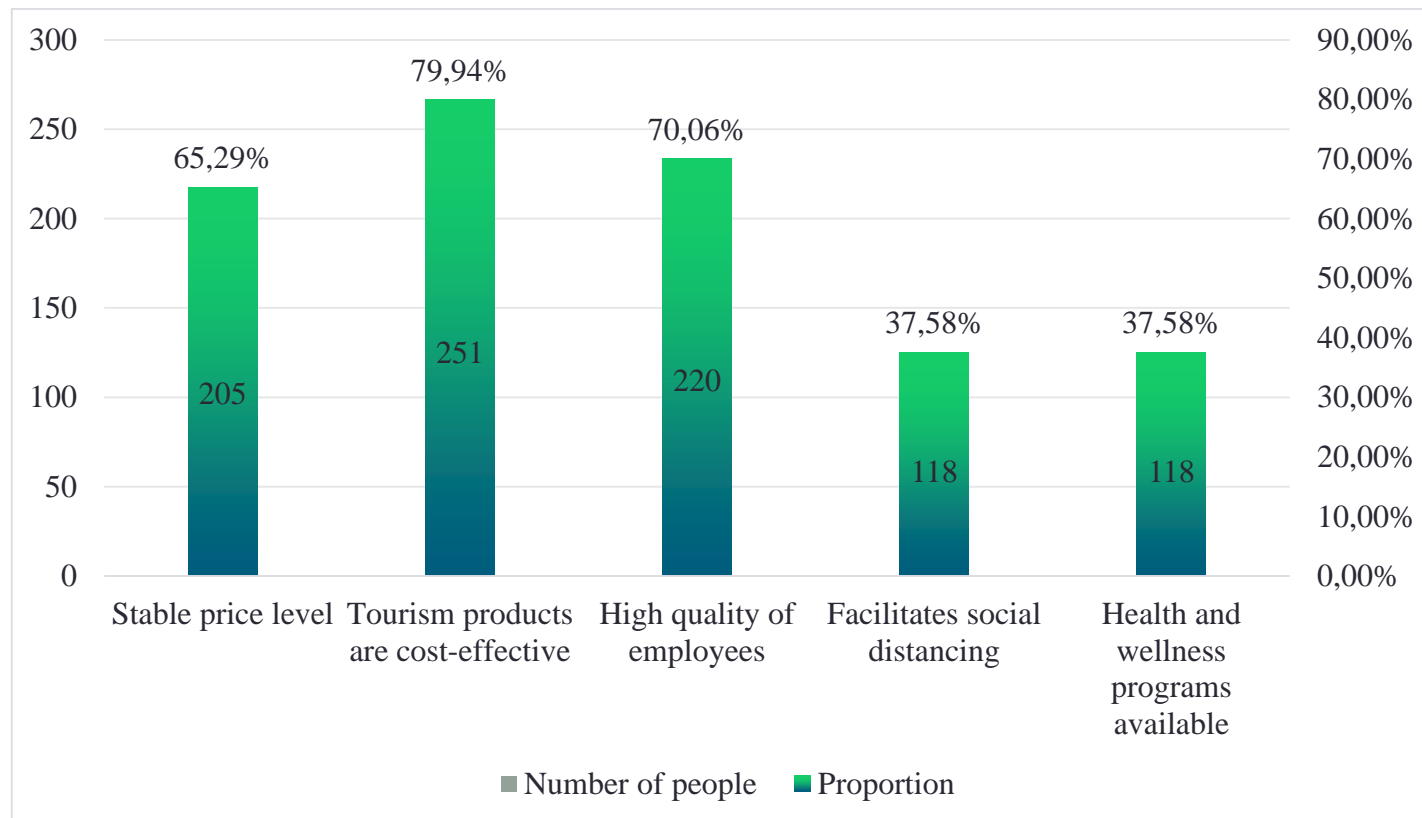
- Europe and the US, as well as Hong Kong, Macao and Taiwan, turned out to be the most attractive foreign destinations for the respondents
- East Asia, South Asia and Africa less attractive



The most attractive foreign destinations



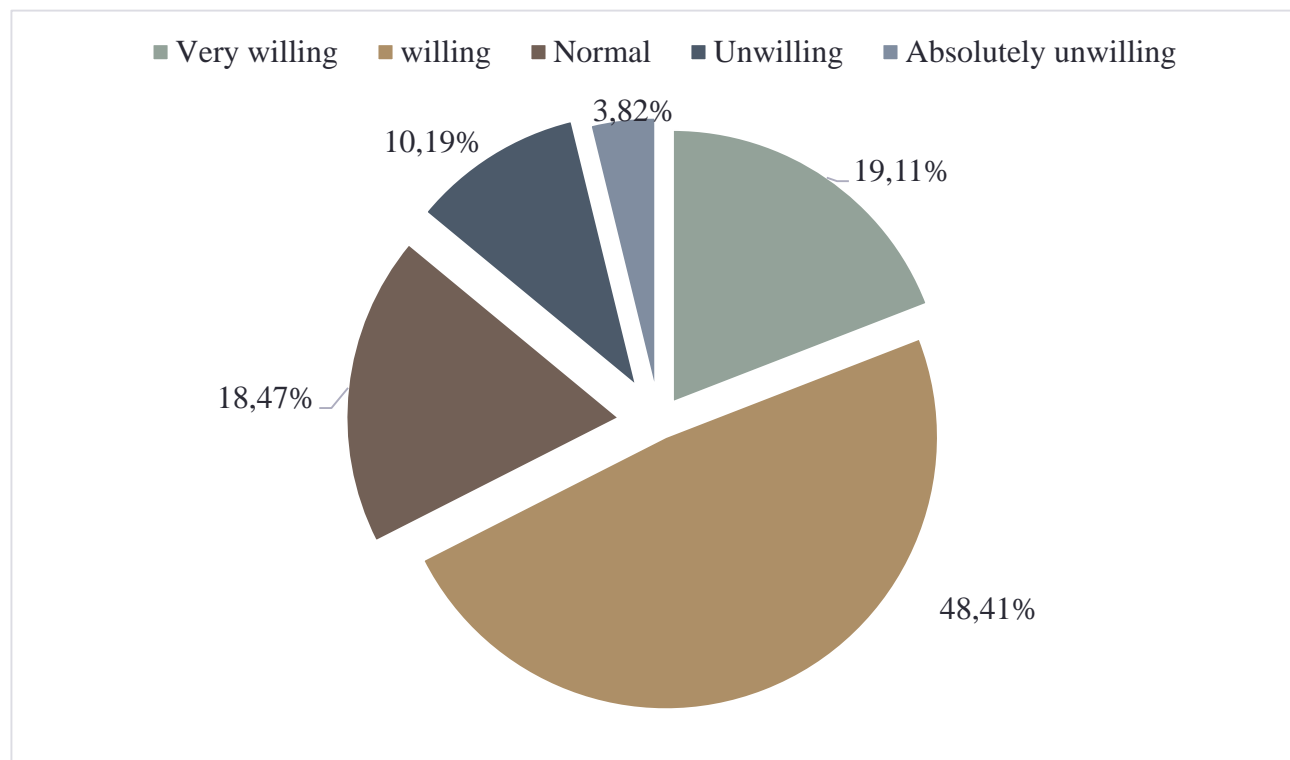
- When choosing an outbound travel destination, respondents were most concerned about the cost-effectiveness of the destination's tourism products, followed by the quality of employees and stable prices
- Less attention paid to the convenience in maintaining social distance, as well as to health and wellness programs availability



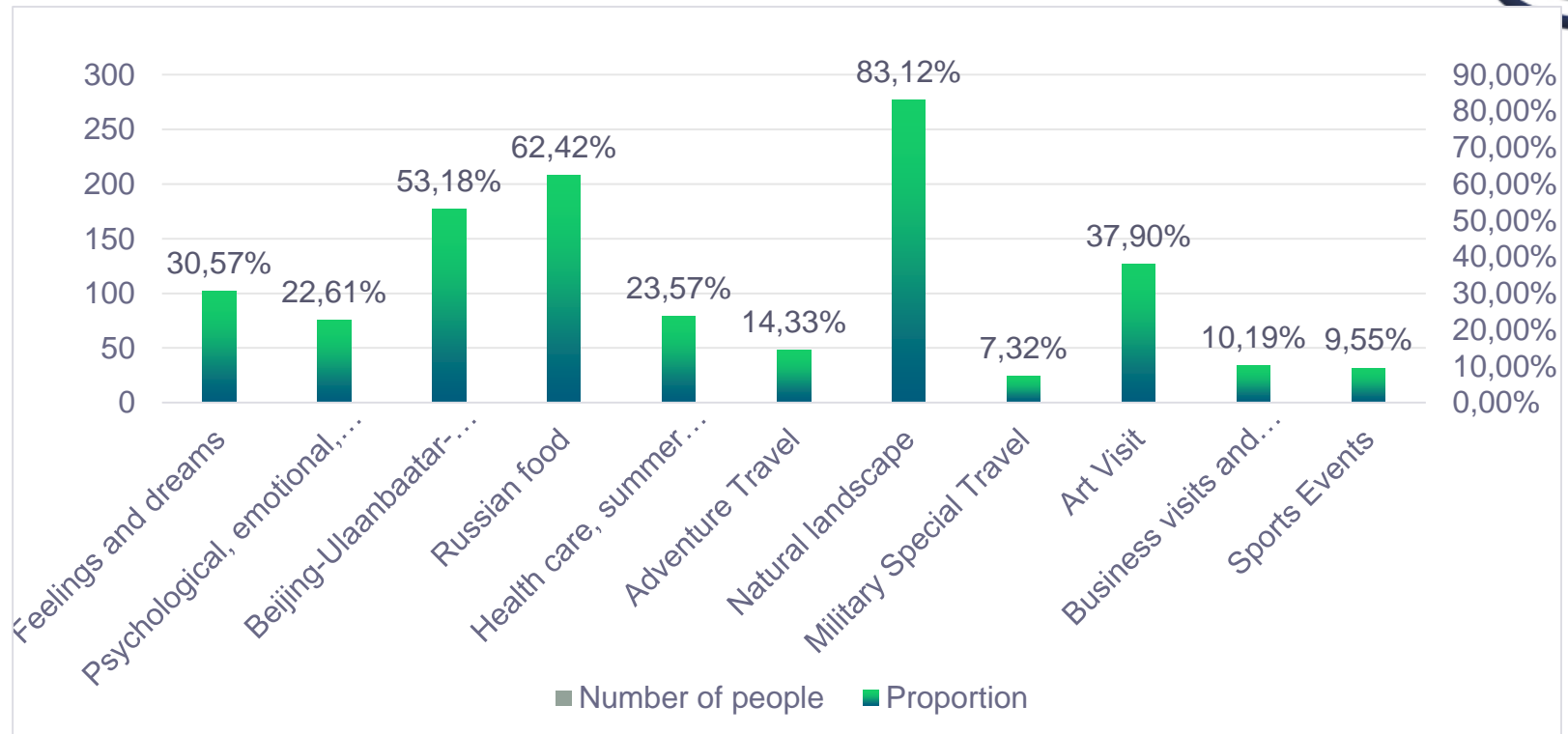


Willingness/intention to visit Russia

- 19,1 % “really want” to go to Russia
- 48,4% “seriously preparing” to go to Russia
- 18,5% “partially prepared” to go to Russia
- 14 % unwilling or resolutely refuse to visit Russia respectively

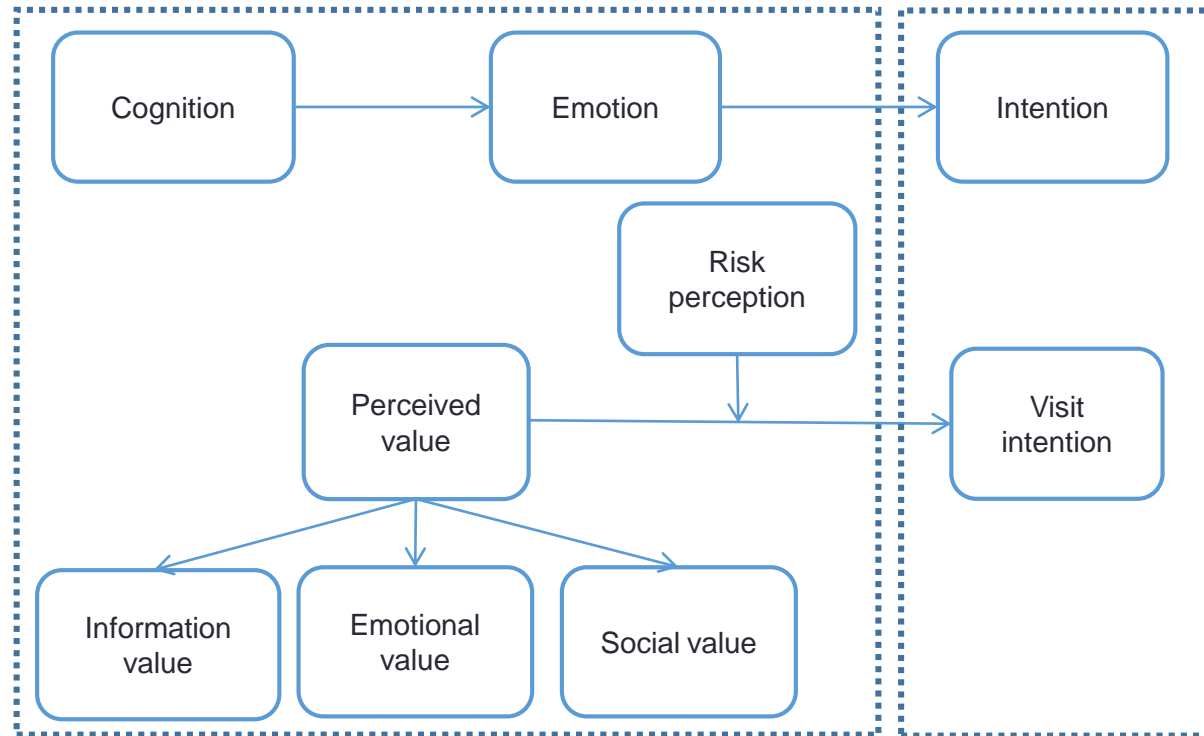


Travel theme choices



- natural landscapes (“the night near Moscow”, “the shore of Lake Baikal”)
- national cuisine
- Beijing-Ulan-Bator-Moscow International Train
- art classes (Russian dance, painting, music, literature, etc.)
- feelings and dreams (“When you realize your dreams, you forget your age”)
- health care, psychological emotional or spiritual support are important factors

The interaction between perceived value and visit intention



Theoretical hypotheses:

H1: Perceived value has a statistically significant positive effect on the visit intention of Chinese tourists 50+ traveling to Russia

H2: Risk perception has a statistically significant negative effect on the visit intention of Chinese tourists 50+ traveling to Russia

H3: Risk perception can negatively moderate the positive effects of perceived value on the visit intention of Chinese tourists 50+ traveling to Russia

Variables and descriptive statistics



- **Dependent variable: Visit intention**

measured as the willingness of Chinese silver tourists to visit Russia in the near future. It is an ordered variable assigned a value of 1 to 5, and higher value means stronger visit intention of silver tourists traveling to Russia

- **Core independent variable: Perceived value**

measured from three dimensions: information value (tourists' knowledge about Russia), emotional value (consideration of tourists' dreams or feelings when traveling to Russia), and social value (attention to tourist evaluation and comments on the scenic spot)

- **Moderating variable: Risk perception**

two moderating variables introduced: tourists' willingness to travel by air and tourists' willingness to travel only when they are convinced that the tourist destination is absolutely safe. The former is used for empirical analysis of the risk perception moderating effect, the latter is used for robustness checks

- **Control variables**

the individual and family characteristics of the silver tourists, including age, gender, education level, income level, residence registration, risk preference, proportion of travel expenditure, outbound travel frequency and other factors on their visit intention to Russia

Variables and descriptive statistics



Variable	Definition and description	Mean	Std.Dev.	Min	Max						
Dependent variable						Income level	Per capita household income level: 1= less than 1196 CNY; 2= between 1197 CNY and 5000 CNY; 3=5000 CNY -20000 CNY; 4=20000 CNY -50000 CNY; 5= 50,000 CNY - 100,000 CNY; 6= 100,000-200,000 CNY; 7= 200,000 CNY - 500,000 CNY; 8= 500,000 CNY -1 million CNY; 9=1 million CNY and above	4.92	1.682	1	8
Visit intention	Willingness to visit Russia in the future (1= completely unwilling; 2= unwilling; 3= general; 4= willing; 5= Very willing)	3.688	1.016	1	5						
Core independent variable: Perceived value											
Information value	Knowledge of Russian tourism (1=completely unaware; 2= Don't know much; 3= general; 4= better understanding; 5= Very well understanding)	2.761	0.852	1	5						
Emotional value	If you travel to Russia, it is mainly for the realization of dreams or feelings (1=yes; 0=no)	0.312	0.464	0	1	Residence registration	1=Urban areas; 0=Rural areas	0.879	0.327	0	1
Social value	I pay attention to visitors' reviews (1= not at all; 2= not concerned; 3= general; 4= concerned; 5= strongly concerned)	2.213	0.987	1	5						
Moderator: Risk perception						Risk preference	If you have 10,000 CNY, which choice do you prefer: 1= 400 CNY(4%) in the best case, no loss in the worst case; 2= Gain 1700 CNY(17%) in the best case, loss 1000 CNY(10%) in the worst case; 3= Best case gain 9600 CNY(96%), worst case loss 4800 CNY(48%)	1.707	0.726	1	3
Indicator 1	I prefer not to travel by air (1= completely disagree; 2= disagree; 3= general; 4= agree; 5= Strongly agree)	2.325	1.071	1	5						
Indicator 2	I only travel when I am sure that my destination is absolutely safe (1= Completely disagree; 2= disagree; 3= general; 4= agree; 5= Strongly agree)	4.28	0.77	1	5	Travel expenditure	The proportion of total personal expenditure spent on tourism last year: 1= Almost none; 2= less than 10%; 3=10-30%; 4=30-50%; 5=50-70%; 6= more than 70%	2.468	0.775	1	5
Control variable											
Age	Years old	55.239	4.478	51	79						
Gender	1=male; 0=female	0.599	0.491	0	1	Frequency of outbound tourism	1= Never; 2= occasionally; 3= often	2.022	0.866	1	4
Education	1= illiterate or primary school; 2= junior high school; 3=ordinary high school/technical secondary school/vocational high school; 4= Undergraduate/junior college; 5= graduate students and above	3.478	0.808	1	5						

Perceived value has significantly positive impacts on visit intention

Perceived value has statistically significant positive effect on the visit intention



- the more respondents know about Russian tourism, the higher the perceived information value is, and the more willing they are to visit Russia
- the stronger the emotional attachment of respondents to Russia, the higher the perceived emotional value is, the more willing to visit Russia
- the more attention respondents pay to the tourists' evaluation and comments on Russia's tourism, the higher the perceived social value is, and the more willing they are to visit Russia
- The hypothesis H1 is hereby verified, that is, perceived value has a statistically significant positive effect on the visit intention of silver tourists traveling to Russia

Policy implications: promoting the intention of Chinese silver tourists traveling to Russia



Based on the above research conclusions, the key to providing value proposition and attract Chinese silver tourists to visit the country is to improve the perceived value and reduce the risk perception of silver tourists traveling to Russia:

- ❑ enhance *the information value*, strengthen the external publicity and promotion of Russian tourism, and
- ❑ enhance *the emotional value*, create a group of tourism attractions with feelings and dream realization as the theme, arouse the yearning of Chinese silver tourists for Russian tourism, so as to enhance their intention to travel to Russia
- ❑ enhance *the social value*, actively carry out word-of-mouth construction and brand building, and promote the tourism intention of silver Chinese through publicity and guidance
- ❑ reduce *the risk perception* of silver tourists, strive to add more China-Russia tourist trains, implement visa facilitation policies, improve *the sense of security* of silver Chinese traveling to Russia



Marina Y. Sheresheva
m.sheresheva@gmail.com
[0000-0002-8153-7111](tel:0000-0002-8153-7111)