

# Boomers in control of market

## Companies realize crowd over 50 offers advertisers big dreams of growing sales

*By Bob Moos*  
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DALLAS - When Fidelity Investments signed Paul McCartney as its spokesman last fall, pop culture critics chortled. The former Beatle who once sang "I don't care too much for money; money can't buy me love," was about to sing the praises of financial planning.

Marketing experts recognized the business deal as a coup for Fidelity. The financial services company had just hired the ultimate icon of baby boomers to talk to 77 million boomers thinking about what to do next in their lives.

Though marketers still covet the 18-to-49 age group in this youth-obsessed culture, a growing number of companies realize that fifty-something consumers offer a lucrative business opportunity they can't afford to overlook.

"Until now, companies have either ignored the fifty-something crowd or lumped it into the 'senior' market," said Matt Thornhill, president of the Boomer Project, a consulting firm in Richmond, Va. "Neither approach will work with boomers."

There are too many boomers, with too much money, for marketers to discount them. The 50-plus crowd is the fastest-growing market segment, according to Brent Green, author of *Marketing to Leading-Edge Baby Boomers*. Americans 50 or older make up 38 percent of the population. They'll account for 47 percent by 2020.

They also have money to spend, especially now that many are empty-nesters eager to indulge themselves, Green said. Their households control \$750 billion in discretionary income and outspend younger adults 2-to-1.

"Anyone who wants to grow his business in the next 10 years will need to target more than the 18-to-49 group," Thornhill said.

Yet marketing experts say companies won't be able to reach fifty-somethings the same way they have appealed to previous generations of seniors, with gray-haired models showing the frailties of old age.

"Boomers will do aging on their own terms," Thornhill said.

(more)

“At every stage in their lives, boomers have done it differently from their parents' generation. They won't be retiring so much as they'll be reinventing themselves.”

Marketers have long presumed that they'd be wasting advertising dollars on older consumers, figuring that they were reluctant to try new things. But recent research has found that boomers are as willing as younger adults to change brands.

A study by AARP discovered that brand devotion varies more by product category than age.

“Yes, I have my favorite toothpaste. But other than that, I'm wide open for suggestions,” said Chuck Nyren, 55, and author of *Advertising to Baby Boomers*. “Why do ad execs believe boomers don't switch brands?”

Nyren said advertising agencies often ignore or misread boomers' preferences because most of their creative people are too young to understand that generation. “The agencies better hire more boomers if they want to reach them,” he said.

That's what marketing executive Priscilla Wallace did this fall when she launched a New York-based service called Boomertising.

The boomer-to-boomer marketing business proclaims on its Web site, “It takes a boomer to sell to a boomer,” and Wallace adds for emphasis, “We have no interest in pitching products and services to the youth market.”

Marketing experts say companies need to know how to tug at the heartstrings of Americans over 50, because emotional appeals work better with that generation than a recitation of facts.

“Aside from latching onto the lad from Liverpool, the Fidelity campaign is brilliant because of its slogan: ‘The key is, never stop doing what you love,’” Green said. “Fidelity's ads have captured the zeitgeist of this generation.”

The ads have brought a larger response than any other Fidelity campaign. “We've had hundreds of thousands of hits on our Web site in just the last month and a half,” said Claire Huang, executive vice president for marketing.

While Fidelity is targeting investors, others are zeroing in on spenders. After a life of accumulating stuff, boomers have begun to accumulate experiences, marketing experts say.

“Remember that old bumper sticker, ‘Whoever dies with the most toys wins?’ It's been replaced by, ‘Whoever dies with the most experiences wins,’” Green said.

Boomers over 50 will spend \$57 billion on travel this year, and unlike their parents, they're seeking adventure, not relaxation.

National Geographic Expeditions, which organizes more than 100 trips to exotic places each year, has positioned itself to serve boomers with wanderlust. Its advertising shows vacationers kayaking, hiking and snorkeling.

“Our Expeditions program is a natural extension of the National Geographic brand, and there's been a strong demand for it,” said Lynn Cutter, senior vice president for travel. “Business has climbed 35 percent in the last year.”

Now that a third of boomers over 50 are empty-nesters, marketers are trying to capitalize on that lifestyle by helping couples adjust to smaller households.

Marketing experts say the growing interest in the fifty-something consumer proves the adage that the more things change, the more they stay the same.

When 77 million boomers were infants and teenagers, they created the youth market and made successes of brands such as Gerber and McDonald's. Now that half of them are past 50, they're compelling companies to cater to an older market, too.

“It all stands to reason,” said Sarah Hall, brand planning group head at the Richards Group in Dallas. “You've got to fish where the fish are.”