



LEEDS BECKETT UNIVERSITY
THE RETAIL INSTITUTE



REDEFINING AGE

BABY BOOMERS: CONSUMERS OF THE FUTURE

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Introduction

It may seem counter-intuitive to include the words, 'Baby Boomers' and 'Consumers of the Future' in the same sentence but there is ample evidence to support this proposition, which this report will seek to explore.

Trying to understand the ageing consumer will be of increasing importance for retailers and markets. The predictions from the Office for National Statistics[1] estimate that in 50 years' time, the generation of 65+ will rise to nearly 9 million people – nearly an entire population of Austria.[2] With fertility rates continuing to drop and simultaneous decrease in mortality rates, this is an ongoing global demographic trend. In fact, United Nations (UN) reported that in 2018 the over 65's have outnumbered children under 5 years of age globally.[3]

This report is looking to examine the nature of the older yet dynamic consumer group, frequently identified by marketers as Baby Boomers, and provide insights and recommendations for retail marketers.

On a global scale, this demographic group is frequently exposed to various levels of societal discrimination.

The UN's Sustainable Development Goals Agenda[4] recognised the need for wider action on empowerment of older citizens and proposed development of programmes looking to encourage social, economic and political inclusion to reduce inequality and boost social cohesion.

Unfortunately, there is a resounding similarity between social discrimination and exclusion - or oversimplification in approaches to investigating Boomers, often not perceiving them as a diverse group with digital literacy and evolving shopper preferences.

This Annual Report looks to reflect on existing market data around the Baby Boomers as a varied consumer group and seeks to challenge the unconscious bias of the wider marketing community. Its primary role is to highlight the wider and untapped, market opportunity.



Definition of Baby Boomers


Generation X; Generation Y/Millennials & Generation Z

There is general agreement that the term Baby Boomers refers to individuals born in the US and Europe between the late 1940s and the mid-60s. Generation X arrives between 1965 and the early 1980s, followed by Generation Y/Millennials born between the mid-80s and mid-90s. Finally, Generation Z (or post millennials) are identified as those born in the mid to late 1990s. Individual organisations such as the Pew Research Center (US) or Statistics Canada tend to change the boundaries of one of more of the three most recent demographic groups a little but the above broad ranges will, we suggest, suffice for our purpose.

That said, there are two further points to be made. There are differences between the picture of the 'boom' in the US and that in the UK. Observers have noted that in the US the boom was continuous between the late 1940's and the early 1960's, whereas in the UK there were two 'bulges', firstly, in the late 1940's and again in the 1960's. A readable account of this can be found in the Western Independent blogspot[5].

The second point to make is that US observers tend to differentiate between the Boomers now aged 65-74 and younger boomers (55—64) but – from the evidence researched for this report - do not point up substantive differences in behaviour patterns between the two sub-groups.

As will become clear there are problems in research undertaken and in defining what we mean by the term 'elderly' or the 'older consumer' which in turn provide marketers with difficulties in effective segmentation. Mintel[6], for example, notes that 'Seniors' (>70 years) are often 'lumped in' with Baby Boomers in the generic over 50's demographic. Nunan and Di Domenico[7] make the point that observers need to recognise, too, that to predict behaviour of the current & future elderly (defined in their paper as the over 65's) based upon that of previous elderly generations is to ignore fundamental differences between generations. We, therefore, approach the topic with caution, noting that we can today make informed comment about the current Boomers but must not assume that what is relevant to that group will be similarly apposite to the Gen Xers who follow.



The term Baby Boomers refers to individuals born in the US and Europe between the late 1940s and the mid-60s.

The Numbers

Gentry and Mittelstaedt state in their 2017[8] paper that by 2040 the number of over 60s will have risen from some 800 million worldwide to 2 billion, the majority of this demographic being female given typical and differing life expectancies of the two sexes. In the US as at 2019 the boomer population was estimated at 73 million. This compares with 66 million for Generation X and is just less than that of Generation Y (72 million)[9].

In the US the total population is projected by the UN[10] to rise based upon median projections to 340 million in 2030, to 400 million by 2070 and approximately 430 million by the end of the century. The 15-24 age group is expected to number 44 million by 2020, rising gradually to 47 million by the end of the century. The 15-59 age group number is expected to number 195 million by 2020, 210 million by 2070 and 220 million by the end of the century. The over 60's population in the US is projected to rise to 77 million by 2020, approximately 90 million by 2030, to 100 million by 2040 and more than 140 million by the end of the century.

Closer to home, if ranked among sovereign nations, the European Silver Economy (population of the over 50s) would be currently the third largest in the world behind only US and China according to a 2014 report in the Financial Times.[11]

As is the case across much of continental Europe, the UK population is ageing and it is this 'greying' of the population that may have diverted some retail marketers' attention away from the positive prospects that this shift in demographics brings - shifting the focus from impairments and disabilities to new market opportunity and consequently emerging need for new products & services.

If ranked among sovereign nations, European Silver Economy (population of the over 50s) would be currently the third largest in the world

The basic numbers as follows, based – again - on UN statistics [12]: the UK's total population is projected to hit 67 million in 2020, 70 million by 2030, 75 million by 2040 and 78 million by the end of the century. The number of UK citizens over the age of 60 will rise (again based on median projections) from 16.4 million in 2020 to 20 million in 2030, thereafter the figures plateauing until 2040.

By contrast, the 15-59 age group will number 38 million in 2020, a figure which remains unchanged until 2020 at which point the figure may rise to 40 million, thereafter largely plateauing until the end of the century.

The equivalent figures for the 15-24 age group are just less than 8 million in 2020, rising to just less than 8.5 million by 2030 and thereafter largely plateauing until the end of the century.

It is worth noting that these statistics are not calculated to permit clear correlation with the demographic groups that we are discussing.

Wealth & Purchasing Power

A 2015 report from US News[13] noted that US Boomers controlled 70% of all disposable income in the US, 55% of the demographic having household incomes of \$100,000 or more.

USA Today[14] reported in 2017 that Americans of 55 years and older accounted for 41.6% of consumer spending in the first quarter, compared with 33.5% in early 2007.

The 2014 FT report cited above[15] estimated that the over 50s in the UK account for 50% of total spending in the UK. This report quotes this extract from a Bank of America report: *“Demographic drivers, including increasing life expectancy, raised retirement ages, longer working lives as well as inheritance, will further boost the incomes and spending power of older consumers.”*

The big commerce blog spot[16] notes that: *“As more Boomers stay in the workforce longer, their economic impact continues to influence the economic activity. Boomers make up the only population group experiencing growth in the workforce. This means that the 'Golden Years' will in many cases be spent working. This change in lifestyle will ultimately translate to more disposable income and purchasing power.”*

The report also notes that the wealthiest one fifth of those aged 50 to 64 spend more on food and alcohol, recreation, restaurants, hotels and transport than those of the more coveted (much targeted) 30-49 year old age group and that Britain is no exception to this trend.

A retail think tank (RTT) report from 2013 [17] observes that the main challenges for UK retail will be to adapt to the UK's ageing population and to meet its specific tastes and demands. The report estimates that in the period to 2023 almost 2/3 of retail spending growth will come from those aged over 55.

The concept of 'down-ageing' both - mentally and physically, which we discuss in different terms later in the report, will also have an impact upon product selection. The publication also notes the implications for store lay-out and the need for choice in the technology available, e.g. self-scanning, which older customers 'hate'.

An FT.com article of April 2018 [18] specifies that UK Baby Boomers are on average 17 times wealthier than millennials and that the gap between the generations had expanded from a multiplier of six over the previous ten years. What is noticeable here is that the picture in the US is similar to that seen in the UK and we can, therefore, expect to see similar implications arising. The role of the over 50s is key in both countries and it would seem that the centrality of that role as consumers will only increase over time.

The current 50 & 60 years olds are likely to continue learning, travelling, exercising, eating well and buying the latest electronics well into their 80s.



All might seem very rosy indeed but it is not that simple. A report by the Ready for Ageing Alliancee (R4AA)[19] – a coalition of organisations including Age UK, Alzheimer’s Society, Carers UK and the Joseph Rowntree Foundation – gives a more nuanced assessment. The report notes that the UK Boomer demographic displays *“significantly more diversity than is often recognised.”* This echoes the assessment of Sloomweg & Rowson[20]. as they consider the wider demographic.

R4AA seek to explode a number of myths about the UK Boomer generation: nearly 2 million people do not have any private pension savings.

More than seven out of ten people in their 50s and early 60s are in work, thus the majority cannot afford to retire early as some commentators claim.

Baby Boomers did not all buy cheap houses and as a result are not now sitting on a fortune. Interest rates were high in the 70's and 80's. Just under half of the demographic own their property outright; nearly a quarter (24%) are renting. Ten years earlier the proportion was 18%.



Over 50's in the UK account for 50% of total spending in the UK whereas US Boomers controlled 70% of all disposable income in the US

In regard to passing wealth onto their children on average one in three women and one in five men aged 65 and over will enter a care home at some point in the future. Thus, the possibility of handing down wealth may not be affected by the spendthrift attitudes of a greedy demographic but more by the costs of institutional care.

Other sources also observe that Boomers are keen on spending their wealth rather than passing it onto their children, a trend often described as SKiING – Spending the Kids’ Inheritance. [21] This narrative however, might be simply an expression of discontent at challenging deeply rooted social norms.

We discuss later in the article the problems of stereotyping of the Baby Boomer cohort by marketers, which affects the quality of marketing insights.

In the period to 2023 almost 2/3 of retail spending growth will come from those aged over 55

Adoption of Digital Technology by Boomers

Let's take a look at the available data on the take-up of digital technology by the discussed consumer segment.

It is instructive to look at the US experience given the similarities identified to that of the UK. A 2017 report by the Pew Research Center[22] indicated that 64% of Americans aged 50-64 used social media and were active on at least one social media site. 61% of this group were Facebook users. Those aged 65 years and above showed a lower figure, 34%, but the figure compares noticeably with that of 2010 when just 10% of that age group used social media; growth in take-up is the key here. With regard to the ownership/use of smartphones, 74% of Americans aged 50-64 had these devices, a 16 point increase over the figures for 2015.

In May 2019 Forbes[23] reported on research undertaken in the US which concluded that US Boomers spent almost as much time on their smart phones as Millennials (5 hours versus 5.5 hours for the younger group).

With regards to the use of digital technology, Mintel's 2017 report[23] on the travel industry quotes anecdotal evidence that UK Boomers were at that point regularly using travel websites, supplier websites, online travel agents and travel metasearch engines. It is also apparent that mobile apps were being used for research and, to a lesser extent, for booking holidays by this demographic.

Mintel's 2018 report[24] indicates that 64% of over 55's in the UK used Facebook and 32% used YouTube. The report also says that 74% of over 55's in the UK own a smartphone. Mintel's April 2019 report[25] offered detailed research suggesting that 11% of Boomers (defined here as being between 55 and 73 years) used their mobiles most to access social media; 7% of respondents considered this a secondary use and 5% ranked this a third. Perhaps predictably 36% of Boomers used their mobiles principally for calls; 22% considered this a secondary use and 10% ranked this third.

Regrettably, we were unable to access comparative figures prior to 2019.



An interesting insight into the use of digital technology by Boomers comes from an FT.com article of July 2019[26]: Amazon, through its Alexa smart speaker, is the fastest growing music streamer with 32m subscribers.

Of that customer base 14% are over 55 years old, a proportion three times that of Spotify, the Gen Z and Millennials' favourite. Voice assistants are, clearly, not just used for streaming music and may indicate the direction in which older generations can in future connect to the online world - given that they overcome the limitations of touch-based devices.

Insight on Boomers and their use of digital technology comes from two surveys, the first in the US conducted in June 2018[27]. The survey reviewed the use by Boomers of digital wallets (such as Apple Pay, PayPal, etc.).

It found that 23% of Boomers say they prefer their digital wallet over transferring money in traditional ways. 23% use their digital wallet because it's a convenient way to track money coming in and out and each year the average Boomer will use their digital wallet up to 35 times.

The second report, published in November 2018, considers the global use of mobile wallets across ten countries including the US, China, Japan and the UK. The findings for the UK are that in the 55-64 age range 29% of respondents used a mobile wallet and a further 27% expressed interest in so doing. The remaining 43% had were not interested in mobile wallets.

The picture for the 65+ age group is quite similar to the above: 22% of respondents used a mobile wallet and a further 28% wanted to explore this function. The remaining 50% were 'not attracted' to mobile wallets. Overall use of mobile wallets across the different demographics – according to this survey – was lower in the US (17%) than in the UK (24%).



Innovate UK and ScienceWise have jointly worked on gathering evidence on this demographic cohort to debunk some of the myths associated with the 55+ generation.[28] Here are some interesting facts from their research:

- Baby boomers account for nearly a quarter of the UK population and hold the majority of the UK's personal wealth.
- Baby boomers perceive themselves to be much more like their children and younger generations than like their parents or older generations.
- They are tech savvy. 53% of US Baby boomers are on Facebook.
- In the UK, people aged 50–74 are spending twice as much per year as the under 30s on theatre and cinema tickets.
- Retirement for Boomers is not about retreating or stopping; if anything, it is about re-invention either through new work, volunteering, travel or learning.
- 40% continue to work full time; 10% part-time.
- 19% are intellectually driven and may return to education in some form.
- More than older generations Boomers believe in spending their wealth rather than in saving and passing it on to future generations: **SKiING** – Spending the Kids' Inheritance.
- Most Boomers think of their ageing identity in terms of how much time they have left rather than their actual age. This is linked to a 'things to do before I die' orientation and the current fashion for bucket lists. When people perceive remaining time as limited they tend to prioritise social goals that are emotionally meaningful to them.
- Many Boomers are into "environment and sustainability" and many volunteer their time – with 22% looking for meaning, balance and spirituality in their lives.
- Boomers who got hooked on books, fashion or music in their youth, often continue and develop these interests in mid- and later-life, reflecting the 18% who are emotionally-driven and the 14% who are pleasure-driven – all wanting to live life to the full.
- 12% focus more on healthy bodies and lifestyles with interests in diet and exercise – hence the rise of the **MAMIL** – the Middle-Aged Man In Lycra.
- By 2020 the global Baby Boomer market will be worth \$15trn a year.
- Health and wellbeing are key drivers of consumption. Sales of hair dyes, face creams, skin lotions and other self-care products targeting the 'over-50 male' have increased by over 400% in the last decade or so. Although the majority of older women do not use anti-wrinkle creams, over a third of women in their 60s do
- Two-thirds of Baby Boomers say that technology is a vital part of their lives and over 50% believe that technology has made their lives easier. They use the internet for email and researching information about goods, services and travel, internet banking, and online news and magazines.
- Product design needs to take better account of age-related realities. For example, the sense of taste declines with age so food manufacturers need to find ways to boost flavour without using additional unhealthy ingredients such as sugar, salt and fat.

What are Boomers About?

If marketers are to understand the Boomers generation it makes sense for them to get into this demographic's mind-set.

Nunan & Di Domenico[29] refer to the concept of 'subjective age', i.e. effectively the denial or at least the slowing down of the ageing process. This is supported by the Boomers' *"health & social connectivity which is aided by their willingness to learn new skills that expand their cognitive abilities."*

Slootweg & Rowson[30] argue that Boomers should not be approached as 'seniors' but be treated as "relevant, young and useful". They want to see the advantages of getting older, as opposed to feeling old. A more direct assessment comes from an ABA Banking Journal article[31]: *"As an active 54 year-old surfer, I will be eligible for the moniker of "senior" this year. Truthfully, I would rather spend an entire week at the proctologist than be called a "senior..."*

The authors note that older consumers are less 'ephemeral' than their younger counterparts. They stick with brands for longer but are still willing to try new products, if strong enough arguments are advanced supported by evidence. Rational, not emotional, advertisements and advertising copy are the key. Gentry & Mittelstaedt[32] agree, noting that reputation is particularly important for this group and that brand switching will only occur if compelling arguments are advanced.


Nunan & Di Domenico argue that older consumers are more concerned about data privacy, the sharing of personal data with third parties and how that will be used than younger generations. This is seen again later in this report, in a survey published in October 2019.



Mintel[33] notes that in the context of travel within this demographic are segments which are commonly in good health and gainful employment or are financially well prepared for retirement. Thus, thanks to good health and twentieth century medicine Boomers are highly adventurous and engaged in international travel and believe that broadening their horizons, both physically & mentally, is beneficial. Mintel references in the same report that there is evidence that the same cohort from the Far East is increasingly adopting the habits of their European & US counterparts.

Boomers support the idea of buying good quality food or organic food locally. They also enjoy eating out[34].

Closer to home research suggests[35] that family and maintaining social connections are key issues for Boomers. In that sense, perhaps, the demographic displays values that we recognise from previous generations.



Health and remaining healthy are priorities for Boomers and food is seen to be critical to the achievement of those goals.

A Big Commerce[36] article points out the importance of video material to this demographic. Somewhat condescendingly, the author argues that Boomers prefer slower video formats to help them understand ideas better – but also notes that Boomers can handle detail well and can cope with longer videos.



Digital Literacy

A recent study by Selligent[37] – featured in a webinar hosted by Marketing Week this year – based on 5000 consumers in seven EU countries including the UK in addition to North America, provides some potentially interesting indicators relevant to this report. (The nature of the sampling frame is not discussed.)

The study considers how consumers in the key demographic groups respond to the ways in which brands are using social media & voice assistants, and what they find helpful versus intrusive or worrying when it comes to personalisation. Selligent argue that consumers across all demographics have rising expectations of customer service and of personalisation, i.e. knowing *their* story after the first contact.

The Boomers, in particular, are confident, demanding individuals for whom customer service is king [38], but there is an inevitable trade-off – personalisation versus privacy.

Overall, 51% of respondents to the survey expressed themselves willing to exchange data for increased personalisation but this was a qualified answer: the personalised experience had 'to feel right'. Of the four demographic groups surveyed (Boomers; Gen X, Gen Y/Millennials; and Gen Z) the Boomers were least willing to share at 38%.

Voice assistants (VAs) are an apparent cause for concern on the part of all four groups because consumers fear that VAs are listening to them (gathering information) without their consent. Of the four groups Boomers were the least concerned about this issue (36% versus 51% overall). This may reflect the level of ownership by the demographic of these devices.



More broadly, the report argues that whilst the two older generations (Gen X and Boomers) have less expectation and experience of personalisation they still value it. (Gen Z & Gen Y/Millennials: 80%; Gen X: 70%; Boomers: 52%)

The authors conclude that all four groups find it helpful when brands engage as a response to their actions but find it worrying or intrusive ('creepy') when brands make the first move.

The recommendation to brands is, therefore, start small, solicit feedback from consumers; test this with the different demographics and let consumers guide the brands on their engagement preferences.

Perhaps, unsurprisingly, Boomers were the least likely of the four groups (just 28% versus 41% overall) to have reduced their social media use because of privacy concerns. This may reflect both the extent of the use of social media by Boomers and the degree to which they had not divulged personal data on social media sites.



The confidence of the Boomers, as consumers, is reflected in the very low level of influence that they ascribe to social media advertisements. Just 22% agreed that such ads had influenced a purchasing decision in the preceding six months. This compares with 53% for Gen Z, 54% for Gen Y/Millennials and 38% for Gen X.

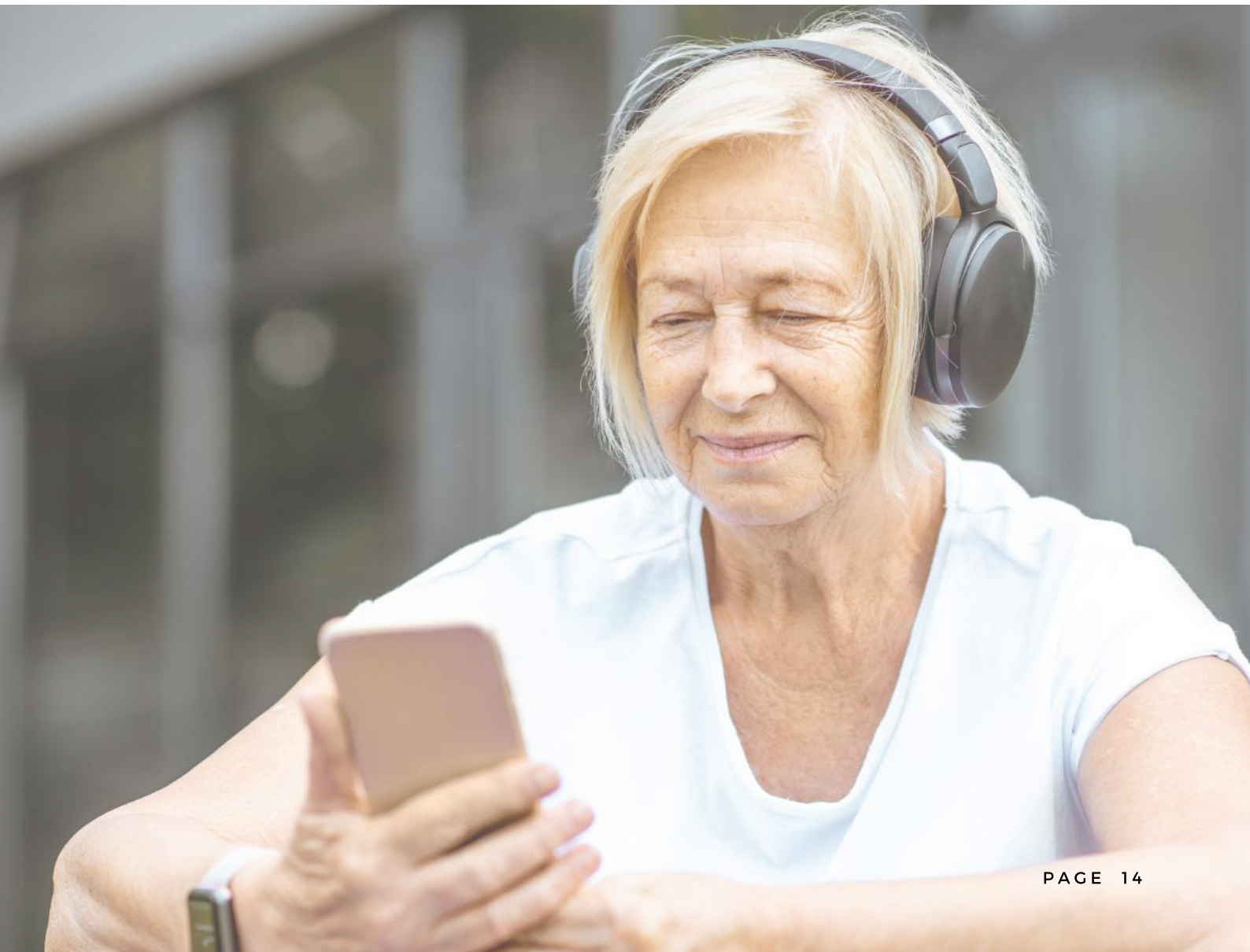
Of relevance to this report, Selligent provide some food for thought about customer service. Regrettably, there is no breakdown given by demographic group but across the survey – both for Europeans and North American consumers – 43% of respondents want to talk to a human, not a chatbot or automated self-service options.

For European consumers the breakdown is as follows:

- Prefer to talk to a human: 41%
- Prefer to use email: 37%
- Prefer to chat on a brand's website: 19%
- Prefer to use Social Media: 3%
- Prefer to use SMS/text messaging: 1%

Selligent conclude that brands must make use of AI and Machine Learning to assist them to be proactive notifications to customers *before* those customers pick up the 'phone.

These findings, if replicated more widely, suggest that the introduction of certain aspects of Unattended Retail[39], at least, may be more drawn out and problematic than is thought currently by its proponents.

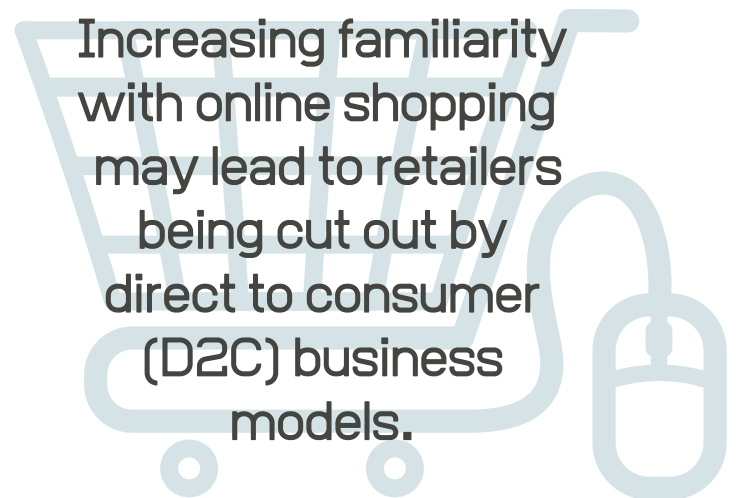


Online Shopping

We continue our account of Boomers at this point with a review of recent reports from Mintel on the UK online grocery[40] and the wider UK online retailing picture[41].

These publications observe that the take-up of online grocery shopping by the over 55's and over 65's requires retailers better to tailor their services to these two demographics. That said, older customers tend to have a 'smaller' (less valuable) shopping basket than that of younger consumers. It is worth noting, however, that the trend towards smaller baskets can be seen more widely given consumers' move to more frequent top-up shopping. This, together with the issue of returns, pose real problems of profitability for retailers.

For older consumers, as Nunan & Di Domenico[42] note, there are challenges and risks. There is a lack of control over curation, potentially too much (confusing) choice and difficulty in making judgements as between products of acceptable and sub-standard quality.



On the other side of the coin, McKinsey states that e-grocery shopping works very differently from the conventional model.

E-grocery shoppers tend to keep to a set and repeated list of products. How then can retailers upsell and cross-sell effectively?

McKinsey goes on to suggest that increasing familiarity with online shopping more generally may lead to retailers being cut out by direct to consumer (D2C) business models.

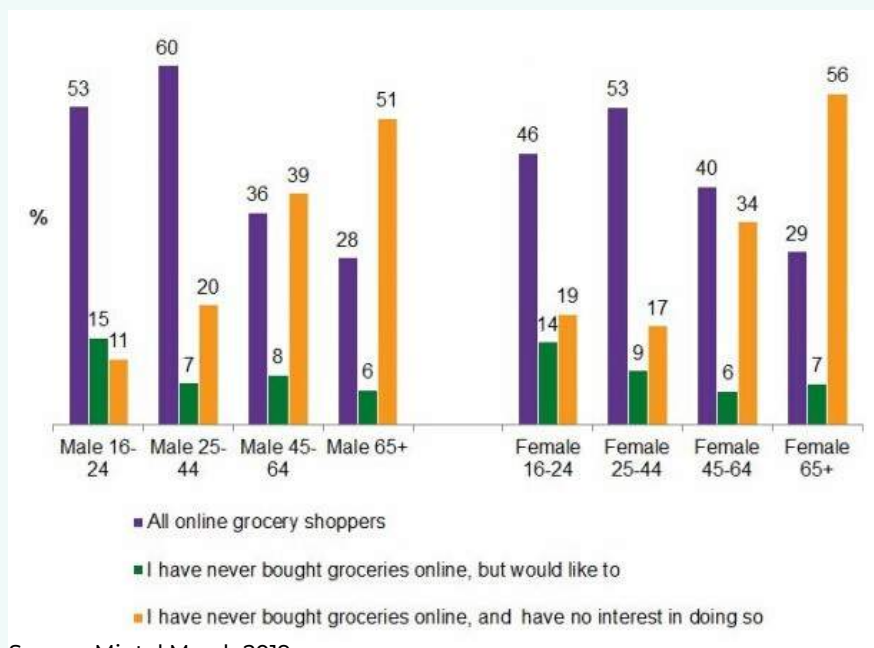
Online grocery use by age, December 2018. Base: 2000 internet users aged 16+



Turning now to attitudes towards online grocery shopping we can glean some information from the report but, unlike in the previous graphic, Mintel does not report the results for the 55-64 age group. Nevertheless, we can see that for males in the 45-64 and 65+ age groups there is strong resistance to shopping for groceries online. This is slightly less evident for females in the 45-64 age group but just as pronounced for females as males in the 65+ age group.



Use and interest in online grocery of non-users by age and gender, December 2018. Base: 2000 internet users aged 16+

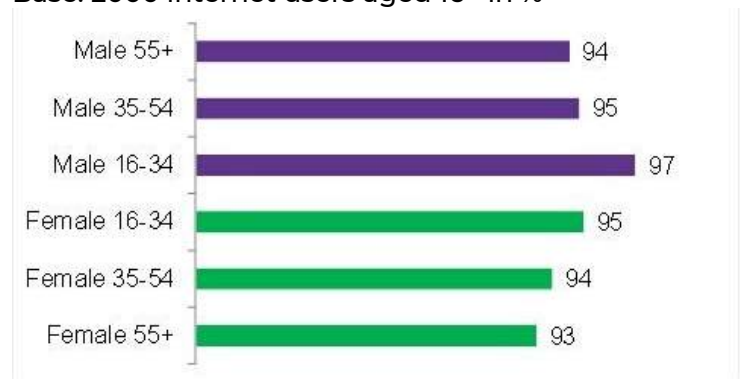


Source: Mintel March 2019

Mintel's report on online retailing in the UK shows a more positive picture across all generations however, again - it does not provide an in depth demographic detail for over 55's. In line with the wider sector growth forecasts, it is the older demographics which present the strongest prospects for growth in the UK.

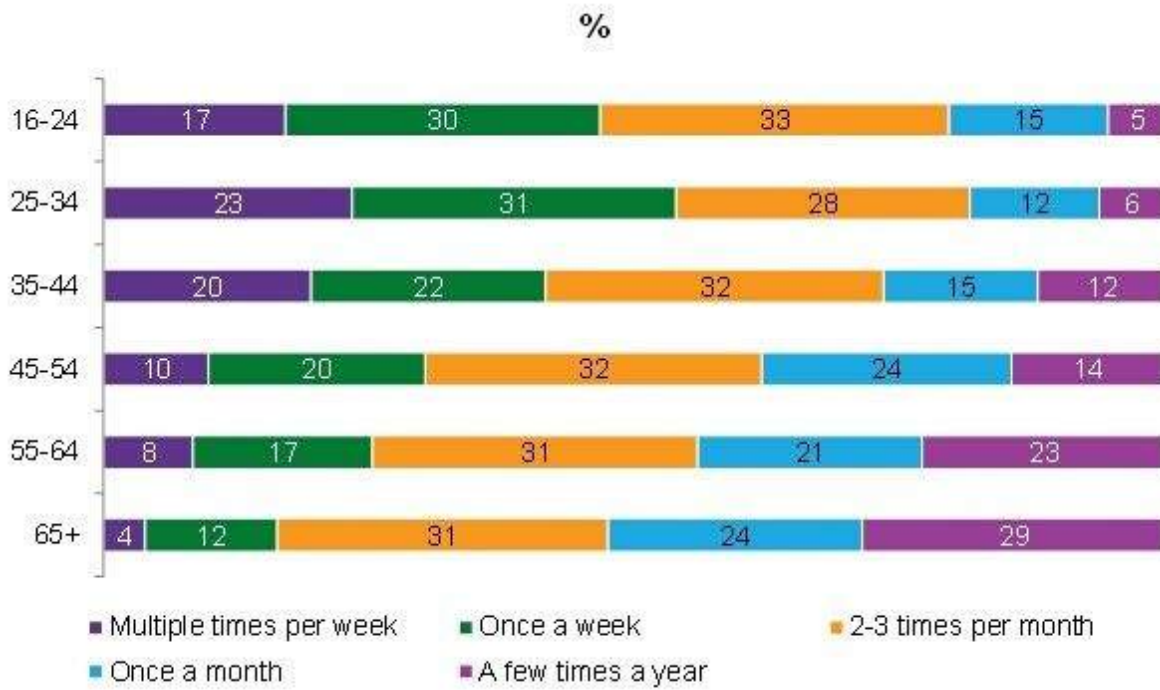
Mintel argues that the growth in the use of the internet by the over 75's offers an opportunity for the future take of online shopping.

Usage of online shopping by age & gender
Base: 2000 internet users aged 16+ in %



Source: Mintel July 2019

Frequency of online shopping by age, May 2019.
 Base: 2000 internet users aged 16+



Source: Mintel July 2019

The frequency of online shopping captured by Mintel for different demographic groups makes for interesting reading. Whilst the two oldest demographics are less likely to shop once a week or even multiple times per week they do shop regularly, i.e. 2-3 times per month or each month. Thus, they represent a predictable revenue stream for retailers with - as noted above - substantial potential for future growth.



Marketers' View of Boomers

If then, the boomer generation represents a growing, prosperous group how have marketers responded to it?

Gentry & Mittelstaedt[43] note a report from the Economist in 2002 which pointed up the importance of the Boomer generation but that business had remained largely obsessed with youth. The authors conclude that not much had changed since then. Nunan & Di Domenico[44], in what may be regarded as a the most comprehensive current discussion of the issues, refer to *"incomplete, under-refined and relatively unchanged perspectives of older consumers.... driven by outdated stereotypes..."* The authors suggest, too, that part of the problem may come from the (negative) view of the young research team members who develop and implement surveys of older consumers.

Slootweg & Rowson[45] refer to the prejudice of often much younger marketing teams about the Boomer generation, i.e. that they (the Boomers) have little or no connection with technology or online life.

With regard to new product & service development an article by American Banker[46] argues that young digital natives are designing the next generation of banking interfaces involving smart phones and mobile devices. They do not understand fully the challenges older customers face when using the technology.

A more trenchant analysis, well worth review, comes from the CEO of T-Mobile, John Legere. In a video posted on Twitter in April 2017[47]. Mr Legere tells his audience: *"I'm here to fix something that drives me completely crazy... Boomers are not 'too old', 'stuck in the past', (uninterested) in technology or the internet"*.

He points out that the Boomer generation invented the internet and the www. He goes on to lambast competitors AT & T and Verizon for their patronising and rapacious approach towards the Boomer generation – and, of course, to showcase a new offering from T-Mobile for this demographic.



What Should Marketers Do?

The answer, initially at least, may not lie with marketers, themselves. In an Economist Intelligence Unit report sponsored by Swiss Life[48] the head of Nestlé's Head of Healthy Ageing programme is quoted as saying:

“We know so little about the older population compared to our understanding of infants, that it is almost a new field. (...) We think that ultimately there is a market opportunity.”

The report states that to date the focus has been on the biological processes associated with ageing separately from the way in which consumer behaviour changes when people age.

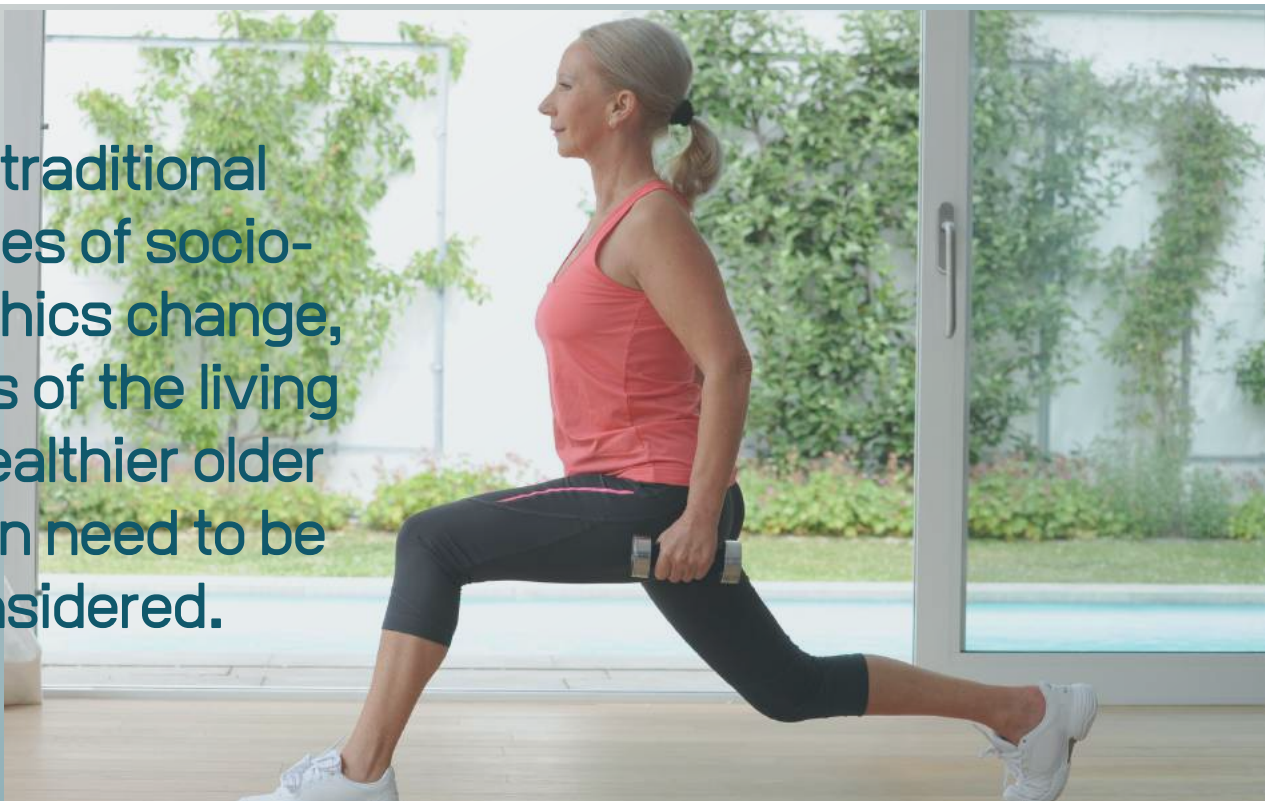
This suggests that corporations have largely not been looking in the right direction. Gentry & Mittelstaedt[49] argue that a change is needed in corporate culture; a (strategic) re-orientation is required.

There are however, some exceptions. Pfizer, a biopharmaceutical company, launched its 'Get Old'[50] programme to challenge misperceptions of age and to drive people to take action on their healthcare. That said the focus is, clearly, on health as opposed to the wider needs of this group of consumers.

Nunan & Di Domenico[51] admit to the problem of “demographic denial” in marketing scholarship with the consequent neglect of the elderly and a focus on the youth market and the need to shift the focus solely on health needs, which has the potential to reinforce stereotypes, towards a better informed assessment of the demographic's role and potential as consumers in the broadest sense. As the traditional boundaries of socio-demographics change, the needs of the living longer, healthier older population need to be reconsidered.

The digital economy's reliance on advertising revenue makes it imperative that we develop a greater understanding not just of the growing segment of online shoppers, but that we gain robust insights in order to engage all demographic groups.

As the traditional boundaries of socio-demographics change, the needs of the living longer, healthier older population need to be reconsidered.



Conclusions & Recommendations

Contrary to common beliefs and stereotypes, Baby Boomers are a varied and dynamic group of consumers with an appetite for life and needs often unrecognized by the marketers.

This demographic is keen to nurture relationships, look after its health, capture new and different life experiences, travel and tend to their hobbies. They are redefining social perceptions about age and the process of getting older, pushing the boundaries of traditional norms by enjoying healthy and active lifestyles.

As indicated in this review of the existing literature, there is a concerning lack of quality insights and robust segmentation of this consumer group. Considering the future impact of an ageing population and its implications for the market, it is imperative to highlight the need for better generational research overall, by both the academic and business communities, to support and enhance wider businesses opportunities.

The report proposes a range of approaches for best practice and offers the following observations and recommendations:

Marketing Research:

- Granularity: depth & detail are required in identifying and segmenting this diverse group.
- Marketing & NPD teams should be educated about the value of the Boomer generation to their own organisation and to themselves as employees. It should be acknowledged that older consumers are a diverse group and that their needs, desires and purchasing power extend well beyond hearing aids, blood pressure monitors and incontinence pads.
- Marketers should consider who is undertaking marketing research and how that research is framed to avoid the reinforcement of stereotypes.
- Personas should be created to help marketing teams think through their customers in depth.
- Marketers should recognise that Boomers are not technology averse.
- Older consumers should be involved in usability tests of systems and apps.

Market Opportunity:

- Boomers and older consumers, more generally, represent real potential for sales growth in retail, both conventionally and online but there is currently strong resistance to online grocery shopping on the part of these groups.
- The implications of marketing to this, by and large, brand-loyal group should be considered. They will require compelling arguments to support a change in choice. It should be borne in mind, too, that unlike younger generations, Boomers tend to make their decisions based on their own research as opposed to seeking opinion leadership or information from social media advertisements.
- Brand categories such as mobile phone services, automotive, fashion and travel should be active in reaching Boomers, not just financial planning, insurance and medical care.
- Social Media – particularly Facebook – should be used with appropriate segmentation.
- The benefits of compelling video content should be exploited.
- Consumers should be given a choice over technology/service in-store.
- Companies should provide a variety of email/phone support options, thereby enhancing indicators of trust for this demographic, particularly.
- Companies should recognise and respond to Boomers' increasing use of their smart phones.

Other Considerations:

- Customer service is king: these are more demanding customers than other generations.
- They are the group most likely to write off a company if they receive poor service. They are experienced and confident customers. They value face to face interaction and view automated systems as a second class option. They share the wish of younger demographics for human interaction to resolve queries & problems.
- The concerns of older consumers about privacy and security should be respected.
- Brands need to be responsive to contacts from Boomers (again, just as is the case for younger demographics) rather than being intrusive.
- Retailers may care to take lessons from Japan where attention has been focused not just on making stores more accessible for the older consumer (clearer labelling, lower shelves, additional seating) but also on appointing more mature staff to deal specifically with this age group.
- More generally, store lay-out and labelling – including font size – should be reviewed.
- The accessibility and readability of online and digital content: font size, contrast and size of website buttons should be re-visited.



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