



Boomer+ Customers Are Writing a Brand New Book

By James J. Gilmartin

Introduction

You've heard of the Age of Aquarius, well, welcome to the "Golden Age of Aquarius". Somewhere in America, a boomer will turn 50 every seven to ten seconds, that's more than 12,000 each day and over four million each year for the next decade. Yet many marketers are not prepared to reach this new class of consumers who have more money to spend than their parents' did.

"Boomers and older consumers today are affluent, and they are disproportionately represented among most retailers' customer bases," says Sandra Gudat, president of Denver-based Customer Communications Group. "It's typical for a company to say the average customer is 40 years old, has two kids, and makes \$40,000 a year. Once you drill down and look at the customer base, it's illuminating. Their most important customers are the boomers." Boomer+ customers are the single largest economic group in America.

However, be careful what you call them. Euphemisms like "elder", "of a certain age" or "senior" might turn them off rather than make them feel like your treating them with respect. Many may become more than a little upset with being labeled. Although some marketers may consider aging boomers as "mature", the boomers don't. And they are not shy about spending money on life's little luxuries.

Don't be surprised to see members of these segments hop on their motorcycles for a road trip. Going out to dinner often, spending an evening in front of their 50 inch TV home theater, booking a trip to the Bahamas, and driving cross county to see friends are other activities and pleasures they've earned and enjoy. They aren't simply writing a new chapter of their lives, they're writing a brand new book – **and each book is different!**

The Average Consumer Doesn't Exist

Unfortunately, few marketers have figured out how to best target the boomer and older consumer. While one boomer might be gearing up to start a business, another might be taking early retirement, because of wise investments. "I'm different", teens like to say, and so does

everyone else for that matter. But how deeply do marketers really want to believe that? How many marketers want to deal with consumers under the rule that every consumer is unique? A conflict exists between the idea of personalizing provider/customer relationships, and the desire to put every consumer in some category that allows marketers to predict their behavior, thus homogenizing consumers' individuality out of existence.

Marketers Have to Stop Net Fishing and Start Fly Fishing

Behaviorists have discovered that no two people see anything exactly the same way. Many marketers still have to learn that basic truth. No view we have of anything can be fully congruent with anyone else's view of the same thing because, like fingerprints, every brain is unique as are the five senses that connect us to the world outside our minds.

Not only do we each see the physical world at least slightly differently from everyone else, we don't precisely match anyone else in anything we believe. There will always be some aspect of a belief that bears the imprint of our distinct identity. No one else has that to mark a belief. So, at best, we can only achieve an approximate matching of our beliefs with anyone else's belief.

Experience is obviously another factor in our perceptual and ideological uniqueness because no two people have identical histories of experience. Differences also crop up because of age-related changes in brain functions. Let's look at some age-related differences between people in the first and second halves of life. NOTE: When we say "boomers and older consumers" we mean adults 40 and older.



The above picture demonstrates how each of us may look at the same image but see something different. What do you see? We'll discuss the image later.

Just a Gut Feeling

Boomers and older consumers rely more on emotional reactions than younger adults to determine if they should think about a matter. Emotional triggers in the brain activate memories. Experiences arm many of these triggers. Stronger original emotional responses to a type of situation generate a stronger memory.

When we experience something in the present, the brain scans its memory banks to see if what we are currently experiencing are like anything we have experienced before. A positive finding may mean the matter doesn't need to be thought through because the recipe for coping with the matter was written in the past. So instead of a rational response we might simply react reflexively. When asked why we acted as we did, we might respond "Just intuition" or "Just a gut feeling." Boomers and older consumers generally can safely rely more on their emotions than younger adults can because they have a richer database of emotionally coded knowledge on how to manage situations.

Conditional Positioning

Boomers and older consumers are more resistant to absolutism. The young mind tends to see reality in simpler terms than older minds do, and they tend to see things in terms of absolute states or conditions: something either is or it is not. Nuance and subtlety often create more confusion in the younger mind about a matter than understanding of it.

In contrast, boomers and older consumers tend to have greater appreciation for the finer definition that nuance and subtlety give a matter. This bias results from a combination of experience and age-related changes in how the brain processes information. The predisposition of boomers and older consumers to reject absolutism means that marketing communications intended for them should generally reflect a conditional tone. Strongly worded and delivered claims about a product's features and benefits usually work better with younger, more literal-minded adults. A softer, more deferential, conditional approach is better suited to the older adult mind that sees reality in shades of gray.

Tell a Story

As we discuss in our last article, narratives work better for getting boomers and older consumers' attention than features and facts/expository. Older minds work more out of the brain's right hemisphere where engaging stories are mostly processed, so it makes sense that storytelling is especially effective in marketing to boomers and older consumers.

Stories generally arouse emotions more readily than emotionally neutral expository. Research shows that the more emotionally neutral information is, the less likely the older mind will give it attention. The younger mind is less discriminating in this regard and may give emotionally neutral information as much attention as emotionally enriched information.

Boomers and older consumers tend to be more holistic in perceptions and thinking. They tend to be better at seeing "the big picture" – to be more holistic in their thinking, because of more right

brain activity in their mental processes. The right brain sees reality in terms of relationships. The identity of parties to a relationship is dependent on the relationship. To the right brain, nothing has meaning outside a relationship. The left-brain, in contrast, sees reality as a mosaic of isolated pieces in which each piece has a distinctly autonomous identity. While the right brain “sees the forest”, the left brain “sees the trees”.

Given the right brain’s view of reality as a web work of relationships versus the left-brain’s view of reality as so many independent pieces, an interesting idea emerges from the fact that the adult median age is now 45. This means the majority of adults are in the time of life when mental activities are increasingly subject to the right brain’s relationships-based view of reality. That suggests that all the supposedly new ideas in marketing that can be lumped under the term “relationship marketing” originated not in academe or business, but in the collective mind of consumers.

Are The Opportunities Real?

The boomers and older consumers, as a whole, will continue to set trends for the rest of the population. According to a recent Scudder Insurance Company survey, 53 percent of those view retirement as an opportunity to dabble in a new career. Research also shows they want to travel and have fun. Those who want to be successful at marketing to this group should recognize its need for value.

Allergan, Inc., a \$1.5 billion pharmaceutical company, is focusing some of its efforts on helping aging boomers stay youthful. “Baby boomers are the drivers,” says Chris Dax, director of marketing for Allergan's skin care line.” They want the latest, greatest, most technologically advanced ingredients. But most of all, they want something that works. This is an educated cohort who wants value for their dollar.

Aside from being well educated and increasingly well preserved, boomers are becoming more techno-savvy, especially the affluent 45-to-54-year-olds with annual incomes of \$50,000 and up. Boomers don't want to be bothered with the mundane. The Internet simplifies their lives, so they can go on about the business of living.

Steak and Ale Restaurants realized it could grow its business in the boomer market. For now, fewer than 20 percent of the Dallas-based company's customers are true boomers. But they represent a far greater share of sales volume, says Bill Watson, vice president of marketing. “Frankly, it's going to require us to continue to reshape the proposition and image of our brand”, he says. “We need to catch this next wave”. However, food, says Watson, is just one part of the equation. With large disposable incomes and many choices in dining experiences, Steak and Ale wants to create an atmosphere, too.

The cool factor is also helping to drive the business of Harley Davidson, especially among the boomer cohort. Buyers of the "king of the road" have a median age of 44.6 years old (91 percent are male, 9 percent female), with a household income of \$73,800. It's about the open road, the camaraderie, and the individualism.

Putting It Together

There is no doubt that boomers, older consumers and marketers are at the early stages of what promises to be a long-term and lucrative love affair. Just as boomers have transformed every other stage of their lives, they'll do the same in this new phase. Smart marketers can bet on one ubiquitous theme: Now that the kids are away, the boomers are going to play. However, the key to the boomer and older consumers pocketbook is in a better understanding of their minds.

We've discussed a few differences in mental processes in the first and second halves of life. Admittedly they are generalities, but nothing can be said about behavior that is not a generality, but generalities can have value when they express verifiable central themes.

Marketing needs to be adjusted to the facts that no two people perceive anything exactly the same way, and that genetic inheritance, experience and processes of maturation contribute to the differing perceptions that exist between people. At a time when such terms as "permission marketing", "one-to-one marketing", "customer relationship management," and "online personalization" are widely bandied about, more serious thought needs be given the uniqueness of each of us, and why we are so unique.

Note: Typically, the image on page two above is perceived of as that of an "Old Man". However, if you look closely, you may see two lovers kissing under an arch of foliage. What do you see?

Biographical note: Jim Gilmartin is president of Lombard, IL based *Coming of Age, Incorporated*. Established in 1991, the full service integrated marketing communications firm specializes in helping clients to increase market share and profit in Boomer+ customer markets. The firm provides clients' marketing communications, full advertising agency services, public & media relations' services, and sales communications planning and execution. The firm also provides clients sales and service improvement training and turnkey Customer Loyalty/Affinity Clubs.

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