age of majority

Understanding the Active Aging Consumer

FOREWORD BY JEFF WEISS

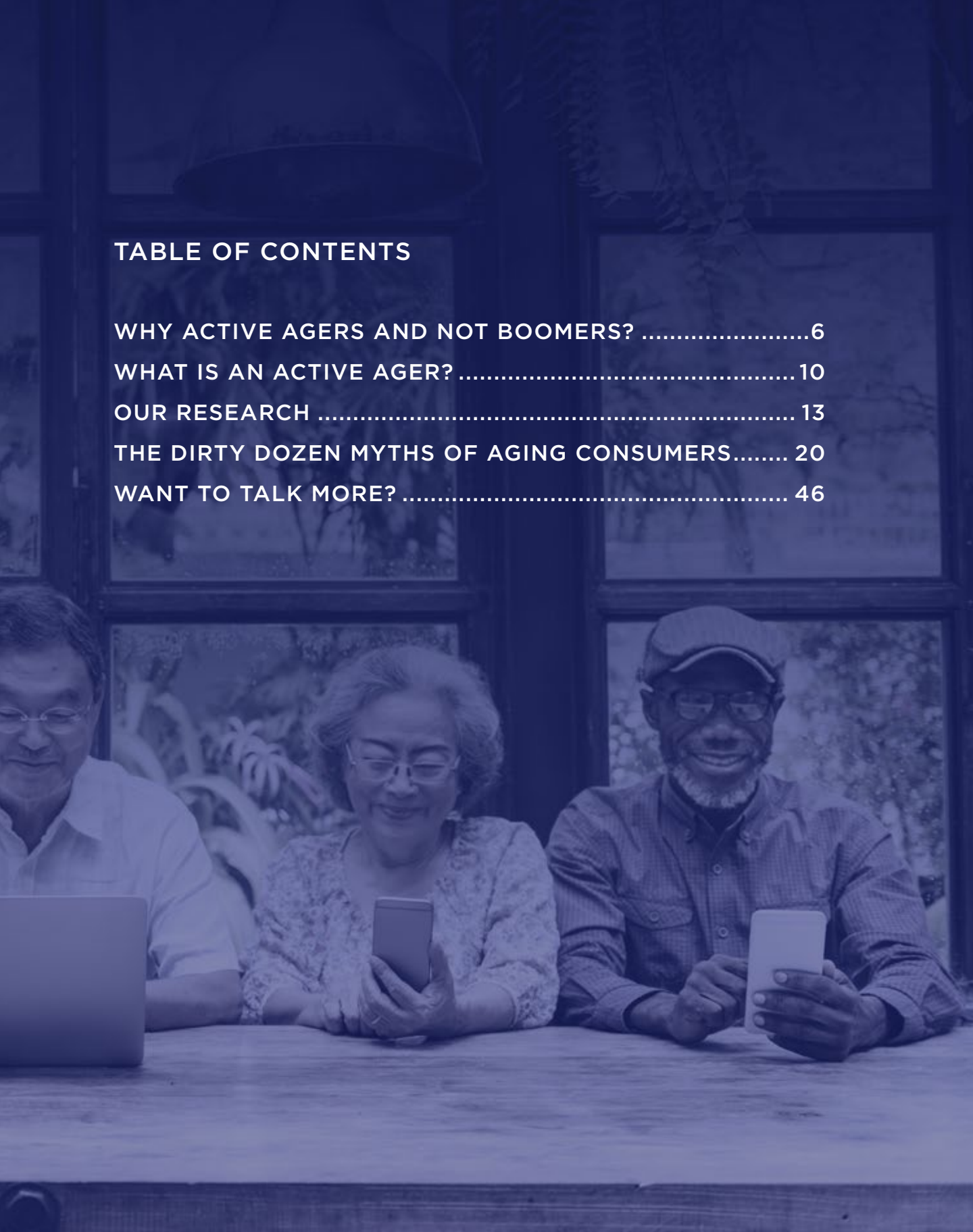
Since launching our business in October 2017, the level of interest and support for our new venture has far surpassed our expectations. We have had enlightened and meaningful conversations with representatives from industries ranging from banking, health and beauty, retail and retirement communities to incontinence products, food and beverage manufacturers and funeral homes.

These conversations and the work we have done to date have confirmed that we are on the cusp of something big. While ageism remains a significant issue in our society, the business community is beginning to take notice of the largely ignored Active Aging market. They can no longer dismiss the opportunity to target, engage and sell to older, active consumers who control the majority of wealth and account for a significant portion of spending across most categories.

This is why we launched Age of Majority. We are on a mission to break the myths and to crush the stigmas and stereotypes associated with aging. We are uniquely positioned to identify and exploit opportunities with Active Aging consumers that others don't because:

- We focus only on Active Aging consumers. Our insights and proprietary knowledge give us a different perspective that others don't have;
- We deliver results through the development of new products and services to the execution of marketing programs;
- We are advocates for Active Agers with a focus on ensuring they are not overlooked, undervalued, misunderstood or portrayed inaccurately.

I hope you find this booklet interesting and informative as we offer background on the Active Ager audience and how this powerful group of consumers is relevant to your business.



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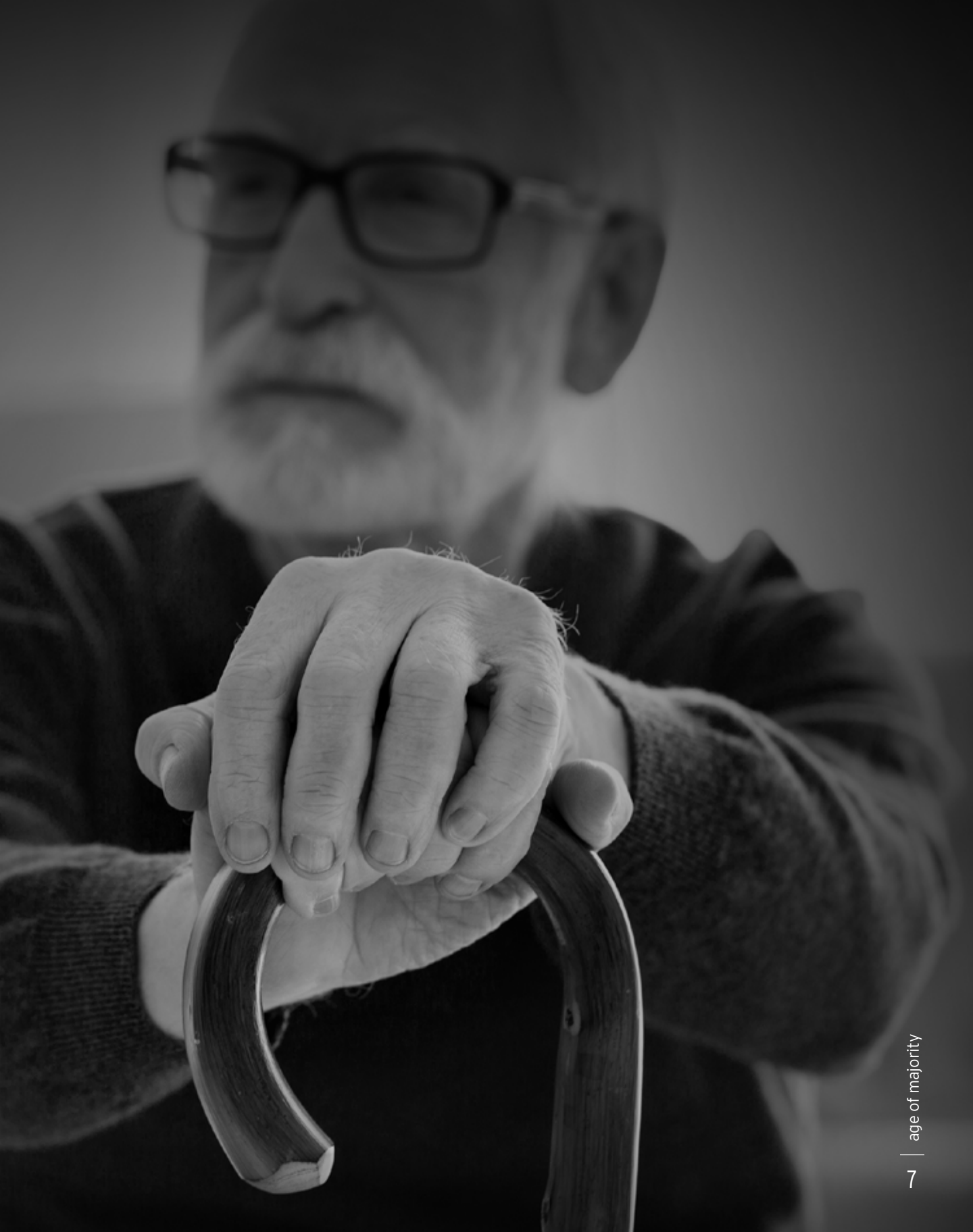
Why Active Agers and not Boomers?

Baby Boomers were born between 1946-1964 and there are over 80 million Boomers in North America today. This group is defined primarily by age and the term is becoming less relevant for marketers as a way of describing people who are aging.

With approximately 25% of Boomers largely disengaged from society and an estimated 2/3 of the Silent Generation (those born before 1946) highly active and engaged in society, **marketers who focus on the Boomer demographic are missing out on the larger opportunity...**



On the other hand...

Marketing to Active Aging consumers represents a larger and longer-term business opportunity. Active Agers describes a lifestyle that will remain relevant for marketers that both defines how to reach them and how to speak to them in a way that appreciates their preferences and aspirations over their age.

They are young at heart and flush with cash, accounting for $2.9 trillion in spending every year. They are active mentally, physically and socially. Yet they are largely ignored by marketers and are craving your attention.

Reading newspapers
They spend 2.7 hrs/week reading print newspapers/magazines and 2.1 hrs reading online newspaper/ magazines

Relying on newspaper ads
40% rely on newspaper or magazine ads to find information about products and services (vs. 27% of Millennials and 32% of Gen X'ers)

Savvy shoppers
They want clear, direct product information from ads vs. a hard sell

What is an Active Ager?

Here's a snapshot at what Active Aging consumers look like:

Are slightly more likely to be female:

42% Male | **58%** Female

Are homeowners:
8 in 10 own their own home

Have an **average age of**

66.7

age of majority

Spends an average **1+ hours/day** browsing the Internet

Only **3/4** of Baby Boomers are Active Agers

Are socially conscious: A quarter (26%) have volunteered at a local charity in the past 12 months

Spends nearly **5 hours/week** on social media apps

Are more likely to trust newspaper ads than TV, radio, online or social ads for information about products and services

Are embracing new forms of entertainment: Nearly 4 in 10 (38%) have cancelled or plan to **cancel their cable/satellite TV service** in the next 2 years

Are physically active: Nearly three quarters (73%) have exercised regularly in the past 12 months

Are embracing new tech: 4 in 10 have purchased or **plan to purchase a smart speaker** like Google Home or Amazon Echo in the next 2 years

OUR RESEARCH

The massive growth opportunity that marketers are missing.

Age of Majority's seminal research substantiates the extent to which mature consumers remain misunderstood and overlooked by marketers, who are fixated on targeting youth.

The study surfaces a simple and powerful question to marketers: If you knew your brand was leaving millions of dollars of potential revenue on the table, would you do something about it?

THE STUDY

With a hypothesis that marketers disproportionately invest in youth under false assumptions about aging shoppers, Age of Majority embarked on a national online study weighing marketer assumptions and practices against American consumer attitudes and behaviour. The study sampled a cross section of adult consumers and sales and marketing decision-makers spanning different ages and 18 product and service categories.

As predicted, this comparative approach exposed significant gaps between marketer perceptions and practices and actual consumer beliefs and shopping habits; contrasting attitudes between different age groups also reinforces broader societal biases toward aging.

The results are potentially eye-opening for marketers, and offer direction for better engaging the large and growing population of Active Aging consumers.

Methodology

In August 2017, online surveys were conducted among 1,284 randomly selected American adults and 202 US brand-side marketing & sales decision-makers. The margin of error is +/- 2.5%, 19 times out of 20; discrepancies in or between totals are due to rounding. The poll was conducted by Blink Insights, on behalf of Age of Majority.

TOPLINE FINDINGS

- Marketers have a strong fixation on Millennials and youth, with younger marketers, especially, bringing societal biases and age-related stereotypes to work. This contributes to significantly overestimating Millennial spending power and underestimating the value of consumers 55+.
- Incorrect marketer assumptions about consumers have contributed to a high level of dissatisfaction among consumers (especially older consumers) regarding how they are marketed to.
- Based on the true spending power of consumers 55+, failing to deliberately pursue these shoppers means marketers are collectively leaving nearly three trillion dollars of revenue on the table.

Marketers bring societal biases and stereotypes around aging to work

Marketers under the age of 35 years old were found significantly more likely than older marketers to underestimate, ignore, under-invest in, and unfairly stereotype consumers 55+ (see chart below).

The bias toward investing in youth and away from the mature market reveals itself early in the marketing planning process, where one in five (20% of) marketers do not even include consumers 55+ in their marketing research or creative briefs.

The Stereotypes

% of audience who believe stereotype to be true

	People over 50 are **more brand loyal** (less likely to switch brands)	People over 50 are **less digitally savvy** or engaged	People over 50 **spend less money** than younger groups
Marketers Under 35*	91%	89%	66%
Marketers (all)	92%	81%	58%
Consumers 55+	46%	26%	26%
Consumers 18-34	64%	48%	31%

***The influence of young marketers**

Considering the bias revealed among marketers under 35 years old, it is worth noting their high level of authority. Marketers under the age of 35 (28%) were twice as likely as those 55+ (14%) to report having North America-wide sales and marketing decision authority.

(Source: Age of Majority Research 2017)

Marketer investment in mature consumers doesn't match the market opportunity

The Age of Majority survey revealed that 9/10 (86% of) marketers overestimate how much consumers under the age of 35 spend, by an average of 23% across all categories. Meanwhile, three-quarters (72%) of marketers underestimate how much consumers 55+ spend, by an average of 10% across all categories (Sources: Age of Majority Research 2017; United States Census Bureau 2016).

Marketers surveyed also tend to over-invest in the under 35 group by an average of 20% and to under-invest in the Gen X and 55+ groups by 13% and 8% respectively, when you contrast distribution of marketing investment against actual consumer spending data.

Older consumers feel marketers are doing a poor job of engaging people their age

With apparent stigmas against aging consumers and little marketing investment in older demographics, it is no surprise that the Age of Majority research found that the older the consumer, the less likely they feel marketers do a good job of engaging people their age.

Across all categories, nearly half (49%) of consumers under 35 think marketers are doing a good job, yet only a third (36%) of consumers 35-54 and only a quarter (27%) of those 55+ agree this is true.

Marketer barriers to targeting aging consumers are largely unfounded

It might be easy to draw the conclusion that marketers are disinterested in pursuing the 55+ consumer demographic, but Age of Majority research suggests this is not the case. Four out of five marketers (84%) reported they want to target consumers 50+ more effectively than they do today and almost as many (79%) agree that consumers 50 and older are a growth priority for their business.

Marketer Perception	vs.	Reality | Consumer Insight
Older consumers spend less 58% of marketers believe that consumers 50+ spend less than younger groups.		Consumers 55+ represent 40% of all consumer spending vs. 42% for consumers 35-54 and only 18% for consumers under 35.
Older consumers won't switch brands or are too brand loyal 92% of marketers believe consumers 50+ are less likely to switch brands.		On average, across categories, more than half (52%) of consumers 55+ vs. 61% of consumers under 55 are open to switching brands next time they shop; the desire to 'try something new' drives over half (55%) of consumers 55+ to try new brands.
Targeting older consumers could alienate younger consumers 50% of marketers feel consumers under 35 will feel alienated if their brand targets older consumers.		Two-thirds (65%) of all consumers say that seeing someone much older in an ad would not change their likelihood to purchase; less than half (46%) of consumers under 35 would be less likely to purchase.
Youth-size fits all 65% of marketers believe that consumers under 35 set the trends for older consumers.		73% of consumers 55+ feel marketers are not engaging them effectively; fewer than half of Americans (48%) agree that people over 50 aspire to be younger or to stay young.

CONCLUSION

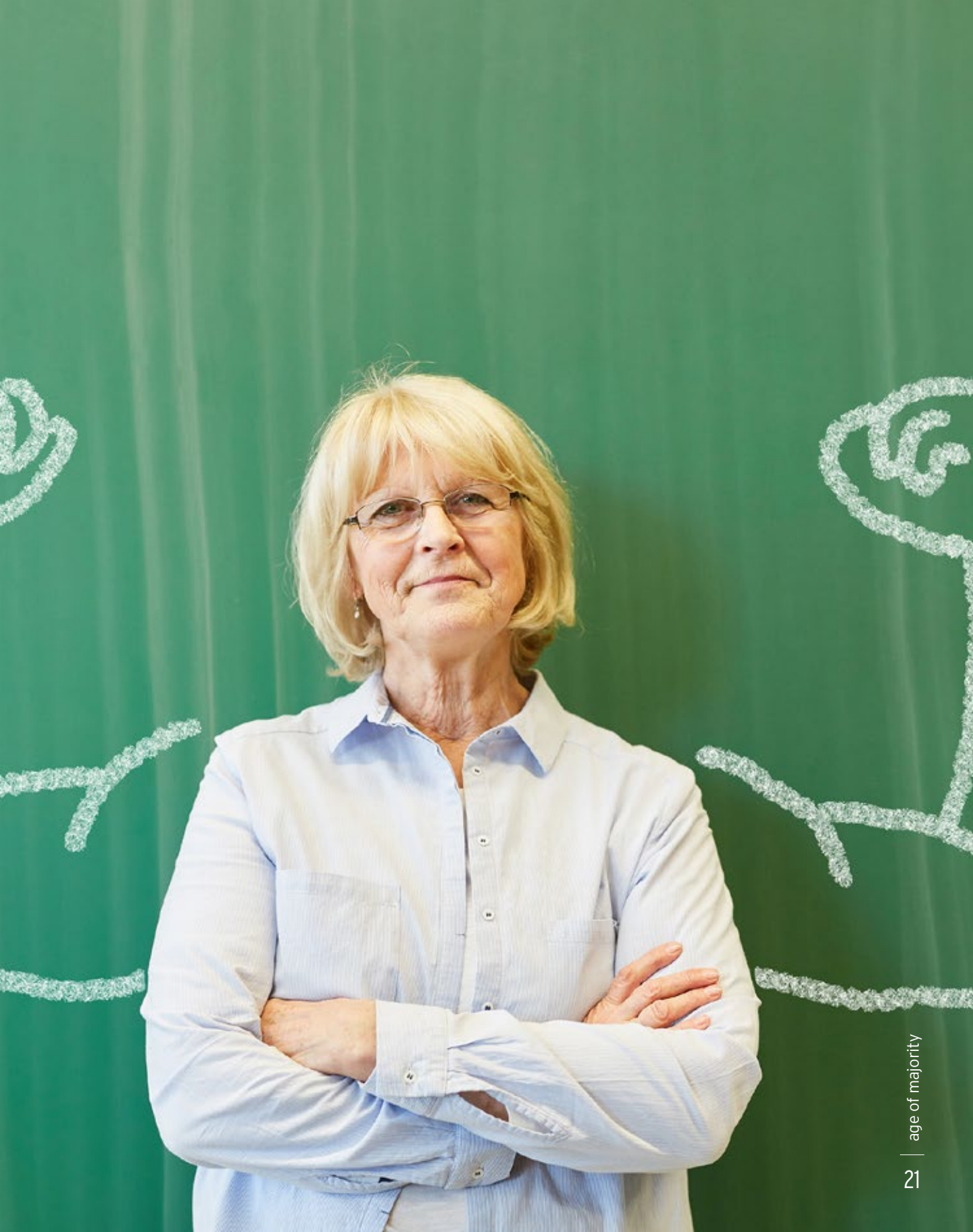
Although the majority of marketers indicate a desire to more effectively capitalize on the mature consumer opportunity, they continue to operate under false assumptions and under-invest in this fastest growing segment.

A logical starting place for marketers who want to reach Active Aging consumers, is to evaluate their team and tactics against the misperceptions, stereotypes and perceived barriers that are holding them back. Mature consumers are spending and waiting for a reason to choose your brand.

Given the significant 'size of the prize' for brands that identify and capitalize on products, services and experiences to better serve the Active Ager, better understanding of the mature consumer is an investment with nothing but upside.

The Dirty Dozen Myths of Aging Consumers

We break down a dirty dozen myths around the aging consumer that could be holding your brand back from connecting with this highly lucrative market.



MYTH #1

One Foot in the Grave

Getting old is really **depressing** as there isn't much to live for.

Reality:

Consumers are happiest **between the ages of 65-79**. Active Agers have the time, money and desire to fully explore their strong sense of adventure.

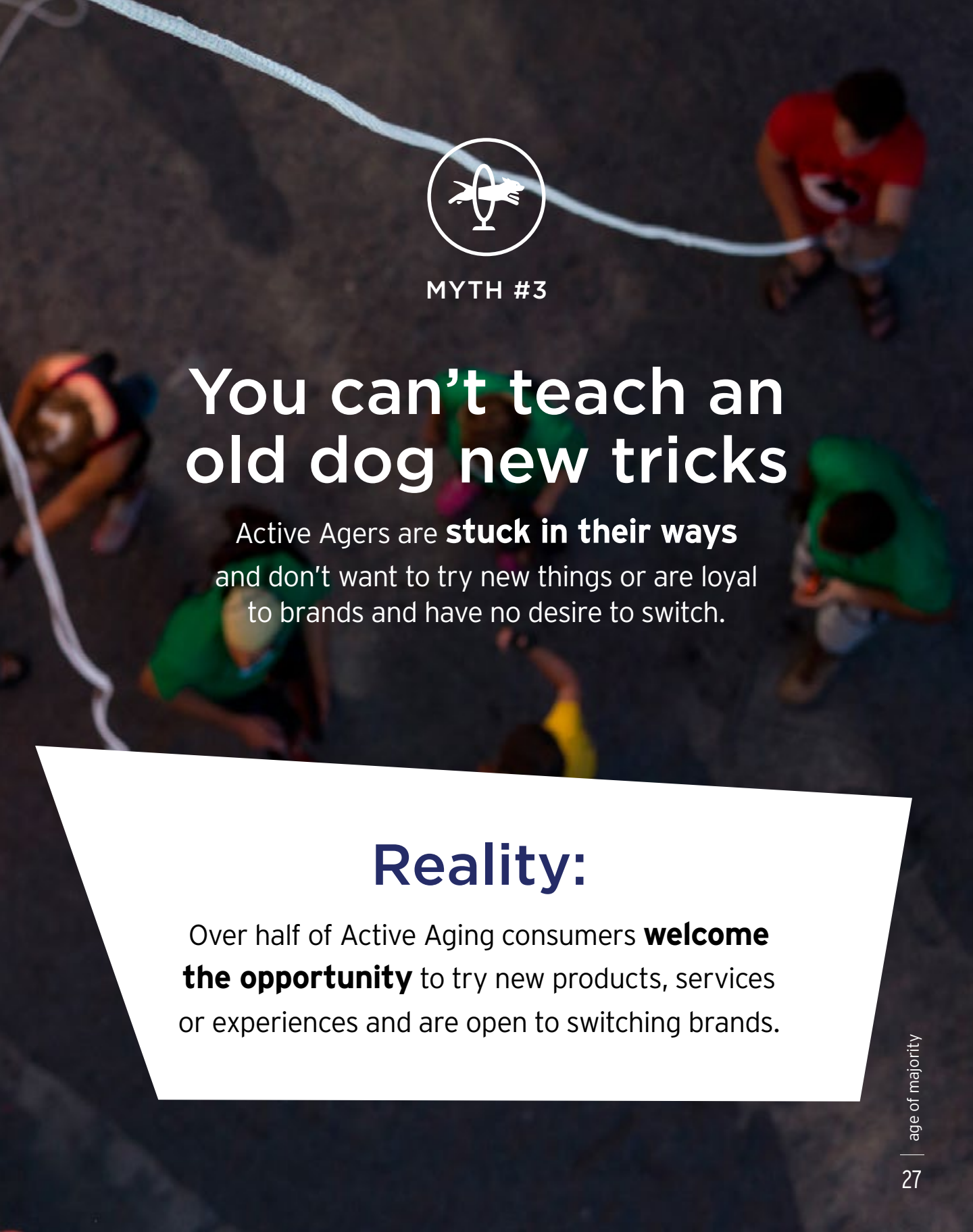
MYTH #2

Don't Forget my Senior Discount

Active Agers **don't have any money** and they don't want to spend the money they have.

Reality:

Consumers 55+ control **70% of all wealth** and account for over 40% of all consumer spending.



MYTH #3

You can't teach an old dog new tricks

Active Agers are **stuck in their ways** and don't want to try new things or are loyal to brands and have no desire to switch.

Reality:

Over half of Active Aging consumers **welcome the opportunity** to try new products, services or experiences and are open to switching brands.

MYTH #4

“I’ve fallen and I can’t get up!”

Active Agers are **physically inactive, frail or weak.**

Reality:

Consumers 55+ are actively pursuing a wide range of physical activities and are **not inhibited by lack of mobility.**

MYTH #5

“What’s a Bluetooth?”

Active Agers are **technologically averse and challenged.**

Reality:

55+ are among the **leading adopters and drivers** of many tech devices and services.

MYTH #6

You Look Great for Your Age

Active Agers **don't care** about their personal appearance.

Reality:

Active Agers are more likely to **feel good about their appearance** compared to 18-34 year-olds.

MYTH #7

Tried & True

Older consumers still reply heavily on **traditional media** when making purchase decisions.

Reality:

Active Aging consumers are using **multiple digital and traditional channels** in their customer journey.

MYTH #8

Out to Pasture

Active Agers live in
old age/nursing homes.

Reality:

Over 95% of consumers over 65 are **living independently** and looking for brands that address their needs and help fulfill their aspirations.

MYTH #9

When I Was Your Age

Older adults are **disengaged** from life and society.

Reality:

Active Agers are embracing an exciting phase in their lives when they have the **time, money and drive** to fulfill a host of dreams and desires.

MYTH #10

Out of Sight

Targeting older consumers could **alienate younger consumers.**

Reality:

Including Active Agers in your marketing is a win-win that will engage this highly lucrative market without alienating the younger consumer.

BUDGET

MYTH #11

Past One's Prime

Active Agers are **no longer productive** in the workplace.

Reality:

There is virtually no relationship between **age and performance.**

MYTH #12

Oh to be young again...

Older adults aspire to look, be and **stay young.**

Reality:

Active Agers are embracing who they've become at this time in their lives and **are not longing to revisit their youth.**

Want to Talk More?

We have more myth-breaking tips:

Contact us to learn how we can help you unlock your potential with consumers 55+.

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