



Not **another** article about marketing to the over-50s

Dick Stroud is the MD of the marketing consultancy 20plus30 and author of *The 50-Plus Market*. Contact him at dick@20plus30.com

Simplistic and misleading are the first two words the come to mind when describing the way the media covers the subject of marketing to the 50-plus. Why is this? What needs to change? Read on and you will find out.

The media's reporting about marketing and the over 50s is bogged down in a cycle of trivial and unsubstantiated debate.

Reading an article on the subject is like Bill Murray's experience in the film *Groundhog Day*: a ceaseless round of identical arguments, quotes, examples and unresolved questions. The mainstream and marketing media are equally as bad.

It is good to see the media taking more interest in the over 50s. In the last 6 months the number of related articles, indexed by Google's News Search, increased by over 200%. I have read the majority of them and, believe me, the increase in reporting has added little to our understanding of the subject.

So what is wrong with the way the subject is reported - what issues should be debated? These are my five biggest gripes.

Gripe 1. Scaring by numbers. The most common argument why marketers, especially of the youthful variety, should pay more attention to their parents and grandparents generation is their spending power. Within the first couple of sentences of an article you will see a quote along the lines of "they (*the over 50s*) own 80 per cent of the country's wealth, worth more than \$XXX billion". This "scare them by the numbers" tactic is at best useless, at worse counterproductive.

I sense that when younger marketers see these statistics they filter them out and pigeonhole the article as yet another one banging on about old people.

In Europe, 30% of cigarette packets are covered with health warnings exclaiming 'smoking kills', or smokers die younger or more clinically 'smoking clogs the

arteries and causes heart attacks and strokes'. What result have these dire warnings had on young people? In 2002 more 20-24 year olds smoke than did in 1988.

If you can't change a 24 year old's behaviour by telling them they are killing themselves what chance do you stand of convincing them with a litany of quotes containing Billions of dollars and percentages of wealth? This technique is not going to generate the equivalent of a 'big bang' when young marketers suddenly see the light and say "how stupid of us we have been ignoring the wealthiest group of consumer for the last decade".

Gripe 2. Obsession with strange names. Within the first few paragraphs of the article you read the revelation that it is possible to divide older people, who are an incredibly diverse bunch, into strange tribal groups. They are given names, often accompanied by pictures, like the sophisticated 'Astute Cosmopolitans', the boring 'Thrifty Traditionalists' and the scary 'Temperate Xenophobes'. It is a mystery why a group of consumers, that receives so little marketing attention, has been dissected into so many weird sounding segments. I have counted 150 of them and more appear every week.

Here is my explanation for this obsession with pigeonholing older people into lifestyle and behavioural groups: if you are a research, advertising or media agency looking for press coverage the simplest way is to present research findings claiming to unlock the mystery of the over 50s by revealing some mystical new segmentation. I have never understood what marketers should do with the knowledge that there are X% more 'poor apathetic couch potatoes' than 'rich consumerist junkies' and that 'techno phobic stick in the muds' enjoy *Friends* more than *The Sopranos*, but it makes good press copy.

To suggest that marketers are unable to think outside their own generational cohort is simplistic and insulting.

A second, less cynical explanation is that age is of limited value as a predictor of behaviour and attitudes hence you need to use other segmentation factors.

Where this technique is flawed is the assumption that as soon as a person turns 50 they adopt the values of one of these groupings. It seems obvious, at least to me,

that attitudes and behaviours transcend our artificially defined age groups. When somebody says "I am 50 but still think as I did when I was 30"; they mean it. Somebody age 50 can share the same interests in sport, health and the environment as a 25 year old giving them very similar marketing profiles.

Gripe 3. Pick and mix research conclusions. Ninety percent of articles will discuss the pros and cons of the idea that the over 35s are averse to experimenting with new brands. The journalist uses demographic and economic data to show why the 50-plus are so important and then injects the 'killer' argument that "they don't try new brands". To add weight to the argument they then quote from Simon Silvester's (Young & Rubicam Europe) article "Demographic Problem Is Your Marketing Problem". Note, Silvester's association of the word 'problem' with the aging population.

In the last couple of years there have been numerous research studies showing there is little linkage between propensity to change brands and age.

Gripe 4. Blaming the wrong people. Most marketers are aged 20-35. This fact is used to explain why the majority of marketing expenditure is aimed at their peer age group. No doubt this explanation contains a grain of truth, but to suggest that marketers are unable to think outside their own generational cohort, is simplistic and insulting. The marketing profession is forever bemoaning its lack of influence in determining corporate strategy. If this is true, and I think it is, then it is ludicrous to suggest that youthful marketers are single-handedly responsible for their companies ignoring such an important customer group. Marketing's lack of attention to the over 50s is an inevitable response to the cultural and corporate environment in which it operates.

“With our market segmentation we try and ignore age as much as possible”

When the senior management of companies, many of whom are over 50, feel it is acceptable to espouse the value of older consumers then their marketing departments will quickly follow.

Gripe 5. Sweeping statements. My final gripe is the simplistic and unproven claims that still pour out of agencies. Here are some of the worst:

“Explicit advertising to the old alienates the young”

“Targeting advertising at younger people has a secondary effect on older consumers”

“Older people are harder to influence using advertising”

There may be some truth in these claims but they are such sweeping generalisations as to be useless.

I could add another half a dozen gripes to this list: the mandatory reference and quotes from AARP; the use of bizarre photos that accompany articles of old people perched on top of a Yamaha superbike or the latest Stewart surfboard; the proliferation of daft terms like SKI (spending the kids inheritance) and “bean pole families” (few members in each generation). The list goes on and on.

It is very easy to gripe, especially for a marketer, so what are the issues of substance we should be discussing?

These five suggestions result from my spending the past couple of years immersed in the researching and writing about the 50-plus.

Suggestion 1. Don't exaggerate the problem. We need to recognise that attitudes towards the marketing importance of older consumers are changing. Not as fast as many would like, but slowly it is becoming acceptable to talk about marketing and older people in the same sentence. This year's celebration of the Boomer's 60th birthday has done much to put the oldies on the map. The corporate world is slowly waking up to the value of older people.

When I interviewed Alex Batchelor (glob brand director, Orange) he said, "With our market segmentation we try and ignore age as much as possible". You can have 70 year olds who buy all the latest gadgets alongside 30 year olds".

Vodafone, Europe's largest mobile network, experienced great success selling its 'Simply' mobile phone that was designed around the needs of older people. DoCoMo introduced its raku-raku 'easy-easy' phones that have larger display fonts and buttons that are targeted at old people.

"Our society portrays the old as boring, lacking excitement and not sexy. Why should anybody be concerned with the old? Why should marketers be any different?"

Lexus has been very successful in appealing to older and wealthier drivers. Its advertising campaign in the US, 'Rules for people who never follow rules' spanned the age range from David Bowie to Freddy Adu (the world's youngest football professional).

Sony has poured more than \$25 million into advertising to make the company's camcorders, digital cameras and other high-end gadgets more appealing to people between 50 and 64.

Ameriprise, The Hartford and Fidelity are all using TV advertising to portray themselves as possessing the ability to convert a retiring baby boomer's meagre savings into an aspirational lifestyle.

Don't get me wrong – there is still a massive mismatch between what business is doing, and should be doing, to appeal to older people. But, portraying the corporate world as if it has taken collective leave of its senses does not assist the argument.

Suggestion 2. Focus on the real culprits. Berating marketers for not paying more attention to older people is criticising the wrong people. We should focus on the real culprits – their bosses.

Wally Olins (chairman of Saffron, the branding and identity consultants) believes it is much more than a marketing issue: "Our society portrays the old as boring, lacking excitement and not sexy. Why should anybody be concerned with the old? Why should marketers be any different?"

We will only see a significant change in the way that companies behave when the 'age-thing' (a convenient catch-all term for the numerous business issues resulting from an aging population) makes it onto the boardroom agenda. The changing balance in the numbers of old and young people has consequences in all parts of business. HR, R&D, finance and of course marketing, all need to evaluate what the aging population means to them.

Once corporate senior management realise the enormity of the 'age-thing' to impact their business then the attitudes of marketers will embrace the new reality.

Suggestion 3. Question the relevance of age. For certain groups of consumers, age will remain a predicting and targeting factor, especially at the extremes of the age spectrum. Alex Bachelor (Orange) told us that "Where customers do vary by age is the degree to which the handset is seen as fashion accessory. This definitely does decrease with age."

Over much of the age spectrum the behaviour of consumers is age neutral (i.e. it does not change very much). Marketers must come to terms with this fact and embrace the concept of age-neutrality. Consumers will always remain a diverse bunch but age will cease to be a good proxy for predicting their behaviour. The research that I did with OMD, in preparation for my book, *The 50-Plus Market*, showed that in the US, UK and Australia, age was of limited value as a marketing tool. The same was not true about France, but that is another story.

The challenge for marketers is to apply their skills in the absence of myths and prejudices.

Age-neutrality doesn't mean ignoring the implications of age on the mechanics of how a company interacts with its customers. The way older people use the Web and respond to e-mail marketing is very different to the young. A lot of this is to do with the physiological aspects of aging but also the differing time

spent using PCs and the Internet.

I believe (and hope) the days are numbered for our obsession with neatly packaging older people into behavioural groupings the instant they say goodbye to their 40s.

Suggestion 4. Its mainstream marketing. We should stop treating "marketing to the over-50s" as some form of niche activity. Marketing to older people employs the same core of skills as is used for any other age group. Understanding and influencing the mind of the customer is the foundation to marketing, be they a child or a pensioner.

There are many similarities to the days of the dot.com era when interactive marketing was seen as being different from mainstream marketing. In hindsight we know that was wrong. At the periphery it does need specialist skills, but at its core it's just plain marketing.

The challenge for marketers is to apply their skills in the absence of myths and prejudices.

Suggestion 5. Stop recycling the advertising myths. Claims about the interaction of older people and advertising should be limited to those that can be substantiated by research. These myths have been repeated so many times that they have taken on the status of facts.

So please: no more statements about advertising to the old alienates the young, and older people being harder to influence using advertising.

When I talked with Wally Olins about these simplistic arguments he said, "You cannot make these generalised comments". He went on to say, "in my experience marketers are lazy and will take the easy option. It is much easier to keep doing what you know rather than move out of your comfort zone".

Adapting to the aging population presents companies with massive opportunities and some horrible problems. Marketers are getting little help from the way the subject is presented and discussed, which is far more driven by mythology than by facts.

One fact is indisputable. It is going to be a hell of an interesting decade to be in marketing.