Understanding the 50+ market

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Gill Walker, MA, AAMI (CPM)

- Over 18 years advertising experience in senior roles
- 2003 completed a Masters of Advertising at RMIT, studied ageism in Australian advertising researching over 3,500 ads
- Guest lecturer - RMIT Masters of Advertising
- Regularly quoted in The Australian, AD News, B&T & Marketing magazines

“I was delighted to review Gill’s thesis and I urge more marketers to understand the issues and opportunities of this dynamic and influential audience”

Dr John Hewson, Director of Macquarie Graduate School of Management
Today’s presentation will focus on

- General population trends and the spending power of boomers and seniors in Australia
- Findings from the thesis ‘Ageism in Australian Advertising’ and The Evergreen Report©
- Examples of best practice
- Questions
Our key networks

- Evergreen’s Senior Reference Panel
  - Rhonda Parker – Federal Commissioner Aged Care
  - Sue Hendy - CEO, COTA (Council on the Ageing)
  - Arnold Bates – President, ARPA (Over 50’s Assoc)

- Founding member of IMMN (International Mature Marketing Network)

- Foreseechange – Charlie Nelson
  Economic forecaster
  www.prophetsprofit.com.au

- Millennium Direct – Kevin Lavery
  Creative Director
  Largest UK agency for mature advertising
  www.millenniumdirect.co.uk
General population trends and the spending power of boomers and seniors in Australia
In 2008 people 50+ represent more than 30% of Australian population

![Proportion of population](image)

Source: ABS data, projections, foreseechange
In 2008 people 50+ make up over 40% of the Australian adult population

Source: ABS data, projections foreseechange
Subtracting debts from assets, people aged 55-64 are the wealthiest.

Mean net worth per adult

As a distribution of wealth, 48% is held by people aged over 55

% of total household net worth

Source: ABS Household Expenditure Survey 2003/04, projections foresee change
Following analysis based on most recent ABS Household Expenditure Survey of 7000 households

Data reported by age of reference person the person with highest income

Forecasts by Charlie Nelson, economist & statistician

Over 30 years working in forecasting & market analysis - automotive, financial, retail, telecommunication, food & media

Won Market Research Society of Australia's Award of Merit 1987
Household income

Household income = salary & wages

Disposable = sum leftover after income tax and consumer debt interest

Discretionary = disposable less mortgage or rent payments interest & rates
Total household income peaks at 45-54 but discretionary income peaks at 55-64

Average income per person
source: ABS Household Expenditure Survey 2003/04

- mean gross household income
- mean discretionary household income

Source: ABS Household Expenditure Survey 2003/04, projections foresee change
Discretionary spend per household highest at 45-54 however per person highest at 55-64

Mean discretionary income
source: ABS Household Expenditure Survey 2003/04

Source: ABS Household Expenditure Survey 2003/04, projections foresee change
Growth in discretionary spending on goods & services peaks at 55-64

Growth in spending on goods & services (excludes housing)
source: ABS Household Expenditure Survey, projections foresee change

Source: ABS Household Expenditure Survey 2003/04, projections foresee change
Food & beverages – peaks at ages 45-54

Growth in spending on food & non-alcoholic beverages

source: ABS Household Expenditure Surveys, foreseechange

2003/04 to 2008/09

Source: ABS Household Expenditure Survey 2003/04, projections foreseechange
Breakfast cereals – peaks at ages 65+

Growth in spending on breakfast cereal
source: ABS Household Expenditure Surveys, foreseechange

Source: ABS Household Expenditure Survey 2003/04, projections foreseechange
Overseas holidays – peaks at ages 55-64

Growth in spending on overseas holidays
source: ABS Household Expenditure Surveys, foreseechange

Source: ABS Household Expenditure Survey 2003/04, projections foreseechange
Australian holidays –peaks at ages 45-54

Growth in spending on Australian holidays
source: ABS Household Expenditure Surveys, foreseechange

Source: ABS Household Expenditure Survey 2003/04, projections foreseechange
We’ve hit a milestone

- 2008 is a milestone; this year 45+ represent 50% of all adults and still growing!

- From 2001 to 2011:
  - Under 50s to grow by 2%
  - Over 50s to grow by 32%

- The discretionary spending power of Australians aged 45+ is predicted to be $218 billion by 2008/2009 - 31% more than adults under 45!

Source: ABS data, projections foreseechange
Changing needs and Maslow’s hierarchy

Self actualization
Esteem
Love & belonging
Safety & security
Basic physiological needs
Growth needs
Primary needs
Marketing quandary

- Marketers have traditionally been driven by materialistic and narcissistic values
- What happens as people start to self actualize and tend to “want less stuff”
- So you don’t market the stuff you market the “experience” that the stuff can make possible
- Forget share of wallet, it’s about share of the heart!
The Evergreen Report ©

Women over 50
Their perspectives on life and portrayal in advertising


Background

Joint research project
Perspective Research and Evergreen Marketing & Advertising
Eight focus groups: women in 50’s, 60’s and 70’s
Diverse range of backgrounds
The Aim: to understand in more depth
  ▪ Their priorities
  ▪ How they feel about their lives
  ▪ How they see themselves depicted in the media
  ▪ To provide useful insights to community and business

2008 The Evergreen Report
It’s a fact women make or influence over 80% of all consumer purchase decisions.

The opportunity to market to the female segment runs deeper than the supermarket checkout.
Main priorities in life are focused on

- Health and well-being
- Relationships
- Financial security (for some)
Health and well-being

“If you haven’t got your health, you’ve got nothing.”

- 60’s and 70’s rank health and well-being high on their priority list
- Motivations: To enjoy life to the fullest and not become a burden to others
- Multi-faceted, includes the mind and emotional well-being as well as the body
Relationships

“If I didn’t have friends, I don’t know what I’d do.”

“My grandchildren are the joy of my life.”

- More time to foster relationships and a key part of emotional well-being
- Relationships with peers and with younger generations important
Financial security

- Especially important to those not yet retired or on limited income
  - “I haven’t got a lot of super”
- Lower priority for long term retired & self funded
Their attitude to life is positive

- *My life is great. I enjoy it.*
- *The end of my life is much better than the beginning...*
- Life is full and enjoyable with fewer stresses and worries
- More time for ‘me’, to spend with family and friends, on hobbies, travel and physical activities
- Indulge in life’s simple pleasures
In fact positive & accepting of ageing

“Turning 50 was utterly liberating.”

“You are freer to make up your own mind.”

“I don’t worry what other people think any more.”

Positives:

• More self acceptance and self like
• More control & more self confidence
• Freedom from not being so concerned what others think
Developed new definition of beauty

- “It’s not about being young and naturally flawless.”
- “It’s more what’s inside you that you prize now.”
- Important to feel attractive, but it’s not about trying to be young again
- Being physically attractive in a real, not artificial, way and having an attractive personality
- Most importantly, about the inner beauty that comes from self acceptance and self confidence
Proud of achievements

- "My greatest achievements are my kids, plus settling into a new country and helping teenagers (in my work) for 30 years."
- Wide range of life experiences, some good, some bad. Hardships have been overcome and learned from
- Many past achievements to be proud of
- Still future goals and achievements to look forward to
- "I still want to paint a masterpiece."
Challenging irritating stereotypes

“My mother never went for a latte in the afternoon.”

- Different from mother’s generation
- Young at heart, more opportunities to have fun and be a little self indulgent
- Like the idea of flouting some of the ‘rules’ about ageing and surprising other generations

“One I rode a bike to Sydney: my mother said: How could you? You are the mother of two children!”
Ad Example – Good & bad stereotypes

2003 Ageism in Australian Advertising, G Walker
In the media women are invisible

“I never see pictures of women like me.”

- Feel invisible
- Rarely see images in the media they can identify with
- Lack of images that represent the diverse range of women (older ages, body size/shape and experience)
- Feel retailers and marketers are no longer interested in them
- Often feel ignored in retail environment
Show me some respect!

- "We are amazing, but no-one wants to know you when you are over 70."
  - Adverts skip the 50’s and 60’s;
    - we are in no man’s land."

- Believe media and advertisers rarely show older women as valued members of society
  - Few positive images
  - Virtually no images in positions of power/authority
- Very sensitive to anything apparently condescending or stereotypical
Observation

- Women were often used to generate empathy for age-related illness, in particular menopause.

- Whereas the older male models were used to add credibility and expertise with a strong link to a profession – such as cooking, motor racing or a ‘white coat’ endorsement.
Desire for images rooted in reality

“It’s not about being young and naturally flawless”

- Want to see realistic yet attractive, and natural looking women
- In positive situations
- In control & confident
Ad example – use of ‘aspirational’ talent
Reject sexualization of women

“I came of age in the 60s – objectification of women angers me and women of today are acquiescing to it.”

- Think sexual exploitation of women in advertising and the media is increasing, to the detriment of all women

- Dislike seeing nudity in advertising that is sexualized or with unrealistic images of women
Protective of younger generations

“It’s important if you are raising girls. I don’t want them to think that being attractive to men is the only important thing.”

- Are older women ‘jealous’ of younger women?

- No! Strong sense of sisterhood across all ages and a desire to protect the young

- Enjoy images of inclusion; multi-generations of women having a good time together
Evergreen’s top tips for the 50+ audience

- Women as hero (if audience are women)
- Active and full lives
- Being positive about their age
- Challenge stereotypes
- Consider physical realism
- Portray confidence
- Intergenerational imagery
- Life’s simple pleasures
- Consider use of humour
- Focus on the solution
- Condescension
- Recognizing wisdom
- Music that conveys vitality
Insert Air New Zealand advert
Examples of best practice
Sentinel Lifetime Loan ‘Not for sale’

**Problem**
Older people often forced to give up their homes to afford to live

**Strategic insight**
People aged 65+ want to stay put – not leave

**Creative focus**
Tap into their desire for independence

**Result**
80% market share
Talk Radio Network ‘Why aren’t you’

Problem
Marketers and media planners not interested in 50+ audience

Strategic insight
50+ consumers have the money – they listen to TRN radio

Creative focus
Make marketers who ‘get it’ be the heroes

Result
Positive results from sales team – significant increased revenue
Brentwood Village ` Botanical oasis’

**Problem**
Retirement living not understood - this resort is a hidden gem

**Strategic insight**
The audience love gardening - without the work - the resort is nestled in 56 acres of native bush

**Creative focus**
Live at a botanical oasis that’s thriving with life – but keep it a secret

**Result**
Enquiry rate doubled
So to summarise

- The 50+ age group in Australia is the most financially influential
- Market experiences, not just products
- The Evergreen Report uncovered the power of women as influencers and consumers
- Great campaigns founded in deeper understanding of the audience, work best
- Questions
Questions