



Mature Marketplace

Introduction

“Older Americans,” those over 50, are the single most important consumer group in the country – with over 26% more disposable income than other consumers. Americans over 45 comprise nearly 40% of the population and control 50% of all discretionary purchases. They spend almost \$2 trillion annually on goods and services. ¹ This group’ preferences for travel and gifts, plus healthcare requirements, will shape the consumer landscape in coming years as their numbers, free time and personal wealth steadily increase. ¹



The Boomers 1946-1964

The Baby Boomer generation is 77 million people strong. The first wave of Boomers is now reaching the 63-year mark; as they age, they will change the perception of senior spending habits.

The Boomers are inherently different from earlier generations of “Older Americans”: 29% of them graduated from college, they have rejected the familiar sort of life pattern set down by earlier generations and they will work past the commonly accepted retirement age and keep earning. As of 2005, they accounted for 40% of the labor force in the U.S.

While they continue working, the boomer generation will look to stay young with products that delay aging, healthy foods and exercise equipment

Seniors

Seniors are often overlooked by marketers and advertisers — justifiably, as seniors of earlier generations were more willing to stay at home and out of the advertiser’s eye. The current generation of 65+ seniors is markedly different. Having retired young, but with a long life expectancy, today’s seniors are mobile and independent. Many in this generation paid off their mortgages in the prosperous decades following WWII. While their fixed incomes can be small they are highly discretionary.

Shopping preferences lean heavily to gifts as seniors 65+ outspend the average mid-twenties shopper in gifts by 33%.² Apparel, toys and games are the most popular gift categories with more than \$29 billion spent on gifts for their grandchildren alone. While shopping, seniors prefer department stores, with drug stores and gift/card/book stores ranking at specialty favorites.³

- 40 million Americans will be over 65 in 2010. ⁴
- In 2030 the census bureau expects 70 million people to be over 65; they will represent 20% of the total population.



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Spending Power

- The 55+ age group controls more than 3/4 of America's wealth. ¹
- Their median household income is 55% greater than post-Boomers and 61% more than pre-Boomers. They have an average annual disposable income of \$24,000. ²
- Baby Boomers outspend other generations by an estimated \$400 billion each year on consumer goods & services. ²
- Americans over 55 spend 50% of all vacation dollars in America. ¹
- Americans over 55 spend 77% of the money spent on prescription drugs. ¹
- 55-64 year olds outspend the average consumer in nearly every category, including: food away from home, household furnishings, entertainment, personal care, and gifts. ²
- Americans over 45: ¹
 - > Spend almost \$2 trillion on goods and services each year
 - > Dine out 4-to-5 times per week
 - > Represent 50% of all car purchases
 - > Account for over 80% of all leisure travel spending
 - > Are willing to try new brands (70%)
- Women over 50 spend \$21 Billion on clothes annually.

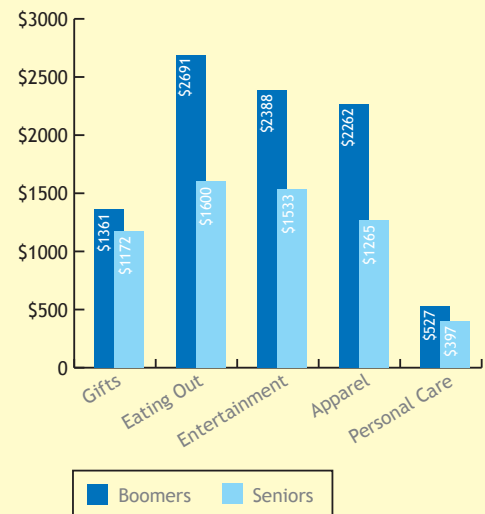
Lifestyle Marketing

The Baby Boomer audience can be hard to reach. Long hours at work and family obligations make each Baby Boomer minute extremely valuable. This trend promises to continue as Boomers work longer and stay active. The mall, that one stop the Boomer is willing to make, is the best way to reach this important market.

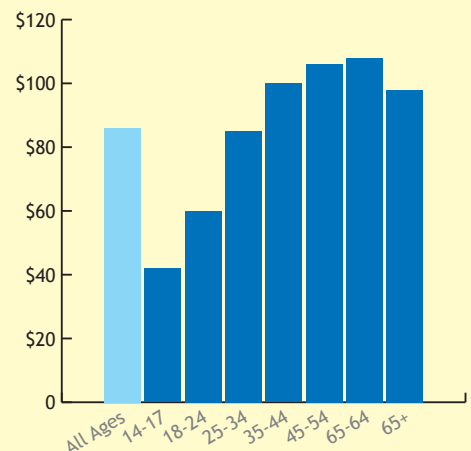
Every morning around the country seniors go "mall-walking." Malls are opened before shopping hours for seniors to exercise. Some marketers have tapped into this niche and mall-walkers are often treated to seminars and health screenings during the mall-walking hours. Mall-walking groups foster a community feeling in this often isolated demographic.

The Mall Phenomenon

Spending Power (per consumer unit) ²



Average Spending per Mall Visit by Age Group ¹



- U.S. Baby Boomers between the ages of 55 and 64 spend the most amount of money during their mall visits, averaging \$107.60.
- Boomers also posted the highest department store conversion rate, walking out with a purchase 70% of the time on average, and they visit department stores twice as often as 14-to-24 year olds.
- The average number of stores visited increases with age