

The Grey - Matter

Hugh Mair

A white handwritten signature, likely 'Hugh Mair', is displayed on a black rectangular background in the bottom right corner of the slide.

**“AGEING IS MANDATORY. GROWING OLD
IS OPTIONAL.”**

They Go Under Many Aliases

- Over 50's
- Mature Market
- Seniors
- Third Agers
- Silver Surfers

Not forgetting

- Old Farts

“Once upon a time, and not too long ago, we knew what to do with older people. We ignored them!

Old people had no job, no money, no influence, no car, no investment portfolio, no holiday plans and no future.

”

Jeremy Bullmore

The Opportunities

- Older People
 - They do go on-line
 - They do start new businesses
 - They do buy new cars
 - They do use luxury personal products, toiletries and cosmetics
 - They do participate in sport
 - They do travel
 - They do seek out and learn new things
 - They do have sex

They do matter

What has changed?

Key Drivers

- Falling birth rate
- Decline in infant mortality
- Extended life-spans
- All driven by
 - Medical advances
 - Contraceptive usage
 - More skirmishes than big wars
 - Growing prosperity

Therefore . . .

Context

- 50s+ fastest growing segment of population
- Control significant proportion of wealth in Ireland
- Less understood than other segments
- Society tends to stereotype them as being
 - Conservative
 - Stuck in a rut
 - Traditional

Context (cont).

- As a consequence older members of society feel:
 - Misunderstood
 - Undervalued
 - Ignored
 - Misrepresented
- Market sector presents more opportunity than risk

However:

Cannot be viewed as homogeneous niche

One size does not fit all!

“ Perhaps no other consumer market justifies segmentation more than the mature market. The older people get the more dissimilar they become with respect to their needs, lifestyles and consumption habits ”

Population Trend

	2002	2006	2011	2020/1
Total	3917	4233	4686	5451
50-54	231	247	266	283
55-59	197	225	248	274
60-64	154	182	221	251
65+	436	467	519	655
Total 50+	1018	1122	1254	1463
% of Pop	26.0	26.5	26.8	27.0

Life Expectancy

Year born	At Birth		At 65	
	M	F	M	F
1950-52	64.5	67.1	12.1	13.3
1970-72	68.8	73.3	12.4	15.0
1990-92	72.3	77.9	13.4	17.1
2005-07	76.8	81.6	16.6	19.8

Some Facts

	50-54	55-64	65+
Full time employ	45%	27%	3%
Retired	5%	27%	57%
Buying home	44%	17%	7%
Own home	43%	74%	84%

These are 2006 figures and may longer hold true given recent events. Treat as indicative.

Eating Patterns

- Over 50s
 - More likely to enjoy 'traditional' family meals
 - Less likely to buy ready prepared meals
 - More likely to opt for more healthier alternatives to chocs/snacks
 - Increasingly health conscious
 - Palate has become more 'educated'
 - Entertain a lot in and out of home
 - Food expenditure and consumption stable

Leisure Activities (once week or more)

Go to restaurant	18%
Go to pub	34%
Go to theatre/movies	2%
Sport, hobby out of home	21%
Vol work out home	14%
Adult education	4%
Read paper	86%
Read book	30%
Entertain at home	34%

Financial Intentions (top 5)

%	15-44	45-54	55-64	65+
Go foreign hols	39	36	32	13
Save money	28	25		13
Join health club	24	18		
Decorate house	19	25	35	24
Buy furniture	16	17	21	11
Buy kitchen			18	16
Home DIY			16	

2006 figures. Treat with caution

Pensions

- State pension scheme still largest but
- Private and company schemes growing
- Women less likely to receive full pension
- 45-54 group most likely to have private/company scheme
- Responsibility for own pension increases with wealth
- Pension 'time bomb' on the horizon (working till 70?)

Some Concerns (extremely or very worried)

Personal health	17%
Health service	45%
Crime/personal security	57%
Living expenses	54%
Money in retirement	44%
Int. terrorism	51%
No. immigrants	42%
Climate change	39%

2006 figures. Probably has changed.

tns/mrbi

50s+ and Institutions (completely trust)

An Garda Siochana	31%
Catholic church	26%
Judicial system	15%
Politicians	6%
Media	9%
Irish banking	7%

Will have undoubtedly changed since 2006

tns/mrbi

50s+ and Technology (currently in home)

Broadband internet	17%
Dial up internet	27%
Home computer	44%
Digital TV	44%
iPod/mp3	15%
Mobile phone	70%

2006 figures. Will certainly have changed.

tns/mrbi

50s and the Internet

Use once per week or more	59%
Use E-mail	82%
Search for info	76%
Book flights/hotels	60%
Online banking	34%

Media Consumption

- Consume a lot of TV (particularly RTE and TG4)
- Consume a lot of radio (particularly RTE1 and Pat Kenny)
- Local radio news best for targeting retired
- Strong supporters of Irish Independent, Irish Examiner and Sunday Independent
- Women more aware of advertising
- 45-54 group respond better to 'active' communication
- More discerning and particular in usage

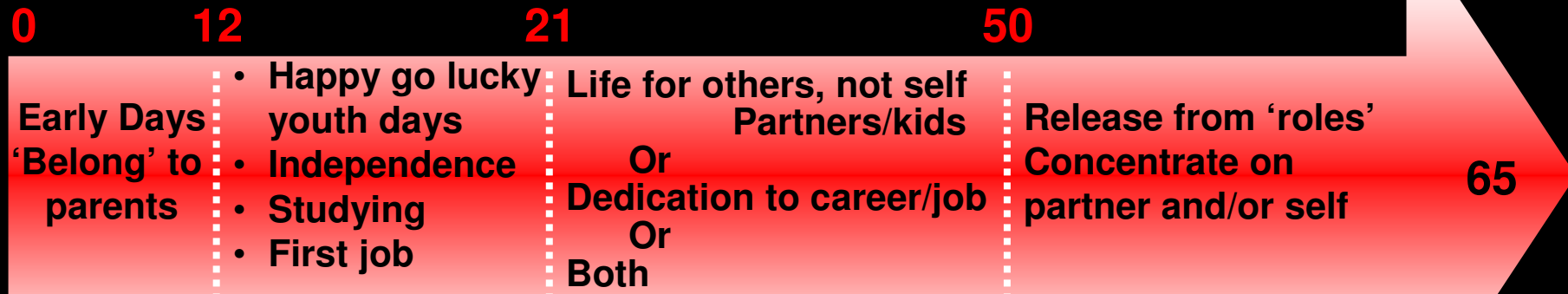
The Ageing Process

- There are two main tipping points:
 - 50 Both physical and mental impact
 - 65 + Social status of being 'officially old'

However

There exists a strong feeling of resurrecting ownership of one's life

The Ageing Milestones



Lifestyle Patterns (not discrete)

- Working
- Retired/Semi-retired
- Empty nester – couple
- Empty nester – single
- Family (kids at home) – couple
- Single Family (kids at home)

Lifestage Patterns

Older Parents undergoing most change:

- Divorce – fresh start / seek self renaissance
- Remain partner – time rediscovery / shares experiences

Early Retirees:

- Devil-may-care attitude
- Most time
- Highest disposable income
- Probably in decline (time bomb)

Exploding a few myths

- 50+ are all rich (they are an economically diverse group with unequal income)
- Youth is the future of branding (decline under 35's sector)
- Older people are stuck in their ways
- Older people are techno-phobic
- Advertising already reaches older people effectively
- Age is state of body not state of mind

A Few Home Truths

- Less tribal, more individual (personal relevance rather than peer pressure)
- Importance personal networking/recommendations
- More experienced and confident in decision making
- More pre-disposed to gather info before making decisions (discovery strong motivator)
- Educated to believe in value of rational argument and product benefits
- They have marketing savvy but more cynical

A Few Home Truths (cont.)

- Brought up in verbal / written world rather than visual
 - youth has gone visual and illiterate
 - for older people reality will always lie in words
- Dealing with developed identities
- Time rich rather than time starved
- Most older people **do not** feel old and **do not** want to be seen or treated as elderly
- Older people do not differ much from other consumer but more experienced and discerning

A Few Home Truths (cont.)

- Personal achievement measured thru activity / “busyness”
- Focus on making use of increased leisure time:
 - hobbies
 - sport
 - culture
 - learning
- but people retire differently – respond in a variety of ways to the idea of having and using time
- Hopes and fears centre around wealth, health and mobility

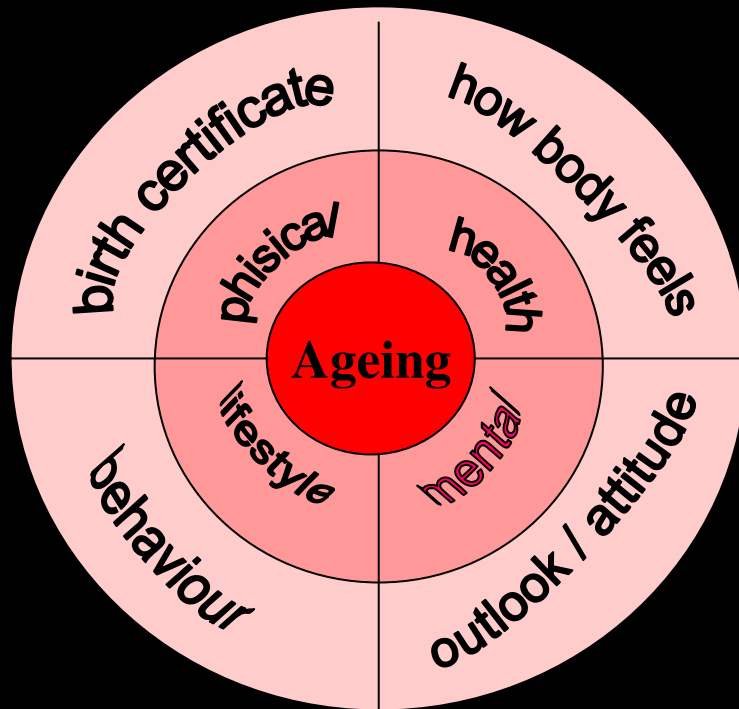
A Few Home Truths (cont.)

- Age per se is not key discriminator.
- How people age and feelings and attitude towards ageing are more defining than age itself

Key Questions

- **How do we segment?**
- **How do we communicate?**

Ageing construct



But cannot ignore age dimension:

45-54 active

55-64 active-decelerating

65+ decelerating-passive

Key Dynamic

Different mindsets. Drive.
Segmentation.

Shaping The Mindset 'Toolkit'

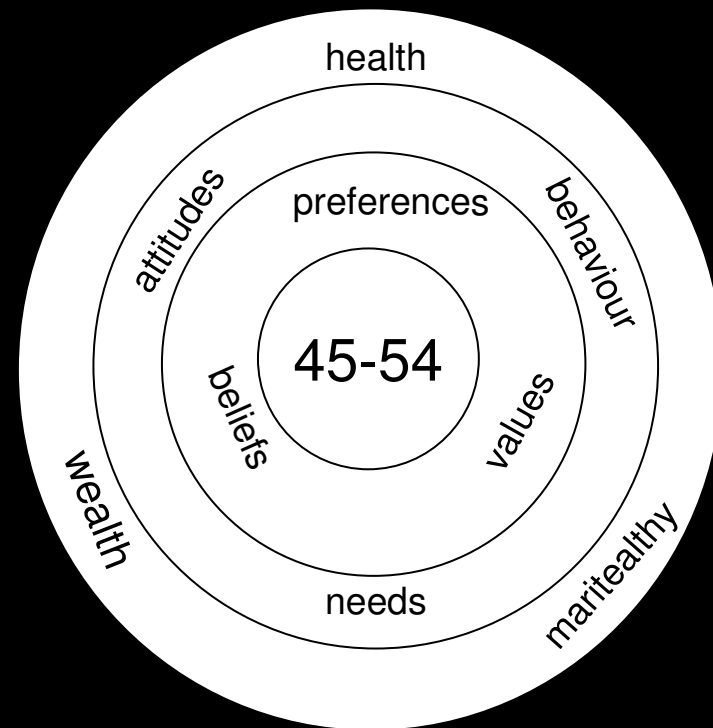
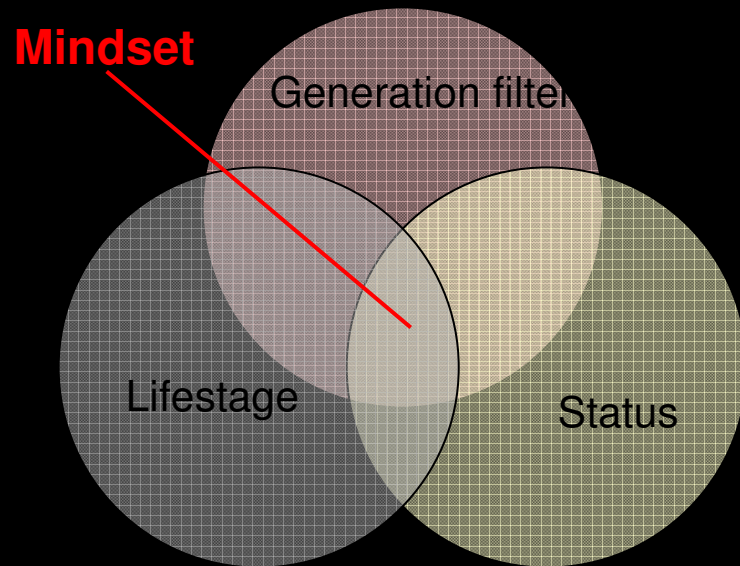
- Age
- Generation
- Work / Retirement
- Money / Income
- Marital Status
- Mental State

Shaping The Mindset

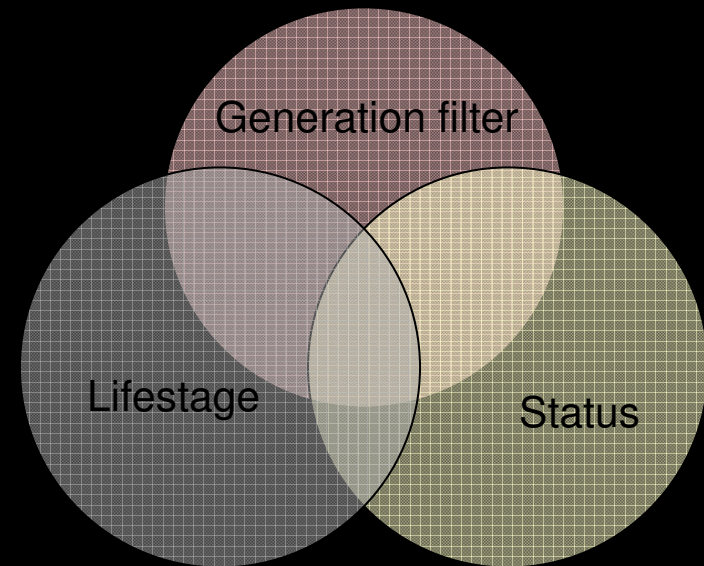
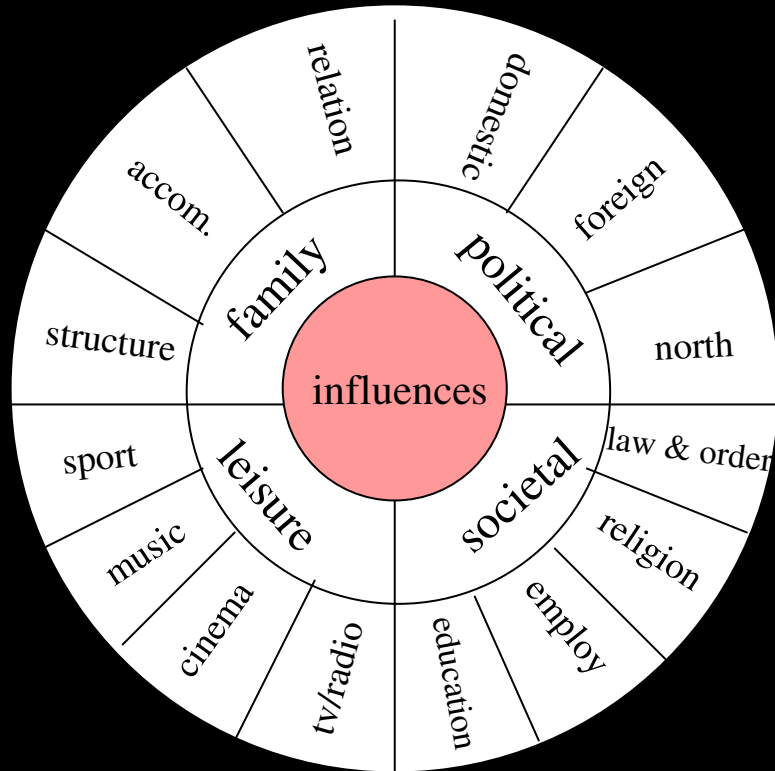
- Generation Filter (influences)
 - beliefs
 - values
 - preferences
- Lifestage
 - needs
 - attitudes
 - behaviour
- Status
 - health (active/inactive)
 - wealth (prospering/suffering)
 - maritalealth (together/apart)

Mindset Constructs

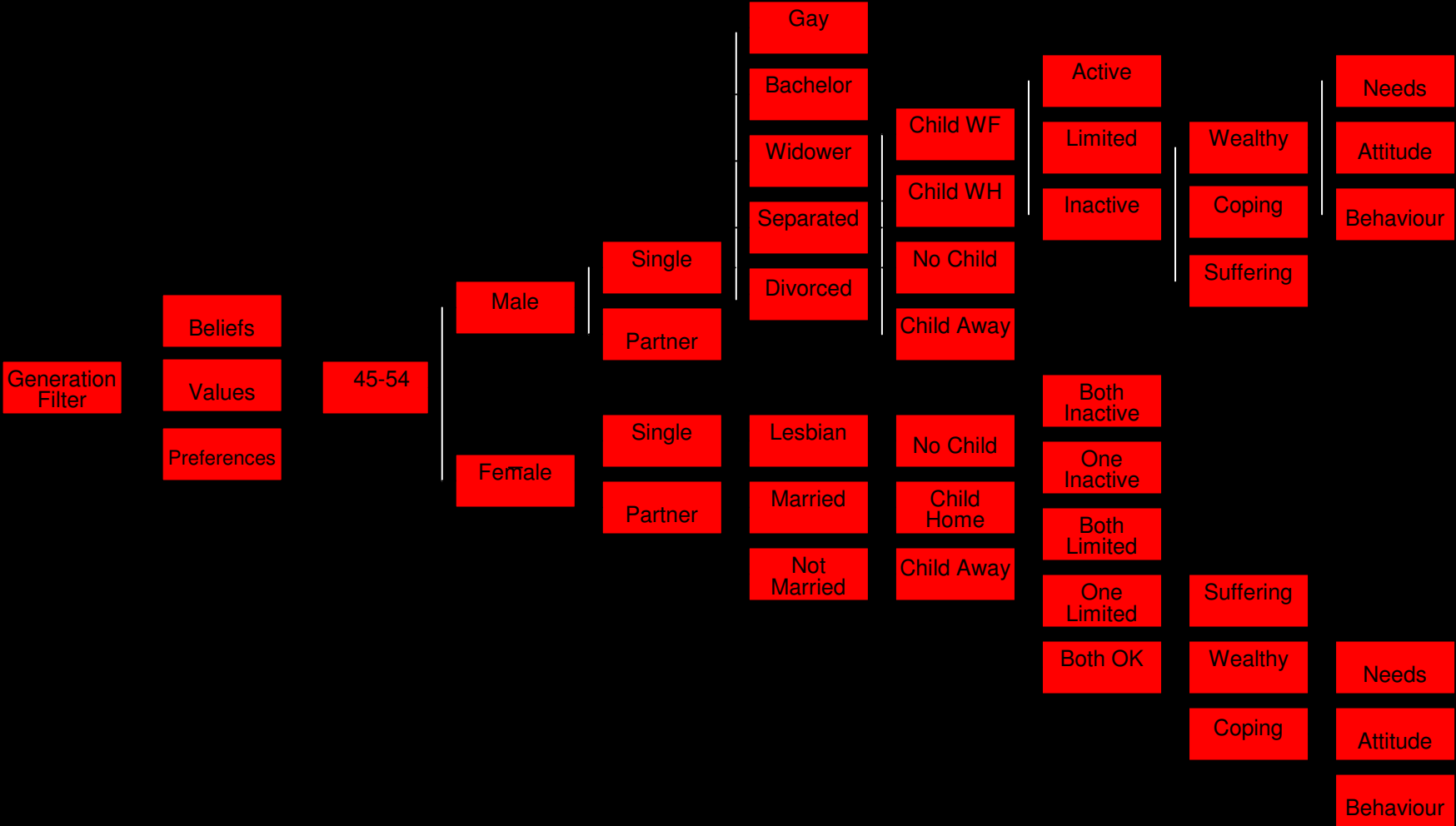
Hypothesis: Generation Filter is Driver



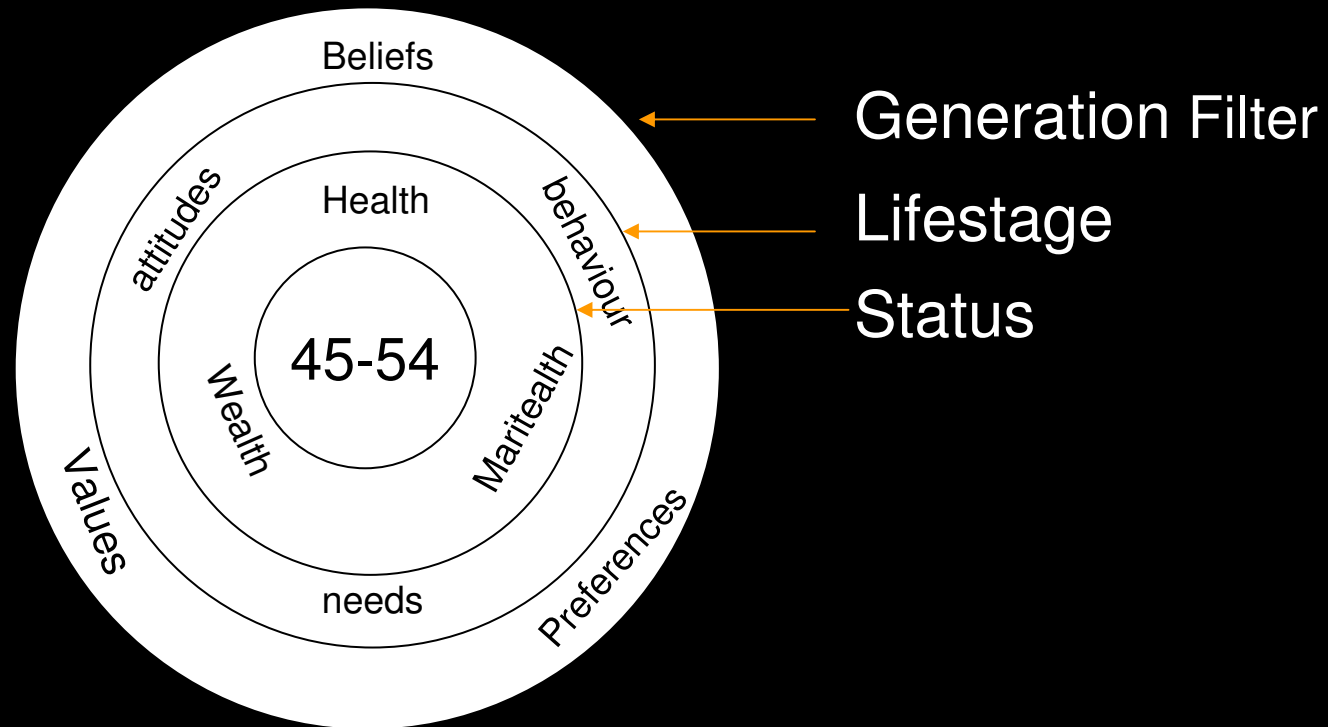
Mindset Construct



Segmentation Process is Complex

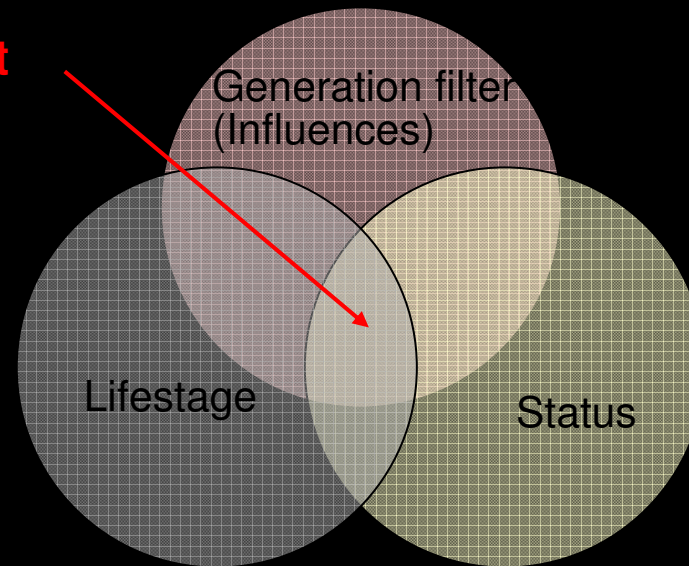


Mindset Construct



Shaping the Mindset

**The
Mindset**



Over-riding Key Dynamic

“An individual’s character and attitude to life”

Segmentation Toolkit

- Perhaps the most dynamic component that cuts across all of the segmentation process is:

“an individual’s character and attitude to life”

- This dynamic can be assessed against one axis a ‘psychological’ dimension and a ‘social’ dimension on the other axis.

Segmentation Toolkit

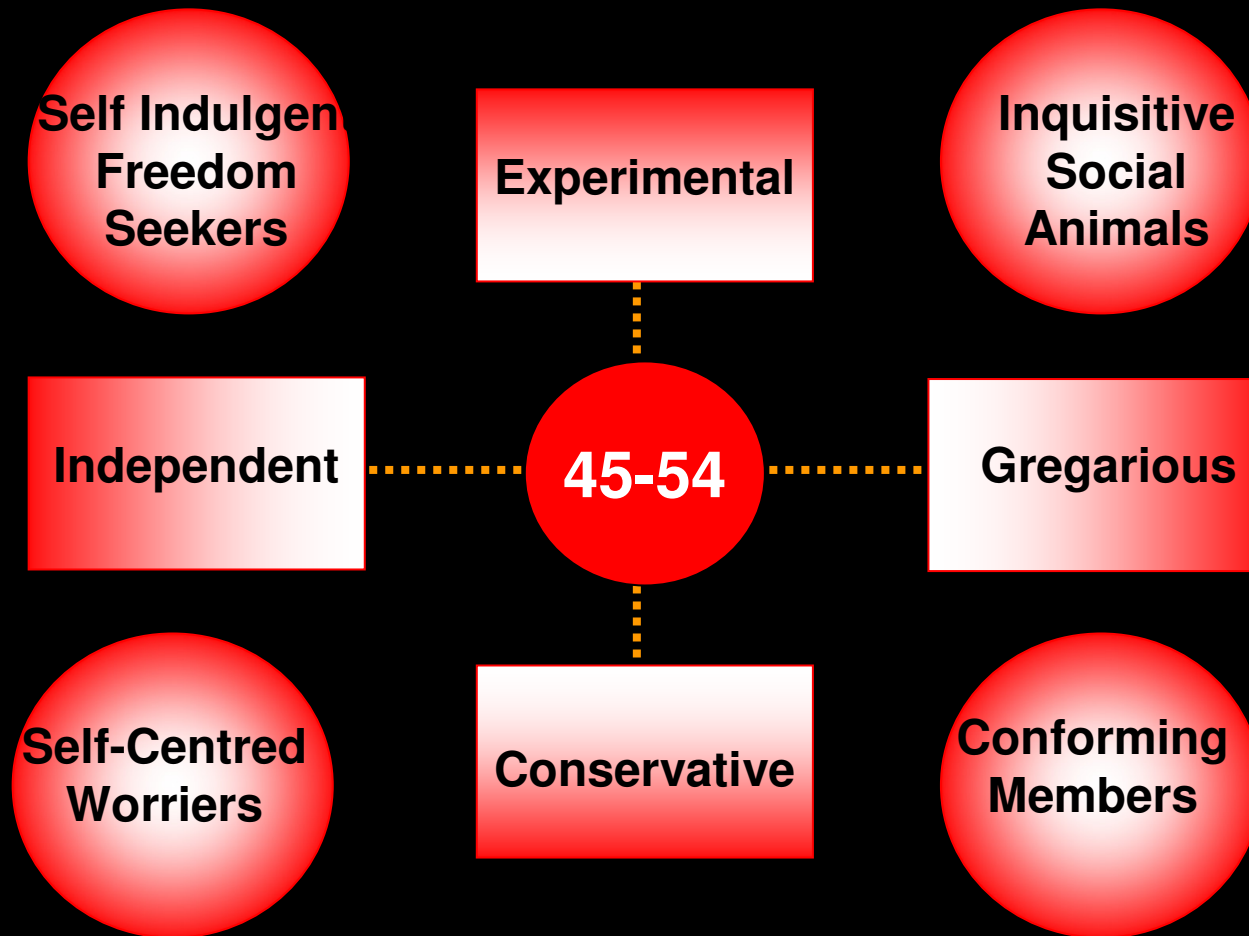
■ Psychological Dimension

- The need for structure and certainty (control) versus the willingness to take things as they come
- Some older people seek adventure whilst others prefer habits and routine
- The opposing poles are experimental and conservative

■ Social Dimension

- The difference between focus on oneself versus focus on the outside world
- Self focussed people whilst active in social contact are intent on increasing their enjoyment of life
- Other people focus more on external warmth, companionship and membership
- The opposing poles are independent and gregarious

Segmentation Toolkit



Segmentation Toolkit

▪ Self Indulgent Freedom Seekers

- Enjoy life to fullest
- Bought products must provide quality and pleasure
- Good brands important as equate with quality
- Adventurous seeking out new things and activities
- Unafraid of new technology and embrace 'high tech' devices
- Will consider convenience products ie: taste and quality, not prejudices

Segmentation Toolkit

■ Inquisitive Social Animals

- Seek enjoyment out of life with others
- Are curious and seek to keep up to date
- Affinity with old trusted brands that have offered quality over the years
- Choose brands with best perceived price/quality ratio
- Open to new products and services but seek recommendations
- The key to access them is their social environment

Segmentation Toolkit

■ Conforming Members

- Enjoy doing things with others but extremely moderate in outlook
- Relationship price/product quality important
- Sensitive to promotions if product quality not compromised
- Not open to new products – established brands rule – very loyal
- Can be influenced by friends, consumer groups etc

Segmentation Toolkit

■ Self-Centred Worriers

- Seek reliable functionality and display strong loyalty to brands
- Price/quality important – fear being ripped off
- Little openness to new brands and products – they are ‘unnecessary’
- Strong feelings of dissatisfaction and frustration with this group
- Frugal and practical

Communication: The Problem

“ In the advertising, marketing and product development sectors of industry we (older consumers) are their worst nightmare: individualistic, stroppy and demanding. They can't bullshit us, we invented the world

”

Celia Brayfield
'Marketing Week'

Communication: The Problem

“ There are few well documented examples outside very age specific fields and one or two sectors like financial services, where reaching greys in a positive and non-offensive way has been achieved

”

Victoria Barsby
'Admap'

Why? . . .

Communication: The Problem

- Firstly, in today's culture there still exists a negative perception/attitude towards age and ageing
- Secondly older people do not want to be classified and segregated as 'seniors'. Given this self-denial, communicating to them as 'greys' (not me) alienates them
- As a consequence advertisers have found it difficult to communicate with older consumers

Communication: The Problem

However . . .

If by communicating more effectively with older consumers we can unearth some as yet, unrealised commercial nuggets, we will need communication Golden Rules

Communication: Golden Rules

- Do not address them directly as being 'old' (condescending and insulting)
- Do not employ stereotypical imagery (keep images generic – car drivers)
- Exploit their demand for information. Don't preach but let them discover the need for themselves
- Create universal message but target media and venues that attract this audience
- Address them as wise, experienced consumers. Judgement is based on accumulated experience and a confidence based on everyday habits

Communication: Golden Rules (cont.)

- Capture their minds:
 - Salute their individuality and independence
 - Show familiar, credible and relevant situations
 - Create clarity of message. Use single minded proposition with apparent product benefit
 - Ears can be an entrance to the mind
- Because of high levels of scepticism commercial messages alone will not provoke purchase
- However information and recommendations spread organically among peers and family very influential

Communication: Golden Rules (cont.)

- Connect with Real World. Moments of Truth
 - loss of energy
 - enjoy food but eat less
 - what one eats becomes more important
 - whilst they enjoy outdoor activities (gardening, walking etc) fatigue does enter into the frame
 - health issues do become a concern

Communication: Golden Rules (cont.)

Some product indications:

- Need supplements/functionality
- Use key words to invite them in
- The health and pleasure together
- Manage health & taste
- Enrich with health what already tastes good
- Integrate health into tasty routines

Above all...

Communication: Golden Rules (cont.)

Deliver a brand experience beyond product functionality – the pathway to well-being.

Tap into environments that complement lifestyle:

- fitness / health clubs**
- community centres**
- shopping centres**
- airports / railway stations**
- social clubs**

but most importantly

Communication: Golden Rules (cont.)

- **Avoid dreadful D's of Ageing:**
 - Deficit
 - Decline
 - Dependency
- **Concentrate on 3 R's of Agelessness:**
 - Respect
 - Realism
 - Rosiness

The Opportunities

Financial Services

- - insurance / pensions
 - equity release
 - credit / charge cards
 - wealth management
- DIY (stores / products)
- Gardening (centres / products)
- Health Care
 - insurance
 - private care / spas
 - nursing homes

The Opportunities

- Pharmaceuticals
 - OTC / supplements
 - recreational (viagra, cialis)
- Travel
 - airlines
 - agents
 - hotels
- Baby / Toys Shops

The Opportunities (cont.)

Food Manufacturing

- special functionality

- Education

- mature students

- computing

- Car Manufacturers

- 'boy racers'

- Media Owners

- programming

The Opportunities (cont.)

- Dating Agencies

- Recreational Activities

- golf
- walking
- fishing
- books
- restaurants

- Electrical Equipment

TV / DVD / Stereo