

A golden age

Some advertisers see a rich market in the generation heading into retirement

By TOM KEYSER
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The commercial begins with the opening strains of "Gimme Some Lovin'," the 1960s rock hit, and images of the American flag, hippies, surfers, long-haired musicians and young people from the 1950s doing the twist.

"Back then," the narrator says in a serious tone, "if we had told you we had more certified financial-planner professionals than any other company, you wouldn't have cared less. Back then, our century of experience in financial services wouldn't have meant a thing. It does now ..."

The images change to older, mostly grayed-haired people kayaking, dancing, enjoying an African safari, swinging a child by her arms and playing in a rock band.

Launched last year by Ameriprise Financial, a financial-planning company based in Minneapolis, the commercial is part of a barrage targeting baby boomers. Whether they're peddling financial services, cars, clothes or cosmetics, the companies have figured out that boomers have the money and inclination to spend freely as they charge into their golden years.

In Albany, Craig Wander, who spent 25 years working in radio, watched "this great wave surging toward us" while serving on the board of directors of Senior Services of Albany as chairman of its marketing committee. He responded to this boomer wave by devising a boomer-marketing strategy with Price Chopper.

If you're 60 or older, then you can obtain a Senior AdvantEdge sticker for your Price Chopper AdvantEdge card. It entitles you to discounts and special services at dozens of businesses, health care agencies, restaurants and entertainment venues.

Now, Wander has founded North of Forty Marketing so he can advise companies on how to tap into this baby-boomer bonanza.

"These companies that aren't paying attention need to pay attention," he says. "Seventy percent of the nation's wealth lies in the 50-plus population. Baby boomers aren't going to retire and fade away and sit on the porch. They're going to buy stuff, lots of stuff."

Transforming

"It truly is a boomer marketplace," says Maddy Dychtwald, senior vice president of Age Wave, a San Francisco-based firm formed in 1986 as a think tank on the aging population's impact on business and industry. "We used to think 50 was over the hill.

"The boomers decided they were going to do things differently, and they have every step along the life span. They're going to transform retirement as well."

Baby boomers transformed the fashion industry, the car industry, sex roles, the workplace, health care, the debt market, music and technology. This year, the first of 77 million boomers, those Americans born from 1946 to 1964, are turning 60.

By 2030, when they'll be 66 to 84, they will make up about 20 percent of the country's population. Already, studies say, boomers have a spending power of more than \$2 trillion a year and are inheriting another \$8 trillion as their parents die.

They've always been in control, ever since their parents, fresh from World War II and having lived through the Depression, tried to bestow upon them the pleasures they had been denied. The baby boom took place during a time of dynamic economic growth and social change when anything seemed possible.

"Baby boomers came of age during a wondrous period in America," says Chuck Underwood, founder and president of The Generational Imperative, a Cincinnati-based consulting firm. "They grew up with a lifelong core value of unsinkable optimism."

Targeting wealth

Now, boomers believe they can stay "forever young," the title of a Bob Dylan song. They're the healthiest retirement group in history, and they're expected to live longer and try harder than any previous generation to achieve fulfilling retirements.

"Targeting baby boomers comes down to basic math," says Jennifer Kalita, a boomer marketing consultant in Washington, D.C. "They're responsible for nearly half of all consumer spending and are the best educated, wealthiest and most populated demographic segment this nation has ever seen. Companies who don't target boomers over the next two decades are simply leaving money on the table."

The powers that be at Ameriprise Financial recognized that last year when it became an independent company. It had been part of American Express and was called American Express Financial Advisors.

Ann Wasik, spokesperson for Ameriprise, says it created ads designed "to cut through the clutter" and gain boomers' attention and trust.

Their retirement is going to be different because of uncertainties about pensions and Social Security, she says. And many boomers say they don't plan to stop working entirely, but to find that job they've always wanted or to start the business they've dreamed about. Others say they want to travel, work out, go back to school, learn new skills, adopt new hobbies and volunteer.

"We see a great opportunity to help this huge group of baby boomers who are quickly getting into this period of their lives," Wasik says. "Boomers can live up to 30 years in retirement. That's as long as they worked."

Other approaches

Ameriprise has plenty of company as corporate America scrambles to give the boomers what they want. Just listen to the music on commercials the Beatles, Rolling Stones, The Who, Turtles, Rascals and Monkees. There's even Led Zeppelin's 1971 scorcher "Rock and Roll" selling Cadillacs.

Gap, the clothing store, targeted 18- to 30-year-olds until launching its "for everything generation" marketing campaign three years ago. It hired Willie Nelson to model jeans and Lauren Hutton to model hooded sweatshirts.

Fidelity Investments signed up Paul McCartney, and Revlon recruited Julianne Moore and Susan Sarandon. Pillsbury offers cooking recipes for two, and MasterCard promotes cards adorned with peace signs and smiley faces.

And don't forget Bob Dole pitching Viagra in 1998. That was one of the earliest and best-known commercials aimed at baby boomers, and it launched a stream of celebrities touting various drugs.

Boomers have even prompted a surge in anti-aging research that might extend their lives even longer, says Underwood, the Cincinnati consultant. Combined with their generation's other distinct qualities, its buying power and passion for life, the boomers are leading a revolution another one.

"Boomers are about to drastically alter the American consumer model, career model and lifestyle model," Underwood says, "at age 50 and 60, at age 70, and at age 90 and 110."

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