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SENIOR LIVING: ACTIVE BABY BOOMERS CHART A NEW COURSE

By Mike Mahoney

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Active baby boomers are reinventing themselves while marketers track their resilient purchasing power.

As the first wave of the baby boomer generation turns 70, precious few of them act their age. It's a new kind of older generation, more affluent, healthier and more adventurous, with spending patterns and a cultural presence that defines ubiquity.

Their music is everywhere, the soundtrack for hit movies like Guardians of the Galaxy, The Martian and Our Brand is Crisis. Their heroes are iconic, like Diana Nyad, who swam from Cuba to Florida without a shark cage at 64, inspiring adventurous and challenging destinations on boomer bucket lists.

"I'm really struck by those extreme examples of boomers pushing their bodies beyond what we thought an aging body could handle," says David Staley, president of Columbus Futurists and an associate professor of the Ohio State University departments of history and design.

Aging but active boomers are into competitive sports here, even if it's less tennis and more pickleball, a cross between tennis and ping-pong. They may be hitting from the senior tees, but they're buying top-brand drivers and irons to shave strokes off their golf scores.

They buy sporty convertibles; crowd the gyms and bike paths, pushing themselves to the limit in 5Ks.

They can afford to live Downtown, in Grandview and the Short North, or anywhere the dining, shopping, social and wellness ingredients can be found, comfortable in settings with people half their age.

“If we want to understand who the baby boomers are going to be as older people, the comparison should be with previous generations of elders,” says Staley. “Baby boomers will be very different. They still think of themselves as young, hip and with it. They’re still active, not retiring. They’re still physically active and sexually active. And it wouldn’t matter so much if there weren’t so damn many of them.”

Boomers, born from 1946 through 1964, represent 32 percent of the nation’s population, but more than half of the nation’s wealth. They hold \$13 trillion in assets and enjoy about \$2.4 trillion a year in income—42 percent of the national total.

Astonishingly, AARP reports only 10 percent of American advertising and marketing dollars target baby boomers, even though they spend \$157 billion on trips and travel per year, \$230 billion on packaged goods and \$20 billion a year on home improvement. In the bowels of the recession, in March 2009, their spending bottomed out at \$55 a day, but by early 2015 that bounced back to \$105 a day, Gallup surveys show.

Some of their increased spending, Gallup found, was back to basics—groceries, Internet, cable and household goods. Though upscale boomers love to travel, as a total demographic group, their travel, leisure and consumer electronics spending has fallen prey to the hazards of layoffs, the recession and a real estate market that put some upside down in the ratio of debt to equity in their homes.

Boomer spending may still outstrip their resources, according to a study in October by J.P. Morgan Asset Management on baby boomer balance sheets. Few have substantial financial assets, and most have more than three-quarters of their fortunes wrapped up in the family home. As they sell their homes to convert them to liquid assets, they create an “inexorable long-term headwind for the U.S. housing market,” J.P. Morgan concludes.

Boomers are digging deep into retirement accounts or not using them at all. A recent study by Hearts and Wallets, a demographic and financial consulting group, revealed “chunk or nothing” spending patterns. Retirees either don’t withdraw anything from retirement accounts or they withdraw more than 8 percent a year, not the 4 percent recommended by most investment advisors.

It's an important marketing opportunity as boomers spend chunks for special occasions, trips or gifts to grandkids. But sometimes they tap into retirement funds early to make up for job losses or high medical expenses. Maybe that's one reason they blow right by the average retirement age of 62 if they can, Staley says.

Marketers trying to dial in to boomer habits and preferences generally focus on fundamentals, too, like strong customer service and engaging websites.

Yes, there's the obvious marketing opportunity: boomer-oriented pharmaceuticals offer freedom, sexual and otherwise, through \$4.5 billion a year in ad campaigns for Viagra and Cialis, Humira (for arthritis), Lyrica (for nerve damage) and anti-clotting drug, Eliquis.

Boomers don't just want better living through chemistry, though. They want what's next, whether the next country or next national park. That opens up non-medical marketing opportunities from bowling alleys with senior leagues to gyms and health clubs with low-impact aquatic aerobics.

That's the mission of veteran personal trainer Sara Denune, 60, who mentors many of the boomers at the Groveport Recreation Center, finding a growing market of 50+ men and women who want to learn the machines, free weights and aquatic exercise routines.

Meanwhile, more than 2,500 men and women aged 65+ have signed up for Groveport's Silver Sneakers programs, entitling them to free membership and classes via Medicare and retiree health plans. "Silver Sneakers used to send us a large percentage of over-65 folks who had never exercised on a regular basis," said Stephania Bernard-Ferrell, Groveport's sports and fitness manager. "That's changed," she says, "as physicians move to prescribing exercise over drugs because we know about the benefits."

Apple and Fitbit have zeroed in on active boomers with watches and other biometric devices. Boomers are uploading personal training, weight and diet information to the Cloud, along with their political opinions and family pictures, says Michael Covert, founder and CEO of Analytics Inside, a provider of big data solutions, training and consulting services.

Boomers may live part-time online, but they live full-time in some of the most vibrant Columbus neighborhoods, developers say.

“Making housing changes, not having kids in the home, traveling more, thinking about second homes, they feel like they want to be more connected to a more vibrant atmosphere, or even a home with a different kind of aesthetic and energy to it,” says Brett Kaufman, CEO of Kaufman Development.

Although that may lead many Downtown, German Village, the Short North or Victorian Village, the thirst for what’s next might also lead them to the less urban cores of suburbs like New Albany, Powell or Grandview, he says.

It’s more than a nice gym and pool. “We’re also offering a whole programming center around things like philanthropic activities, community gardens, innovation spaces, workshops and partnering,” Kaufman says. “We’re dedicating business centers and making them into incubators, trying to provide space to people who have companies inside the community, and we have a number of success stories at our incubator in the 600 Goodale project.”

The ultimate boomer big-ticket item may be a car that they learned to love many years ago, like the VW Beetles, Fiats, Cooper Minis, Camaros, Corvettes, or Ford F-150s. Boomers want new experiences, but they can be incredibly loyal to their car and truck brands, says Greg Painter, a salesman at Byers Mazda.

“It’s amazing. We host the (Buckeye) Miata Club here the first Thursday of every month. There’s not a single younger member at the club, and it’s because these Miata drivers are so passionate about these cars. It’s been around for most of their adult lives.... There are design changes for 2016, but it’s more like Saturday Night Live—the cast might change, but it’s always hilarious.”

As a group, boomer customers take the back seat to nobody in the technology-enabled car market, Painter says, researching their purchases online before ever walking into the showroom.

That’s just the tip of the iceberg, says Covert, who spends much of his time training boomers along with young people for jobs in big data with a huge labor shortage right now.

“They’ve adopted social media at an astounding rate, and it seems almost everyone has a LinkedIn page to find a new job or a new direction,” he says. “Boomers are disciplined and self-directed, so they’re particularly productive when they work in home offices, saving companies \$10,000 a year. Technology is the enabling factor. You can work from

home to integrate the job into your life, rather than have a set eight-to-nine-hour day and leave,” Covert says.

To Ken Dychtwald, gerontologist and author, the search for what’s next is more of a bridge time he calls “middlescence.” Like adolescence, it’s a middle time of life that has emerged for many active baby boomers—those no longer working but not ready for the old age home, thanks to increasing health and longevity.

“We will be productive, but we’ll engage in sort of a different type of activity, maybe volunteering more for the church or nonprofit group, or gardening,” Staley says. “Lots of boomers will use that time of life to be attentive to their legacy, saying, ‘I’ve made my money, I’ve been successful, but what have I given back to the world?’”

Mike Mahoney is a freelance writer.

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