

CARAT

Designing for People

**Baby Boomers
in view**

a **dentsu** company





At Carat we believe that the world would be a better place if all relationships had more empathy.

In media this means designing connections that earn people's attention by creating value in their lives.

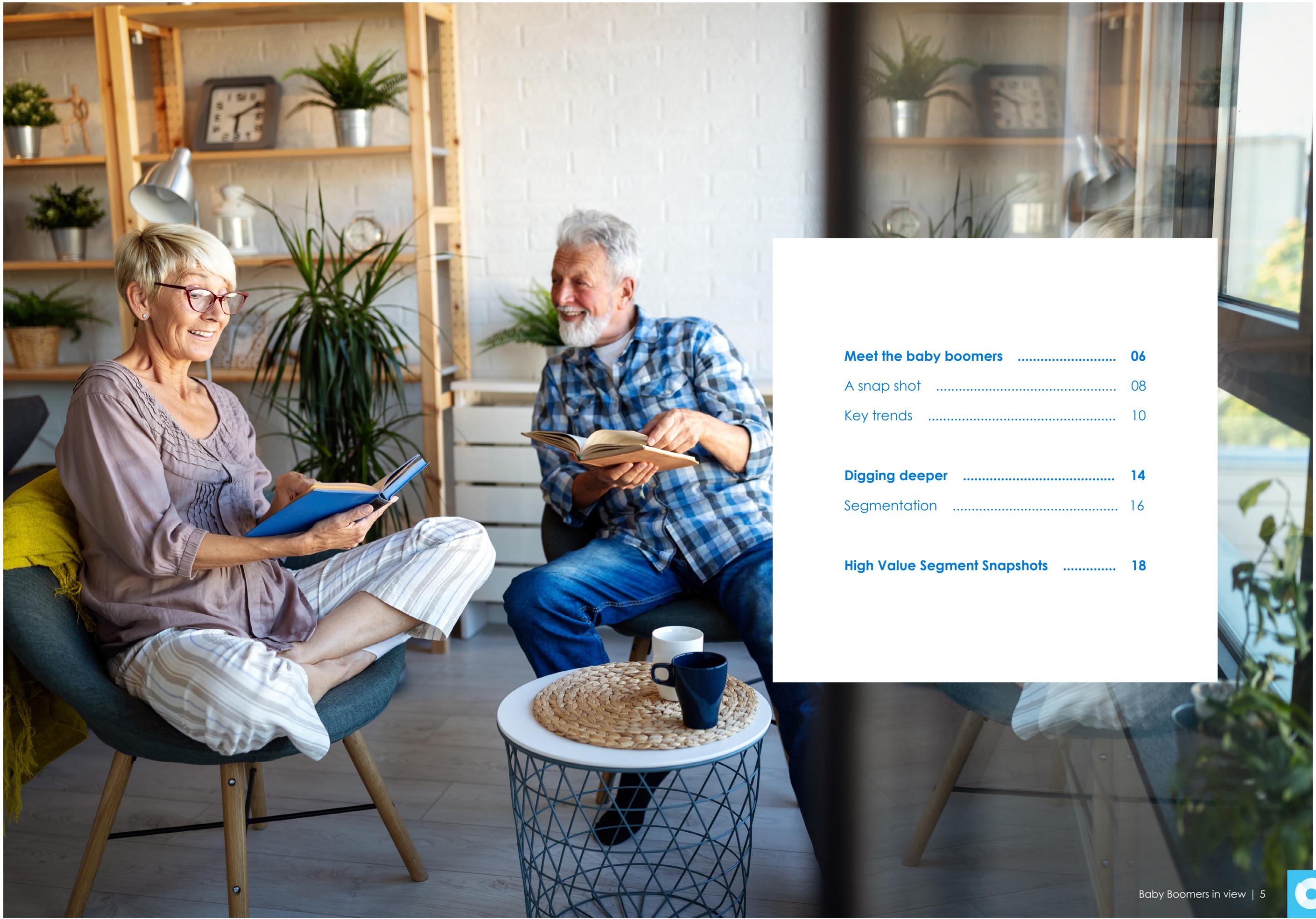
To do this we put an understanding of people at the heart of everything we do.

We call this Designing For People.

In this report you will get a taste of how Carat goes beyond surface level 'consumer' and 'demographic' traits and into profiling the rich attitudinal and behavioural cohorts of people that exist.

It's this depth of understanding that enables us to unlock the value exchange upon which sharper connections between people and brands are built.





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Meet the baby boomers

As defined by Roy Morgan, Boomers were born between 1946 – 1960, during the western post-World War II baby boom. They've grown up in the longest period of sustained prosperity and have benefitted from the biggest improvements in living standards in history.

This has led to Baby Boomers being active, healthy, tech-adaptive, adventurous, and most importantly to brands, the most affluent generation in history.

The events that have shaped this generation

Understanding Baby Boomers means understanding the momentous events that shaped their views and way of life. These events give context to their formative experiences, and help us to empathise with their view of the world.

Timeline of events shaping the Baby Boomer Generation



The 10 events that Baby Boomers claim to have had the greatest impact upon them

	Event	%
1	Vietnam War	28
2	The Dismissal	27
3	Same-sex Marriage	24
4	Moon landing	21
5	September 11	20
6	America's Cup win	12
7	Port Arthur Massacre	11
8	Decimal currency	11
9	2000 Sydney Olympics	10
10	Cyclone Tracy	10

Source: Social Research Centre: ANU "The Life in Australia Historic Events Survey" 2017

McCrindle Generations Defined Sociologically

Papers on Parliament No. 31 June 1998 "Three Generations: The Changing Values and Politics Outlook of Australians"



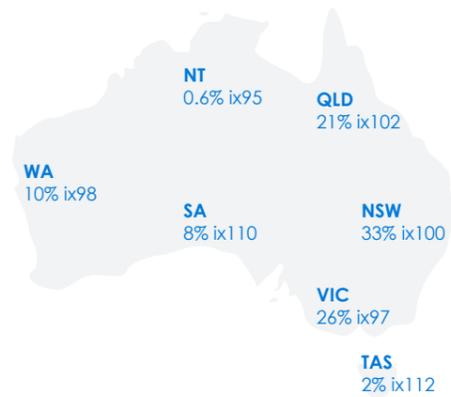
A snapshot

These life events have led to a largely conservative and conscientious cohort, highlighted by their personality traits, financial outlook and interest in news as well as politics. By in large their purchase behaviours and decision making presents themselves as stable, rational and considered. Their media consumption shows stronger consumption of traditional channels including television, radio and newspapers.

Lets have a look at the macro demography and attitudes of this cohort:

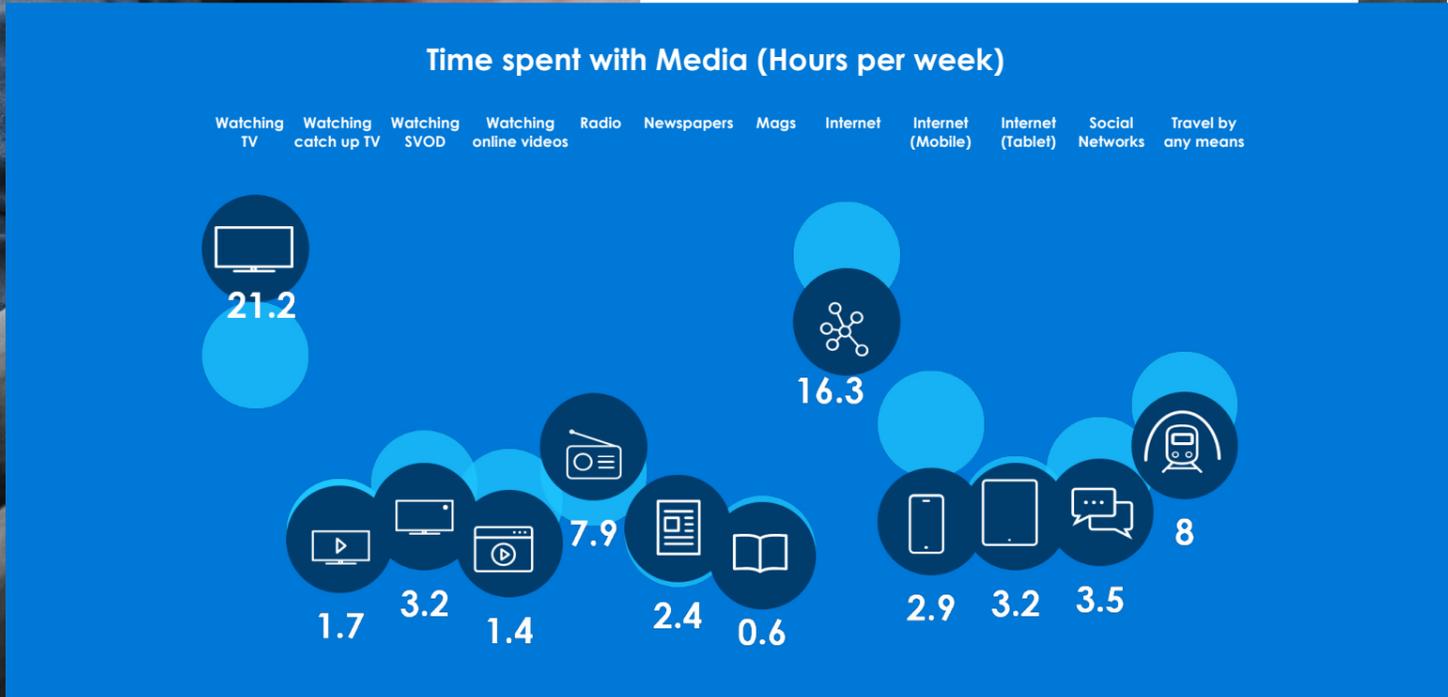
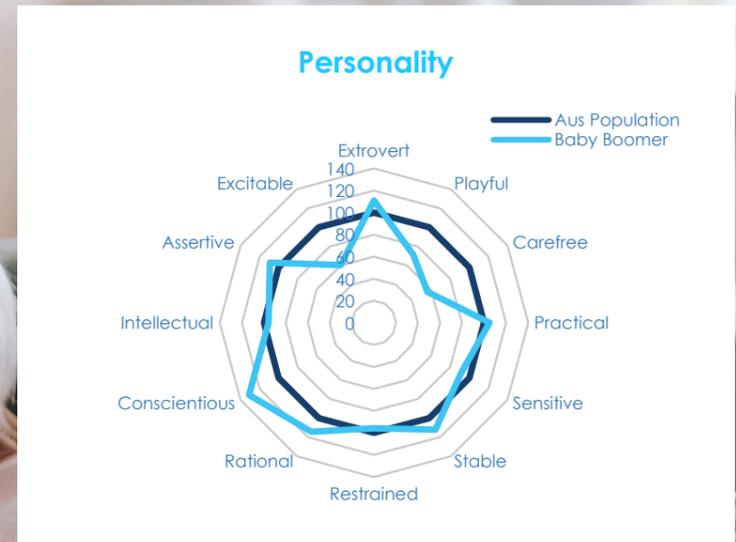
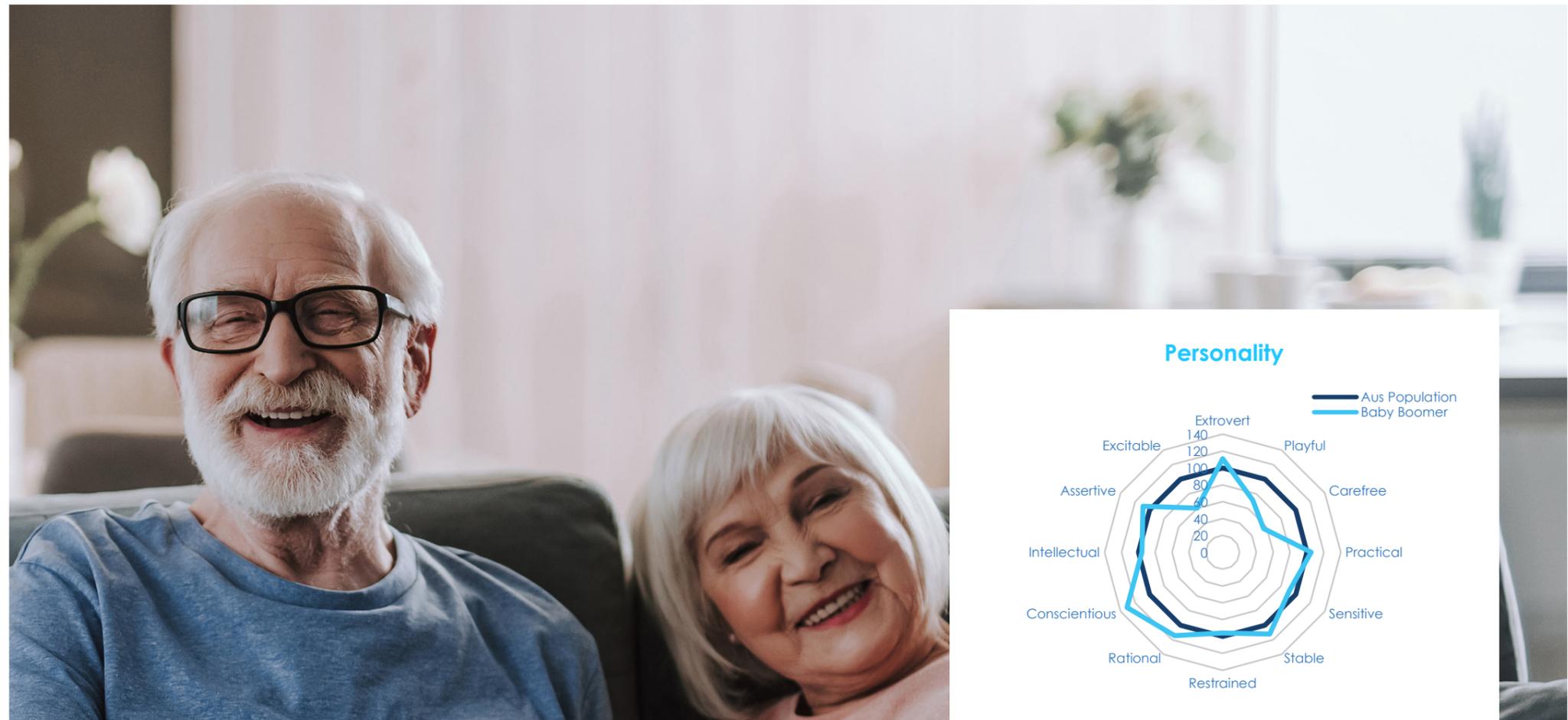
The Basics

- Female**
51% ix101
- Retired**
52% ix356
- Married/De Facto**
71% ix123
- Metro | Regional**
59% ix90 | 41% ix120
- Partner and No Children**
50% ix208
- Some secondary or tech**
16% ix142
- \$85K HH Income**
Avg \$110.8k



Attitudes & Interests

- "I don't expect to me much better off financially in the future"**
57% ix140
- Interested in: Local News/ Events**
71% ix127
- "I recycle as much of my rubbish as possible"**
79% ix117
- Interested in: National/ International News**
69% ix124
- "I buy clothes for comfort, not style"**
79% ix117
- Interested in: Politics**
45% ix124



Source: ICCS June 2019 | Baby Boomer compared to general population



Key trends

The redefinition of ageing

This generation's life expectancy has increased by 34% compared to 1920, increasing up to 81 years old.

Baby Boomer's health has benefitted from declining tobacco use, reductions in dietary saturated fats, and improvements in treatment of cardiovascular disease.

Believe it or not, Baby Boomers are the nation's most active generation—Aussies between 55-75 years of age rack up 83 more hours of exercise a year compared to those under 40. The most inspiring part is that Baby Boomers are twice as unlikely as their younger counterparts to avoid physical activity because they feel they 'don't fit in' or are too embarrassed.

This has resulted in a generation who are staying actively involved in society, the workforce, as well as with their children and grandchildren more than any previous generation.

It's no surprise then that anti-ageing doesn't work on the ageless.

This is a generation who are either determined to age gracefully, or age unconventionally! They have a track record of pushing boundaries and breaking conventions as a generation - so why stop now?

COVID-19 hasn't wavered these trends either, while Baby Boomers remain active and alarmingly optimistic.

To stay entertained the majority (74%) have taken up any or all the following activities:

- Home Improvement
- Reading
- Exercising
- Online Games

What is interesting, in view of the elevated risk profile of this audience to the health implications of COVID-19, Baby Boomers are no more stressed or cautious than the rest of the population when it comes to abiding by COVID-19 health recommendations. Instead, the majority agree that they want to continue travelling (92%) and caring for others (91%). Meanwhile two in five claim that they don't want to return to a faster paced life.

A high value, & largely untapped, audience

Aussie Baby Boomers have wealth like no other generation.

Not only does the average Australian household aged over 55 years old have a net worth exceeding \$1million, but, due largely to rising property prices over the last few years, is also seeing the fastest wealth increases.

This means that despite only accounting for 25% of the population, they own 55% of the nation's private wealth.

It's up to us to follow the money.

Despite their wealth and their affluence, advertising to Baby Boomers still accounts for only 10% of industry spend, whilst advertising to the over 50s account for less than 5% of the briefs received from marketers. This cohort is an untapped opportunity that deserves the same curiosity and respect which we use to approach younger generations, not to mention the untapped value equation that they present.

COVID-19 hasn't undermined their confidence in the recovery and 'living a new normal'.

The dentsu Intelligence Sentiment tracker demonstrates that most Baby Boomers have become increasingly comfortable with living a new normal.

While they're optimistic in the reduction of societal regulations (11.4 months versus 12 month median), they're much more conservative regarding how long it will take Australia to return to life as it was pre-COVID-19.

While this cohort has faced minor inconveniences like halting their property portfolio expansions, they're the most confident with respect to their discretionary income maintaining or improving. This is evidenced in their discretionary Retail Spend being up 14%.

Source: Hello Social | McCrindle 2017 & 2020 | Fitness Australia 2019 | Australian Seniors Series September 2018 | AdNews 2019 | Ipsos Thinks - The Perennials | "Old is the new young" - WARC



Despite the wealth of opportunity this cohort presents, they're still a generation under-represented in advertising

We must face up to their current attitudes to advertising.

Over 60% of Australian Baby Boomers think advertising is a negative force – this is a greater proportion than we see in other developed Western markets such as the US and UK.

They also feel under-represented by advertising too, with four in five their favourite retail brand no longer understands them or what they need, while 94% of the over 50s dislike how corporations and brands communicate with them.

First things first, don't use the 'a' word.

Boomers want to be spoken to as people, not as an age. This means understanding and connecting with about their interests, needs and desires, as opposed to projecting assumptions about the impacts of their age or stage of life.

Negative advertising beliefs have driven them to outsource trust and trial

Their purchases are peer provisional.

With these ad-itudes in mind, Baby Boomers have developed over reliance on their peers to inform their purchasing decisions. While they're occasional early adopters of new products, by in large they would rather wait until others have done the hard work of trying something out and establishing if it's worth their time or money first!

Word-of-mouth, new product reviews, and recommendations are therefore deferred to when it comes to endorsing products as a 'safe' choice.

This means brands must get amongst their crew.

It's not just the Millennials that are concerned with what their peers think! This is an audience that takes their cues from those around them. We must consider how we can infiltrate their communities, family and friends beyond traditional advertising.

Source: oOh! COVID-19 Pulse Report #12 & #7 | dentsu Intelligence | News.com.au 2020 | Hello Social | McGrindle 2020 | Adnews 2019 | fivebyfive 2019 | Ipsos Thinks – The Perennials | "Old is the new young" – WARC





Digging Deeper

Now that we've got a firm grasp of macro trends within this cohort, it's time to dig deeper and understand what makes them different as people.



Segmentation

Through our tools, we have been able to identify seven distinct Boomer typologies

Using our proprietary consumer connections system (CCS) we have uncovered seven distinct people-based segments within the Boomer Generation. CCS is a panel of 10,000 adult Australians that we survey each year to understand people's thoughts, feelings, and behaviours from a claimed standpoint. The datapoints we collect are fused with the Roy Morgan platinum data base which provides an unweighted sample of 45k people which we then weight to represent the entire adult population, making this the largest panel of its kind available.

We're pleased to introduce you to our seven typologies! Please meet...



Sceptical Strugglers
749,000
Conservative | Introverted | Pessimistic



Luxe Lifestylers
465,000
Image conscious | Extroverted
Overwhelmed



Woke Warriors
536,000
Conscientious | Independent | Calm



Affluent Adventurers
725,000
Ambitious | Pioneering | Social



Bubble Boomers
714,000
Conservative | Family-focused
Independent



Spiritual Socialites
491,000
Religious | Connection-driven
Tech-Lager



OTT Optimists
629,000
Impressionable | Ambitious
Fiscally strained

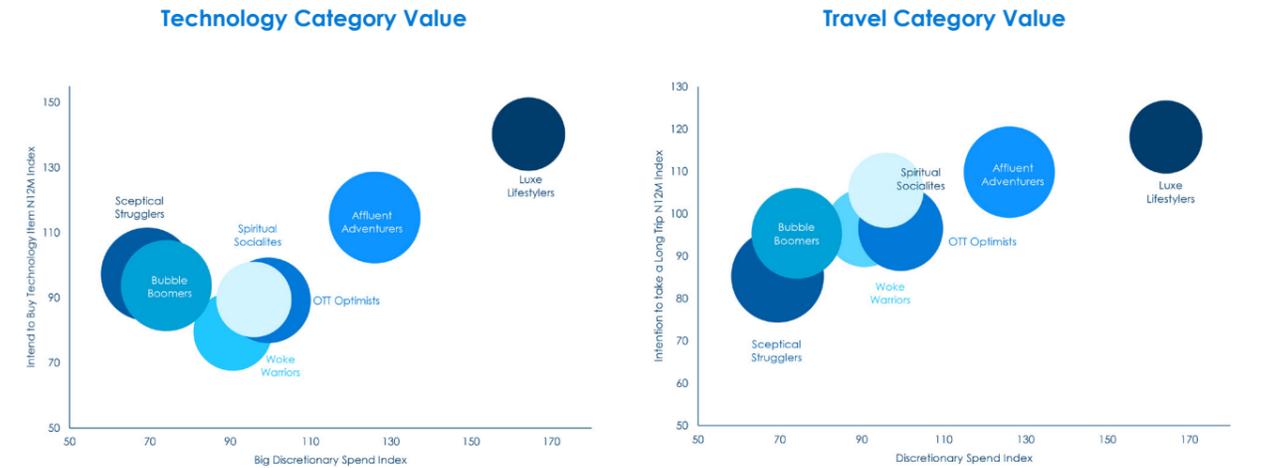


Source: June iCCS 2019

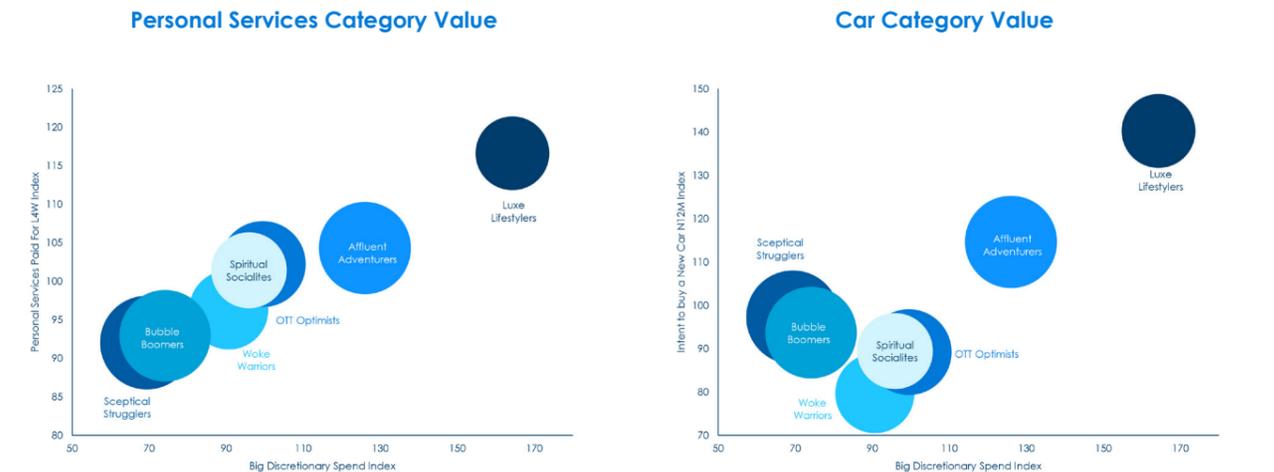
When it comes to the consumer value of these segments- not all Boomers are created equal!

To continue to enhance our understanding of these typologies, we've analysed how each indexes against various levels of discretionary spend. We've then mapped this against their intent to purchase within four key categories: travel, automotive, personal services, and technology.

Across the board, Luxe Lifestylers and Affluent Adventurers present as the opportunity with the highest value and greatest propensity to convert. Despite Spiritual Socialites having slightly lower discretionary spend, they pip the post against OTT Optimists when we measure their intent against Tech, Travel and Automotive.



Affluent Adventurers and Luxe Lifestylers present the biggest value opportunity across the board!



Source: iCCS June 2019 | Baby Boomer Filter





High value segment snapshots

Using this understanding, we can profile the three most valuable typologies to add colour to who they are, their media consumption, and how they like to interact with brands.



Luxe Lifestylers

As the most valuable in discretionary spend and intent, it's not surprising that Luxe Lifestylers are undoubtedly image conscious and financially secure.

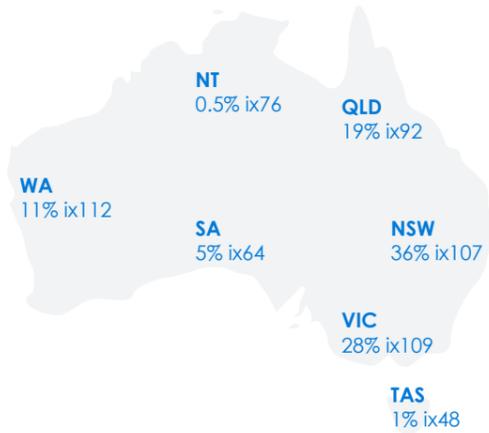
This way of living is enabled by their tendency to be employed, having a higher education, an above average income, and being free of the financial burden of children in the home.

Their playful personality leans into their social and active tendencies, such as always having fun at parties, adventurous natures, and "always on" approach to life.

These aspects of this typology align with their media consumption, as they lean into "on-the-go" channels and watch more video on their terms than the rest of the cohort.

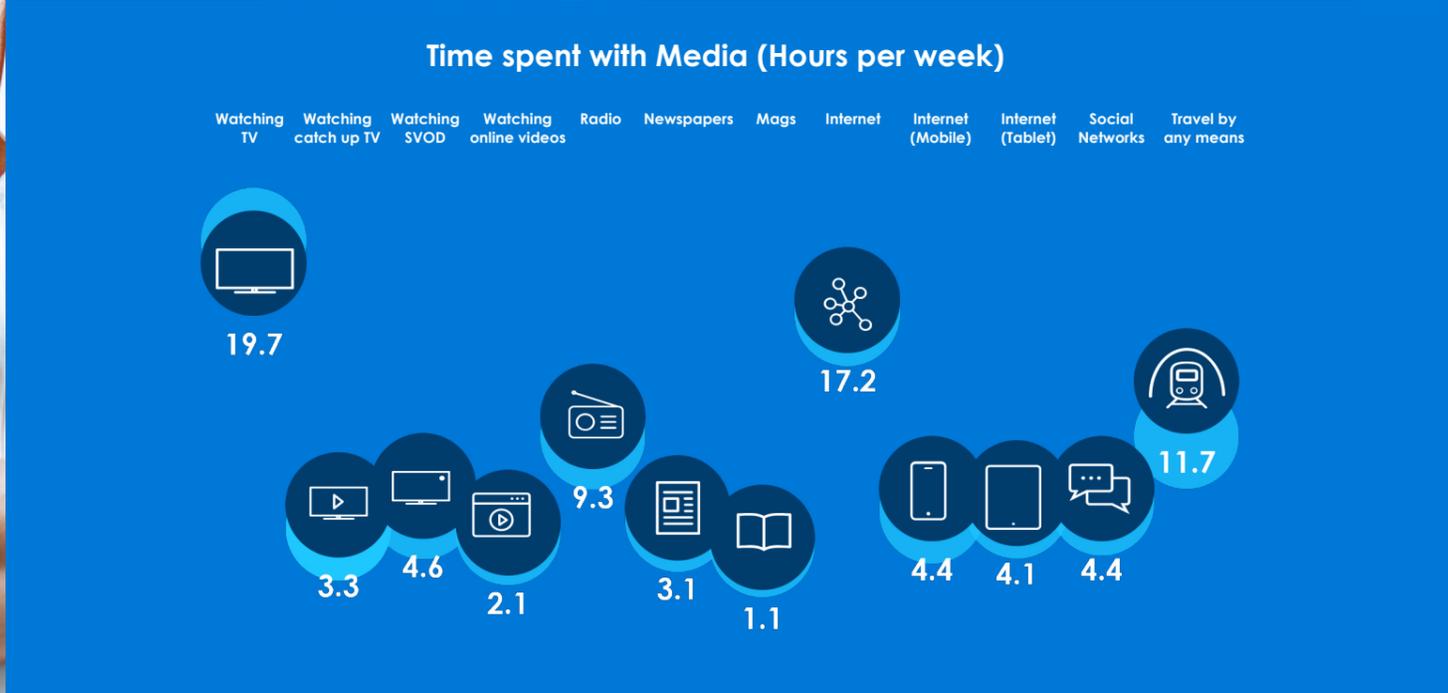
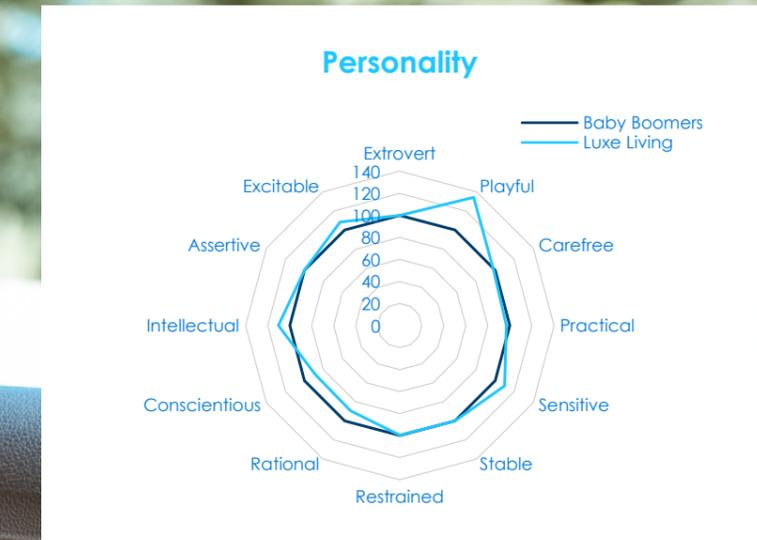
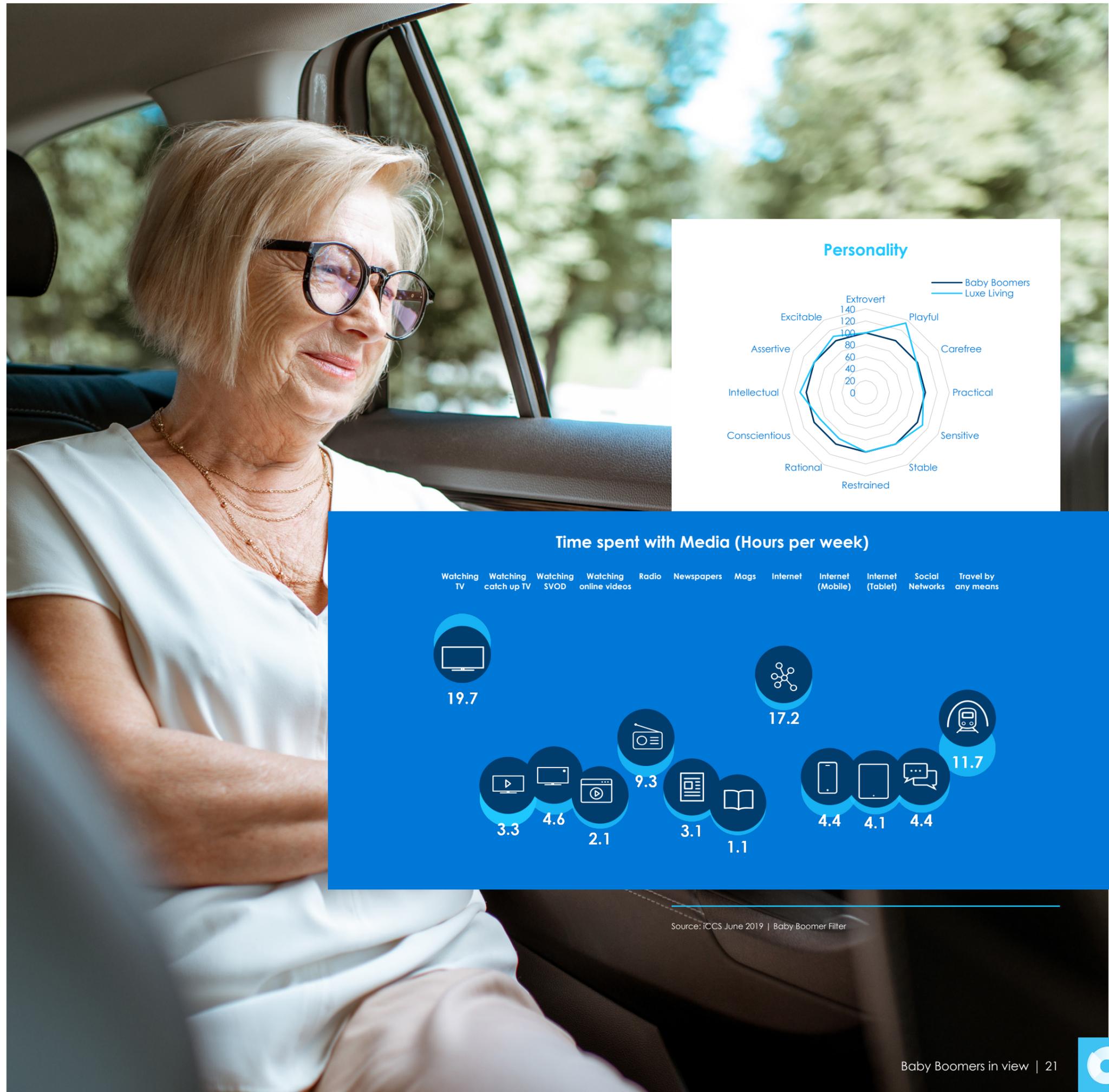
The Basics

- Male**
52% ix107
- Employed Full Time**
33% ix143
- Married/De Facto**
76.7% ix108
- Metro | Regional**
64% ix 108 | 36% ix88
- Partner and No Children**
51% ix101
- Have Diploma or Degree**
56% ix128
- \$109.3K HH Income**
Avg \$84.9K



Attitudes & Interests

- "I like to treat myself to luxury items"**
59% ix243
- Activities: Travelled by Air L3M**
40% ix145
- "My appearance says a lot about who I am"**
83% ix188
- Activities: Rented to Others an Apartment/Unit L12M**
8% ix174
- "I am willing to spend money to save time"**
69% ix244
- Future: Rent to others a house N12M**
5% ix142



Source: ICCS June 2019 | Baby Boomer Filter





How to engage with Luxe Lifestylers across the consumer journey

The higher the risk, the higher the reward, and engaging this audience is a risk worth taking! Through CCS, we've been able to look specifically at the way this cohort prefers to engage with brands, and which elements make them more receptive to comms, to help us to do this.

01. They're impressionable to peers and influencers

Luxe Lifestylers is the most receptive and positive cohort when it comes to advertising, over indexing across an entire selection of positive advertising statements. But this doesn't mean we can put in less effort!

They are extremely impressionable when it comes to their peers – be it friends, influencers, celebrities or professionals – valuing their approval but also triggering them to make impulse purchases on social.

02. Amplify your brand's purpose

This cohort are more likely to have a greater affiliation towards brands that allow them to unlock altruism through spending.

This could be through affiliations with charities, demonstrating levels of eco-consciousness, or supporting their local businesses.

03. Open to new products and incentives

Luxe Lifestylers are enthusiastic about trying new products and brands.

They're even more likely than their generation to be persuaded by value, price points, rewards or samples.

04. Don't underestimate their innovative nature

This cohort is the most innovative, using technology to make their lives and shopping more convenient.

Beyond this, they are the most open to unconventional products, such as luxury rental services, car sharing apps, and AirBnB.

05. Luxe ≠ Egos, so give them the tools to get talking

Despite their affluence, it's important to note this generation are the most likely to seek advice, give advice, and generally discuss products across all categories.

Winning this cohort over means brands must be there when they want advice and equip them with the right information to give advice.

Source: ICCS June 2019 | Luxe Lifestylers indexed against Baby Boomer Filter



Affluent Adventurers

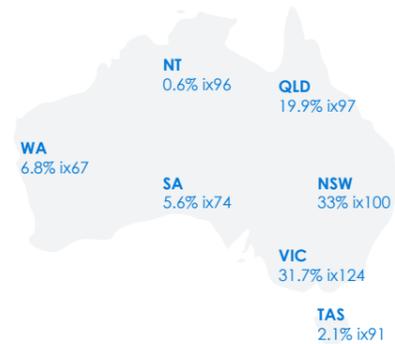
Affluent Adventurers give away two key aspects of this typology: their adventurous natures and their financial optimism. Like their previous counterparts, they are more likely to be employed and have higher than average HH incomes, though these factors aren't as pronounced, likely linked to their children still living at home.

Their adventurous nature aligns with their globally minded attitudes. They focus their intellectual personalities and interest in politics towards international affairs. We see this in their under-index against the statement 'local issues are considerably more important to me', while aligning with their above average consumption of newspapers.

Unlike their previous counterparts, they're not as impressionable, denying that they can be easily influenced by their peers. Instead, they're quite comfortable, as though they're adventurous, they set their own pace in life.

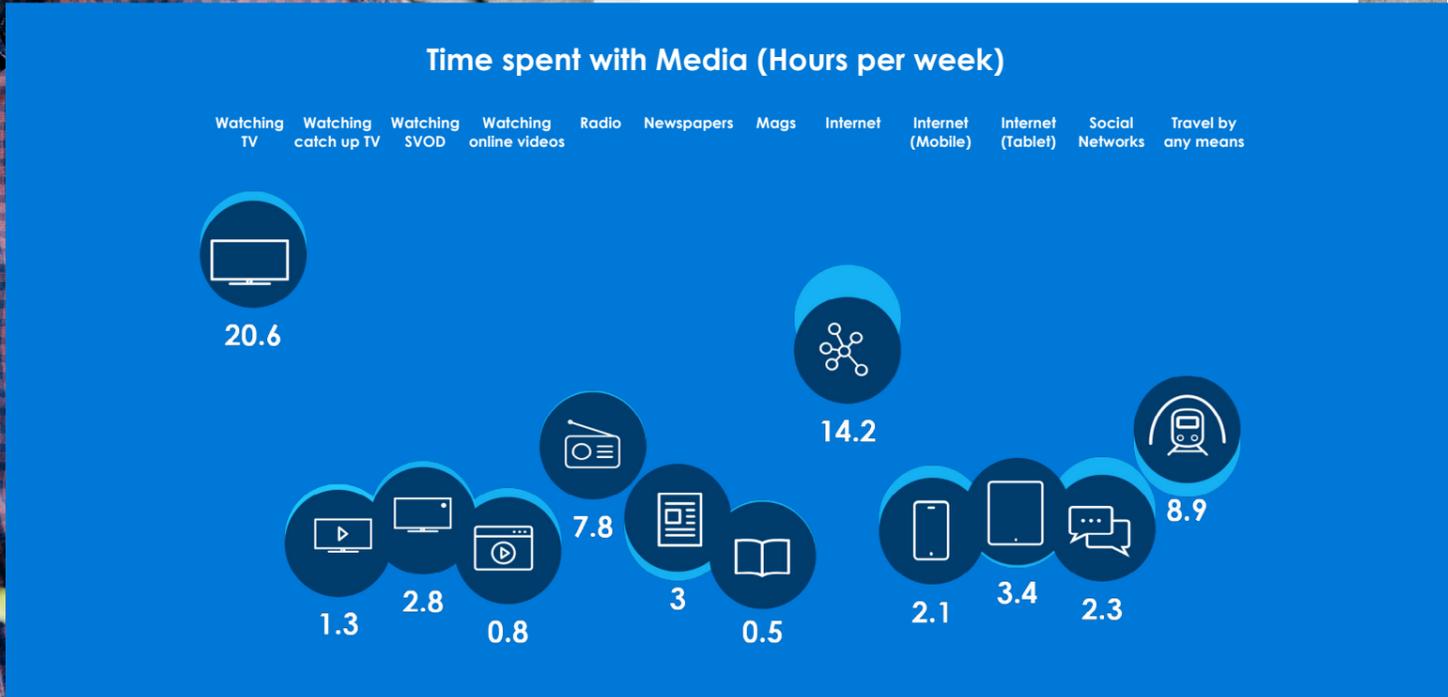
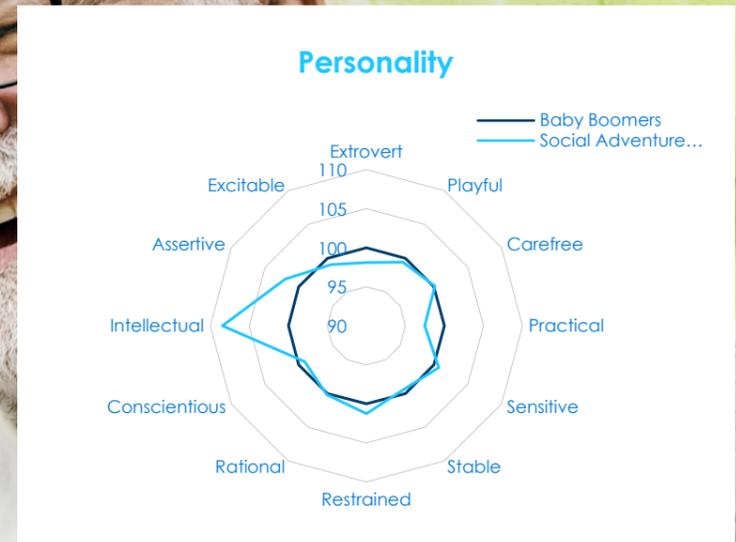
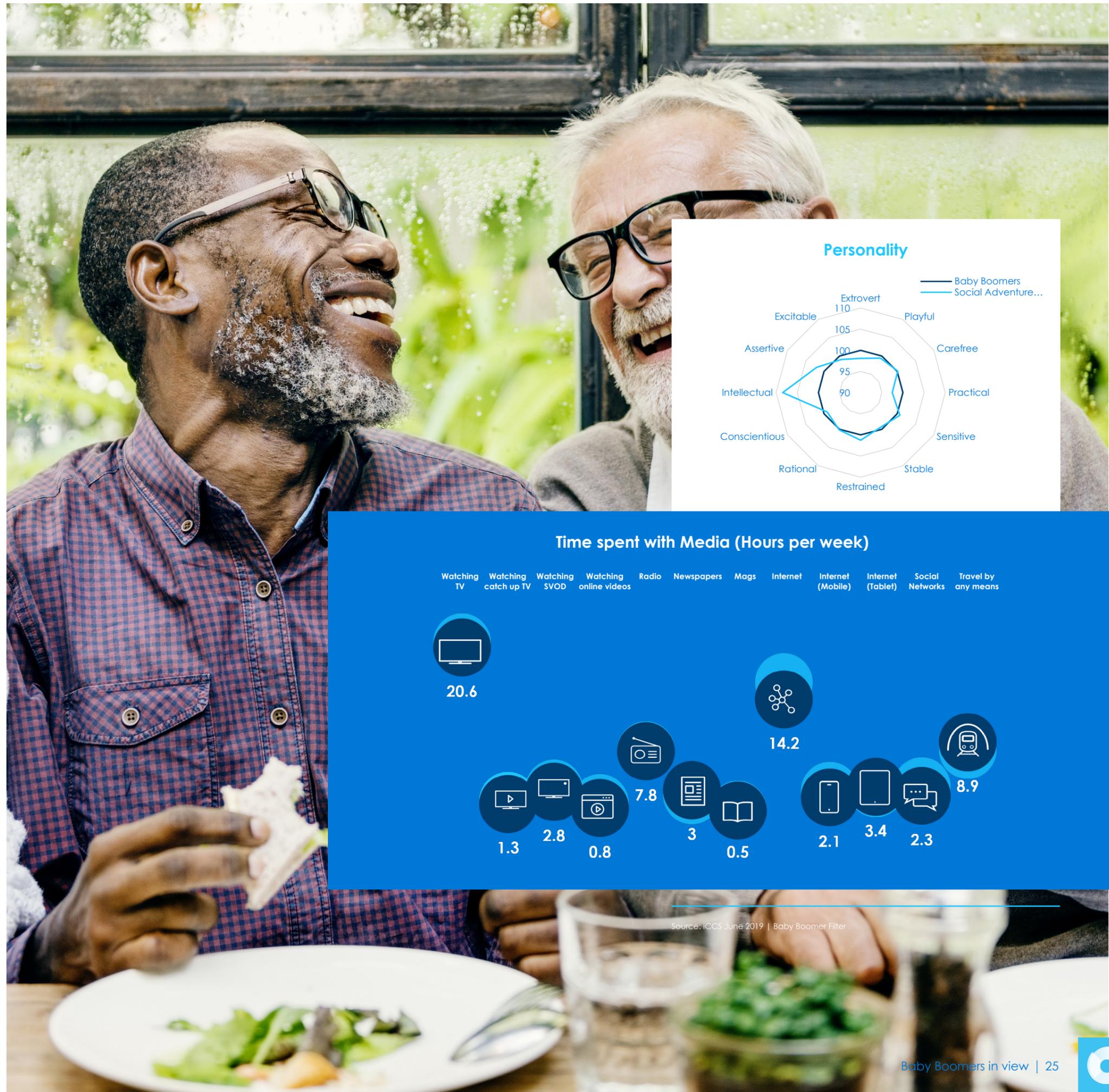
The Basics

- Male**
58.5% ix120
- Employed Full Time**
26.8% ix117
- Married/De Facto**
81.5% ix115
- Metro | Regional**
56.7% ix95 | 35.8% ix88
- Living with partner and children**
22.2% ix117
- Have Diploma or Degree**
48.3% ix111
- \$103.3K HH Income**
Avg \$84.9K



Attitudes & Interests

- "I am very happy with my social life"** 79.7% ix135
"I regularly take active exercise" 78.2% ix148
- Interested in: Finance/Investing** 47.6% ix158
- "I try to go somewhere different on holiday every time"** 75.5% ix159
- Interested in: Politics** 53.8% ix120
- "I always have fun at parties"** 49.3% ix130
- Interested in: Sports** 51.4% ix126



Source: ICCS June 2019 | Baby Boomer Filter





How to engage with Affluent Adventurers across the consumer journey

Winning with the Affluent Adventurer means appealing to their own self-perception.

01. Unlock their emotions with entertainment

Affluent Adventurers are more embracing of advertising than other segments – however, the trade off is that their expectations are higher- they want advertising to be entertaining.

02. Don't underestimate their surprising savviness

They're more likely to compare prices between different brands on a consistent basis, and shopping around to make sure they're getting value.

03. Affluence shapes their brand perception

Despite being surprisingly savvy, they're more likely to believe International brands have status, or to seek well-known brands.

They're also more likely to buy something having seen it on social media, suggesting they can be impulsive for the right brand and positioning.

04. Make their experience convenient purchase

They prefer to have their shopping delivered, they're willing to spend money to save time – and they're receptive to the idea of a connected household.

Design your product or service experience with technology and convenience in mind for this segment.

05. Use their influence strategically

Despite over indexing against seeking advice on technology, holidays and food – the Affluent Adventurers see themselves as the influencer – giving out advice across a range of categories.

Use this influence strategically and aim to win this audience over as a platform for valuable advocacy.

Source: ICSS June 2019 | Affluent Adventurers indexed against Baby Boomer Filter



Spiritual Socialites

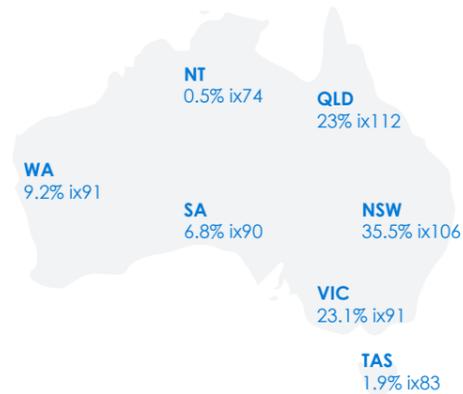
Though comfortable financially, Spiritual Socialites' household income is slightly lower than their generations average. This could be due to their likelihood to live alone, or only working part time. Nonetheless, this doesn't impact their optimistic financial outlook.

Their extroverted personalities shine through in their defining social attitudes, as well as their active involvement in their local communities.

Their hesitancy towards technology aligns with their below average consumption of media across the board, so we must understand how to win with Spiritual Socialites in a way relevant to them.

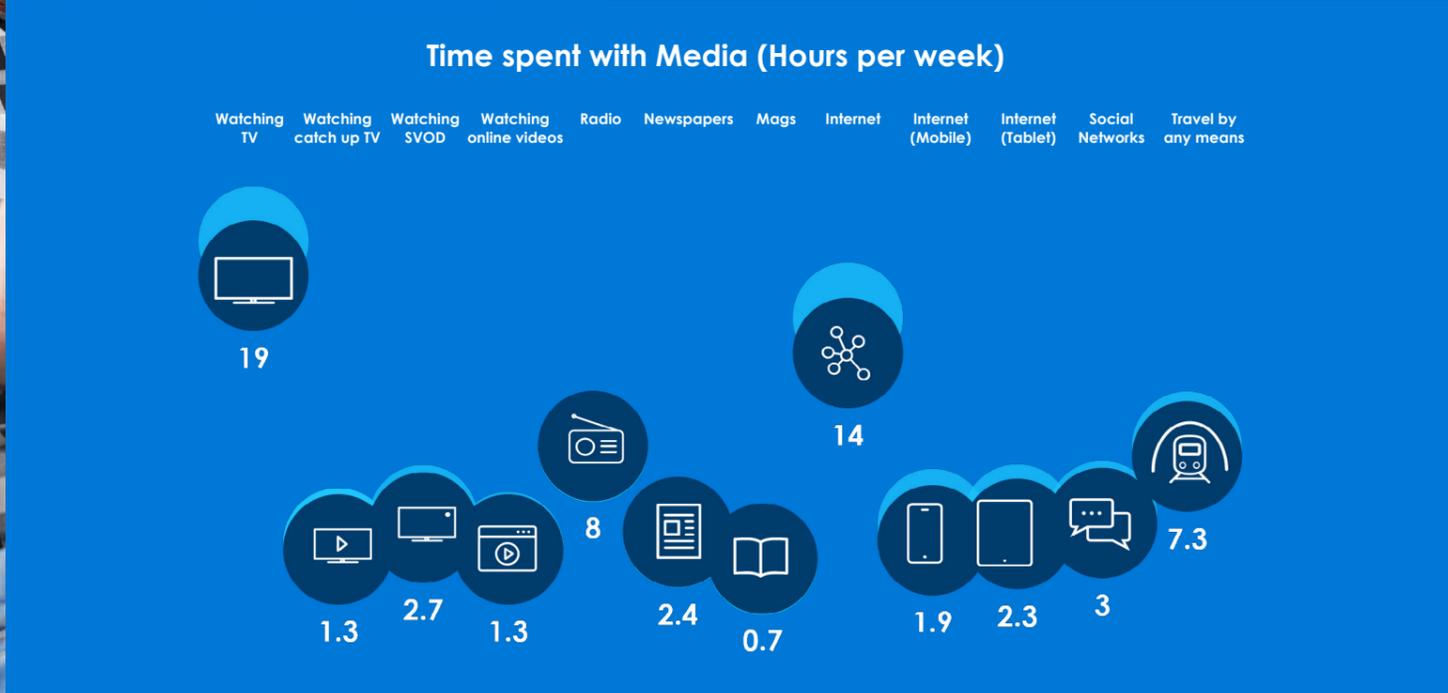
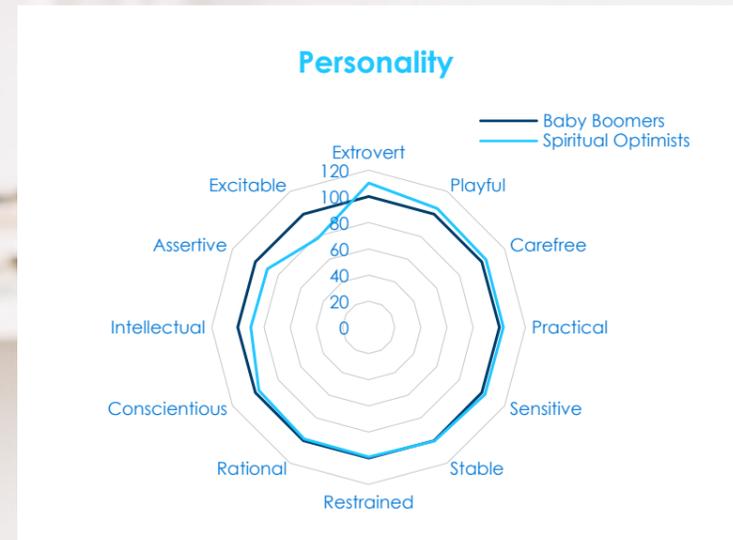
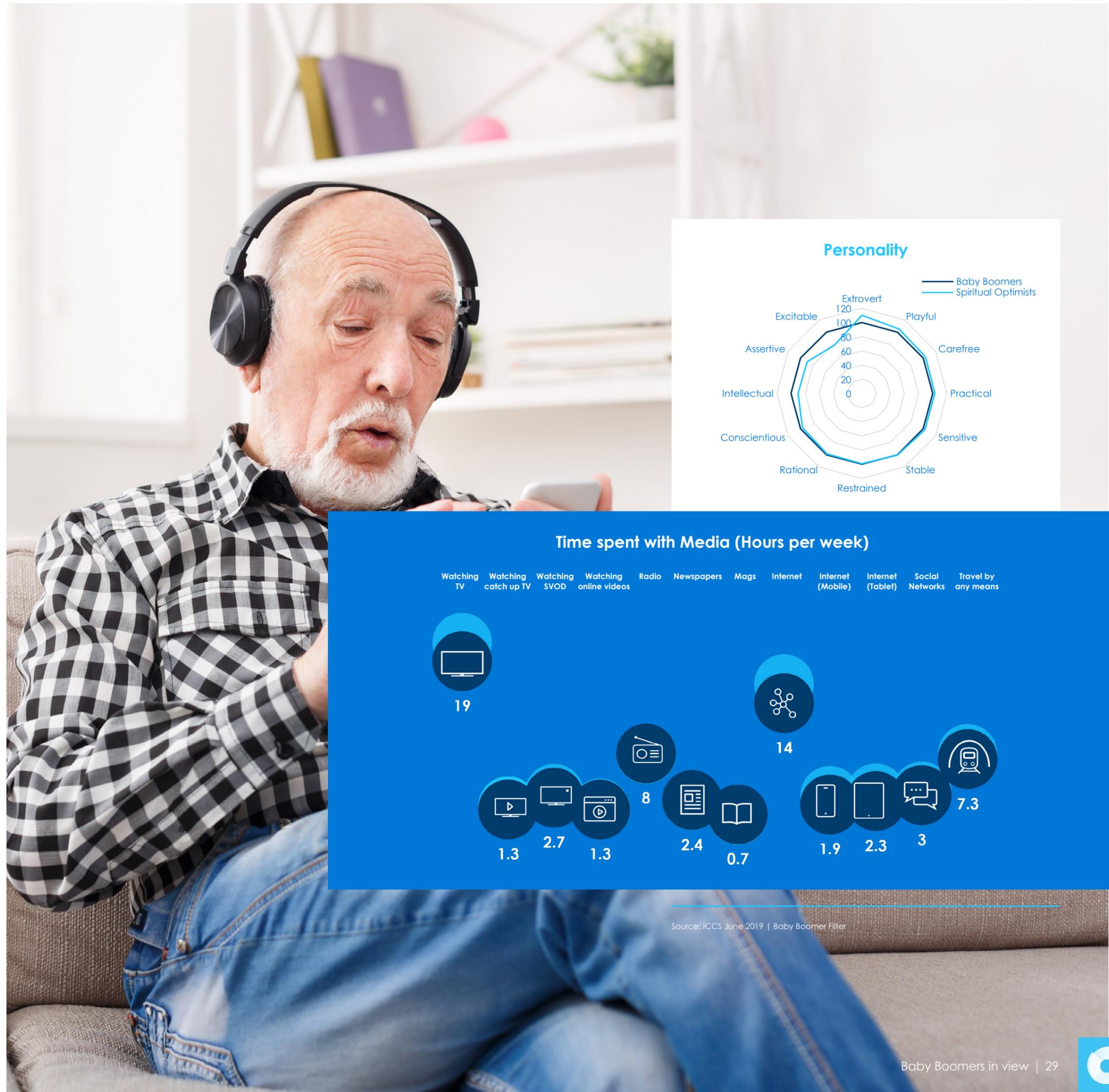
The Basics

- Female**
65.6% ix128
- Employed Part-time**
20.7% ix122
- Married/De Facto**
72.3% ix102
- Metro | Regional**
61.4% ix103 | 38.6% ix95
- Living Alone**
22.1% ix131
- Have Diploma or Degree**
47.8% ix110
- \$80.6K HH Income**
Avg \$84.9K



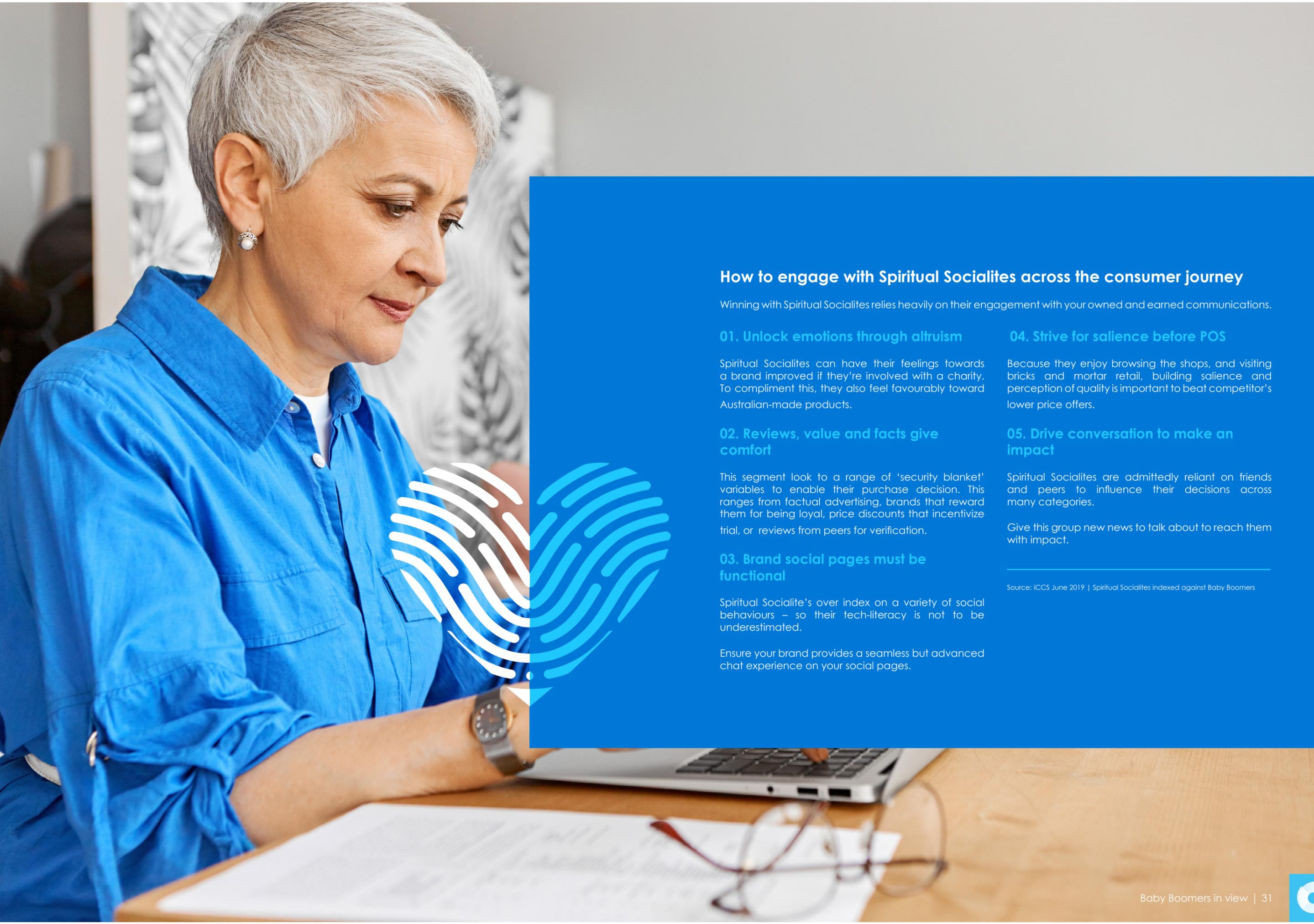
Attitudes & Interests

- "My religion plays an important part of my life"**
76.7% ix330
- "My friends are the most important thing in my life"**
49.3% ix142
- "I like to share my everyday adventures with friends and family"**
61.6% ix130
- Interested in: Healthy Lifestyle**
55% ix115
- "I am very happy with my social life"**
75.6% ix128
- Interested in: History/Heritage**
55.9% ix110



Source: ICCS June 2019 | Baby Boomer Filter





How to engage with Spiritual Socialites across the consumer journey

Winning with Spiritual Socialites relies heavily on their engagement with your owned and earned communications.

01. Unlock emotions through altruism

Spiritual Socialites can have their feelings towards a brand improved if they're involved with a charity. To compliment this, they also feel favourably toward Australian-made products.

02. Reviews, value and facts give comfort

This segment look to a range of 'security blanket' variables to enable their purchase decision. This ranges from factual advertising, brands that reward them for being loyal, price discounts that incentivize trial, or reviews from peers for verification.

03. Brand social pages must be functional

Spiritual Socialite's over index on a variety of social behaviours – so their tech-literacy is not to be underestimated.

Ensure your brand provides a seamless but advanced chat experience on your social pages.

04. Strive for salience before POS

Because they enjoy browsing the shops, and visiting bricks and mortar retail, building salience and perception of quality is important to beat competitor's lower price offers.

05. Drive conversation to make an impact

Spiritual Socialites are admittedly reliant on friends and peers to influence their decisions across many categories.

Give this group new news to talk about to reach them with impact.

Source: iCCS June 2019 | Spiritual Socialites indexed against Baby Boomers



Where to from here?

Across Carat and dentsu, we have many products and services that can help your brand overcome the barriers to effective communications with this cohort.

dentsu

Data Consciousness Project

Understand how this audience feels about sharing their data.



Understand how you can build trust with this audience.

dentsu intelligence

Identify who the most valuable Boomers are for your brand.

CARAT strategy

Design experiences that earn their attention and deliver results.

the story lab

Amplify your brand story by connecting with media partners and influential voices in culture.

dentsu programmatic

Identify how you can reach this audience with precision.

Chat to us

For further information please contact:

Linda Fagerlund
Chief Strategy Officer
Linda.Fagerlund@carat.com

Danni Wright
Head of Strategy & Connections Planning
Danni.Wright@carat.com

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