

2020: Successful Trends for Marketing to the Over 50s

Innovation and old-fashioned hard work will succeed



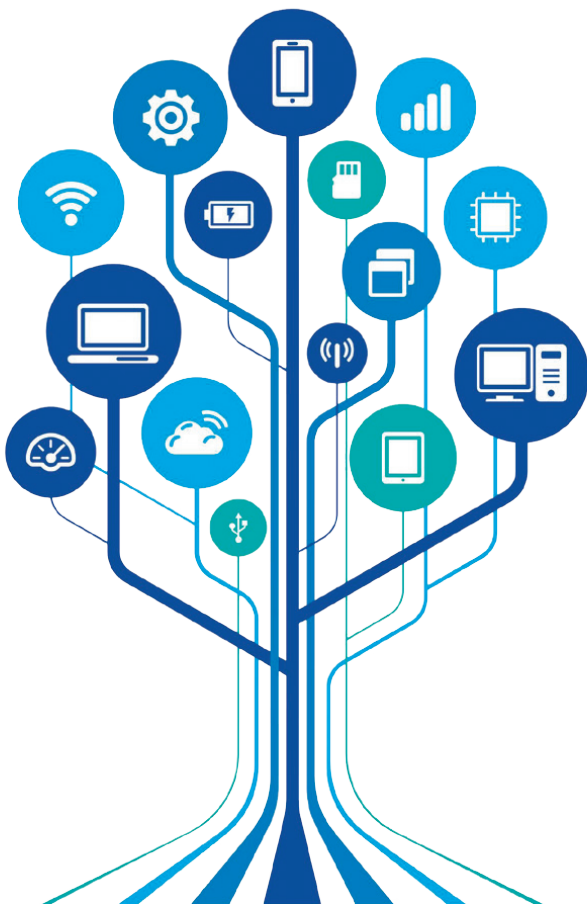
Building on the achievements so far ...

Last year we predicted that the Over 50s market would finally gain recognition in the minds of marketing professionals and agencies - and it certainly has. Looking at the landscape today, it would be a pretty uninformed marketer who still thinks that the Over 50s market is not important. So where will this positive development progress to in 2020?



Main trends:

- Better Segmentation of the Over 50s demographic and the birth of the so-called 'New Gen Retiree'.
- Agencies will come under pressure to come up to speed with marketing to the older demographic.
- Investment in branding campaigns will increase for this demographic as they tend to base buying habits more on trust than price sensitivity.
- Print, digital and video all made advances last year. 2020 will see innovation in making these three media types work together more seamlessly.
- Podcast and websites, may or may not be important for marketing to this demographic, depending upon the relevance and quality of content that marketers develop.
- Storytelling will remain as the preferred way forward for copywriters, but their skills will have to improve significantly to meet the expectations of the Over 50s, Active Retirees and Seniors, all of whom grew up with stories that carried depth, emotion and thoughtful moments.



Better segmentation – Birth of the “New Gen Retiree”

As we start the year, we can already see that marketers have moved beyond just realising that the Over 50s market is important to actually focusing time, resources and campaigns to this sector.

One of the most important signs of this is that significant research is being done in terms of segmentation. The so-called ‘baby boomer’

terminology is becoming redundant in marketing because it is not granular enough. This age group is not homogenous – what the 57-year-old wants is very different from somebody just three years older as a 60-year-old and worlds apart from a 75-year-old’s requirements. It is not just age that is important. Lifestyles, gender expectations and socio

economic variables are just as significant for segmenting older markets as they are for younger ones.

The terms, “Active Retiree” and “New Gen Retiree” are emerging to describe the population between 65 to 75 who do not think, act, live or spend like their counterparts of past generations.

Agencies in a hard place – but there is opportunity in 2020

The hard work on segmentation research and changing mindsets about ageing, came mostly from the affected companies themselves and not from the agencies who serve them. To that extent, it was a missed opportunity by agencies who are already suffering from the less than happy results of past campaigns in this sector and the continuing disintermediation in the advertising industry.

There is an opportunity in 2020, however, for agencies

to get back into the driving seat to some extent, by demonstrating increased specialisation and by helping clients to develop strategies that directly target particular segments of the older demographic.

From agencies therefore, in 2020 we can expect some serious investment in education and training for their teams to better understand the Over 50s, Active Retirees and Seniors, so that the agency can deliver more granular and

sophisticated marketing strategies. A word of caution though – 2020 is probably the last and final opportunity for agencies to prove their understanding and skill sets to serve their clients who are already fully invested in serving the older demographic far better than in the past. Clients are increasingly becoming impatient with agencies that are not delivering better results than those that can be achieved in-house.

Branding Revival

The Over 50s, Active Retiree and Seniors segments do appear to have an important attribute in common - they are slower to change brands than younger consumers. However, the reasoning for this is often misunderstood by marketers who believe that older consumers are naturally more “Brand Loyal”. Unfortunately, this is a bit of self-delusion. It is more likely that older consumers are less price sensitive and therefore do not switch and change in a world dominated

by price competition in consumer goods. In other words, older consumers are not going to change a lifetime habit for a measly 5% or 10% discount, but if a company offers a genuinely different brand proposition in terms of reputation, trust and alignment of values, then brand switching will happen.

So what does this mean for 2020? There will be a back-to-basics trend in terms of understanding the various older consumer segments and

creating value propositions that truly align with the expectations and values of those consumer segments.

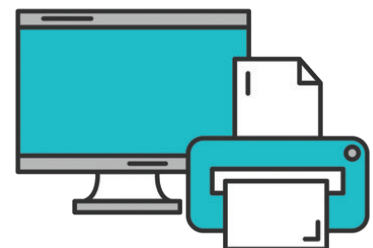
In 2020, we will see significant investment in branding and perhaps even product development, in order to demonstrate a company's alignment with older consumers. Campaigns wholly focused on trying to generate immediate sales and other urgent calls to action, are likely to decline for this age group.

Print, Video and Digital will work better together to build trust

Innovative cross-media messaging and partnerships will dominate marketing campaigns aimed at the older demographic in 2020. In particular, you can expect to see more print and video integration. This is because it is now well established that the older generation from around 60 onwards, finds print to be the most credible and trusted medium. They also like the touch and feel

of print and the fact that you do not need a device, a password, a wi-fi connection or a battery life to access information.

Videos will get an additional boost because they lend themselves so easily to the trend towards ‘story telling,’ as part of marketing strategies today.



Back to school on storytelling

Whatever the medium of communication or advertising that is used, it is now broadly accepted that consumers prefer stories to slick copy or smart taglines. This is especially true of the older demographic of consumers. If the smart tagline is within the story that's fine, but standalone 'clever' copy is generally disliked and could scuttle an otherwise well-

planned marketing campaign. Unfortunately, although the importance of storytelling is well accepted in principle, the implementation has been left to "copywriters" who are schooled in producing "copy" and "content", whilst the consumer is looking for the traditional story that brings empathy, emotion, hope and the occasional surprise in a realistic setting. That's a big

ask. While we can expect improvements in story telling skills and quality in 2020, it is not going to be overnight and many content producers will struggle with it. Consequently, 2020 could even see a small resurgence in demand for traditional writers and authors of scripts and prose who are not so driven by seo-friendly content and key words.



What about podcasts?

We are undecided about this and only time will tell. Even though podcasts seemed to be emerging as the flavour of the month towards the end of last year, the main support was coming from younger listeners. This may be because recent podcast content has been dominated by topics about self-improvement, business challenges or career skills. Podcasts may

make more of an impact with the 60+ consumers if there are more topics around travel adventures, health and wellbeing or simple entertainment. For now, it is very hard to beat the visual and audio duality of videos for the 60+ crowd and this is where we expect there will be more innovation and action in 2020.



Websites and EDMs? Well ...it depends...

So where will traditional digital such as websites and EDM's come in? Like other age groups, a large proportion of older consumers are quite happy to go on-line to get really detailed and competitive pricing information about a product they are considering buying. The ease of digital transactions is also getting more traction with the older demographic particularly in the 50 to 70-year-old segment.

However, another major security breach in 2020 could easily escalate the distrust in digital shopping and payment systems. According to Deloitte's 8th Annual Media Consumer Survey 78% of Australians surveyed did not think that companies adequately protect their personal data. That's a very shallow bucket of trust and if digital marketing at a personalised level is to make real steps forward, this

challenge will have to be addressed first and so the Travelex security breach at the end of last December does not bode well. Perhaps by 2021 we might see some real headway in this direction.



Attribution will have to make more sense in 2020!

The last decade was dominated by the mantra of, "Don't invest in campaigns unless you can measure results to the nth degree." However, 2019 saw some hard questions being asked about the quality of digital attribution methods and the desirability of basing marketing investment decisions purely on measurability rather than sales results.

One attribution method which has not stood the test of logic and is unlikely to survive 2020, is the so-called "Last Touch Attribution" protocol of attributing a lead or an inquiry to the most recent source of a consumer click. This just does not make sense, especially with the older demographic who we know first like to learn and read about products and services in print in their own time, but may then go on-line to do further research,

get an address, make an appointment, request a call or buy. 2020 will bring more scrutiny on marketing decisions that are based on activity measurements rather than result based evidence. This could well be part of the learning and education that agencies have to invest in for their teams who have been brought up with the flawed, but still common wisdom, of measuring clicks rather than sales.

2020: Marketing Finally Catching Up

Overall, 2020 will build on the trends of 2019 in a very positive way in terms of marketing to the over 50s. The days of poorly slapped together campaigns based on stereotypes are over. In 2020, marketing will develop in nuance, sophistication and success with the Over 50s, Active Retirees and Seniors. But none of this will come easily. The challenges will be in continuing education; integrating video, digital and print channels; reviving

storytelling skills in the industry and reinventing brands to demonstrate real connections and understanding of the Over 50s, Active Retirees and Seniors.

It's going to be a year of hard work, dedication and innovation for those who want success in marketing to the older demographic.

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Book
For Active Retirees & Seniors

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