THE BOOMER BRAIN
NEURO INSIGHTS FOR MARKETING TO THE BABY BOOMER GENERATION

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WHO ARE BOOMERS?
THE “PIG IN THE PYTHON” GENERATION
Global demographic trends

THE GLOBAL POPULATION IS AGING
due to declines in fertility and mortality rates

THE OLDER POPULATION IS EXPECTED TO TRIPLE IN SIZE
to approximately 2 billion during the next half century

THE YOUNG-OLD BALANCE IS SHIFTING
50% of U.S. Adult population will be aged 50+ by 2017

LABOR FORCE PARTICIPATION AMONG THE OLDER POPULATION IS DECLINING
around the globe, and more so in more developed regions. Despite declines, there is an increase in female share of the older work force

BOOMERS ARE 80 MILLION STRONG IN THE U.S.
Proportionately similar in Canada and the rest of the developed world

BABY BOOMERS: PEOPLE
BORN BETWEEN 1946-1964

In 2010, approximately 98 million US consumers were aged 50+

BOOMERS ARE WELL-HEELED

...and becoming more so

BABY BOOMERS STATS:

63% OF BOOMER HOUSEHOLDS HAVE AT LEAST ONE PERSON WORKING IN FIVE YEARS, U.S. ADULTS 50+ WILL CONTROL 70% OF THE COUNTRY’S DISPOSABLE INCOME.

BOOMERS IN THE U.S. STAND TO INHERIT $15 TRILLION IN THE NEXT TWENTY YEARS.
BOOMERS ARE SPENDING FREELY

...a trend that will continue or accelerate

![Circles showing spending distribution](image)

- **CPG Sales**
  - Baby Boomers: 51%
  - Other: 49%

- **Wireless Home Network**
  - Baby Boomers: 60%
  - Other: 40%

- **Premium Travel**
  - Baby Boomers: 80%
  - Other: 20%

- **Apple Computers**
  - Baby Boomers: 59%
  - Other: 41%

BOOMERS ARE ONLINE – A LOT
...connectivity will only increase

33% OF BOOMERS SHOP ONLINE
The 50+ segment spends almost $7 billion online in the U.S.

71% OF BOOMERS GO ONLINE DAILY

53% OF BOOMERS ARE ON FACEBOOK

BOOMERS REPRESENT 33% OF INTERNET USERS

BUT THEY’RE STILL WATCHING TV

..but their viewing habits will accommodate 3+ screens with the general population

BOOMERS WATCH 174 HOURS OF TV PER MONTH
Television viewership increases with age

BOOMERS DRIVE THE TOP SHOWS
Six of the top ten TV shows are dominated by the viewers aged 50-64

TRADITIONAL BIAS
..create an opportunity.

MARKETERS TRADITIONALLY FOCUS ON THE YOUTH
Lured by the prospect of a younger consumer, marketers continually focus on the 18-49 age segment
BOOMERS BRAINS ARE AGING

...basic research documents real changes even in the healthy cohort

- The brain continues to evolve and change even past the age of 60
- Brain atrophy occurs with normal aging
  - This occurs as a result of shrinking neurons, rather than as a loss of neurons
  - Atrophy doesn’t occur consistently in all brain regions. For example, it is more pronounced in the frontal lobe
- White matter changes (resulting in diminished neural pathways)
- Neurotransmitter systems decline
AND CONTINUING TO EVOLVE

...the changes come with new opportunities in marketing strategy

THE MATURE BRAIN

- Able to holistically process many concepts and see the big picture
- More even-keeled and emotionally balanced
- Ability for sustained attention is maintained

In fact, new research shows the brain has a high degree of plasticity and can regenerate and establish new neural connections, even very late in life

Quigley, C, Andersen, SK, Muller, MM. “Keeping focused: sustained selective visual attention is maintained in healthy old age.” Brain Research. 2012; 1469: 24-34.
UNDERSTANDING THE BRAIN OF THE MATURE CONSUMER
TRADITIONAL CONSUMER INSIGHTS MODEL

Does it tell the whole story?

Market Data
- POS
- Panel

Consumer Data
- Focus Groups
- Questionnaires

A Complete View of the Consumer

ASSUMPTION
Consumers are able to fully comprehend, access, and articulate their thoughts and feelings
WE CAN ALWAYS CHOOSE TO “THINK”
WE JUST OFTEN DON’T NEED TO ...

Two decision-making “systems” in the brain*

Intuitive (“System 1”) Thinking
- Fast
- Parallel
- Effortless
- Associative
- Emotionally-charged

*As described by Daniel Kahneman, in his Nobel Prize for Economics acceptance speech, 2003.

Rational (“System 2”) Thinking
- Slow
- Serial
- Effortful
- Rule-governed
- Non-emotional

Used for tasks like watching ads and making most day to day purchase decisions

Used for tasks like taking tests and filling out questionnaires
NEUROSCIENCE CAN ACCESS UNARTICULATED, INTUITIVE RESPONSES TO MARKETING MESSAGES

Up to 32 sensors collect data over 500 times every second to fully capture activity across all brain regions.

Eye-tracking to pinpoint hot zones.

High resolution dense-array EEG measures brain response.
NEUROSCIENCE MAY HELP COMPLETE THE PICTURE

Market Data
- POS
- Panel

Consumer Data
- Focus Groups
- Questionnaires

Implicit Consumer Data
- Non-conscious
- Physiological Reactions

A MORE Complete View of the Consumer
MARKETING TO THE MATURE BRAIN
MARKETING TO THE MATURE BRAIN

...acknowledge their strengths

UNDERSTAND THE MATURE BRAIN
60 year olds are still themselves, but they process information differently than when they were 20

CONCENTRATE ON BOOMERS’ ADVANTAGES
Older adults like to feel good about who they are and how far they’ve come

DON’T EMPHASIZE THE GENERATION GAP
Studies show that emphasizing the generation gap can backfire

Acknowledge their point in life, but don’t overdo the “senior” status

PRECISION MARKETING MATTERS FOR BOOMERS

...success in targeting this group requires recognizing their heterogeneity

• Boomers cannot be easily classified by stereotypes
  • Some are brand loyalists ("old habits die hard")
  • Others are open-minded and eager to discover new things
• In actuality, Boomers are dynamic consumers
  • Boomers’ brand loyalty levels are the same as other age groups
  • Brand loyalty is influenced more by household size/need than predisposition
  • They are no more likely to compare prices or use coupons than other consumers
TALK TO THE “REAL ME”

...Mid-life crises disrupt traditional gender stereotypes

“Mid-life crises” can occur between the ages of 40-60, during which:

- **WOMEN MAY BECOME MORE FOCUSED ON THEMSELVES**
  Though women are traditionally more nurturing, they may now return to school, change careers or start a business.

- **MEN MAY BECOME MORE NURTURING**
  Though men are traditionally more driven by a need to show success (stereotype: sports car purchase), many men will get more in touch with their “feminine” side.

Gender-based marketing should reflect these changing tendencies and avoid stereotypes.

ACCENTUATE THE POSITIVE

MATURE BRAINS EXPERIENCE FEWER NEGATIVE EMOTIONS AND HAVE MORE CONTROL WHEN THEY DO

- In mature brain, the amygdala (an emotional center in the brain) tends to be active only when viewing positive images
  - Negative images tend to be overlooked unless immediately relevant
- “Preferential processing” can lead some mature brains to overlook negative messaging
  - Over time, directions such as “do not take with juice” can be recalled as “take with juice”

Present positive imagery, avoid “negative modifiers” in messaging

SPEAK TO THEIR EMOTIONAL INTELLIGENCE

...age brings wisdom and perspective

• Boomers have a more positive emotional bias than young adults
  • Life experience endows mature brains with high emotional resilience
    • A “don’t sweat the small stuff” mentality protects against alarm messaging like “last chance to buy!”
  • Wisdom—“emotional intelligence”—is reflected in greater capabilities including:
    • Reorganizing priorities
    • Enhanced compensation strategies
    • Effective intervention tools

Emphasize upbeat messaging, and acknowledge gains (not their losses)

FOCUS ON THE FAMILIAR
...ease-of-processing brings trust and acceptance

IT IS EASIER FOR THE BRAIN TO PROCESS INFORMATION THAT IT IS FAMILIAR WITH

MEMORY DEFICITS CAN LEAD THE MATURE BRAIN TO BELIEVE THAT FAMILIAR INFORMATION IS TRUE.
For example, “I’ve heard that before, so it’s likely to be true.”

Repetition of core message points can help the mature brain to process and recall them

SUPPRESS DISTRACTIONS

...increase signal, decrease noise

OLD THEORY

X

For years, the working theory was that there is simply a decline in the ability to store things in long-term memory

NEW FINDING

THE AGING BRAIN IS ACTUALLY IMPACTED BY THE DECLINING ABILITY TO SUPPRESS DISTRACTIONS

Emphasize clean, distraction-free messaging
Avoid simultaneous stimuli like multiple sounds, and scrolling screens

CREATE TOT TRIGGERS

...and avoid hard-to-interpret names for new products and services

MATURE BRAINS CAN STRUGGLE WITH TOT
THEY CAN’T RECALL WHAT IS ON THE “TIP-OF-[THEIR]-TONGUE”

MATURE BRAINS ARE GREAT AT SUSTAINING ATTENTION
THIS ALLOWS MATURE BRAINS TO ABSORB MORE OF A MESSAGING SITUATION

Help combat TOT by creating mnemonic triggers for your brand or product

REMEMBER GENDERS

...men and women can respond differently to messaging, regardless of age

WOMEN RESPOND WELL TO TEXT-BASED ADS

MEN STRONGLY PREFER IMAGERY-FOCUSED ADS

THE FOREST FOR THE TREES

...keep the core message front and center

DIFFICULTY WITH GESTALT PERCEPTION

THE AGING BRAIN MAY HAVE DIFFICULTY WITH “GESTALT PERCEPTION” – THE ABILITY TO DISTINGUISH THAT MANY SIMILAR ITEMS ARE PART OF A LARGER WHOLE

SIMPLIFY GRAPHICS

AVOID PRESENTING THE MATURE BRAIN WITH TOO COMPLEX OF A VISUAL PRESENTATION

USE POP-OUTS IN TEXT BLOCKS TO MAKE KEY PHRASES EASY TO PROCESS

BOOMERS IGNORE BORDERS

...core communications are crucial

BOOMERS OFTEN IGNORE THE BORDERS OF A TV AD

This is particularly true when the ad is busy or there is a lot of motion

Do not relegate important content to the edge of the ad
BOOMERS IGNORE CLUTTER

...keep it simple

CLUTTERED PRINT ARE DISTRACTING

CLUTTERED ADS CAN CAUSE
THE BOOMER BRAIN TO
IGNORE LARGE AREAS OF AN AD,
SOMETIMES UP TO 50%.

MARKETING TO THE MATURE BRAIN

- BE POSITIVE
- KEEP IT SIMPLE
- DON'T STEREOTYPE
- MAKE IT MEMORABLE
HOW TO CONNECT WITH THE FASTEST GROWING ONLINE SEGMENT AND TRACK SUCCESS

David Cravit
Vice President, ZoomerMedia
CONTENTS
• The numbers should make it obvious by now, but just in case...
• Boomers have always loved tech
• What are they looking for?
• What should you do about it?
  – Messaging
  – Tracking
THE NUMBERS SHOULD MAKE IT OBVIOUS BY NOW, BUT JUST IN CASE...

- 9.4 million Boomers and seniors (collectively, 45+) visited websites in the past month
- Spent $1.3 billion online in the past year
- Highest growth rate in social media
  - Nielsen 2011 vs 2012
THE NUMBERS SHOULD MAKE IT OBVIOUS BY NOW, BUT JUST IN CASE…

- Highest mobile growth rate on Facebook
  - comScore 2011 vs. 2012
BUT WHY IS ANY OF THIS A SURPRISE?

• Boomers have *always* loved tech
• Never been technophobes
• Yuppies of the 1970s
  – Conspicuous consumption
  – New brands – e.g., BMW, Sony
  – First cell phones – shoe, flip
  – If it was new, Boomers were interested – why would they stop now?
THE “REINVENTION” OF AGING

- Impossible to understand their interest in/usage of digital media without first understanding their attitude to life
- Living longer, living better
- Attitudes and behaviors different than any previous generation of the same age
- Key drivers
  - “I’m not getting off the stage”
  - “I have plenty of time left and lots to do”
  - “I’m in charge of my own future”
WHAT ARE THEY LOOKING FOR?

• Above all, information
  – Products, services, news and ideas that will enable living longer and living better
  – Tech is a means to an end, not just “cool” for its own sake
  – “What’s in it for me?”
WHAT ARE THEY LOOKING FOR?

• Key topics of interest

  Health

  Money (including employment)

  Travel

  Food, wine, entertainment (recipes)

  Reinvention and retirement – “What’s next?”
WHAT ARE THEY LOOKING FOR?

• Key usages of digital media
  – Research
  – Shopping
  – Exchange of ideas
  – Connections, relationships
  – Growing importance of mobile
    – Apps that promote health, security
    – Recreational apps for tablets (brain health)
WHAT SHOULD YOU DO ABOUT IT?

• Messaging “do’s”
  – Relevance
    – Why is your story important? What’s the benefit of your product/service? How is it relevant to their needs/wants/lifestyles?
  – Context
    – Place your message alongside information they are already seeking and finding
    – Branded content – created more focused microsites, rather than have them wandering around your main site looking for what’s relevant to them
  – Feedback
    – They like polls, surveys, forums, opportunities to express their ideas
    – Downloadable reports, coupons
WHAT SHOULD YOU DO ABOUT IT?

• Messaging “don’ts”
  – The biggest sin: being patronizing or condescending, especially about the technology
  – Unspoken message: “This is probably too tricky for you”
  – Always stress the benefit of the content, rather than the “coolness” of how it is being delivered
  – Don’t show them as old or helpless
WHAT SHOULD YOU DO ABOUT IT?

• Tracking
  – Set tough performance metrics, with an emphasis on hard rather than soft objectives
    – Funnel – clicks, downloads, purchases
    – Willingness to subscribe to your e-promotions
  – This includes research
    – Don’t settle for “awareness” – zero in on “relevance”
      – Do they “get” why your brand/product/service is relevant to their lifestyle?
  – Remember: they are the most accomplished players in the marketplace, when it comes to tuning out your message
    – Very unsentimental about brand choices – willing to switch to something better
    – Very demanding
THE DIGITAL PARADOX

• Hugh breakthroughs in tech...
• Only to arrive at marketing as it was 60 years ago
  – The ability to figure out why your product/service matters
  – The ability to tell a compelling story
• It may be “cool,” but it’s still just marketing – especially when it comes to Boomers
  – Don’t fall in love with the media or the method – keep your eye on the story