<u>CHAPTER ONE</u>

Why Companies and Ad Agencies Need Baby Boomers

THIS BOOK IS NOT A "WHO DUNNIT?" It's a business book. If there is a mystery to unravel, I'll lay it all out in front of you before the end of this chapter. It's also not a pedantic history book—but stick with me for a bit.

Advertising and marketing weren't always as complicated as they are today. For various reasons (cultural, economic, political) many demographic groups were completely ignored. The conventional (and unspoken) wisdom was, "Why market to them? We reach them and they have to buy products anyway. So why sully our ads with nonwhite folks, except as comic foils?"

Without too much debate, you could pretty much break down targeted demographics in the first decades of the 20th century this way:

¹ Steve Gillon, Boomer Nation: The Largest and Richest Generation Ever, and How It Changed America (New York: Free Press, 2004)

- Young
- Old
- Male
- Female
- Rich
- Middle Class
- City
- Country
- ... and all White.

Mix and match for cohorts.

If I were to make a list of all the markets and their cohorts today it would go on for ten pages. There are hundreds of marketing books for hundreds of identified demographics, numerous books for each cohort within these markets.

Things have changed, all for the better—culturally and economically. However, a strange thing happened during this constructive inclusion of targeted social groups. Each generation of advertisers developed its own versions of yesteryear's myopia and conceit.

While advertising agencies were never a healthy blend of gender and ethnicity until recently (and many still believe quite correctly that it isn't quite perfect yet), agencies of the past were usually an effective mixture of young, middle-aged, and old. Creative directors, copywriters, and graphic artists could be any age. Smart account execs assigned accounts to creatives based on their age and cultural strengths.

Of course, it was tough to assign creatives based on their ages and cultural strengths if your target market wore diapers or shot spitballs out of straws. But after World War II they did what they could as babies were being born by the millions.

That would be the Baby Boomers (and would include Yours Truly). Because of our numbers, we were bunched together and ruthlessly targeted beginning in the early Fifties. The toy business turned into big business. Upon becoming teenagers in the late Fifties and early Sixties, we were still trusting, non-judgmental marketing fodder. But something happened in the middle- and late-Sixties. Ad agencies started to get it wrong. Cultural revolutions were happening in and around their precious Baby Boomer target market, and things became a bit chaotic and very confusing. Whether we as individuals jumped into the fray or not, took sides or not, didn't matter. We were affected. And we weren't buying into much of what Madison Avenue was offering. Out-of-touch adults weren't reaching us.

When future historians look back at the contribution made by the Boomer generation, they will no doubt place the expansion of individual freedom at the top of the list of achievements. Boomers not only cheered on the civil rights movement, they spearheaded the feminist cause in the 1970s, and fought for a host of new rights and responsibilities—not just gay rights, handicapped rights, the right to privacy, but the responsibility of everyone to participate in the economy, or more generally just to become engaged in the culture—that changed the tone and character of modern life.

-Steve Gillon, Boomer Nation

Partly to save their hides, ad agencies turned their creative departments over to twenty-somethings. The sheer size of Baby Boomers made them *the* market—composed of scores of unwieldy cohorts. By attrition, this would have occurred naturally. It just happened ten or fifteen years sooner than with previous generations coming of age.

Barely out of college, Baby Boomers were in control of marketing and advertising to themselves—and became successful at it. After all, we knew the market.

Most of the advertising campaigns were pure gut, spiked with brash creativity. Not much studying of unfamiliar demographics required. Just being *young* was enough. You could slice and dice the cohorts if you had nothing better to do—but the common denominator was that we were all in our late teens to early thirties (that infamous 18–34 age bracket). We were all young. Market and advertise to *that*. Whites, African-Americans, Latinos, Asians—all young. What else did we need to know?

Boomers were the largest demographic, the primary target. Conventional wisdom: "All others (kids, older people) were simply niche markets. Why market to them? Besides, we reach older folks and they have to buy products anyway. So why sully our ads with old people and kids, except as comic foils?" (Think *Mr.Whipple*, "*Where's the beef*?" *Rodney Allan Rippy, Mikey*)

But over the last fifteen years, two concurrent cultural revolutions have happened. They weren't as dramatic as the ones of the Sixties, but the repercussions have been and will be profound.

The first was the breakup of mass media. Not of the ownership those battles are still being fought in and around the FCC. This "breakup" had to do with the multitudinous choices we now have for information and entertainment.

We don't all watch the same three television stations anymore. We don't all read the same newspapers and magazines (on the internet or in print). Media outlets have grown exponentially, and have their own audience "cohorts."

I'll leave this first revolution alone. It bleeds into the next, but is not the subject of this book. There are many excellent ones that deal with media and multi-cultural marketing.

The second very slow, imperceptible revolution had to do with age. That huge, seemingly amorphous group, those irrepressible Baby Boomers, kept getting older. We're now in our forties and fifties.

Due to our sheer numbers, and because we expanded and kept the economy thriving through our twenties and thirties, Baby Boomers are now the richest generation in history. Not all of us but as a whole. We continue to be *the* most powerful, influential socioeconomic group.

This big and growing over-45 segment of the population is also the most affluent. Collectively, those 46 and older control more than half of the nation's discretionary income.

-The New York Times²

² Gilpin, Kenneth, "Selling to 45-Plus Generation: That's Where the Money Is," The New York Times, December 1, 2003

By 2005, 38 million boomers will be 50 or older. While mature Americans make up 35 percent of the population, they have more than 75 percent of the financial assets and nearly 60 percent of the discretionary income. In the marketplace, that makes them the 800-pound gorilla.

-The Hartford Courant³

According to data collected by the U.S. Census and Federal Reserve, the 78 million Americans who were 50 or older as of 2001 controlled \$28 trillion, or 67% of the country's wealth.

-Brent Green, Advertising and Marketing Review⁴

Along the way, there was a major marketing disconnect. We're still the largest and richest demographic—but as far as advertising agencies are concerned, we're off the radar.

How did this happen?

Baby Boomers who worked in the advertising industry have moved on; partly by choice, partly by design. In many cases we've been kicked out or kicked upstairs. Natural attrition. It was meant to be. It's the normal course of events.

We have left a positive and important legacy in the marketing and advertising worlds: racial and ethnic inclusion, lifestyle inclusion, tons more perceived markets.

But we also left advertising agencies the "Youth Culture."

The conventional wisdom today: "Why market to Baby Boomers? We reach them anyway. And they have to buy products anyway. So why sully our ads with middle-aged folks, except as comic foils?"

We taught them too well.

Advertising agencies are image-conscious and want to be "hip" (again, residue from Baby Boomers). Not only do they *not* want to market to Baby Boomers—they simply want to do what they do best: *market to themselves*. They certainly don't want to be known as an agency that markets to "older folks" (The Geritol Syndrome).

Again, we taught them too well.

^{3 &}quot;Boomers Influence Home Products, Hartford Courant, April 6, 2004.

⁴ Green, Brent, "Boomers: Toward a Higher Marketing Consciousness," Advertising & Marketing Review, June 2004.

So you don't think this chapter is completely self-serving: A few years ago I was approached by a small company that produced video games. I pretty much said to them, "Why are you interested in me doing creative strategy and copywriting? I'm fifty-one. Find an ad agency that has some young copywriters who know more about these types of products, understand the youth culture today, and can really write and advertise to your market." And I sent them to a couple of small local ad agencies.

The point is, when marketing and advertising to Baby Boomers, don't trust anybody under forty.

Unfortunately, you won't find too many people *over* forty in advertising agencies.

The Elephant in the Room

I've simplified things to make some points. They are valid points, however. I've also bundled Baby Boomers with various social and ethnic groups, possibly giving the impression that we have become "victims" like they once were (and some still are). Nothing could be further from the truth. I simply want to explain why advertising agencies now consider us invisible. But we're more than simply invisible. We're the elephant in the room that everybody ignores. Actually, we're the *Cash Cow* everybody ignores. Big mistake.

Again, straining the definition of "victim," who are the victims?

Baby Boomers? Not at all. We've done okay for ourselves. Like all generations we've achieved a great deal, fell short in some ways and because we're still an active bunch we have many more chances to achieve, more chances to fail. Our history is far from being written.

Advertising agencies? A trillion-dollar industry is not a victim. They're just bloated, satisfied, and because nobody is pushing them to change, they're sitting pretty.

The "victims" are the tens of thousands of companies, large and small, who have products and services for the consumer market. When a company hires an advertising agency, it's a good bet that they are *not* getting their money's worth.

The Giant Leap

Today's advertising industry needs a minor revolution. Talented men and women in their forties and fifties need to be brought back into the fold if you want to reach Baby Boomers. This includes account executives, copywriters, graphic artists, producers, directors, creative directors. If you plan on implementing a marketing strategy that includes Baby Boomers as a primary, secondary, or tertiary market, and you turn it over to a different generation of advertising professionals, you will forfeit the natural sensibilities required to generate vital campaigns.

Truth is, you can analyze marketing fodder all day and night, read countless books about marketing to Baby Boomers, attend advertising and marketing conventions around the world, and soak up everything all the experts have to say. Much of what is out there is valuable and useful. Some is required reading (I'll talk about a few later on in chapter twenty. But the bottom line is this: If the right people aren't in the right jobs—well, you know what happens. What happens is what happens in all arenas of business: failure and (sometimes even worse) mediocrity.

"They buy products anyway . . . "

Sure "they" do. But do they buy *your* products instead of the competition's?

Advertising agencies write off *your potential target market* because they don't know how to advertise to Baby Boomers anymore than I know how to reach a teenager or young adult who wriggles and zigzags around in his or her chair, punching, skidding, and spastically rattling something I believe is referred to as a *joystick*.

As I've said, the middle-aged blood has moved on. They've become top execs, have retired, or are now employed in other industries. How do you get them back? Do they want to get their hands dirty again? These former crackerjack creatives *must* be convinced that they are needed. As a client, you must demand that the right people work on the right campaigns.

Here's an e-mail I received:

Chuck,

Very interesting concepts regarding the marketing to Baby Boomers ... I enjoy your writing style...

I am an American . . . who was transferred to Sydney, Australia in 1981 by [a very large ad agency] and never looked back. Over the next twenty years I raised a family, ran agencies (including my own) in Sydney, Singapore and Malaysia. . . .

Now I am looking at returning to Los Angeles to be closer to my origins and family and am considering the direction of my new venture in LA... I have felt for some years that the majority of leading advertising agencies and companies either disregard Boomers totally or only give scant consideration to what is the single most vibrant and exciting consumer group in the world. And this is a problem in Australia as well as the USA....

Outside of the typical categories appealing to Boomers (real estate investment, travel, financial services) the majority of companies and agencies simply don't make the effort. And I think they do so at their own peril....

I come from an Account Management/Strategic Planning background so my copy is nothing like yours but I believe my experience is ideally suited to developing marketing to Boomers . . .

So, my question is, how do I get back into the game in LA in this capacity after being away since 1981? I've got the credentials, passion and drive to make it happen . . .

Appreciate any thoughts you might have. . . .

—Bill D.

I have thoughts, but they're not pretty ones.

As a company with almost any product or service to offer, does this fellow seem like someone whom you might want to handle your advertising account? Or at the very least generate valuable professional input and be "on the team"?

Advertising agencies don't think so.

The best advertisers are advertisers who advertise to themselves.

Quality Control

It's going to be up to companies to be proactive when dealing with advertising agencies. Quality control of your product doesn't stop at the entrances of Madison Avenue's finest, or at the doors of small local or regional advertising agencies.

If companies put pressure on agencies, and demand 45-plus creatives for products aimed at the 45-plus market, then they will find out that Baby Boomers are still "the single most vibrant and exciting consumer group in the world."