



Marketplace 2000: riding the wave of population change

Maddy Kent Dychtwald

Shrinking of youth population

What are the trends that make up the Age Wave?

Throughout history, our nation's growth and development have been influenced by a variety of social, political and technological shifts. But underlying all these changes, one basic factor has remained relatively constant: the relative youth of our overall culture. Now, for the first time, this axis has begun to twist and tip as we shift from a youth-oriented to a middle-aged and mature society.

Three separate demographic currents are converging to produce this change. First, there is the growth in the 55-plus population. During the past century, extraordinary breakthroughs in health care have eliminated many of the diseases that used to kill us at a relatively young age. Now, for the first time in history, we see tremendous growth in the over 55 population. In fact, two-thirds of all people who have ever lived to age 65 are alive today. In a real reversal of the status quo, there are now more Americans over the age of 65 than teenagers. Today, we are living longer than ever before, and in those extra years we are healthier, more active, vigorous and influential than any generation ever. For the first time in history, we are creating a mass society of healthy, active mature adults.

The second demographic change that creates this age wave is the shrinking of the youth population. This has never happened before. It is estimated that 28 percent of the baby-boom population have no children, and another 25 percent have only one. Although there are twice as many people of childbearing age today as there were in their parents' generation, they are having only half as many children.

Compounding the above-mentioned population shifts is the middle-aging of the baby-boom. One-third of all Americans – 76 million people – were born in the 18 years between 1946 and 1964. By sheer virtue of their numbers, the boomers' needs and concerns have shaped American life profoundly. When the boomers hit school age in the 1950s, many schools went into double sessions; when they went off to college in the 1960s, the number of college students nearly tripled, to 9 million. When they entered the workforce, workforce issues predominated our thoughts and actions. Today, the generation that said don't trust anyone over 30, no longer has one member of its generation under 30. Now, most boomers are raising families, earning a living, and even contemplating retirement.

Make no mistake about it. The boomers are moving forward, second by second, inch by inch, along the one-way highway of human lifespan. The leading edge of the boomer generation started turning 50 in January of this year. Now, much of what you hear about in the media are issues related to middle-age – staying healthy, feeling young, prostate cancer, saving for retirement. The era of the USA as a youth-focussed nation is coming to an end and will never occur again in our lifetimes. The age wave is here.

Cyclic lifestyle

Fear of aging

Can you give examples of how it will change our lives?

Many people think that the age wave will simply mean more oat bran, hearing aids, and retirement communities, but I think that the changes will be more dramatic and far reaching. For example, most of us will live longer than we expect, possibly much longer, as biotechnology and medicine bring the aging process under control. Furthermore, it is likely that we will age more slowly than previous generations, with greater health, energy and vitality. Long sought-after breakthroughs in human life extension may even allow many of us to live to 100, some even 120.

In an era of longer life, some marriages may last as long as 75 years, while other people will have a different mate for each major stage of life. For many, "til death do us part" unions may give way to serial monogamy. With longer lives, families blended of three, four and even five generations with complex webs of intergenerational support and care giving will become the norm. The form and fit of everything will be redesigned. The typeface in books will get larger, traffic lights will change more slowly, steps will get lower, bathtubs less slippery, chairs more comfortable, reading lights brighter, clothing more comfortable, food more nutritious, and public signs easier to read – all to fit the pace, physiology and style of a population predominantly in the middle and later years of life.

You may never retire. Or you may *retire* three times. Many people will stop working one or more times in their 40s or 70s to go back to school, raise a second or third family, start a new business, or simply take a sabbatical for a couple of years. The traditional linear lifestyle with a sequential ordering of education, work and leisure will come unglued, making way for a more cyclic lifestyle where education, work and leisure are interspersed throughout the lifespan in no particular order. This offers each of us the opportunity to pick and choose what we want to do when we want to do it.

And we already find ourselves close to a new intergenerational struggle which may end up defining the 1990s – should we as a society support a leisure class of adults aged over 65 who often spend 20 years or more in retirement? This continued support could bankrupt the USA as well as cheat us all of a valuable national resource – the wisdom and experience of our longest lived citizens. As a result, Social Security, as we know it, may soon be replaced by a new system more appropriate to the needs and demography of the future.

Do you think that Americans are comfortable with the idea of leaving youth behind?

No! In the last few years, we have begun to move in the right direction but, for the most part, our culture is deeply gerontophobic. We have a pervasive fear of aging and a prejudice against the older population.

By contrast, if you were to travel to China and overhear a conversation on the street, you would notice that one of the first questions asked is, "How old are you?" The Chinese believe that the more years one has, the more wisdom and knowledge. And so, the older the better. In fact, a 55 year-old might cheat a bit and answer, "I'm 59 years old."

Are the age prejudices based on fact or fiction?

Mostly fiction. If we look beyond our age-related prejudices, we notice that history has given us countless examples of powerful, creative, productive

Youth obsessed

mature adults. For instance, Goethe completed *Faust* when he was over 80. Alexander von Humboldt worked out his great contribution to science, *Kosmos*, from ages 76 to 90. Michelangelo, the great sculptor, poet, painter and architect of the Italian Renaissance was appointed at 71 to be chief architect of St Peter's Cathedral in Rome.

More recently, we have the model of Pablo Picasso, who was still in full creative production at age 90. Arthur Rubenstein gave a stunning performance at Carnegie Hall at 90. George Abbott, the great Broadway actor, director and producer, brought *Pal Joey* to Broadway at the age of 53, *The Pajama Game* at 67, *Damn Yankees* at 68, *A Funny Thing Happened on the Way to the Forum* at age 75 and, in 1987, at the age of 100, a revival of his first hit, *Broadway*.

Where do you think gerontophobia is the most destructive?

In the media, which is so youth obsessed; in marketing, which often portrays old people negatively; and in the workplace, where many young and usually well-meaning managers hold a variety of misconceptions about productivity and aging.

What role do you think work will play in the lives of the mature men and women of tomorrow?

Many mature people would prefer a chance to keep working in a flexible blend of work and leisure. Twenty-five percent of all retirees do go back to work in some form or another. The key to redefining retirement will also have to include a restructuring of the way we work. This is going to have to take place if we are to survive as a nation in the coming millennium.

Demographic pinch

Are employers willing to modify the work schedules to accommodate the preferences of mature men and women?

Not yet, but they will. When employers feel the demographic pinch, the bargaining power of mature workers will swell, especially since studies prove that mature workers are more productive and reliable than those who are young. In the years to come, tens of millions of outspoken, long-lived men and women will force a redefinition of the purpose and arrangement of work in our lives. You can already see the tip of this iceberg with the growing popularity of sabbaticals, phased retirement programs, flextime, job banks, and career-transition retraining programs.

Couldn't periodic sabbaticals create much appreciated islands of retirement within a longer work life?

Absolutely. Formal sabbaticals, periods of leisure with a job guaranteed on return, are indicative of a long-lived workforce. Today, although academic sabbaticals are regularly offered at nearly all US colleges and universities, the idea is relatively new to the workforce. However, some companies, such as the San Francisco newspapers that contract with the Newspaper Guild, currently offer sabbaticals that are long – up to six months – but unpaid. At other companies, sabbaticals are shorter – eight weeks at McDonald's and Intel, six weeks at Tandem Computer – but fully paid and a much appreciated benefit. Many employees see these sabbaticals as time to develop aspects of themselves not normally touched at work.

Tomorrow's image

The corporate philosophy behind sabbaticals is straightforward. They allow employees the time to take much needed breaks from work, with relatively high levels of assurance that the employees will return to work refreshed, newly committed and appreciative, with a new level of enthusiasm and creativity and maybe even some new, much needed skills.

Do you think a new image of aging will emerge?

As the boomers grow older, we are going to do so tomorrow, with tomorrow's medical breakthroughs, fashions and, most of all, with tomorrow's image of what an older person is supposed to be. Most boomers believe that old age will begin at 79 for them, while they believe it started at 50 for their parents. The concept of *when* you become old is changing which ultimately changes the image of what 50, 60 and even 70 really look like since they are no longer considered old by the society we live in.

What do you guess that image will be?

A few years ago, I went to a Rolling Stones concert and there was Mick Jagger on stage, looking fabulous at 50. I recently saw Lena Horne in a magazine looking fantastic at 79. Sean Connery is going strong and always on everyone's "sexiest man alive" list at 65. Sophia Loren is 60 and looks better than ever. These are just a few examples of how the image of aging we have is evolving.

So we will have a new idea of "old"?

Yes, I think we already are starting to. When I was growing up, my grandmother was an old woman at 44. She thought so, behaved so, and let the world know that was the case. We all believed her. My grandmother is now 85. She's been an old woman for 41 years. On the other hand, I'm now 44. I don't think I'm old. In fact, I don't plan on feeling old until I'm at least 80. By that time, there may be tremendous breakthroughs that will allow me to put off old age for even a longer amount of time.

Three looks of aging

What about more acceptance of looking older?

I think boomers are going to struggle with this. To me, however, three looks of aging have emerged. One is the Barbara Bush approach to physical aging, which is basically, that this is exactly who I am and I certainly hope you'll regard me and evaluate me based on *me*. She's not dyeing her hair, not getting face lifts, not on a starvation diet. I think she's great. Then there's the Cher approach, which is to grow old but to try cosmetically and surgically to make yourself look 19. Then there is probably a middle ground, which is to try and age with health, beauty and vigor: a more natural, comfortable middle ground.

Do you think it is harder for women to deal with getting older?

Yes. I think it is dramatically more difficult for women. Our society has always valued women for their beauty, and that beauty was always a youth-defined appearance. However, slowly the definition of beauty is expanding to include women of all ages. We are beginning to see cosmetic and clothing companies experiment with middle-age and mature models, giving all of us an expanded view of beauty. Movies and television no longer send women off to the media graveyard at 40. We are developing role models for

Growth industry

appearance in our 40s, 50s, 60s and even 70s that suggest you can look good at any age.

Can we expect to see consumer companies begin to target mature adults?

Since people over 55 own 77 percent of all financial assets, discretionary income improves with age and the over-55 crowd is out there buying and trying; consumer marketing aimed at the mature adult will be a growth industry. Keep in mind that the traditional business target of 18-34 will be losing population and financial resources making it a tough target market. If consumer companies want to grow share, they have nowhere to go but up to the boomers and mature adult population.

Is the mature market a homogeneous one?

No. In fact, as people get older they get more rather than less diverse. One way to better understand this 50-plus market better, is to divide it into three chronological groups: 50-64 (middle adulthood), 65-79 (late adulthood), and 80-plus (old). Those individuals in the first group, in middle adulthood, are at a unique point in their lives. Their children are often grown up, the house they own might have a higher value than when they purchased it, and they have the highest disposable income of any age group. They are an excellent market for financial services, travel and luxury items. They are eager to spend money on themselves and on their grandchildren. They also want products and services to help them care for their aging parents.

Unlike past generations, consumers in late adulthood (65-79) are often living active and independent lifestyles. Like their 50 to 64-year-old counterparts, they are an excellent market for financial services, adult education, new homes, travel, personal care products and recreational products and services.

Fastest growing population

Today, the fastest growing population is the over-80 age group, largely women living alone. Members of this group have the hardest time shopping and getting around and often have difficulty with tasks and activities that younger people take for granted. Because of their loss of vitality and independence, this group is looking for services that they used to perform themselves, such as financial management, household maintenance and shopping.

What are some of the key characteristics of the mature consumer?

Although each group is very distinct in its needs, there are a few common characteristics. One is their desire for information and education. An increase in product information will be needed to meet the needs of more experienced, educated, savvy and sophisticated consumers.

In addition, convenience and customer service will become critically more important to consumers. They expect connoisseur service from financial service agents to travel agents, from supermarket check-out clerks to department store salespeople. These qualities will separate the winners from the losers in the coming decades.

Maddy Kent Dychtwald is co-founder of Age Wave, Inc. and an independent expert, living in Orinda, California, USA.

