



Marketer FAQs

“How lucrative are adults over 50 as a consumer group?”

Adults over 55 are responsible for 41% of all consumer expenditures.

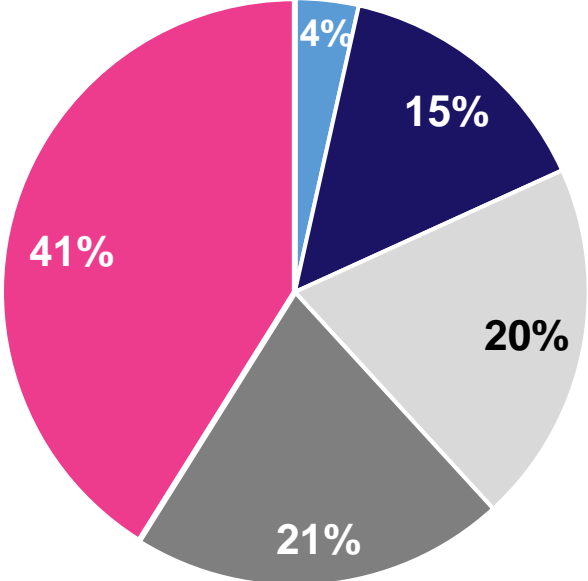
By ignoring adults 55+, brands are overlooking a group that controls 4 out of 10 dollars spent in the U.S. each year.



Adults 55+ account for 41% of annual total U.S. expenditures

This translates to \$3.4 trillion in total yearly spend

% Share of Annual Aggregate Expenditures By Demo



- Under 25 Years
- 25-34 Years
- 35-44 Years
- 45-54 Years
- 55+ Years

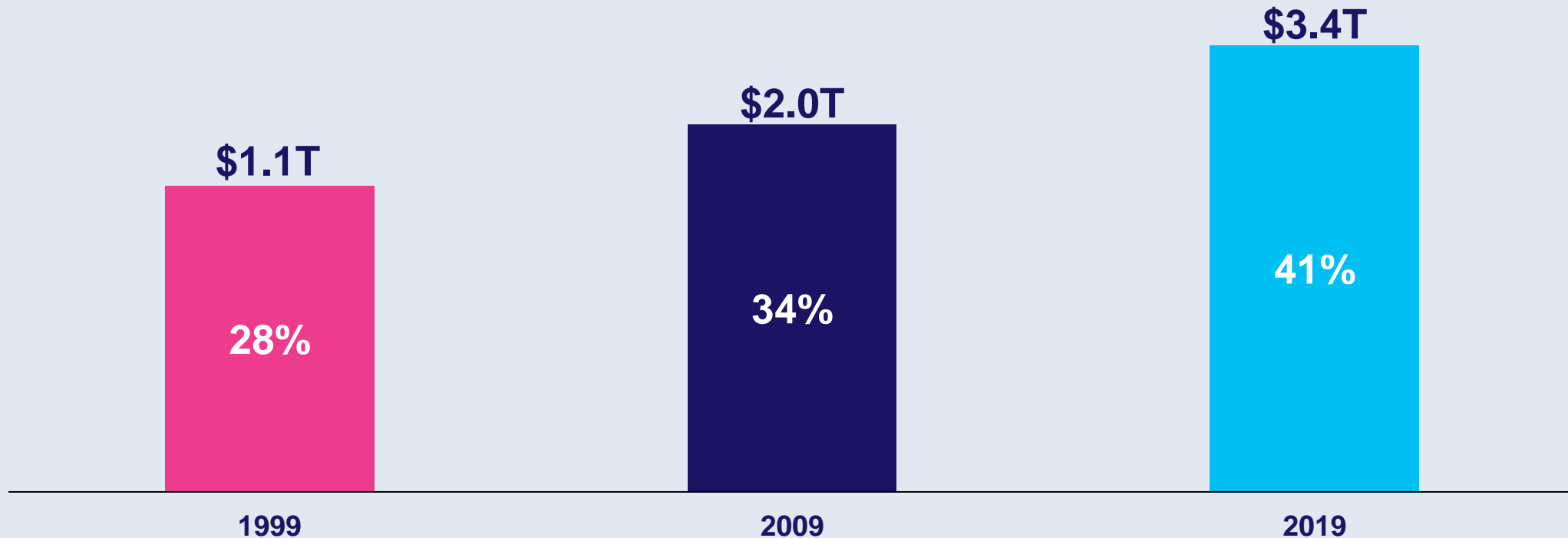


Source: VAB analysis of *Consumer Expenditure Survey 2019* data, U.S. Bureau of Labor Statistics, reported as of September 2020, Data represents adults 55+ due to data age group breakouts.

Adults 55+ have become a powerful buying segment as their annual spending has increased by over \$2 trillion in the last two decades

▶ Adult 55+ share of annual expenditures has increased 46% since 1999

Adult 55+ % Share of Annual Aggregate U.S. Expenditures

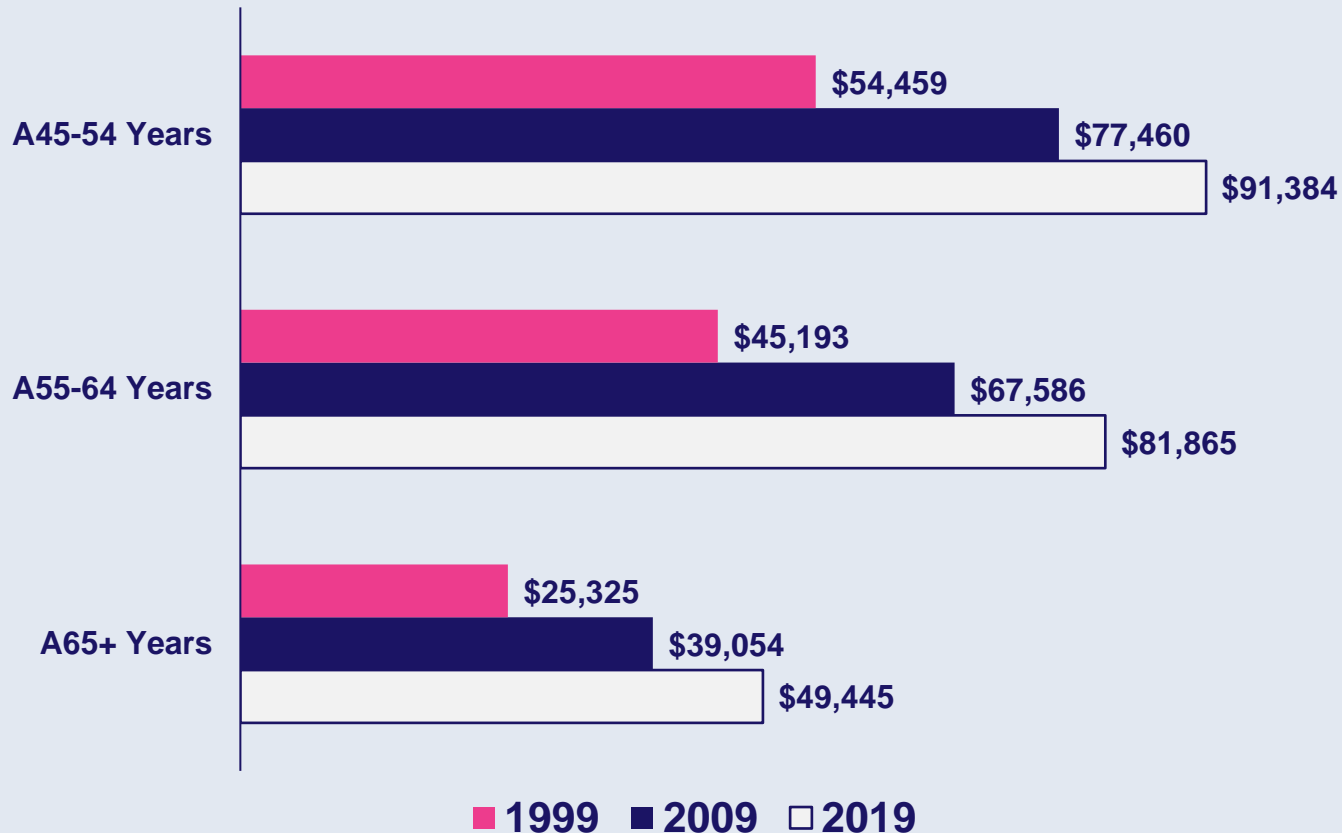


Source: VAB analysis of *Consumer Expenditure Survey* data, U.S. Bureau of Labor Statistics, 1999, 2009 & 2019, Data represents adults 55+ due to data age group breakouts.

Working later into life, this group is filled with active buyers and not “retirees” with limited spending power

▶ Their household income has outpaced the national average increase over the past 20 years

Annual Household Income



1999 vs. 2019 % Change

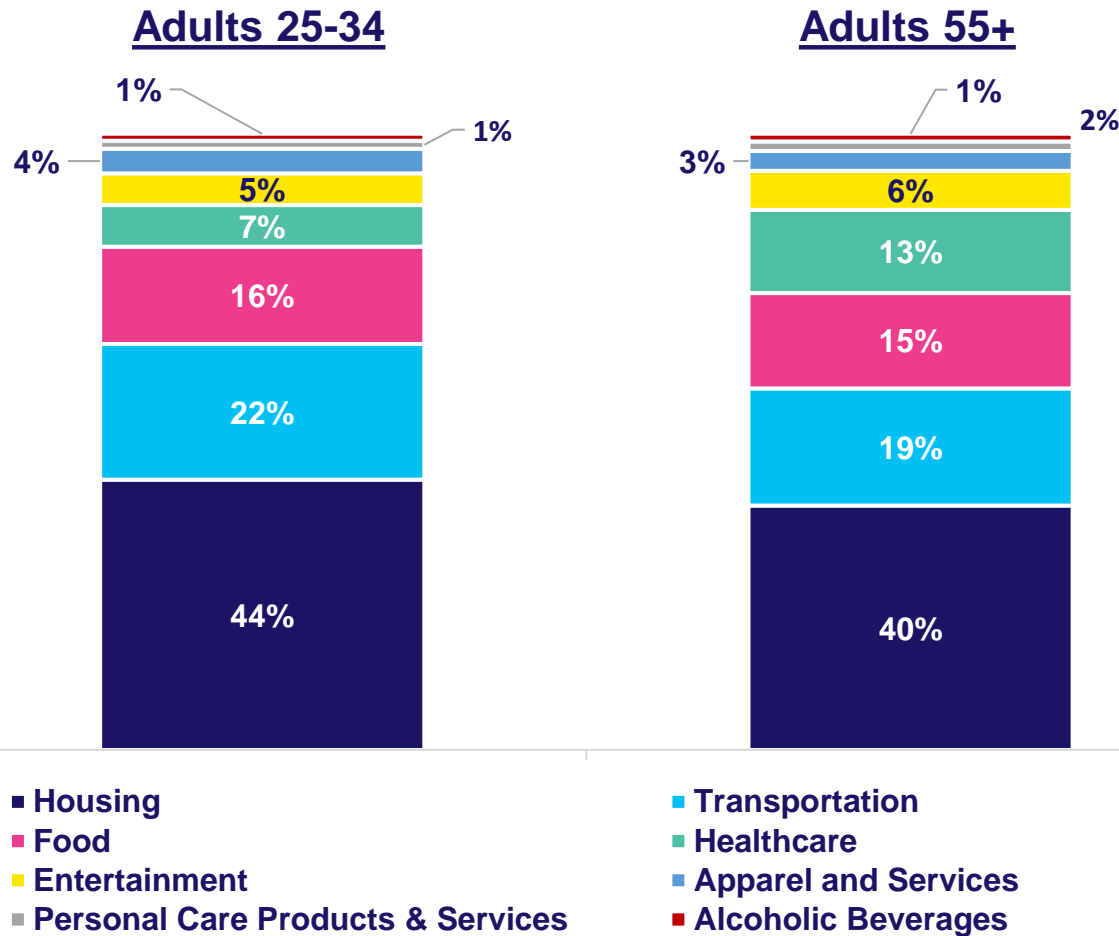


+76%
National Average
% Change
(all adults)

Source: VAB analysis of Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, 1999, 2009 & 2019; Reflects income after taxes.

With disposable income they buy across the same categories of goods and services as millennials

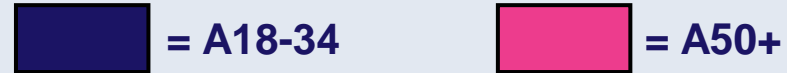
Average Annual Expenditures by Category



Source: VAB analysis of *Consumer Expenditure Survey 2019* data, U.S. Bureau of Labor Statistics, reported as of September 2020, Adults 55+ calculated based on a weighted average for Adults 55-64 and Adults 65 and older; Data represents adults 55+ due to data age group breakouts.

Most importantly, marketers can win over adults 50+ since, for many of them, their wallet is still up for grabs across goods & services

- ▶ There are more adults 50+ than adults 18-34 actively in the market looking for new, relevant products to purchase



of Consumers Who Are On The Lookout For New Products That Are Relevant To Them



of Consumers Who Enjoy Variety In The Products They Purchase



Source: GfK MRI, 2019 Doublebase; Consumers Who Are Always On The Lookout For New Products That Are Relevant To Them = Any Agree [I enjoy wandering the store looking for new, interesting products], Consumers Who Enjoy Variety In The Products They Purchase = Any Agree [I like to change brands often for the sake of variety and novelty].

Despite their deep pockets, adults 50+ often feel they are underrepresented, misrepresented or ignored by advertisers, presenting an opportunity to brands to engage them

78%

say that they felt their age group was underrepresented and misrepresented in advertising

77%

of 50-59-year-olds feel that their age group is most ignored by advertisers

62%

believe that they are ignored because advertisers are too young to understand their market

49%

Avoid brands who actively ignore their age group



Source: Gransnet, *Ageism in Advertising: Fighting Marketing's Unconscious Bias*, 2018.

Implications for Marketers

- ▶ With plenty of disposable income and time on their hands, adults 55+ are more active and spend more than millennials, making them an important consumer group warranting marketer attention.
- ▶ Marketers also have an opportunity to convert them as they are very open to trying new products and services (and in larger numbers than Millennials).

Other Marketer FAQs Addressed by *Audience Migration in Context*

- ▶ I know the population is aging, but to what extent is it skewing to adults over 50?
- ▶ How will the aging of the linear TV audience impact my buying strategy?
- ▶ Is marketing to adults over 50 relevant for only certain product categories?



About the Marketer's Guide:

[*Audience Migration in Context*](#) is an eye-opening look at the changes in population dynamics. It exposes the disconnect between these population shifts and how many marketers buy TV. It also clearly demonstrates the significant revenue opportunity not realized by brands who are limiting themselves by purchasing on traditional age and sex demographics. These findings underscore how important it is for brands to adopt an audience-first buying approach so that they can reach all potential customers and maximize outcomes

About VAB

VAB is an insights-driven organization that inspires marketers to reimagine their media strategies resulting in fully informed decisions.

Drawing on our marketing expertise, we **simplify** the complexities in our industry and **discover** new insights that **transform** the way marketers look at their media strategy.



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