

MONEY ISSUES

Boomers pass 50 and go for discounts — some reluctantly

By BOB MOOS, Tribune Media Services
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The nation's 38 million baby boomers who have passed their 50th birthday are discovering that with age comes privilege, including bargains galore.

And more businesses are slashing prices for their older customers, tweaking sales pitches and dropping "senior" from promotions to appeal to boomers who like the deals but don't accept the moniker.

Senior discounts aren't gestures of goodwill. Their value as marketing tools has grown as companies target aging boomers' pocketbooks. Boomers older than 50 wield an estimated \$1 trillion in spending power. Their household incomes average \$58,889, far exceeding the \$35,118 for the preceding generation of seniors, according to MetLife's Mature Market Institute.

Many of the best senior discounts are for travel, said Tom Parsons, publisher of Bestfares.com.

"Although the airlines have dropped many of their senior fares, practically every hotel chain and car rental company has something special for older travelers — some as young as 50," he said.

Fast on the heels of the travel industry in handing out senior discounts are restaurants and retailers.

"This is about building loyalty," said Brent Green, who advises businesses about marketing to boomers. "Boomers aren't particularly loyal to a brand or company. They need some added incentive for choosing one over another."

"Member privileges" of AARP, an advocacy group for those 50 and older, are considered the granddaddy of senior discounts. The organization has partnerships with about 75 businesses that offer discounts and other member privileges on home security systems, Internet service and more.

About 2,000 companies a year apply to become an AARP partner, said Barbara Hvasta, vice president for passports and privileges for AARP Services. The organization selects only five to 10 after a rigorous screening, which includes checking on any age-discrimination lawsuits against an applicant.

AARP officials acknowledge that many boomers initially scoff at joining the organization but later do so mainly to qualify for the discounts.

Marina Lee of El Paso, Texas, a member of AARP's Texas executive council, said she cried when she became 50 and received an AARP membership as a gift.

"Let's face it — most people don't want to turn 50 and think about AARP," she said. "It took me a few years to embrace the idea."

Now, at 56, the self-employed advertising executive said she's learned to appreciate the discounts, saving thousands of dollars over the last several years.

The growth of senior discounts has also given rise to a new segment of the publishing industry. There are books, directories and websites to help seniors find bargains.

For instance, “Unbelievably Good Deals and Great Adventures That You Absolutely Can’t Get Unless You’re Over 50” (McGraw-Hill, 2004) by Joan Rattner Heilman has gone through 16 editions and sold more than 1 million copies.

Seniordiscounts.com, has seen its nationwide listings soar from 25,000 to 125,000 since its launch four years ago.

Marketers expect discounts to become more prevalent as the younger half of the boomer generation turns 50. Still, there are likely to be holdouts.

Vicki Owen, 59, said she shops the outlet malls, but doesn’t ask for senior discounts because she doesn’t think they’re meant for her.

But Heilman has a few words for the reluctant: “Snap out of it — and start saving.”