

AARP helps seniors cash in on golden years
By Donna De Marco
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It's bad enough turning 50, with the aching bones and graying hair. But then the unofficial welcome to old age — the AARP application — comes in the mail.

Once the initial depression wears off, comes the realization that getting older isn't all that bad. The nation's 76 million baby boomers are becoming eligible for the myriad discounts AARP offers.

Industries from travel and dining to entertainment and retail embrace aging baby boomers with discounts.

Those born between 1946 and 1964 are one of the country's largest demographic groups, with 26 percent of the population. While most don't qualify for AARP or other senior discounts yet, they will over the next decade, and that translates into a lot of potential customers.

"Everyone is going to want a piece of that market," said David Smidt, president of SeniorDiscounts.com, a Web site that tracks thousands of senior discounts.

Those 45 to 54 — the heart of the baby boomer generation — have a median income of \$56,917, according to 1999 figures from the U.S. Census Bureau. It's the highest median income among all age groups.

AARP, formerly the American Association of Retired Persons, started offering discounts for its members older than 50 in the early 1970s. Avis was the first to sign on, followed by Hertz and Sheraton Hotels. Today, with more than 35 million members, AARP offers more than 70 discounts, from percentages off rental cars and hotel rooms to reduced prices on Internet service providers and on-line flower and gift shops.

"Companies do this presumably for self-interest," said Tom Otwell, an AARP spokesman. "This is a marketing tool. And as the population ages, some companies may feel that it is a plus."

But some may be reluctant to offer deals because the growing number of eligible people might cut into their profits. Last year, Delta Air Lines and American Airlines eliminated their senior discount clubs .

But those who follow senior discount trends say the number of discounts is growing.

"More and more businesses are getting on board," said Joan Rattner Heilman, author of "Unbelievably Good Deals and Great Adventures That You Absolutely Can't Get Unless You're Over 50," getting ready for its 14th edition. "I have not seen anything diminishing."

Mr. Otwell said companies contact AARP to be a part of its discount smorgasbord rather than AARP recruiting companies.

"We're continuing to see businesses coming to us," Mr. Otwell said. "I don't think you're going to see a drop-off" in discounts offered through the AARP membership. AARP charges a \$12.50 annual membership fee.

"We're not seeing discounts disappearing," said Mr. Smidt of SeniorDiscounts.com. The company, in its first year, has grown from listing 25,000 to more than 118,000 senior discounts and values on its Web site (www.seniordiscounts.com).

"Seniors are so loyal to the companies that offer discounts," Mr. Smidt said. "If a business drops, seniors will go somewhere else and become loyal to that company."

The travel industry, particularly hotels, is at the top of the list of industries offering discounts.

"[Seniors] have an awful lot of disposable income, and they travel," Ms. Heilman said. "[Companies] are trying desperately to get these people to fill seats and fill beds."

Marriott Hotels & Resorts, for example, offers 50 percent off room rates to AARP members if the reservation is made 21 days in advance and 10 percent off for last-minute reservations. The hotel offers members 20 percent off food and non-alcoholic beverages at its restaurants even if they aren't staying at the hotel.

"The senior market is very important to us, especially since it's growing," said Scott Carman, a spokesman for Marriott International, which offers various AARP discounts at seven of its brands, including Renaissance Hotels, Fairfield Inn and Towneplace Suites.

The Bethesda hotel chain does not plan to eliminate its senior deals.

Southwest Airlines started offering senior fares in 1985 for those 65 and older. At the time, ticket discounts were \$25 each way during restricted times. Discounts now range from 20 percent to 67 percent any time. Prices are capped at \$129 each way.

Last year, 2 million Southwest passengers took advantage of senior fares.

"We don't plan on taking that away from customers," said spokeswoman Brandy King. But senior discounts aren't always the cheapest at the airline.

About 30 percent — nearly 800,000 passengers — on Carnival Cruise Lines are older than 55. The cruise line offers AARP members savings of \$50 to \$100.

"This is an important group for us," said Vicki Freed, the ships' senior vice president of sales and marketing. "They have the time, and they have the discretionary income."

The majority of Norwegian Coastal Village's passengers are 60 or older. The cruise line offers its own senior savings of \$95 to \$220 per person for those older than 67. In addition, Norwegian offers AARP discounts, which can be used in combination with its own discounts.

Retailers also have started dedicating one day a week to discounts for seniors.

Ames Department Stores, which started its 55 Gold Savings Club in 1995, offers those at least 55 years old a 10 percent discount on all merchandise every Tuesday. Ames opens an hour earlier than usual those days.

Company spokeswoman Amy Romano wouldn't disclose specific sales figures but said the club "has been a very, very successful initiative for us."

The retailer has more than 2 million active club members.

Despite the growing number of those eligible for discounts, Ames isn't worried about its bottom line. The program has helped make Tuesdays one of Ames' busiest shopping days, she said.

"I see all these things are increasing," Ms. Heilman said.

Mr. Smidt agrees.

"Discounts are going to be around for a long time," he said.