

# 20 TREND INSIGHT 14 REPORT

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## BABY BOOMERS: A Boom To Your Business

*“Unlike previous generations, the baby boomers have reached middle age with their teeth intact, broadened appetites, and the wealth to indulge the demands of their taste buds. They are by far the single largest and most influential demographic group in history, and they have the spending power to disrupt the entire food market.”<sup>1</sup>*



## WHO ARE THE BABY BOOMERS?

Born after the post World War II economic boom between 1946 – 1964, the Baby Boomers are recognized as one of the most influential consumer groups. Generally seen as the most active, health conscious, and the wealthiest group having experienced the peak economic boom of the 1980's, the Boomers are also the group who expected the world as only improving with time.

Join us as we study the Baby Boomers: their likes, dislikes, preferred flavors and tastes and opportunities for developing product concepts for this highly influential but sometimes over-shadowed market.

### MEET THE BABY BOOMERS

- Aged 50-68
- 75 million consumers strong
- Annual spending power of \$2.3 trillion
- Outspend other generations by \$400 billion/yr on consumer goods/services
- Involved in their communities and socially active
- Physically fit
- Health conscious
- Travel more than their parents
- Drawn to strong flavors
- Own smartphones, but don't use them to full potential
- See digital advertising on their social media or phones as invasion of privacy. <sup>2</sup>

## CONSUMER, CONSUMER, BABY BOOMER

The power of the Baby Boomers is immense. In 2014, Baby Boomers (aged 50-68) account for 23.6% of the total U.S. population – about one third of adults aged 18 plus, and almost the same size as the Millennial group (24.5%).<sup>2</sup> When you consider that in three years, nearly half of the U.S. population will be 50 years of age or older and they will control 70 percent of disposable income in the country, the purchasing power of the Boomers and Seniors is staggering.<sup>3</sup> Given that these Baby Boomers and Millennials combined represent almost 60% of the total U.S. population, it is hard to ignore the aging Boomers and focus solely on the Millennials for marketers.

**60%**  
of the total U.S. population  
are Baby Boomers and  
Millennials combined.

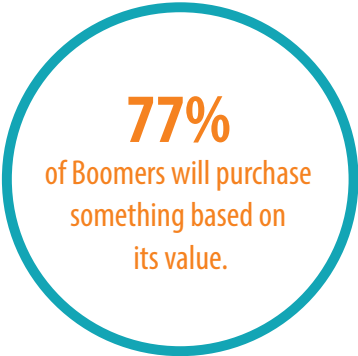
## WHAT ARE BOOMERS WORTH?

Baby Boomers' median household incomes and median expenditures exceed the average, leading to Boomers outspending other generations by an estimated \$400 billion each year on consumer goods and services.<sup>4</sup> Boomers' annual spending has been estimated by some to be responsible for half of all consumer expenditures in the US to the tune of \$2.3 trillion, annually.

Boomers are expected to spend a lot of their savings and income on health, wellness and leisure, which includes dining out and how they shop and eat on a daily basis.

## HOW BOOMERS CHOOSE TO SPEND

Ask any Boomer and they will tell you that getting the most value for their dollar is most important. This doesn't mean it's the least expensive or of poor quality. Quite the contrary: Boomers appreciate value; if it makes sense and speaks to their personal style and will live up to their expectations, Boomers will buy it. 77% of Boomers will purchase something based on its value followed by 42% who had a positive experience in the store and interestingly enough, 42% choose an item based on price.<sup>5</sup>



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its value.

### Shopping Habits

Baby Boomers shop for healthy ingredients like Millennials; however, they are more concerned with what is on the nutritional label and less concerned with the source of the ingredients.

Tech savvy Baby Boomers are becoming increasingly open to shopping digitally for groceries and other items with more than 54% saying they would participate if made available to them.<sup>6</sup>

### Dining Habits

It is interesting to note that Baby Boomers dined out about 6% more in 2013 while Millennials dined out about 6% less.<sup>7</sup> Regardless, the evidence shows that one group shouldn't be discounted more than the other.

## NOW'S THE TIME TO GET HEALTHY

Just like the rest of us, the Baby Boomer generation is aging but most of them believe they will live to 90. In actuality, most are living to 78 but along with their improved health and wellness and the financial ability to fend off Father Time, they just might meet their goal.<sup>8</sup> With that in mind, we are seeing an awareness of their food choices and subsequent change in behavior. Boomers are shopping healthier and exercising more.

Over 10,000 Baby Boomers reach retirement age every day. And each of them wants to continue living the active lifestyle they are used to. They want to do yoga, bike, play tennis, run, keep up with their grandchildren and they will spend what they need to in order to extend their ability to do those things. As a result, it is expected that the global market for functional foods or super foods is expected to reach \$130 billion in 2015, energized by deep-pocketed, health conscious Baby Boomers.<sup>9</sup>

### Health Claims Valued by Boomers

- Health claims that meet dietary needs such as low in sodium or fat.
- Good-for-you/naturally nutrient-rich, like dairy (and they're willing to have a higher calorie and fat intake if it comes with nutrients).
- Very receptive to functional foods, especially in categories like Omega-3 fortified dairy products for heart health.
- More accepting of fortification in beverages, such as smoothies, rather than food.
- Beverages with antioxidant claims are of high interest to Baby Boomers trying to hold off the aging process as long as possible.

## THE MANY LOVES OF THE BOOMER

For Baby Boomers, flavor is what matters most. And they are experiencing this love through travel and eating out. However, as they age their taste buds aren't what they once were. Combine these factors together and you have a group that, like their Millennial children and grandchildren, look for strong, bold flavors, but for different reasons.

Given that Baby Boomers appreciate value, it shouldn't be surprising that when it comes to flavor they value authenticity. Their discerning, well-traveled palates appreciate regional cuisines with authentic flavors. Forty three percent of Boomers have said they will be seeking these out when they dine out and shop for food.<sup>10</sup> Along with authenticity, "uniqueness" describes how Baby Boomers feel about spices, flavors, and ethnic cuisines and they are more likely to be drawn to new sauces, flavors, or spices if they incorporate unique tastes like Mexican Yucatán soups, Peruvian food, or Indian curries.

## EXPERIMENTAL EATERS

While they might not consider themselves "adventurous eaters," Baby Boomers are drawn to fresh herbs, aromatics, and baking spices compared to younger consumers, which compels them to try and shop for unusual spice/herb blends.

Unique sauces also appeal to Boomers with 43% indicating they would try a unique sauce in a restaurant if they knew they couldn't replicate it at home, especially if the flavors/sauces/seasonings are authentic representations of ethnic foods (also 43%).<sup>11</sup>

## AMP UP THE FUN

Like their Millennial counterparts, Baby Boomers want their foods and flavors to have an element of fun. Adding excitement to any category, particularly baking and snack foods will attract Baby Boomers whose disposable income makes them a group worth pursuing.



### Williams-Sonoma Pumpkin Chile Simmer Sauce

is a spiced-up sauce with diced pumpkin, smoky chipotle chile, tomato and garlic.



### Gypsy Crunch Zachary's Brazilian Bombshell Hand-Crafted Roasted Granola

is made with cedar nuts, Brazil nuts, flax seeds and dried figs.



### Formaggio Contemporary Classics Mozzarella Rustica Appetizer

is gourmet, pre-sliced, fresh mozzarella with roasted peppers, fresh basil, roasted garlic and spices in infused dipping oil. It is said to be easy and is made with heart-healthy canola omega-3 and olive oil.



### Hormel Snackers Southwestern Style Nacho Dip

comprises a cheese based dip with tomatoes, bell peppers and spices.

## AN INDULGENCE A DAY

Sure an apple a day works, but an indulgence a day sure makes life more interesting. Baby Boomers join the 40% of all consumers who admit to indulging in dessert twice a week.<sup>12</sup> Targeting this group of consumers is an opportunity for product developers. Whether enjoying a chocolate dessert in a mini-format or having an ice cream treat after dinner, Baby Boomers enjoy dessert as much as any other group: they are just choosier about when they indulge.

## TASTY INFLUENCES

Boomers more than any other group are influenced by their travels. As a result, their taste buds are influenced by what they have sampled with 22% saying they procure recipes from their travels. In addition, their main source of information for flavor or ingredients comes primarily from their family and friends followed by cooking channels on television and finally cookbooks.<sup>13</sup>

## FERMENTED FRIENDLY

Due to their desire for strong, bold flavors brought on by waning taste buds, Boomers are embracing all flavors fermented. Also a fondness for traditions and flavors that older family members may have passed down have created a special place for fermented flavors in the Baby Boomer's heart.

## HOLD THE HOT, HOT, HOT

Despite being all about the intense flavors, Baby Boomers are not drawn to hot, hot, hot. Unusual peppers and spices with intense heat intimidate most Boomers and they will shy away from preparations that overwhelm with these flavors.

### Star Cuisine Cooking Oil Mediterranean Chili Pepper Infused Oil

features the flavors of pepper and cardamom and is perfect for creating dishes where a bold peppery finish is desired and complements dishes like chicken, beef or couscous.



### Snoqualmie Mukilteo Mudd Ice Cream

is a Snoqualmie original and a blend of four unique chocolates developed by world-renowned Belgian chocolatier Barry Callebaut. The all natural product is made in small batches and said to be using more cream than other premium brands resulting in a velvety, rich base with a smooth dense character and less air.



### Whidbey Island Ice Cream Company Chocolate Covered Skagit Triple Berry Ice Cream Bars

are ultra-premium homemade ice cream bars.



## OPPORTUNITIES

### A GREAT WAY TO START THE DAY

Health and convenience are two key factors for Baby Boomer. A breakfast food that is easy to prepare, contains high fiber and/or protein content is a slam-dunk, and is a winning concept to reach this influential group. Cereal is a great concept for Boomers as 34% say they already eat it because it's a good vitamin source and 49% shop for low/no sugar cereals.<sup>14</sup>

### JUICING FOR HEALTH

With the renewed interest in health and longevity, Baby Boomers are turning to juicing for a wellness solution. Look for RTDs in flavor-filled choices Boomers will gravitate to.



#### Archer Farms Savor Everyday Dill Pickle Potato Chips

are kettle-cooked in small batches and seasoned.



#### Kashi Organic Promise Raisin and Chia Granola

is sprinkled with naturally powerful superseed chia with ALA omega-3.

## MARKETING

Baby Boomers, especially those at the top of the age bracket, do not want to be dismissed as old or to be told they have to use a walker. "The key in making products for seniors is not to make products for seniors." 18 Oxo, the kitchen tool expert, has proven this to be true with the development of their senior friendly tools. Amazon has a new section "50+ Active & Healthy Living" targeted towards Boomers with products geared to this market. It is pretty clear that if manufacturers stereotype this group, they will find their product sitting on shelves, getting old, pretty quickly.



#### Stonyfield Petite Crème Strawberry Flavoured Sweet Fresh Cheese

is USDA organic and kosher certified and described as silky and delicious with high protein like Greek yogurt.



#### Beanfields Barbeque Bean & Rice Chips

are made from a blend of black and navy beans and long-grain rice. They are said to contain 29% less fat and twice the protein and fiber as most tortilla chips.

## WE SNACK WITH THE BEST OF THEM!

Baby Boomers admit to snacking 13% more than they did in 2013.<sup>15</sup> They are drawn to snacks that are familiar to them but in healthier versions with unique bold flavors. They also look for fresh snacking alternatives with an eye on price. Also, Baby Boomers admit that the majority of their snacks are eaten after dinner. There's a potential opportunity for ice cream and frozen novelty companies to create concepts with reduced/no/low fat with fortified ingredients.

Interestingly, older Boomers do not snack as much as younger Boomers possibly because they feel the snack choices for them are limited. Opportunities exist in creating snacking concepts for this untapped market.

## HEALTH AND WELLNESS

One of the Boomers' top concerns regarding their health is their weight. Sixty eight percent of Boomers are worried about their weight.<sup>16</sup> This creates an opportunity for manufacturers to create more concepts specific to this market across all dayparts.



**Nature Valley Mixed Berry Crunch Protein Oatmeal** contains 10g protein per serving.



**Evol. Street Tacos Korean Style Beef & Kimchi Tacos** contain beef raised without antibiotics or hormones. The microwavable and USDA inspected product contains 12g of protein and 3g fiber per serving.

## PACKAGING

It has been found that more than 55% of all consumers eat alone and this doesn't exclude Baby Boomers. Resealable packaging is convenient and allows for multiple uses. Individual use containers also are important for this segment since the Boomers' household is smaller than it used to be.<sup>17</sup>



**Musco Family Olive Co. Pearls Olives To Go!**

featuring Kalamata Pitted Greek Olives are available in an on-the-go pack with easy-to-open tops.



**Dole Garden Soup Southwestern Black Bean & Corn Soup**

offers an all natural recipe low in fat and calories and without cholesterol. The soup is said to have the fresh taste of vegetables straight from the garden and is easy to open and reseal.

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## FONA CAN HELP!

There's no denying that the Baby Boomer is poised to be one of the most influential consumer groups in the coming years. Manufacturers that tempt Baby Boomers with creative concepts in bold and dynamic flavors will enjoy success.

Let FONA's market insight and research experts translate these trends into product category ideas for your brand. They can help you with concept and flavor pipeline development, ideation, consumer studies and white space analysis to pinpoint opportunities in the market. Our flavor and product development experts are also at your service to help meet the labeling and flavor profile needs for your products to capitalize on this consumer trend. We understand how to mesh the complexities of flavor with your brand development, technical requirements and regulatory needs to deliver a complete taste solution. From concept to manufacturing, we're here every step of the way. Contact our Sales Service Department at 630.578.8600 to request a flavor sample or visit [www.fona.com](http://www.fona.com).

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