

# BETTER BE NICE TO THE BOOMERS

**They're the Ones with Money  
amid the COVID-19 Recession**

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# BETTER BE NICE TO THE BOOMERS: THEY'RE THE ONES WITH MONEY AMID THE COVID-19 RECESSION

No US demographic group is financially undamaged by the pandemic. But boomers (now ages 56 to 74, by our definition) came into it in better shape than younger groups and have, so far, exhibited less financial fragility. Marketers seeking solvent consumers must stay abreast of how boomer behavior has shifted (or not) amid the turmoil of recent months.

## Are boomers in good financial shape?

Many are not. But with more than half of total US household wealth and above-average incomes, they're better able than younger cohorts to survive the pandemic's financial blows. Many are already retired—hence not at the mercy of a bad job market.

## Has the pandemic prompted boomers to ramp up their digital usage?

In some ways, yes. They've increased their usage of social media and digital video. Some have had no choice but to try telemedicine. But boomers' increases in digital usage build from a below-average base. They underindex for using smartphones and social media and have been slow to adopt smart speakers and wearables.

## How digital are boomers in their shopping?

A majority are already digital buyers—but, at about six in 10, it's a less-than-landslide majority. The pandemic and lockdown have prompted boomers to increase the digital component of their buying, and some of this is likely to stick post-pandemic. They look forward, though, to returning to physical stores, where they prefer to do their buying.

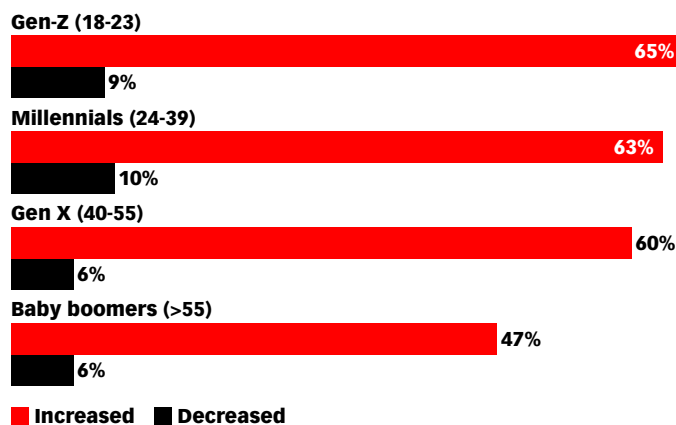
## Is there a boomer constituency for cause-related marketing?

Signals are mixed. In general, boomers are less engaged by this than younger consumers. And the specifics of the cause are crucial. For instance, "Black Lives Matter" as a principle has strong support among boomers, but a specific proposal like "defund the police" does not.

**WHAT'S IN THIS REPORT?** This report assesses the financial strength of boomers vs. other generations in this time of recession. It examines their digital usage and shopping behavior, including the degree to which those have shifted in such a peculiar year.

## US Internet Users Who Have Increased vs. Decreased Their Digital Spending Since the Coronavirus Pandemic, by Generation, May 2020

% of respondents in each group



Source: CouponFollow, "Commerce During COVID," June 10, 2020

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**KEY STAT:** Nearly half of boomers have increased their online shopping during the pandemic, but—typical of their generation's not-as-digital behavior in general—they're less likely than younger consumers to have done so.

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## STILL SOLVENT, RELATIVELY SPEAKING

**Amid what threatens to be a severe recession, marketers urgently need to connect with consumers who are still solvent. More than their younger counterparts, boomers fit the bill.**

This isn't to say that all or even most boomers are in great financial shape. Many are not. But millions of them do justify the popular wisdom that their generation is the one with the most money. Boomers have an outsized share of total US household wealth, giving them a cushion that younger consumers can't match. Their average income exceeds that of total US households. Older boomers have Social Security—not something you'd want to live on, but often a significant supplement to other income. They're far more likely than younger people to own their homes mortgage-free.

And in a period of high unemployment, many boomers are retired and safely out of a dreadful job market. Despite the myth that boomers shun traditional retirement, Bureau of Labor Statistics (BLS) data shows just about one-third of people ages 65 to 69 were in the work force last year, and just one-fifth of those 70 to 74. In the long run, retirement will be the sore point in boomers' finances. Many have done a poor job of saving for it and will have a hard reckoning if they live for a couple decades in retirement. But even these improvident souls are apt to be solvent now, when marketers need them most.

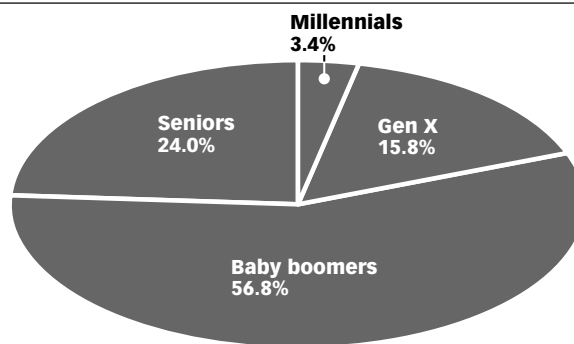
In pre-pandemic years, too many marketers obsessed about millennials and Gen Zers to a degree that meant ignoring the older but more monied generations. That's now an unaffordable error. Few if any sizable demographic groups are unscathed by the pandemic and recession, but boomers are positioned to take less of a hit than younger people. Marketers must capitalize on that fact.

## AUDITING BOOMERS' FINANCES

**Not all boomers are in the best financial shape. Compared with younger cohorts, though, boomers stand out for having an outsized share of all household wealth, high per capita income and an unmatched level of mortgage-free homeownership. They came into the pandemic with healthier finances than Gen Xers and millennials, and they've shown less fragility so far during it.**

Household wealth is a point of financial strength for boomers. New data from the Federal Reserve shows boomers holding 56.8% of total US household wealth in Q1 2020—\$59.27 trillion of the \$104.30 trillion total. People older than boomers (i.e., those born before 1946) have about one-quarter of household wealth. Thus, there's little left over for Gen Xers and millennials.

**US Household Wealth, by Generation, Q1 2020**  
% of total wealth



*Note: includes assets, including real estate, pensions, corporate equities and durable goods; millennials born 1981-1996, Gen X born 1965-1980, baby boomers born 1946-1964, seniors born before 1946*  
Source: Federal Reserve Board, "DFA: Distributional Financial Accounts: Distribution of Wealth in the US," June 19, 2020

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A key aspect of boomer wealth is homeownership. Census data covering Q1 2020 shows boomers well above the total US average in owning their homes. Nearly three-quarters of those 55 to 59 do so, and the proportion is higher still among older boomers.

## US Homeownership Rates, by Age, Q1 2020

% of population in each group

<35	37.3%
35-44	61.5%
45-54	70.3%
55-64	76.3%
65-69	78.9%
70-74	81.1%
75+	77.1%
<b>Total</b>	<b>65.3%</b>

Source: US Census Bureau, "Current Population Survey: Housing Vacancies and Home Ownership (CPS/HVS)," April 28, 2020

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Moreover, many boomer homeowners really and truly do own their homes instead of merely holding mortgages. The most recent BLS data, covering Q3 2018 through Q2 2019, shows 38% of boomers owning their homes mortgage-free. Just 13% of Gen Xers and 9% of millennials did so. This helps explain why boomers are more likely than the younger groups to be wholly debt-free. November–December 2019 polling among workers by the Transamerica Center for Retirement Studies found 25% of boomers reporting themselves free of debt, vs. 15% of Gen Xers and 15% of millennials.

Boomers also have above-average incomes. The BLS data shows boomer-headed households with pre-tax income averaging \$83,698, vs. \$81,220 for total households. And this understates boomers' income advantage, since they tend to be empty nesters with smaller-than-average households. On a per capita basis, boomers are in a class by themselves, with income averaging \$39,856, vs. \$32,488 per capita for the overall population. One caveat is that the pandemic has had a predictably negative effect on income for many boomers and others. In an April–May Bankrate survey, 25% of boomer respondents (along with 35% of Gen Xers and 32% of millennials) said their income had declined due to the pandemic.

## Average Income and Number of People in US Households, by Generation, June 2019

dollars and average number of people

	Income before taxes	People in household
Gen Z	\$21,602	1.7
Millennials	\$75,692	2.7
Gen X	\$107,623	3.1
Baby boomers	\$83,698	2.1
Seniors	\$42,657	1.6
<b>Total</b>	<b>\$81,220</b>	<b>2.5</b>

Note: Gen Z are individuals born after 1997; millennials are individuals born during 1981-1997; Gen X are individuals born during 1965-1980; baby boomers are individuals born during 1946-1964; seniors are individuals born before 1946

Source: US Department of Labor Bureau of Labor Statistics, "Consumer Expenditure Survey: Midyear Update: July 2017-June 2018," April 28, 2020

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One sign of boomers' financial standing is an above-average credit score. A January 2020 report by Experian, analyzing Q2 2019 data, pegged the average credit score for boomers at 731. That's significantly higher than the national average of 703 and far ahead of millennials' 668 average. Boomers benefited in pre-pandemic days from a lower incidence of the unexpected crises that can damage one's credit. In that regard, September 2019 AARP polling found 38% of boomers reporting "an unexpected financial challenge in the past 12 months," vs. 54% of Gen Xers and 58% of millennials.

Indeed, credit reflects the greater financial resilience boomers have shown during the pandemic. For example, April polling by CompareCards found 8% of boomers had seen their credit limit reduced or had a credit card involuntarily canceled in the previous 30 days, vs. 35% of Gen Xers and 36% of millennials. The same month, CreditCards.com polling of card holders found that 34% of millennials and 23% of Gen Xers had added to their credit card debt during the pandemic, vs. 15% of boomers.

It's not as though boomers have been unscathed by the pandemic—just that they've been less scathed than others. That comes across in polling fielded in May by Qualtrics for TransUnion. While 36% of boomers polled "reached out to companies [they] have accounts with to discuss payment options," much higher proportions of Xers (57%) and millennials (66%) said the same. Partly reflecting their lower incidence of having mortgages, boomers were much less likely to have requested forbearance on mortgage payments, according to an April–May LendingTree survey of homeowners. It found 3.5% of boomers had applied for mortgage forbearance, while more than one-third of Xers and millennials had done so.

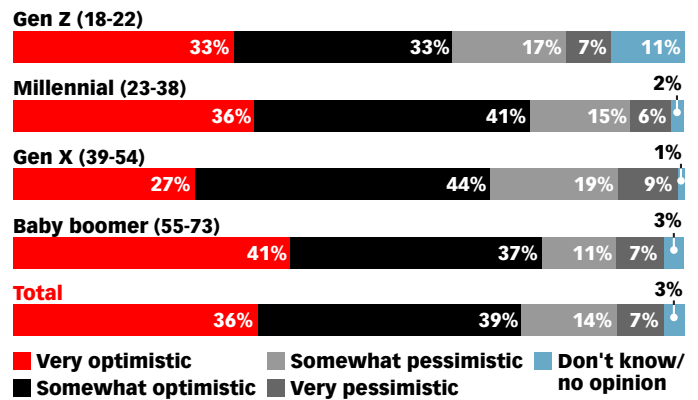
Marc Mezzacca, founder of CouponFollow, said his firm's research had found boomers "the least likely generation to use buy-now-pay-later services, which have become very popular in the younger, more [financially] affected generations. Boomers were also the least likely to have opened a new credit card since the pandemic started or to state that getting discounts was more important." His conclusion: "These all support the fact that boomers were least likely to be financially impacted enough to interrupt their cash flow for digital purchases."

Amid boomers' financial strengths, the weakness is their financial preparedness for retirement. The reckoning for those with insufficient savings will typically come years in the future, but it does await many boomers. The Transamerica survey found 40% of boomers holding at least \$250,000 in retirement savings. However, 25% have less than \$50,000 saved for retirement, and the median across the generation is a lackluster \$144,000. There are also large variations by race and ethnicity, as noted in a January 2020 report by the Boston College Center for Retirement Research. Analyzing data from 2016, it determined that "the typical Black household had 46% of the retirement wealth of the typical white household, while the typical Hispanic household had 49%."

Despite figures showing shabby average levels of retirement saving, plenty of boomers are confident (or were, pre-pandemic) about their own retirement finances. In Fidelity polling in August–September 2019, 66% of boomers endorsed the statement, "I will have enough money in retirement to maintain the lifestyle I want." That's consistent with December 2019 polling by Morning Consult in which just 28% of boomers said they "worry that I will outlive my retirement savings." The same survey found a large majority somewhat or very optimistic about reaching their retirement savings goals. Given such findings, marketers who target boomers now are addressing an audience that at least feels comfortably solvent, even if some of these boomers won't be so solvent late in their retirement.

## How Do US Adults Feel About the Likelihood of Achieving Their Retirement Savings Goals?

% of respondents, by generation, Dec 2019

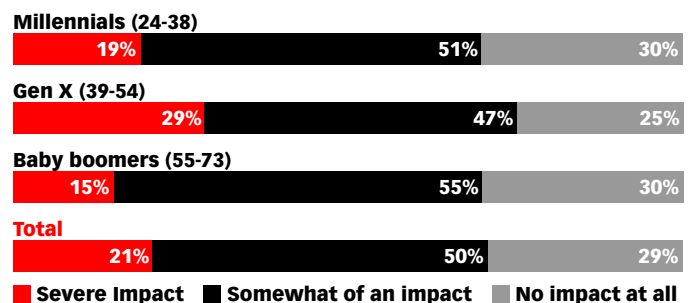


Note: numbers may not add up to 100% due to rounding  
 Source: Morning Consult, "National Tracking Poll #191295," Jan 24, 2020  
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Inevitably, the pandemic has impinged on boomers' thinking about their retirement prospects. In an April supplement to Transamerica's polling, 32% said it has reduced their "confidence in their ability to retire comfortably." A Harris Poll survey in April–May for TD Ameritrade found seven in 10 boomers agreeing that the pandemic would impact their path to retirement, though just 15% anticipated a "severe" impact. On the downside, boomers whose retirement investments took a hit in recent months have a shorter time horizon than younger people before they need to tap those funds, which means some will be doing so before their equities have recovered in value.

## How Do US Internet Users Anticipate the Coronavirus Pandemic Will Impact Their Path to Retirement?

% of respondents, by generation, May 2020



Note: n=1,008; numbers may not add up to 100% due to rounding  
 Source: TD Ameritrade, "Covid-19 and Retirement: Impact of the Covid-19 Pandemic on Americans' Retirement Plans," June 12, 2020  
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On the plus side, the pandemic did not send boomers rushing en masse to tap their retirement accounts to cover current expenses. In Transamerica's April polling of workers, 10% of boomers had raided their retirement accounts or planned to do so, vs. 33% of millennials and 15% of Xers. April–May polling by MagnifyMoney found 7% of boomers had made such withdrawals, vs. 37% of millennials and 40% of Xers.

## INCREASINGLY DIGITAL, BUT STILL LAGGING

With real-world activity reduced as the pandemic plays itself out, digital activity will have outsized importance. But how digitally active will boomers be—and, hence, how reachable by digital marketers? Boomers aren't hopeless luddites. They were, after all, the ones who made the home computer a standard household item. However, there is nothing to suggest boomers will ever be as digital as younger people.

Smartphone usage is a case in point. A majority of boomers do have smartphones, but it's an underwhelming majority. We estimate that 68.1% of boomers will be smartphone owners and users this year, vs. 88.8% of Gen Xers (now ages 40 to 55, by our definition) and 94.4% of millennials (ages 24 to 39).

### US Adult Smartphone Users, by Generation, 2020 % of population



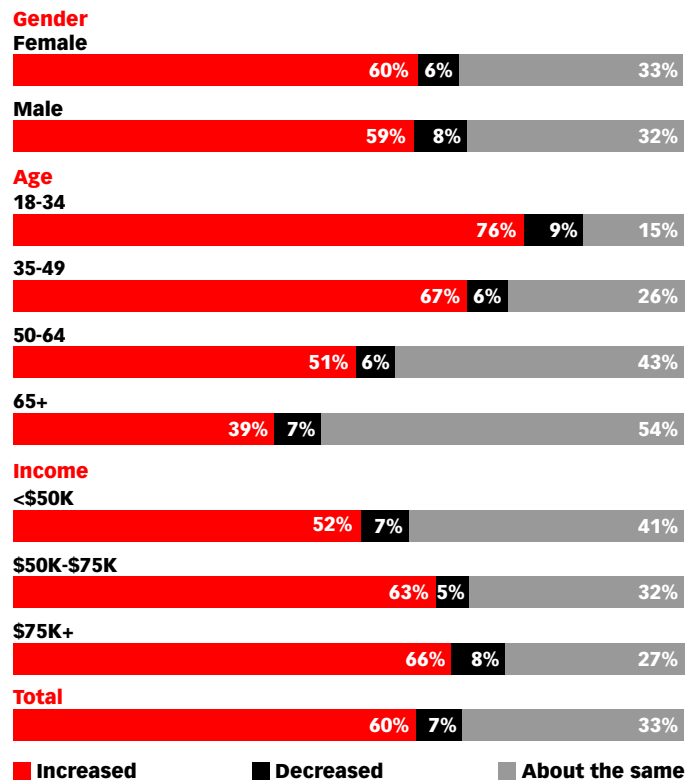
Note: individuals who own at least one smartphone and use the smartphone(s) at least once per month; millennials are individuals born between 1981 and 1996; Gen X are individuals born between 1965 and 1980; baby boomers are individuals born between 1946 and 1964  
Source: eMarketer, Feb 2020

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An AARP report in December 2019 (analyzing polling data from June–July of that year) shows smartphone penetration declining with age in the partly or wholly boomer age brackets. While 86% in the 50-to-59 group had smartphones, the figure dipped to 81% among the 60-to-69s and to 62% among those 70 and older.

Penetration aside, smartphone boomers typically make less use of the device than do their younger counterparts. One telltale sign: While many boomers have increased their smartphone and tablet usage during the pandemic, they're less likely than young adults to have done so. In a Harris Poll survey in April, the proportion of respondents reporting such an increase ranged from 39% among those 65 and older to 76% among the 18-to-34s.

### Are US Adults Using Their Smartphones/Tablets More or Less Since the Coronavirus Outbreak? % of respondents, by demographic, April 2020



Note: numbers may not add up to 100% due to rounding  
Source: The Harris Poll, "COVID-19 Wave 6," April 6, 2020

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Boomers' comparatively limited usage of their phones partly reflects the fact that digital novelty for its own sake holds scant appeal for them. They're disinclined to bother with digital tools that aren't clearly useful. Laurie Orlov, founder and principal analyst at Aging in Place Technology Watch, noted clearly useful-for-boomers apps like those for healthy living, travel, shopping and communications. "Not sure what other apps are useful, or which ones haven't been outed as being major privacy problems. If an app connects boomers to children or grandchildren, then it is worth using." She voiced doubt that boomers find other apps especially useful.

The lag in boomer adoption in apps and other digital technologies also relates to shortcomings by the tech industry in developing products older consumers would want, and then marketing those products in an inclusive way. “Nobody wants to be pigeonholed, but how do you make sure when you do user testing that you actually include a 65- and 70-year-old,” said Dr. Alison Bryant, senior vice president of research at AARP. When it comes to advertising the products, the images either omit older people altogether or display them in a stereotypically negative way, often with “younger people helping them use something.” It doesn’t help matters that the people selling smartphones may not be very interested in making sure boomers are set up with the right apps and preferences. Vendors need to “make sure you provide the information to onboard people,” Bryant said.

Despite these problems, the desire for interaction in a period of pandemic and social isolation has given fresh impetus to digital usage by boomers. Bryant points to video chat as an example. “In order to keep the grandparents safe, families have not been engaging much in person,” she said. “They’re using technology instead, and they’re trying new things. They’re playing games together or doing more video chatting than just texting or calling because they miss the feeling of being in the same room together.” In the case of video chatting, “we’re seeing one-third of older adults picking that up for the first time during COVID.”

## SOCIAL USERS, UP TO A POINT

Social media fits the familiar “yes, but” pattern of usage by boomers: Yes, a lot of boomers use it, but less so than younger generations. We estimate that 50.9% of boomers will be social network users this year, vs. 77.5% of Gen Xers and 90.8% of millennials. (Formulated in February, this forecast does not account for any uptick in penetration that may have occurred during the pandemic.) AARP’s survey found fewer than half of its 50-and-older respondents saying they use social media daily “to communicate with and stay connected to friends and family”—44% of the 50-to-59s, 43% of the 60-to-69s and 37% of those 70 and older.

The pandemic has boosted social usage by many consumers, boomers included—though again, less so than among younger adults. Fielded at the end of March, polling by Business Insider Intelligence (now partnered with eMarketer as part of Insider Intelligence) found 36.8% of boomers who used social media reporting an increase in time spent with it.

### Change in Daily Time Spent with Social Media During the Coronavirus Pandemic Among US Social Media Users, by Generation, March 2020

% of respondents in each group

	Spending more time	Spending the same	Spending less time
Gen Z (18-20)	66.3%	24.2%	9.5%
Millennials (21-38)	69.2%	27.9%	2.9%
Gen X (39-55)	53.2%	41.6%	5.1%
Baby boomers (56-74)	36.8%	55.9%	7.4%

Note: n=1,107

Source: Business Insider Intelligence, “Coronavirus Consumer Survey,” April 6, 2020

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While young people will explore social media and try out new options, boomers are more apt to find what’s useful for them and stick with it—as is true of their digital usage more broadly. In this case, it means boomers who use social media tend to be on Facebook and shun most other options. We estimate that 47.0% of all boomers will be on Facebook this year. In AARP’s polling, 63% of respondents 50 and older said they use Facebook “on a regular basis,” with Instagram a distant runner-up (15%). That dovetails with November 2019 5W Public Relations (5WPR) polling conducted by MARU/Matchbox, in which about half of respondents 55 and older reported daily Facebook usage.

### Daily US Social Network Users, by Age and Platform, Nov 2019

% of respondents in each group

	18-34	35-54	55+
Facebook	77%	68%	52%
Instagram	70%	39%	9%
YouTube	66%	46%	12%
Twitter	54%	38%	9%
Snapchat	47%	24%	2%
Reddit	41%	17%	1%
Pinterest	38%	23%	6%
TikTok	28%	15%	0%

Source: 5W Public Relations (5WPR), “2020 Consumer Culture Report” conducted by MARU/Matchbox, Jan 7, 2020

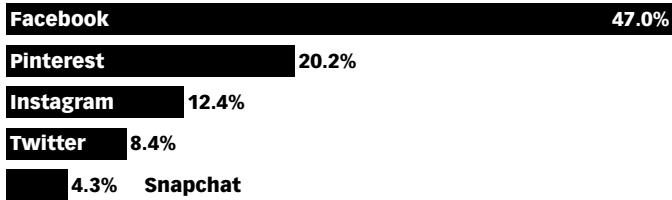
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Other social networks have at best a modest presence among boomers. We estimate that just 12.4% will be Instagram users this year, with penetration even lower for Twitter (8.4%) and Snapchat (4.3%). Pinterest (at 20.2%) has the strongest penetration among boomers of any non-Facebook social network.

## Social Networks Used by US Baby Boomers, 2020

% of population in each group



Note: individuals born between 1946 and 1964 who use each social network via any device at least once per month  
Source: eMarketer, Feb 2020

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The people with whom boomers exchange email can be their most important social network. And email has come to the fore for boomers during the socially isolating months of the pandemic. In March polling by Pew Research Center, 71% of 50-to-64s and 74% of those 65 and older said they were using email to communicate with others during this period.

## WATCHING AND WATCHING

Boomers have been watching TV since they (and the medium) were in their infancy. More recently, digital video has gained a boomer constituency, though less so than among younger people. We estimate that 54.4% of boomers will be digital video viewers this year, vs. 80.9% of Gen Xers and 90.1% of millennials. Morning Consult/Hollywood Reporter polling in May identified 56% of boomers as streaming-video subscribers, vs. 62% of total adults.

Boomers joined younger people in increasing their usage of streaming video during lockdown. As early as mid-March, Morning Consult found 15% of boomers expecting to increase their spending on streaming services due to the pandemic. In the same month, an Integral Ad Science survey found about half of respondents 60 and older saying they had increased their streaming usage.

## US Adults Who Have Increased Streaming Video Consumption due to the Coronavirus Pandemic, by Age, March 2020

% of respondents in each group



Source: Integral Ad Science (IAS), "Streaming Wars Wave 2: The Impact of Stay-at-Home Behaviors on CTV," April 7, 2020

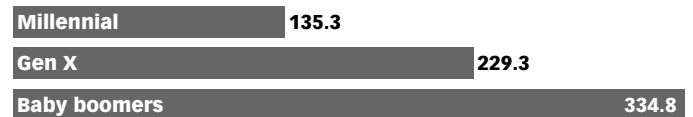
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Increased viewing of subscription streaming services naturally reduces the amount of time available for watching ad-supported content. That's scarcely a problem in the case of boomers, though, as their consumption of digital video comes atop an extraordinary amount of time spent with traditional TV. We estimate that they will average more than 5 hours per day watching TV this year, more than double the daily figure for millennials.

## Daily Time Spent with TV Among US Adults, by Generation, 2020

minutes



Note: includes live, DVR and other prerecorded video (such as video downloaded from the internet but saved locally); includes all time spent watching TV, regardless of multitasking; millennials are individuals born between 1981 and 1996; Gen X are individuals born between 1965 and 1980; baby boomers are individuals born between 1946 and 1964  
Source: eMarketer, Feb 2020

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The increased familiarity with digital video that boomers have gained during the pandemic could affect their long-term behavior. "I think boomers who do make the adjustment to streaming services like Netflix and Hulu will continue to consume it even after the pandemic subsides," CouponFollow's Mezzacca said. While they won't abandon TV, "some of their digital consumption hours will transition to streaming services."



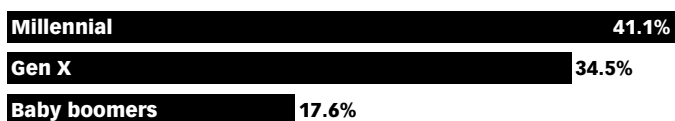
## AND ELSEWHERE IN DIGITAL

With a pragmatic bent in their digital usage, boomers have been comparatively uninterested in technologies whose real-life utility is not obvious. But they also have been slow to adopt technologies that could help them age in place and deal with physical challenges that accompany increasing age. Along with concerns about issues like privacy, it's partly a matter of the inertia about adopting new things that tends to set in as one gets older.

Voice technology is a conspicuous example. It ought to have appeal for older boomers, whose ability to read a small screen and manipulate a tiny virtual keyboard may be in decline. And yet, boomers who own smartphones have lagged in using the voice assistant capability. We estimate that 38.6% of smartphone boomers will use the voice assistant this year, vs. 49.0% of Gen Xers and 53.1% of millennials.

Boomers also have scant adoption of smart-home technology, such as monitoring devices, internet-connected home thermostats and smart appliances. AARP's polling shows penetration of such devices lowest among the oldest boomers (who might benefit from them most)—falling from 11% among the 50-to-59s to 10% among the 60-to-69s and to 7% among those 70 and older. Boomers also lag in adopting smart speakers. We expect just 17.6% of boomers to own smart speakers this year, barely half the device's penetration among Gen Xers.

### US Adult Smart Speaker Users, by Generation, 2020 % of population



Note: individuals of any age who use a smart speaker at least once per month; millennials are individuals born between 1981 and 1996; Gen X are individuals born between 1965 and 1980; baby boomers are individuals born between 1946 and 1964  
Source: eMarketer, Dec 2019

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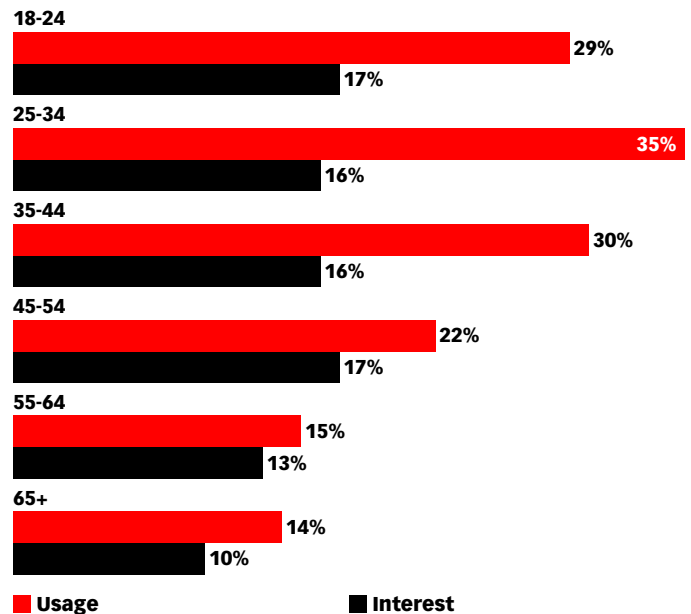
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Smart speaker adoption bumps up against boomers' chronic worry about digital privacy. "Boomers seem to worry more about privacy with an always-listening device than younger people, who have no expectations about privacy," Orlov of Aging in Place Technology Watch said.

Wearables have obvious utility for consumers at an age when health problems proliferate. Here again, though, boomers have been slow to take them up. Moreover, wearables adoption declines with age among people

within the 50-and-older population. In AARP's polling, 22% of 50-to-59s were users, vs. 16% of 60-to-69s and 11% of those 70 and older. An Activate Inc. survey in September 2019 found boomer internet users significantly behind younger cohorts in using wearables or voicing interest in doing so.

### Usage and Interest in Wearable Devices Among US Internet Users, by Age, Sep 2019 % of respondents



Note: n=4,006

Source: Activate Inc., "Technology & Media Outlook 2020," Oct 23, 2019

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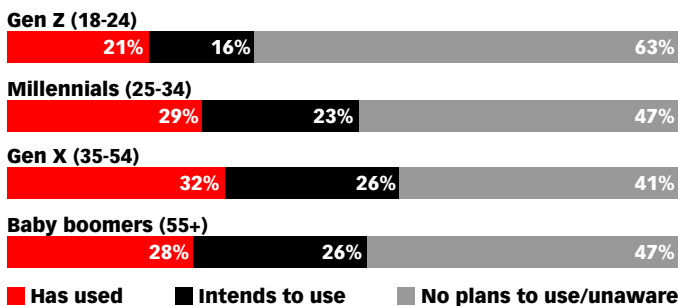
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Adoption of telehealth has risen across age groups during the pandemic. Among boomers, though, the increase has come from a low pre-pandemic base. In November 2019 Gallup polling, 7% of respondents 55 and older (vs. 18% of 35-to-54s and 16% of 18-to-34s) reported using mobile apps to track their health. More broadly, YouGov polling in the same month found 7% of boomers (vs. 13% of Gen Xers and 18% of millennials) had used telemedicine technology to communicate with their doctor.

Boomers' below-average usage of telemedicine pre-pandemic leaves open the question of whether their recent behavior will stick long term. That said, many boomers have been exposed to telehealth in recent months and lived to tell the tale. CivicScience polling found the proportion of respondents 55 and older who had tried telemedicine rising from 13% in March to 28% in May. And its April polling found that 73% in this age group who tried the technology were satisfied with the experience.

## Coronavirus Impact: US Adults' Experience with Telemedicine, by Generation, May 2020

% of respondents in each group



Note: n=25,267; numbers may not add up to 100% due to rounding  
Source: CivicScience as cited in company blog, May 18, 2020

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Recent Harris Poll surveys detected a similar pattern. Among 55-to-64s, the proportion who had ever used telehealth resources rose from 24% in late April to 36% in late May. Among those 65 and older, it rose from 18% to 28% during that period. Even as doctor's offices resume normal service, safety concerns could sustain heightened telehealth usage by boomers. "Fear of going into the doctor's office will keep at least some interest in telehealth interactions, like FaceTime," Orlov said. But she added that some physical conditions aren't suitable for that sort of remote approach "and should get people back into the office eventually."

When boomers and seniors do try a new technology and find practical benefit in it, Bryant of AARP emphasized, they're likely to stick with it. "They may not literally be the first kid on the block to adopt it," she said. "But once they do, they will use it if it's of value to them more than anybody else. And they have the discretionary income and spending money to actually purchase it." One positive effect she has seen from the pandemic is "the impetus to try and explore new things," which will yield new kinds of digital literacy among older consumers—especially as one skill promotes another. "If you're getting on video chat with your grandkids, those skills that you've learned translate into a telehealth visit with your doctor, or it can translate into chatting with a banking specialist on your retirement savings and planning."

## BOOMERS AS SHOPPERS

With its shutdown of many physical stores, the pandemic has moved a bigger-than-usual share of boomers' spending to digital channels. Some of that is likely to persist. Meanwhile, amid heightened attention to racial and other social issues, there are mixed signals about how boomers feel when brands take public stands on such matters.

Wielding above-average incomes, boomers are above-average spenders. The BLS data shows boomer households spending a 12-month average of \$63,962, vs. \$62,438 for total households. And as with the BLS income data, the smaller average size of boomer households means their spending as calculated per capita is well above the national average, at \$30,458 vs. \$24,975.

Even among people with money to spend, the pandemic has made it harder to do so. But Jeff Weiss, president and chief evangelist officer of research firm Age of Majority, said spending has held up well among the many 55-and-older consumers his firm refers to as "active agers"—i.e., those who "are active mentally, physically and socially." Aside from travel, "in our research, the only major category where active agers were spending less, vs. more or the same, was clothes/footwear," he said. "We think this is temporary and likely related to their preference to shop for these products in a physical environment." In general, "when they are cutting back on spending, it's because of safety concerns, not economic concerns."

When transacting purchases, many boomers have adopted ecommerce—though it's yet another area where they lag behind younger adults. We estimate that 62.1% of boomers will be digital buyers this year, well short of the percentages of Gen Xers and millennials.

## US Adult Digital Buyers, by Generation, 2020

% of population

Millennial	86.2%
Gen X	79.2%
Baby boomer	62.1%

Note: digital buyers defined as internet users who have made at least one purchase via any digital channel (including online, mobile and tablet) during the calendar year; millennials are individuals born between 1981 and 1996; Gen X are individuals born between 1965 and 1980; baby boomers are individuals born between 1946 and 1964

Source: eMarketer, May 2020

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Some boomers also consult digital content when deciding where to spend their money, but they are less inclined than younger consumers to do so. When the 5WPR survey asked respondents to cite sources that influence their purchasing, comparatively few of those 55 and older included people they follow on social media, influencers on YouTube and podcast sponsorships. Even in an unexotic category like digital ads, boomers lagged far behind. Online reviews, by contrast, did have a strong boomer constituency.

## Types of Influences on US Internet Users' Purchase Behavior, by Age, Nov 2019

% of respondents in each group

	18-34	35-54	55+
Word of mouth	93%	89%	89%
Online customer reviews	90%	84%	77%
Digital ads	75%	64%	39%
Articles/blogs	74%	66%	44%
Someone I follow on Instagram	72%	41%	9%
Someone I follow on Facebook	67%	48%	22%
Influencers on YouTube	64%	49%	19%
Podcast sponsorship	58%	39%	8%
Celebrity endorsement	57%	40%	14%

Source: 5W Public Relations (5WPR), "2020 Consumer Culture Report" conducted by MARU/Matchbox, Jan 7, 2020

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For now, at least, the pandemic has given impetus to boomers' usage of digital options for shopping, including for groceries. "Prior to the pandemic, boomers were least likely to give up their familiar grocery shopping habits," said Jana Davis, director of research at Acosta Sales & Marketing. "But COVID led to new priorities of social distancing and safety." Citing her firm's research, she noted that in March and April, more than 30% of boomers had tried online grocery shopping or were considering it. "And at least some of them plan to stick with it long term." It's partly a matter of having mastered a new skill. "Boomers have leaned into online grocery shopping at an

accelerated rate and appear to be getting the hang of it," she added. For instance, Acosta's research found "83% have been very or extremely satisfied with the ease of building an online cart."

Though a majority of boomers buy online, it has not been their first choice of retail venue in normal times. TD Bank polling in September–October 2019 found 87% of boomers saying they prefer to shop in physical stores. Asked in a December 2019 Shopkick survey to say where they planned to do the majority of their 2020 shopping, 67% of boomers cited physical stores, as did 59% of Gen Xers and 57% of millennials. The same month, IRI polling showed just 24% of boomers regarding click and collect (i.e., buy online and pick up in-store) as an option they valued in choosing stores, vs. twice as many millennials.

## Attributes US Internet Users Find Important in the Store Selection Process, by Generation, Dec 2019

% of respondents in each group

	Gen Z (1996–2001)	Millennials (1981–1995)	Gen X (1965–1980)	Baby boomers (1946–1964)	Seniors (before 1945)
Technology that makes shopping there more exciting	57%	47%	42%	31%	27%
Good assortment of prepared/easy-prep meal solutions	56%	57%	45%	41%	43%
Digital purchase with in-store pickup	46%	48%	41%	24%	15%
Good selection of gourmet food/beverages	44%	49%	41%	35%	31%
Good selection of natural/organic food/beverages	41%	49%	40%	37%	27%
Subscription services for frequently purchased grocery items	33%	32%	20%	12%	11%

Note: very or somewhat important

Source: IRI, "Consumer Connect Q4 2019: Channel Trends in CPG Today," Jan 27, 2020

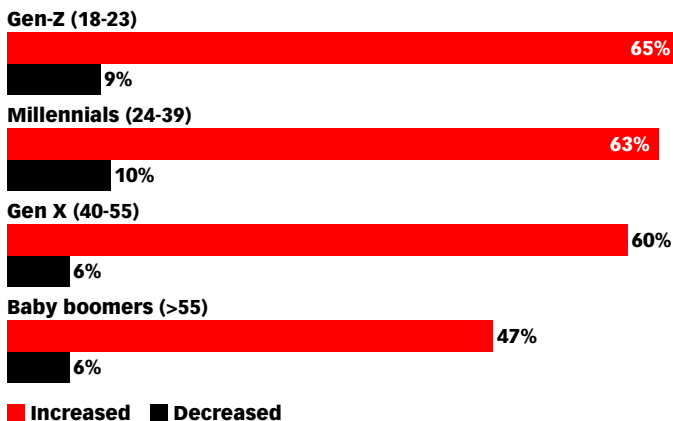
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The pandemic quickly upended many shopping habits. Polling by First Insight found a steep rise between late February and mid-March in the proportion of boomers saying they had shifted buying to online, from 8% in the earlier survey to 34% in the later one. A June release of National Retail Federation (NRF) data showed 45% of boomers shopping more online due to the pandemic. CouponFollow polling fielded mid-March through May found nearly half of boomers saying they increased their online spending during that period.

## US Internet Users Who Have Increased vs. Decreased Their Digital Spending Since the Coronavirus Pandemic, by Generation, May 2020

% of respondents in each group



Source: CouponFollow, "Commerce During COVID," June 10, 2020

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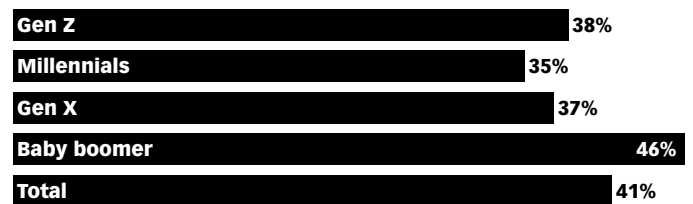
Boomers' wariness of roaming around physical stores during the pandemic also manifests itself in greater click-and-collect usage. Noting a surge in its popularity among boomers, the NRF found two-thirds had engaged in click and collect. When they find something digital that they like, boomers can take to it in a big way. "We see generally that older consumers may not be early adopters, but they are enthusiastic adopters," Age of Majority's Weiss said.

That may carry over for boomers to digital shopping more broadly. "Once they've gotten through the initial learning curve, many will stick with it," CouponFollow's Mezzacca said. In the meantime, they may temper the unfamiliarity of ecommerce by conducting it through retailers they've long patronized in person. "I don't think boomers have strayed too far from the brands they know in the physical world," he said. "In our research, boomers were the least likely generation to try new online stores, but one in five shopped online for the first time at a well-known-brand discount buying club or superstore like Walmart, Costco or Sam's Club."

Of course, many boomers will be happy to resume their more accustomed shopping habits when it feels safe to do so. YouGov polling in April found signs of this when it asked about activities respondents were "looking forward to once social distancing directives end and businesses reopen." Among boomers, 46% put "going shopping in person" in that category, as did smaller numbers of younger respondents.

## Coronavirus Impact: US Adults Who Are Looking Forward to Shopping in Person When Social Distancing Directives End, by Generation, April 2020

% of respondents in each group



Note: when stores reopen; Gen Z are individuals born after 1999; millennials are individuals born during 1982-1999; Gen X are individuals born during 1965-1981; baby boomers are individuals born during 1946-1964

Source: YouGov, "Post COVID Bucket List," May 6, 2020

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However, this does not mean boomers will rush back to stores if it feels risky. They want to see retailers doing what's possible to ensure shoppers' safety. Salesforce polling in May asked consumers to identify steps a retailer would have to take before they'd return to its physical stores. Boomers were the most demanding, with 71% (vs. 62% of total respondents) requiring "social distancing measures." Boomers also overindexed for wanting retailer policies that mandate personal protective equipment like masks for customers (56%, vs. 50% of total respondents) and employees (65% vs. 57%).

## BOOMERS AND CAUSE-RELATED MARKETING

Months following the killing of George Floyd have seen brands making public statements of their values on racial issues. This follows years in which some brands have leavened their marketing with stances on other public issues and displays of fidelity to corporate social responsibility. Often, this is a matter of catering to millennials and Gen Zers, who are assumed to be especially concerned about sustainability, gender equity and other causes. But this leaves open the question of how boomers react when brands align themselves with a given cause. Data from last year and from the period following George Floyd's death gives mixed signals, including on whether brands are simply trying too hard to convey qualities unrelated to their intrinsic identity.

In a January 2020 Morning Consult survey, 35% of boomers (and 36% of total respondents) said they like it when brands “show off their commitment to issues that go beyond their own bottom line.” But 46% of boomers (and 42% of total respondents) endorsed the contrary view that brands “try too hard to make it look like they care about things besides their own bottom line.” Boomers were similarly aligned with respondents in general when Shopkick’s survey asked whether they planned to shop more often at retailers “that align with their core values”: 75% of boomers said they did so, along with 72% of Xers and 70% of millennials.

Then again, boomers are less inclined than younger consumers to treat brand choices as an occasion for flaunting their ideological allegiances. In the 5WPR survey, 21% of respondents 55 and older subscribed to the statement, “I enjoy buying products that show off my social or political ideology or beliefs,” vs. 50% of 35-to-54s and 62% of 18-to-34s.

In recent months, sentiment among older consumers has been mixed in response to protests and brand statements following the killing of George Floyd. An ongoing Civiqs survey asked respondents whether they “support or oppose the Black Lives Matter movement.” As of mid-July, responses showed “support” falling steadily with age, from 64% among 18- to 34-year-olds to 52% of the 35-to-49s, 44% of the 50-to-64s and 41% of those 65 and older. In that oldest group, “support” led “oppose” by just a single percentage point. Older respondents were more favorable when a June wave of The Economist/YouGov polling asked whether the “slogan” Black Lives Matter carries positive or negative associations. Respondents 65 and older split 48% positive vs. 29% negative, with most of the rest “neutral,” when the question was asked in those terms. Still, boomers were markedly less favorable than young adults, with the survey’s 18-to-29s splitting 62% positive vs. 16% negative in their outlook on this. (Among total respondents, the split was 52% positive vs. 22% negative.) The ethnic composition of the boomer population, which skews more non-Hispanic white than the total US population, may be a factor in the pattern of responses.

Older consumers’ differing attitudes toward “Black Lives Matter” as a slogan vs. a movement may reflect qualms about particular policy proposals associated with the latter. Calls to “defund the police” are a prime example. In a HuffPost/YouGov survey in June, total respondents

were more likely to strongly oppose than to strongly support that proposal, 41% vs. 13%. But the divide was even wider among respondents 65 and older, with 58% strongly opposed and a mere 6% strongly in favor.

Attitudes were no less complicated when May–June Morning Consult polling asked respondents to say what companies and their executives should emphasize “in their responses to protests and demonstrations in dozens of US cities.” Boomers were more likely than younger respondents to say such statements should emphasize “protection of private property, stores” and “safety of police and law enforcement officials.” But boomers also overindexed (albeit slightly) for wanting companies to address racial inequalities in the US.

**US Adults Who Feel It Is Important for Companies to Emphasize Select Concepts in Their Responses to the Black Lives Matter Protests, by Generation, June 2020**  
% of respondents in each group

	Protection of private property	Death of George Floyd	Racial inequalities in the US	Safety of police/law enforcement
Gen Z (1997-2002)	60%	68%	62%	46%
Millennials (1981-1996)	62%	67%	65%	53%
Gen X (1965-1980)	70%	65%	61%	64%
Baby boomers (1946-1964)	83%	73%	66%	77%
<b>Total</b>	<b>72%</b>	<b>69%</b>	<b>64%</b>	<b>64%</b>

Note: ages 18+; at least somewhat important; read as 77% of baby boomers feel the safety of police and law enforcement officials is at least somewhat important for companies/executives to emphasize in their response to protests/demonstrations in US cities  
Source: Morning Consult, “Brands Are Speaking Out on Black Lives Matter. How Are Consumers Going to Respond?” as cited in company blog, June 2, 2020

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All of that said, keen attention to brands’ political stances or lack thereof is not the typical condition for consumers unless highly visible events like the killing of George Floyd and subsequent protests shine a spotlight on them. In Morning Consult polling last August, just 13% of boomers (and the same percentage of total adults) agreed that they pay a lot of attention “to ethical and political matters relating to companies you purchase goods and services from.”

Often, boomers may simply not notice when brands take stands. According to Weiss: “The fact is, older consumers are largely being ignored, so may pay less attention to social stances taken by many brands.”

## KEY TAKEAWAYS

- **Though boomers are far from universally prosperous**, their levels of wealth, income and homeownership mean they're in better shape on average than younger generations. As such, they're indispensable for marketers seeking consumers with money to spend during the coronavirus recession.
- **The pandemic and lockdown have given a boost to some aspects of boomers' digital usage.** But there is no reason to think they'll ever be as digitally accessible to marketers as younger consumers are. It's a telling sign that boomers have been slow to adopt technologies (like wearables and telemedicine) that could be especially valuable for people at their life stage. The enormous amount of time boomers spend with traditional TV points to it as the obvious medium through which to reach them.
- **With physical stores shut down, boomers have inevitably increased their usage of ecommerce.** But stores are what they're used to, and it's not clear how much of their shopping behavior during the pandemic will stick when it's finally over. They've learned some new tricks, though, and may continue to apply them.
- **Boomers appreciate brands that align with their core values, but only a small percentage report even paying attention to brands' stances on social issues.** That's not to say boomers don't care. Polling finds many gravitate to brands that line up with their ideologies, as well as wanting brands to address racial inequalities. But they can differ sharply from younger consumers about the specifics of what they want brands to say, which means that a message pleasing to woke millennials might well be off-putting to lots of not-as-woke boomers.

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**AARP**  
*Interviewed July 13, 2020*



**Jana Davis**  
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*Interviewed July 13, 2020*



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**Ageing in Place Technology Watch**  
*Interviewed July 10, 2020*



**Jeff Weiss**  
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*Interviewed July 10, 2020*

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