

Understanding the Mature Marketplace

Pathways to Success in Challenging Times
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Embracing Change in Challenging Times

- *“Observe always that everything is the result of a change, and get used to thinking that there is nothing Nature loves so well as to change existing forms and make new ones like them.”*

Marcus Aurelius (121-180 A.D.)
Meditations. iv.36

Mature Marketplace Growth in Numbers

- In 2000, 70 Million Americans Over Age 50;
 In 2016, 115 Million Americans Over Age 50
 - 75 Million 50 – 64; 40 Million 65+
- 1 in 3 Americans is Over Age 50
- Average Lifespans: 77 for Men; 84 for Women
 - Couples at Age 65
 - 50% Chance at Least One will Live to Age 92
 - 25% Chance at Least One will Live to Age 97
- Fastest Growing Segment of the Population?

Inside the Numbers

- 7% of Boomers, 22% of Seniors have Financial Plan
 - 20% Will Receive an Inheritance (Avg. \$64,000)
 - 33% Still Working Expected to be Retired Already
 - 55% Unsure How Much They'll Need in Retirement
- AARP.org
 - [Senior Journal.com](http://SeniorJournal.com)
 - U.S. Insurance News
 - American Society of Actuaries

Mature Marketplace Investment Patterns

- Current Impact of the Housing Market
 - 34% of 50-64, 48% of 65+ Say Good Investment
- Current Impact of the Stock Market
 - 50-64 Remain Largest Age Group of Investors
 - *Pew Research Study (3/2013)*
 - *Gallup Poll (4/2014)*
 - *AARP Research (7/2013)*

Section 1

Inside the Mature Marketplace

5 Key Concepts

- What Motivates the Mature Marketplace
 - Autonomy/Self-Sufficiency
 - Connectedness
 - Altruism
 - Personal Growth
 - Revitalization

Segmenting the Mature Marketplace

- The "Matures"
 - Born Before WW II
 - Extremely Patriotic
 - Self-Sacrificing
 - Debt-Free
- The "Boomers"
 - Born After WW II
 - Instant Gratification
 - Self-Entitled
 - Debt is Way of Life

Physical Changes

■ Eyesight

- Less Responsive to Cool Colors
 - Because of Yellowing of the Retina that Occurs with Aging, Ability to Distinguish "Cool" Colors Decreases
 - Use Warm Shades as Accents in Office Décor and on Collateral Materials
- Increased Glare Sensitivity
 - Limit Harsh Overhead Lighting, White Paint on Walls
 - Print on Dull or Matte Finish Paper Stocks, Instead of Gloss or Enamel Coatings

Physical Changes

■ Hearing

- 1 in 10 Americans Have Hearing Loss
 - 1 in 6 of 50+; 1 in 3 of 65+; 1 in 2 of 80+
 - Higher Frequency Losses More Common with Men
- Communicating in Person
 - Read Body Language: Hands, Lips and Eyes
- Communicating by Telephone
 - Speak Slowly, Repeat Salient Facts, Pause to Ask Questions

Cognitive Changes

- Verbal Memory Declines More than Visual Memory
 - Impact on Testimonial Letters vs. Lifestyle Photos
- Personality
 - Little Change with Aging
 - Patterns Formed in Young Adulthood
 - Impacts on 75-Year-Old Client
 - Impacts on 50-Year-Old Client

Intelligence and Memory

- Fluid Intelligence = "Episodic Memory"
 - The Process of Assimilating New Knowledge
 - Peaks in Early 20's, then Declines with Age
 - Deals with Words, Numbers and Incidents
 - Impacts Person's Ability to Process New Information
- Crystallized Intelligence = "Life Knowledge"
 - Experience Mixed with Long-Term Memory
 - Does Not Decline with Age
 - Deals with Images, Colors and Emotions
 - Creates Positive or Negative "Cognitive Association"

Left Brain vs. Right Brain Thinking

- With Aging, Left Brain (Logic) Thinking Declines, While Right Brain Thinking (Instinct) Increases
 - The Right Brain is Better at Recognizing Relationships and Visual Processing
 - With Right Brain Thinking, Impressions are Formed Visually and Instantaneously
 - It is Through the Right Brain that the Benefits of Making Life-Impacting Decisions are Understood

Mature Marketplace Purchase Behaviors

- To Replace Something Old & Obsolete
- To Feel Part of Something Important
- To Give Gifts
- To Accumulate Enriching Experiences
- To Maintain Lifestyle

The Role of “Secondary Influencers”

- Definition: Spouse, Family, Care-Giver
 - Involved in 2/3 of Life-Impacting Decisions
- Impact on Purchase Cycles
 - Conduct Community Outreach Programs Before/After Major Holidays

Interactive Exercise #1

- How Do You Retain a Mature Marketplace Client?
 - By Having a Sale or Giving a Discount?
 - By Creating a Relationship Based on Perceived Value and Personalized Service?


Section 2

Defining Yourself in the Marketplace

- ### Starting Point in Challenging Times
- Consistency of Message
 - What You Want Your Business to be Known For
 - A.K.A. "Positioning" or "U.S.P."

Positioning Endures

- 1927



\$30,000 in Cash Prizes


Coca-Cola

GOOD COMPANY

There's nothing like a good drink. Get your good habit of Coca-Cola today. It's the one good one you can drink. There are some beverages and refreshments around, but you can't get any better than Coca-Cola.

Positioning Endures

- 1951



Come over for Coke

It's the real refreshment every body understands. Their habit of drinking Coca-Cola is...

Positioning Endures



- 1986

Interactive Exercise #2

- In 25 Words or Less, Tell Us What You Want Your Business to be Known for

Section 3

The Relationship Imperative

Two Kinds of "Buyers"

- Transactional Buyers – Make Purchase Decisions Based on Price or Convenience, but not on Loyalty
- Relationship Buyers – Make Purchase Decisions Because of the Relationship You've Created
 - Relationship Buyers do Return,
Transactional Buyers do not Return

4 Rules of Relationship Building

- Requires Individual Knowledge of Your Clients
- Must be Interactive
- Does not Need to be High-Tech
- Based on Perceived Value and Personal Service

Industries Using it Then...

- Airlines
- Credit Cards
- Telephone Services

Industries Using it Now...

- Everyone
 - Who Was "Joe, the Corner Grocer" and Why is he the "Father of Relationship Building"?

Leverage Point in Relationship Building

- First Point of Contact

The Staffing Equation

- One of the most Important Human Needs is *"Identity"*
- Treat your Staff as part of Your Business
- Empower them to Become Experts at what they do
- Create an Environment where Everyone knows how Important they are to Your Overall Success

The Staff Training Question

- Some Business Owners ask, "What if I Train my Staff and they Leave?"

The Staff Training Answer

- The Better Question is, "What if I Don't Train my Staff and they Stay?"

Office Design

- Glare Sensitivity
- Visual Stimuli
- Olfactoral Stimuli
 - Creates Positive Cognitive Association
- Continuous Loop TV
- Family Friendly Environment
 - 26% of Grandparents have Regular Care of Grandchildren

Section 4

Understanding the Mature Marketplace

Features vs. Benefits

- Features are the Physical Characteristics of Your Product or Service
- Benefits are How Those Characteristics Improve Product or Service Performance

Interactive Exercise #3

- Think of the Product or Service You Want to Provide Most
 - Write 3 Features of that Product or Service
 - Write 3 Benefits of that Product or Service

Interactive Exercise #4

- Imagine You Are 18 Years Old and About to Leave for College
 - Write a Short Letter to Mom & Dad, Asking to Borrow \$10,000 for Your 1st Year's College Tuition

Features vs. Benefits vs. Values

- Features are the Physical Characteristics of Your Product or Service
- Benefits are How Those Characteristics Improve Product or Service Performance
- Values are the Emotional Translation of how Product or Service Improves Clients' Lives

"Values-Based" Communication

- 3 Ways to Influence Human Behavior
 - Addressing Human Needs is Least Powerful
 - Addressing Human Wants is More Powerful
 - Addressing Human Values is Most Powerful
 - Use an Exchange of Values to Create Environment of Trust and Confidence
 - When Clients talk About their Values, it Leads to Understanding what Makes their Lives Unique
 - Values are like Fingerprints; Each is Similar, but no two are Identical

5 Mature Marketplace Needs

- Necessities for Everyday Life
 - Food/Water
 - Affection
 - Safety
 - Shelter
 - Survival

5 Mature Marketplace Wants

- Aspirations not Always Attainable
 - Personal Items
 - Larger Home
 - Financial Security
 - Unlimited Spending Ability
 - Staying Current with Latest Advances

5 Mature Marketplace Values

- Translated from 5 Key Concepts
 - Family
 - Health
 - Peace of Mind
 - Friends
 - Leisure Time

Communicating with the Mature Marketplace

- Be "Conversational"; Write as if You are Speaking to that Person
- Remember the "You"
- Use Adverbs for Men, Adjectives for Women
- "50 Word Rule"
- Always use a P.S.

Guidelines for Layout

- Minimum 12 pt. Type
- "Flush Left/Rag Right" Alignment
- Indent Each Paragraph
- Maximum 2 Sentences, 3 Lines per Paragraph
- Personalized Salutation
- Backwards is "Proof Positive"

Inbound vs. Outbound Communication

- Hubspot TM Report
 - 85% of Businesses to Spend Less on Print Ads in 2016
 - 71% of Businesses to Spend Less on Direct Mail in 2016
 - 82% of Businesses to Spend More on E-Communication in 2016
 - 68% Fewer \$\$\$/Lead by Inbound vs. Outbound
 - Estimated More \$\$\$ from Inbound than Outbound by 2018

E-Communication Programs

- AARP™ Study Shows Mature Marketplace Fastest Growing Segment (98 Million in 2016)
 - 18 Hours/Week
 - 74% are Looking for Products and Services Locally

Standard Website Content

- Home Page
- Staff Highlights
- Products and Services
- "News You Can Use"
- Testimonials
 - Video Testimonial; Testimonial from Spouse
- "5-Minute Test"
- Contact Page
 - Self-Qualifying Questions

Variations on the Website Theme

- Definition of "Branding Site"
 - Who You are and the Products/Services You Offer
- Definition of "Power Page"
 - Example: (Your Town) FinancialServices.com
 - Information Becomes part of E-Database
 - "Click Here" Brings them to "Landing Page"

The "Client-Centric" Website

- Secure the "Landing Page"
 - Value-Added: Coupons, Offers
 - Interactive Elements
- Be "Transactional"
 - Appointment Setting
 - Event/E-Newsletter Sign-Ups
- Be "Personal"
 - Establish "Client Portals"
 - Communicate with Key Staff
- "Cross-Promote" Site
 - Guide Visitors to Other Pages

Monitor Your Site's Success

- Google Analytic™/Webmaster™
 - Learn the Most Popular Pages
 - Add Offers/Update Information
 - Conversion Rate
 - 2% or Higher
 - Bounce Rate
 - 50% or Lower
 - Opt-In Rate
 - 3% or Higher
- Pingdom™
 - Download Rate
 - 2 Seconds or Less

Social Media Programs

- Facebook™
 - 1 Billion Users
 - 72% of All Internet Users
 - More People Over 50 than Under 21
 - 50% Visit Daily; 700 Billion Minutes/Month
- Twitter™
 - New Street-Corner "Soapbox"
 - 572,000 New Accounts; 177 Million "Tweets"
- LinkedIn™
 - Business Networking/Referrals
 - 135 Million Users; 38% \$100K+

Social Media, Cont'd...

- Yelp™
 - Learn What the Community is Saying
 - 48 Million Users; New "Town Crier"
- To Blog or not to Blog
 - 62% More Leads/Month
- Don't Forget YouTube™
 - Emeritus, Anderson, SC
- Women 45-55 Fastest Growing Segment
 - Ability to Reach Secondary Influencers

Promises & Perils of Inbound Communication

- Promises
 - Life at the Speed of Light
 - 8/2008: Google™ Overtakes Yellow Pages™
 - 8/2010: Facebook™ Overtakes Google™
 - 1st to 50 Million Users
 - Radio = 38 Years; TV = 13 Years; Internet = 4 Years
 - Facebook™ = Nine Months to 100 Million Users
 - 44% of All "Sharing" Done by Facebook™ Visitors
 - Ability to Establish Ongoing 2-Way Communication
 - Keeping it Fresh
 - New Postings 3x/Week Will Increase SEO

Promises & Perils, Cont'd...

- Perils
 - Living in a Viral Age
 - No Such Thing as "Digital Death"
 - The Myth of "Free"
 - 56% Spend 6+ Hours/Week
 - 30% Spend 12+ Hours/Week
 - Accountability/Legal Issues
 - Assume the Same Rules Apply

Free Media Programs



- Inverted Pyramid Style
- Newsworthiness
- About the Business
 - New Location/Staff
 - New Products/Services
 - Conference/Event
- About the Clients
 - Human Interest
 - 1st-Person Testimonials
 - Client Success Stories

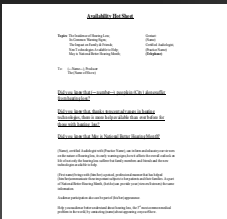
Maintaining Media Contacts

- Locate Media Directory "Source Book"
 - Library
 - Chamber of Commerce
 - Newspaper
 - Ad Agencies
 - Combine both Print and Broadcast Contacts

Working with the Media

- Prepare "Talking Points" in Advance
- Understand Their Workdays
 - Place Follow-Up Calls between 10:00 am – Noon
- Present Yourself as an Expert, not a Salesman
- Fax/Mail/Hand-Deliver or Electronic Distribution

Appearances on Radio/TV



- Availability Hot Sheet
- Popularity of News or Interview Formats
 - 2000+ Stations in 2016
- Use B-Roll Footage in Continuous Loop System
 - Beta/DVD Formats

Community Outreach Programs

- Low-Cost “Messaging”
- Communicating Directly With Target Audience
- Improve Intra-Office Communication Skills

Community Outreach: Philanthropy

- Involve Your Business in Charitable Programs
 - PR, PSA Benefits Build Goodwill
- Encourage Clients to Become Involved
 - Private Donations Represent 75% of Contributions
 - Key Concept #3: Altruism
 - Intergenerational Giving

A Simple Equation for Challenging Times

- Better Communication Skills = Longer Relationships
- Longer Relationships = Greater LTV
- Greater LTV = Higher Profitability
- Higher Profitability = Successful Business
- Successful Business = Where You Want to Work



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