

EXISTING RETAIL STRATEGIES AND THE OLDER CONSUMER:

An Empirical Assessment and Recommendations

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Overview

The demographics of the American marketplace are changing in a most profound way. One force that significantly contributes to this is the aging U.S. population. The aging of the population has captured the attention of American businesses, which are faced with the reality of a growing consumer segment with unique needs and high discretionary incomes.

One economic sector that feels the pressure to better understand and cater to the segment of older consumers is retailing. Retailers are in a critical position in the marketing channel because the store is the last interface between product/service provider and consumer. As the growing mature-consumer segment's abilities and needs continue to change, retailers are feeling the urgency to address the consequences of these changes in cost-effective and efficient ways.

The present study, sponsored by the International Council of Shopping Centers Educational Foundation, was designed to assess older adults' shopping orientations, shopping preferences, and reactions to existing retail strategies. As part of a larger nationwide mail survey conducted by the Center for Mature Con-

sumer Studies at Georgia State University, the findings are based on the responses of 951 mature adults (aged 55 and older), who were randomly selected from each of the 50 states.

This study provides evidence which suggests that, with age, mature consumers are likely to express an interest in a greater variety of services from stores and are willing to use them even if they are designed and promoted primarily "for older people." Although responsive to money-saving incentives, the findings indicate that older adults tend to use these incentives to save on products they already use or shop at places they already shop, rather than switch to other brands or stores. Analysis of attitudes toward and usage of retail-based technologies, such as automated teller machines (ATMs) and electronic fund transfer, further suggests that older adults respond favorably to retail-based technologies which offer them benefits.

The mature market appears to provide retailers with great opportunities for segmentation. Survey results indicate that mature consumers' orientations and preferences appear to be affected by a number of characteristics. In general, attitudes toward stores, interest in, and use of retail services were found to vary by age, level of income, education, marital status, and retirement status. In particular, level of income appears to have a significant influence on the consumption behavior of older adults.



■ Research Problem

The increasing size and wealth of the older adult population has captured the attention of several groups of people. Because both the total number and proportion of older people in the U.S. population are expected to increase, retailers are becoming increasingly interested in developing services and strategies which would satisfy the needs of the older consumer. Unfortunately, while this growth in interest in the mature market has led to studies which contributed to the understanding of mature consumer behavior (i.e., identifying general needs and attitudes), most studies have provided descriptive information without interpretation of the findings within a strategic marketing framework.

Although these studies are useful for the contributions they have made in describing older adults' consumption activities, the results have often been difficult to understand or have provided little in the way of specific information (Moschis 1992). Efforts to develop strategies and services which satisfy the needs of older adults may have fallen short be-

cause of lack of information on the segment's retail-specific attitudes and behaviors (Conlin 1986; Linden 1986; Wolfe 1987). Furthermore, the sometimes contradictory findings (Meadow, Cosmas, and Plotkin 1981) may have resulted in confusion rather than an understanding of its true needs (Moschis 1992).

Given the lack of information on elderly shoppers' retail orientations and preferences, it becomes clear that individuals in the retail sector run the risk of alienating this segment by not meeting its needs. Engaging in marketing activities based on inadequate information might further contribute to the older shopper's dissatisfaction with the firm's business practices and may prove to be ineffective and costly to the firm. For example, while most marketers have assumed that the elderly population constitutes a single, homogeneous market group, research studies have highlighted the great heterogeneity of this segment (Bartos 1980; Lazer 1985). The implications of multiple segments may be tremendous for retailers engaging in the sale of low-margin products/services (e.g., grocery stores), as well as for those with modest promotional budgets.

If, as research suggests, services are of primary importance to store patronage decisions among members of the mature segment (Mason and Bearden 1978), then retailers might focus on augmenting existing service offerings with those that have been shown to influence older adults' patronage behavior, such as transportation to and from shopping areas (Schewe 1985; Moschis 1992). Alternatively, while limiting the number of "cash only" registers may decrease a store's costs (and perhaps lower prices), the consequences of an extended wait for individuals preferring to pay with cash may be a decreased level of satisfaction with the retailer and reduced patronage among the store's older customers.

The purpose of this research is to address these issues by obtaining older Americans' opinions and attitudes concerning retailing practices and strategies and recommending courses of action, which could be used to increase overall satisfaction and better serve this segment. Specifically, the study will analyze: 1) older consumers' shopping orientations (interest in specific services and attitude toward and loyalty to stores), 2) shopping preferences (payment methods, store location, and money-saving incentives), and 3) reactions to existing retail strategies (retail services, in-store sales promotions, and retail-based technologies).

■ Introduction

Who is the Mature Consumer?

For the purposes of this study the mature market is defined as individuals aged 55 and older. Using this definition, the size of this segment according to the U.S. Census Bureau was 53 million in 1991, a number which

is expected to increase to 75 million (or 26.6% of the population) by the year 2010. The large majority of this group consists of people between the ages of 55 and 64 (22 million, or 41%), with another 18 million (34%) between the ages of 65 and 74. In approximately 50 years the segment is expected to double in size and be evenly distributed across the three main age brackets (55 to 64, 65 to 74, and 75+), with growth of the very oldest group (ages 85+) continuing to outpace the growth of other population segments; the oldest segment is currently growing six times faster than the rest of the population (Moschis 1994).

Mature Consumers as Retail Customers

When marketing products and services to the mature market, it is important for retailers to understand consumption needs and wants of the segment and individuals' responses to in-store and nonstore shopping stimuli. However, despite its potential for value to both customer and firm, studies investigating older adults' shopping orientations, preferences, and responses to retail strategies are all too scarce. For example, even though research indicates that older consumers tend to be more store loyal than their younger counterparts (Zbytniewski 1979), we do not as yet understand the specifics of this loyalty nor the retail services which would serve to increase consumers' loyalty to the firm.

Although mature consumers use criteria similar to those used by younger consumers in evaluating and selecting retail outlets, the importance of these criteria vary not only with age, but also with type of outlet and purpose of the shopping trip. For example, while older shoppers, in comparison to their younger counterparts, prefer department stores to discount stores (Moschis 1992), similar-aged clerks and assistance in product selection also have been shown to increase likelihood of patronage (Schewe 1985). Given the size of this segment and the range and cost of services employed by today's retailers to secure a competitive advantage, it is important to know which criteria are likely to be used by older adults and under which conditions, as well as how much interest mature consumers are likely to have for specific service offerings.

■ Methodology

Questionnaire and Sample Size

A large-scale nationwide mail survey was conducted in which 10,000 individuals were randomly selected from each of the 50 states. A total of 1,552 questionnaires were returned to the Center for Mature Studies

(CMCS), 21 of which were considered "incomplete" and 16 "undeliverable"; another 27 were received after the cut-off date. Of the 1488 (completed) questionnaires we received altogether, 951 were from individuals aged 55 and older. Responses of these 951 participants were analyzed, the results of which are included in this study.

A nonmonetary incentive (a list of useful, mostly toll-free, telephone numbers) was offered to increase the rate of response among questionnaire recipients. Self-addressed, metered envelopes were provided for mailing back the questionnaires. The names and addresses of the sample were obtained from R.L. Polk & Co., a nationally known mailing list supplier that specializes in compilation of names by age group. The length of the questionnaire was six pages, which allowed the use of a relatively large typeface size (11 point) to assist respondents in the sample who had vision problems.

The questionnaire consisted of two parts. The first part of the survey instrument included a long list of questions which were designed to obtain information on respondents' attitudes toward stores and various types of new and emerging retail services and innovations, shopping preferences, and reactions to current strategies. Measures of interpersonal and mass media interactions were also obtained to help determine the influence of environmental factors (e.g., store employees, mass media) on consumption orientations in late life.

A long list of measures of consumer orientations toward existing methods of product/service promotion and delivery was used in the study. Respondents were asked to evaluate specific marketing stimuli and policies in several areas such as advertising, sales promotion, distribution, and pricing. Specific stimuli and practices were derived from a review of the literature and reflect the concerns of older consumers and/or potential for improvement in that area. Many of these measures have been used in previous studies. Measures of general consumer orientations toward consumption (attitudes toward saving and spending, etc.) and decision-making patterns were also obtained.

In addition to measuring respondents' orientations toward existing products and services, respondents were also asked to indicate the extent to which they are aware of, perceive interest in, or presently use a number of relatively new products/services on the market. This list included: EFT, ATMs, and telephone custom-calling services. Responses to these questions were compared to results of earlier studies (e.g., Gilly and Zeithaml 1985; Prisuta and Kriner 1985), and usage rates were compiled and compared with level of interest to determine demand likelihood for each specific product/service concept.

The second part of the instrument was designed to obtain standard demographic information, including age, gender, marital status, race, ed-

education, occupation, household income, relationship and age of individuals living with the respondent, and ZIP code. Demographic characteristics of respondents are shown in Table 1.

Cognitive age was a summated index of four eight-point interval scales measuring the extent to which the respondent feels, looks, acts, and has interests similar to those of a person in his/her teens (1) through 80's (8). Cognitive age was broken down into three categories: under 50's (scores averaging less than 5), 50's (scores averaging 5 to 6), and 60's or older (scores averaging 6 or higher). Each segment was tested for differences in perceptions of, and preferences for, retailing-related stimuli.

The last set of independent variables were measures of interpersonal and mass media interactions. These variables were used to help understand the influence of environmental factors (family members, store employees, peers, mass media) on the development of various retail-related orientations in late life. Respondents were asked to indicate the people

TABLE 1. DEMOGRAPHIC CHARACTERISTICS OF SAMPLE (55+ ADULTS)

	Percent		Percent
Age		Income	
55-64	44.1	Under \$10,000	8.2
65-74	32.2	\$10,000-19,999	22.1
75+	23.7	\$20,000-29,999	22.9
	100.0	\$30,000-39,999	15.4
		\$40,000-49,999	11.9
Gender		\$50,000-59,999	6.7
Male	44.4	\$60,000 or more	12.7
Female	55.6		100.0
	100.0		
Education		Living Arrangements	
High school or less	37.2	Live alone	22.1
Some college	33.3	Live with spouse only	59.0
College graduate	29.5	Live with spouse & others	10.0
	100.0	Live w/others, not spouse	8.9
			100.0
Marital Status		Employment Status	
Married	75.3	Working	39.4
Widowed/Divorced/or Never married	24.7	Not working	60.6
	100.0		100.0
Race		Geographic Location	
African-American	1.8	East	17.0
Caucasian	96.4	North Central	37.6
Other	1.8	South	28.3
	100.0	West	17.1
			100.0

or sources (that is, son(s)/daughter(s), spouse, mother/father, radio and TV ads/programs, newspapers/magazines, friends/acquaintances, and business owners or employees) they often hear talking about items such as “products on the market,” “stores having sales,” etc.

Data Analysis

Data analysis procedures involved two steps: 1) developing reliable and valid measures of scales and constructs, and 2) addressing the specific requirements for data analysis to accomplish the objectives of this study.

With respect to reliability and validity, measures designed to address respondents’ orientations toward retailers (e.g., measures of store loyalty) and retailing stimuli (e.g., services) were factor analyzed using Principal Components Analysis (Varimax rotation). All items which loaded on the extracted factors (loadings of .40 or higher) were considered to be part of that construct, a name for which was assigned on the basis of common meaning for these items. Each item was assessed for reliability, using Cronbach’s alpha reliability coefficient. Those constructs which produced reliability coefficients of .50 or lower were considered unreliable and were eliminated from further consideration.

Factor scores were used for measures of dependent variables to assess the effects of antecedents and sources of consumer information on older people’s orientations toward marketing-related and consumption stimuli. Scales were formed after examining item variability and results of a factor analysis. Due to the interrelationship between these measures, individual indexes were grouped into the following two categories: mass media and personal sources.

Data analysis procedures were utilized to answer research questions related to the study, that is, to obtain insights into consumer behavior of older adults and to uncover alternative explanations of their consumption patterns. Specifically, these analyses included: 1) cross-tabulations for the formation of older consumer segments, 2) regression analysis, and 3) correlation analysis.

■ **Results**

Shopping Orientations

Interest in Retail Services

Retail services are a major consideration in the shopping and patronage behavior of older adults. Nearly half of all respondents (44.5%) expressed interest in having a personal adviser at a store who would provide assistance or handle complaints. Older adults are also likely to be interested

in services that furnish them with transportation to and from the store. Interest in this service increases with age, with the oldest mature consumers more likely than the younger to express an interest. While only 11.5% percent of those ages 55–64 indicated they would utilize community vans for rides to shopping centers, nearly a quarter (24.5%) of those in the oldest group (aged 75+) expressed an interest in transportation.

Level of education interacts with age to influence mature consumers' interest in services. Those aged 65 or older with a vocational/high school degree (or less) were more likely to express a preference for a personal advisor at stores (to provide assistance), than older adults having higher levels of education (some college or higher).

Attitude Toward Stores

Most older adults appear to be loyal to retail outlets. Seven out of 10 (70.9%) respondents indicated a preference for "shopping in the same store I have always shopped in." However, the findings indicate that, in general, adults do not become more store loyal with age. This runs contrary to the belief that older persons are more rigid and set in their ways and try to avoid making changes in their lives. In our study, those who expressed a preference to shop at the same store tended to be of a lower social class and live with others (e.g., spouse, family members or other persons).

It is apparent that factors other than services provided or risk reduction motivate older adults' patronage behavior. Many older adults indicated that they use store name as a criterion for purchasing specific products or services, i.e., store name is used to predict how good a product or service is. In our sample, more than half (50.5%) indicated they judge the value of some products by the name of the store that sells them, with the oldest segments (65–74 and 75 and older) more likely than the youngest segment (55–64) to judge products by this criterion.

Attitude Toward Retail-Based Technologies

When asked to express their attitudes toward technology in general, about one-third (37.3%) of respondents agreed with the statement, "Improvements in technology really haven't made life easier, just more difficult to deal with." However, responses concerning use of automatic teller machines (ATMs), electronic fund transfer (EFT), and custom-calling services indicate that more than one-quarter (29.3%) of mature consumers use ATMs, one-third (36.0%) use EFT services, and 13.2 percent use custom calling services. Apparently, although aware of the difficulties in learning to use new/emerging technologies, older adults may also recognize the potential benefits in using them.

Attitude Toward Nonstore Retailing

Purchasing via direct mail appears to be a much more preferred form of direct buying than telephone. While a substantial number of respondents

(35.8%) indicated they frequently purchase items from catalogs or magazines, only a small percent (13.8%) of older adults agreed with the statement, "I often buy products or services by phone." Fewer than 10 percent of individuals from each of the age segments (55 to 64, 65 to 74, and 75 and older) expressed a favorable attitude toward product demonstrations on TV that could be ordered via telephone and delivered to the home (6.74%, 4.01% and 6.86%, respectively).

Among mature consumers, those who prefer to order from catalogs or magazines tend to be older (65+) and highly educated. However, nearly one-third (61.2%) of all respondents indicated they would not buy a new product unless they knew it would be easy to return. Although older adults are willing to engage in nonstore retailing, this willingness may be offset by concerns for convenience should the product not perform as expected. Although it is conceivable that mature consumers' favorable attitudes toward direct buying might be related to physical deficits (e.g., inability to maneuver a shopping cart or drive to the store), preference for assistance during transactions or convenience might be an equally important consideration for members of this segment.

Shopping Preferences

Store Location

Convenience appears to be an important factor affecting store patronage decisions of older adults. Many of our respondents (42.4%) indicated they do not mind paying higher prices if a store is conveniently located, with another 35.9 percent expressing the opposite view. More than half (64.2%) indicated they "would rather buy several services from one place (e.g., financial and insurance) than deal with a different company for each service."

Age was related to the willingness to pay higher prices for locational convenience, especially among highly educated respondents in the middle-income group (\$30,000–\$49,999). Higher cognitive age was positively related to mature consumers' willingness to pay higher prices for locational convenience. Not surprisingly, our findings also indicate that upper-income older adults prefer convenience over price to a greater extent than do their lower-income counterparts.

Payment Method: Cash vs. Credit

Older people appear to use credit for convenience, rather than as a means of financing a higher standard of living. Many older adults (43.3%) indicated that they buy things with a credit or charge card, but prefer to save for purchases rather than borrowing to finance them. According to our survey, only one in six (15.3%) does not pay off the entire balance on the monthly charge statement.

This orientation toward living within one's means is reflected in older adults' preference for cash as method of payment. Seventy-eight percent of respondents indicated they prefer to pay cash for most things they buy, with only a little over ten percent (10.6%) preferring other forms of payment. Cash users tend to be of a lower social class and older than credit users. Although lower-income and unemployed older adults have favorable attitudes toward credit, credit card usage is highest among the upper social class. Thus, while it appears a large majority of older adults prefers cash to other forms of payment, a significant number still uses credit. This finding may be attributed to several factors, including mature consumers' use of credit for convenience and/or inability to use cash for some purchases (e.g., catalog shopping).

Age-Targeted Sales Promotions

Developing and promoting strategies and services aimed specifically at "older consumers" appears to be acceptable as long as it is done in good taste. Nearly fifty-four percent of mature respondents are of the opinion that companies should offer special discounts to older adults. Highly educated (some college/college degree) older adults are more likely than those who are less educated (vocational/high school or less) to express a preference for senior discounts with age.

Money-Saving Incentives

Older shoppers appear to be price sensitive and "deal prone." They respond to "specials" whether these are price reductions, coupons or other forms of sales promotion. For example, older consumers pay attention when products are advertised "on sale." About three-fourths (74.8%) of respondents agreed with the statement, "I usually watch the advertisements for announcement of sales," and nearly half (45.9%) indicated that a special sale will tempt them to buy an item they hadn't planned on buying. However, it is important to note that older consumers are not likely to buy just any brand that happens to be on sale. Because mature consumers prefer purchasing brands they are familiar with, they tend to consider only money-saving incentives associated with certain brands when making the purchase decision.

Propensity to shop for items on sale increases with advancing age, but only among middle-income groups (\$30,000–\$49,999). With age, those least educated are more likely to prefer cash discounts than those who have attended/graduated from college. Higher cognitive age is positively related to the mature person's propensity to report coupon usage.

The more income a person has, the less likely he/she is to look for sales and use coupons and other methods of sales promotion (e.g., free samples). However, nearly three out of four respondents (70.1%) indicated that they use coupons whenever they can and more than two-thirds of respondents (68.2%) indicated that stores should charge less when one

pays cash for products or services. Overall, our findings suggest that women are more likely than men to have favorable orientations toward price reductions and sales promotions, while mature males are more likely than females to express an interest in cash discounts.

Reactions to Existing Retail Strategies

Retail Services

Certain services provided by stores appear to be appreciated by older adults. Besides having enough “cash only” registers and giving senior discounts, many respondents agreed that stores should offer valet parking (27.8%). Fifty-five percent of our respondents agreed that most stores do not have enough “cash only” registers, which suggests that other forms of payment may be perceived as delaying payment at the cash register or checkout lines.

Preferences for “cash only” registers were found to increase with age only among those in the middle-income bracket (\$30,000–\$49,999), while preference for valet parking increased with age only among those in the lowest income group (less than \$30,000).

In-Store Sales Promotions

Mature shoppers may or may not respond favorably to store displays, depending on their income level and age. Thirty-five percent admit they are attracted to special displays in stores, with roughly as many (32.7%) indicating unfavorable attitudes toward in-store displays. A person’s propensity to report that he/she is attracted to special displays increases with age among middle-income respondents (\$30,000–\$49,999); it tends to decline for those in other brackets (under \$30,000 and \$50,000 or higher).

Free samples appear to be an effective promotional technique for appealing to mature consumers, presumably as a means of reducing the risk associated with purchasing a new product. Overall, 44.5 percent of respondents said they would hesitate buying a new health care product if they had not used a free sample of it. Individuals in the oldest segment (aged 75+), especially those with a limited amount of education, were more likely than any other group to express a preference for sampling products before purchase.

Use of Retail-Based Technologies

Not all mature consumers are as likely as others to utilize retail-based technologies. Our findings indicate that use of custom telephone-calling services decreases with age, regardless of income and education level. Propensity to use ATMs remains constant among the lower-educated respondents, decreases with age among the higher educated, and is used most by residents of northern (geographic) states. Although older adults

in the lowest-income group appear to be least likely to favor usage of technologies in general, regardless of income and education level, use of EFT was found to increase with age.

Despite the persistent belief that the older population resists technological innovations, this research confirms the findings of earlier studies (Gilly and Zeithaml 1985; Moschis 1987) which indicate that older adults respond favorably to technologies when benefits of adoption are apparent.

Partial Correlation Analysis

In order to test specific relationships between age and selected variables, partial correlation analysis was used, with the effects of factors likely to be related to age such as income, education, and interaction with sources

TABLE 2. PARTIAL CORRELATIONS BETWEEN AGE AND ORIENTATIONS TOWARD MARKETING STIMULI

	Correlation Coefficient	Level of Significance
Shopping Orientations		
When I go shopping, I often ask salespeople to help me buy things for myself .....	.0774	.018
I prefer doing most of my shopping in the same stores I have always shopped in .....	.0068	.427
I judge the value of some products by the name of the store that sells them .....	.0893	.008
I would be interested in having a personal advisor at places where I buy products and services whom I could call for assistance or complaints .....	.0951	.029
I often buy products or services by phone .....	.0811	.014
I often order items from catalogs or magazines .....	.0425	.125
Older people should learn to use electronic gadgets and services that can make their life easier .....	.1080	.002
Shopping Preferences		
I prefer a certain brand of most products I buy .....	.0200	.280
I try to stick to well-known brands .....	.0573	.060
I like to try something new every time I am in the store .....	.0378	.153
Before I decide which brand to buy, I check to see which brands are on sale .....	.0786	.017
I do not mind paying higher prices if a store is conveniently located .....	.0809	.014
I would rather buy several services (like financial and insurance) from one place than deal with a different company for each service .....	.0172	.321
Stores should have valet parking for those customers who need it .....	.1381	.000

of consumer information held constant. Table 2 presents correlation coefficients and the level of significance between age and responses to marketing stimuli.

Profiles of Older Shoppers

Regression analysis was performed (using factor scores) to assess the effects of antecedents and sources of consumer information on older people's orientations toward retailing-related and consumption stimuli. The results of these analyses are shown in Table 3.

The relative influence of age versus other factors that are often associated with age (e.g., household income, employment status) were assessed from the regression models. Although age was present as a significant factor "explaining" mature consumers' behavior in some equations,

TABLE 2. PARTIAL CORRELATIONS BETWEEN AGE AND ORIENTATIONS TOWARD MARKETING STIMULI, (cont.)

	Correlation Coefficient	Level of Significance
I buy many things with a credit card or a charge card .....	.0534	.074
I seldom pay off the entire balance on my monthly statements of my charge accounts	-.1086	.002
I like to pay cash for most things I buy .....	.0842	.011
Stores should charge less when a person pays cash for products or services .....	.1141	.001
Companies should offer more discounts to older than to younger adults .....	.0706	.028
I usually watch the advertisements for announcement of sales .....	.0491	.092
I would not buy a product unless I knew it would be easy to return .....	.0280	.224
Reactions to Existing Strategies		
A special sale will tempt me to buy an item I hadn't planned on buying .....	.0354	.169
A special sale or coupon will tempt me to buy a different brand from the one I usually buy .....	.0273	.230
I am attracted to special displays in a store .....	.0058	.438
Most stores do not have enough "cash only" registers .....	.0321	.195
I would hesitate buying a new health care product if I have not used a free sample of it .....	.0744	.022
I sometimes wish I could get my money back for some things I bought .....	.0199	.295
I make it a point to let others know of products and services I am not happy with	-.0533	.074

TABLE 3. RESULTS OF REGRESSION ANALYSIS OF RETAIL ORIENTATIONS BY SELECTED COMMUNICATION AND DEMOGRAPHIC VARIABLES

Communication/ Demographic Variables:	Retail Orientations									
	Prefers Cash	Prefers Deal Prone	Prefers Credit	Credit User	Vendor Loyal	Shops At-Home	Discounted Buyer	Risk Perceiver		
• mass media	-.02	.07	-.07	.03	-.04	.04	-.09 ^a	.05		
• personal	.01	.17 ^c	-.03	.01	-.05	.06	.03	.03		
Demographic Variables:										
• social class	-.14 ^c	-.15 ^c	-.20 ^b	.27 ^c	-.09 ^a	.04	-.16 ^c	-.20 ^b		
• age	.12 ^b	.09	-.09 ^a	.03	.05	.10 ^a	.09	.10 ^a		
• cognitive age	-.13 ^b	-.02	.02	-.01	.02	-.08	.02	-.10 ^a		
• gender	.12 ^c	-.12 ^c	.09	-.02	-.06	-.06	-.09	-.04		
• marital status	-.01	.03	.01	-.01	-.09	.04	.08 ^a	.01		
• employment status	.02	.10 ^b	-.10	.07	-.06	.01	.00	.06		
• location	.03	.02	.04	.07	.06	-.04	.05	.07		
• living status	.06	-.06	-.03	-.03	.14 ^b	-.01	-.01	-.20		
R ² Values	.04	.11	.06	.09	.03	.02	.07	.06		

Note: Table entries are standardized regression coefficients. The significant contributions of the coefficients to explanatory variations in retail orientations are denoted as follows:

a - denotes significance at .05 level

b - denotes significance at .01 level

c - denotes significance at .001 level

social class appears to be a much more powerful predictor of the older person's behavior than age or cognitive age.

Based on the regression analyses, profiles of each of the following retail-specific orientations can be developed:

Cash User. The cash user is profiled as follows:

- lower social class
- older
- youthful attitude
- male

Deal Prone. The mature person who is deal prone is likely to have the following characteristics:

- heavy user of personal information sources
- lower social class
- older
- female
- retired

Prefers Credit. Older adults who have favorable attitudes toward credit are likely to have the following attributes:

- lower social class
- employed

Credit Card User. Credit usage among older adults is most prevalent among upper-social class elders. Neither age nor other factors relate to it.

Vendor Loyal. Mature consumers who prefer to remain loyal to stores/vendors tend to have the following characteristics:

- lower social class
- live with others (spouse, family members, or other persons)

Prefers At-Home Shopping. Among mature consumers, those adults who prefer to shop at home tend to be older.

Discontented Buyer. Mature buyers labeled as "discontented" are likely to be:

- light users of media
- lower social class
- female

Risk Perceiver. Mature consumers who perceive risk in buying products/services have the following characteristics:

- lower social class
- older
- youthful attitude

■ Discussion and Implications

The findings of this study, albeit cross-sectional and based on self-reported data, shed light onto a number of issues of interest to retailers. Tabulation and cross-tabulation of responses provided insights into the mature shopper. Some of the findings are consistent with previous research, while others challenge previously held beliefs about mature consumers. Still other findings are simply new information that should be useful in guiding action.

Implications for Retailers

Convenience is a key factor affecting older adults' behavior. Although older people are traditionally thought of as having idle time they can use in shopping around, convenience is a key determinant of consumer behavior. Retailers should develop strategies that stress various types of convenience forms for their elderly customers, such as convenient location or assistance with getting to the store, offering personal advisers for in-store assistance and complaints, and making cash only registers available to accommodate older adults' preference for cash as payment method.

Older shoppers are "deal prone," but will not buy any brand just to save money. Because older adults tend to confine their brand switching to familiar brands, by increasing brand familiarity the retailer can "position" his or her brand in the older consumer's mind, making it one of the brands to be considered. Coupons appear to induce purchase of the same brand rather than brand switching. When done in good taste, discounts or services which are aimed at "older consumers" appear to be acceptable.

Mature consumers may predict how good a product or service is by the name of the store that sells it. Elderly consumers' consumption decisions are often influenced by the store where the products can be purchased. This finding provides valuable insight for retailers, who may need to expand efforts to build equity for the store name, rather than primarily focusing on providing products/service and convenience.

Older adults are not technology averse. High-tech products/services are not of great appeal to older adults, unless the benefits are obvious. Although less likely to express favorable attitudes toward high-tech products and services, the aged do seem to respond favorably to those technologies which benefit them. Overall, there are few variations in responses to new/emerging products and services by level of age, income, and sex.

Our respondents showed favorable orientations toward new products/services when benefits were directly obvious. It is apparent that a profile of potential users of new products/services can be developed based on those products and services older consumers currently use.

Age may not be a viable segmentation variable. When the effects of factors which are likely to be associated with age, such as income and employment status, are controlled, some of the observed age differences in responses to retail stimuli disappear (Table 3). This suggests that age may simply be a proxy for other factors which may be responsible for the shopping behavior of older adults.

The relative influence of age vs. other factors that are associated with age can be assessed from the results of the regression models. While much of the current practice focuses on using age as a segmentation variable, age in itself appears to be a weak predictor of the older person's behavior. Social class appears to be a much more powerful predictor. Although age was present as a significant factor for some of the equations in this study, it should be noted that age per se may still be a surrogate index of some other factor associated with age.

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