

Bonus time for BOOMERS  
Middle-agers pass 50 and go for discounts, reluctantly

**By BOB MOOS Staff Writer**  
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Monita McGhee's moment of truth came as she checked out of an Austin hotel.

She happened to see a co-worker's bill and noticed that it was 15 percent less than hers, even though both rooms had been the same." My colleague had requested the senior discount, and I hadn't," the Dallas woman explained.

Since turning 50 more than a year earlier, she had resisted asking for any of the thousands of discounts available to 50-plus adults.

Ms. McGhee, the new director of the Area Agency on Aging, didn't want to take advantage of special offers that she thought were needed more by elderly consumers. "But I'm not reluctant any longer, even at Denny's," she said.

The nation's 38 million baby boomers who have passed their 50th birthday are discovering that with age comes privilege. The generation that turned up its nose at anyone older than 30 is lapping up the bargains that begin at 50.

Nor are most businesses intimidated by the prospect of slashing prices for many of their customers.

On the contrary, they're tweaking sales pitches, dropping "senior" from promotions to appeal to boomers who like the deals but don't accept the moniker.

"Most companies realize they can't compete without discounts," said Joan Rattner Heilman, author of *Unbelievably Good Deals* and *Great Adventures That You Absolutely Can't Get Unless You're Over 50*.

Marketing tools

Senior discounts aren't gestures of good will. Their value as marketing tools has grown as companies target aging boomers' pocketbooks.

Boomers older than 50 wield an estimated \$1 trillion in spending power. Their household incomes average \$58,889, far exceeding the \$35,118 for the preceding generation of seniors, according to MetLife's Mature Market Institute.

When the financially troubled airline industry axed many of its senior fares several years ago, some experts predicted that other businesses would follow out of concern that discounts for aging boomers would cut into their profit margins.

But many companies have concluded there's money to be made from that older market. Carnival Cruise Lines offers discounts to travelers older than 55 to build demand for slower-selling voyages.

"They've been very successful," spokeswoman Jennifer de la Cruz said. "We offer tactical discounts of \$50 to \$200 until our cruises fill up."

Many of the best senior discounts are for travel, said Tom Parsons, publisher of bestfares.com.

"Although the airlines have dropped many of their senior fares, practically every hotel chain and car rental company has something special for older travelers, some as young as 50."

AARP members, for example, save up to 50 percent of published rates at Westin hotels. Fast on the heels of the travel industry in handing out senior discounts are restaurants and retailers, Ms. Heilman says.

"This is about building loyalty," said Brent Green, who advises businesses about marketing to boomers. "Boomers aren't particularly loyal to a brand or company. They need some added incentive for choosing one over another."

Drumming up business

Burke's Outlets, with 34 stores in Texas, created the Monday Club to attract older shoppers on what had been the slowest day of the week. Anyone older than 50 gets 15 percent off all purchases.

"We're a Florida-based retailer, so we know what a difference older adults can make to the bottom line," company spokesman Bill Webster said.

Mondays have become Burke's biggest sales day, surpassing even Saturdays, he says.

Colleen Berry, who manages the Burke's store in Allen, knows many of her Monday customers by name.

"They're our regulars," she said. "They come in and shop for their grandkids every week - they can spoil their little ones without spending a lot of money."

AARP's "member privileges" are considered the granddaddy of senior discounts.

A half-century ago, the National Retired Teachers Association, the forerunner of AARP, won reduced health insurance premiums for its members.

Today the organization has partnerships with about 75 businesses that offer discounts and other member privileges on such things as home security systems and Internet service. Because AARP advertises those deals to its 35 million members, the partnerships are highly coveted.

About 2,000 companies a year apply to become an AARP partner, says Barbara Hvasta, vice president for passports and privileges for AARP Services. The organization selects only five to 10 after a rigorous screening, which includes checking on any age-discrimination lawsuits against an applicant, she says.

Reluctant savers

AARP officials acknowledge that many boomers initially scoff at joining the organization but later do so mainly to qualify for the discounts.

Marina Lee of El Paso, a member of AARP's Texas executive council, says she cried when she became 50 and received an AARP membership as a gift.

"Let's face it - most people don't want to turn 50 and think about AARP," she said. "It took me a few years to embrace the idea."

Now, at 56, the self-employed advertising executive and single mother of two college students says she's learned to appreciate the discounts.

"I estimate I've saved thousands of dollars over the last several years," she said.

The growth of senior discounts has also given rise to a publishing industry. There are books, directories and Web sites to help seniors find thousands of bargains.

Ms. Heilman's book has gone through 16 editions and sold more than 1 million copies.

Texas Seniors' Guides Inc. publishes discount directories for Austin and San Antonio and may expand into the Dallas-Fort Worth market next, says owner Antoinette Griffin. "You'd be surprised at the kinds of businesses getting into senior discounts," she said. "Accountants, dentists, home repairmen, Realtors - they're all going after the aging boomer trade."

A Houston-based Web site that urges users "to find the gold in the golden years," [seniordiscounts.com](http://seniordiscounts.com), has seen its nationwide listings soar from 25,000 to 125,000 since its launch four years ago.

Company president David Smidt asks visitors to alert the site to new or discontinued discounts. [Seniordiscounts.com](http://Seniordiscounts.com) holds drawings and awards \$100 to shoppers who pass along tips.

Most discounts listed on the Web site start at 55 or 60, although businesses are beginning to extend price breaks to boomers as young as 50 to match AARP's member privileges, Mr. Smidt says.

As more companies court the gray-around-the-temples crowd, one marketing expert warns of a possible backlash from other generations resentful about paying full price. "Younger generations have always thought that boomers get more than their fair share," said Cheryl Russell, editor of the American Consumers newsletter. "Discounters need to guard against that."

Burke's Outlets already has. The Monday Club for 50-plus customers spawned a Friday Club for 49-and-under consumers who qualify for the same bargains older shoppers get earlier in the week.

Marketers expect senior discounts to become even more prevalent over the next decade as the younger half of the boomer generation turns 50.

Still, there are likely to be holdouts.

Vicki Owen, 59, of Allen says she shops the outlet malls but doesn't ask for senior discounts because she doesn't think they're meant for her.

"My husband still works, and we can afford things," she said.

Ms. Heilman, the author of *Unbelievably Good Deals*, has a few pointed words for the reluctant:

"Snap out of it - and start saving."

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