TASTE

Rebel Retirees

By MELANIE WELLS
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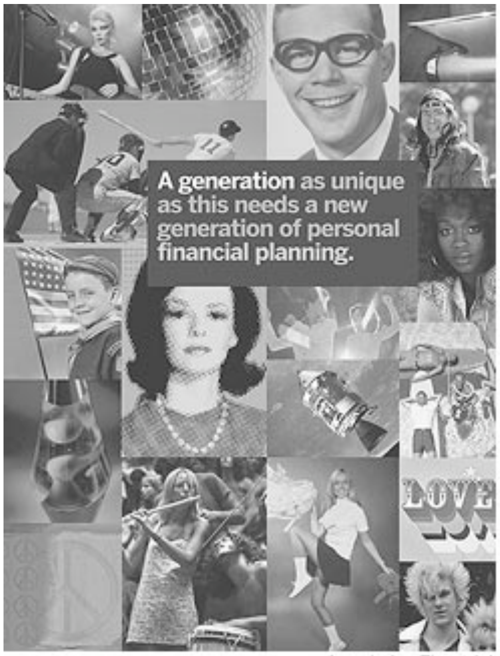
A TV commercial for Barclays opens with a man in a medieval village square, strapped to a stake, facing death. "Throughout history, new ideas have caused people to overreact," he says wearily into the camera. The advertisement leaps forward in time to show to a cop tussling with a woman who wants the right to vote. "But there have always been bold people who challenge the status quo," says she as a cop ushers her down the street. "Who boldly go where others won't," yet another rebel says before the financial behemoth's sales pitch: "The power of unconventional thinking."

Wishful thinking, too. Barclays is among a slew of financial service companies scrambling to woo baby boomers. These businesses find the numbers associated with this generation titillating: There are 76 million of these folks, born between 1946 and 1964. The oldest among them are just starting to tap their retirement accounts. This audience isn't just enormous; it's also wealthy, with something like $2 trillion in spending power.

The purveyors of mutual funds, life insurance and financial advice -- seizing perhaps the biggest opportunity in their history -- are shelling out big bucks to get noticed by these consumers. Advertising spending among financial service providers in the U.S. totaled $5.08 billion in the first eight months of the year, a 6% increase over the same period in 2004, says TNS Media Intelligence.



Ameriprise Financial

The Ameriprise message: You may need a hip replacement, but you're still young and hip.

Money well spent? Unfortunately, few of the new efforts reflect fresh thinking about this consumer group. Yes, boomers have been rebels and they like to think of themselves as such, but too many companies are appealing to these consumers as immature, backward-looking groovers who are reluctant to grow up -- much less grow old.

Consider the new campaign from Fidelity Investments. "This is Paul," intones a narrator in one of the mutual-fund giant's TV ads. "He's been a Quarryman, Beatle, Wing, poet, father, front man, producer, business mogul, painter and, if that weren't enough, a knight." It's Paul McCartney, 63 -- now, also a shill -- who, with a concert tour, is Fidelity's poster boomer for eternal youth.

It's as if Madison Avenue channeled Christopher Lasch, the late social critic, who penned "The Culture of Narcissism" in 1979. In it, he complained that adults "cling to the illusion of youth until it can no longer be maintained, at which point they must either accept their superfluous status or sink into dull despair." What else might explain the tone of ads from Ameriprise Financial? The company -- a financial-advice unit spun off from American Express -- clearly buys into the idea of boomers' tireless obsession with youthful pursuits. Its print ads show these folks in their VW-bus-driving, cheerleading, do-the-twist past. The TV spots appeal to the boomers' inner child, juxtaposing images of them skateboarding and playing the guitar when they were young. There are shots of them doing the same now but with thinning hair and -- in the case of the aging skateboarder -- a broken arm. "Retirement is like a second childhood," one ad says.

Clearly financial-service companies know their products are a hard sell for these new retirees. Many boomers distrust authority and are skeptical of financial institutions, says Brent Green in "Marketing to Leading-Edge Baby Boomers" (2003). The scandals, stock-market turmoil and regulatory scrutiny that have rocked the financial-service industry in recent years have only alienated this generation more, Mr. Green says. The Enron-type fiascos have also sucked the life out of many of the sales pitches from this category. But the alternatives to the carefree come-ons are awkward and almost apologetic. Vanguard, for one, eschews TV appeals in favor of just-the-facts print ads where it politely suggests that investors learn more about a fund or program.

Certainly, more lapel-grabbing campaigns are in order. The trouble with the playful appeals is that most boomers see retirement as more an extension of middle age than a second childhood or an endless beach vacation. For some, it's a rude awakening. According to a survey of 3,448 U.S. baby boomers by Merrill Lynch & Co., only one-third say that they are "very" or "fairly well" prepared for retirement. Fewer than half these folks describe themselves as financially well off or financially comfortable.

Factoids like these are irresistible. The Hartford Financial Services Group even weaves one in its own pitch to rebellious boomers. "Only 1 in 4 retirees are very confident they have saved enough for retirement," reads one print ad that also features the company's signature elk. "Be prepared and buck the trend."

But this approach somehow misses the mark as well. Boomers may be concerned about their financial future, but most aren't shaking in their Birkenstocks. They generally don't expect to repeat their parents' leisurely shuffleboard-filled golden years, even if they have the option. Many boomers expect to work and play longer and harder than their parents did. Ken Dychtwald, co-author of "The Power Years," a new book about boomers and retirement, says that 76% of them expect to work into old age -- not just because many will need to but because they will want to. Some of that work might include teaching school, running a wine store or other some endeavor that is more fulfilling than their primary career. "There's a revolution going on," says Mr. Dychtwald. "Boomers want help making sense of their lives, not just their money."

The revolution needs to extend to the financial-services industry. Purveyors of mutual funds, long-term-care insurance and whatnot should look beyond the narcissistic aspects of boomer behavior to the nobler characteristics, which include an interest in helping others. But to do this, these outfits need to do more than tweak their marketing appeals. In some cases, they should rename the products they are hawking. How about a jazzy new moniker for "fixed annuity" and a real name for a 401(k)? And why not send financial advisers to customer-service boot camp so they can help boomers figure out how to go back to school, or open that wine store or take time off to go to China to teach English to kids?

There is at least one sign from Madison Avenue that ads for these companies are starting to embrace new ideas about boomers. In an unusually memorable commercial for Lincoln Financial Group, a 60-something skier helps handicapped children tackle the slopes. "So how was your first day?" his wife asks when he gets home. "You know, I think my dad was wrong," the man says. "Maybe I do have a future as a ski bum after all." That's the power of unconventional thinking.

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