

**RUPPIES  
WHITE PAPER**



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# Ruppies White Paper

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### Introduction

The generation that defined America in multiple ways is out to do it again. Their next stop? Retirement.

Powerful by the nature of their sheer number, notably outspoken and often rebellious in their youth, baby boomers are yet again challenging the status quo as they approach their 'golden years.' Once popular amongst a mature crowd, the desire for serenity is seemingly not as appealing to boomers.

According to latest [Census bureau statistics](#), there are an estimated 78 million baby boomers in America: our nation's largest generation. This cohort, born between 1946 and 1964, has given rise to another term to add to our collective lexicon—Ruppies. Coined by author Kyle Ezell, the term ruppies refers to retired urban people who are active mature adults and predominantly affluent empty nesters. The language currently used to refer to aging and retirement is becoming obsolete, as boomers disdain the terms 'senior citizen,' 'old' and 'aging.'

The age of 40 was once considered a milestone, stereotyping one as 'over the hill.' However, today, people are living longer, getting married and having children later in life and are slow to retire. The infamous 'flower power' generation, responsible for shaking up the nation in their teenage and young adult years, is set to breathe new life into retirement as they head into their late 50s and 60s.

Ruppies are defying the standards set by their counterparts by living their lives on their own terms and eschewing typecasts associated with retirement. Creating a paradigm shift, today's mature adults are abandoning large, single-family homes and setting the new model for life after retirement...opting instead for an urban oasis close to the action of city life.

Influenced by our culture's obsession with youth, ruppies are interested in remaining active and integral to what's going on around them. Ruppies want to help strengthen their community and build unity among its members. No longer tied down by school districts, lawn care and long work commutes, they can live where and how they wish. They are trading bingo halls and suburban life in favor of an urban landscape and all the variety it has to offer.

Ruppies are moving out of suburbia and into high-density communities found in cosmopolitan cities such as [Atlanta](#), Los Angeles, Boston and Chicago. They are choosing housing options within walking distance to coffee shops, public transportation, retail stores, parks, restaurants and more. This dynamic group of aging adults is attracted to bustling regions, as age tends to be inconsequential in downtown areas. For ruppies, finding the right location -- as opposed to plastic surgery or pills is the key to staying young, healthy and active. They are attracted to the refinement of living a cosmopolitan lifestyle.

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### **Ruppies: Not Quite Their Counterparts**

The joyfulness of the Roaring Twenties was short lived in comparison to the devastating and lasting effects brought on by the stock market crash of 1929. Afflicted by wars, financial instability and social inequalities, the parents of boomers lived quite differently than their offspring. Austerity and modesty were the norms for the WWII generation during the strain of the Great Depression.

Inadequate health care and insufficient nutrition limited the average life span, thus influencing life plans. Eventually overcoming societal distress, the generation continued to be risk averse...adopting a conservative way of life.

Senior citizens of yesteryear were diligent in their retirement planning. Following the status quo of retirement planning, they typically retired between ages 55 and 70. Quiet, peaceful retirement communities attracted senior citizens in search of rest and relaxation.

As noted by author George Moschis, PhD, there are only minute variations in the beliefs of baby boomers and their parents when considering the issues of personal security, appearance, coping with the loss of a loved one and the desire to leave an inheritance to their children. However, there are considerable differences in their concerns and preferences about money, leisure time, health, aging and activities of daily living.

### **Baby Boomers: Redefining America**

The sudden surge in births that gave rise to the 'baby boom' was evidence of the a new shift away from the economic and social restraints that prohibited WWII-era couples from having children and beginning families.

Boomers' collective cultural identity includes momentous events such as the Vietnam War, the assassination of President John F. Kennedy and Martin Luther King Jr., the Watergate scandal and the emergence of birth control. This generation was inspired to rebel and question authority with war protests and peace demonstrations. Breaking free from the sternness of the past era, they indulged in sexual experimentation and recreational drug use. In fact, the 'free love' moniker is attributed to this boundary-pushing group.

With life expectancy at an all-time high, it comes as little surprise that Ruppies are not ready to slow down or put their dreams to bed. Many may live out their dream of wanting to own a mom and pop restaurant after fulfilling their traditional career path. After all, enjoyable hobbies are not really considered work.

A recent survey conducted by Merrill Lynch found that "fewer than 20 percent of boomers say they see themselves stopping work altogether as they age." Of the non-retiring boomers, 67 percent prefer to work to remain mentally sharp, while 57 percent wish to stay physically active.

What's more, *Business Week* reports that the common life expectancy of an average American adult is at an unprecedented high of 77.4 years. As a result, many adults in their prime consider "50 to be the new 30." New advancements in technology and research have forged invaluable improvements in health and medicine, while treatment options and pharmaceutical choices have never been better... and are attributed to prolonged well-being.

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Ready to enjoy an extended lease on life, many ‘mature’ adults are reassessing their dreams and goals and reinventing them accordingly. When you think of 50-somethings, you can hardly imagine Madonna or Christie Brinkley.

No longer defined by their occupations, ruppies seek meaningful connections in the communities in which they live. They are not enduring a mid-life crisis; rather, they are enjoying a fresh outlook without the restraints and limitations imparted by child rearing and employers. Ruppies want to have the ultimate freedom and want to live it up.

### **Lifelong Learners: Achieving Self-Actualization**

In Maslow’s well-known hierarchy of needs, self-actualization has remained one of the more elusive human accomplishments. It can be difficult to obtain if all other prerequisite needs, such as social, safety and esteem are unmet. But, with the newfound free time retirement affords, the goal of self-actualization can be achieved in a variety of ways.

On the quest to reach their true potential, many retirees are becoming students once again. Whether they’re looking to sharpen their skills, change careers or be intellectually stimulated...adult learning has become an attractive option to boomers. Several colleges and universities allow retired adults to audit classes for nominal fees or no cost at all. Retirees are increasingly taking advantage of these programs, causing some universities to limit the number of retirees from inundating popular courses. A growing number of retirement communities have negotiated arrangements with nearby campuses as one of the benefits of living there.

At Boston University, more than 1,000 retirees audit classes for \$50 through the college’s Evergreen program. Free courses are offered to seniors at colleges like Pomona and Penn State, while others states such as Virginia and Minnesota incentive seniors to audit classes.

### **Societal Impact**

Conventional wisdom leads us to believe that volunteering peaks after retirement, when people have more time to devote to such activities. And, because education and wealth have traditionally been accurate indicators of society’s cultural appreciation, it is reasonable to surmise that boomers will be significant supporters of the arts and participants in community service efforts. After all, this group holds the nation’s largest share of wealth and is highly educated.

Harvard’s School of Public Health conducted a report titled “Reinventing Aging: Baby Boomers and Civic Engagement,” which points to boomers’ potential to have an impact of unprecedented proportions by actively engaging in their communities. Yet there is skepticism, as the boomer generation has done less by every measure in comparison to their predecessors. Voting and community groups have suffered from the inactivity of America’s largest cohort.

The study also discusses the foreseeable need to stimulate a public dialogue that will encourage boomers to reflect on the meaning and purpose of their later years. To support this push, the entertainment and advertising industries will be persuaded to portray aging in more favorable ways. Images of frail, dependent elders will continue to be replaced by those of vivacious, healthy and eternally young individuals.

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Keen on the potential for positive societal impact, several non-profit firms are seeking to lure boomers into volunteering. Sites such as [www.getinvolved.gov](http://www.getinvolved.gov) and [www.retiredbrains.com](http://www.retiredbrains.com) have experienced a surge in popularity.

### Changes in the American Workforce

Some fear an impending mass exodus of boomers from the workforce. However, for many Americans faced with ever-increasing financial demands and rising healthcare costs, retirement is not an option. For those who are able to do so...it is a luxury.

While some baby boomers will imitate their predecessors by exiting the workforce and living a life of leisure, others will remain working in some capacity. A recent survey conducted by the National Association of Realtors (NAR) found that 27 percent of the 2,000 baby boomers surveyed said they never intend to stop working. Due in part to the current economic crisis and the fact that boomers are generally healthier than their predecessors, boomers are continuing to remain an integral part of the workforce—about five to 10 years past the typical retirement age of 65.

On another level, Americans are increasingly becoming concerned that they will outlive their retirement savings and are making the decision to postpone retirement or become semi-retired while continuing to work part-time.

According to the Economic Policy Institute, 27 percent of workers switch occupations after age 50. Many prefer to switch to a less demanding, more meaningful role that will supplement their retirement income. Those with an entrepreneurial spirit oftentimes seek to open a business of their own. A recent New Retirement Survey by Merrill Lynch found that more than 80 percent of boomers plan to work beyond the age of 65. By the Congressional Budget Office numbers, at least one quarter of boomers have insufficient retirement funds, hence the desire to continue working... whether out of necessity or preference.

These statistics are reinforced by two recent AARP studies that paint a grim picture for those boomers on the brink of retirement. The first report, "Retirement Security or Insecurity?" revealed that 13 percent of Americans are covering day-to-day expenses by pulling funds out of their retirement accounts or other investments. Moreover, 20 percent have halted contributions to their retirement accounts during the past year, further jeopardizing their financial security after retirement.

The second report conducted by AARP's Public Policy Institute found that nearly 51 percent of workers lack adequate pension coverage at their current jobs. Businesses are increasingly absolving themselves from responsibility and are instead shifting the burden of risk to employees. To address this national concern, AARP is spearheading the Automatic IRA legislation to improve the outlook on retirement for all Americans. For many boomers, the current economic crisis has them looking at an extended career tenure.

### Differences Between Boomers and Ruppies

Not all boomers fall into the ruppies category. First, retirement or lack thereof differentiates the two groups. Second, for those who have retirement as an option, they may not share the Ruppies' desire for an urban lifestyle. In this case, traditional single-family homes versus ruppies' downtown developments still appeal to this group.

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According to Peter Francese who consulted on the NAR study, “Boomers may want or need a larger dwelling that includes one or two home office settings.” He also pointed out that a “low maintenance home on a single level would have broad appeal to this group.” For those boomers that do ‘downsize’ to a smaller home, they aren’t forsaking quality. They often move into homes that offer maximum comfort and ease yet are plush pads laced with the latest amenities. It’s safe to say that ‘traditional’ boomers still have a huge influence in the remodeling and home buying market and will continue to shape and drive the future of the housing marketplace.

According to NAR study findings, 60 percent [of boomers] expect to live in their current residence during the next five years; 65 percent intend to remodel or improve their homes; 42 percent of all home improvement projects will be done by outside contractors; and 77 percent believe that the way their home looks is important to who they are. Considering that eight out of 10 homeowners are boomers, it’s wise to target this leading attitudinal group.

In the case of remodeling, these individuals are looking to make improvements in their home to sustain and improve the resale value and enhance their quality of life as they age, specifically in their kitchens as boomers (as do most homeowners) deem it the most important room of the home.

For ‘traditional’ boomers who don’t prefer urban living, cities like Fairhope, Alabama pose an attractive option that boasts southern hospitality and the joys of coastal living. The quaint town of about 13,000 is a golfer’s dream and offers the peaceful lifestyle many retirees prefer. Not surprisingly, Fairhope has been on numerous lists for top places to retire in the U.S.

### **Ruppies’ Desire for Urban Living**

The Seniors Housing Council cites the 1960s as the era when America was first introduced to active-adult communities. Traditionally located in ‘Sun Belt’ states, these communities were large in size and shared similar formats, designs and amenities. Fast forward to the new millennium and active-adult communities are a far cry from what they once were. Today’s active adults intentionally avoid cookie-cutter homes and instead seek places where they can express their individuality.

The U.S. Census data from 2000 indicates that there are nearly 21 million active adult (defined as ages 55-74) homeowners. The data also revealed the top areas where active retirees are inclined to buy homes. Areas with the most activity among dynamic retirees include Florida, Nevada, Colorado, Utah, Arizona and South Carolina. Active adults’ average home value is approximately \$160,000.

The NAR also recently conducted a study of nearly 2,000 mature adults and found that boomers will exhibit a diverse range of housing needs and their preferences will result in significant shifts from the living patterns of their earlier counterparts. As the largest generation in U.S. history, they will propel significant housing market trends.

Although typically considered a ‘hipster’ scene, downtown areas are experiencing a renaissance... attracting city dwellers from all walks of life. Urban areas have all the right amenities ruppies seek-- culture, public transportation, medical services, liveliness, restaurants, shopping, fitness and entertainment.

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Ruppies flocking to downtown areas wish to experience a heightened quality of life with hassle-free living...shorter commutes, easy access to public transportation, an array of activities from which to choose, limited house upkeep and no more lawn maintenance. Many wonder why they didn't make the move sooner.

According to *AARP*, retirees who cross state lines do so to live closer to family members rather than to reap the benefits of better weather, tax relief or for a new adventure.

The *Dallas Morning News* notes that the shift from suburbia to urbanism is evident as cities revitalize their downtowns and surrounding neighborhoods. Indeed, many downtown areas are experiencing revitalization as a result of the new influx of people in varying stages of life, from college to retirement years.

According to the *Wall Street Journal*, "It's a new era for the condo, once viewed as the stepchild of the housing market. Condos leapt to prominence after the 1961 Housing Act, which enabled the Federal Housing Administration to insure mortgages on the units. In those days, the properties were simple and affordable, a starter home for first-time buyers whose dream was to own a more substantial home in the suburbs."

### Meeting Ruppies' Housing Needs

The *Wall Street Journal* reports that, "Unlike the drab structures of yesteryear, many newly constructed condos are plush abodes, containing the kinds of amenities found only in the most upscale suburban developments, such as marble bathrooms, gourmet kitchens, tennis courts, swimming pools and health clubs. High-end features such as broadband access are also becoming standard. Many new units are larger than those of the past."

The National Association of Home Builders' (NAHB) annual Best of 50+ Housing Awards (which honor excellence in the design, development and marketing of housing for older consumers) pay homage to active adult communities, lifestyle communities and more traditional senior housing. In the 'active adult' category, the Village at Deaton Creek in Atlanta won a gold award. The community, which was singled out for its innovative approach to active-adult living, was recognized for its use of open designs and variety of amenities that promote healthy lifestyles and friendly social settings for residents.

There are many American cities that already have the resources in place to support ruppies in their transition to downtown. These programs and services make a place easily livable and include public transportation systems, expanded sidewalks for walking, improved health care and a wide range of mixed-use housing as evident in cities like Atlanta, Portland and Boston.

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Below are a few hot spots *AARP* recommends for retirees:

### ATLANTA, GEORGIA

**Lifestyle vibe:** Sophisticated metropolis with Southern charm

**Fitness fix:** Full-service health clubs in downtown condos

**Retirees love:** Abundant volunteer and cultural opportunities

**Retirees hate:** Humid southern summers

**Median housing price:** \$171,800

**Average temperature:** 43°F (January) and 80°F (July)



Atlanta's Peachtree Hills Place, advertised as a luxury community for active adults aged 55 and over, has proven a worthy contender in the design and appeal to Ruppies. The development was recently honored as one of NAHB's Best of 50+ Housing Award recipients. Although new, the clubhouse at Peachtree Hills was designed to invoke an atmosphere of history and tradition. The five-level clubhouse boasts amenities for all types of interest and activities. Residents enjoy elegant ballrooms, community meeting space, a chapel, spa and billiard and poker rooms.

### BOSTON, MASSACHUSETTS

**Lifestyle vibe:** Historically genteel, especially in Beacon Hill

**Fitness fix:** Strolling on the Boston Common

**Retirees love:** Abundance of culture and restaurants

**Retirees hate:** High housing costs

**Median housing price:** \$402,200

**Average temperature:** 29°F (January) and 74°F (July)



### Marketing to Ruppies

America's first mass market and an advertiser's dream – 77 million baby boomers that came of age with television. As kids, they were consumers of baby foods and breakfast cereals. As adults, they were trendsetters. But as they outgrow the desired 18- to 49-year-old demographic, they are creating a new frontier for marketers.

Baby boomers presently make up the lion's share of the political, cultural, industrial and academic leadership class in the U.S. There is also wide, often diverging, spectrum of values and attitudes espoused by American's largest generational group. To date, baby boomers also have the highest [median household incomes](#) in the U.S.

While Ruppies are aging in years, they manage to maintain a youthful attitude and optimistic outlook. What's more, they are still spending money, and lots of it. The boomers' collective wallet will only get fatter as they continue working. As a group, people age 50 to 60 yield more than \$1 trillion of spending power a year (about double the amount of today's 60- to 70-year-olds). "They're likely to be vigorous consumers as they empty the nest, take on new jobs, relocate, support children

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they had in their 40s, go back to school, start a second or third career, remarry, inherit money from their savings-minded parents, pursue new hobbies, and tackle the health issues of aging. Marketers are slowly waking up,” says Matt Thornhill, president of the Boomer Project, a Richmond, Virginia consulting firm.

This demographic is padding their bank accounts, thanks to peak earning years and a longer career span. Plus, many are reporting greater financial freedom since they are no longer paying for children’s tuition, cars or other expenses. They are engaged in living and learning and are increasingly technologically savvy, particularly in the area of computers and the Internet.

With an estimated 80 percent grip on the nation’s wealth, this demographic is too vast and too wealthy to neglect. Despite their clout, an *AARP* survey indicates that 27 percent of these consumers acknowledge that they are poor financial managers as a result of time constraints, the complexity of choices and the wide array of options available. When it comes to product and service explanations, there is considerable room for improvement.

On account of their sizeable purchasing power, some marketers have coined this cohort ‘Generation Buy’ and ‘Promiscuous Purchasers.’ Unfortunately, less than 10 percent of ad campaigns are targeted to this lucrative group. Recent studies identified that marketers continue to alienate boomers by over generalizing and misrepresenting them.

Findings from a recent TV Land study further noted that boomers may not be as loyal to brands as once thought. In fact, they are available to “switch for better quality, better functionality and substance over style.” It’s safe to say that Ruppies will be attracted to a new value proposition.

### **Trailblazing Companies Tapping into Ruppies**

To attract ruppies’ disposable income, smart companies are rethinking their sales and marketing approach. Boomers’ generational icons such as Sally Fields and Dennis Hopper are becoming familiar faces in marketing messages targeted to this audience. Ameriprise Financial tapped Hopper for its latest commercial with a theme of ‘dreams don’t retire.’ Christie Brinkley, 51, has returned as the face of cosmetics giant Cover Girl.

Some advertisers have even romanticized the era previously frowned upon by the majority of society. Geico recently launched an advertising campaign with a tongue-in-cheek message, ‘Survive the 60s?’ This ad and others are a throwback to the so-called hippie generation. While some may deem the messages as controversial, they are nevertheless highly relevant to the target audience and as such, much more likely to be provide sales dividends.

Ruppies seek comfort in the form of safety, guarantees and experience. As a result, organizations should consider incorporating better warranty information, company history and financial prowess into marketing messages.

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### **Boomers in Favor of Aging-in-Place**

For those who can afford to maintain their current standard of living in their existing homes, staying in place is a no-brainer. After all, they already have attachments to the community around them after years of residing in the same community.

Since the boomer generation is considered more active, wealthy and educated than generations of years past, concerns of limited mobility are sparse. Independent living is more attainable and for a longer period of time. However, succumbing to a homebound lifestyle is more accommodating than ever.

For retirees who opt to stay at home and age in place, consider how companies such as Home Instead Senior Care provide much needed assistance. The Omaha-based company provides shopping, cooking and cleaning services for seniors and has expanded from 228 to 533 franchises in the U.S. since 2000.

Everyday living can be enhanced with the addition of universal design features offered in new construction and remodeling. First introduced by architect Ronald Mace, universal design improves the safety and utility of homes. In the 1970s, Mace and other architects developed seven universal design principles. The fundamentals include equitable use, flexibility; simple and intuitive, perceptible information, tolerance for error, low physical effort as well as size and space for approach and use.

Universal design appeals to a large cross-section of age groups and compensates for reduced strength, mobility and agility, while aiding in balance and coordination. Handrails, enhanced lighting, wider doorways, levered handles, low-pile carpeting, stepless entry thresholds and other features are all designed to accommodate retirees who wish to live independently.

The movement toward universal design is steadily gaining momentum as evidenced by the NAHB's new Certified Aging in Place, or CAPS certification. This trend will continue to be at the forefront of home design for years to come.

### **Home Products for the “Near Retirement Age” Population**

Whether a boomer resides in the gentle pulse of a single family home or a ruppie lives in the heart of downtown, the 50-plus population can agree on one thing – the desire for enhanced amenities in their kitchens and baths.

Beginning with the kitchen, Ruppie and Boomer consumers look for adjustable countertops that offer added flexibility and convenience, pull-down shelving for enhanced access, natural flooring that reduces back and foot strain, under-cabinet task lighting and elevated dishwashers.

For the bathroom, motion sensory faucets, grab bars in the shower, bath and shower seating, lever handles smooth countertop edges, as well as higher placed sinks, vanities and toilets that offer superior ease and comfort...all attract this demographic. Whether remodeling their suburban home or in-town condo purchase, boomers and ruppies alike are looking for universal design and product options that provide ease of living with a special emphasis on quality and individual style.

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### **Home is Where You Make It**

For both traditional Baby Boomers and Ruppies, it's not where they live that matters, but instead...how they live. Some people achieve the highest quality of life in large, metropolitan cities, while others prefer the tranquility of traditional retirement communities. Some will remain engaged in the world around them and some will happily relinquish added responsibilities.

Progressive advertisers and marketers need to offer alternatives to the narrow mindset that currently reflects society's attitudes toward aging. To combat the negativity associated with aging, offer a fresh take that consumers haven't seen. As the connection between age and retirement becomes increasingly vague, society at large will continue to turn to popular culture and media to redefine aging.

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