

# Boom generation still calling shots

*America's largest demographic has more spending power than any other generation, and smart operators give them what they want*

BY GREGG CEBRZYNSKI

**B**aby boomers aren't the beatniks or long-haired hippie freaks they once were. Their revolutionary ideas seem quaint today, and younger generations have taken over popular culture.

But the men and women born between 1946 and 1964 do have a couple of advantages over everyone else. At 78 million strong they are generally considered the largest demographic in the United States, and they have \$2.1 trillion in spending power, more than any other generation.

That's enough to wield considerable influence on the restaurant industry, and the industry has taken notice.

The 60-plus-unit Steak and Ale, a division of Metromedia Restaurant Group, aired its first TV campaign in 10 years in 2006 to better target its core customer base of baby boomers. A new chain concept called Dagwood's Sandwich Shoppes, opened specifically to target boomers, offers more sophisticated flavor profiles than traditional sandwich chains. Burton's Grill, a small, growing chain in the Northeast, designed its menu and decor with boomers in mind. D'Angelo Grilled Sandwiches and Papa Gino's Pizzeria, which both opened in the 1960s, continue to evolve their menus to meet the changing tastes of boomers.

Although the 18-to-34-year-old demographic is the focus of many chains, restaurant operators who ignore boomers risk cutting themselves off from a vast, lucrative customer base.

"They'd be making a mistake if they disregard the baby boom segment," says Michael McManama, senior vice president of brand development for D'Angelo and Papa Gino's, based in Dedham, Mass.

People older than 45 account for 35 percent of business at Papa Gino's and 36 percent at D'Angelo, he says, and remain "our most loyal guests."

Because D'Angelo was founded in 1967 and Papa Gino's in 1961, "you can make a case that we have been totally reliant on the baby boomer segment for our entire business life," McManama says.

Both chains have introduced menu items to appeal to boomers. Papa Gino's added a more flavorful Rustic Pizza to the menu because boomers outgrew the chain's traditional pizza, McManama says. D'Angelo added a sandwich with chili and lime hot sauce because boomers wanted spicier food.

For Metromedia Restaurant Group, based in Plano, Texas, boomers are a very important customer base, says Clay Dover, executive vice president and chief concept officer for the company's casual-dining division.



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"When brands have been around as long as some of ours, you have grown up with these baby boomers," he says. "These heritage brands must retain the memories that boomers have formed and have fondness towards, while still staying relevant to other groups."

As a whole, the restaurant industry does a good job of meeting the needs of boomers, Dover says.

"The emergence of new concepts with new flavors, diversifying experiences, etc., cater to the evolving boomers with more money to spend and [who are] tired of chicken fingers," he says.

Boomers agree that companies overall are doing a better job of meeting their needs today than they did 10 years ago, according to a recent study conducted for FH Boom, Fleishman-Hillard's division devoted to marketing to boomers.

The study reported that 59 percent of boomers say they believe companies are doing a better job of marketing goods and services to them, indicating that marketers recognize their influence on the economy, according to Eileen Marcus, FH Boom co-chairwoman.

"We're looking at a population that has tremendous discretionary income and is looking to spend it," she says.

When it comes to deciding in which restaurants to spend their money, boomers want to enjoy higher-quality food and wine in a comfortable setting, which is why Kevin Harron — a boomer along with his partners — opened Burton's Grill. "To some extent, we were building a restaurant concept for ourselves," he says.

Burton's, which offers contemporary American

food, has two locations in Massachusetts and one in Connecticut. They're more upscale than casual-dining restaurants, but the prices are lower than fine-dining restaurants, reflecting what boomers want in a restaurant, Harron says.

"We really felt that our friends and neighbors were looking for a better experience that wasn't too formal, so to speak, and they didn't want to pay fine-dining prices," he says.

Harron, who spent more than 20 years in the casual-dining segment, says quality is the driver to meeting the needs of boomers, as well as menu flexibility to allow them to customize meals.

Communicating with them about the merits of a



The Burton's Grill concept was designed to meet baby boomers' demands for upscale yet casual experiences without the high prices of fine dining.

restaurant also requires a special touch. Boomers look for advertising that's a cut above the standard fare, according to Mickey Taylor, co-founder and creative director of ad agency G&M Plumbing, which handles creative duties for Red Robin Gourmet Burgers and held the Del Taco account for several years.

"It's far more challenging to advertise to baby boomers because they're smarter, and they demand more from what they see," he says.

That means an "easy, juvenile joke" won't work with this crowd, Taylor explains.

"They have more life experiences, and they have more they can relate to, and so it's a little bit more rewarding creatively to get them to want to watch your commercial," he says.

The FH Boom study reported that 76 percent of boomers prefer to receive ad messages through a variety of sources, and Taylor believes they're easier to reach than younger consumers through TV.

"Baby boomers are probably more TV commercial-friendly than a younger demographic," he says.

One reason that marketers may shy away from targeting boomers is that they believe the generation is hoarding money for retirement and not willing to spend it now, according to FH Boom's Marcus, who says that's a myth.

"As a boomer I could say, speaking for myself, that no one I know is retiring any time soon," she says.

Boomers will exert their influence on restaurants for some time to come, according to Dover of Metromedia Restaurant Group.

"Their trends and preferences as they continue to age will affect all restaurants in product development and flavor direction," he says. "Most importantly, this is a group that votes with their wallets." ■