

EPIC SHIFT: A FIRESIDE CHAT

UDI Okanagon Luncheon

May 29, 2014

Presented by:
Ben Smith
Vice President
Rennie Marketing Systems



TODAYS AGENDA

1. Demographic overview

- War Babies
- Baby Boomers
- Gen X
- Gen Y

2. Fireside chat

WAR BABY (1920 - 1945) Ages 69-94



- **Mortgage free**
- **Retired from single family income**
- **Already downsized**
- **Live close to family / friends**
- **Likely to have lived in same house / neighbourhood most of life**
- **Thrifty (grew up in/after depression)**
- **Heavy healthcare costs**
- **Savers, want to pass on \$\$ to kids if any left after healthcare**

“I bought my house for \$15,000”

“I don’t need anything as long as I have my health”

“I don’t want to live in an old folks home”

INVENTIONS IN THEIR LIFETIME

- Credit cards
- Contact lenses
- McDonalds
- Barbie
- Hydrogen Bomb

Sitting on over \$50billion in clear title real estate in Greater Vancouver.

Will likely be forced to sell for health related reasons... either to accommodate care or to pay for it.

BABY BOOMER (1946 - 1964)

Ages 50 - 68



- **Mortgage free or almost**
- **Mostly double income families**
- **8,000 bb retiring per day (in US)**
- **RRSP's hurt in 2008, most equity in homes**
- **Excessive. Grew up in consumerism**
- **Looking to downsize - “downfloor”**
- **Active and in pursuit of recreation**
- **Won't necessarily stay in neighbourhood they raised their family in**
- **Spenders, will help kids after they set themselves up first - one wallet**

“I want to enjoy the fruits of my labour”

“I eat well, I exercise, I hope to enjoy a long retirement”

“I deserve to be happy”

“My kids have been spoiled”

INVENTIONS IN THEIR LIFETIME

- **Cassette tapes**
- **Mainframe Computers**
- **Breast Implants**
- **Artificial Heart**
- **LSD**

Sitting on over \$113 billion in clear title real estate in Greater Vancouver.

Occupy 30% of housing stock

1/3 of housing stock has more bedrooms than people

70% of all law firm partners in the US are baby boomers. Not enough Gen X to fill holes

GEN X (1965 - 1978)

Ages 36 - 49



Epic Shift: A Fireside Chat | May 29, 2014

RENNIE
MARKETING
SYSTEMS

- Heavily mortgaged
- Average salary \$50 - 70k
- Mostly double income families w/ small kids
- Small RRSP's if any
- Most “savings” in home equity
- Upsizing within means
- Those with war baby parents have small inheritance coming once parents dead
- Those with baby boomer parents likely to get small help with down payment now
- Location rules, followed by size
- Highly educated, socially conscious

“Will I have to take care of my aging parents”

“My options are limited by what I can afford”

**“I’m drawn to difference makers not to
authority figures”**

**“My kids and my family are what’s most
important to me”**

INVENTIONS IN THEIR LIFETIME

- Walkman
- VCR
- CD's
- Rollerblades
- Video Games

**More likely to be going from 2 cars to 1 than
from 1 car to zero**

**Generation population gap from Gen X to
boomers is filled by immigration****

***Gen X is bridge generation between two
largest population segments and drastic
generational differences***

GEN Y (1979 - 1993)

Ages 21 - 35



- Rent or live with parents
- 1st time buyers as couples or w/ parents
- First career job (making \$30k - 60k)
- Most underemployed generation
- Little savings, significant school debt
- Parents just entering retirement
- Lifestyle most important
- Want to be close to lifestyle pursuits
- Living for today

“My parents will give me a downpayment”

“I’m working on a few different projects”

“I’m saving to go travelling”

**“I’ll probably get married and have kids in my
mid 30’s”**

INVENTIONS IN THEIR LIFETIME

- Internet
- Email
- Personal computers
- Cell phones
- DVD / Blu-ray

22% exclusively use cards no cash

30% don't have a check book

20% don't write more than 2 checks a year

48% getting downpayment from parents

Twice as many Gen Y get news online than do baby boomers. Only 6% read the newspaper

Questions:

1. What product best suits your target market commercial, industrial, residential?
2. Who will buy baby boomer McMansions?
3. Who will buy baby boomer business / office?

Thank-you.