Chapter 17
Older Consumers’ Customer Service Preferences

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Abstract Older consumers have distinct customer service preferences that can constitute a source of competitive advantage for forward-thinking marketers who seek to attract this large and relatively affluent segment. This chapter focuses on the supermarket, financial planning, and healthcare industries to demonstrate the importance of providing personalized attention to allow for the older person’s deteriorating physical and cognitive abilities and shrinking social networks. In particular, emphasis is placed on the need to allow older customers to form meaningful relationships with service staff. This strategy has implications for the recruitment, training, and retention of staff members who are able to demonstrate genuine concern for the welfare of the older consumer.

Introduction

Ageing brings with it a range of physiological changes that have implications for individuals’ marketplace behaviours. Of particular interest in this chapter are the implications of these changes on older consumers’ service needs. While suppliers of goods and services have typically focused on the physical adaptations of their products and premises that are required for their older customers, less attention has been given to the personal interaction elements of the exchange process. This chapter will show that older consumers can have distinct service preferences and that these have implications for suppliers wishing to differentiate themselves in the marketplace by offering superior customer service to their older clientele. Customer service is defined as those aspects of service that support the provision of the company’s core products. The personal interaction that occurs in the exchange process is a primary component of customer service.

A brief account of the primary age-related physiological and social changes is provided below, followed by the findings of a large Australian study on seniors’ service preferences and a discussion of the implications of these changes for
marketers wishing to deliver high levels of customer service to the large and growing
cohort of older consumers.

**Functional Changes**

Age-related physical deterioration is an inevitable aspect of the ageing process. While individuals experience this deterioration to a greater or lesser degree depending on their genetic inheritance and lifestyles, there are certain physical changes that are generally to be expected with age. For example, most people begin to notice vision impairment in their 40s and 50s. This reflects a gradual thickening and hardening of the lens and a shrinking of the pupil that in combination make it more difficult to focus the eyes [39]. Increasing hearing loss is also very common with age. Hearing impairment is of particular concern for cognitive function because it is associated with reductions in functional intelligence, especially memory [45].

Physical mobility also tends to reduce with age, largely due to decreasing muscle mass and muscular strength [8]. Reductions in mobility are particularly problematic when they result in falls as many older people suffer permanent disabilities, or even death, as a consequence of falling. Partially as a result of their smaller stature, women tend to experience greater losses of strength and mobility with age [38].

Along with these functional changes come alterations in cognitive processing. Slower processing occurs as the neural pathways to the brain deteriorate with age [45]. The outcome is that at any point in time the older person has less attentional capacity to direct at any particular stimuli and it becomes more demanding to perform the same mental tasks that used to be less challenging. As a result, new information is more difficult to assimilate, especially when it involves unfamiliar stimuli. For this reason, where new information contradicts previously learned information the older person is more likely to fail to change existing beliefs [37]. In addition, it becomes more difficult for older people to recall the source of information, which may make them more susceptible to repetitious advertising [48].

**Social Changes**

The physical and psychological changes discussed above have effects on individuals’ social status. Deteriorating mobility, vision, and hearing shrink the older person’s circle of regular contacts and make it difficult to establish new relationships. In addition, the likelihood of the death of a spouse and close friends increases with age, so older people are more likely to live alone than younger people and to have smaller social networks [6]. As a result of these factors, the incidence of loneliness increases with age. Loneliness can trigger depression in the older person, a trend that is particularly common among older women [42]. Reflecting the