



From Passive to Active Consumers: ageing and consumption in Britain 1963–1998

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This project charts the engagement of older people with Britain's consumer society in the last four decades of the 20th century. Our research demonstrates that the consumption patterns of retired households are converging with those of working age households. This marks a transition from the situation when pensioners' consumption patterns differed significantly from those of the rest of the adult population. Those retiring at the turn of the 21st century have lived through the expansion of mass consumer society. While there is variation based on income and wealth within the retired population, the retired have consumption patterns that more closely reflect those of the working population.

Some consumer goods have moved from luxuries to being regarded as essential
Image reproduced courtesy of Steven Braggs
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KEY FINDINGS

- There is convergence in ownership patterns between retired and working age households since 1968.
- Ownership of newer consumer goods such as PCs show inequalities between retired and other household types.
- Expenditure patterns by retired households show convergence with other household types.
- Retired households with different levels of income do not differ greatly in their expenditure patterns.
- All income groups have seen a decline in spending on food and fuel and an increase in spending on household goods.
- Successive cohorts have increased consumption of goods and services.
- Birth cohort mediates how rapidly some consumer durables such as washing machines are adopted, while period plays a more significant role in others such as phones and fridges
- Differences in income and housing tenure play an important role in explaining consumption and expenditure patterns in areas such as taking holidays and eating out as do differences by age and birth cohort.

HIGHLIGHTS

Using data from the Family Expenditure Survey from 1968 until 2003/4, we looked at the transformation of later life as a location for consumption.

Ownership patterns of key consumer goods

We concentrated on patterns of ownership of key consumer goods such as telephones, televisions, washing machines etc. among the retired population



in relation to the employed and unemployed to see whether and to what extent, older households participated in the postwar growth in ownership of these key consumer goods. Phone ownership was very differentiated in the 1960s but over the next three decades ownership increased for all groups. This pattern was repeated with regard to TV ownership and fridges/fridge freezers. However while absolute levels of washing machine ownership showed a rise for all groups the retired and unemployed lagged behind the employed and closely matched each other's ownership patterns between 1968 and 2001. Newer household goods such as microwave ovens and VCRs show similar patterns of convergence even though the timeframes involved are much shorter. In 1993 there were clear inequalities in ownership; by 2001 these had already narrowed. Household ownership of a personal computer (pc) also shows some evidence of convergence but marked inequalities persist. In 1993 less than two per cent of

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Figure 1:
Trends in ownership of household goods

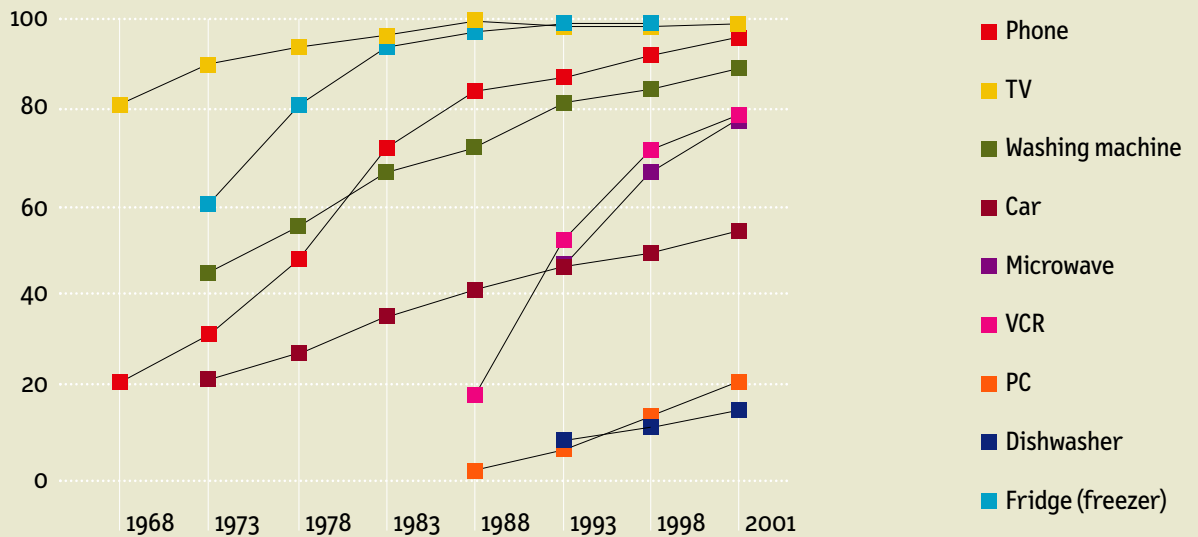
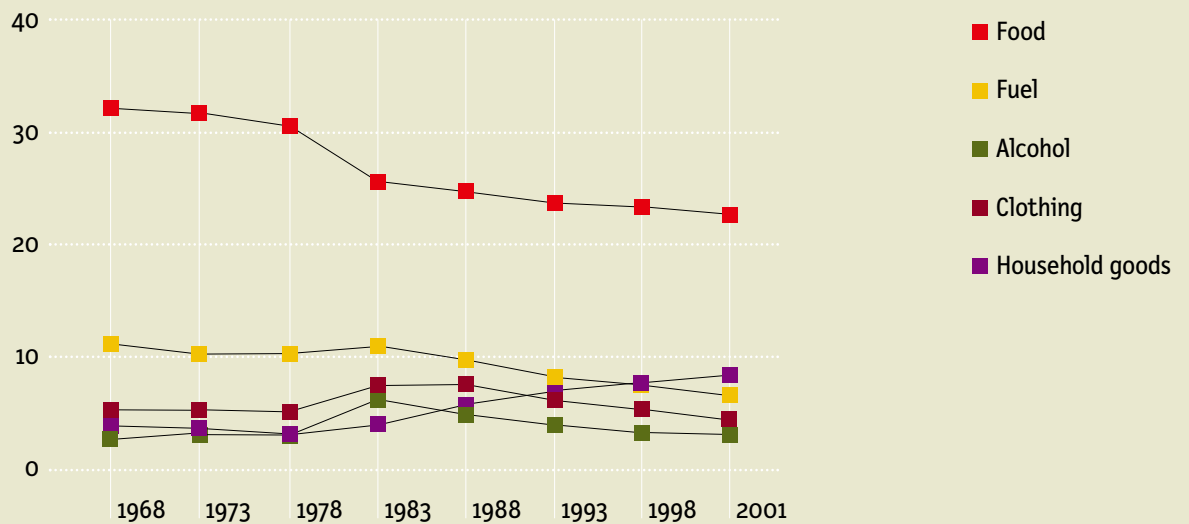


Figure 2:
Trends in expenditure on selected categories as a percentage of total expenditure



retired households owned a PC compared with nine per cent of unemployed households and one quarter of employed households. By 2001 rates of ownership amongst employed households had more than doubled and rates amongst unemployed households had almost tripled. Rates amongst retired households had increased tenfold.

The pattern is different for car ownership. Although there is a clear rise in the absolute levels of ownership for all groups, the rate of convergence between retired households and those households headed by an employed person is much slower and may reflect strong cohort effects relating to owning a driving licence.

Our data demonstrate that across working, retired and unemployed households there has been a markedly increase in ownership of certain goods. These results are unsurprising for the employed households given the continued rise in both incomes and standards of living across this period. However the data also demonstrate that by the beginning of the 21st century retired households have increasingly similar patterns of ownership of household goods to the rest of the population.

Expenditure patterns

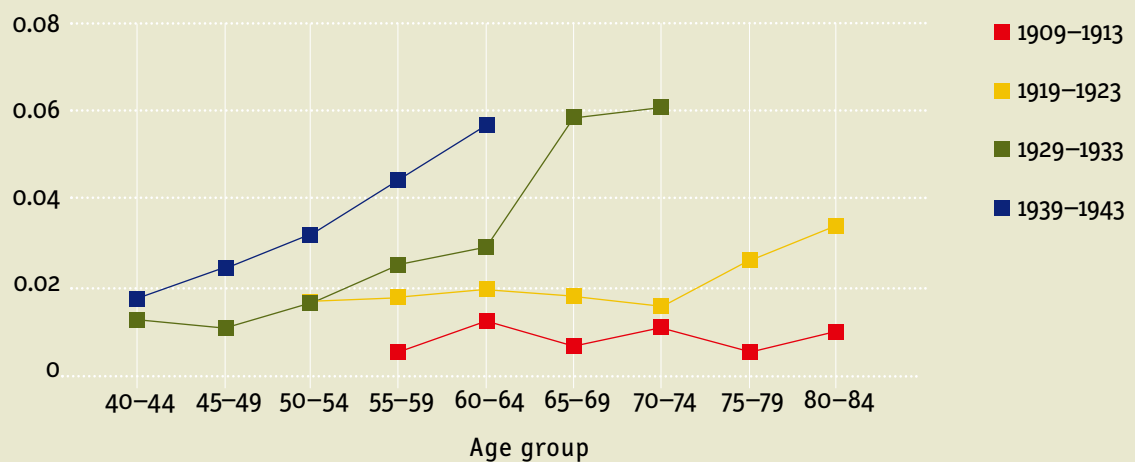
Although useful to indicate the diffusion of key goods, ownership data give only a limited picture of trends in consumption. We therefore analysed data on expenditure patterns by retired households. Examining differences within the retired population we focused on five key areas (food, fuel, alcohol, clothing and household goods). While the percentage of total expenditure by the retired population accounted for by food dropped from just under a third to just over a quarter, the percentage spent on household goods rose from about four per cent to just under ten per cent. Spending on fuel declined while that on alcohol and clothing has stayed broadly similar. However, as before, these figures mask differences based on household income. While expenditure on food declines for all retired people, it still represents a quarter of all expenditure for the bottom 20 per cent of the income distribution as against 15 per cent of those in the top 20 per cent. The same pattern is evident for fuel with the bottom 20 per cent spending a greater proportion of their total expenditure on fuel in 2001 than the top 20 per cent was spending in 1968. While there is

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Most retired households are participating in the changes that mark out contemporary consumption

Share of household expenditure on holidays by age and birth cohort of head of household (1899–1948)
Source: FES 1968–2003



differentiation for alcohol, clothing and household goods by the end of the 20th century there is a greater tendency towards convergence. There is also a significant increase in the proportion of expenditure on household goods across all income groups.

There are few marked disparities in expenditure patterns and it would appear that retired households with different levels of income do not differ greatly in their expenditure, with all income groups seeing a decline in spending on food and fuel and an increase in spending on household goods. This would suggest that most retired households are participating in the changes that mark out contemporary consumption.

Cohort differences in consumption activities

We next looked at changes in consumption over time by age as well as by cohort. We also examined how consumption patterns changed over time within each cohort as well as how such changes related to socio-economic differences within cohorts. In line with our earlier findings we concluded that successive cohorts have increased their consumption of goods and services

and that birth cohort may mediate how rapidly a group adopts new consumer behaviours. A particularly illustrative finding was that later cohorts of older people are consuming more on leisure activities such as holidays than their age peers from earlier cohorts. It is important to note that when looking at overall trends, differences in income and housing tenure are as strong if not stronger than differences by age or birth cohort.

MESSAGES FOR POLICY AND PRACTICE

This research suggests that the retired population are engaged in the same kinds of consumption activities as the rest of the population and are not excluded from the market. Our research also indicates that the retired are not a single category of consumer and that they are differentiated by income, cohort and housing status. Policy makers also need to be aware that more recent retirees are more strongly defined by the impact of consumer society on their lives and expectations of post work life than previous generations.

BACKGROUND TO THE STUDY

Despite a burgeoning literature on consumption and consumer society the consequences of consumerism for the UK's ageing population have been relatively neglected by researchers. The trend to earlier retirement and the relative affluence of many retired people shifts our understanding of later life. The cohorts of people entering retirement are among those who participated in the creation of the post-war consumer culture. These consumers have grown older and their choices and behaviour are products of the collective histories of both cohort and generation. This project charted the growing engagement of different age cohorts with consumer society. *From Passive to Active Consumers: Ageing and Consumption in Britain 1963–1998* was part of the Cultures of Consumption research programme (grant number: RES-154-30-219) funded jointly by the Economic and Social Research Council and the Arts and Humanities Research Council. It ran from January 2005 until March 2007.

PUBLICATIONS INCLUDE

Higgs P., Evandrou M., Gillear C., Hyde M., Jones I.R., Victor C. and Wiggins D. 'Ageing and Consumption

Patterns in Britain 1968–2001', in *Generations Review* 17 (2007) <http://www.britishgerontology.org/newsletter2/research14.asp>

Higgs P.F.D., Hyde M., Gillear C.J., Victor C., Wiggins R.D. and Jones I.R. 'From Passive to Active Consumers? Trends in Ownership of Key Goods in Retired and Non-retired Households in the UK from 1968–2001', *Cultures of Consumption Working Paper No.28* (2007) at: <http://www.consume.bbk.ac.uk/publications.html>

Hyde M and Jones I.R. 'The Long Shadow of Work – Does Time since Labour Market Exit Affect the Association between Socioeconomic Position and Health in a Post-Working Population', *Journal of Epidemiology & Community Health* 61(6) (2007) pp.532–38.

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CULTURES OF CONSUMPTION RESEARCH PROGRAMME



The Cultures of Consumption Programme funds research on the changing nature of consumption in a global context. The Programme investigates the different forms, development and consequences of consumption, past and present. Research projects cover a wide range of subjects, from UK public services to drugs in east Africa, London's fashionable West End to global consumer politics. The £5 million Cultures of Consumption Programme is the first to bring together experts from the social sciences and the arts and humanities. It is co-funded by the ESRC and the AHRC.

The aims of the Cultures of Consumption Programme are:

- to understand the practice, ethics and knowledge of consumption
- to assess the changing relationship between consumption and citizenship
- to explain the shifting local, metropolitan and transnational boundaries of cultures of consumption
- to explore consumption in the domestic sphere
- to investigate alternative and sustainable consumption
- to develop an interface between cutting edge academic research and public debate.

For further details take a look at our website www.consume.bbk.ac.uk

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