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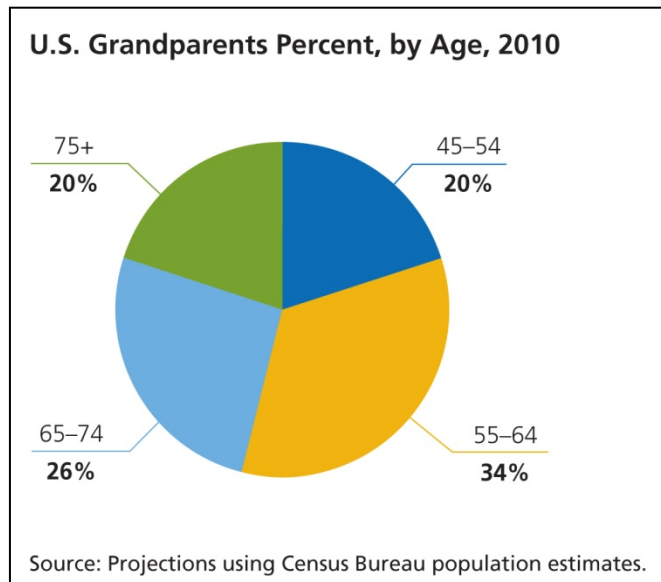
U.S. HAS A RECORD NUMBER OF GRANDPARENTS WHO ARE YOUNGER, BETTER OFF FINANCIALLY AND CONSIDERABLY MORE GENEROUS TO THEIR GRANDCHILDREN THAN EVER BEFORE, ACCORDING TO NEW METLIFE STUDY

As Multi-Generational Households Increase, Grandparents Significantly Impact American Buying Habits

Westport, CT – July 26, 2011 – The number of grandparents in the United States has hit a record high and is growing. In general, grandparents are younger, financially comfortable and bestowing a good deal of their money on grandchildren, according to a new report by the MetLife Mature Market Institute.

According to, [*“The MetLife Report on American Grandparents: New Insights for a New Generation of Grandparents.”*](#) produced in conjunction with noted demographer Peter Francese, there are 65 million grandparents in the U.S., an increase from 40 million in 1980; more than one in every four adults is a grandparent. Grandparents today, for the most part, are working age Baby Boomers between 45 and 64 years old.

Contrary to the stereotypical “grandma” and “grandpa” of yesteryear, today’s grandparents are far from dependent. In fact, they are more likely to be sharing their resources with their children and grandchildren. Many of them are working age and most are heading households. While the real income of those ages 55 and over has risen, that of their children has declined. Grandparents are more likely than ever before to be college graduates, while college graduation rates have remained the same among younger men.



“The number of multi-generational households has increased, due in part to the recession,” said Sandra Timmermann, Ed.D., director of the MetLife Mature Market Institute. “This trend, coupled with the increased financial instability of today’s younger families, has huge business implications. The fact that grandparents are spending a great deal of money on infant food and equipment, children’s clothing, toys, elementary and secondary school tuition, and financial, mortgage and insurance products, represents a change in buying habits and may change the way marketers and advertisers focus their efforts.”

[*The MetLife Report*](#) estimates that by 2020 there will be 80 million grandparents who will represent one in every three adults. While the majority of today’s grandparents are women (124 grandmothers for every 100 grandfathers), the gap is expected to close because older men are now healthier and living longer.

Additionally, the study found:

- Households headed by those ages 55 and older are now spending \$2.43 billion annually on primary and secondary school tuition, about 2.5 times the amount of \$853 million in 1999.
- According to the U.S. Census Bureau, the average age of new grandmothers is 50; it is 54 for new grandfathers.
- In 2010, there were 39.8 million grandparent-headed households, one of every three households in the U.S. Only one in five grandparents lives alone.
- An estimated 4.5 million grandparent-headed households include one or more of their grandchildren; 11% of grandparent households have at least one grandchild and 60% of multi-generational households have two or more grandchildren.
- Incomes of households headed by those ages 55 or older rose by \$491 from 2000 to 2009, while those in the 25-34 and 35-44 age groups saw their incomes decline. 45- to 54-year-olds had just a \$42 increase.
- A rise in spending on auto insurance by those ages 55 and older, coupled with a decline in such spending among younger people, suggests that grandparents may be buying insurance and/or cars for their children or grandchildren.
- One in five grandparents is African-American, Hispanic or Asian.

Data for [*The MetLife Report on American Grandparents*](#) was gathered from the 2010 U.S. Census and compared with previous Census figures. Other information came from the Centers for Disease Control and Prevention and the Department of Labor's Bureau of Labor Statistics.

[*"The MetLife Report on American Grandparents: New Insights for a New Generation of Grandparents,"*](#) can be downloaded from www.MatureMarketInstitute.com. It can also be ordered through [Contact Us](#) on the MetLife Mature Market Institute Web site, or by writing to: MetLife Mature Market Institute, 57 Greens Farms Road, Westport, CT 06880 or MatureMarketInstitute@metlife.com.

Peter Francese

Peter Francese was founder of *American Demographics* magazine and speaks and writes frequently on consumer trends. Francese is also a frequent contributor to *Advertising Age* magazine. He has authored several books, articles and special reports on how to better understand consumer markets. His most recent book, with co-author Lorraine Stuart Merrill, *Communities & Consequences*, is on the future of New Hampshire. www.francese.com

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