Boomers are redefining the word “grandparent”

By Editor Test *Tue, Aug 2, 2011*

The average age of new grandmothers is 50 and the average age of new grandfathers is 54. Grandmothers outnumber grandfathers by a ratio of 5:4.

According to a new report from the MetLife Mature Market Institute, there are 65 million grandparents in the U.S. today, up from 40 million in 1980, and they are, in general, younger, financially comfortable and more generous to their grandchildren than ever.

The report, *“The MetLife Report on American Grandparents: New Insights for a New Generation of Grandparents,”* was produced with demographer Peter Francese. Data for 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.

Contrary to the stereotypical “grandma” and “grandpa” of yesteryear, today’s grandparents are far from dependent, the study fond. 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.

“The MetLife Report on American Grandparents: New Insights for a New Generation of Grandparents,” can be downloaded from www.MatureMarketInstitute.com.