



Generational Marketing

So you know about market segmentation. You know how to target your prospective buyers demographically (i.e., by age, gender, economic status, education) and psychographically (how they see themselves, how they want you to see them, desired life style, values). Now it's time to think generationally.

Today, one of management's nearly universal problems has become how baby boomer managers can manage generation Xers more effectively. And the answer seems to be: It's tough.

And therein lies the basis for our marketing opportunity.

When generational differences are considered, not only can management problems be resolved, but you and I own a remarkable cutting-edge marketing tool for understanding how to provide services and products targeted to the most promising market segments.

Let's call it generational marketing.

Here's the critical difference: We use the same words throughout our culture, but each generational segment, or "cohort," has a different understanding of how that idea or value is, and should be, acted out. And that goes beyond our current ideas of demographic and psychographic target definition.

For this discussion, let's focus on the two largest segments – the Baby Boomers (born 1946-64), and the Generation Xers (born 1965-75).

Noting conspicuous exceptions, cultural gerontologist Nancy Peppard calls the Boomers "the first generation to age without maturing," and contrasts them against the subsequent, more responsible Xers, who largely took on the job of raising themselves.

Here's how to apply generational concepts to market your business more effectively:

1. Think about your service or product, and the generational cohort to which it will most likely appeal.

The Baby Boomers

Mid-life awareness and spiritual hunger have generally hit the Boomers while they struggle to grow up. As the most privileged generation of children our society has produced, they feel empty, but entitled – that they have "rights," to certain things that someone will provide, and will protest if they don't get them.

Baby Boomers are externally motivated; appearances and possessions count. Perhaps two of their most useful characteristics from a marketing point of view are their belief in, and search for the quick fix; and their hesitance to change.

It follows, then, that the perfect services or products for this group would be those requiring little change in the user's habits, that help fill the empty space, and that would produce the desired or expected improvement instantly. A matching appeal would be the reassurance that not only will he or she get the desired results right now with the least possible change in what they have to do, but that they're entitled to them.

Generation X

Again, from a macro perspective, more Xers were raised in single-parent/working parents homes than any other generation. They took greater responsibility for raising themselves, and tend to be more self-confident, less traditional, and want more flexibility than previous or subsequent generations. They work longer, and may very well earn less. And they now start about 70% of the new businesses in this country, hiring other Xers who think like they do.

Xers are looking for experiences. They demand honesty and straightforward answers. Growing up in an era of AIDS, street violence, and little job security, they want few long-term commitments. They're non-traditional, like alternative methods and new products; are computer-dependent; don't like to feel controlled; and need flexibility. They genuinely value opportunities to learn, grow, and improve themselves.

New alternative services or products offering a non-traditional experience, or an opportunity for growth and improvement, and providing flexibility and control either in acquisition or in use, that requires no long-term commitment, should appeal if presented honestly and straightforwardly.

2. Consider altering your service or product offerings. Thinking generationally, could you make changes to existing services or products that would make them more appealing to those most likely to buy? (Key: Appeal to those most likely to buy.)

3. Should you change the message or the medium? To build repeat business from happy clients, to generate word-of-mouth and referrals, you must be honest; don't claim attributes that would be desirable to your target if you can't produce. Remember, "the big lie won't stick."

Think now about the best way to communicate with your prospect: email? FAX? CD-ROM? Would they prefer visiting your website? Do they buy online, or get information there? Listening to you make a presentation to his or her professional organization? Reading your article or column? Referrals from current users?

Think generationally.