

## Tackling the Generational Thing

The boomer generation, children born between 1945 and 1964, has received a lot of marketing attention as its huge numbers have aged through the decades and disrupted old political, social and economic patterns in each new decade. The boomers are now gradually moving into retirement and their influence on society is being challenged by a series of "new" generations.

Marketing experts are advising companies to tailor their efforts to the needs of the different generations. However, for a product like apples, this is not simple, for many different reasons.

### Coming After the Boomers

#### United States: Major Active Generations

Common Name	When Born	Age Range in 2016	Population, 2016
Baby Boomers	1945-64	52 to 71	75.0 million
Generation X	1965-76	40 to 50	27.3 million
Generation Y (millennials)	1977-94	22 to 39	78.1 million
Generation Z	1995-2012	4 to 21	87.2 million

Among the subsequent generations are Generation X, born between 1965 and 1976, now numbering over 27 million, the young adults of Generation Y, also known as Millennials, now outnumbering the baby boomer generation, and the equally numerous Generation Z, most of whom are still children.

Many analysts argue that even within these broad generational categories, there are major differences between earlier and later groups. Early boomers benefited from the widespread optimism and rapid recovery in the aftermath of World War II. Later boomers came of age in the 1970s, when they were hit by recession, inflation, anti-war protests and loss of faith in government institutions.

Among millennials, there are vast differences in responsibilities between 22 year olds and 39 year olds. Among generation Z, the wants and needs of 4 year olds differ greatly from those of and 21 year old young adults.

### Complicated Marketing Challenges

What is not in dispute is that the proliferation of living generations has complicated marketing challenges for the food industry, both in the grocery business, that supplies food for home use, and in the restaurant business, that caters to increased eating away from home.

This is further complicated by the division between the sort of food and beverage purchases individuals make for themselves, and those normally made for the household unit.

More children, from an early age, have pocket money that they can spend on personal items including food and beverages. In addition, with families now smaller than in the past, children can have significant influence on what groceries their families buy, or what restaurants they frequent. There are also more and more single person households, including those never married and those divorced.

The structure of many households also continues to diverge from the traditional pattern, of two parents and one or more dependent children, to households with adult children returning, blended households from divorce, or multiple generation households due to social or economic pressures.

### **Media Generational Influences**

The different experiences of the different generations are also influencing their attitudes and behavior in ways that sociologists and marketers are struggling to understand. One of the easiest influences to track is the changing media scene.

The boomer generation grew up in an era when every significant urban area had one or more major daily newspapers. There were numerous national magazines supported by advertising. Editors prioritized the stories their readers should see. That generation was also the first to experience national television, again with a few major networks choosing what visual stories their viewers would see.

Readers and TV viewers had very little opportunity to talk back to these major media. That mass media structure supported the development of national brands like Tide and General Motors, and national grocery and restaurant chains like Safeway and McDonald's, where every outlet followed a fixed formula.

### **Gen Xers Losing Faith**

Generation Xers were often the first in their families to get a college education. They experienced the gradual immersion in the computer age. They were also heavily influenced by divorce or single parenthood and often delayed their own transition into marriage or parenthood. They were the first generation to lose their belief that each generation would fare better than the previous one.

### **GenYers Computer Immersion**

IBM introduced the first personal computer in 1981. By the time generation Y was reaching adulthood twenty years later at the turn of the century, over half the U.S. population had a personal computer and access to the internet. Computers were invading both work and home space. Companies like Amazon, Google and Microsoft were just beginning to use those technologies to change almost every aspect of life, from work to education to leisure. Since then, companies like Facebook, LinkedIn and Twitter have changed the range of people with whom any one person could communicate for business or pleasure.

This generation was also increasingly diverse as the result of widespread immigration, especially from Spanish-speaking countries. At the same time, the influence of the mass media was being shattered under the assault of competing options, from multiple cable channels, to satellite television, to ubiquitous WiFi.

### **Continually Wired Consumer**

However, the full transformation of the internet only took place when there was a SmartPhone in every pocket, from the very young to the very old. Consumers were enabled to effortlessly find information on any product or activity they were contemplating. Consumers also gained new power to talk back directly to suppliers of goods and services and to share comments (both good and bad) with a limitless number of other consumers.

Younger generations, Gen Yers and Gen Zers, have been the quickest to adopt the multitude of new SmartPhone Apps that provide information, directions, peer reviews and global linkages. Increasingly, mobile phones and tablets enable actual purchases. Many Gen Zers have never known a world that was not wirelessly interconnected.

### **Gen Yers Life Interrupted**

In general, Gen Yers, now under 40, have had their life plans most interrupted by the Great Recession and its aftermath. For many, expectations of a smooth transition from a College degree to a well-paying job,

rapid ascent of the government or corporate ladder, and financial independence, has been seriously dented. Many are too highly educated for the jobs they have been forced to take, or have moved back in with their parents because their incomes have not kept pace with urban rental costs. Many have delayed marriage and families. At the same time, they have not lost their sensitivity to the economic, social and environmental issues of the day, like climate change.

As a result, GenYers shop differently. They are very well informed about the attributes of the products they are seeking to buy and about the reputations of the companies that supply those products. They talk constantly to each other and talk back to suppliers. Suppliers have gone from having little feedback from customers, to having a flood of feedback that is difficult to interpret or respond to.

### **How Are Apple Purchases Affected?**

We still have very limited information about how these generational differences affect purchases of items like fresh apples. It is relatively easy to trace the purchase habits of those who shop for themselves. However, it is more difficult to weigh the influences faced by those who shop for others.

Most bulk shopping is still done by female household heads. But how much is a GenX married housewife's choice of apple varieties influenced by the preferences of her GenX husband, or her unemployed GenY son or daughter, or her GenZ grade schooler or teenager or her aging Boomer parent?

The apple industry will need to learn much more about these generational dynamics if it is going to be able to correctly forecast how preferences for different fresh apple varieties and packs will evolve over the next decade.

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