IMMERSION / IMAGINATION / INSIGHTS

Generation X: eXiles on Main Street?
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Just A Song Before I Go
Marketers have been hustling Gen X out the door for decades

The US Census Bureau, having set the Boomer generation boundaries at 1946 through 1964 – 19 birth years – waited decades to define Gen X and the Millennials. Until 2015, all anyone knew for certain was the Xers launched in 1965.

Until the Bureau belatedly stepped in, a marketing free-for-all routinely hyped Millennial importance at the expense of Gen Xers, who were squished into whatever date range was left between the Boomers and the start du jour of the trendier arrivistes.

At its nadir Gen X was terminated after a measly ten birth years, 1965-1974 (New York Times); only slightly more generous, Pew (2010) and J D Power offered twelve (1965-1976). Either way, the poor kids were shown the marketing door even before their Barbies and G. I. Joes were packed away in the attic.

The 2015 Census Bureau decision finally labeled the Millennials as born between 1982-2000, allocating them 19 birth years, the same as the Boomers.

As usual, Gen X got the leftovers, 17 birth years 1965-1981, still stuck with the smallest generation moniker.
Just A Song Before I Go

Gen X defined only to be dumped

Recognition by the Census Bureau came too late: by 2015 Gen Xers were heading out of the 18-49 demographic at the rate of 4 million annually – slipping away over the targeting horizon and disappearing into the friendly skies of Boomer World.

For consumers in the 50+ space, except for health/aging and wealth/luxury categories, the backstory is mid-20th century Mad Men mythology:

- **Mad Men Myth #1:** Bound by brand loyalty: never an itch to switch
- **Mad Men Myth #2:** Since they are easy to reach and engage via yesterday’s commercial media, there’s no need to be bold with targeting
- **Mad Men Myth #3:** Turning to the 50+ crowd means turning off the all-important Millennials in a zero-sum game of allocation
- **Mad Men Myth #4:** With age comes a drag on brand image / brand culture

Since over 90% of today’s ad agency staffers fall into the coveted, clichéd and clickbaited 18-49 year-old demographic themselves, it’s easy to see the inside-the-box appeal of such fabulist thinking. And with the industry immersed in stereotypes that have ruled for decades, it’s difficult to escape the conventional comfort range and engage Boomers and older Xers in ways that make sense to them.

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The Gen X Journey: Don’t Stop Believin’
66 million strangers waiting, up and down the boulevard

In addition to bumper sticker stereotypes – slackers, middle child etc., etc., – pundits and analysts often dismiss Generation X as relatively small. It’s time to re-imagine … a marketplace with 66 million adult members in their peak earning years is not “small.”

In fact, no European country has an adult population as large as Gen X and, if its official definition included 19 birth years, per the Boomers and Millennials, it would surpass both. Misunderstood on all fronts, it’s time the Xers were no longer strangers.

U.S. Generations: Birth Year Ranges and Size In Millions
The Gen X Journey: Don’t Stop Believin’

Miles to go ... the movie never ends, it goes on and on and on and on

A 50 year-old Gen X woman has 36 more years of life expectancy ahead of her; a man at 50 is expected to live another 32 more years.

In 2017, Boomers far outnumber Generation Xers on the high side of 50. But as time passes, the number of Boomers will decline – albeit only by 19% come 2030 – while 50+ Gen Xers will nearly triple in the 10 year span from 2020 to 2030.

By then Boomer / neXt world will have grown to 120 million, split about 50/50 between Boomers and Xers – an enormous population owning over three-quarters of America’s household assets. Now, what was that famous sixties slogan? Oh yes, hell no, we won’t go.

SOURCE: Social Security Administration

SOURCE: US Census Bureau projections
Gen X financial clout is heading northward: it will almost quadruple by 2030. Then, as now, Americans aged fifty-plus will own over 80% of U.S. wealth – with Boomers still the big dog (45%), followed by Gen X at 31%, more than doubling its 2015 slice of the pie (14%).

That means a lot of money on the table. Long before 2030 even laggard brands will have ditched the 18-49 paradigm – and learned at least the basics of Boomer / neXt world – in order to play catch-up with visionaries in the 50+ space.
The Gen X Journey: Don’t Stop Believin’

Generation X: pilots of consumption ... workin’ hard to get my fill

Gen X leads all generational cohorts at present with respect to the amount of their total average annual expenditures (22% above average), as well as in many key purchase categories, such as food, apparel and transportation.

According to Bureau of Labor Statistics surveys, versus the U.S. average in 2015-2016, Gen X households spent: ...

- 22% more overall
- 19% more on transportation
- 27% more on food
- 50% more on apparel and services

By 2020 well over 20 million of these high-spenders will have left the 18-49 demo.

And they won’t be taking the midnight train goin’ anywhere – instead, they’ll be joining the Boomers in the world’s 3rd largest economy, the 50+ space.

Sorry, Mad Men, ambitious brands know the movie never ends, it goes on and on and on and on...
Something In The Way

Crossing the Chasm

©2017 Boomer / neXt  GENERATION X:  eXiles on Main Street?
Leaps, Bounds and Movement: Moore’s Model in the 50+ Space

Geoffrey Moore’s book *Crossing the Chasm* (1991) has been required reading for marketers for almost three decades. Although focused on marketing high tech, its principles regarding the diffusion of innovations have been applied to a wide range of product categories.

The core idea is that only innovators and visionaries adopt breakthrough new ideas – the majority hangs back, blocked from buying by a *big, scary chasm*. Sure, we all know that. But most don’t realize that Moore’s principles also apply to that *big, scary chasm* beyond the familiar 18-49 demographic that blocks brands from proactive engagement in the 50+ market. Key word: **proactive**.

This *big scary chasm* is just as real for brand decision makers as for consumers debating a switch from a favorite to a newcomer.

It’s understandable: fewer than 10% of ad agency staffers are over 50. Even bold brands will require the help of authentic, generationally immersed and age-appropriate guides to propel them across the chasm before me-too competition arrives.

The crossing requires faith because – despite its enormous numbers and vast buying power – mainstream thinkers fail to accept that, far from lapsing into inflexibility, the Boomer / neXt generation is actually America’s most adaptable and elastic.

But, as those who dare already know, the population that constantly brought, bought and embraced change on its way to inventing the 21st century remains highly curious about the new, and eager to explore the improved. The world’s wealthiest segment awaits on the other side.
We Are The World – Boomer World

Beyond The Chasm

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We Are The World – Boomer World

*Socio-cultural generations* as a marketing concept – the Big Idea of the 1970s/1980s

It all started with a Big Bang. The Baby Boomers. After the Boomers were recognized as something more than youngsters waiting to grow up, the word *generation* quickly morphed away from describing a 20-25 year birth-toparenthood cycle. There was a new kid in town.

The Census Bureau started tracking the cohort born 1946-1964 to help predict the impact of this huge post-war population increase on the economy in the years ahead.

First described as a "boom" by economist Sylvia F. Porter in a May 4, 1951 New York Post column, it would be another 19 years before The Washington Post first used the *generational* label Baby Boomer.

By then the term *Generation Gap* was in wide use – even making the cover of LIFE Magazine in May, 1968.

Analysts were beginning to realize how the Baby Boomers – many still just little kids – had changed, and would change, society forever.

Although the details were fuzzy – and evolved as each year went by – marketers jumped on the bandwagon: wooing customers based on *socio-cultural* generations became the new Big Idea of the ’70s/’80s.

©2017 Boomer / neXt GENERATION X: eXiles on Main Street?
Talkin’ about *our* generation – the long hello

In the 1920s, sociologists explored the idea of a *socio-cultural generation* – people who had been imprinted during a specific set of birth years by seminal events in terms of history, technology and culture. Sounds pretty obvious today, but this was ivory tower stuff at the time; *generations* were traditionally calculated in 20-25 year increments and pretty much meant *me, mom and dad, grandma and grandpa*.

It wasn’t until the Boomers came along that the concept went viral. They were still a work in progress in the early 1970s – the oldest approaching thirty, the youngest still in elementary school – but marketers were quick to see opportunities to influence purchase decisions.

By the 1980s three Boomer realities were crystal clear: they ...

✓ Were here to stay, steadily increasing their economic, political and cultural dominance
✓ Would continue to evolve, year by year, to constantly redefine what *getting older* means
✓ Would shape the world in which its successors would grow up

The last point was particularly important. Marketers, advertisers and other constituencies – jury consultants, accountants, health-care workers, even the military – had embraced Boomer-centric guideposts to connect with, select or recruit audiences. They wanted to know what was next.

After all, Mad Men dogma still ruled: by 1983 newcomers were entering the 18-49 demographic.
We Are The World – Boomer World

Generations and Labels: *Everybody wants to get inta da act*

Determining the psyche of the generation born after 1964 would need long timelines before a full picture could be seen.

However, marketers, thrilled by their new socio-cultural generation tools, were impatient. With the 1983 arrival of 18-year olds who could no longer be labeled Boomers, hard-headed media planners needed to decide whether *Dallas* of *The A-Team* – J. R. Ewing or Mr. T – would snag more of these anonymous newcomers. Until something better came along, demographics still mattered.

With guru bragging rights up for grabs, competing pundits clamored to name successor generations and predict start/end dates, labels and seminal touch-points.

Meanwhile, with color TV penetration now topping 80%, hip Boomers had rediscovered glorious grayscale and, along with it, Toshiro Mifune, Bogie and Bacall and old-time comedians Groucho Marx and Jimmy Durante.

**Durante said it best: Everybody wants ta get inta da act!**

And they did – with forgettable outcomes and misleading stereotypes, including:


Exhausted by the struggle, the marketing industry settled on X, *the unknown*. Sure, the label contained a paradox – in time the unknown would become known and, eventually, familiar but few cared ... let’s just do it and move on. Under-valuing Gen X from the get-go became the *modus operandi*. 

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Naming Generation X: blame it on Canadian Club – again

As Mad Men aficionados well know, Canadian Club was Don Draper’s liquor staple; maybe that’s what inspired those mid-century 18-49 demo visions. But it’s possible his brand has more stealthy connections to the debate over demographics versus generations.

Snuck across the Detroit River in prohibition days, à la Boardwalk Empire, CC could also have helped break the post-Boomer naming impasse. Late one night in 1991, searching for a title for his new novel, one imagines Canadian author Douglas Coupland sipping an amber nightcap from Walkerville, Ontario, and, bingo, it’s Generation X: Tales for an Accelerated Culture.

Actually, the phrase "Generation X" had already been used on occasion to describe alienated youth. In 1976, Billy Idol used it for his punk band, based on a British book about youth culture.

Still, Canadian Coupland is credited with substituting Generation X for earlier pejoratives – including uber-spooky 13th Generation.

What didn’t fade away was a murky sense of disaffection that lingers today. For better or worse, Xers are still judged against the yardstick of vibrant, optimistic Boomer World.
Don’t You Want Me, Baby?

It’s 3 o’clock, Mommy. Where are you?
Don’t You Want Me, Baby?

Stereotyping Generation X as latchkey kids: gotta love the “experts” ... wow, they make it look so easy

There is no lack of handy online infographics offering pithy pain-free pictures of America’s generations. But, no pain, no gain. Crossing the chasm to Boomer / neXt world requires personal effort and tough-minded, experienced guides who have made the journey themselves.

To be fair, bumper sticker stereotypes may contain scattered nuggets of truth, or at least gravel that acquired the patina of truth over time. However, at least some analysts seem to project personal angst in one-liners that position Xers as:

- Apathetic, aimless, uncaring, bleak and cynical latchkey kids
- Slackers: reluctant to grow up and accept responsibility
- Skeptical/pragmatic: alert for bad news and disappointments

Still just kids in the ‘70s / ‘80s, such traits would actually be due as much to what they absorbed from grown-ups – parents, media, teachers – as to direct experience. After losing the Vietnam War, these were years in which America struggled to regain confidence, ousted a president who had won in a landside, required unexpected dependence on foreign oil, faced economic malaise in the industrial heartland and saw the decline of Made In America cachet among elites.

On the other hand, each year brought Gen X exciting new technology, fun entertainment formats, global access and enriching diversity. By 2000, equipped with PCs, cell phones, frequent flyer miles and hundreds of cable channels, they held a glass that was far more than half full.

Still, when it comes to Gen X reality versus catchy headlines, apathetic, aimless slackers are attention-grabbers – so they stuck.
Covering Generation X: sibling rivalry in Boomer world

History is written by the victors. By the 1990s, bossy Boomer siblings – now driving Volvos and SUVs and feeling quite grown up – were pointing fingers at Gen X. The Xers gave as good as they got, accusing their big brothers and sisters of generally messing things up, hogging all the good stuff and all the attention. The media loved the squabble – it made great copy.

Newsweek: October 31, 1993 – The Whiny Generation

EVER SINCE THE PUBLICATION OF DOUGLAS COUPLAND’S book "Generation X," we’ve been subjected to a barrage of essays, op-ed pieces and feature articles blaming us baby boomers for the sad face of the twenty-something generation: the boomers took all the good jobs; the boomers are destroying the planet, the media is boomer-dominated and boomer-obsessed. The litany is never-ending.

The Onion: January 20, 1999 – The Most Odious Generation

WASHINGTON, DC—After decades of waiting, the much-anticipated mass Baby Boomer die-off should finally commence within the next five to ten years, Census Bureau officials said Monday ... the ravages of age will take its toll on boomer self-indulgence, and the curtain will at long last fall on what is regarded by many as the most odious generation America has ever produced.
Don’t You Want Me, Baby?

Generational psyche is fine-tuned both by unique and unpredictable historical events and – especially – by their context

Gen Xers are riding the same train as the Boomers – the historic events that molded the former were also experienced by the latter. The top two historic events in Xer lives, 9/11 and the election of President Obama, are rated about the same for importance by Boomers as well.

However, Gen X boarded the train several stations down the line from the JFK assassination, Vietnam and the Moon Landing. Lacking these perspectives, they process new touchpoints differently from how Boomers do; socio-generational context matters as much as events.

**AMERICANS NAME THE TOP HISTORIC EVENTS OF THEIR LIFETIMES (PEW)**

PEW RESEARCH CENTER Survey, conducted June 16 to July 4, 2016: Each generation was asked to list the events that most profoundly affected America. Answers include top single event (darker color) and in the top 10 (lighter color).

**BOOMERS: 6 EVENTS**
- 9/11 [70%]
- JFK Assassination [45%]
- Vietnam [41%]
- President Obama Elected [38%]
- Moon Landing [36%]
- Tech Revolution [26%]

**GENERATION X: 2 EVENTS**
- 9/11 [79%]
- President Obama Elected [40%]
Don’t You Want Me, Baby?

Young Gen X goes to the movies

Hollywood, with its sweet spot 18-24 year-old audience in a tight close-up, was quick to access – and reinforce – the memes of Gen X life. The old standby, the rite of passage movie, was dusted off – no more Beach Blanket Bingo or The Computer Wore Tennis Shoes – and updated for a new generation arriving on the junior rungs of the ladder of adult life with its own vocabulary and worldview.

"I'm gonna be just like you. The job, the family, the f*cking big television. The washing machine, the car, the compact disc and electric tin opener, good health, low cholesterol, dental insurance, mortgage, starter home, leisure wear, luggage, three-piece suit, DIY, game shows, junk food, children, walks in the park, nine to five, good at golf, washing the car, choice of sweaters, family Christmas, indexed pension, tax exemption, clearing gutters, getting by, looking ahead, the day you die."

-Mark Renton (Ewan McGregor), Trainspotting (1996)

“My dad left home when I was eight. You know what he said to me? Have fun, stay single. I was eight.”

-Steve Dunne (Campbell Scott), Singles (1992)

“There’s no point to any of this. It’s all just a... a random lottery of meaningless tragedy and a series of near escapes. So I take pleasure in the details. You know... a Quarter-Pounder with cheese, those are good, the sky about ten minutes before it starts to rain, the moment where your laughter becomes a cackle... and I, I sit back and I smoke my Camel Straights and I ride my own melt.”

-Troy Dyer (Ethan Hawke), Reality Bites (1994)
Don’t You Want Me, Baby?

A 40-something Gen Xer looks back: excerpts from “The Bestest Generation” – Rich Cohen, Vanity Fair, September 2017

Just think of all the things that have come and gone in our lifetimes, all the would-be futures we watched age into obsolescence – CD, DVD, answering machine, Walkman, mixtape, MTV, video store, mall. There were still some rotary phones around in our childhood—now it's nothing but virtual buttons.

Members of my generation turn out to be something like Humphrey Bogart in Casablanca—we've seen everything and grown tired of history and all the fighting and so have opened our own little joint at the edge of the desert, the last outpost in a world gone mad, the last light in the last saloon on the darkest night of the year. Though there never were enough of us to demand the undivided attention of advertisers and hitmakers, we have been happy in our little joint astride the Sahara. We have been witnesses, watching and recalling. Not the children of the Boomers, but the little brothers and little sisters. We do not believe what they believe but can imitate them if necessary.

We are the last generation to grow up with crappy video games, with actual arcades instead of quality home consoles. If you wanted to play, you had to leave the house and mix it up with the ruffians. That is, we are the last Americans to have the old-time childhood, wherein you were assigned a bully along with a homeroom teacher. Our childhood was closer to those of the 1950s than to whatever they're doing today. It was coherent, hands-on, dirty, and fun.
Even then I knew I'd find a much better place, either with or without you

In 1960, twelve of America’s fifteen largest companies were goods-producing entities – by 2010, there were only three in the top fifteen.

Driven by globalization and technology, this enormous shift, played a significant role in Gen X lives as their parents adjusted to changing times and changing employment patterns. An important byproduct of the changeover to a service economy was the steady increase in the role of women in the workforce; in 1960 2.2 men were employed for every woman (79% / 36%) – in 1990 the ratio shifted to 1.3 to 1 (72% / 54%).

Several factors were in play: the need for two incomes to enjoy an economy that offered unprecedented choice, convenience and indulgence; a desire for greater personal fulfillment among women – and falling barriers to female workplace advancement; rising divorce rates.

The typical Gen Xer grew up in a very different world from that of the Cleaver family. Better? Worse? Well, as always, that depends ...
Don’t You Want Me, Baby?

Shook you up and turned you around ... turned you into someone new

Actually treading the turf of Generation X gives a much better sense of its persona – in fact, of its many and varied personas – than accepting simplistic media portrayals of the “cynical slacker” stereotype.

Quite apart from the economic and social changes that helped create the “latchkey children” phenomenon it was a challenging world into which the new, competitive era of cable television thrust a non-stop stream of essentially adult content into the lives of young Xers with unsupervised time on their hands.

✓ There was actual or attempted death and destruction: Three Mile Island; the Challenger Explosion; John Lennon’s murder; the Exxon Valdez Oil Tanker Spill; planes blown out of the sky; Ronald Reagan being shot, etc., etc.

✓ Domestic crises abounded in the news cycle: high rates of inflation and/or employment; dislocated fuel supplies; a savings and loan crisis; rising rates of homicide among youth and young adults; the crack epidemic; AIDS/HIV.

✓ The sexual revolution was morphing into the sexualizing revolution. Just a click of the TV remote away, music idols began gyrating, exposing – and even clutching – body parts that had once been an adults-only entertainment zone.

Given what was beamed into their homes, generational touchstones of grunge, alternative rock, rap and hip-hop are hardly surprising – especially in the face of a strained social safety net now becoming a polarizing political football.

But for every disillusioned Kurt Cobain there also was a Michael Dell, an Elon Musk or a Susan Wojcicki, CEO of YouTube, who were inspired by booming personal technology – from Walkmen to personal computers and cellphones to the promise of the Internet – to rise above the challenges and ensure America would continue to progress.
Don’t You Want Me, Baby?

Now I think it’s time I live my life on my own (1 of 2) ... booming and busting in the Xers’ world

Reprise: Gen Xers are riding the same train as the Boomers – however, they boarded later and so have different perspectives on whatever events the two generations might experience together down the track.

For example, as the Xers entered adulthood, both they and the Boomers went through a tech boom followed by a tech bust, followed in turn by a real estate boom, then a worldwide financial crash and long, slow – and uneven – recovery. How the generations processed these experiences differed because of their life context.

✓ Although having fewer working years left in which to recoup, Boomers were in better shape to weather these crises. They had the good fortune to have lived through a long period of strong stock market performance – the S&P 500 enjoyed 15% real annualized returns from 1985 to 2000. In contrast, Gen Xers saw returns of only 2% from 2000 to 2014.

✓ This left Gen X much less confident about the markets and financial institutions than either Boomers or Millennials.

✓ For the many who wouldn’t or couldn’t “let it ride,” with respect to investments, the widespread devastation fed a belief that sometimes nowhere is safe. This painful experience often makes Gen X reluctant to invest for the long term.

✓ Only now, housing experts say, is the much stronger job market, and a 41% cumulative rise in home prices since 2011, helping a growing number of Xers build enough equity to finally sell and trade up to a larger home.

✓ Although the average Gen X household earns about $12,000 more than their parents did at the same age, since the ‘70s, the fixed costs of family life – rent/mortgage, health, home and automobile insurance, children’s college expenses – have risen dramatically. Consequently, less than half of Xers have as much wealth as their parents at the same age.
Now I think it's time I live my life on my own (2 of 2) … moving up and out

After a lifetime of challenges and adjustments, members of Generation X often turned into “butterflies,” gaining a reputation for entrepreneurship, hard work, dedication, adherence to rules, self-confidence, independence, resourcefulness, pragmatism and accepting of change. Studies show that they are “balanced and happy” in midlife.

✓ Now in prime earning years, they enjoy heightened spending power as the impact of the Great Recession recedes. However, as a result of the hard lessons they learned, Gen X consumers highly value due diligence and research on potential purchases. They prefer rational appeals over emotional portrayals and look for sincerity and authenticity in marketing efforts.

✓ Generation X entered the corporate world with little fanfare but hold novel notions of work and traditional business dogmas. Technological fluency, prioritization of work/life balance and a premium placed on individuality are their hallmarks. Xers are taking management roles and mentoring their younger coworkers. Many in this cohort have followed Xers like Elon Musk (Tesla Motors, SpaceX and Solar City): a whopping 55% of startup founders are part of Gen X.

✓ A recent report from Nielsen found that Generation X spends almost 7 hours a week on social media. Millennials, aged between 18 and 34, spend a little more than 6 hours per week. By contrast, among people over 50 social media only occupies about 4 hours a week. The study found Xers have the highest total mobile device media consumption any generation – about 32 hours weekly versus 27 hours for Millennials and 20 hours among those over 50.
So Special ... Gotta Have Some Of Your Attention
Gonna make you, make you, make you notice

You saw these infographics earlier, but they are worth revisiting to see where Gen X is headed next as it slips off mainstream brand radar.

✓ In 2017, the 110-plus million strong 50+ space spans four generations: Greatest, Silent, Boomers and older Gen X.

✓ Of these, 88 million fall into the Boomer / neXt generation – Boomers plus, since 2015, four million Gen Xers arriving each year.

✓ By 2030, Boomer / neXt world will grow by 36% to 120 million residents – owners of 76% of all US household assets.

Obviously, this is far from a one-size-fits-all community of aging consumers; in fact, Boomer / neXt world is a complex place of nuance and hidden subtlety whose inhabitants speak a secret language and seldom reveal their inner minds to outsiders. So lets get acquainted ...

U.S. Generations: Birth Year Ranges and Size In Millions

Share Of U.S. Wealth, By Generation: 2015-2030
Middle Child Syndrome – becoming *middle-aged* Middle Child Syndrome

Gen Xers now pouring into the 50+ demo are the demographic bridge between the predominately white Boomers and the more diverse Millennials. They also fall in the middle on behavioral and attitudinal measures, such as age at first marriage, lack of religious affiliation, education levels, support for same-sex marriage, number of Facebook friends, affinity for technology and self-identified patriotic feelings.

According to Pew, versus the Boomers’ high level of self-identity (79%), Gen X fall into the *fairly strong* range (58%) but, after decades as the middle child, only about half (49%) of them told Pew their generation is distinct, well below the Millennials (61%) and Baby Boomers (58%).

Although they grew up during the birth years of the personal technology revolution, they sense that rapid progress has diluted this as a generational marker; only 12% of Gen Xers say technology use makes them unique, versus 24% among Millennials.

![GENERATIONAL SELF-IDENTITY](image-url)
Middle Child Syndrome – becoming *middle-aged* Middle Child Syndrome ... by the numbers

Millennials trailed the brazenly self-aware Baby Boomers by wide margins when Pew asked whether certain descriptions apply to their generation. Again, the middle-aged, middle children fell in, well, the middle.

With 13 million Gen Xers now over 50, and millions more approaching this milestone, their strongest connections are with *hard-working* (54%), responsible (43%) and self-reliant (37%). In their peak earning years as they exit the 18-49 demo and enter Boomer / neXt world, it's clear the old-fashioned *slacker* slur is well past its sell date. These eXiles are mostly well-educated, well-off and diverse family people.

The *middle-aged, middle child* by the numbers:

- A diverse cross-section of America
  - 61% White, 18% Hispanic, 12% Black, 7% Asian
- 62% attended college / 35% graduated
- 66% employed full time / 10% part time
- 58% have children in the household
- $70,000 median income – 20% above average
  - One third have median incomes over $100K
- Spend 22% above average on goods/services

SOURCE: Pew Research Center

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So Special … Gotta Have Some Of Your Attention

A Gen X shopping trip – familiar priorities

As Gen Xers enter Boomer / neXt world they bring familiar shopping attitudes and behavior; in fact, although the role of digital devices may differ, there are strong similarities between the decision-making priorities of Millennials and the 50+ demographic as a whole. Both cohorts like to shop around before buying but are willing to pay a little more for trusted brands – however, quality and price are more important than brand when it comes to tie-breaking.

When searching for high quality items, Gen X gravitates toward goods described as “durable,” made with “craftsmanship,” or having a premium imprimatur. They are less swayed by a designer label, or the notion that something is one-of-a-kind or has fancy packaging.
So Special ... Gotta Have Some Of Your Attention

The Moving Finger writes ... and Gen X is paying close attention

There’s something about turning forty. Twenty is wow! Thirty is WTF? By the time fifty rolls around, it’s whatever. But forty is OMG!

It’s time to take stock, look around and face facts. Oddly enough, on balance, things aren’t so bad after all. Among members of Gen X who have reached 40, there is general optimism about the future, a feeling of keeping pace with technological developments despite a sense that – with Millennials breathing down their necks – their generation might be losing relevance.

Goals for the next 10 years now address concerns about improving health and financial planning – especially, paying off debt and getting on track for retirement. These areas of focus will likely grow in importance as Gen Xers age; managing health will become a more pressing concern to stave off the ailments of aging, and saving for retirement will become paramount as they begin to wind down their careers.

Brands should pay attention to gender differences: Gen X women have significantly higher levels of concern about the future than do men.

SOURCE: Lightspeed GMI - Mintel
Generation X in consumer mode: returning to skeptical, pragmatic roots

One 1990s era Gen X stereotype that resurfaces with the approach of middle age is skeptical pragmatism.

✓ Many are trying to figure out how to fund their kids’ educations while also providing eldercare. In past generations, parents didn’t live as long, and the price of college and healthcare didn’t outpace inflation. These stressful demands often lead Xers to neglect their own long-term security.

✓ When they do think of retirement, their 401(k)s are still at the whim of the market, underperforming over the long term compared to other strategies and locking up money that could be used for more productive investments. This is exacerbated by our new culture of being prepared to change jobs every few years.

✓ Consequently, Gen X has little interest in co-creating or engaging with brands. They aren’t interested in posting twenty videos on a brand’s website. Their energy is focused on making smart decisions with the money they have – and, therefore, on learning what brands can do for them, not vice versa.

✓ Given this inner-directed consumer mindset, companies need to built rapport with Gen Xers by providing accurate product information, emphasizing quality, value and function.

✓ In the digital space, brands with the courage to embrace transparency – i.e., via peer reviews and honest customer connections – will be seen by skeptical, pragmatic Gen Xers as responsive … companies that can be trusted with their money and with their time.
Livin’ La Vida Loca
Livin’ La Vida Loca

Gen X welcomed to the 50+ space, where wealth, worth and willingness prevail ... She will wear you out, livin la vida loca

In 2015 Americans aged 50+ were responsible for 7.6 trillion dollars in economic activity, a figure expected to double in real terms by 2032. If this were a country it would represent the world’s third largest economy, bigger than Germany and the United Kingdom combined.

The 110+ million people who populate this powerhouse control 83% of our country’s household net worth – the greatest generational accumulation of assets per capita the world has ever seen.

Contrary to cringe-worthy group-think memes so prevalent in depictions of this vibrant population, only 3% are in assisted living, with an average age of 87.

In fact, as we have already seen, in 2017 some 88 million in the 50+ space are Gen Xers and Boomers still only aged 50-71, with the majority still employed.

These Boomer / neXt consumers not only drive the U.S. economy but guide, mentor and advise their Millennial children as they transition into their own adult life-stage, influencing just about every category from lawn mowers to CPGs to automobiles.

Ironically, though love-bombed by luxury lifestyle labels, wooed for their wealth and pursued by purveyors of pills, after leaving the 18-49 demo they disappear from mainstream brand advertising. Those old mid-century Mad Men cast a long shadow.
Advertising Budgets: Boomer-light, despite heavy Boomer share of spend

Not only are Boomers and Gen Xers over 50 the dominant drivers of mainstream brand business, they also represent the sweet spot for most categories of high-value goods and service.

With over 80% of US household assets at their disposal, including 51% of all mutual funds, it is hardly surprising that Americans in 50+ space account for over half (58%) of all retail sales …

✓ 55% of consumer package goods
✓ 59% of new car expenditures
✓ 65% of home improvement sales
✓ 78% of luxury travel spending

Yet the percentage of advertising dollars specifically targeted in their direction is shockingly small – just 5 to 10 percent.

Sure, many brands claim to reach Boomer / neXt via age-agnostic messaging and broad-based media plans, but very few actually depict older consumers in advertising. This does not go unnoticed …
Livin’ La Vida Loca

Boomers and automobiles: she's into new sensations, new kicks in the candlelight ... livin’ la vida loca

Ask anyone about the golden age of automobiles, and the 20-year span from the mid-fifties to the mid-seventies comes to mind. Little kids in the way-back seat of 9-passenger station wagons, feet up on the tailgate, flashing peace signs at Boomer surfer dudes in old woodies. Summer of Love hippies in wacky little vee-dubs. Muscle cars, dune buggies and Mustangs. Yeah man, we talkin’ wheels!

Boomers still love their automobiles, though now they’re more likely to be EVs, cool little crossovers or jumbo pickups with attitude.

A J.D. Power study showed that by 2012, more than three of every five new vehicles sold in the US were purchased by 50+ Americans, up dramatically from the prior decade. And a 2015 Edmunds survey found that drivers aged 45-74, Gen Xers and Boomers, averaged nearly 7 new car purchases per 100 drivers, more than twice the rate among Millennials.

Amazingly, even drivers 75+ years of age were more likely to purchase new vehicles on a per capita basis than 25-34 year-olds.

Even when automakers offer funky little “youth-oriented” cars – think Fiat, smart, Honda Element – the median buyer still ends up in the AARP zone.

So, sharpen your pencils—this is a test—except for a celebrity presenter, when did you last see a Boomer buyer depicted in a TV commercial? Hmmm.

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Livin’ La Vida Loca

Gen X passes the 50 year milepost: the high price of auto advertising superstitions, black cats and voodoo dolls

Four million Americans turn 50 each year and leave the 18-49 demographic. At the other end of the coveted cohort, they are replaced by approximately the same number of 18 year-old newbies to the adult segment.

In theory, these minimum wage ingénues and starving students are more valuable than the departing grow-ups. Let’s see …

Current predictions indicate 17.1 million passenger vehicles will be sold in the U.S. in 2017, 15 million of them bought by individuals rather than fleets. Based on past trends, around 8 million will go to the 50+ space, skewed towards younger, high-earning buyers.

✓ Among those 4 million disappearing Gen Xers turning 50 will be buyers of around 350,000 new cars. At an average price of $34,500, this corresponds to approximately $12 billion in new car sales.

✓ In contrast, the arriving 18 year-olds might – no one really knows – account for 60,000 units at an average price of $24,600 … $1.5 billion.

**UPSHOT**: *Current ad targeting practices take 290,000 new car buyers and $10.5 billion in purchase out of play every year.*

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Livin’ La Vida Loca

Happy 50th birthday, Gen X and so long: she took my heart and she took my money … livin’ la vida loca

An income examination of Gen Xers turning 50:

✓ Of the 4 million Gen X consumers who turn 50 and exit the 18-49 demographic each year, 2.55 million are wage earners. According to the Bureau of Labor Statistics their median weekly wage is $975, which equals a total lost income of $2.5 billion/week.

✓ On the other hand, the BLS estimates 400,000 new wage earners aged 18 years of age arrive to replace the departing oldsters. With a median weekly wage of $422, this puts a total of $170 million into the economy per week.

✓ Over the course of a year, the newly departed Gen Xers represent a loss of $120 billion in net spending power to the 18-49 demo.

**UPSHOT:** Each year current advertising targeting practices replace 2.6 million high-wage earners with 400,000 low wage earners

Nice kid, makes good coffee – I’ll tip him a little extra next time

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Losing My Religion

I Enjoy Learning About and Trying New Brands and Products
-All Respondents-

- Strongly Agree: 34%
- Agree Somewhat: 52%
- Disagree Somewhat: 12%
- Strongly Disagree: 2%
I thought that I heard you laughing

Looking in depth at the vibrant economy of Boomer / neXt World – and those 4 million peak-earning 50-year old Gen Xers who arrive each year – inquiring minds are probably questioning the staying power of last century ad targeting theories that mandate ...

Consumers over fifty are not worth targeting by mainstream brands because they are:

✓ Resistant to change: never an itch to switch
✓ Easy to reach and keep via yesterday’s media and age-agnostic generic messages
✓ Toxic to brand image / culture – younger generations won’t buy geezer pleasers

Perhaps it’s just that ‘50s / ’60s style is so on trend.

From Eames chairs, to Lautner and Koenig homes – even their ersatz Atomic Ranch split-level spinoffs – to vinyl records on Danish Modern turntables, to Old Fashioneds and Manhattans, mid-century anything is hyper-hip.

So maybe it’s time for Madison Avenue creative departments to adopt Mad Men motifs as well.

For agencies eager to glom onto one of those Silicon Valley tech titan accounts, the 1960 Popular Science archive is full of dandy ways to inspire a creative brief. Be sure to throw in power copy, like Space Age design, no bigger than a typewriter and be the envy of the neighborhood, and stand by to break out the bubbly!
Losing My Religion

And the young shall inherit the Agency ... at least, the young survivors

Of the 300 occupations tracked by the Bureau of Labor Statistics only one – restaurant workers and hotel employees – has a younger median age than that of public relations and advertising (38). Industry sources suggest fewer than 10% of ad agency employees are over fifty – almost always senior managers – and that the average creative department staffer is aged 28.

It’s ironic that agency employees finally die off at the entry point to the most numerous, prosperous and valuable cohort: the average US household head, new automobile buyer and (even) Apple Macintosh user is over fifty – 52 in each case.

With Gen X now taking over C suites across the country and around the world, bold brands are beginning to balk at old taboos.

As senior decision-makers – including ad agency execs – enter their late forties and contemplate their personal exile from the 18-49 demographic they face a work/life paradox. Lionized as dynamic innovators at the office, they are denigrated as too old and too stuck in their ways to warrant targeting by their own ads at home.

So a challenge is coming into focus at disruptive shops: how can creatives, media planners and data scientists in their mid-twenties equip themselves with the authentic insights they’ll need to engage prime consumers the same age as their own parents?

For sure, yuk-yuk anecdotal tropes inspired by ditzy mom, doofus dad or Uncle Joe – whose ’94 Crown Vic is either embarrassing or cool, depending on the circumstance – won’t sit well with the iconoclastic 50-something Gen Xers running companies. It’s going to be interesting.
Losing My Religion

Losing my religion trying to keep up with you

Crossing the chasm requires a leap of faith – dispelling myths: a **2017 Boomer / neXt survey of 50-to-71 year-olds** did just that.

The results proved consumers in the 50+ space – far from being inert, stuck in patterns formed years ago, resistant to change and blindly loyal to brands they’ve spent a lifetime using – are actively searching for novelty, information and expanded choice in the marketplace.

✓ **Brand loyalty levels are no different than those of other generational groups.**

✓ **This population is eager to learn about and engage with new brands and products.**

✓ **They are on the lookout for new offerings, and eager to give them a try.**
I think that I saw you try

Boomer / neXt survey respondents confirmed earlier research showing brand loyalty levels are no different than those of other generational groups: roughly nine of ten (86%) agreed they … enjoy learning about and trying new brands and products. In fact, almost half (47%) of Gen Xers aged 50-52 agreed strongly.

LEARNING ABOUT AND TRYING NEW BRANDS

The leading edge of Generation X members are the most likely age cohort to say they “strongly agree” that learning about and sampling novel brands is enjoyable. In contrast, Leading Edge Boomers are far less likely to practice such behavior.

SOURCE: Boomer / neXt Survey of 50-71 Year-Olds: 2017
Contrary to stereotypes, the Boomer / neXt population is eager to learn about and engage with new brands and products. Over two-thirds (70%) agreed they are ... always on the lookout for new brands to try. Gen Xers and Trailing Edge Boomers aged 53-61 are especially proactive with three-quarters (76% / 73%) agreeing.
Losing My Religion

Consider this, the hint of the century

Consumers are doing due diligence – advertisers must do theirs. Reaching out with positive messages is the way to get started.

Nine-of-ten (92%) Boomer / neXt consumers agree ... *I try to gather a lot of information about products before I make an important purchase.*

Those with positive attitudes towards advertising are twice as likely to strongly agree as those who are negative on Adland (65% vs. 36%)

SOURCE: Boomer / neXt Survey of 50-71 Year-Olds: 2017
Against The Wind

STEP OUT OF THE BOX? WHAT BOX? EVERYONE KNOWS THERE IS NO BOX.
Seems like yesterday, but it was long ago

In 1977, when Gen Xers who turn forty this year were just tiny bundles of joy, Detroit brand automobiles had 81% of the market, and people bought cars (80%) not trucks, vans or SUVs. In 2016, domestics – if one overlooks Italian ownership of Chrysler/Jeep – struggled to eke out a 45% share, and only 39% of new automobile sales were actual cars.

Guiding a herd of automotive brands across that deep 1980s/1990s chasm was hard work. Some didn’t make it. Still, after we got them up the other side, others claimed they would’ve found the trail anyway. Human nature.

Same thing in CPGs, technology, food, financial, travel – you name it, there were chasms to be crossed. And after pioneers had shown the way, the me-too crowd always rushed in to fill up the new territory.

These days it’s the 50+ space out there, over on the far side of the credibility gap.

However, with Gen Xers rapidly assuming corporate management, that situation won’t last much longer. Looking to make their mark, and with three-quarters of US spending power on the table, they won’t be settling for timid excuses for ignoring Boomer / neXt World. Slackers they are not: the chasm is going to be a busy place real soon.
Against The Wind

Still runnin’ against the wind – older now, but still runnin’ against the wind

You can’t Google your way to Boomer / neXt World.

Understanding the 50+ space is about way more than metrics, or search engine results, or Top 10 lists or big data analysis of media consumption or defining seminal events.

We know because it’s our world – the only home we’ve ever known.

We also know it is a moving target – it doesn’t look anything like the stereotype of a population shuffling its way to a retirement home.

Those who dare the chasm discover a vibrant, dynamic destination that constantly re-imagines itself, constantly rejects erroneous and outdated assumptions and constantly adds new layers of context and constantly adopts new attitudes and behaviors in response to present-day rapid societal and technological change.

But although Boomer / neXt World is easily quantifiable – from online purchases to Tesla ownership to Airbnb and Uber usage – it is also a subtle and shadowy world that does not easily reveal its true self to outsiders.

So, brands looking to boost market share in the 50+ demo call upon the Boomer / neXt team of age-appropriate consultants to help operationalize its hidden dynamics and master the cadences of its special dialect, Boomer Speak.
Helping brands to re-generate in the 50+ space – deadlines and commitments, what to leave in and what to leave out

The Boomer / neXt team is in the unfair advantage business – guiding leadership brands across the chasm before the laggards arrive. We’re smart, independent and we know our business: our team members are all Boomers and older Gen Xers with long careers spent connecting with our consumer peers as marketers, consultants and ad agency professionals.

Our services clear the fog of conventional wisdom – efficiently and fast – to help brands re-generate in the 50+ space

**Boomer neXt World Consulting and Coaching**

- Deep immersion, on-site seminars and workshops for client managers and advertising agencies
- Creative and strategic consultation/coaching to hone brand communications
- Independent discovery/market analysis: brands, products, category ecosystems and market trends
- Pre-chasm whitepapers and insight pieces on emerging Boomer / neXt issues and topics
- The Boomer / neXt e-newsletter: straight talk for breakaway thinkers

**Research and Planning Services**

- **Quantitative** surveys – both custom, client-specific and innovative syndicated studies
- **Qualitative** research: creativity workshops, design labs, focus groups, ethnographic studies, in-depth personal explorations – again, both custom, client-specific and innovative syndicated studies

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