

The problem with the generation gap? Marketeers keep falling into it



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Google the phrase "generation gap" and you'll be rewarded with 16.5 million results to sift through. Even Bing will find 6.7 million hits for you. And Yahoo will reveal just under 7 million. Clearly, there's a lot being said by a lot of people in a lot of companies on the topic of generations.

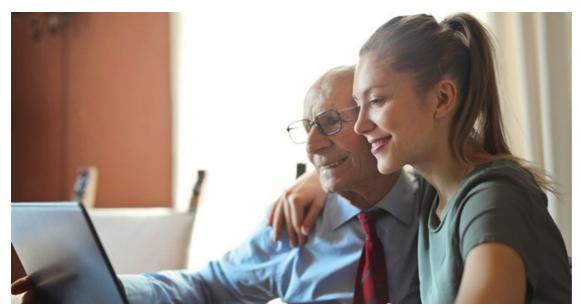


Photo by Andrea Placquadio from Pexels.

What a pity then, that so much of it is unadulterated nonsense.

The idea of generations — distinct, neatly defined groups of people who are roughly the same age and who'd have been influenced by the same set of events isn't a new one; even Cicero mentions them, "What nobler employment, or more valuable to the state, than that of the man who instructs the rising generation?"

And that was in 43B.C., so it's safe to say the concept goes back a few years.

Contemporary generation theory rests on the assumption that cultural events determine personality and value systems more than do life experience and circumstance. And, that these values will remain relatively constant as a person ages. Simply put, when you were born affects your attitudes, values, and behaviours more than your life experience, social class,

circumstance, politics, etc..

Sound familiar? It's the kind of logic you find in the Horoscope section.

Inappropriate Attribution of Cause

And just like astrology, while the idea of generations has some intuitive appeal — who doesn't know someone fitting the millennial or Gen-X bill perfectly? — the science just doesn't support it. What the science explains instead is that most of the findings showing distinct generations can be explained by other causes, or have serious scientific flaws, or both. Solid evidence for any of the major aspects of the theory is completely lacking.

Science shows that a large part of generation theory can be explained by Inappropriate Attribution of Cause. For example, millennials may very well score lower on job satisfaction than Gen-Xers. But are millennials really a less-satisfied generation? Early in their careers, Xers were also less satisfied than baby boomers. As people get older they are more likely to leave jobs they do not like and migrate toward ones they do.

Similarly, on average, millennials are no more narcissistic now than Xers or boomers were when they were in their 20s. Because people in their 20's have always tended to be narcissistic. They may be more narcissistic today than Xers today, but they are not as unique as a generation because of that.

And as a final example, is the assertion that millennials are "financially illiterate." Perhaps they are. But then, who in their early twenties isn't? There isn't a Boomer or Xer alive who could balance a chequebook at that age.

All of these are examples of just one particular type of Inappropriate Attribution of Cause, the Age Effect, where observed differences aren't really part of some extraordinary new psychographics to have evolved in our species. They're just part of a phenomenon scientists define, in technical terms, as "being young."

Criteria for useful segmentation scheme

Apart from these objections, and those from psychology is the inherent cultural bias that accords events like 9/11 far more significance than events that may have been more directly experienced by the 1.5 billion 'millennials' who live outside Europe or USA e.g. 1994. Even if generation theory really were scientifically sound, would it serve a useful purpose in marketing? Are generations a good way of segmenting markets?

A market segment is not a group that just shares similar demographics; it's a group of consumers who think, behave, or respond in similar ways to similar events or stimuli. For it to be useful, a segmentation scheme must meet two simple criteria:

- 1. It must explain the variance in particular behaviours better than other available variables; and
- 2. Consumers within segments should have more in common with each other than with people outside the group.

As Professor Mark Ritson says,

Unless you can prove that this demographic group actually thinks and behaves differently from others, your segment is not a segment at all. It's just a crap stereotype on which you will first pile a bunch of assumptions and then later your product.

Unfortunately, as he adds, time after time and study after study what the researchers actually find is that, "Apart from being, younger, friskier and poorer than the oldies ahead of them on the demographic motorway of life, they are actually remarkably similar to everyone else." In fact, what research repeatedly shows is that supposedly different older cohorts are just as likely to agree with a millennial as disagree.

Traditional demographics 'almost useful'

Todd Yellin, vice-president of product innovation at Netflix, has described traditional demographics as "almost useless" because there are "19-year-old guys who watch Dance Moms, and 73-year-old women who are watching Breaking Bad and Avengers."

In fact, demographics have only ever offered a rough proxy for expected behaviour. Lumping consumers into generations based on when they were born is among the crudest forms of demographic segmentation, and when we live in a world rich in behavioural data, so unnecessary. Past behaviour is a far better and easier predictor variable than a generationdemographic.

Basing decisions on flawed theory and massive generalisations that perpetuate stereotypes rather than let us see people for the individuals they are, will always lead to poor advice and bad strategy — ideas that will end up wasting resources on special treatment and prioritisation for groups who don't actually warrant it.

So, if you're "excited by the opportunities the millennial generation offers for your brand," sadly, we are not the agency for you. But if you go back to Google and search "generation consultant," you'll find there's a good few million companies who'll gladly take your money.

And probably laugh all the way to the bank.

ABOUT STUART WALSH

Stuart's previous career as an award-winning creative means he is one of very few strategists who has won both creative awards (including Cannes, One Show, ADC and Loeries) as well as effectiveness awards such as Effie and APEX. Prior to Boundless, he was CSO of Grey for 6 years, in addition to stints at MetropolitanRepublic, DDB and Yellowwood. As well as some rubbish places.

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