

## Future Consumers

WITHIN CONSUMER AREAS TWO PERSPECTIVES will be of crucial significance in the next 8-10 years. The first trend relates to the fact that consumers become increasingly similar and that they are no longer fixed in their roles of consumption. While the large middleclass have been increasingly preoccupied with deviating from one another in their own individual ways, the manner of deviation becomes increasingly similar. Consumers jump from one role to another during the week, day and hour. The life style segments have vanished and practically everyone does the same – just not in the same order and composition.

The other perspective is focused on the differences among the consumers. It concerns the differences between generations, differences between the phases of life you are in, and differences between status, resources and power in society. Focusing on generations reveals, among other things, that there are great variations in value systems among consumers who have been socialized in different historical eras, and that these value systems persist throughout life on a number of critical issues. In recent years, this has been documented in several cohort analyses of the populations in Scandinavia and Europe<sup>1</sup>. The latter of these three differences will be dealt with in the ensuing section on elite and masses.

---

<sup>1</sup> Ole Petter Nyhaug, member of the Steen & Strøm Trend Lab, has been involved in conducting analysis of this phenomenon in a number of countries for the company Synnovate.

## CONSUMER GENERATIONS

<p><b>BABY BOOMERS</b> Born 1940-54</p> <p><i>The large War- and Post war-generation: born in the 40ies, the '68-generation.</i></p>	<p><b>GENERATION JONES</b> Born 1955-64</p> <p><i>A recently discovered generation born after the boomers, large generation, "Jones", because they are ordinary and anonymous.</i></p>	<p><b>GENERATION X</b> Born 1965-77</p> <p><i>The so-what-generation The small generation after the pill</i></p>
<p><b>TECHNOLOGY</b> The pill</p>	<p><b>TECHNOLOGY</b> The stereo</p>	<p><b>TECHNOLOGY</b> The VCR</p>
<ul style="list-style-type: none"> <li>• Growing up in a society of shortage</li> <li>• Followed by abundance</li> <li>• Prospect of being left over – too many</li> <li>• Education boom</li> <li>• Youth rebellion, women's lib, and new family forms</li> <li>• Lots of experiments</li> <li>• Rock, beat, soul</li> <li>• Psychological wounds after many internal conflicts</li> <li>• New moralism: retain old values, but have become conservative</li> <li>• Because I deserve it</li> </ul>	<ul style="list-style-type: none"> <li>• More aware and cynical consumers</li> <li>• Design, ethics, idea</li> <li>• Against divorce, family values, society is important</li> <li>• Money!!</li> <li>• The Interrail Generation</li> <li>• Starting over, rather than entering the 3. age – starting over in their 50ies</li> <li>• Status, position</li> <li>• Creating the new staging through he family</li> <li>• Success equals family, career and leisure in unison</li> <li>• Perfection is the goal</li> </ul>	<ul style="list-style-type: none"> <li>• Self-centered and self-absorbed</li> <li>• Extroverts</li> <li>• Seek personal success</li> <li>• Ego-devotion</li> <li>• Workaholics</li> <li>• Skeptical</li> <li>• Old yuppies</li> <li>• Pursuit of status</li> <li>• The first single-family-house generation</li> <li>• Hardcore punk, rock, disco</li> <li>• Brand enthusiasts: The perfect life style segments from 1985-95</li> <li>• Dreaming of the good life</li> <li>• Staging through the family</li> </ul>

<p><b>GENERATION Y</b> Born 1978-89</p> <p><i>The smallest because of the inclusion of women in the job market</i></p>	<p><b>GENERATION Z</b> Born 1990-2001</p> <p><i>The between war generation, Cold War to 9-11, Large because of the family value revival</i></p>	<p><b>NEW MILLENNIUM</b> Born 2002-</p> <p><i>The post 9-11 generation</i></p>
<p><b>TECHNOLOGY</b> PC, the cell phone</p>	<p><b>TECHNOLOGY</b> Digital natives</p>	<p><b>TECHNOLOGY</b> Wi-Fi (wireless fidelity)</p>
<ul style="list-style-type: none"> <li>• Educated</li> <li>• Fun-shoppers</li> <li>• Great social skills</li> <li>• Myself Inc.</li> <li>• Managing many choices and an instable and labile situation</li> <li>• Cosmopolitan mindset</li> <li>• Been there, done that</li> <li>• Seeking realness – authenticity</li> <li>• Zappers</li> <li>• Ambivalent</li> <li>• What was it, I wanted to be? And for how long?</li> <li>• Style nomads</li> <li>• Eternal teenagers: Sex and the city life - all life</li> <li>• Style over Brands</li> <li>• Situational consumption</li> </ul>	<ul style="list-style-type: none"> <li>• Project-, trophy and curling children</li> <li>• Play on all chords</li> <li>• "Be famous – does not matter for what"</li> <li>• Group based in relation to group values – against new moralism</li> <li>• Huge circle of acquaintances - 4-8 close friends, 30-50 text-friends and 100-200 MSN-friends</li> <li>• First online generation</li> <li>• Making a difference</li> <li>• Meaning &amp; contents</li> <li>• New order</li> <li>• US &amp; THEM (cultural conflict)</li> <li>• Extremely independent</li> <li>• New values of socialization</li> <li>• Instant gratification – right NOW!</li> <li>• Leaving brands now</li> <li>• Too much info: Trusts personal info from friends/family</li> <li>• Very situational – accidental consumption is a life style</li> </ul>	<ul style="list-style-type: none"> <li>• Cultural homogenization</li> <li>• First citizen-of-the-world generation</li> <li>• EU as native soil</li> <li>• Idealists</li> <li>• Technology as a matter of course: Do not distinguish between virtual and real</li> <li>• Activity generation – is always up for leisurely activities</li> <li>• First anti-obese generation – surveillance from birth</li> <li>• Possible reaction: relaxation</li> <li>• Will grow up with older siblings who are not devoted to brands</li> <li>• ... the rest remains to be seen while the last ones are born and the rest grow older</li> </ul>

Demography is a vital supplement to the division of consumers into cohorts according to time of birth. The population composition will change significantly over the coming years in the Scandinavian countries, entailing clear consequences for consumer behavior in 8-10 years' time. At the same time, demography is a reliable factor – we know for sure what will happen in the immediate future. It takes extreme events to alter the automatic development created by the populations' continued aging. Concurrently, the shifts in life-cycles over the next years will take place at a relatively slow pace. Along with demographical and generational value systems they constitute the fundamental conditions for the setup of consumption in 8-10 years.

First, we will examine the collective patterns of development – then we will examine the differentiation of consumers according to social placement – and finally, we will investigate the interaction between these two main patterns.

We have divided consumers into 6 different generations, some of which are already known. Baby Boomers and Generation X have previously been thoroughly described. Generation Y and Z are further developments of Generation X. The new generations are Generation Jones and New Millennium. Previously, Jones has been a somewhat neglected group sandwiched between Boomers and Generation X. This new focus is highly relevant, because their values and consumption deviate considerably from both their predecessors and successors.

Generation Z and New Millennium are both descriptive of the youth – the youth of the present and the future, respectively. Descriptions of Generation X, Y and Z are based on the pej group's report of the same title, as well as subsequent analyses.

Generation Z consists of the first *digital natives*. It is the first generation to relate to digital processes as a matter of course that requires no further reflection. The older generations are digital immigrants or simply digital illiterates, if indeed they know how to employ digital technology at all. This latter group is slowly becoming extinct, while digital immigrants will be around for many years. A digital native would say camera, rather than *digital camera*. The digital is taken for granted. Consequently, we will see the group as a consumer group

that does not think about the application of new technology, but will instead question when it is not present as a matter of course. For instance, they will wonder why a shopping center does not offer navigation, consumer offers and interesting events via their cell phone or PDA – not just in a few years; it is already a reality today.

In the nature of things, New Millennium is really an unknown quantity, but the world has witnessed so many changes since the terrorist attacks of 9-11 that it is bound to influence this group. While Generation Z is really a between-war-generation born between The Cold War and Al-Qaeda's attack on the US, which marks the beginning of a new war that we do not quite yet have an adequate name for (Clash of Civilizations is an overkill, Islamic Crusade is too religious and general, War against Terror is too American in its focus). As with any other war generation, it will be affected by the developments that characterize the world they grow up in.

#### THE CONSEQUENCES OF CONSUMPTION GROUPS OVER THE NEXT 10 YEARS

Which trends will be born out of these groupings over the years to come? A number of different developments may already be outlined:

- The first design-seniors appear in 2014 – at this point design will really become a mass product demanded by people in the affluent life phase.
- Generation Y, who have grown up with the cell phone and PC will be starting families from 2008. This means that a dominant trend in the large scale consumer group will be communication by texting and GRPS as location identifier will be an implicit expectation for this group. Web based sales for this group will presumably be subject to an explosive upsurge.
- From family life to a new perception of work, family and leisure. Generation Y will be redefining family life in the coming years. They prioritize family and leisure over work, but they will also form a new family pattern where family values will be less prevalent than in Generation X. The eternal teenager who institutes new roles for mom and dad.

- Interrailers as seniors from 2015 – it is time to travel. Europe will be flooded with seniors revisiting old routes.
- Starting over will be commonplace – happening right now. You quit the solid white-collar job or the CEO seat and start over in the job market or with a completely new life. A new universe of consumption emerges and as seniors in 2015 they are on their way to another new start.
- First Wi-Fi teenagers in 2014 (Wi-Fi stands for Wireless Fidelity and is used to indicate high-speed local wireless networks after 802.11 standards). They will not understand when they do not see the same thing online on their handheld as in the shop – total merger of physical and digital media in the shopping arena.
- 2018 – everyone under the age of 40 has a situational or otherwise transient consumption pattern. The shop as an attraction is a historical phenomenon. It is now solely the composition – the mix – that is decisive.
- From brands to style and style nomads: The devotion to brands will be a thing of the past; instead, individuals have to create their own unique style through a product mix. It is happening now, but in 2018 everyone under the age of 40 will follow this development.
- Self-absorption and ego devotion is markedly increased in the group over 40 years. From 2017 Generation Jones will be the only generation that is not marked by indulgence, consumption not centered on their ego and a lasting love of luxury and high quality. In this context, brands have to get by on other parameters to be appreciated. Only Generation Jones will deviate and in time, they will become the rebels among the modern part of the population. This will not apply to everyone, but a part of them will be very conscious of not resembling the Baby Boomers or the X's.
- From 2018 everyone under 40 will be more or less globally oriented, but the group over 40 will be far more locally or regionally oriented – perhaps again with a group of Joneses as deviators.

- In 2010 information overload means that recommendations from friends become increasingly significant among youths in their 20ies. *Rumor based marketing* and the dispersal of information through informal channels will grow extensively in the youth segments from 2010. From about 2015 Generation Z's tendency to base itself on constant internet access will replace this trend among teenagers.
- Trend relativism will be the result of Generation Z's entry into the role of trend-setters. Everyone will be able to create trends and the democratization of trendsetting will be a prevalent trait after 2010, growing in prevalence up until 2015.