

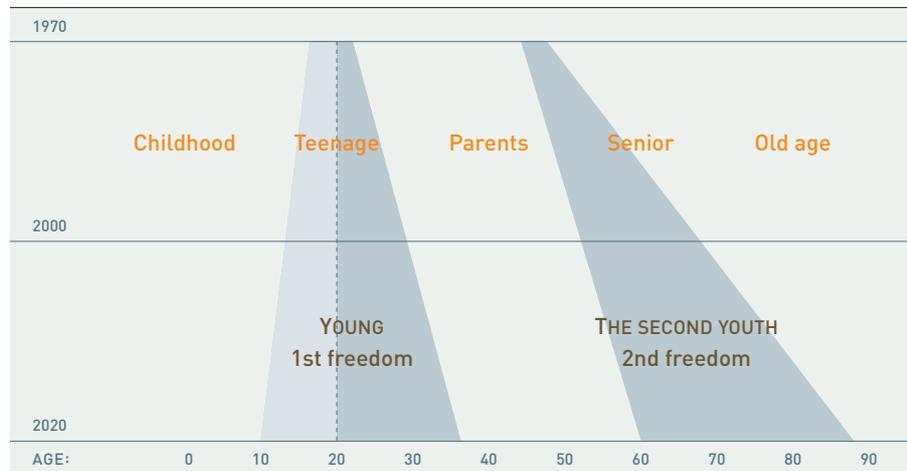
Life Phases and their Development over the next 10 Years

THE NEW LIFE PHASES

45 YEARS AGO THE PHASES OF LIFE were quite unequivocal. Childhood would typically last up until the eighteenth year. Independence grew with age, and youths would typically leave home at the age of 20 – girls earlier than boys. A brief hectic phase would then ensue, ending after 2-4 years where the first family would be started. Parenthood would last into the mid-40ies followed by a long period of time in the job market without children in the home. After retirement there would be relatively few years to live, and the senior phase as a period of freedom and independence did not yet exist.

These phases of life have now dramatically changed, and the transformation of the lifecycle will be ongoing over the ensuing 10-15 years. In the future, the new phases of life will imply that youths and the elderly will be subject to more attention. At the same time the demographic change of more youths and elderly over the coming years will concentrate heavily on the two freedom phases of life. Comparing the lifecycle as it appeared 30 years ago, significant changes are taking place. The childhood has been shortened, youth prolonged, family is started later in life and today children are not born until the woman is in her 30ies, with the average Danish first time mother aged 29 years old. At the same time old age arrives later. Old age is also subject to attention, because life expectancy has been prolonged.

THE NEW LIFE PHASES



The part of childhood where parents dictate the use of time, consumption of products and attitudes will be shorter. At an even earlier stage children will have their own income and they will decide what to do with their leisure time. They will have considerable influence on their parents' and the family's consumption. The children of the families control half of mom's shopping. Because women are still responsible for 80% of private consumption in the Danish family, children really do have a considerable influence on the consumption composition of a modern family.

Children will become independent individuals sooner and in the future their needs and opinions will be taken seriously in a different manner than today. At the same time childhood will be shortened. At present one is considered a child until the age of 10-11. The children of today become sexually mature sooner than in previous generations, with sexual maturity being reached at around 11-12 years old, 1-1½ years earlier than 30 years ago. The childhood also more readily resembles adulthood with the everyday life of institutions as the parallel to the adults' job. Moreover, children stop playing with more traditional toys at an earlier stage in childhood. It is difficult to sell toys to an 8 year-old girl, and boys are only interested if it is sufficiently interesting and challenging. On the other hand, the game of life begins still sooner for girls. Dolls and role plays have not gone out of style.

Teenager from Age 11 to 30

Today the teenage years last from age 12 until one is around 27-28 years old. In ten years, the teenage years will last from around age 11 to the early 30ies. First comes the more traditional teenage role, where one will be living at home with the parents, while trying to create values of one's own and playing one's way into a set of roles that one would like to enact in life. More teenagers will move out mentally, while still physically at home; they will also become even more independent consumers than they are currently. After that, one becomes a teenager living away from home and leaving the traditional teenage years.

In the future, the freedom phase lasts from the age 20 to the early 30ies. This group will have their own residence, live alone or with a partner, be engaged in education or work and often they will have fixed expenses and obligations. They do not have children yet and have a considerable degree of freedom. In short, they will be devoted to themselves. During those years, more and more will be cohabiting on a less permanent basis; this fact will require that they have a residence of their own to return to in case a relationship breaks down. While families and seniors will increasingly become home owners, it will be much more common for youths to live in rented homes than it was 20 years ago. This is a significant developmental shift.

The teenage phase is prolonged. Youths will be living on the edge of society up until their 30ies. They are happy to work when everyone else is off. They do not mind travelling and bringing home new experiences. They switch jobs and education and a large part of them do not define their goals in terms of education and work until they are in their 20ies. While in their 20ies, they keep as many options as possible open. The teenage phase is not left behind until they start making irreversible choices. This happens when they start families and have children. But some will postpone this for a long time. First-time-mothers of 35-38 will not be uncommon. This freedom phase is so attractive that many prefer to hang on to it for a long time. For some it will be so long that it will be hard to find the right person, when you finally feel like starting a family. Pleasure and hedonism are incredibly important in this life phase.

The Older Parents

Families will be older and most parents will stay in their jobs (career) whilst taking care of the children. From age 30 to 55, time and money will be more tied up due to purchase of the house, the car, the pram and the payments into the retirement fund. This period in life lasts until an age previously referred to as middle age or even elderly. The grey-haired fathers who arrive at their kid's first day of school are here to stay, and it even seems that they will be slightly older in the years to come. Likewise, the share of mothers who do not have a child at age 37 will increase all over Scandinavia, although the share of women without children will not rise. More people will have children on the edge of the biologically possible time period.

The older families will also result in the parental role being taken even more seriously than it is today. Parents will increasingly be amateurs in the role of parenting. Amateur is to be understood in the sense that they do not feel competent in that area. The serious part of life where one starts a family of one's own will increasingly become a phase in which they seek professional assistance. Modern parents will consult radio programs, TV-programs, professional and alternative technical literature that was previously unknown. At the same time they will invest a great amount of energy and effort into the parenting role.

The Senior Phase

Once the children have left home, the other phase of freedom begins. This event will not occur until the parents are in their mid-50ies. Consequently, at this time in their life, they will be nearing retirement age. All of a sudden you are almost as free as in your youth. A lot of people are, at this time, very happy to have reached this stage of life.

When the children leave home the family's available means increase again and most parents will also be able to add a substantial amount of home equity to their consumption options. Presently, the seniors start the countdown to old age rather late in life and this will apply even more to future seniors. The reasons for this obviously include increased health, higher life expectancy and longer

education. The longer one's education is, the longer one's life expectancy will be. Due to these changes, among others, the seniors have plenty of things they would like to do after leaving the job market. So the first years of being a senior will be devoted to planning this period. Many seniors are, and will increasingly become, more active than their predecessors 10-20 years ago. With the new life-cycles you will be young and senior for a longer part of life. The first independent, self-supporting and age of freedom starts earlier and lasts longer. At the same time, the period between children leaving home and parents reaching old age will be extended, continuing to grow in line with the prolongation of life expectancy the years to come.

The new life phases will influence a lot of areas in life – especially the family and the home, but also work, leisure and not least consumer roles. Looking at the next 10-20 years, the development indicates the following:

The life phases after childhood will be prolonged. The teenage years invade childhood, and the period where they see themselves as independent of their parents will be extended in the coming years. Simultaneously the growing number of teenagers throughout large parts of Europe, including the entire North, this life phase will acquire greater significance over the next 10-15 years. The future teenage years will be extended approximately until the age around 30. Thus, this phase is also expanded upwards. As long as the tendency to better education continues – and everything indicates that it will – more women will have higher education, and the higher the education women have, the later they have children. If we reach a point where 40-50% of all women have higher education, and the rest medium-length education, the average age of first-time-mothers will automatically increase to around the age of 32-33. With the population concentrated in large urban areas, this age will increase further, as families are started later in big cities than in smaller cities.

Transitional Phases

Transitions will increasingly happen over a brief period of time. You are young and independent and 12 months later, you are newly hatched parents with a house of your own. You are in the middle of a career, and 2 years later you

are spending life sailing on the Mediterranean in your own sailboat. The shifts happen more rapidly. At the same time the meaning of transitions is reinforced. The changes will be so great that an adjustment period is required. Thus, mental transition phases are created. It is during those phases that consumption patterns are altered the most. Hence, these phases are important to retailing.

In 8-10 years three transitional phases will be central. From childhood to teenage years, from youth to parenthood or just a family with no children, and from parenthood to life as a senior. In addition, there is the transition of moving away from home, however, this will no longer really be like a transition. Teenagers will increasingly form their own household, even while they are still living with their parents.

The transition from child to teenager carries dramatic changes for the pattern of consumption. Suddenly clothes, shoes, hairstyle, cell phones and transportation constitute a central part of the personality. The shift from youth to parenthood is the most dramatic shift in the lifecycle. The focus is no longer on independent consumption, but on everyday supplies. All the necessities enter life along with a completely different sense of responsibility. Very few youths consider the influence of detergent on the environment, allergy and durability of the clothes, while newly hatched parents are preoccupied with these things to an entirely different extent. The same goes for nutrition, linen and ski suits.

The last dramatic change occurs in the transition from parenthood to senior life. The rediscovery of the desire for consumption and indulgence is developed. The pace here is slower than in the other transitions due to the children's detachment from the parents occurring over a longer period of time. The new time budget, which leaves you with time to yourself, is introduced gradually, because older children are far less demanding for the parents than younger. But once you leave the job market, you suddenly have all the time in the world to yourself. This is also dramatic, but over the next 10-15 years this transition will become more flexible, because more aging people will continue to work, although they will put fewer and fewer hours into their work. However, this does not yet apply to the majority.

THE CONSEQUENCES OF THE DEVELOPMENT OF LIFECYCLES

- The values and patterns of consumption that are developed within Generation New Millennium over the coming years will be crucial in relation to sales to young teenagers in 10 years. This means that Wi-Fi will be an integrated and natural assumption and that new values are associated with teenage consumption. In this area they will coexist with Generation Z, who will 10 years from now constitute the group of teenagers over the age of 17.
- The young consumers of Generation Z will be an online generation of digital natives, characterized by group based consumption. Everything for teenagers and youths must be accessible online. Instant gratification will be a hit with the group in their 20ies and early 30ies. From fast food to real time efficiency in a range of new areas: For instance cars (get away in 30 minutes), shopping (pre-packed shopping bags with a selection of goods), styling (go straight to the party in the new outfit including make-up and accessories) and “on-the-go-parties” (we organize the party for you and your friends, while you are out surfing around town).
- The senior generation will be constituted almost exclusively of Baby Boomers in 10 years. Generation Jones will reach senior status in the years after this time. So in 10 years the senior segment will still focus on deserving the good life as senior – pleasure, new moralism and belief in their own superiority.
- Generation Y will become the new parents over the next 10 years, so in ten years parents of infants will be citizens of the world - who manage a lot of choices – fun shoppers, style nomads and eternal teenagers. They seek authenticity but are also zappers – been there, done that! We will see the beginning of a completely new generation of parents who do not care as much about being the perfect parents as trying everything out – let us hope the kids make it!
- The mature parents of older children today belong to Generation Jones, but in the years to come they will be replaced by Generation X. Generation Jones is preoccupied with perfection, and so we will go from perfection in family life to

the self-absorbed and self-centered, which is part of the Generation X character. Thus, the self-absorbed will be part of mature parents' behavior in 8-10 years. The Generation X strollers will no longer dominate the coffee shops; instead, the staging of confirmation parties and stays abroad will be what attracts attention as well as disapproval in the rest of the population in 8-10 years. They dream of the perfect family but have a craving for pleasure rather than hard work. Parenting a teenager is endowed with status. The final years in the education system are characterized by a competitive focus on grades. The education system will be under pressure from the parents.

- Generation Jones will be dominant among the good, rich parents with older children on their way to leave home. Design will grow big over the next 5-7 years and will also be traceable in the senior segment later. Symbols of starting over will be a big item the next 10 years – proving that one has not come to a standstill. This is followed by a gliding transition to the senior segment with a new start after the working life.