

Beyond Birthdates:

Breaking generational stereotypes in marketing





Contents

- 1 The changing life stages of consumers
- 2 Life stages > generational categories
- 3 Generation-based targeting
- 4 Identify the needs of the years ahead
- 5 Common drivers across the generations

01

The changing life stages of consumers

Douglas Coupland's 1991 novel, [Generation X: Tales for an Accelerated Culture](#), birthed the concept of generational categorisation in marketing. Coupland's aim was to distinguish a different generation from the previous one: "Generation X is just the acknowledgment that there exists some other group of people whatever, whoever they might be, younger than, say, Jane Fonda's baby boom."

But a misinterpretation of the novel led to the idea of assigning labels and defining characteristics to every 15-year cohort. While there are some key differences in time-based generations, notably in musical tastes, fashion and pop culture phenomena, many of the generation-based differences are exaggerated.

As marketing expert Dave McCaughan explains, looking through a historical lens, it becomes clear that generational differences are often an illusion. When age groups are compared across different decades, the similarities stand out more than the disparities.

"If you look at it, what you'll find is that going back to the 50s, young people talked about things like the environment. They talked about the big social issues, they talked about protests, they talked about the need to stand up to the man. Today the language has changed but the concerns are the same. More importantly, their general attitudes - as what we now fashionably call consumers - don't change that much either," McCaughan explains.

02

Life stages are more significant than generational categories



Instead, the particular life stage that someone is going through tends to be more significant when it comes to their consumer behaviour, purchase patterns, and where and how they engage with brands and messaging. As Pew Research notes, “differences between younger and older people are largely due to their respective positions in the life cycle”.

Jeremy Francis, marketing manager at Marketplacer, observes that “a person’s age is only one factor in the puzzle of their identity, how they see themselves, and what tribe they feel they belong to. There’s more to a person than their birthdate.”

According to Pew, young people are far less likely than older adults to vote and engage in politics. This may be because they feel they have less at stake in political or policy debates. But as people age, they vote at higher rates and their level of political engagement rises: “Millennials are less engaged in politics today than are older generations, but the same was true of Baby Boomers in their youth. Today, Boomers are among the most likely to vote and participate in politics.”

McCaughan, while working in a senior role at McCann in the late 1990s, formulated a four-stage model that moved away from an exclusively historic generational framework. These stages were defined as Identity Builders, Career Builders, Family Builders, and New Life Builders.

01 Identity Builders

Typically those in their mid-teens to early 20s, this stage is characterised by exploration and self-discovery.



02 Career Builders

From the mid-20s to early 30s, the focus shifts to laying career foundations and thinking about long-term planning.



03 Family Builders

As people move into their thirties, they deal with the challenges of starting and raising a family. This extends for a couple of decades while children are still living at home.



04 New Life Builders

These are usually individuals in their mid-50s to late 70s. This stage is often characterised by a shift in mindset as children have grown up and moved out and people transition into retirement.



Understanding these four life stages offers a more precise and nuanced approach to targeting consumers compared to relying on broad generational characteristics. It allows marketers to appeal to the motivations, aspirations, and values that are closely tied to each life stage, fostering a more meaningful connection with their audience.

Instead of asking, "What generation are they from?" the question becomes, "What stage in life are they in, and what are they aspiring to become?" And it's these aspirations that offer a richer context for effective marketing strategies.

As [Jordan Ben](#), Marketing Director at Vesta, phrases it, "*marketers need to use key milestones in consumers' lives to reach them at the right moment with a personalised and relevant offer... Targeting life stages enables marketers to deeply segment a generation into specific phases of adulthood and craft a more relevant message and better offers.*"



Age 13 – 25

Identity Builders

Exploration and self-discovery

Decisions made during this stage often align with the perceived important things in life, and are heavily influenced by the desire to distinguish oneself from one's parents.

- ✔ Don't have a lot of disposable income
- ✔ Tend to spend on lifestyle products and services like fashion and clothing, technology, music and social activities
- ✔ Education and learning and experiences like travel that help shape their interests and memories



Age 25 – 35

Career Builders

Foundations and long-term planning

The focus shifts to career development and life planning for the long-term. It's also the time when relationships become more serious, and major life decisions, such as buying a car or saving for a home, become increasingly important.

- ✔ Increase in income, and disposable income
- ✔ Spending is on long term investments and major purchases like a car or home, relationship and family-related items like dating, engagement, wedding and family
- ✔ Experiences and travel, health and well-being and professional advancement make the list



Age 35 – 55

Family Builders

Welfare and nature of family

As people move into their thirties, they deal with the challenges of starting and raising a family. This extends for a couple of decades while children are still living at home.

- ✔ Spending choices revolve around maximising the family budget, including considering where best to live for their children’s education and future. Holidays are family-oriented.
- ✔ Purchases like a larger home, healthcare costs, savings and investments for future security and stability



Age 55 – 75+

New Life Builders

Quality of life in later years

This stage is often characterised by a shift in mindset as children have grown up and moved out and people transition into retirement. At this point, they're thinking about how to spend the next 20 to 30 years of their life, focusing on ensuring they have a good quality of life in their later years.

- ✔ Many individuals might have retired or transitioned to part-time work, leading to a fixed income and income from investments and savings.
- ✔ Spending choices are on leisure and travel with more time available, health and wellness and hobbies. Perhaps providing family support for children and grandchildren, legacy planning and adjustments to home including downsizing.

03

Generation-based targeting misses older consumers

A key advantage of using life stages is that they are universal across different markets and cultures regardless of the age that people enter them. New parents in Asia have the same needs, values and priorities as new parents in Europe, even if some are in their early twenties and others in their late thirties.

McCaughan notes that marketers have typically overlooked older consumers, largely due to myths and misunderstandings. For example there's a misconception that older people "don't buy new stuff" when many products have their key market among over-55s, such as Harley Davidson motorcycles, higher-end kitchen appliances and luxury cars. There's also a belief that they're "not tech savvy" even though the iPhone, when released, was primarily owned by people in their forties - who are now in their sixties.



"We forget that those generations of people that have gone through the most profound change in technology. They have learned to adapt and adapt and adapt. MIT did a study a few years ago which pointed out that anybody under 25 has never had to adapt to a new technology. Mobiles phones, the internet and laptop computers all emerged in the 1990s, before the latest generations were born", McCaughan says.

04

Identify the needs of the years ahead more easily

By using life stages instead of age, it becomes apparent that people in a “New Life Builders” stage will need products and services for their next stage of life, from hobbies and education to furnishing a new home and subscribing to new services and utilities as they downsize.

Governments are increasingly recognising the significance of life stages as well, creating services around specific events. The NSW government, for example, has identified and built services around eight [life events](#), ranging from starting a family to end-of-life planning. These align with age groups rather than generations, with younger people getting new jobs and new homes, while older people typically experience higher rates of bereavement and serious health issues.



05

Common drivers across the generations become clear



Certain concerns and drivers remain universal to people of all ages. Nearly all consumers, whether elderly or young, “love a bargain”. All age groups today are much more demanding when it comes to customer service standards and personalisation. [McKinsey has cautioned](#) against employers taking a generational approach to their staff and recommends letting go of generational stereotypes: “Conventional wisdom supposes that different generations have different attitudes about work. But our research suggests that work preferences are more similar than different across age groups.”


As Jessica Kriegel phrases it in [Forbes](#): “Generational labels amount to divisive, reductive stereotypes. Poor management and marketing decisions based on such stereotyping lead to misunderstandings, missed employment and commercial opportunities, and all the usual negative ramifications that poor communications breed. We can’t continue to narrowly label and define individuals according to broad cultural trends.”


Ultimately, instead of presuming what a particular generation needs or wants, brands should focus on what matters to them. Whether it’s the type of content they prefer or the medium they’re most comfortable with, understanding these preferences is vital to reach and engage with them successfully.



To better understand how your clients think, feel, and spend, get in touch with our Research team today

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