

# Generational cohort segmentation: magic or myth?

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## ABSTRACT

The purpose of this study was to determine if generational theory can be used as a marketing segmentation tool in South Africa by empirically investigating whether the differences in personal values and psychographics of the two generations most active in the South African marketplace today, namely Boomers and Generation Xers, are large enough to indicate that these are heterogeneous groups.

The findings of the study indicate that there are only a few significant differences between Boomers and Xers with regard to their personal values and psychographics (activities, interests and opinions) regarding brands, advertising or shopping behaviour. The analysis further indicated significantly low associations between generational cohort / age and personal values or activities, interests and opinions regarding brands, advertising or shopping behaviour.

Generational theory is based on the premise that different generational cohorts have significant formative values that influence their psychographic profile and behaviour. The findings place a question mark over the applicability of generational theory in the South African marketplace and its usefulness as a marketing segmentation tool.

The characteristics and significant differences found between the groups indicated that generational theory should be applied with caution in a marketing context.

Implicit in any marketing effort is the need to identify and segment target markets, predict consumer behaviour, and anticipate how certain products or services, advertised in certain media, and sold through certain outlets, will appeal to the intended audience.

Generational cohort segmentation provides another method of separating consumer markets. Age has long been a demographic segmentation variable, but generational marketing theory suggests that it is the defining moments that shape mindsets and provide the true value of age targeting. Knowing when people were born may allow marketers to predict behaviour.

Generational theory was initially described by Howe and Strauss (1992). They suggested that American history can be viewed through the framework of a repeating cycle of attitudes and approaches

to life. They traced this cycle from the first American settlers from Europe to the present day, and then used the framework to make predictions for the future.

According to the theory, each of today's generations can be linked to a recurring sequence of generational archetypes that have appeared throughout all the cycles of history. When history overlays these archetypes atop the four turnings comprising history's seasonal rhythm of Growth (or High), Maturation (or Awakening), Entropy (or Unravelling) and Destruction (or Crisis), the result is four different generational archetypes.

The archetypes are best identified by the turning of their births. A Prophet generation is born during a High, a Nomad generation during an Awakening, a Hero generation during an Unravelling and an Artist generation during a Crisis. Each archetype

is highly influenced by the type of external events during their late adolescent/early adulthood years which influence their values, preferences and attitudes in ways that remain with them over a lifetime. Each archetype is an expression of one of the enduring temperaments and life cycle myths of mankind. One turning will under-protect children, for example, while another will overprotect them. The same is true with attitudes towards politics, affluence, war, religion, family, gender roles, and pluralism. A detailed illustration of the four archetypes is depicted in Appendix 1.

Generational theory has been researched in America, New Zealand, Canada, Australia, Western Europe, Russia, Israel, Japan, China and South Africa (Codrington, 1999) and has triggered interest in a wide variety of disciplines, including marketing. Although very little empirical research has been done to test the relevance of the theory in a marketing context, some ground-breaking American studies (Zill & Robinson, 1995; Smith & Clurman, 1997; Schewe, 2000) have illustrated its use as a segmentation tool and recently Robinson and Codrington (2002) have provided some empirical evidence that South African generations differ in their processing of advertising.

It is important for organisations that aim to survive and be successful to understand how people behave in a buying situation. This understanding forms the basis for formulating marketing strategy (Du Plessis & Rousseau, 2003). A review of existing literature on the two generational segments that are most active in the marketplace today, namely Boomers (a prophet archetype) and Xers (a Nomad archetype), indicate that there are potentially significant differences in the underlying values and attitudes that drive the buying behaviour of these segments. By knowing that the motivations and behaviour of customers are tied to the underlying values of the generation to which they belong, marketers will be able to tailor products, services and communication to their needs, interests

and desires. Applied knowledgeably, that information can provide marketers with a key competitive advantage.

## **BOOMERS**

The Boomer generation is a prophet archetype. Through the years prophets have been best remembered for their coming-of-age passion and their principled elder stewardship. Their principle endowments are in the domain of vision, values and religion (Howe & Strauss, 1997: fourthturning.com)

Boomers are possibly the most well-known and most analysed generation in history. American Boomer birth years are generally taken as starting in 1943 and ending in 1960 (Howe & Strauss, 1991:299). In South Africa, the Boomer years are extended due to the policy of apartheid which tried to socially engineer society. On either side of the political and racial divides, middle-aged people attempted to create a worked out, peaceful settlement in South Africa, just as their peers led primarily by Martin Luther King, were attempting to do in the United States. It was largely the Boomer generation who 'woke up' during the 1960s and early 1970s and decided to work towards a more decisive solution. On the side of the oppressed, this meant violence and war; on the side of the government, it meant creating a large defence force armed by conscripted young people from the Boomer generation. For many other young people (from all racial groups) it meant outright defiance and rebellion. The Boomer years in South Africa therefore extended from about 1948 (when the National Party came to power) to 1970 (Codrington, 1999).

Boomers are the generational cohort active in the consumer marketplace of today that grew up with the expectations, life skills and values created by the post-war economic prosperity of the 1950s, sixties and seventies. Limitless horizons stretched out before them (Codrington, 1999) and these surroundings shaped their formative values – a sense of expectation

and entitlement; a quest for self; and a need to be in control (Smith & Clurman, 1997; Bainbridge, 1998). Before the 1970s ended, these expectations on the part of Boomers were faced with some hard realities – soaring inflation and interest rates, unemployment and political instability. The gap between expectations and an unsettling reality generated much Boomer angst. In reaction, Boomers became proficient at finding ways to prove they were still going to get all they had grown up to expect. The result was cut-throat competition through consumption and finding the best product at the best price. Brands no longer dominated the marketplace; discount stores thrived and spending on promotions exceeded spending on advertising for the first time ever. At the end of the 1980s, Boomers realised that their efforts to avoid disappointment had failed and they turned bitter. And with this came the resentment and anger that dominated the late 1980s and early 1990s. Boomers took out many of their frustrations in the marketplace. They distrusted and challenged institutions and the era of the anti-brand blossomed. Relations with marketers and retailers became strained (Codrington, 1999). In the late 1990s, Boomers started to moderate their marketplace hostility and regained their sense of optimism (Smith & Clurman, 1997; Sullivan & Ross, 1999).

According to the literature, Boomer behaviour has always been rooted in their formative values. Their postulated present-day consumer characteristics include *individuality over conformity* (Smith & Clurman, 1997:51,57; Schewe, 2000); their struggle to avoid disappointment in their expectations and still *come out on top* (Smith & Clurman, 1997:44); their continued focus on themselves and *search for personal fulfilment* (Wilber, 1999; Burkart, 2000:2; Smith & Clurman, 1997:43); their yearning for *yesterday* and *nostalgia* for traditional values (Bowen, 2001:24–5; Smith & Clurman, 1997:58–9); their eagerness to rid their lives of as much stress as possible

and *simplify* things through delegation and selection (Smith & Clurman, 1997:60; Gobe, 2001:10; Bainbridge, 1998:21); their *control-oriented behaviour* and hunger for information that tells them what is real and true about the products and services they evaluate (Sullivan & Ross, 1999: S17; Smith & Clurman, 1997:62–3, Gobe, 2001:8); and their belief in the *superiority of their own fresh eyes* over the wisdom of their elders together with their “forever young” philosophy of-life (Gobe, 2001:4; Silverman, 1999:2; Williams, 1998; Smith & Clurman, 1997:65).

### GENERATION X (XERS)

Generation X is a nomad archetype. Nomads are best remembered for their rising adult years of hell-raising and midlife years of hands-on, get-it-done leadership. Under-protected as children they become overprotective parents. Their principle endowments are in the domain of liberty, survival and honour (Howe & Strauss, 1997: fourthturning.com).

This generation's first birth year is identified in America as 1961 and their end birth year as 1981. In South Africa, Generation X can be loosely defined as all those young people old enough to remember apartheid and be judged by history to have been part of it and yet not quite old enough to have been involved in any form of struggle against apartheid. White Xers would have just missed out on national service, and black young Xers would not have been old enough to join the school children of 1976 who demanded ‘liberation before education’. Yet, they have all grown up in the shadow of these events. In South Africa, non-white young people would probably fall into the generation if born between 1965 and 1990. White English speaking young people would probably be Generation X if born from 1970 to 1990 and white Afrikaans speaking people if born between 1975 and 1990. Because of the diversity of South African culture these are only broad generalisations and are likely

to apply more closely to urban, middle class communities of all racial groupings (Codrington, 1999:31).

Generation X inherited a world filled with the debris Boomers left in their wake, characterised by divorce, latchkey kids, homelessness, soaring national debt, a bankrupt government, holes in the ozone layer, crack, downsizing and layoffs, urban degeneration and gangs. The 1980s, filled with excesses and failures, were a harsh tutor for Xers and had a huge influence on their formative values (Codrington, 1999; Howe & Strauss, 1993:33).

Xers are far better at living with uncertainty than Boomers; they are determined to be involved, responsible and in control. Rather than trying to fix everything, Xers focus on *getting through today* (Smith & Clurman, 1997:84; Howe & Strauss, 1993:166); they have grown up in a world where they see good and bad in all things, and every choice is a decision *balancing rewards against risks* (Jennings, 1999:60; Smith & Clurman, 1997:86). They are the most socially pluralistic generation ever; *diversity* is the key fact of their lives (Smith & Clurman, 1997:91; Howe & Strauss, 1993:134). No one thing is inherently good or bad for this generation – all things are potential options and the trade-offs have to be weighed and balanced (Smith & Clurman, 1997:88; Arnold, 2000:16; Gobe, 2001:13).

Xers are sceptical and irreverent, ready to buy, but clever about marketing. Along with their diversity of opinions, is an unprecedented sophistication about advertising that comes from a lifetime spent watching more of it than any other generation. Their underlying values and attitudes about the marketplace pose interesting challenges to marketers. Xers refuse to allow their lives to be stripped to the stereotype of a marketing target group – they are strongly *label- and slot-averse* (White-Sax, 1999:21; Smith & Clurman, 1997:90). The flood of media and communications makes it difficult

for Xers to escape the feeling that it is all been done before, that there is nothing new left to be experienced or discovered. Xers have responded, by showing how a new attitude can work for brands (Smith & Clurman, 1997:98); that they do not need to fill up a blank canvass. “*New*” to them means *finding the extreme edge of what is there already*, and they paradoxically seek traditionalism in the spirit of diversity and perform traditional activities in an edgy, technological way (Kraus, 2000:28; Smith & Clurman, 1997:91). All choices are equally valid, it is acceptable to put together *any combination of building blocks* – deep understanding is largely beside the point, it is about how it looks, about how it feels (Smith & Clurman, 1997:93; Carey, 1999:61). Xers feel as if they’ve seen it all and *hard sell falls on deaf ears* because they want an honest approach: one that gets to the point and sticks to the subject. They value clear, useful information, having grown up in a hailstorm of advertising messages, and they are discouraged by information that is packaged with bells and whistles (Smith & Clurman, 1997:94; White-Sax, 1999:21; Carey, 1999:61; Silverman, 1999:2; Sweeney, 2001:3A).

Xers are more committed to *fun as a life value* than Boomers ever were (Gobe, 2001:15; Smith & Clurman, 1997:98); and this emphasis on fun is part of a broader focus on *pragmatism* – the bottom line is about survival, not about ideology or mission – instead of getting caught up in bigger causes and movements. Xers are focused on making sure they can survive (Clarke, 2000:46; Smith & Clurman, 1997:100; Howe & Strauss, 1993:115) and their pragmatism means hedging, holding back, having a backup plan, and betting like a short-seller (Jennings, 1999:58; White-Sax, 1999:22). This pragmatism means being modular, staying flexible, and being continually adaptable (Silverman, 1999:6; Smith & Clurman, 1997:101). It also means being resourceful, charged with a sense of purpose and capability, driven

to succeed and confident of their own abilities. They are becoming the generation of entrepreneurs, getting things done on the strength of their own initiative (Clarke, 2000:46; Smith & Clurman, 1997:102; Howe & Strauss, 1993:109).

Xers are the prophylactic generation – witnessing the dismantling of political, economic and media institutions and “*protect thyself*” has become their special commandment. Xers live for today, because they cannot depend on tomorrow (Carey, 1999:60; Smith & Clurman, 1997:64) and they are the most *peer-focused* generation ever; they make stronger, more permanent cultural connections than any generation before them, and they populate small groups, all with distinctive ethics and characters, drawn and built from a variety of sources (Smith & Clurman, 1997:105); Xers are not only the most enthusiastic embracers of technologies, but also the most sceptical and incredulous, technology being part of their background. Using technology-speak and being technology-wise would not distinguish one marketer from another, but any marketer that does not do so will certainly stand out as generationally irrelevant (Smith & Clurman, 1997:106).

### **Problem statement**

Generational theory has been researched in America, New Zealand, Canada, Australia, Western Europe, Russia, Israel, Japan, China and South Africa (Codrington, 1999) and has triggered interest in a wide variety of disciplines, including marketing.

Very little empirical research has however been done to test the relevance of the theory in a marketing context by comparing and contrasting the buying behaviour of different generational cohorts and previous research has mainly focussed on developed countries. Generational cohort segmentation has proven successful in the United States (Howe & Strauss, 1999), and cohort values derived from defining moments have been found in other parts of the world, such as Germany,

Brazil and Jordan (Schewe, 2000). Although largely anecdotal, studies by Codrington (1999) suggest that generational cohorts in South Africa also differ in potentially significant ways.

### **Objectives and hypotheses**

The primary objective of the research study was to establish whether generational theory is useful as a segmentation tool in predicting South African consumers' buying behaviour.

In order to determine whether generational cohorts were viable and useful consumer segments, the study investigated whether these cohorts have similar characteristics within each group and whether there is dissimilarity on those same characteristics between different groups. For the findings to be valid and useful to the marketer, these differences needed to be causal (motivating influences or other factors that define and shape behaviour) rather than merely descriptive.

Literature on consumer behaviour revealed that both personal values and psychographics influence consumer behaviour and can therefore be useful measures in determining whether generational theory can be used as a segmentation tool (Dibb, 1998:395; Engel, Blackwell & Miniard, 2003:344; Hawkins, Best & Coney, 2001; Peter & Olson, 1994;

Personal values represent consumer beliefs about life and acceptable behaviour. They are enduring – transcending situations or events – and express the goals that motivate people and appropriate ways to attain those goals. Psychographics is the principal measure of lifestyle – psychographic research measures how people spend their time engaged in various *activities*; what is of most *interest* or importance to them in their immediate surroundings; and their *opinions* and views about themselves and the world around them. (Engel, Blackwell & Miniard, 2003:344).

Defining a brand, communicating the brand to relevant stakeholders and

stimulating behaviour are key components of marketing strategy and the purpose of the study was therefore to determine whether the differences in values and psychographics (activities, interests and opinions) of different generations regarding brands, advertising and shopping are significant.

The study consisted of an empirical investigation of the two generations most active in the South African marketplace today, namely Boomers and Generation Xers. It was a single, cross-sectional study.

The following hypotheses were formulated from the research objectives:

- H1: Boomers and Xers differ significantly in terms of their personal values.  
 H2: Boomers and Xers differ significantly in terms of their activities/interests/opinions regarding brands.  
 H3: Boomers and Xers differ significantly in terms of their activities/interests/opinions regarding advertising.  
 H4: Boomers and Xers differ significantly in terms of their activities/interests/opinions regarding shopping behaviour.

### **Method**

The study required the use of a quantitative research method because it was not attempting to obtain greater clarity on a vague research problem, but rather to generalise about a specific population, based on the results of a representative sample.

The research focused on the two generational cohorts most active in the South African marketplace, namely Boomers and Xers (all people between 16 and 53 years of age), representing more than 79% of the economically active population. Owing to budget constraints as well as the metropolitan and first-world bias inherent in the theory itself, the study was Gauteng-based and included only respondents earning in excess of R5 000 personal income (after tax) per month.

16–24 year-old, full-time scholars and post-matric students at colleges, technikons and universities were included regardless of their personal income.

Non-probability quota sampling was used. The sampling quotas and their control variables within the different groups were structured according to their configuration in the South African marketplace. The quotas were determined using Gauteng-based AMPS data. Age, income, gender and race were used as the quota control variables. The sample size was 225.

For purposes of analysis, based on the Generational Theory and specifically looking at the work of Codrington (1999: youth.co.za), Boomers and Xers were defined as follows:

#### **Boomers:**

- White, English-speaking, 31–53 year-old respondents;
- White, Afrikaans-speaking, 27–53 year-old respondents;
- Black, 37–53 year-old respondents

#### **Xers:**

- White, English-speaking, 16–30 year-old respondents;
- White, Afrikaans-speaking, 16–26 year-old respondents;
- Black, 16–36 year-old respondents.

Defined as mentioned above, the sample included 111 Boomers and 113 Xers. Table 1 depicts the configuration of the sample.

Quota sampling was used mainly due to cost constraints. Because the reliability of quota sampling can be questioned based on interviewers' natural inclination to obtain information with the least possible trouble, the difficulty of building in controls for all relevant variables and the impossibility of verifying whether the sample is representative, certain additional precautions were taken. The four interviewers used were representative of the required sample (White Boomer, White Xer, Black Boomer and Black Xer)

Table 1: Sample configuration

Gauteng Personal income: R5 000 +	Age: 16–24		Age: 25–34		Age: 35–53	
	Population	Sample	Population	Sample	Population	Sample
WCI male	10.2%	8	43.6%	33	42.3%	32
WCI female	27.3%	20	35.0%	26	40.9%	31
Black male	30.5%	23	6.9%	5	8.4%	6
Black female	32.0%	24	14.5%	11	8.4%	6
Total	100%	75	100%	75	100%	75
Generation X		75		38		–
Boomer		–		37		75

and the sample was validated by comparing the sample and population on the levels of education achieved (not used as a control variable).

The research was carried out in the form of mall intercept surveys, which involved recruiting shoppers in a shopping mall, qualifying them and getting them to complete questionnaires. Recruitment commenced during the two middle weeks of two consecutive months to avoid month end rush. Recruiters were in field on Wednesday afternoons, Saturdays and Sunday mornings of these weeks. After a test-run, recruitment moved to the retail leisure section of malls as shoppers were far more relaxed and willing to complete questionnaires than those visiting anchor stores. To ensure a geographical spread of respondents the study included six malls in Gauteng namely Fourways Mall Johannesburg, Southgate Mall Johannesburg, Cresta Shopping Centre Johannesburg, Menlyn Pretoria, East Rand Mall Boksburg and Eastgate in Germiston. The qualifying questions were completed by the interviewer and the first three questions of the first two sections of the questionnaire were completed together with respondents to increase the reliability of results.

The questionnaire was developed using Schwarz's Ten Motivational Value Types as a framework (Hawkins, Best & Coney, 1996: 507). Questions were informed by the literature review and constructed around

the four hypotheses. Each hypothesis formed a themed section within the questionnaire with approximately 24 questions per section.

Section A of the questionnaire contained demographic related questions. Sections B and C of the questionnaire contained questions relating to personal values whereas sections D, E and F contained questions relating to psychographics. In section B respondents were asked to indicate their level of agreement or disagreement with each of a series of statements related to their own personal values, and in section C they were asked to choose between sets of personal value words. In sections D, E and F respondents were requested to indicate the degree of agreement or disagreement with each of a series of statements related to an action, interest or opinion. Section D covered questions regarding brands, section E questions regarding advertising and section F questions regarding actual shopping behaviour. Semantic differential and Likert scales (5 point) were used.

The desired level of significance for the study was 0.05 and Analysis of variance was used to compare the two sample means to determine whether a difference exists between the Boomer and Xer generations. A p-value smaller than 0.05 indicated a significant difference.

Regression and correlation measures were also used to determine whether a relationship exists between generational cohort/age and personal values and activities/interests/

opinions regarding brands, advertising and shopping behaviour. *Regression analysis* was used to determine a coefficient of determination,  $R^2$ , which provided insight by establishing the importance of the predictor variable (age) in predicting the response variables and the overall strength of the relationship. This established the overall usefulness of the regression model as a predictor of the response variables. The *correlation coefficients* of the different response variables were computed and used as an indication of the strength of the association between these variables and the

predictor variable (age). The calculations for the correlation coefficients are not shown in table format but the results are reported.

### Findings

The following is a summary of the findings:

$H_1$ : Boomers and Xers differ significantly in terms of their personal values.

Table 2 illustrates the differences found between Boomers and Xers with regards to their personal values.

**Table 2:** Analysis of variance for questions relating to Personal Values

Section B			Section C		
No	Value tested (B) Boomer value (X) Xer value	p-value	No	Value tested (B) Boomer value (X) Xer value	p-value
1	B Hedonism – personal fulfilment	0.96	1	B Power – winning	0.79
2	B Achievement – personal growth	0.18	2	B Security – fighting to win	0.78
3	X Self-direction – hedging	0.83	3	B Stimulation – nostalgia	0.65
4	B Stimulation – nostalgia	0.64	4	X Self-direction – pragmatic	0.12
5	B Power – winning	0.03	5	X Universalism – equality	0.34
6	B Power – entitlement	0.69	6	B Tradition – traditional values	0.03
7	X Achievement – pragmatic	0.03	7	X Tradition – friends over family	0.49
8	B Self-direction – simplification	0.44	8	B Universalism – superiority	0.56
9	X Hedonism – fun	0.78	9	B Self-direction – simplification	0.45
10	B Power – control and info	0.58	10	X Self-direction – hedging	0.13
11	B Self-direction – focus on self	0.45	11	X Stimulation – extreme edge	0.56
12	X Stimulation – extreme edge	0.10	12	B Self-direction – focus on self	1.0
13	X Self-direction – pragmatic	0.33	13	X Achievement – pragmatic	0.12
14	X Power – self-dependence	0.17	14	B Power – control and info	0.01
15	X Self-direction – balanced	0.43	15	B Power – entitlement	0.01
16	B Stimulation – self reward	0.25	16	X Stimulation – diversity	0.73
17	X Self-direction – adaptable	0.82	17	B Stimulation – self reward	1.0
18	X Security – get through today	0.40	18	X Self-direction – adaptable	0.18
19	X Tradition – creative	0.85	19	B Self-direction – individuality	0.59
20	X Universalism – equality	0.75	20	X Self-direction – embrace change	0.33
21	X Tradition – friends over family	0.91	21	X Power – self dependence	0.55
22	B Universalism – superiority	0.01	22	X Hedonism – fun	0.30
23	B Tradition – traditional values	0.02	23	X Tradition – creative	0.91
24	X Tradition – non-traditional	0.26	24	B Achievement – personal growth	0.62
			25	X Security – get through today	0.30

p-value equal or smaller than 0.05 is significant



Only four of the twenty-four personal values tested in section B and three of the twenty-five personal values tested in section C showed significant differences between Boomers and Xers and **hypothesis H<sub>1</sub> could not be accepted.**

Table 3 depicts the detail of the individual questions where significant differences were identified.

Regression and correlation measures were used to determine whether a relationship exists between generational cohort/age and personal values (sections B and C). The coefficients of determination were calculated and values of 0.327 (Questions B1–B24) and 0.421 (Questions C1–C25) were found. Values close to 1 indicate a close association and values close to 0 indicate virtually no association between variables. It can therefore be concluded that there is a significantly low association between the proposed predictor variable (age) and the response variables regarding personal values.

As personal values lie at the heart of the generational theory this raises some doubt regarding the usefulness of the generational theory in a marketing context.

H<sub>2</sub>: Boomers and Xers differ significantly in terms of their activities/interests/opinions (AIO) of brands

Table 4 illustrates the differences found between Boomers and Xers with regards to their activities, interests and opinions regarding brands.

Only three of the twenty-four activities, interests and opinions regarding brands tested in section D showed significant differences between Boomers and Xers and **hypothesis H<sub>2</sub> could not be accepted.**

Table 5 shows the detail of the individual questions where significant differences were identified.

Regression and correlation measures were used to determine whether a relationship exists between generational cohort/age and activities, interests and opinions regarding brands. The coefficient of determination was calculated as 0.364. The coefficient is closer to 0 than 1 and therefore indicates a low association between the proposed predictor variable (age) and the response variables related to activities, interests and opinions regarding brands.

**Table 3:** Personal values showing significant differences

Question			p-value	Boomer			Generation X		
				Mean	Mode	SD	Mean	Mode	SD
<b>Section B: Indicate your level of agreement or disagreement with the following statements, 1 indicating total agreement and 5 indicating total disagreement.</b>									
B5) I always expect the best – and I'll make sure that I get it			0.03	2.73	3	1.23	2.31	1	1.38
B7) Success is about output, not effort			0.029	3.46	2	0.21	4.12	4	2.06
B22) I have no interest in following the latest fashion trends			0.015	3.6	5	1.78	4.24	4	1.82
B23) I have a very strong set of moral values and make all decisions based on it			0.023	2.47	2	1.41	2.9	3	1.45
<b>Section C: Indicate on a scale from 1–5, the level to which you prefer one word to the other (3 = the same)</b>									
C6	1: Moral	5: Open-minded	0.003	3.05	3	1.24	3.6	4	1.20
C14	1: Accept	5: Control	0.012	2.63	1	1.23	3.09	3	1.26
C15	1: Right	5: Privilege	0.012	3.46	4	1.30	2.97	3	1.28

**Table 4:** Analysis of variance relating to questions regarding activities, interests and opinions of Brands

Section D					
No	Psychographic tested (B) Boomer value (X) Xer value	p-value	No	Psychographic tested (B) Boomer value (X) Xer value	p-value
1	B Self-direction – individuality	0.06	13	B Security – fight to win	0.11
2	X Self-direction – like change	0.05	14	X Stimulation – diversity	0.17
3	X Self-direction – hedging	0.4	15	B Power – entitlement	0.70
4	X Security – get through today	0.94	16	B Stimulation – nostalgia	1.0
5	B Self-direction – simplification	0.63	17	B Tradition – traditional values	0.89
6	B Hedonism – personal fulfilment	0.38	18	X Stimulation – extreme edge	0.08
7	B Stimulation – self reward	0.50	19	X Self-direction – pragmatic	0.15
8	B Power – control and info	0.96	20	X Tradition – creative	0.18
9	X Hedonism – fun	0.83	21	X Achievement – task focussed	0.27
10	B Achievement – personal growth	0.86	22	B Power – winning	0.52
11	B Self direction – self reflection	0.03	23	X Hedonism – fun	0.38
12	B Universalism – superiority	0.05	24	X Universalism – equality	0.79

p-value equal or smaller to 0.05 is significant

**Table 5:** Activities, interests and opinions regarding brands showing significant differences

Question	p-value	Boomer			Generation X		
		Mean	Mode	S dev	Mean	Mode	S dev
<b>Section D: Indicate your level of agreement or disagreement with the following statements regarding brands, 1 indicating total agreement and 5 indicating total disagreement.</b>							
D1) I choose brands irrespective of other people's approval	0.006	2.36	1	2.03	2.97	3	1.59
D2) I won't be loyal to any brand for the rest of my life	0.046	3.49	1	2.02	4.07	4	1.91
D11) I am very specific about the brands I use – they position me in the eyes of other people	0.032	4.7	5	1.91	4.12	4	1.8

Successful segmentation initiates different branding activities and the absence of differences between the two generations indicates that generational cohort segmentation would be of limited use to brand managers.

H<sub>3</sub>: Boomers and Xers differ significantly in terms of their activities/interests/opinions of advertising.

In Table 6 the differences found between Boomers and Xers with regards to their

activities, interests and opinions regarding advertising are shown.

Only two of the twenty-four activities, interests and opinions regarding advertising tested showed significant differences between Boomers and Xers and **hypothesis 3 could not be accepted.**

Table 7 illustrates the detail of the individual questions where significant differences were identified.

**Table 6:** Analysis of variance of questions relating to activities, interests and opinions of Advertising

Section E					
No	Psychographic tested (B) Boomer value (X) Xer value	p-value	No	Psychographic tested (B) Boomer value (X) Xer value	p-value
1	B Power – control and info	0.29	13	X Security – get through today	0.73
2	X Achievement – pragmatic	0.33	14	B Universalism – superiority	0.11
3	X Hedonism – fun	0.59	15	X Tradition – creative	0.06
4	B Self-direction – simplification	0.12	16	B Power – winning	0.06
5	X Self-direction – pragmatic	0.62	17	B Power – expectation	0.06
6	X Stimulation – diversity	0.08	18	X Self-direction – embrace change	0.37
7	X Stimulation – extreme edge	0.18	19	B Stimulation – self reward	0.93
8	B Self-direction – focus on self	1.0	20	B Self-direction – individuality	0.51
9	X Self-direction – hedging	0.13	21	X Power – self dependence	0.1
10	X Universalism – equality	0.03	22	B Tradition – traditional values	0.56
11	X Self-direction – adaptable	0.26	23	B Security – fight to top	0.22
12	B Hedonism – personal fulfilment	0.75	24	B Stimulation – nostalgia	0.04

p-value equal or smaller to 0.05 is significant

**Table 7:** Activities, interests and opinions regarding advertising showing significant differences

Question	Value tested	p-value	Boomer			Generation X		
			Mean	Mode	SD	Mean	Mode	SD
Section E: Indicate your level of agreement or disagreement with the following statements regarding advertising, 1 indicating total agreement; and 5 indicating total disagreement.								
E10) I often enjoy ads that are obviously aimed at other people		0.03	3.18	4	1.56	3.68	4	1.58
E24) I like ads that remind me of the good old days		0.04	4	1.78	1.78	3.44	2	1.83

Regression and correlation measures were used to determine whether a relationship exists between generational cohort/age and activities, interests and opinions regarding advertising. The coefficient of determination was calculated as 0.281. The coefficient is closer to 0 than 1 and therefore indicates a low association between the proposed predictor variable (age) and the response variables related to activities, interests and opinions regarding advertising.

Successful segmentation initiates different communication methods and styles and the limited number of differences between the two generations indicates that generational cohort segmentation would be of limited use to advertisers.

H<sub>4</sub>: Boomers and Xers differ significantly in their activities/interests/opinions in terms of shopping behaviour.

Table 8 illustrates the differences found between Boomers and Xers with regards to their activities, interests and opinions regarding their shopping behaviour.

Only two of the twenty-four activities, interests and opinions towards their shopping behaviour tested in section F showed significant differences between Boomers and Xers and **hypothesis 4 could not be accepted.**

Table 9 contains the detail of the individual questions where significant differences were identified.

**Table 8:** Analysis of variance of questions relating to activities, interests and opinions of Shopping

Section F					
No	Psychographic tested (B) Boomer value (X) Xer value	p-value	No	Psychographic tested (B) Boomer value (X) Xer value	p-value
1	B Achievement – personal growth	0.86	13	B Self-direction – individuality	0.71
2	B Power – control and info	0.89	14	X Self-direction – adaptable	0.47
3	B Power – winning	0.39	15	X Power – self dependence	0.75
4	X Self-direction – pragmatic	0.34	16	B Self-direction – focus on self	0.60
5	B Tradition – traditional values	0.59	17	X Stimulation – adaptable	0.72
6	X Tradition – friends first	0.17	18	X Universalism – equality	0.84
7	X Stimulation – extreme edge	0.62	19	B Stimulation – nostalgia	0.92
8	X Self-direction – hedging	0.44	20	B Power – entitlement	0.69
9	X Hedonism – fun	0.02	21	B Hedonism – personal fulfilment	0.17
10	X Achievement – task focus	0.02	22	B Stimulation – self reward	0.30
11	B Self-direction – simplification	0.83	23	B Safety – fight to top	0.42
12	X Security – get through today	0.21	24	X Tradition – creative	0.09

p-value equal or smaller to 0.05 is significant

**Table 9:** Activities, interests and opinions regarding shopping behaviour showing significant differences

Question	p-value	Boomer			Generation X		
		Mean	Mode	SD	Mean	Mode	SD
<b>Section F: Indicate your level of agreement or disagreement with the following statements regarding your shopping behaviour, 1 indicating total agreement and 5 indicating total disagreement.</b>							
F9) I hardly ever need a rational reason for buying something	0.017	4.09	4	1.97	3.44	3	1.72
F10) Most of my best buys were impulsive and without too much consideration	0.002	4.44	5	1.82	3.62	4	1.67

Regression and correlation measures were used to determine whether a relationship exists between generational cohort/age and activities, interests and opinions regarding shopping behaviour. The coefficient of determination was calculated as 0.443. The coefficient is closer to 0 than 1 and therefore indicates a low association between the proposed predictor variable (age) and the response variables related to activities, interests and opinions regarding advertising.

Segmentation needs to be actionable and the fact that the groups have not proven to be significantly different indicates that generationally determined segments will be of limited use to retailers and marketers.

## DISCUSSION AND IMPLICATIONS

Statistically, there is limited evidence to support the usefulness of the generational theory as a marketing segmentation tool.

Analysis of variance indicated that there are only a few significant differences between Xers and Boomers with regard to their personal values and activities, interests and opinions about brands, advertising and shopping behaviour. Measures of association further indicated that a significantly low association exists between age as a predictor variable and the various response variables.

The significant differences identified in the study as well as the use of descriptive

statistics and extreme response variables rather than means, identified broad generational characteristics specific to South African generations that could form broad themes for future investigation.

**Characteristics of Boomers** identified in the South African marketplace and influenced by the findings included: (the mean value<sup>1</sup> of the answer pertaining to the relevant statements is indicated in brackets after the conclusion).

- **Individuality over conformity** (Smith & Clurman, 1997:51.57; Schewe, 2000) – South African Boomers regard themselves as non-conformists (3.16), they perceive themselves as 1) Where 1 = do not agree and 5 = strongly agree) individualists and demand products and communication that fit their individuality (3.7). They choose brands irrespective of mass-market approval (2.36).

Mass customisation is crucial in targeting this generation effectively.

- **Personal fulfilment** (Wilber, 1999; Burkart, 2000:2; Smith & Clurman, 1997:43) – Boomers have a high interest in personal fulfilment (3.2) and growth. They also esteem admiration and social status more highly than wealth (2.62).

Marketers should offer Boomers opportunities to find fulfilment and growth.

- **New ways to win** (Smith & Clurman, 1997:44) – From the findings it is clear that South African Boomers want to think of themselves as winning shoppers. They seem to care little about following trends and are more concerned with avoiding 'marketing traps'. South African Boomers seem quite oblivious to brands (3.33) – they are less likely than Xers to be slaves to fashion (3.60) and don't regard themselves as brand-conscious or brand-loyal (3.49). They are less likely than Xers to pay more for products simply because they are branded (2.98) and feel that brands influence con people

into paying more for products than their actual worth (3.10). Boomers are also less impressed by "deals" than Xers and regard them in a very sceptical light (3.94). They are extremely critical of advertisers and believe they make promises that they can't keep (3.41). They hardly ever read letters received from advertisers (3.24).

Marketers should work at improving their reputation among Boomers, mirror Boomer's own strong value set and come up with innovative ways to make Boomers feel like winning consumers.

- **Less stress through simplification** (Bainbridge, 1998:21; Gobe, 2001:10; Smith & Clurman, 1997:60) – South African Boomers, like their American counterparts, indicated that although as mentioned above they are not brand conscious, they are loyal to brands that have proven themselves (4.70) – and will stay loyal to these brands regardless of shifting fashions (2.98).

Although strong Boomer characteristics were evident among 31–53 year-old South Africans, the country's unique socio political circumstances could potentially have had a strong influence on this group.

South African Boomers seem less stressed and more optimistic than the literature would suggest (Bainbridge, 1998:21; Gobe, 2001:10; Smith & Clurman, 1997:60). They are less concerned with the past (4.70) and are optimistic about what the future may hold for them (4.97). Although South African Boomers, true to their generational characteristic prefer stability to change (2.82), they indicated a positive attitude towards change (3.00) – a characteristic that might be related to the amount of change that has taken place in the country over the past decade.

South African Boomers strongly embrace diversity (3.14) and believe in equality (3.53), rather foreign characteristics for such an individualistic and self-centred (Wilber, 1999; Burkart, 2000:2) generation

and probably influenced more by South Africa's unique cultural environment than by their age. Boomers across the world have strong beliefs and morals and South African Boomers are no exception (2.47).

**Characteristics of Xers** identified in the South African marketplace and influenced by the findings included:

- **Pragmatism rules** (Clarke, 2000:46; Smith & Clurman, 1997:100) – For Xers, life is about survival and hard work (2.75), not ideology or mission. South African Xers consider themselves highly pragmatic (3.44) and open-minded (3.60). Compared with Boomers, they are more passionate, almost aggressive about their expectations from life and are convinced that it simply depends on them to make it happen (2.31).

Marketers should not be in the business of selling dreams (2.88), but rather practical empowerment to make the right decisions.

- **Hard sell is out** (Smith & Clurman, 1997:94; White-Sax, 1999:21; Carey, 1999:61; Silverman, 1999:2; Sweeney, 2001:3A) – No generation has grown up amidst more information and media coverage than Xers. Similar to their American counterparts, South African Xers long for honest and useful communication (2.15). They are attracted to information and logical decision-making (3.31) rather than to pure entertainment (3.73). They expect brands and advertising to empower them with information and to make promises the manufacturers can deliver on (2.71).
- **New is the eclectic combination of old things** (Kraus, 2000:28; Smith & Clurman, 1997:91) – According to the review Xers don't need to fill up a blank canvass. Xer styles sample and rearrange what's already around, reworking old things into new fashion and styles. South African Xers also seem more interested in the yesteryears than Boomers, find old brands interesting (3.27) and like ads with a retro flavour (3.44).

- **Loyal to a brand attitude** (Smith & Clurman, 1997:98) – Although South African Xers prefer rational and honest communication, they are impulsive (3.62) and emotional (3.44) buyers. They embrace change (3.01) and are very open-minded (3.60). They are willing to try out new brands (3.27) and regularly switch between certain accepted brands within a category (3.12), but are very specific about the type of brands they choose (4.12). They prefer buying brands that are fashionable and indicate quality (3.61).

Marketers should ensure they are up to date with what attitudes appeal to this generation and always have their basic product intrinsics intact.

It seems as if family still plays an integral role in South African Xers' lives, and that unlike their American counterparts (Smith & Clurman, 1997:105), they don't regard their friends as more important (4.19).

## **LIMITATIONS OF THE STUDY AND FUTURE RESEARCH**

A great deal of time was spent on the analysis of whether significant differences exist between Boomers and Xers and the hypotheses tested and questions formulated were based on an American framework. It seems as if greater value would be derived from going back to the basics of the theory and identifying potential differences in values based on a study of the social and political environment specific to South Africa and then refining these concepts qualitatively before testing them quantitatively.

The questionnaire was very long and extensive (six sections containing 24 questions each) and should be condensed. Although the study clearly indicated that the generational theory should be applied with caution in a marketing context, it is proposed that more qualitative techniques such as laddering should be used to explore the topic further.

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**APPENDIX 1: GENERATIONAL CONSTELLATIONS**

Compiled from Howe & Strauss, 1997: [fourthturning.com](http://fourthturning.com); Howe & Strauss, 1997; Codrington, 1999.

