

## Are you ready for the new generation of consumers who are worth \$70 billion?

If the term Boomer has even entered into any business related conversation, unless it is related to retirement, pharmaceuticals or RRSP's, then you are not ready. The only exception to this rule would be if you were talking about Boomers and the influence they had in shaping the consumer behaviours of the Millennials – their children who were born roughly between 1977-1996.

It stands to reason that one of the largest cohorts in Canadian history will also produce one of the largest cohorts in Canadian history. In fact as of 2013, Boomers represent 28% and Millennials represent 27% of the population. The best quote I have read in a long time about this came from the ezine (online magazine) by CBS Interactive *“All businesses must confront the reality that Millennials—or Generation Y, or Generation Me, or whatever name is in vogue—will soon make up the majority of their customers. With Boomers at the tail end of their demographic dominance, and Generation X relatively outnumbered, this shift matters to the bottom line.”* (source: Andrew Nusca, ZDNet, June 26, 2013).

In the US, the estimated buying power of Millennials is approximately \$200 billion of direct spending and \$500 billion of indirect spending. If we use the 10% rule for Canada, that's \$70 billion dollars, so a small share of those dollars would be a nice addition to your bottom line. As these consumers age and begin to settle down and have families the size of this opportunity will grow significantly, following a similar path as their parents but what they do on their journey and how they get there will be very, if not entirely, different. These consumers however pose a marketing challenge. There is relatively little research about this group, and what there is available is just the tip of the iceberg of what we need to know to be able to tap into that **\$70 billion opportunity**.

There are a number of factors that this group a difficult marketing target group.

1. They are highly fragmented because marketing to a 17 year old completely different from marketing to a 33 year old. Also, the group itself is not homogenous and has a very wide array of beliefs and ideals, just like their Boomer parents.
2. 56% claim they are not brand loyal (source: *studentawards inc. Young Influencers Study, February 2012*)
3. They are very wary of traditional marketing tactics. They don't want to be marketed to.

Being able to tap into that \$70 billion opportunity is going to require different thinking and most of all a very clear understanding on not only who you want to target (i.e. behaviour, beliefs, ideals and to a lesser extent the specific age group) but also why they would want your product. To be able to do this you will need to not only understand your consumer and who you want them to be, you need to have a very solid, and focused brand strategy that will allow you to hit the bullseye.



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