

Boomers' progress is never done

Author: Ross Honeywill -
Date: 19/11/2008

Publication: The Age
Section: Business
Page: 16

*All the features we are used to attributing to generations X and Y are in fact far more evident among the baby boomers, writes **Ross Honeywill**.*

THE jig's up, all you gen X and gen Y upstarts. Boomers are back in the headlines and they're mad as hell.

All we've heard for the past five years is gen Y this and gen X that, with their apologists sniveling about the impenetrable ceiling created by the generation ahead of them. They have characterised boomers as boring old fogeys, grimly hanging on to wealth and power, and preventing the younger generations from gaining a foothold on the ladder of success.

Well they were right about wealth and power, and wrong about old. And boomers have had enough.

Did you know, for example, that of the 6000-plus CEOs of New York Stock Exchange and Nasdaq-listed companies, only 98 are under 40? That's 1.6% under the age of 40.

Boomers rule. Literally. Barack Obama at 47 will be the fifth-youngest US president in history. Both Obama and Australia's 51-year-old Prime Minister, Kevin Rudd, are baby boomers. Obama, with his young daughters, doesn't strike anyone as an old fogey.

But, according to recent research, a bunch of boomers is bristling for another reason. A quarter of Australia's 5 million baby boomers are part of an influential breed known as the new economic order, or NEO. These 1.3 million NEOboomers outperform, outrank and outspend the younger generations by a ratio of two to one.

Characterised by their determination never to retire and by their progressive social values, these NEOboomers vote governments in and out, are more confident about the economy (yes, even in these times of financial crisis), are less interested in religion and spend more than anyone else in the economy.

Using Roy Morgan Research data from 50,000 respondents across the country, the Social Intelligence Lab has found that NEOboomers are reshaping our notions of Australians in their 50s and 60s.

For example, almost all of them, 95% to be exact, are in what is known as the "big spender" category - that's the top third of discretionary spenders in the economy.

This compares with only 40% of the younger generations, those parsimonious gen Xs and gen Ys who are supposed to be a marketer's dream.

Just how much myth-busting can the youngsters bear? They talk constantly about being better educated than their parents. Sorry! Almost half of NEOboomers have university degrees, compared with only a quarter of gen Xs and Ys combined. And then there's the endless chat about how much they earn. Forty-nine per cent of NEOboomers earn more than \$100,000 a year, compared with only 23% of gen Xs and Ys.

What about the "R" word (that's retirement, not recession)? Only 8% of NEOboomers are retired. That means 92% are happily working and planning their next career. Compare that with the 19% of the population who have retired, and the stereotype starts to wilt.

Hold the phone. The mobile phone, that is. How sick are we of hearing about young people and their mobile phones?

A higher proportion of NEOboomers own mobile phones than do gen Xs and Ys. NEOboomers are three times more likely than the general population and twice as likely as gen X and gen Y to spend up big on their mobile phones: that is, spend more than \$160 a month.

So it is that these NEOboomers are redefining the age cliches. Even the stereotype of the balding bloke buying a sports car as part of his mid-life crisis is exploding. The Mini Cooper and the Audi are on the NEOboomer must-buy list, not the Porsche or the Ferrari.

Then there's the issue of climate change. These are the people who were talking about global warming when Al Gore was just a politician. That's why two-thirds of NEOboomers are considering buying an environmentally sensitive hybrid vehicle as their next car. Compare this with fewer than half of all gens X and Y.

When it comes to banking, the NEOboomers prefer NAB - 43% ahead of the general population and 48% ahead of gens X and Y - followed by Westpac, ANZ and Commonwealth bringing up the rear.

But it's in their social attitudes and behaviour that the NEOboomers really stand out. They love the arts and prefer Australian Rules football to any other code. The Melbourne Demons, St Kilda and the Sydney Swans are their favourite teams, while the younger age segments prefer North Melbourne.

They are far more socially progressive than gen X and Y and look forward to an "exciting life" rather than a "secure life".

So, next time you hear someone rattling on about how gen Y rules the airwaves and the workplace, just whisper *NEOboomer* and move on.

And, as for traditional marketers: perhaps the time has arrived to take an evidence-based approach to the world of the consumer rather than just being dazzled by the latest shiny object.

Ross Honeywill is a consumer behaviourist and chief executive of consumer think tank the Social Intelligence Lab. He is an internationally published author whose latest book is *Lamarck's Evolution: Two Centuries of Genius and Jealousy*