

GENERATIONAL DIFFERENCES IN SPENDING

Amiksha Srivastava^{#1}, Rashi Khare^{#2}, Singye Kalon^{#3}, Dr. Sharmiladevi J.C^{#4}

1, 2&33rd year BBA Students, Symbiosis Centre for Management Studies, Symbiosis International University, Viman Nagar, Pune

4Assistant Professor, Symbiosis Centre for Management Studies, Symbiosis International University, Viman Nagar, Pune

Abstract

In today's world, the Baby Boomers and Generation Z exhibit their unique characters in all spheres of life. This paper looks into the details of the spending habits of these two generations. A primary study is conducted with structured questionnaire among young students and the results of the study are discussed in this paper. Our research results indicate that millennials spend more towards shopping and recreation and leisure activities which is contrary to the previous generations.

Introduction

From Baby Boomers to Generation Z, each generation has its own defining political and cultural traits that have characterized their coming-of-age and shopping habits. As of now, there are four major generational demographics that economists have recognized as distinct markets: Baby Boomers, Gen X, Gen Y (more popularly known as Millennials,) and Gen Z—each of which is unique in their perspectives on marketing tactics and purchasing preferences.

Every generation has something that defines them. Whether it's the historical events that influenced their worldview, the technology that blew their minds, or the types of jobs they held in early adulthood; it seems every generation has something that feels uniquely *theirs*. In the age of digital marketing, the ways that each demographic spends their money has become yet another major characteristic that distinguishes generations from each other. But while contention between Baby Boomers and Millennials has repeatedly been the center of the intergenerational debate about finances, Gen X and Gen Z have pretty much been on the sidelines when it comes to identifying spending habits.

When it comes to money, there are many areas where these generations unite *against* the Millennial demographic between them. For example, both Gen X and Gen Z have been described as being risk-averse and cautious when it comes to decision making, due to having lived through tough economic situations. (Remember Adult Gen Xers *and* their Gen Z children felt the financial crash of the late 2000s.) This is quite different from Millennials, who have been widely regarded as outspoken and daring. But even though Gen Xers have certainly had a strong influence on the financial attitudes of their Gen Z kids, there are still some significant contrasts in their spending habits across the board.

If retailers want to make their products available to each generation in the best way possible, they need to adapt their brand experience in a way that accommodates all the options that these groups rely on. Our report helps identify these differences and contrasts in spending between the generations, enabling marketers to understand their target audience (demographically categorized into generations) and cater to their needs and requirements.

Research Problem

Defining a research problem is the fuel that drives the scientific process, and is the foundation of any research method and experimental design, from true experiment to case study. A research problem can be simply defined as the statements that identify the problem or situation to be studied. (BBA Mantra, n.d.). In this research Paper we are analyzing the differences in spending habits in different generations.

Research Objective

Research objectives describe what we expect to achieve by a project. Research objectives may be linked with a hypothesis or used as a statement of purpose in a study that does not have a hypothesis. Our research objectives are:

- Understanding spending and saving habits across various generations
- Analyzing different dimensions of spending and saving.
- Identifying influencing factors that play a role in decision making.
- Giving direction to marketers towards attracting various generations of potential customers for their products and services.

Research Design

In our project we undertake 4 Generations* for research purposes, namely:

- Baby Boomers (1946 - 1964)
- Generation X/ Baby Bust (1965 - 1980)
- Generation Y/Millennials (1981 - 1995)
- Generation Z/Post- Millennials/Plurals/Homeland generation (1996 - present)

*range is based on secondary data and may vary according to source

- Gifting
- Vacation

7. How many times in a week do you go shopping ?

- Don't shop every week
- Once or twice in a week
- 3-4 times in a week
- More than 4 times in a week

8 . Why do you usually go shopping?

- Because I need things (based on requirement)
- For personal satisfaction (I like shopping)
- No particular reason

9 . Do you save any part of your earnings? *

- Yes
- No

10 . If yes (for previous question), how do you save?

- Investments
- Deposit in bank account
- Restricting budget
- Other:

11 .What portion of your earnings do you generally try to save?

- Less than 10%
- 10-30%
- 30-50%
- More than 50%

12 . Do you put money aside regularly for contingency purposes? *

- Yes
- No

13. Do you compare the cost of goods before purchasing? *

- Yes
- No

14. Do you look for deals/offers prior to purchase? *

- Yes
- No

15. When budgeting, do you often overestimate your purchases to ensure you have enough leftover? *

- Yes
- No

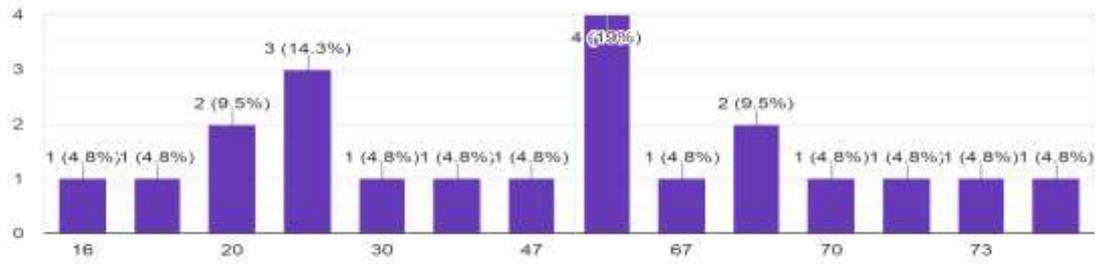
16. If yes/no to previous question, why?

Ans :

DEMOGRAPHIC_DATA_COLLATED

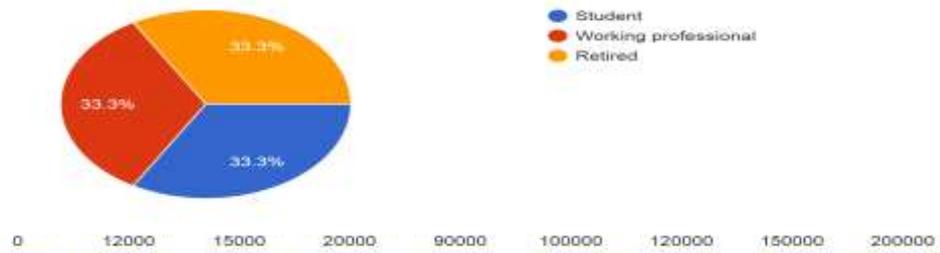
Age

21 responses



Occupation

21 responses

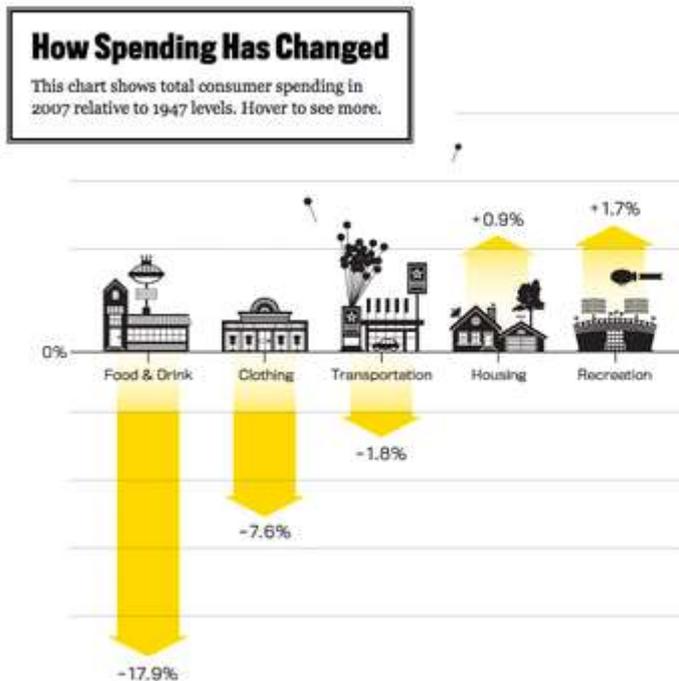


Gender

21 responses



Prices are People



Economist Stephen Rose, [writing](#) for The Atlantic, surveyed that same half-century period between 1947 and 2007. But instead of looking at people, he looked at prices. It's the same story. Rose reports that spending on items that could be manufactured or produced globally -- food/drink and clothing -- fell the most. But the categories with the largest employment gains in the graph above -- education and health care -- also saw the largest gains in consumer spending in the graph below. Whether spending followed our employment, or employment followed our spending, both have moved in the same direction -- away from appliances and food toward local specialized services.

There is more to prices than employment figures, of course. Productivity and technology matter. Scarcity matters. Demand matters. But labor is such an important cost that at the broadest level, it can appear almost determinative.

How Consumer Spending Varies by Generation*

*all data is according to US and global averages, not only Indian

The following breaks down some (but not all) major spending areas as defined in the data, along with some differences between generations

Food

When it comes to food – which includes food both at home and away from home – it's Millennials (born 1981 and later) who dedicate the largest share of their expenditures.

There aren't large differences among generations, but Millennials allocate 13.5% of their expenditures to food, compared to 12.9% for adults overall.

However, as a result of their large incomes and expenditures, it's Gen Xers who spent the most on food last year in dollar terms. This cohort averaged \$9,407 spent on food, with Baby Boomers the next-highest spenders (\$7,802), followed by Millennials (\$6,903).

Looking specifically at food away from home, the trends largely stay the same. Spend share is highest for Millennials, who devote 6.3% of their expenditures to food away from home. That compares with 5.8% for the next cohort, Gen Xers, and to 5.6% for adults overall.

In dollar spend, it's Gen Xers leading the way on spending on food away from the home, with an average of \$4,229. Baby Boomers (\$3,245) and Millennials (\$3,223) are virtually tied.

If you're keeping count, that means that Gen Xers spend an average of around \$350 per month on food away from home, compared to around \$270 for Millennials and Baby Boomers.

Alcoholic Beverages

The variances among generations are mostly minor, but it's Millennials leading the way again, devoting 1% of their annual expenditures to alcoholic beverages (versus 0.9% for the population average).

Gen Xers are tops in dollar spend on alcohol, at an average of \$633 per year, ahead of Baby Boomers (\$595) and Millennials (\$521).

Housing

The housing category includes shelter (owned dwellings, in turn including mortgages, taxes, insurance and other expenses), rented dwellings, other lodging, utilities, household operations, household supplies, and household furnishings and equipment.

In terms of the overall category, housing hogs the biggest budgets for the Greatest Generation, born earlier than 1927. These adults allocate a staggering 48.3% share of their annual spending to housing.

Next on the list are Millennials, who devote more than one-third (35.7%) of their expenditure to housing. The biggest spenders in dollar terms are again Gen Xers (\$23,721 annually) as a result of their higher income and spend.

Apparel and Services

While their average spending (\$1,908) is again outpaced by Gen Xers (\$2,336), Millennials devote the largest share of their expenditures (3.7%) to apparel and services, with Gen Xers (3.2%) next.

There appears to be a strong correlation with age, with spend share for apparel and services declining alongside increasing age.

As regards footwear, it's a similar story with Gen Xers leading the way in dollar terms (\$500) and Millennials in spend share (0.8%).

Transportation

Millennials spent 16.8% of their expenditures last year on transportation, per the data, slightly ahead of Gen Xers (16.1%) and Baby Boomers (15.9%).

Somewhat surprisingly, those patterns didn't always hold true when sorting by transportation type. Millennials, Gen Xers and Baby Boomers each allocated an equal share (1.2%) of their spending to public transportation and transportation other than vehicle purchases. And while there's been plenty of talk about youth and their impact on the auto industry, Millennials last year spent a larger share of their total annual expenditures on vehicle purchases (7.5%) than any other generation. Of course, this was due to their income and spending being smaller, as Gen Xers spent far more on average for vehicle purchases (\$5,165) than Millennials (\$3,825).

Healthcare

Here's one area where Millennials aren't the heaviest spenders. Instead, spending on healthcare logically increases with age, though there's a slight drop-off after the Silent generation (born 1928-1945). Silents allocated the largest share of their spending (14.8%) to healthcare and also spent the most on a dollar basis (\$6,619) last year. By comparison, Millennials spend a far smaller share of their expenditures (5.8%) on healthcare, and the smallest amount of any generation (\$2,894).

Entertainment

This category encompasses the following sub-categories: Fees & admissions; Audio and visual equipment and services; Pets, toys, hobbies and playground equipment; and Other entertainment supplies and services.

Gen Xers are the largest spenders on entertainment, allocating 5.8% of their spending, or \$4,194 annually. Baby Boomers are the next-largest spenders, at 5.4% of expenditures and \$3,425 on average.

The gap between Gen Xers and others is particularly acute for the Fees and admissions subcategory. Gen Xers splurge here, spending 1.6% of their expenditures, far above Millennials and Baby Boomers, at 1.1% each. In dollar terms, the \$1,144 spent by Gen Xers is considerably higher than the \$680 spent annually by Baby Boomers and is about twice the \$579 spent by Millennials.

Personal Care Products and Services

Finally, how about personal care?

Spend share is actually highest in this category for the Silent generation, which devoted 1.4% of its spending to personal care products and services last year.

Gen Xers (1.3%) were next, followed by Millennials and Baby Boomers (1.2% each).

Dollar spending on personal care products and services was highest for Gen Xers (\$970), followed by Baby Boomers (\$767), while Millennials spent \$616 on average.

These and other spending data and categories can be viewed in the above chart (click to expand).

Analysis and interpretation *(w.r.t questionnaire responses and secondary sources)*

The Boomer generation is just too stressed for shopping trips, as Colloquy reports that at a 27 percent response rate, Boomers were the least likely to agree with the statement "I think shopping is a great way to relax" when compared to all other generational groups.

They also scored well below Millennials in terms of browsing with only 37 percent of Boomers reporting that they would be likely or willing to explore a store for new products.

The Baby Boomer's aversion to browsing is understandable; with a greater amount of disposable income than all other generations, Baby Boomers also have the spending power to make purchases without necessarily hunting down for bargains in-store, which is a greater characteristic of Millennials and Gen Z. However, Boomers are very comfortable browsing and shopping online with 85 percent of surveyed Boomers reporting that they research products on their web browsers. In a surprising finding by Immersion Active, Boomers aren't opposed to taking a leap of faith to purchase products online either as 66 percent of Boomers reportedly make regular purchases via web devices.

Although they regularly make purchases online, Baby Boomers by far prefer the personal engagement of traditional stores when making actual purchases. At 84 percent, Boomers were highest amongst all survey groups in expressing their preference to shop in-store, and 67 percent report that if an item they want is available online or in a nearby store, they prefer to purchase it at their local retailer rather than order online. The root of Boomers' brick-and-mortar preference is tied to their high expectations of customer service. According to a LoyaltyOne survey on generational consumer habits, Boomers were the most likely demographic to take their business away from retail chains following a subpar exchange with one of their sales associates.

Boomers place immense value in brands based on their interactions with sales associates, and retailers can capitalize on this by offering the experience through digital channels. Social web store features and clienteling apps have become vital tools in engaging the Boomer generation and catering to their reliance on associates' recommendations. When it comes to social influence, Boomers are more selective on what sources they trust for brand recommendations. Although 82 percent of Baby Boomers are on social media, they are still unlikely to use the platform as an influence on their shopping habits, and only 12 percent of Boomers say they look to friends and family for advice on their purchases. Instead, Boomers are twice as likely as Millennials to have their interest sparked by the reported popularity of a brand when purchasing a new or unfamiliar product. This suggests that brands with bold and consistent omnichannel engagement are likely to perform better among the Boomer demographic due to their suggested popularity.

Sandwiched between the Boomers and Millennials, Gen X is often referred to the "middle child" generation due to its reputation of often being forgotten by marketing specialists. Because of this, there is little market research into their spending habits compared to those of Boomers and Millennials. This comes as a shock when the spending power of this generation can't be ignored: Gen Xers

produce 31 percent of total US income despite representing a mere 25 percent of the population.

One of the greatest obstacles in the marketing approach to Gen Xers is that they tend to shop more conservatively than other generations. They're more sceptical about marketing tactics, which means they won't be won with flashy advertising but with practicality and proof of performance. To avoid regretting their expenditures, Xers won't purchase a product until they've researched it thoroughly, which is why they make extensive use of search engines, online reviews, and social media networks before making a purchase. That being said, having any doubts about product performance will easily dissuade them from their buying journey.

Gen X prefers honest explanations of product usage and trusts clienteling techniques that cater to their own habits. When marketing to Gen Xers, it's critical to make products and services especially visible and accessible online by using SEO strategies to optimize their research and an active social media presence to demonstrate a personable and authentic brand image. Digitally, email is one of best channels for reaching out to this generation. Gen Xers check emails on a regular basis and are more likely to respond well to personalized offers based on their previous purchases. Like Baby Boomers, Xers also rely on quality customer service for brand loyalty as they see store associates as people who can relate to them on a consumer level and relay the best options for their purchases without an upsell.

Whether for social media, research, or purchases, Millennials use web devices in nearly every aspect of their life, even while shopping in stores. 68 percent of Millennials demand the convenience of omnichannel accessibility during their shopping journey, which means having an integrated experience that can effortlessly transition their consumer data from their smartphone, to laptop, to local store, and back again.

Millennials are so omnivorous in their point-of-sales that as a generational demographic, they're the most likely to make use of every avenue of purchasing available to them. In fact, younger Millennials (aged 20-23) on the cusp of Gen Z are more likely to shop in a brick and mortar store when compared to older Millennials (aged 32-35,) who are the most likely within the group to buy via mobile. And overall, when Millennials shop for something both online and in a store, they are much more likely to make a purchase in a store than they are online. But while the myriad of online stores and buying options today have offered Millennials the ability to be more selective with their purchases, the options can get overwhelming as Millennials actually tend to prefer browsing for products across brands rather than settling on an option and purchasing it.

Seeing shopping as a social event is another trait that strongly characterizes the Millennial market and sets it apart from older generations. In stark contrast to Baby Boomers, research shows

that Millennials enjoy shopping and see it as fun and relaxing activity to be shared with friends and family. According to Gen Buy, the grand majority of Millennials report that they shop with other people at least half the time, and 60 percent consider advice from their friends when deciding what to buy.

Of course, the social consumer experience is not only limited to shopping mall excursions but social media as well: 68 percent of Millennials admit to being strongly influenced by social media posts while 84 percent say user-generated content has at least some influence on what they buy.

Retailers should recognize that social media is extremely important to Millennials in their purchasing journey because even though they value the opinions of family and friends, they seek out the experiences of other consumers above all. Not only do 90 percent of Millennials research product reviews online, most tend to rely on other consumers' reviews on retailers' sites over those of people they know. By taking advantage of all these forms of recommendations, it's no surprise that 82 percent of Millennials say word-of-mouth is a key influencer of their purchase decisions.

Like Gen X, Gen Y is also sceptical of overbearing marketing tactics. Millennials tend to reject retailers who constantly push products through messaging and instead prefer authentic interactions with sales associates who happen to also be consumers of their retailer's products. Millennials are also likely to interact with brands and retailers through social media sites such as Twitter and Facebook in order for their voices to be heard.

Gen Z is the generation of digital natives that can't remember a time before Internet, and as such, the platform has become the foundation of their buying process. Gen Z uses their plethora of Google resources to compare prices, styles, availability, and ratings of products to make the most educated purchase possible. Being savvy with price-checking tools also makes Gen Z more selective when making big expenditures with many often buying products only when they're on sale or even delaying gratification by waiting for newer products to become available.

While much of their research is digital, Gen Z still enjoys visiting stores as a social excursion in the same way Millennials do. In fact, 84 percent of Gen Zers intentionally structure their shopping trips a social activity and wait to accumulate a solid list of wants and needs before visiting stores with friends. Like Gen Y, Gen Z is also likely to contribute to consumer-generated content for brands by voicing their comments and concerns online and by seeking out interactions with brand representatives. As Sara Spivey, CMO of Bazaarvoice, says, "Companies should encourage Gen Zers to share photos and videos with their purchases, create polls and contests on social media and, most importantly, listen and respond to their feedback."

Catering to Gen Z's online expectations by providing consumer-generated content is crucial for retailers, because not only do these teens respond extremely well to word-of-mouth, but they actively participate in it as well. Spivey claims that 40 percent of Gen Zers give online reviews "very often," which in turn encourage others within their generation to purchase products. In this sense, Gen Z consumers sharing brand content on social media can easily be considered unofficial brand ambassadors. Despite being inundated with digital content, Gen Z still prefers to shop in-store versus online, but they crave a store that can keep up with their tech more than anything. Companies need to understand that technology drives Gen Z's shopping experience—an established social media presence should complement touchscreens in brick and mortar stores if retailers want to keep tech-savvy Gen Zers eager to interact with their brand.

Ironically, the instant gratification that Gen Z has become accustomed to through their digital habits isn't entirely sustainable from their web devices when it comes to shopping. "Two-thirds say they're comfortable shopping online but still prefer to shop in-store for the instant gratification of not having to wait for their orders to arrive," says Spivey. "The shopping trend of buying online and picking up in-store is quickly gaining traction with this group." Additional research shows that other wallet-friendly incentives, such as coupon offers ([all generations love coupons.](#)) are also a great way to bring Gen Zers in store.

Considering how Gen Z and Gen Y both still shop both online and offline, and reportedly more so than older generations, retailers need to prioritize enhancing both groups shopping experiences by appealing to their affinity for technology and perspective on shopping as a social enterprise. Offline, stores should promote a chic, tech-savvy, communal atmosphere. Online, retail sites should interact with and promote user-generated content to provide a seamless shopping experience across the average Gen Zer's many juggled web devices.

HOW THE INDIAN YOUTH PERCEIVES SPENDING

In 1973, Prakash Mehra's *Zanjeer* gave birth to a character that would rule the silver screen for years to come. And if the action drama captured the imagination of a starved-for-choice India with the *Angry Young Man*, *Deewar* two years later well and truly heralded the arrival of the antihero. The superstar who built his career on that image, Amitabh Bachchan, was lustily cheered by the Baby Boomer generation (those born between 1946 and 1964). Dialogue such as "Aaj mere paas bangla hai, property hai, bank balance hai, gaadi hai..." embodied their unrequited desire for all the good things money could buy — bungalows, real estate, cars. The only problem, of course, was that in pre-liberalisation, pre-EMI India, homes, property and automobiles — and, of course, banks and the balance — were not easy to find; and the typical middle-class characteristics — or rather virtues — were austerity, simplicity and job security.

Cut to 2016. Purnima Bali, 27, works at a digital advertising agency in Gurgaon. In her 20s, Bali is already into her fourth job, earns over Rs 10 lakh per annum and lives with her parents, who are from the *Deewar* generation. What makes Bali a hit among her peer group is her attitude towards life: "Mere paas bangla nahin hai, property bhi nahin hai aur na hi gaadi hai (I don't have a bungalow, property or a car)." What she does have is a healthy disregard for these symbols of status that the generations before her — after the Baby Boomers came Gen X, those born between 1965 and 1980 — craved for.

"We aren't in that time warp," says Bali, adding that she likes to spend on things that give her immediate gratification and experience. Take, for instance, domestic and foreign vacations, shopping and pursuing passions such as dance classes and martial arts. "I try to learn any form of art or skill that catches my fancy," she says, adding that she is set to fly to New Zealand next month, her second overseas vacation this year.

The Right Now Gen

Bali is a millennial, or Generation Y — those born between 1981 and 2000 — who swears by traits such as following one's passion, living to explore, short attention spans, unconventional thinking and being driven. With over 64% of India's population projected to be between 20 and 35 years by 2021, millennials are set to shape the economy of the country in terms of what, how and when they spend. Psychologists call them the "right now" generation.

"They look forward to experiences rather than acquisition," says Anna Chandy, practising counsellor and psychologist in Bengaluru. For them physical possession replaces title ownership, adds Chandy, chairperson of Live Love Laugh Foundation, a nonprofit organisation started by Bollywood actor Deepika Padukone.

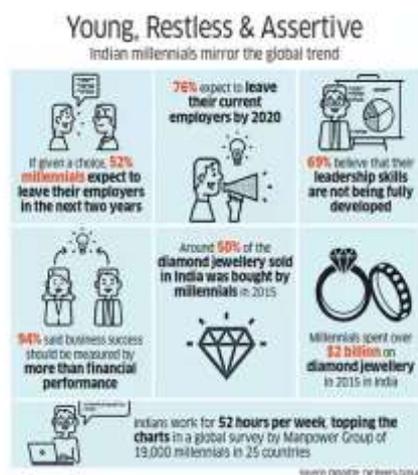
The Indian millennials' main focus, contends Chandy, is on travel and becoming an entrepreneur. Somewhere in their mindset, a home signifies restriction. They don't want or feel the need to waste their time on what they consider insignificant, she adds.

For Ayanangshu Lahiri, 28, buying a house is definitely not a priority. "Access is more important than ownership," says Lahiri, who works as a graphic designer. Into his third job, Lahiri lives in a rented accommodation with his wife in Bengaluru, owns a bike and draws an annual package of over Rs 8 lakh.

Ask him why he doesn't buy a house on the much touted "easy EMIs" and pays rent every month, and the millennial quickly counters: why spend money on something that doesn't add much value to life? "Leather jackets, rock music, cars and houses used to be status symbols during the '90s," he says derisively. "But these are not on my things to-achieve list." On his "to-achieve list" are expensive watches, riding gear, travel and pursuing his passion as a drummer. Though he does his best to avoid getting into an argument with his parents over his spending habits, Lahiri at times has to contend with "tonnes of lecturing".

His dad diligently reminds him on every payday to keep some money aside for investment in bank fixed deposits. Lahiri has other ideas. "I would have a fancy lifestyle now rather than live an entire life saving for the future," he grins, although he does let on that he saves a bit of his salary for the proverbial rainy day. Lahiri doesn't blame his parents for being concerned about his future. Reason: the mindset of millennials is radically different from preceding generations. Lahiri explains that if they appear a bit lazy about the future, it is simply because they are too busy with the present.

A Goldman Sachs study on American millennials in 2013 affirms the mindset. The must-haves for previous generations aren't as important for millennials. They are putting off major purchases — or avoiding them entirely, the report said. Take, for instance, cars. 30% of those surveyed said they don't intend to buy a car. In terms of hierarchy of needs, a house is important for 40%, but for 30% it's not a priority. And when it comes to luxury bags, 30% feel it's important but not a big priority. A result of this penchant to stay away from such asset binges is the arrival of The Renter Generation, which sees renting as the preferred option.



Deloitte's fifth annual survey of 7,700 millennials, including many in India, attests to the fact that millennials are restless and assertive. Given a choice, 52% millennials in India would like to leave their employers over the next two years, said the survey conducted early this year. The number jumps to 76% if there is an opportunity by 2020. While 69% believed that their leadership skills are not being fully developed, 94% said business success should be measured by more than financial performance.

Another study early this year highlighted an additional attribute of Indian millennials: their propensity to work hard. In fact, India's Gen Y works 52 hours per week, putting them at the top of the charts in a global survey of 19,000 millennials in 25 countries by Manpower Group.

They are working hard for a reason though — to make big-ticket purchases all right, but not the kinds their parents made. Consider: around 50% of the diamond jewellery sold in India was bought by millennials in 2015; millennials spent over \$2 billion on diamond

jewellery in India last year, according to Diamond Insight Report by De Beers Group.

Is this generation, in its zeal to live life to the fullest, throwing caution to the wind? Can overspending and not planning for the future prove to be its undoing?

Bali doesn't think so. While she understands the concerns of her parents about long-term stability, the trick is to tread the thin line between independence and flamboyance. "I tell my parents that I am not as myopic as I might seem," she says. "It's just about prioritising." Bali has got medical insurance and also saves a bit every month for any unforeseen financial emergency. She contends that while her parents believe in stability and equate the idea of happiness with financial well-being, she has a different take on the issue. "I don't want to settle for a life that is assessed in the future," she says, summing up what millennials are all about: the "Now Generation".

CONCLUSION

Since 'each generation has unique expectations, experiences, generational history, lifestyles, values, and demographics', marketing research should aim to improve understanding of the consumption behavior of each generation, particularly in terms of the consequences of purchasing behavior. For example, generations Y and Z are often described as being very difficult to retain because they need constant change. In the same vein, baby boomers have now acquired a great deal of experience; this suggests that they may be more difficult to attract and satisfy. Word-of-mouth should be more effective with the hyper-connected generation Y, despite their complex loyalty behavior. A better understanding of each generation's satisfaction and loyalty behavior is therefore paramount. Similarly, how can we generate nostalgia in each generation, and at what point does it become desirable to play on nostalgia? In addition, even if the members of the same generation have experienced the same events, they may interpret them in different ways, so that generations are not homogenous. This means that future studies should focus on establishing typologies of consumers in each generation and highlight the main differences that characterize each cohort.

Additionally, a distinction between two close and sometimes confused concepts - age and generation - is imperative. Traditionally, age comes to mind first as a basis for marketing decisions. Indeed, brand and product managers often consider age as a way to segment the market — often along with other demographic factors such as gender, marital status, occupation, and household size. This perspective is both obvious and inescapable. It is *obvious* because human morphology, tastes, attitudes, perceptions, and lifestyles change significantly over a lifetime, leading to substantial changes in buying behaviors. Marketing specialists may then note that specific behaviors match specific age groups, and use this match for segmentation, targeting, and positioning. Age is also *inescapable* in marketing strategy, as it influences consumers' physical, psychological, sociological, and cultural features, thus making their relationships with products and brands wholly dependent on age.

These considerations have led both professional and academic marketing specialists to consider age an expected segmentation criterion. Consequently, many companies focus on a single age group as their core target, while others, with more means or a more diverse strategy, will propose a specific marketing mix for each age group.

Generational cohorts' experiences, beliefs, core values, attitudes, and preferences shape their behaviors, and are liable to provide more in-depth profiles of segments and understanding of their buying decisions. Generational marketing consists of adapting goods/services and other components of the marketing-mix to a specific generation. From this perspective, companies may adopt a one-generation-specialization. *Senior marketing* is a good illustration of a particular form of generational marketing. Other companies prefer to adopt a strategy of *multi-generational marketing*. The idea here is to go beyond the unique needs of individuals belonging to the same generational group and to propose an offering liable to satisfy those of more than one generation.

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