

Millennial – or just young?

Brunswick’s ROB ALEXANDER challenges conventional wisdom on the next generation

MILLENNIALS ARE ONE OF THE MOST analyzed, researched and hyped demographic groups the world has seen. A 2015 Goldman Sachs report says they will “reshape the economy” for consumers and businesses for decades to come. Pew Research described them as “distinctive,” *Time Magazine* as “lazy, entitled narcissists.” Others have found them to be “constantly seeking purpose.”

But aren’t analysts confusing the age group with the generation? Hasn’t every young generation been accused of narcissism and idealism?

There are some concrete differences that separate Millennials – those born between 1980 and 2000 – from previous generations. They are the first true digital natives, for instance, connected, social and mobile, engaging with brands in new ways. A former Oxford University Fellow Karl Moore, writing for *Forbes*, tells businesses marketing to Millennials that they expect “a sense of satisfaction and a genuine feeling they are making the world a better place.” Quoted in *The Guardian*, Millennial Brian Chesky, founder of Airbnb says, “Access is becoming the new ownership ... our bling isn’t our house or our car, it is the theatre of Instagram and the experiences we are having in the world.”

Millennials are less likely to marry young: 26 percent of those aged 18 to 33, compared to 36 percent of Gen X and 48 percent of Baby Boomers (Pew Research Center); and they are less likely to own cars or houses. But while these seem like important defining characteristics, they may simply reflect changed economic circumstances.

Young adults in the US now are the first generation since World War II to have a lower average income in the 18-to-33 bracket than the preceding generation – \$61,003 in 2013, versus \$63,365 for Generation X in 1998 (adjusted for inflation), according to data from Pew. Average student debt for those under 30 in the US was about \$21,000 in 2012, the Federal Reserve reports, up over 60 percent from 2005. In the UK, graduating

students’ average debts are £44,000 (\$55,000), according to a 2016 report from The Sutton Trust, a foundation to combat inequality. Many Millennials couldn’t afford to buy cars or houses if they wanted to. (See “Mind the gap,” Page 11.)

Generations certainly carry some traits with them as they mature. Gen X, the so-called Slacker Generation, were seen as pessimistic, skeptical, disillusioned, unrooted and negative – a radical departure from the optimism and energy of their Baby Boomer parents. By now, however, they are in steady jobs, have bought houses and have started families. Rising divorce rates and being “latchkey” kids gave this generation resilience, independence and a healthy DIY mentality.

A 2015 report by software company Sage found that more than 55 percent of startups were created by Gen X-ers, even though they represent less than 40 percent of the workforce. Amazon, Google and Tesla are all business created by Generation X.

A similar outcome is likely for Millennials. Despite rapidly changing pressures, basic human needs and behavioral drivers remain. Odds are that as they grow older, they’ll pay down their debts and have families and perhaps even start wanting to buy a house or a car. Negative experiences will yield new traits in unpredictable ways, but by middle age and retirement, much of what made them different will have faded like an old pop song.

ROB ALEXANDER is a Partner in Brunswick’s London office, where he leads the firm’s Campaign Planning offer.

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