

Boomers & Millennials

Conquering the Great Divide.

How generational behavioral traits between Millennials and Boomers can affect the entire natural products industry.

by Andrew Rice & Jacqueline Rizo



Millennials & Boomers Shaping Our Workplace Future.

Today's workplace is vastly different from what it was just a few decades ago. Indeed, technology has played the biggest role in shaping today's offices: from the way we communicate with one another to the ever-growing list of distractions present on the job (hello, social media) to the rising trend of teleworking.

However, the majority of people who embody the workplace – the Millennials and Baby Boomers – have arguably played just as substantial a role in shaping it as well. Each generation has left its mark, and today's emerging trends are simply a byproduct of the cultural shift created by the modern-day workforce.

““We need to remember across generations that there is as much to learn as there is to teach.”

– Gloria Steinem

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Let's Work Together, It'll Be Alright.

The nutraceutical industry has seen plenty of changes over the past 5-10 years. The majority of these changes have occurred simply by the shift of behavioral traits between generations.

Brands, like people, are shaped by generational characteristics. For example, they differ in personality traits, brand equity and the ability to build and sustain trust. Understanding brands in the context of their generational influences can yield useful insights about how to establish and retain consumer relevance.

This white paper takes a deeper dive into two of the largest generations today: Baby Boomers and Millennials. Baby Boomers have always had an outsize presence compared with other generations. They peaked at 78.8 million in 1999 and remained the largest living adult generation until Millennials surpassed them in 2019.



Baby Boomers

Born 1946–1964

Optimistic, competitive, workaholic,
team-oriented

The Vietnam War, Civil Rights Movement, Watergate, President Kennedy's assassination, space exploration

Company loyalty, teamwork, duty

High social involvement, strong work ethic, willing to work long hours, exhibit loyalty and leadership in the workplace, desire job security, want to make a difference

Whatever is most efficient, including phone calls and face to face

Achievement comes after paying one's dues; sacrifice for success

Provide them with specific goals and deadlines, put them in mentor roles



Millennials

Born 1981–2000

Competitive, civic-minded, open-minded on diversity, achievement-oriented

Columbine, 9/11, the internet, social media, 2008 Recession, Y2K, Video Games

Responsibility, the quality of their manager, unique work experiences

Multi-taskers, work to live, socially responsible, interest in spirituality, expect and celebrate diversity, confident; believe they are ready now for more responsibility, like to work in teams, technology is an integral part of who they are, delayed adulthood, want and expect praise

IMs, texts, email and social media

Seeking challenge, growth, and development; a fun work life and work-life balance; likely to leave an organization unwilling to listen to change

Get to know them personally, manage by results, be flexible on their schedule and work assignments, offer coaching-style feedback

Shaped by:

Motivated by:

Values:

Communication Style:

Worldview:

Employers Should:

Differences between Millennials & Boomers

(Reference: Gallup "How Millennials Want to Work and Live")

In nearly every corner of the U.S., business executives, community and civic leaders, marketers and managers are talking about Millennials and their behaviors, attitudes and beliefs. They want to understand how this generation is similar to and how they differ from their predecessors, as well as how to apply this knowledge to create more engaged employees and consumers and healthier, happier citizens.

Why does any of this matter? Because the strength of the workplace and marketplace depend on what the Millennial generation can accomplish. If Millennials cannot find good jobs, the economy will continue to lag. If they are not engaged in those jobs, companies' profitability, productivity and innovation will suffer. And if they are not thriving in their well-being, they will struggle in life, affecting how they perform as citizens, consumers and employees.



Saying Goodbye to "An Honest Day's Pay for an Honest Day's Work"



1. Millennials don't just want a paycheck, they want a purpose.

Back in the old days, Baby Boomers didn't necessarily need meaning in their jobs. They wanted a paycheck – their mission and purpose were 100% on their families and communities. For Millennials, compensation is important and must be fair, but it's no longer the driver. The emphasis for this generation has switched from paycheck to purpose – and so must company culture.



2. Millennials are not pursuing job satisfaction, they are pursuing development.

Giving out toys and entitlements is a leadership mistake, and worse, it's condescending. Most Millennials don't care about the bells and whistles found in many workplaces today – the Ping-Pong tables, fancy latte machines and free food that companies offer to try to create job satisfaction. Purpose and development drive this generation.



3. Millennials don't want bosses, they want coaches.

The role of the old-style boss is command and control. Millennials care about having managers who can coach them, who value them as both people and employees and who help them understand and build their strengths.



4. Millennials don't want annual reviews, they want ongoing conversations.

The way Millennials communicate – texting, tweeting, Skype, etc. is in real-time and continuous. This dramatically affects the workplace because Millennials are accustomed to constant communication and feedback. Annual reviews no longer work.



5. Millennials don't want to fix their weaknesses, they want to develop their strengths.

Organizations shouldn't ignore weaknesses, rather, they should minimize weaknesses and maximize strengths. To attract and keep star employees, a strength-based culture needs to be established.




6. For Millennials, it is not just a job, but it is their life.

More so than ever in the history of corporate culture, employees are asking, "Does this organization value my strengths and my contribution? Does this organization give me the chance to do what I do best every day?" Because for Millennials, a job is no longer just a job – it's their life as well.

Top 10 Brands They Would be Proudest to Work for:

Millennials		Adults 35+	
			
			
			
			
			



"Companies need to create and execute integrated talent and learning strategies to invest in, engage, retain and develop their workforce in innovative ways. It's that simple. Though in practice, it's much more complicated."

- Michael McGowan, BPI Group

The BIG Shift:

When Consumers Change, Sales & Marketing Follow Pursuit

Millennials have surpassed Baby Boomers as the nation's largest living adult generation, according to population estimates from the U.S. Census Bureau. So what does that mean for the dietary supplement industry? Simply put - it means Millennials are rewriting the rules.

They no longer look at dietary supplements in the same way as their Boomer parents. They prefer food forms and delivery rather than swallowing a handful of horse pills. They interact in the nutrition space with interests revolving around convenience, personalization and innovation in deliver formats of nutrients like gummies, stick pack and fast melts.

Millennial women drive online vitamin sales by creating eye-catching images of vitamins on social media channels like Instagram. This generation is in health and wellness for the long haul and ought to be considered a main target for companies to consider.

Goldman Sachs explains why, "For Millennials, wellness is a daily, active pursuit. They're exercising more, eating smarter and smoking less than previous generations. They're using apps to track training data and online information to find the healthiest foods. And this is one space where they're willing to spend money on compelling brands."





Millennials as Consumers



Socially conscious and receptive to brands that fit the bill



Product research and brand awareness is found online



Research before considering deals and price tag



More active on social media than the generations before them



Prefer shopping at outlets that consistently sell low-priced goods



Reviews are important when purchasing any product



Social media influences their buying patterns



Value influences their purchasing choice more than convenience



Demand solid products

Boomers as Consumers



Prefer shopping in physical stores over online



Affluent generation



Prefer personal engagement



Influenced by social media, especially on Facebook



Not opposed to taking a leap of faith when purchasing products



Place immense value in brands based on interactions with sales associates



Technologically adaptable



High expectation of customer service

Looking beyond the idea of personal well-being, this new generation of conscious consumers are thinking about how the decisions they make are impacting the wider world, especially when it comes to the businesses they engage with.

Consumers are demanding that brands demonstrate real engagement with sustainability, and they are driving the idea of purpose over (or at least alongside) profit and the philosophy that wellness brands should “practice what they preach.”

Boomers are more selective on what sources they trust for brand recommendations. Although 82 percent of Baby Boomers are on social media, only 12 percent 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.

66%

of consumers are willing to pay more for products and services that come from companies committed to positive social and environmental impact – proving that it pays to put your brand’s money where its heart is.



Accenture estimates that Millennials' purchasing power will reach **\$1.4 trillion in 2020**

— a figure that will likely rise throughout their collective career development. Taken together, these figures could explain why marketers and salespeople are so eager to appeal to them.

Jack of all Trades, Master of None

– Ever hear the expression, “jack of all trades, master of none?” It essentially means that a generalist can do everything decently, while a specialist does one thing extremely well. The same holds true whether a brand jumps into the market space as a niche brand or broad brand.

What exactly is a niche market?

A niche market is a segment of a larger market that can be defined by its own unique needs, preferences, or identity that makes it different from the market at large. Niche markets became popular with the Millennial generation. Unlike Boomers, this generation isn't too keen on broad brand companies.

In contrast, a broad brand sells into the largest part of the market, where there are many similar products to offer (Walmart, Target, Amazon, Gap, etc.).

Niche Market



Pros

Cons

Less competition

Risk of over dependence on a single product or market

Well-loved for acknowledging a small group and/or problem

Likely to attract competition if successful

Loyal customers spread brand awareness

Lesser known

Appreciated for brand's uniqueness

Appeal only to a much narrower set of people

Effective advertising b/c ads can be more targeted

Vulnerable to market changes – all “eggs in one basket”

Typically lower revenue but are highly profitable

Limited growth

Can charge a premium – customers will pay for expertise

Competition can be ruthless

Builds on specialist skill and knowledge = market expertise

Almost everything these businesses do in the brand to consumer channel is more effective and less expensive for the brand.

Broad Band Market



Pros

Cons

High brand recognition

Not particularly well-liked.

Customers form the majority of the market

Have to guard from manipulation tactics

Customers needs and wants are more general

Manipulation can lead to short-term gains.

Associated with higher production output and capacity

Typically larger percentage of poor customer experience

Lower operation cost with heavier promotion/distribution

High revenue numbers, margins might be lower

“Over time, manipulations tend to get expensive – marketers must keep coming up with bigger and better manipulations sometimes at the expense of profits and always at the sacrifice of developing loyal relationships with customers.”

– Simon Sinek, “Start with Why”



The Evolution of Product Launches

The first days of any new product launch are crucial. Just when brands were starting to get a handle on how to sell their products and services, the Millennial generation arrives throwing off the entire system. If a brand is ignoring the Millennial consumer, they might as well put a for sale sign on their door. To make launches even more difficult, brands can not simply sell products to Millennials. This generation is one of the most educated in history and can quickly see through traditional marketing schemes and ad pitches.

Then



TV/Radio



Press Releases



Events /Trade shows



Billboards



Relational



Transparency



Influencers

Now



Social Savvy



Digital Heavy



Loyalty /Rewards



Mobile First

There are Lessons to be Learned from Boomers and Millennials

As the nutraceutical industry continues to evolve, there are a handful of lessons brands can learn from both generations.

The Baby Boomer generation has been able to observe how things play out over time. They know the value of patience and kindness, and how to bring out the best in people. Decades of experience has provided this generation a trove of information.

It's critical that the Millennial generation not overlook this tremendous resource that is right in front of them. As Americans enjoy better health, living longer and many more productive years, the Boomers have a great deal to offer.

Boomers need not to overlook this first generation to be raised with online media. Digital natives quickly adopt new technologies, then adapt them to their lifestyles. They have a need for continuous feedback and have only known online transparency. With this responsibility must come an understanding of appropriate uses and how too much information can negatively affect a company's brand. It would benefit brands today to find a middle ground between how Boomers communicate online and how Millennials do so online.

"Relationships are more like muscles – the more you work them, the stronger they become."

– Kieth Ferrazzi



The ability to connect with people on a personal level and build social aptitude is even more important today. This is a once-in-a-century opportunity when these and other demographics will work together to create the most innovative market space we've potentially ever seen; the amazing thing is that everyone will be included.

The sooner we capitalize on the benefits of this unique value proposition - the better.





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them ward off unprecedented winter forces.

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Ear Nose & Throat

Immune Health

Upper Respiratory

Adults & Children