

FINDING THE X FACTOR:

The Power of Gen X for Brands

A whitepaper from F→B LDN





EXECUTIVE SUMMARY

In the Wild West of consumer demographics, Generation X emerges as a pioneering group that has and continues to play a critical role in shaping market trends and influencing purchasing behaviours.

The bridge between two massive and more vocal cohorts, Boomers and Millennials, Gen X has ever-so-quietly forged its path, leaving an indelible mark on the cultural and consumer landscape.

But while the cohort may be noteworthy, it's also one that is curiously invisible to many - and to brand advertisers in particular.

In this whitepaper, we aim to shed light on the nuances of Xers, exploring the factors that make those people aged between 44 and 59 years old a powerful force in the market today. We also serve up insights for marketers seeking to unlock the untapped potential of this discerning demographic.

DEFINE GENERATION X

Taking its name from Billy Idol's late 1970s punk band, Generation X was the first age cohort not to have a more immediately understood moniker, unlike their predecessors, the Baby Boomers, the Silent Generation and the Greatest Generation. Until that is, people came to embrace the fact that the "X" actually refers to an unknown variable, something that just can't be defined.

Later rebranded and re-launched, as it were, to the world via Douglas Coupland's seminal 1991 book, 'Generation X - Tales for an Accelerated Culture', those born between the early 1960s and late 1970s have since navigated a transformative era marked by social upheavals and major geopolitical transitions. AKA the Lost, the Unsung, the Forgotten or the Slacker Generation, Xers were influenced by the tumultuous political landscape of Thatcherism, the end of the Cold War, the beginning of the AIDS crisis and the dismantling of apartheid, developing a distinct worldview in the process.

Simultaneously, the advent of groundbreaking technological advancements, such as the rise of the democratising internet and the revolutionary launch of PCs, defined their new, powerful and ongoing relationship with information and communication.

In cultural terms, Gen X witnessed the rebellious spirit of punk rock and the emergence of electronic dance music in the 1980s, followed by the raw authenticity of grunge culture in the early 1990s. Meanwhile, as products of free-range parenting, increasing divorce rates, and mothers' growing participation in the workforce, Xer's home lives were suddenly and significantly different from previous generations. Returning home from school to empty houses, responsible for letting themselves in, these so-called 'Latchkey Kids' developed a newly found sense of independence, resilience, and adaptability, learning to navigate and manage their time alone and fostering self-sufficiency that would later become characteristic of the cohort's identity.

A generation with a nuanced, multifaceted identity and mindset, evidently so distinct from their parents, the older Boomers or younger members of the Silent Generation, Xers clearly merit a closer examination by researchers and marketers alike. And yet, as media agency Wavemaker has said, that focus is conspicuous by its absence:

WHILE GEN XERS MAKE UP ABOUT A THIRD OF THE GLOBAL POPULATION TOTAL AND ACCOUNT FOR MORE THAN A QUARTER OF GLOBAL SPENDING, ASTONISHINGLY JUST 4% OF THE ADVERTISING INDUSTRY'S RESEARCH INTO DIFFERENT GENERATIONS INCLUDES GEN X.



LOST, FORGOTTEN & *misunderstood*

Today, Gen Xers account for almost half of OECD country leaders. At the same time, according to the latest population data available, they are now the UK's second-largest demographic group after Millennials (unlike in some countries such as the US, where they still lag behind Gen Y and Boomers). And yet, the cohort is undeniably overshadowed and overlooked in cultural terms despite having created indie music, revived the UK art scene, and invented a large portion of the modern internet.

Society and the media's general attitude to Gen X is unsurprisingly entirely reflected within marketing: Three years ago, looking at coverage across Marketing Week and Campaign, we found that Gen X was mentioned six times less often than Gen Y.

Adding coverage of our industry's current obsession, Gen Z, into the mix, our blind spot has almost doubled in size:

GEN X IS MENTIONED
11x less
THAN BOTH MILLENNIALS AND ZOOMERS TOGETHER

This neglect of Xers as a target audience of interest is not merely an oversight but a significant missed opportunity with far-reaching consequences. Marketers, often fixated on the louder-mouthed Baby Boomer and Millennial demographics and the more future-leaning Gen Z, risk ignoring a demographic with considerable sway in purchasing power and influence. Importantly, the consequences of this oversight extend beyond immediate sales figures, touching upon long-term brand loyalty and market positioning.



Think of it this way: Generation X is at the peak of their earning potential and holds substantial disposable income. In the prime of their professional and personal lives, they are key decision-makers, making purchasing decisions that extend beyond immediate household needs, going on to influence a host of significant investments such as homes, education, and vehicles.

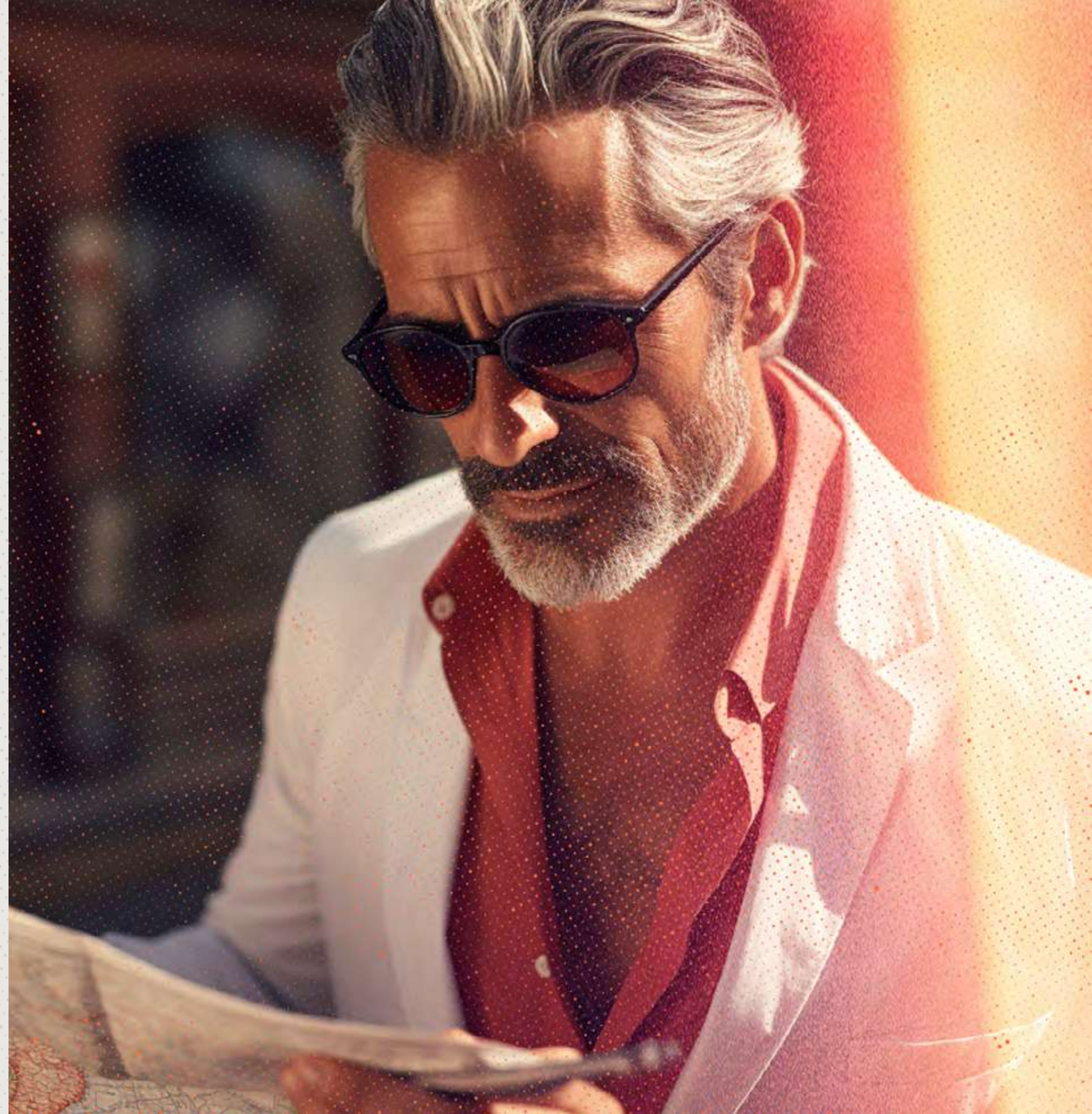
The oversight of Gen X is so much more than just a blind spot in marketing strategies; it is a strategic misstep that jeopardises both short-term gains and long-term brand sustainability. Recognising the untapped potential within this demographic is not just a matter of inclusivity but a pragmatic business decision that can shape the trajectory of brand success in the marketplace.

X MARKS THE SPOT

(but how do you get there?)

Ask Google what defines an Xer and what kind of consumer they are, and you'll be served reams of received wisdom. But with so little marketing research covering the generation, these truisms are, at worst, not actually true - or at best, wildly generic.

If marketers want to unlock the Gen X opportunity, we must debunk the myths, dispel the mistruths and look beyond the lazy stereotypes.

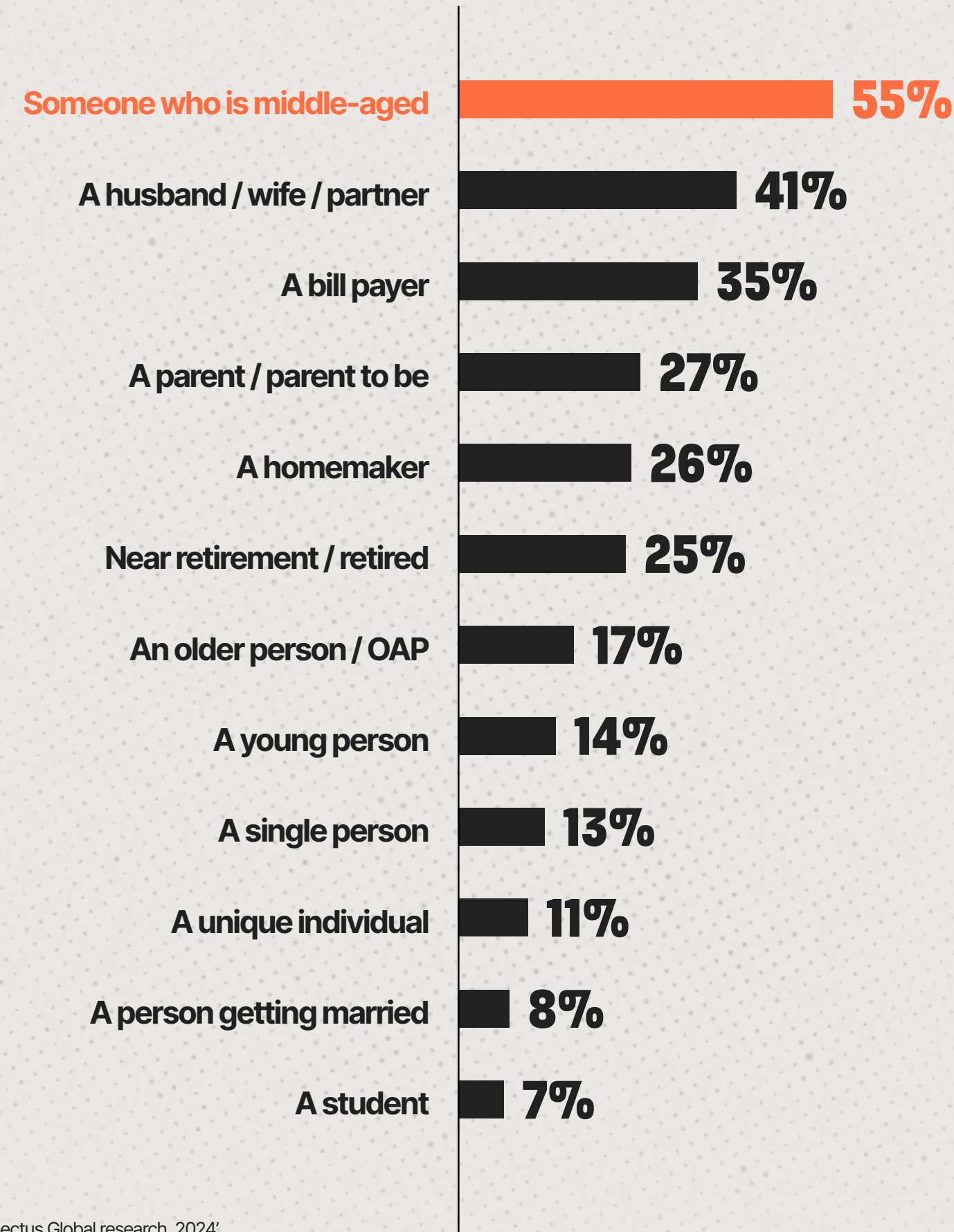


Myth 01: OTHER-FOCUSED

Yes, Gen X today tends to be responsible bill payers, family-focused, and committed to collective success at work, but so are many Millennials. We have this default view of Xers as comparatively selfless and relatively accepting of their stage in life. But it's overly simplistic. The truth is that Gen X crave more time for themselves. For example, nine out of ten Gen X workers believe work-life balance is essential and say excessive overtime is a relevant reason for quitting their jobs (this compares to 73% of full-time Millennial workers.)

Gen X Responses

WHICH OF THE FOLLOWING DO YOU THINK BRANDS HAVE IN MIND WHEN THEY ARE targeting someone of your age group, WETHER THIS IS ACCURATE OR NOT?



Source: CPB/Perspectus Global research, 2024

Too many brands believe that by acknowledging what they see as Gen X's unique familial responsibilities, they'll be rewarded with the cohort's attention - missing the point that we can both be and want to be seen as a parent, for example, while also wanting to be understood as the singular creatures we are. Indeed, in our survey, just 11% of Gen X say brands target them as a unique individual, while one in five Millennials and Gen Z respondents felt the same.

“FAMILY LIFE IS GREAT, BUT I LIKE TO FEEL THAT I HAVE MY OWN LIFE AS WELL. ALL THESE THINGS MAKE ME FEEL MORE IN CONTROL OF MY OWN LIFE”

David, 49, Aylesbury

Myth 02: ESTABLISHED, SECURE

Yes, Gen X indeed have greater disposable income and assets and, to some degree, are more settled than their younger counterparts. But they aren't 'settling down' in the traditional sense. In fact, Gen X-ers are a profoundly entrepreneurial generation - they own the greatest number of small businesses at 47% (far more than Millennials at 16% or Boomers at 37%), and their relative share is increasing.

Yes, the generation now enjoys a certain ease, a growing wisdom that only ageing brings. But at the same time, there's the continual lure of escapism (Xers have consistently had the highest rates of drug misuse deaths, for example), the raw appeal of an active lifestyle that will help defy the ageing process and a general belief in life-long learning that outpaces other generations.



Myth 03: PRICE CONSCIOUS

Yes, Gen Xers came of age during the recessions of the 70s, 80s, and early 90s, and yes, it's true that changes in the retail landscape, including the rise of discount stores, warehouse clubs, and online shopping, undoubtedly contribute to the cohort's reputation as financially pragmatic, best-deal shoppers. But are other generations really that different when it comes to price sensitivity?

Take Gen Y: Having entered the workforce during a challenging economic landscape characterised by high student loan debt, stagnant wages, and the aftermath of the 2008 financial crisis, many of the cohort have postponed traditional life milestones such as homeownership, marriage, and starting a family due to financial constraints.

These are all factors that make them at least as price-conscious in their spending habits, an insight born out by research from 2020 that found

**BABY BOOMERS, GEN X &
GEN Y EACH RANKED**

PRICE

**AS THE MOST IMPORTANT
MOTIVATOR FOR BRAND LOYALTY.**

(Indeed, other research suggests that Gen Z and younger Millennials are more price-sensitive than any other demographic.)

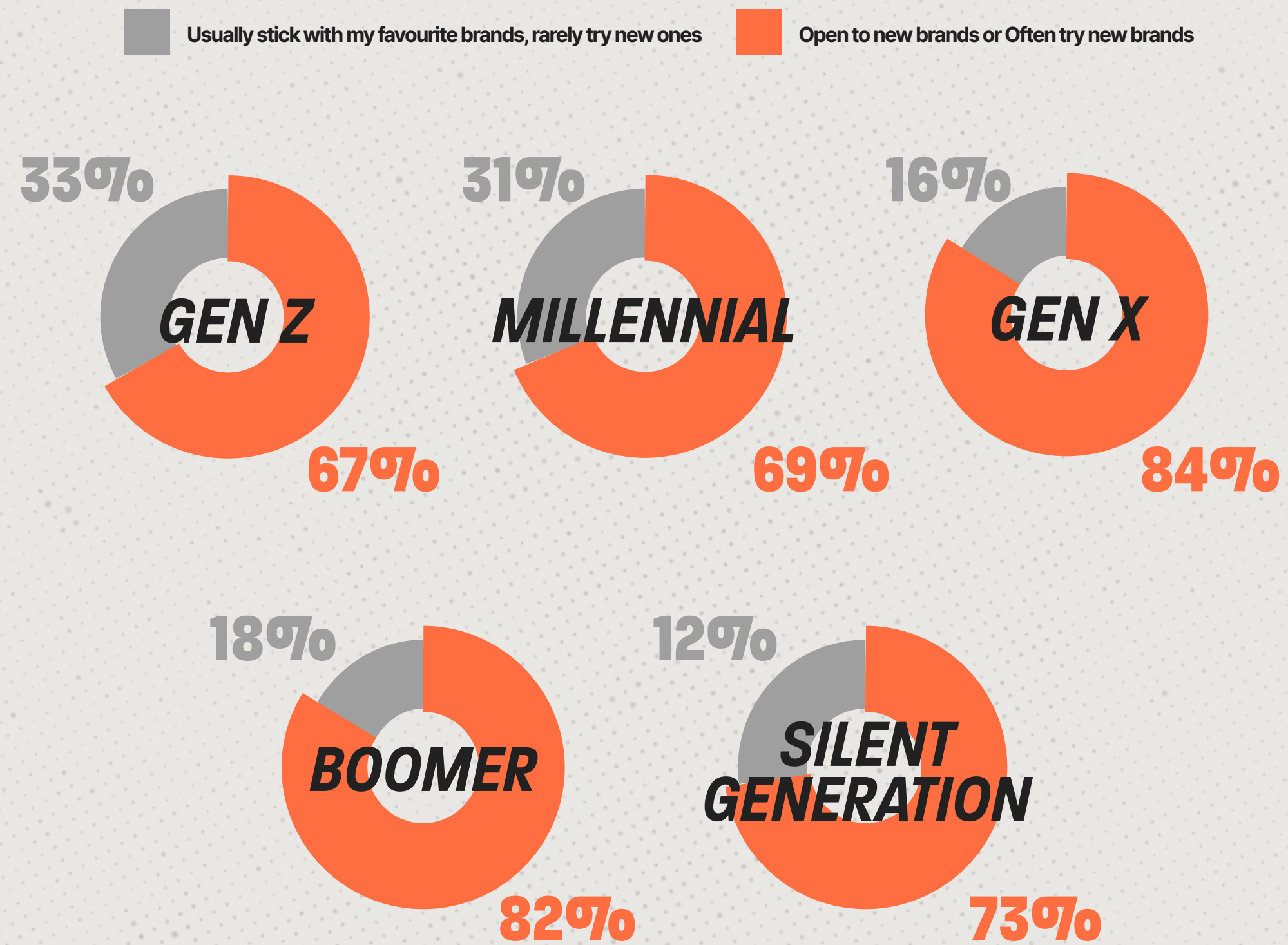
Myth 04: BRAND LOYALISTS

We often think of the forgotten generation as fiercely brand-loyal. The thinking goes that having grown up in an era where brand identities became more pronounced, Gen Xers formed strong connections with brands that align with their values and consistently deliver quality - and stick with them. But are they really that brand loyal, or have we been asking the right questions but the wrong way?

Add to this the reality that they are also the original early adopters, highly curious, always seeking new and better alternatives to the status quo, and this starts to make complete sense. Take a look, for instance, at the automotive category where the Forgotten Generation is leading the disruption charge, with 50 to 60-year-olds five times more likely to own an electric car than the general population, according to McKinsey.

OUR RESEARCH, IN FACT, REVEALED THAT GEN X IS THE AGE GROUP MOST LIKELY TO SAY THEY OFTEN TRY NEW BRANDS AND DON'T USUALLY STAY LOYAL TO THE SAME ONES.

Do you prefer to stick with your favourite brands or do you ever try new ones?



Source: 'CPB/Perspectus Global research, 2024'

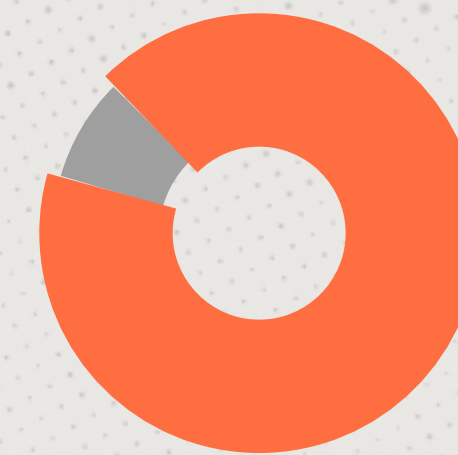




Myth 05: **OLD SCHOOL MEDIA RULES**

Yes, Gen X watch more live TV than younger audiences (which is good news for advertisers, given it's still the most effective media format), but that's about it when it comes to sharp distinctions between the generations. For instance, today in the UK, the generation has the second highest use of smartphones, the internet and all social media networks, after Millennials.

In fact, nearly one-third of TikTok's user base (28%) is Gen X, and Wavemaker has said that 92% of Xers use social media every day and are adept at using social channels to research and discover new products. As ESW's 2022 Global Voices study found, YouTube (47%), Facebook (46%) and Instagram (30%) are the most popular media channels for Gen X, compared to traditional media channels like TV (where the generation spends 21% of its time) and newspapers and magazines (15%).

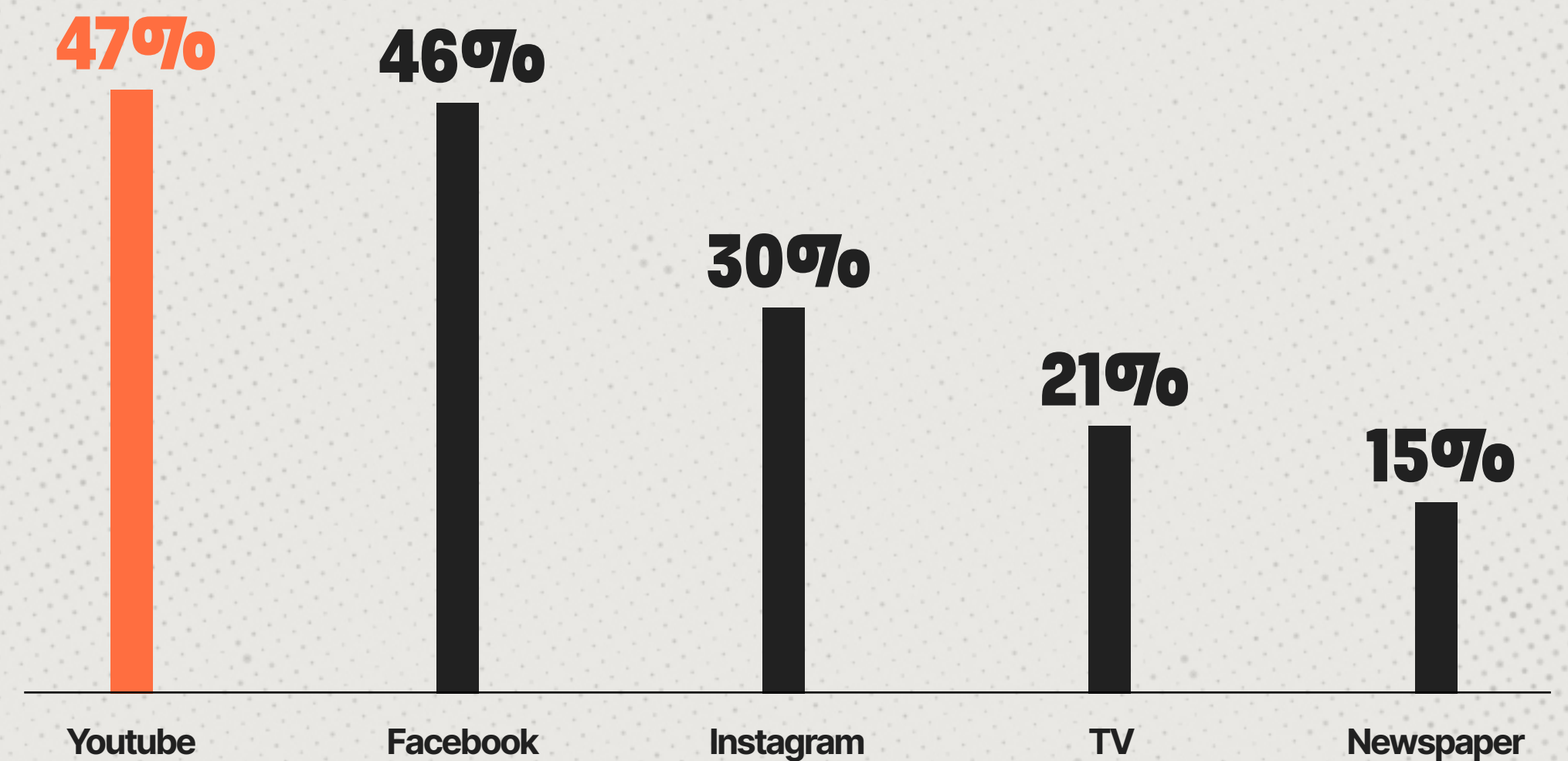


92%
of Gen Xers use
social media every day



Gen X is
28%
of Tik Tok's user base

MOST POPULAR MEDIA CHANNELS FOR GEN X



Source: ESW, Global Voices 2022

Myth 06: A BUNCH OF CYNICS

Yes, Xers have a particular disdain for all things big business - after all, it was the corporations that laid off their parents or gutted their pensions in the '80s. (Some observers, in fact, think the cohort's tendency to rail against the man leads advertisers to actively ignore Gen X.) Somewhere along the way though, this tendency towards skepticism has morphed into guidance that Gen X won't engage with Influencers (hence just 5% of brand spend is on influencer campaigns targeted at Gen X.)

As ever, there's a disconnect here: Think of Halfords, who cited the Bradley Wiggins effect for helping drive a near 14.7% boost in sales of bikes in the second quarter after his Tour de France / Olympic success. Or M&S, the then-official England Team suit supplier, who said demand for waistcoats rose 35% during the 2018 World Cup thanks to "the Gareth Southgate effect".



Myth 07: PRAGMATIC

Growing up during economic instability, there's plenty of evidence that Xers value financial security and independence, with a resulting pragmatic approach to career choices and financial planning. Marketing risks failing though when we think of the target as one-dimensional. Yes, Gen X can be quite rational in their thinking. But, just like any other generation, they also seek products and experiences that fulfil psychological needs or align with their values and identities.

We talk endlessly about the stoic, self-sufficient latchkey generation, and there's truth in that. But that doesn't mean Xers don't value being taken out of themselves, entertained. Look at Disney+, whose Gen X users increased by 29% in one year, making up a third of the platform's base. Then there's the deep nostalgia the generation is often associated with, an emotion that, in many ways, runs counter to pragmatism.

A member of the cohort herself, Harvard's Celine Coggins hints at Gen X's overlooked tendency towards sentimentality when she says,

“Gen Xers love certain things, and one of them is other Gen Xers. In a culture where we're mostly invisible, the subtext of all of our communication seems to be, “I see you. I respect where you've come from.” We'll take any chance to bond over growing up in the best time ever to be a kid with the best soundtrack to our lives.”

Myth 08: APATHETIC, VALUE-LESS

As tropes go, there's also the purposelessness famously depicted in Richard Linklater's Classic Gen-X Indie Film 'Slacker'. Where many observers and some marketers go wildly wrong, though, is to conflate this apathy with a lack of socio-environmental values in comparison to younger generations. As our research shows, Xers are, in fact, the generation most likely to say that if a brand wants to engage with them, they should focus on their values (47%) - including those related to the environment - and this compares to just a third of Gen Z saying the same.

Those findings sync with others: EY has shown that global Gen Xers are the most likely to make daily changes to be more sustainable at 64% — higher than any other generation. Interestingly, they are also the generation most likely to notice and then continue watching a purpose-inspired ad.

“Gen X are not particularly ‘political’ in some senses, having grown up in the ‘end of history/politics’ era. But they do have a clear sense of what it means to fight for concrete things. The difference between them and younger generations is that they’re less swayed by abstract virtue signalling and even more suspicious of corporations who appear to do that.”

*Dr Jennie Bristow,
co-convenor of The Generations Network*

Myth 09: **HAPPILY HARDWORKING**

Gen Xers are less shouty as a cohort than Millennials, but make no mistake - they are leading the charge regarding improved work-life balance. 63% of Gen Xers, a higher percentage than Gen Y, are feeling burned out at work, and six in ten agree they want more flexibility on how and when they work.

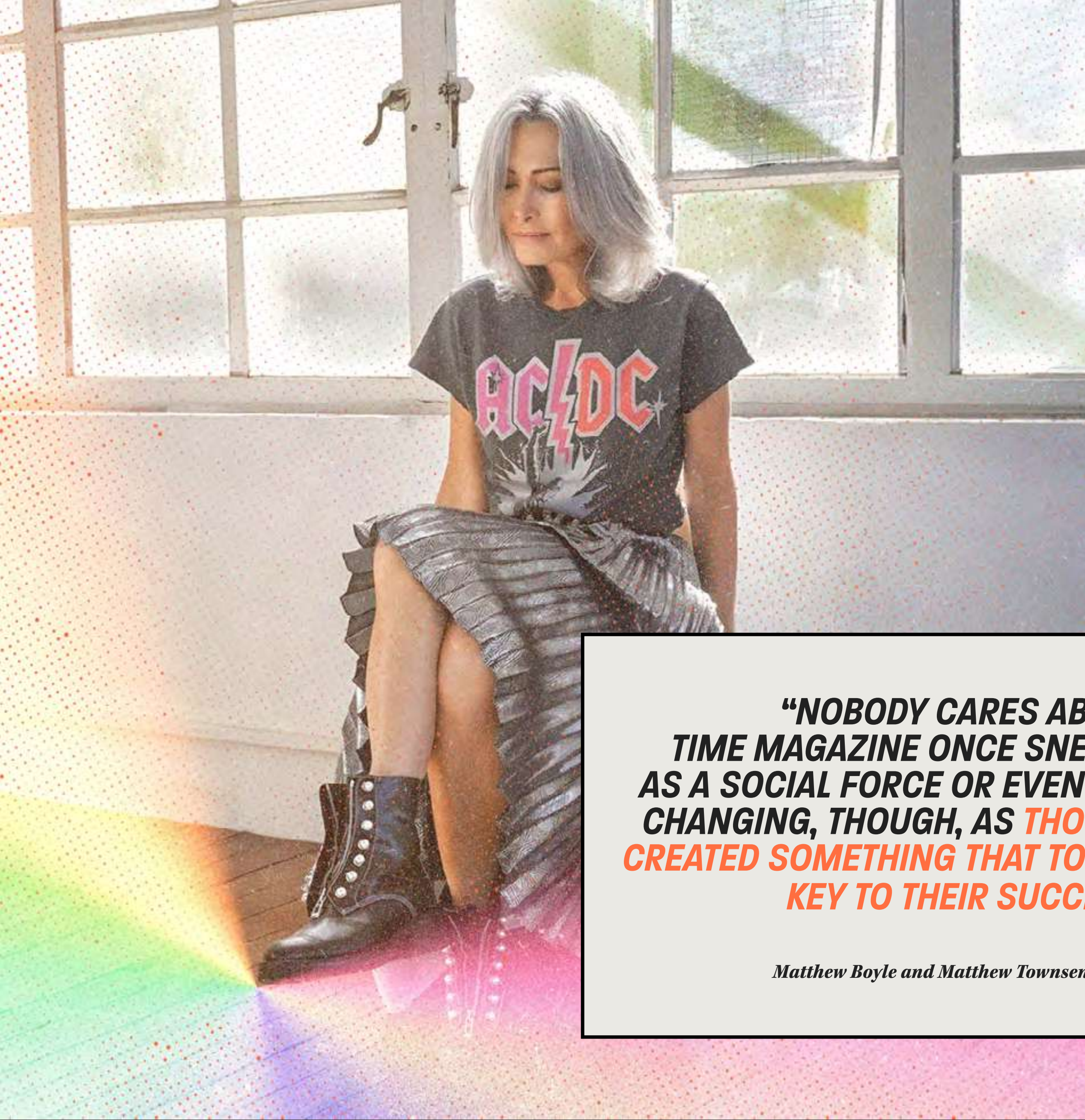
We all know that Millennials invented quiet quitting, don't we? Except, actually, they didn't. A story in Business Insider seems to have inspired then-44-year-old Bryan Creely of Nashville, Tennessee, to post on YouTube and TikTok about how to rebel against toxic work environments and extended hours by putting in the minimum. As Creely says, Xers grew up amidst the extreme hustle culture of the 80s - 'lunch is for wimps', Gordon Gekko-style - and they've finally had it.

It's not just work that's stressing Gen X - Harris Poll last year found that three-quarters of Xers in the US would like to return to a time before humanity was "plugged in", citing the speed and sometimes blunt force with which it feels new technologies are being thrust upon humanity.

***IN RESPONSE, THEY CRAVE QUALITY 'ME TIME',
WITH WGSN REPORTING THAT 49% OF GEN X LOOK
FOR A HOBBY TO GIVE THEMSELVES THAT.***

Holidays are also very important to Xers; although they take marginally fewer vacation days off per year than younger generations, the so-called slackers do pack more relaxation and escapism into those days, often trying to fit in 'one last big family trip' before their children leave home.





Myth 10: **OLDER, DIFFERENT**

Looking at generational dynamics, an intriguing intersection emerges as we consider the similarities between Gen X and Gen Z. Bridging the gaps between Baby Boomers, Millennials and Gen Alpha, the two cohorts, seemingly separated by a technological revolution, actually share some notable commonalities that challenge conventional notions of intergenerational difference.

“NOBODY CARES ABOUT GENERATION X.... TIME MAGAZINE ONCE SNEERED, “HARDLY RECOGNISED AS A SOCIAL FORCE OR EVEN NOTICED MUCH AT ALL. THAT’S CHANGING, THOUGH, AS THOSE SCEPTICAL SLACKERS HAVE CREATED SOMETHING THAT TODAY’S COMPANIES NOW SEE AS KEY TO THEIR SUCCESS: GENERATION Z.”

Matthew Boyle and Matthew Townsend, Bloomberg ‘Reality Bites Back’ series.

Consider higher education: Gen Z was raised by Generation X, who saw firsthand the demise of well-paying blue-collar jobs and started to believe that a University degree was now essential for professional success. According to Pew Research, this sentiment has translated to their offspring, with Gen Z on course to be the best-educated generation ever and considerably more likely than Boomer-raised Millennials to agree that having a degree is highly important to achieve their goals.

Then there’s the famous resilience associated with the Lost Generation. Is it any surprise that Zoomers are considered tougher than Millennials, just like their parents are considered more resilient than Boomers? (According to a recent Deloitte survey, only 15% of Gen Z stated they would quit their current work in the next two years because they don’t feel valued, compared to nearly one in four Millennials who said they might do so.)

Conclusion: **THE X FACTOR: DEMOGRAPHIC - OR MINDSET?**

“Marketeers love to carbon-date generations. But it’s not a hard science... Generations are united and divided over sentimental markers much more than when they were born.”

Douglas Coupland, author of ‘Generation X’

There’s no doubt that the term ‘Generation’ is a useful and accessible one that engages people from a wide range of fields, but it should be used carefully. The challenge is that our industry, with its tendency to look for shortcuts to understanding, too often reverts to simplistic labelling, inevitably leading to lazy stereotyping.

Ultimately, the opportunity to truly reach Gen X lies in insight-driven, more nuanced and personalised approaches to strategy, which in turn will result in genuinely original, creative and entertaining campaigns.

Today’s marketing ecosystem is wide open, and everything is up for grabs. As an industry, we have to be as ambitious and innovative when it comes to Gen X as we are currently for Millennial and Gen Z audiences. After all, mindful that it’s never been harder to ensure marketing investments are effective - and that Xers outspend younger generations in every category - why would we not fish where the money is?

It’s time to dial up the X-factor.

