

AUSTRALIAN BEST SELLER

3rd edition - fully expanded and updated

THE
A B C
OF
X Y Z

UNDERSTANDING THE GLOBAL

GENERATIONS

markmccrindle

As seen on Channel 7, 9, 10 & ABC TV



MARK MCCRINDLE is an award winning social researcher, best-selling author, TEDx speaker & media commentator.

Mark has an international renown for tracking emerging issues, researching social trends and analysing customer segments. Mark's understanding of the key social trends as well as his engaging communication style has led to his regular interviews in the press, on radio and on TV shows.

His advisory firm McCrindle counts amongst its clients many multinational companies and some of the largest global brands. He and his team are regularly commissioned to deliver strategy and advice to the boards and executive committees of leading organisations. His highly valued research reports and infographics have developed his regard as a demographer, futurist & social commentator.

He is the author of three books on social trends: *The ABC of XYZ: Understanding the Global Generations*, *Word Up: A Lexicon and Guide to Communication in the 21st Century* and *The Power of Good: True stories of great kindness from total strangers*

www.mccrindle.com.au

www.markmccrindle.com

To Arbie (Ruth), my dear wife. I married way over my head – thanks for helping me swim. And to our own little tribe of Gen Zeds: Acacia, Jasper, Zari and Brighton, and our Gen Alpha: Corban.

Mark McCrindle

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X Y Z

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FORECASTS • STRATEGY • RESEARCH

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McCrindle Research Pty Ltd

A39, 24 Lexington Drive

Bella Vista NSW 2153

AUSTRALIA

www.mccrindle.com.au

info@mccrindle.com.au

+612 8824 3422

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| FOREWORD

There are those who regard generational theory as something akin to astrology: ‘X-ers, beware ascendant Y-ers in the workplace ... and Boomers, late in life you will be irresistibly drawn towards the sea.’

But this assessment is both unkind and misinformed. The fact is that there are very real differences between the life experiences of the generations, especially over the latter decades of the 20th century. Boomers were raised in large traditional families where the father was the sole breadwinner; Ys are often single kids raised by two working parents. These facts immediately separate the childhood experiences of two generations. But generational theory goes further to link factors exogenous to the home. Music, fashion, politics, as well as gender relations, all evolve and pass key milestones at different times.

One of the most important social events of recent decades was the evolution of the women’s rights movement in the late 1960s and early 1970s. Regardless of individual family circumstances, a person transitioning from teenage to late 20s over the period of this social revolution cannot but have been shaped by these events – especially compared with someone completing the same ‘age transition’ 20 years earlier.

In this regard, generational theory is a complex amalgam of personal demographics and relationships, as well as of broader social and political influences. Indeed, so numerous are the influences on the values and ideals of each genera-

tion that it becomes difficult – some say almost impossible – to untangle what it all means. And, of course, the reason why this is important is because collective generational thinking can drive consumer and worker behaviour.

It is easier to connect with workers once you understand how they see the world. It becomes easier to develop products and services if you understand the mind and mood of the target market: not that knowing about generational theory means success in communication is guaranteed.

For example, I am always mightily amused, and somewhat offended, by businesses seeking to connect with Baby Boomers by showing footage of hippies at Woodstock in 1969 or by playing the pop music of the late 1960s. While these images and sounds connect with a generation, it assumes that the generation has not moved on. Other quite significant stuff has happened in Baby Boomer lives since they grooved and bopped to Jimi Hendrix.

One of the issues with generational theory is that it is extraordinarily popular: I am quite sure the media would run a generation story every day if they could get the content. Not that ‘content’ seems to be an important consideration in some media stories about the generations. But this is also why the work of Mark McCrindle is so important. Drawing on a mix of quantitative surveys and focus group research, Mark deftly illuminates the light and shade of the different generations. And he goes further to show how these differences might be used in business and by management.

The ABC of XYZ is a rollicking journey across time, generations and values that have been forensically dissected by one of the best social analysts in Australia.

Bernard Salt

| INTRODUCTION

Generational issues are a perennial favourite. Analysing one's own generation and comparing it to the next is of great interest to the media and the public alike. With more generations coexisting than ever before – in the home, school, workplace and marketplace – this interest has never been more so than today.

Indeed, media coverage on the generations, particularly the younger, emerging generations, abounds in an attempt to appease our desire to better understand and engage with each other: our employees, colleagues, students and children. I am contacted almost daily – by the media, business men and women, and parents – to talk about the generations. With this saturation of media on the generations, identifying what is fact and what is hype and conjecture can be a challenge.

While some generational commentary reads much like an astrological chart, genuine research-based generational studies now form an important part of sociology.

Yet it is more than an academic discipline. The insights and applications that flow from robust generational analysis is of great value to business leaders, educators and parents. Generational segmentation, like any professional discipline, is only useable when conducted by experts.

Caution is needed because generational stereotypes and conjecture find their way into the workplace and the press. We've all heard the hype that 'Young people today do not have any sense of commitment'. But these are feelings, not

findings. Once these ‘findings’ are out in the media, they are reported on in numerous papers and programs, morphing, somewhat like the Chinese whisper, into something even further removed from the truth.

Understanding the generations is playing an increasingly bigger role today in the process of understanding each other, with more diversity now existing between the generations than ever before. For business leaders and marketers, generational segmentation is a logical first step. Indeed, it is fallacious to dismiss the longstanding practice of generational segmentation purely because of some misleading generalisations. Clayton Christensen and Michael Raynor, writing for the *Harvard Business Review*, warn: ‘Beware of work urging revolutionary change of everything. This is the fallacy of jumping directly from description to theory.’¹ To dismiss a generalisation (such as ‘Generation Y are brand-fickle consumers’) with another generalisation (like ‘The Generation Y segment is a myth’) is illogical. The very argument collapses on itself. It is self-evident that variety exists within a generation.

I am reminded of that apocryphal story about a Baby Boomer journalist who was writing an article about Gen Y. Approaching an 18-year-old for comment he said: ‘In my research for this article I’ve found two big problems with Generation Y. The first is your ignorance of the basics of life and culture, and the second is your apathy – you have been labelled as “slackers”. So what is the worst of these two problems for you personally – your ignorance, or your apathy?’ The young man stood there trying to make sense of this tirade when he decided to give a succinct answer. ‘Mate,’ said the young man looking the Boomer in the eye, ‘I don’t know, and I don’t care.’

What this highlights is that Y-ers know what's going on behind the subtext and we don't need to be patronising or to stereotype them – or any other generation. Certainly the times, events, education and workplace experiences are very different today, but we don't need to assume that the 4.7 million Australians born from 1980–94 neatly fit into some category.

Why I wrote this book

For more than a decade I have spent much of my time researching the emerging generations and conducting focus groups across different market segments. Back in 1999 I began running workshops and delivering presentations on the emerging Generation X. By 2005 it seemed that the X-ers were passé, as all of the focus had shifted to Generation Y. Today the focus is increasingly on Generations Z and Alpha as their parents, educators, business leaders and marketers try to understand and engage with these new generations. Over the past several years, when giving talks on the generations at seminars and conferences, I was often asked 'Do you have a book on that?' Therefore, in 2009 I finally decided to turn many years of generational research into a definitive book on the new generations, and the first edition was released in November 2009. By early 2010, there was need for a second print run, and a third in 2014 – what you read now is the updated third edition.

The ABC of XYZ is based on comprehensive research, including quantitative and qualitative research, as well as desk research (both primary and secondary). Quantitative research was gathered from almost 200 surveys completed by more than 100 000 research participants via our

online panel AustraliaSpeaks.com. Qualitative research was gathered during dozens of focus groups conducted at our research facility in Sydney (www.researchrooms.com). In addition to national statistics (from the Australian Bureau of Statistics), we drew on the works of other generational writers and demographers including Australians Hugh Mackay, Michael McQueen, Peter Sheahan, Rebecca Huntley, Michael Grose and Bernard Salt, and Americans Claire Raines, Rosemary Herceg, Neil Howe and William Strauss.

Before writing this book, I was often asked if I had written anything on Generation Z. There is a lot of interest in the Zeds, but very little written on them, especially from a business perspective. In *The ABC of XYZ* we look at Gen Z in detail – from parenting this ‘cotton wool’ generation to educating and leading them. Michael Grose’s well-received *XYZ: The new rules of generational warfare*, published in 2005, is the only Australian book which looks at the Zeds at length, albeit from a parenting perspective.

Rebecca Huntley’s *The World According to Y* looks at those Australians entering their 20s and Peter Sheahan, generational expert, brought out a book in 2005 on Generation Y, titled *Generation Y: Surviving with Generation Y at work*. However, no book since Hugh Mackay’s *Generations*, published in 1997, has discussed more than one Australian generation in depth. In *The ABC of XYZ* we look at all seven living Australian generations. We commence by detailing the demographics of the generations and their times, listing the trends and technologies which have defined them, and discussing their values, attitudes and lifestyles. The chapters following on from this are dedicated to the younger generations, X, Y and Z – and the generation born from 2010, Generation Alpha. In these chapters we look at parenting

and raising Zeds and younger Y-ers through to marketing to the sceptical X-ers, Y-ers and Zeds.

The ABC of XYZ is unique in that it is a comprehensive guide to understanding and engaging with *all* living generations. While this book focuses on Australia's generations X, Y and Z, it also looks at these generations internationally and discusses the other generations at length. It is of course in understanding the generations that came before the X-ers, Y-ers and Zeds, as well as the generations globally, that one can gain a true understanding of them.

We briefly touch on the Federation Generation, about whom very little has been written. While the terms Zed, Y-er, X-er, Boomer and Builder are used with great familiarity, most have never heard of the Federation Generation, born between 1901 and 1924. In the final chapter we address the question the media and our clients probably ask most: 'What will the next generation be like and what will it be called?'

In short, *The ABC of XYZ* covers a lot of ground, from defining what a generation is to looking at our youngest generation, the Alphas.

More than a guide on the generations, with a focus on Australia's Generations X, Y and Z, this book was written to be a fun and entertaining read. We have added useful and interesting tables, graphs and break-out boxes. While primarily a book for business people – managers, employers, leaders and marketers – *The ABC of XYZ* was also written with educators and parents in mind, with a chapter dedicated to educating the younger generations and, also, parenting and raising them. This book will be of interest to:

- employers and managers at all levels: the interest is both professional (to help them understand younger

employees) and personal (most Baby Boomers have Generation Y children, and many X-ers have Gen Z children).

- educators: I am privileged to address hundreds of teachers at education conferences across the Asia Pacific region each year. My company, McCrindle Research, hosts the annual Education Future Forum <www.futureforum.com.au>, Australia's only one-day seminar focused on the key social, technological, governmental, economic and demographic trends redefining the education sector. This demonstrates both the interest this sector has in engaging with the new generations and the need among educators to understand them.
- other employees: in addition to greater differences existing between the generations, we now have more generations interacting in our workplaces than ever before – the need to understand the generations has never been greater.
- marketers: at McCrindle we have an extensive list of clients, which includes most of Australia's largest corporations; what this shows is that generational analysis plays an important role in the marketing sector.
- parents: when I talk to clients at conferences, the interest I see in the generations, particularly Australia's youngest generations, is not only on a professional level but a personal one too, as many clients are parents also.

The ABC of XYZ is a book for anyone who has ever experienced generational angst and wants to gain insight into the mindset of other generations, particularly the emerging Generations X, Y, Z and Alpha. Readers will also learn more about their generation, and the factors that helped shape their own personality, attitudes, values and lifestyle.

1 GENERATIONS DEFINED

‘One generation passes away, and another generation comes.’

Ecclesiastes 1:4

With any discussion on the different generations, an important first step is to define the term ‘generation’.

Traditionally, a generation has been defined as ‘the average interval of time between the birth of parents and the birth of their offspring’.¹ This biological definition has placed a generation for millennia at around 20–25 years in span. While in the past this definition has served sociologists well, it is irrelevant today. Because cohorts are changing so quickly in response to new technologies, changing career and study options and shifting societal values, two decades is far too broad a generational span.

Also, if we apply a biological definition today, a generation would span a larger time than ever as childbirth is pushed back later than ever. On average, the time between birth of parents and birth of their offspring has stretched out from two decades to more than three. In 1982, the median age of a woman having her first baby was 25, while today it is 31.²

So today generations are defined sociologically rather than biologically. A generation refers to a cohort of people born within a similar span of time (15 years at the upper

end) who share a comparable age and life stage and who were shaped by a particular span of time (events, trends and developments).

Generational experts William Strauss and Neil Howe agree that generations are shaped by a particular span of time: 'A generation is a group of people who share a time and space in history that lends them a collective persona.' They also say that the 'span of a generation is roughly the length of a phase of life'. However, with the traditional life stages and their respective responsibilities no longer applicable to today's children and youth, this definition is not entirely helpful. Childhood is increasingly being cut short, while the traditional adult responsibilities typically emerging in the 20s and 30s are being delayed. Thirty is the new 21!

More so now than ever, the commonalities of today's generations cut through global, cultural and socio-economic boundaries. Due to globalisation, largely made possible through the various technologies of today, the youth in Australia, the USA, the UK, Germany and Japan are shaped by the same events, trends and developments: they are avid users of social media and online technologies, are witnessing an unprecedented ageing in their populations, and are more financially endowed and formally educated than any generation preceding them.

Even beyond these developed countries young people are logged on and linked up. From Beijing to Bangalore, from Buenos Aires to Brisbane, we have a generation accessing the same websites, watching the same movies, downloading the same songs and being influenced by the same brands. Today we have the world's first global generation. Therefore we define a generation as a group of people born in the same era, shaped by the same times and influenced by

the same social markers – in other words, a cohort united by age and life stage, conditions and technology, events and experiences.

Generational characteristics: not a passing fad

Some may argue that such attributes as the limited attention span of Gen Y, Australia's current adolescent and young adult population, is a trait of all young people regardless of the time they were born into, or a passing fad and not a generational trait that they will carry through to mid-life and old age. However, generational characteristics are not merely a factor of life stage, or a fad that they will outgrow. While people of various ages are living through the same events, the age at which one is exposed to a political shift, technological change or social marker determines how embedded it becomes in one's psyche and worldview.

National statistics further demonstrate that generational diversity is not just a matter of life stage. For example, the average age at first marriage for Gen Y today is 28 for a female and 30 years for a male.³ In 1982, when the youngest of the Boomers were in their early 20s, the average age at marriage was 22 for females and 24 for males.⁴ Among the factors deemed responsible for Generation Y's unwillingness to commit to binding relationships are relaxed moral codes and high divorce rates. As is evidenced by these statistics, delaying the markers of adulthood (such as marriage, having children, getting a mortgage and a steady career) is characteristic of the Y-ers, just as loyalty – to spouse, boss, brand and country – is characteristic of the Builders. The

old Jesuit saying holds true: ‘Give me a child until he is seven, and I will show you the man.’⁵

Of course, youth of all eras demonstrate some similar characteristics such as an experimental lifestyle, questioning the status quo, idealism and pushing the boundaries. However, you would not say that those growing up in the 1970s were the same as those who came of age in the 1990s and those who are coming of age today. While age influences behaviour and attitudes, greater impacts are made by the culture in which one lives out one’s youth, as well as social markers – significant events during one’s formative years. There is an ancient saying that bears much truth: ‘People resemble their times more than they resemble their parents.’⁶

The technology, mass marketing, politics and pop culture in which today’s youth have grown up have ensured a significant difference to previous youth cultures. And because of the different times, conditions and social markers, these generations have different aspirations and worldviews. The younger generations – Y and Z – are environmentally and politically conscious. Recent Australian elections revealed increased youth voting on environmental issues, as well as an increasing concern and demand for policies which are both economically and environmentally sustainable. This is especially reflected in the younger generations’ support of popular cultural events such as WaveAid, Make Poverty History and Live Earth, which demonstrate awareness of the need for charity and environmental lobbying. Such attitudes are further reinforced by the music artists they support, with performers like Sandi Thom and John Butler writing songs about how they were ‘born too late into a world that doesn’t care’ and how we should treat our planet with respect.

Strauss and Howe theorise that just as history moulds generations, generations mould history. In their books *Generations* and *The Fourth Turning*, they divide Anglo-American history into seasonal cycles and label the generations according to which cycle they were born into. The four cycles can be compared to a swinging pendulum. The pendulum sways from one side to the other, always succumbing to gravity and stopping at its lowest, central point. Similarly, Strauss and Howe's cycles of history are repeated in the following manner: a crisis period (one extreme), a high period (the other extreme) and the awakening and unravelling periods (the quieter periods).

The pendulum-like cycles of history are poetically summed up by famous novelist DH Lawrence in *Classical American Literature*: 'Men fight for liberty and win it with hard knocks. Their children, brought up easy, let it slip away again, poor fools. And their grandchildren are once more slaves.'

Hugh Mackay and Phil Ruthven, well-known Australian social researchers, draw on the work of Strauss and Howe for Australia's generations – from the Federation Generation to the young Zeds. A valid criticism of the cyclical models of generations is that they give an impression of generations as seasons, neatly rotating through the eras. Most social analysts find the symmetry too compliant for a real-world situation with infinite variables and influences. However, the broader point holds true – each generation is a factor of its times and a reaction to the generation that went before it.

Prophet/Idealist – the Baby Boomers

This generation was born into the high of the postwar boom. The civil rights movement, which characterised the

Boomers as young adults, is the most recent example of an awakening.

Nomad/Reactive – Generation X

The X-ers lived out their young adult years in the pre-September 11 world of relative peace and prosperity.

Hero/Civic – Generation Y and the Federation Generation

Gen Y-ers, as young adults, are now living through the crisis period of post-September 11. The Federation Generation – the parents of the Builders – are also of this generation type. Born during a time of peace when Australia finally secured nationhood, the Federation Generation entered adulthood at a crisis point marked by World War I and the Great Depression. They fought in both World Wars and experienced the high of the postwar boom as they entered their 40s. A very small percentage of this generation is still living.

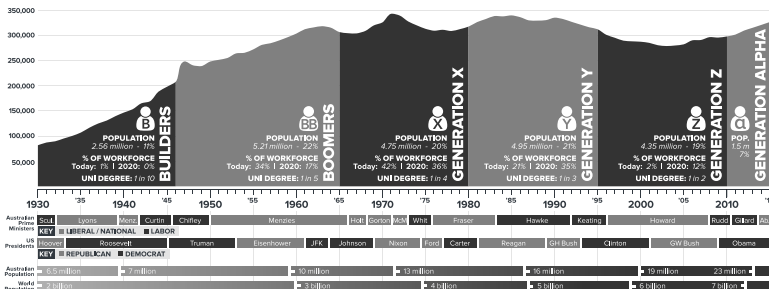


Figure 1.1 | Australian generations

Artist/Adaptive – The Builders and the Zeds

The Builders were born into the crisis period of the Great Depression and World War II, and started their families as young adults during the postwar boom. They were in their 40s and 50s when their children, the Boomers, led the civil rights movement of the 1960s and 1970s. The Zeds have been born into the crisis period of terrorism, the global recession and climate change. They are predicted to spend their young adult years in a time of economic and social renewal.

Understanding your generation

While most of us have heard of the Builders, Boomers, Gen X-ers, Y-ers and Zeds, not many would be aware that there are actually two additional generations, making seven in total. These generations are those in their 90s (the Federation Generation) and those born since 2010 (Generation Alpha).

Federation Generation

The Feds, Australia’s oldest living generation, and the first to be labelled and profiled, started in the year Australia became a nation (1901), hence their name. The last of this generation were born in 1924. They were young men and women during the Depression and the World Wars, fighting in both wars. The Builders are often mistakenly seen as the generation that fought in World War II and while many older Builders did, it was the Federation Generation men who made up the bulk of World War II soldiers.

The Federation Generation witnessed some of the most iconic events and have seen unprecedented change. They were alive when the *Titanic* sank and when Australian women were given the right to vote. They are the parents of the Builders and the great-grandparents of the Zeds!

Feds in the spotlight
Louis Armstrong Marlene Dietrich Charlie Chaplain

Builders

The Builders, Australia’s current senior generation, were born between 1925 and 1945, during the Depression and

the war years.⁷ They were commonly referred to as the ‘greatest’ generation and Hugh Mackay, in his book *Generations*, labels them the ‘lucky’ generation because of the years of relative comfort that followed World War II.⁸

The JAZZ age

Billie Holiday, ‘God Bless the Child’

Louis Armstrong, ‘When the Saints Go Marching In’

Ella Fitzgerald, ‘My Funny Valentine’

Since the early 1920s, with the exception of the baby boom years, the child population as a proportion of the general population has steadily declined – from 32 per cent to under 20 per cent today. During the Great Depression of the 1930s, Australia’s total fertility rate (TFR) reached its lowest point, up to that time, of only 2.1 babies per woman, compared to 3.1 less than a decade earlier.⁹ Obvious contributors to this decline in TFR in the 1930s were great poverty and joblessness – effects of the Depression experienced throughout the western world.¹⁰

TIME Person of the Year

1927 Walter P Chrysler, founder of the Chrysler Corporation

1930 Mohandas K Gandhi, political and spiritual leader of India

1938 Adolf Hitler, Chancellor of Germany 1934–45

Boomers

The end of World War II was the key event to shape the generations in the western world. Rarely in history is there an event that so impacts a culture as this one did. The years after the war were the mirror opposite of the war years, with the Depression and war replaced by economic growth

and full employment. Austerity was overtaken by technological advancement and increasing freedom. Yet even more significantly, in the years after World War II, there was an unparalleled baby boom and immigration program. This 19-year population boom literally birthed a generation.¹¹ The Boomers came close to doubling Australia’s population between 1946 and 1964 – from 7 to 12 million.

The ROCK 'N' ROLL age
Elvis Presley, ‘Blue Suede Shoes’ The Beatles, ‘Let It Be’ Simon & Garfunkel, ‘Mrs Robinson’

The Australian Bureau of Statistics (ABS) defines the Baby Boomers as ‘those who were born in Australia or overseas during the years 1946 to 1964’.¹² The fertility rate began its rapid rise in 1946, peaking in 1961, and by 1965 it had dropped again to just below the 1946 level.¹³

TIME Person of the Year
1949 Winston Churchill, Prime Minister of the United Kingdom 1940–45 1952 Elizabeth II, Queen of the United Kingdom 1952–current 1961 John F Kennedy, President of the United States 1961–63

Generation X

The Gen X-ers are also clearly demographically defined as those born between 1965 and 1979 inclusive. In 1965 the number of births began to increase from the post-Baby Boomer low, peaking in the early 1970s before dropping back to another low in 1979. Just to show how solid this definition of Generation X is in Australia, in 1965 there

were 223 000 births and after a rise and fall there were, in 1979, again 223 000 births. The peak year was 1972 when there were 268 711 births – a record number of births that stood for more than three decades. By comparison, only in 2007 did Australia set a new birth record of 276 361 even though the population was 60 per cent larger than it was in 1972.¹⁴

The DISCO/PSYCHEDELIC/SOUL age

Bee Gees, 'Stayin' Alive'

Bob Dylan, 'The Times They Are a-Changin''
--

James Brown, 'Papa's Got a Brand New Bag'

Originally labelled Baby Busters, Post Boomers or Slackers, only the label Generation X (or X-er) has stuck.

TIME Person of the Year

1971 Richard M Nixon, President of the United States 1969–74
--

1975 American Women

1979 Ruhollah Khomeini, political leader of the 1979 Iranian Revolution

Generation Y

The Y-ers are those born between 1980 and 1994 inclusive. Again the definition is demographically reliable. In 1980 the number of births once more began to gradually increase, hitting a peak of 264 151 births in 1992 – at the time the highest number of births since 1972. The births then dropped away through the rest of the 1990s, hitting the lowest birth rate ever in 2001 (1.7 babies per woman) before beginning a recovery which has lasted the rest of the decade.

The POP/INDIE age
Spice Girls, ‘Wannabe’ Hanson, ‘MMMBop’ Guy Sebastian ‘Angels Brought Me Here’

Many attempts have been made to give alternative labels to Generation Y, from the trendy ‘Millennials’ and ‘Dot.com Generation’, to the more disparaging acronym KIPPERS (Kids In Parents Pockets Eroding Retirement Savings). But the alphabetised theme in naming the generations remains, and so the global label that has stuck is Generation Y.

<i>TIME</i> Person of the Year
1982 The computer 1987 Mikhail Sergeyevich Gorbachev, Head of State of the former USSR 1994 John Paul II, Pope of the Roman Catholic Church 1978–2005

Generation Z

As birth rates picked up in 1995, we had the beginnings of Generation Z. Marketers are tempted to begin a generation at a key year like, say, 2000, but there is no demographic or sociological justification for such date picking. The birth rates, in addition to the social changes and trends, give a solid basis to generational definitions.

The YOUTUBE age
One Direction, ‘What Makes You Beautiful’ Carly Rae Jepsen, ‘Call Me Maybe’ Psy, ‘Gangnam Style’

Table 1.1 | Total fertility rate (TFR) in 2000 and today

Country	TFR (2000)	TFR (Today)
Mali	6.8	6.2
Nigeria	5.9	5.5
Sudan	5.3	4.3
Pakistan	4.5	3.3
India	3.1	2.6
Mexico	2.6	2.3
Sri Lanka	2.2	2.3
United States	2.1	1.9
New Zealand	2.0	2.1
United Kingdom	1.6	2.0
Iceland	2.1	2.0
Australia	1.8	1.9
Russia	1.2	1.5
China	1.7	1.6
Germany	1.4	1.4
Italy	1.3	1.4
Japan	1.4	1.39
Singapore	1.2*	1.2
Hong Kong	1.0	1.2

The World Bank (2013), Fertility rate, total (births per woman), <data.worldbank.org>, accessed 13 June 2013; * Central Intelligence Agency (2013), *The World Factbook*, <www.cia.gov/index.html>, accessed 13 June 2013.

***TIME* Person of the Year**

2000 George W Bush, President of the United States 2000–09
 2006 You
 2010 Mark Zuckerberg, Chairman and CEO of Facebook, Inc.
 2012 Barack Obama, President of the United States

Notwithstanding an increase in births in Australia, the Zeds have been born into a time when the TFR is at or below the replacement level of 1.9 on an unprecedented, global scale. In fact 104 countries are either at or below the replacement level.¹⁷ In response to declining child populations, governments around the world are offering incentives to encourage couples to have children. The last time governments offered incentives on such a similar scale was just after World War II.

Given the new definition of a generational span (15 years), 2009 marked the end of Generation Z and 2010 the start of the next generation: Generation Alpha. An analysis of this generation can be found in Chapter 12.

7 factors defining Generation Z

There are 2 billion Generation Zeds globally and 4.6 million Generation Zeds in Australia. Born between 1995–2009, currently make up 19% of our national population and will make up 12% of the workforce by 2020. The oldest Generation Zeds started university in 2013 – they are the students of today and the employees of tomorrow.

1. Demographically changed

Gen Z are growing up in rapidly changing times. Not only have both our national and global population doubled since 1966, Australia is also experiencing an ageing population at the same time as a baby boom. In 2012, Australia had record birth numbers of over 300,000 annual births. The impacts of the ageing population mean that Gen Z are going to start their careers in a time of massive ageing- they will work longer, live longer and have a longer retirement to fund. In the coming years, there will be fewer workers to

support the increasing number of older Australians- there are currently 5 workers for every retiree in Australia, however in 2050 there will be just 2.7 workers for every retiree. Hence, the more developed the skill level of each worker, the higher potential productivity in the labour force.

Australia's households are also changing. Whilst the nuclear family (parents and children) is the most common household type (33%), the couple only-household (30%) is soon to be the most common. With our ageing population, the fastest growing household type is the single person household (23%).

2. Generationally defined

Generation Z are the most materially endowed, technological saturated, globally connected, formally educated generation our world has ever seen. For Generation Z, coming of age in the 21st Century has given them a unique perspective- having been shaped in uncertain economic times with the Global Financial Crisis, whilst also being internationally connected and engaged through global brands and global technologies.

3. Digital integrators

The age at which we first use technology determines how embedded it becomes in our lifestyle. Adults who use technology in a practical, functional way to achieve tasks formerly accomplished using old technology are referred to as digital transactors. However, Generation Z, having used technology from the youngest age, have seamlessly integrated technology into almost all areas of their lives, thereby being known as digital integrators. They are growing up in a world where there are 5.1 billion Google searches per day, 4 billion YouTube views, over one billion active Facebook

accounts and over one million applications in the iTunes App Store.

4. Globally focused

Generation Z is the first generation to be truly a global one. Not only are the music, movies and celebrities global for them as they have been for previous generations, but through technology, globalisation and our culturally diverse times, the fashions, foods, online entertainment, social trends, communications and even the “must watch YouTube videos and memes” are global as never before.

5. Visually engaged

We have an emerging generation, many of whom are opting to watch for a video summarising an issue rather than read an article discussing it. In an era of information overload, messages have increasingly become image based and signs, logos and brands communicate across the language barriers with colour and picture rather than words and phrases.

6. Educationally reformed

While the Federal Government has a target of 90% of students completing year 12 by 2015, many schools have already surpassed this. And while the average young person is spending more years in formal education than ever before, with tertiary education rates similarly increasing, for today's students, education is no longer life-stage dependant (at the start of life, before the career commences), but a life-long reality. While 1 in 4 Gen Xers have a university degree, its 1 in 3 Gen Ys and the forecast is for 1 in 2 Gen Zeds. Not only have students changed, but also their schools with a shift from teacher centred to learner adaptive, from content

driven to engagement focused and from formal delivery to more interactive environments.

7. Socially defined

More than any other generation, today’s youth are extensively connected to and shaped by their peers. In a recent study by McCrindle Research, it was found that while nearly all the generations had the same amount of

EFFECTIVE ENGAGEMENT			
BOOMERS		GEN Z	
Verbal	>	Visual	
Sit and listen	>	Try and see	
Teacher	>	Facilitator	
Content (what)	>	Process (how)	
Curriculum centred	>	Learner-centric	
Closed book exams	>	Open book world	

close friends (an average of 13); Generations Y and Z had almost twice as many Facebook friends than the older generations. And so, the network that influences them is greater numerically, geographically and being technology based, is connected 24/7.

Australia’s Generation Z are alive at an amazing time in human history, are living in one of the most fortunate places of the 196 countries in the world and have extensive opportunities unimaginable just a generation ago. Understandably, very few Generation Zs would swap their lives with any other generation at any other time and in any other place. The challenge for the older generations is to

offer the wisdom, guidance and support so that this emerging generation can make a positive difference in their era and for the generations of the future.

Giving a generation a lifelong label

Prior to the Baby Boomers, the practice of labelling a generation did not exist. Labels, where they did exist, were limited to a particular span of age, such as ‘this generation of young people’. However, because of the clear demographic impacts of the post-WWII generation, the term ‘Baby Boomer’ entered the vernacular. Sixty years on, this label remains the default term describing the cohort born in the birth-boom years of 1946–64. With the emergence of the Boomer label came the beginnings of a generational nomenclature, and even retro naming generations passed, such as the Federation Generation.

It was inevitable, therefore, that commentators would look for terms to describe subsequent generations. And in the case of the generation following the Boomers perhaps Canadian author Douglas Coupland presented the solution they were looking for. Then just exiting his twenties, Coupland published his first novel, *Generation X: Tales for an accelerated culture*, in 1991. This fictional work explored his generation and – intentionally or otherwise – created a label that stuck. Ironically, the book was about a generation that defied labels – ‘just call us X’, he said. Yet the label remained, spawning the labels for Generations Y and Z also.¹⁸

It is amazing how many labels emerge for each generation, some repeating themselves again and again. The Builders, who lived through the Great Depression and World War

Table 1.2 | Labels across the generations

Builders	Boomers	Gen X	Gen Y	Gen Z
The lucky generation	The baby boomers	The options generation	The millennials	Zeds (Australian English)
The veterans	The sandwich generation	Post-boomers	Net generation	Zees (American English)
Pre-boomers	Generation Jones (cusp generation)	Baby busters	Dot.com generation	Bubble-wrap kids
The greatest generation	The love generation	Slackers	Echo boomers	The new millennials
The silent generation	War babies	MTV generation	Generation M (media)	Tweens
The frugal generation	Digital transactors	The doom generation	The digital natives	Digital integrators
The pre-war generation	The beatniks	X-ers	Google generation	The up-ageing generation
The war generation	The hippies	The gap generation	Click ‘n’ go kids	Generation Recession
The Depression generation	Vietnam generation	Boomerang generation	Generation whY	Screenagers
The beat generation	Disco generation	The latchkey kids	Ygen	iGen
The seniors		The 13th generation (America only)		
The GI generation		The Pepsi generation		

II, share many of their generational labels with their parents, the Federation Generation, as they share characteristics: the Veterans, the Pre-War Generation, the GI Generation, the Seniors, the War Generation, Hero Generation and the Golden Oldies.

As illustrated in Table 1.2, the various labels given to Australia's living generations – the Builders through to Gen Z – reflect the times that have shaped their generational profile. Names given to the Builders conjure images of the war and the Depression; the Boomer labels reflect events such as the population boom following World War II and the shedding of traditional moral codes after the sexual revolution of the 1960s and 1970s (the Love Generation and the Lost Generation, for example). For the X Generation it was the material prosperity of the times (the options generation) and the aftermath of the sexual revolution (the Baby Busters), and for Gen Y, the digital age that heralded its birth.

Many of these generational labels can be applied globally – or at least to the developed world and some developing nations – because, as we discussed above, generational commonalities cross global boundaries. Generational labels that have not been adopted globally can often be applied to the generations of other countries. In Finland, the X-ers are derogatorily called 'Pullamössösukupolvi' (the Bun Mash Generation) by the Boomers because, according to older generations, they have never experienced any difficulties in their lives, yet complain about their lot. Similarly, the X-ers of Anglophone nations have been called 'Whiners', 'Slackers' and the 'Options Generation', while in France they are referred to as 'Génération Bof' because of their fondness for the word 'bof' as youth, translated into English to mean 'whatever'. In Russia they were called 'a generation of stok-

ers and watchmen', meaning they took non-challenging jobs in order to have more free time. In reality, the X-ers of Russia, like their Anglo counterparts, entered the workforce at a low point where employment levels were at a high, and so took what jobs they could.

In Finland, the younger generations call the Boomers 'Kolesterolisukupolvi' or the 'Cholesterol Generation' because of their poor dietary habits. Similarly, the Boomers have been called the 'Me Generation' and the 'Now Generation' in Anglophone countries.

The Gen Y-ers of Japan are often referred to as 'freeters' because so many of them work part-time. In Australia, young people, along with working mothers, sustain the part-time workforce, and never before have they been so slow to enter full-time employment. In 1986, eight in ten young people aged between 15 and 24 were engaged in full-time employment compared to only six in ten today.¹⁹

Prior to the 20th century, generations and generational labels did not have that global aspect to them. For example, the labels of deceased English generations such as the Arthurian (1433–60) and Elizabethan generations (1541–65) reflect the events and trends of England at the time they were born.

Most of the generational labels listed in Table 1.2 do not apply to the developing and undeveloped countries whose citizens have been held back from the developments that have defined their First World contemporaries. Likewise, many labels of Second and Third World generations do not apply to First World generations. For example, in some Latin American countries, the X-ers have been referred to as the 'Crisis Generation' because of the political upheaval experienced by their countries when they were young. In

Russia, Generation X-ers have been called ‘the last Soviet children’ because they were the youngest generation to witness the downfall of communism in their country, and the ‘Glasnost–Perestroika Generation’ as they were among the first to adopt the ideals of glasnost and perestroika in post-communist Russia. With seven generations now coexisting, generational conflict is becoming an increasing problem. In a global survey we conducted on workplace conflict involving 12 countries, a minority (23 per cent) identified gender gaps as a cause of issues in the workplace, and just over a third (35 per cent) blamed cultural differences. For over 2 in 5 (42 per cent), generational gaps were the main cause of problems. In the next chapter we take a look at generational angst and some of the situations in which it is manifest.