

Big "I"
DIVERSITY
Task Force

Trusted
Choice
Independent Insurance Agents
& Brokers of America, Inc.

Gen-X

Marketing Guide

Tools & Strategies for
Successfully Reaching Your
Gen-X Market

Targeting the Gen X Market

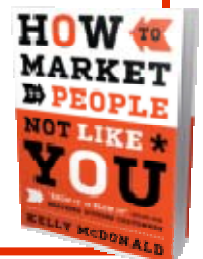
46 million Americans can be counted among this generation. And they are a prime customer because:

- They are in their prime earning years
- They are comfortable consuming media from TV, internet and mobile devices
- They are brand-loyal; once they find a brand they like, they stick with it
- They are active on social networks and place great value on the opinions of their friends and family
- They enjoy shopping online and methodically research and evaluate products prior to purchase

Because of this, we have put together a toolbox of marketing materials as well as recommendations on tactics to effectively target this customer in your area.



Source: "X Marks the (Sweet) Spot: Engaging Gen X", StarStar January 6 2012

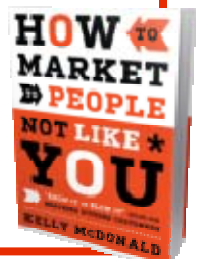


Who Is Gen X?

Definition of Gen X

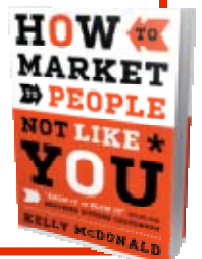
Generation X is the term applied to the generation born between 1964 and 1981. It's often abbreviated as Gen X, and members of Generation X are commonly referred to as Gen Xers.

This generation came right after the end of the post-World War II baby boom (1946-1964) that gave Boomers their name. Because of this, it's also called the "baby bust" generation. Their declining birth rate started in 1964 and officially ended the post-war baby boom.



Good Insurance Target!

Gen X policyholders are the most likely to purchase services such as rental car coverage, auto club memberships and life insurance, since they are entering a life phase in which family and home ownership are priorities.

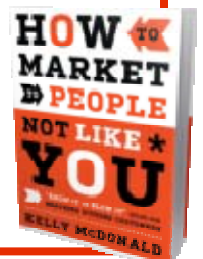


Gen Xer's are Children of Two Working Parents

Most Gen Xers are children of two working parents, so they were either at daycare or with somebody else during the day, but not with mom. Many are children of divorce. More than half of Gen Xer's parents divorced while they were growing up and living at home.

They are "latchkey kids"

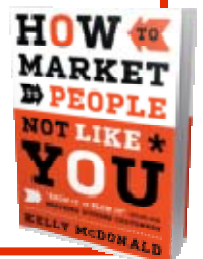
This is a child whose parent or parents worked and were not home when the child got out of school. They had a key to the house and were alone for several hours each weekday after school, before mom or dad (or both) came home from work. This resulted in very independent children.



Independent, Responsible & Self-Reliant

Time alone contributed to them being independent and self-reliant. They had to be; no one was there to help them with homework or snacks when they got home from school.

They figured things out on their own. They are very resourceful and independent thinkers. They are also resilient and adaptable.

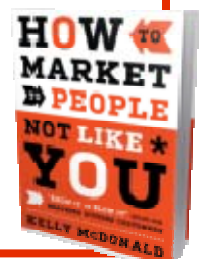


Technologically Adept

The Generation X mentality reflects a shift from a manufacturing economy to a service economy.

They are the first generation to grow up with computers; as such, technology is woven into their lives.

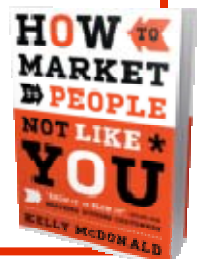
This generation is comfortable using PDAs, mobile phones, e-mail, laptops and all forms of technology. And they can afford to buy the new toys.



Very Skeptical

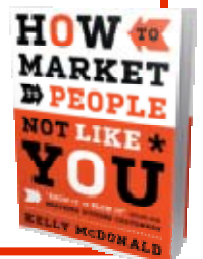
They are very skeptical because major institutions in their lives, such as marriage and workplace stability—things that should have lasted—didn't.

They watched their parents divorce, often more than once. They also saw a number of large companies implode in the 1990s'. They tend to be more entrepreneurial because they feel they can only depend on themselves.



An Attitude Of “Survivalist”

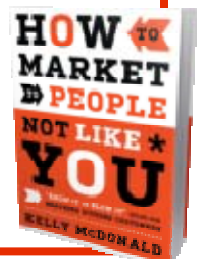
They believe that the rug can be pulled out from under you at any moment. In fact, they’ve seen it happen. This makes them be alert and they always have plan B.



Work-Life Balance

This is the generation that coined the term work/life balance. At work, they'll give 100% when they're there, but when they're not at work, they're busy having a real life.

But they expect to work hard. They know that their future, and their success, is in their hands.



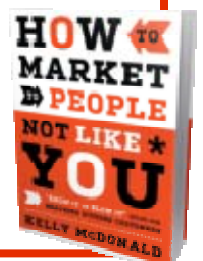
Gen X Consumers are More Cynical than Their Predecessors

They want to carefully evaluate their choices and reach their own purchasing decisions. And this is easier now than ever with more information at their fingertips via the Internet.

They're not driven by hype or flashiness, and they are skeptical of advertising tactics that are used to manipulate buyer behavior. **These consumers can be both cynical and sensible in their purchase behavior, and they are willing to pay a premium for the products that they do perceive as having value.**



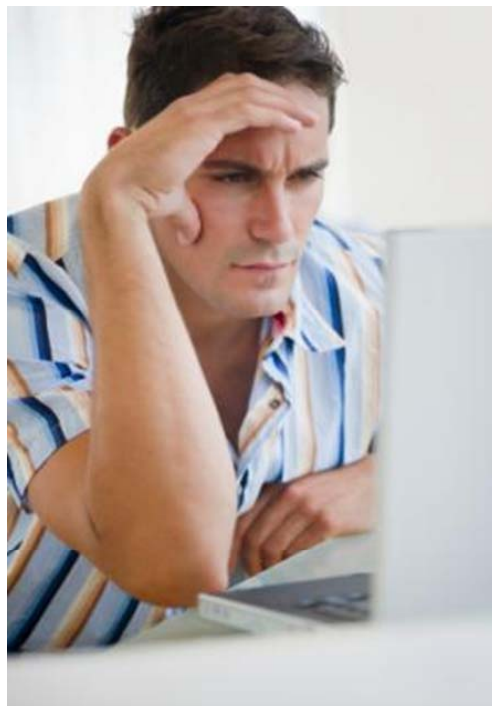
Source: From "How Volvo Targets Gen X Drivers", eMarketer, August 3, 2011



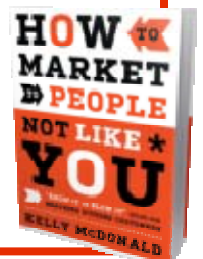
Gen X Likes to Be Informed

Gen Xers do research on any important purchase in advance. They will compare and contrast benefits and costs.

Linda Gangeri, Manager of National Advertising for Volvo Cars, tells eMarketer about targeting Generation X: “We try to be transparent in the way we communicate to Generation X and that’s why this whole word-of-mouth approach through social media is valuable. You can make any claim you want with the Gen X, but you have to be completely genuine, relevant and transparent, because they will check it out—and if it’s not true, they will let you and everyone else know. So, it’s about staying away from gimmicks, hype and stereotyping and, instead, remaining relevant and straightforward.”



Source: From “How Volvo Targets Gen X Drivers”, eMarketer, August 3, 2011

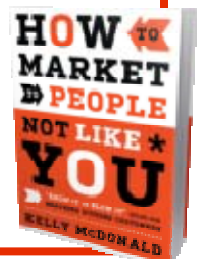


Very Loyal

Gen Xers are suspicious of institutions and skeptical about hype, which leads to wariness about big brands in general. Once they find a brand they approve of, they tend to be loyal customers. Perhaps the most noteworthy fact about Gen X is their extreme brand loyalty, relative to that of Gen Y and Baby Boomers. They have a high affinity for the brands they trust and are willing to pay a premium for their products.

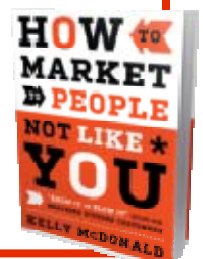


Source: "X Marks the (Sweet) Spot: Engaging Gen X", StarStar January 6 2012



Major Differences Between Baby Boomers, Gen X and Gen Y

<i>Context</i>	<i>Baby Boomers</i>	<i>Gen X</i>	<i>Gen Y</i>
Economy	Prosperity	Downsizing economy	Capitalism Rules
Cohort	Vietnam War	Death of Socialism	Rise of China and high technology
Experience	Cold War	Economic reforms	Iraq War, Global Warming
Core values	Idealistic, individuality	Pessimistic, diversity	Positive, globalisation



They Use Both “Old Media” and “New Media”

Because of technological advances during the time of Gen X members, these consumers are equally comfortable using both traditional and digital media channels.

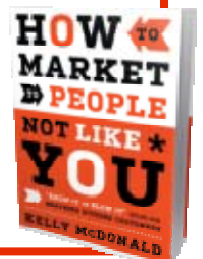
While Gen X tunes into online channels for news, product information and entertainment, these individuals also use the radio, television and print at higher rates than consumers just a few years younger than them, according to eMarketer.

For instance, three-quarters of these individuals watched their favorite shows on their television sets, but they also watch shows via online video and on-demand.

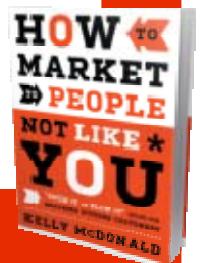
That said, 85% of Gen X members who use the Web still prefer to watch their favorite shows on TV.



Source: From “Brand loyalty highest in Gen X consumers: eMarketer” Mobile Commerce Daily, September 6, 2011

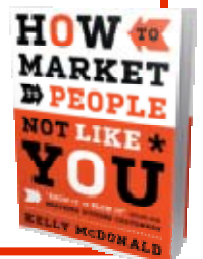


Marketing Tactics for Reaching the Generation X Market



Develop Products Aimed Right at Them

A great example of this is snowboards. Gen X sees downhill skiing as a sport for Baby Boomers. Boarding is for Gen X. Baby Boomers had Sony Walkmans; Gen X has iPods. For insurance, products aimed right at them can include pet insurance, tech insurance for electronic and computer equipment, homeowners insurance and life insurance.



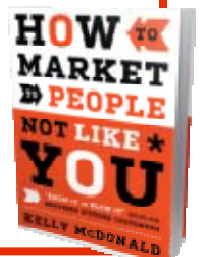
Gen X Success Story: Amazon

They grew by appealing to Generation X'ers. The business model developed by Amazon.com was perfect for this group because of the following characteristics:

- Technology dependent
- Ease of purchase
- Decision-enabling information
- A wide selection
- Discounted pricing
- Reliability of order fulfillment



Source: Amazon Case Study, "New Business Model and Venture Financing Chronology" by Vadim Kotelnikov



Provide Them with All the Information They Want

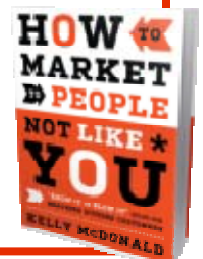
Make sure you provide as much detail as possible in your marketing materials to this group.

Generation X wants to hear the features of the product as well as an explanation of why these features are necessary. They are both cynical and sophisticated about products, ads, and shopping. Services aimed at building relationships may alter this groups' commodity-based view of the shopping experience.

This group is the most price conscious, so provide information on why your product is a good value. They want products and messages designed uniquely for their goals and lifestyles.



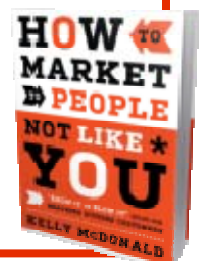
Source: From "Marketing to the Generations", Journal of Behavioral Studies in Business, Williams & Page, 2010



Utilize Social Media to Effectively Reach Generation X

Example: Progressive Insurance's "The Best Day Ever" Campaign

They utilized a series of posts on the Flo's character Facebook and Twitter accounts that examine -- kind of tongue-in-cheek -- ways to have the best possible day. For example: "20 songs that will give you a best day", etc. etc.



But You Can Use a Low-Tech Option Too: Direct Mail

Gen X Pays Attention to Their Mail

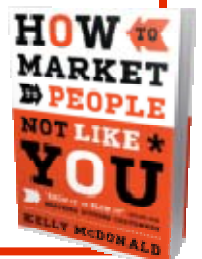
According to a study conducted by InnoMedia, NuStats, and Vertis, 86% of Gen Xers bring in the mail the day it's delivered. Furthermore, 68% of Gen X retail direct mail readers have used coupons received in the mail. Gen X consumers rate 75% of the mail they receive as "valuable".



Many consumers need a reason to buy, especially Gen Xers who are normally skeptical. Your offer should provide some benefit to the buyer as well as provide some level of comfort in moving forward with a purchase.

Keep in mind, however, that a direct marketing piece should be supplemented with other forms of marketing – Internet marketing, search engine optimization, advertising, etc. But direct mail can be your key to success with Generation X when used a core component of your marketing campaign.

Source: From "Marketing to Generation X", PowerHomeBiz, April 26, 2006



“Consult”, Don’t “Sell”

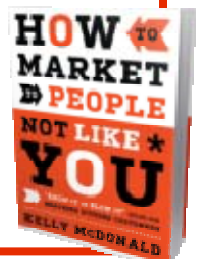
It is effective to approach Gen X more as a consultant rather than a seller. You can help them plan for the future and balance work, family, and personal life.

Give them plenty of access to information and educate them into buying. That is, keep them in the loop by asking for their feedback and sharing information with them regularly. They like to be kept abreast of the bigger picture. But, use short sound bites to keep their attention. They prefer an informal communication style.

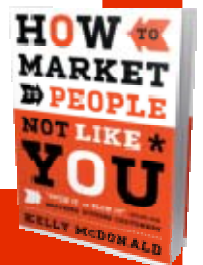
Encourage them to follow you on social networks as a way to keep in touch, or consider sending them newsletters so you can keep feeding them information.



Source: From “Marketing to the Generations”, Journal of Behavioral Studies in Business, Williams & Page, 2010



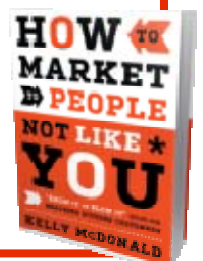
Marketing Guidelines for Generation X Consumers



Stress Value and Consider Pricing

Because many Gen X'ers grew up in single-parent households where money was tight, they tend to be more frugal than either Baby Boomers or Gen Y. They can afford a lot, but they choose to spend their money carefully.

To appeal to Gen X, think carefully about your value story and make sure that your product or service represents excellent value. Gen X has money, and they don't mind spending it; they just want to get the most bang for their buck.



Authenticity

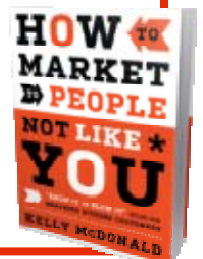
This is very a cynical generation they can spot the inauthentic very quickly. Make sure your products and services deliver on your promises. Make sure that what you say can be backed up with performance.

Do not use overly slick marketing pitches, as they are skeptical of advertising. They find advertising utterly transparent in its aim, i.e., to get them to buy something. Be frank and use straightforward facts, candor, and honesty. You must show them that you know what you are talking about. It is very effective to speak their language directly and in a non-threatening way; for example, “You’re different and we respect that.” Motivate them with statements such as “do it your way.”

More than the generations ahead or behind them, Gen X’ers have both the ability and the desire to check out your product claims. Avoid hype and gimmicks when targeting Gen X; make sure your marketing messages are clear and straightforward (and truthful). Because of their fierce independent streak, personalizing the brand experience works well.



Source: From “Marketing to the Generations”, Journal of Behavioral Studies in Business, Williams & Page, 2010 & “X Marks the (Sweet) Spot: Engaging Gen X”, StarStar January 6 2012



Focus on Their Families

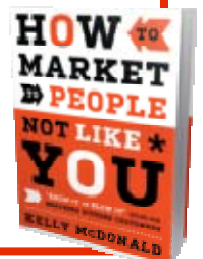
They are Likely to Have Young Children at Home

Generation X needs to buy products and services to set up households and for young children. They account for the largest share of the nation's parents and many of them were new home buyers caught in the housing bubble. They are a major force in the market for cars, appliances, and children's products.

This makes them a prime customer for auto, home and life insurance. Make sure you show them how you can take care of them and their young families.

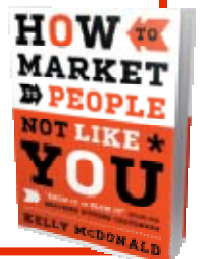


Source: From "Marketing to the Generations", Journal of Behavioral Studies in Business, Williams & Page, 2010



Use Humor!

Gen X loves to laugh. They love smart humor and sarcasm
Goofy messages can work too. They respond to irreverence in advertising more than to traditional approaches. So loosen up!

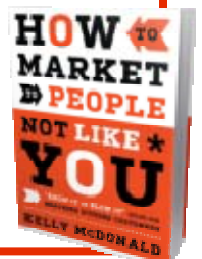


Avoid Status Marketing

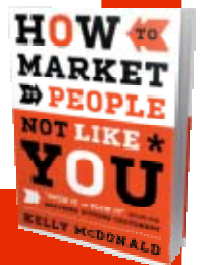
Gen X'ers are not likely to have a "herd mentality" when it comes to following the latest fashion, fad, or status brand.

Many Gen X'ers reject status brands precisely because others value them. X'ers like to make their own statement.

They want quality products that solve problems for them. Tell your story accurately and thoroughly and you'll impress them.



Social Media Guidelines



It's About People!

Social Media is about people, not selling. Make your pages personal and show the faces of your employees. It's OK to let their personality show!

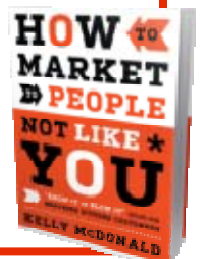


It's Imperative Today!

Social media is not going away, so the faster you “make friends” with it the better. You should , at a minimum, be active on:

- Facebook
- Twitter
 - Start tweeting (on Twitter) and remember that:
 - It's all about content
 - It should not be a sales pitch or promotional

Meaningful marketing has growing relevancy as our desire for connection grows. Connect with your potential customers via social media and watch your business grow.



“Doing It Right” Example: Farmers Insurance

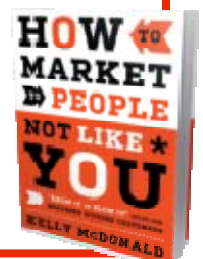
Leveraging Their Human Capital

Farmers Insurance social media strategy revolves around involving their agents in social media and providing support so they can build their own networks.

Ryon Harms, Farmers Insurance director of social media, says people want to connect with faces, not products, on Facebook.

*“For us, it really starts and ends with our agents.
We've got 15,000 agents across the country
through our core 30 states.”*

- Ryon Harms, Farmers Insurance, Director Of Social Media



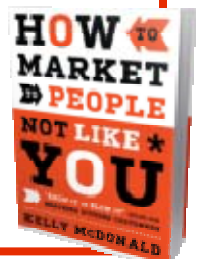
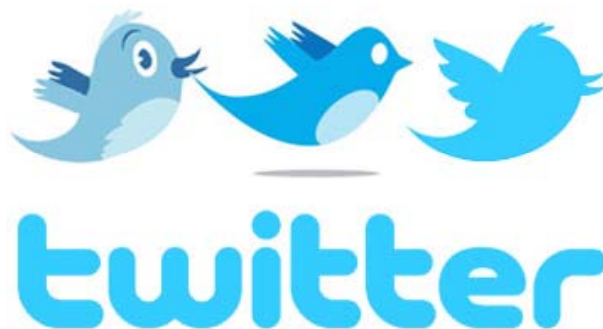
The Most Powerful Way to Tweet

Remember that most people don't want to be "pitched" all the time, so keep that in mind when deciding what to tweet. The goal of your tweets should be to accomplish the following two things:

- 1. Become a resource and an expert for your followers**
- 2. Develop a personal relationship with your followers**

With that in mind, remember the following guidelines when using twitter.

- Be helpful
 - At least 50% of your tweets should answer questions, respond to others' remarks or share content
- Be involved in helping or creating relationships
- Less than 10% should be promotional or attempts at direct selling
- Content doesn't have to be original / self-authored, as long as you credit the source



Develop a Social Media Plan

Start by Identifying Your Goals

You need to have a specific goal, just as with any other marketing plan. Is it to reach potential customers? Is it to inform current customers about additional products and services you can provide? Have this in mind when deciding what to post.

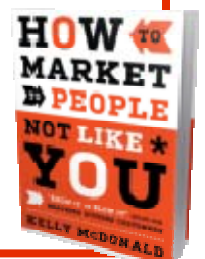
Develop an Editorial Calendar

You CAN plan ahead what you will be posting. Develop a calendar of priorities and assign responsibilities to team members. Make sure to review it often to make sure strategies are still on target.

Note: This is independent of responding to “fans” and “friends”, which needs to be done in real time, and could possibly alter your overall plans.

Posting Schedule

Once you develop an editorial calendar, you should determine the frequency of your social media updates and blog posts. If you decide to create a blog, you can improve your Search Engine Optimization (SEO) for your website by **updating it 2 to 3 times weekly**; search engines like updated content. Develop a schedule, be realistic and stick to it.



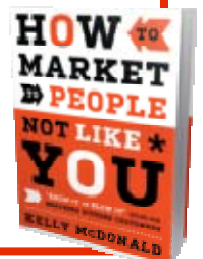
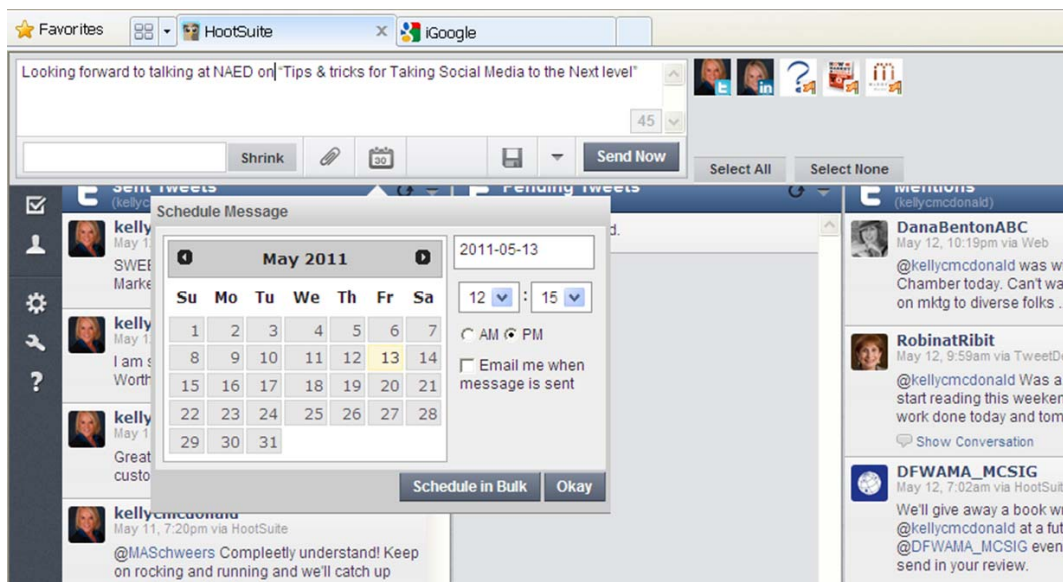
Utilize Online Tools

There are several tools that you can use to help you manage your social media presence. The following tools can help you organize, measure and pre-flight your content to save time:

- Hootsuite (<http://hootsuite.com>)
- Ping.fm (<http://ping.fm>)
- BudUrl (<http://budurl.com>)

Example: Schedule Future Posting from HootSuite

You can schedule your postings ahead of time utilizing Hootsuite, and it's free! They offer free accounts with limited features. You can also explore their premium features and see if it makes sense for you to make the small investment. However, the free account does allow you to pre-schedule postings to Facebook and Twitter, so you can make sure you always follow your editorial calendar.



Manage Your Content

Keep Consistency with Your Social Media “Voice”

Bring your brand identity to the social media realm. You need to make sure your tone and content align with your marketing goals, but remember it needs to be more personal.

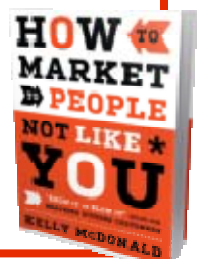


Establish Internal Guidelines

Just because someone on your team is familiar with social media, doesn't mean they should be your voice online. Make sure those who are doing the posting understand marketing basics. A common mistake is to assign a person familiar with Facebook, Twitter, etc. to handle social media posts, but who is not well-qualified to speak for the company. Be clear about what content is acceptable so that you are represented well.

Don't leave it to chance. Provide your social media manager guidelines on what it's acceptable to post. Give them categories of topics (examples: industry news, company news, news beneficial to clients, etc.) If you utilize Hootsuite, you can set it up so that you can approve the posts before they go live.

Also provide your social media manager with support. They probably won't know how to answer every question, so make sure they have people they can reach to for answers.

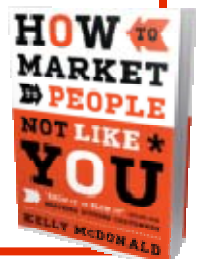


What to Do if You're "Flamed"

"Flaming" is when an unhappy customer writes negatively, harshly and prolifically about you on the web. This can happen on Facebook posts, tweets, blogs, etc. and it can spread like wildfire.

Always respond. Make sure that you address the poster's concerns. In order to make sure you respond the correct way, make sure that you:

- Cool down before responding
- Do NOT delete a negative post – this will only enrage the person who has a complaint. It will appear as if you don't care.
- Exception: delete post that are profane, racist, sexist or otherwise inappropriate
- Respond as if the person were standing in front of you in your office
- Take the conversation "offline" as soon as possible to resolve it



Social Media Do's

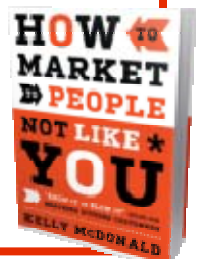
- Assign the development and implementation of social networking to someone interested in it in your agency
- Stay with it – the more you use it, the more it works
- Post tips, insider hints, etc. – give your knowledge away and watch your fans grow
- Maintain the conversation
 - Keeps readers coming back
 - Establishes a relationship

There's nothing worse than an outdated page

Remember that your customers expect you to be present in the online conversation

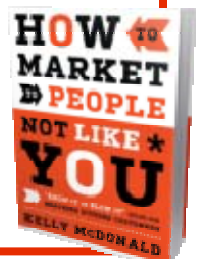
- Lack of presence is seen as uncaring, unresponsive
- Say something, even if it's just to thank them for their comments

- Give it a personal tone
 - Not: *"ABC Insurance celebrated our 10th anniversary"*
 - But: *"Check out our pictures from our anniversary party"*
- Be a real person and use real language
- Remember that customers are most interested in comments from other customers



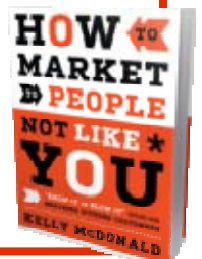
Social Media Don'ts

- Don't spam your customers
- Don't think it's all about you – it's really all about them
 - Examples of things you can do to
 - Baby announcements for customers
 - Congratulations for customers' success
- Don't dismiss or ignore negative comments about your business on your own site or third-party sites
- Don't be afraid to show some personality
- Don't be afraid to have some fun
 - Example: agency that allows dogs at work often posts about what the dogs are doing
 - The dogs are developing their own fans!
- Don't use insurance-speak or corporate lingo in your posts



For Reaching Gen X On Social Media, It's All About the Right Content

Post content targeted to Gen X interests and watch your followers or fans grow. Remember, they like information about products, so tell them what you can do for them. But do it in an informal manner and make sure you come across as helpful, not “selling”.

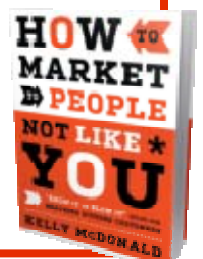


Provide Gen X'ers with Additional Value for Being Part of Your Network

Give Gen X A Reason To "Fan" You

This group is very price and value conscious, so give them discounts or special offers via your Facebook, Twitter and other social media accounts.

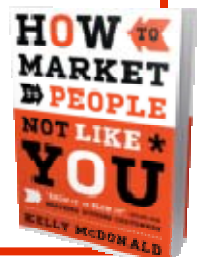
And share deals from other places, whenever you find them. Give them as much value as you can!



Utilize Their Social Network

Develop programs that encourage Gen X'ers to share their positive experiences. Reward them for following you on Facebook, for posting on Twitter, etc. They distrust traditional advertising, but trust their friends, so encourage their friends (current satisfied Gen X customers) to talk to them.

Make sure that the rewards are appealing to this demographic. They like value, so offer them discounts, etc. They also like, and have the income to consume, luxury items, and they are likely to have small children at home.



Utilize YouTube and Other Online Video Options to Reach Gen X

They Watch Online Videos

Gen X constitutes the largest online video audience. eMarketer forecasts nearly 75% of Gen X internet users watch online video at least monthly, and that percentage is expected to continue to grow.

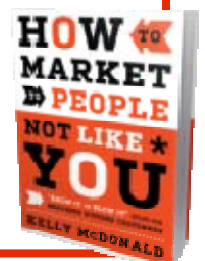
Create a short video that explains how insurance products can help them live their lives better and how your agency can help them choose the right products for their needs.



hulu



Broadcast Yourself



Consider Facebook Ads that Target Gen X

Target by Age

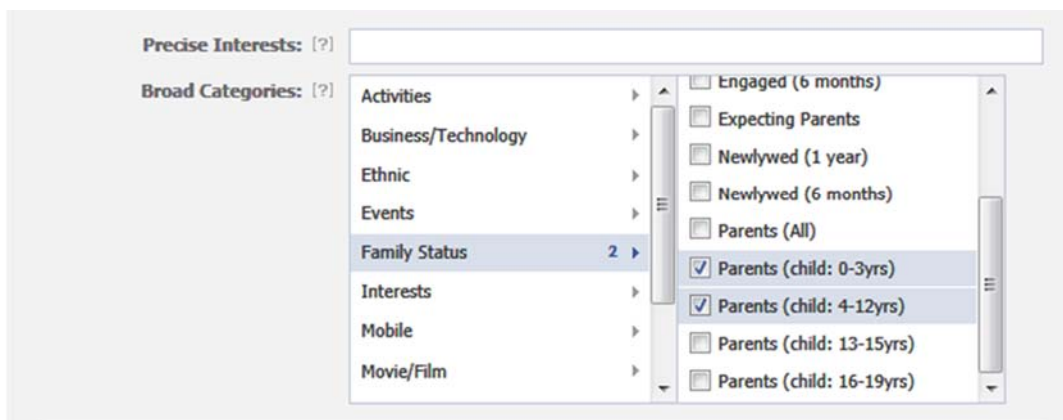
Facebook makes it really easy to target by age; you simply select the age bracket you are looking for, and you are done! Requires exact age match if you don't want Facebook to go outside your select age range (you will be charged for those too!).



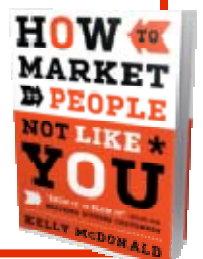
Age: [?] 35 - 47 Require exact age match [?]
Gender: [?] All
 Men
 Women

Or Focus on Life Stage

You can be more targeted by looking for people who have small children at home, etc.



Precise Interests: [?]
Broad Categories: [?]
Activities
Business/Technology
Ethnic
Events
Family Status 2
Interests
Mobile
Movie/Film
Engaged (6 months)
Expecting Parents
Newlywed (1 year)
Newlywed (6 months)
Parents (All)
 Parents (child: 0-3yrs)
 Parents (child: 4-12yrs)
 Parents (child: 13-15yrs)
 Parents (child: 16-19yrs)



Gen X

Marketing Guide

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Developed for the IIABA by McDonald Marketing, 2012

