

# Brands Can (Still) Strike Gold With Generation X

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I'm a Gen Xer, and I'm feeling a little abandoned. Not by family or friends, but by marketers.

The problem is that Generation X is the unsexy cohort stuck between the much larger (and wealthier) Baby Boomer generation and the super-cool, market-making Millennial crowd. In 2014, Pew described us as "[America's neglected middle child](#)." And if I needed any more evidence, Google search data confirms how infrequently my generation shows up in conversations. It's sad.

But is it? Are brands missing something? The answer is unquestionably yes. Seventy-five percent of Gen Xers earn more than Baby Boomers did when they were the same age. We earn more than Millennials per capita, and we will enjoy the highest increase in share of national wealth over the next decade.

With this in mind, here are five lenses through which marketers might look at Gen X to find growth.

**1. Examine per capita performance:** First, note that Gen X is a smaller group than either of its neighboring generations. For this reason, a brand should consider not only the absolute number of buyers and total sales potential, but also per capita measures. In a recent analysis for a CPG client, I found that the 35 to 54 age group spent 17% more per household on the brand than did the average household. Depending on your cost to acquire a new customer, campaigns that exclude Gen Xers could be leaving profit behind.

**2. Take advantage of favorable economics:** Gen Xers are now entering our peak earning and spending years. The Bureau of Labor Statistics reports that Gen X has the highest income and retail expenditures of any age cohort, and Goldman Sachs says Gen X accounts for 31% of total consumer spending versus its 20% share of the U.S. population. In other words, Gen Xers are making money and spending more than their fair share.

**3. Look at your brand's category:** Gen Xers prioritize spending on housing, education, childcare, and family travel. We lean away from buying new automobiles. Older Gen Xers will soon begin to consider retirement planning, which bodes well for healthcare and financial services companies. In fact, once the Baby Boomers make their way through the system, Deloitte notes that Gen X will account for 31% of total U.S. net wealth by 2030, becoming the big new fee opportunity in the financial services sector.

**4. Disaggregate:** Driven in part by declining birth rates and an increase in immigration in the 1960s, Gen X is an ethnically and racially diverse group. Forty percent of Gen Xers are non-white, for example, and we are the most dispersed cohort in terms of income and wealth distribution. A one-flavor approach will not work. My recommendation is that marketers apply a data-informed behavioral targeting strategy that enables “always on” measurement and refinement of advertising placement and messaging. WPP and Spotify have a partnership, for example, that uses listeners' moods, activities, preferences, and purchase behavior to fuel better campaign planning and more relevant creative delivered at just the right moment.

5. **Plan for long-term success:** Some experts say that brand loyalty among Gen X is high. This could be because they are time-starved, active professionals who seek to minimize search and transaction costs. Whatever the cause, the fact that many of us are the decision-makers for both our parents and our own children indicates that brands that ignore us are missing out. Brands that earn the Gen Xer's trust today—with values that matter deeply to us, such as authenticity and sincerity—will reap the benefits for years to come.

In summary, we Gen Xers are practical people at the peak of our careers. We are making money, spending money, and influencing the decisions of the generations both before and after our own. We might just be the “x factor” that brands need—and it sure would be nice to be talked about again.

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