BEYOND DEMOGRAPHICS

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Date: 26th May, 1986
"If only I knew why people behave the way they do - (rather than react to what they do) I would stand a chance to affect their purchase for the "right" reasons. Moreover I could do it again on another product without having to re-analyse their demographics and lifestyles".

- A.P. Browning, Marketer

Why My White Collar Is Different To Yours

In developing creative strategies it is imperative to understand why half of a particular demographically described group can be diametrically opposed to the views of the other half of this supposedly "homogenous" group. Obviously there are factors deeply rooted in peoples' values systems which set them apart from others. We may live next door to someone else of the same age, sex, income, socioeconomic group, marital status, education, occupation and number of children, and yet have nothing in common with them in relation to tastes, beliefs, values, attitudes and opinions. An understanding of these additional factors can not only richly enhance demographics, but give clear insight into why people behave the way they do.

Put Away The Coffin, Demographics Are Not Dead - Yet

The most exotic meals in the finest restaurants will still only be a combination of meat, vegetables, cream and condiments. It is the chef's years of technical training and experience which makes the difference in the way he or she combines the various ingredients, times their gestation, adds special touches and finally presents them in a mouth watering and appetising form.

A third grade cook could use the same ingredients and provide you with an adequate meal, but the flavour, fragrances, textures and appeal would be noticeably absent.

Demographics are our base ingredients. They are a fundamental description of the materials we use every day. But the base ingredients may not be quite enough to add the required value to our culinary marketing problem. Sure, they are the starting point - is our audience male or female (chicken or beef), young or old (veal or steak), rich or poor (fat or lean)?

But very soon our discerning clientele start to deliberate over the mushroom/cream sauce or the delicate hand rolled fillo pastry, or the exotically sculptured presentation.
Suddenly we find ourselves in an arena beyond the base ingredients. We must use them of course, but we must not only understand them fully, but also how to combine them for a multitude of personal tastes and preferences. As any good restaurateur knows, these individual nuances tend to fall into predictable categories. It is these categories which gives us the insight into fine tuning the purchase of base ingredients and additional condiments for our marketing kitchen.

Demographics, Lifestyles, Psychographics - Make Up Your Mind

Let's leave the kitchen and go to the manager's office. When he plans the marketing of the restaurant, who does he try to attract? First he might think of demographics and describe wealthy white collar people in their mid thirties to late fifties. He might then consider their lifestyles - are they retired or working, do they eat out often or rarely, do they travel (and if so, to where), do they play tennis regularly with their peers? Then lastly he might consider psychographics, how do they feel about eating out, would they want to be seen in such a restaurant or wouldn't they be caught dead in it? Do they like value for money or do they like to indulge? Are they likely to prefer a menu that remains fixed for months/years, or would they prefer it changed weekly? Would they prefer to bring their own wine, choose from the list, or be helped with the list? Would they be offended if fish was not offered on a Friday or if the manager was regularly seen ushering in international businessmen from multinational companies?

Demographics, lifestyles or psychographics - in the end what counts is how people feel about you and your product or service. The reasons for their feelings may in part be related to their age and sex, or their preferred activities, but almost certainly will be tied to their inner values, beliefs, attitudes and opinions.

Consequently we have spent a lot of time finding out more about how we can better understand and work with these deep motivating forces. All of our creative product attempts to relate to these forces. For years we have done it using our gut reactions and experience. We have won awards and sold lots of product. However we can now take some of the pressure off our guts and begin to work with some psychological ingredients which help to categorise values - based "mind-sets".

If I Can Feel How You Would Feel, Perhaps You'll Buy My Product

No two individuals will ever feel the same way about anything. However the reasons why they don't feel the same
way may be common. Further, what people feel may change over time but why they feel it remains relatively constant.

Ogilvy & Mather's Futures Division in conjunction with The Roy Morgan Research Centre have developed nine segments of Consumer responses which help identify how groups of Australians think. The core constructs are related to home, work and leisure activities. These combine to produce a core set of values which consistently influence behaviour. Each segment provides an insight into a pattern of consumer responses - not a typology of individuals. The understanding of these segments and their particular idiosyncrasies allows us to tailor not only our creative work, but also media selection, store promotions, packaging, and new product ideas. Our Futures Division have also used these techniques in looking at corporate cultures and general communication strategies. Clients who have enjoyed the benefits include The Business Council of Australia, The Industrial Design Council, "Life. Be in it.", CRA, Shell, and the Housing Industry Association.

What really counts is that the product sells to our target market, and that we are building a good feeling in our customers' minds about using it. If we can use the above techniques to reinforce emotions and responses which are stirred during the purchase process in a positive way, we will become warmly accepted.

Certainly one of the hardest groups to get warmly accepted by, are the 18 - 39 age group. This generation which forms the baby boom are by far the most volatile and affluent group of purchasers.

I'm a Successful Baby Boomer - I'm Allowed to be Individual

Much has already been written about this often narcissistic group. They have made love, not war; they postpone commitments to one another by marrying late and having fewer children - later; they are wary of institutions and especially governments; they have encouraged over half of all women to join the workforce, and their husbands to join the homeforce; they have been brought up on a nutritious diet containing high levels of television, education, expectations of a prosperous and interesting life, and job mobility.

While the older baby boomers (those currently turning 40) sought happiness as an end in itself, the younger ones are being forced to accept the realities of high inflation, high unemployment, high housing costs and the recessions of the 1970s and early 1980s. Indeed, there are numerous differences between the "original" baby boomers and the "new" ones.
Those born immediately after WWII, grew up with black and white TV, the Beatles, flower power, and the Vietnam War. Their parents afforded them most luxuries. Everyone had money to spend and with the introduction of contraception, people could take greater control over their own lives. They were the "Me" generation, who given this new individualism and personal awareness marched with fragile naivety for peace, rights and increased choice. Today most are employed by big companies and have their own families.

The next group, born between 1955 and 1965 were too young to go to Vietnam. Their parents were only children during the Second World War. While in 1961 their parents were grappling with the credit squeeze, this young group was busy attending primary school. University became free and increasing numbers took advantage of higher levels of education. They had heard of flower power and apartheid but were more removed, and just lived a sheltered and relatively apolitical life.

The youngest group, born after 1965 were showered with major events throughout their young years. The Vietnam War ended, Armstrong walked on the moon, colour TV was introduced, computers became small enough to put on a desk, Space Invaders invaded, inflation soared, unemployment sky rocketed, recession hit, family groups split apart and the threat of nuclear war became a reality with the proliferation of nuclear warheads amongst Middle East countries. Today some of this group can already vote, program computers, drive cars and purchase our clients' products from their own paypackets.

How to Sell Widgets to Baby Boomers - Generations I, II & III

From a creative viewpoint by far the greatest issue is to understand how these groups perceive themselves and their environments, particularly since their expectations and environmental realities no longer match. An example to illustrate the paradox of perceptions is that 73% of all Australians believe that they drink less alcohol than the average. (It's a pity that road deaths do not support this perception). Another example sees 10% of the population who demographically belong to the AB socioeconomic group perceive themselves as Working Class. (Our wealthy tradesmen certainly appear to be humble).

Turning specifically to our 18 - 39 group we have many factors and shades to consider. While it is vital to know their demographic descriptions, and the fact that they fought in Vietnam it still does not let us get inside their heads. We need to know how they feel now about particular issues, products and services.
I mentioned earlier about the nine segments of consumer responses which help to understand how groups of Australians think. We can take the volatile 18-39 group and break them into groups who appear to show similar responses to various issues. While there are nine groups identified by the O&M Futures Division/Roy Morgan Research Centre segmentation study, we have found that this particular group falls mostly into seven of the nine groups. By understanding how these groups think and behave we can develop and fine tune strategies that take into consideration peoples' deepest emotions. Then in conjunction with our media department, who know exactly what these different "values-based" groups read, watch and listen to, we can deliver our client's message with devastating impact. In no time at all the widget shelves are empty.

Specifically the seven groups which the 18-39 group could identify closest with include the following:-

CONVENTIONAL FAMILY LIFE (40% of the population)

Refers to the pattern of responses offered by respondents who represent the core of "the middle Australian" market, with values centred around the significant events in their personal and family lives. It comprises slightly more women than men, generally over 30 years of age. On an average income, these people are seeking greater financial security, struggling to improve their basic living standards and to give their family better opportunities than they had in their own childhood.

Generally, they are satisfied with their lives and feel that on the whole they are doing pretty well. They tend to be less ambitious at work than some of their more success oriented counterparts, as they place a higher priority on time with family and friends. They generally seek value for money in their purchases and select a mixture of branded, longer life items and generics or store brands for everyday use.

They are strong believers in the free enterprise system, that what you do at work is more important than money, that the Government should require religious education in Government schools and are the most likely to believe that a woman's fulfilment is only possible in providing a happy home (49%).

They are cynical about politicians, would ban neo-Nazi parties but not the Communist Party and strongly believe that there is too much sex on television and that pornography should be banned.

Conventional family life members recognise most clearly that their values have changed during their lives and now believe strongly that there are right and wrong ways to do things.
SOMETHING BETTER (9%)

Refers to the pattern of responses offered by respondents who are likely to be well-educated, have a responsible job and earning an above average income. The Something Better person feels confident, ambitious and tends to be in secure full-time employment.

People in this group are strongly committed to individualist positions, seek greater personal freedom, see themselves as more progressive and less likely to hold traditional society views. They very strongly believe that there should be less government intervention in the lives of individuals, and that smoking of marijuana should therefore be legalised.

This group includes the younger more modern family types, aged between 20-39 years who strongly support the free enterprise system, believe that military service should be required for all young men, strongly reject the view that a woman's role is in the home, oppose religious education in government schools, reject ban on pornography and most strongly oppose limits to economic and industrial growth.

VISIBLE ACHIEVEMENT (7%)

Refers to the pattern of responses offered by respondents in the over 30 age group, who are visible success stories with above average incomes, who retain traditional values about home, work and society.

They seek recognition of personal achievement, are confident and competent. They work for financial reward and job stimulation. They seek visible "good living", travel, recreation and other evidence of success and desire to demonstrate a position of leadership in their community as mature, successful, achievement oriented individuals. They place great emphasis on providing their families with a high quality environment.

Nine out of ten members of this segment believe that free enterprise is better than any other system but 83% also believe that there is too much power in the hands of a few large enterprises. They are less likely to support government schools being forced to teach religious education and less likely to support compulsory national service for young men. They strongly reject the view that women's roles are in the home, and are least likely to accept that they get a raw deal out of life or that their world is falling apart.

95% of Visible Achievers feel they are in full control of their lives and take a very direct interest in public affairs and the economic and political environment of their family and work situations. They are most likely to believe that large companies are essential for economic growth and development.
A FAIRER DEAL (9%)

Refers to the pattern of responses offered by respondents who are most likely to feel that they get a raw deal out of life at the time of the survey. What they earn at work for a fair day's work is more important than what work they do. They expect their managers to make decisions, take responsibility for outcomes but explain fully what they want done. This group includes the highest proportion of unskilled and semi-skilled workers with an annual income of less than $15,000 and educational achievement of less than four years of secondary schooling.

This group of respondents react strongly to their feelings of being pressured. They are likely to feel that their world seems to be coming apart at the seams. They are most likely to believe that conscription can be justified only when our country is facing an immediate threat to its safety. This group feels that it is often left out of things that are going on around them, and that other people seem to get more breaks than they do. Significantly, this group has the least level of trust in strangers.

This group is the most likely to vote ALP in Federal elections, tends to be under 40 years, with money worries and employment insecurity that creates the high levels of pessimism and cynicism.

YOUNG OPTIMISM (5%)

Refers to the pattern of responses offered by respondents from today's student generation who are seeking to improve their prospects in life, gain a respected place in society, are interested in style, new technology and career opportunities. This group are generally very optimistic about the future, and most likely to see themselves as middle to upper-middle class.

At work, if employed, this segment is least likely to believe that company rules should never be broken, and wish to be consulted on the job before accepting directions from others. This group strongly rejects the view that there is little you can do to change your life. Like the Visible Achievers, this group agrees strongly that large companies are essential for economic growth and the development of Australia. They look forward to having their own flat so that they can move out of the family home, and seek opportunities to travel and add to their personal life experience.
SOCIALLY AWARE (5%)

Refers to the pattern of responses offered by respondents who are community minded and socially active. They enjoy persuading others to their opinion, are most likely to be involved in environmental and conservation movements, strongly identify themselves as "middle class" and progressive. They are least likely to agree that women should take care of running their homes and leave running the country to men, or that religion should be taught in government schools. This group is least likely to agree that a woman's life is fulfilled only if she can provide a happy home for her family. They strongly disagree with the view that pornographic movie theatres and book stores should be closed down.

This group is most likely to be employed on a full time basis in the public service or with large corporations, with a very high proportion of professionals and middle management positions. At work, this group seek managers who consult them before taking a decision and expect loyalty in implementing the agreed direction.

LOOK AT ME (14%)

Refers to the pattern of responses offered by respondents who seek an exciting, prosperous life, who look for greater freedom from family commitment and a life in their own family of the future. They demand a lot from their employers, friends and society, making a greater share of community resources. This is the youngest segment with the most members, being under 30 years of age. Unsophisticated, young active people, the Look at Me segment is primarily unmarried with no children to worry about.

They are fashion and trend conscious, wishing to stand out from their parent's generation but be members of "their generation", the in-crowd of their peers. Active socially, they prefer a party to staying at home, like to be seen as "outrageous" and taking part in "swinging" activities. They generally reject involvement with causes, political activity and social issues. Sport, leisure and fun are too important to be interfered with by longer term commitments.

Money is very important to them, but not if it requires financial planning or thought for tomorrow. Generally, they see their lives as uncertain, but well within their personal control.

They are most prepared to support environmental protection at the expense of economic growth, but generally as a part of an escapist image of preserving the wilderness areas, seals, whales, etc. This is an emotional rather than a political response.
As a little known copywriter once said, the proof is in the pudding. If it works – use it. Certainly no single theory can profess to provide all the answers to the marketing kaleidoscope. Nevertheless we use the best available techniques in a combination which makes sense for the project at hand. Demographics is not dead. It continues to provide essential information about groups of people. However we have been able to embellish demographics with the nine segments in order to understand why groups of people think the way they do. Further, we can predict likely responses of these same groups of people to different offers of different products and services, at different times.