

Centrestage

Keeping you up with the play in Central City

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CENTRAL CITY BUSINESS ASSOCIATION

New Year – New Attitude Retailing in an Age of Uncertainty

We are now in a new year and a great time to look closely at what we do and work towards doing it better. We need to understand the changing face of the consumer and the growing diversity of the consumer marketplace by age, ethnicity, lifestyle, and lifestyle will result in greater market complexity for retailers and suppliers – a key reason why the old rules will no longer apply.

Two key age groups, the **Baby Boomers** and their **Gen Y** offspring will experience rapid growth with significant implications for retailers and consumer products companies. This week I look at how the Gen Y lifestyle and lifestyle will affect retailing in the coming years.

The rest of life is blurred. They will seek a more meaningful life that is not defined by what they do for a living.

Gen Y also is distinct from previous cohorts in other ways that any business targeting them will need to recognize. Not unlike previous generations, understanding their formative experiences is crucial when developing marketing strategies.

During their more impressionable years, Gen Y witnessed an unprecedented spurt of economic growth and a stock market bubble. This has created unrealistic expectations about the economy. Gen Y also is the first generation to grow up online, which is taking place at the expense of print media and even television. They are a tough crowd to sell – turned off by conventional branding and traditional advertising messages. With this group, marketing as the Baby Boomers have known it is dead. Instead, they will respond to retailers or brands that become an honest and authentic part of their lifestyle; that create a connection between the brand and the experience surrounding the brand. With Gen Y, it's not about reaching the masses, it's about building community and trust.

Younger generations are far more racially and ethnically diverse than older generations and can easily visualize the day when minority groups become the majority. This growing age based race gap is the result of higher birthrates among minorities, as well as continued immigration, which disproportionately affects younger rather than older cohorts because most immigrants themselves tend to be young and/or have young children.



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Up-and-coming Gen Y

Gen Y – the children of the Baby Boom – is poised to reshape the cultural landscape just as their parents did decades before. Rivaling the Baby Boom for the largest generational group in the country, their sheer size makes them a force to be reckoned with. This will be a free-spending, but hard-to-reach generation.

Over the course of last decade, most of Gen Y were at a major turning point in their lives as they started out on their own. But they had different priorities than previous generations at the same age. While Boomers live to work, Gen Y consumers will embrace more flexible, less traditional work styles where the boundary between work and

Trends Matter

Over the next few weeks I will look at some of the top emerging trends and how they may affect the way people communicate and purchase goods. While these trends will surely make life a little more interesting or fun for consumers, they are important for marketers to understand and adapt into their marketing plans when appropriate. Some of these may not seem like they have direct marketing connections, they are still important to understand as this is how consumers will be interacting with brands and each other on a regular basis in the coming years.

1. P2P MOBILE PAYMENT

Person-to-person payment (P2P) has been happening since the first cave men exchanged beads for services rendered. In more modern times, friends or acquaintances have exchanged checks or cash when a payment between two individuals was needed. PayPal helped mainstream P2P payment in the online world. Now mobile digital technology is taking this concept to the next level with a variety of applications popping up that allow friends, family and neighbours to

easily exchange money via their always present mobile devices. For example: three friends go to dinner and one picks up the tab with his/her credit card. The other two can simply text or SMS their share of the bill to the party who paid the bill. Will this technology render cash and checks obsolete? Probably not, but it will make them a lot less necessary.

2. 2D BAR CODES

2D barcodes (also known as QR codes) have been widely used in consumer marketing applications in Europe and Asia for the last four to five years, but they are just now starting to make serious inroads in North America. To read one of these codes, consumers use their smart phone camera in conjunction with a bar code reader program to unlock data stored in the

code. It might lead to a special Website or provide extra information about the product, a coupon, ringtone, wallpaper, song or any other bonus feature that can be thought of. These codes can appear in any number of places, including magazines, signs, movie posters, outdoor boards, taxis/buses or anywhere a user is liable to see and scan one.

Source: Intel Corporation