



Generations by COVID

“Whilst COVID-19 has undoubtedly impacted all Australians to some extent, we do see interesting nuances by applying this Generational lens.”

Our Special Edition Mood of Australia research has revealed the motivational needs, emerging values and behavioural shifts of Australians as they progress through their COVID-19 journey.

At Sprout we became curious what sets apart our different Australian Generations as they navigate this unprecedented landscape? What are the top priorities per Generation for Brand Owners, CX Strategy and Employers?

The enclosed Generational Snapshots combine both the implicit emotional and rational survey data collected from our Special Edition Mood of Australia fieldwork, augmented with qualitative interviews and trend analysis.

Whilst COVID-19 has undoubtedly impacted all Australians to some extent, we do see interesting nuances by applying this Generational lens. For example, it was surprising to see Boomers less worried during this crisis than much younger counterparts. Furthermore, dominant motivational needs do sometimes differ with younger Australians needing relatively more empowerment tools and messaging. We also see the vital role that CX design can play in convincing certain Generations to actively partake in key external aspects of their lives.

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GENERATIONS BY COVID: OVERVIEW

	<i>Gen Z</i> (age 10 - 25)	<i>Gen Y</i> (age 26 - 39)	<i>Gen X</i> (age 40 - 55)	<i>Boomers</i> (age 56 - 74)
WHY ARE THEY IMPORTANT?	They influence our trends and shape behaviours for all generations	They are now the largest working group in Australia	They are high spenders and large employers of Australians	They have high disposable income and wealth
COVID JOURNEY IN ONE SENTENCE	"Digital warriors enter the storm"	"Ready now to have the shackles broken"	"Achievement driven yet increasingly work-life conscious"	"Calmer than expected but seeking to belong again"
THEIR NO1 MOTIVATIONAL NEED RIGHT NOW	Empowerment	Empowerment	Achievement	Belonging
HOW ELSE DO THEY DIFFER FROM OTHER GENERATIONS COVID JOURNEY?	Heightened 'emotionality' experienced during this, their first crisis	Home ownership now becoming more challenging for many	Lingering phobias about returning to pre-COVID activities	During this crisis, the least worried and most happy of all generations
HOW TO HELP THEM RIGHT NOW?	Help them find calm in the storm Provide flexible financial tools and services	Make them feel strong, prepared and ready to go	Help them to get things 'done' and 'completed' Provide more flexible work options.	Help them reconnect with loved ones Help them resume their prior routines
DON'T!	Compromise on CX (especially speed and efficiency)	Make them feel trapped or restricted	Make them feel unsafe through CX	Stereotype them as 'old' and 'unadventurous'

Read
the full
snapshots





Gen Z Snapshot (Age 10 - 25)

Digital warriors enter the storm



Gen Z out-punches their size in terms of influence.

As digital natives, they curate volumes of information, creating and interpreting trends that influence all generations, therefore playing a critical role in shaping behaviour and consumption for all.

How they have changed as a result of COVID-19

Gen Zers are facing their first major crisis - one we believe will shape this generation for a long time. A volatile, less certain world awaits them!

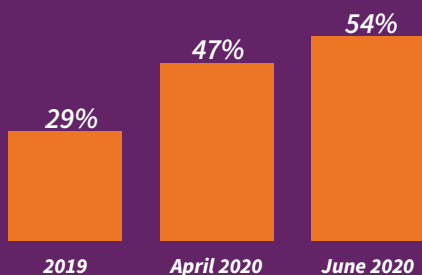
Mental health is of growing concern, and this generation clearly recognise the need for money management and financial planning.

Gen Z also expect to see more brands giving back to the community.

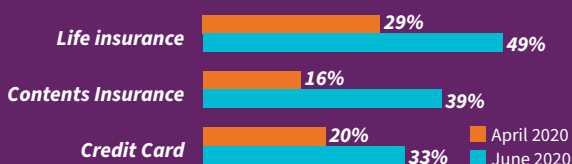
Their dominant motivational need right now

The motivational need that Gen Z wants to feel more of is *Empowerment*. They want to feel well prepared to bravely confront the challenges that lie ahead. Help them to feel that they can succeed on their terms – remove roadblocks and frustrations.

Expects brands to “give back to the community or environment”...



Plan to review or cancel in the next 3 months...



SEEKING:

Empowerment

WHAT SETS THEM APART:

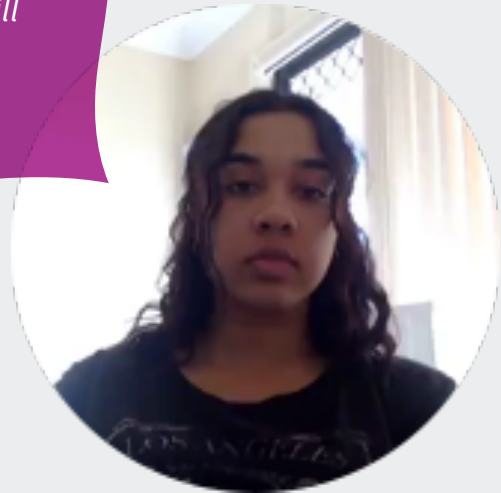
They want to avoid feeling insecure, anxious, and worried and seek more peace of mind - a sense of calm.



Nadia is a Gen Z who has been impacted through loss of a very regular social life and employment income cut.

"I really need to ensure that I'm managing my money more responsibly so that if something like this ever happens again in the future, I will be a lot more prepared."

Nadia



Top Priorities



FOR BRAND OWNERS:

Help them feel brave and prepared for the turbulent world they are in or will soon to be facing. Gen Z is not looking for brands to tell them what to do — they prefer brands that empower them.

Provide Empowerment tools to help them gain control of their financial future as young adults. They will favour more flexible commitments and subscriptions over fixed arrangements.

Be honest, fair and show how you are contributing to the greater good.



FOR CX STRATEGY:

This Gen Z cohort are the true Digital Natives - no compromise on speed and efficiency, they also expect meaningful personalization in their customer experience.

What Gen Z demands may soon become the norm for other generations.



FOR EMPLOYERS:

Support inclusivity, diversity of views and recognise the real issue of mental health through appropriate programs and tools.

Right now, job security is more important for Gen Z than high income and rapid promotion.



Gen Y (Age 26 - 39)

Ready to have the shackles broken



More used to a volatile world than younger Gen Z, Gen Y or 'Millennials' are now the largest component of the Australian workforce and thus have the most at stake in the COVID-19 economic fallout and the 'new normal'.

Gen Y is a diverse group within itself, split between the younger pure digital natives and slightly older Australians who are more advanced in career and family life.

How they have changed as a result of COVID-19

This crisis is not their first crisis - in a relatively short space of time, many have been exposed to 9/11, increased global terrorism, global warming and the GFC. As a result, this resilient group has remained largely happy and healthy, with no dramatic shifts in core values and behaviours. In fact, certain brand and life values that already define Gen Y, such as social responsibility and the environment, have become even more important.

Gen Y has often been labeled as job-hoppers, moving to chase purpose-driven roles and fresh challenges; however, this is more challenging to sustain in the face of prolonged economic recession. They may seek to

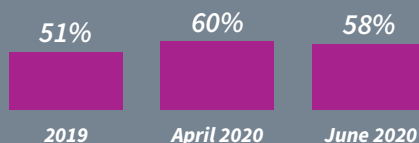
give up high job satisfaction in return for job security. Whereas saving and security were compromised for life experiences and instant gratification, a shift in priorities is now likely.

Their dominant motivational need right now

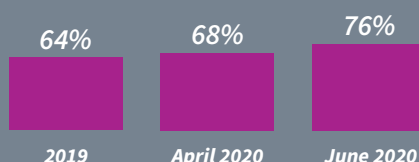
Gen Y wants to feel more *Empowerment*. This is about feeling more strong, fearless and capable but also less restricted and trapped.

It's all about being 'ready to go'. Millennials are used to very active lives – often chasing rich experiences, career and raising a family at the same time. COVID has put the brakes on this, and they are now ready to have these shackles broken.

How happy and well are you in life at the moment? (Top 2 box)



Expects brands to be "authentic & truthful"



SEEKING:

Empowerment

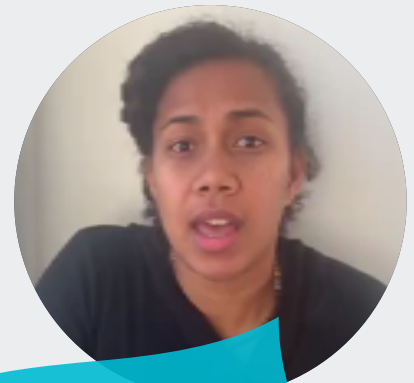
WHAT SETS THEM APART:

Gen Y is finding the life goal of homeownership particularly challenging compared to prior generations, and COVID has made this situation more acute for many.



"My wife and I travel at least every 6 months, sometimes even more - we love roadtrips and exploring all the amazing things you can explore both in Australia but also abroad."

Damien



Aysha is a Gen Y (28) who has been impacted through reduction in work hours and social commitments.

"I've always been a very busy person, always piling more onto my plate...I rarely had a 'free' day in my life pre-COVID."

Aysha

23%

vs. 30%
of all Aussies

of Gen Y still won't have a large group of friends over to their house

Top Priorities



FOR BRAND OWNERS:

Messaging that taps into the motivational need of Empowerment and supports the feeling of being strong and 'ready to go' (whilst avoiding feeling restricted and trapped) will likely resonate with Gen Y. The 'Good to Go' campaign by the Queensland Government is a case in point.

Be conscious of the potential for forced COVID-19 value shifts due to economic conditions. Travel and experiential goals may have to give way to security and saving, providing opportunities for relevant messaging.



FOR CX STRATEGY:

Millennials are seeking Empowerment - itching to break the shackles and resume aspects of their external lives; however, parts of the overall Customer Experience must also meet lower level motivational needs (such as security) for them to feel comfortable in doing so.

Physical touchpoints are a case in point, such as restaurant dining and flying experiences.



FOR EMPLOYERS:

Be aware that job security may suddenly become more front of mind, especially for younger Millennials.

Gen Y also highly value the motivational need of Belonging in the workplace and remote working combined with layoffs and reduced hours could have them seeking value-added 'reconnect' tools.



Gen X (Age 40 - 55)

Achievement driven yet increasingly work-life conscious



Gen X doesn't grab all the headlines, but they are arguably the financial lifeblood of the economy, and directly employ or manage a significant number of Australians.

Their spending levels are extensive, which makes them critical to brands. Sandwiched between caring for ageing parents and raising children, Xers are often overwhelmed.

How they have changed as a result of COVID-19

Gen Xers have been on something of a COVID-19 'rollercoaster' ride. April saw a spike in the intensity of emotions and insecurities over their health and financial outlook. This emotion was followed by a sense of renewed optimism and 'calming down' in June. Despite their initial concerns (which were mostly perception-based), COVID hasn't impacted their health and finances that much. Still, there are lingering phobias about returning to pre-COVID activities.

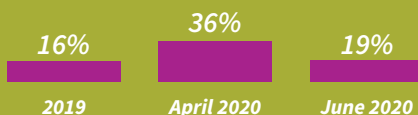
COVID has given Gen X a renewed focus on family and close friendships – a 'sense check' on work-life balance. They are also eating healthier and exercising more.

Their dominant motivational need right now

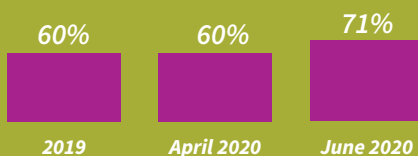
Gen X wants to feel Achievement. Gen Xers have become even more driven to achieve and get stuff 'completed' compared to a year ago. While the average Aussie is looking for ways to get things done in this new world, the Xers, true to their drive and ambitious traits, are more focused on achieving the actual outcome.

They are motivated by seeing these outcomes (e.g. mortgage paid, kids healthy and happy, parents safe), more so than new ways of doing things.

Believe they will be worse off financially 12 months from now



Importance of the value of 'good family life' (Top 2 box)



SEEKING:

Achievement

WHAT SETS THEM APART:

Over 40% think that restrictions are lifting too fast (versus 33% for all Australians). This generation is the most likely to say they will not re-engage in certain social activities when restrictions lift.



Simon is a Gen X who has been impacted through reduction in work hours.

"It means a lot to me going back to work because...a feeling of being useful, productive, independence and just having a satisfactory lifestyle..."

Simon



"This will incentivise me...to prepare my own meals, eat healthy food and live a good lifestyle. I've also starting focusing on exercising, which I wasn't doing very regularly..."

Kash

41%

vs. 30%
of all Aussies

of Gen Xers think restrictions are lifting too quickly

"I am a little bit more mindful of slowing down, we have such busy lives..."

Rebecca

37%

vs. 30%
of all Aussies

of Gen Xers still won't have a large group of friends over to their house

Top Priorities



FOR BRAND OWNERS:

Show how you support the motivational need of Achievement and getting things completed so Gen Xers can feel successful and useful. Communication that focuses on the finished product or the outcome will be more emotionally compelling.

Capitalise on the renewed focus on family and friendships. Many Xers are resetting the button on work-life, how can you facilitate this?



FOR CX STRATEGY:

Generally, experiences that drive successful completion of tasks will be valued – for example, tracking a delivery, 2 mins to complete an online form or application etc. Make it is easy to get to the finish line.

For relevant sectors, your customer experience needs to give them the confidence to participate again in key external and social activities.



FOR EMPLOYERS:

Recognise that not only younger generations feel the need for praise and a sense of importance.

Support the need for greater work-life balance through flexible working arrangements. For example, Senior Managers could be offered reduced hours contracts and additional work from home benefits.



Boomers Snapshot (Age 56 - 74)

Calmer than expected but seeking to belong again



Considerable in number and possessing half of Australia's wealth, Boomers are surprisingly often ignored by advertisers.

They get frustrated when wrongly stereotyped as 'old' and 'unadventurous' and are more digitally active and savvy than they're given credit for. With high disposable income, they are open to many products and experiences typically positioned for younger generations.

How they have changed as a result of COVID-19

Despite being the Ground Zero of the COVID-19 threat, Boomers have actually been the least worried of all the generations. They are also the happiest and have remained, by and large, healthy.

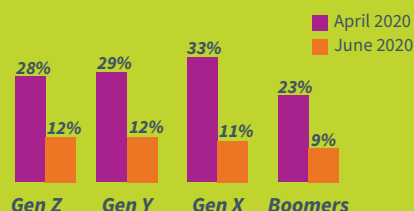
Similar to Gen Xers, Boomers were concerned about their financial outlook in April, however, this has abated in June to 2019 baseline levels. Life values such as the importance of friendship and maintaining good health have increased during their COVID Journey.

Their dominant motivational need right now

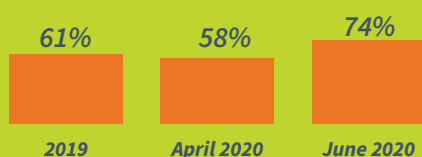
Boomers want to feel more *Belonging*. They want to feel connected and accepted. During COVID, this generation experienced, and continue to experience, a pronounced sense of 'disconnection'.

This 'disconnection' is not only impacting social contact with friends and loved ones but has curtailed many of their value-add experiences. Think travel, eating out and physical shopping experiences (the majority of Boomers are omnichannel shoppers). Conscious of the dramatic actions taken recently for their safety, a segment of the Boomer generation are implicitly seeking to be 'accepted' again by society.

"Extremely worried" about COVID -19



Importance of the value of 'Friendship- having friends and spending time with them' (Top 2 box)



SEEKING:

Belonging

WHAT SETS THEM APART:

Word of mouth is a critical channel for this generation. Many Boomers will not be early adopters of a product or service until a family member, or someone they trust recommends it.



"We're sort of looking forward to going back there (New Zealand), maybe later on this year..."

"It (COVID) hasn't really had any effect at all because we lead a very quiet sort of life and my wife is an excellent cook. It's all been pretty much the same..."

Dave

"When it's safe again, we're looking forward to spending a lot more time with our family, who we've missed very much, spending time with our close friends and also doing a bit of travel."

"We looked at projects we might be able to do so we had some aims and objectives that would help mentally and physically get us through not being able to see friends, family and participate in the activities we are used to."

Shirley

Top Priorities



FOR BRAND OWNERS:

It has never been a better time to make Boomers 'inclusive' from a marketing perspective – they have the cash. They are avid participants in many sectors from home improvement through to travel, auto and managing healthcare.

Consider how your messaging can support the Boomers desire to feel more Belonging – how are you reconnecting them to people and their prior COVID-19 routines?



FOR CX STRATEGY:

Understand that many Boomers are engaging right now in digital categories and online shopping processes that might be unfamiliar to them. Companies must ensure that experiences are user-friendly and safe. Speed and 'showy' functionalities are less important - they are more concerned with getting it done safely and right.

Be consistent in pricing – Boomers expect companies to be "authentic and truthful" and this has increased over their COVID journey.



FOR EMPLOYERS:

Be conscious that retirement plans may have suffered a setback due to COVID. This concern can be with timing and / or impact on Superannuation balances. Provide access to relevant advice, resources and support.

Recognise that Boomers are more reticent than other generations to ask for help in a workplace setting, especially for issues such as mental health.



ABOUT MOTIVATIONAL NEEDS AND MINDSIGHT®

These core human motivational needs help to explain our behaviour. Why a person chooses your brand over another brand, engages with a new product or doesn't, recalls and engages with communication etc.

We can't detect these motivational needs by asking direct questions as they are non-conscious and difficult to articulate for everyday people. As a consequence, our research uses Implicit or 'System 1' techniques to identify them.

MindSight® is the neuroscience tool we use and is based on the theory of the Unified Model of Motivation, developed by Dr. David Forbes. The model summarises the 9 core human motivational drivers from 106 independent theories over the past 200 years of research. MindSight® uncovers what everyday Aussies seek to feel 'more and less of' in their life in general.

More About eMotivate:

Mood of Australia Study - COVID Edition

eMotivate is Australia's biggest annual implicit study into the hearts and minds of Australians (now 6 years of data). We get to the bottom of what Australians really want – what their hearts and minds desire. We ask what do Australians want to feel more of and less of in the coming year.

6
years

1,000
Australians each October

Implicit
+ Rational

COVID

N=500
Late April, Mid June
Qualitative Digital
Immersion Qualitative
video testimonials