

The Generation Game

How will technology meet the needs of our futures?

October 2016



TRAJECTORY



“In rare cases, downturns are catastrophically deep and enduring, as were the Great Depression of the 1930s and Japan’s lost decade. **Such downturns shape the mind-set of whole cohorts of consumers and have a long-term impact on buying behaviour.**”

Harvard Business Review

www.hbr.org

A new thriftiness and desire for simplicity will combine with pent-up demand to shape buying behavior.

Understanding the Post-Recession Consumer

by Paul Flatters and Michael Willmott

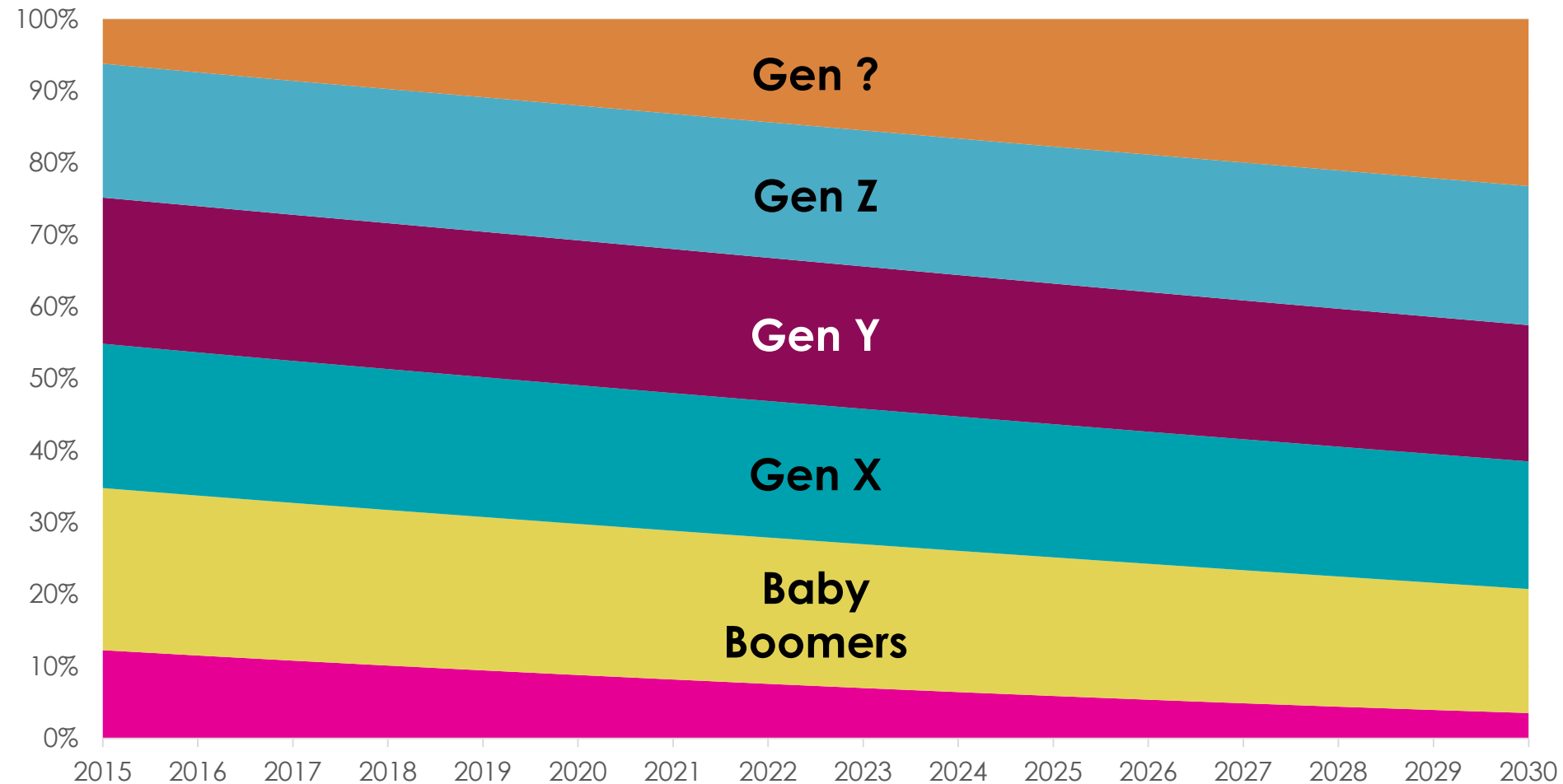
Included with this full-text *Harvard Business Review* article:

1 [Article Summary](#)

The Idea in Brief—the core idea

2 [Understanding the Post-Recession Consumer](#)

% of UK population in each generational grouping; 2015 - 2030



“I've come up with a set of rules that describe our reactions to technologies:

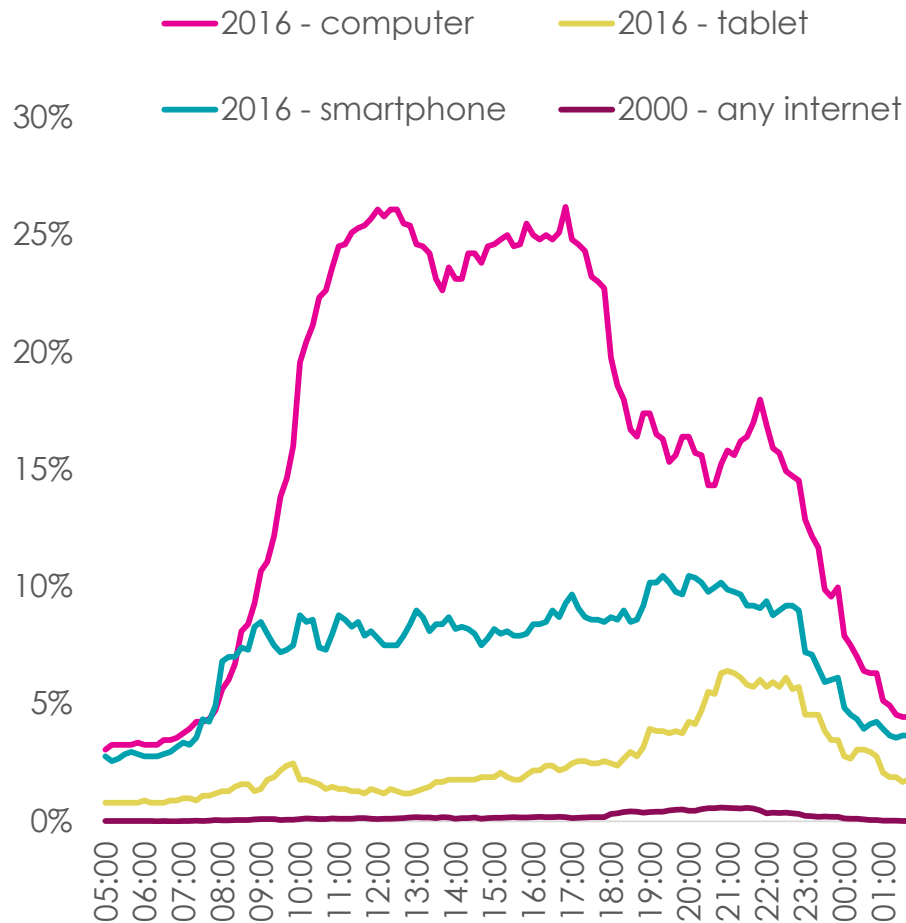
- 1. Anything that is in the world when you're born is normal and ordinary and is just a natural part of the way the world works.**
- 2. Anything that's invented between when you're fifteen and thirty-five is new and exciting and revolutionary and you can probably get a career in it.**
- 3. Anything invented after you're thirty-five is against the natural order of things.”**

– Douglas Adams, August 1999

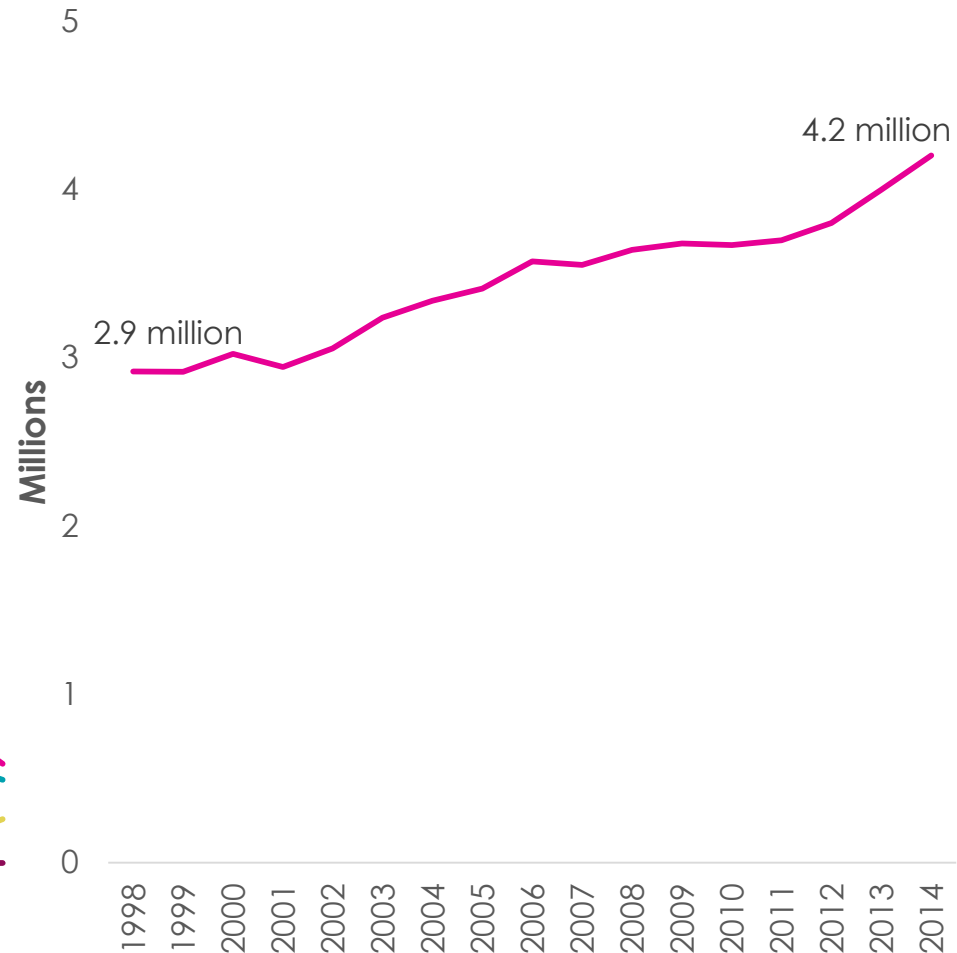


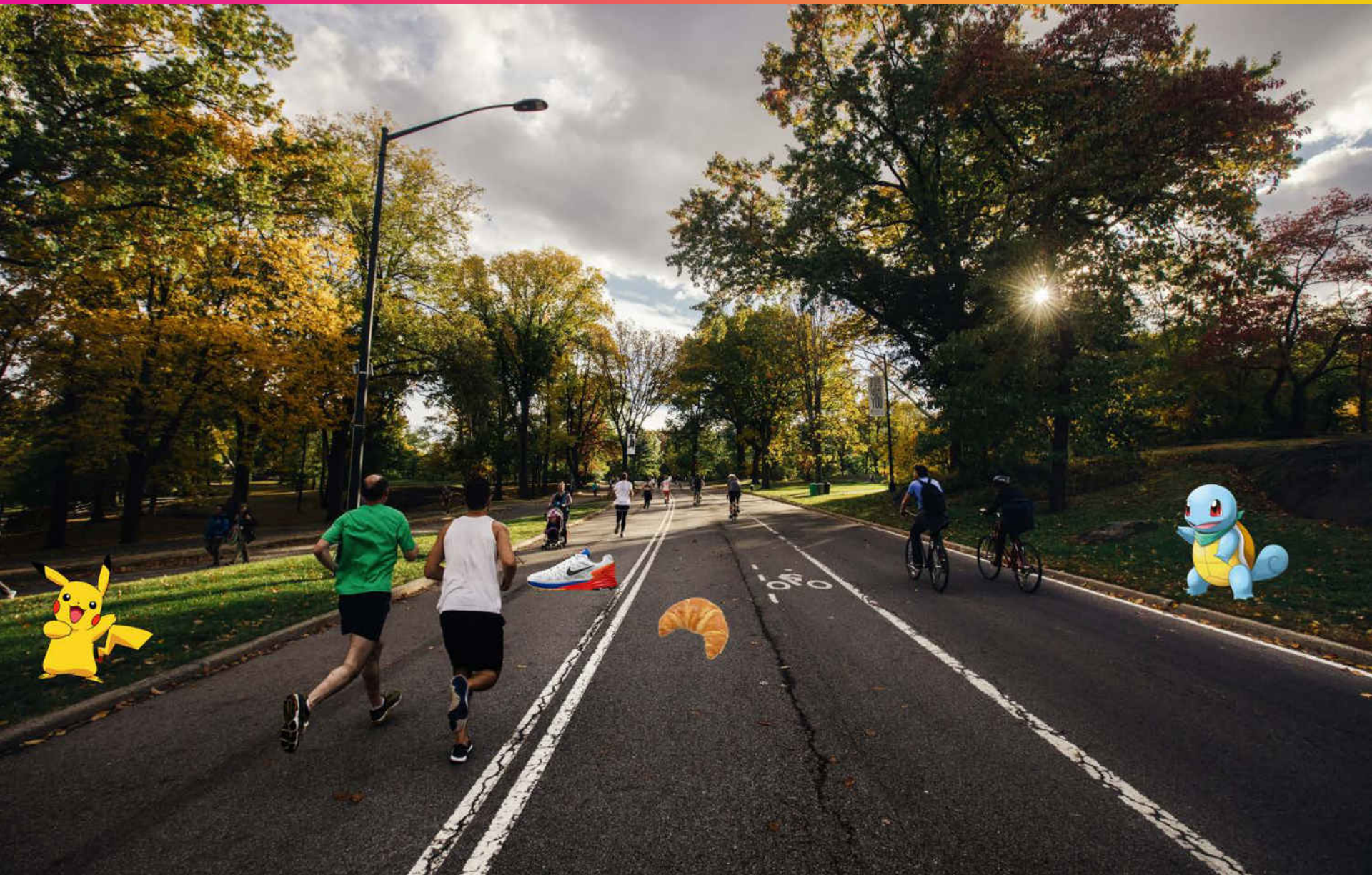
Technology & Social Trends

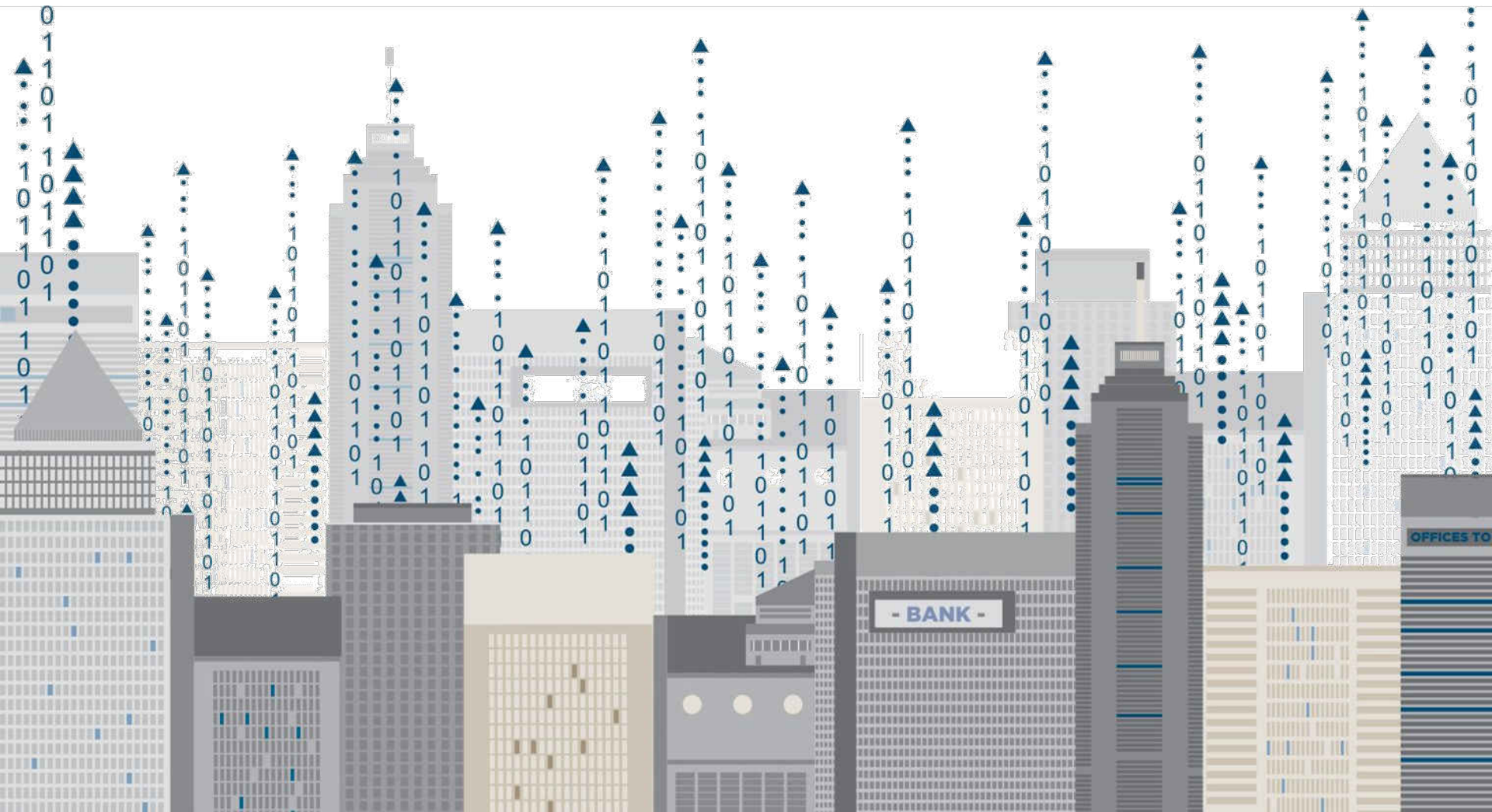
Device Use, 2000-2016



Number of Home Workers

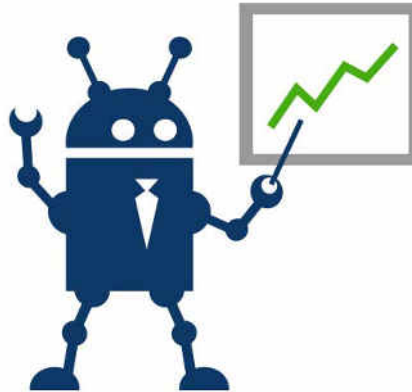








Quantified Self



Robo-Advisors



Drones



Virtual Reality



Internet of Things



Digital Family Values

The Generation Game

7.5m, aged **70+**

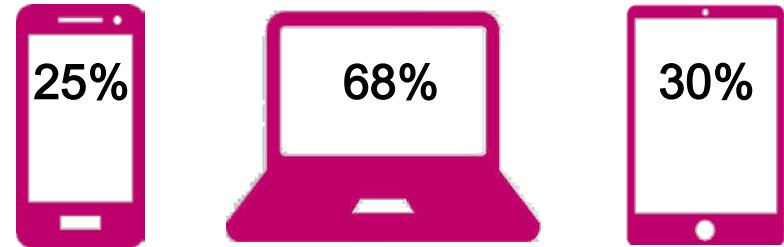
11.5%

Of the population

Generational Challenges

- Isolation
- Care
- Health
- End of life costs

Devices Used (75+)

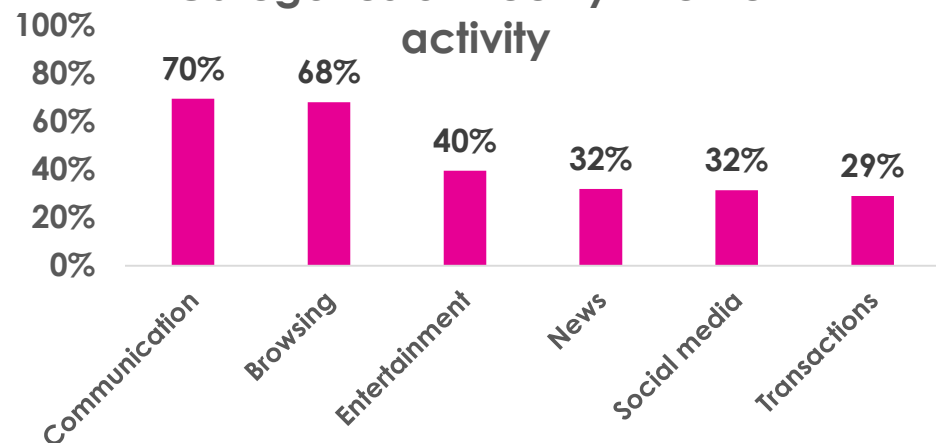


Smartphone
-49%
of UK
average

Laptop
-15%
of UK
average

Tablet
-21%
of UK
average

Categories of weekly internet activity



14.5m, aged **52-69**

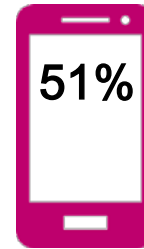
22.2%

Of the population

Generational Challenges

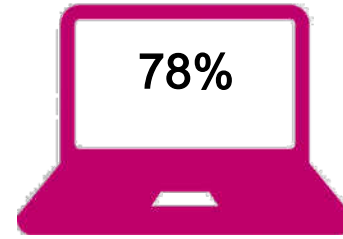
- Retirement
- Supporting 3 generations
- Own health and care

Devices Used (55-65)



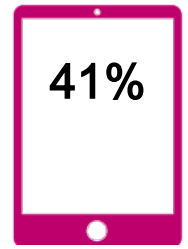
51%

Smartphone
-23%
of UK average



78%

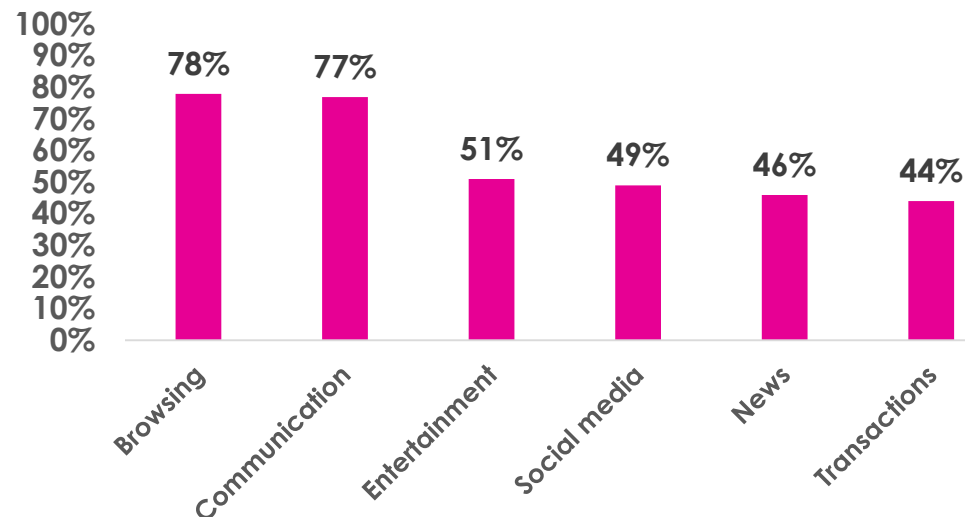
Laptop
-5%
of UK average



41%

Tablet
-10%
of UK average

Categories of weekly internet activity



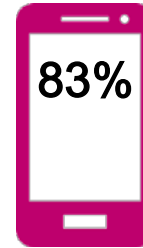
13.1m, aged **37-51**

19.9%
Of the population

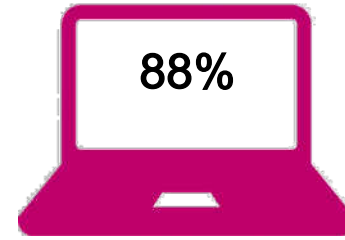
Generational Challenges

- Supporting 3 generations
- Children in Higher Education
- Mortgages
- Retirement provision

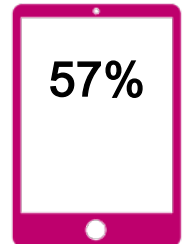
Devices Used (35-54)



Smartphone
+9%
of UK average

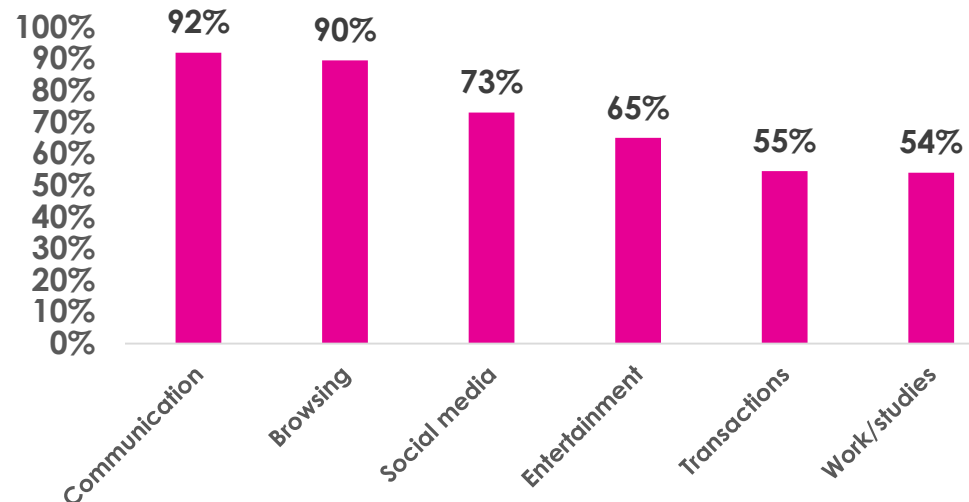


Laptop
+5%
of UK average



Tablet
+6%
of UK average

Categories of weekly internet activity



13.3m, aged **22-36**

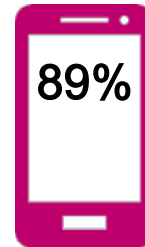
20.2%

Of the population

Generational Challenges

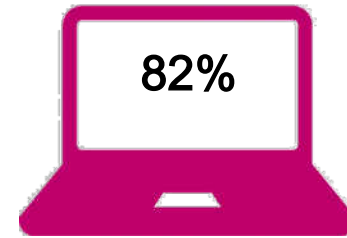
- Housing
- Suspended adulthood
- Stagnant wage growth
- Student debt

Devices Used (25-34)



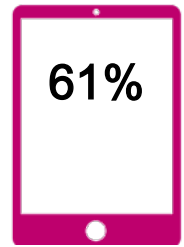
89%

Smartphone
+15%
of UK average



82%

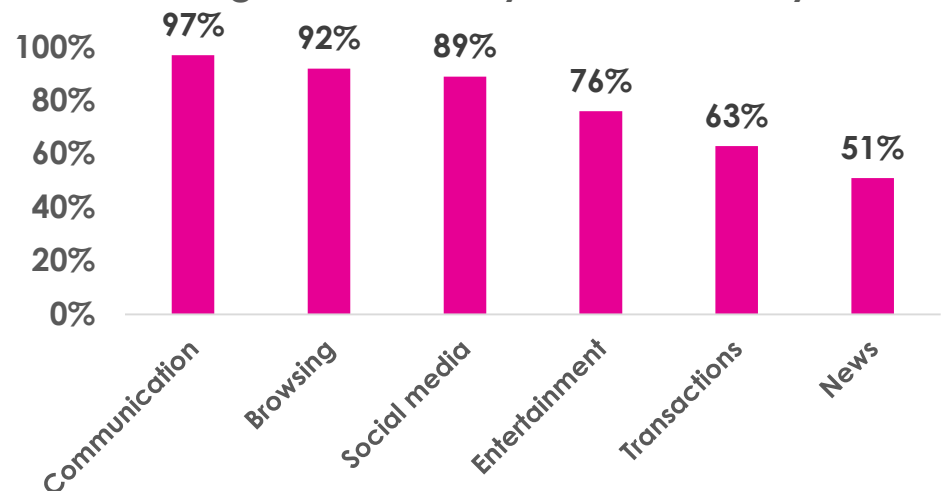
Laptop
-1%
of UK average



61%

Tablet
+10%
of UK average

Categories of weekly internet activity



12.2m, aged **6-21**

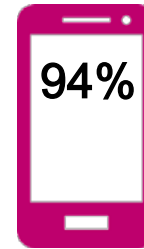
18.6%

Of the population

Generational Challenges

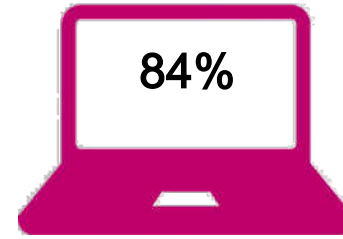
- Education
- Housing
- Mental health
- Child Poverty

Devices Used (16-24)



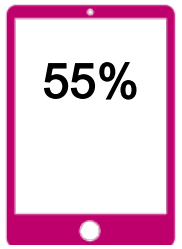
94%

Smartphone
+20%
of UK average



84%

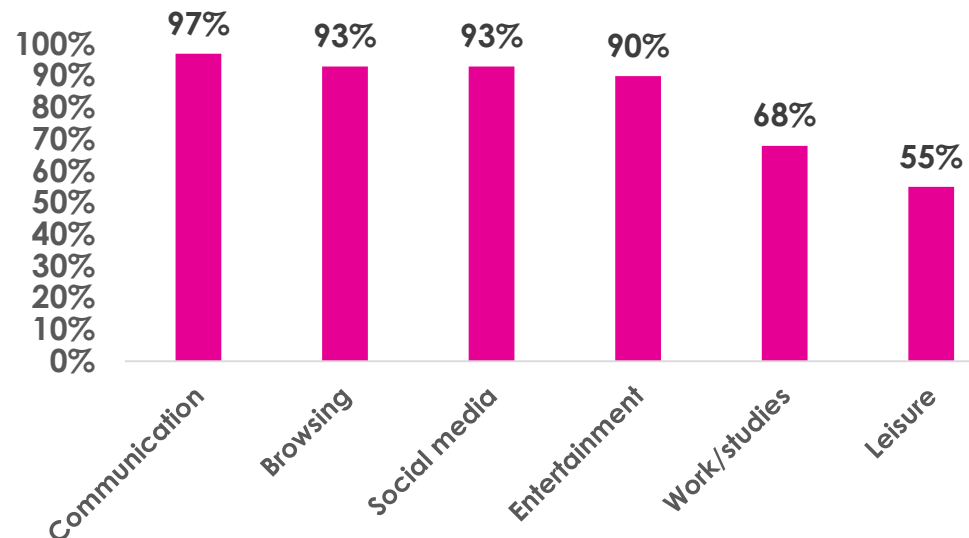
Laptop
+1%
of UK average

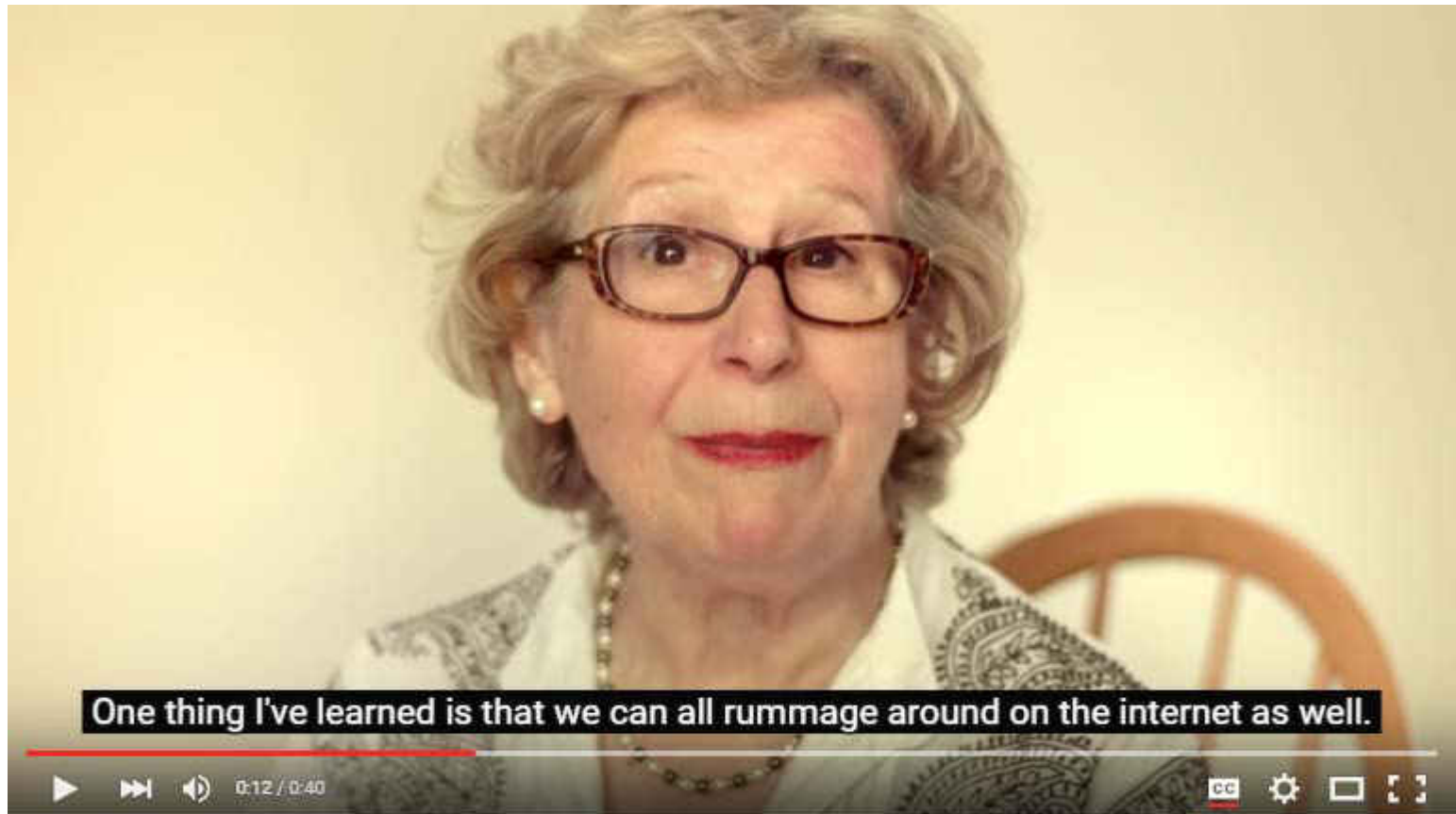


55%

Tablet
+4%
of UK average

Categories of weekly internet activity





TV AD: How to save money online: Using voucher codes



Barclays UK

Subscribe 5,989

4,586

Demographic Trends

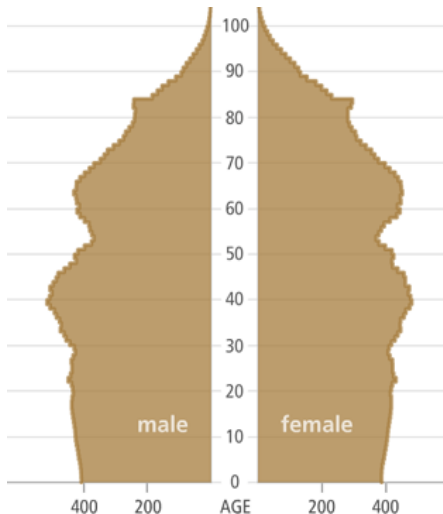
- Ageing Society
- Population Growth
- Changing Meaning of Age
- Vertical Families
- Generational Equipoise

Need

- Health
- Housing
- Poverty
- Education
- Income

Innovation

- Drones
- Internet-of-things
- Quantified Self
- E-Learning
- Robo-advisors

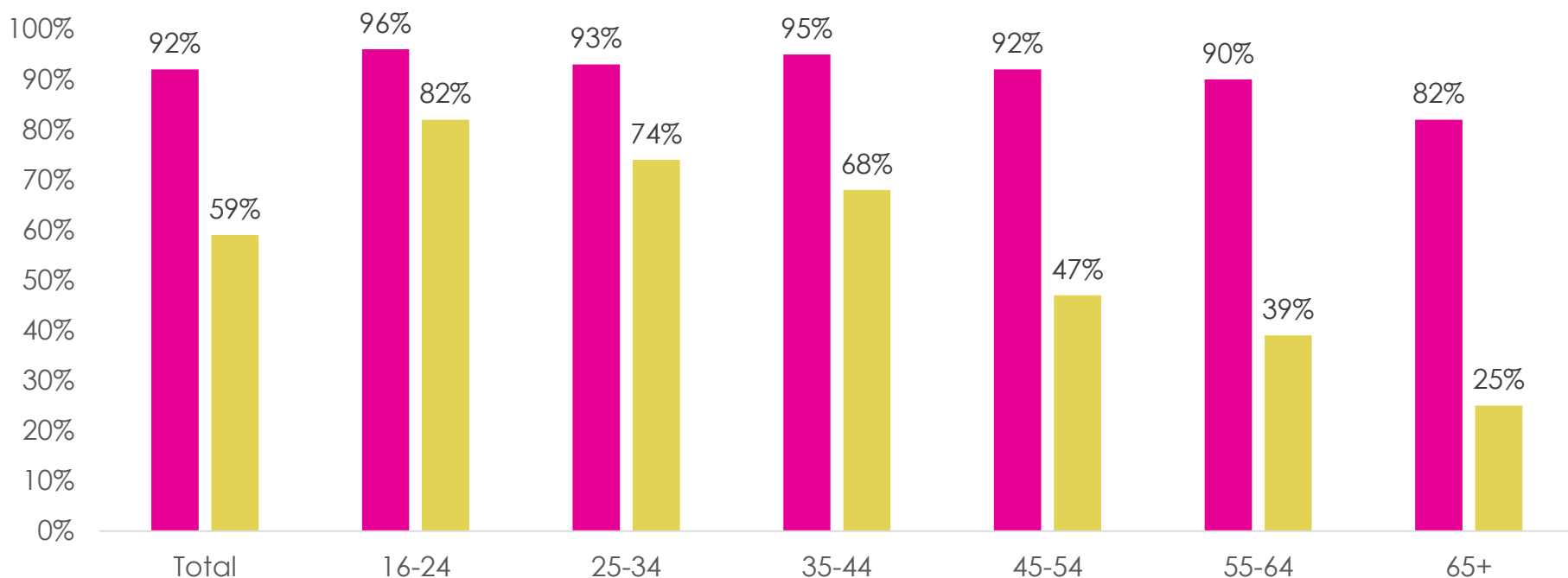


Trust, Confidence & Barriers to Adoption

TRAJECTORY Access, Sophistication & Confidence

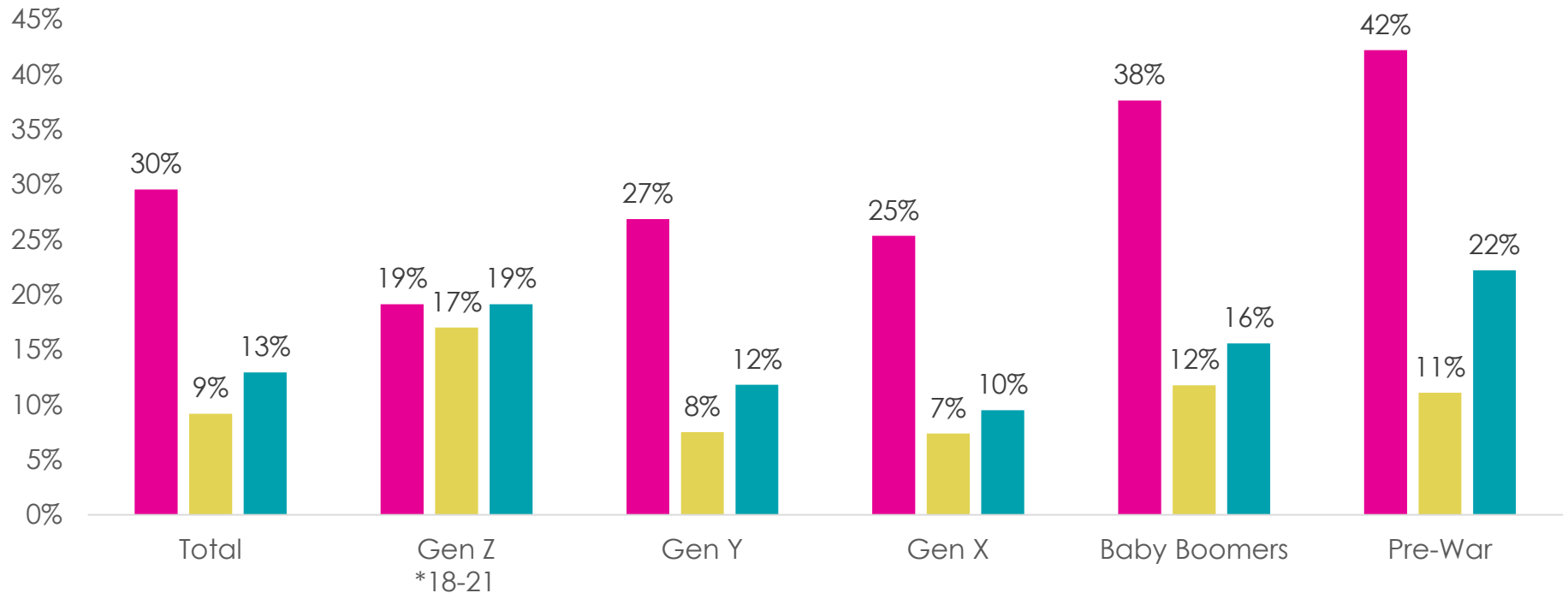
Confidence Online; All Internet Users

- Very or fairly confident of finding the content or information you want when you go online
- Very or fairly confident of using the internet to do creative things

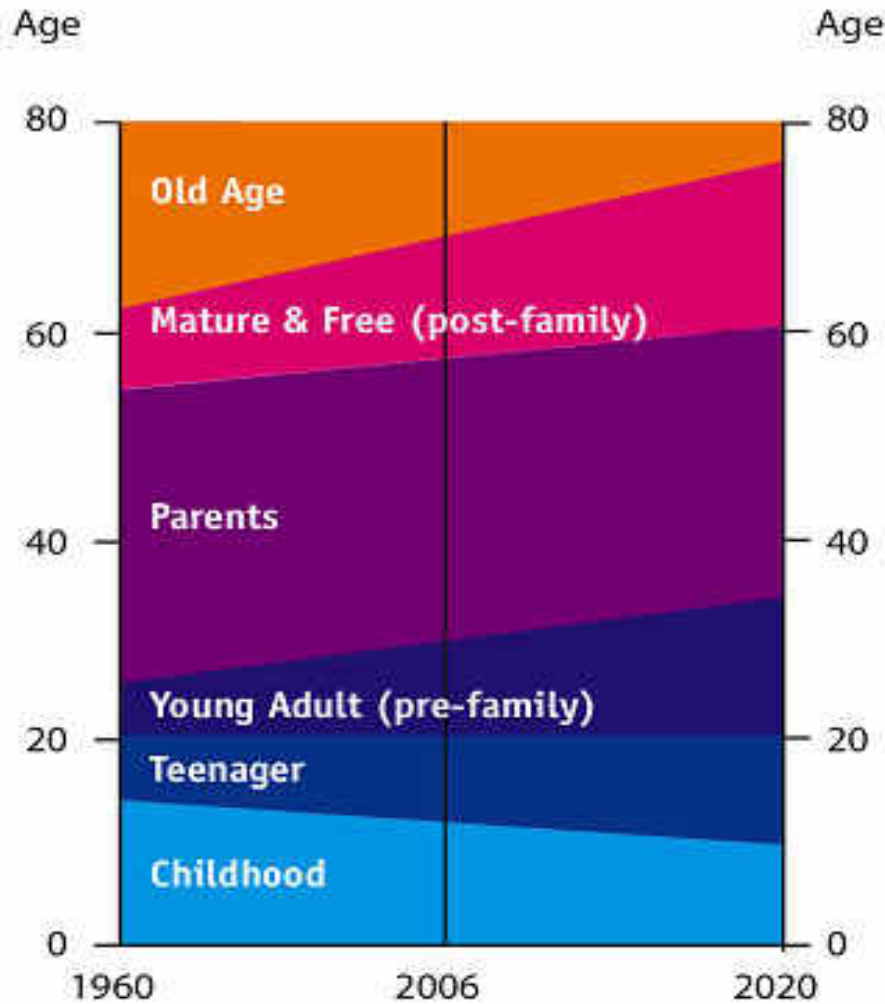


Which, if any, of the following limit the way you use the internet? UK Adults

- Concerns about the privacy of your personal information online
- Lack of knowledge of how to use the internet
- Seeing no benefit in using the internet more than you do



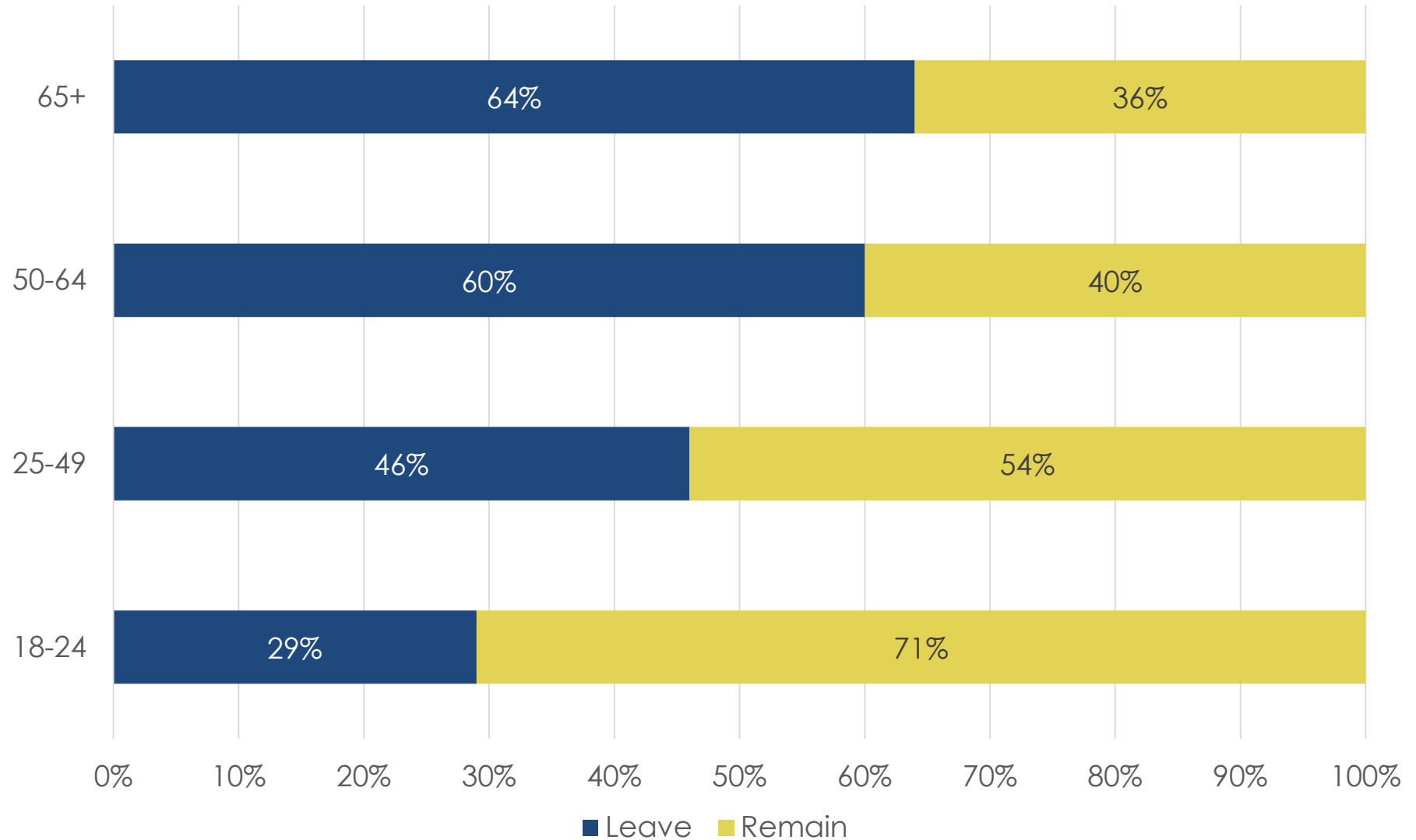
Implications



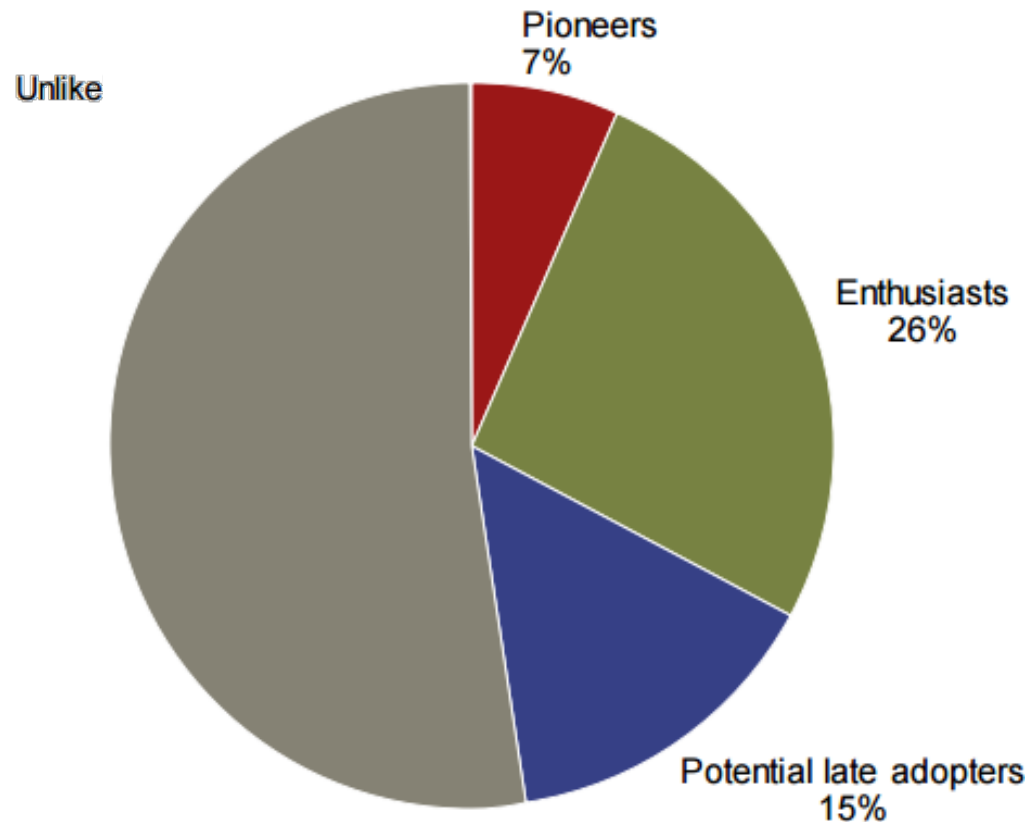
Longer retirement and shorter 'old age' = longer independence

Fewer children = less time as 'parent' and less financial constraint

More time before family = more time spent in education/training



Robo Advisory Take Up



Pioneers

- Younger consumers (50% under 35 years old)
- Highly employed (74% employed full or part time)
- Sophisticated and risk-taking investors (e.g., high penetration of investment accounts, 20% self-described as risk takers)

Enthusiasts

- Slightly older than Pioneers
- Highly employed (71% employed full or part time)
- Less sophisticated investors (44% novice investors) and more cautious investors

Potential late adopters

- Slightly older than Enthusiasts adopters, with a higher share of retirees
- Limited investment experience (28% without experience and 43% novices)

Unlikely adopters

- Older consumers (45% over the age of 55)
- High incidence of retirees (30%)
- Non-risk takers (70% cautious or risk adverse investors)

TR/JECTORY Receding into the Background

**“Technology is stuff that doesn’t work yet”
- Brian Ferren**



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