



# GENERATION X: THE ONE GENERATION

THE INSURANCE INDUSTRY CANNOT AFFORD TO IGNORE

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By Andrea' Randall  
AlwaysCare Benefits Inc.  
Baton Rouge, LA  
AndreaR@alwayscarebenefits.com

*I remember debates about Reaganomics with buzzwords like “free enterprise” and “trickle-down economics.” I watched news coverage of Oliver North and the Iran-Contra Affair. I pushed aside Metallica tapes to make room for Nirvana CDs as I rode the wave of Seattle grunge. I remember when MTV played music videos and reality television only consisted of “The Real World” and “Cops.” As I grew, so did technology. Computers started to appear in every home, Internet surfing became more of a popular pastime and then life went mobile. I am a member of Generation X.*

**A**s a Gen Xer and a marketing professional, I found myself absorbed in a recent article, “Let’s Not Forget Gen X,” by LIMRA Senior Research Director Nilufer Ahmed, PhD. There are so many presentations, market research results and headlines that focus on communicating and marketing to the two largest generations, the baby boomers and Generation Y.<sup>1</sup> Except for discussions about John Hughes films, however, Generation X is hardly mentioned in the media or among marketers at all these days.

However, out of sight should not mean out of mind. Dr. Ahmed warns us not to forget about Generation X. Instead, make them your target market for both individual and group insurance. Although the smallest generation, this group holds the most buying

power and is more likely to have a need for and benefit from the purchase of insurance products.

## GEN X PROFILE

In 2015, the youngest members of Gen X will be heading into their mid-thirties while the oldest are entering their fifties.<sup>2</sup> Moreover, 60% of U.S. families with dependent children are headed by a Gen Xer. Typical Gen Xers have a strong work ethic and work/life balance is very important. After all, this is the first generation of latchkey kids.

Gen Xers are generally hard workers who want successful careers; however, life hasn’t always made it easy for them. This generation has experienced hard economic times and various

## COVER FEATURE

impediments to obtaining financial stability compared to the preceding generation, the baby boomers.

### MARKETING TO GEN X

According to recent data, you should be directly targeting Gen Xers for both group and individual coverage. The only question is: How do you target this generation?

**Demonstrate Value.** Your message should quickly demonstrate the value of a product with themes of financial independence and maintaining financial stability for their families. Gen Xers need to see the value before investing, and are willing to pay a higher price if the value is apparent.<sup>3</sup>

Marketing additional supplemental plans, such as accident and critical illness, would also be beneficial. Many in this genera-



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## Other statistics and qualities that represent Gen Xers include:

They are highly educated. Approximately half of its members have post-secondary degrees, and 43% have a baccalaureate. This also means that members started their adult life with higher student loan debt.

They began their careers in an unstable job market and economy that included wavering unemployment rates, the "Great Recession" and a high national debt.

While trying to repay debt, Gen Xers are simultaneously trying to save for retirement, their children's higher education, and the future possibility of financially supporting older Baby Boomer parents.

They are more likely to currently have life insurance compared to Gen Yers, but also reported as feeling underinsured.

Sociologists have listed financial security and family among the top priorities of this cohort—a very different direction from the group formerly known as the "Slacker Generation."

### Sources

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Ahmed, Nilufer R., PhD. (2014) Let's Not Forget Gen X. LIMRA's MarketFacts Quarterly, Number 4, p. 38.



tion have known someone who has struggled with the financial repercussions associated with a critical illness or a life-altering accident. The value of supplemental coverage is more apparent when empathy is involved.

**The Independent Thinker.** These once-latchkey kids watched an abundance of television and the overzealous ad campaigns that accompanied them, resulting in skeptical, self-reliant adults, so it's best to leave your "salesy" pitch aside. For Gen Xers, a better approach would be to present detailed information, engage in two-way communications and give them time to research and make their own decisions.<sup>4</sup> Transparency, product options and space will earn you a Gen Xer's trust and loyalty.

**Channeling Gen X.** Your Gen X message is only effective if you reach your target audience through the right channels. Generation X is the middle generation that responds to both traditional and new media. Investing in only one type of media will severely limit your potential to reach this target audience.

Before making a purchase decision, Gen Xers are known to perform an exorbitant amount of research for goods and services, and will use traditional and new media channels to obtain information, including direct mail and search engines. Remember, Gen Xers are a mobile and technologically savvy group, but grew

up relying on traditional media for information.<sup>5</sup> That means you have to invest in both traditional and new media to communicate your message.

**Gen X and Proud.** Most important, if you are a member of Generation X, don't forget it! When consulting other Gen Xers, share your own fears of financial struggles—and which insurance products helped ease those fears. Give real-life examples of how an insurance policy saved a family from financial ruin. Your personal revelations can help illustrate value, establish trust and close the sale. [HIU](#)

*This article was originally published on the AlwaysCare Benefits agent blog, Agent Insight.*

- 1 Ahmed, Nilufer R., PhD. "Let's Not Forget Gen X," LIMRA's MarketFacts Quarterly, Number 4, 2014, pg. 37
- 2 Miller, Jon D. "Active, Balanced and Happy," Longitudinal Study of American Youth. The Generation X Report, Volume 1 Issue 1. Fall 2001
- 3 Klie, Leonard. "Gen X: Stuck in the Middle," CRM Magazine, February 2012
- 4 McDonald Marketing. "Gen X Marketing Guide," IAB, 2012.
- 5 eMarketer. "Healthcare Marketing to Gen X: Take an Omnichannel Approach," October 30, 2014.