THE NEXUS GENERATION AND MARKETING IN THE CANADIAN SKI
INDUSTRY: A CASE STUDY OF THREE RESORTS

by

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BSSc., University of Ottawa, 1997

A THESIS SUBMITTED IN PARTIAL FULFILMENT
OF THE REQUIREMENTS FOR THE DEGREE OF

MASTER OF ARTS

in

THE FACULTY OF GRADUATE STUDIES

SCHOOL OF HUMAN KINETICS

We accept this thesis as conforming
to the required standard

THE UNIVERSITY OF BRITISH COLUMBIA

December 2000

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Abstract

This study critically examined how three Canadian ski resorts markets to the Nexus Generation (population cohort aged 18 to 35 years) by evaluating the marketing practices of three leading ski resorts owned by a major resort development company located in Canada. The research objectives were to critically review the resorts' marketing methods for profiling and targeting the Nexus Generation, and evaluate the effectiveness of these methods based on established theory in generational marketing.

The study followed a case study approach and a qualitative research methodology. Marketing Directors from the three ski resorts were recruited into the study and interviewed using semi-structured interview methods. Interviews were conducted on-site at the respective resorts in order to provide a more natural environment for the participants and to facilitate field observations and collection of marketing plans and materials. Data analysis focused on the resorts' profiles and amenities, their target consumer groups, and their marketing approaches, including any use of generational marketing methods, and any targeting of Nexus.

The results indicate that the ski resorts' application of generational marketing as a marketing strategy and their perceptions of Nexus as a market segment correlated well with theories of generational marketing and the Nexus generation. The Nexus generation was not identified as a specific target market, however, it overlapped many of the target groups outlined by the ski resorts. Although not marketed to directly, Nexus was identified as an important group and in particular their vitality and youth were valued as a desirable quality to have associated with the resort.

Generational marketing was used by each of the resorts to varying degrees, however, further steps could be taken in this area such as determining major world and life experiences that have affected the attitudes of skiing consumers, including their perceptions of critical ski resort amenities and services, and their attitudes towards money and consumerism more generally. The analysis contributed to the literature by providing a concrete case study that critically evaluated generational marketing approaches at three Canadian ski resorts, and points the way for further use of generational marketing methods in the ski industry.

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<u>Acknowledgement</u>

I would like to thank my committee members, family and friends for all of their support and encouragement throughout my studies and completion of this thesis research. The feedback, recommendations and encouragement provided by my committee members throughout the research process was invaluable and allowed me to complete a thesis study, of which I am very proud and pleased. The well wishes and love of family and friends was a source of confidence and strength and allowed me to keep pushing forward during trying times.

A special note to Craig, his love, patience, and positive reinforcement throughout my studies was greatly appreciated. I would also thank him for his countless offers to proofread – which is a job that definitely merits sincere thanks and gratitude!

Thank you.

Chapter One: Introduction

The Nexus Generation, more commonly known as Generation X, is a relatively new consumer group that marketers are just beginning to recognize. Much smaller than the Baby Boom, this generation consists of those born between the late 1960s and early 1970s. The Nexus population is characterized as trendsetters, economic decision-makers, media savvy consumers, and their small numbers (26% of the population) do not reflect their market value. This is a market that is young, dynamic, sophisticated and not readily attracted by traditional marketing practices. Marketers are now faced with trying to define and target this group, which is very heterogeneous, individualistic, experimental and transient. Today's global society has offered this group more choices and experiences than any other previous generation. In order to understand this generation, marketers must first understand what motivates their spending habits. This is especially important for industries such as skiing that are seasonal, as they have a very short period of time to capture and retain their customers.

According to the Canadian Ski Association (1999), 40% of all alpine skiers and 72% of all snowboarders are between the ages of 12-24 years, which directly overlaps the Nexus Generation. However, the ski industry is also governed by unpredictable snowfalls, an operating season which can span between 2-5 months depending on the climate and is primarily a young person's sport. This is also a sport that requires a substantial investment on the part of the participant whether they are buying equipment, clothing, food and drink, ski passes or transportation. Furthermore, the Canadian Ski Association (1999) found that 62% of active alpine skiers have household incomes of

over $50,000. This sport attracts a young market with money, and if the ski industry wants to retain this consumer group, which is extremely transient and experimental, they must begin to look beyond mere demographics.

Hone and Ryan (1998) state that the Nexus generation has been the catalyst behind the growth in extreme sports and the creation of a global youth culture. The key for marketers within the ski industry is to tap into what is driving this growth and global youth culture, which will involve identifying the values and beliefs of this generation. This is known as generational marketing, which is based on cohort analysis, which will be explained further in Chapter 2.

Generational marketing is based on understanding the shared characteristics and psychographic makeup of a demographic group. This type of cohort analysis is "organized around the defining moments of a generation rather than age. It's based on the belief that certain segments of the population share a value system based on external events which occurred in their formative years" (Hone & Ryan, 1998:35). This is extremely valuable to the marketer because it gives insight into the values and beliefs that govern consumer motivations. These life events define and differentiate generations. This thesis focused on a Canadian case and not a North American case, in part to control for the cultural generational differences that may exist between Canadians and Americans.

Purpose

The purpose of this study was to examine how three ski resorts in Canada were marketing to the Nexus generation. The research objectives of the thesis were to critically review the marketing methods used by the ski resorts for profiling and targeting the Nexus Generation, and to evaluate the effectiveness of these methods based on established theory in generational marketing.

Research Questions

The following research questions were used to focus the direction of the study:

1. Are the ski resorts using generational marketing methods?

2. Who are the primary target markets for the ski resorts? Is Nexus part of a target market?

3. Are the ski resorts using generational marketing to reach their target markets?

4. Are the ski resorts using generational marketing to reach Nexus?

Chapter Two: Review of Literature

Introduction

The purpose of this section is to provide the reader with a theoretical understanding of the topics related to the study of Generational Marketing, the Nexus Generation and how this can all be applied to the Canadian ski industry.

Generational Theory

People's personal attitudes and beliefs are partially founded upon major world and life events that take place in their formative years, which generally are the years of late adolescence and early adulthood. Because these major events constitute a generationally shared experience, in many cases they result in a generationally unique set of attitudes, beliefs and values. This is sometimes called generational imprinting or conditioning. Generation gaps are found when different generations have differing points of view on many of the same issues; which in some cases has to do with their generational imprinting.   The goal of this section is to examine the concepts of the term generation, generational genes, generational imprinting and identities, generation gap and cohort versus generation.

The Term Generation

"The term generation, is a concept that draws on several domains of meaning, and consequently is very difficult to define. The key assertion of the concept of generation is the discontinuity between age groups, and primarily centers on the basic opposition between young and old" (Lunt & Livingstone, 1992:107).   According to the Canadian

Oxford Dictionary (Barber, 1998), a generation is defined as all the people born at a particular time, regarded collectively; or, individuals born at about the same time, with specified common characteristics or attitudes; or the average time in which children are ready to take the place of parents. This definition is widely accepted, however it is slightly ambiguous because its key assertion is based on the opposition between young and old and not on life experiences or the amount of years between young and old. To further narrow the definition of generation involves considering the overlap of the lives of parents and children; therefore a more commonsense definition of a generation would be a group of people who reached early adulthood during the same period of time (Lunt & Livingstone, 1992). This reformulated definition refers not only to the span of a person's life or the difference between young and old, but also to a time when these individuals were in late adolescence and early adulthood. It is during these most crucial years that young adults develop the values, beliefs and attitudes that they will carry with them for the rest of their lives. During these formative years, young adults learn how to perceive and interpret the world. As a result, current economic, social, environmental, political and global issues all play a key role in molding the core attitudes, beliefs and values people later apply to everyday decision-making.

Generational Genes

Thus far, differences between generations have been discussed based on the concept of generational conditioning. However, similarities and differences between generations can also be examined using the concept of "genes" borrowed from biology (this term is used figuratively and does not reflect a medical perspective on generations). "Generational genes" is a term Bernard, Cosgrave and Welsh (1998) use to account for

the more common similarities between generations. "All generations possess generational genes which influence different generations in a consistent manner, regardless of the era or the environment in which the generations are raised" (Bernard et al., 1998:26). The four main "generational genes" identified by Bernard et al., (1998) were rebelliousness, recklessness, naivete and the search for stability; all of which are the basis of a fairly standard set of youth behaviours and compulsions. All generations of young people have experienced the growing pains of being misrepresented and misunderstood, which often results in youth rebelling against traditional authority and the creation of new forms of expression (Bernard et al., 1998). The 1960s are a good example of a "rebellious era marked by both defiance and creativity – dodging the draft, interracial marriages, psychedelic music" (Bernard et al., 1998:29).

Recklessness, the second "generational gene" goes hand in hand with rebelliousness. Young people generally believe they are sheltered from old age conditions such as sickness and death. Their invincibility is reflected in the fundamental disconnection in their thinking – behavioural choices are made with little thought about whether it will influence their health tomorrow. Many people smoke, do drugs and drink even though they are fully aware of the health issues (Bernard et al., 1998).

Naivete is a strong influence that allows young people to question the status quo and go about things from a different angle as most traditions and routines have not become a part of their way of doing things yet (Bernard et al., 1998).

The stability "gene" is the "gene" that finally makes people want to settle down and grow up, whether that be getting married, having children, or getting a full time job.

This is best illustrated by the hundreds of hippie, flower children turned yuppie suburbanites.

Generational Imprinting & Identities

There has been some literature written referring to the link between generational imprinting and identity formulation. Hempworth (1987) writes that the notion of a generation involves an appeal to the shared experiences of a particular generation of men and women who are urged to discover a common identity and a common cause. Within a generation, generational representation is used to construct identities by minimizing within-group differences in contradistinction to representations of neighboring generations (Tajfel, 1987). In other words, generations are also used as a means of creating a social identity with all people who entered young adulthood at about the same time and who shared similar experiences. As a result it can be postulated that,

> consumption patterns, attitudes and identities must affect and
> be affected by the ways in which people pass through these (life)
> stages and the different paths they take. The construction of a lifestyle
> depends on how one negotiates these basic life stages, and hence
> on how one deals with cultural and family expectations of achievement
> at each stage (Lunt & Livingstone, 1992:107).

Shared experiences within generations have given rise to decades often receiving widely different popular characterizations that are bolstered by mass media who codify, stereotype, reinforce and perpetuate these images (Lunt & Livingstone, 1992). Examples of popular characterizations of decades range from the Roaring 1920s, the Dirty 1930s, the 1960s Hippies, to today with the Information Revolution (see appendix I). Yet the impact of these images became associated with decades, and consequently different generations reached beyond the media stereotyping and the advertising/marketing

hyperbole. These popularized characteristics function as social representations of the time which is actively constructed and reproduced by each generation in its thinking about itself and its parent generation and child generation (Lunt & Livingstone, 1992). Lunt and Livingstone (1992), state that these generational representations become part of people's constructions of their own identity and of their relationships within or across generations, providing metaphors, frameworks, explanations or dimensions for social comparisons between self and others. Undoubtedly, these representations "serve to simplify the complexities of our social history, often tending to exaggerate the hardships of earlier years and to underestimate the hardships of present times" (Lunt & Livingstone, 1992:104).

The Term Generation Gap

Central to defining the term generation is the opposition between young and old. Basic oppositions such as this lend themselves to distinctions between generations resulting in what is commonly referred to as a generation gap. Theoretically and empirically, generation gaps have not been proven to exist; however "in diverse and significant ways, the popular belief in the generation gap is influential in itself, regardless of the validity of the historical claims implicit in such beliefs" (Lunt & Livingstone, 1992:110). As defined, a generation gap is a "difference of outlook or opinion between those of different generations" (Barber, 1998:582). Generation gaps have received little research as a concept, however, gaps in morality, values, expectations and responsibilities have been observed to exist within different generations and are frequently invoked as the cause of societal conflict in popular discourse (Lunt & Livingstone, 1992). With regard to consumption, the generation gap has to do with the fact that,

generational differences concern the historical and cultural
climate regarding consumption, focusing on often-neglected
socio-historical influences on attitudes and values. They thus
tend to assume social change (Lunt & Livingstone, 1992:105-106).

As a result of perceived generational differences (gaps), there is a constant cycle
of older and younger generations comparing themselves to one another with sometimes
little agreement. The older generations often forget that, they too had radically different
points of view than their parents and that this is a natural stage of progression.
Generational imprinting and generational genes are both at play in value formulation.
Therefore, generations will differ in some ways and be very alike in others.

Cohort versus Generation

Cohort was another term found within the literature that was used interchangeably
with the term generation. Even though both terms refer to groups that are age-linked,
they are not exactly the same. A cohort does not necessarily have to be defined by a
specific age group nor does it have to be delineated by a given set of years. Cohorts can
occur within a given generation or can span generations because they tend to focus on
major life events. Moreover, as opposed to a generation, which is usually defined by its
years of birth, cohorts are better defined by events that occur at various critical points in a
group's lifetime (Meredith & Schewe, 1994). To break it down further, a generation
usually spans 20 to 25 years, or roughly the time it takes a person to grow up and have
children. However a cohort can be as long or as short as the events that define it
(Meredith & Schewe, 1994). More formally, a cohort is defined as:

Those people within a geographically or otherwise delineated
population who experienced the same significant life event within
a given period of time. Cohort boundaries are arbitrarily delineated,
since the given period of time may be of any length, from a day (or less)
to 20 years (or more), and it may begin at any arbitrarily selected point

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of time (Glenn, 1977:8).

In terms of demographics a birth cohort is a group of people born during a given time period who "share the same historical environment and many of the same life experiences, including tastes and preferences" (Meredith & Schewe, 1994:1). However, it is quite possible to have marriage cohorts, educational cohorts, cohorts defined by retirement, becoming widowed, and by divorce, just to name a few (Glenn, 1977).

Cohort analysis may deal with any kind of cohort, however, it generally deals with birth cohorts. When the word cohort is used without a modifier, the implied modifier almost always is birth, unless the context makes clear that some other meaning is intended (Glenn, 1977). As a result, much of the cohort analysis literature focuses on the shared powerful experiences of young adulthood. According to Meredith and Schewe (1994), psychologists have found that events that happen when people first become economic adults affect their lifelong attitudes towards jobs, money and saving and that these core values are then carried through life largely unchanged. These values and beliefs, which are founded by events during the formative years of young adulthood, do not change with one's age or life stage.

According to Meredith and Schewe (1994), understanding cohort effects can improve business decisions in two ways. First, cohort effects can help reveal peoples' underlying mindset toward different categories of products and services. This information, can be an invaluable aid for a variety of marketing activities including new-product design and brand positioning. Second, information about cohort effects can help guide marketing communication planning by identifying positive and negative issues that are important to particular age groups.

Mass Consumption & Consumer Culture

Consumer culture refers to the way in which consumption is organized and carried out within modern capitalist societies. In a "consumer culture consumption by and large takes the form of consuming commodities, and goods obtained through market exchange rather than produced for direct use" (Slater, 1996:1). Mass consumption and consumer culture are generally thought of as a rather new phenomenon of western society. However, "while consumption is always and everywhere a cultural process, consumer culture is something that has developed largely in the West over the past two centuries" (Witowski, 1998:1). According to Slater (1997), this Western phenomenon is mainly a byproduct of the West's drive to differentiate itself from the rest of the world as modern, progressive, free and rational. However, Slater (1997) is also quick to acknowledge that consumer culture is not really a recent phenomenon but is really a part of a new terminology that is replacing the notion of a civil society, which itself is linked to modernity.

> Contemporary features of consumer culture existed in the early
> modern mind, but they were recognizable in different forms.
> Under the disguise of commerce and trade, not production nor
> consumption, the early modern man came into contact with a new
> ideology of free exchange, not only of goods and services, but of
> ideas, opinions, and meanings as well (Echchaibi, 1997:1).

In addition, according to Slater (1997), consumer culture is more generally bound up with central values, practices and institutions that define Western modernity, such as choice, individualism and market relations. In essence consumer culture helps to characterize the relationships within a social arrangement, which act on and are mediated through the markets. These relationships are contingent on very basic societal variables

such as lived culture, social resources, values/beliefs, and symbolic and material resources (Slater, 1997). These relationships which are mediated through the market allow for individuals to exercise free personal choice in the consumption of commodities in the private sphere of every day life. Consequently, consumption is an exercise of social freedom acted upon through personal choice. Appadurai (1986) feels that consumption is eminently social, relational and active rather than private, atomic or passive. Consumer culture creates an opportunity for individuals to work out diverse and novel identities using the variety of commodities available to them; therefore creating broader social, cultural and political implications for the theory of consumer culture (Lunt & Livingstone, 1992).

Consumption & Personal Identity

Lunt and Livingstone (1992) claim that human values enter into the commodity system when people transform an inalienable or foreign commodity into an alienable or accepted object in their local culture. This is very much the same as when people express their individualism through their consumption patterns. Because individualism is largely circumscribed by generational identities, what might not be of value to an older generation may be the main conduit through which the younger generation expresses their individuality and independence. Therefore, in order to gauge the cultural climate of a society, observing what a society consumes is just as important as how the society is consuming these commodities. Appardurai (1986) writes that demand is neither a mechanical response to the structure and level of production nor a bottomless natural appetite. It is a complex social mechanism that mediates between short and long term patterns of commodity circulation. As a result, Appardurai (1986) feels that demand

emerges from the social practices surrounding the circulation and consumption of commodities rather than from human needs.

McCracken (1988) offers a slightly different view of consumption and personal identity. He argues that the significance of consumer goods is found in their ability to carry and communicate cultural meaning, which is always in transit between the culturally constituted world, the consumer good and the individual consumer. In other words, there are "three locations of meaning: the culturally constituted world, the consumer good, and the individual consumer, as well as two moments of transfer: world-to-good and good-to-individual" (see appendix II) (McCracken, 1988:72). The transition of meaning is dependent and resides in the culturally constituted world. For meaning, "to become resident in consumer goods it must be disengaged from the world and transferred to the good" (McCracken, 1988:77). Instruments of meaning transfer are constantly being aided by the "collective and individual efforts of designers, producers, advertisers and consumers" (McCracken, 1988:71).

McCracken's (1988) theory of meaning transfer can be aptly applied to generational identity formulation. Each generation will seek unique meanings through the goods they purchase. According to McCracken (1988), one of the ways individuals satisfy the freedom and responsibility of self-definition is through the systematic appropriation of the meaningful properties of goods.

Consumption & Generations

It has been observed that different generations will consume products in different ways depending on the social and economic conditions of the time. According to Lunt and Livingstone (1992), attitudes towards money and family consumption patterns are a

historical phenomena, and, even confining observations to the present century, different

decades have received widely different popular characterizations. For example, people

who reached young adulthood during the depression years are characterized as being

cautious of debt and avid savers, whereas present-day 18-34 year olds are characterized

as being quite comfortable with establishing credit and living with a certain degree of

personal debt (Smith & Clurman, 1997). As a result, each generation bases its spending

decisions on distinct values and attitudes. Furthermore, Smith and Clurman (1997) state

that generationally determined lifestyles and social values exercise as much or even more

influence on buying and purchasing than do more commonly understood demographic

factors like income, education and gender. This is extremely important for marketers to

take into consideration when they are trying to understand the motivations behind the

consumer behaviour of people.

According to Smith and Clurman (1997:5), the values, preferences and behaviours

of consumers can be understood – and shifts better predicted – by breaking down what

accounts for these values and beliefs into three distinct elements: 1) Life stage, 2) Current

social and economic conditions, 3) Formative cohort experiences (experiences taking

place within an individual's adolescence). All three elements play a crucial role in the

decision-making and meaning transfer for different groups of consumers.

Mass Consumption & Environmental Changes

In relation to mass consumption, Lunt and Livingstone (1992) identify four

changes that are especially significant: consumer, marketing, economic and social

changes (see appendix III). Based on the above four points, Lunt and Livingstone (1992)

have identified four key factors that determine how people of various ages relate

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differently to mass consumption processes. The first of these is the social representation of generations and of consumer culture, namely the relationship between a generation's identity and their consumption patterns. The second concerns the historical influences at the period of early adulthood such as major social or personal life events that have had an impact on the ideals surrounding consumption (e.g., depression or booming economy). Third is the demand and resources of one's stage in the life course. They indicate that the amount of power one has to exercise in consumption will increase and decrease as one pass through each stage of life. The fourth includes the pressures and misunderstandings, which exist at all stages between parents and children. All of the above environmental changes can and will have a significant impact on mass consumption as it affects all people, and the generations they belong to will, for the most part, interpret these changes uniquely as well.

Youth Subcultures and Identity

Youth as a Social Construct

Present conceptions of youth and youth culture emerged in the1950s and 1960s during a period when marketers and media targeted the youthful population and youthful minded consumer. In years that followed, the status of *youth* would emerge.

> It wasn't until the post-war period in Britain that Youth became a focus of media attention and the basis of a common identification. Young people have not always been treated in this way. There have not always been clearly defined characteristics of appearance or tastes in music, films or clothes special to the young; there has not always, in other words, been distinctive youth culture or subcultural style. This suggests that youth cultures are not the inevitable manifestation of hormones or the expression of a particular stage in a biological life cycle but are, rather, social constructions (Lury, 1996:195).

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Lury (1996) writes that one of the most important factors for the emergence of youth

cultures and identification of youth as a separate social category and a distinctive phase

of life is:

> That the transitional period from dependent childhood to independent
> adulthood has been greatly lengthened in modern industrial societies.
> The gradual rise in the school-leaving age during the course of the 20th
> century and the increasing insistence upon educational qualification for
> many jobs has extended the period between childhood and entry to the
> workforce. Also many young people in the immediate post-war period
> were better off than those before the war, whether they were in full-time
> education or at work (Lury, 1996:195).

Changes in post-war economics was not the only factor in creating the social

construct of youth; social and political changes in post-war society also played a key role.

These changes included "suburbanization, division between older manufacturing

industries and the new service sector, employment of women and an increase in racial

issues at political and public debates" (Lury, 1996:195). More and more youth were

beginning to be regarded as a significant part of the consumer market. Youth were

beginning to be seen as representing "society's favorite age, a visible group on whom the

anxieties of society as a whole were focused" (Lury, 1996:196). At the same time, the

culture and leisure industries were also "being restructured, partly in response to the

emergence of youth as a market, contributing to an increasing breakdown in the national

boundaries of British culture as American popular culture further extended its

increasingly global reach" (Lury, 1996:195). Lury (1995:196) writes that,

> These changes are seen to have contributed to a period of uncertainty
> and instability, resulting in a time in which the contradictions between
> the traditional values of puritanism, responsibility, thrift and pride in
> a job well done and the new values of hedonism and the spectacular
> consumption of the so-called affluent society became increasingly acute.
> The changes destabilized the everyday conventions of social life for many
> people, but were felt especially strongly by young people, who experienced

both the difficulties, and the benefits.

Generation gaps were beginning to emerge between younger and older generations based on social instability; fear of change on the part of the older adults; and clique maintenance (the need of one generation to see the generation following it as deficient so as to bolster its own collective ego) (Lury, 1995). Fundamentally, a values' clash was rising between the young and old, which marked an evolution in contemporary culture. As a result, youth subcultures were seen as central to the challenge of the boundary between high and popular culture, which is said to be a characteristic of contemporary culture (Lury, 1996). Lury (1996) argues that this was evident in the homologous coherence of youth subcultures through the process of bricolage (the process in which objects acquire new meaning through recontextualization). Lury (1996:197) writes that:

> the stylization of consumption is in large part the outcome of creative practices by young people; it is a mode of consumption which itself comments upon the anxieties more widespread in society about the political and cultural implications of living in a period in which more and more people came to believe that they had never had it so good. Youth cultures are thus seen here as the sites of struggles over the control of meaning in a rapidly developing consumer culture, struggles played out in dress, demeanor, music and language. The notion of resistance was central to these early interpretations of youth sub cultures - style was seen as a form of defiance, political protest or semiotic guerrilla warfare.

The younger generations were the ambassadors for the new era in production and consumption, which at times conflicted with traditional values. Nonetheless, "youth was thus both a reaction and a response to consumer culture: young people were both intermediaries and symbols of the changes in the organization of cycles of production and consumption" (Lury, 1996:196).

According to Lury (1996), the youth subcultures that emerged, shared three general characteristics: they were cultures of *leisure* rather than work; the social relationships of youth subcultures were organized around the *peer group*, and were as much collective as individual; and youth subcultures were characterized by a concern with *style*. Based on the characteristics identified by Lury (1996), youth were developing a culture of their own, which marketers were becoming acutely attuned to as a segment of the market place. This identification was also a crucial part of the claim that youth subcultures represented an authentic response to the intensification of the market and its apparent disregard for earlier ways of life (Lury, 1996). However:

> the resistance identified as part of youth subcultures was
> held to be continually recuperated through both a process of
> commercialization and a process of redefinition in the media, either
> through condemnation and the creation of so-called behaviours as
> typical of young people. Indeed, some have argued that youth
> subcultures can no longer exist in today's commercially predatory
> environment; that they no sooner emerge than they are swallowed
> whole by contemporary consumer culture (Lury, 1996:198).

Frank (1997) wrote that the convergence of youth culture and the media's portrayal of youth culture and the issues facing the authenticity of youth could be explained in part through a theory of co-optation rather than through youth sub-culture development alone. Co-optation theory has to do with "faith in the revolutionary potential of *authentic* counterculture (youth) combined with the notion that business mimics and mass-produces fake counterculture in order to cash in on a particular demographic and to subvert the great threat that *real* counterculture represents" (Frank, 1997:7). Essentially, Frank (1997:7) states that "business dogged the counterculture with a fake counterculture, a commercial replica". Business took elements of countercultures that would not normally be accepted by society at the time, reconfigured it enough to

become socially acceptable, and then introduced it as a new counterculture that still retained its ties with youth but did not offend the rest of society. As a result, synthetic countercultures were developed by marketers under the pretense that they were using countercultures taken from existing youth cultures. The question then arises as to the authenticity of countercultures. The following section will examine how the countercultures of youth affect and have effected the marketing of youth.

Youth, Youthfulness & Marketing

Prior to the 1960s youth was "an established part of marketing and a staple image in advertising art, largely because of their still unformed tastes and their position as trend leaders" (Frank, 1997:24). Youth represented the hopes and dreams of a brighter future, adorned with better lives than that of their parents. Yet, for the first time they were more economically advantaged than previous generations, whether in school or work. At the same time, marketers' main means of targeting markets had not advanced much beyond geographic segmentation. However, the 1960s rewrote the colloquial marketing which at that point had begun to grow stagnate in its practices. "No longer was youth merely a *natural* demographic group to which appeals could be pitched: suddenly youth became a consuming position to which all could aspire. The conceptual position of youthfulness became as great an element of the marketing picture as youth itself" (Frank, 1997:24-25). According to Frank (1997:24), this new species of marketing was concerned with nothing other than the construction of consumer subjectivity, as manufactures and advertisers attempted to call group identities into existence where before there had been nothing but inchoate feelings and common responses to pollsters' questions. These new techniques developed in the 1960s were the start of formal market segmentation.

Market Segmentation

"Market segmentation consists of a two-step process of naming broad product-markets and segmenting these broad product-markets in order to select target markets and develop suitable marketing mixes" (Shapiro, Perreault, & McCarthy, 1996:933). Segmenting populations involved clustering people with similar needs into market segments, thus a market segment is "a relatively homogenous group of customers who will respond to a marketing mix in a similar way" (Shapiro et al., 1996:933). With regards to generations and cohorts, they too can be segmented into markets. On a macro level an example of generational market segmenting would be the division between Matures, Baby Boomers, and Nexus. A single generational cohort, such as a birth cohort, may be further segmented depending on such elements as geographic location, marital status, number of dependants, employment status, sex, and so forth. No segment will be truly homogenous, as every person is different. However segmenting groups of people on a general level for the purposes of business does let the marketer determine where there is a need for their product or if the product is doing well. One of the major impacts the concepts of generations have for marketers is that the values and beliefs of people can be to some extent identified by the generation to which they belong.

The Nexus Generation

The term Nexus refers to those individuals who grew-up during the transition from the Industrial to Information Age. More commonly referred to as Generation X, it was first coined by Coupland in his 1991 fictional novel entitled *Generation X*. The term Generation X refers to all those born between the late 1960s and early 1970s, and today

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applies roughly to those between 18-35 years of age. This generation has been characterized as harboring a pessimistic attitude regarding their futures and that of society as a whole. Complementing these rather negative characteristics, the generation is also referred to as: "twenty-somethings", "slackers", "post-boomers", and the "lost" or "shadow generation". Generation X represents a large demographic segment on the verge of making the transition into the economic world as they are in the midst of finishing school and entering the work force. These life changes mean increased earning and purchasing power. Until recently, marketers have largely ignored Generation X. Nevertheless, marketers are now trying to get a fix.

Problems Associated with the Term Generation X

The term Generation X has taken on negative connotations, most of which have to do with stereotyping. Stereotypes associated with the term are numerous and unflattering. Generation X is generally characterized as lacking motivation, direction, cause or resource.

Bernard et al. (1998) coined the term Nexus Generation to refer to what is commonly known as Generation X. The term Nexus Generation is used to describe this generation as a link between the Industrial and Information Age. Nexus means tie or link and is used to "highlight this group's role as a critical link between key economic and social developments and as a bridge across generations" (Royal Bank, 1997:6). For the purposes of this study the term Nexus Generation has been adopted to refer to all those born between the late 1960s and early 1970s.

Who is the Nexus Generation?

According to a study done by the Royal Bank (1997:6), this unique generation represents Canadians between 18 and 35 years of age, roughly 26% of the population or 7.8 million people.

> This generation remembers a time before the hand-held calculator, remote control, the 100 channel universe and e-mail, but is extremely comfortable with the technologies driving change today. Nexus recalls the hey-day of Canada's social programs and our last federal budget surplus in 1972, but also understands today's fiscal realities and the need for reform. It is the most highly educated generation to date. Environmentalism, multiculturalism and the liberties of the *reproductive revolution* are second nature to Nexus (Royal Bank, 1997:10)

Researchers have widely acknowledged that Nexus represents the first generation to talk by computer, pass through metal detectors at school, grow up on TV, come of age having safe sex and being forced to deal with a full-blown AIDS epidemic. They also inherit a lower standard of living than their parents and a huge national debt (see appendix IV).

Myths Associated with the Nexus Generation

A number of myths surround the Nexus Generation whose members are commonly described as lacking direction, hard to please, cynical, bitter, trapped, disloyal, and the list goes on. It is important to debunk these myths in order to describe the market realities of this generational cohort.

Nexus is often cited as being harder to please than previous generations and as having shorter attention spans. Yet, perhaps this is not a generation that is harder to please, rather it is a generation that has grown up with more choices so it is constantly looking for something new or different. This generation has grown up during the communication/information revolution and is used to receiving information quickly and concisely. It is not that they have shorter attention spans, so much as they are

accustomed to being able to turn on CNN at any time and getting up to date news and information.

Nexus is often accused of lacking concise career goals or aspirations. In reality, according to a survey done by the Royal Bank (1997), 54% agree that they are in control of what happens in their lives. Evidence of this is in the large number of Nexus members who are taking hold of their own future and becoming entrepreneurs. Almost one third (29%) of Nexus surveyed by the Royal Bank (1997) expected to be self-employed within the next five years and 32% responded that it was their most desirable profession. As for future aspirations, Nexus is characterized as proactive retirement planners. They have seen the shortcomings of the Federal system and are wary that any Federal retirement program will be available to them by the time they reach retirement. "Twenty percent of all RRSP's – $4 billion, were bought by Nexus, compared with $13 billion by Boomers" (Royal Bank, 1997:19).

"One of the truisms that has emerged over the past few years has been that today's young people will be the first generation **not** to be better off than its parents" (Royal Bank, 1197:24). However, when surveyed the Royal Bank (1997:26) found that only 13% of respondents disagreed with the statement "I will be financially better off than my parents". Instead, almost half (49%) believed they will be able to live comfortably on their incomes in the future. With respect to career, the Royal Bank (1997:24) reported that 45% thought they would meet or exceed career expectations, with the self-employed most optimistic at 60%.

Nexus employees are often described as "disloyal, impatient and unwilling to pay their dues" (Bernard et al., 1998:23). For the most part, Nexus has realized that lifetime

employment at one company is dead. They watched their parents get laid off from company jobs that were supposed to promise security.

> They've witnessed the effects of the downsizing and restructuring
> that has done little to encourage loyalty. They realize that the 30-year
> corporate career has gone the way of the typewriter. In these minds,
> working for a large company is often viewed as just as risky and nowhere
> near as rewarding as starting one's own (Krushell, 1998:2).

Nexus has realized that they will have multiple careers over their lifetime, as many started in their early teens and have already worked in a number of different fields. Nexus is cognizant of ever present economic insecurities, so multiple careers do provide them with numerous jobs skills they may apply to various other positions.

The Nexus generation has been seen by some to be a bunch of slackers with non-meaningful McJobs. McJobs refers to "a low-paying, low-prestige, low-dignity, low-benefits, no-future job in the service sector. Frequently considered a satisfying career choice by people who have never held one" (Coupland, 1992:5). Nexus has been in the workforce for a very long time as many held their first part-time jobs when they were in their early teens. In some cases it was to help out with the family, to buy stuff teenagers like or to earn money for school. Presently, Nexus works just as many hours as everyone else, whether part-time or full-time.

Nexus is represented as a cynical and bitter generation. A more accurate representation of Nexus would be that they are at an age when their generational gene – naivete - is allowing them to question tradition. They are well educated so they have the critical reasoning skills necessary to ask the tough questions (Bernard et al., 1998). In addition, Nexus life experiences have led them to distrust any sort of large institution, whether in the public or private sector. They have no choice but to look out for

themselves (Foot, 1996). Over their lifetime they have seen massive reforms within the federal government and a faltering social securities program that does not promise to be there by the time they reach retirement. However, according to the Royal Bank (1997) survey, 41% of Nexus respondents reported being completely / very satisfied with their overall quality of life and the reason most cited for improved quality of life was "better job/better career".

Nexus is often characterized as a generation that feels trapped. Nexus, in some cases is no longer in school or living at home. They have adapted to change and are quite good at it. According to the Royal Bank (1997) survey, 41% reported that the quality of life had improved over the last six months, whereas only 13% reported their quality of life as declining.

Fictional characters such as Beavis & Butthead and films such as Slacker, Dazed and Confused, and Reality Bites have all been used to represent what some perceive as the typical Nexus person. According to Thau (1996), these fictional characters and films repeatedly depict a bumbling idiot, living at home, with little ambition or ability, too plaintive and bitter to apply what little they have, still painfully stupid for the most part, who live from buzz to buzz. Frequently, animating drama depicts Nexus as people born after 1964 who are somehow disappointed, unable to get on with life, and futilely searching for permanent jobs. For these people, irony and detachment have become the prevailing poses (Thau, 1996). It is true that some of Nexus are frustrated with their quality of life and career, however like all generations it is extremely heterogeneous. Interestingly, even though the movies and fictional characters perhaps do not project an accurate or concise representation of the Nexus Generation (which in reality would

almost be impossible), according to Thau (1996:3) a hyper-literate, well-educated demographic enjoys watching these morons because they satirize the image they think older generations have of them.

Baby Boomers versus the Nexus Generation

In an attempt to better understand the Nexus Generation, it is beneficial to review features of the Baby Boom generation and how it has effected and is affecting the Nexus Generation.

Baby Boomers

Baby Boomers are those born between 1947 and 1966 (Foot, 1996). The most unique aspect of this generational cohort is its shear size. The baby boom in Canada "totaled 9.8 million people in 1996 or almost 33% of the population (this includes those born in Canada and elsewhere)" (Foot, 1996:19). During the height of the Canadian Baby Boom, women averaged four offspring each. Consequently, "Canadian women produced more than 400,000 Canadians each year of the Baby Boom, peaking at 479,000 in 1959" (Foot, 1996:18). However "Canada's single largest age group today are those born in 1961, fewer people were born in 1961 as opposed to 1959, yet the totals also include immigrants born elsewhere during that year" (Foot, 1996:18).

The Baby Boom was the result of a robust postwar Canadian economy, giving forth a bright future for those wanting to share this with a large family. Further, the 1950s marked a time of high immigration levels, involving immigrants of childbearing years. The combination of high incomes, a sound economy and a population loaded with childbearing citizens resulted in the baby boom of 1947-1966 (Foot, 1996). It is also important to note that only Canada and three other Western countries (United States,

Australia, and New Zealand) experienced the Baby Boom. Europe and Asia did not experience such a boom because their countries' death tolls and destruction was far greater. Factors that added to the above four countries experiencing a baby boom was that these countries also received immigrants who were largely of childbearing years, as already noted (Foot, 1996).

Rightly or wrongly, the baby boomers have been characterized as an idealistic generation. "Theirs was a time of uninterrupted and unprecedented economic growth, relative peace, and social liberation" (Bernard et al., 1998:15). Boomers were born into a time of postwar economic prosperity and as such opportunities seemed limitless. Conventional means of doing business and basic values and beliefs were to some extent being challenged by a generation of young people who were more educated than any other and were also trying to create their own generational identity by challenging the beliefs of an older and less educated generation. As a result, they have been called the great constructors of change, as it was in the early years of this generation that the women's movement and civil rights movement took its root. However, by the end of the 1960s the baby boom was beginning to trail off. "More women were pursuing higher education or entering the workforce and as a result were postponing childbirth and deciding to have fewer children. The introduction of the "birth control pill made this easier than ever to achieve" (Foot, 1996:20). The combination of women moving out of the traditional homemaker setting and the delay of childbirth largely contributed to the baby boom ending by the mid 1960s. As a result, after many years of growth, the economy finally flattened and eventually began to decline. Nexus Generation had the unfortunate birth right of falling into this decline (Cheung, 1995).

As each generation comes of age, it complains about what it is
inheriting. Boomers especially did it big time. There is much validity
to the complaints of Xers. Statistics clearly show that these younger
consumers face economic and social obstacles that did not exist for
Boomers, obstacles that many see as even more intimidating than those
faced by Matures (people born roughly between 1909-1945). The
important point here is that the conventional portrait of Xers, wherever
it comes from, is not the whole picture (Smith & Clurman, 1997:78)

As a result, a generation has crept forth with low expectations, coming of age with a

recession looming over the horizon, after most of the great social movements of the

century were coming to an end, and when most political upheavals were just about settled

(Cheung, 1995).

To better understand Nexus requires starting the analysis with the trailing Baby

Boomers. Trailing boomers experienced the affluence and high expectations of the Baby

Boomer, although, in a different way. By looking at what the Trailing boomers

experienced coming of age at the very end of the 1970s and the early 1980s, we can

better understand the tougher marketplace realities that have shaped the Nexus mind set

(Smith & Clurman, 1997). The Trailing boomers were born during the early 1960s (were

baby siblings of older boomers) and turned 18 during the late 1970s and early 1980s.

These trailing boomers had the same expectations as their older
Boomer siblings that the *system* automatically would give them the
opportunity to do better than those before them. However, the economic
fall out of the late 70s fractured this reality among all boomers, yet the trailers
experienced this much earlier in their formative years. Thus, their
values and life skills reflect this formative mix of high expectations and
hard realities. Therefore, the trailers bridge generations – the last boomers
to expect perpetual abundance and the first of Nexus faced with breakdown
and uncertainty (Smith & Clurman, 1997:81).

The Nexus Generation has weathered quite a lot of economic and social turmoil over the

years, however, they have absorbed it and persevered.

> The millions of boomers who preceded them drove up rents,
> drove up house prices, and claimed all the best jobs and opportunities.
> Some Gen Xers entered the labour market in the late 1970s and early 1980s,
> just when a brutal recession gripped the Canadian economy, and when
> economic recovery finally began to create new demand for labour, the
> Gen Xers were told they were too old for entry-level jobs and too short of
> experience for more senior ones (Foot, 1996:22).

The uncertainties of life experienced by Nexus have made them wary and cautious and they have grown into consumers who are much savvier than previous generations. Therefore, they represent a daunting challenge for marketers with only a surface understanding of their values and buying motivations. Nexus is determined to be involved, to be responsible, to be in control – and to stop being victimized by life's uncertainties (Smith & Clurman, 1997). Marketers who want to better understand this market segment will want to recognize the societal trends and generational imprinting that characterize the Nexus generation.

Societal Trends and Generational Imprinting

Many societal trends impact a generation's perceived and felt quality of life. Three trends will be examined that have an enormous impact on society at all levels, including members of Nexus. These are: economic, employment and social/leisure conditions.

Economic Trends

- Growth in Real wages (overall) has halted, or has at least been suspended, since the latter 1980s. After a period of rapid growth in the three decades prior to that period, wages show no sign of reaching substantial growth in the predictable future (Rashid, 1993).

- Wages for the age groups 18 to 24 and 25 to 34 fell 17% and 5% respectively during the 1980s while the average wage for the 35 and older worker rose between 5% and 8% in that same period (Wannell, 1989).

- Spendable Discretionary Income (SDI) in this country is lowest for families headed by a person aged 25 to 29 (Owens, 1991).

- There have been two recessions within the last 15 years. The first recession in 1981 had an enormous impact on Nexus parents. "Downsizing and re-engineering were the dominant business fads, adding to the economic uncertainty felt in many households" (Bernard et al., 1998:52). The second recession in 1991 took place while the first wave of Nexus were trying to start their careers. As a result, many from Nexus went back to school for second degrees in hopes of attaining employable skills (Bernard et al., 1998).

The above economic trends "point to the fact that as a population, Nexus may be somewhat *financially challenged*" (Pavelka, 1993:30). This point is really nothing new as many other researchers have made the same observation that many of Nexus are now living with their parents longer or are *cashing out*. Faith Popcorn (1991) talks about *cashing out* as a trend whereby people will choose to live with less in a more modest manner. For Nexus, it appears that cashing out may be a reality brought on by necessity, not by choice.

Employment Trends

- Teens and students in their early 20s have the highest rate of multiple job holdings in the country. Over 40% of all full-time students work during the year. Half of the 100,000 young moonlighters are young adults who have left school (Webber, 1989).

- During the 1980s there was a 5% increase in the number of youth taking on part-time positions (resulting in decreased pay and benefits compared to full-time employment), and that trend is expected to increase throughout the 1990s and beyond (Wannell, 1989)

- The prospect of a permanent job has given way to the prospect of permanent contract employment for much of the Nexus population (Pavelka, 1993).

- The Canadian population, as a whole, is generally working more hours today than it did 15 years ago. The basic reason cited is multiple job holding which is primarily the domain of Nexus (Pavelka, 1993).

The above observations should come as no surprise as many authors have reported the same trends and these conditions coincide very closely with the established list of characteristics attributed to the Nexus Generation. As a result of these employment trends for Nexus two emergent realities come into being:

> First, as a population, they have relatively little free time,
> given the patterns of multiple job holding and combining school
> and work. Second, as a population, they do not currently and
> cannot anticipate experiencing the levels of employment security

that have been realized in the previous three decades.
(Pavelka, 1993:31)

As the Nexus generation comes to experience these realities, more and more "men and women born between 1961 and 1981 are starting businesses at younger ages and in greater numbers than their predecessors" (Miniter, 1997:38). It has been predicted that the number of young entrepreneurs will continue to grow and "major business schools are reporting that nearly one-third of their students plan to start their own businesses, up from roughly 10% from five years ago" (Miniter, 1997:38).

Entrepreneurship & Nexus

So why this sudden burst in entrepreneurship on the part of the Nexus Generation? For the most part the answer lies in economics. The Nexus Generation "have seen the layoffs at the big corporations and asked themselves, '*Is that what I really want to do?*'" (Miniter, 1997:39). Nexus has had to "develop powerful survival skills as they grew up as latch-key kids, victims of divorce, and were left to maneuver their way through the failing bureaucracies of the public schools and local government" (Miniter, 1997:39). According to Miniter (1997), the only positive aspect of this trauma was that the children who came out in one piece now know how to make it on their own.

Among many of the Nexus Generation there is a sense of a psychological dualism that is often present in entrepreneurs:

> they tend to be more hopeful about their own futures than that
> of the country as a whole. In a recent *Fortune* survey, 89% of
> Americans under the age of 34 were optimistic about their own
> career and financial prospects over the next ten years. Yet 55%
> of the respondents were pessimistic about the prospects for the
> nation generally. Clearly there are two battling, maybe mutually
> exclusive perceptions at play: personal optimism coupled with
> institutional cynicism
> (Miniter, 1997:39).

Thus it can be said that Nexus looks at business differently than do their parents. Miniter (1997:39) states that twice as many young people would rather own their own business than be a top executive of a large company and four times as many say they would rather own their own business than hold an important position in politics or government. The Royal Bank (1997) survey also reported that 32% of their respondents cited entrepreneurship as being the most desirable profession and only 6% chose a career in politics as desirable.

Social / Leisure Trends

Social Trends

There are many social trends that have taken root with Nexus. A recent article by McCarthy (1999) in The Globe and Mail on a recent Statscan report stated that a higher percentage of adults between the ages of 20-34 were living with parents in 1996 than at any time in the past 15 years. "A poor economy, higher tuition fees, and a tendency for young people to delay marriage were said to be among the trend's causes" (McCarthy, 1999:A3).

Researchers are also finding the Nexus Generation to be delaying marriage. Of the survey sample in the Royal Bank (1997) study, only 23% were married, whereas 57% were single or never married. According to the Royal Bank (1997:16) report the average age of grooms in 1995 was 29 and brides on average were 27. Of those married, 37% had cohabitated before marriage and 33% of Nexus have children but waited longer to do so (average age of a first time mother in 1995 was 26.4). "In addition, when asked if it is likely that they will achieve the traditional *80s* profile of the family – married with two kids and a mini-van – only 31% of respondents agreed" (Royal Bank, 1997:38). This is

not to say that Nexus is rejecting traditional roles of family, rather that they are redefining these roles based on current economic, employment and social trends. Given their exposure to divorce, it seems reasonable that this generation would want to strive for a traditional type relationship and family but at the same time redefine what constitutes traditional in new and meaningful ways.

Leisure Trends

According to Pavelka (1993:31) the socio-economic demographic trends of the Nexus generation implies not only a shift in traditional employment and education, but also implies a challenge to some traditional ideas of leisure. Pavelka (1993) feels that leisure may increasingly be focused on development of the freedom to become what one has the ability to become. "Thus Xers are more likely to seek an equal balance of work and leisure activities than boomers were at their age" (Turco, 1996:23). As a result, this "group may cling to other more subtle forms of leisure such as personal development through education and work, especially given this era of change and uncertainty" (Pavelka, 1993:31). It has also been observed that Nexus appears to be choosing forms of work traditionally thought of as leisure, for example, music, art (visual & performance) crafts, literature, film, and so forth (Pavelka, 1993; Turco, 1996). Leisure-specific characteristics of Nexus that practitioners need to be aware of include: the continued graying of work and leisure as Nexus tries to create a balance between these two areas, education and leisure, increased time restrictions, increased propensity towards non-scheduled activity, increased propensity towards short high-intensity activity, and a desire to truly incorporate leisure within one's lifestyle.

Marketing & the Nexus Generation

One remarkable feature of the Nexus generation is that marketers in North America have only just begun to notice them. As one commentator put it, "46 million people, this is like all of a sudden noticing France!" (Donaton, 1993:17). Marketers are also anxious about how to deal with Nexus. This anxiety is probably "grounded in the realization that Nexus is comprised of media savvy and skeptical consumers who collectively constitute a $125 billion market, and who are quite different from their Boomer forebears" (Donaton, 1993:16). In a sense they represent uncharted territory. Donaton (1993) echoes a statement made by Karen Ritchie who in the fall of 1995 issued a stern wake-up call to the media world, "Face it. Boomers are getting old. If the media doesn't do a better job of courting twentysomethings they risk alienating a group ready to overtake boomers as the primary market for nearly every product category".

Boomers and Nexus in the Media

There is a perception that Boomers have overshadowed Nexus in the media. In order to understand if there are differences in concentration of media attention requires an examination of the basic characteristics of both generations. If any imbalances do occur this is likely the results of Baby Boomers continuing to constitute the largest, diverse and most affluent market available to media executives, whereas the Nexus Generation is still experiencing the growing pains of trying to gain economic and employment security. As well, a growing number of Nexus are self-starting entrepreneurs just starting out and still trying to make ends meet. Therefore, marketing executives may approach Nexus as a risky market by traditional standards (Krushell, 1998). Consequently, the combination has made it easy for Nexus to be overlooked (Donaton, 1993). However, "as Baby

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Boomers enter middle age, marketers are being forced to confront Nexus. These people will fuel the growth for product categories from fast-food to liquor to apparel to soft drinks" (Donaton, 1993:16).

Marketing To the Nexus Generation

Nexus represents an evolution from the Baby Boomers, not a radical departure. However, today's young adults can differ dramatically from preceding generations in terms of attitude, language, culture, lifestyle orientation and aspirations (Morrison, 1997). It would be erroneous to assume that the marketing tactics that worked for the boomers will work with Nexus.

> For one thing, Xer's are not hostile to advertising. They simply demand to know more about the product and insist on being given reasons to buy. And while it may be true that no single marketing approach can appeal to 50 million people, regardless of age - what does seem to be working with Xer's is a message that employs music, irreverence and unpredictable visuals and graphics (Tieszen, 1996:2).

According to Tieszen (1996), the Nexus Generation is wide open to new media because they are the first generation that is truly computer literate. However, as Ritchie (1995) stated, Nexus dislikes hype and overstatement, self-importance, and hypocrisy. Therefore, if you wish Nexus to adopt your product, it must first be perceived as a useful product that fills a genuine need with regard to their perceptions of the product. This is not to say that the Generation is anti-consumption, rather that on the whole they are just more savvy and discerning concerning their consumption behaviour because they are a generation that has grown up with more and constantly changing choices. They are also considered a generation of experimenters, suggesting that to reach them marketers, too,

must experiment with different media vehicles such as the Internet. Herein lies the problem:

> marketers seeking to hit this young target are finding a dearth
> of outlets through which to communicate their messages as
> their traditional media, preoccupied for years with catering to
> the needs and tastes of the Boomers, have virtually ignored the
> Busters, many of whom have turned away from the Big 3 TV
> networks and mass-market magazines (Donaton, 1993:16).

Busters, is Donaton's (1993) term for the Nexus Generation. Marketers interested in pursuing this elusive generation are finding it necessary to expand upon their traditional marketing media and techniques by adopting a *soft sell* approach in hopes of luring Nexus consumers. Marketers credited with developing successful low-key youth-oriented approaches to campaigns are Revlon, Calvin Klein, The Gap and Burger King.

It has been reported that some established print and electronic media companies are following two paths. "Some are trying to appeal to both Boomers and Busters through what little common ground they do share while others are setting their sights squarely on the twentysomething market" (Donaton, 1993:16). Examples of magazines that are taking the first path are *Entertainment Weekly* and *Rolling Stone.* In essence the two magazines are "slicing and dicing the audiences along generational lines instead of relying on traditional age breaks such as 18 to 34, a demographic that encompasses Boomers and Busters" (Donaton, 1993:16). Popular, newer magazines trying to follow the second path and draw a line, focusing solely on the twentysomething market include titles such as *Details*, *Spin*, and *Mademoiselle.*

Newspapers, that command 53% readership amongst 18 to 24 year olds (the lowest percent of all age groups who read the paper daily) are also trying to entice this

growing section of the population. Newspapers have been adding colour, graphics and

shorter stories to appeal to young adults and have beefed up their entertainment, comics

and sports sections (Donaton, 1993).

Marketing to Nexus: Hoechsmann's Perspective

It is useful to also look at the Nexus Generation from the perspective offered by

Hoechsmann (1996:86) who states that this generation offers:

> an intriguing entree into the contradictory position in which
> North American youth find themselves as emergent consumers
> in a period of economic decline, the rapid and voracious
> appropriation of the concept of Generation X by the advertising
> industry suggests a perceived need to corral these self-described
> renegade shoppers.

Two versions of Nexus generation emerge: one is *Unnamed,* and is the habitus of

a displaced generation; the second, is *Unashamedly Displayed*, and is the dream of

marketers (Hoechsmann, 1996).

Coupled with these two conflicting visions of Nexus, huge shifts in the global

economy are also being lived by North American youth in contradictory ways.

Global realignment of industrial products away from the nations of the global North

America has created the condition where for the first time in the post-war era, young

people in North America must face diminishing economic expectations. Yet at the same

time, increasing centrality of consumption as the motor of domestic economic growth in

the nations of the global North, interpolates these same young people as a powerful new

consumer force (Hoechsmann, 1996).

This period of rapid change presents a unique challenge and opportunity for

marketers and society but the picture is not entirely rosey. As Hoechsmann (1996:94)

stresses:

> Gen X as a cultural phenomenon, corresponded to a great
> extent to a period of mourning of the young white males who
> had been socialized to expect easy access to privilege and power,
> even if only for a middle-class American Dream which today seems
> almost unattainable.

Thus we arrive at a crossroad. Nexus generation represents a dynamic population

that is adapting itself and its consumption patterns to an ever changing, globalized world.

At the same time, this population is fraught with economic and social insecurities. No

longer can they expect the widespread career opportunities that were plentiful when the

boomers were entering the market. Marketers trying to grasp this segment that for the

most part wants to be left alone must either try to redefine the middle-class suburban

dream or create a dream for a population struggling to find a place within a society that

has traditionally been unreceptive to their plight.

Generational Marketing

A principal rule of marketing is to "know your customer". According to Smith

and Clurman (1997), only by knowing the consuming motivations of your customers that

are tied to the underlying values of the generation to which they belong will you be able

to tailor your products, services and communications to their needs, interests and desires.

In other words, generational marketing implies that the marketer must first define the

core values and beliefs of a generation, which in some cases will differ or reflect those of

older and younger generations. Knowledgably applied, this will be a key source of competitive advantage. However, remember that "understanding these generations will by no means answer every question about the marketplace. But it will answer core questions that have fundamental importance for your business" (Smith & Clurman, 1997:XIV).

Generational marketing is a "strategic business perspective that studies cohort effects and highlights what is relevant for better business decision-making" (Smith & Clurman, 1997:4).

> ***Generational marketing*** is a tool with powerful applications.
> Today, with multiple generations populating the marketplace – generations
> with vastly different values, motivations, and life experiences – smart
> marketers see that the Four P's alone are no longer sufficient.
> Understanding generational values and motivations has become essential
> because *each generation is driven by unique ideas about the lifestyle to*
> *which it aspires.* And it's these aspirations that determine the ways
> consumers spend and save their money. This is very different from the
> relatively homogeneous consumer marketplace of the immediate
> post – World War II era, a time when values and motivations were
> stable and centered around a shared vision of the American Dream".
> (Smith & Clurman, 1997:XIV)

A fundamental truth within the marketing world is that as a marketer recognizes and seeks to understand the impact of generationally-based values and consumer habits they will have an important competitive advantage over those who do not. Indeed, it is a quest for understanding a new generation that contributed to the concept of generational marketing (Smith & Clurman, 1997).

According to Smith and Clurman (1997:8) generational myopia is another common mistake. This is the shortsighted application of the values and attitudes of your own generation to the development of strategies for marketing to another generation.

In bold terms, it is apparent that Nexus Generation, has a very different pattern of life from its immediate predecessor, the Boomer Generation.

> From a generational marketing perspective, it is clear that Xers
> have a very different sense of the pace and intensity of life. This
> resonates with other generations too, but not in the same fundamental
> way. For Xers an accelerated pace is not just a fact, it is a given;
> not just a circumstance of the times, but a basic condition of life.
> The tools they use to deal with this are things like time shifting
> technologies and versatile fashions and styles. Back then we saw a
> change coming in their definition of convenience – from the Matures
> "do it quickly" and the Boomers "do it efficiently" to their "eliminate
> the task". No longer, we forecasted, would consumers buy a different
> sneaker for every sport. Out of this shift in generationally driven values,
> cross-trainer athletic footwear was born (Smith & Clurman, 1997:14-15).

The skiing industry in North American has been struggling with participation levels for the past 10 years as the aging Boomer population gradually leaves the sport. Generational marketing could allow recreationally based industries such as skiing to gain a greater understanding of the Nexus generation and improve their market retention and increase participation levels in the sport of skiing by creating marketing initiative that will better target this growing economic group.

The Canadian Ski Industry

Canada is home to approximately 291 ski areas and 896 ski clubs are registered with the Canadian Ski Association representing 129, 494 members (Barth, 1999; Canadian Ski Association, 1999); however Canadian skier visits have remained relatively flat over the past few years. The ski industry in general has experienced a flattening of participation levels both in North America and Europe due to increased costs associated

with the sport and an aging population. As a result, the "North American ski resort industry has seen significant consolidation in the last 15 years" (Barth, 1999:6). However, according to Hudson (2000:32), Canada has reaped huge rewards from its decision to go on the offensive and promote its skiing on price, which has been aided in international markets by the low Canadian dollar. It is also important to note that standards and levels of service at Canadian and US ski resorts are incomparably higher than in Europe and the root of this lies in the fact that, with rare exception, each resort and lift system is owned by one company (Hudson, 2000:32).

Historically, ski resorts were owned by small companies or families and only operated during the winter, offering skiing, food, sometimes lodging and little else (Hone & Ryan, 1998:30). In recent years there has been a trend towards creating ski resorts that are four-season destinations, therefore increasing profitability and stability throughout the year. Today, well-capitalized companies are building convention space, golf courses, condos, retail stores, restaurants and a host of other recreational and entertainment features that run 24 hours a day, 365 days a year (Hone & Ryan, 1998:30-31). These accessory services are creating resorts that cater to both the skier and non-skier by offering services, facilities and activities that run throughout the year that are not solely focused on skiing.

According to Foot (1996:113), more than 58% of downhill skiers are under 35 years of age; 44% of skiers take up the sport when they are under 17 years; only 12% start skiing when they are over 35 years; and skiers 24 years old and younger ski 12.3 days a season, while skiers aged 35-44 get to the slopes only 8.5 days per season. According to the Canadian Ski Association (1999), the average profile of an alpine skier

is a 25 year old, single, male. Sixty-two percent of active alpine skiers have a household income of over $50,000 and 77% of active skiers own their own dwelling (as opposed to renting) (Canadian Ski Association, 1999).

Based on an aging population, the above statistics show that the sport is going to experience a decrease in participation levels as Baby Boomers leave the sport over the next couple of years. However, new equipment is revolutionizing the sport, making it more attractive for older skiers to stay in the sport. Some Boomers do not consider themselves too old to participate in the sport and may now have the time to invest in pursuing this recreational activity.

According to the Canadian Ski Association (1999), 40% of all alpine skiers and 72% of all snowboarders are between the ages of 12-24 years, which directly overlaps the Nexus Generation. The ski industry is governed by unpredictable snowfalls, an operating season which can span between 2-5 months depending on the climate and is primarily a young person's sport. This is also a sport that requires a substantial investment on the part of the participant whether they are buying equipment, clothing, food and drink, ski passes or transportation. This sport attracts a young market with money, and if the ski industry wants to retain this consumer group, which is extremely transient and experimental, they must begin to look beyond mere demographics.

Hone and Ryan (1998) state that the Nexus generation has been the catalyst behind the growth in extreme sports and the creation of a global youth culture. The key for marketers within the ski industry is to tap into what is driving this growth and global youth culture, which will involve identifying the values and beliefs of this generation. This is known as generational marketing, which is based on cohort analysis.

Summary

It can be concluded that the study of the Nexus Generation is fraught with contradictions. On the one hand, the generation is characterized by a population frustrated with society as a whole, harboring a pessimistic attitude towards their future. However, at the same time, Nexus is jumping into entrepreneurship at a faster rate than ever before. They are looking out for themselves; proactively investing for their futures; optimistic that they will attain their career of choice by hopefully marking a convergence between work and leisure; and is generally very satisfied with the quality of their lives.

The purpose of this review of literature was to profile the Nexus Generation and how it relates to generational marketing. Additionally, links were established between generational theory, mass consumption and consumer culture, youth subcultures, marketing, and the conditions of the Canadian ski industry. The intention was to provide a more comprehensive picture as to who Nexus really is and what motivators are driving them within the consumer world. The following chapters will examine how three ski resorts in Canada are marketing to the Nexus generation.

Chapter Three: Methodology

Introduction

This chapter describes the research methods that were used in this study. An interview questionnaire was developed as the main instrument for gathering information. The study population included three marketing directors at ski resorts owned by a Canadian ski resort development company at which the researcher was an employee. The purpose of the study was to investigate the extent to which and the manner in which these three ski resorts were using generational marketing techniques to target the Nexus Generation.

Interactive Qualitative Research Approaches

Qualitative research is frequently conducted via researcher-administered questionnaires and / or interviews. Researcher-administered questionnaires and interviews share some advantages and limitations as both techniques are interactive and rely on self-reporting (Palys, 1997). Their biggest advantages are that they are versatile and provide the researcher with the opportunity to hear from respondents directly. The range of topics a researcher can ask about is only limited by his/her imagination and the respondents may elaborate on their thoughts and explain themselves which decreases speculation on the part of the researcher (Palys, 1997). However, all researchers must keep in mind that respect for ethical guidelines and the research / interview protocol must be practiced. Researchers must work within a protocol that is topic-specific as it is

unethical to ask questions about a range of topics outside of the primary research focus. The challenges facing administered questionnaires and interviews include providing an ethical context in which respondents will be more likely to give insightful and candid responses, designing thoughtful, interesting and appropriate questions, and understanding exactly what will be accomplished at the end of the process (Palys, 1997).

The choice between using an administered questionnaire or an interview depends on the topic, the study's purpose, the target population's characteristics, the investigator's resources, the use of volunteers, and the strengths and weaknesses of the investigator (Palys, 1997). For the purposes of this study, face-to-face interviews were used to collect data from the research participants. The main rationale for this choice was that it maximized interactivity and allowed the researcher to monitor and amend the data collection process as it occurred.

According to Kvale (1996) face-to-face interviews allow for a conversation that has structure and purpose to take place between the researcher and participant. "It goes beyond the spontaneous exchange of views as in everyday conversation and becomes a careful questioning and listening approach with the purpose of obtaining thoroughly tested knowledge" (Kvale, 1996:6).

Advantages of Interviews

There are many advantages and disadvantages associated with the interview process. The most notable advantage is the increased rates of participation as opposed to other forms of data collection. During the interview process the interviewer can ensure

that the appropriate people are completing the interviews and can also clarify any confusion about particular questions as they arise. Interviewers can encourage less talkative participants to embellish further on their responses and the respondents do not need to be literate, as it is the researcher who will be taking notes. Most importantly, the researcher can build a relationship with the respondents (Palys, 1997).

Disadvantages of Interviews

Interviews also have inherent disadvantages such as the large amount of time that must be invested by the researcher in order to interview multiple respondents, and the costs associated with travel to geographically remote locations. Reactive bias is also something interviewers must take into consideration. Reactive bias affects the validity of data and occurs when participants say what they think the interviewer wants to hear based on non-verbal communication. Other associated disadvantages are locating the right people to interview, and the issue of decreased anonymity (Palys, 1997).

Schatzman and Strauss (1973) identified five conditions affecting the outcome of Interviews:

1. Duration - how long a session lasts

2. Number - how many separate sessions are required to complete the interview process

3. Setting / Location

4. Identity of individuals involved or who the interviewers and participants are and how many are present at a session.

5. Participant styles or ways of communicating characteristics of the group to be interviewed.

According to Schatzman and Strauss (1973), the length of interviews depends on a number of variables. These variables include: the amount of data required, the time and rapport necessary to obtain data, interest of participants in reporting the data, time and attention reasonably expected of both interviewers and participants, and the number of participants needed. Based on these variables, it is extremely crucial to identify the types of participants who are most likely to possess an "insider's" knowledge of your topic. The researcher must decide what counts as data, who is best able to provide the most relevant information, and what problems of access might be confronted in obtaining it (Thomas, 1993).

Pilot Study

A pilot study was conducted with two experts in the field between November and early December, 1999. These two experts were recruited from the company being investigated. According to Mangione (1995), pre-testing can help researchers identify those questions that best obtain the information needed, can facilitate making appropriate changes in order to ensure clarity with regards to the interview questions, and to see if more explanation is needed. It is important to conduct a pilot study, as there are always factors the researcher will take for granted without recognizing this. The time to catch these difficulties is before hours are spent interviewing (Palys, 1997).

Research Approval

The research procedures and interview questions were submitted to the University of British Columbia, Behavioural Research Ethics Board for review and approval was obtained (see appendix V).

Data Collection

According to Stevens, Wrenn, Ruddick, and Sherwood (1997), data can be classified as either: (1) primary or (2) secondary. Primary data are collected for the first time by the researcher for the specific research project at hand. Secondary data are previously gathered for some other purpose. When collecting data, Stevens et al. (1997), recommend that the researcher first exhaust all sources of secondary data before engaging in the collection of primary data.

Primary Data Collection

Face–to-face interviews served as the primary means of data collection. The interviews were conducted with the Directors of Marketing for each of the three ski resorts. In all cases, initial contact with the prospective research participants was made via an e-mailed letter (see appendix VI). A follow-up phone call was made one week after the initial e-mailing to introduce the researcher and confirm that the prospective participants had received the letter. Any questions they had about the research were entertained at that time and also served as a forum for the researcher to explain how this research could benefit them.

Prospective participants were given a copy of the interview questions 48 hours prior to the interview as some of the questions required some research on the part of the participant. Each interview lasted approximately sixty minutes and was comprised of six sections each containing 2-7 questions per section (see appendix VII). Each participant was required to sign the letter of consent prior to participation. Approval to use an audiocassette recorder to tape-record the sessions was obtained from each participant prior to beginning the interview process. Tape recording the interviews enabled the researcher to give full attention to the participant (Palys, 1997). Notes were also taken, however, allowing the interviewer to retain the flow of the interview and to safeguard against technical failures. Full confidentiality and anonymity were upheld and all ethical guidelines were followed. Upon completion of the interview, a transcription was prepared.

Secondary Data - Review of Literature

A review of literature was completed in order to gain a solid understanding of generational marketing and the ski industry. Additional secondary data was solicited from the research participants during the interviews and included marketing plans and materials such as examples of recent marketing campaigns and statistics on skier volume (visits per year, demographic breakdown, proximity to major markets). Each of these documents were then compared with the other resorts to find similarities and differences. They were also beneficial in determining whether the resorts' media campaigns coincided with their primary target market(s).

Analyzing the Data

The interviews were constructed based on the major themes that were taken from the research questions. The interview questions were subdivided into six major themes: Ski Resort Profile, Target Markets, Generational Marketing, Nexus Generation, Past Promotional Campaigns and Future. The six themes were then used in the coding process to pull major and minor aspects of each theme together.

According to Neuman (1997:422), "coding is two simultaneous activities: mechanical data reduction and analytic categorization of data". Coding data reduces mountains of raw data into manageable amounts and allows the researcher to quickly retrieve the relevant parts (Neuman, 1997). The coding for this study was done in three steps. Open coding was first used to locate themes and assign initial categories in a first attempt to condense the overall data (Neuman, 1997). Axial coding was then used to review and examine the initial coded themes, which involved organizing themes and identifying key concepts (Neuman, 1997). Selective coding was finally used which involved scanning the data and previous codes in order to recognize specific themes that were identified in earlier coding and that elaborated on more than one major theme (Neuman, 1997).

Using this three-step method, the interview transcripts were analyzed for evidence of the resorts' respective marketing approaches and practices, and these were then assessed, in turn, for their similarities and differences across the sample. The interview questions and their responses helped organize the data into coded themes. A flowchart was constructed that cross-compared the data with each of the three resorts and allowed

for comparisons to be made. The marketing materials were used to help validate the findings from the interview transcripts, and to build background information on each ski resort, again with an eye to comparing the similarities and differences of approaches and techniques across the sample. The visual representations seen in the brochures and media campaigns were seen to target more than one market because the scenery being used could be valued and emulated by more than one market group.

Role of the Researcher

The role of the researcher is much more involved than merely knowing the ethical knowledge and cognitive choices associated with conducting research. Researchers must have "the sensitivity to identify an ethical issue and the responsibility to feel committed to acting appropriately in regard to such issues" (Eisner & Peshkin, 1990:244). According to Kvale (1996:117), "a researcher's characteristics as a person are critical to the quality of the scientific knowledge and for the soundness of ethical decisions in any research project". By using interviews as the means of data collection "the importance of the researcher as a person is magnified because the researcher is the main instrument for obtaining knowledge" (Kvale 1996:117). In the end, however, Kvale (1996), states that it is the overall integrity of the researcher – his/her honesty, fairness, knowledge, and experience – that is the decisive factor.

The role of the researcher in this study was two-fold. The researcher was a student interviewer and an employee of the company. Because the researcher worked for a different division of the company than the interview participants, she was unknown to

the participants prior to their first contact. The researcher approached the interviewees as a graduate student, but after they consented to participate, they were told she was also an employee of the company. The researcher held no power to coerce the interviewees to participate as they held jobs at a higher level in the organizational hierarchy. The researcher made it clear that she was collecting data to complete a Masters degree as well as to produce findings that would aid the company in fine-tuning their marketing programs for their ski resort industry.

Sample / Site Selection

Three Canadian ski resort destinations were the focus of this study. The three resorts were part of a Canadian company that specialized in the development of ski resorts in both Canada and the United States. Each ski resort had its own marketing department and specific target markets.

Keeping the sample specific to Canada helped control for cultural differences between Canada and the United States that may have been reflected in the ski resort's individual marketing programs. If the ski resorts were employing generational marketing techniques, then Canadians' life experiences may differ from their American counterparts, and keeping the sample exclusive to Canada would help dampen these discrepancies.

Access Issues

As each of the three resorts were owned by the same company, there was no threat that the information they provided to the researcher would be given to a competitor. As well, because the researcher worked for the same company, access to key individuals at each of the three locations and head office was facilitated by access to company directories. It was hoped that once the design of the study was explained to the company and the three resorts, they would be willing to participate based on the fact that the findings stand to help them better target their key markets. This was borne out in the project.

Ethics

Informed Consent

In this study all participants were required to give their informed consent to participate. Each participant was given a letter to sign, which outlined their rights and defined for them the concept of informed consent (see appendix VIII). Informed consent is defined by Palys (1997:416) as:

> an ethical principle that suggests you should not do things to
> people unless they say it is all right to do so and only when their
> consent is given on the basis of knowing all aspects of the situation
> and the possible outcomes that might affect their willingness to
> participate. Consent cannot be considered binding unless it is
> given on an informed basis.

Informed consent is useful because, first, it ensures that the participants are not being exploited without their knowledge. Second, "consent" implies that the subjects are cognizant of all aspects of the proposed research, both positive and negative, that may

influence their decisions to participate. And third, "informed" also implies that the researcher cannot ask for a Yes / No response with regards to who would like to participate in their research without giving the prospective participant all relevant information.

Confidentiality / Anonymity

Due to the nature of the data collected, precautions were taken to ensure the highest level of confidentiality. To ensure confidentiality each interviewee was assigned a random number and a corresponding pseudonym so that the identity of the resort and the respondent was not revealed. The consent forms were kept in a sealed envelope and locked in a separate filing cabinet from the other study materials. All related documents, tapes, and transcripts were given the same pseudonym as the resort. The research results were then summarized anonymously. All records will be maintained for 5 years and then shredded (paper) and erased (tapes and data files).

Limitations of the Design

The geographical locations of two of the ski resorts may have posed a slight problem due to the expense of flying to these destinations and the availability of the researcher to get the needed time off from work to travel to these two destinations.

Part of this research involved analyzing professional practices. Respondents may have been concerned about the researchers role in the company even though they did not inform her of these concerns.

It was essential to offer participants an incentive to ensure their involvement in the study. The benefits of this research were clearly conveyed to each prospective participant and a brief summary of the results will be provided to each of the participants upon completion of the study.

Implications

This study has the potential to benefit each of the three ski resorts, their head office and the field of sports marketing. The research findings allowed for a comparison of marketing techniques and programs across the company, and could be used for assessing strategically the company's and resorts' marketing plans with respect to the Nexus market. The findings were also descriptive of a major segment of resorts within the Canadian skiing market, and therefore have bearing for the ski industry more generally. In addition, this research shed light on a demographic group that has been negatively stereotyped within the mass media. This is a demographic which in some cases has "fallen through the cracks" but who are also a key economic force for sports such as skiing which is predominately characterized as a young person's activity.

Feasibility of Research

Since the results of this research project will benefit both the ski resorts and head office, it was hoped that there would be minimal obstacles accessing information relating to the research topic. As well, in her present employment capacity, the researcher already

had access to much of the information needed as well as contacts for the prospective interviewees. There was no threat that resort-specific materials and information (i.e., marketing plans) would be given to competitors because all interviews and the interviewer were from the same company. The Leisure and Sport Management Lab at UBC had appropriate facilities for conducting the data analysis, including computer, telephone, and fax.

Chapter Four: Results

Introduction

This chapter provides an overview of the data-collection and analysis process and summarizes the information that was gathered at the three resorts that ultimately participated in the study. Although the original study design called for interviews to be conducted at five resorts, further consultation with the parent company that owned the five resorts, clarified that two of the resorts would not serve the purposes of this study because one was considerably smaller in comparison to the other resorts, and the second resort was newly acquired and the parent company had not yet had an influence on the marketing strategies. Introducing this resort would have skewed the data because the other resorts interviewed were all coming from similar marketing backgrounds. For this reason, only three Marketing Directors from the three remaining ski resorts were recruited to participate in the study. While this deviated from the original thesis proposal, the comparative case study approach of the research has been preserved, and arguably better points of comparison were facilitated by restricting the study to organizations that were more similar in their marketing strategies, size and prominence within the Canadian ski industry. The results reported in this chapter bear this out.

The three resorts that participated in the study were owned by the same parent company located in Canada. Interviews with the Marketing Directors took place on June 12th, 27th and October 6th, 2000, and were conducted on-site at each of the respective ski resorts. The face-to-face interviews took place in the Marketing Director's offices and lasted approximately one hour. Interviews were conducted on-site to allow the researcher to get the full perspective of what each resort felt and looked like. In addition to the

interviews, information was obtained by visiting the mountain, soliciting examples of advertising, soliciting internal documents from the parent company and using each of the resorts' websites. The interviews were transcribed and analyzed for major themes. The themes were then cross-compared between the resorts and checks were made of the reported information and my observations of the resorts' activities based on site visits and the marketing materials I had collected. The marketing plan and related materials were used to help substantiate the statistics, which had been reported by the Marketing Directors. The visuals such as ad campaigns were noted as marketing to more than one consumer group even though the image may have been of a Nexus aged person on skis or a snowboard. They were images that would appeal and by emulated by older and younger market groups. The results of this activity are summarized below in five sections based on the major themes of the original interview questions: Ski Resort Profile, Target Markets, Generational Marketing, Nexus Generation, and Future.

Ski Resort Profile

The three resorts were successful and growing which was reflected in their increasing skier visits each year, although they differed in size, location, and proximity to major markets. As seen on the following pages, Table 4.1 summarizes essential terrain and ski conditions for each mountain, Table 4.2 gives skier/rider visits, Table 4.3 outlines the infrastructure at each of the resorts, and Table 4.4 summarizes major markets that are proximal to the respective areas.

As seen in Table 4.2, skier visits related well with the size of the resort and the available infrastructure. Skier visits means the total number of skiers who visited the mountain in a single ski season. Skier visits increased during the 1999/2000 season at Resorts B and C, but not at Resort A where the visits decreased due to uncharacteristically poor winter weather.

Table 4.1 Mountain Statistics

	Resort A	Resort B	Resort C
Base Elevation	265 m	1,160 m	675 m
Summit Elevation	915 m	2,380 m	2,181 m 2,284 m
Vertical Drop	649 m	1,220 m	1,530 m 1,609 m
Terrain	245 hectares	2,700+ acres	2,874 hectares
Total # of Trails	92	100+	200+
Average Snowfall	382 cm	347 cm	9.14 m
Longest Run	6 km	3.5 km	11 km
Trail Classifications	Beginner – 16% Intermediate – 32% Advanced – 41% Expert – 11%	Beginner – 20% Intermediate / Advanced – 55% Expert – 25%	Peak 1 Beginner – 20% Intermediate – 55% Advanced – 25% Peak 2 Beginner – 15% Intermediate – 55% Advanced – 30%
# of Years of Operation	1938 – 62 years	1962 – 38 years	1966 – 34 years

Table 4.2 Skier/Rider Visits

Resort A	Resort B	Resort C
1999/2000 – 626,000 1998/1999 – 677,000 1997/1998 – 615,000	1999/2000 – more than 170,000 1998/1999 – 164,900 1997/1998 – Not available	1999/2000 – 2.2M 1998/1999 – 2.15M 1997/1998 – 1.7M

As seen in Table 4.3, infrastructure relates to the actual resort area which may
include the availability of lodging, restaurants, shopping, ski / snowboard lessons and
rentals and other accessory services.

Table 4.3 Ski Resort Infrastructure

Infrastructure	Description
Lodging	Hotels, Motels, Inns, Bed & Breakfasts, Condos
Restaurants	Fine, casual and family dining. Cafes, bars and night clubs.
Shopping	Retail shops, boutiques, souvenirs, specialty clothing and equipment.
Ski / Snowboard Services	Rentals, repairs and lessons. Heli-skiing, cross country, snowmobiling, and snowshoeing.
Accessory Services	Banking, groceries / liquor stores, medical services, movie / video rentals, fitness centers, child care, message therapists, beauty salons, shuttle services.

Skier visits were also seen to correlate with the resort's respective proximity to major
markets. Table 4.4 lists local markets as well as major international ones for each area.

Table 4.4 Major Markets

Resort A	Resort B	Resort C
Eastern Canadian Provinces North East United States Japanese in the Autumn	Major Western Canadian City Eastern Canada UK, Germany - Europe	Major Western Canadian City Western United States Eastern Canada UK - Europe
Closest Local Market – 2 hour drive	**Virtually no local market. Closest Market – 3.5 hour drive	Closest Local Market – 2 hour drive

Who is on the Mountain?

Each of the resorts tracked the sale of lift tickets by age and gender by conducting random on-hill surveys on a daily basis. Resort C expressed some concern that the information collected on their local market may be skewed by the fact that locals may have been less likely to stop and answer a survey and more likely to avoid the on-hill surveyors. Nonetheless, all three resorts reported that the adult lift ticket (ages 19-64) was the most common ticket sold, which was also representative of past years.

These daily surveys followed the National Skier/Boarder Opinion Survey (NSOS) standard. Statistics from the daily surveys were analyzed in-house by marketing staff as well as externally. When asked how frequently the data was analyzed, one Director responded:

> Regularly, virtually daily. From the beginning of the season to
> the end of the season we're doing daily surveys. And quite detailed
> and it's basically random. A survey that covers a consistent formula
> all the way through the system – what we call a NSOS survey system.
> And that basically happens every day of the week. – *Resort B*

The external analysis was done as part of a North American ski resort data collection initiative.

> We're involved in a North American wide survey that basically
> benchmarks our results with other major resorts. – *Resort B*

The NSOS survey focused on many aspects of the resort-visitor relationship including levels of service, experience levels, ticket pricing, food, runs and weather (see Appendix IX). Results from these surveys rate the best ski resorts in North America on a yearly basis.

All three resorts indicated that they had installed snowboarding facilities and that they perceived snowboarders as a growth segment, but that because there were still more skiers on the mountain, skiers were still their major market. When asked to "differentiate between the importance of skiers versus snowboarders" with respect to resort facilities, Resort A reported that they had two snowboarding parks and that,

> Riders have the same facilities available to them as skiers, so it's not really a question of segregating, we just don't have as many that are specific to riders as we do to skiers. – *Resort A*

Resort B reported that,

> A lot more time and effort has been spent on snowboarding parks and terrain features to accommodate and retain the interest of riders. – *Resort B*

Resort C has snowboard parks and stated that,

> Snowboarding would be given more attention because there's snowboarding-only areas, although skiers can go in, there are no real areas designed specifically just for skiing. – *Resort C*

Target Markets

The interview questions in this section focused on whether a target market approach was used and who the target markets were for each resort. In this case the resorts displayed some similarities and differences.

Target Markets and How They are Determined

All three resorts used target marketing, although approaches and methods varied. Resort A identified two primary groups based on geographic proximity to the resort but also divided these two target markets on the basis of demographics. The two groups were

divided into "excursion" and "destination". Within the two groups, the two target markets were those aged 18-24 years and 25-49 years.

> First of all we like to divide our target groups into excursion and
> destination...excursion are those with a (local) geographic link,
> because most people who come for a day or a day and a half are
> normally not people who will be staying for a long period of time
> (destination). So that's excursion and destination. We are also looking
> at various demographic profiles of course, so depending on who you are,
> you may be looking at 18-24 age group, also looking for 25-49
> primarily as the core group. – *Resort A*

Resort A determined who their target markets were by factoring which of their marketing activities best drew people to the resort. This involved following advertising leads as well as looking at internal research about where the people were coming from, why they were visiting the resort, their age group and household income.

When Resort A was asked which target market was the most important, the 25-49 year old age group was identified, although the 18-24 year-old group was seen as the one with growth potential. As Resort A explained:

> Although there is more of a skew towards the growth area and the
> growth area is towards the younger age profile, that doesn't mean it's
> the *majority* of people who come, but that's the growth segment. So
> they are about 18-24. – *Resort A*

Resort B based their target markets on demographics and identified the following 4 groups: Gold Coasters, Independents, Students and Families.

> Gold Coaster to us is 40+ and kids are either left home so they are
> empty nesters or on their way to being empty nester, so that can spread
> through to early retirement people and probably that core group is
> 40-something to 55-60ish.

> Independents generally run from 25-40. There is some overlap in all
> of these, but once you are not a student.

> Students are more, sort of, late college or university years.

> Families are the weird one that covers everything, however, they tend
> to be 30+, married and a couple of small children. – *Resort B*

Determining who were the target markets for Resort B involved looking at their tour operators and channels of distribution to determine who could channel the clients to the resort. In this particular case, tour operators played a vital role in marketing the resort to potential guests due to the unique location, which involved air travel for many visitors. It was also important to note that this resort was the only one in this study that had virtually no local market for their product, thus illustrating the importance placed on partnerships with tour operators.

> It's become an evolution over time. It's not a matter of looking
> at the people who are on the mountain; it's looking at who's not there.

> So the next thing is to determine where the motivated operators
> are – so going back to your channels of distribution and where the
> best airlines might be. So then you start looking for people. ... It's
> picking some targets rather than trying to be everywhere and doing a
> thorough job in those target markets and it's part of putting an overall
> program together so that people can basically access your product,
> having your product as what they call "export ready", and export ready
> whether that means long haul in Ontario or export ready in the UK or
> Germany or even select markets in the US. ... We would look at
> where our partners are, or at who are our leaders (in the industry).
> – *Resort B*

Based on the above information the Gold Coasters, Independents and Families were identified as the resort's most important targets. Students were not identified as one of the most important target markets.

Resort C was different from the other two in that they did not divide their target markets based on demographics but rather focused on key geographical areas and "like-minded" individuals they called "ski enthusiasts" who were mainly male and 35 years of age or older.

> Do we target women, do we target Nexus, do we target other groups?
> The answer would be no. But we definitely do target geographically
> and then we target... like-minded individuals. *– Resort C*

The geographic areas were already summarized above (see Table 4.3). The "like-minded" ski enthusiasts were identified as the resort's most important consumer group, and they were targeted for the following reasons:

> The ski enthusiast because we have difficult terrain and that is one
> of the things we are known for. Male, just because there are more
> males than females who ski. And 35 years because there are economic
> realities here with regards to the cost of skiing here. *– Resort B*

It was also noted, however, that the resort took a more inclusive approach when dealing with the local market, which was to say that the "ski enthusiast" approach tended to be more emphasized for destination or international markets.

Tracking Markets and Image Conflict

When the resorts were asked how they track the promotional campaigns aimed at each market, they all reported using Call Centers and Guest Surveys.

> Generally through our call center we have a pretty good idea of what
> response we're getting from various ad campaigns or price point specials
> that we have in the market place. And we also track through guest surveys
> how our demographics are looking, how that's all shaping out. And that's
> all through the season. *– Resort B*

> ... in all cases we'll have a call to action. And wherever possible we'll
> track it. Strict promotions, there may be coupons redeemed or something
> that is used as a tracking mechanism. When it comes to advertising the way
> we track it is through also a call to action which is usually a reservation
> 1-800 number but also in our key markets we have awareness. We do surveys
> on a yearly basis so we have a benchmark of awareness and then we track each
> year and sort of ask them are they aware of this hill, what is the first ski area
> they think of when you think of a ski area. So then we know what the top of
> mind awareness is, we know what our awareness is. *– Resort C .*

Resort A also reported that in the future they will be able to track interest based on the click of a mouse on their website. The Sales Department also played a key role in channeling business and could gauge which ads and media were working best based on the responses they received from clients.

The last question in this section dealt with how the ski resorts market to different target groups without creating a conflicting image. Image conflict occurs when different forms of media are used within a single market. If a ski resort used various media campaigns within one market area to target youths, elders, skiers, and snowboarders, image conflict may occur because the message being conveyed to the youths may conflict with the message being conveyed to elders, and so forth. The same could occur when marketing to different geographical areas. The media message for a European market may be quite different than that of a Canadian market.

Image conflict was an issue of particular importance for Resort A and how they catered to their clients.

> One of the things we are trying to build is how do we deliver a unique experience to everyone, it is a major challenge. ... So, what that means is, for each group, each target group, you may take possession in a different fashion. Because their needs are different when they stay here. How they stay is different, why they stay is different, what type of fun experience they want to have, you know if you're 19 – it's not the same as if you're 39. So that experience can be tailored if you know why they are coming and if you know from the beginning… and we are doing that more and more. – *Resort A*

Resort B and C reported that they did not experience much concern with a conflicting image. The media message was general rather than targeted and as in the case of Resort C the geographic areas did not overlap so any differences in message would not be seen by other markets and still would be consistent with the core of the product.

It tends to be one campaign. We are not big advertisers just because the cost of advertising is so colossal that it tends to be more general awareness and less highly targeted. ... I think we remain pretty consistent because we certainly have not put out a strong or a concerted image as a Gen X place, for example, which we don't really think that we are. The guy that is probably more comfortable here is a family and a Gold Coaster and the little more discerning or mature side of the Independent. That's going to be the guy who probably works best with our product. So our point of offering image for those kind of things will probably appeal more to that person than the Gen X guy who is looking for the big bands and the rave – the bar scene.
– *Resort B*

Well they're not going to conflict because they're not going to be seen. So they won't. Whenever we do something in a ski magazine it would be a much more mass appeal. It would be something that just wouldn't conflict because it would be something that would be basically true to the core of our brand. And then as we get geographically specific it's not going to be contradictory to our core but it may be something more specific to that market.
– *Resort C*

Generational Marketing

Each of the three resorts were asked if they used generational marketing as a marketing tool and if so, how it was used and where did it fit into the resort's overall marketing strategy.

In the case of Resorts A and B, generational marketing was used only in a limited manner to help identify their target markets on the basis of age groupings. It was not used in the more conventional sense, as a tool to measure generation-specific perceptions towards consumption or to develop markets based on consumer spending patterns and perceptions. As seen in Table 4.5, the resorts tended to follow a life stages approach which divided their consumer groups based on which stage of life they were experiencing. As a result, Resort A reported that they used generational marketing by default.

The life stages approach was also evident in Resort B's target marketing approach, which defined their consumer groups based on these generational life stages. In the case of Nexus, some overlap would occur between student, independent and family life stages, as Nexus aged people span all of these life stages.

Table 4.5 Life Stages

Life Phase	Description
Gold Coaster	Those individuals 45 years of age or older, not traveling with children 16 years of age or under, and either they do not have children, the children do not live at home, or the children are 17 years of age or older.
Family	Those individuals traveling with children 16 years of age or younger (regardless of age).
Older Independents	Individuals 35-44 who are not traveling with children
Younger Independents	Individuals 25-34 who are not traveling with children
Students	Individuals 17-24 who are not traveling with children

Essentially, generational marketing fit into Resort A's and B's overall marketing strategy in a general, albeit limited, fashion. By comparison, Resort C did not use generational marketing in any form, although they were quick to clarify that in the future, it might be a factor once the resort starts looking at smaller groups.

> (we) just haven't had to niche as much except by our enthusiasts, sort
> of extreme kind of nature because that is something that we know and we
> don't want people who just want beginner slopes and sunshine because
> they've come to the wrong kind of place because they may not get that and
> they won't be a return customer so there's no point in getting them to try. So,
> as we have to start looking at smaller groups then it will apply more.
> *– Resort C*

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Nexus Generation

The Nexus generation was not identified as a specific target by any resort, yet it was seen to overlap some of the resort's main target markets in each case. Resort A reported that they had not targeted a specific group and branded them as Nexus, but that Nexus did overlap the two target markets for this resort and the resort was interested in understanding this group.

> ... like I said, they do by default. We just didn't brand them. But are we interested in the 18-29 year olds, and how they live, what they are interested in as an experience here – absolutely. And do we want to adjust our resort approach according to their needs – absolutely. But we just haven't broken the groups into "Nexus" or "Net", etc., and I'm not sure if we want to break it down that far, because what we want to do is to understand each consumer and consumer group. *– Resort A*

Nexus overlapped the Student and Independent target markets for Resort B. In this particular case, Nexus was not considered a major market based on the costs associated with the resort's product.

> ... ours it a little bit unique because they don't necessary follow a panel for a target because our product, the decision making process for our product, even in a regional market place is much more significant cost wise. We're just selling something that's just that much more costly. *– Resort B*

> And it seems that just slightly on the older side of the independents, a something more mature or discerning customers on the older side of the Gen X, come family to early Gold Coaster, generally tends to be more in the income bracket that is in position to buy our product. *– Resort B*

Resort C reported that Nexus was not marketed to directly, however, they fell into the Ski Enthusiast category and were very important to the culture of the resort.

... it's important to the resort now because ... they are like an ongoing focus group because you have to appeal to that group if you want to stay youthful because they bring a certain vitality and youthfulness to the resort, which is what we're known for, which is what we want to keep. So as we have $2000 a night hotel rooms, still as sort of the underbelly of the place it has a bit of rawness that can only come from that age group. It's not going to come from 35 year olds. – *Resort C*

When asked if Generational Marketing had been used to profile and reach Nexus, Resort A reported that they did so indirectly as Nexus overlapped their two major target markets. Resort B had done very little due to the high costs of advertising and that Nexus was not a target for that resort.

We're not big advertisers just because the cost of advertising is so colossal that it tends to be more general awareness, and, you know, you're less highly targeted. – *Resort B*

One has to be a little bit careful of taking, or as positioning yourself totally as a Gen X kind of place. Which is not really us. – *Resort B*

We certainly have not put out a strong or a concerted image to a Gen X place, for example, which we don't really think that we are. The guy who is probably more comfortable here is a family and a Gold Coaster and the little more discerning or mature side of the independent. – *Resort B*

Research and Nexus

The three resorts reported that they conducted general market research on a daily basis, but that Nexus was not a specific focus. However, Resort C followed the social trends of the Nexus generation as it reportedly impacted on the "coolness factor" which was so crucial to the resort and its culture.

... they're here and were just watching and talking. It's more of the great time and that type of approach. And our PR person and some of our other marketing people are very much into that, into that culture, into the rock star culture. – *Resort C*

When asked if the resorts had a good fix on who Nexus was, Resort A stated that although their loyalty levels were not as high as other groups, they were extremely strong in their word of mouth referrals.

> The loyalty level is not as high, however, one of the things that are stronger in the younger segment is references. If they like the experience they are more easily going to give a good recommendation. One of the things we've found … is that we over perform in that area in terms of referrals – that's one of the major reasons why people come here. They've heard from a friend that their past experience is great, so if we can get them to come here the first time – usually we have them hooked. – *Resort A*

As reported earlier, Resort B indicated that they were careful not to position themselves as a Nexus-only type of place because their product did not necessarily cater to this age group. They defined themselves more as a skiers' place for mature markets.

Resort C acknowledged that although they did not conduct any formal market research specifically on Nexus, they were very interested in this group.

> We recognize that there are people out there who will have their finger on the pulse and it's probably not going to be some guy sitting in an office, so yeah, we know who the people are so we keep in touch and we use them as references. So they're like our scouts. So no, I'm not going to pretend that I'm the one that knows exactly what is coming but I know who to talk to, to find out what is. – *Resort C*

Each resort had a different response to how Nexus varied from other market groups and what media was being used to reach them. The visuals used in the ad campaigns and brochures by each resort were noted as marketing to more than one consumer group. Even though the image may have been of a Nexus-aged person on skis or a snowboard, they were images that would appeal and by emulated by older and younger market groups. Resort A indicated that the major difference was the increase in skier / rider population. They also recognized that this particular group may have time or

financial constraints, therefore, they needed to develop creative ways to present the product. This may mean special passes or discount days, for example. With regards to the media used to reach Nexus, Resort A used two approaches.

> We try to combine two approaches. One is a generalist approach which we've taken on our shoulders for many, many years and we continue to do so to some extent – that is to draw people ... in general as a great place to ski and golf. Our resort association more and more will take a leadership role and should represent all people on site, all partners, hotels, commercial outlets, retail outlets. ... But do we specifically target the younger people in direct selling – Yes, but in mass media we haven't. – Resort A

Resort B felt that the atmosphere of their resort might not appeal to those within Nexus who are looking for a resort with a booming après-ski culture. Financial constraints may also make this resort less inviting due to the increased costs associated with their product. Media used by Resort B tended to be associated more with general awareness rather than target-specific. Therefore the resort would not invest resources into media campaigns, which directly target only one consumer group. Most media would be true to the core of the product and appeal to a wider array of market groups.

Resort C differed from the first two resorts in that they did not target by demographics but targeted ski enthusiasts. In order to encourage the youth culture, Resort C would host activities such as sponsor parties or ski and snowboard festivals that would appeal to the Nexus Ski Enthusiasts. Resort C called it "influencing the influencers". Media used to reach the Nexus Ski Enthusiast focused mainly on mountain awareness and the "coolness factor" associated with the resort.

> We would spend a disproportionate amount of money, not disproportionate, we'd spend an amount of money that would be hard to justify the immediate return on, in some of the fringe ski magazines such as Freeze, Free Skier. Whereas if you were to look at it from an ROI, based on the number of reservations we get for those ads it'd be terrible but it's more for investment

in the future and also to have the brand perception of what the brand is. The coolness factor. – *Resort C*

Future

The last two interview questions focused on the future state of the ski industry. The first question asked for the Marketing Directors to comment on the following question, "based on your experience who do you believe will be the key growth groups within the next 10-15 years?"

Resort A felt that the key growth group within the next 10-15 years would be the younger group of 8-16 year olds. However attention also needed to be directed towards increasing female participation levels.

> It's going to be interesting. I think yes, there's going to be a younger group. With the 8-16 year olds, will they be riding – I don't know. It's really evolving so quickly. ... a lot of them are boarders, now are they going to be boarding in the next 10-15 years – again I don't know – they'll be sliding down the hill in one form or another. I just don't know what they'll be using to be sliding. But they will be sliding. What we need to do is look at the various products such as the parks – are we dealing with some of the sub segments such as females. There are slightly less females skiing or boarding than males and these are things we need to address in the next 10-15 years if we want to grow the business because right now the total business is relatively flat. – *Resort A*

Resort B felt that the key growth group would be the independent group. However, there would be struggles in determining what the independents want and what the resort could deliver to them. Although Resort B was confident that their facility was probably what Independents wanted, it was a matter of finding that particular market subset that their product would appeal to.

Resort C felt that the resort would continue to attract their traditional clientele yet hoped that the gender split in the participation levels would start to level out.

> I honestly don't see it as being any different from the traditional. ...
> OK, well except for gender. I hope that it would become a little bit more broad and that it will change to be more of a closer 50/50. ... I don't think that it will ever be 50/50 but I think that we can make it more attractive by perhaps more off hill amenities and hopefully families too. – *Resort C*

The marketing directors were also asked for their reaction to the following statement made by Michael Berry (2000), president of North America's National Ski Areas Association, "The ski industry is flat overall. In the next 10-15 years, we are going to hear an amazing sucking sound as baby boomers leave the sport".

Resort A felt that in order to protect against the loss of boomers leaving the sport the total experience could be enhanced with accessory products and accessory experiences.

> I think that maybe if the total industry was to stay flat, the total experience could be enhanced with accessory products, accessory experiences. Because people don't always want to come for 7 days of skiing for a ski week. It's amazing what you find when you talk to people. Visitors who come here, within a group of 4 people you may have one person who wants to ski five times, another may want to ski once or twice and two other who are just coming to be seen. They just want to be in the village and to have a good time and put the boots on and if they'll go down a run or two, they've got the lift ticket, but that's not the point. So how do you look at that as a growth area, as opposed to just looking at how many ski lines you are getting. They'll be buying the tickets anyway, but what experience are we giving them will make the difference. I think it's all about experience personally. – *Resort A*

Resort B felt that the sport may see more industry consolidation, increased market competition and trying to enhance the experience.

> So what that means is that there is probably going to be more industry consolidation. What this means is that we're going to have to compete more effectively with other markets (i.e., Europe). There is just a ton of people in Europe; we need to figure out ways to physically get them here. There is

more market than can physically get here and the biggest hold back is actual plane seats, flights and as those are high and keeping us noncompetitive, that keeps people out of the market place. So I think those are the kind of things that need to be moved from not just a North American market but to a more global market for our product. ... Generally speaking as an industry we need to make it easier for people to stay in the sport. The equipment is better, and we have to keep making sure the whole place is easier to function in and it's user friendly. ... I believe the vacation experience provider will survive and weather this better and more favorably as we move into the future. – *Resort B*

Resort C generally felt that the concept was based on a "sky is falling" perspective. Although Boomers would be leaving the sport that did not necessarily mean they were leaving the resort area. According to Resort C it was the boomers who were now buying the real estate and the timeshares, so it would be important to look at their kids and get them on the mountain to fill the void.

> ... so there is no question that they'll be the ones owning the properties and may not be on hill as much so it's going to be a supply of accommodation problem where they own these properties and take up beds but may not go skiing. But if their kids pick it up then we can make it relevant and attractive for their kids and their kids' kids. Then we have condos filled with kids of baby boomers, which is fine. – *Resort C*

Chapter Five: Discussion

Introduction

The purpose of this research was to use a case study approach to examine how three ski resorts in Canada were marketing to the Nexus Generation. The research objectives were to critically review the marketing methods used by three ski resorts for profiling and targeting the Nexus Generation and to evaluate the effectiveness of these methods based on established theory in generational marketing. It is the aim of this chapter to establish links between current research on generational marketing and the Nexus Generation with the results obtained from interviewing Marketing Directors from three different Canadian ski resorts owned by the same resort developer and other related literature that was collected from each of the resorts. It is hoped that this chapter will give further insight into the use of generational marketing to target Nexus as a valuable market for the three ski resorts and the Canadian ski industry in general. The chapter is organized around the study's four research questions. The conclusion and recommendations section follow the discussion of the four research questions.

Research question #1: Are the ski resorts using generational marketing methods?

According to generational theory, people's personal attitudes and beliefs are partially founded upon major world and life events that take place in their formative years, which generally are the years of late adolescence and early adulthood. It is during these years that young adults develop the values, beliefs and attitudes that they will carry

with them throughout their lives. It is this very belief system that will influence their decision-making process once they are active in the economic world. Generational marketing draws on these generational theories and has become a strategic business perspective that studies cohort effects in an attempt to define the core values and beliefs of a generation, which will be reflected in their consumer practices. In this particular study the goal was to determine whether three ski resorts in Canada were using this strategy to target and market to the Nexus Generation. It was determined that although the Marketing Directors did not formally define generational marketing as one of their key marketing tools, it did fit into their overall marketing strategy. Resort A and B used generational marketing to breakup their targets based on age and life stage. Resort C did not use generational marketing in any form. Resort C did state that in the future it might be a factor once the resort starts looking at smaller groups. Resort A also reported that psychographics had been used in the past to better understand their target markets.

According to Smith and Clurman (1997:XIV), understanding generational values and motivations has become essential because each generation is driven by unique ideas about the lifestyle to which it aspires. As such, generational marketing can be used to predict what values and motivations amongst target markets could be used to attract consumers to a particular product. In the case of the three ski resorts, understanding their markets' generational values and motivations could assist them further in attracting and retaining their target markets. Resorts A and B have begun to do this by focusing on demographic profiles and creating cohorts based on age. These cohorts have then been further defined by the life stage of that consumer group. As a result, they have created cohorts who may share the "same historical environment and many of the life

experiences, including tastes and preferences" (Meredith & Schewe, 1994:1). By creating generational cohorts, groups are being defined that may have consumer spending patterns that are specific to particular life stages and age.

To take this to the next level would be to determine the unique values and motivational factors that define this age group and life stage. These values and motivations have been formulated during late adolescence and early adulthood based on major world and life events that took place in the formative years. Therefore, if this particular group of people grew up during booming economic times or during a recession it may impact their consumption patterns in drastically different ways. Those who grew up in a booming economy may be more comfortable with credit whereas those who grew up during a recession may be more apt to save and spend cash rather than use credit. As a result, current economic, social, environmental, political and global issues will all play a key part in shaping the consumption patterns of these young adults. If marketers can understand how these consumption patterns were formulated, they will develop better insight into how to improve their business. Meredith and Schewe (1994) felt that research in this area could improve business by revealing the underlying mindsets of cohorts towards different consumer products and by helping marketers focus their advertising on these groups.

Research question #2: Who are the primary target markets for the ski resorts? Is Nexus part of a target market?

All three resorts differed somewhat by who they targeted, but they all had defined target markets. Resort A first separated their targets into excursion and destination based on geographic proximity and then identified their two target markets by age; 18-24 years and 25-49 years. Resort A also reported that a life stages' approach was used. Resort B had used generational lines to separate their target markets by using a life stages' approach to identify Gold Coasters, Independents, Students, and Families. According to Lunt and Livingstone (1992), different generations will consume products in different ways depending on the social and economic conditions of the time. Furthermore, generationally-determined lifestyles and social values exercise as much or even more influence on buying and purchasing than do more commonly understood demographic factors like income, education and gender. Resorts A and B seem to have taken these considerations into account when defining their primary target markets through a life stages approach. To take this a step further would involve isolating the values, preferences and behaviours of these consumers by breaking down what matters most to them in three distinct areas: 1) Life stage (Resort A and B have done this), 2) Current social and economic conditions, 3) Formative cohort experiences (experiences taking place within an individual's adolescence) (Smith & Clurman, 1997). All three of these elements play a crucial role in the decision-making and meaning transfer for different groups of consumers. Breaking down target markets into life stages is important, however, its value could be enhanced using the complementary two conditions outlined by Smith and Clurman (1997), by emphasizing current conditions and examining formative experiences.

Resort C was unique in their approach. They were the only resort that did not target consumers based on generational lines or age groups. Their major targets were defined simply by geographic area and expertise (ski enthusiasts). A typical ski enthusiast would be characterized as approximately 35 years old, male, and an avid skier. Resort C is a successful international ski destination, and the need to target does not appear to have had to evolve beyond present levels. However, the resort noted that if in the future they felt the need to further define their markets, it could involve some sort of generational or life stages approach. It is useful to note that the positioning of ski enthusiasts as a target market is in keeping with Lunt and Livingstone (1992:18) who state that "consumer culture creates an opportunity for individuals to work out diverse and novel identities using the variety of commodities available to them". In this case, the commodity is the ski resort that allows ski enthusiasts to express their novel individualism by spending their leisure time and dollars at this particular ski resort that is known primarily for its difficult terrain. It could be predicted that this particular group of skiers would only be attracted to other ski resorts with similar degrees of difficulty.

According to Slater (1997), this type of consumer culture has helped to characterize the kinds of relationships within a social arrangement that act on and are mediated through the market. These ski enthusiasts may be exercising their free personal choice in the consumption of commodities by skiing at Resort C based on the mountain's difficult terrain. It could be postulated that in accordance with Appadurai (1986) consumption is eminently social. This exercise of personal choice in selecting a ski resort with difficult terrain not only provides an athletic challenge for these skiers, but also provides a social mix of like-minded individuals. As a result, there is meaning

transfer between the mountain / terrain / resort and the individuals who have chosen to ski at this particular destination. This is in keeping with McCracken (1998) who believes that one of the ways individuals satisfy the freedom and responsibility of self-definition is through the systematic appropriation of the meaningful properties of goods. Ski enthusiasts can further develop their identity as accomplished, skilled or "extreme" skiers by visiting Resort C.

It seems likely that ski enthusiasts are not only looking for a level of difficulty or challenge when choosing to ski at a resort, they are also looking for that feeling or culture that is associated with this higher level of challenge. Therefore, one could predict that these types of skiers would travel further distances in order to fulfill these needs rather than skiing at a local hill. The smaller, local hill may be cheaper and easier to access, however, the ski enthusiasts are unable to develop their identity formulation through the consumption of that particular consumer good or culture.

The Nexus generation, which applies to those between the ages of 18-35 years, was seen to span each of the target markets of the resorts, however Nexus was not defined as a specific target. Nexus spanned the two target age groups for Resort A and overlapped the Independent and Student target markets for Resort B. At Resort C, Nexus overlapped the age of the ski enthusiast and was considered quite valuable because of their youthful vitality, which was crucial to the culture of the ski area. It was this youthfulness that the resort needed, this type of rock star culture and rawness that added to the resort's current and cutting edge image. This practice of trying to market and retain youth subcultures is noted by Lury (1996) and Frank (1997) to be almost

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impossible in society today because these subcultures no sooner emerge then they are overwhelmed by contemporary consumer culture.

Frank's (1997) co-optation theory helps to illustrate this point. According to Frank (1997:7), the "revolutionary potential of authentic (youth) counterculture(s) becomes moderated as business mimics and mass-produces fake counterculture in order to cash in on a particular demographic and to subvert the great threat that real counterculture represents". If ski resorts are using youth subcultures to create a rawness that is characteristic of their product they will always be in a position of recycling emerging youth subcultures. In a functional sense, this would encourage the ski resorts to mass-produce apparently "authentic" youth subcultures for the season and make it marketable to a wider clientele. The ski resort is creating a culture of youth that is marketable to a wider audience because the aspects of the original subculture that may have been offensive to society have been reworked into a more socially acceptable form of counterculture. This recycled youth culture is then seen as desirable by older adults and the "youthful character" of the resort becomes one of its marketable assets.

The ski resort is able to combine the notion of youth with their product and attract a wider consumer group who is lured by the association of youth and their product. Through buying their product the consumer is defying the fact that they are aging and in essence are regaining their youth. As stated by McCracken (1988), the significance of consumer goods is found in their ability to carry and communicate cultural meaning, which is always in transit between the culturally constituted world, the consumer good and the individual consumer. As a result, each generation will seek unique meanings through the decision to ski at Resort C. These individuals are satisfying the freedom and

responsibility of self-definition through the systematic appropriation of meaningful properties of goods (McCracken, 1988). Forty year old skiers who define themselves as age-defying, youthful ski enthusiasts would tackle the difficult terrain just as expertly as the twenty-four year olds sitting on the same high speed quad chair lift. The identity of the individual is being shaped by the consumption of goods and services and the meanings they associate with those goods and services. It is important to note that this is a very personal process and can be different for everyone. However, the culture or social representation of a particular product will influence how people perceive the product and how it fits into their world(s).

Research question #3: Are the ski resorts using generational marketing to reach their target markets?

Generational marketing can be used by marketers to help fine-tune their advertising messages by identifying the motivators that may trigger particular consumer groups to show interest in their product.

Resort A and B both used generational marketing to varying degrees. With regards to the colossal costs of advertising, Resort B tended to use advertising that conveyed a general awareness of the resort and was less highly targeted. Therefore, the use of generational marketing would be only minimal when showing images of older adult couples (Gold Coasters/Independents) or families. As a result, the image for this resort was very consistent and the ski hill did not have a problem with conflicting images in their media or messages. This consistent image contradicts generational marketing

theory that posits each generational group will have different motivational factors towards consumption, based on what major life experiences occurred during their formative years. In this particular case, Gold Coasters, Independents and Families span a number of generations and many age groups, and motivational factors could differ significantly between these target groups. Yet, the approach of Resort B, was to be "true" to the core of their product and it is that message that is being conveyed to their consumers.

Resort A also focused on life stages and specific age groups for target markets. The resort also reported that their front-line workers were extremely important in determining why each guest was visiting the resort and what experience they were looking to fulfill. It was the front line workers such as reservation agents and sales representatives who probed guests so the resort could ascertain what motivated the client to consume their product. In the case of Resort A, generational marketing played a rather small part in sub-dividing age groups.

Resort C used generational marketing to "influence the influencers" in the sport such as equipment representatives, ski shop owners, and young people. Influencers would be people within the sport who convey the image of youth, 'rawness" and individuality that is associated with skiing. This theory of "influencing the influencers" was used to attract the ski enthusiasts and young Nexus-aged skiers to the resort or at least create general brand awareness, which was referred to as the "coolness" factor. Resort C also used key industry and social trend watch dogs to supply them with a constant feed on what were the up and coming youth trends and cultures that could then be associated with their product.

Research question #4: Are the ski resorts using generational marketing to reach

Nexus?

The ski resorts did not use generational marketing to directly market to the Nexus generation. As mentioned in the previous section, generational marketing was used to varying degrees amongst the three ski resorts, however, Nexus was not a defined target market but spanned and overlapped the different market groups. Amongst the targets of Resort A, Nexus overlapped the 18-24 age group and the 25-49 age group. According to the Canadian Ski Association (1999), 40% of all alpine skiers and 72% of all snowboarders were between the ages of 12-24 years, which directly overlapped the Nexus generation. The younger target market for Resort A was very much in-keeping with the statistics from the Canadian Ski Association (1999) on the percentage of skiers and boarders based on age. Therefore, Nexus overlaps both the target market for Resort A and the increased participation levels witnessed by the ski industry, even though they are not a group that is marketed to directly. This is interesting because although the generation coming up behind Nexus is larger and has been identified as a growth segment within the ski industry, it is Nexus who is entering economic maturity and is making decisions on where to spend their money.

Resort C used a form of generational marketing to attract Nexus by throwing parties and hosting events that cater to this age group. For this particular resort, the association of a youthful, "raw" character with the resort was crucial to their culture and image. As well, courting the younger generations such as Nexus was a vital way of

keeping a tab on the emerging youth subcultures that could then be reinvented by the resort in order to attract a wider market.

Conclusion

Several limitations of this research should be noted. The case study method used was qualitative in design and did not provide the same kind of depth that other methods of marketing analysis such as a marketing audit might afford, which may provide percentages and / or numbers on skier volumes, customer satisfaction levels, participation rates, and so forth. The study used interviewing to determine the perceptions of three Marketing Directors about their practices at three different Canadian ski resorts. This was not a survey of the Canadian ski industry, and the study provided no means for judging how representative these resorts may be of other resorts in Canada, nor of how accurately the self-reported information from the Directors reflects the actual conditions at the three resorts that participated in the study. One of the research objectives of this study was to evaluate the effectiveness of the ski resorts use of generational marketing. As the results convey, generational marketing was not used to a great extent by any of the resorts therefore this research objective could not be accurately answered within the scope of this study. Accordingly, the findings from this study must be interpreted carefully and should not be interpreted as generalizing to other resorts or as a final word on the practices at the three resorts in the study. Despite these limitations, however, the findings are still the result of accepted qualitative interview methodology, are rigorous in this respect and are imminently useful in examining how the three ski resorts used

generational marketing to market to the Nexus generation. Of all persons involved with ski resorts, Marketing Directors are precisely the people most knowledgeable about marketing practices at their resorts and the best positioned to comment on their activities. The three ski hills that participated in the study are not just any resorts. They are leaders within the Canadian ski industry and are all owned by the same Canadian-based parent company which is itself an industry leader in North America. These results are not without significance, therefore. One would expect to see exemplary practices demonstrated by industry leaders, and at the very least, these results are useful for determining the state of marketing practice at three leading ski resorts in Canada.

The role of the researcher in this study was two-fold. The researcher acted as both a student and employee of the company. Very little role conflict was experienced as the researcher approached each of the resorts as a graduate student. The interviewees were later informed of the researchers association with the company through casual conversation. As a result, the employment status of the researcher did not have an impact on the volunteer participation of each of the Marketing Directors. The researcher works for a different division of the company and therefore held no power to coerce the Marketing Directors to participate in this study. However, the role of the researcher as an employee did facilitate the collection of contact names and literature, and helped gain the assistance of the parent company in deciding how many resorts to include in the study and how best to approach them.

Within the boundaries of this study, the ski resorts' use of generational marketing as a marketing strategy and their perceptions of the importance of Nexus as a market segment correlated well with theories of generational marketing and the Nexus

generation, as discussed above. Nevertheless, further steps could be taken by these ski resorts in this area such as determining major world and life experiences that have affected the various generations of skiing consumers and their attitudes towards money and the practice of consumption.

The Nexus generation was not identified as a specific target market, however, it overlapped many of the target groups outlined by the ski resorts. Nexus also overlapped the high percentage of skiers and snowboarders between the ages of 12-24 years who participate in the sport. Although Nexus was identified as being an important market by all three-ski resorts, it occupied an uncertain position in the resorts' marketing strategies: members of Nexus were not marketed to directly yet their vitality and youth were valued as a desirable quality to have associated with the resorts. Accordingly, their presence was noted and sought after but they were not targeted as an economically interesting group in their own right. In the case of Resort B in particular, as their product had high associated costs and was perceived to be out of the price range for many within the Nexus generation, Nexus was not targeted.

To the extent that the lack of interest in Nexus appears to be based on a perception of economic immaturity, there is potential room here for the resorts to rethink some of their strategies. Although it is true that Nexus is still just beginning to realize economic maturity and they may not have the same spending power as the Baby Boomers, there is a growing percentage of Nexus that are very financially stable. Nexus grew up during the transition from the industrial to information revolution and are now cashing in on their technological capabilities. They were the first generation to grow up with technology and have put this knowledge into business ventures. Entrepreneurship is a growing trend

within the Nexus generation, which has been quite profitable for many people in this group. Therefore, it is important for the industry to keep in mind that although some stereotypes associated with this group such as low discretionary income may be true in some cases, there is a strong sub-segment of Nexus that is economically stable and willing to spend money on value-added experiences and goods.

This body of research demonstrates that Nexus has economic potential for the ski resorts. Although smaller than the Boomers, Nexus comprises a group of consumers who are entering economic maturity and have very high participation levels within skiing. The sport of skiing is governed by unpredictable weather, a limited operating season and is primarily a young person's sport. Skiing also requires a substantial financial investment on the part of participants. The Nexus generation has been characterized as transient and experimental because they have grown up with choices and are more discriminating with regards to the products they choose to fulfill their needs. They are also part of a youth culture that has played a part in promoting the growth in extreme sports due to their recklessness and the risk-taking behaviours that are more commonly associated with the young. This is a generation of people who have come of age during the transition from an industrial to information-age revolution. They have grown up with constantly changing choices and marketers who would seek to capture their interest and business must expand beyond traditional marketing media and approaches.

In order to capture and retain this market, the ski resorts must look beyond mere demographics to understand the shared characteristics and psychographic makeup of the Nexus Generation. As noted previously, generational marketing is "organized around the defining moments of a generation rather than age. It's based on the belief that certain

segments of the population share a value system based on external events which occurred in their formative years" (Hone & Ryan, 1998:35). This type of market analysis has potential value for the ski resorts because it can shed light on the values and beliefs that govern consumer motivations, including those of Nexus. Generational marketing could help the ski resorts uncover the generationally-defined consumption patterns of their markets and enable them to use this information to better target these groups.

Recommendations for Future Research

Based on this study, it is recommended that further research be done on how the Canadian ski industry might be able to profit from the use of generational marketing, and in particular, from using generational marketing to reach the Nexus generation. The concept of generational marketing appears as yet to have been given little attention in the mainstream marketing literature and in the marketing practices of the ski industry. Although evidence suggests that the Nexus generation is gaining a stronger position in society as an economic force and as a factor in the skiing industry, they still appear to be misunderstood and undervalued by industry leaders.

Recommendations for Academia

While the recommendations to follow are oriented towards the practitioners within the sport and leisure industry, there are still numerous research directions that need to be addressed by the academic community. Research methods need to be developed that will examine how motivational factors can be identified within a generation. As outlined in Chapter 2, motivational factors of different generations impact their approach

to the consumption of consumer goods. Research in this area could allow for a greater understanding of the unique motivational factors for various generations, which could then be applied to numerous aspects of consumer activity.

Further research on the perceptions of Nexus need to be refined by the academic community. At present, very little empirical research exists on the perceptions or characteristics of Nexus. Empirical research on Nexus could aid in debunking many of the myths that still surround this generation. Empirical research could also provide a database of information on a generation that is becoming more economically active and proving to be a mature group of consumers and decision-makers in society today.

Academic research in the area of motivational factors and perceptions of different generational groups could bolster the importance of generational marketing. The avenues of academic research in this area are varied and numerous. I believe that it is important for the traditions and disciplines of the academic community to partner with the economic community (such as the sports and leisure industry). The goal would be to create valuable research contributions that would both further academic progress in understanding the motivations and perceptions of generations while at the some time contributing knowledge to the economic world that may foster a greater understanding of generations and how to market to them effectively. This may be further accomplished by doing more case studies within the sports and leisure industry, for example.

Recommendations for Industry

Generational marketing potentially could help ski resorts determine the motivational factors behind how Nexus approaches the consumption of goods. Uncovering these motivational factors could allow companies to fine-tune their

marketing efforts so that their advertising messages are in line with the wants and needs of this generation. It is also important for companies to realize that although Nexus is much smaller than the Baby Boom or Echo generations, they are still a vital market. Nexus in Canada represents 7.8 million people or 26 percent of the population (Royal Bank, 1997). These 7.8 million people are all reaching economic maturity as young adults and they are a major portion of the skiers and snowboarders in Canada. Failing to acknowledge a youth-oriented market that is constantly reformulating attitudes about how they will consume goods based on meanings associated with products, personal identity and perceptions towards spending is potentially a costly oversight on the part of the ski resort community within Canada.

The sport and leisure industry in Canada has been growing exponentially as younger generations are realizing that balancing work and play is not only a want but also a need (Pavelka, 1993). Further research needs to be done within the sport and leisure industry to determine whether other organizations are using generational marketing practices, and to see whether some of these initiatives might transfer to skiing. Further research on this subject could help ski resorts to reassess their marketing practices and possibly to adapt generational marketing techniques learned in other sectors.

Skiing in Canada is a sport that attracts a young market of which Nexus is a part. Skiing is an activity that has associated costs beyond just the purchase of a lift ticket. The sport involves an investment in equipment, transportation, clothing and food and beverages, both on and off the hill. Skiing attracts a young market due to the somewhat extreme and physically demanding athleticism needed to perform the sport. Although most who ski do so recreationally and therefore their level of athleticism may not be very

high, the sport still requires a moderate level of physical fitness and skill, and places physical demands on the human body. As a result, youth are the predominant participants in this sport because they have the physical capabilities to withstand the stress induced on their bodies from the activity. The increased participation rates by youth illustrate the need for further research within the Canadian ski industry on who Nexus is and how Nexus is using the ski resorts. Where are they spending their leisure dollars and are they return customers? Presently Nexus is characterized as an extremely transient and experimental market. If a ski resort could ascertain what Nexus is looking for in a resort perhaps this transient and experimental group would stop their search for the perfect experience and become more consistent and loyal in their patronage.

According to Ritchie (1995), if marketers want Nexus to adopt their product, it must first be perceived as a useful product that fills a genuine need. Research could be done on the perceptions of Nexus regarding their personal needs and the abilities of ski resorts to meet these needs. The results could help guide resort-based initiatives to cater to their needs based on the group's lifestyle attributes and affinities.

Continued research within the field of skiing and generational marketing has high potential pay-off value. As the Baby Boom population ages, the ski industry is going to experience decreased participation levels as they leave the sport. In response, the Canadian ski industry will need to look at those populations that constitute emerging markets, including Nexus, and recognize that traditional marketing approaches used for the Baby Boom generation are not guaranteed to work with these markets. Proactive measures on the part of the ski industry could protect the sport from a potentially painful recession due to Boomers decreasing participation levels. Proactive measures could

include placing increased focus on Nexus and acknowledging their presence as a vital market both as "influencers" and as ski consumers. Part of this exercise logically ought to include using measures such as generational marketing that stand to strengthen a ski resorts ability to identify and reach core target groups by appealing to their generational uniqueness. Understanding how consumption is motivated by values and beliefs that were formulated in young adults during their formative years could be a source of competitive advantage to companies for differentiating themselves from their competitors and increasing the lead capture and retention rates of all market segments, including Nexus.

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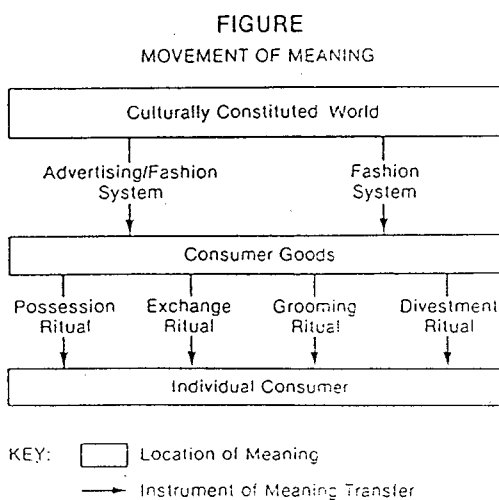
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Appendices

Appendix I: Examples of Popular Characterizations of Decades

- ➤ 1920s - The Swinging 1920s: Flappers, gangster, prohibition
- ➤ 1930s - The Great Depression Era
- ➤ 1940s - World War II
- ➤ 1950s - Leave it to Beaver
- ➤ 1960s - The Hippie Generation: flower children, youth rebellion, baby boom
- ➤ 1970s - Disco
- ➤ 1980s - Recession
- ➤ 1990s - The Information Revolution Decade and Globalization

Appendix II: McCracken 1988 – Movement of Meaning

FIGURE
MOVEMENT OF MEANING

Culturally Constituted World

Advertising/Fashion System   Fashion System

Consumer Goods

Possession Ritual   Exchange Ritual   Grooming Ritual   Divestment Ritual

Individual Consumer

KEY: ☐ Location of Meaning

——➤ Instrument of Meaning Transfer

Appendix III: 4 Significant Changes Related to Mass Consumption

Consumer Changes

Greater range of consumer goods available (fuelled by a technological revolution in processes of mass production); reduced durability of goods, in terms both of serviceability and desirability, replaced by increased expectation of having the newest and most fashionable version of the same product.

Marketing Changes

Explosion in the mass communication technologies which advertise, propagandize and persuade us to buy – in terms of exposure, targeting, expense and technique; development of shopping centers and malls at the expense of town center and local shops.

Economic Changes

Increased availability of financial services for credit, changes in the forms of credit available, more flexible mortgage lending, debt facilities, and investment schemes,; increased complexity and diversity of finances.

Social Changes

Introduction of the welfare state, increased home ownership, improved pension plans, increased leisure time, escalating divorce, cheaper travel, available contraception, more liberal sexual attitudes, more female employment and gender equality, greater importance of childhood and more defined consumer/fashion subgroups, increasing elderly population and so forth.

Appendix IV: Characteristics of Nexus

Numerous characteristics have been attributed to the Nexus Generation. These characteristics are widely accepted by researchers within this field and are found again and again in the literature. A general list of characteristics has been composed of the most commonly accepted and relevant characteristics associated with the Nexus Generation. The following characteristics include:

➢ Estimated population varies roughly from 46-78 million depending on the source.

➢ It is a smaller population than the baby boomers

Appendix IV, Continued

➤ Best educated generation in history

➤ Higher percentage of young people are earning degrees at all levels than ever before

➤ Have not fully realized their full earning potential yet

➤ Have an estimated $125 billion annual spending power

➤ More than half still live with parents
  -Therefore; have more disposable income and less entrenched brand loyalty

➤ Product purchases are moving into mainstream categories

➤ Are more culturally diverse,
  -socially aware,
  -likely to delay marriage (-seen as a positive factor)

➤ They are not harder to please than previous generations, rather they were raised with
  more choices
  -Not because they have a "short attention span"

➤ They are a remote control generation
  -Meaning, they are no longer captive to the broadcast networks as are   other
  generations

➤ Most racially and socially diverse generation in history

➤ One of the most racially tolerant generations in history

➤ **First generation:** to talk by computer,
  -pass through metal detectors to enter school,
  -grow up on TV,
  -come of age having safe sex and being forced to deal with a full-blown AIDS
  epidemic, and
  -inherit a lower standard of living than their parents and a huge national debt

➤ Are privileged to live in a time of unprecedented medical miracles and a global
  communications revolution

➤ Have escaped the trauma of war

➤ Worry about the fact that their futures have been sold-out

Appendix IV, Continued

➢ Are media savvy but are said to feel alienated from mainstream culture that has ignored them

➢ Resent boomers for a variety of real and perceived evils, from hogging the best jobs to spoiling the environment

➢ Cling to a cult of Individualism

➢ Many are creating their own job security (i.e.. entrepreneurs).

(The above have been referred to in a number of articles: all of which are in the References Section)

Interview Questions

A. Ski Resort Profile

1. How long has this ski resort been in operation?

2. Last year, what was the overall number of *skier visits* (includes both skiers & snowboarders – see definition, last page)? What has been the <u>average</u> number of visits for the last <u>3 years</u>?

3. Where are your major markets (location, travel time, distance)?

Lift Tickets

1. What was the approximate gross revenue from ticket sales last year? And please give a breakdown of the cost structure for your different tickets.

2. Does the mountain have a way of tracking who is buying lift tickets (by age, gender, etc.)? For example, do you have a breakdown of the main groups in a database?

3. Which demographic groups bought the most ski tickets last year?

4. Are these groups representative of past years?

5. Who analyzes "skier visit" statistics? (In-house? External?)

Skiers vs. Snowboarders

1. Were there more skiers or snowboarders last year?

2. Please differentiate between the importance of skiers and snowboarders: At present? In the future? How fast is this changing?

3. Are there provisions made for snowboarders (such as creating new runs, snowboard parks, etc.)?

B. Target Markets

1. Do you use a target market approach? If <u>Yes</u>, please continue. If <u>No</u>, go to next section.

2. Who are your target markets?

3. How have they been determined?

4. Among your targets, which are the most important?

5. How do you track the promotional campaigns aimed at each of these markets? (Collection of data?)

6. Can you explain how the ski resort markets to different target groups without creating a "conflicting image".

C. Generational Marketing (see definition, last page)

1. Are you using Generational Marketing (GM)? If Yes, please continue. If No, why not? Any particular reasons?

2. How, specifically, is GM being used? As a tool to collect information on your key markets? As a means for planning promotional campaigns?

3. How does GM fit into the resort's' overall marketing strategy? How important is it? Approximately what percent of marketing is GM?

D. Nexus Generation (see definition, last page)

1. Where does the Nexus Generation fit into the resort's overall marketing plan?

2. How important is Nexus as a market?

3. How much research has been done on this group?

4. Has Generational Marketing been used to profile and reach Nexus?

5. Do you feel you have a good fix on who Nexus is?

6. How would you say Nexus differs from other market groups?

7. What media are being used to reach Nexus? What kinds of messages & promotional strategies?

E. Samples of Past Promotional Campaigns

I would appreciate any information and examples you can give me concerning the following:

1. Media used to market ski visits to your key customer groups.

2. Promotional materials aimed at one or more key customer groups, such as print, poster, broadcast and website advertising and promotions.

3. Any specific information and materials concerning your use of Generational Marketing techniques?

4. Any specific information and materials concerning campaigns targeted at Nexus.

F. Future:

1. Based on your experience, who do you believe will be the key growth groups within the next 10-15 years?

2. What is your reaction to the comment made by Michael Berry (2000) – president of North America's National Ski Areas Association – "the ski industry is flat overall. In the next 10-15 years, we are going to hear an amazing sucking sound as baby boomers leave the sport"?

Definitions:

Skier visits = includes all persons on the mountain whether snowboarding or skiing.

Generational Marketing Techniques = a strategic business perspective that studies cohort effects in an attempt to define the core values and beliefs of a generation which will be reflected in their consumer practices.

Nexus Generation = those people born between the late sixties and early seventies. More commonly known as Generation X.

Appendix IX: Sample NSOS Table of Contents

➢ Executive Summary

➢ Detailed Findings
      Visitor Profile
      On-Snow Behaviour and Habits
      Marketing Influences
      Satisfaction Ratings

➢ Methodology