

The Connected Generation

Technology is bringing us closer together than ever before. The world is shrinking, community boundaries are disappearing, and our differences are blurring into nothingness. This is the world of Generation Y.

By Peter Sheahan

200 years ago, sending a letter to someone on the other side of the world was quite the task. You had to hand-write your message on paper, and then the message was sent off via a sluggish sail ship. If you were sending the message from Britain to Australia, for instance, that trip could take up to *seven months*. Even in the mid-1800s, the fastest message service in the United States took 10 days to get a message from California to New York.

From these times, through to the telegram, to the electric telephone, to radio and finally to electronic mail, we have been gradually moving towards faster and easier ways of communicating. These days, if I'm in the US and want to send a simple message to someone in Australia, I send an SMS from my phone and it arrives in their pocket *almost instantly*.

Things happen so fast today, we rarely take a second to reflect on a simple history of communication like the one above, but when you actually stop to think about it, the communications revolution truly is mind-blowing.

While this change has always been occurring, the last fifteen years have seen unprecedented developments in the speed, accessibility and affordability of leading edge communication technologies. Mobile phone, email, instant messaging, SMS, video conferencing... it all combines to make distance seemingly insignificant.

But here's the real kicker (and the point of this article): Gen X and the Baby Boomers are *immigrants* to a world where connection is so easy that the tyranny of distance is made redundant... But Gen Y's are natives to this world.

Some people may be familiar with the work I have done on the mindsets of Generation Y. Over the course of my professional experience, I have identified seven key mindsets that define this upwardly mobile generation. In this article, I want to focus on one mindset in particular – the mindset I call *connected*.

Generation Y are the most connected generation in history – connected to each other, the 'system', and the market. The evidence is all around you – the saturation of the Internet and mobile phones, the power of viral marketing and the proliferation of consumer blogs. So what is it that connects them, and what does it mean for managers and marketers?

A communication obsession

We know from developmental psychology that your fundamental beliefs about the world are formed in the first twenty or so years of your life. In this time, the brain is like a sponge, soaking up stimuli and storing reactions and behaviors which form the basis of your belief system for the remainder of your life. As you age, the plasticity level of the brain drops (approaching, but never reaching, zero), and with it your capacity to lay new neural pathways.

So (as I say in my presentations), you *can* teach an old dog new tricks – it just gets harder as the brain gets older.

For Generation Y, these basic beliefs were being laid down during one of the most rapid periods of technological advancement since the industrial revolution. Personal computers, mobile telephones and the Internet were being bought into the home and into the pockets of every person. What defined this particular period of progress was that the new technologies were not necessarily manual labor-saving advancements in the way that previous breakthroughs were. Rather, these technological advancements were primarily *communicative*, and have given rise to what many theorists and commentators call the *Information Age*.

This is the only world Gen Y has ever really known. They weren't around for the Berlin Wall to go up and cut people off – they've only been here to see it (and every other wall, border or boundary that separates us – real or imagined) torn down. Today, it seems the more communicative the technology (the faster, easier and cheaper it connects people) the more popular it will be amongst Gen Y. The two obvious examples of the Gen Y communication revolution are mobile phones and the Internet.

Mobile phones only began to get cheaply mass marketed in the mid 1990s, but already in Australia there are around 19 million units floating around. Market penetration for mobile phones in the 15-17 year old bracket sits at around 87%, and that figure is still an amazing 64% in the 12-14 year old demographic. Sure, it's not just Gen Y that uses phones – but Gen Y *live* through their phones! Companies like *3 Mobile* have sprung up that cater for the high-use Gen Y demographic, offering free *3-to-3* call time and cheap video and multi-media messaging. Their clientele are mainly Gen Y's looking for ways to stay connected.

Think about email and instant messaging. Email is a quick and easy form of contact, but in Australia, MSN Messenger has over 4 million members and, according to Forrester Research, is growing more than *30% faster* than email. It saves only a little bit of time in comparison to email, but nevertheless – more connecting, more popular.

One of the fastest growing on-line trends among Gen Y is what is known as Web 2.0. Tim O'Reilly famously coined this term to describe a type of website built around user-generated content and social networking. Sites like MySpace (with over 100 million users and more than 55 million visits a month in the US alone) are the new behemoth of the Web, and one of the most popular on-line haunts for Gen Y.

Such is the perceived value of these on-line hang-out spaces, News Corp acquired MySpace for almost US\$500million, and has already recently signed a US\$900mil search deal for the site with Google.

Virtual worlds are also increasingly popular with Generation Y. Sometimes coming in the form of an on-line Role Playing Game (RPG) like *Everquest*, where people from around the world form teams to complete fantasy-based quests, or sometimes coming in the form of a customizable virtual space where people live an alternate existence (such as Linden Lab's hugely popular *Second Life*, which boasts over 4 million users and an economy that trades over US\$1mil *every day*), these sites are booming both in user-numbers and in profitability.

As noted earlier, what is important here is that Generation Y are *natives* to a world that is this connected. They draw their identity from the way they are connected.

If you doubt the extent to which Gen Y are defined by their capacity and desire to communicate, consider this (because this is going to blow your mind): A *Center for Mobile Communications* study from Rutgers University in the United States found that, of 100 undergraduate students taking part in an experiment which involved them not using their phones for 48 hours, *only twelve members of the study actually completed the experiment*. The rest 'really needed' to use their phone and pulled out. They couldn't go 48 hours without using their phone.

There is a word for this: *addiction*. Generation Y are addicted to connectivity.

So don't think for a second that this is just a group of people finding a new technology kind of cool - connection is *central* to the mindset and identity of this generation.

So what?

I get asked that a lot, surprisingly. Many people think if you're not a telecommunications company, a Web 2.0 start-up or into express delivery then the communications revolution doesn't impact the service delivery side of your business, or doesn't have an impact on the way you should be thinking about your staff.

Wrong.

A generation that is so hyper-connected (that *defines* itself by the way it is always logged-on, patched-in, on-line or on-the-air) has all kinds of important implications for *all* businesses, from both marketing and managing perspectives. Let's approach these perspectives one at a time.

Let's think marketing, firstly.

If Gen Y are connected and talking all the time, then you should think about what it is they're saying to each other. Look upon that time they spend communicating as a

potential marketing space. For instance, Gen Y kids that have grown up being advertised and sold to 40 hours a week are going to have a pretty good BS detector when it comes to regular advertising media, and they're going to be fairly skeptical consumers.

But they trust their friends, and they trust those that are seen as 'independent' (hence the growing popularity of blogs, of which there were an estimated *14 million* new ones made in 2005 alone). So when Seth Godin writes about being *remarkable*, this is even more important when it comes to Y. The power of viral marketing amongst this generation is not to be underestimated.

Think more deeply about this, though. If you're going to become part of their conversation, you should take time to get to know what appeals to them. These days, it's more than just price, quality and speed of delivery. There are new priorities and needs in the Gen Y market. Consider that, by way of a simple example, a Cone/Roper study found that 91% of teenagers today value companies that support a good cause, and a whopping 89% would be likely to switch brands to one associated with good causes.

Secondly, many of the connecting technologies popular with Gen Y aren't just a way of communicating, they're actually a *place* where they hang out (like the virtual worlds mentioned above). So learn *where* it is that Gen Y are living their social lives these days. Any place that is a social hub is obviously a prime target for marketing.

Consider *Second Life*, as a prime example. Some pioneering companies are already starting to make the jump into these spaces, pouring time, money and (most importantly) creative energy into creating a vibrant on-line 'personality' in the virtual world. For instance, Toyota now allows users in *Second Life* to buy and customise the new, youth-targeted Scion. Adidas have a massive presence in this virtual world, allowing users to deck-out their avatar in heavily branded paraphernalia.

So knowing not just how, but *where* Gen Y communicates can give an edge in targeting your advertising to this connected generation.

Leaving the issue of marketing for a minute, let's look at the concept of connection from a management perspective. Firstly, and most obviously, it means that open channels of communication between staff and management are a must if you are to manufacture a Generation Y friendly workplace. No more monthly-meetings followed by management by remote control. Gen Y *want* to be connected to the people running the show and need access to their leaders in the workplace.

Proper communication in this regard must be seen as a dialogue, rather than blunt didacticism. In my experience, this is the part that companies struggle with the most. Listening is nominally 50% of the communication experience, but rarely is that the reality in a manager-staff relationship. In far too many situations, managers like to talk, and staff are meant to listen - end of story.

There is *some* merit to that model: older, experienced managers should (hopefully) have a great wealth of experience from which younger staff can learn, and to pass that on they obviously must be doing the talking for a significant portion of the time. But whilst they know a lot, they don't know *everything*.

For instance, when it comes to how a project team is working, managers might know from experience and history how a team is *meant* to perform a task and how it *should* be functioning, but their team will actually know much better what *actually* is and isn't working within that team. They know who's getting along, who's pulling their weight, and what is and isn't happening.

The point of this is not that managers should always listen and younger, Gen Y team members should always be doing the talking. It is simply that Gen Y expect and demand a functioning communication channel, because they've got one in every other aspect of their life.

Technological advancement is obviously not a new phenomenon at all. Nor is advancement in connecting and communicative technologies. However there *is* something unique about a group of people who define themselves by the way in which they are hyper-connected to each other and the world around them. It should be clear that this connected mindset means companies need to reevaluate the way in which they engage Generation Y, as both consumers and as staff.

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