

Change Strategies for the 21st Century—Diversity of Customer Base

by Billie G. Blair, PhD



The important customer bases of the future will be highly diverse—from generational diversity to global-racial-ethnic-demographic diversity. These population changes will require businesses to develop wholly new marketing and service strategies that are both comprehensive and focused.

The Cultural Components of Marketing and Selling. There will be a need to accommodate different tastes and preferences and different buying habits of these new markets. As companies have become more global, there have been great learning experiences derived from the buying public of other countries. Organizations that stay in business in the 21st century will need to attract a more diversified customer base by understanding the purchasing motivation and cultural perspectives that are represented within the country. Businesses that are ensured the success of a business future will be those who can understand the preferences of a new, large group of consumers. These businesses will work to find ways to incorporate the customers' specific needs into business offerings.

The Generational Customer Components. In addition to the ethnic and cultural aspects of the new consumer population, the establishment of a new, diverse customer base must also take into account the new cross-generational phenomena of the U.S. For the first time in our country's history, we not only have four generations of active participants in the workforce but also four generations of buying power in play.

The Business Challenge. The dilemma for businesses is how to produce and market goods and services that appeal, both in the whole and selectively, to these groups who have inherent age-related interests as well as who exhibit distinct sociocultural preferences.

Take-aways for Businesses.

- A diverse customer base will be necessary to your company's successful operation.
- Customer diversity will take two basic forms—both of which are highly important and present different production and marketing challenges.
- *The first*, relates to the increasing racial and ethnic diversity of consuming populations within the U.S. Population ratio changes over the past 20 years portray a very different consuming public.
- Age ranges of the consumer base have changed dramatically in the last 15 years and form *the second* type of customer diversity. In the past it was said that anyone over 55 ceased to buy durable goods. With Boomers now encompassing that age range that is no longer valid, as Boomers continue to constitute a very large marketing component of the current consuming public. The Boomer generation will be exceeded in size and buying power only by those who are now in the 2–22 age range. Thus, in a very short period of time, the two largest concentrations of buying power will be at the two extremes of the generational spectrum—the country's older citizens as well its youngest.

The bottom line is that the face of the consuming public is changing rapidly from many perspectives. Already very different from a generation ago, these changes will continue apace. Savvy business people will learn strategies for reaching out to these new, robust groups of consumers.

Billie G. Blair, PhD, is President/CEO of the organizational management consulting firm, Leading and Learning, Inc. www.leadingandlearninginc.com.