

## 8.6: Marketing to Sociodemographic Groups

### Learning Objectives

By the end of this section, you will be able to

- Define sociodemographic marketing.
- Explain how to market to the LGBTQIA+ community.
- Explain how to market based on generational differences.
- Explain how to market to consumers with disabilities.
- Describe how sociodemographic trends will impact future marketing.

### Sociodemographic Marketing

As defined earlier in the chapter, the term *sociodemographics* is the combination of two distinct factors—social and demographic—within a given population. This combination results in a set of quantifiable variables for narrowing down customers in a large market. Social variables can be quite literally *anything* with which people identify. In other words, social variables are associated with identity. Because of that, they can include racial and ethnic identities too. Social variables are broad and can feel loosely defined. However, it is this unstructured nature that often provides important insights for marketers. Demographic variables, on the other hand, are more specific or have precise descriptions. These include things such as gender, age or generation, religion, marital status, income, employment, education, political affiliation, disability, and more.

As you have already read, sociodemographic marketing is a subcategory of diversity marketing (refer back to Figure 8.4). It intentionally targets certain audiences with attractive advertising and promotions based on shared social and demographic variables. Overlaying these two factors has several worthwhile benefits for marketers. One of them, for instance, is that it makes it easier to detect market trends and shopping patterns based on a large number of consumers with variables in common. Such findings are indispensable for marketers to gauge the financial and emotional impact of their marketing efforts.

Another benefit is that sociodemographic marketing creates valuable opportunities for reaching historically underrepresented individuals or underserved communities. This outreach is significant because it demonstrates companies' commitments toward a more diverse and inclusive market. Sociodemographic marketing also enables marketers to adapt products, services, and messaging to be more effective for both businesses and consumers.

### Marketing to the LGBTQIA+ Community

The LGBTQIA+ population is composed of consumers who express a diversity of gender identities, preferences, and sexual orientations. The acronym stands for lesbian, gay, bisexual, transgender, queer/questioning, intersex, and asexual. The plus sign (+) represents other sexual identities as well as allies who are not LGBTQIA+ members but support the community's cause. The acronym has evolved over the decades to become more inclusive and capture diverse relationships, expressions, and identities.

The LGBTQIA+ community in the United States is growing. In 2012, only 3.5% of Americans self-identified as LGBTQIA+. American analytics company Gallup shows this number increasing to 5.6% in 2020 (see Figure 8.18). Did you know that one in six adults in Generation Z (born between 1997 and 2012) identifies as LGBTQIA+ (Jones, 2023)? This indicates a growth trend reaching toward 16% in the future as other generations age out.

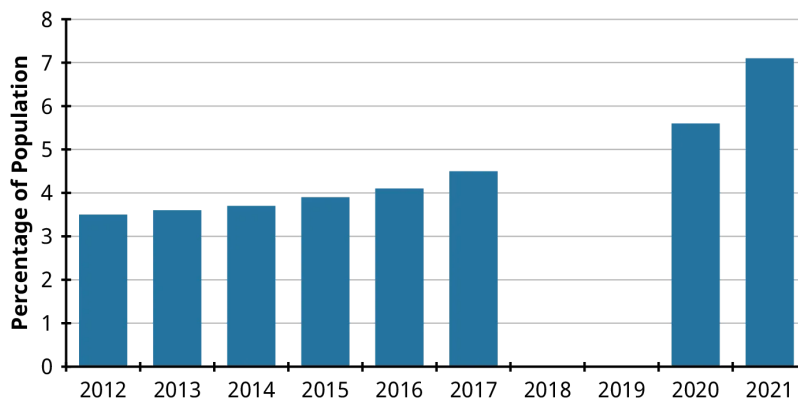


Figure 8.18 Americans' Self-Identification as LGBTQIA+ (data source: Gallup [survey data not available for 2018–2019]; attribution Copyright Rice University, OpenStax, under CC BY 4.0 license)

You might be wondering what is driving this growth. Some of it is attributed to greater confidence in both societal acceptance and the ability to find support within the LGBTQIA+ community itself. Sociologists and psychologists have known for a long time that a sense of belonging, whether to a family or a social group, is essential for normal and optimal human functioning. Therefore, the growth of the LGBTQIA+ community is also partly the result of this human need to belong. Moreover, it is driven by a political and sociological need to be represented and treated fairly.

For marketers, focusing on the societal experience around belonging (acceptance, welcoming, support, and inclusion) is key for reaching the growing number of LGBTQIA+ consumers. Global furniture giant IKEA (see Figure 8.19) understands this very well. In 2021, IKEA promoted the #ProgressIsMade campaign in the United States during the entire month of June. The campaign featured rainbow-themed products such as tote bags and an audio speaker cover. IKEA donated up to \$50,000 in proceeds from these limited-edition products to LGBTQIA+ nonprofit organization GLSEN. In Canada, IKEA displayed 10 different loveseats at select stores as concept art inspired by Pride flags to increase its support for inclusion during Pride month.



Figure 8.19 IKEA's #ProgressIsMade campaign in the United States focused on the societal experience of belonging for LGBTQ+ consumers. (credit: "IKEA" by Rob Olivera/flickr, CC BY 2.0)

#### Link to Learning: IKEA Loveseats

Learn more about the IKEA loveseat collection and see the designs by reading these articles:

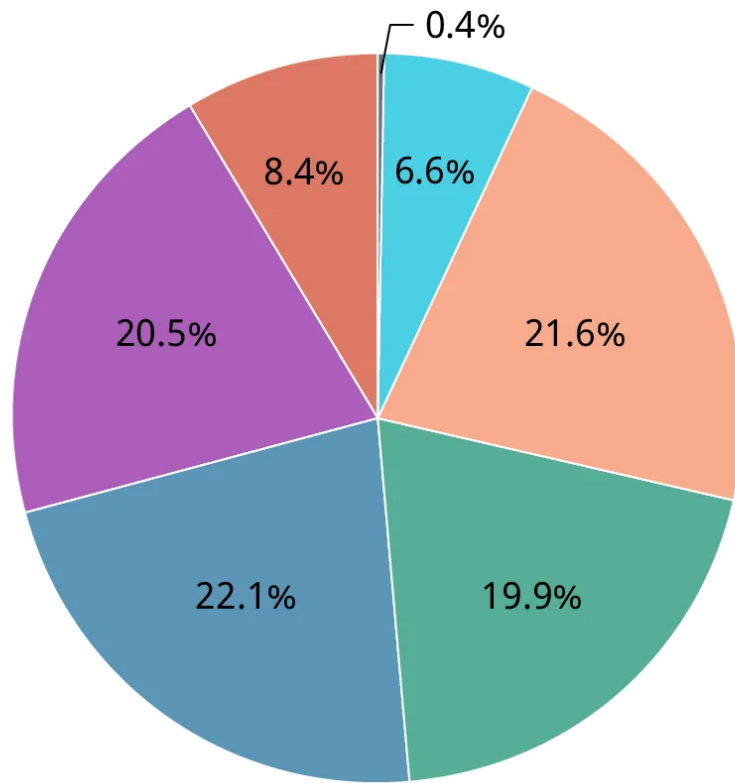
- [Insider](#)
- [Newswire](#)
- [NBC News](#)
- [Muse by Clio](#)

What can marketers do to be more successful in advertising to LGBTQIA+ consumers? Consider the following steps. First, review the company's values and have an open and honest conversation with leadership about authentic support of the LGBTQIA+ community. After all, genuine care and inclusiveness are the base for all marketing efforts. Second, establish guidelines for speaking with and about the LGBTQIA+ community. This means marketing communications words, tone, imagery, and core messaging. Third, find experts to provide advice and insights into the community. This reduces the possibility of unknowingly offending this consumer segment. Using group members for brainstorming and evaluation is extremely helpful, too. Fourth, test and verify that products, services, and messaging are perceived as designed.

### Marketing to the Generations

Age is a frequently used demographic statistic for segmenting populations. Age is also expressed or compared in terms of generational groups. This approach enables marketers to capture a larger number of consumers by grouping them into defined categories.

You read earlier in the chapter about these categories: Silent Generation, baby boomers, Generation X, millennials, Generation Z, and Generation Alpha. Figure 8.20 shows these generations based on their percentage among the American population. Think about this. A member of Generation Alpha (people born between 2010 and 2025) is born every *nine seconds* in the United States. This generation is expected to account for 2 billion individuals worldwide by 2025 (The Annie E. Casey Foundation, 2020)! Grouping consumers into generational segments helps maximize marketing efforts and reach a larger portion of the total market.



- The Greatest Generation (born before 1928)
- The Silent Generation (born 1928–1945)
- The Baby Boomer Generation (born 1946–1964)
- Generation X (born 1965–1980)
- The Millennial Generation (born 1981–1996)
- Generation Z (born 1997–2009)
- Generation Alpha (born 2010–2025)

Figure 8.20 Distribution of Generations in the United States (data source: Statista; attribution: Copyright Rice University, OpenStax, under CC BY 4.0 license)

Marketers must keep in mind that each generation has unique life experiences built on social, economic, and political dynamics associated with their formative years. These experiences influence each generation's views and values, subsequently impacting their consumer behaviors. Let's consider Generation Z and Generation Alpha again. Members of both generations are highly technologically literate. The COVID-19 pandemic's aftermath has directly impacted them in terms of remote learning and reduced face-to-face interactions. Consequently, this "lockdown generation" has spent more time engaged with social media and virtual environments. Marketers must consider how such situations will influence these generations' shopping behaviors and consumption patterns.

Many factors can be combined with a generational view of consumers. Economic influence is one of the more useful for marketers to remember. Figure 8.21 shows the wealth distribution by generation in the United States as of 2020. This chart tells a significant story.

Until 2008, the Silent Generation and earlier generations controlled a relatively equal amount of wealth. Two primary factors gradually shrank the amount of wealth of these consumers: natural mortality and the 2008 recession. Conversely, the wealth of baby boomers grew. In fact, many have said that the Boomer Generation is the wealthiest generation to have ever lived. Generation X's wealth started to grow in 2015, but the ability of this generation to build riches has slowed down compared with preceding generations. Millennials' wealth building appears to be even slower (see Figure 8.22).

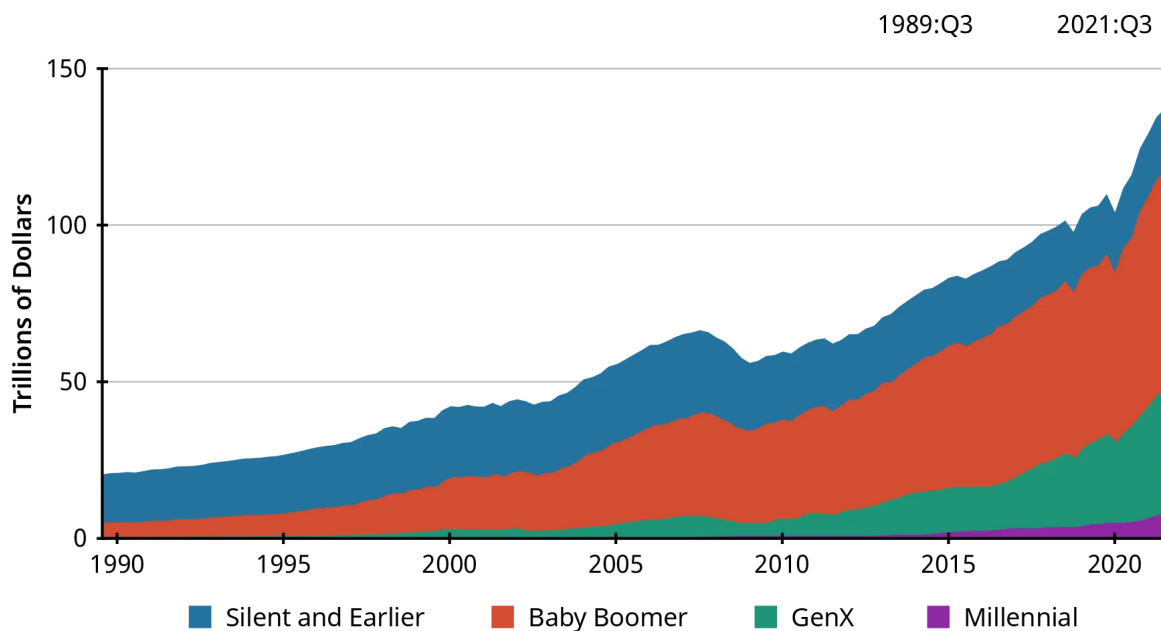


Figure 8.21 Wealth Distribution by Generation (data source: Board of Governors of the Federal Reserve System/federalreserve.gov, Survey of Consumer Finances and Financial Accounts; attribution: Copyright Rice University, OpenStax, under CC BY 4.0 license)

What does this mean? Wealth and income level play a role in people's spending decisions, so marketers need to understand how they are shaped by generational groups. Here are some steps to consider to be more successful in advertising to consumers based on their generations. First, use deeper and more extensive combinations of sociodemographic variables. Grouping by generation alone is likely not enough. Adding another variable, such as income, education, or social markers, may prove useful. Second, use focus groups and individuals who fit the target group to provide direct input and ideas. Third, consider adapting the marketing communication to fit the norms of each generation. Fourth, test and verify that products, services, and messaging are perceived as designed.

### Marketing to Consumers with Disabilities

Americans with disabilities make up a much larger segment of the market than you might realize. There are approximately 61 million Americans with disabilities. That number is over 18% of the total population of the United States. When the word *disability* is used, many people usually visualize a mobility difficulty such as having trouble walking or climbing stairs. However, as seen in Figure 8.22, functional mobility makes up less than a third of the different types of disabilities. Other forms include cognitive or neurological, autonomous living, and sensory-related. This makes consumers with disabilities a very diverse group, too.

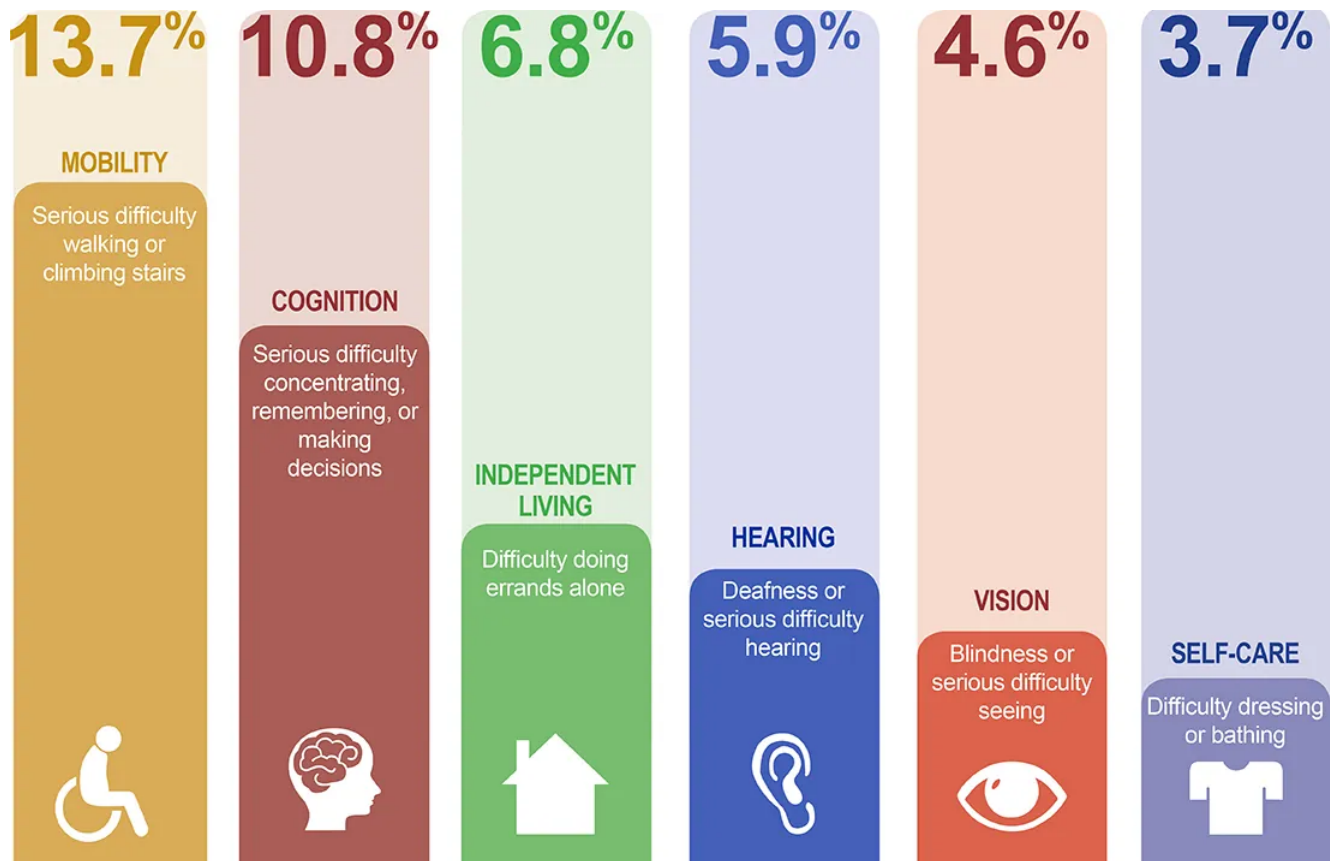


Figure 8.22 Percentage of Adults with a Functional Disability (credit: "Percentage of adults with functional disabilities" by Centers for Disease and Control and Prevention/CDC.gov, Public Domain)

Disability is more frequent in adults over the age of 65 and in women. Among racial and ethnic segments, it is more common in non-Hispanic, Native American, and Alaskan Native people. Adults living with a disability are also more likely to be obese, smoke, have heart disease, and have diabetes (Centers for Disease Control and Prevention, 2023). While disabilities are very often important and impactful aspects of people's lives, people with disabilities have many defining characteristics, goals, needs, and identities.

How can marketers best reach consumers with disabilities? By using an approach that ensures the company's efforts express humanity, authenticity, and inclusivity. Let's look at a couple of examples. In January 2019, a picture from a bridal boutique's window display went viral due to its powerful inclusivity message. The display showed a mannequin in a wheelchair dressed in a wedding gown. In February 2022, Hispanic model Sofia Jirau made history as the first person with Down syndrome to become a

model for Victoria's Secret. These examples demonstrate that people with disabilities are not only part of our social fabric but also are an integral part of the overall market.

Other suggestions for marketers consist of ensuring that disabilities are properly represented. This means consulting or hiring individuals who have a disability rather than using actors or models who do not. Marketers also need to keep in mind how disabilities affect marketing communications. In other words, think about closed captioning on videos or the use of alternative text on images for websites. The types of disabilities are diverse, so marketing initiatives must also be diverse. That is what makes sociodemographic marketing a subset of diversity marketing.

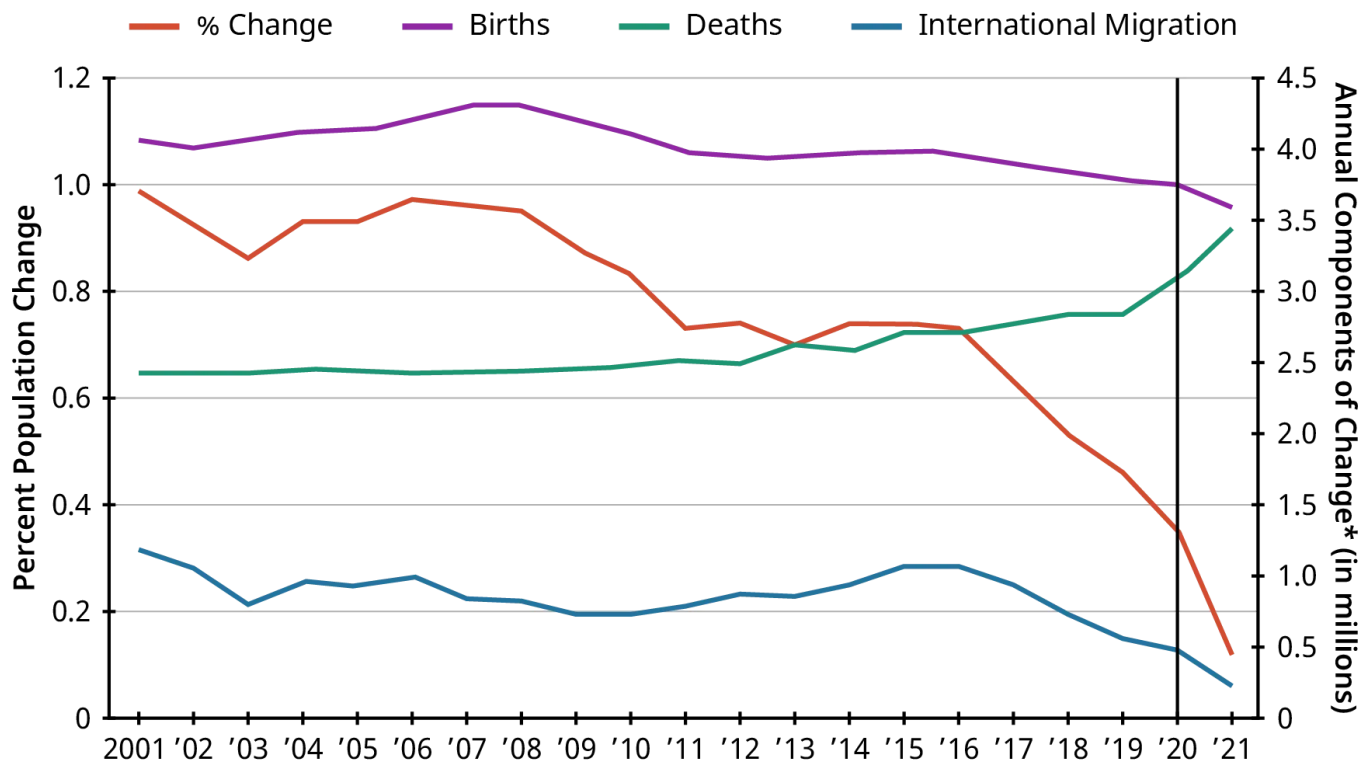
### Developing Sociodemographic Trends and Their Future Impact

Discovering sociodemographic trends takes an enormous amount of study. To do an effective job, marketing researchers are constantly working with a multitude of variables. They set parameters, collect data, analyze it, and come up with ideas based on results. This work is done repeatedly over time. It is precisely the extended time frame that enables marketing researchers to see market patterns surface. Let's check out some current trends that will have a future impact for companies and marketers in general.

### Population Stagnation

The population has been growing around the world at historically unprecedented rates for many years now. Yet, several sources claim it will decline globally around the middle of the 21st century (The Lancet, 2020). The United States has already been experiencing a relatively steady population growth decline—or population stagnation—according to trends from the U.S. Census Bureau. In fact, the American growth rate has slowed to its lowest point in over 120 years. If this trend continues, the United States will see its first net population decrease in the next few years (Rogers, 2021).

Marketers need to consider the sociodemographic factors contributing to this trend: births, deaths, and international migration. No doubt COVID-19 has impacted the death rate, which was already fueled by the growth deceleration from years earlier. Figure 8.23 illustrates the population changes in the United States through 2021 based on some of these factors. The rapid percentage change in 2020 and 2021 is probably due to the pandemic's effect.



\*Components of change include births, deaths, and net international migration.

Figure 8.23 Population Change and the Components of Change: 2001–2021 (data source: United States Census Bureau/census.gov; attribution: Copyright Rice University, OpenStax, under CC BY 4.0 license)



### Consumer Spending Dominated by Baby Boomers

While this is not a new trend, it is certainly one that will continue through the 2030s as the baby boomer population ages out. The American Association for Retired Persons (AARP) reports that American workers over 65 years of age have a median income of \$78,000 per year, while workers under age 65 have a median income of only \$55,000 (American Association of Retired Persons, 2019). Keep in mind that this statistic is about individuals who are actively working, meaning not yet retired. Couple it with the wealth accumulation information you read about earlier. The baby boomer population certainly exerts outsized economic and purchasing influence, making this an important current and future market segment.

Understanding sociodemographic trends such as population growth and decline as well as market consumption based on generational groups is crucial for marketers to create relevant and effective marketing campaigns in the growing age of marketplace diversity.

### Knowledge Check

It's time to check your knowledge on the concepts presented in this section. Refer to the Answer Key at the end of the book for feedback.

1.

Sociodemographic marketing is a subcategory of diversity marketing, and it targets audiences based on \_\_\_\_\_.

- a. psychological distinguishing factors
- b. political affiliation
- c. geographical and governmental boundaries
- d. shared social and demographic variables

2.

Which of the following is a key marketing approach for reaching the LGBTQIA+ audience?

- a. Focus on the societal experience around belonging.
- b. Build empirical value differences in products and services.
- c. Compare mainstream market adoption levels for new technology.
- d. Use a personal argument as a persuasive purchasing strategy.

3.

Which of the following is a useful step to improve a marketer's ability to reach a generational target audience?

- a. Use deeper and more extensive combinations of sociodemographic variables.
- b. Add variables such as income, education, or social markers.
- c. Use focus groups to provide direct input and deeper insights and ideas.
- d. All of these are useful steps.

4.

When marketing specifically to consumers with disabilities, you can express inclusivity in advertising by using \_\_\_\_\_.

- a. all individuals, even those who do not have a disability
- b. impersonal and abstract images
- c. individuals who have a disability
- d. only nonvisual advertising media

5.

Which of the following is an emerging sociodemographic trend that will impact future marketing?

- a. Rapid population growth in the United States
- b. Consumer spending dominated by baby boomers
- c. Redistribution of economic wealth
- d. Hemispherical global migration caused by global warming



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