

# “HONOR THY ELDERS”: DOES THIS APPLY TO SERVICE ENCOUNTERS?

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## INTRODUCTION

There is change occurring in the ageing process we were all once so familiar with; life expectancies are growing and the improved overall health of individuals has started to provide opportunities for continued employment beyond conventional retirement ages. The Baby Boomer generation, people born between 1943 and 1960, is just beginning to retire into an active lifestyle that involves: vacationing, focusing on a healthier way of life, being consumers with high levels of discretionary income, all while, in many cases, still providing for both their parents and their children simultaneously. As if all of the aforementioned activities weren't enough to keep any newly retired Baby Boomer busy, members of the Baby Boomer generation aren't ready to stop working. In general, Baby Boomers are mentally sharper and more physically capable than people their age were a century ago. This is partially due to the fact that more Boomers are retiring out of office work as opposed to the farming, factory, and other jobs of high physical labor that the Traditionalist generation, born between 1925 and 1942, held and retired out of. These less physically demanding lifestyles they led prior to retirement coupled with improved standard of living, especially with respect to health care, has led to the start of an important trend that should be of interest to the business world – Baby Boomers are returning to the work force and are taking service positions. Previously, there has been much research done on how to react to this new generation and their consumption habits; how to market products towards a generation that controls such a large portion of the nation's discretionary income. Little is being done, however, to understand the Baby Boomer generation as service providers and how younger customers will react to this new workforce.

Now with the recent economic crisis, the life savings Boomers had has in many cases dwindled down to nearly nothing and simply will not be enough for them to retire on; this is creating the need for Baby Boomers to return to the workforce to earn a steady income. However with Baby Boomers taking menial service jobs, such as sales positions in retail stores or cashiers at grocery stores, little research is being done to see how Generation X and Generation Y consumers, born between 1961-2002, will react to buying their products from people their parent's age. Baby Boomers are here and are ready to work; it is now a matter of whether or not younger generations are ready to engage in transactions for their goods and services from salespeople that may be twice as old as they are!

The reality of the situation is that both teenagers and people sixty five years and older are waiting tables in the same restaurants, working the same cash registers in the same grocery stores, and working in your favorite fast food restaurants; the question now becomes, how will younger consumers react to this age gap? This research intends to find a starting point to better understand how the Baby Boomers will be perceived as service providers by Generations X and Y. Will they be perceived as effective and efficient or discriminated against? Such perceptions may determine whether Baby Boomers will be accepted back into the workforce as service providers or if they will be discarded from service jobs because of the lack of tolerance from younger generations. We attempt to determine how younger generations perceive the elderly and if ageism plays a role in these perceptions. The findings of this study become especially important when you take into consideration the volume of Baby Boomers who are returning to the work force rather than stepping out of it, unlike the traditional elderly who have, most commonly, simply retired. How our generation X and Y consumers react to Baby Boomers as service providers will dramatically change the way in which companies hire, the way marketers strategize and formulate their marketing mix, the way consumers shop for their goods, and may even guide public policy and laws about age discrimination in the workplace.

Most recently, with an enormous upset in the world economy and more and more stories about fraudulent investors coming about in late 2008 through 2009, most Baby Boomers will have no choice other than to return to the workforce. A Newsweek article published January 26, 2009 claims that “by 2050 we'll have only two working-age Americans paying into the Social Security system for each individual collecting checks,” compared to the 16.5

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workers to Social Security beneficiaries in the year 1950. This will make Social Security unreliable as a sole source of income for many people eligible for Social Security. The same article projects that people age 65 and older will comprise over 20% of our total population by the year 2050, compared to the less than 10% of total population this age group contributed in the year 1950. These numbers bring truth to the fact that there will be a greater portion of our population that are over the age of retirement and will more than likely not have the means to retire completely, forcing these individuals to return to the workforce, the next logical step is to examine how these individuals will be received as service providers by the younger generations that will make up the rest of our population.

### **RATIONALE FOR THE STUDY**

Feagin and McKinney (2003) define discrimination as follows: "Discrimination can be defined as the actions arising from institutions and individuals that disproportionately and systematically harm members of socially marginalized groups." In other words, discrimination is a behavior that is influenced by the society one belongs to and by the experiences an individual has with any particular group of people; that behavior becomes a tool, a reference point, an influencer, and an inhibitor.

Discriminating a person based on age is considered Ageism. Ageism is no different than discrimination based on sex, race, or disabilities, although little has been done to educate people about the implications of age discrimination. Building on sociological conception of discrimination, several decades ago Robert Butler (1975) defined ageism as the "systematic stereotyping of and discrimination against older people because they are old, just as racism or sexism accomplished this with skin color and gender." Ageism can destroy productivity in the workplace and can have a negative "snowball effect" in the fight against age discrimination. Simple things that are ordinarily considered comical such as an "over the hill" birthday card, or even things not comical such as not giving someone a chance at the new computer training course being offered because you assume they wouldn't take on as quickly as the younger generations, all have very negative implications. In Europe, laws are being passed to proscribe acts of ageism with the European Union's Equal Treatment in Employment and Occupation Directive, which was enacted in December of 2003, and in the UK, anti-ageist legislation has been passed as recently as October of 2006.

The problem Ageism causes is the association of old age with incompetence, and making that association is no better than assuming that a woman couldn't work on a construction site, or an African American wouldn't be as educated as a Caucasian. Even reading the analogy of the woman and the African American probably makes you feel uncomfortable, because we've been conditioned to know that discrimination based on sex or race is wrong. Age discrimination is a more socially acceptable form of discrimination; it is just not considered as taboo as some of the other forms of discrimination we've been exposed to. Andreas Kruse and Eric Schmitt (2006) cites Butler and builds upon his notion of ageism by stating that: "Butler coined the term *ageism* to refer to a global phenomenon that had three distinguishable but inter-related prejudicial components: negative attitudes about older people; negative views about one's own old age and the ageing process; and 'age discrimination', including the institutional practices and policies that (even without malice) perpetuate stereotypical beliefs about older people." Kruse and Schmitt (2006) provide a multidimensional scale on ageism that displays psychometric properties that lend to generalization across empirical settings. The reason why this scale is so valuable is because it measures perceptions of old age from old age being extremely beneficial to society to being an extreme burden on society. It is also important to note that Ageism is not limited to old age and that age discrimination against younger generations also exists outside of legal constraints as pointed out by Marshall (2007). The research conducted in this paper, however, will remain focused on the Generation X and Y perceptions of the Baby Boomer Generation.

In many court cases of age discrimination we find that there is alleged discrimination, focused on old age, from an employer towards and employee. There are two lawsuits: Gallo v. Second Taxing District, City of Norwalk, 2007 WL 2428623 (D. Conn. 2007) and Berquist v. Washington Mutual Bank, 2007 WL 2460350, which are excellent examples of what constitutes age discrimination in the workplace. These two cases work remarkably well with one another because one provides an example of clear cut age discrimination and the other shows an example of what is not considered age discrimination. In the opinion of the courts, the word choice, the person from whom the words come from, and the time frame and setting of where the transaction of words occurs are the determining factors as to whether age discrimination has occurred or not. From the cases we learn that "old geezer" would

probably be considered a term that would constitute age discrimination but the term “senior employee” would not, for instance.

In both of those cases, the discrimination occurred because an employee felt their employment was terminated because of their age. In some other cases, Baby Boomers are finding it tough to find jobs in the first place. In an article published May 27, 2007 in the New York Times, Kelly Holland found that In 2006 the average person over age 55 looking for work took 22 weeks, a heavy increase from the 16 weeks it took the average person under age 55 to find work. Also in the same article, “a study by the Center for Retirement Research at Boston College, sampling employers in Massachusetts and Florida, found that younger workers were about 40 percent more likely to be called in for job interviews than were candidates 50 or older.” This statistic would clearly indicate that there is a preference for younger workers. This problem, however, will only intensify as the number of workers age 55 and older in the USA is expected to increase by 11 million from 2004 to 2014!

### **SURVEY DESIGN AND DATA COLLECTION**

The survey itself was designed with ease in mind. The survey is formatted in a way that was both easy to administer and attractive enough for respondents to be willing to participate in the survey. The internet was the mode of media used to design, host, and analyze the survey, the internet was also used to recruit the participants in our sample. Through the use of a survey hosting website, the nine multiple part question survey was sent via email and social networking websites to members of Generation X born between the years 1976 and 1990. After the survey questions, participants were asked to answer a few additional questions about themselves pertaining to age, race, level of education, gender, undergrad major, income level, and family size. These questions proved to be helpful in further dissecting the Generation X perspective of Baby Boomers as Service Providers and figuring out which demographics within the Generation X demographic responded favorably and unfavorably to a variety of situations involving people in the Baby Boomer Generation. Additionally, a better understanding of which Generation X members responded was attained.

### **SAMPLE PROFILE**

The survey sampled people born between the years 1976-1990. Within that age demographic just over eighty five percent of respondents were born between 1986 and 1990 (86%), nine percent born between the years 1981-1985, and the remaining five percent between 1976 and 1980. Over half of the respondents’ highest level of completed education was sophomore, junior, or senior year of college (56.2%). Seven and a half percent of respondents had completed Masters or PhD program and just over twelve percent had only completed a high school level of education; this gives the survey a healthy variety of level of education. Of those respondents still in college, thirty three percent are business majors, nearly twenty three percent major in natural sciences, just over twenty one percent are social science majors, just fewer than eighteen percent are humanities majors, and just about five percent are double majors. Eleven states are represented in this survey, but nearly ninety percent of respondents answered that they were originally from New York. A great majority of respondents were self-described Caucasian (92.4%) and fewer than 3 percent of the respondents answered that they belonged to any one of the following racial demographics: African American, Asian American, Native American, or Latino / Hispanic. Nearly three quarters of respondents report income levels of less than twenty thousand dollars annually.

### **FINDINGS AND DISCUSSION**

For the purposes of this essay, question number four and five of the survey were chosen for analysis. Both questions contain a series of sub-questions pertaining to two different purchasing decisions, one with a high level of customer involvement and one with low customer involvement. The participants were asked to imagine themselves in a shopping situation where they were checking out at a grocery store and a situation where they were purchasing a new computer. The questions were designed to gain an understanding of the participants feeling about engaging in these two different purchasing decisions when the person providing the service is from the Baby Boomer Generation.

To gain a more accurate understanding of how people within Generation X perceive Baby Boomers as service providers, the research was cross-tabbed with various demographics related to race, age, level of education,

geographic origination, majors in college, and income level. The findings from this further analysis yielded interesting results. For example, within Generation X there is a pattern from respondents that shows people with high school educations feel more comfortable purchasing a computer from someone in the Baby Boomer generation than people with a Masters Degree or a PhD; the slope of these findings is linear, descending from high school education towards PhD. This may indicate that people with higher levels of education are more skeptical and particular about whom they purchase items with high customer involvement from. In general, however, participants from all education levels seemed to prefer buying a computer from someone in their own generation. On a purchase decision involving low involvement items, such as a grocery store purchase, participants from all education levels agree that they felt comfortable with someone from the baby boomer generation as their cash register attendant.

With regard to level of income, those respondents earning less than \$20,000 dollars a year report that they would somewhat prefer not to buy a computer from someone in their own generation, while those who earn more than \$100,000 dollars a year would more strongly agree that they would feel more comfortable purchasing a computer from someone in their generation. Income had slightly different results for the grocery store scenario; generally speaking, a majority of participants tended to prefer having someone in the grocery store checkout aisle of their own generation. This could possibly suggest that Generation X members feel more comfortable purchasing everyday items from employees they can relate to demographically, where as they would not mind a more formal interaction with a member of the Baby Boomer generation in the purchasing situation that involves high customer involvement, such as described in the computer purchasing situation. Conversely a little more than half of all respondents strongly agree that age had no effect on their purchase decisions in the grocery store scenario while more respondents seemed to feel that age did have an effect on a computer purchase decision.

Perhaps the most interesting results (as well as the most balanced) are those pertaining to gender. A majority of both male and female respondents report they would feel comfortable purchasing groceries from a member of the Baby Boomer generation, like they were being properly helped, and like they were receiving good service. A majority of both male and female respondents also report that they generally disagree about preferring to purchase groceries from someone within their own generation, they generally disagree that they would be hesitant to purchase groceries from someone in the Baby Boomer generation, and a majority of both males and females agree that age of the cash register attendant has no effect on their purchase decision. In opposition, when male and female participants were asked similar questions about purchasing a computer from a member of the Baby Boomer generation, males tended to feel less comfortable than females, and they tended to feel like they weren't getting the right computer. Both males and females said they would prefer to buy a computer from someone in their own generation but more males tended to feel this was than females.

#### **CONCLUDING REMARKS** **(-MAIN FINDINGS, -LIMITATIONS, -FUTURE RESEARCH)**

Participants in this study, overall, seemed to be relatively comfortable with the idea of purchasing their computers and groceries from members of the Baby Boomer generation. Within the sample, further analysis of specific demographics yielded interesting results, the most interesting and measurable of which were males and females. It appears that females tend to feel more comfortable with purchase decisions with higher involvement than males do. These finding could possibly be applied to other industries and further researched.

While the limitations of this survey bound the research to a sample which consisted mostly of Caucasian college students from the North East who earned less than \$20,000 dollars annually, our findings could very possibly be representative of a much larger Generation X sample.

This survey only began to scratch the surface of an area of market research that has many possibilities for further exploration. Our efforts to further understand exactly how members of Generation X are reacting to Baby Boomers as service providers are continuing. These preliminary findings are in no way conclusive, but rather are a beginning and are intended to act as a starting point and a motivator for further, broader research to be done.

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