

High-flying COBBs

By Kenji Mizuguchi

Japan is reeling in the grips of a recession. Two percent growth might not look like a recession to most people, but it is a definite downer for Japanese marketers accustomed to better.

There are some industries that look as though they are muddling through, but they are really bleeding to death inside—sustained only by the vast numbers of COBBs. COBBs?

Japan had a baby-boom generation soon after the war when the troops came home and there was hope for the future again. Born in the late 1940s, these baby-boomers then had children of their own in the early 1970s. For want of a better name, I am calling these eight million people born then the COBBs—the children of the baby-boomers.

Today, the COBBs are just short of 20. They are a generation in transition, and there is no guarantee that they will be around next year to buy the same things they buy this year. In fact, the demographic and lifestyle trends would seem to indicate that they will not be. So while many industries are hurting because the economic bubble has burst, cosmetics, fashion goods, beverages, universities and cram schools, movies, audio equipment and a few other industries are getting set for a crash landing when the demographic blip bursts.

Who they are

What are we going to do without the COBBs? The thought is too horrible to even think about. But the COBBs will not be there—at least not for the same industries—in another five years, and it is imperative that Japanese marketers (which means everyone who intends to market in Japan) think about the unthinkable.

When the first baby-boomers were born, the average Japanese family had five children. For the COBBs, the average is 1.6 children per family. The number of children per family has gone down radi-

cally, but the large number of baby-boomer families means that the COBBs are still about 9% of the population.

The front wave of the COBBs reached 20 last year, gaining official adulthood. They will be at the center of the young-adult market for the rest of this century. And then in the first decade of the 21st century, they will be setting up families of their own, and will be defining the Japanese family market.

Thus they are the leading edge of the market for the rest of this century and the main force in the market in the next decade as well. Not only are they a massive number of people, their special position means that they will continue to get special attention from marketers.

Character traits

There are many industries that have already dealt with these COBBs very profitably. Cosmetics comes to mind, as does the fashion industry. The COBBs are interested in looking good and expressing themselves by their appearance. Schools and restaurants have also found ready customers in this group. And the retail and service sectors have provided them with employment.

In addition, the group has been the subject of a wide range of surveys and studies. Commentators, educators and marketers all have their own ideas on how the COBBs think. What is the composite picture of this generation? There are eight main traits.

1. Rich nobility

Their parents were poor, with Engel's coefficients of over 50%—over half of their family income spent on food. And they came from big families, each parent on average being one of five children. And remember that this was before Japan really got back on its feet. Little wonder they were always hungry. But their kids are rich—even extravagant. Japan itself has come up in the world, and they have come up with it. These are the the benefi-

ciaries of Japan's spectacular growth, people who grew up assuming that they had money.

Making them even richer, they are often only children or one of two children. They get whatever they want. Not only do their indulgent parents buy things for them, but doting grandparents are only too happy to spoil them. And if that is not enough, they have part-time jobs to earn a little extra spending money. What their parents bought for the whole family, they buy for themselves. This is true of audio equipment, television sets and even telephones. They even have their own rooms—this at a time when their fathers do not have rooms of their own at home.

2. All alone

They are loners. Particularly on weekdays, they do things singly. When they get home from school at 5:30 p.m., nobody's home. Mom has a job and is out working. Dad, of course, is at work too. By the time mom gets home at 7 p.m., they have gone out to the cram school. On weekdays, their families are not so much families as small groups of three or four people living in the same house. But things are different on the weekends. Mealtime is a time to talk to other people and to renew communications. Thus the typical weekend menu includes lots of things that people can do together—things like indoor barbecues, batter-and-griddle mixes, roll-your-own sushi and kettle meals.

3. Considerate

These people place a premium on being considerate. This point is especially emphasized by Masakazu Taniguchi, who has spent years interviewing teens in Tokyo's youth-mecca Shibuya area. He says that both boys and girls see "considerate" as a key value, and they define this as a willingness to be honest and to level with someone. This is not the macho I'll-protect-you, pillar-of-strength attitude so favored by earlier generations.

4. Focus on feelings

Mariko Sugawara has done studies looking at the differences among gener-



"COBBs" in Tokyo's Shibuya district. These are the people who will remain the market's driving force through the 1990s and into the next century.

ations and has found that these COBBs, more than any other generation in recent Japanese history, are more concerned with sensibilities than they are with material goods. In a way, this may be because they already have everything they want—at least everything material—and are now in pursuit of relationships and things that appeal to their sensitivities. If we are lucky, it may be that they have grown up and outgrown the possessiveness of people who never had enough and still think that, as someone once defined capitalism, he who dies with the most toys wins.

5. Resistant to surface fashions

In December 1991, the *Asahi Shimbun* ran a series of articles on the COBBs. One of the most interesting of the *Asahi's* findings was that these people are moving away from the media's brand-oriented focus on identifying and popularizing new trends. Taniguchi agrees, saying that the COBBs dislike brands whose only appeal is that they are "in" this month. Asked for specifics, they cite Person's as the most disdained brand. For what it is worth, Person's was the main brand favored by the immediately preceding age group—their big brothers and sisters—in their pursuit of cheerfully naive fashion. It was a squeaky-clean brand that tried to position its customers as forever preadult. Taniguchi says that the COBBs have outgrown this teenybopper cuteness.

6. Like their parents

Teenologist Toshiki Tsujinaka says, and the *Asahi* series agrees, that the COBBs are very much like their parents. COBBs and their parents get along well, they enjoy each other's company, and there are no major value gaps. It is not uncommon

for COBBs to borrow their parents' clothes, nor is it uncommon for a baby-boomer mom to wear her daughter's dress. This is much more common with the baby-boomers and the COBBs than it is with any other generations.

7. Specialist ambitions

Past generations of Japanese have sought to be generalists and to go into management. Not the COBBs. They want to stake out specializations. They want to do something that other people cannot do. They want to have a specialty that is purely their own. This has shown up clearly in Taniguchi's interviews with young people in Shibuya, and it would seem to indicate that they are not afraid of being a little different.

8. Environmentally aware

The COBBs seem to be environmentally aware—knowing that humankind is in very real danger of overwhelming the planet. They know how powerful greed and technology are, and how fragile the ecosystem is. And they also know a lot about the universe in which the earth lies cradled. Some of the baby-boomers cited the pollution threat as a reason why they hesitated to have kids. These are their kids.

Marketing innovation

These are the people who will make the markets in the 1990s and shape society in the next decade. What does this mean for marketing? At the very least, there are four main areas that marketers need to pay attention to.

1. Companies have to change their product lineups. They have to get away from the unending plethora of products,

each marginally different from the other in an effort to give the appearance of newness and change without giving the substance. The market is even now moving into an era of real value and authenticity. Products have to be more than just products—they have to include services as well if they are to appeal to the COBBs.

2. Companies have to diversify their distribution channels. They have to be better represented in both the specialty stores and the discounters if they want to reach this market. The COBBs have a wide range of shopping opportunities, and they shop where they want to. If the product is not there, they will buy something else.

3. Companies have to beef up their communications and persuasion skills. They have to talk more about the product. They have to sell the product. Just using celebrity endorsements is not the way to appeal to this market.

4. Companies have to enhance their distribution and information systems. These COBBs are people who want what they want when they want it. If it is not there when and where, too bad for the manufacturer.

And finally, outside of the list, it should be noted that the COBBs are not so much product-oriented as they are lifestyle-oriented, and that it is impossible to expect marketing alone to produce the kind of lifestyle that they want. They are increasingly interested in the quality of life. They are interested in community activities. They are increasingly looking not only to what they can buy at the store but what they can buy with their taxes—the better infrastructure and social supports that governments provide.

They want the sense of community and satisfaction that comes from joining civic organizations and volunteering to help in good causes. And it is only when industry manages to make its directions compatible with these noncommercial needs that it will be able to offer the kind of lifestyle the COBBs admire.

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