

India specific phenomenon



Z Disruption

is the real-time and radical change post India's 1991 economic liberalization that's leading to end-customer behavioural changes at every level

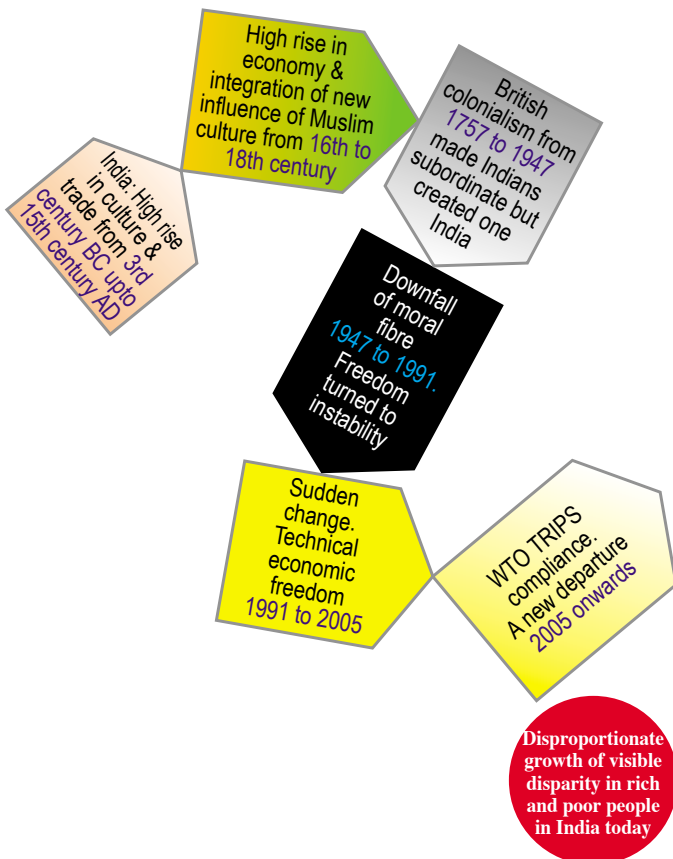
Classroom session for thirty senior managers of British Aerospace on
"Globalisation of the emerging markets" course
at Indian Institute of Management, Bangalore (IIMB)

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Disruption

How end-customers have evolved, over recent decades and historically, through crests and troughs of varied influences, is depicted in the form of the letter Z, and leads us to today's powerful purchase influencers, the ZAP 86 generation.

Mental shift of Indian society & consumerism today through the historical perspective



3 generations are existing in India today

ZAP 86 is totally cut-off from the Retro generation born before 1968, and the Compromise generation born after 1968

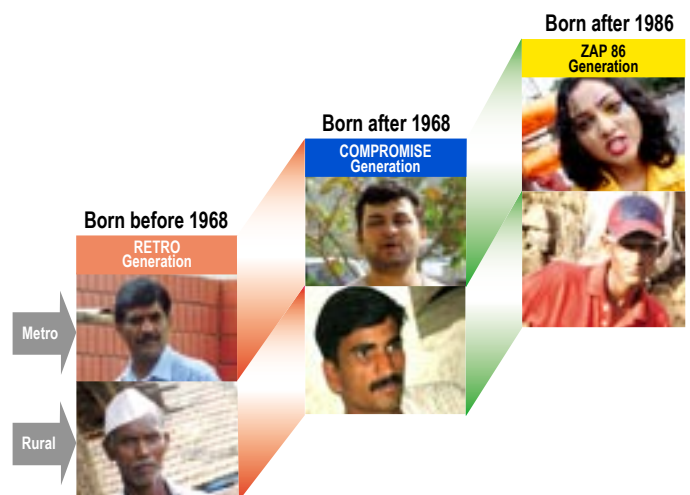
The generation born after 1986 was triggered by India's new Z Disruption departure.

We call them ZAP 86. Like zapping TV channels, they are interested in everything and always look out for choice.

These children were 5 years old when the economy began to be liberalized from 1991.

At 5, you are conscious enough to make and influence decisions in the home. You have no past to remember, so you have no bias towards it.

ZAP 86 has seen only the spending period of their parents, and not the savings mentality of Indians who lived in the protected economy when both livelihood and lifestyle products and services were scarce.



Indian society in transformation: visible attributes of the 3 generations

RETRO GENERATION: BORN BEFORE 1968	COMPROMISE GENERATION: BORN AFTER 1968	ZAPPING GENERATION: BORN AFTER 1986, NOT CARRYING ANY RETRO OR COMPROMISED VALUE
<p>Savings</p> <p>Sacrificing</p> <p>More security in a government job</p> <p>Suppressing thoughts of sex</p> <p>Routine</p>	<p>Investment</p> <p>Westernised, with Indian values</p> <p>Good listener & learner</p> <p>Unbalanced lifestyle</p> <p>Dominated by children's demands</p>	<p>Speed of technology</p> <p>Code language</p> <p>Global thought and knowledge</p> <p>Sexual liberation</p> <p>Flitration with jobs</p> <p>Heavy influencer of all pruchase decisions</p>

ZAP 86 influences the Compromise and Retro generations

ZAP 86 is setting the trend and changing the way of life in India. These youngsters influence all age groups in different proportions.

ZAP 86 influence in the Compromise generation aged 30-40 years is about 60%

The Retro generation of 40+ years has 20% ZAP 86 influence by default, although for a savvy few it can go up to 30%.

The bottomline outcome for every business is that it is imperative to tap the interest and desire level of this ZAP 86 generation for business to fly.

ZAP 86 generation is the future of India

- Zapping mentality
- Low attention span
- Influencer of all purchase decisions



23 years
First generation of
ZAP 86, the changers



17 years
Second techy generation
of ZAP 86 codes



12 years
Third tech-born
generation
of ZAP 86

**They influence every purchase
decision taken in every home**

Inclination towards high status

Stylish foreign cars are gaining popularity in the low price segment. In any category, sale of the luxury version is overtaking regular models especially as the young people love to get involved in proven true value. Green cars are preferred.

Restaurants have sophisticated ambience with multi-specialty cuisine at prices affordable for people with basic income. Fast food chains are preferred over Indian taste and ethnicity as ZAP 86 has a fascination for the new.

People spend more on entertainment. The old cinema hall with tickets at Rs. 5 to 40 is giving way to the multiplex with ticket prices from Rs. 150 to 500. Digital entertainment is in vogue, and simulated games are in high demand especially by those born in and after 1986.

Traditional Ambassador to trendy vehicle



Low cost eatery to speciality restaurants



Age old theatres to multiplexes



Markets opening up has been the GDP growth engine

Customized KFC: Rice and vegetables



Foreign brands enter with a low cost product strategy for high penetration

Incredible Nike shoe store

Entry of globally reputed "single lifestyle brand retail outlets" due to 100% FDI permission



Sophisticated, low cost mobile phone

Facilitation through tele-communication



Indianized MTV



Liberalization of the electronic media as private sector

Raising standards



Entry of global real estate players with superior technology and global standards