

The 'Noughty' years

New Egg report examines the first decade of the 21st Century and how it affects the lives of consumers.



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eggTM
he's an icon

Introduction by Mark Nancarrow

Chief Financial Officer at Egg

We are now a little over halfway through the first decade of the 21st Century. The memories of parties on New Year's Eve 1999 are beginning to fade – perhaps even on the first day of 2000 they were already lost in the fuzzy blur that can result from too much champagne and jollity. But most of us will remember the sense of anticipation – perhaps even a little nervous trepidation – that marked our transition not just towards a new decade, nor just a new century, but into a new millennium.

The 'Noughties' is the name that has stuck for the decade but not only does a decade need a name it also needs a description. We have, for example, a clear vision of the 60's even if we were not even born then. The images of Carnaby Street, free love, The Beatles and Woodstock endure as reminders of halcyon days against which later decades are unfavourably compared. We reflect on the 80's, the Thatcher years, as an age of greed and self-interest. The 'loads-a-money' mindset, red braces, yuppies and conspicuous consumption as expressed by Porsche and Rolex. While the 70's passed by as an age of Glam Rock and flared trousers, interrupted from time to time by industrial unrest and football hooligans. The 90's managed to eschew the trappings of superficial disposable income to reinvent ourselves as caring, green and touchy-feely nice people who constantly 'empathised' with those around us. Parodies? Of course. But like all parodies, with at least a grain of truth.

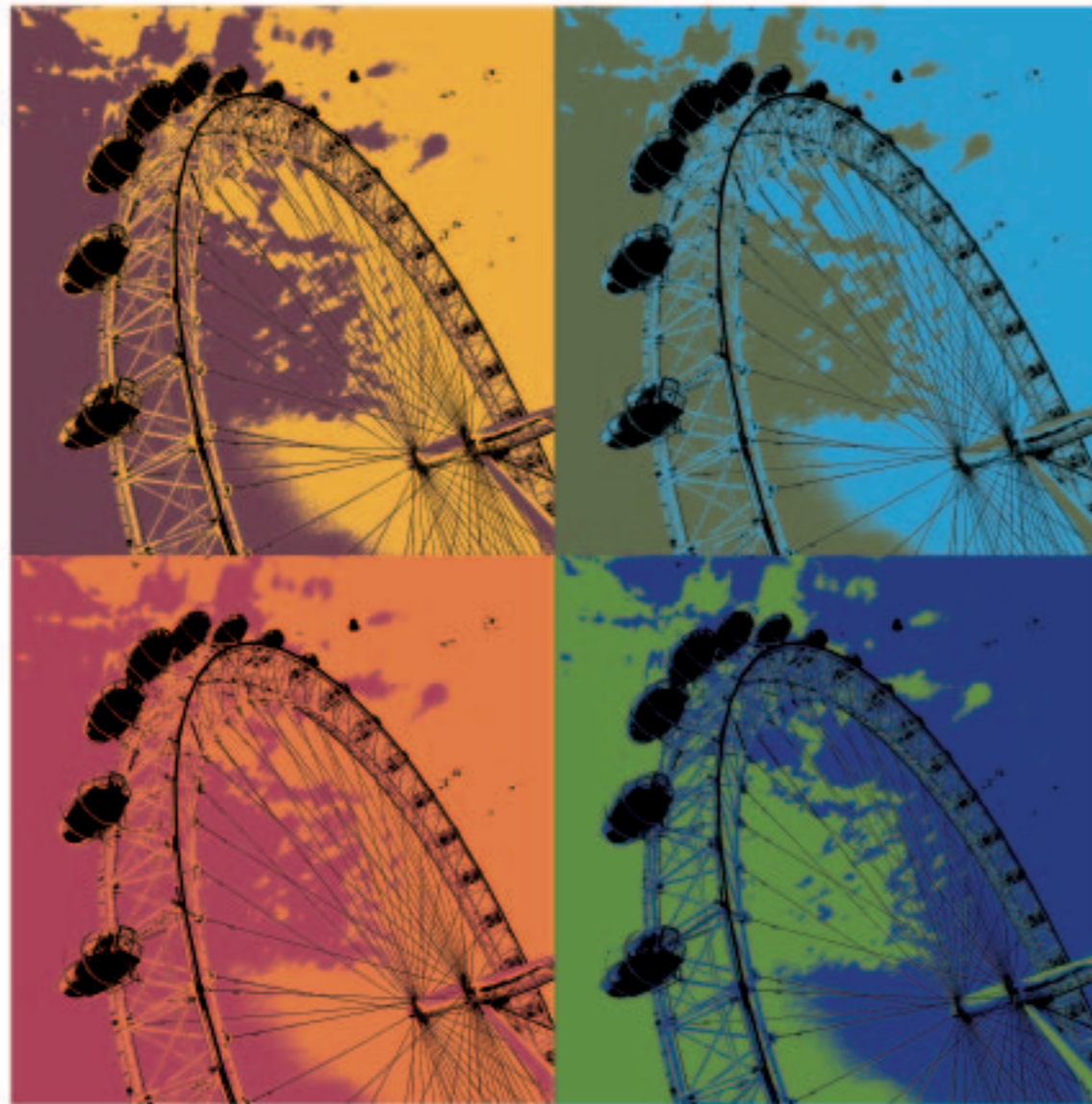
So how will people remember the Noughties? Egg commissioned the Social Issues Research Centre to look at the social trends and patterns of behaviour that would define the era. And importantly how these would impact the lives of those growing up in the first decade of the 21st Century.

Foreword by Peter Marsh

Social Issues Research Centre

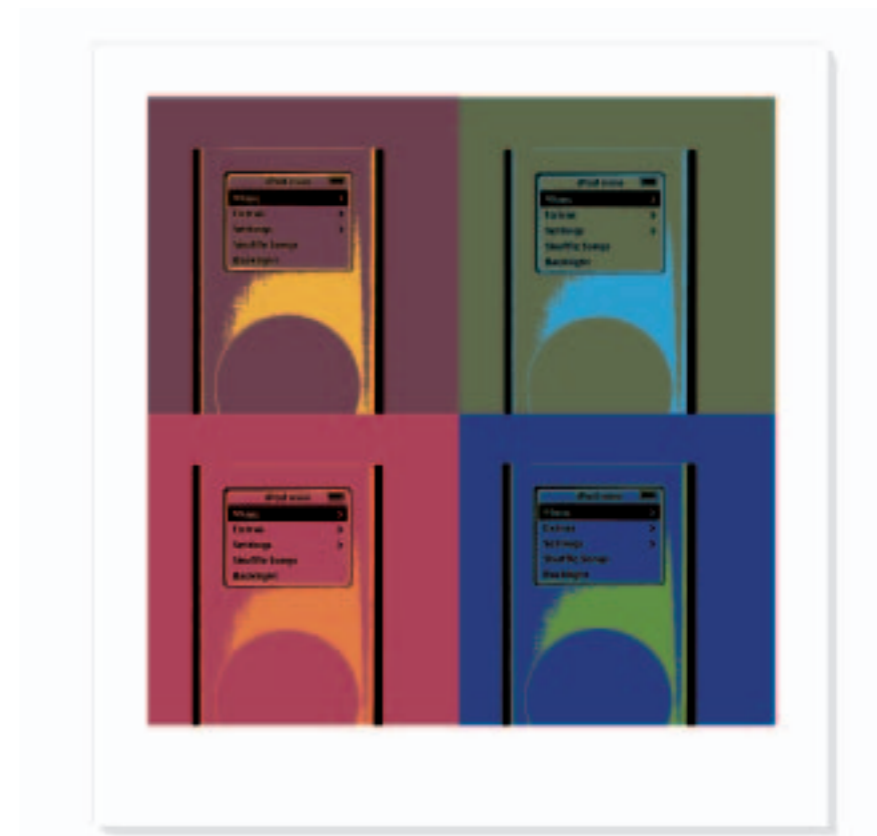
At the Social Issues Research Centre we talk with people, we listen carefully, and we try to make sense of what people say within the context of their own ways of seeing the world and the meanings that they attribute to it. In parallel, we note the results of opinion polls, surveys and sources of statistical data that may indicate change, even though these alone cannot inform us about why things are changing.

For this study we were particularly interested in those whose lives are being shaped by, and in turn are shaping, the Noughties – people who had recently left school as the new millennium dawned and who are now mainly in their 20's. This, then, is the basis for what follows in this report – the Noughties as seen from the perspective of those who are being, and will continue to be for the next four and a half years, most strongly influenced by it.



Diversity and choice

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From the outset of our research it was clear that we might never find a small set of clear, defining characteristics for the Noughties in the way that earlier decades could be summed up quite simply. This, it seems, is the decade of ‘diversity’ where avoiding limitations in one’s life is of utmost concern.

Research participants spoke of the increasingly wide range of jobs that is available in the Noughties, including new media, PR and marketing. They saw this as offering far more choice than was the case in previous decades, especially for women. The notion of ‘accessibility’ was also frequently referred to in this context.

Other participants spoke frequently of the way in which information could be accessed via the internet, again allowing a much wider range of choice than was previously available.

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The variety of choice, although sometimes seen as a little overwhelming, means that there could be an increased focus on quality. In previous decades one might have settled for second-best simply because that was all that was on offer. Now one can be more ‘picky’.

The need to ‘sample’ as much as one can of what is on offer dominated much of the discussions and interviews. This applied to all aspects of life, including work, leisure and relationships. And while these unprecedented choices and freedoms were welcomed, participants felt that there were also potential pitfalls.

There was a consensus that the Noughties would not be defined in terms of popular music, in the ways that Punk, Glam Rock or Soul eras might have been – again because of the diversity of what was on offer and what people listened to. But some thought this new eclecticism might become a defining characteristic in its own right.

The rise of the iPod – itself seen as an icon of the Noughties – both reflected this new eclecticism and, in turn, enabled it to flourish. Participants referred to the ease with which they could download music very cheaply from iTunes and compile their own collections, rather than having to buy a whole CD on which there might be only one or two tracks of interest.

There was a similar consensus regarding dress styles. There is, most claimed, no longer a ‘uniform’ or a particular style that represents the Noughties, apart from baggy trousers worn low on the hips revealing a large band of midriff.

But while diversity and eclecticism were the ‘buzz words’ of the discussions, there were other very significant areas of consensus which did highlight some clearly defining characteristics of the decade. Nowhere was this more apparent than in talk about celebrities.

Everyone can be famous

It was Andy Warhol who said in 1968 that “In the future everyone will be world-famous for 15 minutes.” In the Noughties this may very well be coming true and all due to the rise of so-called ‘reality TV’. Big Brother was seen by our participants as being an icon of the Noughties – the first series was in the summer of 2000. But it was also far from being a positive marker of the decade.

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There was a general consensus that in the Noughties you did not need any talent to become famous – just an inflated ego and the opportunity to get on to a TV show of some kind. Some, on the other hand, thought that this in itself was a new and welcome form of democracy.

In contrast to this view some participants seemed almost resentful about the kinds of people who were ‘raised up’ by reality TV. Inevitably perhaps, the hapless Jade of Big Brother fame cropped up in this context

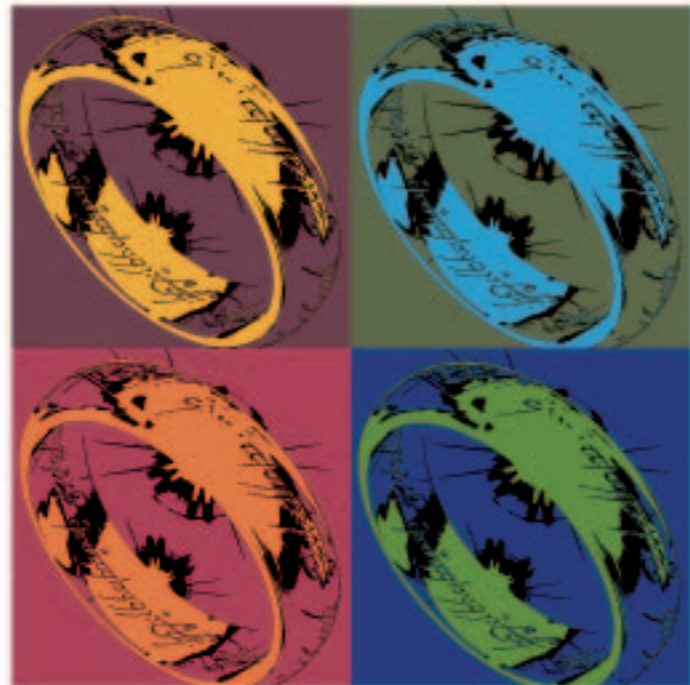
A number of participants thought that because so many people were becoming minor celebrities that few, if any, would be remembered in the next decade.

The reasons offered to explain the rise of reality TV and the celebrity culture that inevitably went with it were interesting. One participant suggested that they made us feel better about ourselves and that is why we watched them.

Others thought that such shows gave people something to share – something that we could all talk about.

Apart from these sometimes positive spin-offs of reality TV, most views on the new celebrities were negative, seeing them as reflecting a form of ‘dumbing-down’ of entertainment – patronising and all of the same, unwelcome formula. Interestingly, it was often at this point in the discussions that the issue of politics arose quite naturally. As if Tony Blair was just another celebrity on a TV show...

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The post-politics decade

“It’s just making a stand to show that people still care... that thing about more people voting in Big Brother than in the general election – we can’t let that happen.” female, 21

There was overwhelming agreement that whilst much of life in the Noughties was characterised by variety and diversity, the days of genuine political choice had disappeared. The old distinctions between the left and right were ‘historical’ ones that had no real meaning in the present day.

There was also widespread agreement that government was both remote from ordinary people and wasteful.

This is not, of course, particularly new or specific to the Noughties. People have always moaned about the bureaucrats and the powers that be who take no notice of the people, until election time. But the strength of this feeling seemed much stronger among our participants, reflecting a new intensity of dissatisfaction in the Noughties. At the same time, however, there was an equally strong consensus that despite the fact that there was no real choice, one should still vote and be part of the democratic process.

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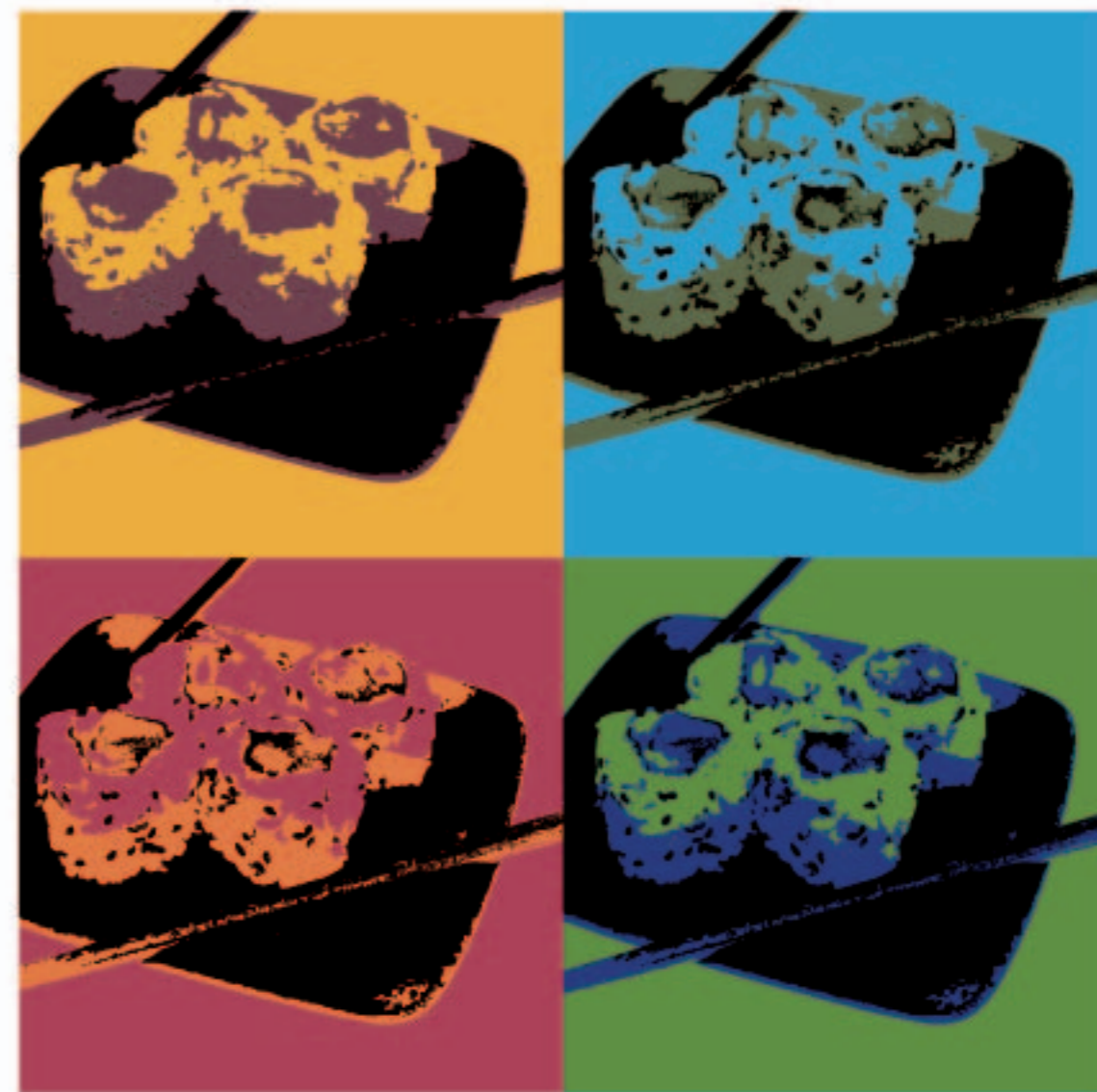
This may seem rather confusing. As trust in political parties decreases in the Noughties, the determination among young people to engage in the process increases. This, however, perhaps reflects the fact that the majority of young people see little opportunity for any other type of influence. The Noughties is not a decade of protest in the way that the 60’s clearly was. While some of our participants had been on the anti-war rally in London very few were actively engaged in any other political action. Even the recent Live8 concert was seen by some as more like a ‘festival’ than a ‘demonstration’.

There was a sense emerging in the discussions that ‘rebellion’, in this and other senses, belonged to previous generations and was not as relevant in the present decade.

Despite this understandable reluctance to mirror their parents’ styles of political action, many participants argued that they were probably more aware of the key issues in society than previous generations. While the Cold War and the threat of nuclear annihilation focused the minds of young people in the 60’s, other issues preoccupied the generation of the Noughties.

A further reason for the reluctance to engage in protest was the perceived ‘pointlessness’ of it all.

Also emerging in these aspects of the discussions was a sense of increased anxieties – about the state of the world in general and about participants’ own personal lives. The spectre of 9/11 and the London bombings, which may unfortunately come to stand as icons of the Noughties, appeared to have set the tone for a new kind of cautiousness.





The decade of fear

“I think that 9/11 strikes me as a pivotal moment, with so many repercussions culturally and socially.” male, 24

The opinion poll conducted by Egg on Icons of the Noughties produced some interesting but depressing results. Of all of the things that might define the decade so far – people, places, events, books, entertainment, etc. – the three items that came top of the poll were 9/11, the tsunami and the War on Terror. Had the poll been conducted after the London bombings it is likely that this would have featured very strongly too.

Harry Potter, digital cameras and eBay all made respectable showings and Prince William made top celebrity in 13th position, ahead of Jamie Oliver. But for most people in the Noughties it was death and destruction, and the enduring fears associated with those events, that were seen as marking out most clearly their decade.

In fact Ziauddin Sardar, author of *The A to Z of Postmodern life: Essays on Global Culture in the Noughties* argues that the whole decade will be marked by the catastrophic event on 11 September, 2001, when billions of people around the globe watched terrorists' destroy the World Trade Center on live television.

“I think the Noughties will be about fear... The fear won't just be about terrorism, though, but also about things like GM food and the MMR vaccine.” He also suggested that voters would increasingly distrust the people that they had elected and that such distrust would spread to other areas of society as well.

In our focus groups and conversations a similar picture emerged:

“I think that 9/11 strikes me as a pivotal moment, with so many repercussions culturally and socially.” (male, 24)

Many others mentioned the tsunami in this context and talked of the ‘saturated’ media coverage of such events. There was a consensus that people felt overloaded with such images. But while some participants felt that this made them more fretful in their daily lives others were able to put the issues to one side and get on with their lives.

Despite the more sanguine view expressed by the participant above there was a strong sense that young people in the Noughties had become more cautious in all aspects of their lives. There was a need to have greater control over one's life and to avoid risks, whether global, personal, social, financial or emotional. This was in part a result of a ‘culture of fear’ that had been generated by politicians and the media, and it was quite specific to the Noughties.

The rise of organic food¹ was also seen as something characterising the Noughties, again driven by widespread concerns about ‘chemicals’ in food.

Other participants, however, thought that organic food was “a marketing con” or a “rip off” which preyed upon the fears and gullibility of the Noughties' generation. There was, however, general agreement that if the 90's could be characterised as the ‘fast-food decade’ the Noughties was more likely to be seen as the ‘healthy food decade’.

The decade of financial prudence

“I just like to know what exactly I’ve got... I like to buy it there and then with what I’ve got...” male, 24

The Noughties, so far, is a decade of debt. While unemployment is at its lowest for many decades and Gross Domestic Product is twice as high in real terms as it was in the 70’s, young people are increasingly having to resort to personal bankruptcy to escape their spiral of debt. According to Insolvency Service data the number of personal bankruptcies among the under-30s accounted for 15% of all failures in 2003/4 – double the percentage in 2001/2. In the first three months of 2005, more than 10,000 people went bankrupt – the highest figure for over 40 years.

There is, perhaps, less stigma attached to going broke in such a fashion these days than in previous decades. It is also the case that changes in the law mean that personal bankruptcy no longer places the same limitations on future life. But it is against this fiscal background that young people are developing attitudes towards money and towards debt. What is happening now is nothing less than a major backlash against the trends of the previous decades, when one spent and spent and worried about the consequences later. And it is most marked among those in their early 20’s rather than among those approaching the age of 30. The rapid rise in bankruptcies in the first half of the Noughties most probably reflects left-over attitudes and spending styles from the 90’s rather than being an omen for the Noughties.

Among the participants in our focus groups, interviews and conversations only around 50% had a credit card. Many also did not have, or did not want, access to borrowing, either in the immediate or longer term. Virtually all of those who had been to university, however, had large student loans – and few had even begun to repay them. Those currently at university were on their way to ‘millstones’ of debt running into 10’s of thousands of pounds. The fear of adding further to

these debts preoccupies a very large section of the Noughties generation.

In this fearful atmosphere has grown a quite special sense of the need to be ‘responsible’ about money that seems quite different from that of previous generations.

“I just like to know what exactly I’ve got... I like to buy it there and then with what I’ve got...” (male, 24)

Some participants with student loans made a distinction between ‘unavoidable’ debts such as student loans and other types of credit. Even here, however, it was clear that their experiences had made them wary of adding to their financial problems.

There was a distinct distrust of credit cards expressed by a number of participants, particular the younger ones. Some felt that they were being pressured into accepting something that they did not want. Even some participants with quite sizeable overdrafts were also wary of credit cards.



Others, however, while accepting that a credit card might tempt them to overspend, were quite capable of managing the issue – again through the exercise of ‘responsibility’ – a word that cropped up frequently in the discussions. A small minority of our participants – around 10% – said that they had seriously spent beyond their means. There were no potential bankrupts in evidence in our focus groups and interviews – and that, perhaps, sets the tone for the rest of the Noughties and beyond.

The topic of ‘trust’ cropped up spontaneously in a number of the discussions about money. There was a general feeling that banks were institutions that people no longer trusted in the Noughties. They were remote and faceless. Not a single participant in our focus groups and interviews with an account at a High Street bank knew their bank manager’s name, or had ever met him or her. The large majority said that they preferred online banking since they did not expect to get any personal service from the high street institutions.

The ability to see ‘where you’re at’ financially using online banking was also welcomed by a number of participants – echoing the theme of caution and keeping out of debt that had dominated all of the discussions. You didn’t need to wait for a statement at the end of the month or queue at an ATM to find out how much you had to spend. Access to online services, however, also meant that you could spend money without even going out – something which presented additional temptations for some.

Many of the participants in their early 20’s who were so wary of credit cards will, of course, eventually apply for one. Many said so quite explicitly. They felt that this might mark in some way their status as adults – something that they were currently attempting to delay but not avoid for ever. What they seemed to be hinting at, however, is that they would prefer to have credit cards that did not allow them to get out of their depth financially – something which came with a kind of ‘credit nanny’ who would wag her finger at undue profligacy.

The future choices of these early-20’s people about where to put their money and the means by which they will spend it will depend very much on who they trust. The debit card was fine because you could only spend what you had in the account. Credit cards allowed you

‘to spend other people’s money’ and a real faith in these ‘other people’ was required before they would be happy with what they were being offered.

It is clear from all of this that the majority of young people of the Noughties are presenting themselves as almost unbelievably ‘sensible’ – not just about money but in most other aspects of their lives. While most of us might applaud such rectitude others have chosen to see it as a very negative trend. ‘What’s the matter with these people – why aren’t they out having fun like we did when we were young.’ Are those growing up in the Noughties becoming too conformist and too cautious for their own good.

The decade of young grown-ups?

There has been a lot written recently about how young people are delaying their transition towards adult roles. They have been described as ‘Peter Pans’ – wanting to be teenagers until well into their 30’s, avoiding marriage, commitments or the search for a stable career. And there is considerable truth in this stereotype. In 1971 the average age at first marriage was 24.6 years for men and 22.6 years for women. In 2001 the figures were 30.6 and 28.4 respectively⁴. And the trend towards later marriage is increasing. Young people in the Noughties also have had, on average, four jobs by the age of 25. Twenty years ago they would only have had two⁵.

This seems, at first, to be at odds with what we have found in our own research. It is, however, quite consistent. While the Noughties generation may be more anxious than those from previous decades, and while they may have found a new financial prudence, it does not mean that they have given up on having fun. Quite the opposite. Much of the discussion about being careful with money focused on having the resources to do the things that they wanted to do, rather than sitting at home worrying about how broke they were.

A number of participants also said that they felt able to take their time in deciding what they wanted to do in later life because they felt able to rely on their parents for longer that might have been the case in previous decades.

“Maybe its possibly because we feel we don’t have to grow up quite so soon, it’s not like you have been a teenager and now you’ll have to be an adult... You see people 10, 20 years ahead of you and they’re still acting like teenagers! There doesn’t seem to be a set point anymore when you have to pull your socks up and knuckle down... people seem to drift a bit more...” (female, 23)

At the moment over a quarter of family households have an offspring over the age of 24 still living with them. This reluctance to ‘fly the nest’ may certainly have something to do with the perceived impossibility of ever owning one’s own home – a topic which arose many times in our discussions. But it could also be due to the increasing number of young people who rely heavily on their parents to support their lifestyles and their freedom to delay being visibly ‘grown-up’.

At the same time, however, young people playing out these extended youthful roles are grown-up in their attitudes and behaviour, in some cases far more so than their Baby Boomer parents – an irony which reminds us of the 90’s TV series *Absolutely Fabulous* and the reversed mother and daughter roles. It might have been funny then because what it depicted was unusual. Now, perhaps, it is becoming more common place, and therefore less amusing.

There is a quite different side to the Noughties generation – one in which there is greater awareness of the issues that affect their lives at both global and immediate levels. And while they may be more cautious and more risk-averse, and seemingly unable to make decisions about where they want to go in life until at least their late 20’s, they are enjoying the diversity of the first decade of the twentieth century and the vast possibilities that it offers. Perhaps most importantly for our future, they are also optimists

While many of our participants talked about the impossibility of buying a house in the immediate future, most felt that this would be something they would do once they had found the job they were looking for – not just a well-paid job but one that gave them real satisfaction. Similarly, while many had not yet found a partner for life, this is something they expected to do at some stage. Getting married and having children remain the ambitions of the Noughties generation, if not in the immediate future.

So called conventional views were echoed by the large majority of participants. Some even pointed to the dangers of delaying the process for too long – of ending up in the *Bridget Jones* scenario. This optimism about relationships – you will meet the right person somehow – was again reflected in the views of the large majority of participants. It was because of this sense of hope about the future that they felt able to take their time, to enjoy the diversity of the Noughties, because it was going to be ‘all right’ in the end.

These positive expectations for the remainder of the Noughties and beyond are in welcome contrast to the gloomy predictions that seem to characterise what we see in the media and what is predicted by the rapidly expanding industry of think tanks and forecasting agencies. If those growing up in the shadow of 9/11 and the London bombings can still retain a positive view of their future, then those of us who came to adulthood in previous decades might pause for thought before we complain about their perceived lack of direction, their inability to decide what to do with their lives or ‘sponging off’ their parents.

And we should also pause for thought before we label them simplistically as ‘New Puritans’, ‘Bingeing Hedonists’ or the ‘Anti-Risk Generation’. These are not titles that fit at all easily with the much more complex picture that has emerged from our research.



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“Anything goes these days, as long as you wear it with an attitude and a smile.” female, 22

Notes

1. Data from Mintel shows that sales of organic food rose by 50% between 2002 and 2004
2. National Statistics Office. Living in Britain, the Stationery Office, 2004
3. Study by PricewaterhouseCoopers using Insolvency Service Data, June 2005
4. Marital status in England and Wales. The Stationery Office, 2004
5. National Statistics Office. Labour Force Survey, The Stationery Office, 2005