



## **M2M-ready Net Generation**

By

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Demographic trends are the best predictors of the socioeconomic landscape. Well understood, they give us a glimpse into the future. Behavioral and attitudinal characteristics of various cohorts of individuals are thoroughly studied by marketers for targeting purposes. Machine-to-machine (M2M) companies are no exception; they try to interpret patterns and other common signs that could coalesce into a single market profile. The impact of the baby boomers' children on the workplace and society in general is one of those trends that deserve careful scrutiny.

Much has been written in the last few years either praising (e.g., Larry D. Rosen, *Me, MySpace and I: Parenting the Net Generation*, Kindle Edition, 2007) or criticizing (e.g., Mark Bauerlein's *The Dumbest Generation*, Tarcher/Penguin, 2008) those thirty years of age or younger, for whom the Internet, wireless phones, blogging in its various forms, iPods, and other digital tools are commonplace. This generation, "Generation Y", "Millennials", "Generation M" (Multitasking), or "Net Generation" was born from around 1980 to 2001 (generational cohorts here are from *Wikipedia* [demographics], but

definitions vary) and arguably is the largest in American history. What makes this slice of population especially interesting for us beyond its sheer size is its congenital familiarity with information technology, unlike baby boomers (born from 1946 to 1964) and even GenXers (born from 1965 to 1979) who developed an acquired taste for it. Incidentally, the first commercial cellular call was made at the dawn of the Net Generation age, on October 13, 1983, to the grandson of Alexander Graham Bell in Germany from the president of Ameritech Mobile Communications at a ceremony held outside Soldier Field in Chicago, IL. Almost two pounds heavy and thirteen inches long, the Motorola DynaTAC 8000X used on that memorable day had only thirty minutes of talk time. It was a time when cell phones were used only for phone calls; a time fossilized in the Net Generation's memory.

Regardless of whether the Net Generation is a source of societal hope or concern, there seems to be a growing digital divide between them and the other generations, i.e., the insiders and outsiders, or to use Marc Prensky's metaphor, the "digital natives", i.e., the "native speakers of the digital language of computers, video games and the Internet" and the "Digital Immigrants" who speak "an outdated language, that of the pre-digital age". Technology has enabled a new business paradigm which needs to be understood by companies that sell and will sell to the Net Generation. In more ways than one, "Oldspeak" must bow to "Newspeak".

In a recent book (*Grown Up Digital*, McGraw Hill, 2008), which is the culmination of a research with 11,000 "Net Geners" who have come of age in the Internet era, Don

Tapscott identified 8 generational norms that set them apart. Freedom, customization, scrutiny, integrity, collaboration, entertainment, speed and innovation are, according to Tapscott, the dimensions that define the Net Generation. They expect immediate answers, and are actively involved in the new economy of sharing and participation powered by Web 2.0 technologies. M2M companies looking into the future must factor this evolution in the range of services as well as the method of delivery they are designing.

By many accounts, the Web 2.0 economy is still in its (challenging and yet promising) teenage years and not quite yet matching the enthusiastic visions of its bullish advocates (e.g., Tim O'Reilly). Business models are being defined and redefined in order to seize the commercial potential of this new approach to doing things. However, the increasing popularity of social network services (e.g., Facebook, MySpace, LinkedIn in the U.S.), the widespread acceptance of Software as a Service (SaaS) as a model for software development, as well as the strengthening of the open source trend are apparent manifestations of tectonic-plate-like movements that cannot be ignored. They bear the marks of deep and lasting demographic changes that are quintessentially Net Generation. Like an exceptional wine freeing its seductive and rich qualities as it matures, the Net Generation, as it ages, will affect businesses in radical ways.

The M2M industry must integrate these sociological shifts and reframe its solutions accordingly, treating its customers as partners as well. These new users are prone to active collaboration and continuous innovation. They must be provided with the tools

and structure that allow them to adapt to a fast changing environment. M2M providers that are offering collaborative solutions that depend on an interactive participation will get, in all likelihood, a positive response from Net Geners. In addition, M2M technology which helps track “events” in real time, no matter how those events are defined, is perfectly suited for a generation that lives by the “staying-in-touch-as-things-happen” mantra. The need for education, the business challenge overwhelmingly at the top of the current M2M market concerns, is dramatically lessened because they are already “aware”.

The Net Generation is becoming a dynamic resource for creative M2M uses in addition to enabling adopters of the technology. M2M companies already embracing the tenets of viral marketing and social networking are sagaciously using the *lingua franca* that is widely spoken and understood by this growing market. The “Multitasking” Generation constitutes a massive demographic undertow, the strength of which is only beginning to be felt. As both consumers and producers of M2M services, they will drastically be reshaping our industry, altering its very nature while elevating along the way, standards for performance and excellence.

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