

What benefits do Gen Z, millennials, Gen X and boomers want?



If your workplace is hiring from the entire labor pool, you might have four generations working alongside one another. That's relatively new: People are working longer,¹ so freshly minted Gen Zers are being exposed to boomers at unprecedented rates (and vice versa).

For benefits decision-makers, that means accounting for four different generations when creating benefits packages (Generation Z, millennials, Generation X and baby boomers). Seem complicated? Rest easy: There aren't huge disparities in the most important types of benefits across generations. The standards continue to top the list for everyone: major medical, disability, dental, vision, paid leave and life insurance.²

But despite there being ample similarities among what a 20-year-old and a 70-year-old might value, there still are differences. That's complicated by the fact that the definition of employee benefits is broader than it has been in the past. Professional benefits, mental health perks and societal benefits are all emerging in the benefits field, and people at different ages value different types of benefits within those categories. They also have some generational differences in how they prefer to communicate, and the role that technology plays in their benefits.

Learn here about the key differences among generations, then [read our companion article to investigate solutions.](#)

Physical health benefits reign supreme for all

As a category, physical health benefits—meaning anything designed to support employees' physical health, such as major medical insurance, dental and vision coverage, critical illness coverage, cancer insurance, accident insurance, gym membership support, and wellness programs—are the most important across all generations, according to research from industry group LIMRA.²

There are some distinctions in how generations value physical benefits, though. Boomers are the most invested in this category, assigning it 40 points out of 100 compared against other benefits; Generation Z assigned it 27 points out of 100, making up the difference in other categories, including mental health, professional benefits and societal benefits.²

Surprising nuances emerge through these broad preferences, though. According to both LIMRA and Aflac,³ millennials are the likeliest of all age groups to want critical illness coverage—more so than older generations, who are likelier than millennials to actually receive a critical illness diagnosis. Millennials also want physical wellness programs significantly more than other generations.²



Younger workers particularly value mental health benefits

The [headlines](#) about Generation Z being fluent in mental health issues play out in the research: Generation Z places more importance on mental health than other groups, with each successive generation valuing it slightly less than the one that preceded it.

But don't let those headlines lead you to believe that older workers prefer to just tough it out when it comes to mental wellness: There's only an 8-point discrepancy between how much Generation Z and boomers value mental health benefits.²

Among types of mental health benefits, insurance coverage for mental health was the most desired benefit, except among boomers. The second most-desired benefit? Having a space in the office that's devoted to mental health processing (like a quiet room or a meditation room). And in a twist that goes against the stereotype of younger people's expectations of in-office perks, is what boomers said would be their top mental health benefit.⁴

Employee assistance programs, a traditionally underutilized benefit,⁵ assume an unusual importance among millennials, who are significantly more likely to show interest in these programs than other generations, with 40% saying they would be interested in having an employer offer one (compared with 28% for both Gen Z and Gen X, and just 13% among boomers).²

Different life stages, different valuation of financial benefits

As with other benefits categories, financial wellness is rated similarly in overall importance across generations. But within this category, we see generational specifics emerge that correlate directly with people's life stages.

Take student loan assistance. This perk generated eight times more interest among Gen Z employees than among boomers, and tuition assistance garnered 3.7 times more interest among Gen Zers than it did among boomers.² This tracks with a predictable life arc, which sees people fresh out of college or vocational training more concerned about paying off student loans than older adults who have either long paid theirs off or never had them to begin with.

Again, though, millennials confound simple generational explanations here. Millennials appear somewhat more stressed than other groups regarding financial support, with 44% saying they want a financial wellness program and 45% saying they would value an emergency savings benefit—10 and 9 points higher in importance than other generations. This extends to finances regarding physical frailty; millennials rated long-term care insurance and caregiving benefits higher in importance than other generations.²

Employees value professional benefits at all points of their careers

If you're worried about "quiet quitting" among your workforce, employees' investment in professional benefits may lend you some heart. This benefits category fell within a 5-percentage-point range of importance across generations²—meaning that boomers and Gen Zers, each at the alpha and omega of the career spectrum, value them similarly.

Professional benefits can include formal benefits such as career development programs as well as informal perks such as better training. That shows up most clearly in the No. 1 professional benefit prized across all generations: flexible work options.⁴ Access to learning management systems and cross-department training were also both scored as worthwhile professional benefits across all generations.

That's not to say all types of benefits within this category are valued unilaterally. Gen Xers and boomers, despite being likelier to be managers, place less importance on the value of manager training.⁴ But even among these two older generations, we see a sharp divide about the importance of performance reviews cropping up between Gen X and boomers—Gen X doesn't want them, boomers do.⁴

In another surprise, millennials are the least enthused of all generations about mentorships.⁴ According to LIMRA research, though, they're more excited of all groups about career development benefits. They're also most invested in debt management counseling,² even though Gen Xers carry more debt overall.⁶

The best of the rest: the role of emerging benefits

Other types of benefits bring a mixed range of appreciation. Millennials are more eager than other generations for legal service support, Gen Z values pet insurance and societal benefits more than other age groups, and Gen X is the most appreciative of long-term disability coverage.⁴

Then there's how benefits are actually enacted. Enrollment platforms and mobile options aren't benefits in and of themselves; they're routes to get employees the benefits they need. But positioning apps, online portals, and other tech-forward communication formats as benefits support can help all employees—particularly Generation Z and millennials—engage more deeply with their benefits. Eighty-two percent of all employees agree that it's important to be able to manage benefits online, showing that this preference isn't limited to digital natives.³

Now that you have a grasp on the nuances that both unite and divide the generations in your workforce, you're ready to investigate solutions. [Read this companion article](#) to learn what to do from here.

Find the benefits package that's right for your multigenerational team. Contact your Aflac benefits advisor or visit [Aflac.com/business](https://www.aflac.com/business).

¹ Yahoo Finance. "More boomers are staying in their jobs instead of retiring. They're working longer hours and making more money, new Pew data finds." Published 12.14.2023. [Accessed 2.29.2024](#).

² LIMRA. "Harnessing Growth and Seizing Opportunity. 2023 Workforce Benefits Study." Published 2023. [Accessed 2.28.2024](#).

³ Aflac. "Workplace benefits trends: executive summary 2023-2024." Published 2023. [Accessed 2.29.2024](#).

⁴ Forbes. "Workplace Benefit Trends By Generation In 2024." Updated 2.1.2024. [Accessed 2.28.2024](#).

⁵ HR Dive. "Why EAPs go unused despite growing mental health awareness." Published 12.1.2023. [Accessed 3.28.2024](#).

⁶ CNBC. "The average American has \$90,460 in debt—here's how much debt Americans have at every age." Updated 11.14.2023. [Accessed 3.27.2024](#).

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