

# MARKETING TO MILLENNIALS

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WITH SO MANY WAYS TO GET IT WRONG, WHO ON  
EARTH WOULD WANT TO MARKET TO MILLENNIALS?



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# ANY FORM OF ADVERTISING, MARKETING AND PR NEEDS TO TARGET A SPECIFIC DEMOGRAPHIC.

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In this guide, we'll explain the best way of reaching the most difficult to define and impossible to pigeonhole consumer audience brands have ever faced.



# Millennials represent the largest generation in western history, accounting for just under 1/4 of UK residents alone.

Contrary to popular belief, they are not kids, few have had silver spoons in their mouths and the majority are incredibly resilient. The group is expected to claim the most spending power of any age by the end of 2018, and given many in this segment are still studying, or sit at the beginning of their careers, that financial dominance will only continue to grow over the coming years.

This should represent so much potential for businesses, but millennials are also one of the most elusive, unpredictable and fickle generations anyone has ever seen, let alone sold to. What follows is an in-depth look at who millennials might be, what makes them tick, how they communicate and the biggest obstacles standing in the way of brands looking to reach them...

...arming you with  
comprehensive knowledge  
for ongoing campaigns...

# Identifying the millennial

## Age

The simplest definition of a millennial is anyone born between 1981 and 1996, although the years are open to some flexibility. The majority were in some form of education during the millennium years, and have therefore grown up in an era far removed from their predecessors.

Many at the oldest end of this spectrum do not view themselves as millennial at all. Part of this is due to the huge difference in reference points over-30s have compared with under-25s; the world has changed dramatically in those years— we've gone digital, mobile and social.

## Sexuality

Millennials have grown up in an age where love can blossom across continents. Chat rooms allowed this back in the 1990s, and today dating app culture has made it easier to meet new people and start relationships. But the idea of a 'hook-up era' is misleading.

Millennials certainly have a much more open-minded view of sexuality. As with gender, they are more inclined to see the world in hues as oppose to black and white, meaning even terms like 'gay' start to look restrictive and regimented.

Perhaps confusingly, though, studies show this demographic actually has fewer sexual encounters than preceding generations, despite an apparent acceptance of wildly varied partners and lifestyles. They are the most permissive, but choose to engage with less people than their ancestors, according to San Diego State University research<sup>1</sup>.

## Gender

Taking the UK as an example, there is roughly an even split of males and females within the millennial group, but the subject of gender is still important. Moving from a distinct set of closed options, the traditional male-female divide has been supplemented by terms like polygender. Facebook, a platform created by millennials, offers 71 individual choices for gender, and to understand why is to grasp a crucial part of the psyche.





## Income

Millennials have a lot of spending power, but it's wrong to think this group has it easy. According to the Resolution Foundation, since the financial crisis under-30s in the UK have been the hardest hit of any developed economy outside Greece.

The future looks similarly shaky. The same organisation found that millennials' mean lifetime earnings, adjusted for inflation, would be just 7% higher than Generation X who, in contrast, stand to bring in 21% more than their parents by the time they retire.

Home ownership is a major issue for millennials, which is understandable as they are likely to spend £44,000 more on renting in their 20s than the Baby Boomers did, who had a 50% better chance of owning a property by the age of 30. Struggling to save for secure investments, in some cases millennials have given up on mortgages altogether— almost 50% of 20-24 year olds in Britain live with their parents, as do 1-in-5 aged 25 to 29.

## Ethics

In many ways it's no wonder millennials have been branded 'the snowflake generation'— this demographic is incredibly sensitive and has a huge amount of empathy. These are factors that impact both their career and purchasing decisions.

The Deloitte Millennial Survey<sup>2</sup> found that consistent values across this demographic are hard to pinpoint, but values are incredibly important to each individual. 44% of respondents claimed they had rejected a job offer due to ethical issues, 49% rejected assignments that contravened their own ethics, and less than half believe business as a whole behaves ethically.

This attitude carries through to the consumer end, too. According to Nielsen, 73% of millennials are willing to pay more for sustainable goods, and 83% expect their favourite companies to make public declarations about how good their corporate citizenship is.

It's vitally important to understand how closely linked ethics is with advertising and marketing in the mind of millennials. They are increasingly opposed to corporate culture, distrusting of authority and established industry leaders, and consider marketing to be an extension of this. Brands that advertise relentlessly and aggressively win few fans in this age group.

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# Targeting millennials

What all this tells us is that the ties that bind millennials are often symbolic. Their perspective has been shaped by a world in constant flux and the crises of elders— from financial meltdowns to sexual health and teenage pregnancy. They are open to change and new ideas, but always consider the repercussions of their actions, and place plenty of value on things which will not be outmoded or replaced with the next wave of updates.

## Passions

It's impossible to try and identify what interests an entire generation, but it's easy enough to see consistencies in the issues that are inspiring and igniting a demographic.

In the 2018 World Economic Global Shapers Survey<sup>3</sup>, millennials were found to be most concerned about:

1. Climate change
2. Large scale conflicts and war
3. Inequality

The group also responds to opportunities for entrepreneurship - 40% believed start-up ecosystems were the most important factors contributing to youth empowerment in their own country.



## Interests & Hobbies

When it comes to spending their disposable income, millennials are pretty clear on their priorities: socialising, exploring and wellbeing. According to 2017 data from Strutt & Parker, some of the most popular things to splash cash on are:



Takeaways: £1,320 per annum



Lottery: £416 per annum



Coffee: £625 per annum



Minibreak: £350 per annum



Gym: £550 per annum



Mobile upgrade: £77

While this suggests a generation of die hard party people who can't cook but like gambling, don't be fooled—the average cost of a pint in the UK has gone up by 20% since the 1970s, and buying one sandwich every weekday would amount to £2,500 per year.

These prices dispel the myth that young people are financially reckless, and instead show a generation in the grip of forced restraint, unable to purchase lunch every day or hit the pub several times per week.

Travel is a major selling point for millennials. GfK<sup>4</sup> found that this generation spends around £150 billion each year on flights, itineraries and accommodations globally. Within this, experience destinations and culture-based trips came out on top; the Pyramids of Giza, Great Wall of China, pizza making in Italy and swimming the Great Barrier Reef all ranked high in terms of desirability.

Brands like AirBnB offer a masterclass for those looking to tap into this market.

The company sells itself on guests immersing themselves in local culture by staying in a local's home, rather than checking into a hotel and hanging a sign up that says 'tourist'.

**In many ways this is the definition of the millennial perspective.**



# Millennials and experiences

It's no wonder millennials are choosing to go and do something, rather than simply visit somewhere. Overall, this demographic has repeatedly been shown to prefer experiences over possessions.

Barclaycard processes around half of Britain's credit and debit card transactions and has highlighted an emerging spending trend towards experiences rather than items—between 2016 and 2017 pubs, restaurants, cinemas and theatres saw significant growth in business (more than 10% each), while department stores, vehicle sales and purchases of household appliances dropped.

Cue a rally from retailers, with shops turning into destinations through design, interactive features and more, taking us well beyond a simple point of sale. As far back as 2014, Eventbrite found UK millennials fork out more than £419million on live events each month. 66% of those surveyed at the time said they felt more fulfilled from experiences than products of the same value.

## Experiential and event marketing

The result has been a swift rise in what's called 'experiential marketing'—whereby bonds between consumer and brand are formed, or bolstered, through a memorable, fun activity. It's not necessarily a new concept, but it is a new trend.

In addition, more and more companies are looking to ally themselves with major youth culture assets. Music festivals are a prime example whereby a business can reach a millennial audience through association with something of value to the target audience, rather than launching a standard advertising campaign aimed at that group.

Red Bull is a prime example of this—both its sports and music events are major promotional exercises but have won the respect of niche audiences, and are considered highly authentic and credible despite coming with a huge amount of branding.





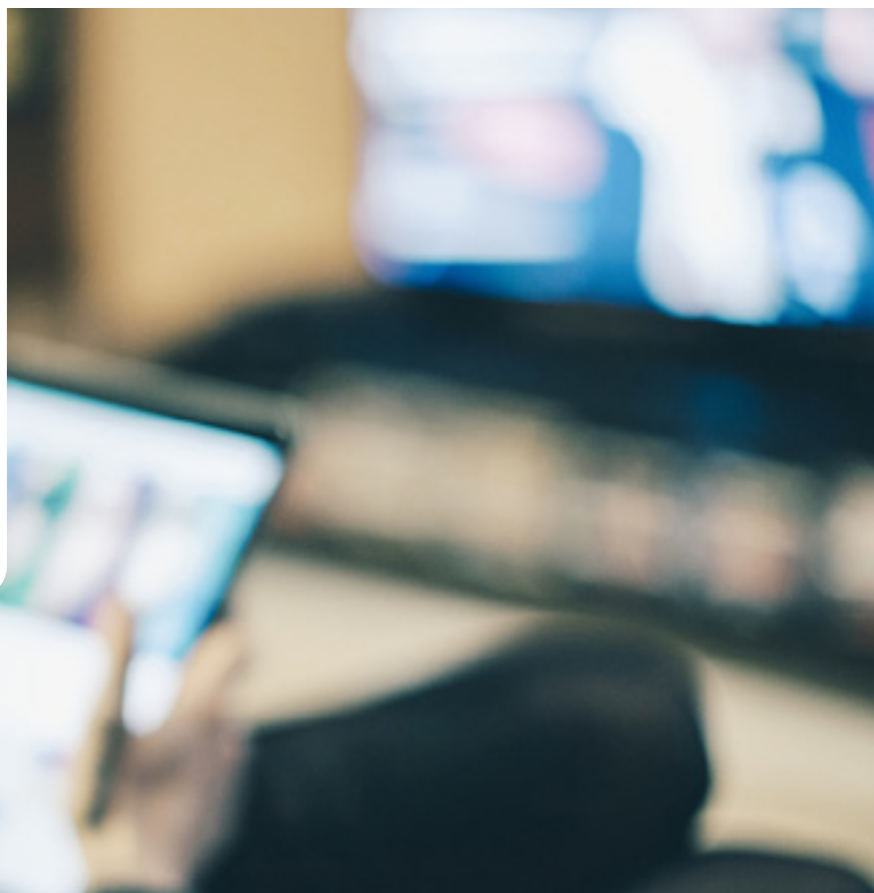
# Millennials and media consumption

The media habits of millennials are different to previous generations, because they have grown up in a very different media age. According to comms specialist IPA<sup>5</sup>, 15-34 year olds consume more television than anything else, but the line is increasingly fine:

Average Daily Hours	Weekly Reach	Medium
3hrs 45 minutes	98.9%	TV/Video
3hrs 38 minutes	94.6%	Social Media
3hrs 25 minutes	99.5%	OOH
2hrs 44 minutes	91.5%	Radio/Audio
2hrs 32 minutes	75.4%	Internet
2hrs 14 minutes	14.4%	Cinema
56 mins	35%	Newsbrands
46 mins	20.7%	Magazines

Perhaps one of the most telling trends to emerge within the millennial demographic is multi-screening or multi-tasking. Baby Boomers and Generation X members are more likely to give a TV channel their undivided attention, but can be quick to change over when adverts begin.

By comparison, 16-35 year olds are unlikely to switch over to avoid commercials, but are often plugged-in to more than one device. Companies that divide marketing resources across multiple platforms can see good results with this group as millennials are responsive to cross-platform and cross-device campaigns.



## Millennials and Earned Media

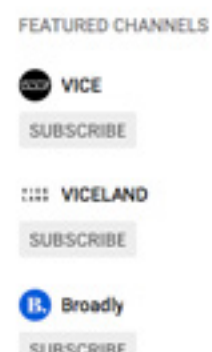
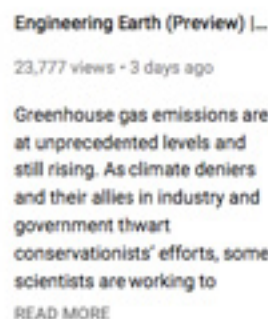
The statistics for millennials and traditional advertising and marketing methods don't look too hopeful. According to Hubspot data, 84% of this demographic no longer trust what commercials tell them. When it comes to media such as newspapers, magazines and websites the situation appears similarly worrying.

Between 2001 and 2013 the number of millennials relying on newspapers as a primary source of information fell to 22%, its lowest ever rate for any age group.

Google claims millennials watch 50% less broadcast television than those over 35, and there are innumerable surveys that show this age group has a huge distrust of what is reported.

Don't assume millennial simply have no interest in media, though, but instead consider how times, and accessibility, are changing. Social media has smashed a huge hole in the media's ivory tower, including as a news source— we'll look at this aspect in more detail shortly.

There is also much more choice out there, with independent news sites, blogs and YouTube channels just three examples that show the old establishment is no longer in complete control.



## Pluralism is Power

From a marketing and PR perspective this doesn't mean that earned media coverage is useless. In fact, far from it. Nielsen reports that earned media remains the most trusted commercial source of information, with 92% of all consumers having some faith. In contrast just 50% would say the same about advertising.

Brands need to consider the full range of media available to them for coverage to work. Pluralism is winning the day, niche titles are more influential and important than ever. The key is using strong measurement and evaluation methods to figure out not only which outlets have the most reach, but also the greatest level of engagement from an audience relevant to you— a national newspaper print article may actually be less effective than a nod from that well-respected website specialising in your market, despite lower readership numbers.

## Millennials and Social Media

Millennials were the first social media generation, and have watched the major networks grow from fledgling startups to multi-billion dollar global businesses. But what are their social media habits really like?

UK millennials will spend 6-7 hours per week on social networks

In terms of network breakdown, here's the leaderboard...

**SOCIAL MEDIA PLATFORMS USED BY  
UK INTERNET USERS, BY AGE, SEP 2017**  
(% of respondents in each group)

	16-22	23-34	35-49	50-65	TOTAL
FACEBOOK	75%	80%	69%	58%	71%
YOUTUBE	72%	55%	39%	32%	52%
TWITTER	44%	37%	31%	17%	33%
INSTAGRAM	59%	38%	16%	9%	33%
SNAPCHAT	56%	20%	6%	3%	25%
PINTEREST	16%	20%	13%	12%	16%
LINKEDIN	8%	20%	17%	12%	13%
TUMBLR	17%	6%	2%	1%	8%
TWITCH	13%	4%	1%	-	6%
OTHER	2%	1%	1%	1%	1%
NONE	3%	5%	15%	26%	11%



## Sharing

If millennials value experiences highly and are inherently social media literate it stands to reason they are keen to share. According to BI Intelligence, this is the demographic that's most likely to share content on networks, a truth that should guide marketers when planning campaigns.

The idea of sharing experiences doesn't end there. Millennials respond best to brands that start conversations they can join in with, and share thoughts about. With this in mind any company looking at content marketing must be vigilant with standards, as quantity is far less important than how innovative, interesting and engaging the content is.

### What makes content sharable for Millennials?

#### **EMOTION**

Does it make them feel happy, sad, angry, even outraged?

#### **RELEVANCE TO LIFE EXPERIENCE**

"THIS IS US!"

#### **HUMOUR**

Something that strikes a chord

#### **NOSTALGIA**

Everyone likes being reminded of their childhood



# Key takeouts: Millennials and marketers

So what can we take as gospel from the information included in this guide? How can the stats be distilled to offer a solid overview of a huge demographic? Let's have a look...

## Millennials are not millennials

It's vital to understand that the very nature of this guide would appear rather cynical to millennials. We know they are prejudice against marketing, the media and advertising, and the only way to overcome that is through understanding how they think:

- 1 Many millennials do not consider themselves millennial due to disagreements over age range and a lack of distinct, shared interests and experiences; it is impossible to truly define this group
- 2 Millennials do not want to be targeted en masse - their generation is about individuality and personalisation, so lumping the entire group together is never ideal
- 3 Millennials want to feel they have an impact on every aspect of their life— they value startup culture and entrepreneurship, are loyal to firms they agree with ethically, want to work for companies that respect rather than exploit staff, and like to be active in the spread of information
- 4 Millennials are sceptical of consumer culture, and place the most value on things which cannot be updated or outdated— experiences make memories that will last far longer than a new car; this attitude towards spending money reflects a wider perspective which results from growing up in an era when many capitalist ideals are failing

# What marketers need to remember about millennials

As a final series of points, when looking to start marketing to millennials it's vital that you do not forget:

## **TRADITIONAL IDEAS ARE DEAD**

This generation has seen them all before, from birth.

## **TRANSPARENCY AND AUTHENTICITY ARE ESSENTIAL**

Millennials are distrusting of big business, big media and the establishment because of past lies and mistruths, but will react favourably to brands that are honest and responsible.

## **INTELLIGENT CONTENT IS NOW KING**

Young people want to share, but will only share high quality things, anything less than innovative, emotional and engaging is unlikely to garner much of a response.

## **ATTEMPTING TO SPEAK TO THE DEMOGRAPHIC AS A WHOLE IS A MISTAKE**

Brands make headway with accurate targeting, personalisation and relevance, all others are doomed to failure.





**Speak to an  
millennial  
marketing  
specialist today  
to help plan  
your campaign.**

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## About the author

In nearly 20 years in communications, Rick has advised global brands and family start-ups on managing their reputations in order to meet organisational goals. He is passionate about closing the loop from audience planning through implementation to measurable effectiveness.



## Sources

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<sup>4</sup>GfK

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