

# Marketing to Millennials

Who is Generation Y? There are various ways of defining this demographic, though broadly speaking, they refer to the segment of the population born after the post-Baby Boom generation – that is, after the Gen Xers of the 60s and 70s. This would include those born from about 1980 onwards to the middle or late 90s, just before the dot-com bubble.

Business strategist and psychologist Don Tapscott, in his book *Growing Up Digital*, referred to this generation as the “Net Generation” – the first one to grow up in a digital-driven world. This is the most technologically-savvy generation on record – having grown up with electronic toys and learning aids, computers, cable tv, mobile phones – and broadband Internet access. They are the first generation to be truly “online”.

Consider the following statistics from a 2007 survey of approximately 8,000 college students in the U.S.:

- 97% own a computer
- 94% own a cell phone
- 76% use Instant Messaging.
- 34% use websites as their primary source of news
- 28% own a blog and 44% read blogs
- 75% of have a Facebook account
- 60% own some type of portable music and/or video device such as an iPod.

It's not hard to extrapolate these statistics to Singapore, where mobile phone penetration has exceeded 100% and where teenagers regularly come out tops in text-messaging speed competitions. Informal surveys show that many are members of multiple social networking sites, spend hours in front of the computer instant messaging their friends, and own multi-capability mobile phones, with which they take pictures, shoot videos, and immediately beam across the world on file-sharing sites and their own blogs.



Gen Y have grown up in a very different social environment from previous generations. They have been largely sheltered from major world recessions, exposed to globalization, and have been brought up in smaller, wealthier, more indulgent families. They depend on their parents for longer, marry later, divorce at the drop of a hat, and are even less inclined to have large families. These factors have all combined to create a generation that is mobile, not given to commitment (financial or otherwise), confident, and unabashedly consumerist. An advertiser's wet dream? Read on.

## How is marketing to millennials different?

Having grown up in a mass media deluge – with advertising campaigns continuously bombarding them via print, television, the Internet, and mobile devices, - and having grown up with Internet-enabled computers in their homes, Gen Y tune out advertisements, seeing them as noise and clutter. And, accustomed to having continuous information at their fingertips, they are especially distrustful of marketing and hard-sell tactics. Their natural skepticism leads them to distrust product claims in ads, believing them to simply “always paint the nice side of things.” (from a 2007 KPMG survey on Gen Y attitudes).

At the same time, they are a hyper-connected lot that are totally comfortable with harnessing technology and using it to communicate with each other, rapid-fire mode, 24/7. ‘Communication’ refers not only to IM messages or text messaging, but extends to blogging on the go, participating in peer-to-peer media such as YouTube and Flickr and playing games on social networks. This hyper-connectedness has created a generation that actively seeks out and places significant value on the advice, experiences, and opinions of their peers. In contrast to Gen X, which was marked by a focus on individualism, Gen Y is group-oriented.

This extremely marketing-savvy group understands how companies actively court them. As a result, they are quick to rebel against overt, in-your-face advertising on channels they view as ‘their’ domain. To them, new media is purely a means of communication. It is not a “media” form the way print and TV are. They see themselves as not merely using or consuming new media, but simply communicating with each other. As the recent backlash against Facebook’s attempts to introduce more obvious, targeted advertising on the network shows, they will not tolerate interruption of their communication by advertisers attempting to “trick” them into buying products. To be successful, advertising on such platforms needs to take a very different tack from traditional campaigns.

## Why the interactive channel is important

According to research from Yahoo! and Carat Interactive, Gen Y uses media differently from previous generations, particularly interactive media. Not only are they spending more time online than watching TV, they have established the Internet as the hub around which all their media activity revolves, and, indeed, around which their lives revolve. It is their preferred channel in communicating with each other and the world. It is the first channel they turn to in their search for information.

Here are a few Gen-Y targeted, interactive marketing case studies to consider:

### ▶ Citibank RippleVox campaign

To launch its new Clear Card targeted at students and National Servicemen whose incomes did not qualify them for a credit card, Citibank Singapore engaged RippleVox to create a word-of-mouth marketing campaign for it. RippleVox targets this precise demographic through a network of “Ripplevoxers”, selected by the company for their ability to evangelise new products and services. Ripplevoxers get to try new products, services, and attend events before anyone else. They are then in a prime position to create and spread buzz about the product among their peers through blog entries, online and offline reviews and discussions. While exact figures have not been released, the agency says that Citi reached its target well before schedule. This, says RippleVox’s Ian McKee, works because “friends trust each other ... it does not pass through the media. It’s trusted communication between friends.”

### ▶ Resident Evil and Facebook Zombies

One mistake companies make today is to simply try to get into channels without an effort to generate talk. Simply putting flyers on Facebook or uploading a made for TV advertisement onto YouTube is not enough. What works today are downloadable, useful online applications and widgets.

Take a leaf from Sony Pictures’ book, which leveraged on the already existing Zombies application on Facebook to promote its Resident Evil Extinction zombie flick. The application is based upon a simple game which allows users to gain levels and power by ‘biting’ other users, thereby encouraging them to sign up and download the application. Sony Pictures approached Zombies’ creators to run a campaign on the application,

offering one lucky winner a trip to Las Vegas. By September 2007 (when the movie was released) it had been downloaded 3.6 million times, was the 19th most popular application on Facebook and had 220,000 daily users.

## ► Mentos Geysers and Trevor the Mentos Intern

In the summer of 2006, entertainment site epybird.com released a video of what happens when Mentos candies react with Diet Coke. The resulting “geyser” video spread virally, generating thousands of views each hour and passing the 3 million views mark within a few months. Mentos was quick to capitalise on this, shipping epybird cases of free Mentos for further experimentation and sponsoring “Make Your Own Mentos Geysers” competitions. That year, Mentos sales went up 20% - the highest increase in the company’s history.

The company went further with its “Trevor the Mentos Intern” campaign in 2007. They hired a slightly dorky, good-natured, energetic 19-year-old from Kentucky to be the world’s intern, put him in front of a camera, encouraged people to go online and set him tasks to do, and uploaded the resulting videos to YouTube. From 9-5, Monday to Friday, users around the world put Trevor to work buying lunch, calling them in sick to work, and working on their own assignments. The campaign’s purpose was simple – to increase Mentos brand awareness among the Gen Y demographic. Mentos had to increase the size of its server and bandwidth in order to accommodate the growing number of site viewers and the length of their stays, and the site generated 30,000 Google hits in its first three weeks.

## Conclusion

Moving forward, marketers are beginning to wake up to the potential of the interactive channel not merely as a way to sell Gen Y the products that would appeal to them now, but as a way to build recognition for and affinity to products and brands that they will be consuming in the future – such as financial services and luxury goods. To ensure continued growth, companies need to start engaging Gen Y on their turf now. Marketeers need to think out of the box. For some fresh new ideas on how to engage Gen Y with your brand, contact us today!

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