



American Millennials: Deciphering the Enigma Generation

Executive Summary

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Development of Survey and Methodology

- Development of the survey was a collaborative effort between Barkley, Boston Consulting Group (BCG) and Service Management Group (SMG). The three firms participated in the design of the survey questions and structure.
 - SMG administered the survey; they obtained the online panel, scrubbed the responses for data validity and generated the statistical output.
- The online random panel sample was comprised of 3,896 Millennials (eligible ages 16-34) and 1,129 Non-Millennials (eligible ages 35-74).



Development of Survey and Methodology

- With 5,025 survey respondents and more than 3.9 million data points, a detailed analytical plan was developed to mine the survey results for key trends and specific insights.
- All respondents (n=5,025) answered questions regarding: lifestyle (health and wellness), social and political issues, cause marketing, and digital, social and mobile usage.



Development of Survey and Methodology

- Based on screening questions, respondents then qualified for one of four additional question sets regarding preferences and habits related to: Apparel (Retail), Restaurants, Grocery (CPG) and Travel⁽¹⁾. Markets were segmented by:
 - General cohort
 - Gender
 - Frequency and spend
 - Household income
 - Household composition
 - Race/ethnicity⁽²⁾ - Hispanic, Non-Hispanic

(1) Travel section included leisure and business travel. Not all respondents completed both sections, so aggregate Millennial, non-Millennial sample size is an estimate.

(2) Online survey does not capture the lowest income bracket of Hispanics, compared to 2010 Census data.



Development of Survey and Methodology

- Sample demographics (race and household income) were weighted to approximate the current U.S. population (based on the 2010 U.S. Census). A conservative estimate of the margin of error for comparisons between Millennials and Non- Millennials (control group) in the study is +/- 3.3%.



Initial Key Findings

- **Millennials are the first generation of “digital natives.”**
 - Our research shows that Millennials are 2.5 times more likely to be an early adopter of technology than older generations. Fifty-six percent of Millennials report that they are among the first to try a new technology.
 - Millennials stand out when it comes to producing and uploading online content, including photos, videos, wiki entries, blog posts, micro-blog posts and product/service reviews. Sixty percent of them participate in this activity, compared to 29% of non-Millennials.
- **Millennials are interested in participating in your social marketing.**
 - Millennials are significantly more likely than non-Millennials to explore brands in social networks (53% vs.37%). And when it comes to making purchases, Millennials are far more likely to favor brands that have Facebook pages and mobile websites (33% vs. 17%).



Initial Key Findings

- **Millennials believe in cause marketing.**
 - Millennials are more likely than non-Millennials to develop a more positive image of a company as the result of cause marketing programs (55% versus 48%). More Millennials than non-Millennials attempt to buy products from companies who support the causes they care about (52% versus 45%). More Millennials than non-Millennials reported finding that corporate programs make cause involvement easier (43% versus 27%).
- **Millennials crave adventure.**
 - Significantly more Millennials than non-Millennials described themselves as adventurous (69%) and expressed a desire to be considered a "done-it-all" (46%). More Millennials (57%) reported a willingness to encounter danger in pursuit of excitement, compared to non-Millennials (26%).



Initial Key Findings

- **Millennials strive for a healthy lifestyle.**
 - Sixty percent of Millennials say they try to work out on a regular basis. Twenty-six percent consider themselves health fanatics. Much of this focus on health is really due to vanity and/or the desire to impress others - 73% exercise to enhance their physical appearance. They're also fans of relaxation and rejuvenation, as 54% regularly treat themselves to spa services.
- **Millennials seek peer affirmation.**
 - Seventy percent of Millennials are more excited about a decision they've made when their friends agree with them, compared to 48% of non-Millennials. And 68 percent of Millennials usually don't make a major decision until they have discussed it with a few people they trust, compared to 52% of non-Millennials.



Initial Key Findings

- **Grocery: Brand Notes**

- Millennials show highest personality fit for Walmart Supercenter, Kroger, SuperTarget, Whole Foods, Trader Joe's, Costco, Publix and Sam's Club – names that also appear high for non-Millennials.
- Millennials reported shopping aspirations in line with their existing shopping mix, while emphasizing a desire to simultaneously save through mass retailers and club and specialty shop at premium priced stores.
- Millennial men report wanting to shop even more at club stores; Millennial women report want to shop even more at SuperTarget and specialty food (e.g., Trader Joe's).



Initial Key Findings

- **Cause: Brand Notes**

- Millennials overall were more aware of Gap/Product (RED) Eliminate AIDS in Africa, Dove Campaign for Real Beauty, Pepsi Refresh, Tom's Shoes One for One Campaign, and Nike and Lance Armstrong Foundation Live Strong than their non-millennial counterparts.
- Male Millennials tend to be more aware of cause marketing campaigns from retailers and branded manufacturers more patronized by men, e.g., 7 Eleven (Coffee Cup with a Cause), Home Depot (1,000 Playgrounds in 1,000 Days), and Timberland (Earthkeepers/Plant a Tree).
- Hispanic and Hispanic/multi-racial Millennials demonstrate awareness of cause marketing campaigns from retailers and brand manufacturers more patronized by them, e.g., 7 Eleven, Avon, Home Depot, SONIC and Target.



Initial Key Findings

- **Restaurant: Brand Notes**

- Well-known “fast food” chains (McDonald’s, Taco Bell, KFC, Burger King, Subway, Wendy’s) hold the top spots in aided awareness for all respondents (93-97%).
- The instances of under-awareness of Millennials, relative to non-Millennials occurs with fast food chains that have a lower profile than previous years (Hardee’s, Arby’s, Denny’s) and less visible casual chains (Red Lobster, Boston Market, Cracker Barrel).
- Newer, emerging restaurants are more often on the radar of Millennials and lesser known to older generations (Chipotle, Five Guys, Qdoba, Jamba Juice, Jimmy John’s).



Initial Key Findings

- **Retail: Brand Notes**

- Female Millennials report shopping more at Target whereas non-Millennials report shopping more at Kohl's.
- Female Millennials report wanting to shop even more at Victoria's Secret whereas female non-Millennials report wanting to shop even more at specialty retail aimed at their demographic as well as at Macy's.
- Male non-Millennials report wanting to shop even more outdoor/catalog heritage specialty (functional outdoor clothing) e.g., Cabela's, Eddie Bauer, Lands' End and at Brooks Brothers and Jos. A. Bank.



Initial Key Findings

- **Retail: Brand Notes** (continued)
 - Female Millennials describe AEO as more fitting their lifestyle and personality whereas female non-Millennials report Kohl's, Macy's and Walmart as more fitting their lifestyle and personality.
 - Male non-Millennials describe outdoor/catalog heritage specialty (functional outdoor clothing) and luxury department stores as more fitting of their lifestyle and personality than their Millennial counterparts.

