

# MILLENNIAL RESEARCH

## The Case for Segmentation



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# Intro



Millennials number over 75 million individuals in the U.S. and are the generation to watch through 2050. They are shaping every aspect of society around the world. I view millennials as being wonderfully complex. However they are often described as a “shady” homogeneous group, mischaracterized and misunderstood. Like every generation before them they are different; what they value is different; the tools they use to navigate the world are different; the way they express themselves is different; and their expectations on how to engage them is very different.

***Millennial Research: The Case for Segmentation*** was meant to peel back the layers and uncover fundamental truths about demographics and lifestyle attributes they share universally, as well as, how they can be segmented into unique groups. Consider this: the youngest member of the generation is headed off to college while the oldest are planning for their children’s college education. Core human “need states” are just as relevant to this generation as to previous. Like every generation behavioral drivers change over time and life stage. A more granular approach to unpacking compelling behavioral pillars of truth about millennials is imperative for any business that hopes to be successful. If you take a closer look, I think you will find millennials to be far from homogeneous, and as “wonderfully complex” as I do.



# About the Author

Earnestine Benford is the owner of Creating Breakthroughs LLC, a marketing management and research consultancy dedicated to equipping organizations with the ability to solve challenging consumer-centric questions that drive growth.

She is a global B2C/B2B consumer marketer coupled with extensive market research experience. During her 25-year career she has held senior level strategic roles in Fortune 100 companies e.g. The Coca Cola Company, Sara Lee Corporation and Disney Consumer Products. Additionally she has consulted with Population Service International (Kenya) and Fleury Michon (France).

Core competencies include: Consumer Trends, Qualitative/Quantitative Research Studies, Millennial Consumer Segmentation and CX Strategies.

She was trained as a focus group moderator at Burke Institute. She has vast experience in developing and implementing national/local studies that lead to sound strategic direction with specific actionable results.

Earnestine received her BA from Smith College, Northampton MA and her MBA in Finance from Washington University, St. Louis MO. She is active in key organizations within the St. Louis area.



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fueling innovation





## Connect, Don't Impress: How to Reach Millennials in an Impactful and Authentic Way

By Kylie Lobell



## 5 Ways Successful Brands Win With Millennials on Social Media

By NewsCred



## 4 Rules To Build A Content Marketing Strategy Aimed At Millennial Men



AUDIENCE

50% Of Millennials Read BuzzFeed  
Why Marketers Should Care

# Millennials Matter



## What Women Want: How to Create Content Marketing for Millennial Women



# Millennials at work

## Reshaping the workplace



- .....
- “In this day and age, you have to be
  - flexible and you can’t rely on working for
  - the same employer for many years.”

*Female graduate employee, Germany*

“My career will be one of choice, not one chosen out of desperation. It will align who I am with what I do.”

*Male graduate employee, USA*

- .....
- “Our capacity to attract, retain, and manage executive talent
  - does not depend on the compensation package, but rather on our ability to create a sense of belonging to an organization that offers a long-term relationship and a professional development opportunity, and that has a clear conception of itself, of what it wants to be, and how to achieve it.”

*Armando Garsa Sada*

*Chairman of the Board of Directors, Alfa SAB de CV, Mexico*



# Who Are They?



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MILLENNIALS ARE BORN BETWEEN



&





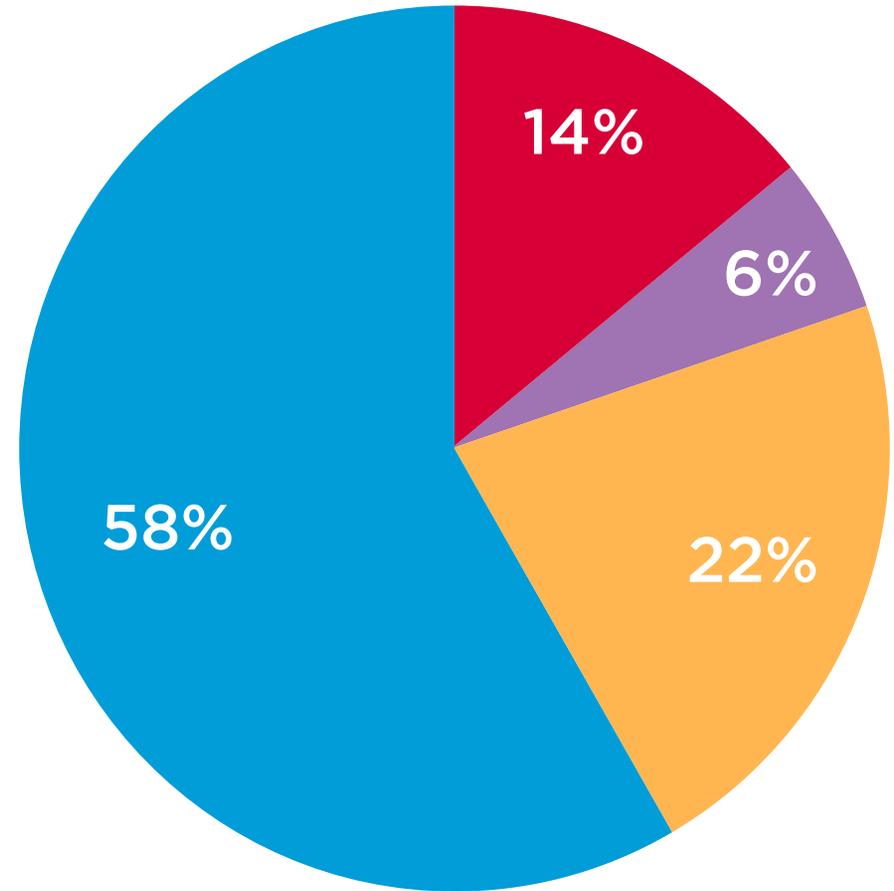
Millennials are now  
the largest generation  
ever, surpassing Baby  
Boomers.

**76 Million**  
(18-34\*)



# They Are The Most Ethnically Diverse Generation In The US

## U.S. Millennial Composition by Ethnicity

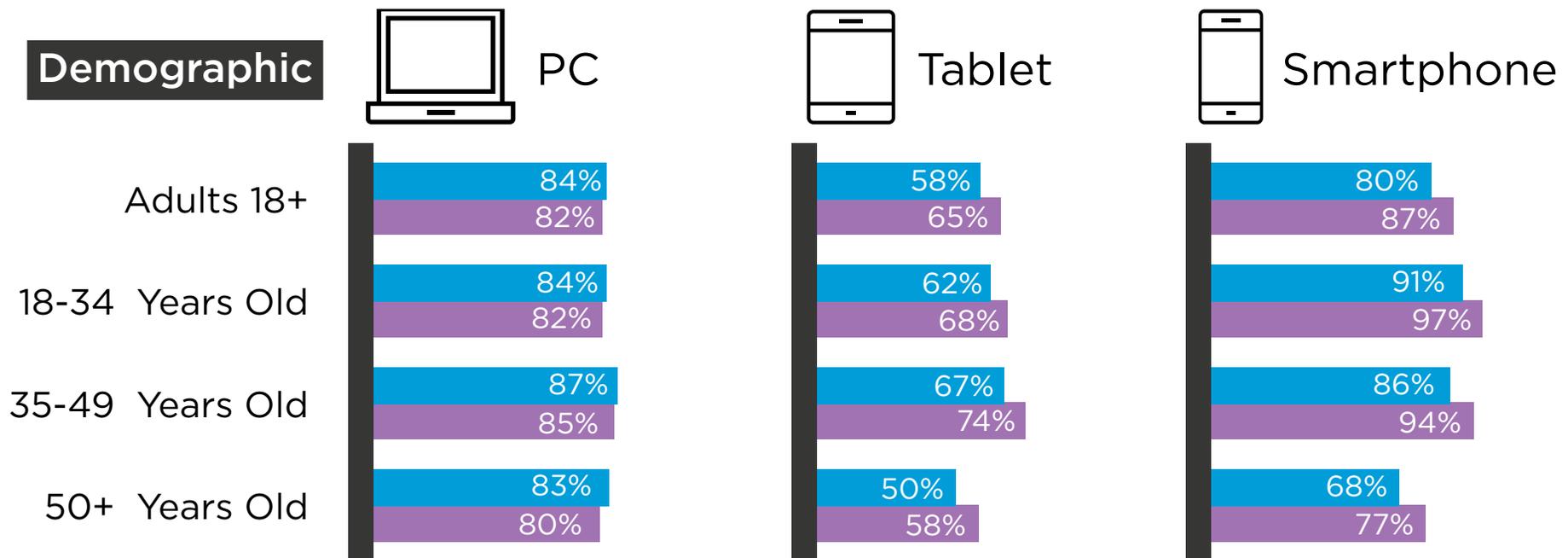


Generation	% Caucasian
Millennial	58%
Gen X	61%
Boomers	73%
Silent Generation	83%



# They Are Connected

Percentage of U.S. With Access to PCs, Tablets, and Smartphones



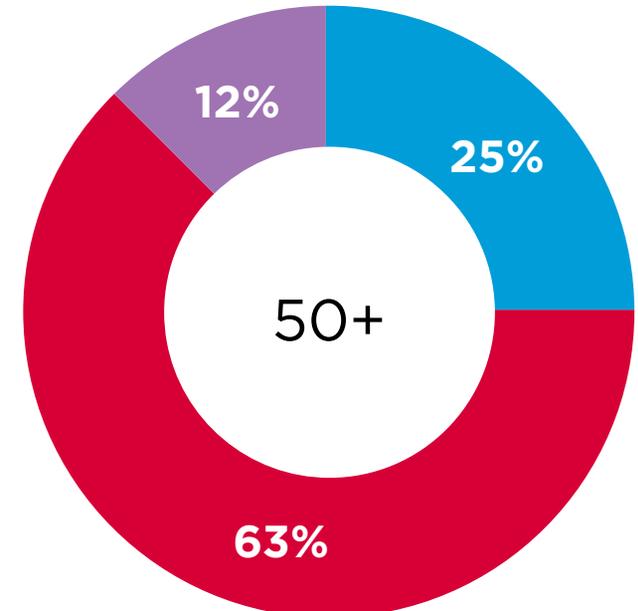
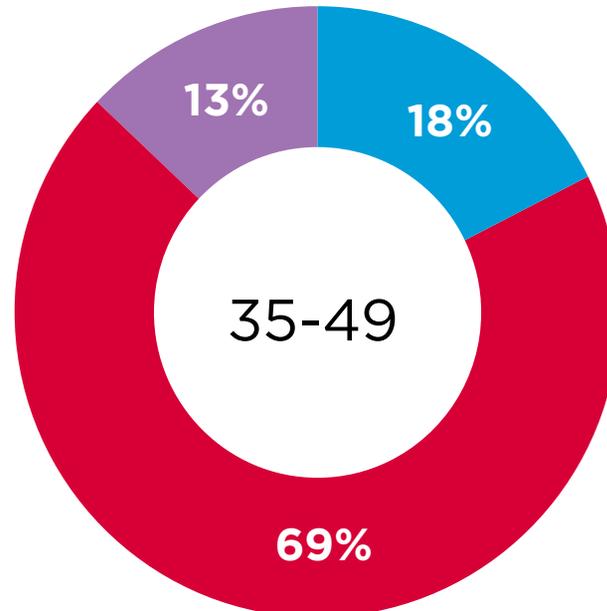
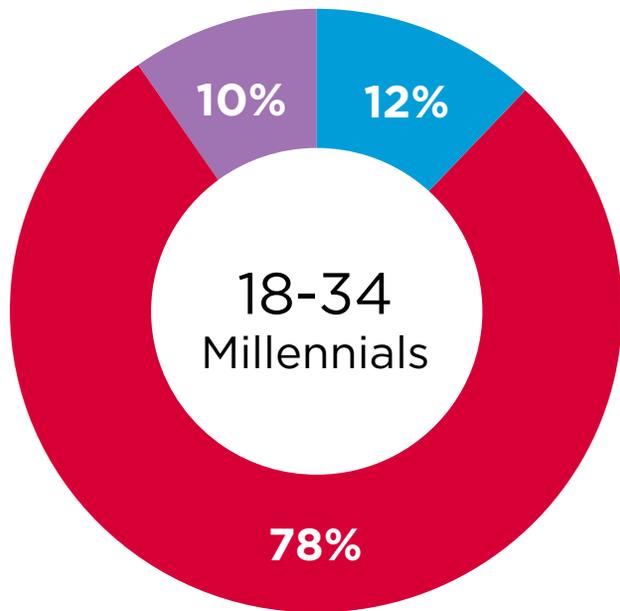
● Q3 2015

● Q3 2016



# They Are Connected

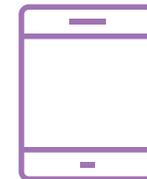
Share of weekly social minutes across devices (Q3 2016)  
By age demographic



PC



Smartphone



Tablet

# Percentage of Total Media Time Spent on Social Media

	By Age			By Gender (18+)		
	18-34 Millennials	35-49	50+	Women	Men	All Adults
Average Overall Weekly Time Spent on All Media (HH:MM)	26:49	31:40	20:22	26:41	23:27	25:07
Average Overall Weekly Time Spent on Social Media (HH:MM)	6:19	6:58	4:09	6:33	4:23	5:30
% of Overall Media Time Spent that is Social	24%	22%	20%	25%	19%	22%
% of Social Media Time Spent Increase from Q3 2015	21%	29%	64%	34%	38%	36%

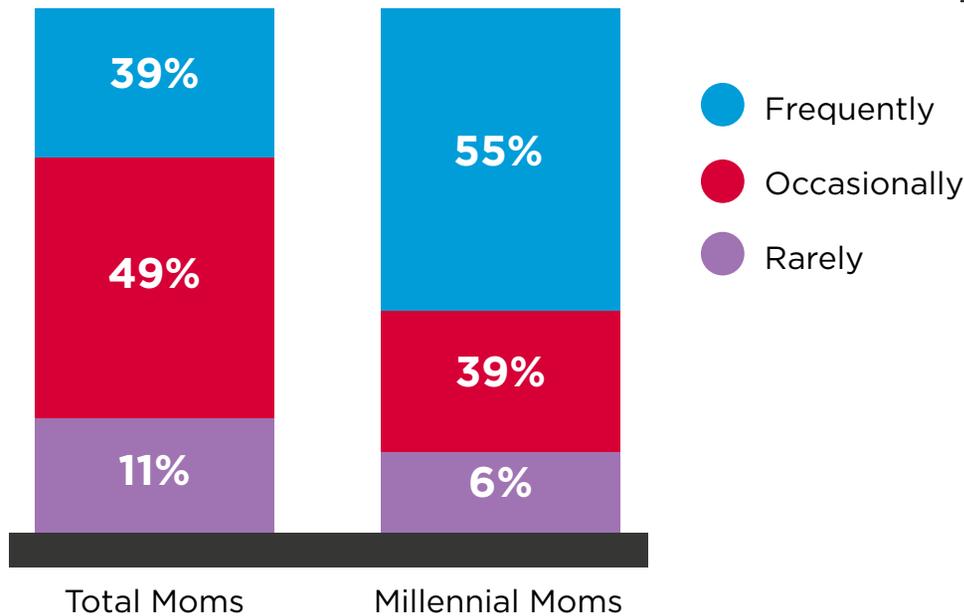
MILLENNIALS ARE  
**2.5X**  
MORE LIKELY TO BE AN  
EARLY ADAPTER OF  
TECHNOLOGY  
THAN OTHER GENERATIONS



# Millennial Moms Are Highly Influential & Share More Information

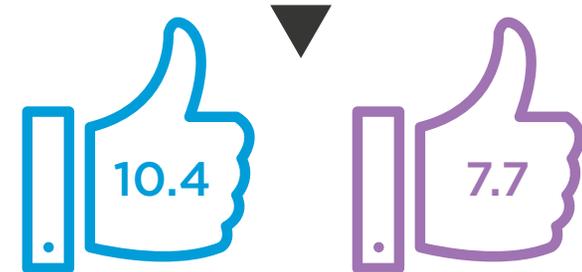
Millennial Moms are decision-influencers. They are more likely than Moms overall to provide opinions and recommendations. They also cite themselves as key advisors among their circle of friends.

How often do other people ask your opinion when making purchase decisions?



Millennial Moms were asked for a product recommendation an average of 9.3 times per month (vs. 6.3 times for Moms over all)

In an average month, the number of times... "Like" or recommend products or services online



Re-tweet or re-pin products or services online



Millennial Moms are spreading information on a wide range of products and services (in-person, online, or both).

# They Are Dedicated To Health and Wellness



BRIEF

## New clear plastic can offers

“And good, healthy food makes millennials happy. The push to eat healthier, more eco-friendly foods like cage-free eggs and the rise of the meal preparation companies that send customers nutritious, fresh ingredients that they can quickly make into a cooked meal — that’s all been attributed to the influence of the millennials.”



Forbes

GOOD ENOUGH  
TO TWEET

# 1/3 Own Pets

Business

## Millennials are picking pets over people

By Abha Bhattarai September 13, 2016



Millennials have supplanted Boomers as the largest US pet-owning population, according to data released by research firm GfK during Global Pet Expo 2015. That means 35.2% of the US' 75 million Millennials, defined by GfK as people age 18 to 34, own a pet, compared to 32.8% of Boomers. Apr 1, 2015

### MILLENNIAL PET OWNERSHIP

Millennials = 24% of US pet owners...

74%  
own  
dogs



49%  
are cat  
owners



19% have  
freshwater  
fish



They  
love  
brands  
that  
stand  
for more  
than the  
bottom  
line

- Almost 50% support a cause
- 37% are willing to purchase products & services that support their cause



# Nothing Beats A Good Story...

## Content Drives Affinity

80% Want brands to entertain them

46% Have posted self-created original photos or video online



# Purchase Interest Based on Brand Story

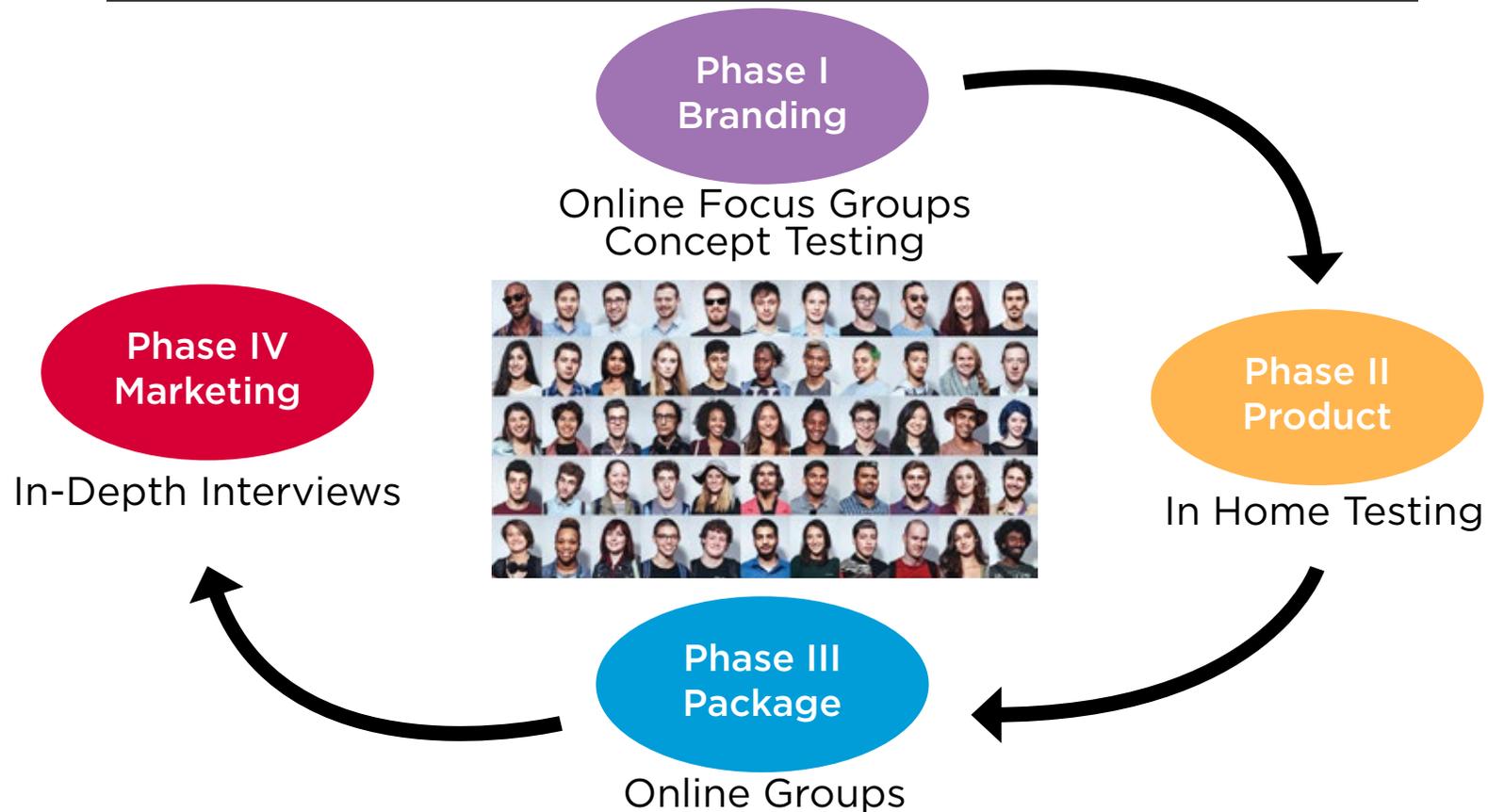
**74.7%**

OF MILLENNIALS SAY THEY WOULD EITHER **PROBABLY PURCHASE (34.7)**, OR **DEFINITELY PURCHASE (40%)** A FOOD PRODUCT BASED ON THEIR INTEREST IN THE BRAND'S STORY.



# Example Of Longitudinal Millennial Research Project

Community of 50-100 Engaged Throughout the Process



Timing: Approximately 5 Months



# Why Are They Important?

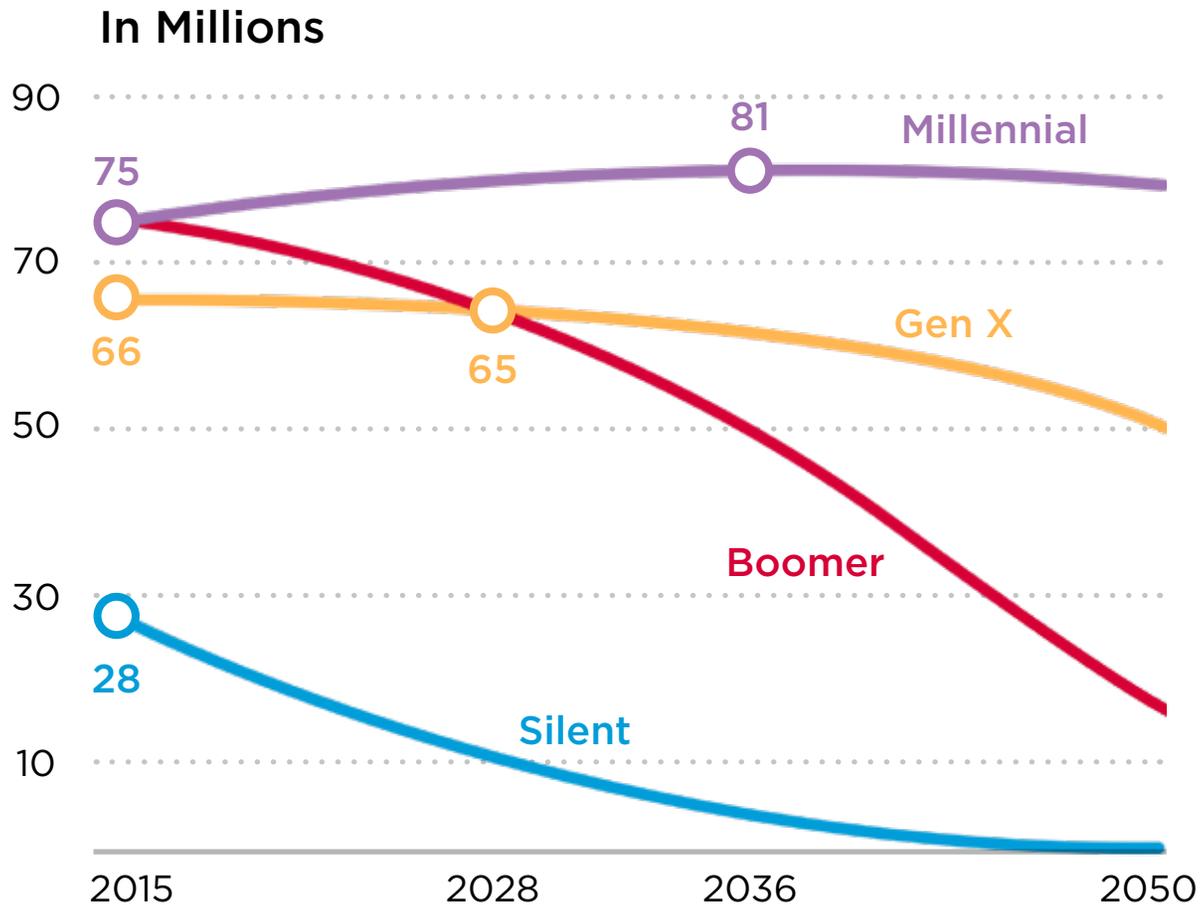


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# Millennials Overtake Baby Boomers as America's Largest Generation

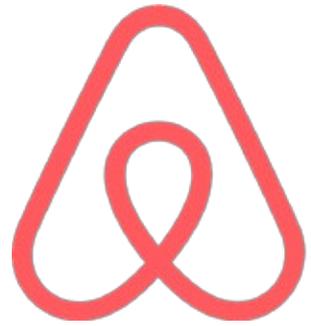


MILLENNIALS MAKE UP

**21%** OF CONSUMER  
DISCRETIONARY  
PURCHASES

WHICH IS ESTIMATED TO BE OVER A TRILLION  
DOLLARS IN DIRECT BUYING POWER  
AND A HIGH INFLUENCE ON OLDER GENERATIONS.





airbnb

facebook

Powered by Millennials



Instagram



U B E R

facebook 360

Explore Following Saved Timeline



# Powered by Millennials



# Are They One Big Happy Generation?



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# Happy? Yes. The Same? Not So Much...



The youngest millennials are headed to college... The oldest are planning for their **children's** college years.



# The 16 Year Age Span Encompasses Different Life Stages

- As of 2015 when most recent demographic research was conducted, millennials are between the ages of 18 - 34
- The age span impacts buying power, top life concerns, and financial goals
- For example, only 9% of those aged 18 - 24 are married, vs. 58% of those aged 30-34
- A Life Stage approach targets consumers by what they care about most in various life stages to be relevant and compelling



# Millennial Life Stage Segmentation

## Stage 1



**Dependent Adults**  
Living in someone  
else's home

## Stage 2



**On Their Own**  
Living in their own  
home without  
children

## Stage 3

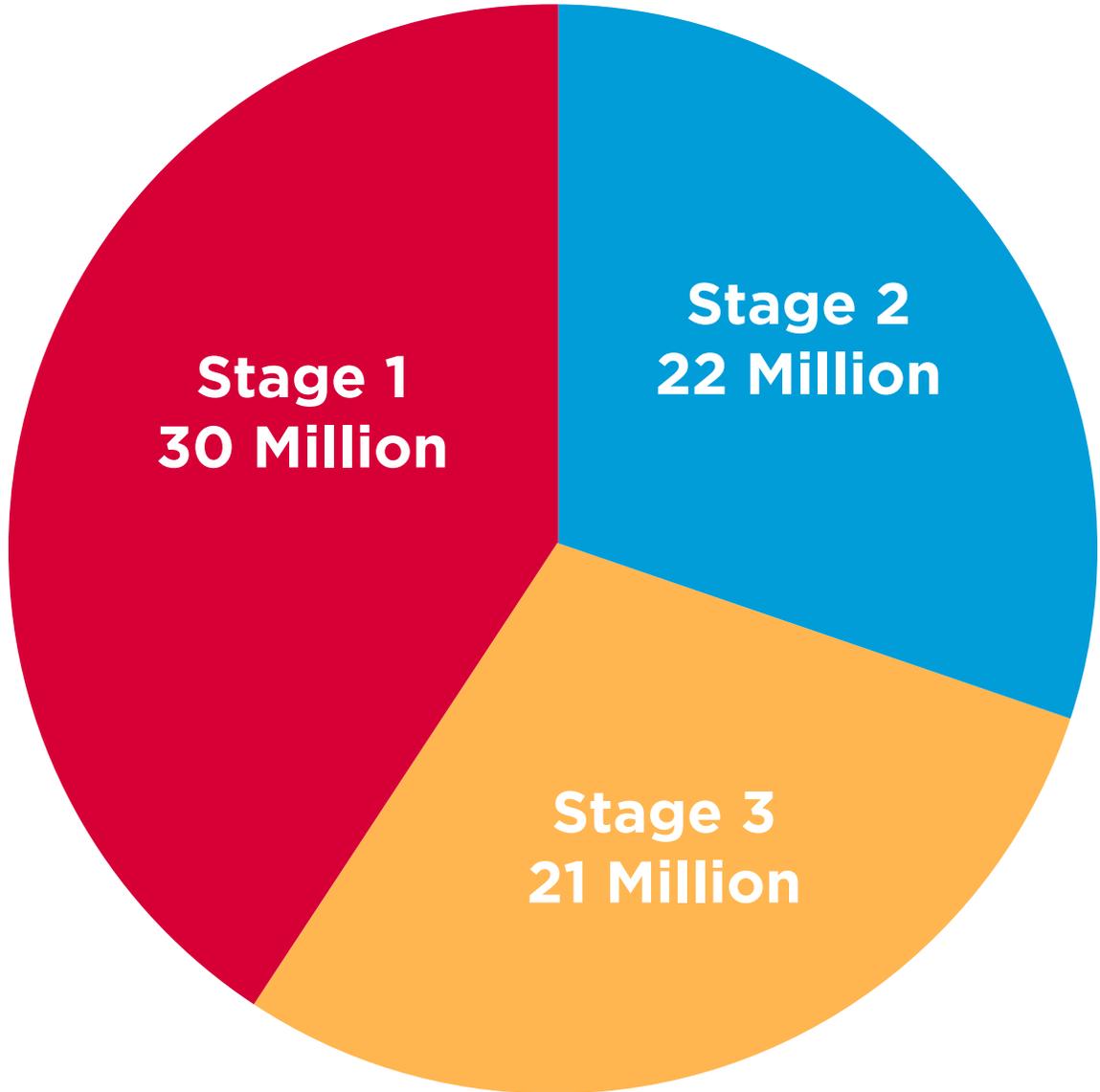


**Starting a Family**  
Living in their own  
home with children

# Millennial Life Stage Population In The U.S.

Stage 1: 18-24  
Stage 2: 25-29  
Stage 3: 30-34

Total Population Est. 73 Million  
as of 2015



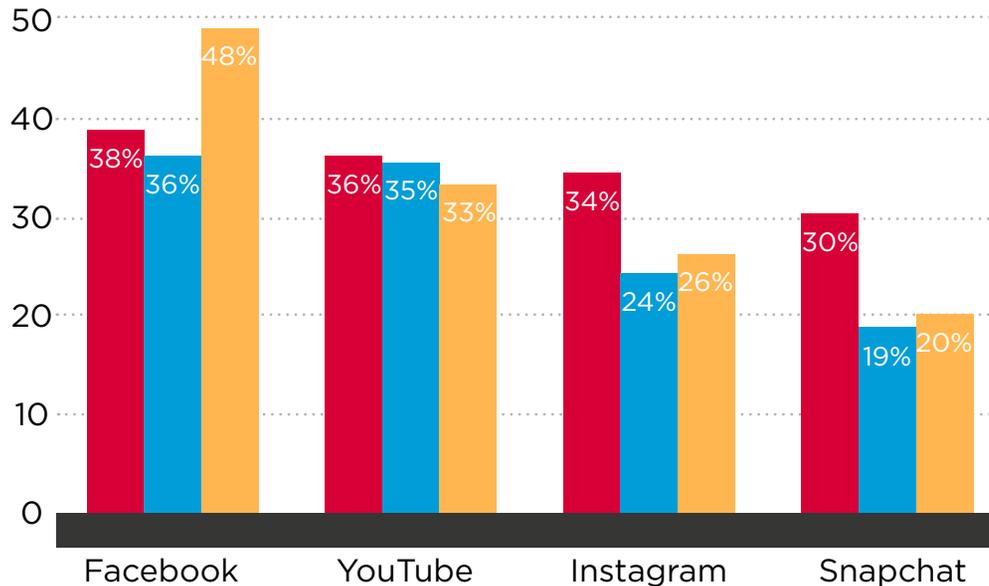
# Differences in Social Media Consumption

Millennials (18-34)

### Which best describes how often you use [social media platform]?

% Saying Every Day  
By Age

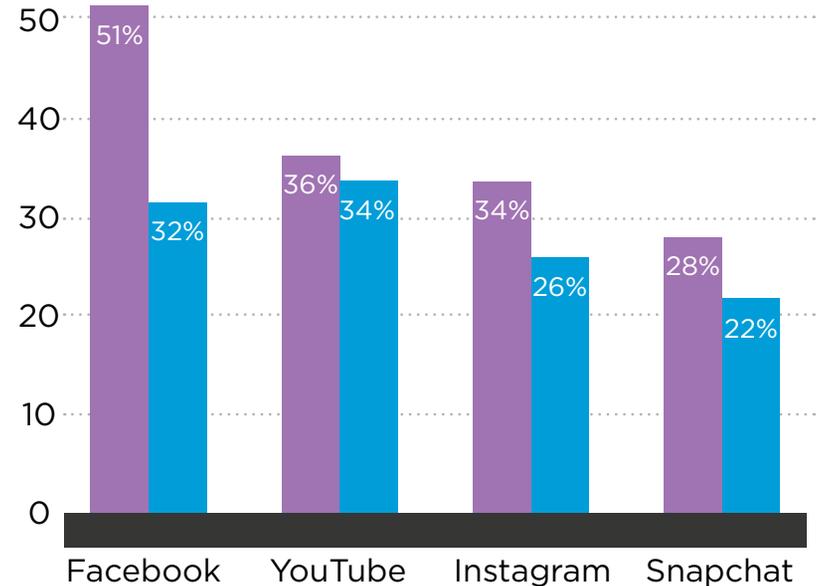
18-24 25-29 30-34



### Which best describes how often you use [social media platform]?

% Saying Every Day  
By Gender

Women Men



# Differences in Social Media Consumption

Which of the following social media networks do you use most?

Millennials (18-34)

	By Age			By Gender	
	18-24	25-29	30-34	Women	Men
Facebook	36%	41%	50%	51%	36%
Instagram	24%	17%	13%	17%	18%
YouTube	12%	14%	11%	9%	16%
LinkedIn	7%	10%	10%	6%	11%
Pinterest	9%	8%	8%	7%	10%
Snapchat	9%	9%	5%	8%	7%
Twitter	3%	1%	2%	2%	2%



# There Are Clear Differences in Marital Status & Presence of Children

Millennials (18-34)

Demographic %	Total Adults	Total Millennials	Ages 18-24	Ages 25-29	Ages 30-34
Married	55%	31%	9%	35%	58%
Children in household under 18	34%	38%	16%	48%	61%



# There Are Clear Differences in Top Concerns by Life Stage

Millennials (18-34)

Top Worries %	Total Adults	Total Millennials	Ages 18-24	Ages 25-29	Ages 30-34
Being Out of Work/ Finding a Job	20%	36%	47%	30%	25%
Taking Care of Your Parents	15%	24%	19%	24%	31%
Your Own Health	36%	29%	29%	25%	33%
Poverty/Social Equality	15%	19%	26%	17%	10%
Have Enough Money to Retire	30%	19%	11%	26%	25%

# Top Financial Goals

Millennials (18-34)

Top Goals %	Total Adults	Total Millennials	Ages 18-24	Ages 25-29	Ages 30-34
Money for Daily Living	15%	19%	26%	17%	10%
Emergency Funds	30%	19%	11%	26%	25%
Improve Standard of Living	40%	50%	61%	45%	40%
Children's College	19%	26%	19%	28%	35%
To Have Fun	25%	33%	40%	34%	22%

# Wealth Differs by Life Stage

Millennials (18-34)

Personal Income	Total Adults	Total Millennials	Ages 18-24	Ages 25-29	Ages 30-34
None	10%	16%	24%	12%	10%
Under \$25,000	39%	44%	58%	37%	32%
\$25,000 - \$49,999	25%	24%	13%	32%	29%
\$50,000 - \$99,999	18%	13%	4%	16%	22%
\$100,000+	8%	3%	1%	3%	6%



# Wealth Differs by Life Stage

Millennials (18-34)

Household Income	Total Adults	Total Millennials	Ages 18-24	Ages 25-29	Ages 30-34
Under \$25,000	17%	16%	18%	15%	14%
\$25,000 - \$49,999	21%	22%	22%	23%	20%
\$50,000 - \$99,999	31%	33%	30%	34%	36%
\$100,000+	31%	29%	30%	28%	30%



# Don't Believe the Hype!



# Life Stage, Income, & Affluent Millennials



If you are a Millennial and hold at least \$100,000 in investable assets, excluding real estate, then you are, by definition, an Affluent Millennial.

Many reports paint a picture of poor struggling millennials living in their parents' basement,

**BUT!**

There are approximately 15.5 million affluent millennials in the United States.

They spend \$2.0 trillion annually across a range of products and services.

# Affluent Millennials' Wealth Not Necessarily Coming from Traditional Jobs

Compared to Affluent GenXers, Affluent Millennials are:

**4x**

more likely to have gained assets from their family's business

**3x**

more likely to have gained assets from their own business

**2x**

more likely to have gained assets from an income property

**2x**

more likely to have gained assets from inheritance, clearly reflecting the ongoing \$59 trillion generational wealth transfer projected from 1998 to 2052



# The Same? Not So Much... Right?



# Why Millennial Life Stage Strategy?



Fundamental aspects of each life stage are shared and predictable, especially lifestyle behaviors.

People naturally move from one life stage to another.

Life influences that make each stage unique when compared to previous stages can be easily incorporated into messaging.



# Successful Segmentation of the Millennial Generation in 4 Easy Steps



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# Step 1

## Build On Classic Consumer Segmentation Demographics

Sex



Marital  
Status



Household  
Size



Type of  
Home



Household  
Income



Sexual  
Orientation



Education



Media  
Habits



# Step 2

## Identify Compelling Consumer-Centric Psychographics e.g. Life Stage Attributes

Hopes

Concerns

Self  
Expression

Beliefs



Dreams

Connections

Passions

Attitudes



# Step 3

## Create Compelling Brand Engagement/ Storytelling Platform



# Step 4

**Remember... It is NOT about your brand!  
It is about them and how your brand  
improves their lives!**



# Millennials and Online Research

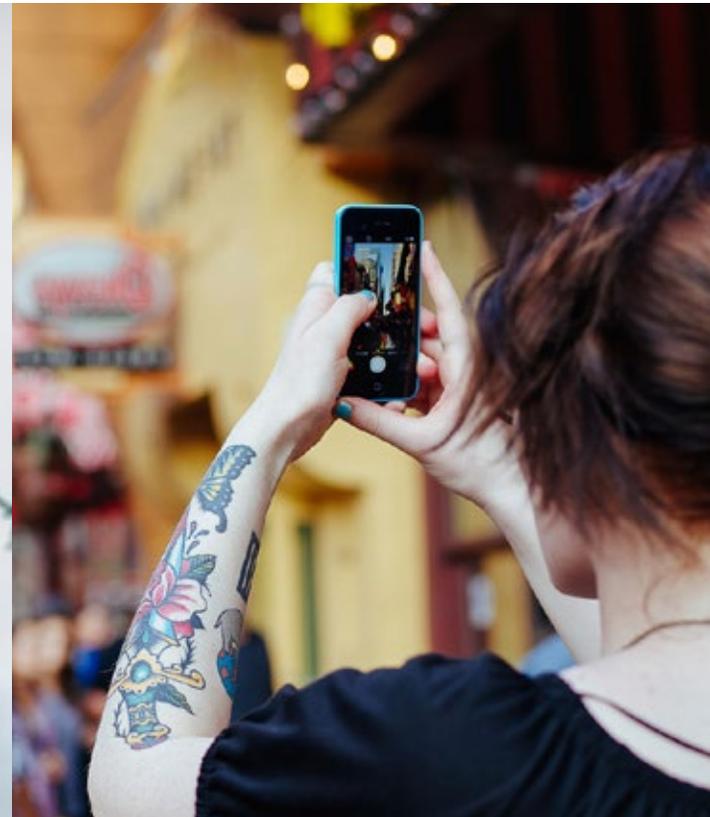
  
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# Making Research Millennial-Friendly

Research projects with millennials needs to be orientated towards their preferences making them convenient, flexible, and fun. Segmenting and researching millennials can be effectively accomplished utilizing tools such as mobile devices and online software with millennial friendly features.



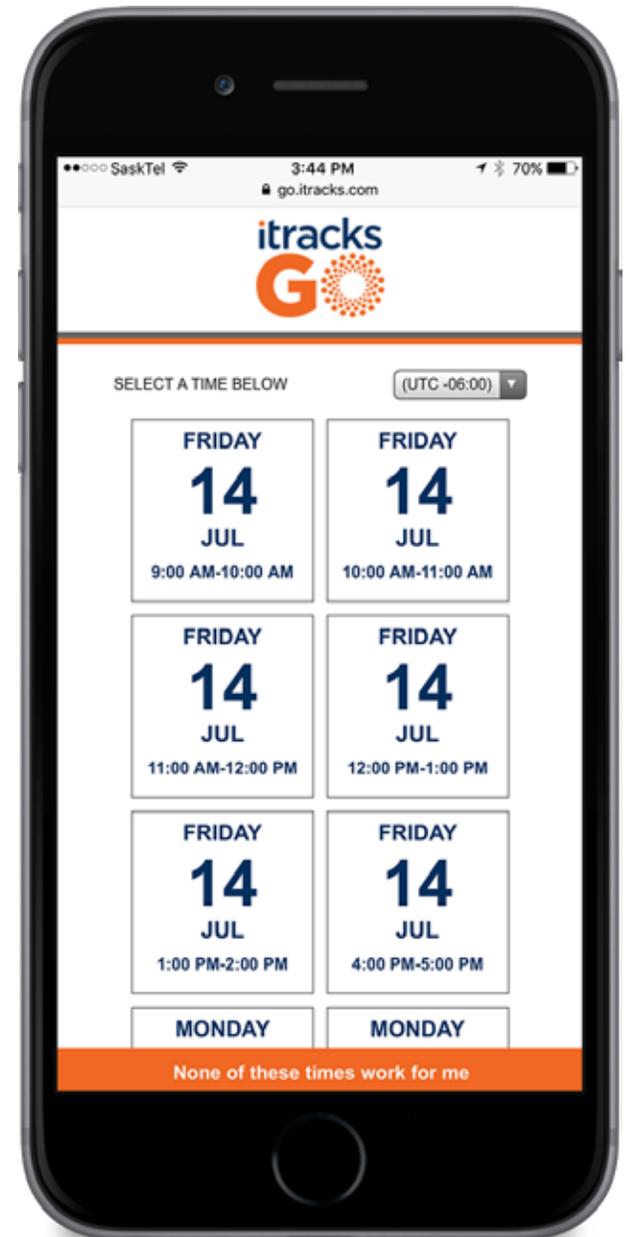
# Make It Mobile

Generally speaking, millennials often feel more comfortable using technology to communicate than other generations, while also shying away from in-person interviews and focus groups. Additionally, participants may be put off from participating in research projects that require travel or large time commitments. **Mobile online focus groups** allow millennials to participate from anywhere.

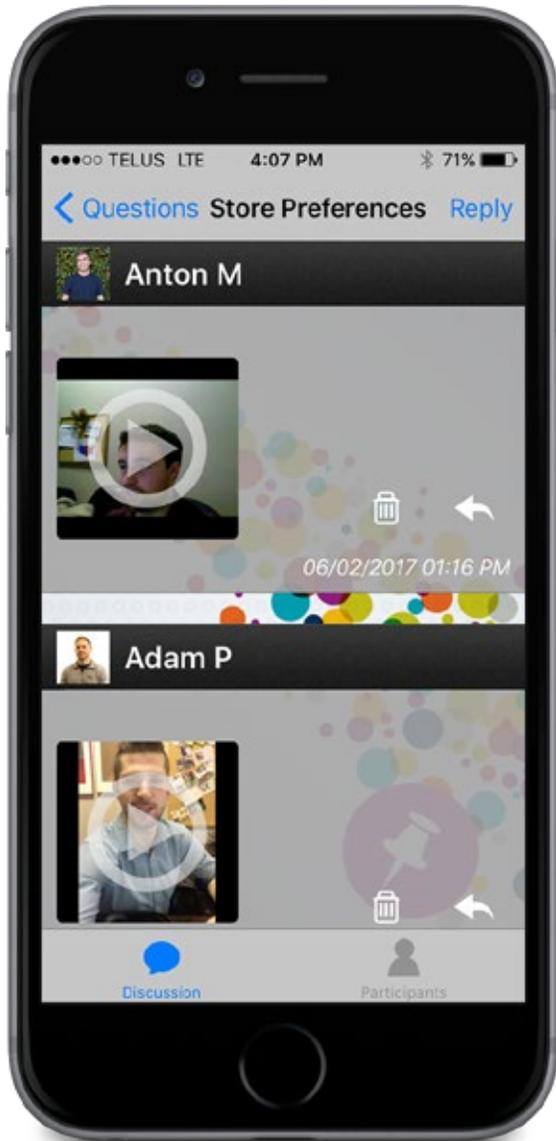


# Make It Flexible

Millennials enjoy the freedom of being able to choose what works best for them. By giving them the ability to pick their preferred time to participate, you'll greatly increase the chances of having them complete the project. itracks' GO project management system for online interviews and focus groups can give participants the ability to select their preferred time from a list of available times set by the moderator. Once a participant has chosen a time, a calendar invite is automatically sent to their email address making it easy to access the information when needed.



# Make It Convenient



Additionally, **asynchronous** online focus groups, like itracks Board, can offer even more convenience for millennials.

With online discussion boards, participants have the ability to sign on and answer questions or complete research activities when it's most convenient for them — and with a mobile app, they can respond and upload media from anywhere.

Online discussion boards allow participants the comfort of responding from their own environment, while giving the researcher an unobtrusive look into that environment.

# Use Segmentation!

Because millennials differ widely between life stages, segmentation is a great way to ensure that you will be able to gather the information and details you need when doing research. Using segmentation in your research is key in delivering the right questions to the right people. With itracks, conducting online research with millennials has never been easier. Just follow **6 simple steps** to successfully research specific millennial segments.



# Step 1

## Online Survey

Ask millennials questions in an online survey to identify demographic and psychographic attributes to segment them e.g. life stages, income levels, etc.



# Step 2

## Integrate Segments Into Specific Qualitative Studies

Based on survey responses, itracks' **Quant-to-Qual Integration** automatically routes specific target segments of respondents from a survey into any of our online qualitative research platforms. Now you can dig deeper and ensure you're asking the right people the right questions.



itracks Chat



itracks IDI

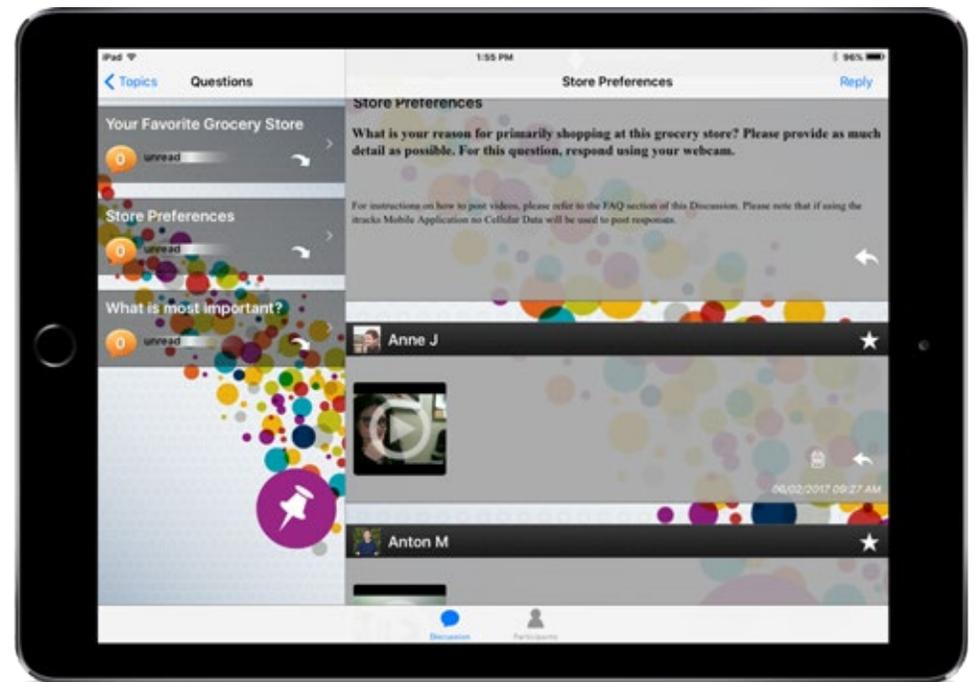


itracks Video Chat

# Step 3

## Go In-Depth

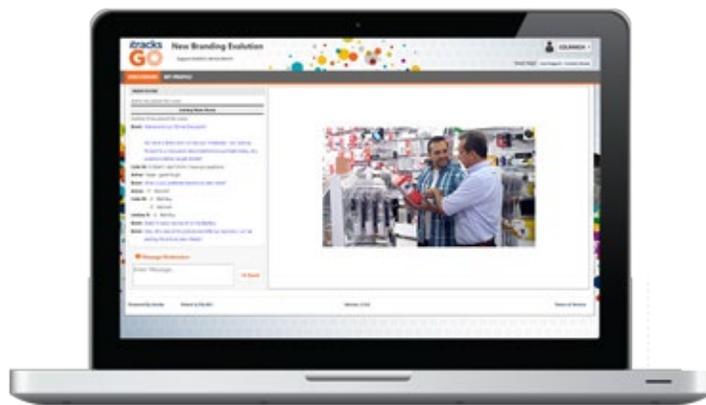
Go in-depth with specific target segments to co-create products, services, and compelling brand engagements and stories. Get them to share with each other within the software to stimulate creativity and engagement!



# Step 4

## Make It Fun

Vary the types of questions you're asking within your online qualitative research project. Picture and video responses, fun polls to discuss, and interactive multimedia activities that millennials can share will help to keep millennials engaged in your project.



# Step 4

## Make It Motivating

As discussed earlier in the ebook, we know that millennials:

- **Like to be involved**
- **Want to make a difference**
- **Want to be entertained**

Ways to keep millennials engaged and motivated include: creative incentives, leaderboards with points based on responses, and sharing information about the research you're conducting and showing them the impact of their contributions.

# Thank You!



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