



Millennials: Attracting the US's Largest Demographic

Contents

Introduction	01
Who are millennials?	02
Engaging millennials: Technology first	03
Digital marketing 101	04
Espousing the right brand values	06
Conclusion	07

Introduction

The millennial generation, also known as Generation Y, is a force to be reckoned with. By 2020, Pew Research Center® estimates that millennials **will overtake baby boomers** as the largest living generation.

In the job market, Gen Y has already dethroned baby boomers as the leading demographic of working adults. Their **annual buying power** is estimated to be \$600 billion, according to research by Accenture®, and could reach as high as \$1.4 trillion by the end of 2020.

As millennials become more influential in the global economy, brands will need to adopt engagement tactics that resonate with this massive generation if they hope to earn their share of the Gen Y market.



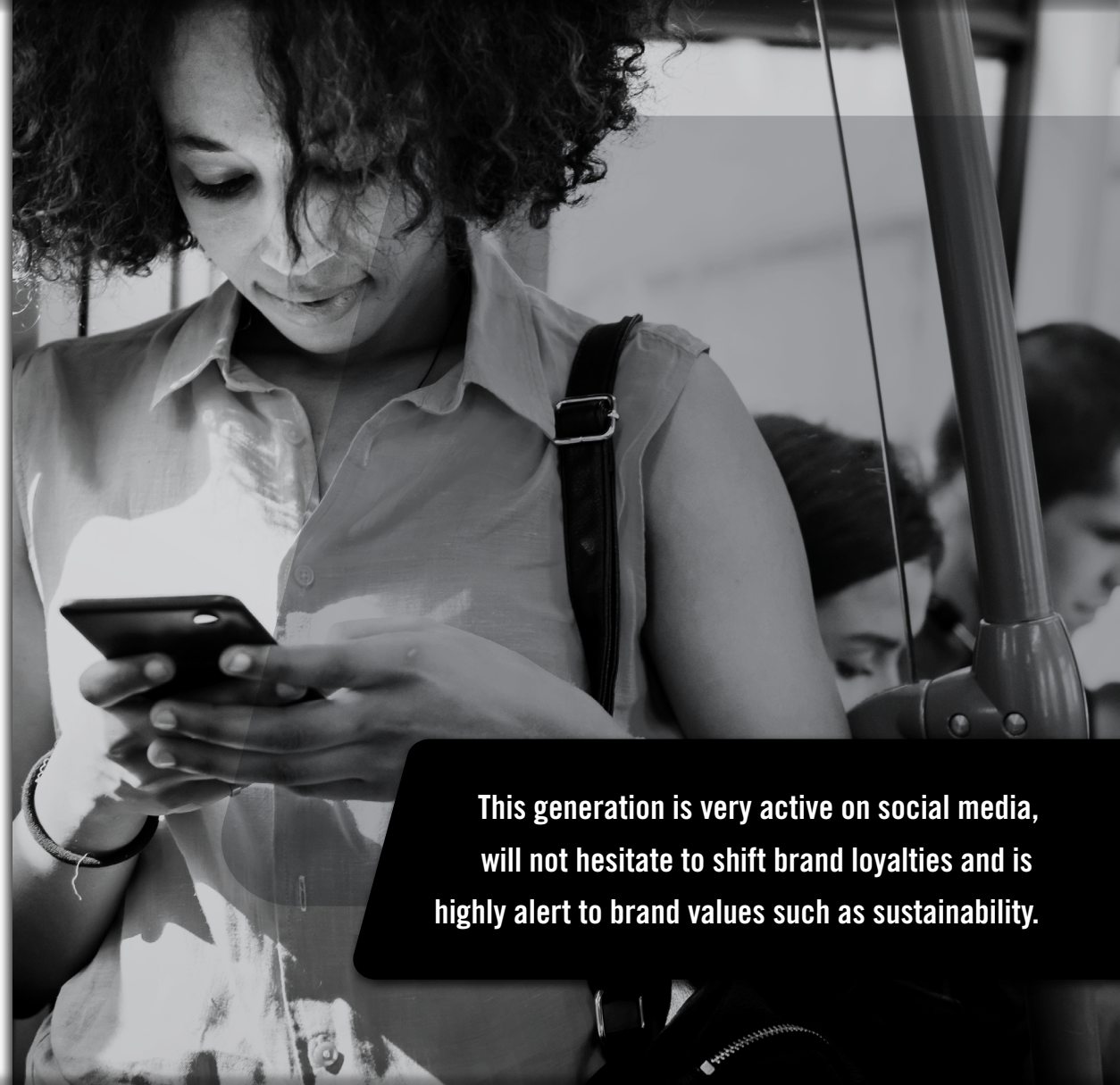
Their annual buying power is estimated to be \$600 billion and could reach as high as \$1.4 trillion.

Who are millennials?

The millennial generation comprises individuals born between 1981 and 1996. They are digital natives, having been raised in the internet era, and they prioritize a strong customer experience. A few important things to keep in mind about this generation include:

- They are saddled with **\$1 trillion of student loan debt**, according to Bloomberg®, which is significantly more than any other generation.
- 73% say they are **willing to spend more money** on sustainable products, according to Inc.®.
- 92% **own smartphones**, according to the Pew Research Center®.
- They do more than **60% of their shopping online**, according to Nielsen®.

In broad strokes, this generation is very active on social media, will not hesitate to shift brand loyalties and is highly alert to – and influenced by – brand values such as sustainability.



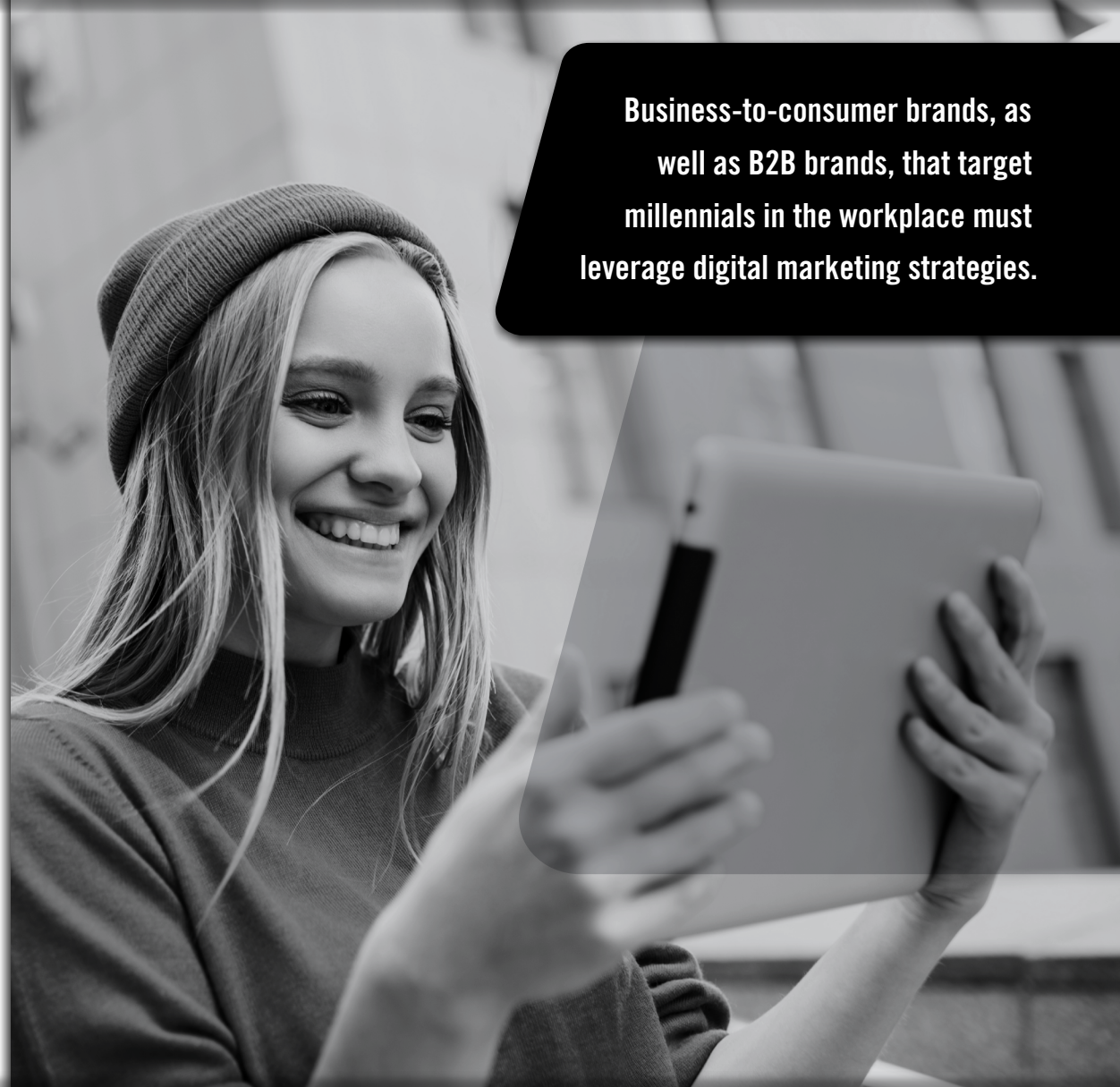
This generation is very active on social media, will not hesitate to shift brand loyalties and is highly alert to brand values such as sustainability.

Engaging millennials: Technology first

Businesses need to win over Gen Y if they hope to establish long-term success. To achieve this, they must evaluate how their brand currently engages with users and existing customers. First and foremost, that means meeting millennials on their turf: the internet.

Unlike baby boomers, millennials consume most of their content on the web, through digital channels such as online streaming services, search, mobile applications, e-commerce, social media and gaming.

This means business-to-consumer brands, as well as B2B brands, that target millennials in the workplace must leverage digital marketing strategies. Equally important, they must make themselves available to customers on every phase of the customer journey – from initial contact to sales, purchase consideration, customer support and loyalty programs.



Business-to-consumer brands, as well as B2B brands, that target millennials in the workplace must leverage digital marketing strategies.

Digital marketing 101

To attract a millennial audience to your business, focus on some of the following digital marketing strategies:

- **Search engine optimization (SEO):** Make your website more visible to search engines with SEO-driven, organic content and optimized UX and design.
- **Content marketing:** Engage audiences with useful and informative blog posts, videos and other digital marketing content that is of value to them.
- **Social media and email marketing:** Start conversations with users on social media and email; practice influencer outreach to improve your brand presence on social networks that are important in your industry. Keep in mind that millennials are particularly active on Instagram® and Snapchat®.
- **Digital advertising:** Launch pay-per-click ad campaigns through Google®, social media and other ad distribution networks.



Collectively, these strategies comprise “inbound marketing.” Outbound marketing such as TV commercials, billboards, sales emails and cold calls still have a place in your marketing strategy.

However, millennials are not receptive to interruptive marketing. Their attention is divided. Modern marketing efforts are centered around capturing and holding that attention with content that is informative, useful or entertaining.



Millennials are not receptive to interruptive marketing. Their attention is divided.

Espousing the right brand values

Seven in 10 millennials **consider brand values** when making a purchase, according to Forrester®. This generation puts a premium on products that are sustainable, cruelty-free and conflict-free.

Experiences are another value common among many millennials, which is partly what has led to the rise in experiential marketing. A tour of a brewery, an open-mic night at a cafe, a contribution to a charity fundraising event, user-generated content on social media and a branded gaming app are all examples of experiential marketing. They engage users and encourage participation in branded initiatives.

Experiences are another value common among many millennials, which is partly what has led to the rise in experiential marketing.



Brands also need to walk the walk. If millennials are not satisfied with an experience - whether with a business service or a consumer good – they will walk away from it. On-demand services such as Amazon® and Netflix® have set a new precedent for convenience. Millennials can quickly access the content, goods or services they want through a subscription-based account that they can cancel any time they want.



If millennials are not satisfied with an experience – whether with a business service or a consumer good – they will walk away from it.

Conclusion

Each generation has its moment in the sun, and millennials' has arrived. The youngest of this generation are around 22 years old while the oldest are about 38.

Within that range, there are parents, highly successful professionals entering the prime of their career, individuals supporting older adults, young professionals with entry-level jobs and even students who may still be dependent on their parents for financial support. There **are more than 70 million millennials** in the U.S., according to The Washington Post®, and they're spending money on a wide variety of products and services.

For businesses that play their cards right and successfully attract millennials, boundless opportunities lie in wait.

Employ these strategies – brought to you by Comerica Bank, the Leading Bank for Business* – to win over this powerful generation of decision-makers.





Sources:

<https://www.pewresearch.org/fact-tank/2018/03/01/millennials-overtake-baby-boomers/>

<https://www.accenture.com/us-en/insight-outlook-who-are-millennial-shoppers-what-do-they-really-want-retail>

<https://www.bloomberg.com/news/articles/2019-02-25/millennials-face-1-trillion-debt-as-student-loans-pile-up>

<https://www.inc.com/melanie-curtin/73-percent-of-millennials-are-willing-to-spend-more-money-on-this-1-type-of-product.html>

<https://www.pewresearch.org/fact-tank/2018/05/02/millennials-stand-out-for-their-technology-use-but-older-generations-also-embrace-digital-life/>

www.nielsen.com/us/en/insights/article/2019/how-us-millennials-are-shaping-online-fmcg-shopping-trends/

www.forbes.com/sites/forrester/2018/05/23/millennials-call-for-values-driven-companies-but-theyre-not-the-only-ones-interested/#6c3fa6695464

www.washingtonpost.com/national/health-science/the-big-number-millennials-to-overtake-boomers-in-2019-as-largest-us-population-group/2019/01/25/a566e636-1f4f-11e9-8e21-59a09ff1e2a1_story.html?noredirect=on&utm_term=.c506125883ef

*Comerica ranks first nationally among the top 25 U.S. financial holding companies, based on commercial and industrial loans outstanding as a percentage of assets, as of March 31, 2019. Data provided by S&P Global Market Intelligence.

This information is provided for general awareness purposes only and is not intended to be relied upon as legal or compliance advice.

This article is provided for informational purposes only. While the information contained within has been compiled from source[s] which are believed to be reliable and accurate, Comerica Bank does not guarantee its accuracy. Consequently, it should not be considered a comprehensive statement on any matter nor be relied upon as such.

Comerica Bank
Member FDIC

Equal Opportunity Lender

© 2019 Comerica Incorporated