

# TREND WATCHER

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People in the business world are inundated with information through newspapers, industry magazines, websites, blogs, etc. We rarely have time to stop and think about the trends that are related to the stories or contemplate the *moral of the story*. TREND WATCHER will take excerpts of articles in the media and translate them into Canadian trends and what it could mean to your business. This is designed to keep you informed about key trends in 5-7 minutes. Enjoy!

## Millennials are driving marketing changes

May, 2012, [www.cpgmatters.com](http://www.cpgmatters.com)

The Millennial generation carries an appreciation of the Campbell Soup brand around with them like a smartphone.

What's more, they [brand executives] worry that a nostalgic appreciation of the brand will not translate into steady sales of Campbell's products as Millennials age and mature into autonomous consumers. Developing a targeted line of products is one of the ways the company is addressing the problem.

Such concern provides a glimpse into how a world-class brand grapples with the challenge of maintaining sales while its core shoppers age and are replaced by a new generation.

Campbell's fresh view of Millennials has been dictated in part by the sheer size of the cohort – consumers born between 1982 and 1995 that now are larger than a baby boomer generation that is just beginning to die off.

Campbell recently confirmed some of these tendencies of Millennial consumers with its own intense research.

Campbell has harnessed a batch of new insights about Generation Y and come up with a new product line called Go! Soups. The brand stewards believe that this generation will be open to Go! Soups because "we're looking at it as a lifestyle platform...designed to meet them in the connected, on-the-go mobile lives."

### WHAT THIS MEANS TO YOUR BUSINESS:

*There are many categories like soup that have traditionally been dominated by Boomers or even pre-Boomers. What about the future? Millennials are the future of not just the Canadian but the North American marketplace. The Millennials are a new breed of consumer. Traditional methods of marketing may not work and may even alienate this new and influential consumer.*

### Did you know?

The Millennials, also known as Generation Y or the Echo Boomers and born between 1980-1996, are gaining importance in the marketplace. According to StatsCan, Millennials and their children will represent over 50% of the population in 5-years.

## Millennials changing brand loyalty

June 13, 2012 Globe Investor

As the largest generational cohort in Canada since the Baby Boomers, the Millennial Generation or "Gen Y" is transforming how companies and brands develop long-term customer loyalty, according to Aimia's proprietary Canadian Millennial Loyalty Survey.

Aimia, a global leader in loyalty management and parent company of Aeroplan, conducted research comparing the attitudes of Millennial and non-Millennial consumers in Canada, revealing how the definition of loyalty is shifting and what companies will need to address in order to connect with the Millennial Generation. For example, the findings show that over three-quarters (78%) of Canadian Millennials are more likely to choose a brand that offers a loyalty or rewards program over a brand that does not.

"Marketers targeting the Millennial demographic will have to demonstrate why this cohort should engage with their brand," said Rick Ferguson, lead author of the report and Vice President, Knowledge Development at Aimia.

The proliferation of social media and mobile devices is having a profound impact on how Millennials interact with brands. Nearly half of Millennials (44%) surveyed are willing to promote products or brands through social media in exchange for rewards. Furthermore, over one quarter of Millennials (27%) expressed high interest in using a mobile device as a substitute for carrying a plastic loyalty card versus 9% of non-Millennials.

- 34% of Millennials seek opinions from their social networks, compared with 15% of non-Millennials

### WHAT THIS MEANS TO YOUR BUSINESS:

*One of the most important ways to market to a Millennial will be through active engagement. There is much more of a "show me" and "what's in it for me" attitude among this young consumer. You don't need to throw everything we learned from the Boomers away because Millennials are after all the children of the Boomers.*

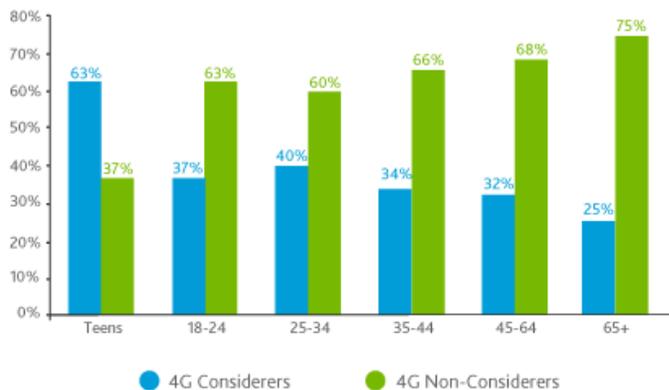
## Millennials are beginning to drive change in some industries

Nielsen Wire, June 21, 2012

4G wireless service is quickly becoming the new standard in the mobile marketplace, enabling faster consumption of content on the go. New research from Nielsen found that adoption of 4G mobile phones has nearly quadrupled since last year, going from 1.4 percent in Q1 2011 to 7.6 percent in Q1 2012. Consumers under 34 are most likely to have already adopted 4G and 63 percent of teens are likely to consider switching to 4G within the next year.

### Younger Consumers Are Most Likely to Consider Adopting 4G

Percent of 4G Considerers by Age



### WHAT THIS MEANS TO YOUR BUSINESS:

*The impact of the Millennials in the food & beverage industry is not yet obvious. To get a sense where it could go we should look to other industries, technology being an extreme case. In the example above, Millennials are setting the industry standard with the rest of the population following suit. Millennials as children had significant influence over billions of dollars of disposable income. That power will continue as earning potential increases. Understanding what drives their purchase decision will help you stay ahead of the game.*

## New in Marketing Research

### Taking Focus Groups On-Line

While for some on-line focus groups may be old news but I am finding that for many companies it is a new idea they are nervous to try. As with all types of research each have their place, and if used properly can be a great addition to the qualitative research repertoire. Listed below is a very brief overview of the application and the pro's and con's.

### When should it be used?

As with all qualitative research which is purely directional, on-line focus groups should be used when trying to gain a deeper understanding about how a product or service makes the consumer feel or to do some exploratory work in preparation for a quantitative study. The language from the respondent that comes out of a qualitative study is usually excellent for positioning statements and concepts.

### Advantages

- Lower investment
- Individual responses
- No geographical barriers

### Disadvantages

- No group dynamic
- No ability to read body language and facial expressions
- Less direct client involvement

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## About TrendSpotter Consulting

TrendSpotter Consulting provides everything a business needs to develop, fine tune or review your brand strategy:

- Creating the plan of action
- Designing, executing and analysing the research
- Outlining the target and positioning
- Working with agencies and suppliers to execute on strategy marketing initiatives

### Contact Us

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