



## **Millennials: A \$70 Billion Mystery**

***The new target market is descending on marketers clouded by the flawed impression***

**Toronto, ON, November 25, 2013** – With Boomers at the tail end of their demographic dominance, consumer spending will quickly shift to their offspring: *Millennials - those between the ages of 15 and 33*. Whether you refer to them as the, *I want Generation* or *Generation Y*, this 12 million strong cohort of largely misunderstood Canadians already control or influence an estimated \$70 billion. Yet, persistent stereotyping of Gen Y as “entitled”, “arrogant” or “complacent”, coupled with a marketing play book that is irrelevant to this generation, is keeping brands from fully leveraging this golden opportunity.

Project Millennial, a recent qualitative and quantitative study conducted by TrendSpotter Consulting and People Talking Marketing Research, is the most comprehensive look into the attitudes and behaviours of Canadian Millennials to date. The study offers insight into everything from their high expectations of the brands they frequent, to the manner in which they were raised and how that has shaped their unique perspective on life and commerce.

“This study has helped transform the perception of Millennials. What has been negatively characterized as entitled, and overly ambitious, is really just a concern, indeed preoccupation, about the future. To capitalize on their spending power, marketers will need to uncover Millennial’s needs, wants and motivations more than simply how they behave,” said Marion Chan, principal at TrendSpotter Consulting. “Marketers are also missing out on an opportunity to appropriately target this demographic by putting too much focus on mass rather than personalized marketing strategies.”

### **The misunderstood generation**

Millennials bristle at the misconceptions surrounding their so-called sense of entitlement. As far as they’re concerned, the mantra of their Boomer parents was that they could achieve anything — especially with a post-secondary degree — and in fact promised as much. The constant positive reinforcement from parents and teachers gave them an unprecedented sense of self-confidence in their skills, ideas and behaviours.

"This generation was promised a specific life, but for those hitting the job market in the last several years, the reality is nowhere near meeting their expectations," said Theresa Dietrich of People Talking Marketing Research. "Yet, they are not giving up easily on the lifestyle they were promised and it's fuelling how Millennials behave as consumers and citizens."

Millennials are also surprisingly conservative in how they plan for their long-term future. At the same time, idealistic and acutely socially conscious regarding their worldview as it relates to social, environmental and political issues. According to Project Millennial, one quarter consider spending time with family to be the most important thing in life and 40 per cent started saving for retirement at the age of 25.

“Despite disparate experiences, this large and highly complex generation is in many ways more mature than the generations before them,” continued Chan. “They are more focused and more concerned about long-term finance, health and world issues than previous generations. They’re certainly ‘not resting on their laurels’.”



Millennials (those born between 1980 and 1998) can be segregated into two groups; those 15 to 25 and 26 to 33. Although both groups are in the same cohort, they are living in two separate worlds. For those who hit the job market before the 2008 financial collapse, their high expectations regarding career, lifestyle and financial security has materialized for the most part with 60 per cent satisfied with their current earnings. Even 25 years olds who are saddled with more than \$10,000 in debt are still comfortable with the load because it was necessary to get them where they are today. But not so for the younger cohort who are witnessing flat employment prospects while handling mounting student debt. According to Project Millennial, one third of the youngest Gen Yers are already in debt. Half of their debt is in student loans, but the other half is for general living expenses, trying to maintain the life style they grew accustomed to and were promised by their Boomer parents.

### **What does this mean to marketers?**

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. This generation has been promised the world and they feel confident they can shape it. Over 60 per cent believe there is more to life than work and over one third feel motivated to make a difference in the world.

Millennials also expect a lot from the brands they frequent and endorse. Over 60 per cent would lend their loyalty, and their hard earned dollars, to a brand that supports a cause they believe in. Given they want companies to understand and actively ask them what they want or need on an individual level; they perceive a great affinity with smaller companies or brands. Yet, larger brands that can establish such a personal rapport will reap the rewards of their word of mouth endorsements and loyalty. According to the study, 61 per cent buy products from companies who understand them.

This is a generation that scrutinizes brands more than any previous cohort. They consult with friends and co-workers frequently and conduct online reviews for products they aspire purchasing to determine levels of quality and social responsibility initiatives.

“Marketers will need to understand Millennials in a much more in-depth manner focusing on personal beliefs, behaviours, attitudes and ideals in order to engage with these trend changing consumers,” said Chan. “This is an incredibly discerning, smart and socially aware generation that will ‘not suffer fools gladly’.”

### **About Project Millennial**

TrendSpotter Consulting and People Talking Market Research Services have joined forces to launch Project Millennial, an in-depth look at this important generation. Project Millennial combines an exhaustive quantitative study of 3,000 English and French Canadian consumers with both online and in person focus groups to tease out the “why and how” behind their attitudes and behaviours. Project Millennial goes even deeper by providing a benchmark back to Baby Boomers, the parents of Millennials who represent 28 per cent of the population, enabling detailed analysis into where these two important groups are similar, but also where they differ from each other in real and measureable ways.



### **About TrendSpotter Consulting**

TrendSpotter Consulting applies the power behind the in-depth knowledge of consumer behaviour to build a strategic brand plan and direction. Marion Chan, principal of TrendSpotter Consulting, has spent over 20 years getting to the heart of the consumer for a wide variety of consumer packaged goods, food service and marketing research companies. TrendSpotter Consulting not only helps ensure brands are on-trend – the right positioning directed to the right consumer – they help uncover a range of opportunities for expansion growth based on today's consumers changing needs. [www.trendspotter.ca](http://www.trendspotter.ca)

### **People Talking Marketing Research Services**

People Talking is a consulting and market research firm that specializes in helping their clients, both private and public sector, solve business challenges and develop opportunities using the tools of consumer market research as the foundation for strategic planning and decision making. Experts in a range of both qualitative and quantitative research methodologies, each study is custom designed to address the specific informational needs and the project objectives of their clients.

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