

MARKETING TO MILLENNIALS 2016



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Several recent studies have shown that millennials are less brand loyal than preceding generations. A recent Daymon Worldwide global study¹ showed that only 29% of millennials usually buy the same brand, compared with 35% of Gen Xers. Furthermore, an Accenture study from last year showed that millennials change banks more than twice as often as other consumers.²

As a result of this lack of brand loyalty, it is critical for marketers to understand how to reach the millennial generation. Fluent conducted a nationwide survey of 1,769 millennials and 1,191 non-millennials to better understand millennials' device usage and interaction with various digital media channels, and their relationship to impacting purchasing decisions.

¹ Daymon Worldwide, "The Next World: How Millennials Will Shape Retail", June 20, 2016

² The Financial Brand, May 12, 2015

³ Daymon Worldwide, Ibid



SOME OF THE KEY FINDINGS INCLUDE:



Smartphones are the most popular device with millennials as 7 in 8 millennials own one.

They spend the highest proportion of their online time using their smartphones (51% spend all or most of their online time) and use them to make purchases as much as any other platform (49% at least monthly).



Despite the dominance of smartphones, computers remain an important purchase device for millennials.

Nearly 1 in 3 (32%) millennials use computers to make purchases at least weekly. However, younger millennials, aged 18-24, use computers less often to make purchases than their older counterparts.



Millennials own smartwatches at nearly twice the rate of the general population.

44% say they own smartwatches compared with only 23% of non-millennials.



Apple is the preferred device brand for millennials.

Despite having less disposable income, millennials are more likely than older generations to purchase Apple products across all four device categories that we asked about.



While still the top network, Facebook is far less influential with millennials than it is with older generations.

43% of millennials say Facebook is the social media platform they use most often, compared with 61% of non-millennials. Among the youngest cohort of millennials, 18-24 year olds, other networks including YouTube, Instagram & Snapchat have nearly caught up to Facebook.



Promotional emails were the most effective digital advertising medium asked about in the survey at influencing millennial purchase decisions.

Over 2 in 3 (68%) of millennials said that promotional emails impacted their purchase decisions at least on a few occasions.



Millennials show somewhat less concern about data privacy and security than older generations.

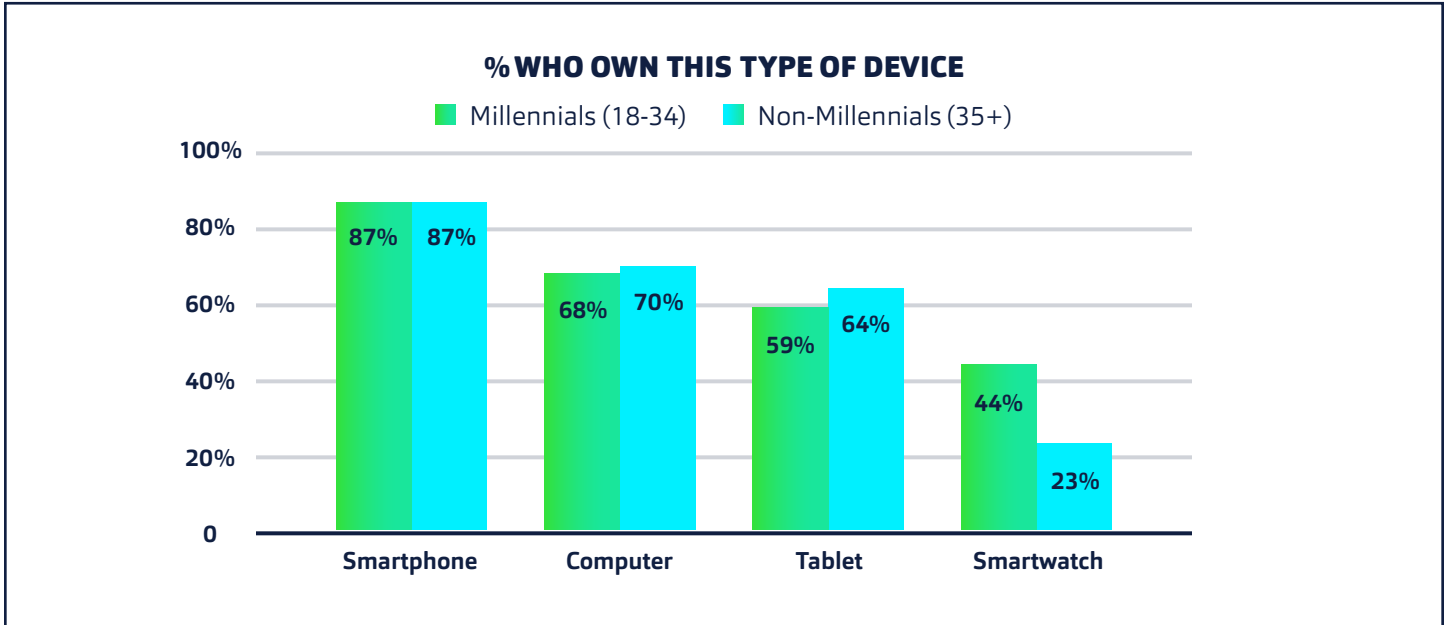
There are double digit gaps between the percentage of millennials and non-millennials who are very concerned about data privacy (37% vs. 51%) and data security (42% vs. 55%), respectively.

We hope that you will enjoy the report and welcome your feedback!

–The Fluent Research Team
research@fluentco.com

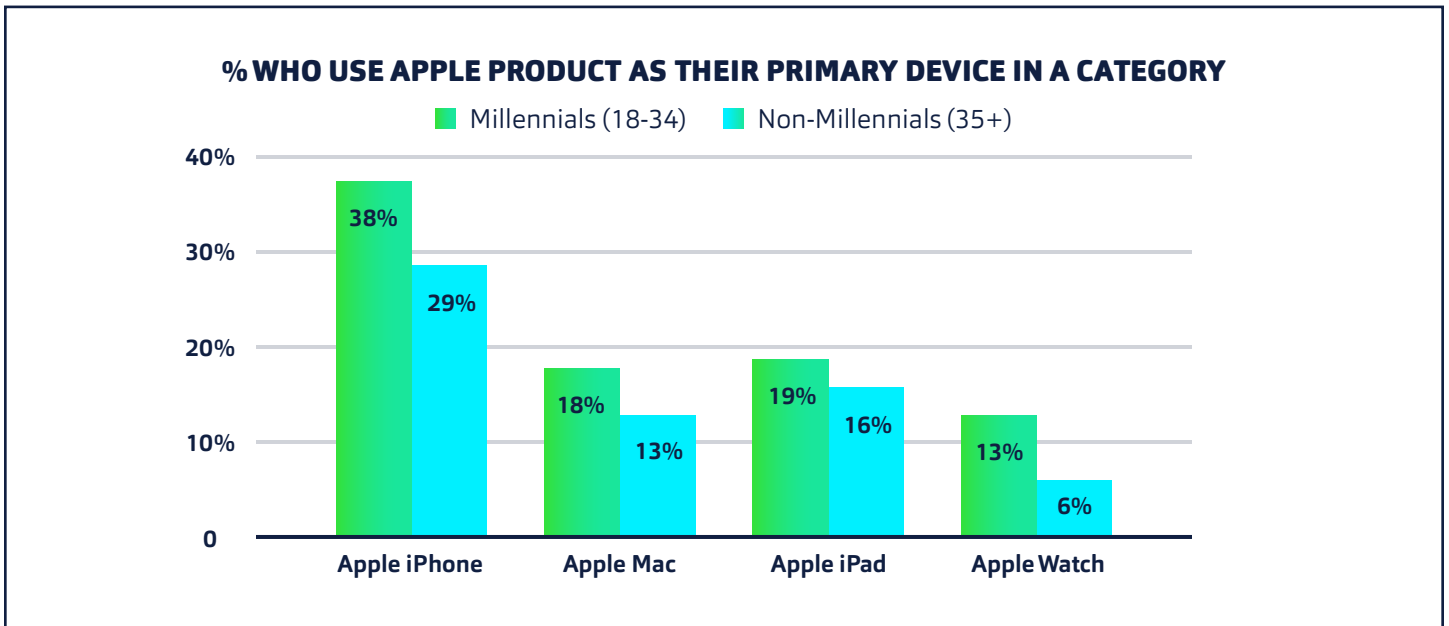
AS SMARTPHONES HAVE BECOME UBIQUITOUS, MILLENNIALS ARE ADOPTING SMARTWATCHES QUICKLY

Smartphones are dominant devices across the entire population. 87% of both millennials and non-millennials own a smartphone. Millennials are slightly less likely to own computers and tablets, but nearly twice as likely (44% to 23%) to own smartwatches as older generations.



MILLENNIALS CHOOSE APPLE MORE FREQUENTLY

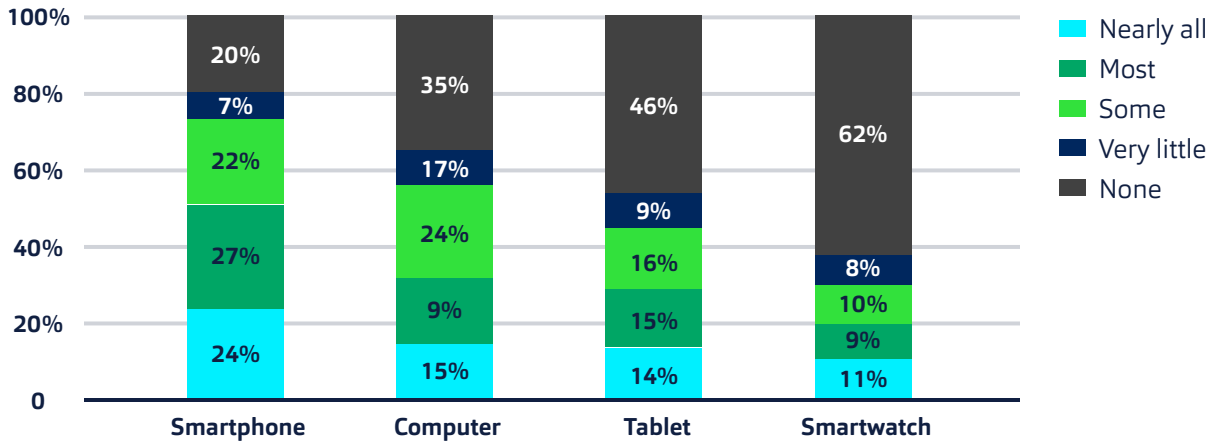
Apple products, particularly the iPhone, are disproportionately popular with millennials.



MILLENNIALS, PARTICULARLY WOMEN, SPEND THE LARGEST SHARE OF THEIR ONLINE TIME ON THEIR SMARTPHONES

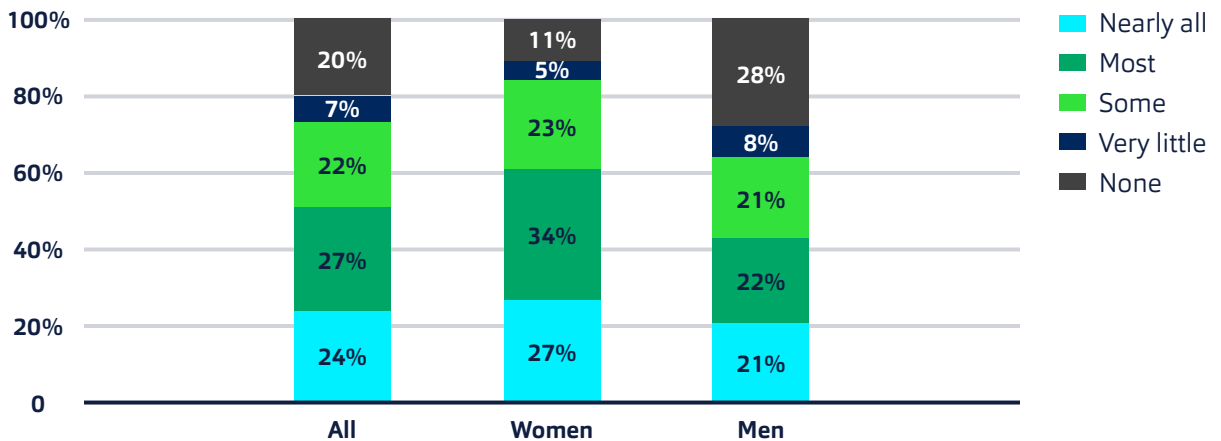
Millennials spend the greatest portion of their online time using their smartphones, followed by computers, tablets and smartwatches.

IF OWN DEVICE: **WHICH BEST DESCRIBES WHAT PORTION OF THE TIME YOU SPEND ONLINE IS SPENT USING YOUR [DEVICE]?**
(Those who do not own device are assumed to answer none.)



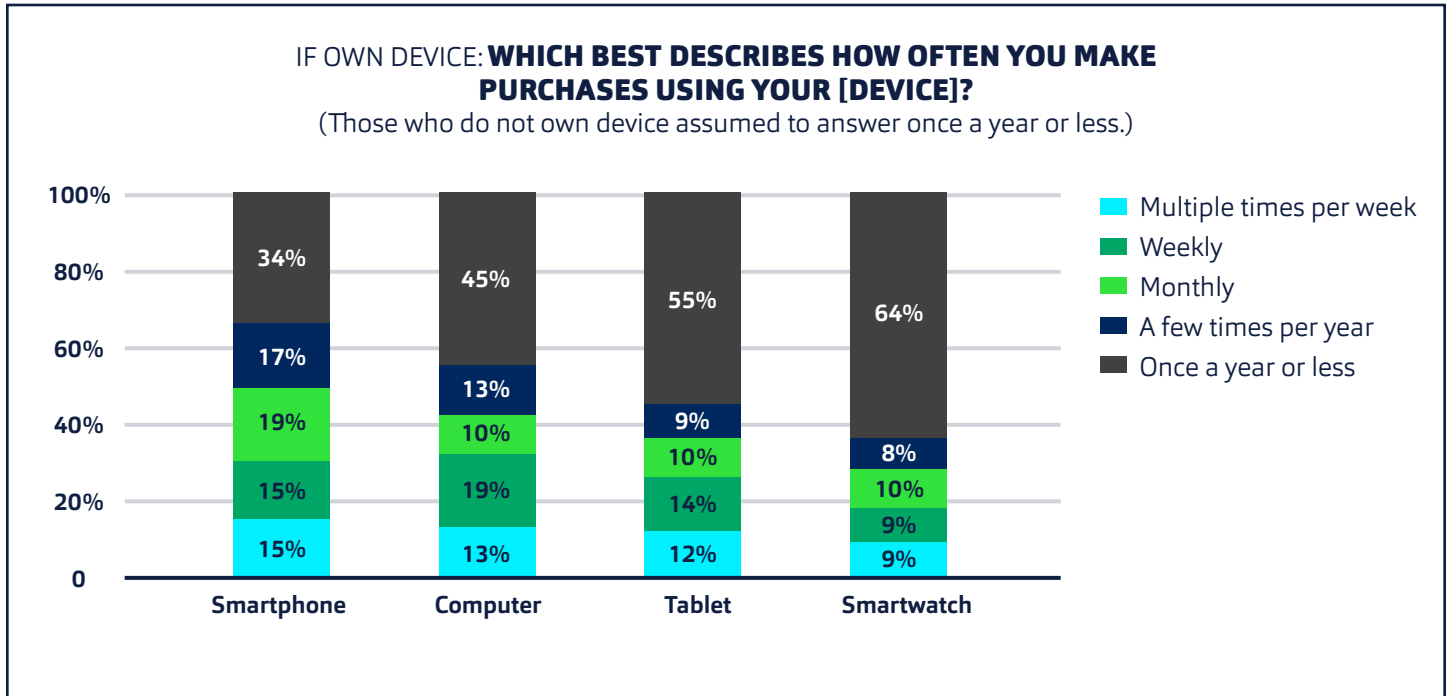
Millennial women spend a greater portion of their online time on their smartphones than millennial men.

IF OWN SMARTPHONE: **WHICH BEST DESCRIBES WHAT PORTION OF THE TIME YOU SPEND ONLINE IS SPENT USING YOUR SMARTPHONE?**
(Those who do not own device are assumed to answer none.)

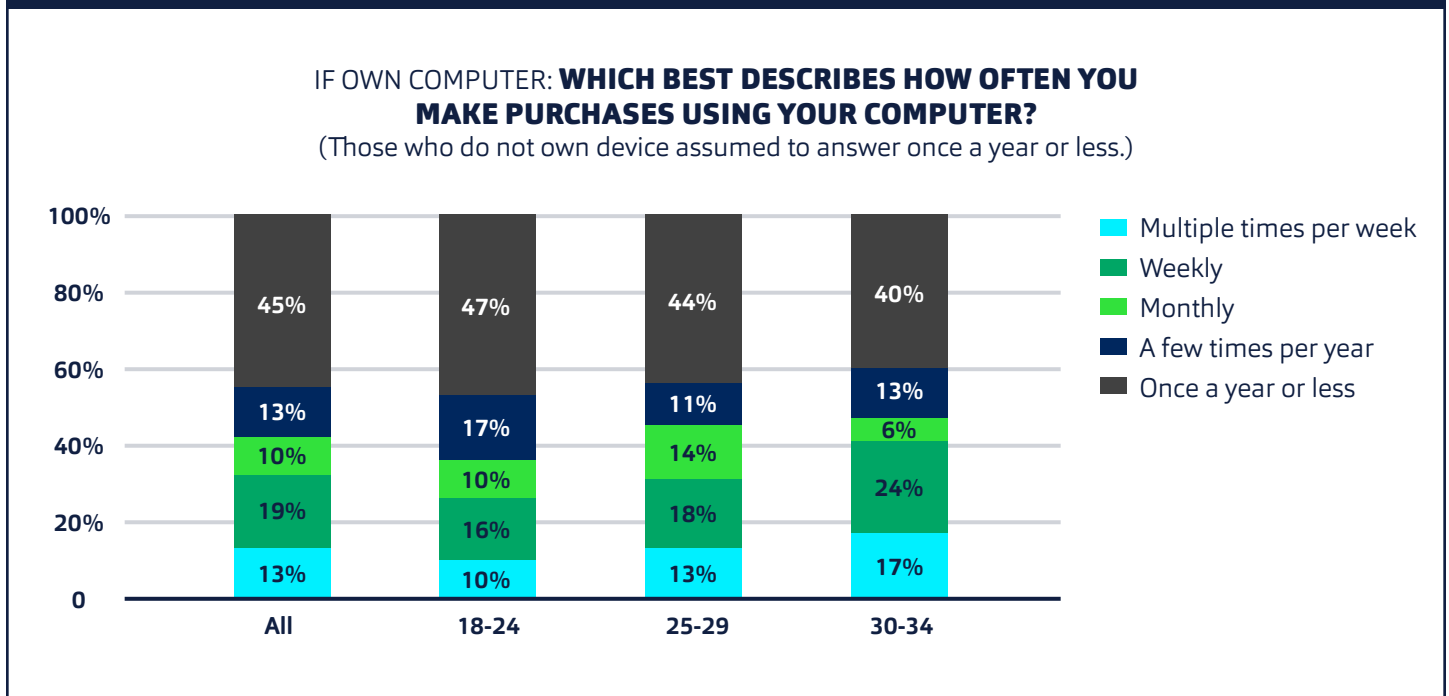


MILLENNIALS MAKE THE MAJORITY OF THEIR PURCHASES ON COMPUTERS AND SMARTPHONES

Computers are about on par with smartphones as the devices used to make online purchases. Smartphones are somewhat more likely to be used at least monthly, while computers are somewhat more likely to be used at least weekly.



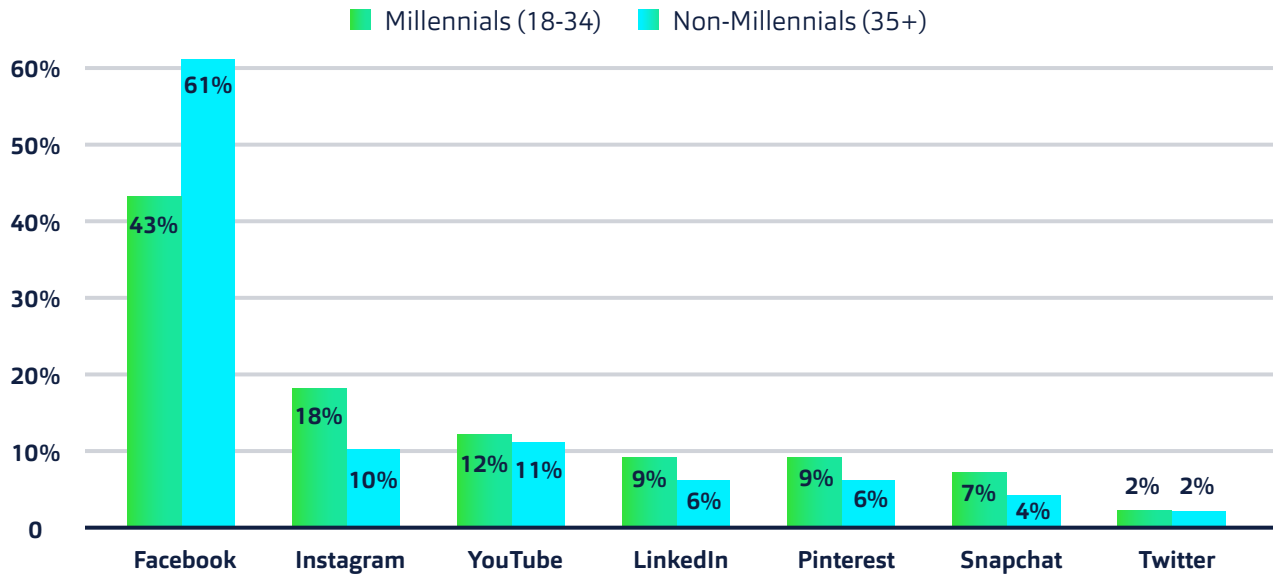
Younger millennials make purchases less frequently with computers than older millennials.



FACEBOOK NOT QUITE AS IMPORTANT FOR MILLENNIALS, BUT IS STILL THE TOP SOCIAL MEDIA PLATFORM OVERALL

Facebook is losing share to other platforms at a greater pace among millennials than non-millennials.

WHICH OF THE FOLLOWING SOCIAL MEDIA NETWORKS DO YOU USE MOST?



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Millennials (18-34)

By Age

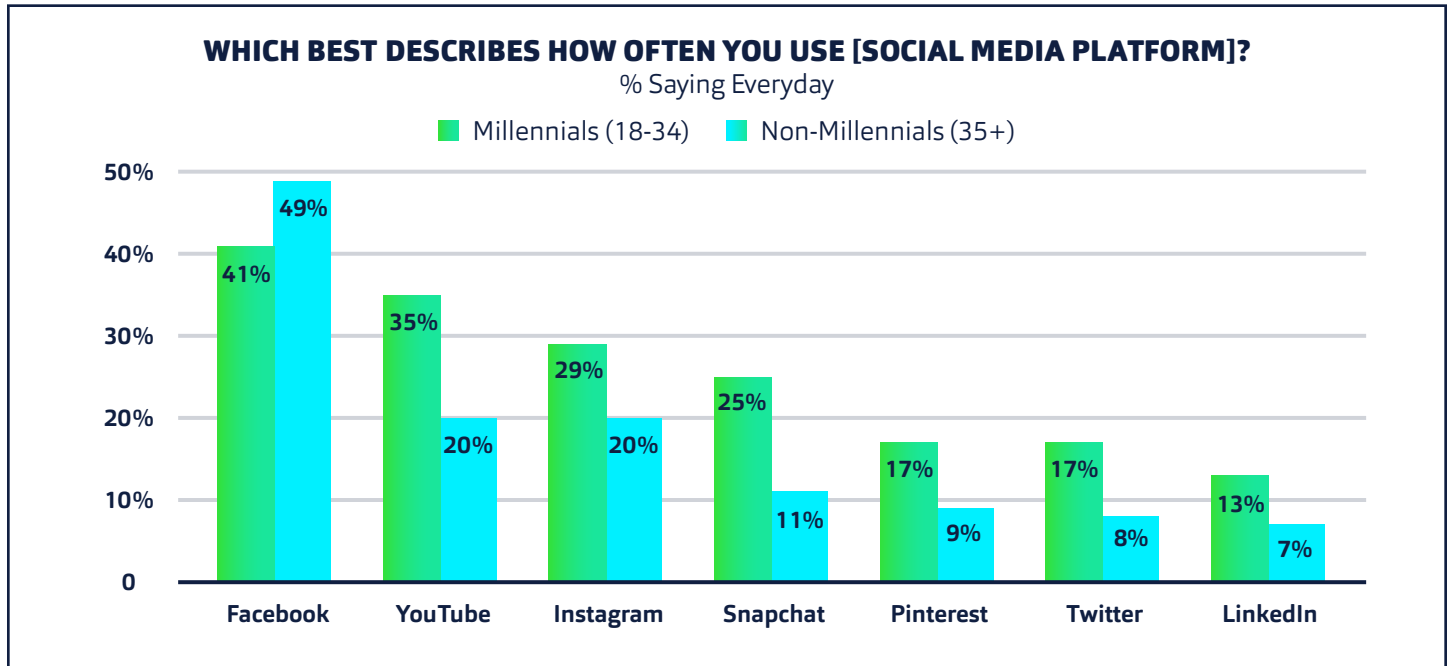
	18-24	25-29	30-34
Facebook	36%	41%	50%
Instagram	24%	17%	13%
YouTube	12%	14%	11%
LinkedIn	7%	10%	10%
Pinterest	9%	8%	8%
Snapchat	9%	9%	5%
Twitter	3%	1%	2%

By Gender

	Women	Men
Facebook	51%	36%
Instagram	17%	18%
YouTube	9%	16%
LinkedIn	6%	11%
Pinterest	7%	10%
Snapchat	8%	7%
Twitter	2%	2%

OTHER SOCIAL MEDIA PLATFORMS ARE EFFECTIVELY COMPETING WITH FACEBOOK FOR MILLENNIALS

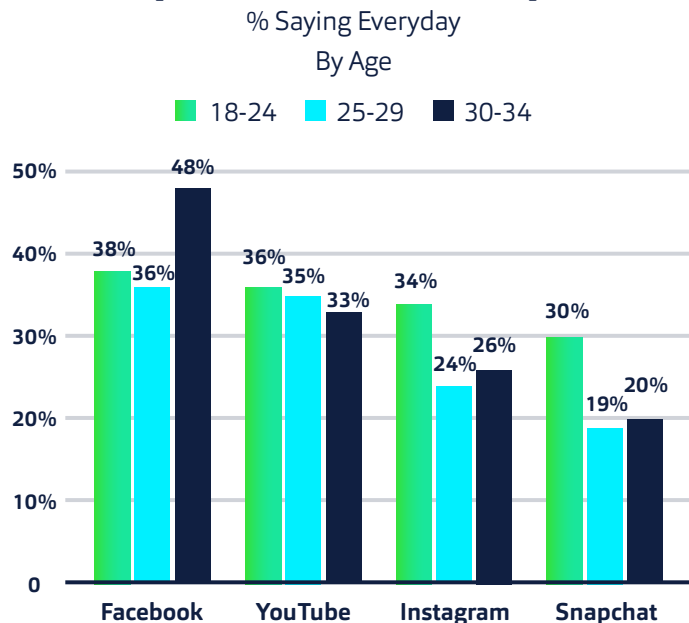
With the sole exception of Facebook, all social media platforms are more popular with millennials than non-millennials. The largest gap between millennials and their older counterparts is with Snapchat. 1 in 4 millennials use it every day versus just over 1 in 10 (11%) among non-millennials.



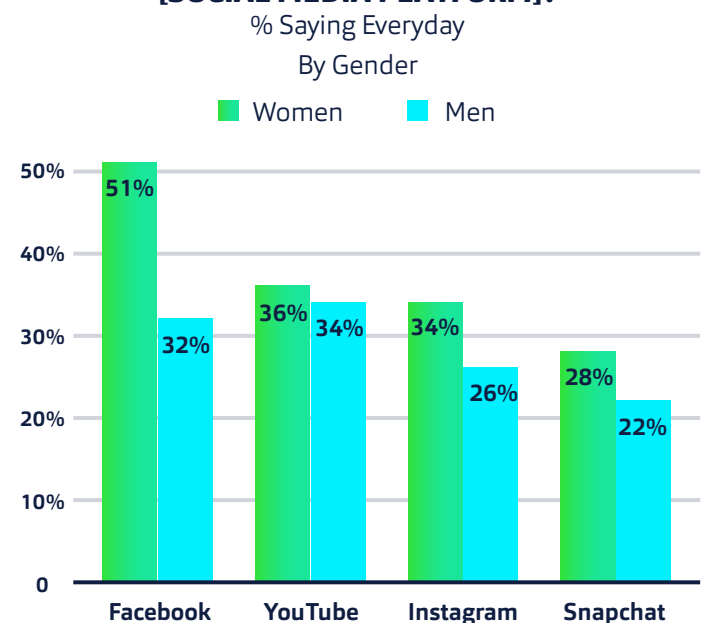
Snapchat & Instagram are especially popular with younger millennials. At least 3 in 10 18-24 year olds use each platform every day.

Facebook now trails YouTube in the percentage of millennial men using it every day.

WHICH BEST DESCRIBES HOW OFTEN YOU USE [SOCIAL MEDIA PLATFORM]?

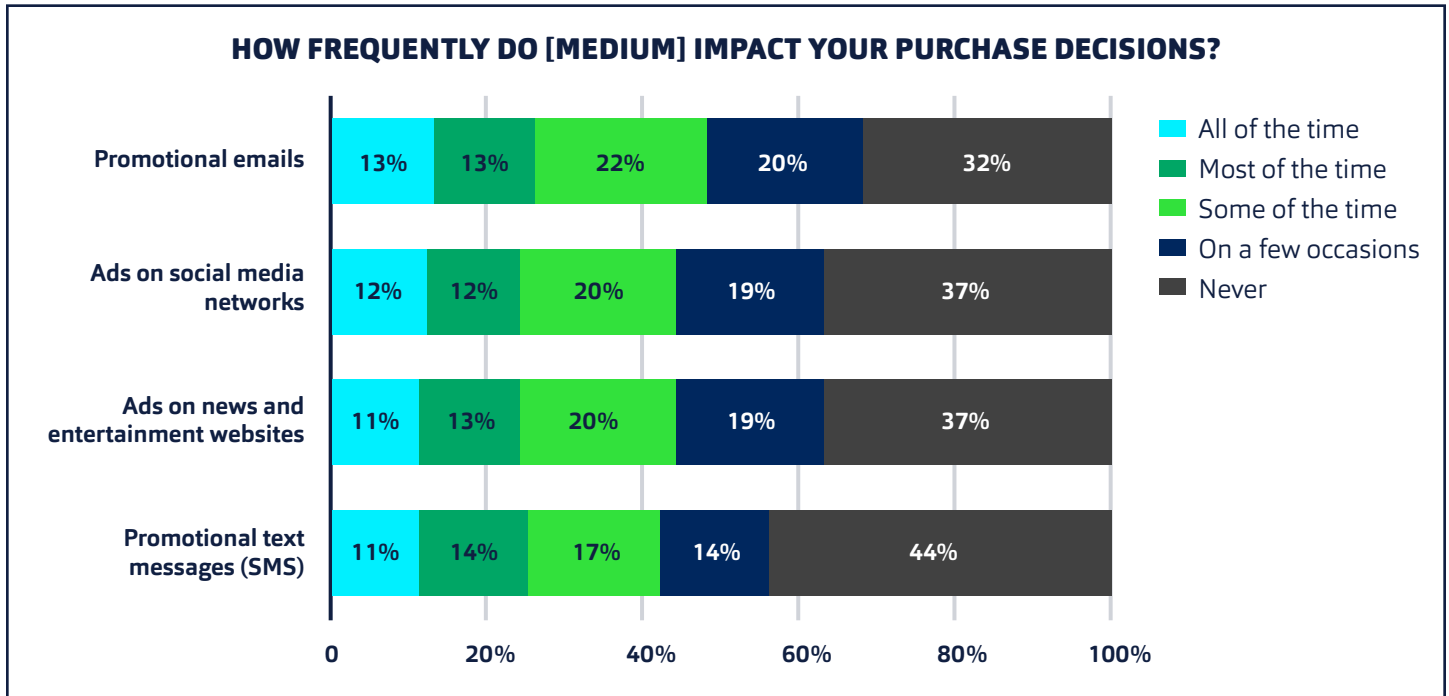


WHICH BEST DESCRIBES HOW OFTEN YOU USE [SOCIAL MEDIA PLATFORM]?



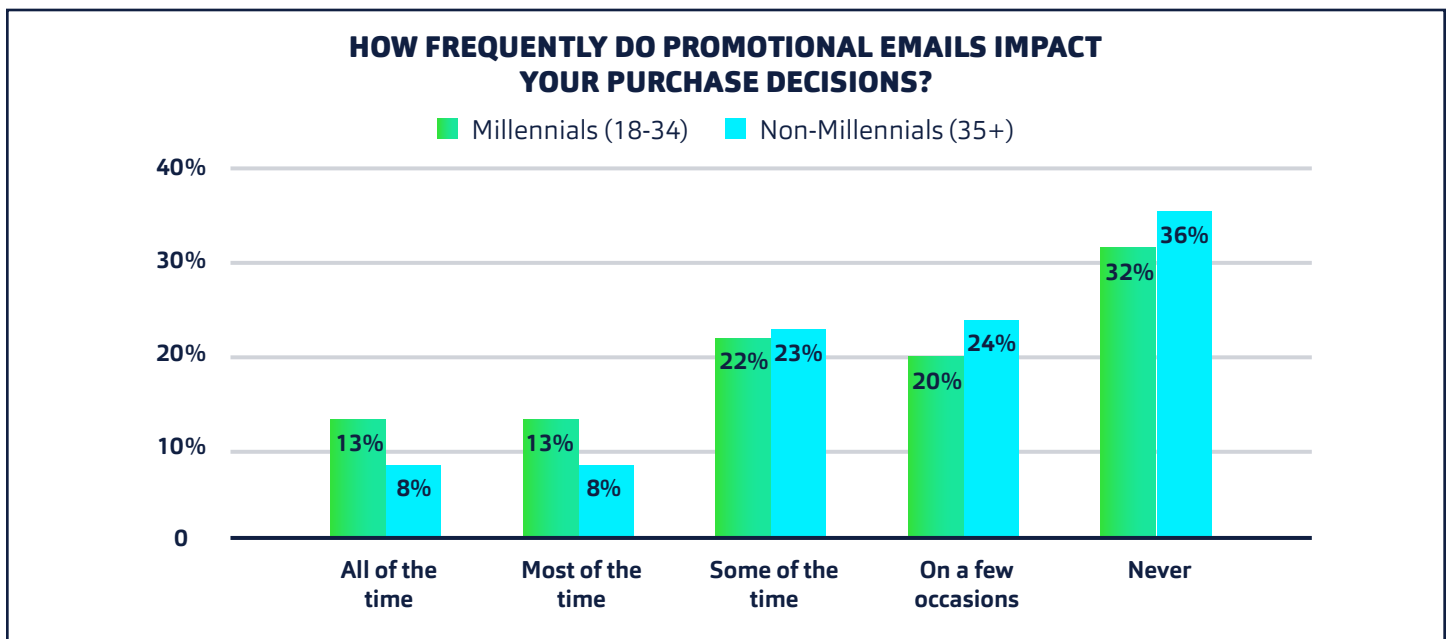
DIGITAL ADVERTISING CHANNELS HAVE SIMILAR LEVELS OF INFLUENCE ON MILLENNIAL PURCHASES

Promotional emails edge out other digital mediums in their impact on millennial purchase decisions. 68% of millennials said their purchase decisions were impacted at least occasionally by promotional emails, compared with 63% for ads on social media networks and ads on news and entertainment websites, and 56% for promotional text messages.



CONCERNS THAT MILLENNIALS IGNORE EMAILS ARE UNFOUNDED

Counteracting the notion that millennials don't respond to email marketing, promotional emails influence millennials better than older generations. 10% more millennials than older generations (26% to 16%) say promotional emails are influential 'all or most of the time'.

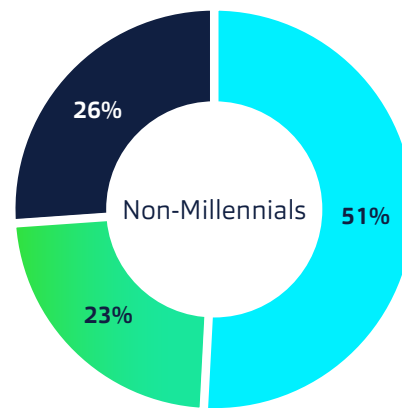
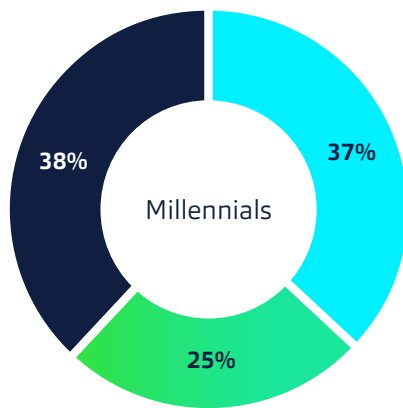


MILLENNIALS ARE LESS CONCERNED ABOUT DATA PRIVACY THAN NON-MILLENNIALS

Millennials are less concerned that companies will not respect privacy when using personal information than older generations. Millennial women and older millennials show greater concern than millennial men and younger millennials.

HOW CONCERNED ARE YOU THAT COMPANIES WILL NOT RESPECT YOUR PRIVACY IN USING YOUR PERSONAL INFORMATION?

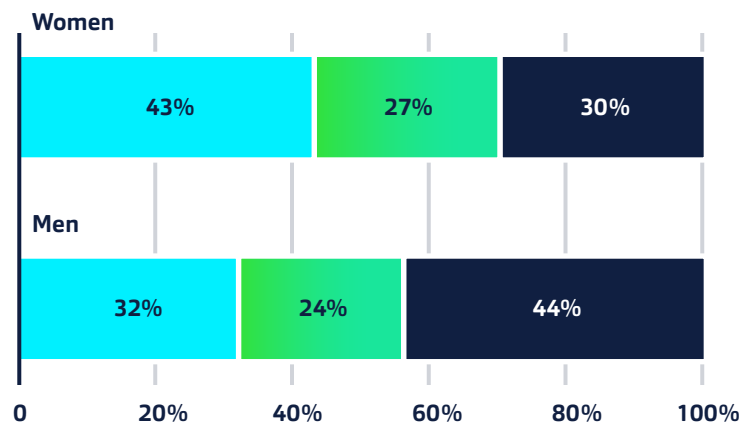
Very concerned Somewhat concerned Not concerned



By Age



By Gender

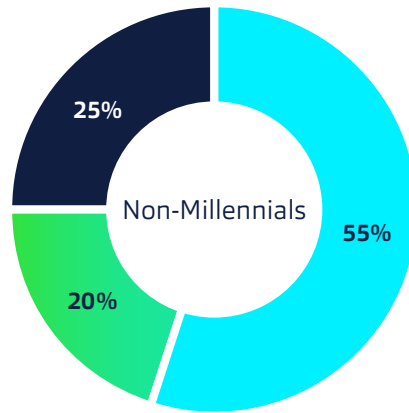
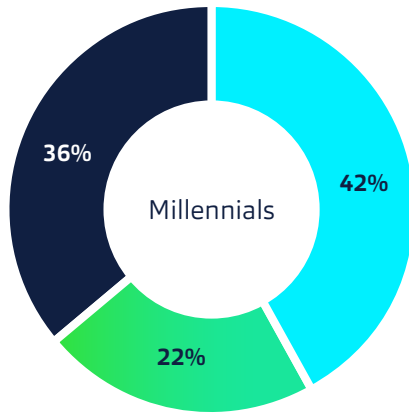


SECURITY IS A GREATER CONCERN THAN PRIVACY

Both millennials and non-millennials find that data security is somewhat more worrisome than privacy concerns. Again, millennials have fewer security concerns than non-millennials and millennial men and younger millennials have fewer data security concerns than their older and female millennial counterparts.

HOW CONCERNED ARE YOU THAT COMPANIES WILL FAIL TO KEEP YOUR PERSONAL INFORMATION SECURE?

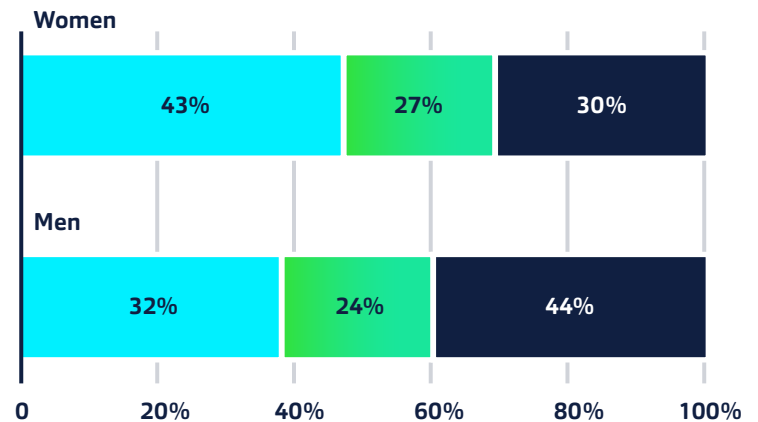
Very concerned Somewhat concerned Not concerned



By Age



By Gender



METHODOLOGY

This Fluent survey was conducted online within the United States on August 2, 2016 among 2,960 adult US residents (aged 18 and up) including 1,769 millennials (aged 18-34) and 1,191 non-millennials (aged 35 and older). Respondents were randomly selected. Due to rounding, percentages may not always add up to 100%. Fluent's proprietary ad serving technology includes a real-time survey module that was used to facilitate the data collection for this study.



ABOUT FLUENT

Fluent, LLC, an IDI company (NYSE MKT: IDI), is an industry leader in people-based digital marketing and customer acquisition, serving over 500 leading consumer brands and direct marketers. Leveraging a massive reservoir of proprietary audience data, as well as millions of real-time survey interactions with consumers every day, Fluent enables advertisers to more effectively target and acquire their most valuable customers, with precision, at a massive scale. The company's headquarters is in New York City, with a satellite office in Washington, DC.

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