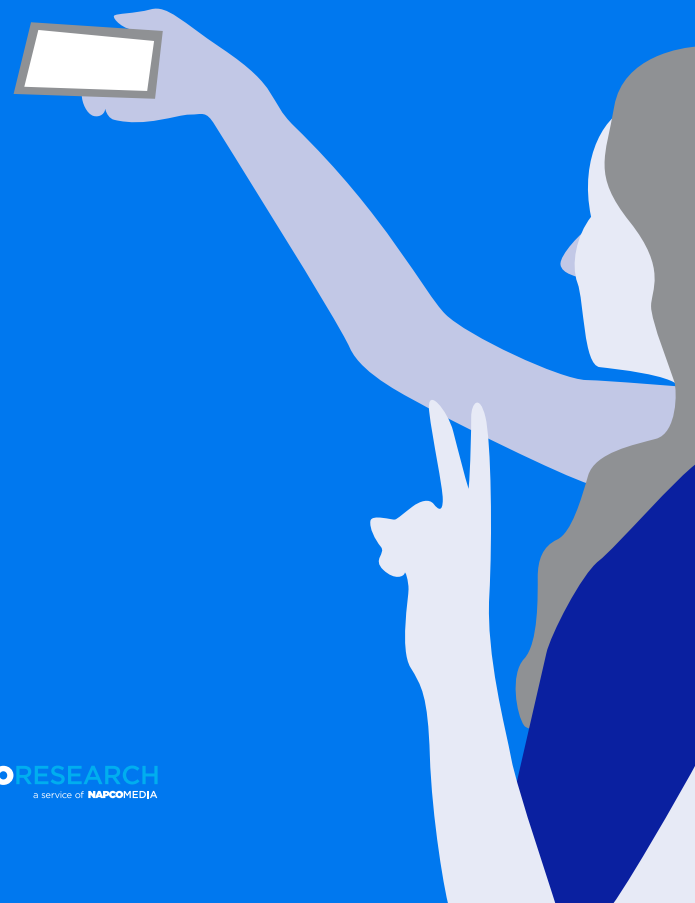




# HOW MILLENNIALS ACTUALLY WANT BRANDS TO ENGAGE WITH THEM

NEW RESEARCH SHOWS THAT  
EVEN THOUGH MILLENNIALS  
SPEND MOST OF THEIR TIME ON  
SOCIAL MEDIA, THAT DOESN'T  
MEAN THOSE ARE THE BEST  
CHANNELS FOR BRANDS TO  
DRIVE SALES.



# CONTENTS



## INTRODUCTION

PAGE 04

**SOCIAL MEDIA IS  
MORE FOR FRIENDS  
AND FAMILY,  
LESS FOR BRANDS**

PAGE 08

**EMAIL IS THE PREFERRED  
AND MOST  
PERSONAL CHANNEL**

PAGE 11

**MILLENNIALS USE GMAIL  
FOR THEIR PERSONAL  
EMAIL AND THEY  
CHECK IT ON THE GO**

PAGE 15

**MILLENNIALS ARE MOST  
LIKELY TO USE THE  
PROMOTIONS TAB AND  
CHECK IT OFTEN**

PAGE 18

## CONCLUSION

PAGE 23

## ABOUT THE RESEARCH

PAGE 24

# INTRODUCTION

As each new generation develops its own spending patterns, the relationship between consumers and brands evolves. However, as Millennials develop more purchasing power, they've become an increasingly important demographic for brands to engage and understand. **This is due to two important factors:**

**First, the emergence of new technologies and social channels has Millennials connected 24/7.** According to Nielsen<sup>1</sup>, as expected, Millennials own more devices than previous generations. They are connected and available wherever they are and expect the same from friends, family and even brands. In addition to this, every few years a new social channel manifests, claiming to be the new way to connect with younger generations. Not wanting to risk getting left behind, brands rush to establish their presence on these channels, while also maintaining their continuous presence everywhere else.

**Second, Millennials are less concerned about their digital privacy.** In the past, consumers valued privacy more than they valued receiving communications tailored to their individual experience with a brand. However research by the American Press Institute<sup>2</sup> found that **only 20 percent of Millennials worry about digital privacy**, 46 percent say they worry “only a little” and 34 percent said they “don’t worry at all.”

1. Nielsen, Mobile Millennials: Over 85% of Generation Y Owns SmartPhones  
<http://www.nielsen.com/us/en/insights/news/2014/mobile-millennials-over-85-percent-of-generation-y-owns-smartphones.html>  
(Sep. 05, 2014)
2. American Press Institute, Digital Lives of Millennials  
<https://www.americanpressinstitute.org/publications/reports/survey-research/digital-lives-of-millennials/>  
(Mar. 16, 2015)

# INTRODUCTION

As each new generation develops its own spending patterns, the relationship between consumers and brands evolves. However, as Millennials develop

But even with these unique characteristics, does that really mean Millennial consumers are that different from other generations in how they want to be engaged with by brands?

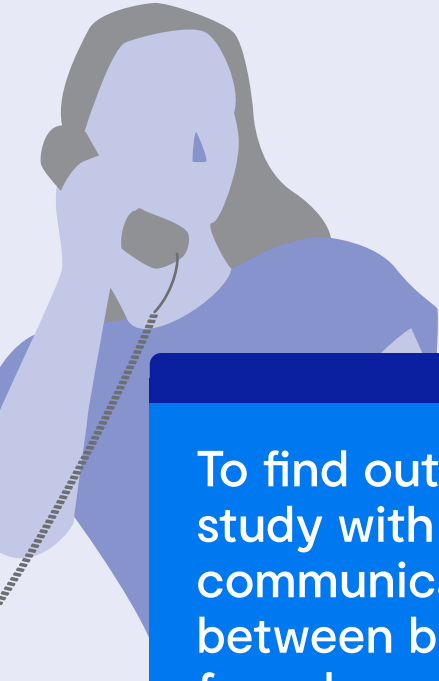
Yes

No

Second, Millennials are less concerned about their digital privacy. In the past, consumers valued privacy more than they valued receiving communications tailored to their individual experience with a brand. However research by the Pew Research Institute found that **only 20 percent of Millennials worry about digital privacy**, 46 percent say they worry “only a little” and 34 percent said they “don’t worry at all.”

## BABY BOOMERS

1945 — 1965



To find out, Bluecore commissioned a study with NAPCO Research on digital communication methods and channels between brands and consumers across four demographics.

## GENERATION X

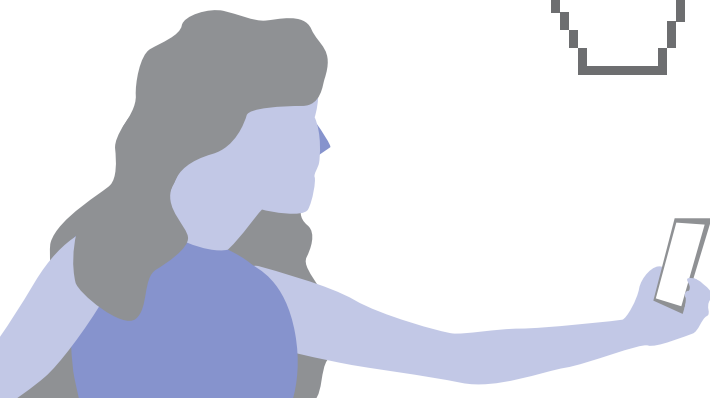
1965 — 1980



The online survey included 1,174 consumers who had made an online purchase within the past three months.

## MILLENNIALS

1980 — 1995



## GENERATION Z

1995 — 2015



SEND

SAVE NOW

DISCARD

TO:

SUBJECT:

We found that despite the advancement of technology and the emergence of new social channels, consumers across all demographics say that email is still the most preferred – and most personal – way they engage with their favorite brands. Most importantly, even with Millennials having adopted a wide range of new technologies, they still prefer to interact with brands over email.

- Sixty-eight percent of survey respondents, in all four demographics, said they prefer to receive brand communications via email.
- Sixty-four percent of Millennials find email to be the channel that feels the most personal.
- More than half (53 percent) of all survey respondents say their smartphone is the primary device on which they check email, which increases with younger audiences: 67 percent of Generation Z and 59 percent of Millennials.
- On average, 64 percent of Gmail users still use the Promotions tab today, with Millennials (70 percent) and Generation Z (73 percent) being the most active users.
- Gmail users check the Promotions tab frequently; 47 percent of all survey respondents do so at least daily, while 53 percent of Millennials check it at least once per day.

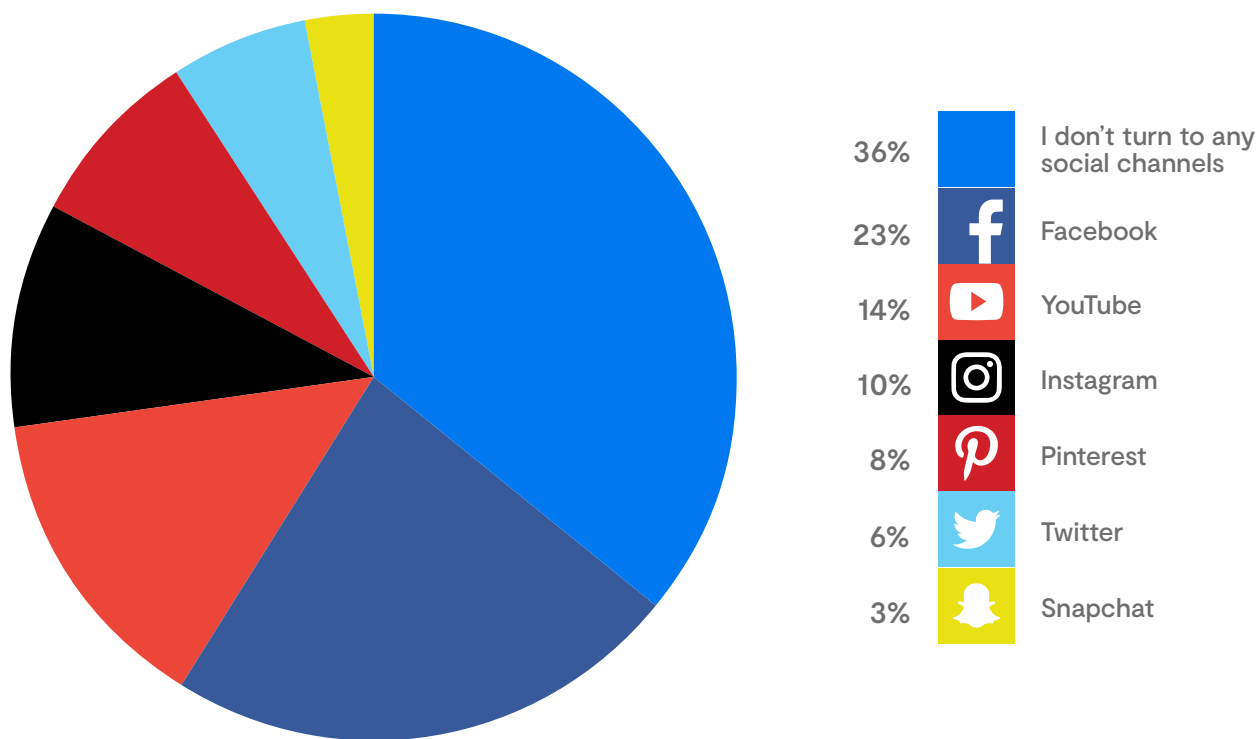
# SOCIAL MEDIA IS MORE FOR FRIENDS AND FAMILY, LESS FOR BRANDS

Since social media channels have come into existence, brands have been trying to figure out how to leverage them as sales channels for consumers. If brands wanted to sell to women, they thought they had to get in front of them on Pinterest.

Needed to reach young men? YouTube was the channel of choice.

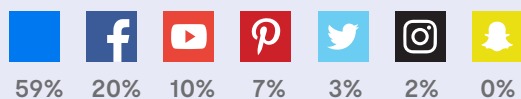
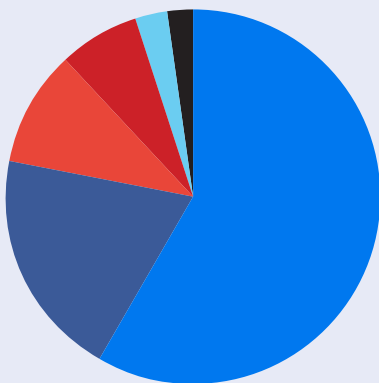
However, when consumers were asked which channels they check to learn about new products from brands, 36 percent say they don't turn to any social channels at all. Boomers (59 percent) and Generation X (43 percent) were least likely to check social channels, followed by Millennials (33 percent).

## Which channels do you check to learn about new products?

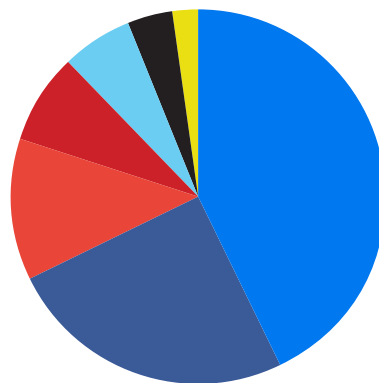




## BABY BOOMERS

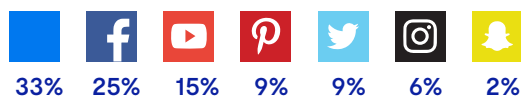
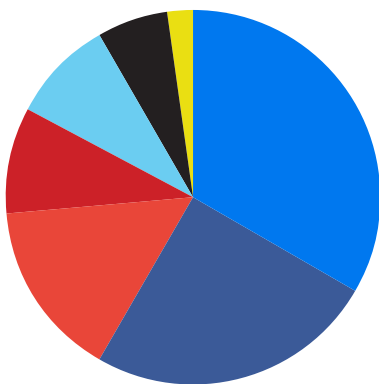


## GENERATION X

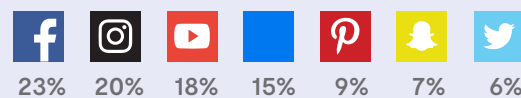
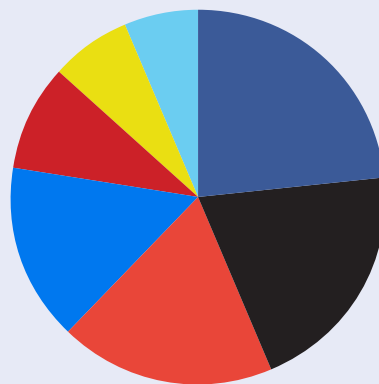


Which channels do you check to learn about new products?

## MILLENNIALS



## GENERATION Z



Although Facebook comes in as the second-highest channel for learning about new products across all demographics, brands should still be careful about focusing on social channels as a way to reach consumers.

Taking Facebook as an example, when it was first introduced as a social channel for brands, company pages were positioned as owned media. Brands shared similar content they would in emails, such as new merchandise arrivals and sales promotions, and consumers would follow these pages to receive updates organically in their feeds. Brands had the option to pay to advertise their content if they wanted an extra boost to reach new audiences, but it wasn't necessary in order to reach an already engaged audience.

But gradually year after year, Facebook would update its news feed algorithm in ways that made it harder for brands to connect with consumers without paying to advertise. Most recently in June 2016, Facebook<sup>3</sup> announced that it planned to make even more changes to its algorithm so that it would boost content posted by the friends and family of users over publishers and brands. By the end of the month, reach of brand and publisher stories had dropped 42 percent. This was all done to improve the site's revenue model, but has essentially resulted in Facebook switching from an owned to paid media channel.

The lesson here is that regardless of how people use social media, brands will always be at the mercy of the algorithms and changes of the channel. In an interview with The New York Times<sup>4</sup>, Emily Bell, Director at the Tow Center for Digital Journalism at Columbia University, said, "There is now an expectation, in general, on the part of publishers that platforms will change, and that they won't necessarily be informed how they will change."

Therefore, in order to completely own the customer experience, brands should rely on owned media channels that allow them to control their reach and message.



"Facebook, at the end of the day, is a place where people want to share things that matter to them, whether it's a news story or their child walking."

– Melissa Bell, Vice President at Vox Media



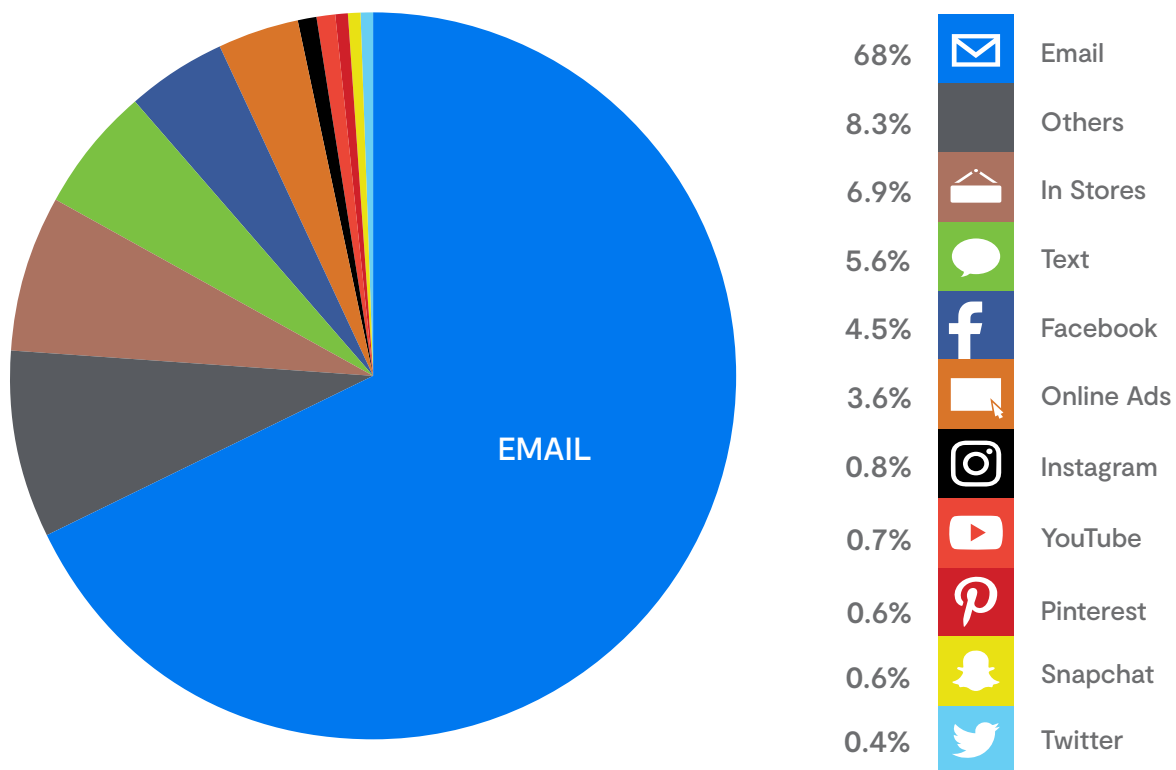
3. Contently, 7 Ways Facebook's Big Algorithm Change Will Affect Marketers and Publishers <https://contently.com/strategist/2016/06/29/7-ways-facebooks-big-algorithm-change-will-affect-marketers-and-publishers/> (Jun. 29, 2016)

4. The New York Times, Facebook to Change News Feed to Focus on Friends and Family <http://www.nytimes.com/2016/06/30/technology/facebook-to-change-news-feed-to-focus-on-friends-and-family/> (Jun. 29, 2016)

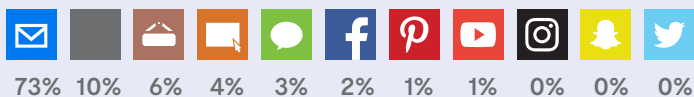
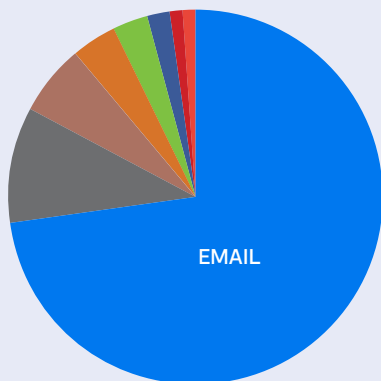
# EMAIL IS THE PREFERRED AND MOST PERSONAL CHANNEL

So if consumers are using social media channels to engage with friends and family, what channels are they using to engage with brands? When consumers were asked how they would **prefer** to receive brand communications, an overwhelming number chose email (68 percent). **In fact, across all demographics, respondents preferred email more than all other channels combined.**

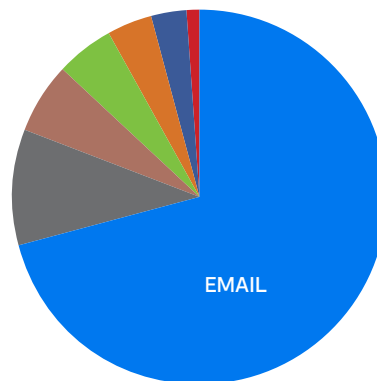
## How would you prefer to receive brand communications?



## BABY BOOMERS

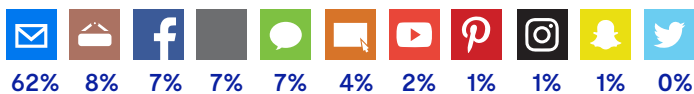
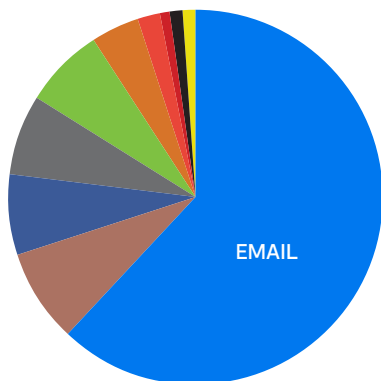


## GENERATION X

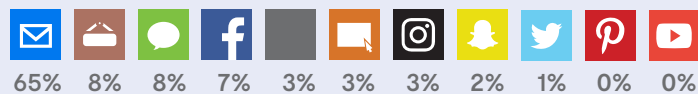
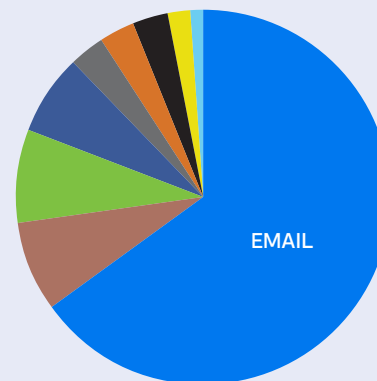


How would you prefer to receive brand communications?

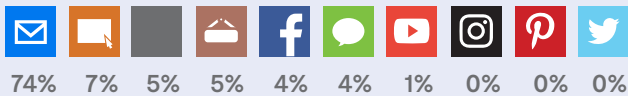
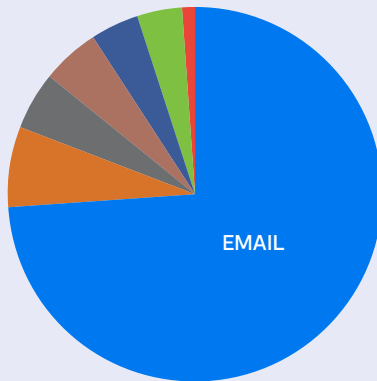
## MILLENNIALS



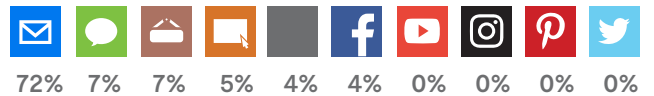
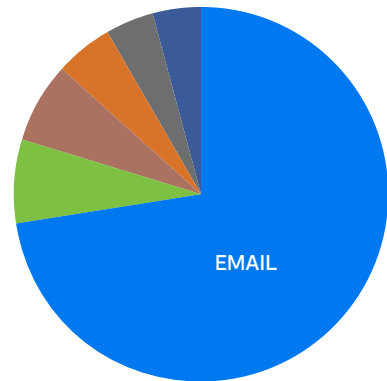
## GENERATION Z



## BABY BOOMERS



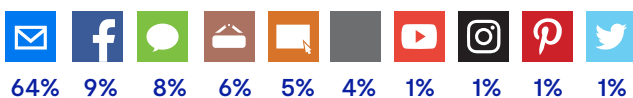
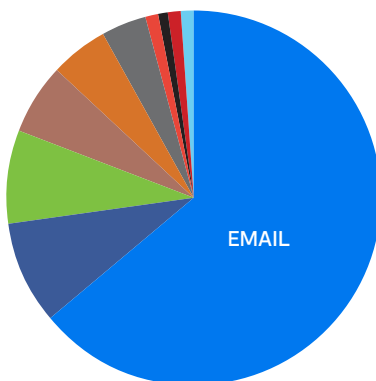
## GENERATION X



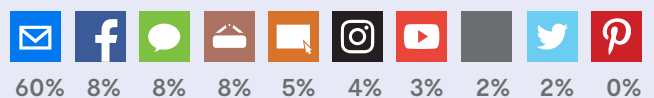
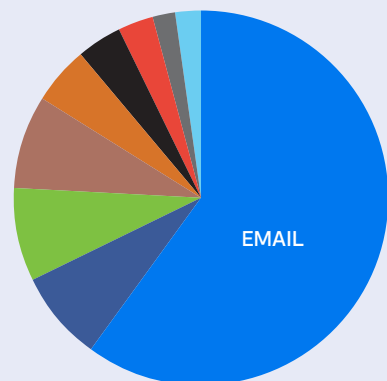
The reason for this has everything to do with personalization. When consumers were asked which communication channel feels the most personal, the results were almost duplicative to preferences.

Of the channels from which you receive communications from brands, which feel most personal?

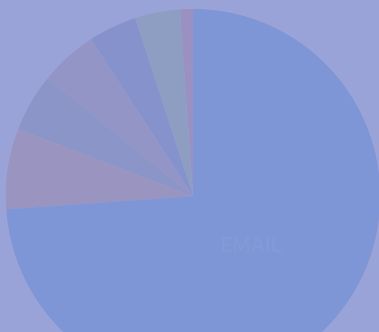
## MILLENNIALS



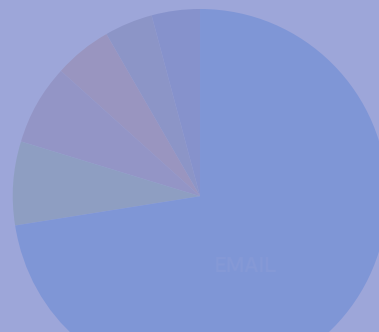
## GENERATION Z



## BABY BOOMERS



## GENERATION X



SEND

SAVE NOW

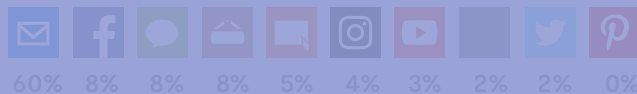
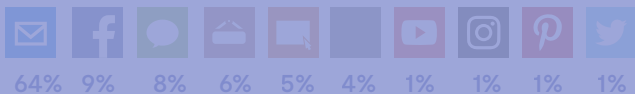
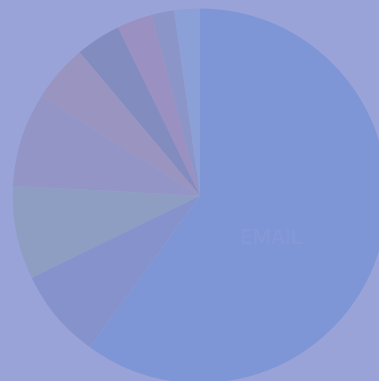
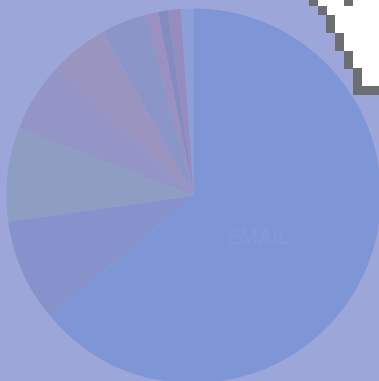
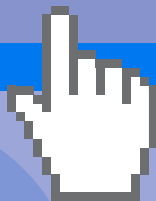
DISCARD

TO:

SUBJECT:

On average, 68 percent of respondents chose email as the most personal channel. Although younger audiences do find channels such as Facebook, in-store and text to provide some greater personalization, email still overwhelmingly outperforms all other channels for both Millennials (64 percent) and Generation Z (60 percent).

This shows that for all consumers, personalization is an incredibly important aspect of communication and email is the channel that delivers that experience best.

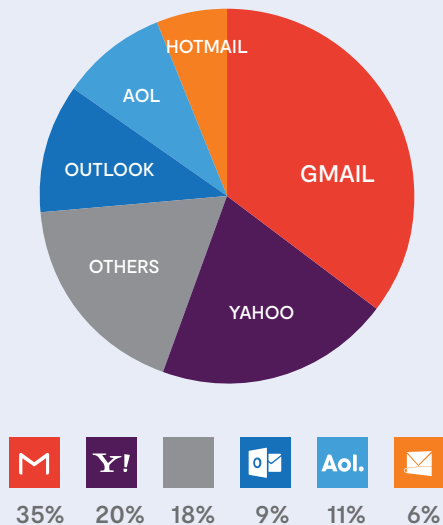


# MILLENNIALS USE GMAIL FOR THEIR PERSONAL EMAIL AND THEY CHECK IT ON THE GO

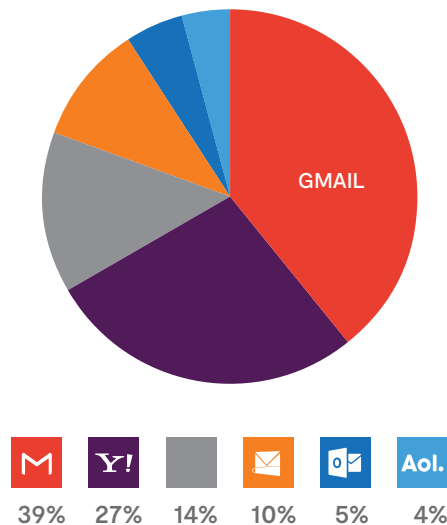
Although we know that email is the channel that feels most personal, it's also important to understand **how** consumers use this channel, including their choice of provider and device.

Not surprisingly, email is largely being read on mobile devices and, again, this is true for all demographics. More than half (53 percent) of all consumers say their smartphone is the primary device on which they check email, which increases when taking a look at today's younger audiences: 67 percent of Generation Z and 59 percent of Millennials report using their smartphone for email. Consumers' second option for reading emails is a laptop (24 percent) and third is a desktop (18 percent). Interestingly, tablets lag behind at only 6 percent.

## BABY BOOMERS

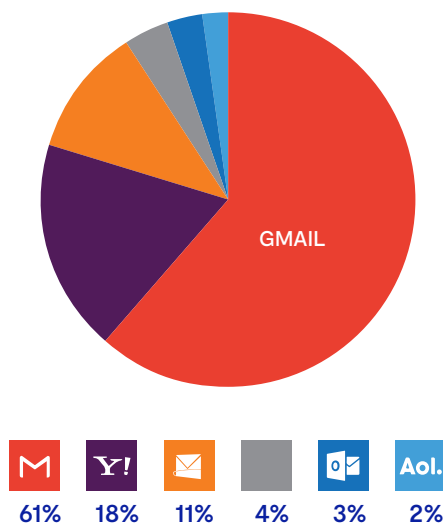


## GENERATION X

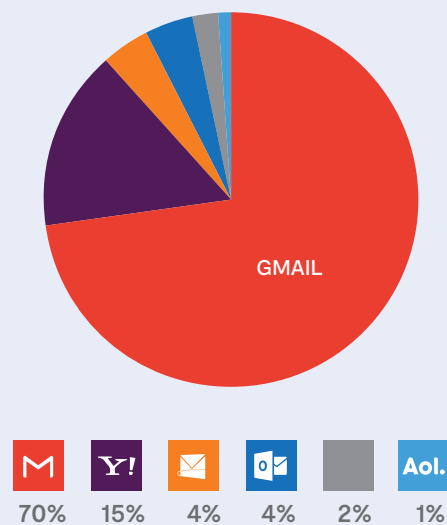


What provider do you use for your personal email?

## MILLENNIALS

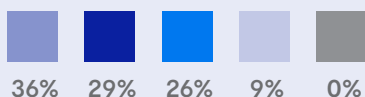
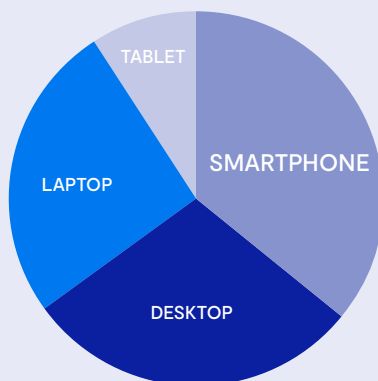


## GENERATION Z

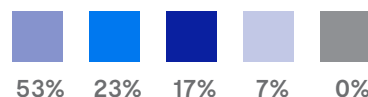
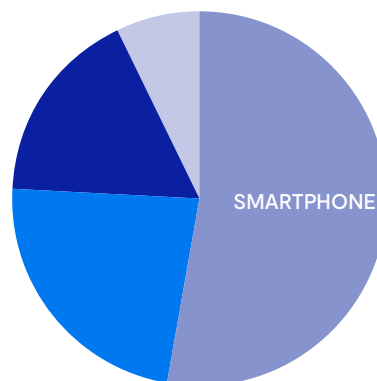




## BABY BOOMERS

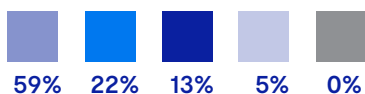
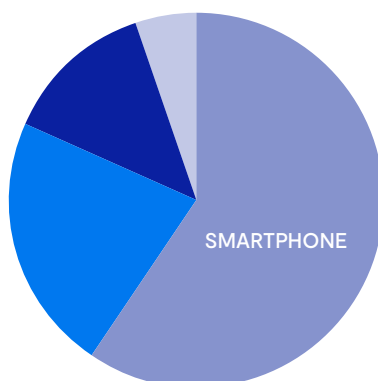


## GENERATION X

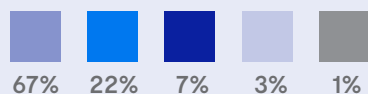
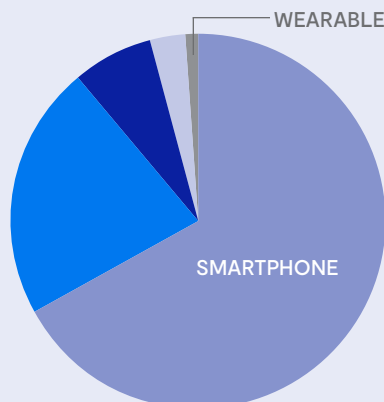


What device do you primarily use to check your personal email?

## MILLENNIALS



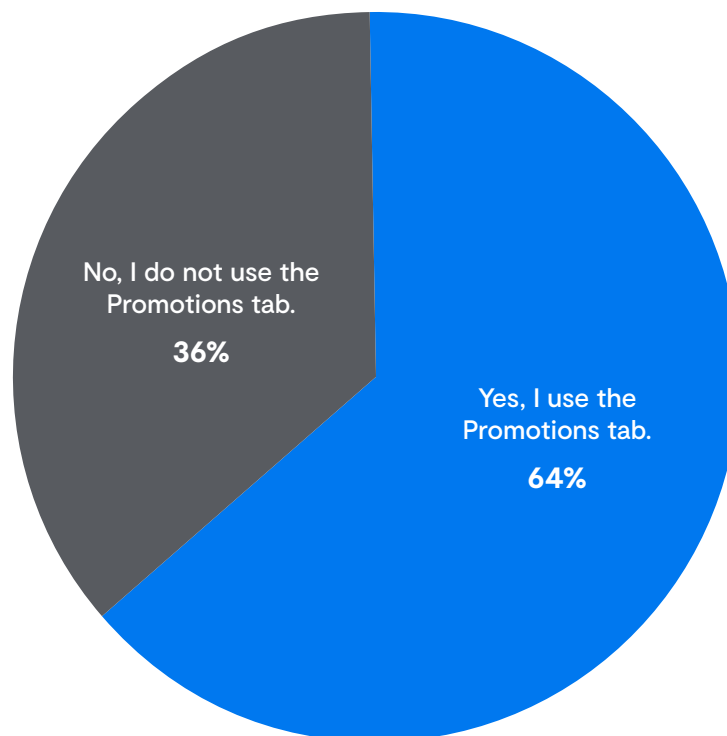
## GENERATION Z



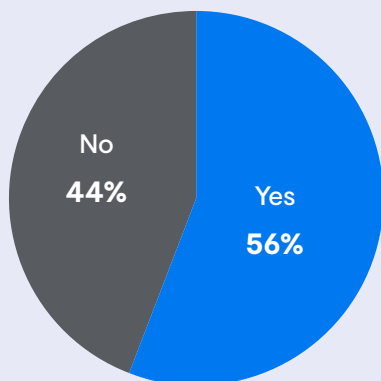
## MILLENNIALS ARE MOST LIKELY TO USE THE PROMOTIONS TAB AND CHECK IT OFTEN

Back in 2013, Gmail began separating email into tabs: Primary, Social, and Promotions. The rationale for the update was that separating emails into tabs would make it easier for users to process and organize their inboxes. With the change came predictions that users would dislike the tabs and switch back to the non-tabbed interface in droves.

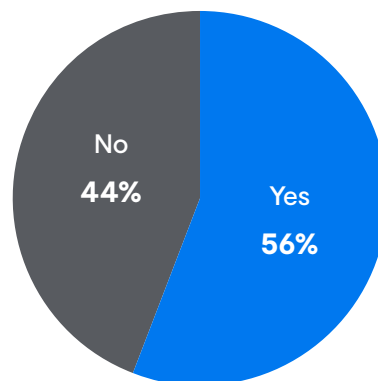
Instead, we find that 64 percent of Gmail users still use the Promotions tab today, with Millennials (70 percent) and Generation Z (73 percent) being the most active users.



## BABY BOOMERS

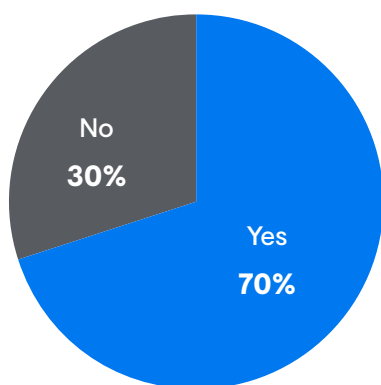


## GENERATION X

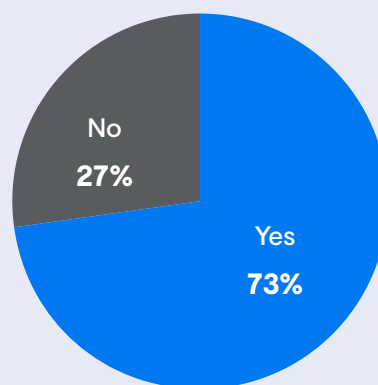


If you use Gmail, do you use the “promotions”  
tab to filter emails from retailers?

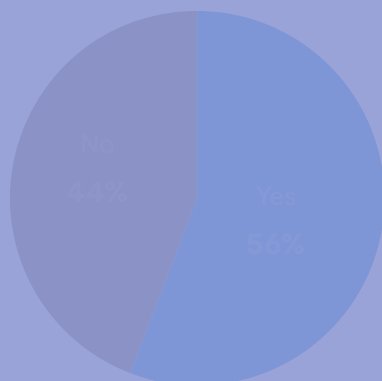
## MILLENNIALS



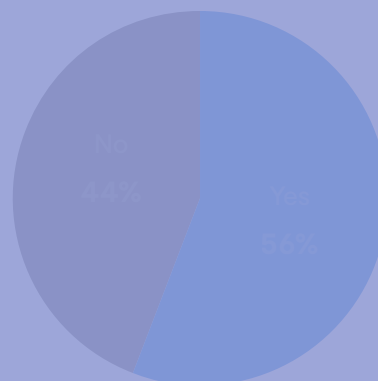
## GENERATION Z



## BABY BOOMERS



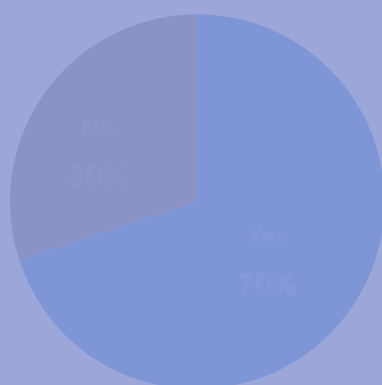
## GENERATION X



Along with predictions about consumers' response to the new tabbed interface came predictions about the death of promotional emails.

Articles with titles like "How To Survive the Gmail Tabs Marketing Apocalypse"<sup>5</sup> described a coming disaster for marketers, painting a picture of the Promotions tab becoming a vast, barren email wasteland, leaving marketers to scavenge for scraps in other channels.

## MILLENNIALS

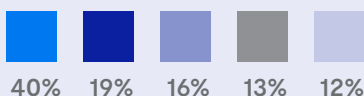
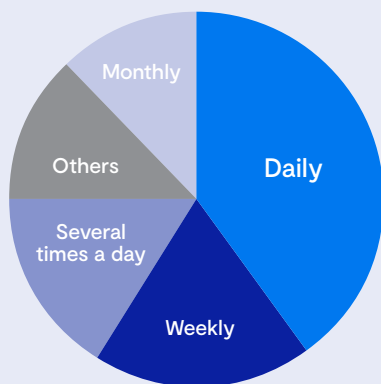


## GENERATION Z

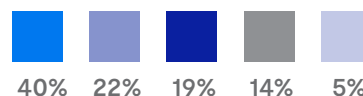
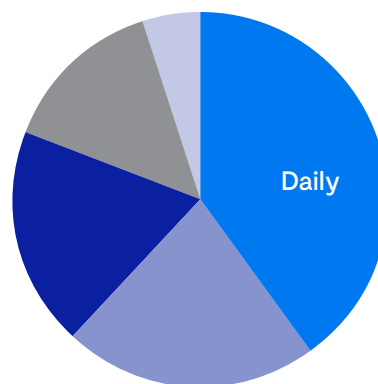


5. Marketo, How to Survive the Gmail Tabs Marketing Apocalypse  
<https://www.marketo.com/articles/how-to-survive-the-gmail-tabs-marketing-apocalypse/>

## BABY BOOMERS



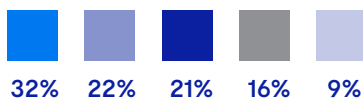
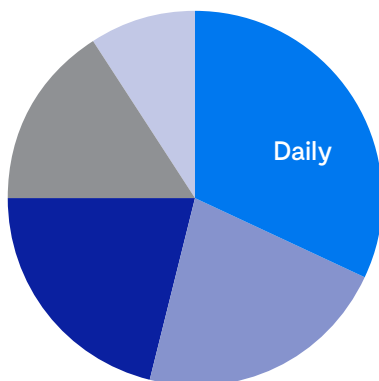
## GENERATION X



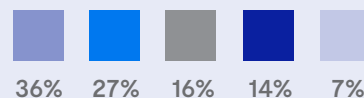
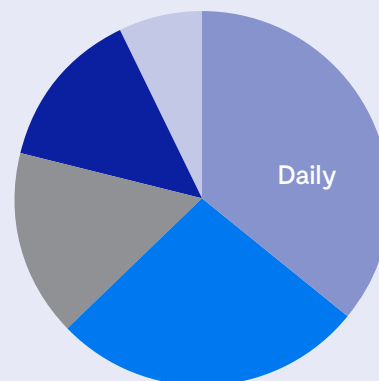
In reality, several years after the change, consumers check the Promotions tab frequently: 47 percent of all survey respondents do so at least daily, while 53 percent of Millennials check it at least once per day.

How often do you check the “promotions” tab?

## MILLENNIALS



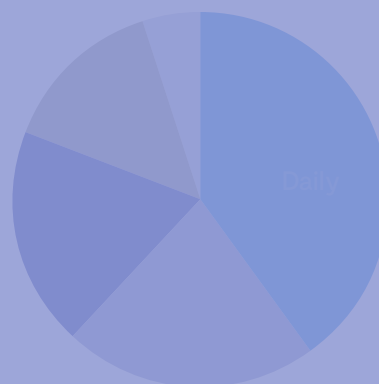
## GENERATION Z



## BABY BOOMERS



## GENERATION X



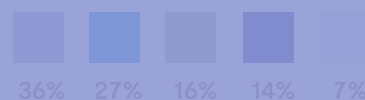
This suggests the Promotions tab may actually be a good thing for retailers' most engaged audiences. When promotional emails come into a central mailbox, users are inclined to skip over them in the course of daily mailbox management.

By engaging frequently with the Promotions tab, consumers are intentionally interacting with promotional content. Rather than skimming past it in a central mailbox, they are more inclined to fully consume and engage with it. In short, they're proactively looking for - and controlling when they see - retailer news, promotions and discounts in this tab.

## MILLENNIALS



## GENERATION Z



# CONCLUSION

- Millennials – they aren't so different after all. Smart, personalized digital marketing campaigns are applicable across many generations.
- More than two-thirds of consumers say they believe email is the most personal way that they interact with retailers – so make sure you keep it that way. Make sure the relationship continues to feel personal by sharing the right messages and offers at the right time. And please, don't spam.
- Help mobile viewers use those emails in-store. It's not just about the online experience – email is a great forum to leverage and invite cross-channel engagement. Promote in-store tech uses, barcode scanning and deals. Push users to apps that help them select products or navigate the stores.
- Embrace the “promotions” tab as the new status quo for inbox engagement. Create an overall email strategy that has this tab top of mind. When are consumers most likely to check this tab and what subject lines will help your brand stand out in the crowd?



## ABOUT THE RESEARCH

To truly understand how Millennials respond and engage with brands compared to other generations, Bluecore commissioned an online survey through NAPCO Research with 1,174 consumers across Baby Boomer, Generation X, Millennial and Generation Z demographics within the United States. As a prerequisite to participation, consumers must have made an online purchase within the past three months. The survey was conducted in July 2016.

### Demographics Defined:

Baby Boomers  
1945 — 1965

Generation X  
1965 — 1980

Millennials  
1980 — 1995

Generation Z  
1995 — 2015

Wow, you scrolled a long way!  
Whether you



our report, we hope you found it useful.

