

NPAFE

A word to the wise among corporate marketers

Millennials Are **NOT**
Much Different From
The Rest Of Us



*I look forward to an America which will
reward achievement in the arts as we
reward achievement in business or
statecraft. I look forward to an America
which will steadily raise the standards of
artistic accomplishment and which will
steadily enlarge cultural opportunities for
all of our citizens. And I look forward to
an America which commands respect
throughout the world not only for its
strength but for its civilization as well.*

President John F. Kennedy
October 26, 1963, Amherst College

NPAFE

The National Performing Arts Funding Exchange, NPAFE, is the country's only not-for-profit partnering exclusively with private sector businesses committed to advancing the performing arts, channeling funding to up-and-coming performing artists acclaimed primarily for compelling original work. This financial support comes from corporate donors intent on associating their brands with "the next generation of best" performing artists, people already applauded by loyal and discerning audiences. NPAFE also provides marketing and fiscal agent services to these artists at no charge. NPAFE is a certified 501 c 3 charitable organization registered in Washington, DC, USA

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No matter how they might “look” to themselves, to others, or to the Census Bureau, Millennials are not much different than the rest of us, not by a long shot.

THE BOTTOM LINE RIGHT UP FRONT

NPAFE asserts in this White Paper that Millennials are very much like the rest of us in terms of their wants and needs and that this has major implications for how companies large and small should — and should not — be spending their budget time and money marketing to them.

While we would not go as far as did Women’s Wear Daily in saying that maybe you shouldn’t market to Millennials at all,ⁱ plenty of data exist proving that GenY responds to almost all forms of marketing pretty much the same as the rest of us.

Examples abound suggesting we’re wrong about that. For example, on Wednesday, April 19, 2017, USA Today led with a big headline:

*“Millennials differ from other generations in almost every regard.
Here’s the data!”ⁱⁱⁱ*

The article went on to cite statistics from a then-brand-new U.S. Census Bureau report, “The Changing Economics and Demographics of Young Adulthood: 1975–2016”.

The Census Bureau document led with this notion: “...What is clear is that today’s young adults *look different* from prior generations in almost every regard: how much education they have, their work experiences, when they start a family, and even who they live with while growing up....”

They may “look different”, we propose. But, in fact, that Census Bureau document proved just the opposite: No matter how they might “look” to themselves, to others, or to the Census Bureau, Millennials are not much different than the rest of us, not by a long shot.

We’ll get to the proof of that in just a bit. But first...

Two months ago, we came across a single statistic presented by Eventbrite that also hinted at this reality. While 82% of Millennials “craved” more live experiences like events, festivals, live performances, said Eventbrite, fully 70% of *all* consumers “craved” the same thing.

Seven out of ten versus eight out of ten?

*What are these
and a lot of other
data really telling
us about
Millennials, what
they want, and
especially whether
they use Social
Media any
differently than
the world at large?*

Those two numbers are NOT saying that Millennials are different than preceding generations and instead that Millennials are pretty much the same as the rest of us. In fact, *those two percentages are so close as to say (especially to marketers) that the 12-percentage point difference between otherwise high percentages is statistically insignificant when it comes to how marketing dollars are spent.*

More importantly, the 70% and 82% are signaling: "Wait a minute! If our marketing budget is allocated the right way, we can reach many generations with the same spend."

What are these and a lot of other data *really* telling us about Millennials, what they want, and especially whether they use Social Media any differently than the world at large to get to where they want to go?

For the answers, try this web search: "Why Millennials Are NO Different Than the Rest of Us." Or "The Social Media Gap Between Millennials and the Rest of Us is Closing". Or "Success Rate of Social Media Marketing." Or "Millennials and Customer Loyalty". Finish up with "GenX vs GenY", a real eye opener.

Then you'll know:

Millennials are no different than the rest of us in terms of what they want and how they want to be treated, especially when it comes to marketing and advertising to them.

NPAFE is hardly alone in believing this. Who else does is what the rest of this White Paper is all about.

"Why isn't social media working?" come the cries from the Executive Suite. "Why is our message being crowded out? Why don't last week's 3,000,000 hits and last month's 25,000,000 hits translate into measurably better customer loyalty?"

THE PRESSURE FOR RETHINKING "MILLENNIALS"

Virtually every major world-class consulting firm is now reporting that today's marketing industry is beset with pressures from corporate CEOs and their Boards to come up with better ways to reach Millennials than the social media-anchored solutions that have prevailed for the last few years.

Constantly evolving technology drawing Millennials to social media for communicating with one another was and is usually cited as "proof" that Millennials really were different — and still are. It became the corporate marketer's holy grail of the moment to chase after that "personalized" solution, aiming social media primarily at Millennials.ⁱⁱⁱ

In the past 13 years since Facebook pressed the Start button and lit up computer screens, brands large and small *have spent over a trillion dollars (US)* to ride the digital and social media marketing rails, adding billions more to the Big Data treasure hunt for the *perfect message perfectly* tailored to the *perfectly*-defined Millennial.

What's wrong with all that?

That's what CEOs themselves now want to know. "Why isn't social media working?" come the cries from the Executive Suite. "Why is our message being crowded out? Why don't last week's 3,000,000 hits and last month's 25,000,000 hits translate into measurably better customer loyalty?"

And the worst: "Are we spending all this money for something that doesn't work?"

It is especially misleading to think that Millennials favor the "shared economy". The truth is that they don't like sharing any more than the rest of us and instead are forced to "share" because of debt, more than likely because of college debt.

WHAT WE'VE UNCOVERED

We went back to basics to determine whether Millennials are really different and why the evidence is mounting that their once-exclusive playground — social media — is no longer theirs alone and is not working for marketers quite the way it was expected.

The answer? Social media is not working the way it was expected because Millennials are not responding the way they were expected to respond.

We reached that conclusion by researching some of the best large company, small company, and consulting world analyses to uncover where the new consensus lies regarding the way Millennials (and everyone else) uses social media.

Seven truths emerged.

Truth #1. Conventional wisdom still prevailing in the marketing world is that Millennials are different and far more committed to a "shared economy" that in fact imprisons them more than it empowers them. The companion assertion is that Millennials are so addicted to social media that this is the only way to reach them. Yet the growing failure rate in making this happen is obvious: mounting data that companies themselves are releasing in fact show that the failure rate to increase Millennials' customer loyalty using social media is increasing at near out-of-control cost to brands large and small.

Truth #2. It is especially misleading to think that Millennials favor the "shared economy". The truth is that they don't like sharing any more than the rest of us and instead are forced to "share" because debt, more often than not college debt — even community college debt — has made it almost impossible for too many of them to have their own homes, apartments, cars ... or kids

Truth #3. The most compelling data show that Millennials' aspirations are really no different than the rest of ours. Millennials' real expectations are universally shared by people in all geographic and age segments, and across all demographic groups.

Truth #4. Social media is no longer the exclusive playground for Millennials. All demographic segments are increasingly turning to social media for

All consumers, Millennials included, want to feel confident that whatever a brand stands for today will be the same as what it stands for tomorrow. And they want that message from people they respect and trust, not by people they merely admire.

personal communication and sharing of ideas and special moments. GenXers now beat Millennials hands down at this.

Truth #5. Like Millennials themselves, everyone else is increasingly turned off by commercial content getting in our way — *in your way* — when you use social media.

Truth #6. What has always made *all* customers loyal — or not — is their trust — or lack of trust — in what a brand stands for. They have always wanted to know how a brand relates to them right where they live, work and play. Local. Hometown. All consumers, Millennials included, want to feel confident that whatever a brand stands for today will be the same as what it stands for tomorrow. And they want that message from people they respect and trust, not by people they merely admire.

Truth #7. Consumers' loyalty comes automatically once a brand has their trust. The higher the breakage rate (for example: points earned but never redeemed by the points holder), the less consumer trusts the brand. True 30 years ago. True today. True 30 years from now. And beyond.

These numbers emphasize not only what makes consumers TRUST brands but how smart people believe you can and should to go about making that happen.

79% say: "I want you to want me": 79% only consider brands that show they understand and care about "me" before they are going to consider purchasing."

THE NUMBERS

Each of these numbers is a tip of an iceberg. Look past them to the sources, listed in the endnotes. Above all, pay close attention to where the words "consumer" or "customer" appear as the demographic rather than "Millennials".

89%

89% of companies see customer experience (CX) as a key factor in driving customer loyalty and retention. CX can be broadly defined to include all forms of brand reach to actual and potential customers, direct or through sponsorships. (Invespcro)^{iv}

89%

of consumers say "Brand me": my purchases reflect what I stand for and believe in. They are loyal to brands that share their values. (Wunderman)^v

88%

of consumers say "Go above and beyond". It's more than surprise and delight: 88% want to engage with brands that are setting new standards. 88% want brands to push the boundaries (and will) engage with brands setting new standards in meeting their expectations. (Wunderman)

87%

of large companies stated customer experience efforts had a positive business impact. (Temkin Group)^{vi}

87%

In 2013, 87 percent of Millennials donated to a nonprofit (WWD-Womens Wear Daily)^{vii}

82%

&
70%

Millennials crave more experiences: more than 8 in 10 (82%) attended in a variety of live experiences in the past year, ranging from parties, concerts, festivals, performing arts and races and themed sports — and more so than other older generations (70%). (Eventbrite)^{viii}

79%

(of consumers) say: "I want you to want me": 79% only consider brands that show they understand and care about "me" before they are going to consider purchasing." (Wunderman)

56% (of consumers) are more loyal to brands that "Get me". These 56% feel more loyal to brands that show a deep understanding of their priorities and preferences.

78%

More than 3 in 4 Millennials (78%) would choose to spend money on a desirable experience or event over buying something desirable and 55% of Millennials say they're spending more on events than ever before, with no signs of slowing. (Eventbrite)

70%

Up by 70%. Since 1987, the share of consumer spending on live experiences and events relative to total U.S. consumer spending increased 70%. People want to experience more, and businesses are evolving and entering the market to meet that demand. (Eventbrite)

64%

percent (of Millennials) say they're more brand loyal or as brand loyal as their parents. (WWD) ^{ix}

63%

of consumers say the best brands exceed expectations across the entire customer journey (Wunderman)

62%

of consumers, almost two-thirds, believe the best brands succeed in making their lives easier. And that doesn't just mean great products, either. (Wunderman)

56%

of consumers are more loyal to brands that "Get me". These 56% feel more loyal to brands that show a deep understanding of their priorities and preferences. (Wunderman)

55%

of US consumers recommend brands or organizations to which they are loyal to their family and friends. (Eventbrite)

41%

of U.S. consumers are loyal to organizations that present them new experiences, products or services (Accenture)^x

37%

37% of U.S. consumers show loyalty to brands that actively support shared causes, such as charities or public campaigns (Accenture)^{xi}

The data demonstrate not only that it is very hard to measure the impact of social media on a company's business, but that almost half of all the corporate CMOs polled report that their teams cannot measure the impact at all.

HOW DOES SOCIAL MEDIA FIT IN?

Social Media is no longer the exclusive playground for Millennials. Plenty of data now available to marketers and researchers point to a rapidly closing gap between the time Millennials allot to social media and that given over by people both younger and older than Millennials.

Data abounds, for example, that GenXers use their smartphones more than Millennials,^{xii} and that the rate of use by Baby Boomers is growing much faster than Millennials, the latter's use having actually remained static over the past two years.

The questions that arise are: do these social media devotees click on digital ads when they use social media, or do those ads simply get in their way?

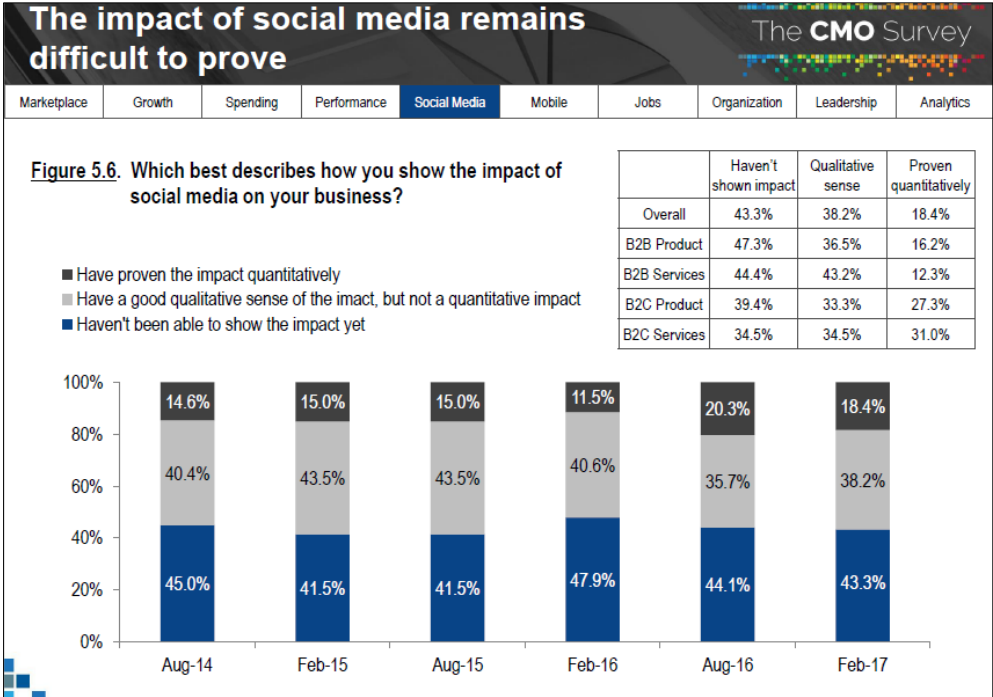
The answers seem to be: No, most are not clicking on those ads. Yes, the ads do get in everyone's way. And yes, this trend will continue over the long haul.

Here's why. People across all demographic strata use their smartphones primarily for one to one communication, whether active (messaging a friend on Facebook) or passive (checking the latest Twitter feeds one by one, or checking up on their friends).

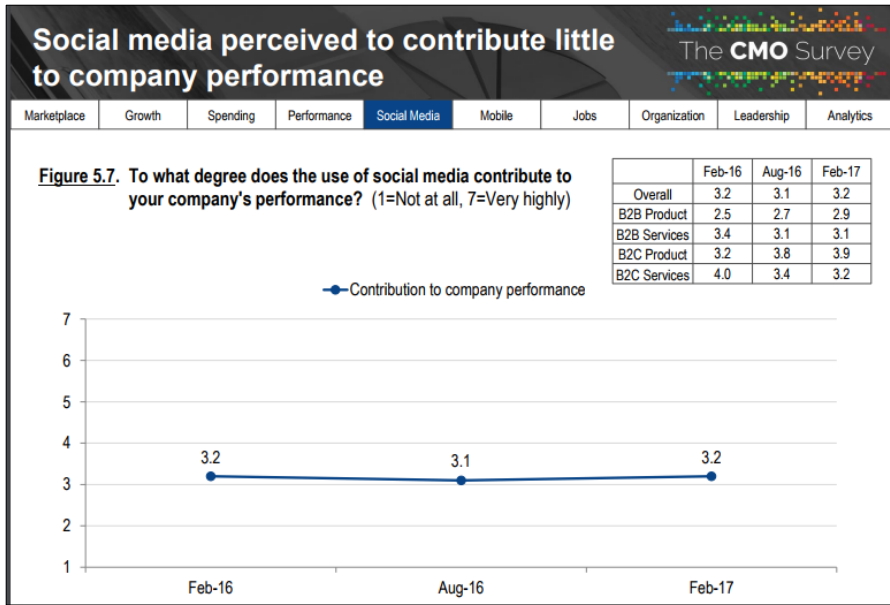
The charts below are drawn from the latest CMO Study^{xiii} issued in April, 2017, a superior work product sponsored by the American Marketing Association and Deloitte, and produced under the leadership of Christine Moorman, T. Austin Finch Senior Professor of Business Administration at Duke University's Fuqua School of Business.

For all the smartphones out there and *all* the people using them (not just Millennials), what do these numbers say?

Here's what: The data and particularly the percentages demonstrate convincingly not only that it is very hard to quantitatively measure the impact of social media on a company's business, *but that almost half of all the corporate CMOs polled report that their teams cannot measure the impact at all.*



Worse, the perception from inside companies as to the effectiveness of social media remains both low and static.



The chart on the next page is most telling. It is a reflection of intended use of social media, that is, what marketers want to achieve with social media, *not* what social media actually achieves. Put differently, these are hoped-for numbers, not a measurement of success.

Top reason firms use social media: Brand building and brand awareness						The CMO Survey			
Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics

Table 5.2. How does your firm use social media? (Check all that apply)

	% Using	B2B Product	B2B Services	B2C Product	B2C Services
Brand awareness and brand building	46.1%	45.3%	48.9%	45.6%	43.9%
Acquiring new customers	31.4%	27.0%	30.4%	36.8%	40.4%
Introducing new products and services	28.9%	29.9%	27.4%	35.1%	24.6%
Retaining current customer	28.4%	26.3%	24.4%	33.3%	38.6%
Brand promotions (e.g., contests, coupons)	28.4%	27.7%	27.4%	38.6%	22.8%
Improving employee engagement	20.1%	17.5%	23.0%	15.8%	24.6%
Marketing research	14.7%	12.4%	14.8%	17.5%	17.5%
Identifying new customer groups you currently don't target	13.7%	14.6%	14.1%	15.8%	8.8%
Identifying new product and service opportunities	11.1%	8.8%	14.8%	7.0%	12.3%
Improving current products or services	7.2%	6.6%	8.9%	5.3%	7.0%

The Wall Street Journal's CMO Today^{xiv} reported that while the CMO Study's analysis shows that social media spending as a percent of total marketing budgets has grown by more than 200 percent over the last seven years, it is still falling short of marketers' projections and faces many challenges.

The Journal article's headline, "Why is Social [Media] Falling Short", led the reader to a more ominous subheading:

"Unrealistic Expectations for Social"

Quoting the Deloitte-Fuqua School study verbatim, WSJ's CMO Today continued: " 'There are four reasons social is falling short of projections,' says ... Moorman. First is the bandwagon effect. Marketers expected that social media would keep growing at its initial rapid rate, so they may have overstated future spending.'

" 'Second, when marketers were thinking about their own spending, they forgot that their competitors might start spending at the same rate. As a

Only 20.3 percent of marketers say they have quantitatively proven the impact of social media on their business. But nowhere did the Journal's article or the Deloitte study itself indicate by how much, or with what effect.

result, the market may have become saturated^{xv}, decreasing the effectiveness of spending, which in turn could dampen future spend.'

" 'Third, actual spending on social may be continuing to grow at the rate marketers projected, but from someone else's budget—IT or other areas of the company—not marketing.'

" 'And the fourth and most likely reason is that companies haven't realized the ROI they anticipated from social media, dampening the desire to invest in the channel,' she says.

Remember? "Unrealistic Expectations for Social" read that WSJ subheadline. "Unrealistic" is an understatement. The Deloitte-Fuqua School's survey found nearly half of marketers (44.1 percent) said they have not been able to demonstrate the impact of social media on their business. Just over one third (35.6 percent) said they have a good qualitative sense of the impact, but cannot quantify it.

Only 20.3 percent of marketers say they have quantitatively proven the impact of social media on their business. But nowhere did the Journal's article or the Deloitte study itself indicate by how much, or with what effect. That's because there is no data model that can reliably produce credible quantitative results from raw data that is subjectively qualitative.¹

Again Moorman: "It is really challenging for companies to show the impact of social media. If a company drops a coupon into the marketplace, it can track whether someone goes into a store and uses it. It is much more difficult to attribute an action — sharing a brand on social media, for instance — to sales. Companies don't do a lot of experiments — such as testing different types of content — with social."

¹ other than models measuring raw data about opinion rather than fact.

Generation X (ages 35-49) spends the most time on social media: almost 7 hours per week versus Millennials, who come in second, spending just over 6 hours per week.

SMARTPHONES DON'T MAKE MUCH DIFFERENCE

How do smartphones figure into the holy grail of marketing, which is: acquire new customers, deepen their loyalty, and make them repeat customers.

More importantly, do Millennials use smartphones in ways that call for marketers to tailor digital ads first and foremost to them?

We think not. And we're not alone.

On January 27, 2017, The New York Times reported on a new Nielsen study,^{xvi} writing that Nielsen's findings "underscores how ubiquitous the smartphone has become."

Nielsen's findings^{xvii} released a few days earlier, on Jan. 17, found that in the United States, 97 percent of people 18 to 34, and 94 percent of people 35 to 49, had access to smartphones. Seventy-seven percent of those 50 and older also used smartphones, the report found.

But that was not the real story.

Instead, the Times' headline said it all: "Generation X More Addicted to Social Media Than Millennials, Report Finds". Reason enough, we decided, to dig into the Nielsen Report to find out what was going on ... actually: *what is going on!*

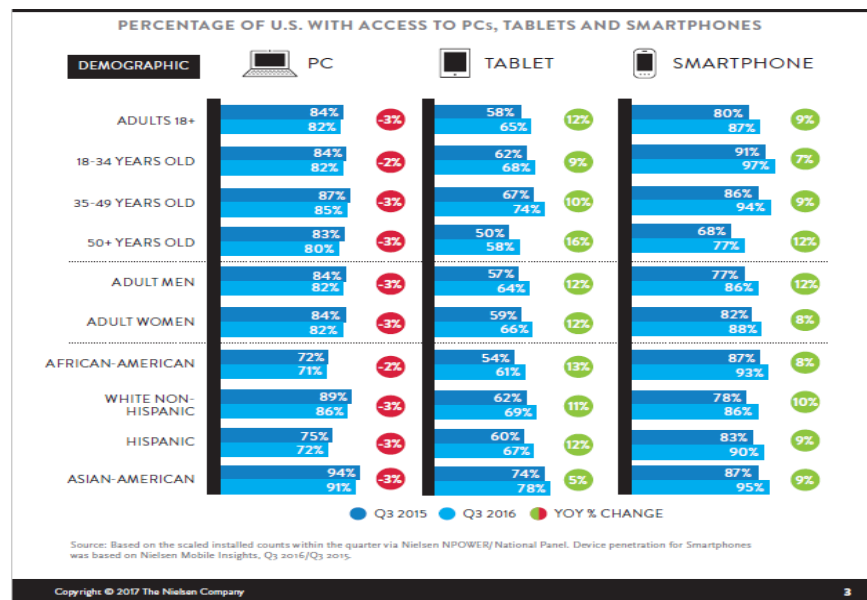
Sean Casey, President of Nielsen Social, authored the report. He wrote that "Social media is one of the biggest opportunities that companies across industries have to connect directly to consumers. And it turns out that social media users can be pretty receptive—especially heavy users, who spend over 3 hours per day on social media."

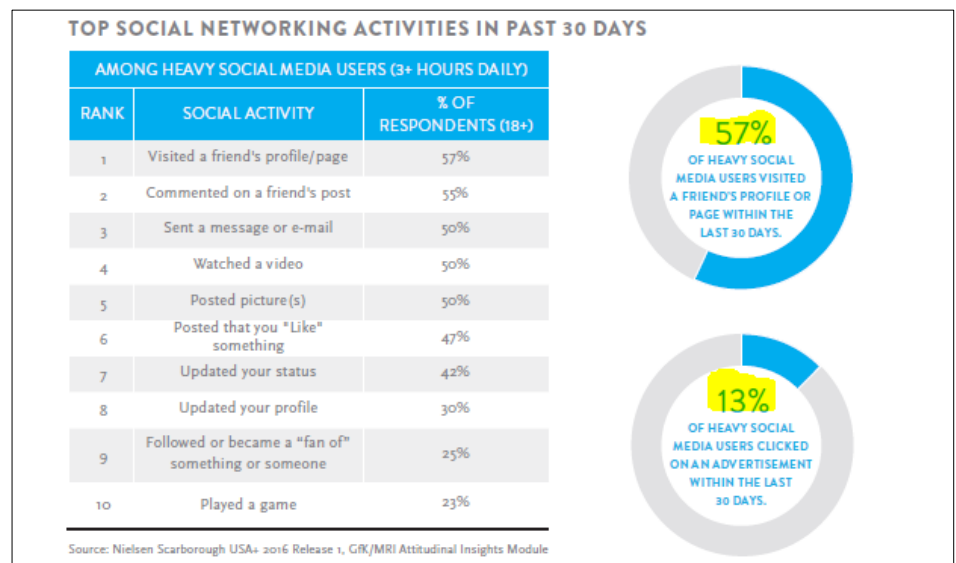
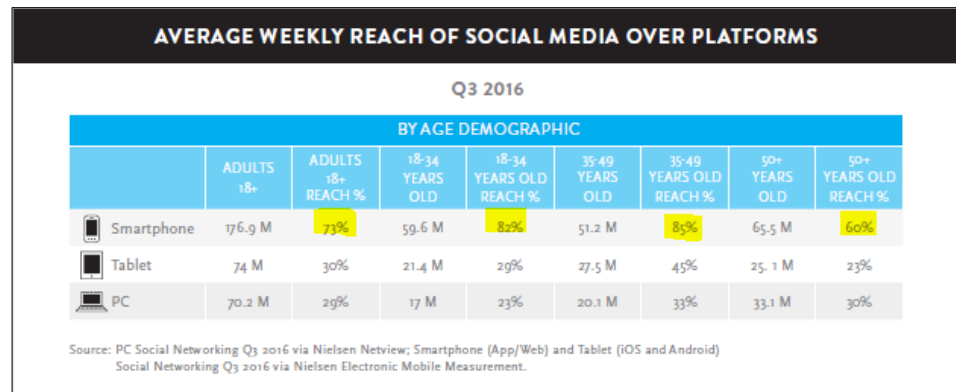
Casey then asked: "So, who are they? Surprisingly, the heavy social media user group isn't Millennials. In fact, Generation X (ages 35-49) spends the most time on social media: almost 7 hours per week (5.8% of their time awake) versus Millennials, who come in second, spending just over 6 hours per week (5% of time awake).

Moreover, HOW people use their smartphones when "tuned in" to social media is startling. While the figures show that, across the board, people of all ages use their smartphones more and more to shop, the data also show that

Millennials' use of their smartphones, as with everyone else, is NOT primarily used for shopping at all.

One of the Report's most valuable features are the charts summarizing Nielsen's research data, along with the surprising percentages Casey's document prominently presents. Take special note of the numbers highlighted in yellow (our edits, not Nielsen's). For example:





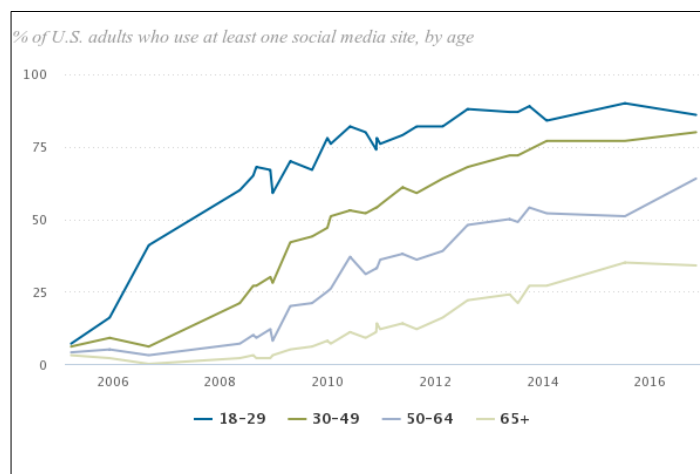
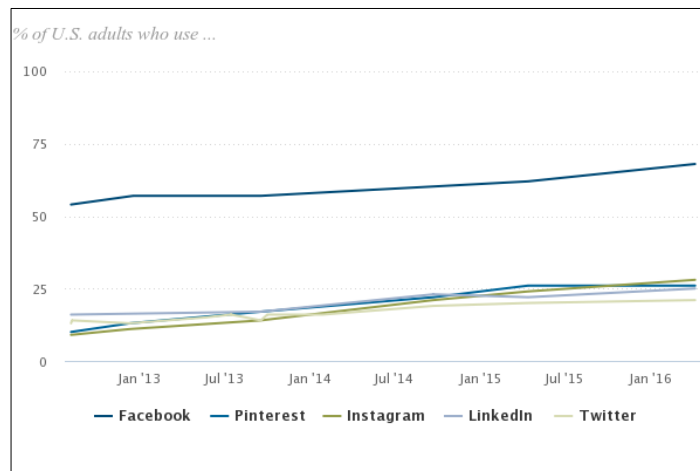
Look carefully at that yellow-highlighted 13 %. It points to a very narrow slice of "heavy users" people clicking on digital ads, and doing it very rarely!

Nielsen is not alone in identifying these trends.

The very same month, January, 2017, Pew Research issued a Data Sheet^{xviii} with equally persuasive data confirming that if there ever was a moment

where Millennials reigned supreme in using smartphones for social media use, it's over now.

The three Pew research charts that follow show where the trend is now headed; we encourage you to go online to the Pew Data Sheet itself; it's interactive, and every one of its charts and data sheets is worth your time to review.



% of U.S. adults who use each social media platform

	Facebook	Instagram	Pinterest	LinkedIn	Twitter
Total	68%	28%	26%	25%	21%
Men	67%	23%	15%	28%	21%
Women	69%	32%	38%	23%	21%
Ages 18-29	88%	59%	36%	34%	36%
30-49	79%	31%	32%	31%	22%
50-64	61%	13%	24%	21%	18%
65+	36%	5%	9%	11%	6%
High school or less	56%	19%	18%	9%	14%
Some college	77%	35%	31%	25%	24%
College graduate	77%	32%	33%	49%	28%
Less than \$30,000	65%	29%	23%	16%	18%
\$30,000-\$49,999	68%	27%	27%	11%	16%
\$50,000-\$74,999	70%	30%	29%	30%	26%
\$75,000+	76%	30%	34%	45%	30%
Urban	70%	34%	26%	29%	22%
Suburban	68%	24%	29%	26%	21%
Rural	65%	25%	20%	15%	19%

Given all this, marketers doubling down on special social media messages just for Millennials are eviscerating the ROI on marketing budget outlays. And for one reason above all: it's not what most of us want to see on our smart phones.

Over half of Americans believe that marrying and having children are not very important in order to become an adult. We note, however, that "...not very important in order to become an adult..." in no sense means "...not important...", a point the Report implies but does not explicitly state.

THE CENSUS BUREAU REPORT ALSO SHOWS THAT MILLENNIALS ARE NOT SO DIFFERENT

The 23-page U.S. Census Report cited at the beginning is rich with useful text and data. It provides valuable insight into what makes Millennials tick. We poured through it to find the parts valuable for marketers. The paragraphs below marked with quotes, from here through p. 24, are drawn (except where noted) from the Report and are credited to it and its author, Jonathan Vespa.

"Most of today's Americans believe that educational and economic accomplishments are extremely important milestones of adulthood.² In contrast, marriage and parenthood rank low: over half of Americans believe that marrying and having children are not very important in order to become an adult. (NPAFE notes, however, that "...not very important in order to become an adult..." in no sense means "...not important...", a point the Report implies but does not explicitly state).

"Instead," (continues the Report) "the highest ranked milestones these days among Millennials are educational and economic. Finishing school ranks the highest, with more than 60 percent of people saying that doing so is extremely important to becoming an adult."³

"This emphasis on education underlies the rising student debt that many young people carry. In 2013, 41 percent of young families had student debt, up from 17 percent in 1989. Not only do more young families have student debt, they are deeper in debt, too. The amount owed on student loans nearly tripled, rising from a median of \$6,000 to \$17,300 across the same period (in 2013 dollars) (NPAFE notes: other data say that the average debt in 2017 is around \$37,000.)

² We note: not unlike 20, 30, or 50 years ago.

³ We repeat: whether finishing school or achieving a given income level is important "in becoming an adult" (itself a somewhat subjective term lacking any benchmark other than one's own opinion), these Census Bureau estimates say nothing about whether finishing school etc. are "important" to people. But there is plenty of data suggesting that they *are* and have been for a long, long time, reaching back decades. See for example <http://www.pewsocialtrends.org/2015/12/17/1-the-american-family-today/>

In 1976, over two-thirds of women, some 69 percent, were mothers by the time they were 25 to 29 years old. To find that same proportion today we have to look among women who are aged 30 to 34.

"Economic security ranks second in the transition to adulthood. About half of adults believe that having a full-time job and being able to financially support a family are extremely important to becoming an adult.

"What everyone thinks about the timing of these milestones is revealing. Most Americans believe young people should accomplish economic milestones before starting a family.

"For example, most Americans believe young people should ideally finish school by the age of 22, but only 52 percent of young people have done so by this age, counting those who have a high school diploma or college degree, and are no longer enrolled. Moreover, only 37 percent of 22-year-olds are employed full-time.

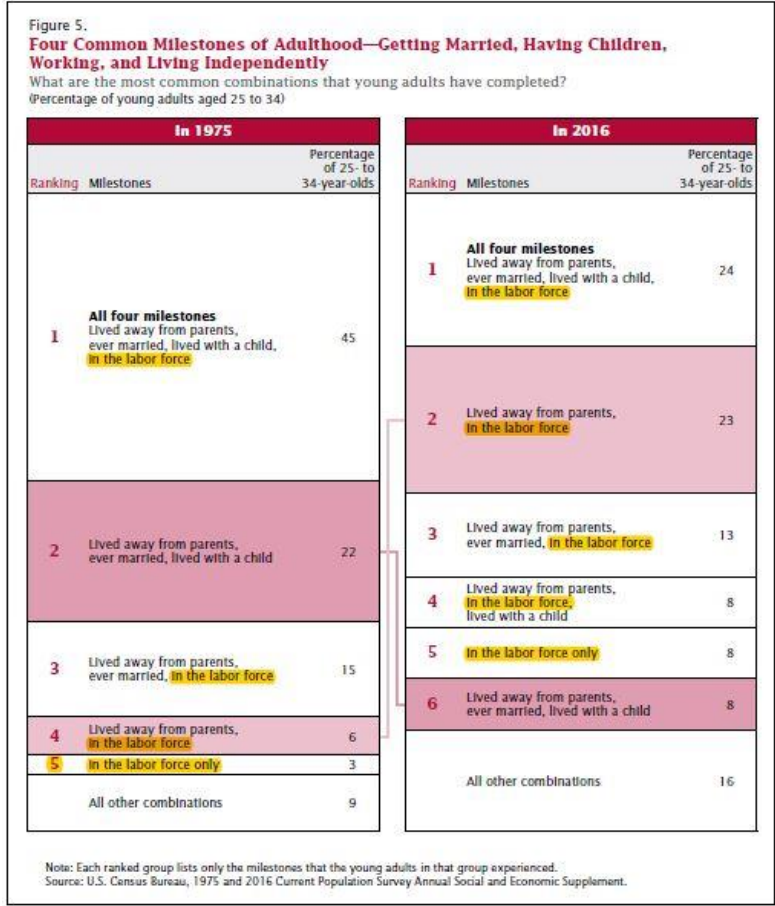
"Far more young adults miss the bar set for financial independence: less than 1 in 3 were financially independent of their parents by the age of 21. In fact, about 1 in 3 of all 18- to 34-year-olds rely on their parents for financial assistance.

AS FOR MARRIAGE

"Although most Americans (not just Millennials) think that the ideal age people should marry is 25, only about a quarter of adults (around 24 percent) have actually done so by that age. Many people do go on to marry and have children, just not as young adults. In 1995, women had a 59 percent chance of marrying by the age of 25. As of 2010, they had a 44 percent chance, a decline of 15 percentage points in just 15 years. Nonetheless, their chances of marrying by the age of 40 barely budged across the same period, from an 86 percent chance to an 84 percent chance.

"Among women in their early 20s, the proportion who ever gave birth fell from 31 percent to 25 percent between 1976 and 2014. The decline in marriage was even steeper, falling from 57 percent to just 17 percent among women aged 20 to 24 years old over the same period. As a result, parenthood now precedes marriage for many women. Nearly 40 percent of all births in the United States are to unmarried women.

“For the most part, we can still find the same high levels of marriage and parenthood from the 1970s; we just have to look at older ages today. In 1976, over two-thirds of women, some 69 percent, were mothers by the time they were 25 to 29 years old. To find that same proportion today we have to look among women who are aged 30 to 34.



“What these trends indicate is that young adults are not necessarily giving up on marriage. They are waiting longer. And, if Americans’ attitudes are any indication, they expect young people to be done with school and economically secure before marrying.

Although young people are delaying marriage, they are not putting off romantic relationships. Not only are they living together without being married, they are doing so at the same age that earlier generations were settling down to marry.

"Although young people are delaying marriage, they are not putting off romantic relationships. Over the last 40 years, the number of young people living with a boyfriend or girlfriend has increased more than 12 times, making it the fastest growing living arrangement among young adults.

"Not only are they living together without being married, they are doing so at the same age that earlier generations were settling down to marry. Since the 1980s, the age when people start their first coresidential relationship has stayed consistently around 22, whereas the age when they first marry has risen from 22 to 27 for women. In other words, young adults are still starting relationships at the same age that their parents did, but they are trading marriage for cohabitation.

"In contrast, there are now more young people living with their parents than in any other arrangement. What is more, almost 9 in 10 young people who were living in their parents' home a year ago are still living there today, making it the most stable living arrangement for young adults

THE ECONOMIC REALITY OF IT ALL

"Who young adults live with goes hand in hand with their economic security. Young people tend to put off marriage and parenthood when they are worried about their financial well-being, such as during a recession or when they are unemployed.

"As a result, decisions about who to live with and whether and when to marry reflect the economic circumstances of young people.⁴

"How do the economic conditions of young people today compare to those in 1975? Here the report focuses on 25- to 34-year-olds, an age group that has had the time to finish school, start working, and form their own households independent of their parents

⁴ A more gentele way of stating something we said at the beginning, namely that the so-called "shared economy" imprisons Millennials more than it empowers them.

Since 1975, young men have swelled the ranks at the bottom of the income distribution. Some 41 percent of all men aged 25 to 34 have incomes less than \$30,000 today, up from 25 percent in 1975.

"More young people today have a college degree and work fulltime, year-round . . . but, young women are pulling ahead, while young men are falling behind.

"There are now more young women than young men with a college degree, whereas in 1975 educational attainment among young men outpaced that of women. The driving force behind the increase, however, has been the rise of young women in the labor force. Whereas the share of men aged 25 to 34 who were employed is about the same today as it was in 1975, *the share of young women who were employed has risen from just under one-half to over two-thirds. (our emphasis)*

"Over the last four decades, young women have made considerable economic gains. The median income of women aged 25 to 34 who were working rose from \$23,000 to \$29,000 between 1975 and today (in 2015 dollars. At the same time, the share of young women who earned \$60,000 or more grew from about 2 percent to 13 percent — a minority, but still a sizeable change. Even with this change, however, the median income of young women is still \$11,000 lower than the income of young men.

"While young women made gains, some young men fell behind. Since 1975, young men have swelled the ranks at the bottom of the income distribution. Some 41 percent of all men aged 25 to 34 have incomes less than \$30,000 today, up from 25 percent in 1975.⁵

⁵ Of note: this single statistic is perhaps the most troubling of all in the 2017 Census Bureau report. It may well help to explain today's ALT-Right rage in the United States, identical in most every respect to the resentment felt among Germany's post-World-War-One population that led to the 1930s Nazi rise to power in Germany. (Dollar figures are in 2015 dollars.)

In 2005, the majority of young people lived independently in their own household, which was the predominant living arrangement in 35 states. By 2015 — just a decade later — only six states had a majority of young people living independently.

WHERE DO MILLENNIALS LIVE? AND WHY?

“Overall, the picture of living with parents or roommates is one of young people who are working toward a firmer footing.⁶

“The majority of young adults no longer live in their own household. Living in an independent household is expensive and the ability to do so hinges, in part, on young adults’ economic resources as well as the costs of rent and homeownership.⁷

“Within the last 10 years, the breadth and speed of change in living arrangements have been tremendous. In 2005, the majority of young people lived independently in their own household (either alone, with a spouse, or an unmarried partner), which was the predominant living arrangement in 35 states. By 2015 — just a decade later — only six states had a majority of young people living independently. Some areas of the country, like Florida and Nevada, have seen a faster transformation over the past 10 years, while others, like North Dakota and South Dakota, have seen little change.

(We note: this Census Bureau finding, that economically secure young adults tend to live independently, underscores the validity of our Truth #1 above: when financial stability is part and parcel of people’s lives no matter what their age, they achieve the same goal as similarly-situated people did a half-century ago: living in their own apartment or house.)

The Census Bureau continues: “Who young adults live with (or not) reflects, in part, their economic security. Today, of the 28 million *young* Millennials aged 18 to 24 (*we note: one out of about every 12 Americans!*), 16 million — more than half — live in their parents’ home (*one out of every 20!*), a group that is more likely to be enrolled in school and out of the labor force than their peers in other living arrangements.

⁶ Consider this: rather than Millennials seeing themselves as “entitled”, this finding confirms that Millennials are a practical generation, focused on serious milestones that actually count.

⁷ Another stake in the heart of the notion that Millennials love the “shared economy”?

That young people wait to settle down and start families tells us about their behavior, but not how they feel about their experiences.

"Among *older* Millennials (aged 25 to 34) who lived in their own household in 2015, about 41 percent had at least a bachelor's degree and about two-thirds had a full-time job that employed them year-round. In contrast, their peers who lived with parents or roommates were less likely to have a bachelor's degree or a job that employed them full-time, year-round.

"A closer look at young people living at home shows that 1 in 4 are idle, neither going to school nor working. At 24.2 million people (*one out of 13.5!*), the population of 18- to 34-year-olds living at home is a large and diverse group. Most of them — about 81 percent — are either working or going to school. Yet, of the 8.4 million 25- to 34-year-olds living at home, about 1 in 4 are idle, meaning they are not in school and do not work.

CENSUS BUREAU'S BOTTOM LINE ABOUT MILLENNIALS

"If one theme describes how adulthood has changed over the last 40 years, it is growing complexity. In 1975, there was one predominant adult milestone — family formation — that people largely experienced during their 20s. Today, while the milestones have remained the same, the pathways are more diverse. Those who marry and become parents by their late 20s are the minority; growing shares of young adults live alone, with roommates, or with an unmarried partner.

"That young people wait to settle down and start families tells us about their behavior, but not how they feel about their experiences.

"More than half of all Americans believe getting married and having children are not important to becoming an adult. This in no way suggests that they believe being married and having children is *not* important, and rather that these two events are not important as signs that one has *become* an adult.

"In contrast, more than 9 in 10 Americans believe that finishing school and being gainfully employed are important milestones of adulthood. What is revealing is the timing of these milestones which most Americans believe should happen before marriage. Having a history of work experience, and presumably savings and financial security, as a prelude to settling down suggests that marriage is a capstone experience, one that comes after (sometimes years after) young people feel financially secure.

In our world of rapidly changing technology, Millennials may have been quick to exploit technology to satisfy their wants and needs, but the rest of us have pretty much caught up.

WHAT WE BELIEVE ALL THIS MEANS

Let's start with this: If you are a corporate marketer, you will do well by yourself and your company to challenge any and all conventional wisdom — like that reported by USA Today on April 19, 2017 — that "Millennials differ from other generations in almost every regard."

They don't.

It is hard, not easy, to fight the temptation to take as gospel those unending media stories about Millennials being different, or to challenge the notion that marketing to them must be different than marketing to the rest of us.

But the facts are clear: Millennials have wants and needs pretty much the same as all of us. In our world of rapidly changing technology, Millennials may have been quicker to exploit technology to satisfy their wants and needs, but the rest of us have pretty much caught up by now.

Given the perennial unknowns that the Deloitte CMO Study and Nielsen findings have now identified as factors eroding ROI from Millennials- or social-media-anchored marketing, it is worth the fight to resist all that conventional wisdom. You will be a hero if you do.

Marketers especially will do well to make peace with the fact that Millennials are no more in love with digital ads than the rest of us, that they despise them perhaps more than the rest of us, and that their brand loyalty is anchored exactly the same way as everyone else's: *in trust of the brand and the values that brand represents.*

Of course, if you tell Millennials that they are just the same as the rest of us, they will react negatively or even hostilely.

So, don't tell them! Instead, act on what the data mean. Market to Millennials the same way as to everyone else — a money-saving marketing strategy that will increase the ROI of every marketing dollar spent.

A well-crafted ad, campaign theme, marketing strategy or branding effort thoughtfully crafted to respond to a 50 year-old's expectations will evoke the same positive response from Millennials and for sure their GenZ successors.

Keep in mind also that it is a major leap of faith to assume that because Millennials do not watch television and instead turn to their smartphones, they will be any more inclined to watch ads delivered digitally than the rest of us may be inclined to watch ads delivered on the radio or TV. There is no data whatsoever proving that they will, and plenty of data proving that they won't.

Finally, with the rapidly-closing gap marking the use of smartphones by Millennials vs. everyone else, the opportunity is ever greater for creating social media messaging, no matter on what platform, that successfully conveys why a particular brand can and should be trusted.

Building quality into the brand. Marketing the core value to consumers of trusting in that quality. That is how to win and keep the holy grail of marketing.

Always has been. Always will be.

Unfortunately, Millennials aren't enamored with most current loyalty programs. In fact, our research revealed they are more likely to have a negative reaction to a company's attempt to earn their loyalty.

*Accenture Strategy,
February 2017*

A FEW QUOTES TO DRIVE HOME CERTAIN POINTS

"So much so that a team of professional journalists writes and edits Capezio's ambitious Dance.com's articles and videos, and the Capezio brand name appears only in the fine print at the bottom of the homepage. For the company, then, the objective is to use quality content as a means of positioning itself as an authority, not just a vendor, in the dance world."

Ad Week, April 17, 2017

"Recalibrate investments to focus on retaining customers with highly satisfying experiences and leveraging their connections to acquire new customers. That's where the hidden pools of loyalty returns lie.

"Unfortunately, Millennials aren't enamored with most current loyalty programs. In fact, our research revealed they are more likely to have a negative reaction to a company's attempt to earn their loyalty. Therefore, it is critical that companies understand Millennials' impressions of loyalty and then tailor language and experiences to their values and behaviors. Across all communications and loyalty investments, address what Millennials like and dislike, and what types of promotions and rewards they are likely to embrace or shun

"Rather than investing in initiatives aimed at directly increasing the wallet share of loyal customers, companies can benefit from placing greater investment emphasis on leveraging the goodwill and word-of-mouth generated by the loyal base as a source of "warm" acquisitions. That means recalibrating investments to focus on retaining customers with highly satisfying experiences and leveraging their connections to acquire new customers.

"Seeing Beyond The Loyalty Illusion: It's Time You Invest More Wisely"
Accenture Strategy, Feb 15, 2017

"The best way to reach Millennials may be to not advertise at all. A 2015 survey revealed only one percent of Millennials say they are influenced in any way by ads."

*Women's Wear Daily,
August 30, 2016*

"Despite the many brands constantly vying for their attention, Millennials see themselves as quite brand loyal. In fact, 64 percent say they're more brand loyal or as brand loyal as their parents.

"So, if Millennials consider themselves brand loyal, but they're also exposed to more brands daily than any other generation, how can retailers make sure they're one of the brands Millennials keep coming back to?

"The best way to reach Millennials may be to not advertise at all. A 2015 survey revealed only one percent of Millennials say they are influenced in any way by ads.

Women's Wear Daily, August 30, 2016

"Twenty-four percent of marketing leaders expect their 2017 digital advertising budget will rise significantly, suggesting that reports of advertising's demise may be overstated. Marketing leaders who own or share P&L responsibility get budgets that are 20% higher, on average, than those without plans for a P&L, demonstrating how marketing leaders can earn greater authority through greater accountability.

Gartner CMO Spend Survey 2016 – 2017 (November, 2016)

"Only after focusing on the consumer's interests, thereby securing attention, should advertisers focus on their own persuasion-related goals. As a brand manager, putting your own interests before those of consumers is a sure way to get neglected in the marketplace.

"Marketing is about needs and wants. Could it be that consumers just don't need to pay attention to ads anymore?

"With the Internet, consumers no longer require ads to satisfy their need for product information.

"Even if consumers do not want the information provided by the brand's own site, they can use a search engine to get information from other sources—and that is what they have been doing.

"For example, in an average month, 30 times more people Google "Ford" than visit www.ford.com. Webpages have, in effect, replaced the informative value of advertising. This is a more customized, quick, and easy way to get brand or product information. It is also on-demand, meaning consumers don't have to

"If there is little value of information in ads, what is left that viewers might need or want from ads? The only other class of content that advertisers can use is entertainment."

*Thales S. Teixeira
Harvard Business School
January 17, 2014*

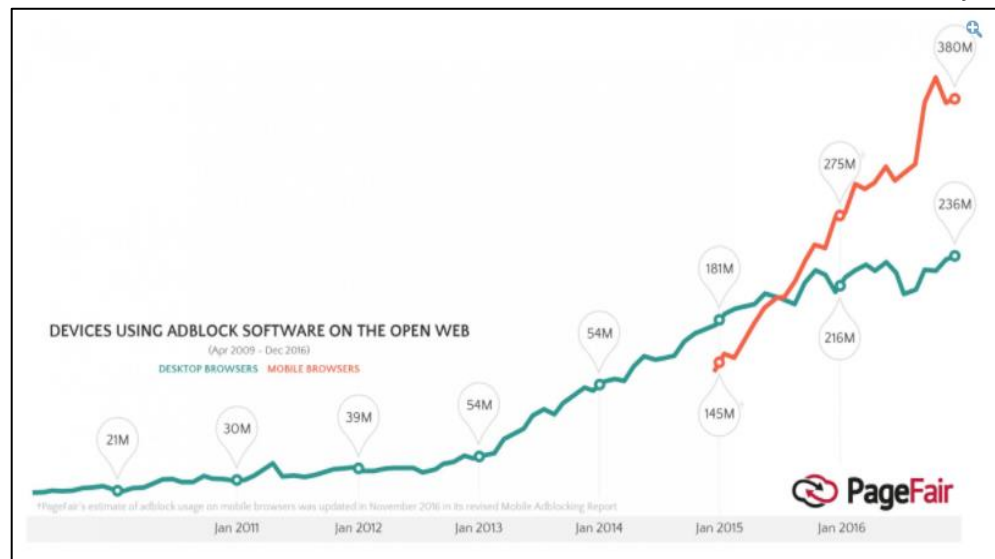
use their limited and untrustworthy memory to store information encoded during ad viewing.

"Similarly, despite being paid for, an estimated 46% of online display ads are never seen by anyone because they never appear in the visible portion of the web browser.

"If there is little value of information in ads, what is left that viewers might need or want from ads? The only other class of content that advertisers can use is entertainment.

*"The Rising Cost of Consumer Attention:
Why You Should Care, and What You Can Do about It"
Thales S. Teixeira, Harvard Business School, January 17, 2014*

*In NPAFE's view, this picture is worth a thousand words.
It needs no words to tell its story.*



*The State of the Blocked Web
2017 Global Adblock Report*

<https://pagefair.com/downloads/2017/01/PageFair-2017-Adblock-Report.pdf>

ENDNOTES

- ⁱ Women's Wear Daily, August 30, 2016: "Think Tank: Millennials Are More Brand Loyal Than You Think!"
- ⁱⁱ <https://www.usatoday.com/story/news/nation/2017/04/19/young-americans-census-report-millennials/100640966/>
- ⁱⁱⁱ Think about it: do you know any 35-year-old, 45-year-old, 55-year old, or *anyone* who doesn't feel exactly the same way? How do you feel about this?
- ^{iv} (<https://www.invespcro.com/blog/customer-acquisition-retention/>)
- ^v <https://www.wantedness.com/> (Wunderman)
- ^{vi} <http://www.prnewswire.com/news-releases/customer-experience-investments-are-on-the-rise-according-to-new-temkin-group-research-300402471.html>
- ^{vii} Women's Wear Daily, August 30, 2016: "Think Tank: Millennials Are More Brand Loyal Than You Think!"
- ^{viii} <https://www.eventbrite.com/blog/academy/Millennials-fueling-experience-economy/>
- ^{ix} WWD=Women's Wear Daily. Let's not forget: the older we get, the harder it is to get around, and the less we want to. Retirees are more sedentary than the rest of us, for good if not always happy reasons, like declining health and limited income.
- ^x <https://www.accenture.com/us-en/insight-customer-loyalty-gcpr>
- ^{xi} That's almost 4 out of every 10 people, preponderantly middle and upper-income.
- ^{xii} See 2016 Nielsen Social Media Report: "A Look at the Social Landscape" <http://www.nielsen.com/us/en/insights/reports/2017/2016-nielsen-social-media-report.html>, parts of which are reproduced in this document
- ^{xiii} <https://cmosurvey.org/results/february-2017/>
- ^{xiv} <http://deloitte.wsj.com/cmo/2016/11/15/cmo-survey-why-is-social-media-falling-short/>
- ^{xv} We believe it has. Don't you?
- ^{xvi} https://www.nytimes.com/2017/01/27/technology/millennial-social-media-usage.html?_r=0
- ^{xvii} <http://www.nielsen.com/content/dam/corporate/us/en/reports-downloads/2017-reports/2016-nielsen-social-media-report.pdf>
- ^{xviii} <http://www.pewinternet.org/fact-sheet/social-media/>; SEE ALSO <http://www.pewinternet.org/fact-sheet/mobile/>



The National Performing Arts Funding Exchange, NPAFE, is the country's only not-for-profit partnering exclusively with private sector businesses committed to advancing the performing arts, channeling funding to up-and-coming performing artists acclaimed primarily for compelling original work. This financial support comes from corporate donors intent on associating their brands with "the next generation of best" performing artists, people already applauded by loyal and discerning audiences. NPAFE also provides marketing and fiscal agent services to these artists at no charge. NPAFE is a certified 501 c 3 charitable organization registered in Washington, DC, USA

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