



Millennials:
An Emerging
Consumer Powerhouse

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DID YOU KNOW?

Millennials are mobile, but...

When we picture a Millennial, it's a 20- or 30-something with a smartphone in one hand and a tablet in the other.

This demographic – more connected and media savvy than any previous generation – is rapidly emerging as the most influential generation of consumers. By 2020, Millennial spending power will surge to an estimated \$1.4 trillion annually – just as they are reaching key life milestones such as getting married, purchasing a home and becoming parents.

The successful brands of the future will be those that capture the attention and loyalty of Millennials today.

Like no generation before, Millennials are driving when, where and how to engage with the marketing messages they want to receive, the products they want to buy and the brands they support. And although Millennials spend more time using the Internet and mobile than any other age group, they often do not notice advertising messages delivered there. What makes them sit up, take notice and make a purchase?

...They value print

Millennials like to hold print in their hands, read it, smell it, use it to link to a video or coupon, save it, take it to the store with them, and share it with friends.

The challenge for marketers is to engage the Millennials in an entirely new way, connecting the power of print with the multiple media channels they use including mobile, digital, interactive video, social media, packaging, point-of-purchase displays and in-store signage.

We hope this research provides you with valuable insights and helps you develop strategies that capture the attention of this important audience, promote brand loyalty and drive sales.



EXECUTIVE SUMMARY

Marketers take note: It's no longer just about the Baby Boomers. These facts say it all.

- The U.S. Census Bureau estimates that there are now 83.1 million Millennials in the U.S., making up a quarter of the population and surpassing the Baby Boomer generation by 7.7 million.
- Millennials are the most educated generation in history.
- Millennials are more diverse than all previous generations.
- Millennial spending is already over \$600 billion annually, and is expected to increase to \$1.4 trillion by 2020.
- Millennials became the largest U.S. workforce as of Q1 2015, which means their earning power will quickly overtake Boomer earning power over the next several years.

It's crucial that marketers understand the unique characteristics, media preferences and buying habits of this demographic – and have the tools to put that knowledge into action.

Through our exclusive Customer Focus® Research, we learned that even though Millennials spend a lot of time on the Internet and their mobile devices, they mainly use them for socializing and entertainment. While spending time using these media, they often don't notice or pay attention to advertising messages delivered there, so the amount of time spent may not translate to offer relevance.

Contrary to what marketers thought they knew about Millennials, our research reveals that they pay the most attention to print advertisements. Marketers have to grab attention with print, and then make sure messages are mobile-friendly so Millennials can redeem offers online through trackable discounts and mobile coupons. When we make print interactive, we optimize the customer experience.

With end-to-end print and digital solutions, we can help you bring print alive with personalized, best-in-class campaigns across media channels to reach and engage the highly desirable Millennial audience.





Who are the Millennials?

Millennials are the largest labor force of any generation as of Q1 2015.

PEW RESEARCH

AGES 18 TO 34 IN 2015

BORN 1981 TO 1997

POPULATION

Millennials have surpassed Baby Boomers by **7.7 million**, reaching a population size of **83.1 million**. Growth in the U.S. comes from immigration of Millennials from other countries, as the Boomer population continues to shrink.

Source: U.S. Census Bureau

83.1 M

Compared to 75.4 million Boomers (ages 51-69)

EDUCATION – THE MOST EDUCATED GENERATION

Millennials are the most highly educated generation, but they are economically challenged, balancing high student loan debt against a tightened job market and a weaker economy.

61% of adult Millennials have attended college, whereas only **46%** of total adults have.

Source: Decennial Census and Community Survey



SPENDING POWER

The Boomer market controls the most spending power today, but with the continued growth of Millennials in the workforce, Millennial spending power will surge to an estimated **\$1.4 trillion** annually by 2020.

Source: Accenture



ETHNICITY – MORE DIVERSE THAN ANY PREVIOUS GENERATION



Source: Nielsen (2014)

GENDER



Source: Quad Customer Focus® 2014 Research Study



LARGEST LABOR FORCE

U.S. WORKFORCE — As of Q1 2015, Millennials became the largest labor force of any generation



Millennials 53.5 Million



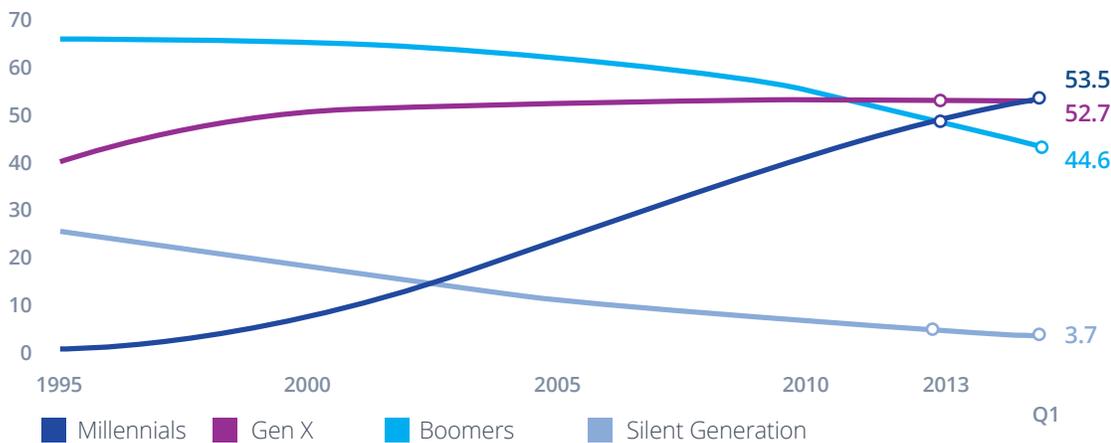
Gen X 52.7 Million



Boomers 44.6 Million

Source: Pew Research

U.S. LABOR FORCE BY GENERATION, 1995-2015 IN MILLIONS



Note: Annual averages plotted 1995-2014. For 2015, the first quarter average of 2015 is shown. Due to data limitation, silent generation is overestimated from 2008-2015.

Source: Pew Research Center tabulations of monthly 1995-2015 Current Population Surveys Integrated Public Use Microdata

INCOME

42% EARN MORE THAN \$50K



33% Earn less than \$30K



24% Earn \$30K-\$50K



18% Earn \$50-\$75K



24% Earn more than \$75K

Source: Quad Customer Focus® 2014 Research Study



MARITAL STATUS

SINGLE — Nearly half (48%) of Millennials are single



48% Single



38% Married



11% Living together



3% Divorced or separated

PRESENCE OF CHILDREN

NO KIDS — More than half of Millennials do not yet have children



51% Have no children



27% Have 2+ children



22% Have one child

PRIMARY RESIDENCE

HOME OWNERS — More than a third own their own home



36% Home owners



26% Rent an apartment



17% Live with parents

Source: Quad Customer Focus® 2014 Research Study



An aerial photograph showing several people from a high angle. They are all looking down at their smartphones. The people are dressed in casual summer attire. The background is a paved surface, possibly a sidewalk or plaza. The overall scene conveys a sense of modern, mobile-centric communication.

Media Millennials Use

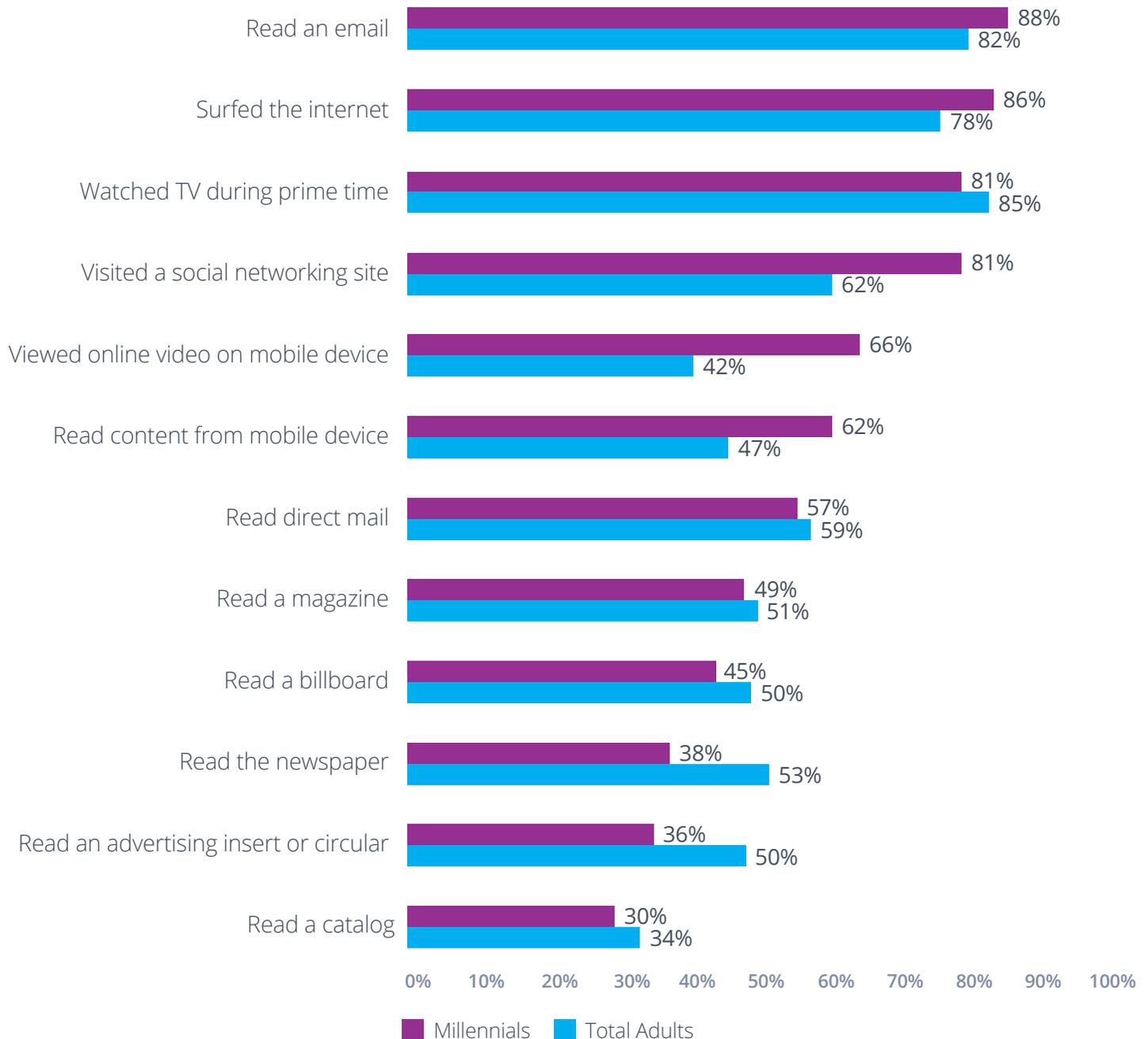
Within the past 7 days, 88%
of Millennials read email and
surfing the web.

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CUSTOMER FOCUS®

Millennials spend more time engaged with electronic media than any other media. Adept multi-taskers, Millennials often watch TV while accessing the Internet from mobile devices. They use the Internet and social media primarily to stay connected to family and friends and for their own pastime and pleasure. The Internet provides low-cost entertainment for Millennials on a more limited budget.

Media used by Millennials Within the Past 7 Days



Source: Quad Customer Focus® 2014 Research Study





Advertising Millennials Notice

77% of Millennials pay attention to Direct Mail advertising.

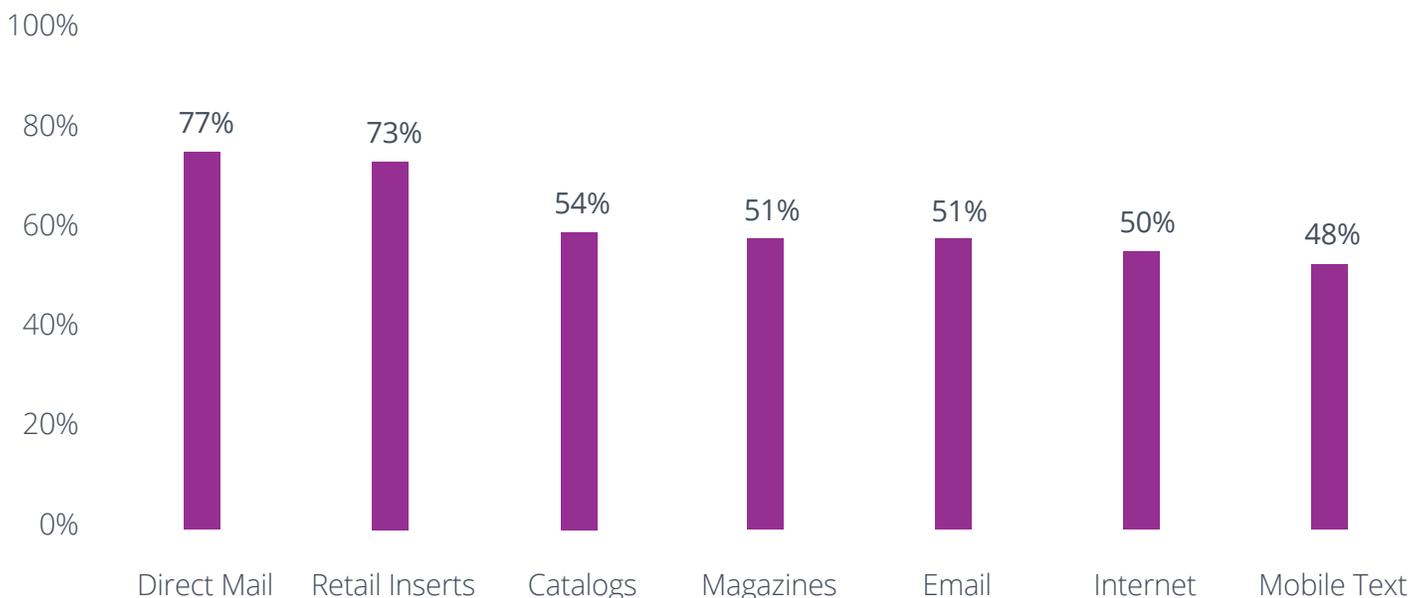
CUSTOMER FOCUS®

CUSTOMER FOCUS®

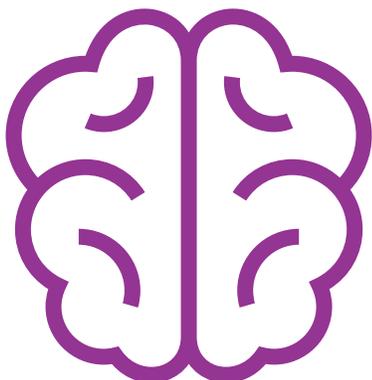
MILLENNIALS PAY ATTENTION TO PRINT

Millennials are drawn to Direct Mail and Newspaper Insert advertising. The Centre for Experimental Consumer Psychology at Bangor University used functional magnetic resonance imaging (fMRI) to prove that content delivered in paper form is more stimulating than content delivered in virtual or digital form. Participants were presented with advertising material that was shown both on screen (virtual/digital) and in paper form while the MRI scanner was running. Printed material created deeper impressions on the brain. The brain perceives physical material to be more genuine, according to the study.

Advertising Formats Millennials Pay Attention To



Source: Quad Customer Focus® 2014 Research Study



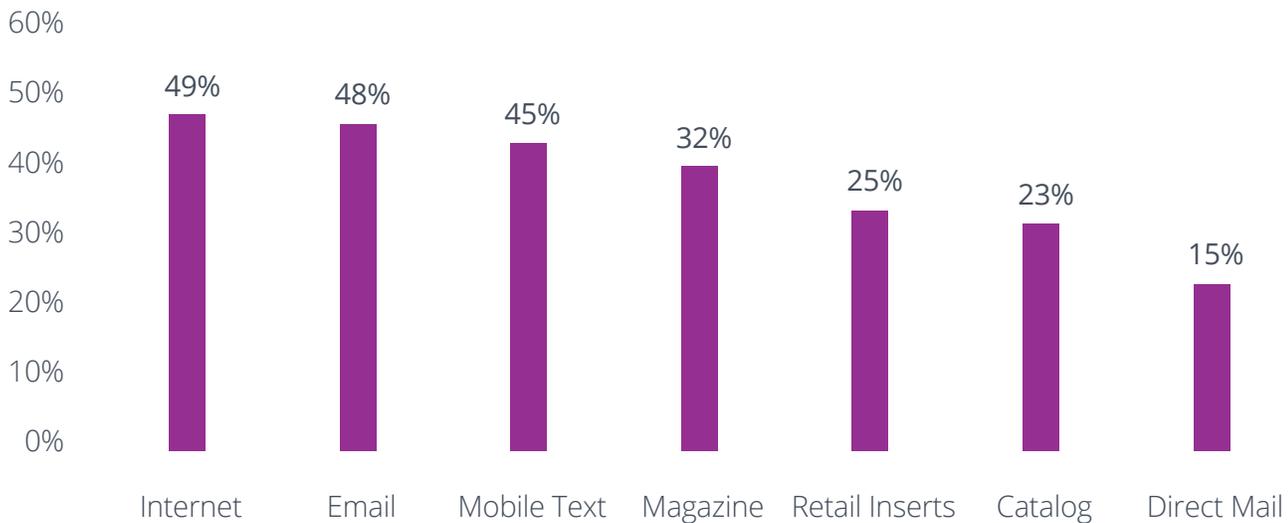
Print creates deeper impressions
on the brain



NEARLY HALF IGNORE DIGITAL ADS

Millennials are most likely to ignore advertising delivered via pop-up ad, banner ad and email. Internet pop-up ads are often considered an annoying distraction. Both display ads and email are easily lost in the clutter. Because email is so inexpensive to deploy, it is a greatly overused marketing tactic and leads to message fatigue. Millennials receive hundreds of unsolicited emails weekly that largely go ignored.

Percentage of Millennials Who Say They Ignore These Ads



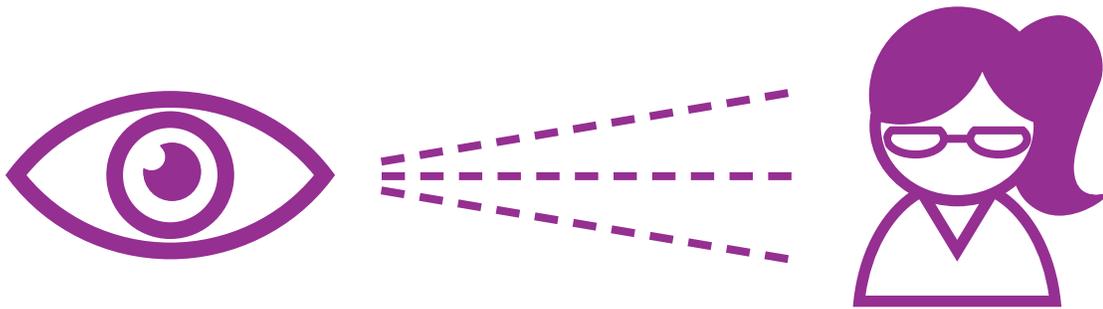
Source: Quad Customer Focus® 2014 Research Study



MILLENNIALS OPEN EMAIL IF THEY KNOW YOU

68% of Millennials will open an email if they recognize the sender and more than a third (34%) will open email if it is from their loyalty rewards program. Since they pay more attention to email from companies they know and do business with, email communication is more often deployed by marketers to existing customers for continued engagement.

68% of Millennials will open an email if they recognize the sender.

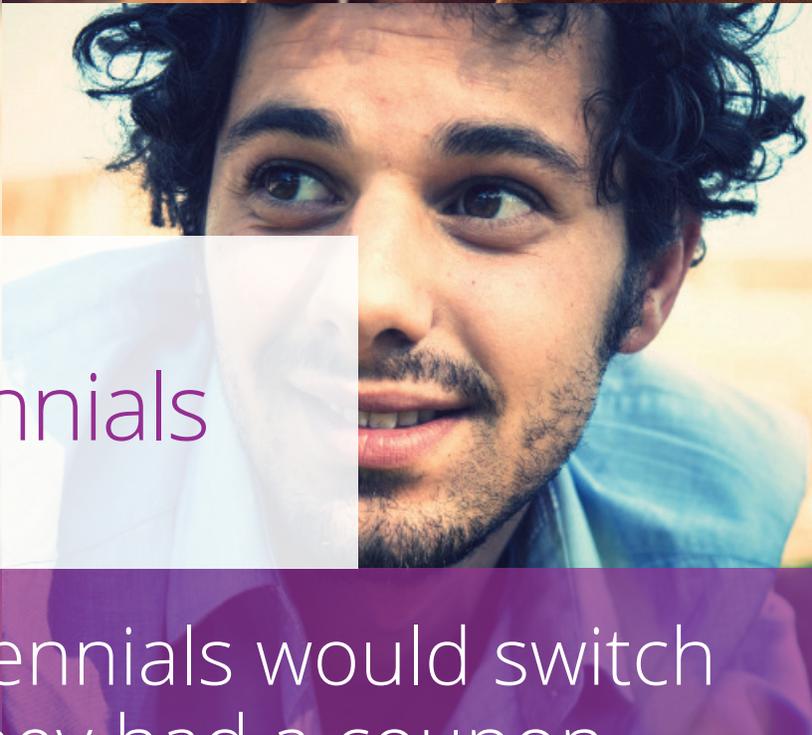


34% will open an email if it is from their loyalty rewards program.



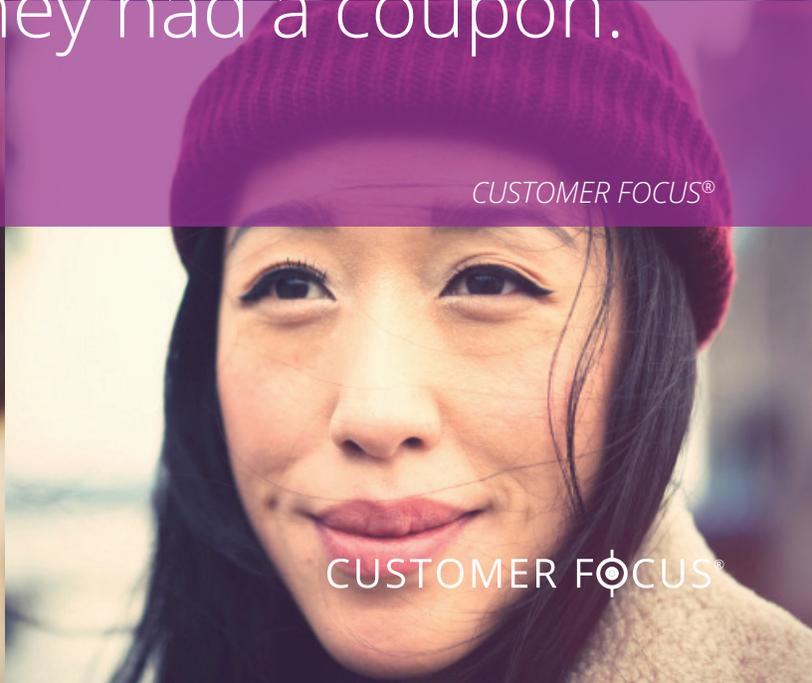
Source: Quad Customer Focus® 2014 Research Study





Behaviors of Millennials

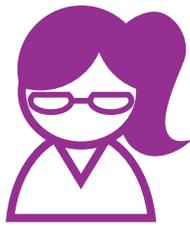
52% of Millennials would switch brands if they had a coupon.



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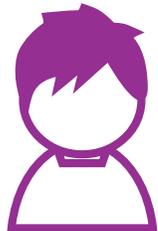
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PREVALENT ATTITUDES & BEHAVIORS



53%

When I find a brand I like, I stick with it



44%

Even if the economy improves, I will continue to spend cautiously



39%

I have become a more resourceful person when it comes to shopping



52%

I would gladly switch regularly used brands if I have a coupon



49%

It's fun to see how much money I can save by using coupons or my loyalty card



38%

I use loyalty cards every time I shop

Source: Quad Customer Focus® 2014 Research Study





Millennial Channel Engagement: EMAIL

57% of Millennials read email
from retail stores.

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EMAIL

MOST MILLENNIALS STILL ACCESS THEIR EMAIL BY PC OR LAPTOP

Millennials at 44% are less likely than the U.S. average of 55% to open and read email from a PC or laptop, but almost two times more likely (23%) than average (13%) to open email from their mobile phone. Multichannel merchants would do well by optimizing online channels for mobile and tablet viewing.

Nielsen reports that as of Q2 2014 roughly between 85 to 86 percent of Millennials ages 18-34 own smartphones. Millennials make up the largest segment of smartphone owners. Although age is a differentiator in smartphone ownership, there is no gender divide, with 72% of women and 70% of men owning smartphones.

HOW MILLENNIALS ACCESS EMAIL



44% access email by computer



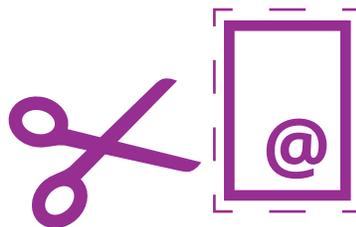
About **1 in 4** access email by mobile



Only **8%** access email by a tablet



21% access email by multiple methods



In the past 30 days, **46%** of Millennials redeemed a coupon they received by email

Source: Quad Customer Focus® 2014 Research Study

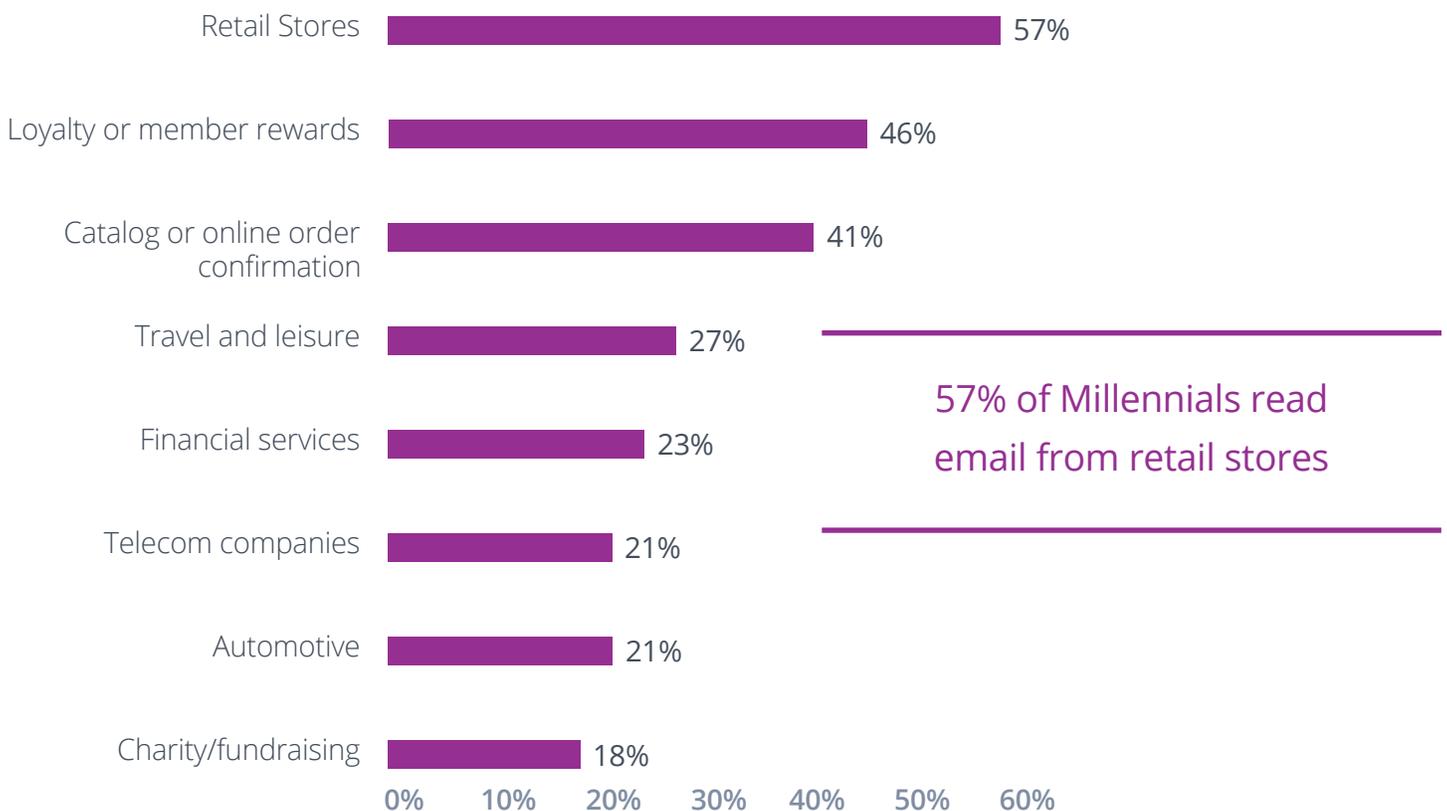


EMAIL

CONTRARY TO POPULAR BELIEF, MILLENNIALS DO READ EMAIL

Although about half of Millennials ignore email marketing, they do read some kinds of email more than others. For example, 57% of Millennials read retail email, more than any other type. Almost half (46%) read emails sent from loyalty programs and 41% read catalog or online order confirmation emails. Retail marketers can capitalize on this behavior by targeting existing customers with relevant promotional offers. Keep in mind that about one in four Millennials check their email on a mobile device, so it makes sense to include trackable barcodes that tie back to the email recipient or at a minimum a promo code that ties back to the email campaign. You can extend the reach of your campaign by enabling Millennials to share offers with friends on social media or email – providing a boost to your program ROI.

Which of the following types of email offers do you read?



Source: Quad Customer Focus® 2014 Research Study

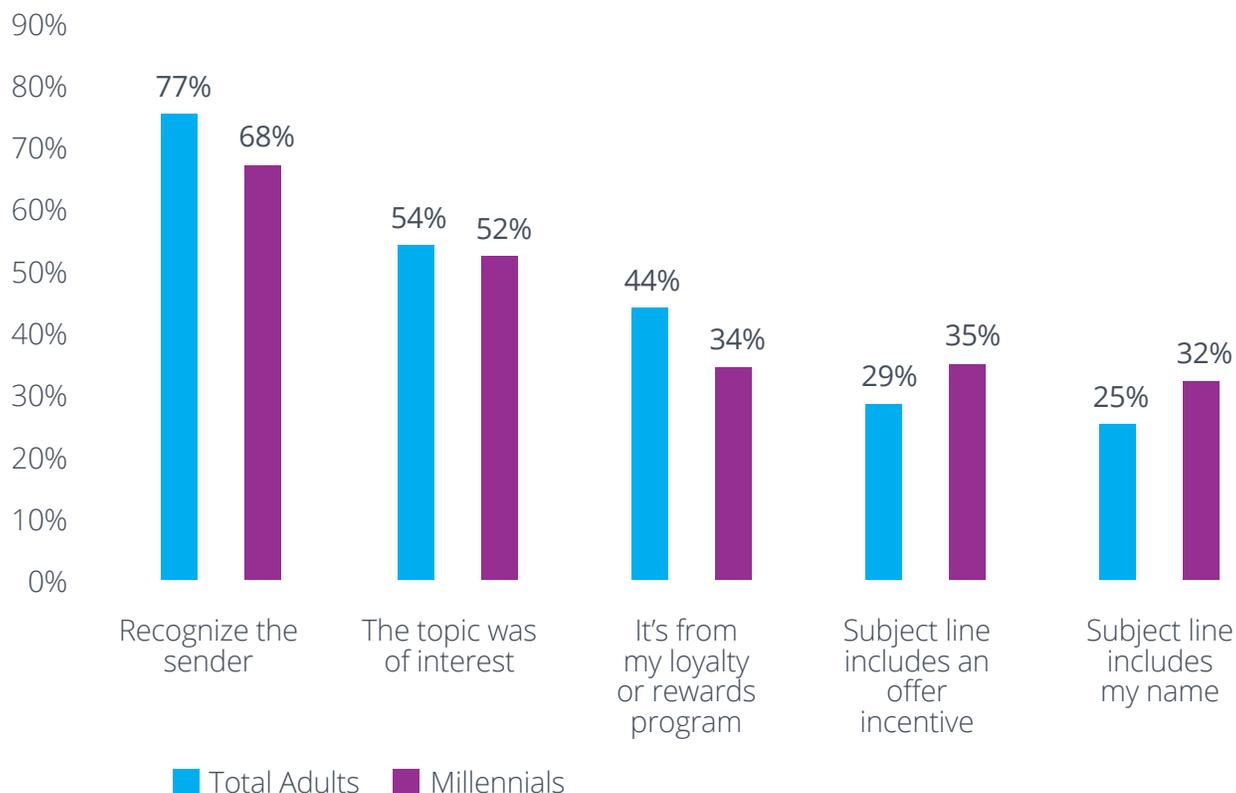


EMAIL THAT GETS OPENED

Hundreds of emails are delivered to consumers every week, but very few are opened. On average only 16.1% of retail email gets opened, according to Silverpop's 2015 Email Benchmark Report. So what does it take to get your email opened? Sixty-eight percent of Millennials will open email if they recognize the sender, so having an existing relationship or recognizable brand is critical. More than half of Millennials will open an email if they are interested in the topic. And more than a third will open email from loyalty rewards programs or if the subject line includes an offer or incentive. Marketers more often use email to nurture existing relationships since these are more likely to be opened, as opposed to using email to begin new relationships (or acquire new customers).

**68% of Millennials will open email
if they know the sender**

Which of the following makes a difference as to which email you open?



Source: Quad Customer Focus® 2014 Research Study



A close-up, profile view of a woman with dark hair, wearing a large hoop earring and a ring, looking down at a smartphone she is holding. The background is a blurred outdoor setting.

Millennial Channel Engagement: DIRECT MAIL

82% of Millennials read
retail department store
direct mail.

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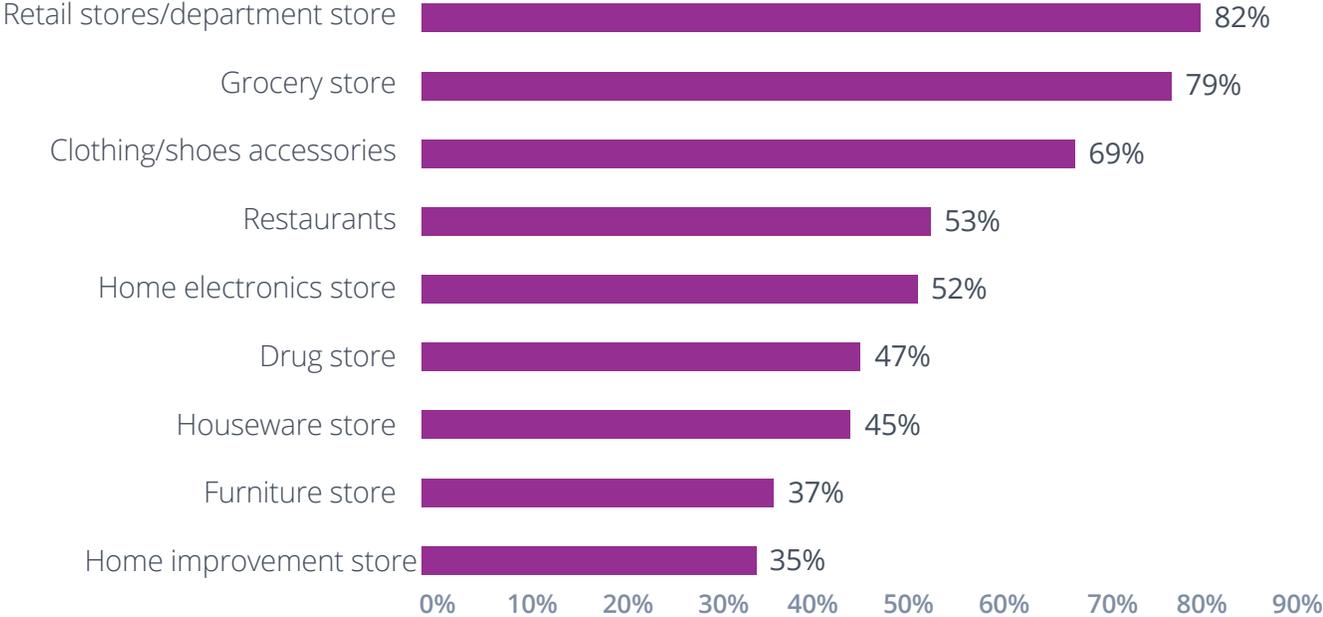
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DIRECT MAIL

HOW MILLENNIALS ENGAGE WITH DIRECT MAIL

Direct mail stands out in a digital world. While Millennials spend a lot of time on the Internet, they are numb to digital advertising. Print still grabs their attention. In fact, 82% of the demographic read retail and department store direct mail. More than three out of four said they read direct mail from grocery stores and more than three in five read direct mail from clothing and accessory stores. Direct mail is an important channel for this cohort. In 2014, consumer households received on average about 19 pieces of direct mail per week, according to the USPS Household Diary Study. Compare that to an average of 567 promotional emails received per week as reported by Radicati. Based on volume alone, direct mail is more likely to be noticed than email.

Which of the following types of retail direct mail do you read?



Source: Quad Customer Focus® 2014 Research Study

The most three popular types of retail direct mail with Millennials include:



DIRECT MAIL

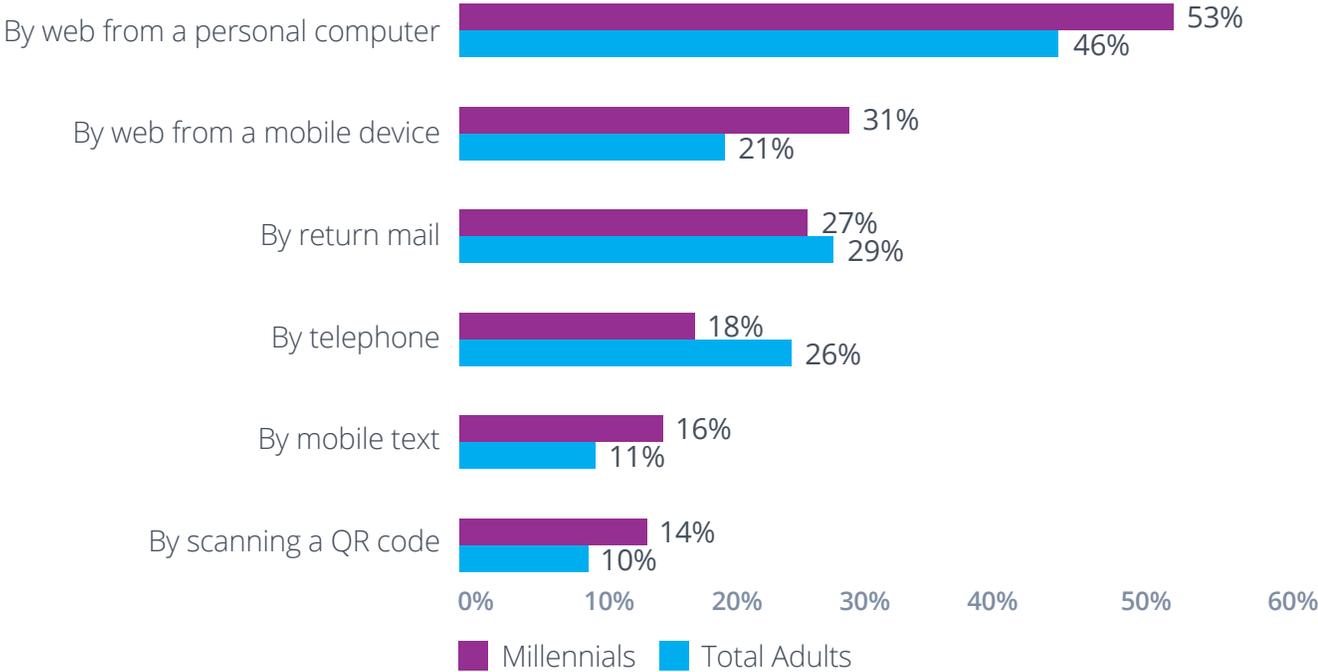
MILLENNIALS RESPOND TO DIRECT MAIL ONLINE

Direct mail is a significant driver of web traffic for this cohort. More than 84% of Millennials prefer to respond to direct mail by going to the company's website, with 53% accessing the site through personal computer and 31% accessing through a mobile device. Millennials are much more likely than the average to respond by web than any other generation. They are less likely than the average to contact a company by telephone. Millennials have little patience for waiting on hold or speaking to company representatives who may know less about a product than they do. Millennials are consummate researchers, access the web for product and pricing information and comparison shopping prior to purchase.

53% prefer to respond to direct mail by going online



By which of the following methods do you prefer to respond to direct mail offers?



Source: Quad Customer Focus® 2014 Research Study



OFFERS MILLENNIALS RESPOND TO

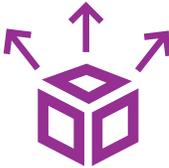
“Buy One, Get One Free” offers yield the best response among direct mail offerings to Millennials. Getting something free or for the equivalent value of half-off resonates well. Not far behind is the gift card offer, with 55% responding. Often gift card offers are positioned as a free gift of a named dollar value towards a purchase of a minimum amount. Millennials perceive this to be as good as cash in hand when taken to the store. The third most popular direct mail offer is a percent off the total purchase amount. This offer gives consumers the flexibility to choose the product or service they want, and allows them to determine the amount they want to spend. Some promotions offer gradually increasing percentages off as the purchase value rises.

Top 3 offers

- Buy 1, get 1 free (57%)
- Gift card (55%)
- Percent off total purchase (51%)



MOST RESPONDED TO DIRECT MAIL OFFERS

 57% Buy one get one free	 55% Gift card	 51% Percent off your total purchase	 38% Free gift
 35% Percent off a single item	 32% Everyday lowest price	 31% Free shipping	 28% Birthday offer

Source: Quad Customer Focus® 2014 Research Study





Millennial Channel Engagement: RETAIL INSERTS

72% of Millennials read retail inserts from grocery stores.

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RETAIL INSERTS

MILLENNIALS USE RETAIL INSERTS

Retail inserts present marketers and retailers with a tremendous opportunity to engage Millennials. They use retail inserts to shop for groceries more than any other retail product. Nearly three in four (72%) Millennials use grocery retail inserts, 6% more than the average. Half of Millennials seek out home electronics, appliances, clothing, shoes and accessories from retail inserts. More than 2 in 5 seek out restaurant and health and beauty product offers from retail inserts; and about a third will seek out offers for home improvement items.

72% use inserts to shop for groceries



TYPE OF RETAIL INSERTS READ	TOTAL ADULTS	MILLENNIALS
GROCERIES	66%	72%
HOME ELECTRONICS AND APPLIANCES	53%	50%
CLOTHING/SHOES/ACCESSORIES	48%	50%
RESTAURANTS	46%	43%
HOME IMPROVEMENT ITEMS	42%	31%
HEALTH AND BEAUTY CARE	36%	41%
FURNITURE	30%	28%
SPORTING GOODS	27%	25%
OFFICE SUPPLIES	26%	25%
ARTS AND CRAFTS	24%	22%
PET SUPPLIES	24%	21%

Source: Quad Customer Focus® 2014 Research Study



RETAIL INSERTS

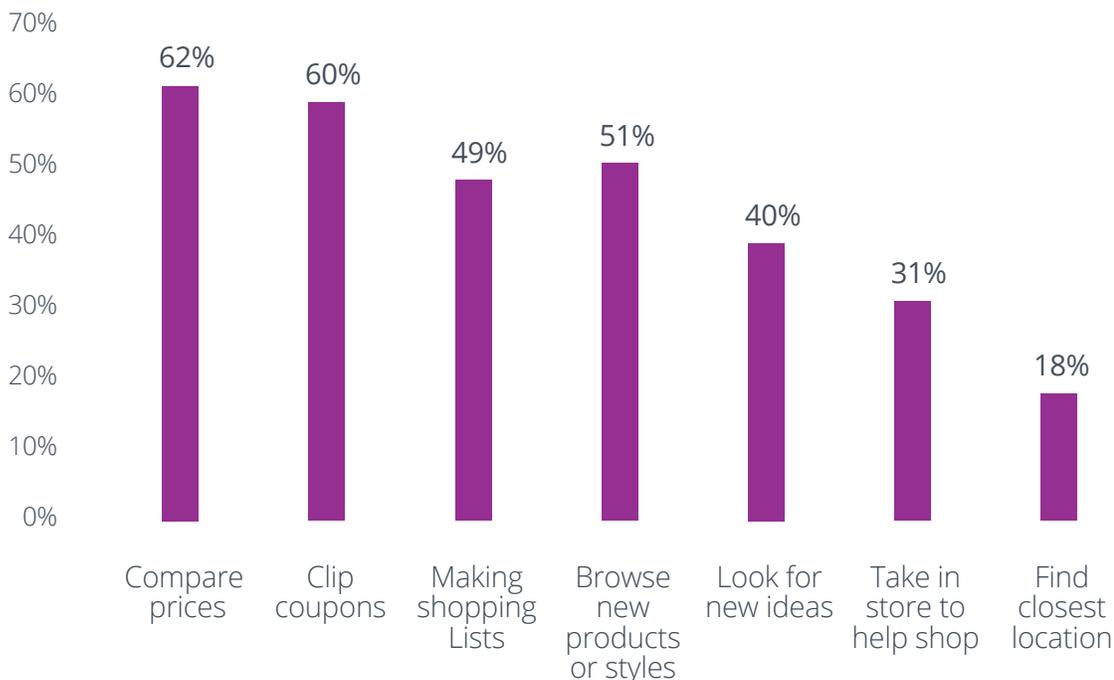
WHY MILLENNIALS READ RETAIL INSERTS

Retail advertising inserts are a quick and convenient way for Millennials to review products and prices. Three in five Millennials use retail inserts to compare prices (62%) and clip coupons (60%). Almost half (49%) use them to make shopping lists and about a third (31%) take retail inserts to the store with them to help them shop. Half (50%) of Millennials read inserts received through direct mail, while about a third view inserts from their Sunday printed newspaper subscription. Traditional print formats (newspapers, inserts and direct mail) remain the preferred sources of grocery and drugstore coupons among Millennials ages 18-36, according to the Valassis Shopper Marketing Report.

60% use inserts to
clip coupons



How do you use advertising inserts or circulars?



Source: Quad Customer Focus® 2014 Research Study



SOURCES MILLENNIALS USE TO GET RETAIL INSERTS

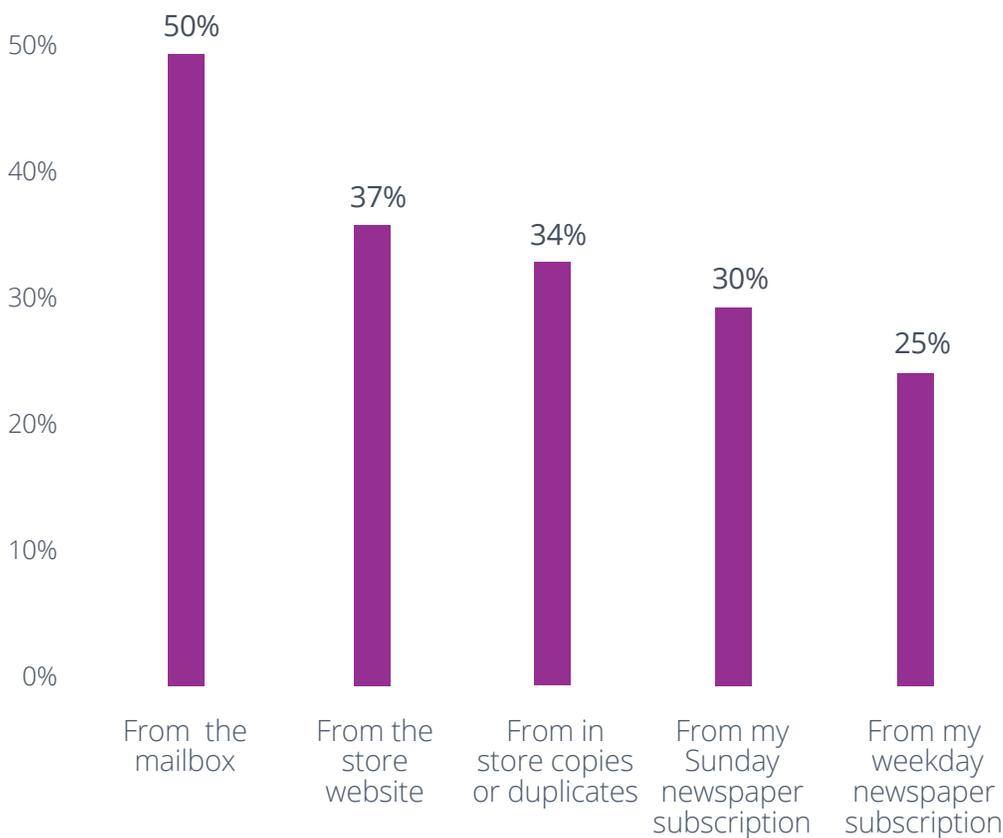
According to the Marketing Charts 214 Shopper Marketing Report, “While younger adult consumers are more likely than the average coupon user to prefer receiving online and mobile coupons, they’re equally as receptive to newspaper coupons.” In fact, their report notes that Millennials are “the only generation to rank direct mail as their preferred source of coupons.”

50% of Millennials
acquire Inserts from
their mail box



Millennials are more likely to acquire retail inserts that are received through direct mail (50%) and more than a third (37%) will access a retailer’s website to view the weekly ad. In-store copies, located near the store entrance, are picked up by more than a third (34%) of Millennial shoppers. Nearly a third (30%) read inserts from their Sunday newspaper subscription and one in four (25%) read the inserts found in their weekday newspaper subscription.

From which of the following sources do you acquire retail inserts or circulars?



Source: Quad Customer Focus® 2014 Research Study



A young woman with vibrant red, wavy hair is looking down at a catalog she is holding. She is seated at a table in what appears to be a cafe or restaurant. In the foreground, there is a white coffee cup on a saucer and a small dessert with white cream and chocolate shavings. The background is softly blurred, showing warm interior lighting and architectural details.

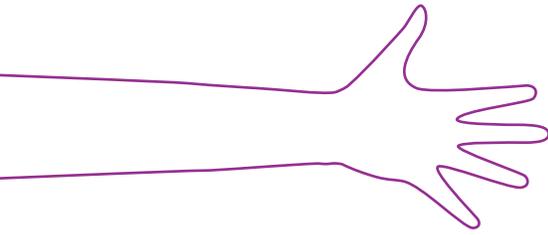
Millennial Channel Engagement: CATALOGS

50% of Millennials use
catalogs to help them place
their orders online.

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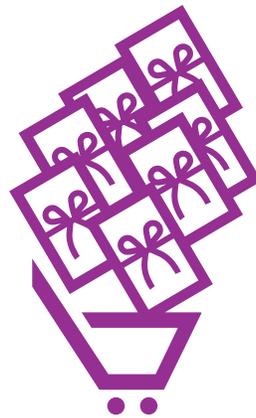
CATALOGS



54% of Millennials **love** and look forward to receiving retail catalogs.

49% of Millennials **wish** that some companies they do business with had a catalog.

40% of Millennials buy **more** from companies when they receive a catalog.



32% of Millennials say they would buy **less** merchandise if they didn't receive catalogs.



Source: Quad Customer Focus® 2014 Research Study

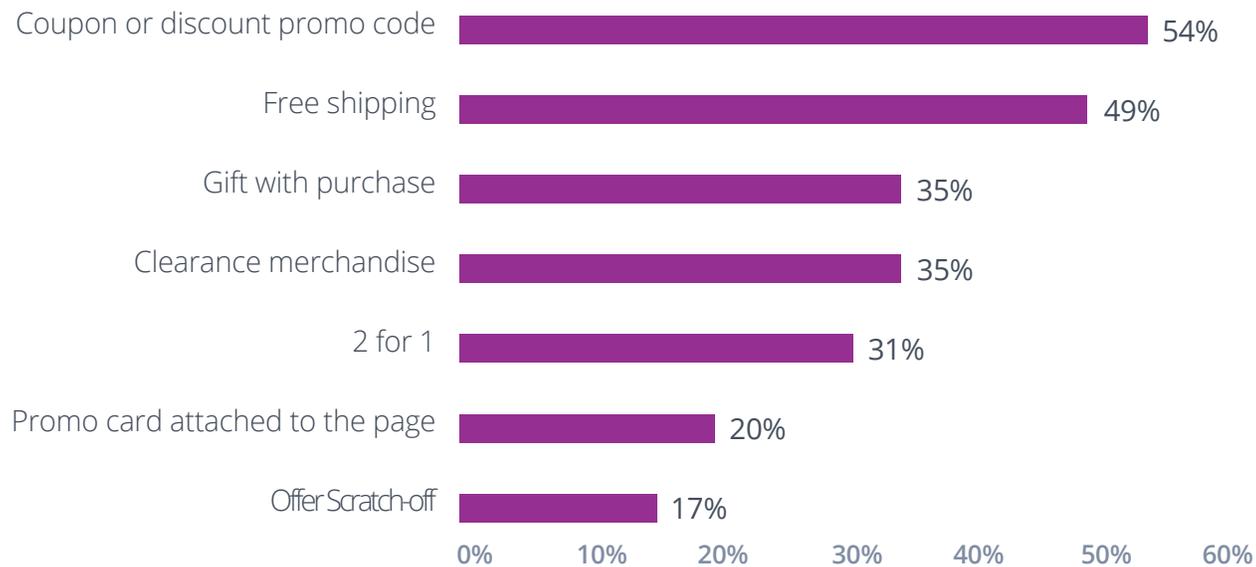


MILLENNIALS SHOP FROM CATALOGS

MILLENNIALS RESPOND TO CATALOGS

Coupons or discount promotional codes found in a catalog encourage an order from more than half (54%) of Millennials; and 49% respond to free shipping offers. More than a third of budget conscious Millennials (35%) respond to gift-with-purchase or clearance merchandise offers.

MOST RESPONDED TO CATALOG OFFERS



Source: Quad Customer Focus® 2014 Research Study





28.9 MILLION Millennials made a purchase from a catalog in 2014.



39 MILLION+ Millennials used catalogs to help shop or place orders online in 2014.



50% of Millennials use catalogs to help shop or place orders online.



43% of Millennials miss it when they don't receive a catalog.



23% (Less than 1 in 4) Millennials don't read catalogs.



38% of Millennials drove to a store due to receiving a catalog.

Source: Quad Customer Focus® 2014 Research Study



[Back to TOC](#)

A young man and woman are looking at a magazine together. The man is wearing a headset and has a goatee. The woman is smiling. They are in a bright, modern setting with colorful abstract art in the background.

Millennial Channel Engagement: MAGAZINES

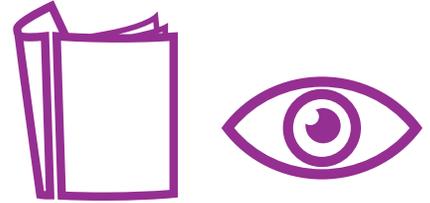
62% of Millennials prefer to
read printed magazines.

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MAGAZINES

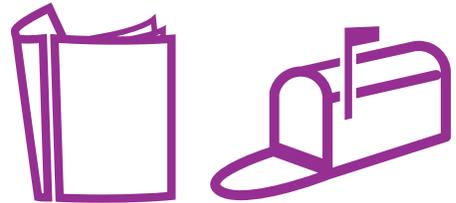
58% Enjoy **looking** at ads in magazines.



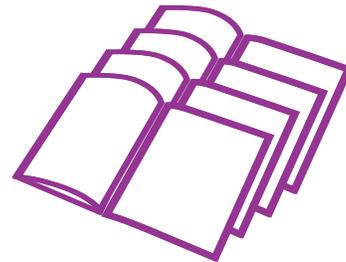
49% Made a **purchase** because of something in a magazine.



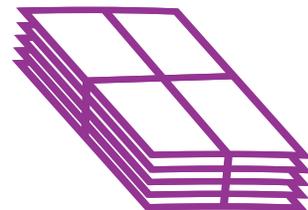
43% Prefer having a magazine **subscription** as opposed to making a single copy purchase.



39% Prefer buying magazines at the **newsstand** or in a physical store location.



34% Prefer a **bundled** magazine subscription that provides a copy mailed home along with digital access.



Source: Quad Customer Focus® 2014 Research Study



MAGAZINES

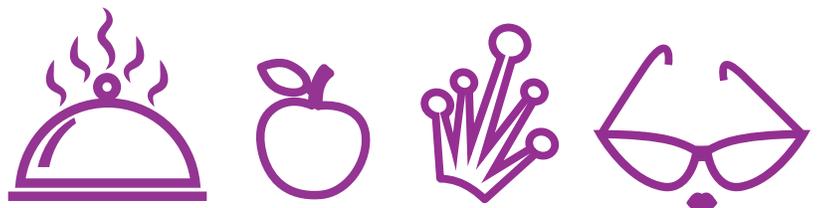
MORE THAN A THIRD READ FOOD, FASHION AND ENTERTAINMENT MAGAZINES

As an advertiser, how do you determine which publications to target to reach this audience? Given a choice of 12 different kinds of magazines, Millennials ranked those they were most likely to read with food and nutrition, celebrity and entertainment, and fashion and beauty indexing the highest, all with a 34% readership rate. Fitness/health was not far behind at 32%, and the home category at 28%. These readership rates suggest that Millennials are health conscious and love food, are concerned about the latest styles and improving their appearance, and enjoy keeping up with the entertainment scene.

TYPES OF MAGAZINES READ BY MILLENNIALS

MAGAZINE TYPE	TOTAL U.S. ADULTS	MILLENNIALS
FOOD/NUTRITION	32%	34%
HOME	30%	28%
NEWS	28%	22%
SPORTS/RECREATION/HOBBY	27%	26%
FITNESS/HEALTH	26%	32%
TRAVEL	24%	25%
CELEBRITY/ENTERTAINMENT	23%	34%
SCIENTIFIC/TECHNICAL/MEDICAL	22%	21%
FASHION/BEAUTY	22%	34%
BUSINESS	14%	15%
CITY/REGIONAL	14%	10%
PERSONAL FINANCE	11%	12%

Source: Quad Customer Focus® 2014 Research Study



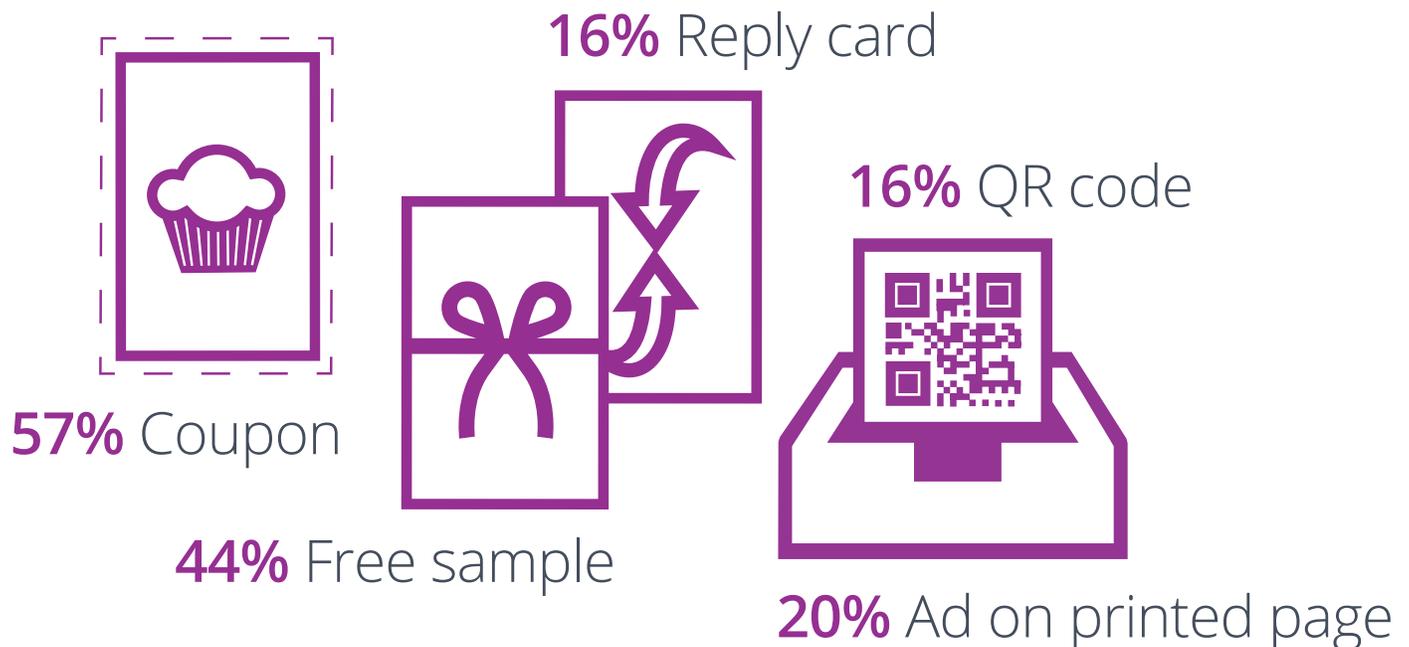
MILLENNIALS RESPOND TO OFFERS IN MAGAZINES

Coupons are the most popular magazine offer among Millennials. Offers that put money back in their pockets resonate well with this group. Millennials also are more open to product trials than any other age group. Forty-four percent say they have responded to a free sample offer they've located in magazines. One in five have responded to an ad printed within the pages of a magazine. Advertisers would do best by enclosing an easily removable coupon, such as an affixed ply card, perforated piece, scored insert or blow-in.

57% of Millennials have responded to a coupon found in a magazine



MILLENNIALS RESPOND TO OFFERS APPEARING IN MAGAZINES



Source: Quad Customer Focus® 2014 Research Study



MAGAZINES

MAGAZINE SUBSCRIPTIONS

While there is not one dominant method for initiating a new magazine subscription, the most common method among Millennials is to subscribe online from the publisher's website using their personal computer or laptop. Submitting a business reply card by mail ranks just under online ordering at 10%. Millennials are also more likely than average (5% vs. 3%) to subscribe to a new title via a mobile device.

METHODS USED TO INITIATE A NEW MAGAZINE SUBSCRIPTION

METHOD	MILLENNIALS
ORDERED FROM THE PUBLISHER'S WEBSITE THROUGH A PC OR LAPTOP	12%
SUBMITTED A BUSINESS REPLY CARD FOUND INSIDE A MAGAZINE	10%
I RECEIVED A FREE ISSUE IN THE MAIL OFFERING A CHANCE TO SUBSCRIBE	9%
IT WAS GIFTED TO ME BY A FRIEND OR RELATIVE	9%
SIGNED UP AFTER PURCHASING A SINGLE COPY FROM A NEWSSTAND	8%
ORDERED THROUGH A FUNDRAISER SUCH AS FROM A STUDENT'S SCHOOL	6%
ORDERED THROUGH AN EMAIL SOLICITATION	6%
ORDERED FROM THE PUBLISHER'S WEBSITE THROUGH A MOBILE DEVICE	5%

Source: Quad Customer Focus® 2014 Research Study



MAGAZINE RENEWALS

Magazine publishers employ numerous methods to notify subscribers when it is time to renew. No one method stands out, but Millennials prefer certain renewal notifications over others.

MILLENNIALS' RENEWAL PREFERENCES

	MILLENNIALS
RENEWAL NOTICE RECEIVED BY EMAIL	17%
RENEWAL NOTICE LOCATED ON THE MAGAZINE COVER	16%
RENEWAL NOTICE RECEIVED IN MY MAILBOX AT MY RESIDENCE	15%
RENEWAL NOTICE RECEIVED ON MY MOBILE DEVICE BY TEXT MESSAGE	5%
RENEWAL NOTICE BY TELEMARKETING OR A VOICE RECORDED MESSAGE	2%

By a two to one margin, Millennials prefer to renew a magazine subscription online rather than completing a paper renewal form and returning by mail. Paper forms remain the most popular method among all U.S. adults, at 20% compared to only 10% of Millennials.

HOW MILLENNIALS CURRENTLY RENEW SUBSCRIPTIONS

	MILLENNIALS
I RENEW ONLINE THROUGH A PERSONAL COMPUTER OR LAPTOP	20%
I COMPLETE A PAPER RENEWAL FORM AND DELIVER BY US MAIL	10%
I CALL CUSTOMER SERVICE	8%
I RENEW ONLINE BY A MOBILE DEVICE THROUGH THE COMPANY WEBSITE	6%
I RENEW BY A MOBILE APP	5%
I OPT-IN FOR MY RENEWAL BY MOBILE TEXT	3%

Source: Quad Customer Focus® 2014 Research Study





Millennial Channel Engagement: SOCIAL MEDIA

83% of Millennial Internet users actively use Facebook.

DEFY MEDIA

CUSTOMER FOCUS®

SOCIAL MEDIA



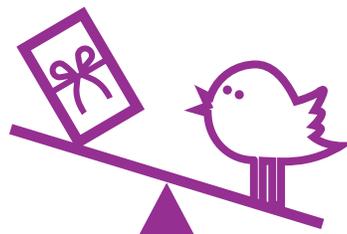
Social media is used by Millennials to socialize. They don't necessarily want brands addressing them there. On social, Millennials learn about products from peer activity.

eMarketer report, "Millennials & Social Media: Gauging How Facebook & Other Networks Fit Their Lives.," April 2015.



- 36% of Millennials shared digital content with their network to receive a coupon, discount or promotion.

Source: Annalect, September 2014



- Fewer than 1 in 10 Millennials based a purchase decision on what's happening on a social network.

Source: A.T. Kearney, July 2014



- Just over 1 in 10 Millennials purchased an item from a social site.

Source: Harris Poll for DigitalSLBI, August 2014

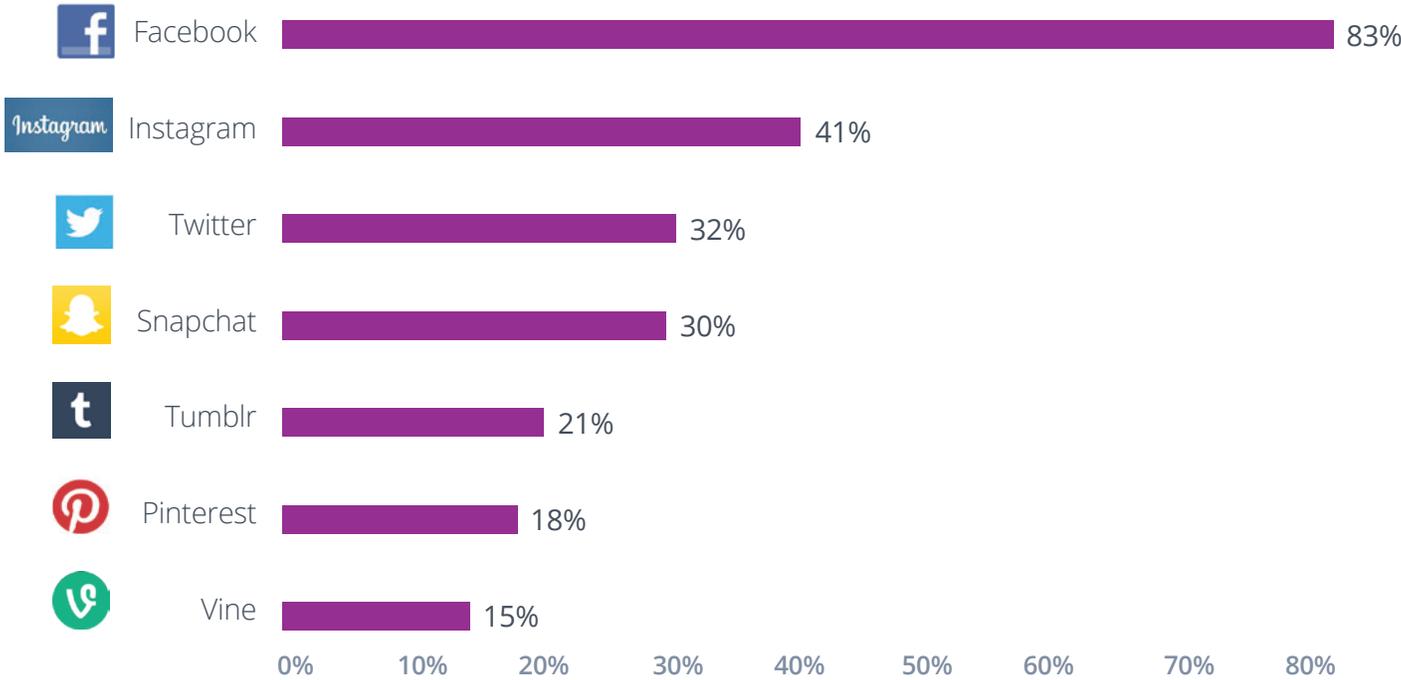
SOCIAL MEDIA

SOCIAL MEDIA USED BY MILLENNIALS

Millennials overwhelmingly use Facebook more than any other social media network. Over 83% participate in Facebook to share and stay connected, more than double the next leading network, Instagram, which has 41% participation. Twitter ranks third with nearly a third (32%) of Millennials actively participating.

83% of Millennial Internet users actively use Facebook

SOCIAL NETWORKS ACTIVELY USED BY U.S. MILLENNIAL INTERNET USERS, NOV 2014



Note: ages 18-24 access regularly
Source: Defy Media, "The Acumen Report: Constant Content", March 3, 2015

Source: eMarketer.com



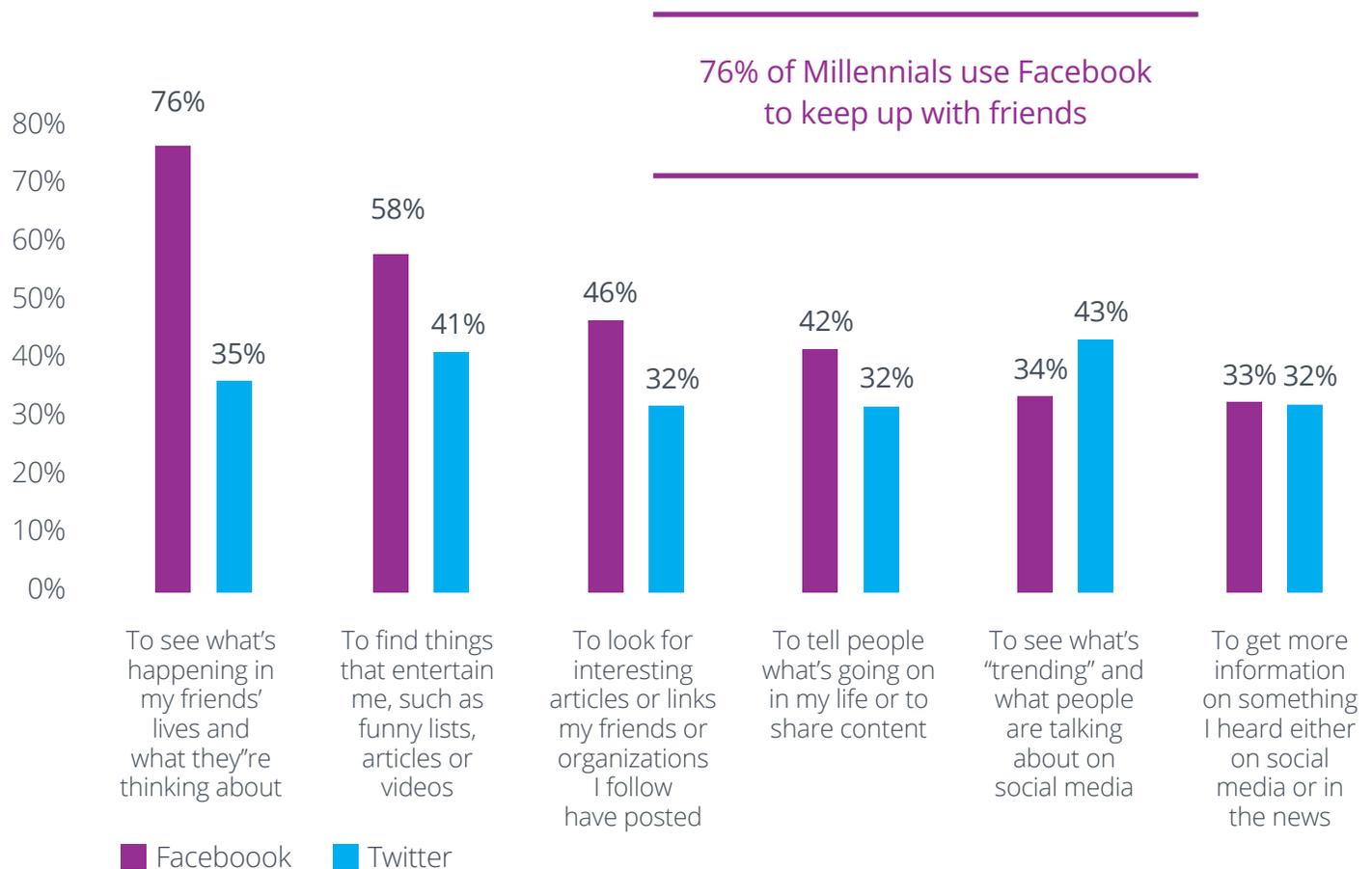
MILLENNIALS USE SOCIAL MEDIA TO STAY CONNECTED

Millennials engage in social media more than any other generational group, primarily using it to stay connected and for entertainment. They aren't actively seeking advertising promotions and offers through their social media networks. A January 2014 study from Goo Technologies conducted by Harris Interactive revealed that 18- to 34-year-olds were far more likely to ignore online ads, with 49% of males and 51% of women ignoring ads on social media. Marketers can gain attention with this audience if offers are shared through existing connections.

Millennials spend 14.5 hours each week texting, talking and accessing social media on their smartphones, according to Experian Marketing Services. More than 3 in 4 (76%) use Facebook to stay tuned to what's happening in their friends' lives and see what they are talking about.

TOP REASONS FOR USING FACEBOOK AND TWITTER*

Based on a nationally representative survey of 1,046 18-34 year olds. *Figure represents percentage among users of each platform



Source: MarketingCharts.com | Data Source: American Press Institute/ AP-NORC Center





Millennial Channel Engagement: MOBILE

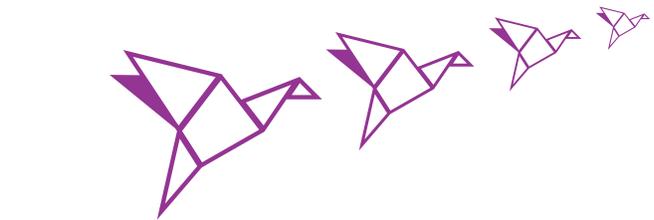
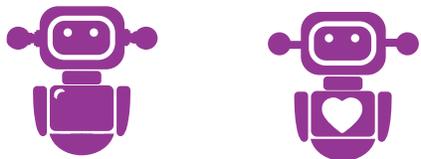
46% of Millennials use their mobile device to search for a product to buy.

GLOBALWEBINDEX

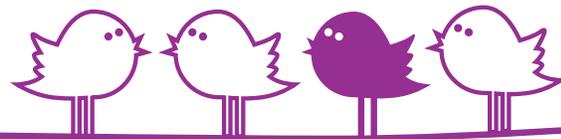
MOBILE

WHAT SMARTPHONE-OWNING MILLENNIALS EXPECT FROM BRANDS' TECH USE

37% Use technology to include consumers' feedback in product/service development



37% Offer paper-free communication



44% Still maintain some form of human interaction

39% Have a presence in social media



55% Have **mobile** friendly websites



42% Offer loyalty programs through mobile apps



42% Offer mobile payments



41% Make creative and engaging digital content



37% Enable consumers to personalize/customize products



38% Provide instant communication with customer service

Source: *Annalect, September 2014*



MOBILE

HOW MILLENNIALS USE THEIR SMARTPHONE

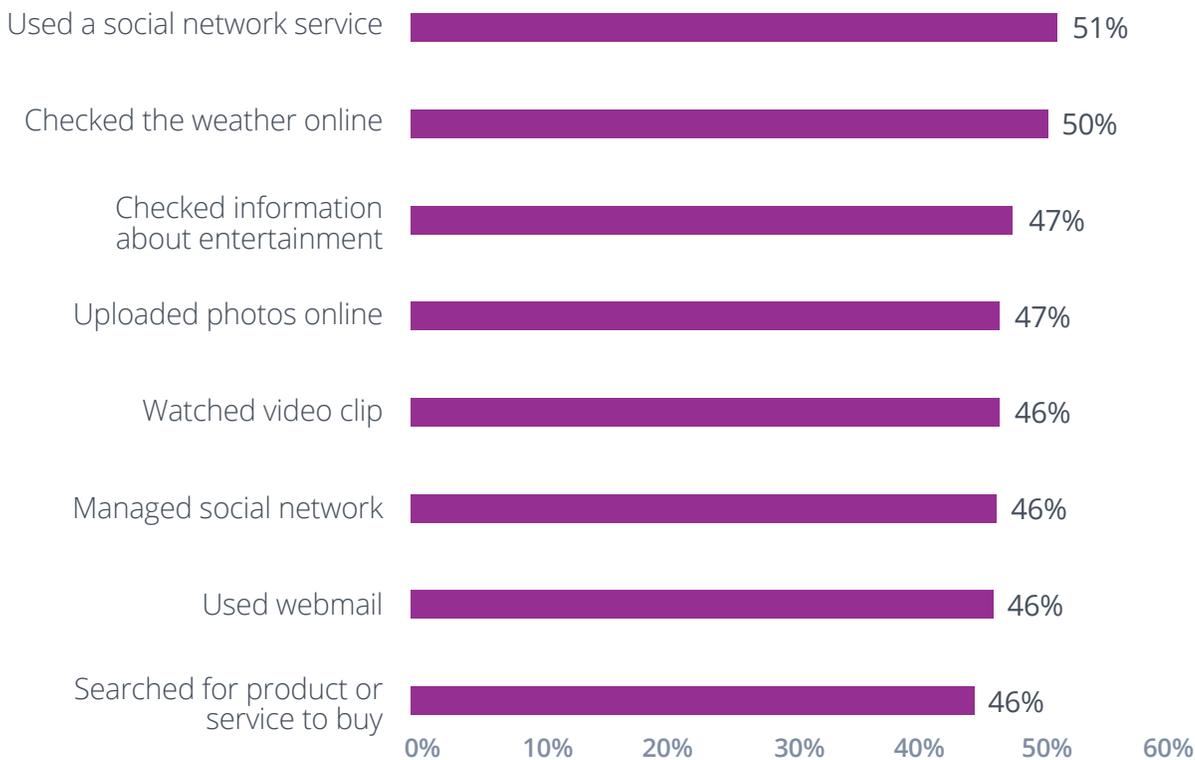
The top mobile activity, by more than half (51%) of Millennials, is accessing a social media service. One in two Millennials check the weather and nearly half (47%) search information about music, leisure or some other entertainment. Forty-seven percent upload photos to social media sites with their mobile device and 46% watched a video clip and checked email. Almost half (46%) of Millennials searched for a product to buy on their mobile devices, so it makes sense for retailers to optimize ecommerce sites and shopping carts for mobile usage.

46% of Millennials use mobile devices to research products to buy



84% personally own a smartphone

TOP MOBILE ACTIVITIES AMONG MILLENNIALS



Source: Quad Customer Focus® 2014 Research Study



MILLENNIALS USE APPS AND KNOW WHERE TO FIND THEM

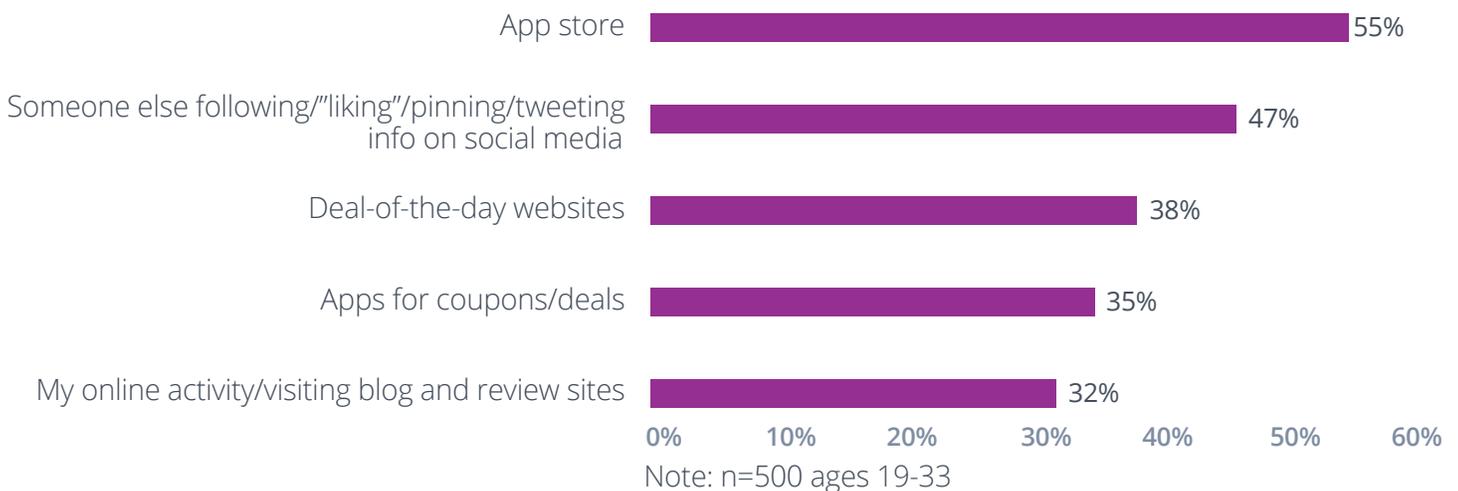
Retailers and marketers that don't have a branded mobile app will lose a prime opportunity to grab a share of the Millennial market. More than half (55%) of Millennial smartphone users discover and download brand apps in an app store, according to a January 28, 2015 Annalect report. Android users were able to choose between 1.6 million branded apps and 1.5 million apps available in the Apple App Store, as of July 2015, according to Statista.com.

Nearly half (47%) of Millennial mobile users discovered brands by following, liking, pinning or tweeting information on social media. More than a third (38%) found brands on deal-of-the-day websites such as Groupon, LivingSocial, Ben's Bargains and PriceGrabber. With mobile access to deal websites and price comparison tools, Millennials have a higher propensity to access information that influences buying decisions than any other age group.

55% of Millennial smartphone users discover new brands at an App store



LEADING WAYS IN WHICH U.S. MILLENNIAL SMARTPHONE USERS DISCOVER BRANDS IN DIGITAL MEDIA, SEPT 2014



Source: Annalect, *#GenerationTech: Millennials&Technology, Jan 28, 2015





Millennial Shopping Preferences: GROCERY

72% of Millennials referred to retail inserts while shopping for groceries, surpassing usage by all other generations in 2014.

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CUSTOMER FOCUS®

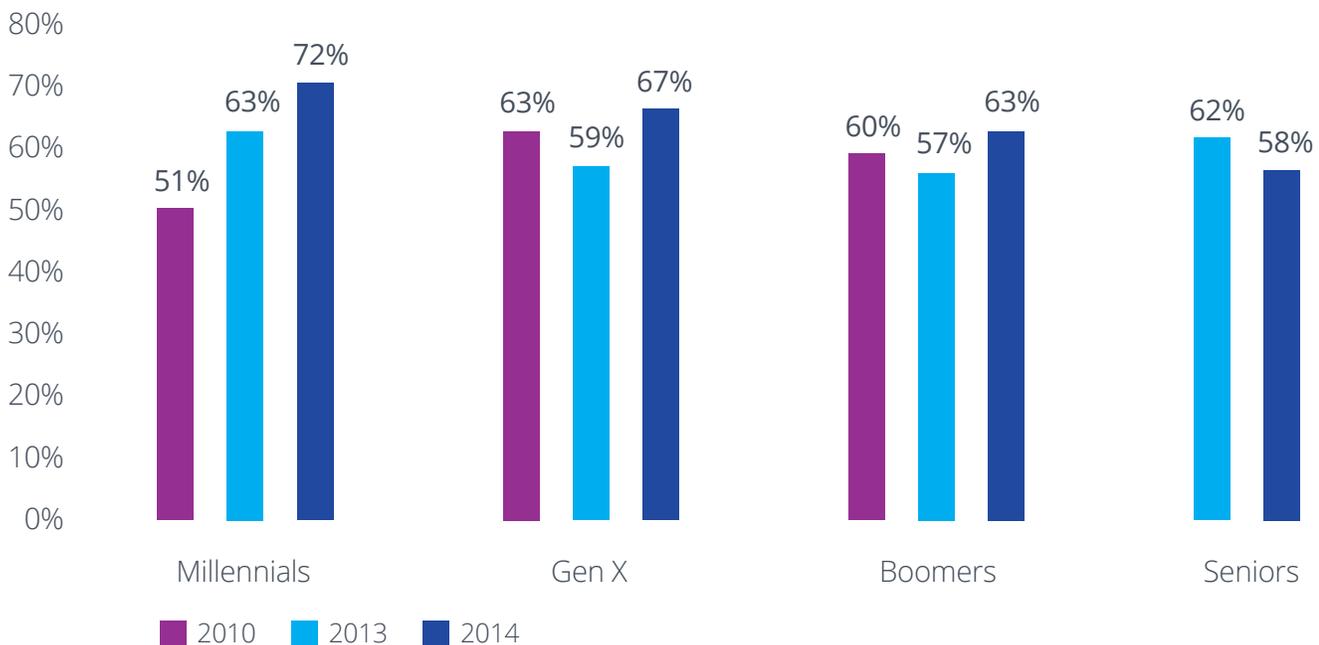
GROCERY

MILLENNIALS ARE MORE LIKELY THAN AVERAGE TO USE INSERTS

In 2010, Millennials were less likely than Gen X and Baby Boomers to use retail inserts, but how times have changed! Millennials are now the most likely cohort to use retail inserts. From 2010 to 2014, the percentage of Millennials using retail inserts to shop for groceries rose 21%, from slightly over half the group using them to about three in four today. While Millennials are the generation most likely to engage mobile, by no means does that indicate they don't also engage with traditional media. Millennials have been challenged by the 2008 recession, tightened job and credit markets, and burgeoning student loans. By necessity they have become extremely resourceful consumers. Retail inserts are their go-to channel for comparing prices for groceries and obtaining coupons. The average redemption rate among all U.S. adults for CPG coupons in FSI ranges from .5% for non-food items to .8% for food. About 92.2% of all CPG coupons were distributed by FSI in 2014 according to NCH Marketing Services 2015 Annual Coupon Report.

USE OF GROCERY RETAIL INSERTS IS INCREASING

Use of retail inserts to shop for groceries by generation



Source: Quad Customer Focus® 2014 Research Study

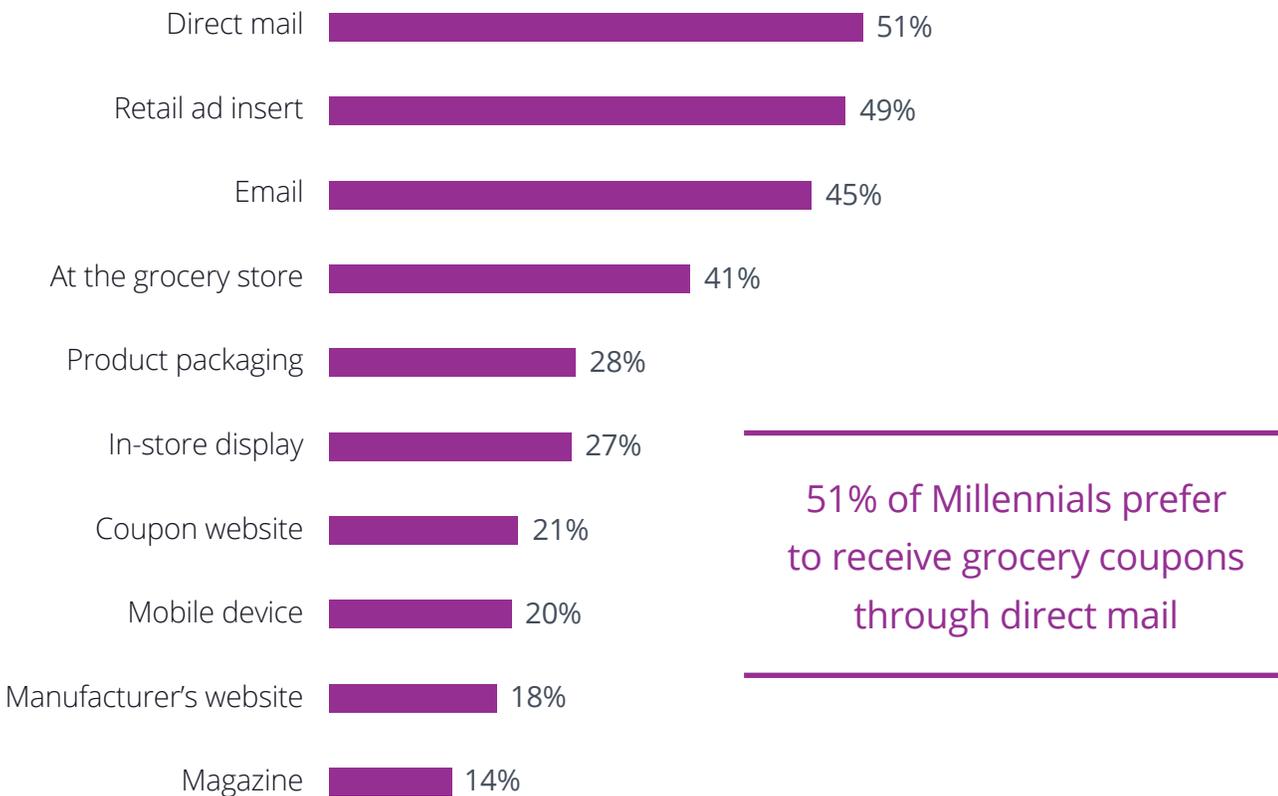


GROCERY

MILLENNIALS PREFER TO RECEIVE GROCERY COUPONS THROUGH DIRECT MAIL

More than half of Millennials (51%) prefer to receive grocery coupons in a direct mail package, retail ad insert (49%) or email (45%). Twenty percent of Millennials prefer to receive grocery coupons on their mobile device. NCH Marketing Services 2015 Annual Report reveals that only 1.3% of CPG coupons distributed in 2014 were delivered through direct mail, however direct mail redemption of CPG coupons is significantly higher than those clipped from inserts, ranging between 2.7% for non-food items and 6.5% for food. There is a lot of opportunity for CPG and grocery marketers to leverage consumer purchase data to deliver a more targeted, personalized experience with direct mail or emails. Ad Age reported that Kroger is leveraging loyalty program data to deliver personalized direct mail coupons based on purchase history that average a 70% redemption rate within 6 weeks of the mailing.

From which media do you prefer to receive your grocery coupons?



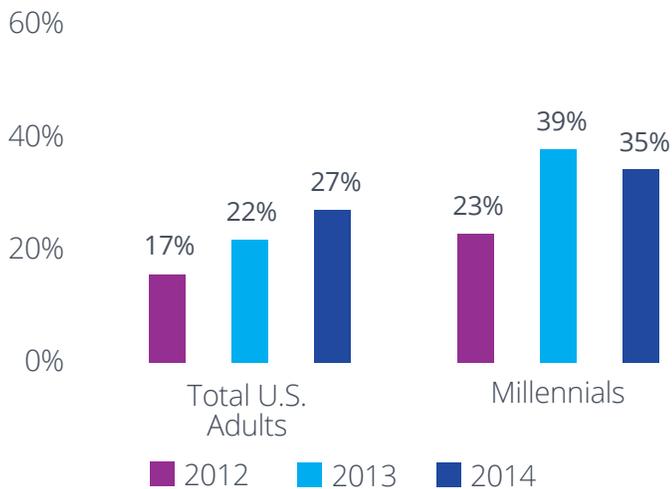
Source: Quad Customer Focus® 2014 Research Study



THE INTERNET IS NOT A PRIMARY CHANNEL YET, BUT IS BECOMING MORE RELEVANT

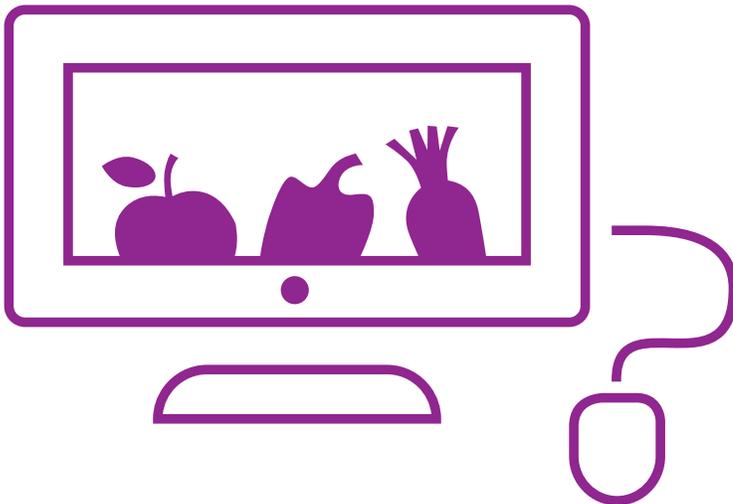
The grocer's website has not traditionally been a primary information source for consumers, but significant gains have been made over the past few years. While less than one in four Millennials visited a grocer website in 2012, there has been a 12% increase from 2012 to 2014, with more than one in three Millennials visiting a grocer website in the past month. Millennials are more likely to visit a grocer website than any other age group. Grocery marketers would do well to digitize their retail inserts and continue developing relevant content and offers targeted to this segment.

PERCENTAGE WHO VISITED A GROCERY STORE WEBSITE



Source: Quad Customer Focus® 2014 Research Study

More than a third (35%)
visited a grocery website in
the past month



Millennials are more likely to visit a grocer's website than any other age group.

GROCERY

MILLENNIALS VISIT GROCER WEBSITES FOR COUPONS AND THE WEEKLY AD

More than three in five Millennials visited a grocery website in the past month to get coupons, the top activity. The second most cited reason for visiting a grocer website was to view the online weekly ad insert. Almost a third of Millennials (30%) visited a grocery site to help them create a shopping list. Not quite 1 in 5 visited a site to check loyalty card points.

With the majority of Millennials visiting a grocer website to review the weekly ad, it makes sense for grocers to optimize weekly inserts for digital and mobile access. Pew Research reported that as of December 2014, 21% of Millennials no longer use a desktop to access the Internet.



62% of Millennials who visited a grocery website in the past month went there to get coupons



58% visited to view the weekly ad

Source: Quad Customer Focus® 2014 Research Study



WHY MILLENNIALS VISIT GROCER WEBSITES



Source: Quad Customer Focus® 2014 Research Study



30% create a shopping list



23% locate a store



20% view recipes



18% view loyalty card points



14% get ideas



13% get nutritional information



11% view purchase history



Millennial Shopping Preferences: RETAIL

49% of Millennials took print coupons with them to the store in the past 30 days.

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RETAIL

SOURCES MILLENNIALS USE TO FIND RETAIL OFFERS

44% of Millennials want to receive advertising inserts from retail stores on a weekly basis.



82% of Millennials read direct mail from retail brands.



57% of Millennials read email from retail brands.



54% of Millennials look forward to receiving catalogs in the mail.



63% of Millennials want to receive offers from local retailers when transitioning during a household move.

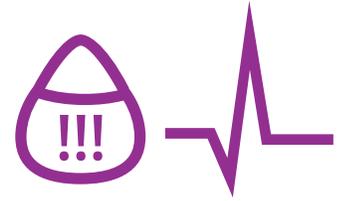
Source: Quad Customer Focus® 2014 Research Study



RETAIL

MILLENNIAL SHOPPING BEHAVIOR

83% of Millennials admit they have made an impulse purchase.



46% made impulse purchases when they got paid, making payday the #1 reason behind impulse buys for this group of shoppers.



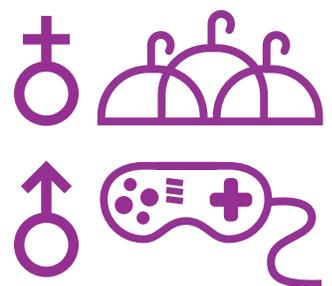
22% of women are susceptible to impulse purchases when they're in need of "retail therapy," compared with **9%** of men.



68% of female shoppers are susceptible to impulse purchases because of sales and discounts, compared to **61%** of male shoppers.



Women are more likely than men to impulse buy clothing (**61% to 43%**), while men are more likely than women to impulse buy electronics (**50% to 27%**).

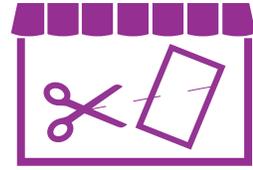


Source: Chase Blueprint Holiday Impulse Purchases Survey, 2014

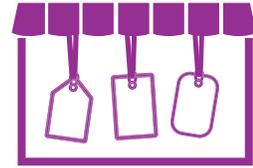


IN-STORE DISPLAYS INFLUENCE PURCHASES

About **1 in 4 (23%)** of Millennials want to receive coupons from in-store displays.



More than **1 in 5 (21%)** of Millennials purchased something they hadn't considered purchasing before because of an in-store display.



21% of Millennials redeemed a coupon they received from an in-store display in the past 30 days.



Source: Quad Customer Focus® 2014 Research Study

14% of Millennials accessed a product or informational video from an in-store display within the past 30 days. Diesel is using a video wall to introduce new collections and campaigns. The wall doesn't just display static images of models, it shows them literally getting dressed in a way that makes viewers feel they are getting "behind the scenes" content.

Combining physical and digital elements in displays is key to attracting and sustaining Millennials

RETAIL

MILLENNIALS USE PRINT COUPON

Nearly half (49%) of Millennials took printed coupons (procured either from direct mail or a newspaper insert) with them to a store in the past 30 days to redeem when making a purchase. More than one in three (37%) redeemed a coupon on their mobile device at check out. About one in four (24%) took a retail insert or direct mail piece with them to the store to assist when making a purchase. One in five brought an email printout to a store.

WHAT MILLENNIALS ARE TAKING TO THE STORE

ITEMS TAKEN TO THE STORE IN THE PAST 30 DAYS TO ASSIST WITH A PURCHASE	MILLENNIALS
PRINT COUPONS	49%
MOBILE DEVICE TO SHOW COUPONS	37%
AD INSERT FROM MY NEWSPAPER	24%
DIRECT MAIL	23%
EMAIL PRINT AD	20%
WEBSITE PRINT AD	18%
NEWSPAPER AD	17%
ADVERTISING INSERT I RECEIVED IN MY MAILBOX	13%
CATALOG	12%
MAGAZINE	9%

Source: Quad Customer Focus® 2014 Research Study



MORE MILLENNIALS SHOP AT WALMART AND AMAZON

Walmart's top ranking among the Millennial population is no surprise, as Walmart tops the list for all age groups. However, marketers should note that Amazon, a pure play e-tailer, ranks #2 on Millennials' shopping list. Millennials are comfortable purchasing on the web and are more likely than any other age group to engage web channels. Both Amazon and Walmart differentiate themselves in the market using a low price strategy, which particularly appeals to this lower income age group. Companies that weren't planning to employ multichannel marketing take note: the top brands will be strategically immersed in online sales channels: E-Commerce, M-commerce and S-commerce.

Below are the top 10 out of 30 big retail brands ranked by the percentage of Millennials who shopped there within the past 90 days.

Which of the following stores have you shopped in the past 90 days?

RANK		% OF MILLENNIALS
1		71%
2		65%
3		60%
4		44%
5		40%
6		39%
7		33%
8		32%
9		27%
10		25%

Source: Quad Customer Focus® 2014 Research Study

In the past 90 days, **71%** of Millennials shopped at Walmart and **65%** shopped at Amazon.com.





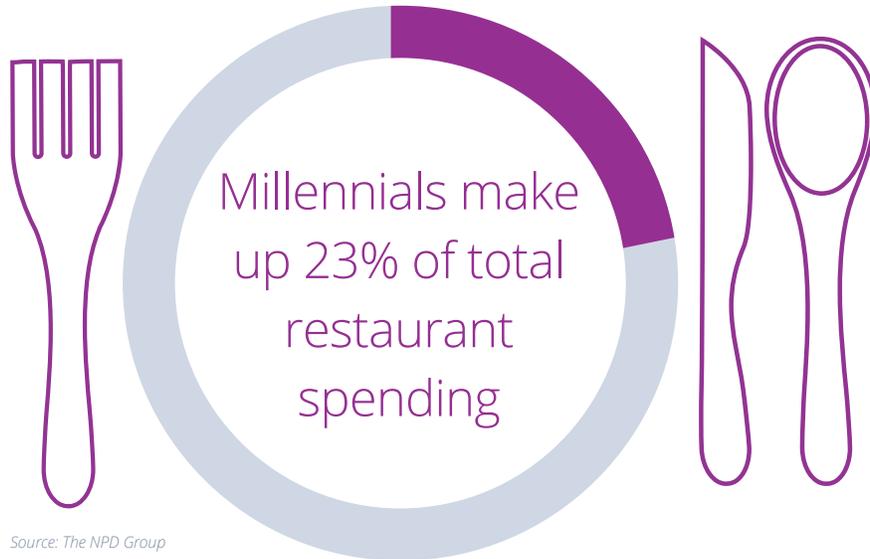
Millennial Shopping Preferences: RESTAURANTS

Millennials spent \$96 billion in restaurant related purchases in 2014.

NPD GROUP, 2015

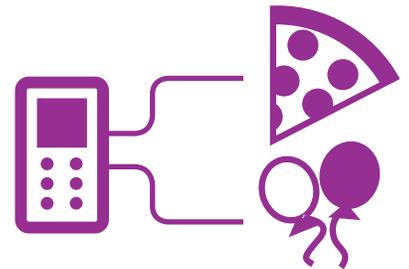
RESTAURANTS

MILLENNIALS LOVE EATING OUT!



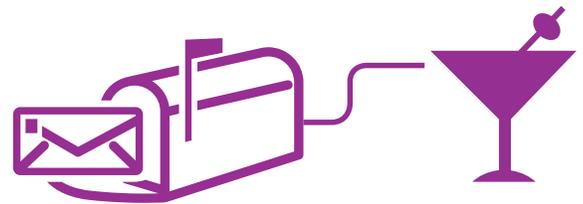
56% of Millennials use their smartphone to search events, movies and restaurants.

Source: Media Insight Project, 2014.



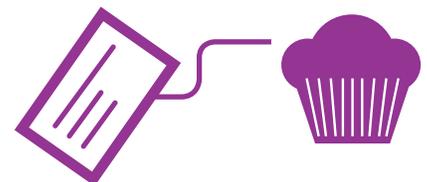
53% of Millennials read direct mail sent from restaurants.

Source: Quad Customer Focus® 2014 Research Study



43% of Millennials use retail inserts to help them decide on a restaurant.

Source: Quad Customer Focus® 2014 Research Study



RESTAURANTS

RESTAURANTS MOST DINED AT BY MILLENNIALS

McDonald's ranked at the top of Millennial's fast food purchase restaurants, followed by Chipotle and Subway.

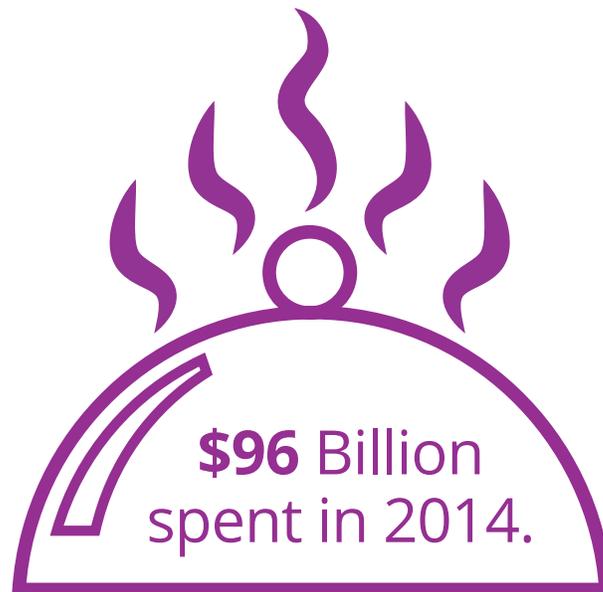
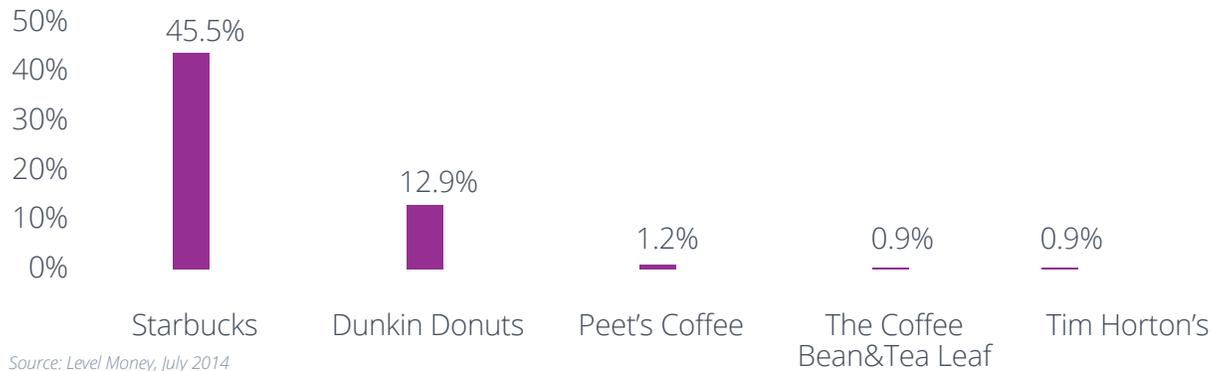
MILLENNIALS' TOP FAST FOOD RESTAURANTS RANKED BY PERCENT OF PURCHASES

McDonald's		11.7%
Chipotle		6.4%
Subway		6.2%
Taco Bell		4.6%
Chick-Fil-A		4.2%

Source: Level Money, July 2014

Starbucks was by far the top coffee shop choice for Millennials, grabbing 45.5% of total purchases, followed by Dunkin' Donuts at 12.9%.

MILLENNIALS' TOP COFFEE SHOPS RANKED BY PERCENT OF PURCHASES



Millennials paid
14.5 Billion
restaurant visits
in 2014.

Source: The NPD Group, 2015.



Millennial Shopping Preferences: AUTOMOTIVE

Millennials were projected to generate over \$135 billion in total revenue for the automotive industry in 2015.

AUTOTRADER.COM

AUTOMOTIVE



Millennials are projected to purchase **4.24 million** cars and light trucks in 2015, generating **\$135 billion** in total revenue.

Source: True Car, Inc.

**4.24
MLN
X** 



Millennials are projected to make up **25%** of new car sales in 2015.

Source: True Car, Inc.



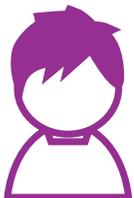
Millennials are estimated to make up **40%** of new car sales by 2020.

Source: AutoTrader.com



72% of Millennials ages 25 to 32 said they purchased a new car because they **needed** one, vs. 28% because they wanted to.

Source: AutoTrader.com



50% of younger Millennials (below age 24) **don't own a car**, with **83%** citing the cost of gas and **29%** the cost of maintenance.

Source: AutoTrader.com



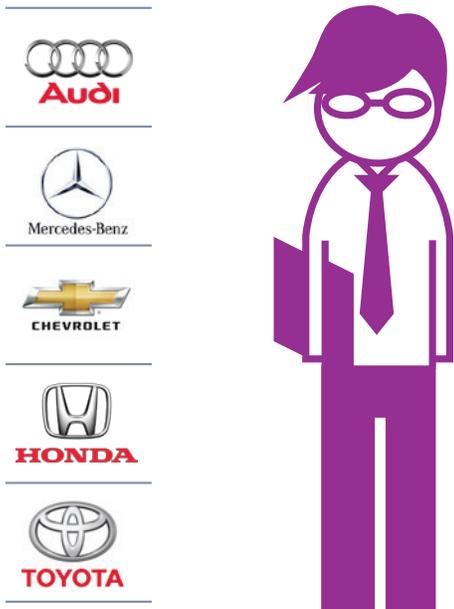
AUTOMOTIVE

MILLENNIALS ASPIRE TO OWN NICE VEHICLES , BUT PURCHASE WHAT THEY CAN AFFORD

Millennials aspire to purchase a vehicle that aligns with their self image, but according to AutoTrader those aren't the brands they're buying just yet. Many of the brands Millennials say are a fit for them exceed their current means. This insight provides an idea of where the automotive market is headed. According to the study, Millennials are selecting brands that fit their life stage, financial ability, practical purposes and the brands they are most familiar with.

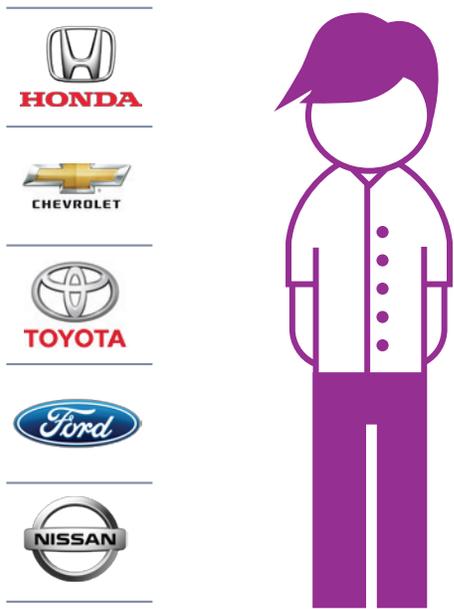
MILLENNIALS (AGES 25 TO 32)

TOP 5 — Aspirational Brands



- Audi
- Mercedes-Benz
- Chevrolet
- Honda
- Toyota

TOP 5 — Most Purchased Brands



- Honda
- Chevrolet
- Toyota
- Ford
- Nissan

70% of Millennials were **undecided** when they started the car shopping process.

70% of Millennials ended up purchasing the model they had in mind when they first visited the dealership.

Source: AutoTrader.com, Next Generation Car Buyer Study



MEDIA USED TO SHOP FOR CARS

Millennials spend **17.6 hours shopping** for a car, compared to **15.5 hours** for all buyers.



They spent 51% of their time online at third-party sites like **AutoTrader.com**.

44% use **multiple devices** to shop for cars, and that number is expected to grow to **80%** by **2020**.



Source: AutoTrader.com, The 2014 Automotive Buyer Influence Study.

79% used the **Internet** to shop for cars.



21% read auto related **emails**.



26% read auto related **direct mail offers**.



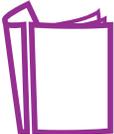
12% watched **TV ads**.



About **1 in 5** read auto related **ad inserts**.



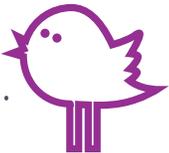
7% used the **newspaper**.



Only **11%** of millennials have an **auto loan**, with just 9% of those securing the loan with their primary financial institution.



5% used **social media**.



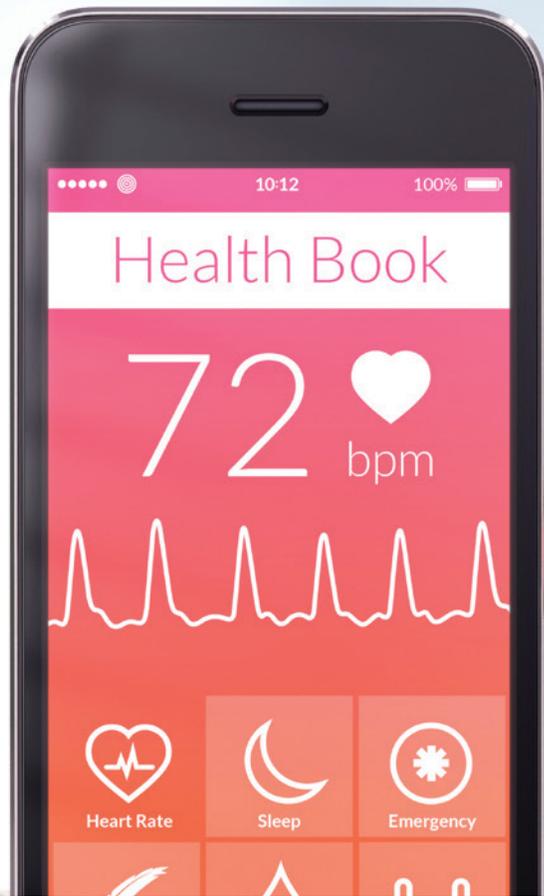
Source: Quad Customer Focus® 2014 Research Study

50% used their **smartphone** to shop online.



Source: AutoTrader.com, Next Generation Car Buyer Study





Millennial Shopping Preferences: HEALTHCARE

71% of Millennials want to use a mobile app to book medical appointments, share health data and manage preventive care.

SALESFORCE & HARRIS INTERACTIVE

HEALTHCARE

HEALTHCARE MARKETERS SHOULDN'T FORGET MILLENNIALS

While the Affordable Care Act has created a huge opportunity in the Senior market for Medicare Supplemental insurance coverage; another extremely profitable and less talked about marketing opportunity exists with the Millennial audience. The ACA has enabled Millennials to obtain coverage through their parent's healthcare plan up to the age of 26. Prior to ACA implementation, insurance companies were not required to cover dependents over the age of 18 under a parent's plan.

By the end of open enrollment 2015, 5.7 million young adults stayed on their parents' plan. From the time the Affordable Care Act's dependent coverage provision took effect in 2010 through the first quarter of 2014, the uninsurance rate among individuals ages 19 to 25 fell by 13.2 percentage points, a 40 percent decline as reported by the Council of Economic Advisors.

According to Health and Human Services (HHS), roughly 8 million Americans enrolled in a Marketplace plan during open enrollment 2014. Of those more than a quarter (28%) were between the ages of 18 and 24.

Another reason Healthcare markets should look at Millennials is the lower cost of treating this age group. The average annual cost to treat an 18-24 year old is \$1,834 compared to \$2,739 for people ages 25 to 44 and \$5,511 for those ages 45-64, according to the Kaiser Family Foundation.

Millennials are less likely to seek treatment and pay for routine office visits. ZocDoc found about half (51 percent) of the Millennials surveyed visit a physician less than once per year.

Approximately 40 percent of Salesforce survey respondents ages 18 to 34 said they thought their primary care physicians would not recognize them if they passed them on the street.



Source: ObamaCareFacts.com

5.7 million adult Millennials under age 26 stayed on their parent's plan during open enrollment 2015.



HEALTHCARE MARKETING

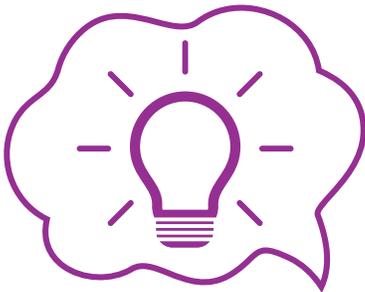
MILLENNIALS ARE LEAST LIKELY TO UNDERSTAND HEALTHCARE BENEFIT TERMINOLOGY

When Millennials were given a list of healthcare benefit terms, they were less likely than other age groups to understand industry lingo. Less than half understood basic terms related to healthcare coverage and benefits.

LESS THAN HALF OF MILLENNIALS UNDERSTAND KEY BENEFIT TERMS

PERCENTAGE THAT UNDERSTAND TERMINOLOGY	TOTAL ADULTS	MILLENNIALS
CO-PAY	72%	49%
DEDUCTIBLE	70%	45%
OUT-OF-POCKET MAXIMUM	61%	34%
IN-NETWORK/OUT-OF-NETWORK	58%	31%
CO-INSURANCE	52%	25%
BENEFIT MAXIMUM	51%	20%
ALLOWED AMOUNT	47%	19%

Source: Quad Customer Focus® 2015 Research Study



More than half (51%) of Millennials do not know what a co-pay is

Co-pay? Deductible?

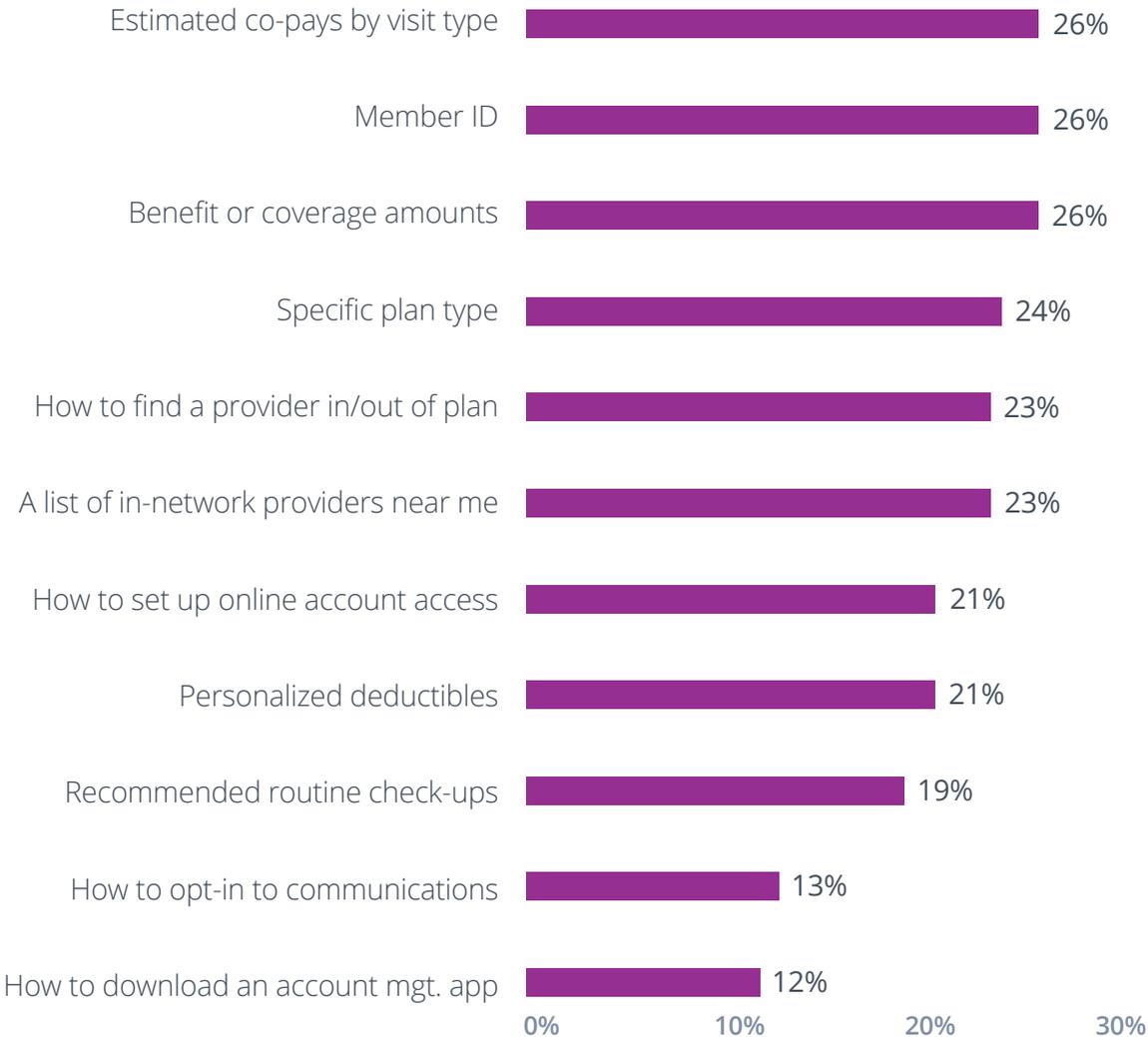
Take the time to educate and communicate with this crucial segment. They want to learn and will value the provider that helps them make informed decisions.



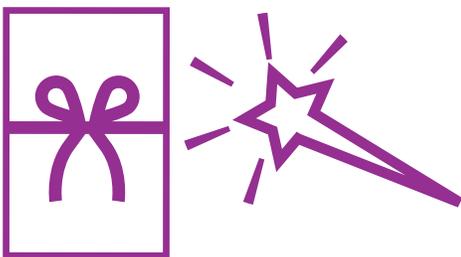
PERSONALIZATION IN HEALTHCARE COMMUNICATIONS

While a majority of Millennials do not understand the key terminology related to their healthcare benefits, about a quarter of Millennials want healthcare benefit communications personalized specifically to them.

MILLENNIALS WANT CUSTOMIZED BENEFITS COMMUNICATIONS



Source: Quad Customer Focus® 2015 Research Study



26% want co-pay information and member ID customized specifically to them



HEALTHCARE

MILLENNIAL PREFERENCES FOR RECEIVING HEALTHCARE COMMUNICATIONS

When Millennials were asked in what medium they want to receive information from their provider, the majority responded with email, followed by direct mail. One in ten want to read a printed newsletter.



32% Email notices



19% Direct mail offers & notices



15% Telephone call or voice messages



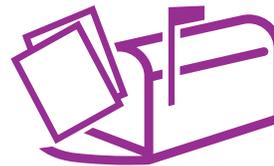
14% Directory of approved in-network providers



14% Mobile text alerts



12% eNewsletters



10% Print newsletters by mail

Source: Quad Customer Focus® 2014 Research Study



MILLENNIALS EMBRACE HEALTHCARE TECHNOLOGY

74% of Millennials are most interested in **telehealth**, compared to just 41 percent of individuals age 65 and above.

Source: Salesforce-Harris Poll



60% of Millennials support the use of telehealth options to **eliminate in-person visits**.

Source: Salesforce-Harris Poll



Half of Millennials use **online reviews** to select healthcare providers compared to just 40 percent of baby boomers.

Source: PNC Healthcare



50% of Millennials compare **insurance** options **online**, compared to only twenty-five percent of seniors, who prefer print materials.

Source: PNC Healthcare



71% of Millennial patients would like their providers to use **mobile apps** to book appointments, share health data and manage preventive care.

Source: Salesforce-Harris Poll



A young man and woman are sitting at a desk, looking at a laptop screen together. The woman is on the left, wearing a red and black plaid shirt. The man is on the right, wearing a blue denim shirt and a black beanie. They appear to be in a casual setting, possibly a cafe or a home office. A calculator and a red mug with white polka dots are on the desk in the foreground.

Millennial Shopping Preferences: FINANCIAL SERVICES

94% of Millennials Are Active
Users of Online Banking.

ACCENTURE

CUSTOMER FOCUS®

FINANCIAL SERVICES

WAYS TO MARKET FINANCIAL SERVICES TO MILLENNIALS

CREATE funny yet insightful YouTube videos. 

HOST webinars delivered by fellow Millennials on how to build your credit.



HIGHLIGHT all corporate social responsibility initiatives.



CREATE infographics on topics such as how to finance higher education and build your credit.



ALIGN with brands that are making a greater difference in society.



MAKE your products, offers and practices as transparent as possible.



GIVE Millennials choices with regard to how they bank, with which banker, and allow them to use the platform of their choice. Build mobile solutions.



BUILD trust, as Millennials are skeptical of traditional institutions.



Source : Shama Shama Hyder, Founder & CEO of The Marketing Zen Group

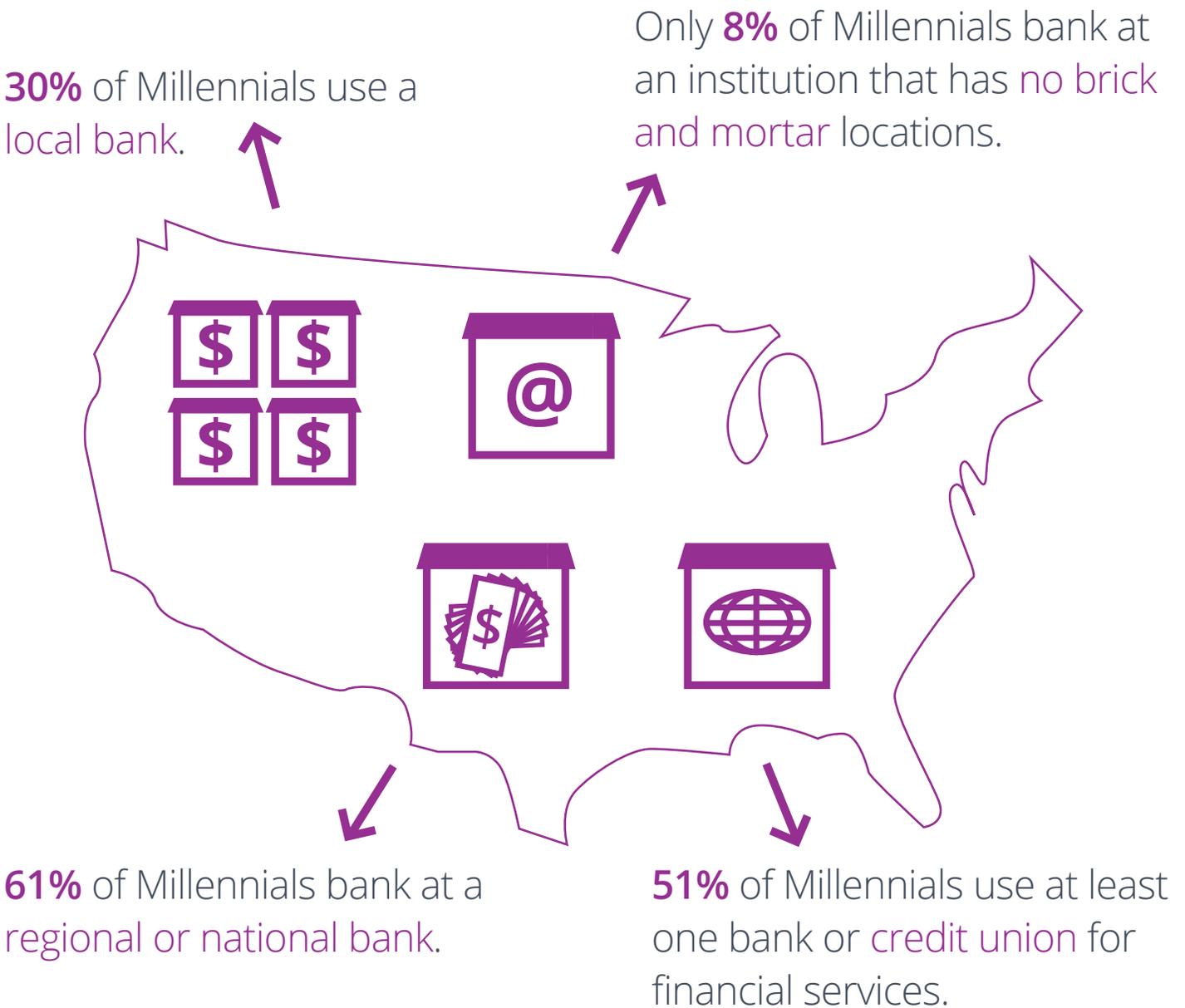


FINANCIAL SERVICES

HOW MILLENNIALS ENGAGE WITH FINANCIAL SERVICES

Although Millennials are the most educated generation in history, they have struggled to find jobs and pay off crippling student loans, and have been disillusioned by the American dream. They are extremely socially and environmentally conscious and are more likely to gravitate to brands and institutions with similar views. They are most engaged with and influenced by information delivered by trusted, authentic and relatable sources.

Source: BBVA U.S. Banking Research



Source: Quad Customer Focus® 2014 Research Study



MILLENNIAL ATTITUDES TOWARD FINANCIAL SERVICES

27% of Millennials **research online** before purchasing banking services.

Source: Quad Customer Focus® 2014 Research Study



39% of Millennials **read credit card offers** from banks in direct mail, and **26%** financial services.

Source: Quad Customer Focus® 2014 Research Study



94% of Millennials are active users of **online banking** services.

Source: Accenture



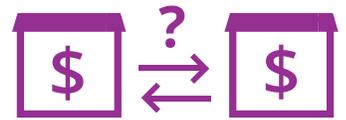
70% of Millennials have used **mobile banking** services within the past 12 months.

Source: Accenture



53% don't think their bank offers anything different than a competing bank.

Source: Viacom Media



71% would rather visit the dentist than hear what banks have to say.

Source: Viacom Media



73% would rather handle their financial services needs with **Google, Amazon, Apple, PayPal** or **Square** than from their own bank.

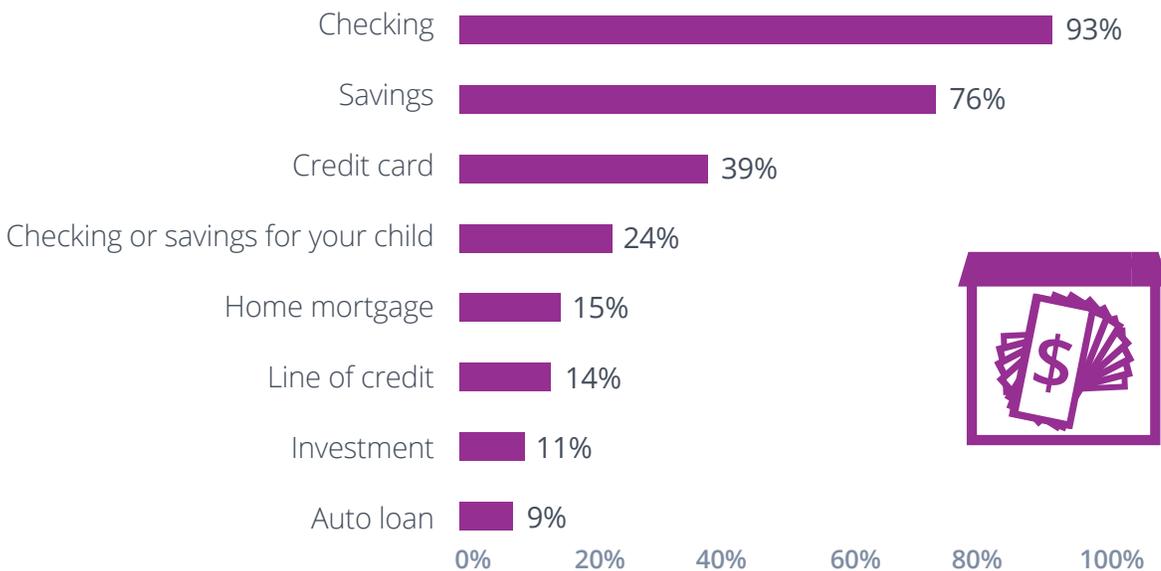
Source: Viacom Media



FINANCIAL SERVICES

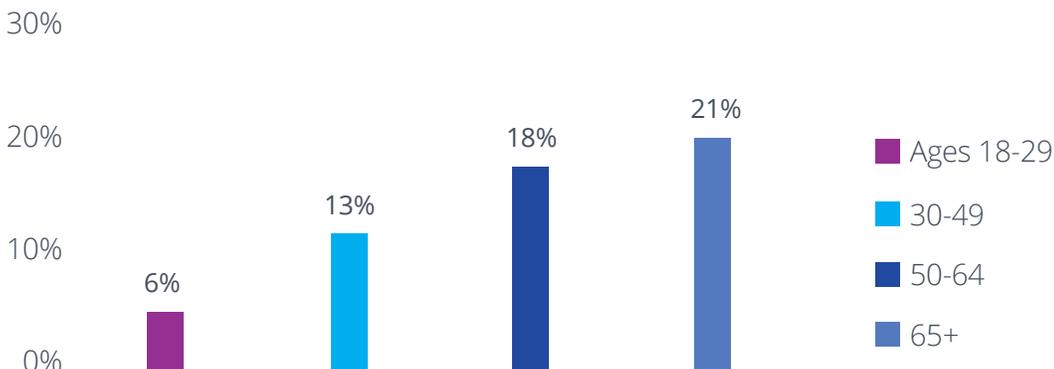
Most Millennials have a checking account at their primary financial institution, and more than 3 in 4 have a savings account as well. Less than 2 in 5 have a credit card account with their primary institution. Bankrate commissioned a survey in August 2014 which revealed that 63% of Millennials age 18 to 29 do not have a credit card. The same study found that 23% had only 1 credit card. The data suggests that when Millennials access credit, they often do so from a source other than their primary bank. Max Levchin, PayPal co-founder, says that Millennials don't trust banks. Since 2008, there are more than 100 million fewer credit cards in the market and a 22% decline in credit card balances in the U.S. For the first time in U.S. history, there is more student loan debt than credit card debt, according to a 2011 report by Demo.org.

PERCENTAGE OF MILLENNIALS WHO HAVE THE FOLLOWING ACCOUNTS AT THEIR PRIMARY FINANCIAL INSTITUTION



Source: Quad Customer Focus® 2014 Research Study

PERCENT OF CONSUMERS WHO CARRY 2 CREDIT CARDS



Source: Bankrate August 2014 Financial Security Index

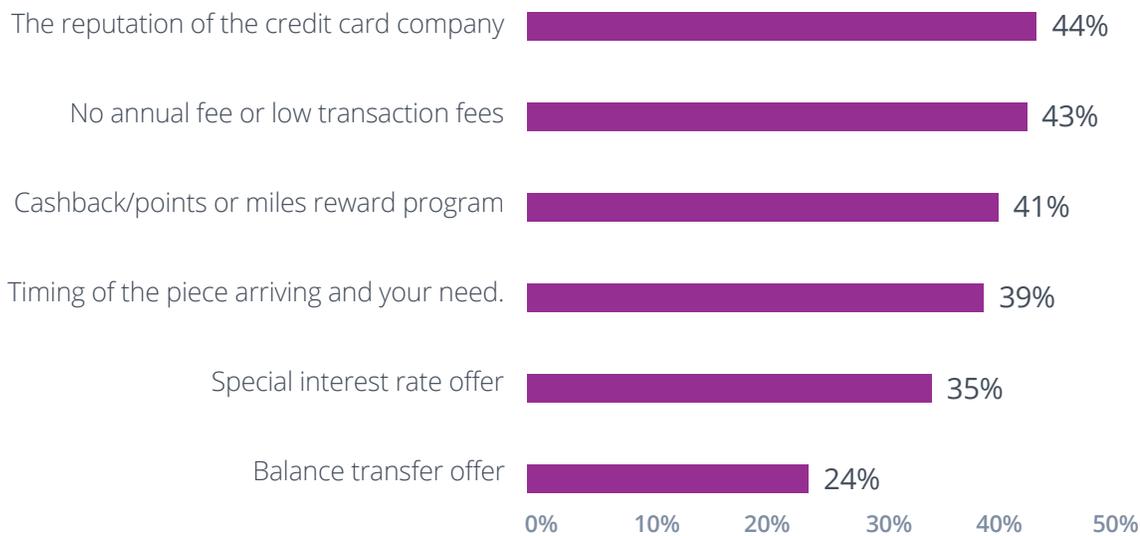


The reputation of the financial institution carries the most influence as to which credit card or financial service direct mail a Millennial will open. Given their propensity to do online research and easy access to a variety of sources, Millennials quickly form opinions about brands based on social reviews, online comparison tools and news articles. Forty-three percent will open financial services direct mail that promotes no annual fee or low transaction fees.

Forty-one percent will open financial services mail that provides cash back, points or mileage rewards. About three in five will open direct mail if it arrives at a time to meet a need. More than a third will open direct mail if it provides for a special interest rate offer. Given the insight on what makes Millennials open financial direct mail, it makes sense to conduct envelope testing with relevant messages that are most likely to appeal to them

44% Open Financial Direct Mail Based on Company Reputation

WHAT GETS DIRECT MAIL OPENED



Source: Quad Customer Focus© 2014 Research Study

NO ANNUAL FEE





Recommendations

Be Authentic.
Use Print.
Connect Mobile.

RECOMMENDATIONS FOR MARKETERS

Given that the Millennial population and workforce are surpassing the Boomer generation, it is imperative now more than ever that marketers understand this audience and create an authentic and relatable voice to reach Millennials in the advertising channels they pay attention to. It is not enough to be where Millennials spend their time simply consuming entertainment. Marketers need to be visible where Millennials expect to find offers and information when it is time to go shopping. Based on our latest research, here are some suggestions:

MAKE MULTICHANNEL CAMPAIGNS MOBILE FRIENDLY

Given that Millennials rely so much on their smartphones, expect that the digital elements of your campaign will likely be accessed from a mobile platform. That includes email, websites and landing pages. Plus, enable social sharing to expand your reach.

CREATE AN AUTHENTIC VOICE WHEN YOU COMMUNICATE

Millennials actively seek information to improve their lives and to make quality purchases that reflect their social values and self-image. Advertising that seems too commercialized or is conveyed from an unbelievable voice is viewed as clutter. They are more attracted to people with a communication style that they perceive as authentic. Messages delivered by fellow Millennials are especially powerful.

BUILD TRUST IN YOUR BRAND

Millennials are highly connected and social beings. They care deeply about social causes, the environment, business ethics, food sources and the things they purchase. They are very skeptical of government, financial institutions and big corporations. Marketers can drive brand affinity through cause-related marketing, green initiatives, and by promoting core company values.

BE VISIBLE IN PRINT ADVERTISING

Just because Millennials use and prefer electronic media more than other generations, does not mean they ignore print. On the contrary, Millennials pay more attention to print advertisements than digital ads. Three quarters pay attention to direct mail and retail advertising inserts, compared to just half that are viewing online ads.

LEVERAGE LOYALTY DATA, PERSONALIZATION AND CUSTOM OFFERS

Millennials expect companies they do business with to know who they are and to reward them for their purchases. These savings-conscious shoppers appreciate birthday offers, cash back rewards, gift cards and percentage-off coupons.

USE CATALOGS AND MAGAZINES TO DRIVE ONLINE TRAFFIC

Millennials are multichannel shoppers. Although they are more active online than any other target group, print drives them online and assists them in shopping and ordering. Use print to drive traffic and ensure that your brand stands out in a digital world.

COMBINE PHYSICAL AND DIGITAL ELEMENTS WITH IN-STORE DISPLAYS

Millennials like to interact with their environment. Leverage video in stores and combine large format graphics with digital media to attract and captivate attention. Lifestyle images especially appeal to this social-conscious age group, more than they appeal to Boomers. It wouldn't hurt to make them selfie-friendly too.



See how we can help.

