Marketing to Millennials: Improving Relationships with Millennial Consumers

Through Online Advertising and Social Media Networking

A Senior Project

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By

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Abstract

As the influence of the millennial population continues to grow, there is an increased demand for effective marketing techniques and methods for reaching this demographic group. With the expansion of technology and growth of social media, the advertising world has experienced tremendous changes in recent years that have been supplemented by the complexity of one of the world's largest populations: millennials. While the millennial demographic is a difficult group that present a multitude of challenges for marketers, their purchasing power and growing influence act as a promising opportunity for brands.

This study examines the degree to which brands can effectively reach millennials with traditional marketing tactics and explores the demand for digital marketing in the rapidly changing advertising industry. This research sets out to examine marketing and advertising strategies for building stronger relationships with millennial consumers. Through investigation of current literature and interviews with industry experts and millennial consumers, conclusions will be drawn and analyzed. These findings will help brands and marketing professionals hone in on the best practices for building and maintaining profitable relationships with millennial consumers.

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Chapter 1:

Introduction

Statement of the Problem

This study analyzes marketing and advertising trends to see how companies can more effectively target millennial consumers. In recent times, the power of the millennial population has grown immensely and, according to Pew Research (2015), more than one out of every three American workers today are millennials (adults ages 18 to 34 in 2015) and in 2015 they surpassed Generation X to become the largest share of the American workforce. Further, because there is a constantly growing population of millennial consumers, marketers must address this consumer base with rigor by identifying the most effective channels for communication and tailoring their messaging strategy to the behaviors and preferences of Generation Y.

For years, brands have targeted Baby Boomers with advertising that effectively reached the generation. Baby Boomers have been the focus of advertisers due to their influence as a dominant population with the most purchasing power of any U.S. generation. Today, the power of the Baby Boomer generation is beginning to fade: the millennials, otherwise referred to as Generation Y, are reaching an age where their purchasing power will soon exceed that of Baby Boomers. By utilizing the rapid expansions in technology and considering prominent differences in behavior between these two generations, brands have the potential to increase brand loyalty and, in turn, overall company profits by targeting millennials with specific strategies.

Background of Problem

Existing literature on the subject of modern advertising suggests that there is a gap in knowledge for marketers trying to reach millennial audiences. By using traditional advertising

platforms in an attempt to reach millennial consumers, brands are failing to build relationships with this key audience because millennials are not receptive to traditional marketing channels (Newman, 2015). Because the millennial generation is rapidly growing in size and purchase power, brands are struggling to find means for successfully reaching this demographic.

Gailewicz (2014) argues that, "To sell to any audience, you have to understand it." As the purchasing power of millennials continues to increase, it is necessary to reevaluate this generation and develop effective strategies for engaging them (Gailwicz, 2014). Millennials are "digital natives" which means that they are, "The first generation to grow up literally attached to smartphones, tablets and laptops, with access to social media and the Internet, and the way they find, consume and act on all information – especially targeted advertising – is completely different from past generations" (Newman, 2015). With this focus on technology and its growing impact on how consumers access information online, it is important to figure out how millennials get information and to target them as consumers based on that insight.

Purpose of the Study

This study will be conducted in an effort to provide insight for companies regarding the most effective tactics for reaching millennial consumers and building lasting relationships with this demographic. The influence of the millennial generation requires brands to establish new advertising and marketing strategies. This study serves to examine the behaviors and preferences of the millennial generation to provide brands with the opportunity to effectively target these consumers. This research will provide insight for professionals and will help advertisers and marketers develop better strategies for communicating with the millennial demographic.

Setting for the Study

This research will be done in conjunction with the completion of a senior project at California Polytechnic State University in San Luis Obispo, CA. Interviews will be completed with four experts in the fields of marketing, advertising, social media and millennial behavior. The structure of the interview questionnaire will follow a similar format for all four interviews. These interviews will serve to uncover insights to fill the fundamental gaps in previous literature and research on these topics.

Research Questions

This study analyzed the following research questions to unveil insights and answer important questions about the design and implementation of advertising to millennial consumers with the goal being to build lasting and profitable relationships with this demographic. The questions were crafted after conducting secondary research and were developed to uncover key insights not covered in existing research and literature.

1. How has technology changed the way brands interact with consumers?
2. What forms of advertising are most effective with millennial consumers?
3. What opportunities do companies have with user-generated content?
4. How do millennials perceive online video advertising?
5. What makes companies like GoPro more effective in advertising to millennial audiences?
6. Do millennial consumers prefer brands that enable two-way communication with them?
7. Are millennial consumers more likely to purchase products from a brand they have a "relationship" with?

Definition of Terms

The following lists of terms are defined to clarify the meaning and relevance of the terms to this research. These terms will be used throughout the remainder of the research paper and will follow the definitions listed here:

Millennials (Generation Y) - According to Pew (2014) millennials are those who were between the ages of 18 to 34 in 2015. Credit for the moniker "millennial" goes to Neil Howe and the late William Strauss, who first used the term in the mid-90s and wrote *Millennials Rising* in 2000. This work an extension of the work they had done for a book called *Generations*, which was among the first to explore the idea that groups share qualities such as beliefs, attitudes, values and behaviors because of the time period when they grew up (Pollak, 2015).

Generation X - George Masnick, of the Harvard Joint Center for Housing Studies (2004) puts this generation in the timeframe of birth between 1965 to 1984.

Boomers - After the end of World War II, birth rates across the world spiked. The explosion of new infants became known as the baby boom. During the boom, an estimated 77 million babies were born in the United States alone. The baby boomer generation makes up a substantial portion of the North American population and represents the generation of people born between 1946 and 1964 (Investopedia).

Advertising - The activity or profession of producing information for promoting the sale of commercial products or services (Business Dictionary).

Brand - Unique design, sign, symbol, words, or a combination of these, employed in creating an image that identifies a product and differentiates it from its competitors. Over time, this image becomes associated with a level of credibility, quality, and satisfaction in the consumer's mind (see positioning). Thus brands help harried consumers in crowded and complex

marketplace, by standing for certain benefits and value.Legal name for a brand is trademark and, when it identifies or represents a firm, it is called a brand name (Business Dictionary).

Two-Way Symmetrical Communication – Public Relations theory that uses communication to negotiate with the public, resolve conflict and promote mutual understanding and respect between the organization and its stakeholders (Waddington, 2012).

Social Media - A collection of online platforms and tools that people use to share content, profiles, opinions, insights, experiences, perspectives and media itself, facilitating conversations and interactions online between groups of people (Moran, 2011).

Organization of the Study

This study is separated into five different chapters that, together, combine elements of secondary and primary research to answer the core research questions. Chapter one includes an explanation of the problem, background of the problem, the purpose of the study, the research questions and definitions of key terms. Chapter two analyzes current research on the topics of interest in the form of a literature review. Chapter three outlines the methodology of the study and how the research will be conducted. Moreover, Chapter four presents the findings of the study and examines the relevance to the research questions. Finally, Chapter five summarizes the study and offers recommendations for professionals with regard to building relationships with millennial consumers through online advertising and social media networking.

Chapter 2

Literature Review

Technology and its Impact on Modern Marketing

Technology has radically changed the way that brands interact with consumers. According to a study conducted by Forbes, "87 percent of millennials use between two and three tech devices at least once on a daily basis. 39 percent are either very or completely likely to purchase a tablet computer in the next five years, while 30 percent are for wearable devices" (Schawbel, 2015). Ad Age anticipated that over 10 percent of advertising spending should be on mobile by 2017 and that 80 percent of the world will be covered by 3G mobile internet coverage by that time. According to Pew Social Trends (2010) 41 percent of millennials have no landline at home and rely on their cellphones for communication. In order to maintain relevancy in advertising, brands need to increase spending on mobile. With this transition, it is important to merge marketing and tech teams to coordinate and work together on innovative methods for reaching consumers on mobile (Creamer, 2012).

In terms of millennial usage, 60 percent of millennials said that it is convenient to have a smartphone or tablet to research or purchase a product or service on the go and over 50 percent have used their smartphones to research products or services while shopping (Honigman, 2013). For brands to be successful and appealing to millennial consumers, companies need to engage with consumers on multiple platforms and across all of their devices (Schawbel, 2015). It is because of technological advancements that user-generated content has exploded: the technology that GoPro has used to develop their tiny handheld camera has allowed users with no previous filming experience to capture high-quality video that can be shared across platforms (Bobowski, 2014). Further, this extensive use of multiple devices is not the only aspect of advertising that

technology has influenced: behavioral profiling and targeting messages to consumers based on location, interests, browsing history and demographic group has changed the ways that marketers can reach their target market. Personalization of advertisements and the onset of online advertising have transformed the advertising industry (Economist, 2014).

Currently, digital advertising has three important trends that are transforming the way that marketers reach consumers with their messages. The first is the rise of mobile devices like smartphones and tablets. Today, there are more than 1.7 billion people--approximately 20 percent of the world's population--that use smartphones (Economist, 2014). This trend in mobile usage has transformed the way that consumers access the Internet and Americans are spending less time on desktop computers than on mobile devices (Economist, 2014). The second trend is the explosion of social media platforms like Facebook, Twitter and Pinterest, which have become prominent tools for people looking to find information on the web. Social networks have transformed the advertising industry in major ways because of the rich data that the platforms hold on their users. The third and final trend is the development and rise of real-time bidding which is the way that advertisers purchase online advertising space on a per-impression basis via platforms like Google's AdWords. This advertising strategy allows companies to target specific customers on a cost per click basis (Economist, 2014).

Advertising and Millennials

In America alone, there is a population of over 80 million millennials and they represent about a fourth of the entire population with $200 billion in annual buying power (Schawbel, 2015). According to the U.S. Bureau of Labor Statistics (2015) by next year, millennials will account for 36 percent of the U.S. workforce and by 2025 they will account for 75 percent of the global workplace. According to survey conducted by Forbes (2015), 33 percent of millennials

rely on blogs before making a purchase and fewer than 3 percent rely on television news, magazines and books. Whereas millennial consumers look to social media for authentic information and recommendations from friends, older demographics rely more heavily on traditional media.

To engage millennial consumers, it is critical to make sure that marketing messages, brand communications, and tone resonate (Barlow, Koslow, Beauchamp, 2015). In terms of content, 43 percent of millennials ranked authenticity as more important than content when consuming news and this consumer demographic has to trust a company or news outlet before they will read the content that company or news site produces (Schawbel, 2015). According to Intrepid (2015) 48 percent of Millennials say word-of-mouth influences their product purchases more than television ads and only 17 percent said a television ad prompted them to buy. BCG Perspectives (2014) study found that many U.S. millennials are highly group oriented, even for activities like traveling and eating out. As a result, BCG Perspectives (2014) recommended that "Companies should, therefore, consider using visuals that are multigenerational and that show groups—friends, classmates, work colleagues, multigenerational families, cultural "tribes," or strangers coming together for a common cause" (p. 3). Padrig O'Connor (2015) millennials use brands as a way of expressing themselves and they want brands to be more than just a logo.

When marketing to millennials, it is essential to consider the platforms that will be most effective for the segment. The best way to reach millennials is with a cross-media, cross-channel brand presence (Barlow, Koslow, Beauchamp, 2014). According to Barlow (2014) the tone of marketing messages should reflect the millennial "personality," meaning that marketers need to get a sense of how millennials view themselves. According to a study conducted by BCG Perspectives (2013) the terms that millennial survey respondents felt best described their

generation included technologically savvy, young, modern, risk taking, rebellious, hip, and funny or humorous. To engage with millennial consumers, brands need to have a presence in a multitude of different media channels. Most companies devote too much time and money to traditional advertising as opposed to more innovative media channels (Barlow, Koslow, Beauchamp, 2014). In targeting messages directly to millennial consumers, Barlow (2014) recommended that companies make sure that their marketing communications are relevant and have a positive tone. Further, Barlow (2014) stated that the messages should, "visually portray the generation as broadly diverse and inclusive," incorporating effective strategies like celebrity testimonials and partnerships with millennials' favorite brands.

The Benefits of User-Generated Content

Millennial consumers want to be involved. According to a survey conducted by Forbes in conjunction with Elite Daily, 42 percent of millennials are interested in helping companies develop future products and services. This consumer group has a desire to get involved in the creation process (Schawbel, 2015). One way to get consumers involved is through advertising and, more specifically, user-generated content.

GoPro disclosed their financial situation, revealing that the company more than doubled its net income from 2010 to 2011 up to $24.6 million while only spending $50,000 more on marketing costs to get there according to the Wall Street Journal. Further, GoPro continued to experience success in 2013 making $28 million more in net income with an increase of only $41,000 in marketing costs. How did they do it? The answer is simple: user-generated content. Instead of investing millions of dollars to hire an art director, acting cast, and a team of videographers to produce their advertisements, GoPro encourages their customers to become their advertisers by shooting high-quality videos on their camera, uploading it to YouTube and

other social media platforms, and sharing their experiences with the public (Bobowski, 2014). By using this tactic, GoPro is inspiring consumers to believe that they can "be the hero" by using GoPro cameras and joining the GoPro community (Albee, 2015). As GoPro's CMO stated, "We're not just a camera anymore. We're an enjoyment platform for people around the world to watch. (Crandall, 2015).

Millennial Perceptions of Online Video Advertising

The rapid increase in online video advertising is impossible to ignore. "It is estimated that 3.8 trillion photographs were taken in all of human history until mid 2011 but one trillion photos were taken in 2015 alone" (Afshar, 2016). The YouTube platform has over a billion users worldwide and is the second most used search engine, only surpassed by Google search. Today, nearly 60 percent of all digital impressions are driven by visual content and video has emerged as the medium of choice (Afshar, 2016).

As the CMO of GoPro, Paul Crandall, put it, "What's fun about our content is that there is something new online for us to consider every day that we walk into the building" (Crandall, 2015). For the GoPro brand alone, at least 6,000 GoPro-tagged videos are uploaded to YouTube every day and GoPro has over 3.2 million YouTube subscribers and a constantly increasing number of videos that have garnered more than 50 million views each on the YouTube platform alone (Albee, 2015). As consumers continue to become more interconnected, countless innovations in marketing strategy are developed to account for a more technologically savvy customer base. Marketers have found that video is one of the most effective means for reaching consumers both in terms of peer-to-peer sharing and brand to customer interactions. The number of videos being played back on the Facebook platform alone doubled from four billion in April 2015 to eight billion videos per day in October 2015. Although flashy advertising videos on

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Facebook and YouTube act as a core component of digital video advertising, some of the most successful brands are expanding their use of video to reveal more background and develop deeper connections with their consumers (Afshar, 2016). In a research report by Ascend2, the companies that are experiencing the greatest success with video advertising ranked the effectiveness of different tactics. The five most effective video types were customer testimonials, on-demand product demonstration videos, explainer and tutorial videos, thought leader interviews and project reviews and case studies (Afshar, 2016).

One of the most valuable aspects of video marketing is the ability to track engagement of users beyond just whether or not they click play. The video medium is a connected, streaming content medium that allows marketers to track the second-by-second viewing habits of their buyers and change their actions according to the ways that consumers actually engaged with the content. This allows brands to uncover valuable insights about how consumers engage with a particular brand (Afshar, 2016).

Two-Way Symmetrical Communication and Social Media Engagement

Social media has allowed for greater personalization between brands and consumers. Forty percent of millennials think that companies should offer more ways to share their opinions online because they value others' opinions and want to share their own. Because millennials have so much purchasing power, it is important to engage this audience in two-way conversation to get them involved in the communication process (Honigman, 2013).

In terms of social media usage, Barton (2014) found that of those surveyed 37 percent of consumers 18-24 feel as if they are "missing something" if they are not on Facebook or Twitter every day, compared with 23 percent of non-millennials. Additionally, 43 percent of millennials have liked over 20 brands on Facebook according to Mr. Youth (2013). Visual content is

typically more successful on social media than other forms of advertising and, with the fast-paced lifestyle that much of the millennial demographic leads, "They appreciate short and compelling visual content more than longer and harder-to-digest written content. The brain also has something to do with this preference, as images process 60 times faster than words" (Cooke, 2014). GoPro successfully attends to this preference by posting photos and videos that command the attention of their viewers and allow consumers to participate in conversations in the comment section of their videos on YouTube and Facebook. Further, the company encourages fans to share their own content with the company on social media which boosts engagement and facilitates two-way communication (Cooke, 2014).

In addition, Barton (2014) found that millennials reported that millennial purchasing decisions are influenced by five people on average, compared with three people for boomers. Millennials identify with brands more emotionally and personally than older generations (Barton, Koslow, Beauchamp, 2015). In order to cultivate relationships with this audience, marketers need to engage millennials both individually and in small groups through direct, two-way communications (Barton, Koslow, Beauchamp, 2015). BCG Perspectives (2013) reported that, "More than other generations, millennials desire opportunities to interact with brands, to be listened to anywhere and anytime, and to have personal, timely, and straightforward communication about their concerns and experiences" (p. 3). When millennials were asked to identify the most important things brands can do to "engage and interest" them, the top two choices were to reward their loyalty with discounts and promotions and to be authentic. Furthermore, millennials ranked values of availability, supporting causes, and having a brand personality much higher than other generations.

Millennial Purchasing Patterns and Drivers of Customer Loyalty

According to Forbes, 62 percent of millennials are more likely to become a loyal customer to a brand that engages with them on social networks. However, it is not just about the brands having a presence on social media, their loyalty ties into the brand's efforts to engage them (Schawbel, 2015). Further, 60 percent said that they are often or always loyal to brands that they currently purchase meaning that in order to maintain millennial loyalty in adulthood, brands need to establish relationships with these consumers now (Schawbel, 2015). For the millennial demographic, "The best sellers are the ones that challenge customers to think differently and educate them as trusted advisors" (Afshar, 2016). According to research published in The New York Times, the human brain finds it easier to remember and understand stories over facts and data because stories stimulate the brain and can change how people act in life. To make a message stand out to consumers, brands need to sell a story. Nielsen reported that 92 percent of consumers say they want companies to create advertising that feels like a story (Cooke, 2014).

In terms of purchase patterns, women and men ages 18-34 (millennials) are more likely than 35-64 year olds to engage in nearly every online shopping activity. Research finds that 40 percent of males and 33 percent of females in the younger demographic say they would purchase everything online if they could (Honigman, 2013). Edelman Digital (2014) found that 41 percent of millennials have made a purchase using their smartphone. Moreover, millennials with children buy significantly more based on price than they do based on quality. For the millennial population as a whole, 57 percent of a buying decision was based on price whereas that percentage dropped to 50 percent for millennial parents. This could be an opportunity for marketers to target new millennial families on savings instead of long-term quality (Honigman, 2013).

Barton's (2014) study found the following:

U.S. Millennials are also more likely to use portable media devices on the go: 46 percent

said that they access search engines such as Google while they are in a store, compared

with 29 percent of baby boomers. Around twice as many Millennials as boomers said that

they check prices, look up product information, or search for coupons or promotions on

their mobile devices while they are in a store. Forty-three percent of Millennials—

compared with 25 percent of boomers—reported that they search for information online

while in stores (p. 1).

With regard loyalty drivers, Edelman Digital (2013) conducted a survey and found that

70 percent of millennials stick with brands they have become accustomed to. Aimia (2014)

reported that 77 percent of millennials participate in loyalty reward programs and 44 percent are

willing to promote products or services through social media in exchange for rewards. Casual

Living (2013) reported that a retailer's ability to make a millennial smile is 33 percent more

important than it is to a baby boomer. Further, 37 percent of millennials claim to distrust big

business, leading "the connected generation" to consult social media for authentic information

and recommendations (Henderson, 2013).

Chapter 3:

Methodology

This chapter will present the methodologies used for conducting research and collecting data for theis study, including the data sources, collections and presentation of the data limitations and, finally, the delimitations.

Data Sources

For this study, four interviews will be conducted to gather insight from marketing and advertising professionals. The interviews will be based off of a single questionnaire that was deliberately developed to answer the original research questions that focus on the influence of user-generated content, video advertising, and two-way communication on the development of brand-consumer relationships with millennials. There will be some variation in the questioning based off of the individual experience and expertise of each participant, but the general format of the questionnaire will follow a uniform format.

Participants:

There were four industry participants selected to be interviewed for this study. The first expert who was interviewed was Ellen Curtis, Director of Marketing and Communication for Cal Poly Corporation and experienced specialist in the fields of marketing and advertising. Ellen Curtis has extensive experience working as a social media director and a creative director prior to accepting the director position at Cal Poly. The second participant was Mary Verdin, president and chief operating strategist for Verdin Marketing. Mary has extensive experience in public relations and marketing and owns Verdin Marketing in San Luis Obispo. The third participant

was Matt Yoon, a millennial himself and the Videographer for University Marketing at Cal Poly. The final participant was Jenna Hoffman, a fourth year Business student at Cal Poly with an emphasis in Digital Marketing. The compilation of feedback from these real-world experts provides extensive supplemental information that will help to answer the original research questions.

Interview Design

The following set of questions was developed in tandem with the original research questions outlined in chapter one of the research project. These questions were asked of each of the participants and served as data sources for the study:

1. What are some differences you have noticed in marketing trends with the recent growth and expansion of technology? How do you think consumers are reacting to these changes?

2. What forms of advertising do you feel are most effective with millennial consumers? Why?

3. In your opinion, what two brands are the most effective at marketing to millennials? Why?

4. What opportunities do companies have with user-generated content? Do you feel that user-generated content is an effective technique? Why or why not?

5. How do millennials perceive online video advertising?

6. What makes certain companies more effective in advertising to millennial audiences?

7. If you had to describe millennial consumers in three words, what would they be and why?

8. In your experience, what are some key differences between millennial consumers and other generations?

9. Do millennial consumers prefer brands that enable two-way communication with them?

10. How do you think that social media influences brand's abilities to engage with millennials?

11. Are millennial consumers more likely to purchase products from a brand they have a "relationship" with? Why?

Data Collection

The method used for collecting data for this study was four individual in-person interviews with experts in the fields of marketing, advertising, videography and social media. The interviews were conducted in February and March of 2016 and were approximately 20-45 minutes in length per interview. This technique for gathering data was selected for a variety of reasons. Interviewing provides valuable qualitative information because the interviewer is able to gather complex, in-depth data that is not as easily obtained through questionnaires or question-and-answer interview approaches (McQuerrey, 2012). Because these professionals are well versed in real world techniques and have extensive experience in the field, their input is extremely valuable to this study. During the interviews, participants were asked to answer a set of questions to provide extensive research from multiple experienced practitioners that would help answer the key research questions.

Data Presentation

A digital audio recording device recorded the research conducted through industry interviews and the dialogue was transcribed with notes taken during the interviews and verbatim transcription after the interview using the recording. This method of collection and transcription ensured the accuracy of the information and the completeness of the data.

Limitations

There are certain limitations to this study based on the type of data collected and the time frame of the study. The study was conducted to identify how brands can build better relationships with millennial consumers and what strategies they should use to reach this demographic. The interview respondents were asked to respond to the questions based on their field of work, beliefs, experience and opinions. Due to the nature of the interview structure, some limitations may exist on the data based on an assumption that the responses could be biased. Further, the study was conducted in a ten-week period, which limited the amount of extensive research that could be completed.

Delimitations

Based on the time constraints of the study, four respondents were selected for interviews. Because of the nature of the study, local respondents were selected to allow for the interviews to be conducted in person.

Chapter 4

Data Analysis

The following chapter provides in-depth descriptions of each of the participants interviewed in the study as well as a summary of the respondent's answers to the questionnaire. All data was collected in interviews lasting between 20-45 minutes. Because the interview responses were complex, this chapter summarizes the results in a condensed form. The full interview transcripts can be found in the appendix. All of the interview data will be analyzed in conjunction with the literature review in order to answer the original research questions.

Description of Participating Respondents

Ellen Curtis:

Ellen Curtis (Appendix A) is the Director of Marketing and Communication for Cal Poly Corporation and received a Bachelor of Science Degree in Communication Studies from Boston University. In her position at Cal Poly, she leads planning, development and implementation of all marketing and communications programs for university food services and stores as well as other Cal Poly Corporation activities. She has over 20 years of marketing experience working on the world's top brands as a copywriter, creative director, social media director and agency owner. In addition to her extensive industry experience, she has received over 200 awards acknowledging the creativity and effectiveness of her work. Moreover, Ellen Curtis has also taught at multiple universities and is currently an advertising lecturer for the journalism department at Cal Poly.

Mary Verdin:

Mary Verdin (Appendix B) is the president and Chief Strategy Officer for Verdin Marketing, a well-known marketing and public relations agency in the San Luis Obispo area. She has over 24 years of marketing experience and a passion for keeping ideas fresh and strategic. Starting with just a Mac computer and a card table in downtown San Luis Obispo, she has grown her business to 15 employees in an agency that provides full service marketing communications services. Verdin services include strategic planning, research, branding and brand management, identity development, digital strategies, social media management, advertising planning and creative development. In addition to her work at Verdin, Mary is actively involved in the community, serving on Boards and committees that support local business, philanthropy and the future. She has won multiple awards, including Rotarian of the Year, Woman of Distinction and Female Entrepreneur of the Year.

Matt Yoon

Matt Yoon (Appendix C) is the Lead Video Producer for University Marketing at Cal Poly. He personally handles every aspect of production from conception to completion and specializes in clean and minimalistic, live-action shooting. At Cal Poly, Matt produces all the professional video content for University Marketing at Cal Poly. This includes frequent collaboration with the President's Office, the Provost's Office, the six colleges, student affairs and university advancement. He works directly with administrators and staff in these areas to co-write, direct and produce high-level fundraising, branding and promotional videos. Matt also produces the video content for the online versions of the Cal Poly Magazine. A millennial himself, Matt attended Cal Poly and graduated in 2013 with a BA in Journalism.

Jenna Hoffman

Jenna Hoffman (Appendix D) is a senior Business Administration student at Cal Poly with a concentration in Marketing Management and a focus on digital marketing. She is pursuing an Integrated Marketing Communications minor and acts as a Marketing Mentor for the Orfalea College of Business. Jenna interned at Pfizer as the Assistant Global Channel Lead Student Worker in Digital Marketing where she led coordination of the redesign of 7 eMCM global digital channels. In addition to her work at Cal Poly, Jenna is an entrepreneur, running her own photography, videography and digital marketing integration business, JenRen Productions—also known as JenRenPro.

Questionnaire

Each respondent was asked the following series of questions regarding millennial consumers, brand-consumer relationships, user-generated content, effective advertising mediums and two-way communication.

Question 1: What are some differences you have noticed in marketing trends with the recent growth and expansion of technology? How do you think consumers are reacting to these changes?

Question #1 was asked to gain insight on the effect of technology on modern marketing practices. The question was designed to gather information on how these changes have affected consumer behavior and what influence technology has had on the marketing industry as a whole.

- Ellen Curtis: "Technology has changed everything. There is an explosion of choices; marketers have more ways to reach more people more specifically and we are moving to a very targeted marketing approach… I don't think the average consumer realizes the data that they are giving companies… Any time you have an app, anytime on a cell

phone, companies can scrape any data they want from you once you have given them permission. So, I think for the average consumer they don't realize the connections that they are making. Many consumers don't realize why certain ads show up… I don't think they understand the extent that technology helps serve marketing" (Appendix A).

- Mary Verdin: "It's not that marketing has changed, but the channels have changed. Marketing is still about the right message to the right person at the right time. It's just how you reach that right person that has changed and everybody wants everything right now… I think that the biggest thing I have seen evolve is that whole idea of two way communication… People want to tell you how they feel back and that's a really different environment. It's a good environment. What I always tell clients if they feel uncomfortable about that is, you know what, they are saying this stuff anyway you might as well know what they are saying so you can address it and it is market research" (Appendix B).

- Matt Yoon: "Everything has become more accessible. Back in the day you couldn't create videos that were inexpensive. You had to go big budget and spend ten, hundreds, thousands of dollars to create, but now everything is in the hands of the little people… Now, you have big corporations who are using independent small talent like an Instagram person with a million followers posting something where they are a brand ambassador… Social media, for us, is opening us to have access to big brands and have partnerships with big brands" (Appendix B).

- Jenna Hoffman: "Being a millennial, I think that my patience is a lot lower for things… Our attention spans are much shorter and I think that companies are trying to react by doing a lot more image-based content and way less words" (Appendix D).

Question 2: What forms of advertising do you feel are most effective with millennial consumers? Why?

Question #2 was designed to uncover the most effective platforms and channels for reaching millennial consumers. Further, it examines the types of messaging that are effective with this group by identifying how millennials react to different mediums and messaging strategies.

- Ellen Curtis: "I think it is really a test and learn approach. I think everyone goes immediately to social media… I think using influencer marketing is probably one of the strongest ways to reach that group… There are studies showing viewership with millennials is all online so be it Hulu or Netflix or Amazon, it is all happening in that space so you have to follow those trends" (Appendix A).

- Mary Verdin: "The way we have to start looking at marketing is really segmenting. We can't just look at millennials anymore. People always want them to be one group. Everything is so on demand and I want what I want that you might have a millennial that is a mom with three kids who is 35, you might have a millennial who is 32 who hasn't settled down yet and is working on their career and they are very different in terms of what they are looking for and what they are responding to. So a lot of the marketing we do—and you can do this with digital—is targeted by interest. So whether it is boomers, x-ers, millennials, whatever it is, it is really looking at the age, but more the lifestyle… It has gotten so much more niche and so much more targeted and, because of technology, you can track everything you do which is really pretty awesome" (Appendix B).

- Matt Yoon: "We are at a place where we have so much information available at our fingertips and I think it is about being selective of everything that is thrown our way and

what we choose to put our attention towards… I am looking towards easily accessed material--stuff I don't have to work as hard for… I think more ads that seem less forced and less in my face. If you can see an ad and think, 'Oh that was cool' without having any negative emotion, that is what is best… For me as a consumer, content driven stuff that I care about and that draws my attention. I think we are so over saturated with stuff that it gets hard to connect me to whatever they are selling" (Appendix C).

- Jenna Hoffman: "I think stuff that is humorous bodes really well... I don't know if that is just our maturity, but just stuff that is funny and stuff that adds value. If I can learn something quickly in a short period of time. In one of my classes the other night we were talking about how if someone can summarize a complex concept in like one minute… Stuff that just summarizes—it's an attention span thing. I don't have time to really do the research myself so if they can package that and give it to me that is really great" (Appendix D).

Question 3: In your opinion, what three brands are the most effective at marketing to millennials? Why?

Question #3 seeks to identify brands that have been successful at marketing to millennials. By examining these companies and their tactics, marketers can uncover some effective tactics for reaching this audience and implement them in a way that is catered to their individual brand and business.

- Ellen Curtis: "The fast foods like Carl's Junior and Chipotle and Wendy's are running some good campaigns… Gaming is really smart in their strategies. It's a combination of influencer marketing, and email marketing and social integration all into one" (Appendix A).

- Mary Verdin: "One I'll say which is a local brand, is Scout Coffee… It's so much about the experience and the feel and they make their own almond milk, which everyone thinks is cool. So, on a local level, I think they do a really good job. I think TOMs shoes probably does a pretty awesome job. The interesting thing about millennials as a group is if they can make a difference in the world, they want to do it as long as it doesn't cost them too much more and I think TOMs does a really good job at, 'We can give you value and you can also help someone in another part of the world" (Appendix B).

- Matt Yoon: "I think Apple's television commercials because they are not necessarily telling you what they are selling, they are showing their product in an everyday situation like how you use your camera in everyday settings... I love Nike. Anything that showcases more lifestyle and more creative. I love where it is witty and creative rather than traditional where it is not creative or relatable. It's not a hard sell... GoPro is pretty cool where they are not shoving it in your face. It's like showing you how cool it is to own whatever product. 'Man, that's super cool and that's like my life,' instead of, 'Wear our brand. This is cool.' It's strategically showing off how cool their brand is without making it obvious" (Appendix C).

- Jenna Hoffman: "Nike is always a good one… I feel like companies try to go for the 'cool factor' so it is not so much serious topics… Keeping it light, but also just visually interesting. Nike is really good at motivating you and presenting different things and being integrated about it. You might see them on Twitter but then they also pose a similar idea on Facebook so you feel like they are being consistent as a brand and not just trying to get you on different channels with different messages" (Appendix D)

Question 4: What opportunities do companies have with user-generated content? Do you feel that user-generated content is an effective technique? Why or why not?

This question was designed to determine whether advertisers should pursue campaigns that get consumers involved through encouraging production of user-generated content and using that content on their own company platforms.

- Ellen Curtis: "User-generated content is really not anything new anymore. Most large brands are using it and it all depends on what they are using it for. For curation, sharing value, or triggering… Brands are in desperate need of content to fill their social channels so they are curating content from places that their audience would be interested in… I think what worked for one brand might not work for another in reaching that same audience" (Appendix A).

- Mary Verdin: "It is an incredibly effective technique. First of all, it gives you content and that's what everyone wants is content. It gives you content you don't have to generate yourself, you just have to curate. Everybody wants authentic. That's authentic. It's much more authentic if Joe over here posts something really cool about Scout Coffee than if I over here as Scout Coffee post something. People are going to respond more to that and then if we are using Joe's content he is going to tell all his friends that they are using his content so you get this exponential thing from that network of people you are engaging… You're getting authentic, real, somebody-else's-generated content and that sharing piece" (Appendix B).

- Matt Yoon: "It is easier to sell your product when the voice and the selling is done by people and their peers. It's almost like people trust peer-reviewed materials more than what the company is trying to tell them. The company says, 'Our product is blah, blah,

blah and all these great things,' but the peers say here are some of the limitations and things that can go wrong with it. It's a more trusted voice. So when companies like GoPro or other big brands allow their users to have a voice in their marketing and in their branding, it is a pretty interesting strategy to market in that way. It helps people like us to have access to, 'Hey, GoPro is having this contest where the 10 best videos will be featured in their next commercial,' so it helps. For them, it's selfish because they don't have to do the work and it is all given right to them, but for us as users it gives us a chance to market ourselves with something that is so easy and accessible to me... With video, you can create something that is awesome and it gets in front of people and helps build a brand in a way that, traditionally, we weren't able to" (Appendix C).

- Jenna Hoffman: "I think that when users create YouTube videos or their own memes about a brand then they can then leverage that and it stimulates word of mouth because it seems so genuine. I think being genuine is extremely important as brands try to get onto social media and become popular on social media because people can see right through it, right through the ingenuine, because they are supposed to be transparent... It is an interesting balance because we think it is cool that we can make something as simple as a meme and become insta-famous or twitter-famous or whatever because it gets like 20,000 retweets whereas brands think it is cool because they have free marketing basically. They don't have to hire people to make them a meme if people are just doing it for them" (Appendix D).

Question 5: How do you think millennials perceive online video advertising?

This question seeks to uncover the value of online video advertising and whether video is an effective medium to use when trying to reach millennial consumers.

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- Ellen Curtis: "Studies show that millennials are not reading print stuff. They aren't reading magazines, they aren't reading newspapers, they are doing everything online. So just because that is the medium they want to engage with, video is more effective" (Appendix A).

- Mary Verdin: "They expect it. I think that people don't want to read anymore… People don't like to read words, they like to use emojis. They don't like to read, they like to watch videos. I think videos are incredibly effective… I think people like videos. Anytime you can capture more senses it's good" (Appendix B).

- Matt Yoon: "Yes, but I think it is harder than people think. Having a viral video is like finding gold, but I think that it is an effective method when done well, but it all depends on the content… YouTube and all those things are a tribute of how effective that marketing is. Even some big film studios are putting money into and investing in smaller YouTube studios that are getting YouTube celebrities to buy into that and come down to that level to produce things those communities want to see so it's super effective" (Appendix C).

- Jenna Hoffman: "I love it. I mean, with my videography business, that is what I market to my clients. Video is the best way to communicate a message--right now anyway-- especially opposed to long pieces of text and even opposed to files or PowerPoints. With video you can add music, it evokes emotion, it can be visually cool and you as the videographer can be so creative with it. Like with Buzzfeed... They took something short like a recipe, which has been around for ages as this written thing and made it into a video. There is so much creativity involved and it can solve so many purposes" (Appendix D).

Question 6: What makes certain companies more effective in advertising to millennial audiences?

Question #6 was designed to determine what unique qualities make certain companies more effective at reaching millennial audiences. The question seeks to uncover the strategies that set certain companies apart from others in their efforts to target millennial consumers through different forms of advertising.

- Ellen Curtis: "I think it just goes back to the basics of effective advertising. Really getting into the mindset of where they are. What is that intersection of relevance between that and your product and your point of differentiation and then being in the right place at the right time. It's a combination of those three so that the companies that do that the best will win the hearts and minds of millennials… There are many different segments that they serve so it is a mixture of the right content at the right place" (Appendix A).

- Mary Verdin: "I think they understand their audience… People only want to see the stuff they want to see. So in the Facebook feed, all the news I see is going to be because of what I look at on Facebook, which is actually not a good thing because I am not getting news about other things… Clients particularly, have been hard to get off the number of likes. They will say, 'Okay, I'm an agency that has 1,000 likes and I want 2,000 likes.' The masses aren't going to come like an ad agency. We don't need masses. We just need the right people… We have social media to help us grow our business so it is really understanding what you are trying to accomplish and not being swayed by the big number of 'likes.' It's about focusing on what are we trying to measure and who are we trying to get" (Appendix B).

- Jenna Hoffman: "Being brief, concise and funny like we talked about, and definitely being transparent… Now, because we can build a direct connection through things like Twitter, we feel like they [brands] owe us and we expect them to be transparent and honest. I just read about Sony and a case where they created a fake blog and posed as a guy millennial who loved video games just so they could promote and people found out. It made them look so bad. For me I would be so over a brand who did something like that. So I guess just not making those mistakes" (Appendix D).

Question 7: If you had to describe millennial consumers in three words, what would they be and why?

This question is designed to uncover general perceptions of the millennial population and their identity as consumers.

- Ellen Curtis: "They are fickle because what works for one does not work for the other. I just don't think you can lump them as one group. They are just too diverse and I think it is researchers and account planners that try to make these personnas of millennials, but the millennials are multifaceted. I find that I know some fifty-year-olds that have millennial traits. There are cliched millennial traits but when you are trying to connect with them and be relevant you have to dive deeper than just this cliche" (Appendix A).

- Mary Verdin: "Experiential, they have an opinion. Some would say entitled, but I think that goes into have an opinion. Millennials have an opinion they think everyone else wants to know. I think they have a global consciousness that is new and that is, again, because of the availability of information which is certainly more than my generation to be so aware of what is going on in other places" (Appendix B).

- Matt Yoon: "I think hard to please, fickle, non-committal… I think we want to pave our own ways and not in the traditional sense… I think tech-savvy in the way that our parents are struggling with an iPhone and we can just figure it out. Also, technology like it's importance in our daily lives. Whether that is social media with our phones, or just being connected with the digital world--that is a huge part of our life… Millennials are social. Millennials are all about Bernie Sanders and they want to insight social change. Also, they are a powerful population. They have a voice through social media and video… Before, unless you were on the news, you couldn't have an individual voice. Now, you can say 'I hate this thing' and it goes viral. I think that is what makes millennials powerful is that they use the tools that we have now and have a more accessible voice in politics today" (Appendix C).
- Jenna Hoffman: "Impatient. Tech-savvy because they have no problem downloading an app or something if they need to. Price sensitive because they are still young. Resourceful because before we make any purchases; I know I consult my friends and the Internet and other websites and blogs before I buy anything. Even more than that, after you make the purchase, we are resourceful because say something goes wrong with customer service or something, I would know like five different ways to get what I want. Whether that is going through Twitter or calling them, I feel like we just know how to work a system" (Appendix D).

Question 8: In your experience, what are some key differences between millennial consumers and other generations?

Question #8 was developed to uncover key differences in behavior, values, and purchasing patterns between millennials and other demographic groups. If marketers understand

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the different characteristics of these populations, they can more effectively target their marketing specifically to these groups.

- Ellen Curtis: "Where you reach them is totally different… Older generations still like to watch the television. They are watching ABC and CBS still, but millennials and younger are doing everything online… they just want to watch what they want to watch when they want to watch it. So it's going to get even more targeted" (Appendix A).
- Mary Verdin: "I think partly it is the need for two-way communication and the expectation. I think there's an expectation now. We have read some research, and I haven't seen this broken down by generation, that if people ask a question on Facebook--on a business Facebook page--they expect an answer within 20 minutes… There's an expectation that there is someone sitting there waiting for a question to come in" (Appendix B).
- Jenna Hoffman: "I think older generations aren't as open to the customization that we have. Ads are customized to us based on the things we look at and click on the Internet and I know that makes my parents really uncomfortable. I don't think they really value video as much as we do for whatever reason… I don't think they [older generations] fully understand social media in general. For them it is still very overwhelming so they are more hesitant to share videos and things like that. I don't know if they are as consumerist as we are" (Appendix D).

Question 9: Do millennial consumers prefer brands that enable two-way communication with them?

This question seeks to examine the prevalence of two-way communication to determine whether two-way communication is necessary for brands hoping to build relationships with millennial consumers.

- Ellen Curtis: "No. Nobody wants to engage with a brand unless they are getting something out of it. I mean really do you want to talk to Mrs. Meyer's hand soap? No. Unless you thought, 'Oh I'm going to get something.' It's a data point that people will engage on social media to get a deal" (Appendix A).

- Mary Verdin: "I think it is more than prefer, I think they expect it. Even though email goes two way, I am so used to "liking" things that I will get an email and think I just want to like that" (Appendix B).

- Jenna Hoffman: "I think that goes back to being transparent. It just makes the brand seem like less of a distant giant corporation and more of a friend, which I love brands that make me feel like that. Especially it makes me sad because I am obsessed with Trader Joe's and they are not on social media… They just don't really need it I guess, but it really helps when you feel like you can connect with those brands. It is a new relationship that you really have never been able to have with them before" (Appendix D).

Question 10: How do you think that social media influences brand's abilities to engage with millennials?

Question #10 was designed to gauge the effectiveness of social media as a medium for reaching millennial audiences.

- Ellen Curtis: "I think it gives them a huge opportunity to deliver content that is relevant. The conversation between brands and their fans, be it millennials, is that they are going to post some cool content and that is where the engagement happens. If the millennia deem

it worthy enough for them to share, they will and, I mean, share is golden because that is where brands then extend their reach to other millennials. It is all about the right content that is relevant, memorable and shareable" (Appendix A).

- Mary Verdin: "I think it gives them the ability to. I think there is so much you can do, from just getting someone to like or be an ambassador for your brand, but also from the research side you really can, not even intentionally and not even saying answer these questions, but just looking at what people respond to, looking through the kinds of things people are commenting… You can really evolve your business with that if you are a consumer-facing business" (Appendix B).

- Jenna Hoffman: "Millennials live on their phones so it is imperative that they have strong social media presences. You could have banner ads and commercials. That is all-important, but ultimately--I can't remember the statistic--but some ridiculous majority like 85% of people have their phone within arms distance 24 hours of the day. That's even true for me. Even at night, it is right next to my head. I never have my phone more than arm's distance away. It just shows that even I rely so heavily on this little machine and if that is where I am spending my time, that's where the brands need to be. I think they need to be active on social media, they need to be transparent on social media and deliver interesting added value content" (Appendix D).

Question 11: Are millennial consumers more likely to purchase products from a brand they have a "relationship" with? Why?

This question examines whether two-way communication is necessary for brands trying to establish relationships with millennial consumers. It also sets out to determine whether

millennial audiences value "relationships" with brands or if they would prefer to remain removed from the companies they purchase from.

- Ellen Curtis: "I think the bottom line is that if you like a brand you will buy a brand… If you like something and you feel like it is a good company… You are going to buy the product. You would rather buy from a good, happy company that makes you laugh and feel like you are getting something extra. You look at the explosion of Zappos and Amazon because you feel like you are getting more" (Appendix A).

- Mary Verdin: "I think the answer is yes, unless they can get it a lot cheaper another way" (Appendix B).

- Jenna Hoffman: "I think it goes back to brand loyalty and it depends on what you value. If you value saving money then you aren't brand loyal and think, 'Oh I will save ten bucks if I buy from them.' I think I am brand loyal and I think millennials in general, because we have this exposure to social media, we tend to build relationships with these brands and it is hard to just ax a relationship. I know I am usually willing to pay more for a brand that I know I love and have had not just a good experience with the product or service, but a good experience with the brand in general" (Appendix D).

Research Questions

The following research questions were designed to identify the most effective mediums, channels, and messages for reaching millennial audiences. The questions examine the current practices and techniques used in marketing and advertising and attempt to uncover new insights regarding the best practices for professionals trying not only to reach millennial consumers, but also to build a lasting and profitable relationship with this demographic.

Research Question 1: How has technology changed the way brands interact with consumers?

- Personalization of advertisements and the onset of online advertising have transformed the advertising industry. Americans are spending less time on desktop computers than on mobile device (Economist, 2014).

- 60 percent of millennials said that it is convenient to have a smartphone or tablet to research or purchase a product or service on the go and over 50 percent have used their smartphones to research products or services while shopping (Honigman, 2013).

- For brands to be successful and appealing to millennial consumers, companies need to engage with consumers on multiple platforms and across all of their devices (Schawbel, 2015).

- It is because of technological advancements that user-generated content has exploded: the technology that GoPro has used to develop their tiny handheld camera has allowed users with no previous filming experience to capture high-quality video that can be shared across platforms (Bobowski, 2014).

Research Question 2: What forms of advertising are most effective with millennial consumers?

- To engage millennial consumers, it is critical to make sure that marketing messages, brand communications, and tone resonate (Barlow, Koslow, Beauchamp, 2015).

- 43 percent of millennials ranked authenticity as more important than content when consuming news and this consumer demographic has to trust a company or news outlet before they will read the content that company or news site produces (Schawbel, 2015).

- 48 percent of Millennials say word-of-mouth influences their product purchases more than television ads and only 17 percent said a television ad prompted them to buy (Intrepid 2015).

- The best way to reach millennials is with a cross-media, cross-channel brand presence (Barlow, Koslow, Beauchamp, 2014).

- The terms that millennial survey respondents felt best described their generation included technologically savvy, young, modern, risk taking, rebellious, hip, and funny or humorous (BCG Perspectives, 2013).

- In targeting messages directly to millennial consumers, companies need to make sure that their marketing communications are relevant and have a positive tone (Barlow, 2014).

Research Question 3: What opportunities do companies have with user-generated content?

- According to a survey conducted by Forbes in conjunction with Elite Daily, 42 percent of millennials are interested in helping companies develop future products and services. This consumer group has a desire to get involved in the creation process (Schawbel, 2015).

- Instead of investing millions of dollars to hire an art director, acting cast, and a team of videographers to produce their advertisements, GoPro encourages customers to become their advertisers by shooting high-quality videos on their camera, uploading it to YouTube and other social media platforms, and sharing their experiences with the public (Bobowski, 2014).

- By using this tactic, GoPro is inspiring consumers to believe that they can "be the hero" by using GoPro cameras and joining the GoPro community (Albee, 2015).

Research Question 4: How do millennials perceive online video advertising?

● Today, nearly 60 percent of all digital impressions are driven by visual content and video has emerged as the medium of choice (Afshar, 2016).

● Marketers have found that video is one of the most effective means for reaching consumers both in terms of peer-to-peer sharing and brand to customer interactions. The number of videos being played back on the Facebook platform alone doubled from four billion in April 2015 to eight billion videos per day in October 2015 (Afshar, 2016).

Research Question 5: What makes companies like GoPro more effective in advertising to millennial audiences?

● At least 6,000 GoPro-tagged videos are uploaded to YouTube every day and GoPro has over 3.2 million subscribers and a constantly increasing number of videos that have garnered more than 50 million views each on the YouTube platform alone (Albee, 2015).

● GoPro encourages customers to become their advertisers by shooting high-quality videos on their camera, uploading it to YouTube and other social media platforms, and sharing their experiences with the public (Bobowski, 2014).

● "We're not just a camera anymore. We're an enjoyment platform for people around the world to watch. (Crandall, 2015).

Research Question 6: Do millennial consumers prefer brands that enable two-way communication with them?

● Millennials reported that their purchasing decisions are influenced by five people on average, compared with three people for boomer (Barton, 2014).

- Millennials identify with brands more emotionally and personally than older generations. In order to cultivate relationships with this audience, marketers need to engage millennials both individually and in small groups through direct, two-way communications (Barton, Koslow, Beauchamp, 2015).
- BCG Perspectives (2013) reported that "More than other generations, millennials desire opportunities to interact with brands, to be listened to anywhere and anytime, and to have personal, timely, and straightforward communication about their concerns and experiences" (p. 3).
- 43 percent of millennials have liked over 20 brands on Facebook (Mr. Youth, 2013).

Research Question 7: Are millennial consumers more likely to purchase products from a brand they have a "relationship" with?

- 62 percent of millennials are more likely to become a loyal customer to a brand that engages with them on social networks (Forbes, 2013).
- For the millennial demographic, "The best sellers are the ones that challenge customers to think differently and educate them as trusted advisors" (Afshar, 2016).
- 70 percent of millennials stick with brands they have become accustomed to (Edelman Digital, 2013).
- 44 percent are willing to promote products or services through social media in exchange for rewards (Aimia, 2014).
- A retailer's ability to make a millennial smile is 33 percent more important than it is to a baby boomer (Casual Living, 2013).

- 37 percent of millennials claim to distrust big business, leading "the connected generation" to consult social media for authentic information and recommendations (Henderson, 2013).

Research Data

For this study, it was important to gather information from experts in the marketing and advertising industry as well as responses from millennial consumers themselves. To gather this data, four interviews were conducted. Ellen Curtis, a marketing and advertising expert, Mary Verdin, a public relations and marketing expert and owner of Verdin Marketing, Matt Yoon, a millennial videographer, and Jenna Hoffman, a millennial marketing student at Cal Poly, were all interviewed to provide insight and feedback relating to the core research questions of this study. Each respondent was asked questions specifically tied to the original research questions in an individual interview environment. The following sections report the combined findings from both the literature review and the four interviews to reveal data pertaining to the original research objectives.

Research Question #1: How has technology changed the way brands interact with consumers?

- This question, in essence, examines the influence on technology and how the growth of social media has affected modern marketing and advertising practices. The literature review finds that technology has had measurable impacts on marketing methodology with special focus on mobile marketing and the expansion of smartphones. According to the review, Ad Age anticipated that over 10 percent of advertising spending should be on mobile by 2017 and that 80 percent of the world will be covered by 3G mobile internet

coverage. Further, for brands to be successful and appealing to millennial consumers, companies need to engage with consumers on multiple platforms and across all of their devices (Schawbel, 2015). Today, there are more than 1.7 billion people--approximately 20 percent of the world's population--that use smartphones. This trend in mobile usage has transformed the way that consumers access the Internet and Americans are spending less time on desktop computers than on mobile devices (Economist, 2014).

This question was developed to determine effective platforms for reaching different audiences. It was also designed to evaluate how technology has influenced marketers and how their tactics have changed with the overwhelming amount of data that is available. Further, it examines the increase in channels available for reaching consumers and how that has changed modern marketing methodology.

Table 1 summarizes the answers that the experts provided in response to this research question. All four respondents felt that the multitude of data available to marketers has transformed modern marketing practices. Both Ellen Curtis and Mary Verdin emphasized the importance of getting a message to consumers in the right place and at the right time, while Jenna Hoffman commented on the fact that attention spans are much shorter due to the instant availability of information today. Moreover, Matt Yoon reflected on accessibility and how social media platforms have made it a lot easier for consumers to interact with big brands online.

Table 1

Technology and its Impact on Modern Marketing

Respondent	Technology has changed marketing because…
Ellen Curtis	The average consumer doesn't realize how much information they are giving companies
Mary Verdin	The channels used to reach consumers have changed
Matt Yoon	Everything has become more accessible
Jenna Hoffman	Attention spans are much shorter

Research Question #2: What forms of advertising are most effective with millennial consumers?

- This question was used to identify the most effective channels and strategies for reaching the millennial audience. The literature reported that in America alone, there is a population of over 80 million millennials and they represent about a fourth of the entire population with $200 billion in annual buying power (Schawbel, 2015). According to the U.S. Bureau of Labor Statistics (2015) by next year, millennials will account for 36 percent of the U.S. workforce and by 2025 they will account for 75 percent of the global workplace. According to Intrepid (2015) 48 percent of Millennials say word-of-mouth influences their product purchases more than television ads and only 17 percent said a television ad prompted them to buy. BCG Perspectives (2014) study found that many U.S. millennials are highly group oriented, even for activities like traveling and eating out. The best way to reach millennials is with a cross-media, cross-channel brand

presence (Barlow, Koslow, Beauchamp, 2014). According to Barlow (2014) the tone of

marketing messages should reflect the millennial "personality," meaning that marketers

need to get a sense of how millennials view themselves. According to a study conducted

by BCG Perspectives (2013) the terms that millennial survey respondents felt best

described their generation included technologically savvy, young, modern, risk taking,

rebellious, hip, and funny or humorous.

This research question examined the characteristics of millennial consumers and the best

strategies for reaching this demographic. When the interview participants were asked to report

universal traits that describe millennials, the responses were fairly consistent. Both Ellen Curtis

and Matt Yoon described millennials as "fickle" whereas Mary Verdin described them as

"Experiential" and "Opinionated." Matt Yoon and Jenna Hoffman, who are both millennials, felt

that "tech-savvy" was a key characteristic of the millennial population. Table 2 summarizes the

key words and phrases that each interview respondent and the literature used to describe

millennials.

Table 2

Key Characteristics of Millennial Consumers

Respondent	Millennials are...
Ellen Curtis	Fickle, diverse, multifaceted
Mary Verdin	Experiential, opinionated, entitled, globally conscious
Matt Yoon	Hard to please, fickle, non-committal, tech-savvy, powerful, social
Jenna Hoffman	Impatient, tech-savvy, price-sensitive, resourceful
Literature Review	Technologically savvy, young, modern, risk-taking, rebellious, funny,

In addition to these key characteristics, participants were asked to report the most effective forms of advertising for reaching millennial consumers. Both Ellen Curtis and Mary Verdin emphasizes the importance of segmenting and niche marketing, explaining that marketing has become a lot more lifestyle focused and, as a result, marketers need to target based on interest. Further, as millennials, Matt Yoon and Jenna Hoffman touched on the importance of content that provides value and is delivered in a quick and efficient manner. Matt Yoon said, "I am looking towards easily accessed materia" (Appendix C). Jenna Hoffman agreed stating that, "It's an attention span thing. I don't have time to really do the research myself so if they can package that and give it to me that is really great" (Appendix D). Ellen Curtis emphasized the importance of trial and error claiming, "I think it is really a test and learn approach" (Appendix A). On the other hand, Mary Verdin argued that, "Whether it is boomers, x-ers, millennials, whatever it is, it is really looking at the age, but more the lifestyle… It has gotten so much more niche and so much more targeted and, because of technology, you can track everything you do which is really pretty awesome" (Appendix B).

Research Question #3: What opportunities do companies have with user-generated content?

- Question #3 sought to explore the effectiveness of user-generated content both by exploring the financial benefits as well as the engagement that it provides between a brand and its consumer base. The literature reports that millennial consumers want to be involved with brands. According to a survey conducted by Forbes in conjunction with Elite Daily, 42 percent of millennials are interested in helping companies develop future

products and services. This consumer group has a desire to get involved in the creation

process (Schawbel, 2015).

This question analyzes the power of user-generated content to determine if companies

should explore and utilize this tactic when developing digital marketing campaigns. The

following table summarizes the interview responses from the industry experts. As Table 3

describes, all of the respondents felt that user-generated content can provide benefits to brands,

stating that the "free advertising" aspect that user-generated content creates is beneficial in that it

eliminates the need for companies to produce their own content and allows them to focus on

curating the content instead.

Table 3

Benefits of User-Generated Content

Respondent	The effectiveness of user-generated content
Ellen Curtis	"Brands are in desperate need of content to fill their social channels so they are curating content from places that their audience would be interested in."
Mary Verdin	"It is an incredibly effective technique. First of all, it gives you content and that's what everyone wants. It gives you content you don't have to generate yourself, you just have to curate. Everybody wants authentic. That's authentic. It's much more authentic if Joe over here posts something about Scout Coffee than if I as Scout Coffee post something."
Matt Yoon	"It is easier to sell your product when the voice and the selling is done by people and their peers. People trust peer-reviewed materials more than what the company is trying to tell them."
Jenna Hoffman	"It is an interesting balance because we think it is cool that we can make something as simple as a meme and become insta-famous or twitter-famous because it gets like 20,000 retweets whereas brands think it is cool because they have free marketing basically. They don't have to hire people to make them a meme if people are just doing it for them."

Research Question #4: How do millennials perceive online video advertising?

- With the onset of social media and online advertising, video has become increasingly important in the marketing world. According to literature, "It is estimated that 3.8 trillion photographs were taken in all of human history until mid 2011 but one trillion photos were taken in 2015 alone" (Afshar, 2016). The YouTube platform has over a billion users worldwide and is the second most used search engine, only surpassed by Google search. Today, nearly 60 percent of all digital impressions are driven by visual content and video has emerged as the medium of choice (Afshar, 2016).

This question aims to unveil information about video advertising in general as well as the way that millennials view this form of advertising. The question was designed to examine the value of online video as an advertising medium. It also seeks to determine whether it is an effective medium to use when trying to reach millennial consumers. The respondents unanimously agreed that video is more effective with this demographic than print advertising and written content, each citing different reasons. The following table summarizes the findings and examines the interview responses with regard to this subject. All of the respondents felt that video was a strong media channel for reaching this demographic group. Table 4 examines the results.

Table 4

The Effectiveness of Online Video Advertising

Respondent	Online Video Advertising is effective because...
Ellen Curtis	"Studies show that millennials aren't reading print. They aren't reading magazines, they aren't reading newspapers, they are doing everything online. So because that is the medium they want to engage with, video is more effective."
Mary Verdin	"People don't like to read, they like to watch videos. I think videos are incredibly effective… Anytime you can capture more senses it's good."
Matt Yoon	"Having a viral video is like finding gold, but I think that it is an effective method when done well, but it all depends on the content."
Jenna Hoffman	"Video is the best way to communicate a message especially opposed to long pieces of text and even opposed to files or PowerPoints. With video you can add music, it evokes emotion, it can be visually cool and you as the videographer can be so creative with it."

Research Question #5: What makes companies like GoPro more effective in advertising to millennial audiences?

● This question explores the success of GoPro both in their marketing and consumer engagement with a special focus on the company's user-generated content strategy. Research reported that for the GoPro brand alone, At least 6,000 GoPro-tagged videos are uploaded to YouTube every day and GoPro has over 3.2 million subscribers. The company has a constantly increasing number of videos that have garnered more than 50 million views each on the YouTube platform alone (Albee, 2015). Further, GoPro disclosed their financial situation, revealing that the company more than doubled its net income from 2010 to 2011 up to $24.6 million while only spending $50,000 more on

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marketing costs to get there according to the Wall Street Journal. In addition, GoPro

continued to experience success in 2013 making $28 million more in net income with an

increase of only $41,000 in marketing costs. How did they do it? The answer is simple:

user-generated content. Instead of investing millions of dollars to hire a cast including an

art director, acting cast, and a team of videographers to produce their advertisements,

GoPro encourages customers to become their advertisers by shooting high-quality videos

on their camera, uploading it to YouTube and other social media platforms, and sharing

their experiences with the public (Bobowski, 2014). By using this tactic, GoPro is

inspiring consumers to believe that they can "be the hero" by using GoPro cameras and

joining the GoPro community (Albee, 2015). As GoPro's CMO stated, "We're not just a

camera anymore. We're an enjoyment platform for people around the world to watch.

(Crandall, 2015).

This question tied into the respondent's opinions of online video advertising and user-

generated content strategies. Matt Yoon, the videographer for University Marketing at Cal Poly,

explained the success of GoPro and his perceptions of the company:

When companies like GoPro or other big brands allow their users to have a voice in their

marketing and in their branding, it is a pretty interesting strategy to market in that way. It

helps people like us to have access to, 'Hey, GoPro is having this contest where the 10

best videos will be featured in their next commercial,' so it helps. For them, it's selfish

because they don't have to do the work and it is all given right to them, but for us as users

it gives us a chance to market ourselves with something that is so easy and accessible to

me. I can use my GoPro when I am going somewhere and video is great because you can

expose. With video, you can create something that is awesome and it gets in front of

people and helps build a brand in a way that traditionally we weren't able to… So I think we have a bigger chance for opportunity with user-generated content in that we are able to have access to GoPro. GoPro was so key because you can have access to these beautiful images at a low price and equipment is accessible for us (Appendix C).

Research Question #6: Do millennial consumers prefer brands that enable two-way communication with them?

- This question focuses on the Public Relations theory of two-way symmetrical communication and whether two-way communication is necessary for brands attempting to build relationships with millennial consumers. Social media is the primary means through which brands can engage in two-way communication with their audiences. In terms of social media usage, Barton (2014) found that of those surveyed 37 percent of consumers 18-24 feel as if they are "missing something" if they are not on Facebook or Twitter every day, compared with 23 percent of non-millennials. Additionally, 43 percent of millennials have liked over 20 brands on Facebook according to Mr. Youth (2013). In addition, Barton (2014) found that millennials reported that their purchasing decisions are influenced by five people on average, compared with three people for boomers. Millennials identify with brands more emotionally and personally than older generations (Barton, Koslow, Beauchamp, 2015). In order to cultivate relationships with this audience, marketers need to engage millennials both individually and in small groups through direct, two-way communications (Barton, Koslow, Beauchamp, 2015). BCG Perspectives (2013) reported that "More than other generations, Millennials desire opportunities to interact with brands, to be listened to anywhere and anytime, and to have personal, timely, and straightforward communication about their concerns and

experiences" (p. 3). When millennials were asked to identify the most important things

brands can do to "engage and interest" them, the top two choices were to reward their

loyalty with discounts and promotions and to be authentic.

In terms of the interview respondents' opinions, there were a few discrepancies in

opinion regarding two-way communication. Whereas Mary Verdin and Jenna Hoffman felt

strongly that two-way communication was necessary, Ellen Curtis felt argued that no one wants

to engage with brands. The following table reports the responses and summarizes the expert

opinions on the importance of two-way communication.

Table 5

The Impact of Two-Way Communication on Customer Loyalty

Respondent	Millennial Perceptions of Two-Way Communication
Ellen Curtis	"Nobody wants to engage with a brand unless they are getting something out of it."
Mary Verdin	"I think it is more than prefer, I think they expect it. Even though email goes two way, I am so used to "liking" things that I will get an email and think I just want to like that"
Jenna Hoffman	"It just makes the brand seem like less of a distant giant corporation and more of a friend, which I love brands that make me feel like that… It really helps when you feel like you can connect with those brands. It is a new relationship that you really have never been able to have with them before."

Research Question #7: Are millennial consumers more likely to purchase products from a

brand they have a "relationship" with?

- Question #7 was developed to examine whether millennial consumers desire personal connections with brands and to reveal potential drivers of customer loyalty with this demographic. In addition, it sought to uncover the effectiveness of using social media as an outlet for brands to build relationships with consumers. According to Forbes, 62 percent of millennials are more likely to become a loyal customer to a brand that engages with them on social networks. However, it is not just about the brands having a presence on social media, their loyalty ties into the brand's efforts to engage them (Schawbel, 2015). Further, 60 percent said that they are often or always loyal to brands that they currently purchase meaning that in order to maintain millennial loyalty in adulthood, brands need to establish relationships with these consumers now (Schawbel, 2015). For the millennial demographic, "The best sellers are the ones that challenge customers to think differently and educate them as trusted advisors" (Afshar, 2016). In terms of purchase patterns, women and men ages 18-34 (millennials) are more likely than 35-64 year olds to engage in nearly every online shopping activity. Research finds that 40 percent of males and 33 percent of females in the younger demographic say they would purchase everything online if they could (Honigman, 2013). With regard loyalty drivers, Edelman Digital (2013) conducted a survey and found that 70 percent of millennials stick with brands they have become accustomed to. Aimia (2014) reported that 77 percent of millennials participate in loyalty reward programs and 44 percent are willing to promote products or services through social media in exchange for rewards. Casual Living (2013) reported that a retailer's ability to make a millennial smile is 33 percent more important than it is to a baby boomer. Further, 37 percent of millennials claim to distrust big

business, leading "the connected generation" to consult social media for authentic

information and recommendations (Henderson, 2013).

Interview respondents were asked the following question to help answer this key research

question: "How do you think that social media influences brand's abilities to engage with

millennials?" All of the interview respondents felt that social media was essential for brands

trying to connect with millennial consumers, each emphasizing that for a brand to be successful

in marketing to millennials, they need to establish a presence and engage their consumers

through online platforms. However, the respondents also noted that, when it comes to loyalty,

consumers can be price sensitive and may be less loyal to a brand if they can find the same or

similar products at a lower price in another place. Table 6 summarizes the interview responses

with regard to this topic.

Table 6

Drivers of Customer Loyalty: The Impact of "Relationships" on Millennial Loyalty

Respondent	The importance of building "relationships" with millennial consumers
Ellen Curtis	"The bottom line is that if you like a brand you will buy a brand. If you like something and you feel like it is a good company then you are going to buy the product. You would rather buy from a good, happy company that makes you laugh and feel like you are getting something extra."
Mary Verdin	"I think the answer is yes, unless they can get it cheaper another way"
Jenna Hoffman	"I think it goes back to brand loyalty and it depends on what you value. If you value saving money then you aren't brand loyal and think, 'Oh I will save ten bucks if I buy from them.' I am brand loyal and I think millennials in general, because we have this exposure to social media, we tend to build relationships with these brands and it is hard to just ax a relationship. I am usually willing to pay more for a brand that I know I love and have had not just a good experience with the product or service, but a good experience with the brand in general"

Chapter 5

Discussion and Recommendations

Summary

This study was conducted in an effort to provide insight into the millennial generation. The research questions were developed to examine modern marketing tactics and to analyze how brands can most effectively market to the millennial demographic. The primary focus was on online video advertising and user-generated content marketing as the two marketing strategies that were most extensively researched. Further, the study aimed to reveal key insights about engaging consumers through two-way communication and how brands can use social media to drive customer loyalty. Today, the millennial population is growing in influence and will soon surpass the buying power of the Boomers. Because of their power and the magnitude of the population, the millennials have been a major focus for modern marketers. In order to reach conclusions about this demographic group, extensive secondary research was conducted followed by four individual in-person interviews with experts in the fields of marketing and advertising. Each interview respondent was asked a variety of questions to help contribute valuable data to the study. These interview questions were designed to help answer the following research questions:

1. How has technology changed the way brands interact with consumers?

2. What forms of advertising are most effective with millennial consumers?

3. What opportunities do companies have with user-generated content?

4. How do millennials perceive online video advertising?

5. What makes companies like GoPro more effective in advertising to millennial audiences?

6. Do millennial consumers prefer brands that enable two-way communication with them?

7. Are millennial consumers more likely to purchase products from a brand they have a "relationship" with?

Each research question was modified to create a discussion topic for the interviews. The results of the interviews were combined with the research collected in the review of literature to ascertain new information and insights regarding innovative marketing strategies for reaching millennial consumers as well as techniques for building lasting and profitable brand-customer relationships with this audience.

Discussion

After thorough analysis of the interview data, which can be reviewed in Chapter 4, ties can be drawn between the primary research conducted in the form of individual in-person interviews and the secondary research that was gathered in the literature review that can be found in Chapter 2. This combined research allows conclusions to be drawn that answer the original research questions. The findings and their relation to the original research questions will be explained in the following section.

Research Question #1: How has technology changed the way brands interact with consumers?

All of the respondents felt that technology had a major impact on modern marketing practices. Ellen Curtis reported that the technology has resulted in an explosion of choices for marketers due to the availability of information about consumer behavior and Mary Verdin commented on the new channels that technology has provided for reaching consumers.

Ultimately, technology has allowed marketers and consumers to access a substantially greater amount of information in a shorter amount of time.

The literature supported these findings, stating that technology has had measurable impacts on marketing methodology. Ad Age anticipated that over 10 percent of advertising spending should be on mobile by 2017 and that 80 percent of the world will be covered by 3G mobile Internet coverage at that time. With that data point considered, companies need to actively engage with consumers on multiple platforms and across all of their devices (Schawbel, 2015). Today, there are more than 1.7 billion people—approximately 20 percent of the world's population—that use smartphones, making mobile advertising a growing medium for reaching consumers.

Ultimately it can be concluded that, for modern marketers, traditional marketing strategies are slowly becoming obsolete: to reach the right audiences at the right times, marketers must turn to mobile and cater to the newfound trend of instant information and data-driven decision making in marketing and advertising.

Research Question #2: What forms of advertising are most effective with millennial consumers?

The literature reported that millennials are an extremely powerful population. In America alone, there is a population of over 80 million millennials and they represent about a fourth of the entire population with $200 billion in annual buying power (Schawbel, 2015). According to the United States Bureau of Labor Statistics (2015) by next year, millennials will account for 36 percent of the U.S. workforce and by 2025 they will account for 75 percent of the global workplace. Moreover, it is important to acknowledge that this population is very different from older generations for a variety of reasons.

The interview respondents all reported that one major difference between millennials and other generations is where marketers can access them. Ellen Curtis argued that whereas Boomer's can still be reached through traditional means like print and television advertising, millennials are most accessible online. The literature supported this claim stating that the best way to reach millennials is with a cross-media, cross-channel brand presence (Barlow, Koslow, Beauchamp, 2014). When asked to describe millennials using a few key words, fickle and tech-savvy were both mentioned by more than one respondent and a survey from BCG Perspectives reported "Technologically Savvy" as the word most millennials would use to describe their generation.

In determining the best strategy for reaching this group, both Ellen Curtis and Mary Verdin emphasized the importance of segmenting marketing based on interest, not just on age. Furthermore, in terms of marketing content, the millennials that were interviewed reflected on their need for content that is easy to access and provides value to their lives.

From this research, it can be ascertained that the millennial population is very unpredictable: what works for one millennial consumer does not always work for another. However, technology has evolved to a point where segmenting by lifestyle is an effective strategy and, because millennials are the most accessible through online platforms like Facebook and other social media platforms, there is a plethora of analytic information available to marketers revealing extensive information about the online activity of consumers. As Jenna Hoffman expressed, millennials want answers instantaneously. The millennial demographic has a short attention span and expects to see value-added content that seamlessly integrates products into their busy and fast-paced lifestyle.

Research Question #3: What opportunities do companies have with user-generated content?

Each of the interview participants commented on one essential benefit that user-generated content provides, expressing that user-generated content is mutually beneficial for both the brand and the consumer because it increasing exposure for the creator while simultaneously providing free content for brands to share online. As Ellen Curtis put it, "Brands are in desperate need of content to fill their social channels so they are curating content from places that their audience would be interested in."

User-generated content provides an opportunity for the consumer to get involved in the creation process. According to a survey conducted by Forbes in conjunction with Elite Daily, 42 percent of millennials are interested in helping companies develop future products and services. This consumer group has a desire to get involved in the creation process (Schawbel, 2015). This desire to be involved extends beyond just the process of creating products.

Further, the experts who were interviewed all continuously reiterated the element of "authenticity" as a beneficial attribute of user-generated content. Further, Matt Yoon argued that, "It is easier to sell your product when the voice and the selling is done by people and their peers."

Moreover, it is safe to conclude that user-generated content is an effective strategy for companies seeking to engage millennial consumers on a small budget. Millennial consumers want to be involved in the creation process and user-generated content provides this opportunity for them. As a result, brands that curate user-generated content are capitalizing on social media "buzz" by engaging their followers and getting consumers involved in their brand promotions.

The content that results is authentic and shareable; user-generated content creates a marketing strategy that motivates consumers to build relationships with their products and the brand.

Research Question #4: How do millennials perceive online video advertising?

At this time, the YouTube platform has over a billion users worldwide and is the second most used search engine, only surpassed by Google search. Today, nearly 60 percent of all digital impressions are driven by visual content and video has emerged as the medium of choice (Afshar, 2016). With the prominence of this medium, the respondents unanimously agreed that video is more effective with the millennial demographic than print advertising. According to Ellen Curtis, studies show that millennials are not reading or responding to print content; instead, they are doing everything and reading everything online. As a result, video is more effective because that is the medium that they want to engage with and are interacting with on a daily basis. Jenna Hoffman reiterated the effectiveness of video stating that, "Video is the best way to communicate a message."

Overall, online video advertising is much more effective than print advertising for reaching millennial audiences. Any form of media that engages multiple senses will do a better job of getting a brand's message across to the consumer than other mediums. With video, consumers are engaged visually and also have the opportunity to hear the brand's messaging which gives brands a better opportunity to get their message across than with written content that only engages visual senses. Because millennials spend most of their time online or within arms reach of their smartphones, the mobile and online worlds are the best places to reach them. With video content, brands can engage consumers using short and compelling messages that resonate with the millennial demographic.

Research Question #5: What makes companies like GoPro more effective in advertising to millennial audiences?

GoPro utilizes a strategy of content marketing that resonates with millennial audiences. Research from the literature review reported that for the GoPro brand alone, At least 6,000 GoPro-tagged videos are uploaded to YouTube every day and GoPro has over 3.2 million subscribers on Youtube. The company has a rapidly growing number of videos being uploaded; each individual video garners more than 50 million views each on the YouTube platform alone (Albee, 2015). The company has successfully increased profits with only minimal increases in marketing and advertising costs all thanks to their strategy of curating user-generated content. GoPro inspires consumers to believe that they can "be the hero" by using GoPro cameras and joining the GoPro community (Albee, 2015).

As Matt Yoon described, GoPro allows their users to have a voice in their advertising and in their branding which is very unique. For GoPro, it is selfish because they do not have to do the work and all the content is handed right to them, but for users it gives GoPro consumers a chance to market themselves with something that is so easy to create.

Moreover, as was mentioned previously, millennial consumers want to be involved; GoPro gives millennials that opportunity. By creating an online community where users can create, view, and share video content, GoPro seamlessly integrates their product into their marketing strategy and tells a story that consumers can relate to. The video-sharing community and lifestyle-driven marketing tactics resonate with millennial consumers by creating a relationship between the consumer and the brand.

Research Question #6: Do millennial consumers prefer brands that enable two-way communication with them?

BCG Perspectives (2013) reported that, "More than other generations, millennials desire opportunities to interact with brands, to be listened to anywhere and anytime, and to have personal, timely, and straightforward communication about their concerns and experiences" (p. 3). These interactions are fostered in a social media environment. In terms of usage, Barton (2014) found that of those surveyed 37 percent of consumers 18-24 feel as if they are "missing something" if they are not on Facebook or Twitter every day, compared with 23 percent of non-millennials. Additionally, 43 percent of millennials have liked over 20 brands on Facebook according to Mr. Youth (2013).

Mary Verdin stated that two-way communication is not just preferred by millennial consumers, it is expected. Jenna Hoffman agreed, explaining that engagement on social media, "Makes the brand seem like less of a distant giant corporation and more of a friend." She went on to state that, "It really helps when you feel like you can connect with those brands. It is a new relationship that you really have never been able to have with them before."

From this data, it is reasonable to conclude that millennial consumers expect brands to engage with them through two-way communication in the form of social media outreach. Brands that succeed in building online relationships with consumers will benefit greatly both in terms of profit potential from loyal customers and in terms of positive word-of-mouth from consumers who feel connected to the brand online.

Research Question #7: Are millennial consumers more likely to purchase products from a brand they have a "relationship" with?

According to the literature, a study conducted by Forbes found that 62 percent of millennials are more likely to become a loyal customer to a brand that engages with them on social networks. However, it is not just about the brands having a presence on social media, their

loyalty ties into the brand's efforts to engage them (Schawbel, 2015). With regard loyalty drivers, Edelman Digital (2013) conducted a survey and found that 70 percent of millennials stick with brands they have become accustomed to. Aimia (2014) reported that 77 percent of millennials participate in loyalty reward programs and 44 percent are willing to promote products or services through social media in exchange for rewards.

The interview respondents conceded. Ellen Curtis acknowledged that people will buy from a brand if they like that company and think it is a good company. Jenna Hoffman agreed, describing herself as brand loyal and emphasizing the influence of social media on this loyalty: "Because we have this exposure to social media, we tend to build relationships with these brands and it is hard to just ax a relationship. I know I am usually willing to pay more for a brand that I know I love and have had not just a good experience with the product or service, but a good experience with the brand in general."

Overall, the millennial generation is brand loyal in nature: if they feel like a company is socially conscious and provides benefit to them and the community, they will be very loyal to that brand. If a brand can successfully establish a relationship with a millennial consumer, that individual will speak highly of the brand and become a returning customer. For this reason, it is more important than ever for brands to establish a prominent social media presence where they not only exist on social media, but also make an effort to actively engage with their followers and interact with them through these platforms.

Recommendations for Practice

  With the conclusion of this study, extensive research has been conducted to impart valuable knowledge in regard to modern marketing tactics and the best methods for reaching and developing lasting relationships with millennial consumers. Given the extent and reach of the data, it is important to highlight the most relevant and meaningful conclusions drawn from the study. These insights will help future marketing and advertising professionals to more productively target millennial consumers with strategic marketing strategies that will have a lasting and profitable impact.

Get consumers involved.

  User-generated content has offered brands the opportunity to not only encourage engagement from consumer groups, but also to use content created by their customers to strengthen their brand image. Both Ellen Curtis and Mary Verdin reiterated the effectiveness of user-generated content in that it provides brands with content to fill their social channels while also providing an element of authenticity that arises when content is coming from consumers instead of the company itself. This onset of user-generated content helps brands to minimize advertising costs while maximizing consumer engagement and building lasting communities among their followers.

Engage with consumers on social media.

  More than any other generation, millennials want the opportunity to engage with brands online. As Jenna Hoffman explained, brands with active social media presences give users the ability to connect with the company and build lasting relationships which was not possible before the onset of social media.

As Mary Verdin described, social media gives brands the opportunity to interact directly with their consumers. For brands, this is an excellent opportunity to extend their reach due to the analytic information that is available to brands through mediums like Facebook as well as the potential for loyal followers to act as "ambassadors" for the brand. Ultimately, for brands to be successful in reaching millennial consumers, they need to engage with this group on multiple devices through multiple media channels.

Focus advertising spending on mobile.

Today, nearly 20% of the world's population uses smartphones and mobile advertising is the focus of the future for marketers. Ad Age anticipated that over 10 percent of advertising spending should be on mobile by 2017 and that 80 percent of the world will be covered by 3G mobile Internet coverage. With this trend towards mobile usage, brands must adapt by tailoring their messages to mobile users. The world of print advertising and desktop viewership is in rapid decline; for brands to effectively reach millennial audiences, they need to actively pursue a mobile strategy.

Analytics are your friend: use them.

Modern marketing has become much more about segmenting by interest than by age with the increase in extensive behavioral and lifestyle information available with regard to online activity. Platforms like Facebook provide substantial data revealing behavioral patterns and buying preferences of their users to businesses. Brands that take this information into consideration and use niche marketing to reach specific audiences will have much higher returns on their advertising investment than brands that segment their marketing purely based off of age groups.

Deliver content that serves a purpose.

Millennials, more than any other generation, have very short attention spans. They are fickle and tech-savvy in nature, resulting in a generational desire to access answers to every question they might have at the click of a button. What does this mean for marketers? Advertising needs to serve a unique purpose, delivering millennial consumers access to the right information at the right place and at the right time. As Jenna Hoffman expressed, content that delivers value by teaching consumers something they did not previously know in a short and compelling way will be effective with millennial consumers. Matt Yoon conceded, arguing that content that feels natural and lifestyle-driven, as opposed to product-focused advertising, is much more intriguing to him and millennial consumers in general.

Study Conclusion

Overall, this study combined opinions from four experts in the fields of marketing and advertising in addition to extensive secondary research in the form of a literature review to uncover insights on millennial consumers. The findings present prevalent research with regard to consumer preferences, purchase behavior, and overall millennial perceptions of different forms of digital media. The collective research revealed insight into the most effective strategies for reaching millennial consumers and the best tactics for building lasting relationships with this demographic group. Given the nature of this industry, additional qualitative research should be conducted frequently to ensure that marketing and advertising practices are consistent with changes in consumer behavior.

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Interview Transcripts: Ellen Curtis

The following interview was conducted to get an expert opinion from a marketing and advertising professional based on a questionnaire about advertising, branding, and building relationships with millennial consumers using a variety of strategies.

Interviewer: Shawna Brown
Respondent: Director of Marketing Communications, Cal Poly Corporation
(Ellen Curtis)
Date of Interview: 2/23/2016

Interview Transcription:

Shawna Brown: "What are some differences you have noticed in marketing trends with the growth and expansion of technology?

Ellen Curtis: "Technology has changed everything. There is an explosion of choices, marketers have more ways to reach more people more specifically and we are moving to a very targeted marketing approach. That's where big data all comes in as well."

SB: "How do you think consumers are reacting to these changes?"

EC: "I think it is very invisible. I don't think the average consumer realizes the data that they are giving companies. It's a big permission based marketing. Any time you have an app, anytime on a cell phone, companies can scrape any data they want from you once you have given them permission. So, I think for the average consumer they don't realize the connections that they are making. Many consumers don't realize why certain ads show up. Like they just were researching dog food and then they go to another site and are on facebook and suddenly they see that same dog food ad and they're like, 'that's so weird how does that happen.' I don't think they understand the extent that technology helps serve marketing."

SB: "What forms of advertising do you feel are most effective with millennial consumers and why?"

EC: "You know, I think it is really a test and learn approach. I think everyone goes immediately to social media as a way. Just like our speaker, I think influencer marketing. I think for sure males 18 to 24 are an incredibly hard group to reach. I think using influencer marketing is probably one of the strongest ways to reach that group. I think there's also, you know, the traditional ways, but there is studies--Nielsen, Forester, and all the rest--are showing viewership with millennials is all online so be it Hulu or Netflix or Amazon, it is all happening in that space so you have to follow those trends."

SB: "In your opinion, what three brands are the most effective at marketing to millennials?"

EC: "Three brands that are effective to millennials. You know, none jump out at me. I would just have to say the popular products. I think some of the obviously food. The fast food like Carl's Junior and Chipotle and Wendy's are running some good campaigns. Chipotle is having some problems now, but any of those successful brands. With Taco Bell, they have always done a great job in that quick serve area. Gaming is really smart in their strategies. It's a combination of influencer marketing, and email marketing and social integration all into one. Telecomm. I think Samsung and Apple are both doing a great job in their own way and it's a different marketing mix."

SB: "What opportunities do you see for companies with user-generated content?"

EC: "Well you know, user-generated content is really not anything new anymore. Most large brands are using it and it all depends on what they are using it for. For curation, sharing value, triggering. There's that idea. There was this time about five or six years ago that they were crowdsourcing ideas. I don't think that is happening as much as brands are in desperate need of content to fill their social channels so they are curating content from places that their audience-- their target audience--would be interested in... And to be honest, I'm sort of over the millennials. I'm now working on the--what do they call it--generation C which is a whole different group because the millennials have been dissected to bits and they are a fickle bunch and you can't peg them all in one way and I think that has been hard for marketers so they have tried all different ways but there is not one silver bullet. I think what worked for one brand might not work for another in reaching that same audience."

SB: "Do you feel that video advertising is more effective with millennials than print advertising?"

EC: "Yes and the only reason I would say effective is because studies show that millennials are not reading print stuff. They aren't reading magazines, they aren't reading newspapers, they are doing everything online. So just because that is the medium they want to engage with it is more effective. I'm not saying that the messaging and the messages that are being shouted at them are necessarily effective, but that is the space they are in."

SB: "What makes certain companies more effective in advertising to millennial audiences?

EC: "I think it just goes back to the basics of effective advertising. Really getting into the mindset of where they are. What is that intersection of relevance between that and your product and your point of differentiation and then being in the right place at the right time. So it's a combination of those three so that the companies that do that the best will win the hearts and minds of millennials. So you know, Oreo has a consistent presence. It is not in your typical advertising campaign way. There are many different segments that they serve so it is a mixture of the right content at the right place."

SB: "If you had to describe millennial consumers using two words, what would they be and why?

EC: "They are fickle because what works for one does not work for the other. I just don't think you can lump them as one group. They are just too diverse and I think it is researchers and account planners that try to make these personnas of millennials, but the millennials are multifaceted. I find that I know some fifty-year-olds that have millennial traits. There are, I think, cliched millennial traits but when you are trying to connect with them and be relevant you have to dive deeper than just this cliche. I just don't think they are that simple."

SB: "In your experience, what are some key differences between millennial consumers and other generations?"

EC: "Well, obviously, where you reach them is totally different. I'll just use Cal Poly as an example. We do advertising to staff, faculty and students. Staff and Faculty, if I want to reach them, I will send them an email and put an ad in print because they read their Mustang News. They will also read Cal Poly Report. If I want to reach students, I wouldn't put an ad in print. Unless I was trying to reach the Mustang News staff because they will read their own paper. But we are going to do something online, we are going to do something in the social space. We are going to utilize people on campus who have influence to promote that. You know, a lot of that is word of mouth. It is a completely different thing. Older generations still like to watch the television. They are watching ABC and CBS still, but millennials and younger are doing everything online. I mean I have kids who are going to be that C Generation. I doubt they will even watch television. We are trying to figure out how we can get a bigger cable so we can just do streaming because they just want to watch what they want to watch when they want to watch it. So it's going to get even more targeted."

SB: "Would you say that, as opposed to other generations, millennials have a higher demand for two-way communication with brands?"

EC: "No. No. Nobody wants to engage with a brand unless they are getting something out of it. There is that percentage of loyalty and fanboys like Apple fanboys and Android guys where there is a certain subset. It's over and over again and that is the challenge, you know, that social media, for brands. I mean really do you want to talk to Mrs. Meyer's hand soap? No. Unless you thought, 'Oh I'm going to get something.' It's a data point that people will engage on social media to get a deal.

SB: "I'm working with a special focus on GoPro, that is why a lot of two-way communication and user-generated content questions are coming up."

EC: "I think you bring that up about GoPro, RedBull… They have done an amazing job, but they are doing content marketing. Their play is all content marketing, which is a great way to reach millennials. Now that you mention that, REI is another one who is using content marketing to reach them. So it's creating content, curating user-generated content, that attract their audience that they think is cool. It fits into that world of brand as publisher and brand as their own media company. I went to Content Marketing World a year ago and even big brands like Kraft have a content marketing strategy where they are developing all this content that has utility but also has emotion and storytelling and all those things."

SB: "How do you think that social media influences brand's ability to engage with millennial audiences?"

EC: "I think it gives them a huge opportunity to deliver content that is relevant. The conversation between brands and their fans, be it millennials, is that they are going to post some cool content and that is where the engagement happens. If the millennial deems it worthy enough for them to share, they will and, I mean, share is golden because that is where brands then extend their reach to other millennials. It is all about the right content that is relevant, memorable and shareable."

SB: "Do you think millennial consumers are more likely to purchase from a brand that they have a 'relationship' with?"

EC: "I think the bottom line is that if you like a brand you will buy a brand. It's a very simple premise, it doesn't matter if you are a millennial or not. If you like something and you feel like it is a good company, true or not true, right? You are going to buy the product. You would rather buy from a good, happy company that makes you laugh and feel like you are getting something extra. You look at the explosion of Zappos and Amazon because you feel like you are getting more."

SB: "Alright well I think that is everything. I apologize for not mentioning the GoPro aspect of the study prior to our interview."

EC: "No no, I mean GoPro is used in cases all the time in content marketing and user-generated content, but they made a very deliberate decision to do that. They are a brand that's a publisher and their videos run that. They use all the steps of contagious content. It is emotional and has stories and it's public and it has triggers. All that."

SB: "Yes and their product works into that very well."

EC: "Right. The product is seamlessly told in the story. I think Sam told a great story about when a product tries to insert itself into a narrative it just doesn't work."

SB: "Right. I think GoPro does a really good job of integrating all of their strategies across platforms and really providing that uniform image."

EC: "And they have been able to segment their content to their various target markets. Millennials is one area and those videos are probably more high action and adventure. The dog videos and animal videos are the ones that cross all the lines, but they also do videos for families. By creating all these different areas, videos target all these different personas."

Interview Transcripts: Mary Verdin

The following interview was conducted to get an expert opinion from a marketing and communications professional based on a questionnaire about advertising, branding, and building relationships with millennial consumers.

Interviewer: Shawna Brown
Respondent: President and Chief Strategy Officer, Verdin Marketing
(Mary Verdin)
Date of Interview: 2/24/2016

Interview Transcription:

Shawna Brown: "What are some differences you have noticed in marketing trends with the growth and expansion of technology?

Mary Verdin: "It's funny because whenever I speak to a group, particularly a business group, so that would tend to have a lot of older people in it, they always say, 'Now what is the biggest change in marketing? Is it technology?' It's not that marketing has changed, but the channels have changed. Marketing is still about the right message to the right person at the right time. It's just how you reach that right person that has changed and everybody wants everything right now. That's the other thing that has changed. I think that the biggest thing I have seen evolve is that whole idea of two-way communication. In the old days, David Ogilvy would do a great ad campaign telling you about Mercedes Benz or whatever his latest thing is and was all one way and let me tell you about this but there were also only three television channels at that time. So now we have countless television channels, we look at people by niche audiences, and it's not one way anymore. People want to tell you how they feel back and that's a really different environment. It's a good environment. What I always tell clients if they feel uncomfortable about that is, you know what, they are saying this stuff anyway you might as well know what they are saying so you can address it and it is market research.

SB: "What forms of advertising do you think are most effective with millennial consumers?"

MV: "Millennials are interesting because everybody right now is after millennials. It used to be boomers, oh they had the discretionary income and all this. That's still a really important audience, but now everybody wants the millennials because a lot of them are in their early to mid 30's and are becoming the managers and owners of their own businesses, but what we are discovering… In fact, Ashley, who is our VP of Client Services just got back from a conference last night and she said you know the way we have to start looking at marketing is really segmenting. We can't just look at millennials anymore. People always want them to be one group. Everything is so on demand and I want what I want that you might have a millennial that is a mom with three kids who is 35, you might have a millennial who is 32 who hasn't settled

down yet and is working on their career and they are very different in terms of what they are looking for and what they are responding to. So a lot of the marketing we do--and you can do this with digital--is targeted by interest. So whether it is boomers, x-ers, millennials, whatever it is, it is really looking at the age, but more the lifestyle and Facebook has a plethora of information like we know they like to read and cook and they speak spanish so you can really look at--we are actually putting a plan together for a woman that is writing a food and travel blog and she's like, 'How do I reach both millennials and boomers because they are so different?' It's like well, it used to be, you spend a bazillion dollars because you have to spread it out everywhere. Now, you can just cherry-pick, we are going to get the millennials who like food and wine and travel and we are going to get the boomers who like food and wine and travel and you can ignore everyone else. So it has gotten so much more niche and so much more targeted and, because of technology, you can track everything you do which is really pretty awesome."

SB: "In your opinion, what two brands would you say are the most effective at marketing to millennials?"

MV: "Gosh, I am not a millennial so I have to try and put my millennial hat on. You know, one I'll say which is a local brand, is Scout Coffee. The interesting thing about them is that the stuff they post on Facebook appeals to me, but I'll hear millennials like 'I'm going to pay $4 for that cup of coffee instead of $3 at Starbuck's because I get to go to Scout Coffee.' It's so much about the experience and the feel and they make their own almond milk, which everyone thinks is cool. So I think they for local, on a local level, I think they do a really good job. I think TOMs shoes probably does a pretty awesome job. The interesting thing about millennials as a group is if they can make a difference in the world, they want to do it as long as it doesn't cost them too much more and I think TOMs does a really good job at, 'We can give you value and you can also help someone in another part of the world."

SB: "What opportunities do companies have with user-generated content and do you feel that user-generated content is an effective technique for companies?"

MV: "It is an incredibly effective technique. I'll start with the second part of your question. There's two things it does. First of all, it gives you content and that's what everyone wants is content. It gives you content you don't have to generate yourself, you just have to curate. Everybody wants authentic. That's authentic. It's much more authentic if Joe over here posts something really cool about Scout Coffee than if I over here as Scout Coffee post something. People are going to respond more to that and then if we are using Joe's content he is going to tell all his friends that they are using his content so you get this exponential thing from that network of people you are engaging. We have a few tourism clients and it is amazing the contests. We do a lot of contests and a lot of it is that we need photos from Morro Bay. So we'll say, 'Hey if you upload your favorite photo that you took in Morro Bay, we may use it for an ad!' We say right in there that if you post this you are allowing us and giving us permission to do this and it gets all of this attention. We will get like a thousand entries and all these photos with people sharing it. Everyone is seeing it. You're just getting from both sides. You're getting that authentic, real, somebody else's generated content and that sharing piece."

SB: "Definitely. Do you share those contents on Facebook?"

MV: "Usually Facebook, yes. Even though everyone says that Facebook is going away, it is still the number one social media. It is still far and above any other platform. Instagram certainly is very very popular as well and that does skew younger. We do work for UCSB and it is telling people 'Do not come here for Halloween' and 'Do not come here for Deltopia.' That's us. We do that. It's scary to me, but the Deltopia audience is kids that are like 15 and 16 years old and they are coming to that. So it's like, well, you know what, Facebook is probably not the right place for that because they are not so much on that, but they are on Instagram. Facebook owns Instagram so they are all together and there is a crossover. But Facebook is still far and away and it's an awesome place to reach Boomers. The fastest growing audience is women 65+ on Facebook and I am convinced it is because they want to see pictures of their grandkids."

SB: "How do you think millennials perceive online video advertising?"

MV: "They expect it. I think that people don't want to read anymore. You probably saw how Facebook this morning changed their like button. Now, it is called reactions. They are rolling it out so you can choose to like something or you can love it or you can be angry with it. It is really interesting because what it does is it pulls up emojis. I think because people have been complaining that after someone posts I just got home from my grandfather's funeral, they want to show support but they don't want to like that. They are trying to find a way to show that. I think they will see how it goes, but going back… People don't like to read words, they like to use emojis. They don't like to read, they like to watch videos. I think videos are incredibly effective and--some of the best ones--if you go on YouTube are the pre-roll. Right, because they know that you are going to skip the ad and they want to catch you. So either, like Geico, they do an ad that is six seconds so it's over before you can skip it, they are like, 'You can't skip this ad because it is already over.' Or there is something so compelling. There is this awful one, I can't remember who it was for, but it had a picture of a baby sitting on the edge of the counter and it said, 'If you skip this ad the baby will fall' or something like that. I think people like videos. Anytime you can capture more senses it's good. It's like my husband and I are driving somewhere and it's like, 'Oh you've got to see this.' Well, he's driving, but with video he can still listen to it whereas if it was something he had to read, he couldn't do it."

SB: "What do you think makes certain companies more effective in marketing to millennial audiences?"

MV: "I think they understand their audience and I think it has really gotten a lot harder because of that niche kind of lifestyle thing and everything--I call it mass customization--because of this on demand world we are in now. People only want to see the stuff they want to see. So in the Facebook feed, all the news I see is going to be because of what I look at on Facebook, which is actually not a good thing because I am not getting news about other things. THe news I see is about the things I already think about which is a little in a vacuum a little bit but I think they understand what their audience wants and they pay attention to the metrics. We are really strategy-based here so anytime we can track any metric--in fact we were talking this morning in a meeting about, you know, we need to start being more specific. You know, YouTube, say we are doing a video: what is the goal with this campaign? Is it to get a whole lot of people to watch this video? Is it to make sure people watch the entire video? Because if the client says, 'We want to know how many completes we have' then we want to track the people who watch the whole video. Well then when the number of views go down and they say, 'Hey the number of views

went down.' Then we say, 'Well yeah, because the strategies we have in place are aimed at people that watch the whole video.' We can either get quantity of people who see it, but don't watch it all or we get the quality that watch it all so it is really understanding what you are measuring and knowing what to watch. A lot of people, clients particularly, have been hard to get off the number of likes. They will say, 'Okay, I'm an agency that has 1,000 likes and I want 2,000 likes.' The masses aren't going to come like an ad agency. We don't need masses. We just need the right people. If a bunch of people who work at a restaurant like our page, how does that help us grow our business? Really, we have social media to help us grow our business so it is really understanding what you are trying to accomplish and not being swayed by the big number of likes. It's about focusing on what are we trying to measure and who are we trying to get and of course with all of the online data you can find out, okay if we are trying to increase the millennial audience, let's look at our insights and ask, 'Where are we?' The data doesn't lie.

SB: "If you had to choose a couple of words to describe the millennial population and their purchasing patterns, what would they be and why?"

MV: "Experiential, they have an opinion, some would say entitled but I think that goes into have an opinion. Millennials have an opinion they think everyone else wants to know. I think they have a global consciousness that is new and that's, again, because of the availability of information which is certainly more than my generation to be so aware of what is going on in other places. I think a lot of that is because of this *points at mobile phone*"

SB: "In your experience, what are some key differences between millennial consumers and other generations?"

MV: "I think partly it is the need for two-way communication and the expectation. I think there's an expectation now. We have read some research, and I haven't seen this broken down by generation, that if people ask a question on Facebook--on a business Facebook page--they expect an answer within 20 minutes. Well, a lot of business clients that we have are asking us, 'If I just check my page at the end of the day and respond, is that okay? Is it okay if I respond within 24 hours?' It is okay, it is not great. Well if you are a restaurant and someone messages you at 10 o'clock in the morning asking, 'What are the lunch specials today," and you don't respond until 10 o'clock that night maybe you are missing that business opportunity. There's an expectation that there is someone sitting there waiting for a question to come in."

SB: "Do you think that is kind of added because of google and the instant need to find information?"

MV: "Everything is instant and it is interesting just on a separate note; it is an interesting place for us to be as an agency because the creative process still takes time and I think, not just millennials, I think everyone is so used to getting things immediately. I go on Amazon and two days later I have whatever I wanted to order. I think people are so used to that it's hard for them to understand that, no, to get the first draft of your logo is going to take two weeks because that is a creative process and it can't be done just like that. It takes a long time."

SB: "Do millennial consumers prefer brand that enable two-way communication with them?"

MV: Yes. I think it is more than prefer, I think they expect it. Even though email goes two way, I am so used to "liking" things that I will get an email and think I just want to like that."

SB: "How do you think social media influences brands abilities to engage with millennials?"

MV: "I think it gives them the ability to. I think there is so much you can do, from just getting something to like or be an ambassador for your brand, but from the research side you really can, not even intentionally, not even saying answer these questions, but just looking at what people respond to, looking through the kinds of things people are commenting… You can really evolve your business with that if you are a consumer-facing business. We manage the Facebook page for Old Jaun's Cantina and we get all kinds of great information there. They started doing breakfast a couple of months ago and we knew it would be really slow in the beginning because they had never done that in 40 years. Just the kind of comments we were getting as we were running the posts we were doing helped them to refine the breakfast, both in terms of the hours and the types of food. Not just the people ordering, but people started talking about it."

SB: "Alright so the last question is, are millennial consumers more likely to purchase from a brand they have a 'relationship' with in your opinion?"

MV: "I think the answer is yes, unless they can get it a lot cheaper another way. My husband is not a millennial, but this past weekend he found this really cool pair of sunglasses in California Adventure at this kiosk thing and they were like $320. I was like, 'Really, you're going to spend $320? It's because it is Disneyland.' Then he said, "Aw, you're right I don't need them.' Then we are waiting in line for a ride and he's on his phone looking at reviews on these glasses and he found this review saying, 'These are really awesome glasses, they are everything I wanted them to be, but $320 is way too much and you can get them on Amazon for $120."

SB: "Wow, it is amazing what Amazon has done for shopping."

MV: "Yeah, so we are very loyal Disney people and no loyalty for that. I mean, it's 320 bucks."

Appendix C

Interview Transcripts: Matt Yoon

The following interview was conducted to get an expert opinion from a millennial with videography experience based on a questionnaire about video, advertising, branding, and building relationships with millennial consumers.

Interviewer: Shawna Brown
Respondent: Videographer - University Marketing, Cal Poly
(Matt Yoon)
Date of Interview: 3/1/2016

Interview Transcription:

Shawna Brown: "As a millennial, what forms of advertising do you feel are most effective with the millennial demographic?"

Matt Yoon: "I think in this time we are at a place where we have so much information available at our fingertips and I think it is being selective of everything that is thrown our way and what we choose to put our attention towards. I think for me as a millennial and if I could speak for millennials generally, because we are so saturated with content, for me, honestly I think that video is not as impactful to me as a consumer. I think I am looking towards easily accessed material--stuff I don't have to work as hard for. If you can present it in a way that is not going to anger me and is going to catch my attention...and that can be something from a visually stimulating image with a tag. I think anything like Instagram—I mean Instagram has corporate sponsors where you kind of go through your feed and see that something is sponsored by. So in a way, it is not like annoying where pop-up ads are. I hate pop-up ads. If I'm doing a blog and something pops up it's like I don't like that so as much as they can make it something that is kind of easier and not as annoying. I hate advertisements right in front of videos where you are watching a 30 second video and there is a 30 second advertisement. I think more ads that seem less forced and less in my face. If you can see an ad and think, 'Oh that was cool' without having any negative emotion, that's what is best. I mean the advertiser is wanting as much in your face and annoying you with it because that will stick with you and that's a good strategy and that's what works. But for me as a consumer, content driven stuff that I care about and that draws my attention. I think we are so over saturated with stuff that it gets hard to connect me to whatever they are selling."

SB: "So going off of that, in your opinion, what are some brands that are really effective at marketing to millennials?"

MY: "I specifically like Apple. I think Apple's television commercials, I love because they are not necessarily telling you what they are selling, they are showing their product in an everyday situation like how you use your camera in everyday settings. It's not saying, 'Hey our camera has

this many megapixels and all this.' It's really cool how they do that. I love Nike. Anything that kind of showcases more lifestyle and more creative. I love where it is witty and creative rather than kind of traditional where it is very not creative or relatable. It's not a hard sell, it's like this is a lifestyle we've created and this is our lifestyle brand. So like GoPro is pretty cool where they are not shoving it in your face. It's like showing you how cool it is to own whatever product. 'Man, that's super cool and that's like my life,' instead of like, 'Wear our brand. This is cool.' It's like strategically showing off how cool their brand is without making it obvious. That's what I am saying, like an emotional connection where people say, 'Woah it's really cool' and that was Nike. Anything where it doesn't make me say, 'Oh, product placement' or they are just selling me this and that.

SB: "What are some differences you have noticed in video--more in terms of sharing--with the recent growth and expansion of technology and social media?"

MY: "It has become more accessible. Back in the day you couldn't create videos that were inexpensive. You had to go big budget and spend ten, hundreds, thousands of dollars to create, but now everything is in the hands of the little people, you know? Before it was like oh you have to pay big bucks. Now, you have big corporations who are using independent small talent like an Instagram person with a million followers posting something where they are a brand ambassador. Before, it wasn't that way. Social media, for us, is opening us to have access to big brands and have partnerships with big brands. I think big brands are realizing that to reach a certain millennial, they need to think and put the brand towards how they can access the millennials better. That wouldn't be traditional television commercials, but it's like a buzzfeed thing and '10 Reasons Why Chic-Fil-A is so Good' so they are using those platforms where they don't have to pay for ad space. They can use YouTube where things go viral and people share it on YouTube where you get more viewers and more eyeballs. I think also just the way that YouTube, Facebook and Instagram have made it easier to share video and to upload video and even someone who has no affiliation with Coke but has a million YouTube subscribers. If he is drinking a Coke, not even thinking about it being product placement. Or, even using an Apple phone. Apple has that ability where they can have that marketing that they don't even have to pay for or push. It's so great. Like the Vine, 'Damn Daniel.' It is someone saying 'Damn Daniel' to this kid wearing white Vans and it's like on Ellen with 14 million views so Van's gets all this exposure and they give the kid a lifetime supply of shoes because he was basically giving them free advertising. Vans had exposure to millions of people with one Vine where they didn't even care about the shoes. So that is how social media is doing things. That is just Vans benefitting from something that happened, but that level of having that many people accessible is crazy."

SB: "Do you feel that user-generated content is an effective technique and what kinds of opportunities do you see for brands with user-generated content?"

MY: "When you are a marketing professional, for marketing purposes it is easier to sell your product when the voice and the selling is done by people and their peers. It's almost like people trust peer-reviewed materials more than what the company is trying to tell them. THe company says, 'Our product is blah, blah, blah and all these great things,' but the peers say here are some of the limitations and things that can go wrong with it. It's a more trusted voice. So when companies like GoPro or other big brands allow their users to have a voice in their marketing and in their branding, it is a pretty interesting strategy to market in that way. It helps people like us to

have access to, 'Hey, GoPro is having this contest where the 10 best videos will be featured in their next commercial,' so it helps. For them, it's selfish because they don't have to do the work and it is all given right to them, but for us as users it gives us a chance to market ourselves with something that is so easy and accessible to me. I can use my GoPro when I am going somewhere and video is great because you can expose. With video, you can create something that is awesome and it gets in front of people and helps build a brand in a way that traditionally we weren't able to. It's like with your resume and how can you get your resume in front of people? Well you can create visuals and video work to get that in front of people either virally or luckily getting a set of eyeballs that can make a difference in your life. So I think we have a bigger chance for opportunity with user-generated content in that we are able to have access to GoPro. GoPro was so key because you can have access to these beautiful images at a low price and equipment is being accessible for us. The new iPhones even shoot 4k and so that allows us to not have equipment that isn't good enough quality to do something like use it for user-generated content. I can market myself and whatever I am talented at and use that to build my brand."

SB: "You kind of touched on this at the beginning, but do you feel like video is more effective at reaching millennial consumers than other mediums?"

MY: "Yes, but I think it is harder than people think. Having a viral video is like finding gold, but I think that it is an effective method when done well, but it all depends on the content. For instance, I create something that I think is very good, but someone else could have a video with 100 million views of a puppy chewing on something that is so cute. So, with Cal Poly, if I had this video where we did this whole thing and spent a ton of money to get it in front of students and students aren't even watching it. If I do a video of a bunch of puppies and students playing with puppies on Dexter Lawn, then that would have way more views and impact and eyeballs watching than something I create and spend hours and hours and hours on. I think video content is useful and it has proven with Vine and Snapchat and Instagram that it is effective to get in front of people and impact people through something as simple as a Snapchat video or a Vine video. It's crazy. People have become really popular on Vine and are making more money than some people in the profession for being famous on Vine. That is marketing yourself pretty well. Before, traditionally you had to go through all the film school, but now it's like 'Hey I've got a phone, I'm pretty funny, I'm posting this online, and I can make hundreds of thousands of dollars.' YouTube and all those things are a tribute of how effective that marketing is. Even some big film studios are putting money into and investing in smaller YouTube studios that are getting YouTube celebrities to buy into that and come down to that level to produce things those communities want to see so it's super effective."

SB: "In your work at Cal Poly are most of your videos targeted more towards students or other groups?"

MY: "It is mostly a donor-alumni group. It's different if you market to students. I think it would be more effective to reach students if students are reaching students. That's the whole thing with these companies like Vine. As people who are part of these big brands, they can't think in 'Vine.' They pay people who are really good at Vines to make Vines and reach people who watch them. If my job was to reach more students like Student Affairs then you need to shoot things that speak the same language as students and show things that students care about so it would be empowering students to create videos that speak and then show it to people. My

audience is mostly adults and grads and people who give money to Cal Poly as well as staff and faculty."

SB: "As a millennial yourself, if you had to describe the millennial demographic in a few key words, what would they be and why?"

MY: "I think hard to please, fickle, non-committal… Because I am part of it, I think entrepreneurial and non-traditional. I think we want to pave our own ways and not through things in the traditional sense. Not like if I want to make a video I need to go to film school and do this internship… How can I create my own ways? I would also say technology and like technology savvy. I think new tech-savvy in ways that our parents are struggling with an iPhone and we can just figure it out. Also, technology like it's importance in our daily lives. Whether that is social media with our phones or just being connected with the digital world--that is a huge part of our life. I think also we could be described as lazy or laid back. Millennials are social. Millennials are all about Bernie Sanders and they want to insight social change. Mostly it is like, 'I don't want these student loans and I hate how expensive school is' and these things that were accessible to older generations are now extremely difficult to have. Also, they are a powerful population. They have a voice and--being able to have a voice through social media and video--like someone can talk about how Veganism is important to them and get 60 million people listening to their voice on it. Before, unless you were on the news, you couldn't have an individual voice. Now, you can say 'I hate this thing' and it goes viral. I think that is what makes millennials powerful is that they use the tools that we have now and have a more accessible voice in politics today."

Appendix D

Interview Transcripts: Jenna Hoffman

The following interview was conducted to get an opinion from a millennial with digital marketing and videography experience based on a questionnaire about video, advertising, branding, and building relationships with millennial consumers.

Interviewer: Shawna Brown
Respondent: Millennial Marketing Professional
(Jenna Hoffman)
Date of Interview: 3/3/2016

Interview Transcript:

Shawna Brown: "What are some differences you have noticed in marketing trends with the expansion of technology? How do you think consumers are reacting to these changes?

Jenna Hoffman: "I think one thing--being a millennial--I think that my patience is a lot lower for things so if I am interacting with something online or on social media I literally have like a three second limit and if it doesn't show up or doesn't load or if my attention isn't captured then I will just go in a different direction. Our attention spans are much shorter and I think that companies are trying to react by doing a lot more image-based content and way less words. I had an internship this past summer with Pfizer. Their digital marketing is way behind and one of my projects was to do some research for them so I did research in how to get people's attention in those first few seconds and a lot of people are turning towards infographics, short videos and stuff like that. "

SB: "What forms of advertising do you feel are most effective with millennial consumers? Why?"

JH: "I think stuff that is humorous bodes really well. A good example would be Mountain Dew in their recent Super Bowl ad was just clearly going for just this like so ridiculously funny thing and that resonates really well with millennials… I don't know if that is just our maturity, but just stuff that is funny and stuff that adds value. If I can learn something quickly and in a short period of time. In one of my classes the other night we were talking about how if someone can summarize a complex concept in like one minute. For example, 'Everything you need to know about the Middle East in two minutes' then I would be down. Buzzfeed is great like that too. Stuff that just summarizes--it's an attention span thing. I don't have time to really do the research myself so if they can package that and give it to me that is really great."

SB: "In your opinion, what are some brands that are really effective at marketing to millennials? Why?"

JH: "Nike is always a good one. Not apple. I was going to say apple, but I think that's not necessarily to millennials… Mountain Dew and beer companies. I am trying to think of ones that I follow. I feel like these companies try to go for the 'cool factor' so it is not so much serious topics. Again, like Mountain Dew's ridiculous ads or the beer commercials about parties or some kind of adventure. Keeping it light, but also just visually interesting. Nike is really good at motivating you and presenting different things and being integrated about it. You might see them on Twitter but then they also pose a similar idea on Facebook so you feel like they are being consistent as a brand and not just trying to get you on different channels with different messages."

SB: "What opportunities do companies have with user-generated content? Do you feel that user-generated content is an effective technique? Why or why not?"

JH: "A lot. I think that when users create YouTube videos or their own memes about a brand then they can then leverage that and it stimulates word of mouth because it seems so genuine. I think being genuine is extremely important as brands try to get onto social media and become popular on social media because people can see right through it, right through the ingenuine because they are supposed to be transparent. We have a lot more power now. It is an interesting balance because we think it is cool that we can make something as simple as a meme and become insta-famous or twitter-famous or whatever because it gets like 20,000 retweets whereas brands think it is cool because they have free marketing basically. They don't have to hire people to make them a meme if people are just doing it for them."

SB: "How do you as a millennial or millennials in general perceive online video advertising?"

JH: "I love it. I mean, with my videography business, that is what I market to my clients. Video is the best way to communicate a message--right now anyway--especially opposed to long pieces of text and even opposed to files or PowerPoints. With video you can add music, it evokes emotion, it can be visually cool and you as the videographer can be so creative with it. Like with Buzzfeed, there are those Buzzfeed food videos and I literally watch every single one. I think it's so cool. They took something short like a recipe, which has been around for ages as this written thing and made it into a video. There is so much creativity involved and it can solve so many purposes."

SB: "What do you think makes certain companies more effective in advertising to millennial audiences?"

JH: "Being brief, concise and funny like we talked about and definitely being transparent. I don't know what it is about our generation; maybe it's the way we grew up… We don't really owe anything to brands. Maybe with old traditional television ads we used to think, 'Wow those are so cool' because they were far away, but now because we can build a direct connection through things like Twitter we feel like they owe us and we expect them to be transparent and honest. I just read about Sony and a case where they created a fake blog and posed as a guy millennial who loved video games just so they could promote and people found out. It made them look so bad. For me I would be so over a brand that did something like that. So I guess just not making those mistakes."

SB: "If you had to describe millennial consumers in a few key words, what would they be and why?"

JH: "Impatient. Tech-savvy because they have no problem downloading an app or something if they need to. Price sensitive because they are still young. Resourceful because before we make any purchases, I know I consult my friends and the Internet and other websites and blogs before I buy anything. Even more than that, after you make the purchase, we are resourceful because say something goes wrong with customer service or something, I would know like five different ways to get what I want. Whether that is going through Twitter or calling them, I feel like we just know how to work a system."

SB: "In your experience, what are some key differences between millennial consumers and other generations?"

JH: "I think older generations aren't as open to the customization that we have. Ads are customized to us based on the things we look at and click on the internet and I know that makes my parents really uncomfortable. I don't think they really value video as much as we do for whatever reason. I don't know if this is really just because I am thinking of my parents and aunts and uncles right now but I don't think they fully understand social media in general. For them it is still very overwhelming so they are more hesitant to share things videos and things like that. I don't know if they are just as consumerist as we are. It's easy for us to buy things and compare prices and they might just not see a need for all that kind of stuff."

SB: "Do you think that millennial consumers--or you personally--prefer brands that enable two-way communication?"

JH: "Yeah, I think that goes back to being transparent. Nordstrom is really good on Twitter. They always reply. Nutella is really awesome on social media. It just makes the brand seem like less of a distant giant corporation and more of a friend which I love brands that make me feel like that. Especially it makes me sad because I am obsessed with Trader Joe's and they are not on social media. I don't know why and I think it is really weird, but I think they would be really good on social media. They just don't really need it I guess, but it really helps when you feel like you can connect with those brands. It is a new relationship that you really have never been able to have with them before."

SB: "How do you think that social media influences brand's abilities to engage with millennials?"

JH: "Millennials live on their phones so it is imperative that they have strong social media presences. You could have banner ads and commercials. That is all-important, but ultimately--I can't remember the statistic--but some ridiculous majority like 85% of people have their phone within arms distance 24 hours of the day. That's even true for me. Even at night, it is right next to my head. I never have my phone more than arm's distance away. It just shows that even I rely so heavily on this little machine and if that is where I am spending my time that's where the brands need to be. I think they need to be active on social media; they need to be transparent on social media and deliver interesting added value content. For example, Nutella or even Nike.

Those things are nice but they are very specific so if they can branch out a little and give me like a recipe with Nutella or a cool hike to do with Nike that is relevant to my life."

SB: Are millennial consumers--or you yourself--more likely to purchase products from a brand they have a "relationship" with?

JH: "I think so. I think it goes back to brand loyalty and it depends on what you value. If you value saving money then you aren't brand loyal and think, 'Oh I will save ten bucks if I buy from them.' I think I am brand loyal and I think millennials in general, because we have this exposure to social media, we tend to build relationships with these brands and it is hard to just ax a relationship. I know I am usually willing to pay more for a brand that I know I love and have had not just a good experience with the product or service, but a good experience with the brand in general."