



Social media marketing to the millennials: Tapping the potential in the digital era

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Abstract

Internet advertising is synonymous with web advertising and online advertising. Technology advancement has enabled internet penetration into every part of our lives, and we are spending more time on internet. This creates high possibilities for an internet user to engage in online advertising. The first online advertisement that appeared on the web was in year 1994. The word online advertising is a marketing strategy that involves the use of internet medium to obtain web sites traffic, target and deliver marketing message to the right customers. Effectiveness of online advertisement study is based on the millennials. The Millennials are a cohorts born between 1981- 1997 and their ages are from 18 -37 at present. Millennials are also known as Generation Y or Gen Y (P.Bruntha, 2019). The digital prowess and market savvy of Millennials make them a difficult group for retailers to bracket. The present study centres on how this trillion dollar demographic of millennials can be tapped by the marketers for the revenue generation.

Keywords: digital, generation, millennials

Introduction

Millennials attract other Millennials indirectly through role models and directly through their personal networking practices. At their fingertips lies a set of instant and personalised technologies to navigate the world around (Feldmann *et al.* 2015) ^[1]. In the United States of America, 62 percent share of Millennials are open to sharing personal information with companies and 80 percent have existing social media profile, compared to 41% of USA Boomers on the willingness to share personal details ^[2]. (Aimia Inc 2015).

Millennials are the new generation of workers and citizens that will largely determine the shape of the economic and social landscape of the future. Like other generations, Millennials have their own preferences when it comes to communications. Despite any preconceived notions, the previous research suggests that implementing a specific strategy for Millennials may result in a higher level of customer churn. All communications, whether they are aimed at Millennials or any other generation, should be relevant, personalized, channel-sensitive, and timely. Most of the communications that are designed for Millennials today are transactional in nature and sent electronically, but there is no single strategy that works best for communicating with these individuals. One thing is for certain— Millennials are creating an urgency to digitize communications. Although all channels will play a role in the marketing mix of the future, mobile apps will become increasingly important as consumers become ever more comfortable with digital technologies.

Sharing content has become a very important element of using digital media, with users most likely to share content

that entertains, informs or inspires. Digital media also has made it possible for billions of online media consumers to participate in content creation. One-third of respondents to the Implications of Digital Media Survey conducted in October 2015 for this report, say they post written content, pictures or videos on social media sites either daily or a few times each week.

Definition of Terms

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 hurried 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)

Millennials

People who are born between 1980 and 2000—are both the 20th century's last generation and its first truly digital one. This old century/new technology dichotomy gives pause to

¹ Feldmann, D., Hosea, J., Ponce, J., Wall, M. and Banker, L. 2015. The 2015 Millennial Impact Report. The Case Foundation.

² Aimia Inc. 2015. Aimia Global Loyalty Report. Available at: <http://brandsite.aimia.com/loyaltylens/AIMIA-Loyalty-Lens-Research-Report.pdf>

marketers attempting to understand and connect with this key demographic (Scaff, 2013).

Characteristics of Consumption Patterns of Millennials

The main characteristics of today's consumption patterns can be summarized as follows:

- **Mobile**

People now spend an average of two hours daily on the mobile web, one-third of their total online time, with Millennials and digital media users in emerging countries leading the mobile revolution. The obvious advantages are that mobile usage is less dependent on place and time, and devices are more affordable than laptops/personal computers (PCs).

- **Social and interactive**

Social networking is by far the most popular online activity, clocking in at an average of 1.8 hours or 30% of daily online time.

- **Flexible and personalized**

Users can have a more active role and more control over the digital media offerings they use and engage, compared with traditional media. User accounts and cookies allow for customization of content displayed based on user characteristics and usage patterns.

- **Fast, instant and convenient**

Fast internet and new technologies (hardware and software) allow for easier access and use, and enriched content.

- **More content**

As content creation and distribution become simpler, a greater amount of content and services are becoming available. Content is more diverse, but consumption is potentially focused more on breadth than depth, as capacity is limited. The importance of content filtering, curation and recommendation has grown.

- **Collective**

The possibility to connect, share, recommend and communicate creates a collective experience that shapes not only behaviours and preferences, but also a collective consciousness of shared beliefs, ideas and moral attitudes.

- **Fragmented and multi-channel**

The huge number of channels and creators makes content ever more fragmented. Users access multiple platforms from multiple devices. Adapting content to these multiple platforms becomes imperative.

- **The higher the usage of digital media, the higher the willingness to pay**

Increased connection and use of digital media should tip the revenue scale in industry's favour, but innovation in creating better user experiences is crucial, as it is clearly evident that traditional digital advertising is losing its appeal and efficacy.

Viewing Mobile and Social as a Channel

The important emphasis here is to view mobile and social as a channel. Instead of separating the two, the businesses need to create cohesive marketing strategies that combine mobile and social because, more and more, millennials primarily experience social media on their smart phones.

When the businesses view mobile and social as one channel, it speaks about a platform that includes marketing communication, customer engagement, and sales. Millennials spend so much time on their smart phones, and through mobile and social they expect to engage with

brands, do research before making purchasing decisions, and read reviews or talk to others.

When it comes to millennials, the business houses have to be highly relevant with the placement and messaging of creative content and discover how to engage consumers at scale. This means using micro-targeted and hyper-local ads, rather than sending one message out to the masses and hoping something resonates. This also means engaging with consumers by sharing valuable information in the right context, rather than shouting your message or pushing your agenda at them. Millennials expect to see ads that are relevant and useful to them. When they search for something on Amazon and then see an ad for the same product on Face book an hour later, they are not surprised. It's something they've come to recognize, expect, and even value.

The Millennial Consumer Behaviour

The Theory of Uses and Gratifications is one of the theories used in social media research to identify those motivational factors that influence the millennials in digital media. These young people are moving away from the conventional media and targeting newer and more interactive media, most of the time they are entering those media perceiving a functional and enjoyable value (Rahman, 2015) ^[3].

Millennials are an essential ingredient in the development of e-commerce. Having grown up socializing and shopping online, the use of this e-commerce generation will continue to grow along with their discretionary income. Although millennials do not like pop-up publicity, the graphics are very effective at capturing their attention and will repeatedly visit a website that has competitive pricing and good shipping rates (Smith, 2011) ^[4].

Millennials spend more, but have less loyalty to the brands than previous generations; the reasons for this low loyalty may be because of the greater exposure of price promotions. They also look for products and brands that match their personality, lifestyle, social and community values. They use brands to create images, to represent their personality and communicate their values (Ayaydin & Baltaci, 2013) ^[5]. This generation group is more active in integrating technologies into their daily lives for marketing purposes, using their mobile devices and the traditional Internet means to connect to retailers or brands (Moore, 2012) ^[6]. Its purchasing power and technological capacity have been crucial for minor online retailers who have benefited from this important segment of consumers.

On the other hand, they are very sensitive to Electronic word-of-mouth (eWoM) advertising because it is considered more credible than traditional advertising because it is perceived as advertising that has gone through the evaluation of "people like me" (Allsop, Bassett, & Hoskins,

³ Rahman, S. M. (2015). Optimizing Digital Marketing for Generation Y: An Investigation of Developing Online Market in Bangladesh. *International Business Research*, 8(8). <http://doi.org/10.5539/ibr.v8n8p150>

⁴ Smith, K. T. (2011). Digital marketing strategies that Millennials find appealing, motivating, or just annoying. *Journal of Strategic Marketing*, 19(6), 489-499. <http://doi.org/10.1080/0965254X.2011.581383>

⁵ Ayaydin, H., & Baltaci, N. (2013). European Journal of Research on Education. *European Journal of Research on Education Human Resource Management*, 2013(c), 94-99.

⁶ Moore, M. (2012). Interactive media usage among millennial consumers. *Journal of Consumer Marketing*, 29(6), 436-444. <http://doi.org/10.1108/07363761211259241>

2007) ^[7]. An analysis of the characteristics that different authors describe in relation to the buying behavior of the millennials is presented in a chronological way on in the following Table.

⁷ Allsop, D. T., Bassett, B. R., & Hoskins, J. A. (2007). Word-of-mouth research: Principles and applications. *Journal of Advertising Research*, 47(4), 398-411. <http://doi.org/10.2501/S0021849907070419>

Table 1

No	Author(s)	Classification of Millennials' Behavior
1	Smith (2011)	They are in favor of e-coupons or promotions that offer benefits in exchange for any comment, survey or interaction. The digital marketing strategy that draws the attention of a millennium is the use of graphics as well as personalization, competitive prices, and good shipping rates. They continually watch their peers to determine the merit of a product.
2	Weyland (2011)	Their technology-centered world has strongly influenced how they communicate. The speed of communication has allowed this generation to process the information at a very fast pace, that they get bored easily. Generation Y is attracted to strong brands. They realize how the brand connects with people and how the company respects and directs its staff, so a brand can be supported or rejected very quickly. Generation Y is especially attracted to companies with strong values, social ethics, distinctive brands and non-hierarchical environments.
3	Moore (2012)	Related research also suggests that with broad experience and knowledge on the Internet, they tend to influence the search for family information using Internet marketing means. Regularly follow tweeter brands. They are more likely to download an application or program from a retailer. They are more likely to give a like to retailer or brand on Facebook. Millennials actively participate in marketing research on the use of a variety of media: blogs, e-mail, mobile connections, utilities and various applications. They are more likely to download applications, "useful applications" to connect to retailers or brands.
4	Valentine & Powers (2013)	They want distinctive brands with their traits that will serve as a form of self-expression. Most of the purchases made are clothing, shoes, jewelry, sports equipment, entertainment, health and beauty, and food. Millennials are not so faithful to brands. Retailers use social media to connect with these consumers, as well as to gain feedback and information from this audience that has been difficult to achieve through conventional methods. For a message to appeal to them, it must be fast, direct and honest. This generation dislikes being an advertising target, so they rely more on the opinions of their friends and electronic word of mouth (eWoM) marketing when making purchase choices.
5	Francis & Burgess (2015)	The current study suggests that the theory of "cool consumption" helps to explain the atypical demand for fakes. Literature indicates that the primary driver of demand for fake luxury brand products is a consumer who wants the image and status of luxury brands without the price tag. The interest of some consumers is less about brands and more about counterfeits. It is more likely to use consumption to acquire status, personality and a sense of rebellion, also notions of fun and rebellion are tied with "cool consumption" and are transferred to their identity. Luxury products can sometimes be consumed because they are considered "cool" and millennial consumers can get involved in this type of consumption.
6	Martin (2015)	They want brands that allow them to interact with them on social networks and to be part of their product development team. Credibility and relevance are the basis of many purchasing decisions. They rely on the content of their friends' social networks much more than on the content of the brands. They consider that trademarks must be authentic and relevant.
7	Ordun (2015)	Millennials consumers are more aware of their purchasing power and are likely to spend their money as fast as they earn it. They select and consume products that help them define their identity. They use their knowledge of the latest trends, images, and reputation of retailers, products, and brand names to be considered experts or peer leaders. They will be loyal to the brand if they trust it. However, loyalty can only last for six to eight months.
8	Rahman (2015)	Related research also suggests that with broad experience and knowledge on the Internet, they tend to influence the search for They to prefer innovative and interactive ads that display information about new products. They also tend to click on online ads that show coupons and similar offers. Ads that represent social benefits motivate the millennials. They are more attracted to ads with discount coupons and hate emerging ads. This study indicates that offline advertising media, such as billboards and banners, remain attractive to millennials. The Pull marketing strategy will work best for selling goods and services to millennials, as they want to engage with brands and to co-create them.
9	Rahman (2015)	This study surprisingly discovered the popularity of Amazon.com and Ebay.com even though they are not officially operating in Bangladesh. Brands can try to engage young consumers through social networks to express their expectations and give them the sense of accomplishment by developing products and services accordingly. Trust in the e-tailing brand has been identified as the key success factor for many inquiries over the years regardless of business type, market size, and consumer culture.
10	Satinover, Raska, & Flint (2015)	Millennials, as opposed to non-millennials, are more likely to make behavioral modifications in response to an undesirable identity that can be signaled by a kind of embarrassing buying experience. Although technologically savvy shoppers, they still prefer to shop at convenience stores. They are characterized by the need for reciprocity between themselves and the merchants in such a way that commitment, trust, sincerity and mutual respect are key factors for satisfaction.
11	Weber (2015)	Millennials are maturing in the workforce and will quickly become the future leaders of business organizations, the largest consumer population, and, as they accumulate wealth, the first pool of investors. A leading business economist explains: "The next generation is creating a new consumption model." They play a critical role in the global business environment. They look for fresher, healthier food from restaurant chains that offer customizable menu choices.
12	Bilgihan (2016)	They will become the largest customer segment for hotels around the world. This group likes to travel and prefers to spend money on experiences rather than on materialistic articles. They are the most emotional and less loyal customers compared to all other generations. The Internet has a substantial impact on the lives of millennials; Consumer Psychologist Kit Yarrow claims that technology represents its "third hand and second brain." The hedonic and utilitarian features positively affect the online booking experience, which in turn positively influences customer loyalty. Offering a unique shopping experience is the key to winning the hearts and minds of consumers. They have been raised at a time when almost everything is marked or labeled and therefore feel more comfortable with brands than previous generations and respond to them in a different way. Consequently, they have a unique attitude towards brands. In e-commerce, customers are looking for utilitarian benefits such as price comparison and looking for benefits such as visually appealing website designs as they provide the enjoyment of the online shopping experience. Buying is not merely a process of acquiring goods, but also for enjoyment; they are consumers looking for the "complete experience." The theory of brand equity suggests that consumers want to engage with products and services from a strong brand.
13	Junker <i>et al.</i> (2016)	They get engaged with brands through social networks. They are emotional and make decisions at the moment. They require uniqueness and self-determination of their purchasing power.
14	Lissitsa & Kol (2016)	It is more oriented to using consumption in search of status as a means to show wealth and purchasing power. Make purchases more frequently and more impulsively. Their loyalty is fickle, it changes rapidly due to fashion, trends, and popularity of the brand, and focus more on style and quality rather than price.

15	Muda <i>et al.</i> (2016)	The greater perceived trust in online marketers exists; they will be motivated to generate more intent to buy online. Most of the millennials in this study preferred to buy from online sellers operating on Facebook and Instagram; thus, these social networks generate on them more confidence. This study also found that the perceived reputation of online marketers has a positive and statistically significant impact on the willingness of consumers to adopt online shopping.
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Source: Flor Madrigal Moreno, J. G. (2017). The Characterization of the Millennials and Their Buying Behavior. *International Journal of Marketing Studies*; 1-10.

Review of Literature

Nguyen (2018) identifies factors influencing purchase intention of Millennials towards fast fashion products in Vietnam. The study is conducted by quantitative approach with data collection from 430 respondents in Hochiminh City and Binh Duong Province, Vietnam in December 2017. The results were investigated by descriptive analysis, reliability analysis, exploratory factor analysis, correlation analysis, and regression analysis. The research discloses a significant finding: all seven factors including Perceived Price, Perceived Quality, Brand Consciousness, Fashion Consciousness, Hedonic Shopping Value, Store Environment, and Sales Promotion have positive influence on millennials' purchase intention towards fast fashion products. The research contributes to the field of fast fashion industry by highlighting the remarkableness of these factors which linked to some particular characteristics of Millennials generation (Nguyen, 2018).

Christopher Kurz (2018) compares the socio-economic and demographic characteristics of millennial with those of earlier generations and compares their income, saving, and consumption expenditures. Relative to members of earlier generations, millennials are more racially diverse, more educated, and more likely to have deferred marriage; these comparisons are continuations of longer-run trends in the population. Millennials are less well off than members of earlier generations when they were young, with lower earnings, fewer assets, and less wealth. For debt, millennials hold levels similar to those of Generation X and more than those of the baby boomers. (Christopher Kurz, 2018).

M.Hamed (2017) contend that the Baby Boomer generation has been the focus of a great deal of analysis in the travel industry, the millennial generation is now surpassing this segment in garnering more attention. This study shed light on the millennials as the forthcoming tourist demand to assist the destination management organizations (DMOs) better understand their needs and expectations to address them with the right product using the right means of communication. In this perspective, the study focuses on the DMOs' websites as a main marketing tool for delivering the marketing message to the millennials. It investigates the alignment between these websites and the millennials' prospects. Results reveal that the DMOs' websites are still not ready to fulfill the millennials' expectations and that there is a significant difference between these websites and the millennials' prospects regarding the content and performance (M.Hamed, 2017).

Reasons Millennials Value Social Media

Understanding the target market is one thing, determining how to act on those insights is another.

1. Millennials desire authenticity and honesty

In relationships, jobs, and business, millennials want to be authentic and seek honesty in return. Because of this, they find it easier to connect with a human rather than a brand. By hyper-localizing ad placement on behalf of local agents, you are putting a face to a company, rather than just a brand

logo. This personal connection is appealing because it is authentic. It's real. It's the face behind the brand. Additionally, this gives them the opportunity to connect with someone who is physically nearby, someone they can go meet with in person.

2. Millennials crave being in-the-know

They want to know what is going on with their friends, they want to know what's going on locally, and they want to be aware of world news. This generation is currently traveling through a lot of big life changes (like buying cars, buying houses, determining the best way to save for retirement, etc...) they want to know what to expect from these situations.

3. Millennials have extreme buying power

According to Pew Research, there were 75.4 million Millennials in the US in 2016. This generation is expected to spend more than \$200 billion annually.

4. Millennials love personalization

Most millennials understand that they are 1 in 75 million, but they are looking for individualization, relevance, and personalization. They don't want to be marketed to like they are 1 in 75 million; they wanted to see ads that are highly relevant to their life. Most things in life are customizable to your specific wants and needs, and millennials value this because it is a way to express who you are.

5. Millennials value experiences and sharing experiences with friends

Millennials share a lot of small life experiences on social media – getting a dog, trying the new, local restaurant for lunch, and the before and after of a home renovation project. They also share big life experiences on social media: Getting married, graduating, having a baby, buying a house, going on vacation. These life experiences give marketers an ideal conversation point on social media. When people are going through these big life changes, they often seek advice and guidance from others, and they enjoy talking about it. While some of this conversation will happen organically, another way to engage with Millennials is through micro-targeting and localizing Facebook ads. Using personalized social media advertising, corporate brands, and their agents and advisors, can connect with this generation while they're in the midst of these life changes.

Social media use on smartphones is where Millennials spend their time. As a result, the marketers must act as if mobile and social is one channel versus two. This means businessmen regularly have opportunities to connect with consumers as they browse their social media feeds on their smartphones (Denim, 2017).

Steps to be taken by Retailers to Reach the Millennials

To improve their capabilities as a seamless organization, we suggest that retailers consider the following five steps (Scaff, 2013).

- First, integrate the company's merchandising and marketing departments with a unified position, making the customer experience just as important as product and price considerations within the company.

- Second, retailers should consider ways to consolidate single channel teams in order to serve customers on an end-to-end basis across the enterprise.
 - Third, retailers can organize their store employees on two specialized tracks, one tasked to serve customers and the other focused on fulfillment, since the two disciplines differ dramatically from each other.
 - Fourth, companies should explore ways to evolve their supply chains to gain the capability of managing their inventory holistically. That means “forward” to the stores, “backward” for returns and “sideways,” which involves sourcing from other stores.
 - Finally, many retailers should think about how to expand the metrics they use to keep track of the company’s customer handling performance, as well as the incentives that drive it. Normally, retailers look at same-store performance, but that dynamic changes when companies use stores to fulfill orders initiated online. Questions arise, including which channel should receive credit for the sale? Who covers the cost of fulfillment? And how do you encourage stores to support these shifts when each is responsible for its own profitability?
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Conclusion

The research shows that Millennials are not only transforming their own shopping behaviors but those of their parents, who are increasingly mimicking the demands of their children for seamlessness as they climb the digital learning curve. One consequence of this evolution is that the retail environment will probably change faster than many companies expect in the coming years, and many retailers will find themselves falling further and further behind. That’s because delivering products and services in a truly seamless fashion will require companies to make profound changes across their entire organizations—changes that many seem either unprepared or unwilling to make. To close this emerging consumer generation gap, retail leaders need to take action now to provide the seamless end-to-end experience Millennials demand.

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