

The Right Way to Market to Millennials

Sinha, Jay I; Fung, Thomas T . Weblog post. MIT Sloan Blogs , Cambridge: Massachusetts Institute of Technology, Cambridge, MA. Apr 24, 2018.

[ProQuest document link](#)

FULL TEXT

At 80 million strong, millennials are the largest demographic segment in the United States. Having grown up using social media, these young consumers are more than just “digital natives” —and as social media has evolved, millennials’ tendency to filter out the heavier information content in verbal posts, preferring instead photos and mini-videos that are visually appealing and can be processed quickly, has fueled a tremendous surge in the popularity of visual platforms such as Instagram, Snapchat, Pinterest, and YouTube, among others.

Colorful, visually rich pages that are meticulously curated by amateur users and followed by their avid fans now abound on Instagram and Snapchat, go-to sites for millennials. Indeed, many users of these pages have achieved a modicum of fame by focusing on a very specific topic of interest, be it food, travel, beauty, fitness, clothing, or crafts, and some command thousands of followers of their own. These “micro-influencers,” defined as those that have a follower base numbering between 1,000 and 100,000, are of special interest to marketers. Companies, big and small, have taken heed of their charismatic appeal, knack in engaging followers, and category-specific expertise, and are now actively courting them to endorse their offerings.

Traditionally, large companies that market today’s popular and recognizable brands have recruited famous personalities, such as models, actors, music artists, and sports figures, to act as the face of their brands to the public. On social media, these celebrities are known as macro- or mega-influencers, drawing millions of followers and boasting a high degree of attention-getting prowess. Yet, notwithstanding the natural ability of macro-influencers (such as pop star Rihanna) to attract attention and build brand awareness, they simply may not have the time or volition to develop a personal rapport with their followers or engage them one-on-one, as micro-influencers do. For this reason, they may not be perceived as authentic among media-savvy millennials —in contrast to many micro-influencers, who are recognized as experts within their areas of interest.

Micro-influencers bring a credibility and authenticity deriving from their extroversion and relatability, along with a genuine passion in some field. For example, Steven Onoja, the Nigerian-born, New York-based vintage fashion maven, has endorsed brands like Nike, Levi’s, Glamor Kill, Kato Brand, and Raen Optic. Companies find micro-influencers like Onoja appealing not just for their affordability, but because they have been reported as having a 400% higher rate of engagement due to their topical specificity and authority. Consumers view them as real people with insider knowledge and expertise who are ready to help them out with honest advice. Thus, micro-influencers operate at the grassroots level of social media, offering personalized response and attending to the unique needs and requests of each follower —a concept referred to as nano-marketing.

Large companies like Nike, Starbucks, Gillette, Sephora, and Red Bull have found that partnering with micro-influencers allows them to speak directly to their customer base and makes their brands seem relevant and relatable to the millennial consumers they hope to acquire and retain. Brands can promote new offerings, generate buzz from the use of hashtags, and benefit from the creative content that micro-influencers are adept at producing.

Coca-Cola has worked with many micro-influencers to develop appealing brand narratives as well as to reach out to young audiences in specific countries for its global campaigns. For instance, the company has collaborated with Belgium micro-influencers including Yannick Merckx and Miette Dierckx to execute location-specific

marketing. As for smaller consumer-based companies that historically have been constrained by their limited budget and marketing clout, the advent of micro-influencers has given them a timely opportunity to reach out to millennials as a way to get bigger. Micro-influencers like Stephanie La Cava have helped California-based Stance Inc. grow from a startup sock and accessories company, founded in 2009, into a major brand that now commands a national following among millennials.

From the novel and winning tactics they employ as well as from their growing stock among companies, it is perhaps not surprising that 2018 has been declared as the “Year of the Micro-influencer.” But lest it seem that micro-influencers are useful only for B2C companies selling youth-oriented items, even B2B companies like SAP and GE and tech giants like IBM and Microsoft have benefited from working with them.

What are the managerial guidelines for companies seeking to partner with micro-influencers? First, it is worth noting that micro-influencers have highly segmented and targeted audiences, so they provide ready opportunities to companies, big and small alike, to reach out to narrow and often difficult-to-access subgroups. For example, micro-influencers helped GE identify potential recruits among female tech professionals.

Second, the best micro-influencers bring in their own personal narratives that mesh well with the brands they endorse. Companies should leverage this storytelling knack of micro-influencers in their branding as it resonates well with the audience of today.

Third, the endorsement itself should be more like a subtle “nudge,” but nothing that seems like heavy-handed and inauthentic push marketing. Micro-influencers have finessed this into an art form. Most will refuse to promote brands that they themselves do not believe in or would not use; doing so would hurt their credibility within their base.

Finally, young, creative micro-influencers are good at producing innovative content that features the brands in an interesting way. They know their audience would want to be educated about new offerings, while being entertained at the same time.

Marketers should give serious consideration to the lessons implicit in these points. A dynamic, interactive relationship, personalization, and above all, authenticity is what this demographic seeks from brands and products. Given the buying power —and digital savvy —of the millennial generation, marketers would do well to realize that tried-and-true strategies may not be enough anymore.

AuthorAffiliation

Jay I. Sinha is associate professor of marketing and supply chain management at the Fox School at Business of Temple University, Philadelphia. He can be reached at isinha@temple.edu. Thomas T. Fung is assistant professor at the Fox School of Business at Temple University, Philadelphia. He can be reached at tug85441@temple.edu.

DETAILS

Subject:	Endorsements; Millennials; Marketing; Consumers; Social networks
Business indexing term:	Subject: Marketing Consumers Social networks; Corporation: Nike Inc Snap Inc
Location:	United States--US New York California Belgium
Company / organization:	Name: Temple University; NAICS: 611310; Name: Starbucks Corp; NAICS: 722515; Name: Snap Inc; NAICS: 511210; Name: Microsoft Corp; NAICS: 334614, 511210; Name: YouTube Inc; NAICS: 519130; Name: Nike Inc; NAICS: 315220, 315240, 316210, 339920, 424340; Name: Stance Inc; NAICS: 315110; Name: Cold Brew Labs Inc; NAICS: 518210
Publication title:	MIT Sloan Blogs; Cambridge

Publication year:	2018
Publication date:	Apr 24, 2018
Publisher:	Massachusetts Institute of Technology, Cambridge, MA
Place of publication:	Cambridge
Country of publication:	United States, Cambridge
Publication subject:	Business And Economics
Source type:	Blogs, Podcasts, & Websites
Language of publication:	English
Document type:	Blogs
ProQuest document ID:	2029842589
Document URL:	https://search.proquest.com/blogs,-podcasts,-websites/right-way-market-millennials/docview/2029842589/se-2?accountid=14578
Copyright:	Copyright Massachusetts Institute of Technology, Cambridge, MA Apr 24, 2018
Last updated:	2020-11-19
Database:	ABI/INFORM Collection, Research Library

LINKS

[Check for full text via Article Linker](#)

Database copyright © 2020 ProQuest LLC. All rights reserved.

[Terms and Conditions](#) [Contact ProQuest](#)