

CANADA MILLENNIALS

Understanding Their Media Habits and Preferences

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EXECUTIVE SUMMARY

Many of the stereotypical observations marketers make about millennials are true. As “digital natives” millennials are at the leading edge of mobile and social behaviors and spend more time with digital than with any other media type. It makes sense then for companies hoping to engage with this demographic to focus on digital.

But simply meeting millennials in the digital space isn't enough. Appealing to their likes and the values they hold dear is as important as the channel in which a marketer engages them. This report details millennials' media uses and preferences, provides a demographic overview of Canada's millennial population, breaks down some of the subsectors of the group and examines socioeconomic factors that influence their buying habits. In addition, it highlights some creative campaigns targeting them.

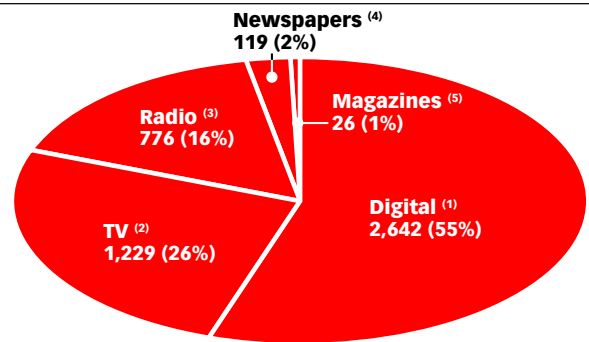
[Note: This report focuses on adult millennials ages 18 to 34. Where noted, data from other firms applies slightly different age ranges.]

KEY QUESTIONS

- What digital behaviors set adult millennials apart from other age groups in Canada?
- What values matter to this group and how can brands design engagement to appeal to these values?
- How have brands been successful at engaging Canada's adult millennials?

Weekly Time Spent with Media Among Millennials in Canada, by Media, 2014

minutes and % of total



Note: ages 18-34; per capita; (1) PHD estimates; includes internet time via connected car, desktop/laptop, game console, mobile devices and smart TV; (2) Numeris PPM Fall 2013-Spring 2014; (3) Numeris Diary Fall 2013; (4) NADbank 2013; (5) PMB Spring 2014
Source: various, as noted cited in PHD Canada, "Canadian Media Usage Study 2014" commissioned by IAB Canada; eMarketer calculations, Dec 4, 2014

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THE MILLENNIAL MINDSET

Marketers have been salivating over the millennial generation for the better part of two decades, anxiously awaiting a consumer cohort that would rival the baby boomers in size and influence. Now that most millennials have arrived at adulthood, the question is: Are they what marketers hoped for?

In some ways, millennials do look like a marketing jackpot: They are young, numerous and media-centric.

But millennials are hardly a marketer's dream. For one, many of them are cynical about the idea of brands and skeptical about marketing messaging. For another, their adulthood has been defined by a crushing economic downturn, the effects of which are likely to play out throughout their working lives.

Even their digital fluency has created unexpected challenges for marketers. Millennials are skilled at blocking out advertising messages. And they are comfortable with—and, in fact, driving—the “sharing economy,” making it more difficult to persuade them to purchase certain products and services.

Moreover, there is the matter of the millennial label itself. The millennial generation comprises multiple groups and people of different life stages. Rather than an easily pinpointed demographic, it may be that the big, juicy generational bull's-eye long hoped for by marketers is actually a group of smaller, rapidly moving targets that are tougher to hit.

“One of the first things that I do when I’m working with advertisers is try to pivot them away from talking about millennials in such a black-and-white, demographic profile of 18-to-34 men and women, and shift them into thinking about a group of people with a similar psychological profile, with similar behaviors, attitudes and mindsets,” said Bob Cornwall, Google Canada’s brand activation team lead.

Google eschews the millennial label altogether and instead refers to this group as Generation C, with the C describing behaviors like creation, curating, connecting and community.

Similarly, Intercept Group, a Toronto-based agency that specializes in youth and millennial marketing, breaks millennials into six categories by life stage: college students, first apartment renters, getting engaged, getting married, expecting a baby, and parents with kids.

Taken as a whole, though, there is no arguing that millennials make up a large group. In 2014 there were more than 8 million of them in Canada, according to Statistics Canada, representing almost a quarter of the total population.

Population in Canada, by Demographic, 2014 thousands

	Male	Female	Total
<5	986.3	938.6	1,925.0
5-9	982.9	935.3	1,918.2
10-14	958.8	906.7	1,865.5
15-19	1,099.6	1,039.1	2,138.7
20-24	1,263.1	1,209.0	2,472.1
25-29	1,225.4	1,212.3	2,437.8
30-34	1,237.3	1,242.6	2,479.9
35-39	1,179.8	1,187.4	2,367.1
40-44	1,179.5	1,179.2	2,358.7
45-49	1,250.3	1,241.8	2,492.1
50-54	1,393.2	1,381.4	2,774.6
55-59	1,276.2	1,281.1	2,557.3
60-64	1,071.3	1,096.9	2,168.1
65-69	893.1	937.8	1,830.9
70-74	623.2	691.4	1,314.7
75-79	443.6	528.6	972.2
80-84	314.3	422.3	736.6
85+	247.1	483.8	730.9
Total	17,625.0	17,915.4	35,540.4

Source: Statistics Canada, “Canada’s population estimates: Age and sex, 2014,” Sep 26, 2014

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As a group they face significant economic challenges, memorably described by the Conference Board of Canada (CBC) in its September 2014 report, “The Buck Stops Here: Trends in Income Equality Between Generations”:

“Canadians have become accustomed to tales of woe about the plight of young adults: rising tuition fees and crippling student debts; university graduates without jobs or unable to find anything more challenging than serving coffee; even those with good jobs and incomes stuck in their parents’ basements because of the high cost of housing. These images have prompted many to ask a troubling question: Will today’s young Canadians be the first generation in our country’s history to find themselves worse off than their parents?”

The CBC's report showed that millennials were more financially squeezed than previous generations of Canadians at this stage of their lives. They tended to be deeper in debt than previous generations, and the earnings gap between themselves and older Canadians had widened.

A June 2014 Nielsen presentation, “#Millennial Talk: Marketing to the Me Generation,” underlined millennials' economic status. It stated that while millennials (ages 19 to 37) were 26% of Canada's population, they headed only 14% of households and their spending on consumer packaged goods made up only 12% of the total. While this data can be partly explained by stage-of-life conditions, it is further evidence of the income issues the millennial generation face.

Yet despite the negatives, millennials remain an important target for marketers in Canada.

“The reason why a lot of brands are targeting them is because millennials are at a ‘point of market entry’ for their industries,” said Andrew Au, president of youth marketing agency Intercept Group.

MILLENNIALS ONLINE

The greatest behavioral difference between millennials and older generations is their use of digital media—where they spend their time, what tools they use, and who they share with.

Data gathered from dozens of sources paints a picture of millennials' unique media usage: they spend more time online than previous generations; are more mobile and more social; are avid digital video watchers but spend less time watching television.

Taken one by one, these facts may not be surprising but in aggregate they point toward a future that many marketers may not be prepared for. In just a few years, this will be the first generation in which virtually every member will be an internet user, a smartphone user and a social network user.

HOW MUCH TIME DO MILLENNIALS SPEND ONLINE?

Millennials lead all age groups in Canada for internet user penetration. In 2015 internet use will swell to 97.4% among Canada's residents ages 18 to 24 and 96.7% for those ages 25 to 34, eMarketer estimates. These rates are significantly higher than the 80.4% average across all age groups in Canada. By 2018, internet user penetration among the final millennials in to reach the 18-to-24 age group will be nearly universal, at 99.7%.

Internet User Metrics in Canada, by Age, 2013-2018

millions, % penetration and % share

	2013	2014	2015	2016	2017	2018
0-11	2.2	2.3	2.4	2.5	2.6	2.7
—% of population	47.5%	49.1%	50.6%	52.1%	53.5%	54.9%
—% share	7.8%	8.0%	8.2%	8.4%	8.5%	8.7%
12-17	2.3	2.3	2.3	2.3	2.3	2.3
—% of population	94.2%	96.2%	97.3%	97.6%	97.7%	97.8%
—% share	8.1%	8.0%	7.8%	7.7%	7.6%	7.5%
18-24	3.2	3.3	3.3	3.3	3.3	3.2
—% of population	95.7%	96.5%	97.4%	98.0%	98.9%	99.7%
—% share	11.6%	11.5%	11.4%	11.1%	10.9%	10.6%
25-34	4.6	4.7	4.8	4.9	4.9	5.0
—% of population	95.6%	96.3%	96.7%	97.3%	97.6%	98.0%
—% share	16.7%	16.6%	16.6%	16.6%	16.5%	16.4%
35-44	4.4	4.5	4.5	4.6	4.7	4.8
—% of population	94.4%	94.5%	94.6%	95.3%	96.7%	98.0%
—% share	16.0%	15.8%	15.6%	15.6%	15.7%	15.9%
45-54	4.7	4.7	4.7	4.7	4.7	4.7
—% of population	87.6%	88.8%	90.0%	91.2%	92.7%	94.5%
—% share	16.8%	16.5%	16.3%	16.0%	15.7%	15.5%
55-64	3.7	3.9	4.0	4.1	4.2	4.4
—% of population	81.0%	82.5%	83.0%	83.5%	84.0%	84.5%
—% share	13.5%	13.8%	13.9%	14.1%	14.2%	14.3%
65+	2.6	2.8	2.9	3.1	3.2	3.4
—% of population	49.0%	50.0%	51.0%	52.0%	52.5%	53.0%
—% share	9.5%	9.8%	10.2%	10.6%	10.9%	11.1%
Total	27.7	28.3	28.8	29.4	29.9	30.4
—% of population	78.9%	79.7%	80.4%	81.0%	81.7%	82.4%

Note: individuals of any age who use the internet from any location via any device at least once per month

Source: eMarketer, Nov 2014

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comScore's "Multi-Platform Metrix Canada" report from October 2014 also found that millennials' internet user penetration rate, at 96%, surpassed the country's average by wide margin. Moreover, it found the group's time spent online (defined as online via both desktop/laptop and mobile devices) was higher than the norm. Younger adult millennials (ages 18 to 24) averaged 6,099 minutes online per month while older millennials (ages 25 to 34) averaged 7,078.6 minutes, comScore said. The figure for older millennials was the highest of any age group and 45% greater than the average of all ages.

Monthly Time Spent Online by Internet Users in Canada, by Device and Demographic, Oct 2014

average minutes per unique visitor

	Mobile*	Desktop/laptop	Total digital**
Male	4,078.1	2,866.3	4,960.9
2-11	-	657.3	657.3
12-17	-	1,423.9	1,423.9
18-24	4,053.1	3,160.5	5,930.7
25-34	4,055.8	4,097.5	7,344.3
35-54	4,105.5	3,295.7	6,251.1
55+	4,065.0	3,031.7	4,532.4
Female	5,047.7	2,136.5	4,797.9
2-11	-	174.4	174.4
12-17	-	923.0	923.0
18-24	5,147.3	2,585.3	6,269.1
25-34	4,951.1	2,627.7	6,810.9
35-54	5,842.1	2,616.7	6,760.0
55+	2,796.4	2,319.4	3,314.8
Total	4,562.2	2,502.9	4,879.7
2-11	-	425.2	425.2
12-17	-	1,183.6	1,183.6
18-24	4,596.3	2,875.6	6,099.0
25-34	4,508.4	3,365.3	7,078.6
35-54	4,968.8	2,952.4	6,508.3
55+	3,432.7	2,671.9	3,917.4

Note: ages 2+; *includes smartphones and tablets; includes time spent on websites, videos and apps; **desktop and mobile

Source: comScore, "Multi-Platform Metrix Canada, October 2014," Dec 16, 2014

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HOW MUCH ONLINE TIME IS MOBILE?

comScore's study found Canada's millennials spent well over half their time online connected via mobile devices—60% for 18- to 24-year-olds and 54% for 25- to 34-year-olds. By comparison, the average share of time spent online via mobile among all internet users in Canada was 51%. Breaking millennials' online time down further, females were more mobile than males, with females ages 18 to 24 the most mobile of all—65% of their online time was accessed via smartphones or tablets.

Share of Monthly Time Spent Online by Internet Users in Canada, by Device and Demographic, Oct 2014

% of total in each group

	Mobile*	Desktop/laptop
Female	57%	43%
2-11	0%	100%
12-17	0%	100%
18-24	65%	35%
25-34	63%	37%
35-54	63%	37%
55+	32%	68%
Male	45%	55%
2-11	0%	100%
12-17	0%	100%
18-24	54%	46%
25-34	46%	54%
35-54	49%	51%
55+	35%	65%
Total	51%	49%
2-11	0%	100%
12-17	0%	100%
18-24	60%	40%
25-34	54%	46%
35-54	56%	44%
55+	34%	66%

Note: *includes smartphones and tablets; includes time spent on websites, videos and apps

Source: comScore Inc., "Multi-Platform Metrix Canada, October 2014," Dec 16, 2014

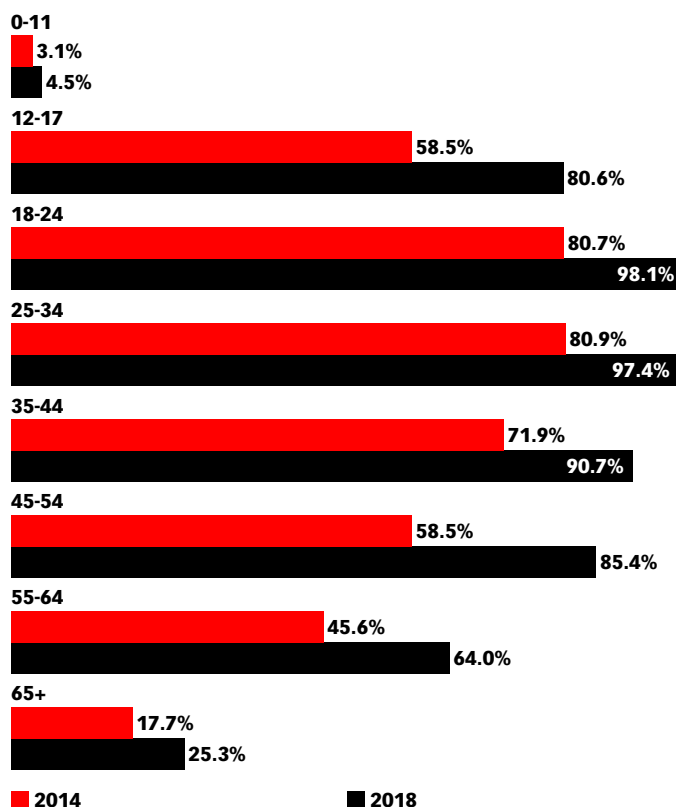
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These high rates of mobile internet time relate to a high degree of mobile phone and smartphone ownership among Canada's millennials—rates significantly higher than among younger and older cohorts. eMarketer estimates more than 97% of the country's millennials will own a mobile phone in 2015, and 90% of those will be smartphone users. By 2018, 98.1% of Canada's 18- to 24-year-olds and 97.4% of its 25- to 34-year-olds will be smartphone users, eMarketer predicts.

Smartphone User Penetration in Canada, by Age, 2014 & 2018

% of population in each group



Note: individuals of any age who own at least one smartphone and use the smartphone(s) at least once per month

Source: eMarketer, Dec 2014

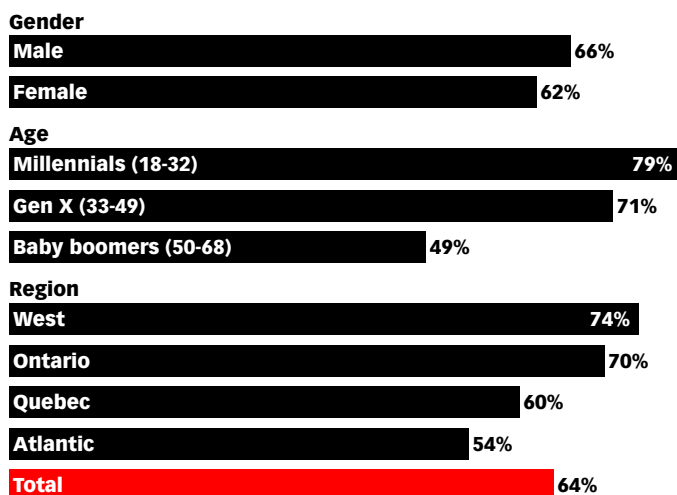
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Ipsos Reid survey results cited in the "Deloitte Predictions 2015 Survey" from January 2015 offered similar figures. The study found 79% of millennial respondents (ages 18 to 32) owned or used a smartphone, compared to 71% of respondents ages 33 to 49 and 49% of those ages 50 to 68.

Demographic Profile of Smartphone Users in Canada, Jan 2015

% of respondents in each group



Source: Ipsos Reid, "Deloitte Predictions 2015 Survey," Jan 13, 2015

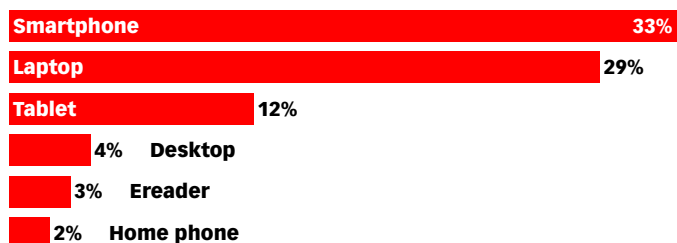
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Despite already heavy ownership among Canada's millennials, smartphones led all categories for intended electronics purchases among that cohort in the six months following July 2014, according to yconic's "Youth Technology Trends" report. One-third of respondents ages 16 to 29 planned to purchase a smartphone, 29% intended to purchase a laptop and 12% planned to buy a tablet. Home phones, ereaders and desktop computers barely registered for purchase intent in this study.

Consumer Electronic Devices that Millennial Internet Users in Canada Plan to Purchase, July 2014

% of respondents



Note: ages 16-29; in the next 6 months; 92% are students

Source: yconic, "Youth Technology Trends," Sep 26, 2014

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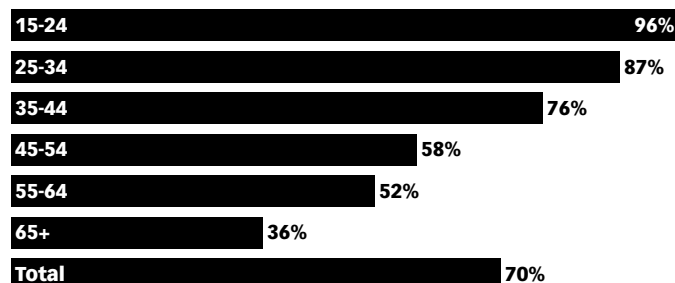
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HOW DOMINANT IS SOCIAL MEDIA?

Statistics Canada data from March 2014 shows a direct correlation between youth and social network usage, with every group more likely than the next oldest cohort to use social networks. Internet users ages 15 to 24 led the list, with 96% of them social network users, followed by older millennials (ages 25 to 34) at 87% penetration.

Social Network Users in Canada, by Age, March 2014

% of internet users in each group



Source: Statistics Canada, "Canadians' Connections with Family and Friends," Dec 23, 2014

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Moreover, millennials lead when it comes to adoption of most of the top social networks. Looking at rates of Facebook, LinkedIn, Twitter and Instagram profile ownership in Canada as of January 2015, Forum Research found that millennials had higher adoption levels for every network except LinkedIn. Just 30% of millennials reported having a LinkedIn profile—a curious outcome given that many are in the market for jobs. Conversely, 75% of Canada's social network-using millennials had a Facebook profile, more than double the rate of any other social network studied.

Social Networks on Which Social Network Users in Canada Have a Profile, by Demographic, Jan 2015

% of respondents in each group

	Facebook	LinkedIn	Twitter	Instagram
Gender				
Female	60%	25%	22%	18%
Male	59%	37%	27%	14%
Age				
18-34	75%	30%	36%	32%
35-44	68%	37%	31%	19%
45-54	63%	41%	23%	11%
55-64	47%	31%	15%	4%
65+	32%	12%	9%	2%
Language				
French	65%	23%	19%	16%
English	58%	33%	26%	16%
Total	59%	30%	25%	16%

Source: Forum Research, "The Forum Poll," Jan 6, 2015

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UM's "Wave 8" polling in November 2014 found signification levels of adoption for other social networks beyond the major sites. In particular, Snapchat had climbed into second place among young millennial ages 16 to 24, with 41% adoption, and other visually focused networks like Tumblr and Pinterest were also in the mix.

Demographic Profile of Social Media Users in Canada, by Platform, Nov 2014

% of respondents in each group

	Gender		Age				Total
	Male	Female	16-24	25-34	35-44	45-54	
Facebook	76%	81%	88%	84%	77%	64%	79%
Twitter	33%	23%	34%	33%	30%	15%	28%
Instagram	24%	23%	40%	30%	16%	8%	24%
Pinterest	12%	25%	21%	22%	21%	11%	19%
LinkedIn	22%	14%	12%	21%	23%	16%	18%
Snapchat	18%	15%	41%	14%	8%	3%	17%
WhatsApp	18%	14%	19%	25%	15%	5%	16%
Tumblr	13%	13%	24%	16%	8%	3%	13%

Note: n=1,000 internet users who use the internet every day or every other day; weekly usage

Source: UM, "Wave 8" as cited by Media in Canada, Feb 13, 2015

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WHAT TYPES OF DIGITAL CONTENT DO THEY LIKE?

Watching videos was the most popular digital activity among Canada's millennial internet users, reported by 84% of respondents ages 16 to 29 in yconic's survey. Blogs were another common type of content millennials consumed, with more than 45% reporting reading them.

Leading Digital Activities Conducted by Millennial Internet Users in Canada, July 2014

% of respondents

Watching videos from other users	84%
Visiting social media sites	77%
Maintaining a social media profile	72%
Reading customer ratings/reviews	61%
Updating status on social media sites	58%
Reading online forums	48%
Reading blogs	45%
Uploading photos to Instagram	42%
Tweeting	34%
Adding tags to web pages or photos	25%
Listen to podcasts	24%

Note: ages 16-29; 92% are students; current online activity from any device

Source: yconic, "Youth Technology Trends," Sep 26, 2014

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October 2014 research from Videology found that 93% of millennial internet users in Canada watched digital video. That level of video viewing was 24% higher than among the total adult respondent base.

Internet Users in Canada Who Watch Digital Video, by Generation, Oct 2014

% of respondents

Millennials (18-34)	93%
Generation X (35-49)	84%
Baby boomers (50-69)	62%
Seniors (69+)	36%
Total	75%

Note: ages 18+; any connected device

Source: Videology, "Consumers Lead Marketers on Path to Cross-Screen Convergence" in collaboration with Marketing Magazine, Jan 14, 2015

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Content "genre" is another factor to consider. A December 2014 study by Yahoo Canada made a direct comparison of subject matter preferences between millennials and adults ages 35 to 54, focusing on the types of content that were consumed at least five times a week. Digital music was accessed at that rate by 31% of millennials; fashion content was accessed by 20%; and content related to culture, well-being and photography were each accessed by almost a fifth of millennial respondents—all rates noticeably higher than among the older adults surveyed.

Digital Lifestyle Content Categories Accessed by Millennial vs. Nonmillennial Internet Users in Canada, Dec 2014

% of respondents

Music	31%	17%
Fashion	20%	9%
Well-being	19%	12%
Culture	18%	7%
Photography	17%	8%

■ Millennials (18-34)

■ Nonmillennials (35-54)

Note: at least 5 times in the past week

Source: Yahoo Canada, "Engage Better: Native Advertising and Content Marketing," Feb 2, 2015

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Speaking to the type of content that resonates with millennials, Google's Cornwall said it "needs to make them be personally and creatively inspired about the world they live in or who they are as an individual. It needs to either educate, entertain or inspire to get traction with them."

WHAT ABOUT MILLENNIALS AND TRADITIONAL MEDIA?

Canada's millennials watched an average of 16 hours of TV weekly in 2014, which was seven hours less than boomers did and five hours less than the total population ages 12 and older, according to PMB's time spent analysis.

Weekly Time Spent with Select Media Among Adults in Canada, 2014
hrs:mins

	Millennials (18-34)	Baby boomers (50-69)	Total 12+
TV	16:00	23:00	21:00
PC internet	19:00	10:00	13:00
Radio	12:00	14:00	13:00
Mobile internet	6:51	4:34	6:11

Note: ages 12+
Source: PMB, "2014 Spring 2-Year Readership Study" as cited by CMDC "Media Digest 2014-2015," Nov 24, 2014

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Other studies have found millennials far less likely than the average adult in Canada to access all forms of traditional media. According to PHD's "Canadian Media Usage Study," millennials spent 30% less time than the average adult with TV, 27% less time with radio, 37% less time with newspapers and 24% less time with magazines in 2014. But they averaged 58% more time with digital, which made up an estimated 55% of their weekly time with media overall.

Weekly Time Spent with Media Among Adults in Canada, by Age, 2014
minutes and % of total

	18-34		Total 18+	
	Weekly time spent	% of total	Weekly time spent	% of total
TV (1)	1,229	26%	1,758	37%
Radio (2)	776	16%	1,065	23%
Newspapers (3)	119	2%	189	4%
Magazines (4)	26	1%	34	1%
Digital (5)	2,642	55%	1,669	35%
Total	4,792	100%	4,715	100%

Note: per capita; numbers may not add up to 100% due to rounding; (1) Numeris PPM Fall 2013-Spring 2014; (2) Numeris Diary Fall 2013; (3) NADbank 2013; (4) PMB Spring 2014; (5) PHD estimates; includes internet time via connected car, desktop/laptop, game console, mobile devices and smart TV
Source: various, as noted cited in PHD Canada, "Canadian Media Usage Study 2014" commissioned by IAB Canada; eMarketer calculations, Dec 4, 2014

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The newspaper deficit is no surprise, but doesn't necessarily mean millennials aren't consuming news. It's hard to know just how much of their digital time spent is with news content, but it certainly occupies a significant portion. News organizations are shifting their content dissemination strategies accordingly, particularly to more visual formats, to cater to younger audiences.

"We definitely are focusing on visuals right now because we're finding that's what people really respond to," said Jennifer Wilson, senior editor for social media at The Toronto Star. "If you upload a photo or video to Facebook directly, the reach is just unreal."

The Star targets most of its social feeds to the main social channels, but it has begun efforts with Instagram and Snapchat to cultivate younger audiences. Wilson said the types of stories that appeal to millennials are typically related to technology and entertainment.

BRAND ENGAGEMENT WITH MILLENNIALS

Traditional advertising and promotional models that worked well with baby boomers and Generation X don't appeal as strongly to younger groups. The reasons are partly due to millennials' digital tastes, but they are also a reflection of brand trust in a world where transparency is a must and highly informed consumers are the norm.

Millennials in Canada had a more negative predisposition to brands compared to millennials in other countries, according to the April 2014 IPG Mediabrands global "Reset Generation" study, as cited in Initiative's report "Debunking the Millennial Myth," which focused specifically on responses by millennials in Canada.

"There were many surprises for us in Canada, but the biggest was how negatively predisposed young Canadians are toward brand communications," stated Sarah Ivey, global chief strategy officer for agency Initiative Worldwide, in a release about the research. "We're finding that this is a generation for which marketing and brands are less and less relevant. It's becoming harder and harder to connect with them, so clearly we need to go deeper."

More than a quarter (27%) of respondents to the "Reset Generation" study in Canada said they were cynical about the way brands communicated with them. Conversely, similar percentages of millennial respondents valued brand communications somewhat: 32% reported interacting with brands online, 26% claimed they enjoyed the way brands communicated with them and 26% felt that brands were an important part of their lives.

Relationships with Brands According to Millennial Internet Users in Canada, April 2014 % of respondents

Interact with brands online	32%
Enjoy the way brands communicate with them	26%
Feel brands are an important part of their lives	26%

Note: n=500 ages 25-34

Source: Initiative, "Debunking the Millennial Myth," Jan 14, 2015

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When Ipsos in December 2014 looked at the most influential brands among millennials in Canada, eight of the top 10 were technology-related, led by Google, YouTube, Facebook, Apple and Microsoft. Millennials' results, however, weren't massively different from Generation X respondents, among whom seven in 10 brands were technology-related, and most of the brands were the same between both groups. The difference between millennials and boomers, though, was more pronounced—technology brands made up only four of the top 10 brands for the older group.

Top 10 Most Influential Brands According to Internet Users in Canada, by Generation, Dec 2014

Millennials (born 1982-1998)	Gen X (born 1965-1981)	Baby boomers (born 1946-1964)
1. Google	1. Google	1. Google
2. YouTube	2. Facebook	3. Microsoft
3. Facebook	3. Microsoft	3. Apple
4. Apple	4. Apple	4. Facebook
5. Microsoft	5. YouTube	5. Wal-Mart
6. Tim Hortons	6. Visa	6. Canadian Broadcasting Corporation (CBC)
7. Visa	7. Wal-Mart	7. Canadian Tire Corporation
8. Netflix	8. Android	8. President's Choice
9. Amazon	9. Amazon	9. Visa
10. Samsung	10. Tim Hortons	10. The Weather Network

Note: ranked by five dimensions of influence rated by respondents

Source: Ipsos, "The Most Influential Brands in Canada: 2014," Jan 27, 2015

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It's interesting to assess the degree to which specific brands appeal differently to different generations in Canada. Ipsos' study found quick service restaurant chain Tim Hortons more influential among younger cohorts, likely due to its economical menu and heavy presence on and near student campuses across the country, but less so among Gen X or boomers. YouTube's impact on millennials was even higher, a reflection of digital video uptake among this group. Conversely, Wal-Mart ranked in the top 10 for both boomers and Generation X, but didn't chart among millennials, likely due to only older millennials viewing Wal-Mart as a source for family purchasing. Likewise, retailer Canadian Tire, while ranking in the top 10 for boomers, didn't register with either Gen X or millennials—perhaps a bad signal for the general merchandise mainstay.

One of the key takeaways of Initiative's report was that brands that speak well to millennials cultivate an authentic feel in their brand messaging. "I think the biggest thing is the truth within the message," said Intercept's Au. "This group is so quick to call BS. They're extremely savvy, and in some cases, equally as savvy as the marketer trying to engage them."

Accentuating the experiential has become a central tenet in campaigns targeting millennials in Canada. Recent efforts by Microsoft, PepsiCo Canada and pro basketball team The Toronto Raptors all saw results for having tapped into that insight.

EXPERIENCE IS THE THING: MICROSOFT

“Experiential campaigns do very well with this audience because they crave those live experiences,” said Au. Intercept worked with Microsoft Canada during the 2014 school year to create the Microsoft Dorm, a mock-up installation at university campuses across Canada featuring the launch of Windows 8 on TVs, tablets, smartphones and desktops. An eight-minute demonstration of how it all worked together was a key part of the experience for this audience.

“Millennials are an extremely important demographic for us,” said Marc Aube, Windows consumer marketing lead at Microsoft Canada. “We know we have to rethink how we reach this group. They’re not reading newspapers or watching network television like their parents’ generation, and they can easily tune out the noise of the social web. Knowing this, we seek to create experiences that target millennials where they live.”

The campaign resulted in more than 20,000 trials, a figure greater than 1% of the total post-secondary student population in Canada. Before-and-after sentiment tracking showed lifts of 36% for “fits my life,” 45% for innovation and 45% for likelihood to recommend, according to Intercept.

HANDS-ON: DORITOS

PepsiCo Canada has been taking the hands-on experience so critical to engaging millennials a step further with The Hold Out, a smartphone game touting the Doritos brand that challenges users to outlast other players at touching their screen continuously.

“It’s about social engagement and giving consumers the stage, which we know is really important for millennials,” said Susan Irving, senior director of marketing at PepsiCo Canada.

The game is tied to the latest limited-time relaunch of ketchup-flavored Doritos, something of a collectible snack product. Doritos Ketchup chips were previously relaunched in Canada in 2013 after years of being off the shelves. That effort saw the product sold out within weeks.

Social sentiment tracking suggested that a core audience of millennial males wanted the flavor back. The ketchup-loving males were identified on Twitter by social analytics vendor Sysomos, which helps deliver intelligence behind Twitter’s Tailored Audiences ad unit. Pepsi was able to identify Twitter users that had conversations about ketchup in the last six months.

“Sysomos has access to the Twitter fire hose, which allows them to index not only real-time conversations but also look back at historical usage on the platform,” said Ivan Pehar, manager of strategic accounts at Twitter Canada. “Pepsi is among a handful of brands that really get how to leverage the platform to engage millennials in a one-to-one relationship.”

PepsiCo plans to crown a Hold Out champion at the end this month. The winner will receive a year’s supply of Doritos and a commemorative trophy—a bag of chips under glass, dubbed “The World’s Last Bag of Doritos Ketchup.”

CREATING VS. CURATING: TORONTO RAPTORS

The goal of creating unique experiences leads many brands to innovative attempts at content marketing. But there’s a fine line between hosting conversations and sending new ideas into the social sphere.

“The world really doesn’t need another curator,” said Dustin Rideout, vice president of strategy for Montreal-based agency Sid Lee. “We don’t need more sites collecting things, commenting on things, sharing things that already exist. Brands today, especially in social media, are addicted to curating.”

Rideout said the difference between creating and curating is the key to engaging millennials on an experiential level. Creating an original experience was the main recommendation agency Sid Lee offered the National Basketball Association's Toronto Raptors when the team was looking to increase millennial interest and engagement. The "We The North" campaign, launched in Q1 2014, featured homegrown rap star Drake, a YouTube video, a TV spot, the hashtag #wethenorth and a team on the rise.

The most significant results of the campaign came in social media. Compared to a year before the campaign, Facebook "likes" for the team were up 170%, Twitter followers grew 130% and YouTube views jumped 350%.

"Our goal in our 20th anniversary season was to make the Raptors' brand culturally relevant," said Shannon Hosford, vice president of marketing and communications for the team's owner, Maple Leaf Sports & Entertainment. "Millennials, as such a large group, could help take our brand to the next level. We envisioned creating a movement, something to get behind and have pride in."

While the ultimate goal of the campaign was to create paying customers for tickets to live games, one of the unintended consequences was the creation of "Jurassic Park," a fan moniker for the square just outside the arena where up to 6,000 fans—overwhelmingly millennials—congregated to experience the team's playoff games live, for free.

A MILLENNIAL SWEETSPOT: THE SHARING ECONOMY

The communal appeal of sharing and the economic value of greater utility has led to the proliferation of services like Airbnb, Uber and Zipcar. Their growth is directly related to a strong appeal with millennials, which make up a core audience for their services. Hourly car rental service Zipcar, for example, reports that 60% of its global user base is under the age of 40.

"What we've found with millennials is that they really want access over ownership," said Nicola McLeod, general manager of Zipcar's Toronto operation. "They're moving away from purchasing and owning goods."

This preference against ownership is particularly true for student millennials. Zipcar's Toronto office focuses heavily on the student population, operating 11 facilities on university campuses in the Greater Toronto Area. (Overall, Zipcar operates on 400 campuses across North America.)

The company works closely with education administrators to find alternative ways to facilitate student commuting without investing in parking infrastructure and says that each Zipcar on a university campus serves up to 40 individuals.

The Zipcar experience caters especially well to the millennial mindset. Sign-up and booking is done online or by mobile phone, an RFID card is dispatched to users to enable tap access to booked vehicles and all payment is managed monthly via an online account.

"You're talking about car payments, parking, gas, insurance," McLeod said. "The fact that all of these costs are blended into their hourly fee once they join is a phenomenal sense of value, which we know is extremely important to millennials."

Uber, the app-based taxi service, is also popular with millennials in Toronto. Getting around a big city economically is a major concern for millennials, and Uber's increasing impact on the taxi industry in Canada is due in large part to millennial uptake of the service. Uber has faced licensing challenges with cities in Canada—Ottawa has managed to effectively shut down Uber with bylaw infractions for drivers and Toronto's challenge to the service will be heard in court this spring—but it continues to grow in spite of the legal battles.

Uber's marketing in Canada has focused on partnerships with companies like Spotify, the on-demand music service with strong appeal among millennials. (Spotify signed up 1.5 million users in the first three months after launch in Canada in August 2014, 19% of which were males ages 19 to 34, according the company.)

"We work to give people unforgettable experiences by taking a bold approach in our marketing," said Susie Heath, an Uber Canada spokesperson. "A core piece of this strategy is our approach to partnerships—we only partner with interesting brands. We don't enter into a partnership for the sake of having a partnership. We want the connection to tell an interesting story."

In Toronto, Uber partnered with local musician Kevin Drew to promote a partnership with Spotify that enables users to stream songs from Spotify on their phones to the car audio systems of their Uber rides.

Another sharing economy startup, Waterloo, Canada-based Apartmint, a platform for connecting renters and landlords, caters to millennials with an Airbnb-like approach to the leasing rental market. It's looking to fill a niche like the one occupied in the US by Zillow and Trulia—online property rental platforms that do not currently have services in Canada—by making the process of connecting landlords and potential tenants more seamless than current marketplace-style sites.

"University students are going to be maybe half of our target segment," estimates Ignacio Mongrell, a co-founder of Apartmint. "We're going to start first with targeting young professionals and students in those areas where the turnover is high."

CONCLUSIONS

Brands engaging millennials need to look beyond what digital platforms they use and into the behaviors they value. New experiences, sharing with others and hands-on trials are all things millennials covet and engage with in marketing outreach.

Experience matters to millennials. Experiential marketing techniques catch their attention and result in greater engagement.

Millennials' loyalty is rooted in economic value and communal utility. The popularity of sharing economy services among this demographic is emblematic of the way millennial consumers differ philosophically from consumers of other generations.

EMARKETER INTERVIEWS



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Interview conducted on Feb. 19, 2015



Bob Cornwall

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Interview conducted on Feb. 23, 2015



Shannon Hosford

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Maple Leaf Sports & Entertainment

Interview conducted on Feb. 26, 2015



Ignacio Mongrell

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Apartment

Interview conducted on February 20, 2015



Dustin Rideout

VP, Strategy

Sid Lee

Interview conducted on Feb. 13, 2015



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Interview conducted on Feb. 24, 2015

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Product Marketing Manager, Windows Consumer

Microsoft Canada

Interview conducted on Feb. 24, 2015

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Uber

Interview conducted on February 20, 2015

Susan Irving

Senior Director, Marketing

PepsiCo Canada

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Nicola McLeod

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Interview conducted on Feb. 19, 2015

Ivan Pehar

Manager, Strategic Accounts

Twitter Canada

Interview conducted on Feb. 24, 2015

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