

# **Millennials at Work: The Evolution of the Workplace and The Digital Marketing Craze**

## **Prepared for**

Edward Moss, Instructor

ENGW 3304

Northeastern University

## **Prepared by**

Jessica Holoschutz Berger

Northeastern University

**February 22, 2018**

## INTRODUCTION

Baby boomers shaped the workplace in their time. As Gen Y (Millennials) now represent the largest sector of U.S. consumers and in no time they will make up more than half the population. They are leading and shaping the economy today, transforming the way business is done through their generational traits. As a huge inflow of youth is entering the workforce, it's imperative to motivate and attract them to companies. The best way to do so is through a language they understand, technology.

General Millennial demographics show their price sensitivity and the importance of social media in their lives – professional and personal. This generation also loves sharing what they do. Social media is a staple to everyday life and increasingly a job requirement for most Millennials. As a highly visual generation, design and feel affect user perception of a brand, be it in its product, advertisements or social media presence. Workplace motivation and perception is influenced by brand perception and positioning.

Millennials are driving business into social media, flexible schedules and a decrease in micromanagement. As Millennials influence and shape the workforce, it's important to understand them, what they want in a job, what motivates them and above all why would they want to work for you. This report will discuss Millennials in the workplace, the importance of social media for them and social media strategies for employee retention. Highlighting the importance of workplace motivations and elaborating on how companies must attract Millennials through social media strategies that will build brand presence increasing job applications and market share. The company culture or “experience” is the product.

## FINDINGS

### **Baby Boomers and Millennials**

Baby boomers, born between 1946 and 1964, are still a prominent part of the nation's population (about 1/4) (see Exhibit A for generations' birth years). They created an economy fueled by credit cards with constant trips to shopping malls. In a New York times article, “*Marketers Are Sizing Up the Millennials*” the author Secrecy D. focuses on how baby boomers shaped the workplace. “Since the 1960s...the baby boom generation... has dominated corporate strategies behind selling nearly everything”. Baby boomers in their time were described similarly to “millennials: selfish, entitled and unwilling to grow up” (Secrecy, D. 2014). This suggests that Gen Y might have developed similar traits that can make marketing to them and other generation at the same time more obtainable.

As many generational differences manifest themselves, it is important to observe households because they can determine many economic and consumer spending decisions such as whether to own or rent a home. “As of 2016, Millennials (ages 18 to 35 in 2016) headed only 28 million households, many fewer than were headed by Generation X (ages 36 to 51 in 2016) or Baby Boomers (ages 52 to 70)” (Fry, R. 2017). This suggests that besides the fear of growing up, Millennials are showing decreased income and a lower probability of leading the same lifestyle as their parents. Millennials priorities changed and the way to grab their attention has shifted. Many

top career priorities and future planning revolve around their freedom, job purpose and income as can be seen in a Mercer study that found the three top career priorities for this generation which “were compensation (most graduate from college with an average of \$20,000 in debt), flexible work schedules and the opportunity to make a difference” (Brack, J. 2012). Lifelong products, becoming a home owner, promoting settling down and having a stable family are ineffective tactics to motivate Millennials to plan for their future and consume for it.

### **The Millennial Workforce**

According to the Pew Research Center, Millennials, are the largest generation today “by population size (79.8 million in 2016)” (Fry, R. 2017). Gen Y’s young adults, roughly in their 20s, are surpassing baby boomers as the largest age group; changing the way everything is sold, centralized in the online market. As Miller M. B, Brandst and Hodge state in “*The Young and the Restless*”, Millennials are known to be “tech-savvy multi-taskers who value schedule flexibility over salary”. They are changing workplace dress and grooming code; in many corporate offices, suits have been replaced with business casual (2013).

In the white paper “Maximizing Millennials in the Workplace” Brack and Kelly examine what the generation feels, how it affects job pursuit and what they expect from employers. Organizations are leveraging Millennials’ strengths while integrating them to the diverse work environment. Gen X, “born between 1965 to 1984” (Terry-Armstrong, N. 2017), and baby boomers are an individualistic lot that believe in a “command-and-control management approach” (Brack, J. 2012) these generations like clear boundaries and view their managers as experts. They like structure and want job security. Unlike tech-savvy Millennial multitaskers who don’t view managers as experts but as mentors. They seek flexibility and employability as they want to enrich their skills continuously.

Work for Millennials is not just about income it’s about fulfillment, relationships, and personal enrichment (see Exhibit B and C). As the most diverse and optimistic generation, Gen Y has proved to be continuous learners and team players. This generation is “achievement-oriented” and are considered one of the most “socially conscious” and “highly educated” generations of all time. Millennials find it important to trust leadership in the organization, they take into consideration professional development opportunities and receiving-benefits. It’s imperative to prepare the next generation to manage businesses, as Baby Boomers are exiting the workforce the leadership gap grows.

### **Millennials and Their Current Workplace Motivators**

#### *Influences on Motivation*

Millennials are much less likely to own their home at the same age than previous generations and are struggling economically (Exhibit D). “In 2016, an estimated 5.3 million of the nearly 17 million U.S. households living in poverty were headed by a Millennial” (Fry, R. 2017). This generation also has the most single mothers (Exhibit E), as they are not settling down and have high debts; their spending habits are more unpredictable while affirming that this generation is extremely price sensitive. Being the most educated generation came at a cost, with student loan debts amounting

to around “\$20,000” (Brack, J. 2012). This generations consumers have more spending power today than any other as they are the largest generation; with “spending a projected \$200 billion each year”. Being the most diverse generation, marketing to them comes with its challenges. As James D states, price has the most influence on Gen Y individuals “(62%), outweighing recommendations from a friend (55%), brand reputation (47%), and product quality (35%)” (2017). They’ve had a major impact on how marketers communicate with them.

### *Diversity and its Implications*

Patty Odell in “5 Lessons Millennials Taught Marketers” confirms that this generation is the most diverse of all and have a variety of individuals, from single mothers, mid class professionals and growing families. As their spending power is predicted to spike, “by 2020, Millennials’ spending power will hit \$1.4 trillion a year” accounting “for 30% of U.S. retail sales, according to Accenture.” As a growing generation, they have influenced the economy and how they are advertised to, the time to grab their attention is now since the population of this generations “is projected to peak in 2036 at 81.1 million. By 2050 there will be a projected 79.2 million Millennials, according to the Pew Research Center.” Gen Y likes authenticity, this builds trust, these individuals want brands that are able to develop meaningful relationships with their consumers and communities. Company values must be transparent as favorite brands among this group clearly communicate their corporate responsibility programs. “Millennials seek out and are very loyal to companies that align with their lifestyle interests and values.” (2017). They want to feel involved, building a brand has become more about building a community. Marketers should offer more opportunities to co-create and innovate with Gen Y, fomenting meaningful conversation attracting them to the brand.

### *Factors That Affect Workplace Motivation*

Even though Millennials are viewed as a well-educated generation they show substandard decision making skills and tend to focus on individual needs above organizational ones. Many organizations are facing similar challenges with them including: “recruiting, retaining, and motivating Millennial employees.” To help address this Calk and Patrick conducted a study whose purpose was “to investigate factors affecting workplace motivation among Millennials.” The results of this study suggest that to recruit and retain Millennial workers, organizations should promote a collaborative, team-based work environment (belonging) along with challenging and meaningful work (ego-status) instead of predictable salary, insurance, retirement, or other benefits (safety). Beyond that, results of this study reinforce the notion that Millennials are diverse in their motivators thus making it difficult for organizations to adopt a one-size-fits-all approach to recruiting and retention (2017). This generation’s need to share builds a sense of community and the ability to communicate and get a quick response creates a sense of belonging.

## **Retaining Millennials in The Workplace**

### *Workplace Expectations*

As this generation favors nontraditional jobs and flexible schedules, companies are finding it hard to retain them in their workforce. Incentivized by experience and learning, Millennials enter a job

knowing that they will depart once they've learned everything they can from it. To incentivize them to stay it's important to know what Gen Y expects from its employers. Millennials appreciate collaborative work with clear deadlines. They expect guidance but not an abundance of supervision. Employers should define clear and consistent job assessment criteria to incentivize motivation and provide flexibility, as can be seen in Exhibits B and C. Developing initiatives fostering mutual support and interaction between generations is a good way to build a strong sense of community. The company should encourage open communication, innovation, and sharing in a relaxed atmosphere. Personal and professional development initiatives should be offered through training opportunities and workshops, including mentor programs and on the job coaching. It's important to consider past employees as potential future ones. As the generation constantly jumps around jobs and opportunities who is to say they won't bounce back. "Many organizations have developed virtual alumni networks that keep former employees up-to-date on what is happening in the organization" (Brack, J. 2012). These alumni networks can be used for job announcements and postings that can be tailored to certain ex-employees with the required skills who might want to return.

### *Brand Loyalty*

A great way to incentivize sharing in the company would be through an already present controversy in the workplace, social media. "In particular, millennials' heavy reliance on social media... signifies the high value of using social media in both personal and organizational contexts" (Cho, J. 2013). This in a way forces companies, especially emerging ones to be flexible with their social media policies improving brand perception and organizational fit. This might affect their job pursuit intention and eventually create some kind of brand loyalty as Millennials are known to be stingy in this department. Loyalty might not be lifelong but the positive perception of the brand will live on and likely be shared. To incentivize sharing, companies should have an array of tailor made advertisements and work policies driven by diversity. Millennials like to feel unique and showcasing their love of collaboration will help improve brand image, inclining these individuals to work for your company and or recommend it to a friend. If an individual is willing to work at a company, this suggest that they are willing to buy their product.

## **The Millennial Workforce and Social Media**

### *Social Media Use*

Millennials are eager to share their experiences, they like to show off their lives and help others not make the same mistakes. This need to give feedback is rooted in the need to read reviews and research before buying a product, "70% feel a responsibility to share feedback with companies after a good or bad experience" (Terry-Armstrong, N. 2017) the opinions of others heavily influence their decisions. To attract the Millennial market and ensure company success, it's imperative to introduce the brand and become part of Gens Y's daily life in a lasting and authentic way. As stated by Karvounis, the Pew Research Center and Nielsen "90 percent of Gen Y over the age of 18 use the Internet" and (75%) use a form of social networking while (85%) have a smartphone and (83%) keep their cellphones nearby at all times of the day (2015). The popularity and rapid rise of social media is creating many legal challenges for businesses. This rise "has created a number of never before seen legal issues for employers, their lawyers and policy makers,

who are all rushing in to fill the void”. Many policy changes within companies and legal issues have been reinstated and changed to adapt to a changing work environment. As an example: social media and the national relations act section 7 and 8 (Miller, M. B. 2013). Employers cannot heavily restrict social media usage due to the violation of these sections. Individuals have the right of speech and protected concerted activity. They cannot be restricted in discussing labor policies and employee treatment. The policies cannot be ambiguous as there are many interpretations to offensive comments and the like. Digital marketing has never been more relevant in employment recruiting and product/service promotion.

### *Social Media Drive*

Millennials are known to be driven by social media and it has affected how business seek employees and how job seekers acquired jobs. Social media profile screenings have been used by businesses to determine if they hire a specific employee. Jaehee Cho and others conducted a study to assess how Millennials perceive companies with different social media policies. Defining how perception influences key factors in job seeking behaviors including perceived organizational fit (POF), attraction and the intention to pursuit a job. “Results revealed that Millennials perceived higher POF for a company with organizational policies supporting employees' social media use... organizational attractiveness significantly mediated the relationship between communication-oriented POF and job pursuit intention.” (2013). From a management perspective, social media is indispensable as their employees constantly post and share organizational experiences. This enforces the importance of having a quality leader-subordinate relationship. Social media is often used for recruitment, posting job listings and managing the brands image. The influence of social media on Millennials strongly drives the business environment, affecting how companies communicate themselves to their customers and potential job candidates.

## **Improving Brand Perception and Presence through Digital Marketing**

### *Experience Sharing*

Millennials are the largest generation today according to Patty Odell, they account for “80 million consumers, 11.6 million households with kids, and are expected to spend \$200 billion dollars this year.” To take advantage of this rich generation it’s important for any company trying to target Millennials to have a strong online presence. Humor can help increase visibility as a “study conducted by NewsCred ... the biggest reason Millennials share content is because it’s funny ... over 70%” (James, D. 2017). Instagram is widely used and shareable content should be posted on a daily basis for maximum effect. It’s also important to use swipe-up links in Instagram Stories so there is easy access to the brands site or relevant content. Part of the “experience” is sharing and the easiest way to do this is via social networks. “In fact, Facebook ranks as the most popular social network followed by SnapChat and Instagram.” (Odell, P. 2017). Content Sharing and advertising through stories is crucial.

### *Experience Buying*

As a generation of experience, the product is not enough, the experience comes in how one acquires the product and what they get out of the product. Gen Y and its successors have a mindset

that allows them to form an opinion of a brand or website with just a couple of clicks. “In fact, when it comes to first impressions, research lead by Gitte Lindgaard ... found that it takes just a 20th of a second for the brain to make decisions when viewing a webpage”. This generation is sensitive to design and have been shaped in what is called UCD or “user-centered design” As a result, it’s important to consider adapting communication and online tools “to digital best practices around data visualization and information architecture”. Web portals should be used to allow clients to explore products, the company, their own accounts (if applicable) and surface questions. To have simple user friendly technical services, unbundling has become very popular. Unbundling is considered a major trend now and consists of separating integrated services into distinct offerings that are related. If the technology offered is flexible the broader menu for clients and greater service offerings align with Millennials expectations of “configuring your own, optimized experience.” (Karvounis, N. 2015).

### *Identifying with The Experience*

Millennials purchasing behavior is influenced by the fear of missing out also known as the jones effect and brand affinity. Gen Y is a group heavily influenced by its peers, they are inspired by the people they know either online or in person, including certain influencers they identify with. “84% of Millennials say user-generated content has at least some influence on what they buy, and 73% say it’s important to read others’ opinions before purchasing”. (Odell, P. 2017). The jones effect reinforces the impact experience marketing has on this generation. According to a survey, “98% of participants felt more inclined to purchase a product when they participated in an experiential campaign” (James, D. 2017). This generation is eager to participate and create a sense of community, since “40% want to participate in co-creation of products and brands” (Terry-Armstrong, N. 2017). Effective experiential campaigns can include live performances and presentations with sample products if applicable, creating the presentation or sponsoring works. Companies want to make the buying experience of their product or service personal and engaging.

### *Digital Marketing Strategies and Ad-blockers*

Due to the diversity and individuality of Gen Y some digital marketing strategies are more effective than others in catching their attention, keeping it; and motivating repeat visits to the website or locale, incentivizing online reviews. Employers should be careful while approaching new talent. Smith conducted a study on digital marketing strategies that Millennials find appealing. According to the study, when designing any digitalized advertisement, “use side-panel ads...offer coupons”, avoid un-closable windows and forced pop-up advertisements. Preventing consumers from developing a negative perception of digital advertisements; evading intrusive messages is key. The study showed “that 69% of consumers think pop-up ads are annoying, and 23% said they would not return to the website simply because of the ads” (Smith, K. T. 2011). Millennials use add-blockers everywhere (See Exhibit F), a study done by eMarketer indicates “64% of Millennials use some form of ad blocker, whether it be desktop, mobile, or both.” Leaving only (36%) who are not using any form of blocker (James, D. 2017). The ability to control their own marketing is crucial for Millennials, as evidenced by the use of ad blockers.

### *Data Driven Advice Model*

Given all this information the best model to attract Millennials is a “data driven advice model”. Millennials seek hard evidence and enjoy comparing valuations. They crave transparency and authenticity over all driven by information and facts. As a generation “accustomed to the aggregation and curation of everything” (Karvounis, N. 2015), services tailored to them should be no different. When responding to customer’s posts it’s important to respond with honesty and humor. As an advertiser, one should “look for content publishers and influencers who can represent your brand or products in a way that’s honest, direct” (James, D. 2017). Millennials want answers as quickly as possible in a simple summarized way. They value facts above all since, “for millennials, the new normal is to have access to all your data, on demand, and to easily get a handle on what’s important and what’s not.” (Karvounis, N. 2015), User friendly portals and marketing are key. They want to know what they are buying, from who and what this company stands for. Users should be able to get the information desired in the least amount of clicks possible. Millennials’ like simple, easy to use, colorful websites. Interactive websites are more attractive. With so much information available, environmental consciousness has become important, making brand perception a pivotal part of any product. It should be easy for them to get any information about the company, product and views others have of your products.

## **CONCLUSION**

Millennials workplace motivations affect how brands are perceived. Through their generational traits, Millennials are evolving business, driving it into a reduction in micromanagement, and flexible schedules. The importance of social media in everyday life suggest adaptable agendas, alongside a strong marketing approach through these channels for employee retention, while increasing brand presence. Advertising and product have to align with the brand, motivating Millennials to use that service or product, evidently motivating them to work there.

Advertisements should celebrate diversity and accessibility. Aesthetics and functionality are key, the “look and feel” should be seamless. Personalization increases customer loyalty, this generation wants to feel special and unique, above all they want options. They respond to measurable quick rewards, commonly referred to as instant gratification. Due to Millennials early adoption of technology, e-commerce and online social networks will continue to thrive. Brands need to have meaning, depth and consider word of mouth in their marketing strategy. Word of mouth is slowly evolving to texting and peer-to-peer social media comments and the effect of influencers. A positive view of a company or product doesn’t just incentivize sales but workforce inflow.

The purpose of this report is to show how motivational factors in the workplace affect how Millennials perceive companies. These factors are highly centered in the technological age we live in. Brand perception affects not only marketing and sales but employee retention and application. Social media is highly valued by this generation and is a main factor in creating brand presence and attracting young individuals to job posts. Familiarizing them with the company through high transparency will ensure success in attracting this generation to your product and business. Online and personalized marketing are a staple to gain this generations attention motivating them to join the workforce at a specific firm.



## References

- Brack, J., & Kelly, K. (2012). Maximizing Millennials in the Workplace. *UNC EXECUTIVE DEVELOPMENT*, 1-15. Retrieved January 30, 2018, from <http://unc.live/2s2rvA6>
- CALK, R., & PATRICK, A. (2017). Millennials Through The Looking Glass: Workplace Motivating Factors. *Journal Of Business Inquiry: Research, Education & Application*, 16(2), 131-139
- Cho, J., Park, D. J., & Ordonez, Z. (2013). Communication-Oriented Person-Organization Fit as a Key Factor of Job-Seeking Behaviors: Millennials' Social Media Use and Attitudes Toward Organizational Social Media Policies. *Cyberpsychology, Behavior & Social Networking*, 16(11), 794-799. doi:10.1089/cyber.2012.0528
- Fry, R. (2017, September 06). 5 facts about Millennial households. Retrieved February 04, 2018, from <http://pewrsr.ch/2vPkrbK>
- James, D. (17, January 11). Rakuten Marketing Blog. Retrieved February 04, 2018, from <https://blog.marketing.rakuten.com/affiliate/9-must-know-millennial-shopping-trends-of-2017>
- Karvounis, N. (2015). 4 Gen Y Trends that Affect Your Practice. *Journal Of Financial Planning*, 28(3), 16-18.
- Millennials: A Dozen Demographic Details. (2016). *Credit Union Directors Newsletter*, 42(7), 4.
- Miller, M. B., Hodge, K. H., Brandt, A., & Schneider, E. A. (2013). The Young and the Restless: Gen Y'ers in the Workplace! Are You Prepared?. *FDCC Quarterly*, 63(3), 226-250.
- Odell, P. (2017). 4 Focal Points for Marketing to Millennials. *Promotional Marketing*, 1.
- Odell, P. (2017, July 11). 5 Lessons Millennials Taught Marketers. Retrieved February 03, 2018, from <http://www.chiefmarketer.com/5-lessons-millennials-taught-marketers/>
- Secrecy, D. (2014, August 21). Marketers Are Sizing Up the Millennials. *New York Times*. Retrieved January 25, 2018, from <http://nyti.ms/2FhhiSh>
- Smith, K. T. (2011). Digital marketing strategies that Millennials find appealing, motivating, or just annoying. *Journal Of Strategic Marketing*, 19(6), 489-499. doi:10.1080/0965254X.2011.581383
- Terry-Armstrong, N. (2017). WORKING WITH AND MARKETING TO 'MILLENNIALS': Who are the Millennials?. *Busidate*, 25(4), 3.

### Further Reading

- Brand, J. V. (2015, June 26). Ready or Not, Millennials Are Changing How We Do Business Forever. Retrieved February 03, 2018, from [https://www.huffingtonpost.com/jason-vanden-brand/ready-or-not-millennials-b\\_7673932.html](https://www.huffingtonpost.com/jason-vanden-brand/ready-or-not-millennials-b_7673932.html)
- James, D. (17, January 11). Rakuten Marketing Blog. Retrieved February 04, 2018, from <https://blog.marketing.rakuten.com/affiliate/9-must-know-millennial-shopping-trends-of-2017>
- Maize, R. (2017, March 08). 6 Ways Millennials Have Changed Business Practices. Retrieved February 04, 2018, from <https://www.entrepreneur.com/article/289574>
- Mikesell, Kirsten A., "Stigmas and Stereotypes Surrounding the Post-Grad Millennial" (2016). *Graduate Academic Symposium*. 27. Retrieved January 25, 2017, from <http://scholar.valpo.edu/gas/27>
- Murillo, E., Merino, M., & Núñez, A. (2016). The advertising value of Twitter Ads: a study among Mexican Millennials. *Revista Brasileira De Gestão De Negócios*, 18(61), 436-456. doi:10.7819/rbgn.v18i61.2471
- Schewe, C. D., Debevec, K., Madden, T. J., Diamond, W. D., Parment, A., & Murphy, A. (2013). "If You've Seen One, You've Seen Them All!" Are Young Millennials the Same Worldwide?. *Journal Of International Consumer Marketing*, 25(1), 3-15. doi:10.1080/08961530.2013.751791
- Stepanian, A. (2017, November 03). Marketing To Millennials: Pinpointing The Next Frontier. *Forbes*. Retrieved February 05, 2018, from <http://bit.ly/2GPhXf8>

## Appendix

Exhibit A (Terry-Armstrong, N. 2017)

### GENERATION, BY BIRTH YEAR

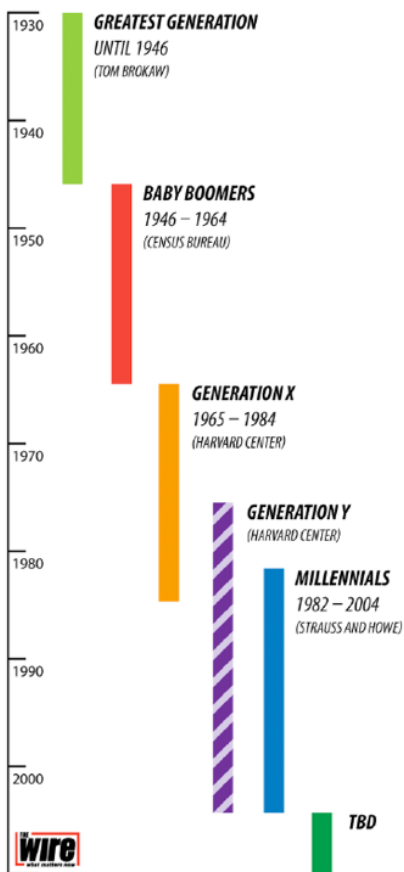


Exhibit B (Brack, J., & Kelly, K. (2012).)

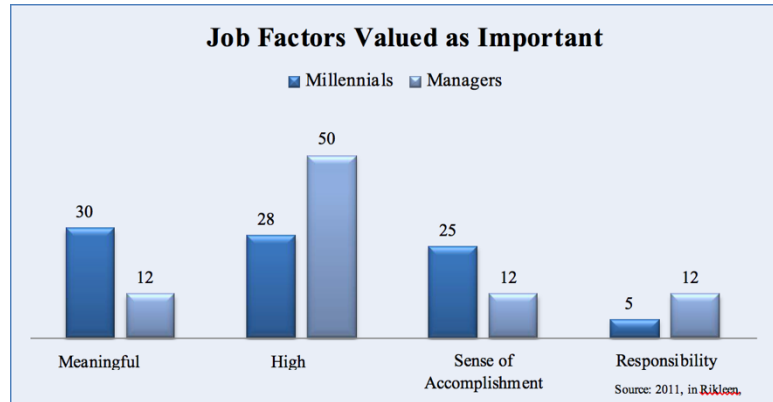


Exhibit C (Brack, J., & Kelly, K. (2012).)

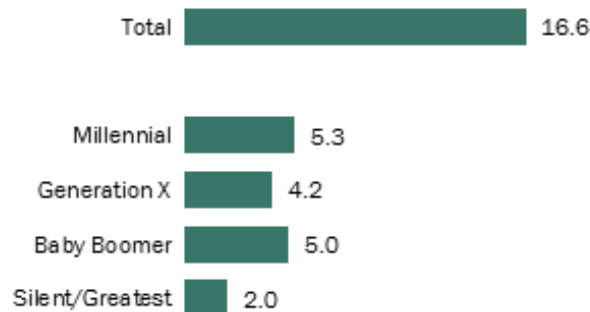
### Cowboys vs. Millennials: Workplace Expectations

Cowboys	Millennials
Command and control management style	Active, involved leadership
Individually focused work	Collaborative, teamwork
Managed flow of information	Unstructured flow of information
Job security	Employability
Work = income	Work = income and personal enrichment
Structure	No structure; flexibility is highly valued
Inward looking	Outward looking
Influence through organization, position	Influence through networks, communities
Source: Gartner Research in Lynch, 2008	

Exhibit D (Fry, R. 2017)

### More households headed by a Millennial are in poverty than other generations

*U.S. households in poverty, in millions (2016)*



Note: Households are categorized on the basis of the characteristics of the head of household. There are a relatively small number of households headed by a person younger than 18 that are not shown but are included in the total.

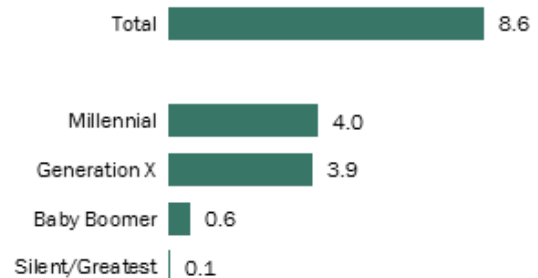
Source: Pew Research Center analysis of 2016 Current Population Survey Annual Social and Economic Supplement (IPUMS).

PEW RESEARCH CENTER

Exhibit E (Fry, R. 2017)

### The largest number of single-mother households are headed by a Millennial

*Unmarried female household heads in U.S. who have a child younger than 18, in millions (2016)*



Note: Single or unmarried refers to household heads who do not have a spouse present. A child refers to the child of the household head and includes stepchildren and adopted children as well as biological children. There are a relatively small number of households headed by a person younger than 18 that are not shown but are included in the total.

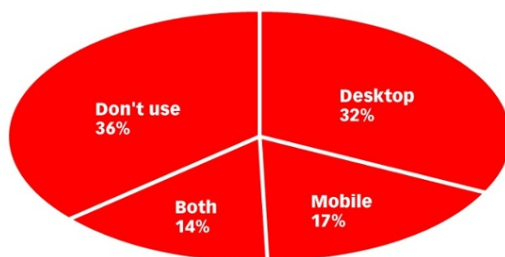
Source: Pew Research Center analysis of 2016 Current Population Survey Annual Social and Economic Supplement (IPUMS).

PEW RESEARCH CENTER

Exhibit F (James, D. 2017)

### US Millennial\* Internet Users Who Use an Ad Blocker, by Device, July 2016

*% of respondents*



Note: numbers may not add up to 100% due to rounding; \*ages 18-24  
Source: Anatomy Media, "Millennials at the Gate" conducted by Google Consumer Surveys, Sep 20, 2016

216772

www.eMarketer.com