

Best Practices: Engaging Millennials with Advertising

Today's roughly 79 million multi-tasking Millennials are notoriously less receptive to advertising than previous generations. Provided by comScore, this Research Insights suggests some advertising tactics and strategies for engaging this difficult-to-reach group.

The 4A's thanks comScore Research Director, Douglas Crang, for providing this best practices research brief exclusively for 4A's members.

"Best Practices: Engaging Millennials with Advertising" adds more generational information to our knowledge base, which includes previous Research Insights on [Baby Boomers](#) and [Gen Y](#) topics.

Marge Morris
Vice President
4A's Research Services

Key Insights from comScore's Millennial Generation Study

- The Millennial generation (born between 1981 and 2000) is a valuable segment of the population for marketers due to its size, purchasing power and quick adoption of new trends in technology.
- Periodic generational studies conducted by comScore have shown that, compared to their older counterparts, younger people tend to be less responsive to advertising. The Millennial generation is no exception to this pattern when compared to Generation X, Baby Boomers and Seniors. This consistency suggests a powerful life-stage phenomenon is at work, rather than inherent generational differences.
- Millennials are notorious multi-taskers, and therefore, it is not surprising that advertising has greater difficulty breaking through to capture this generation's attention versus older generations. Hence, to be effective among Millennials, advertisers need to find a way to draw them into their communications or risk being tuned out entirely.
- As with the older generations examined, Millennials need a compelling reason to prefer a certain brand. Key strategic elements and appropriate branding resonate with this generation just as is the case with a general audience.
- One defining characteristic of this generation is their comfort level with technology. This makes digital media an ideal means of reaching them, and not just because that's how they spend much of their time. Not only is the responsiveness gap versus older generations closed when it comes to digital advertising, Millennials are also more engaged with digital content relative to other generations than is the case with television content.

Who are the Millennials?

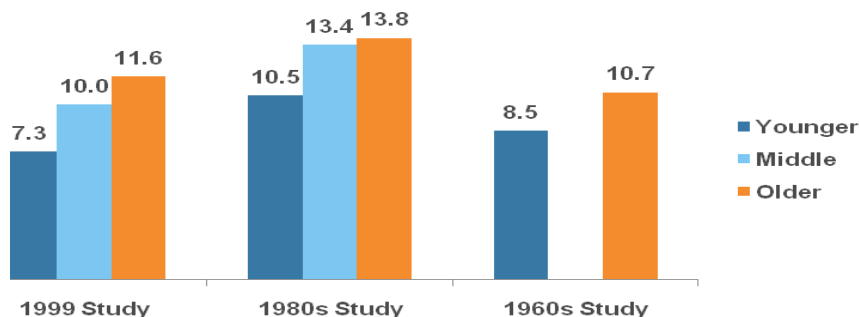
The Millennial generation is often viewed by marketers as one of the most valuable segments of the population for a variety of reasons, not the least of which is its sheer size. Commonly defined as those individuals born between 1981 and 2000, there are approximately 79 million Millennials in the U.S. This segment dwarfs the 48 million Generation Xers (born between 1965 and 1980) and is the largest generation since the Baby Boomers (born between 1946 and 1964). The purchasing power of Millennials – which is estimated to be approximately \$170 billion a year – cannot be ignored. Marketers wishing to attract this group with their products and services are keenly interested in what makes them tick and how to effectively reach them.

Television Advertising and the Generations

Over the past five decades, the ARS Group (acquired by comScore in 2010) has periodically studied the effectiveness of television advertising among different age groups. Previous studies were conducted in the 1960s, 1980s and 1990s. The current study, which focuses on the Millennial Generation, analyzes nearly 1,000 creative pre-tests of television advertising. Collectively, the study included more than a half million women across four generational groups: Millennials (age < 30); Generation X (30–44); Baby Boomers (45–59); and Seniors (60+). As with the previous studies, only advertisements for products directed at a general audience were included.

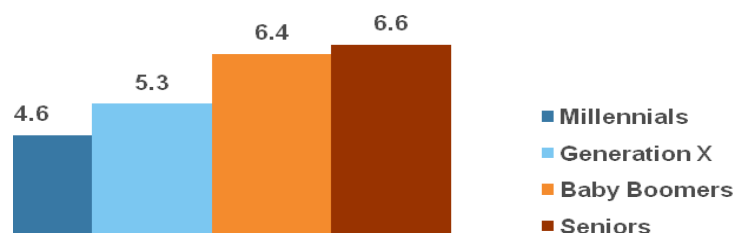
Historical findings from the previous studies have consistently shown that younger consumers generate lower television ad effectiveness results, as measured by Lift in Share of Choice (SOC), a measure of advertising effectiveness that is highly correlated with in-market sales response. As seen in Figure 1, these results suggest that it is more difficult to persuade younger consumers with advertising messages than their more senior counterparts. The 1999 study, which focused on Generation X, concluded that lower responsiveness to advertising among young consumers is at least in part, a reflection of life-stage rather than unique generational factors.

Figure 1: Average Lift in Share of Choice by Age Group – Historical Studies



The current study results show the familiar stair-step pattern seen in previous studies, with average ad effectiveness increasing with age. As indicated in Figure 2, Millennials are more difficult to persuade via television advertising when compared to older viewers, with an average Lift in SOC significantly lower than for Baby Boomers or Seniors (at the 95% statistical significance level). This finding reinforces the life-stage conclusion from the preceding study and argues against the notion of the credulity of youth, but rather, supports a picture of independent-mindedness and skepticism as each new generation takes a fresh look at the world.

Figure 2: Average Lift in Share of Choice by Age Group – Television Advertising



N=835; mean Lift in SOC for Millennials and Generation X are significantly lower than those for Baby Boomers and Seniors at the 95% significance level.

The Bottom Line: Millennials, as with younger generations of the past, are harder to move with television advertising. Agencies looking to gain a foothold among this generation for their clients will need to carefully research approaches that overcome this general trend. Pre-testing of ads would be a sound decision to ensure that the best creative examples achieve the most visibility and the lower-performing ads are weaned out from use.

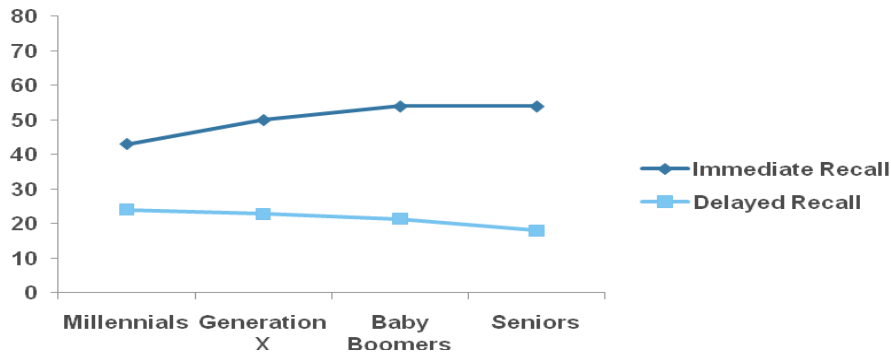
Breaking Through to Millennials

Advertising recall was also evaluated across generational groups. Recall measures were collected after exposure to advertising creative in a veiled environment. Two distinct recall methodologies were used to capture immediate and delayed recall. For immediate recall, respondents were questioned about the test advertisement a short time after exposure (approximately 15 minutes later). This method measures the ability of an ad to break through and gain the attention of viewers. For delayed recall, respondents were contacted three days after exposure and questioned about their recall of the test advertisement. In addition to breakthrough, this method also measures the ad's ability to leave a memorable and lasting impression.

The trends among the generations are striking. Figure 3 shows that ad breakthrough for Millennials was substantially lower than for the other generations. This is consistent with the characterization of this generation as needing something to capture their attention. They may quickly tune out from ads that do not get their attention and turn it elsewhere, as they are known to multi-task and juggle multiple forms of media simultaneously. Alternatively, Millennials

demonstrated a higher propensity than other generations to retain a lasting impression of an advertisement. This trend is no doubt driven by the effects of age on memory outstripping the breakthrough effect.

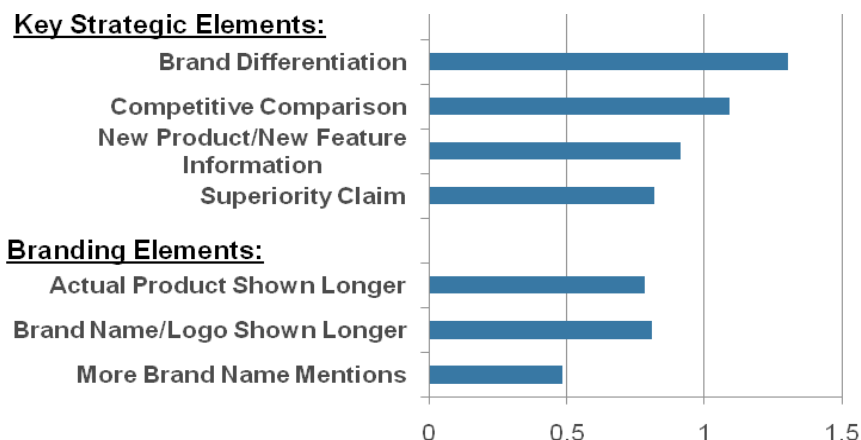
Figure 3: Average Related Recall Results by Age Group



comScore research has identified a variety of creative advertising elements that have a significant impact on an ad’s ability to build a brand and ultimately lift sales. This research has identified more than 200 creative elements that *can have* an impact on an ad’s Lift in SOC. A sub-set of these elements, called the Validated Drivers, has been shown to have a *significant* impact on Lift in SOC Scores and therefore on brand sales.

Among the Validated Drivers are the key strategic elements, which represent advertising content which gives a reason to prefer the featured brand and sets it apart from the competition. As illustrated in Figure 4, the presence of each of these elements results in a large average increase in Lift in SOC among Millennials. As with other consumers, Millennials respond when given a compelling reason to choose the brand. In addition, several other elements that on average result in an increase of Lift in SOC suggest that Millennials also respond to sufficient branding and appropriate focus on the product, much like a general audience.

Figure 4: Average Increase in Lift in SOC among Millennials Due to Use of Selected Drivers



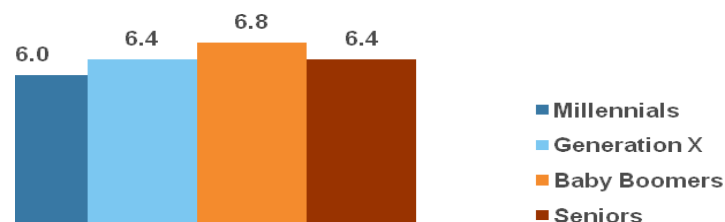
The Bottom Line: Advertising needs to grab and hold Millennials' attention. However, entertainment is not enough. The ad must provide a compelling product story that gives a powerful reason to believe and links to the brand. Evaluating your strategy before developing creative specs is a good way to ensure your final ads will possess these key drivers of effectiveness.

Digital an Effective Option to Reach Millennials

The available digital ad testing data for categories of general interest across age ranges and for which sufficient sample size was available to generate scores by the different generational groups was relatively limited (n=35). However, it does provide an initial look at how digital advertising performs among the different generations.

The data suggest that digital advertising performs better in relative terms among Millennials than does television advertising, as seen in Figure 5. While Millennials do have the lowest average lift in SOC among the generations, the difference is much smaller than seen for television. It may be that Millennials' comfort with technology and all things digital that makes them relatively more responsive to digital advertising versus television.

Figure 5: Average Lift in Share of Choice by Age Group – Digital Advertising

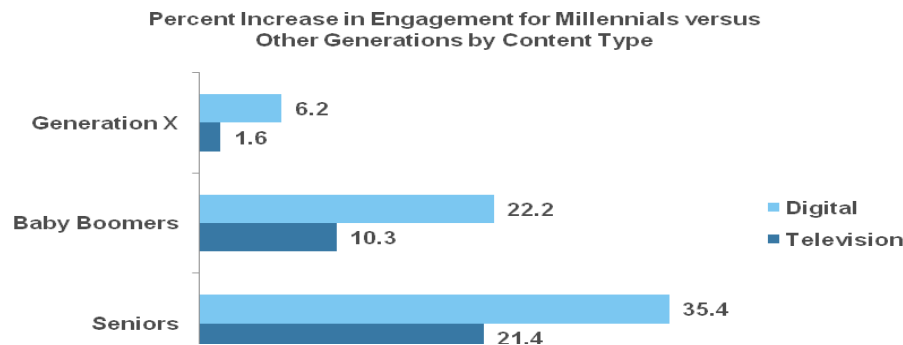


In addition, comScore studies have found that the content in which an advertisement is embedded can have a significant impact on the advertisement's effectiveness. This is because engaged audiences amplify the effect of the advertiser's creative execution. The effect of this amplification is on an ad's ability to build Share of Choice.

Given the importance of an engaged audience in amplifying advertising's effectiveness, comScore studied engagement among viewers of a wide array of current television programs (25) and websites (15). This study encompassed more than 3,000 respondents who were asked whether they had viewed or visited each property in the past two weeks. Then comScore's battery of engagement questions were administered to those who indicated recent viewership or visitation, allowing engagement scores to be derived for each property. These results were also examined by generation.

First, it was found that, on average, engagement was higher among Millennials than all other generations for both television programming and websites. In addition, it was found that this difference was greater on a percentage basis for digital than for television, despite the selected television programming being somewhat more skewed toward shows targeted to a younger audience than were the websites.

Figure 6: Percent Increase in Engagement for Millennials vs. Other Generations by Content Type



These results are good news for those interested in advertising to Millennials. It appears that they are highly engaged with the content they choose to view. This is true for both television and digital. This engagement will amplify the effectiveness of advertising to Millennials, helping to boost advertising returns on investment among this key demographic. The results also suggest that digital is a good bet among Millennials because its ability to engage is much more skewed toward younger generations versus television.

The Bottom Line: Digital advertising appears to be a good bet to target the Millennial generation. Not only is digital advertising more effective among Millennials relative to other generations when compared to television advertising, but engagement with digital content also skews to the younger generation more so than is the case with television, providing a relatively greater boost to embedded advertising.

View complete comScore study: [Next-Generation Strategies for Advertising to Millennials](#)