



Media Panel

Getting The New Generation's Attention

Report Author:

Erica Orange, Executive Vice President, Weiner, Edrich, Brown, Inc.

Moderator:

Suzanne Duckett, Editor, The Antitode and Tatler Spa Guide, UK

Panelists:

Jo Foley, Journalists & Media Consultant, UK

Alexis Jones, Founder, I AM THAT GIRL, Alexis Jones Inc., U.S.,

Beverly Maloney-Fischback, CEO, Founder & Publisher, Organic Spa Magazine., U.S.

Kim Marshall, Owner, The Marshall Plan, U.S

Applying Millennial Marketing to the Spa & Wellness Industry

The session began with a presentation on how best to apply Millennial marketing to the spa and wellness industry. Here is a look at the top-notes of the discussion, which are broken down into the following key areas of focus:

A Look at the "Millennial Numbers":

- Millennial purchasing power is valued at ~\$1.68 trillion.
- Millennials spend ~10.3 hours a day interfacing with technology.
- Millennials come across ~3,000 brand images a day.
- 83% not only have mobile devices, but sleep with them by the bed.
- 57% actively update their social media profiles (e.g., Facebook, Twitter) every day.
- 84% say that user-generated content significantly impacts their travel decisions. And they reference, on average, 10.4 online sources before making a travel-related purchase.
- 75% have a social media profile.
- In 2015, one in every three employees will be a Millennial. And by 2025, Millennials will become 75% of the global workforce.

Attitudinal Characteristics:

- Millennials value being alert, bright-minded and spiritually-balanced.
- Millennials are, on average, less trusting than Gen X. A new study finds that today's youth are often more skeptical of U.S. institutions than the young generations that preceded them.
- They have an inflated sense of self-confidence.
- They need constant feedback.
- They care about giving back.
- They are searching for meaning.

- They are brand-savvy.
- They are afraid to fail, and have lower levels of risk-taking.
- They commonly use social networking to promote social awareness.
- They believe health and wellness can be defined by physical fitness, a balanced life, feeling good, and having energy.

How to Reach this Generation:

Companies are feeling pressure from Millennials to evolve; to be useful; and to innovate. Here are some approaches they can use to reach this generation:

- Show them that your product or business is productive to their changing lifestyle.
- Attach a social cause to your business or product.
- Create novel, unique and entertaining experiences with your brand (e.g. Red Bull's events).
- Embed gamification principles into the experience. (Gamification refers to leveraging gaming mechanics in a non-game setting.) By creating playful and fun experiences, brands can better capture the attention of young consumers.
- Leverage design, and design thinking, principles as a way of fostering community. Employing smart design can help create conduits to deeper and more meaningful engagement.
- Invest in the digital component. A website is the new storefront.
- Provide this generation with a haven of silence. Create a space for them to escape and break away from the noise.
- "Unbrand" your brand. In other words, let your brand speak for itself. Millennials can easily see through phony marketing and branding efforts.
- Create a sanctuary (e.g., a real or virtual space) to help make this generation feel a sense of safety and security.

Fast Forward: What This Will Mean in the Future

In any discussion about Millennial trends, it is important to take into account the entire sociocultural, economic, political and technological landscape. Important, too, is not just a focus on U.S.-based trends, but global ones. How this next generation manifests itself in different global urban centers will be shaped by a unique set of environmental factors. For instance, in many parts of the world – in particular, the U.S. and Europe – many young people are faced with an existence without predictability or security. A lack of job security and stable occupational identities, coupled with growing income inequality and economic immobility, marks this generation. What we are seeing emerge is a growing socioeconomic class made up of insecure, disconnected young who feel robbed of the better future they expected. They live with multiple forms of uncertainty, and are experiencing a general loss in self-confidence, faith, and trust. For instance, records show that, when adjusted for inflation, Millennials are poorer than its parents' generation was at a similar age. This will mean that Americans in their 20s and 30s will have golden years that will not be as "golden" as those of their parents. This will be critical for the pricing of spa and wellness-related services in the future.

Getting their Attention:

In recent years, there has been considerable dialogue around the issue of attention – with special emphasis on global youth populations. However, the focus of this discussion is now shifting from attention to *boredom*. Researchers suggest that boredom has serious consequences for health and

productivity, linked to depression, overeating, substance abuse, gambling and even mortality. Smartphones and other modern, digital technologies may also change the way people experience boredom. Mobile devices offer instant stimulation, but researchers speculate that may leave some even more bored when they are unplugged.

If we understand that boredom is increasing, and is increasingly becoming a *normal* part of the human experience, then we can take a more positive approach to the issue. This provides a potential space for reimagination by the spa and wellness industries. A focus on better integration of the concepts of fun and play – including the gamification of everything – will be integral in dealing with this in the future.

The ultimate “alternative currency,” attention is what everyone is fighting for. Attention = greater chance for success. In business terms, attention = more \$\$\$. Marketers, as sophisticated as they have become, are struggling with this because they simply cannot adapt quickly enough to keep pace with technology. And, because Millennials are increasingly bored, they are consciously choosing what to pay attention to – because they can. Marketing is no longer a simple game of “look, pay attention to me,” with the power almost exclusively in the hands of savvy marketers. The rules of the game have changed, and more power is now in the hands of the consumer – particularly Millennials. If attention is the currency of the future, then perhaps flipping our frame of reference to the underlying issue of boredom will be the most effective way to optimize our chances of getting that currency.

Evolution of Communication:

One highly-significant direction for language is the growing use of images, symbols and signs rather than words. Thus we see image-based platforms such as Snapchat and Instagram being used by the young instead of Facebook. Pictures, instead of words, are increasingly used as a means of ongoing communication. The growing use of simplified language among young people of all socioeconomic classes may be one big reason why employers increasingly complain about what they see as inarticulateness and a lack of adequate communication skills among young job applicants. So in the future, our complex messages may not be able to be spoken or written, but rather imaged. Can a design be worth a thousand words? This, in the future, could be a major leveragable competitive advantage.

Rise of Collaborative Consumption:

The rise of the shareconomy (e.g., Uber, Rent the Runway, Airbnb) is not just about changing consumption habits; it’s also about a widespread value shift: A shift from valuing possessions to valuing *usage*; a shift from valuing ownership to valuing *access*. This has gained an enormous amount of traction with Millennial consumers. One of the things this is leading to is the growth of new definitions of luxury. Luxury can be defined as that which is much desired but in short supply. If time and convenience are two commonly desired luxuries, sharing sites fit both. Products and brands that were traditionally considered luxurious are now more accessible to the mainstream consumer.

Each time the peer-to-peer model shifts to include a new product or service, it’s sidestepping – and in many cases, completely cutting out – traditional incumbents. Ultimately, the companies that learn how to begin creating value out of shared and open resources in ways that balance personal self-interest with the good of the community-at-large, and create innovative solutions by enabling the sharing and exchange of assets, will be among the winners in the emerging shareconomy. They may also be the ones that most resonate with Millennial consumers.