## Marketing to Millennial Moms

How your brand can and

should speak to this emerging

consumer powerhouse











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### Introduction

By now, Millennials\* have faced observation and scrutiny that typifies large up-and-coming generations. Given the spending power of this generation, this is not surprising. They're currently spending \$170 billion per year, and are projected to spend \$200 billion annually starting in 2017, and \$10 trillion in their lifetimes.¹ To reach this valuable audience, marketers are thus under pressure to pin down Millennial behaviors. Consequently, we [unwisely] start to rely on stereotypes.

However, Millennials are evolving, growing up, maturing and most importantly, fragmenting – rendering our earlier assumptions of this group too broad, or worse, inaccurate.

It seems we need a marketing 'reset' button to redefine the make-up of our evolving Generation Y. Especially because we're seeing one significant shift: Millennials are beginning to start their own families.

<u>Parenthood is an important, if not the most important,</u><sup>2</sup> aspiration for the majority of Millennials.

The birth of a child is a turning point when they will realize new brand loyalties and begin to influence the relationships that their children have with brands. Thus, understanding how parenthood changes Millennial trends is crucial for marketers attempting to reach this elusive audience.

MILLENNIAL MOMS REPRESENT

A 6 0/0

OF TOTAL WOMEN IN THEIR AGE GROUP.3

This study is an immersive examination of the new growing segment of Millennials – the Millennial Mom. This Advertising Intelligence whitepaper will take you through:

- Who our Millennial Mom is, and what her online behaviors reveal about her true interests,
- How the family composition is fundamentally altering what marketers know about the Millennial Mom's values.
- How spending patterns are affected, and the ways that brands can take advantage of these changes,
- And finally, key takeaways every brand marketer should leverage in their next campaign targeting Millennial Mothers.

\*FOR THIS STUDY, MILLENNIALS WERE DEFINED AS THOSE BORN BETWEEN 1980-1995.

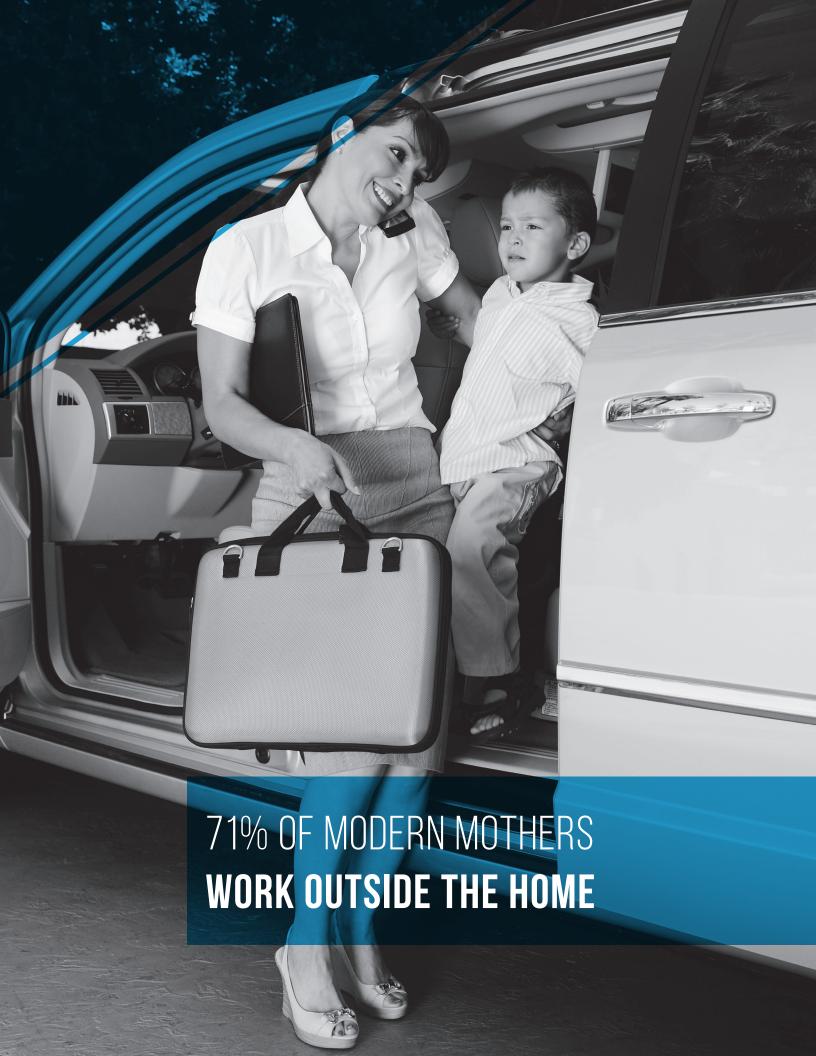
### Methodology

Data is gathered using the e-X Advertising Intelligence Platform, Exponential's proprietary engine that collates, aggregates, and organizes over two billion daily user 'events' occurring across its network at the page-level. This 'big data' is used to create actionable, granular audience segments. Here, we've analyzed user behavior of 4,000,000 Millennials – 2,300,000 of which are parents and 1,130,000 of which are Millennial Mothers.

### The new family portrait

Thanks to a variety of economic, cultural and social shifts, the family make-up has changed dramatically. There are three major trends impacting how marketers effectively speak to the Millennial Mother:

- 1) Social media and the pressure to have it all. Many mothers, no matter which generation, are challenged to 'keep up with the Joneses'. Millennial Mothers, especially, feel pressure greater than ever before as the proliferation of social media amplifies the degree to which their lives are publicly showcased. Millennial Moms are known to have 3.4 social networks on average and spend 17.4 hours on social sites (4 hours more<sup>4</sup> on average than any other 'mother' group). This has two main implications: retail purchases become heavily influenced by social media channels (more on this later), and the pressure to 'have-it-all-and-show-it' influences and changes Millennial Mother behavior.
- 2) Increased spending power. Society's increased significance given to key female career-drivers and a critical eye toward gender equality<sup>5</sup> drives a powerful force of working mothers who have deeper financial pockets; in fact, 71% of modern mothers work outside the home.
- **3)** Blended families take center stage. When it comes to Millennial families, blended families are growing tremendously, which means marketers will need to diversify their messaging. Just to name a few stats: 15% of all marriages are interracial. Single women accounted for 41% of births in 2011. Half of newborns are non-white.



## Refining their palettes: the new Millennial menu

Millennials have been well-reputed to be healthy eaters. According to a PLMA study, <u>6 out of 10 Millennials report</u><sup>7</sup> eating healthier foods than their parents, and half consume more organic products. Therefore, as Millennial Mothers transition into parenthood, their food choices maintain a strong preference for organic/natural groceries and an even stronger lean toward clean, healthy eating and living.

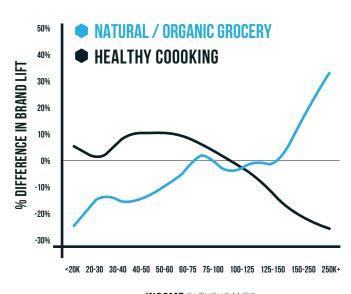
#### MILLENNIALS WITH CHILDREN

#### MILLENNIALS WITHOUT CHILDREN

ORGANIC / NATURAL GROCERY													
VITAMINS					••								
HEALTH MONITORS													
FRUITS & VEGETABLES													
WEIGHT LOSS PLANS			•										
HEALTHY COOKING			(										
LOW CALORIE COOKING													
HERBAL REMEDIES		•											
SUSTAINABLE LIVING		•											
	OX	2X	4X	6X	8X	10X	12X	14X	16X	18X	20X	22X	24X
					\		LIFT						

**LIFT:** THE DEGREE TO WHICH A PARTICULAR BEHAVIOR IS PREDICTIVE OF HOW MUCH A USER DEMONSTRATING THAT BEHAVIOR IS LIKELY TO CONVERT

Interestingly, healthy eating is a priority for Millennial Mothers despite income levels. As expected, Millennials with higher incomes are much more likely to be shopping in natural and organic grocery stores that often demand higher prices and are more likely to be located in high-income areas. However, Millennial parents with restrictive budgets are also deeply concerned with health; they demonstrate a strong interest in cooking at home, and even specifically seeking out healthy recipes.



Though Millennials are typically known for boasting an adventurous palette, Millennial Mothers seem to find their way back to more familiar brands from their own childhoods. Online behavior shows that mothers are trading diverse food 'experiences' for health, price and familiarity when it comes to their children's meals.

One reason for this is to preserve family values and heritage. In an increasingly globally-connected and fast-paced world, familiarity resonates more for the Millennial parent who is seeking to connect their own children to their roots.

Our study reveals that Millennial parents, when compared with their non-parent peers, demonstrated greater likelihood to be interested in comfort foods that reflect their regional heritage. For example, Southern Millennial parents have an increased interest in barbeque and American fare than those who are not parents; they also have a lower interest in a variety of ethnic cuisines such as Chinese, Thai and Indian. Furthermore, Hispanic Millennial Mothers show a stronger affinity toward Mexican and American cuisine (about 50% and 20% more, respectively) and all others less.

#### HISPANIC MILLENNIALS WITH CHILDREN

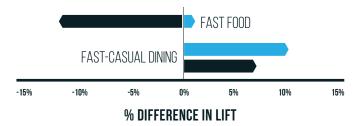
#### HISPANIC MILLENNIALS WITHOUT CHILDREN

					LIFT			
	ОХ	2X	4X	6X	8X	10X	12X	13X
ICE CREAM							12.4	
STEAK						11.2		
SUSHI						11.0		
AMERICAN				•		8.2		
MEXICAN				6.3		11.6	•	

Finally, despite health concerns, fast food restaurants are not going to disappear anytime soon; the convenience they serve for overall Millennials and Millennial parents is indispensable. However, popularity of the traditional quick-serve food restaurants (think McDonald's or Burger King) is declining rapidly for this generation. Our data shows that Millennials, and particularly Millennial parents, are more likely to prefer a fast-casual dining experience (such as Panera or Chipotle) that still promises convenience with quality.

#### MILLENNIALS WITH CHILDREN

#### MILLENNIALS WITHOUT CHILDREN



#### The bottom line:

- Millennials are healthy eaters and chefs; this is a priority for Millennial Mothers, despite income disparities.
- Despite their adventurous 'foodie' spirits, Millennial Mothers still boast
  a traditionalist streak. This may be the optimal time for food brands that
  were strong in Millennials' childhoods to re-introduce themselves to this
  key audience. For example, Fruit Loops recently launched a campaign
  to "bring back the awesome" targeted to specifically to young parents.
- Fast food brands are not dead, but they will need a revival to incorporate a more wholesome message that promises simplicity, convenience and high quality.





# #checkmeout: Emergence of the corporate beauty maven

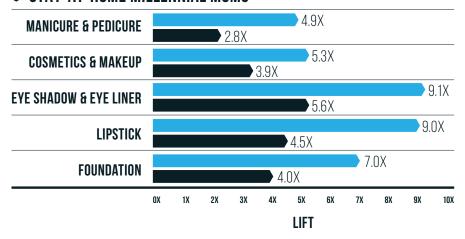
The impact of social media on a Millennial's self-identity is most prominent in purchase decisions Millennial Mothers make in the fashion, fitness and beauty sectors. These women grew up in the age of photo sharing, 'selfie' taking and community opinion sharing. There is a prevalence of fashion-specific hashtags (e.g. #ootd – outfit of the day), pin boards and accounts on Pinterest and Instagram dedicated wholly to fashion and beauty, and even articles on how to take the perfect family selfie. <sup>10</sup> Beauty and fitness brands should have taken heed by now.

By digging a little deeper, we can examine the variance between two subsets of Millennial Mothers: those who are stay-at-home mothers and those who are corporate-working mothers.

We found corporate-working mothers are much more concerned with researching cosmetics; they are 9.1x and 9.0x more likely to research eye makeup and lipstick, respectively. This is likely because their day jobs outside of the home require more public primping. Furthermore, the demands of stay-at-home parenting tend to be more physical in nature, making elaborate make-up routines less practical.

#### CORPORATE-WORKING MILLENNIAL MOMS

#### STAY-AT-HOME MILLENNIAL MOMS



CORPORATE-WORKING
MILLENNIAL MOMS ARE

O 1 X

MORE LIKELY TO RESEARCH
EYE MAKEUP &

9.0X

MORE LIKELY TO BE INTERESTED IN LIPSTICK.



As for fitness, both corporate and stay-at-home Millennial Mothers indicate strong interest in weight loss. However, interest in specific exercises like running and yoga are much stronger in corporate-working moms.

Also, compared to Millennial parents overall, our data also discovered one key finding; Hispanic Millennial

#### CORPORATE-WORKING MILLENNIAL MOMS

# STAY-AT-HOME MILLENNIAL MOMS WEIGHT LOSS 6.0X EXERCISE 4.7X RUNNING 3.2X 12.0X

3.9X

5X

7X

LIFT

Mothers are most likely to be researching beauty products and dieting. For example, they are 8.6x more likely to be interested in women's clothes, 7.7x more likely to research dieting and 6.5x more likely to be interested in plastic surgery.

#### MILLENNIALS WITH CHILDREN

#### HISPANIC MILLENNIALS WITH CHILDREN

2X

THIST AINIU WILLLININIALS W	IIII UIIIL	.DIILII								
WOMEN'S CLOTHES						5.8			8.5	
DIETING						5.5		7.7		
TEETH WHITENING						5.9	6.7			
COSMETIC & PLASTIC SURGERY						5.43	6.4			
COSMETICS & MAKEUP					4.2	5.9	•			
FASHION WEEK				3.8	4.5	]				
HAIR CARE			Ć	3.7	•					
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					LIF	T				

11X

12X

#### Marketing takeways:

- Millennial corporate-working mothers have strong purchase power in this category. This is a significant audience to engage with; in 2013, <u>57.3% of women with infants and 74.7% of women with children ages 6-17<sup>11</sup> were part of the workforce, according to the U.S. Dept. of Labor.</u>
- Hispanic Millennial Mothers are also a key target in beauty and fitness, as <u>one-in-four of overall mothers who</u>

  have given birth are Hispanic.<sup>12</sup>

# Home and décor: The rise of the DIY-er

A growing audience segment within the Millennial Mother is the crafty, do-it-yourself (DIY) maven. According to a 2012 Merrill Edge report, approximately 84% of 18-34 year olds would be willing to take on DIY projects in order to save money. Since then, however, the DIY culture – from crafts to home décor – has blossomed into a vibrant, dynamic community, driven strongly by social media channels.

Once Millennials reach motherhood, our study shows they are even more interested in crafts; 11% more interested in DIY, to be exact. Social media channels enable these moms to curate, share and show off their projects; in <u>fact, 38% of Millennial Mothers use Pinterest;</u> <u>33% use Instagram.</u><sup>3</sup> These 'Millennial Marthas', if you will, also frequently put their own spin to craft classics.

Interestingly, the rise of the DIY-er even gave way to a new phenomenon – <u>'Pinterest stress'</u> – which occurs when moms feel inadequate when comparing themselves to other crafters on Pinterest. In fact, social media pressure is so strong that half of women claim to have Pinterest stress at some point.

#### HISPANIC MILLENNIALS WITH CHILDREN

#### MILLENNIALS WITHOUT CHILDREN



**To note:** Hispanic Millennial Mothers are also more likely to be preparing welcoming spaces in the home – such as sprucing up their dining rooms and researching party supplies compared to other subsets of the Millennial Mother.

#### MILLENNIALS WITH CHILDREN

#### HISPANIC MILLENNIALS WITH CHILDREN



#### Marketing takeaways:

- With the proliferation of social media and visual tools to spur inspiration, arts and crafts, home and décor brands
  have the potential to reach, and engage with, Millennial Mothers. Advertisers can increase brand awareness
  using interactive, visual creative that will tap into the mothers' interests.
- We're seeing a trend here. Not only are Hispanic Millennial Mothers big spenders in beauty and fashion, they are a contending force in home and entertainment-décor.



### Nonprofit and cause marketing: Connecting to Millennial ideals

Millennials are well-documented to be on the compassionate side – openly and often supporting 14 multiple charities; about 60% of Millennials donated an average of \$481 per year across 3.3 charities according to a recent December 2013 study. Millennial parents stay true-to-form, according to our data, and are still charitable despite more funds going toward their children. In fact, they are even more likely to affiliate themselves with charities than their non-parent counterparts.

Millennial Mothers, in particular, are reported to be the most receptive to cause marketing, with 92% wanting<sup>15</sup> to buy products that support charities or bigger causes.

It is important, then, to note that their cause affiliations are closely linked to their specific life stages. For example, non-parent Millennials are most interested in causes linked to art/culture and the environment. As they shift into parenthood, their cause interests also change to reflect stronger support for children's, humanitarian and religious charities. Furthermore, Hispanic Millennial Mothers may also identify with cultural issues – perhaps driven by a concern for the ethnic communities they identify with.

Geography also plays a large role in nonprofit and cause marketing. Millennial parents in the Midwest and Southern regions of the country tend to show more support for religious causes than those on coastal states, whereas the coastal states show greater interest in charities linked to art and culture.

#### Marketing takeways:

- Marketers should note life events and life stages when engaging with Millennials, especially Millennial Mothers. An example is <u>Target's 2014 "Buy</u> <u>One Give One" campaign.</u><sup>16</sup> which matched customers' back-to-school
  - purchases with donations to the Kids-in-Need Foundation. The campaign resonated deeply with mothers whose own children are likely around the same age, and effectively matched \$25 million in school supplies for children in need.
- Find creative and genuine ways to connect your brand with charities. When done properly, you can support certain causes without charitable donations or programs, and even if your product or service is largely unrelated. Key brands have capitalized on this. One such cause, for instance, is the support for interracial and blended families. For example, Cheerios launched a campaign featuring a biracial daughter with a black father and a white mother; the <a href="mailto:campaign">campaign</a> instantly went viral.<sup>17</sup> Cheerios effectively aligned itself with modern-day Millennial thinking progressive and cause-based.

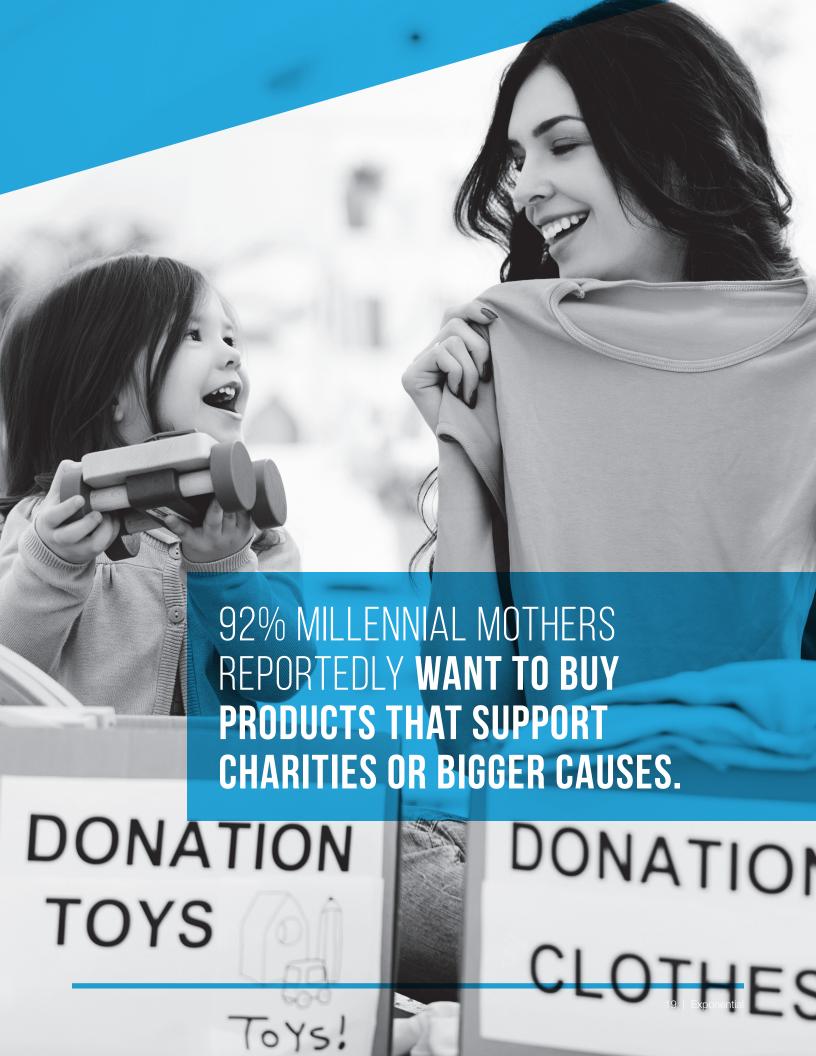
MILLENNIALS	WIIH	CHILDKEN

INTEREST HIGHEST TO LOWEST	WIIHUUI CHILDKEI
CHILDREN'S	ARTS / CULTURAL
RELIGIOUS	ENVIRONMENT
HUMANITARIAN	VETERANS
ANIMAL	ANIMAL
HEALTH	RELIGIOUS
ENVIRONMENT	HUMANITARIAN
ARTS / CULTURE	HEALTH
VETERANS	CHILDREN'S

#### HISPANIC MILLENNIALS WITH CHILDREN

#### BOOMERS WITH CHILDREN

INTEREST HIGHEST TO LOWEST				
RELIGIOUS	VETERANS			
ARTS / CULTURE	RELIGIOUS			
CHILDREN'S	ANIMAL			
HUMANITARIAN	HUMANITARIAN			
HEALTH	ENVIRONMENT			
ENVIRONMENT	CHILDREN'S			
VETERANS	HEALTH			
ANIMAL	ARTS / CULTURE			





# Conclusion: Marketing to Millennial Mothers

Millennial Mothers are a growing and impactful force. With an enormous amount of purchase power and influence, these moms are a combination of progress and tradition – reflecting their being raised by Boomer parents in a digitally immersive world.

For brand marketers, the ever-increasing amount of 'big data' on this audience segment – colored by emerging key trends in social media, changes in the family makeup and value shifts – can be overwhelming.

**The good news:** Millennial Mothers are explicitly demonstrating their interests online constantly; the data simply needs to be aggregated and organized in a way that in a way that can be acted upon. The key for advertisers will be to reach and engage with them how they want to be reached, where they want to reached, when they want to be reached, at scale.

No matter the vertical within which your brand sits, the Millennial Mother will likely be your key customer – that is, if she isn't already.



# Exponential Interactive is a global provider of advertising intelligence and digital media solutions to brand advertisers.

Our e-X Advertising Intelligence Platform combines proprietary audience data and technology to deliver advertising intelligence that enables smarter, better-informed marketing decisions.

Our audience engagement divisions - Adotube, Appsnack, Firefly Video and Tribal Fusion - apply advertising intelligence to deliver high-impact, high-engagement campaigns across display, video and mobile media.

Exponential offers solutions in 22 countries and reaches more than 450m unique users worldwide every month.

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