



# The Secrets of Advertising to Gen Y Consumers

Aiden Livingston

**Self-Counsel Press**  
*(a division of)*  
International Self-Counsel Press Ltd.  
USA    Canada

Copyright©2010 by International Self-Counsel Press Ltd.

All rights reserved.

No part of this book may be reproduced or transmitted in any form by any means — graphic, electronic, or mechanical — without permission in writing from the publisher, except by a reviewer who may quote brief passages in a review.

Self-Counsel Press acknowledges the financial support of the Government of Canada through the Canada Book Fund (CBF) for our publishing activities.

Printed in Canada.

First edition: 2010

### Library and Archives Canada Cataloguing in Publication

Livingston, Aiden

Secrets of advertising to Gen Y consumers / Aiden Livingston.

ISBN 978-1-77040-034-4

1. Young adult consumers. 2. Marketing. 3. Generation Y--Attitudes. I. Title.

HF5415.32.L59 2010

658.8'340842

C2009-905732-8

Cover and Inside Image

Copyright©iStockphoto/Happy young men and women standing together/Yuri\_Arcurs

### Self-Counsel Press

(a division of)

International Self-Counsel Press Ltd.

1704 North State Street  
Bellingham, WA 98225  
USA

1481 Charlotte Road  
North Vancouver, BC V7J 1H1  
Canada



NOTICE	xiii
ACKNOWLEDGMENTS	xv
INTRODUCTION	xvii

**one**

WHY CARE ABOUT GENERATION Y?	1
1. Who Is Gen Y?	1
2. Twenty-First Century Digital Boy	2
3. The Future Will Be More of the Same	3
4. The Trickle-up Effect	3
5. The Ones Pulling All the Strings	4

**two**

THE RISE AND FALL OF TRADITIONAL MARKETING	7
1. Billboards	8
2. Catalogs	8
3. Newspapers	9

4. Magazines	9
5. Dethroning Media Royalty	10
5.1 Radio	10
5.2 Television	11

## **three**

KNOW THY ENEMY: INFILTRATING THE THOUGHTS OF GEN Y	13
1. A Truly Interconnected World	14
2. Immune to Traditional Marketing	14
3. Doing a Common Thing Uncommonly Well	15
3.1 Gen Y loves to show off talent	16
3.2 Gen Y loves a sense of community	16

## **four**

SELLING THE STEAK NOT THE SIZZLE: WHY SENSATIONALIZED MARKETING DOESN'T WORK WITH GEN Y	19
1. Sensational or Sensationalized	20
2. Brainy and Boastful	20
3. Gen Y Doesn't Mind Doing the Research	21
4. Information at Our Fingertips	22
5. Growing up in a World Full of Choices	22
6. You Must Show Gen Y You Are the Best	23

## **five**

SMALL IS THE NEW BIG: GEN Y'S ROLE IN THE RISE OF NICHE MARKETS	25
1. Why Gen Y Hates Big Companies	26
2. Big Companies Are Stuck in the Past	27
3. Profits over People	27
4. Quality over Quantity	28
5. Cookie-Cutter Companies	29

## **six**

### USING CUSTOMIZED MARKETING TO APPEAL TO GEN Y'S EGO

- |   |    |
|---|----|
|   | 31 |
| 1. The Role of Technology in Increasing Expectations                  | 32 |
| 2. The Ultimate Technology That Has Increased Customized Expectations | 33 |
| 3. How Companies Can Use This Ego Boom to Promote to Gen Y            | 33 |
| 3.1 Haunting movie trailers   | 34 |
| 3.2 The customized watch study  | 34 |
| 4. Why the iPhone Is Popular  | 35 |

## **seven**

### HOW TO WIN FRIENDS AND INFLUENCE A GENERATION OF PEOPLE

- |   |    |
|---|----|
|   | 37 |
| 1. The Importance of Being Perceived as a Good Company            | 37 |
| 2. The Lessons of Dale Carnegie That Are Applicable to Businesses | 38 |
| 2.1 The importance of a first impression                          | 38 |
| 2.2 You can't win an argument                                     | 39 |
| 2.3 If you are wrong, admit it                                    | 40 |
| 2.4 Give a dog a good name  | 41 |
| 2.5 No one likes to take orders                                   | 42 |

## **eight**

### REBEL WITH A CAUSE: USING CAUSE-RELATED MARKETING TO REACH GEN Y

- |   |    |
|---|----|
|   | 43 |
| 1. If a Tree Falls in the Woods ...                     | 44 |
| 2. Ford Philanthropy                                    | 45 |
| 3. It's Not Just about How Much Money You Spend         | 45 |
| 4. If It's Going to Make Dollars It's Got to Make Sense | 46 |
| 4.1 It has to be newsworthy                             | 47 |
| 5. Ongoing Involvement Is the Key to Success            | 47 |
| 6. Give Gen Y Results They Can See                      | 48 |

## **nine**

USING THE INTERNET TO REACH GEN Y	51
1. Facebook	52
2. MySpace	53
3. Twitter	54
4. An Updated Blog	55
5. Surfing the Web without Wiping out	56

## **ten**

USER-GENERATED ADVERTISING: GETTING GEN Y TO ADVERTISE FOR YOU	57
1. The Root of the User-Generated Generation	58
2. Why Money Does Not Motivate User-Generated Content	59
3. What Makes a Successful User-Generated Campaign?	59
4. The Ultimate User-Generated Site: YouTube	60
5. What Makes a User-Generated Campaign Sink?	61
6. The Ultimate Key to User-Generated Success Is Longevity	61

## **eleven**

USING VIDEO GAMES TO ADVERTISE TO GEN Y	63
1. Ad Placement in Video Games	64
2. Digital Product Placement	66
3. Designing a Video Game to Promote a Product	67
4. Sponsored Video Games	69
5. Money in Games	70

## **twelve**

GO GREEN TO MAKE GREEN: THE IMPORTANCE OF ECO-SUSTAINABILITY TO GEN Y	73
1. How to be Captain Planet and Not the Evil Villain	74
1.1 Recycling	74
1.2 Minding your carbon footprint	75
2. Show Your Support to Eco-Sustainability	77
3. Organics	78

- 4. Buy Local 79
- 5. Biodegradables 81

## **thirteen**

- HOW TO BE COOL, AND “NOT TRY TOO HARD” 83
  - 1. Fundamental Laws of Cool 84
    - 1.1 Shock and awe 84
    - 1.2 Image is everything 86
    - 1.3 Charisma 86
  - 2. What Is Cool to Gen Y? 88
    - 2.1 Giggity Giggity 89
    - 2.2 Boring presidential candidate to movie star 90

## **fourteen**

- THE FUTURE IS RETRO:  
UNDERSTANDING GEN Y’S OBSESSION  
WITH ALL THINGS VINTAGE 93
  - 1. Reasons Gen Y Loves Retro Items 94
    - 1.1 Gen Ys are close with their parents 94
    - 1.2 Retro is unique 95
    - 1.3 Vintage feels classier 96
    - 1.4 Owning vintage makes Gen Y feel smarter 97
    - 1.5 Vintage = recycled 98
  - 2. How Can Companies Use These Principles to Reach Gen Y? 98
    - 2.1 Packaging 98
    - 2.2 Marketing 99

## **fifteen**

- APPEALING TO GEN Y’S INTELLECTUAL SIDE 101
  - 1. Why Brains Surpassed Brawn 102
    - 1.1 Parents 102
    - 1.2 Tougher economic times 103
  - 2. How You Can Use Gen Y’s Need to Be Smart 103
    - 2.1 Reinforcing Gen Y’s intellect 103

2.2 Not catering to the bottom 10 percent	104
2.3 Mind your wording	105

## **sixteen**

SEX STILL SELLS	107
1. The Playboy Factor	108
2. Party Like a Rock Star	108
3. Hot for Teacher	109
4. Wanting the Unobtainable	110

## **seventeen**

CONSIDER THE SOURCE:	
USING ETHICAL PRACTICES TO ATTRACT GEN Y	113
1. Examples of the Injustices Fair Trade Seeks to Correct	114
1.1 Unethical labor practices	114
1.2 Unfair wages and pricing	114
1.3 Unfair hours of work	115
1.4 Poor health and safety standards	115
2. Making a Difference at Home	116
2.1 Profit sharing with employees	116



Laws are constantly changing. Every effort is made to keep this publication as current as possible. However, the author, the publisher, and the vendor of this book make no representations or warranties regarding the outcome or the use to which the information in this book is put and are not assuming any liability for any claims, losses, or damages arising out of the use of this book. The reader should not rely on the author or the publisher of this book for any professional advice. Please be sure that you have the most recent edition.



The problem with trying to communicate with an individual from another generation is it is a lot like trying to talk with someone from a foreign country, except the variations are less obvious. Most people instinctively realize the difficulty in trying to portray ideas to an individual from, say, Thailand. First, people see the language barrier; the Thais may not understand what you are trying to express if they don't speak English. Second, most can appreciate a cultural divergence. If a person grew up in Thailand, it is very likely he or she has different priorities and views than someone from Florida. There is literally a plethora of minor nuisances that can further impede communication between individuals from different countries. Most people are aware of these differences when dealing with people from overseas.

By contrast, most people fail to realize that the same obstacles exist when trying to reach an individual from another generation. People confuse proximity for familiarity. "Surely, a person that lives on the same street as me should be the same as me," one may justify. However, cultural deviations can be formed by temporal separations as easily as they can be from geographical separations.

Many of the obstacles we might expect in dealing with an individual from Thailand can be extrapolated to a generational frame of reference. For example, even though two generations speak English, most can

appreciate that they don't necessarily speak it in the exact same way. The cliché of a parent trying in vain to incorporate his or her children's slang is ubiquitous within sitcoms and Hollywood movies for its comedic value. That is, of course, without even beginning to discuss the enigmatic code that was born from texting or SMS messaging.

Furthermore, anyone with children can appreciate that priorities and views can be very different despite living in close proximity. Differing opinions on perceived priorities is yet another example of a cultural cliché. Ironically, we all seem aware of the cultural differences inherent to different generations and yet many businesses fail to acknowledge the importance of these dissimilarities in formulating their marketing plans.

This book is a means to bridging the gap between generations. I explain the different values and perceptions so that people can more accurately construct advertising campaigns that reach Gen Y consumers in the most effective and efficient way possible. Many other authors have delved headfirst into this topic, and many are brilliant writers who make cunning observations. However, at the end of the day the Achilles' heel of these books is that they are based on observations. When the problem is a cultural deviation, it is only prudent to have a member of the studied culture provide insight into the issue. To do otherwise is to fail to address the root of the problem.

I make my deductions based on my life and my experiences, not from what I have observed in an individual from a foreign culture. This is ultimately the greatest advantage to this book for the reader. My conclusions are not subject to error in interpretation because the culture I explain is my own; I live it every day. My every interaction in the day recapitulates the principles I discuss, whether it is a conversation with a friend about what movie to see tonight, or my internal dialogue when I go to make a purchase. It is in exploring my own actions and those of my peers that I am able to produce an invaluable resource for anyone who seeks to truly understand how to best reach Gen Y consumers.



Why should businesses care about one single generation? Why should they restructure their entire marketing model to cater to one group? The reason is because the methods and tactics that can be utilized to reach Gen Y represent the future of marketing. New technologies and an ever-changing world have assured that we can never go back to how things used to be. The paradigm has shifted and the difficulties most advertisers are facing in trying to reach customers stand only to get worse with each following generation.

Gen Y just so happens to be the generation who was born and raised during this major technological revolution. In a way, studying how to reach and market to Gen Y is in fact a lesson on how advertising will look in the future. The techniques discussed in this book will eventually be explored and refined so thoroughly that they will represent the new standard in marketing. It is beneficial to learn the lessons Gen Y has to teach now, or risk falling behind in a highly competitive, globalized world.

## 1. Who Is Gen Y?

As a member of Gen Y myself, allow me a few moments to make our collective introduction. Members of Gen Y were born between 1982 and 2002 (exact years vary depending on who you ask), which explains their

other nickname, the Millennials. Another nickname is the Echo Boomers, which is in relation to the fact that they are usually the children of the Baby Boomer generation. They have also been referred to as Net Generation, Dot-Com Generation, and Trophy Generation; however, in my opinion most of these names are pretty lame and hopelessly uncreative, so I will stick with Gen Y.

In the United States alone Gen Y represents more than 80 million people, a number that is likely to grow over time with immigration. Gen Y spends more than 200 billion dollars a year in the US alone and have a major influence on their parents' spending habits, the spending behemoths called the Baby Boomers.

## 2. Twenty-First Century Digital Boy

Gen Y has grown up in a world bathed in technology. I often can't help but to look at the world my parents grew up in only to be filled with pity and empathy. I can recall many conversations with my mother, whose exact age will remain a mystery for the sake of my own safety, but suffice it to say she is a Baby Boomer.

“So I can understand that you didn't have cell phones, but no answering machines either? What would you do if the person you were trying to reach wasn't home?” I queried. “Just call back another time and hope you catch the person or that someone else would be home so he or she could write a note to get the person to call you back,” my mother replied flipantly. How barbaric, I thought: this seemed to me as reliable a method of communication as homing pigeons.

Most of Gen Y has had cell phones as long as we can remember, or at the very least, a pager. In fact, if on the rare occasion I leave my cell phone at home by accident, I experience what I feel is the same grief and helplessness of an avid jogger who just had a cast put on!

Perhaps most unsettling is the thought of a world without the Internet. The very concept sends chills up the spines of many Gen Ys. Not being able to check on my Facebook account, or Google my every whim or question is a withdrawal-inducing scenario. Moreover, the concept of not having any Internet at all is simply befuddling to most of Gen Y. The idea of having to go to an actual library to look up something, or the tedium of trying to write a research paper at a library having to search through individual books for information that are now available in three seconds on Google is daunting.

### 3. The Future Will Be More of the Same

The important thing to remember is that all generations from here on out will grow up with the same technological privileges or more, and their expectations will be just as high as Gen Y's, if not higher. Our aptitude toward instant gratification, and demanding nature will only be amplified in future generations, such as Gen Z: Imagine how someone born in 2005 will view the world in 20 years. No doubt I will have to spend time explaining to them why before MP3s we had to buy CDs and store them in a giant binder that resembled the sign-in book at Ellis Island in both its size and seemingly random nature of its entries.

### 4. The Trickle-up Effect

It is also noteworthy that although earlier generations may not expect or demand the same level of innovation from companies, they certainly appreciate the innovations. It is not a matter of choosing to market to Gen Y at the peril of losing customers and potential clients from other age ranges. In fact, quite the opposite, the innovations needed to reach and appeal to Gen Y actually charm all generations.

Just because older generations grew up in a world where lack of technology made many of the new marketing avenues impossible, doesn't mean they don't see the value in it. For instance, Apple has employed many new marketing techniques and has had great success establishing themselves in the minds of Gen Y; I can proudly say this book was written on a MacBook Air. However, the advertisements Apple uses to appeal to younger consumers also has a poignant effect on older generations. Many of my Gen Y friends' parents own MacBooks and love them. Not only because MacBooks work well, but also because of what owning a Mac says about you to other people. It screams young and hip, and let's face it, the young and the hip aren't the only ones trying to project that image. In reality, Baby Boomers seem more susceptible to the need to appear young and hip than their kids do.

Appealing to Gen Y and having them embrace your product can actually hugely affect the overall market perception of your product and your brand in general. This in turn gives you a huge advantage in not just reaching Baby Boomers, but having a heavy influence on whether or not they actually purchase your product.

Furthermore, one thing most people fail to consider is how large of an impact Gen Y has over their parents' purchases. Gen Y prides itself on being able to "research" and deduce what is the best purchase to be made. We go to online forums, read reviews, ask our friends, and look



Appealing to Gen Y and having them embrace your product can actually hugely affect the overall market perception of your product and your brand in general.

over numerous other sources of information before finally making what we believe is the most informed decision.

Perhaps even more tenacious than our research habits is our propensity for bragging about what smart consumers we are. We don't do all that work for nothing; if nobody knows how brilliant we are, what is the point of being brilliant at all? Unlike a tree falling in the woods, we insist on being heard.

As a result most Baby Boomer parents pained with the decision of a new purchase typically consult their Gen Y kids. It is a beautifully symbiotic relationship; we get to flex our cognitive muscles and our parents get to shrug the responsibility of having to make a difficult decision in a marketplace that is flooded with confusing choices.

## 5. The Ones Pulling All the Strings

Most people tend to underestimate the influence Gen Y has over their parents. However, they forget the different dynamic that exists between Baby Boomer parents and their Gen Y kids. It is much different than the relationship the Baby Boomers had with their parents. Most of Gen Y talks to their parents regularly; I talk to my mom almost daily.

Moreover, much of Gen Y still lives with their parents: A practice I don't particularly condone, but nonetheless it has become more common than not. It is not uncommon for even the oldest of Gen Y, now 27, to still be milking the parental cash cow. Many get their names on advanced college degrees before getting their name on an apartment lease.

However, even the members of Gen Y who do manage to move out remain very close to their parents, they talk frequently, and still spend a lot of time together. Most even still vacation with their parents and not just out of obligation. The reason is more so than any generation before it: Gen Y and their parents are often good friends. It is because of this closeness that Gen Y has a huge impact over their parents' purchasing decisions. So by marketing to and attracting Gen Y customers you will actually be having a huge impact on Baby Boomers' purchasing power as well. Those two groups combined constitute a majority of all the purchasing power in North America.

Ultimately the main reason to learn to market to Gen Y is because they are the future. Like it or not, a threshold has been crossed and there is no going back. Companies have the choice to learn and restructure accordingly now, while Gen Y is still relatively young and still hasn't

grown into its full potential, or choose to wait. The problem is that, as with learning anything new, it takes time, so you can take steps now to learn and adapt, or linger until the future makes your old model totally invalid and then struggle to try to catch up to the competition, which most likely won't be possible.

Gen Y's ideas don't simply represent a new method in doing business with them, as much as how business will be done in the future. After all, the old techniques for marketing were fine in the early part of the twentieth century, since the reach to the market and methods were limited by technology. However, these days methods are limited only by the limits of the companies own imaginations and their sense of innovation in exploring this exciting new frontier.

At the end of the day, using outdated methods when newer methods are available at a lower cost and greater efficiency, is not only foolish it is dangerous; like storing meat on the windowsill when you have a perfectly good refrigerator. You might be able to get away with it for a little bit, but eventually it will catch up with you.