

The Millennial Generation and the Stock Market

Stephen Crooker
August 16, 2017



- I am a career educator in secondary schools with 22 years of service including 5 years in school administration.
- In the 2016-2017 academic year, I volunteered to teach the required course from the Commonwealth of Virginia on personal finance to high school Juniors and Seniors. The experience was eye opening on many levels for me.
- The goal of this presentation is to briefly overview and examine how Millennials presently impact some familiar names in the stock market with an eye towards the future.
- Nothing mentioned herein should be considered reasons to buy or sell any positions.

- My own experience with investing started as a teenager and grew with me into adulthood through many market experiences, positive and negative.
- I invest for my family and our own needs such as education funding and retirement planning. My goals are long term with some short term selling in the recent year given the higher valuations seen in the stock market since January.
- The tech bubble and burst in the market in 2001 was an eye opening experience. Many of my investment strategies and choices were reformulated thereafter and confirmed in the Great Recession.



- For sources of information on stocks, I turn to the following:
- Value Line
- Morningstar
- Ned Davis
- Credit Suisse
- Argus



It is also helpful to read, follow and/or filter Market Watch, CNBC and Bloomberg.

Who exactly are among the Millennial Generation? As defined by the Business Dictionary:

“The generation that follows Generation X, with birth years ranging from the early 1980s to the early 1990s. Many parents of this generation were “Baby Boomers,” thus making it the largest generation since the boomers. This generation is more likely to grow up in the age of technology and therefore are very versed in technology. Also known as Generation Y.”

Lets look at some data before we look at individual companies impacted by Millennial thinking, buying power, interest or disinterest.



MILLENNIAL GENERATION

Millennials have integrated technology into every aspect of their everyday lives and their dependence on technology impacts what hospitality organizations need to do to win their business.

AS A MILLENNIAL PLANNER, I WANT TO...

- _ Book my meetings online
- _ Evaluate a venue and its meeting space from my tablet
- _ Collaborate on the creation of my room plan
- _ Plan and manage my events from a single app
- _ Make requests and collaborate with venue staff online
- _ Have access to real-time information 24x7

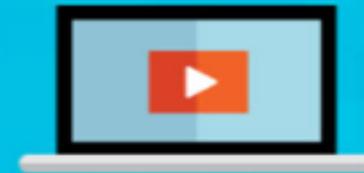


33% would prioritize social media freedom, device flexibility, and work mobility over their paycheck

75% of the workforce will be comprised of Millennials by 2025



25% college students said social media policies would be a key factor in deciding whether to accept a job offer



97% own a computer

94% own a mobilephone



Stats From:

2007 research study of 7,705 college students. Junco, Reynol; Mastrodicasa, Jeanna (2007). Connecting to the Net.Generation: What Higher Education Professionals Need to Know About Today's Students <http://www.ssuchronicle.com/2015/10/27/how-millennials-are-reshaping-the-workplace-2>

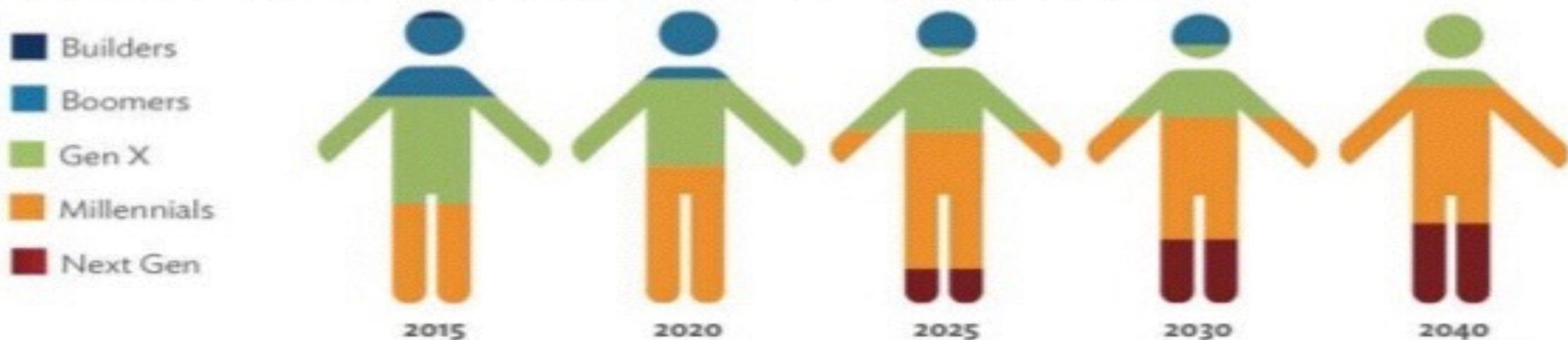
Millennial are taking over the workplace

Millennials are 95 million strong across the world today and will comprise 75% of the global workforce by 2025.

- Deloitte Millennial Survey, January 2014

World Population by Generation

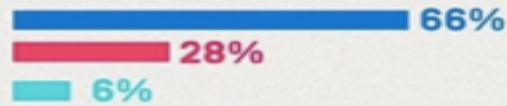
Worldwide and in the U.S., Millennials are the largest generation yet - some 2.3 billion strong. (US Census Bureau)



THE GENERATIONS IN THE WORKPLACE

BASED ON A SURVEY OF 1,200 WORKERS ACROSS DIFFERENT GENERATIONS MEASURING THEIR STRENGTHS & WEAKNESSES

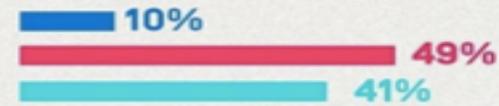
EXECUTIVE PRESENCE



GENERATING REVENUE



ADAPTABILITY



COST-EFFECTIVENESS



TECH SAVVINESS



RELATIONSHIP BUILDING



PROBLEM SOLVING



COLLABORATION



BABY BOOMERS

BORN: <1963

PROS: Productive, hardworking, team players, mentors

CONS: Less adaptable, less collaborative



GEN X

BORN: 1963-1980

PROS: Managerial skills, revenue generation, problem solving

CONS: Less cost-effective, less executive presence



MILLENNIALS

BORN: 1980-1995

PROS: Enthusiastic, tech-savvy, entrepreneurial, opportunistic

CONS: Lazy, unproductive, self-obsessed



Air France KLM-SA is an airline company. The Company is engaged in passenger transportation. Its activities also include cargo, aeronautics maintenance and other air-transport-related activities, including catering. The Company's two sub-groups Air France and KLM have a flyer program, Flying Blue, which enables members to acquire miles as they fly with airline partners or from transactions with non-airline partners. Its activities include Passenger transport, Cargo transport, Maintenance and Other activities. The Company's network is organized around the hubs at Paris-Charles de Gaulle and Amsterdam-Schiphol. With these two hubs, the Company links Europe to the rest of the world, with approximately 320 destinations in over 115 countries.

Source: CNBC
The Telegraph, London (pics)



Joon: Air France launches a new airline aimed at millennials

Air France is launching a new airline aimed at millennials whose "lifestyles revolve around digital technology", the carrier has announced.

Scheduled to launch this September, Joon will offer an "innovative and offbeat" experience to its "young and connected" jet-setting clientele, claims Air France.

"This new brand has been entirely designed to meet their requirements and aspirations," the carrier said in a statement.

The crew's apparel, which was reportedly inspired by workers in a Silicon Valley start-up, is supposed to capture the airline's "dynamic attitude".

A millennial typically describes someone aged between 18 and 35 years old, though that definition has been a source of much debate. Air France told [CNN](#) that 40-year-old passengers would be allowed to fly Joon, however it is unclear whether passengers who fall further outside the millennial age bracket will be welcome onboard. It is also unclear whether cabin crew must be millennials.

Air France could not confirm where it will be flying, how much tickets will cost or whether there would be any services designed with millennials in mind, such as an enhanced in-flight entertainment system or a targeted food and drink menu. It did, however, reveal that Joon would not be a low-cost carrier.

Further information about the new airline will follow in September when Joon is expected to launch European routes from Paris; long-haul flights will follow in 2018, Telegraph Travel understands. The new carrier will use single-aisle Airbus A320s, as well as long-range twin-aisle A340s and A350s.

"This generation has inspired us a lot," said Caroline Fontaine, VP Brand at Air France, describing millennials.

"Epicurean and connected, they are opportunistic in a positive sense of the word as they know how to enjoy every moment and are in search of quality experiences that they want to share with others. Joon is a brand that carries these values."

Read more: <http://www.traveller.com.au/joon-air-france-launches-a-new-airline-aimed-at-millennials-gxhnns#ixzz4nxX3fuvl>

McDonald's Corporation (McDonald's) operates and franchises McDonald's restaurants. The Company's restaurants serve a locally relevant menu of food and drinks sold at various price points in over 100 countries. The Company's segments include U.S., International Lead Markets, High Growth Markets, and Foundational Markets and Corporate. The U.S. segment focuses on offering a platform for authentic ingredients that allows customers to customize their sandwiches. Its High Growth Markets segment includes its operations in markets, such as China, Italy, Korea, Poland, Russia, Spain, Switzerland, the Netherlands and related markets. The International Lead markets segment includes the Company's operations in various markets, such as Australia, Canada, France, Germany, the United Kingdom and related markets. The Foundational markets and Corporate segment is engaged in operating restaurants and increasing convenience to customers, including through drive-thru and delivery.

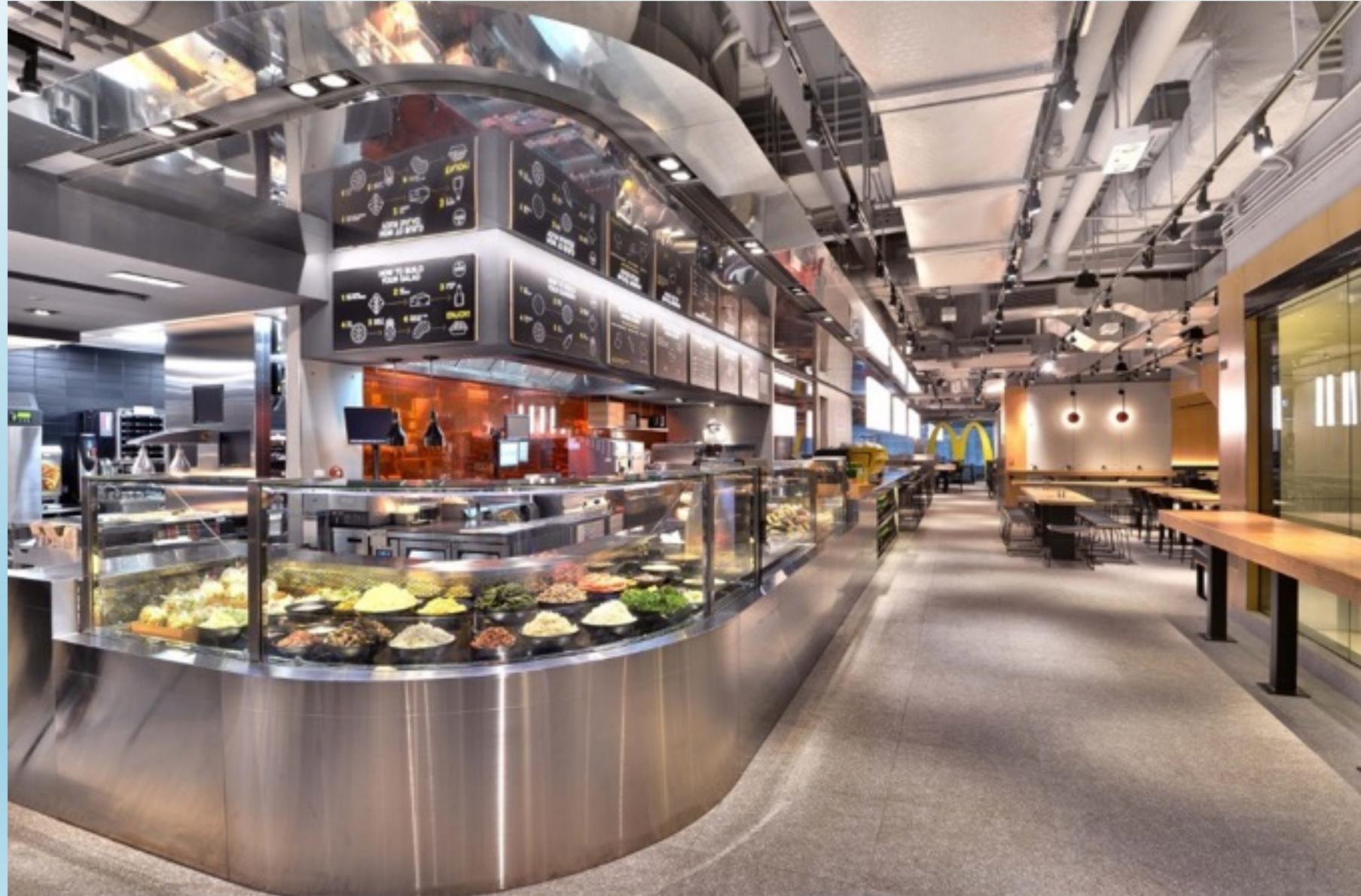
Source: CNBC



McDonalds Through the Years



McDonalds in 2017 and the future



NBC NEWS BUSINESS JUNE 5, 2017 - Why Millennials Are Hooked on Chain Restaurants by NICOLE SPECTOR

Millennials are known for having a strong penchant for experience, in all forms of the word. Many prefer dating over settling down, job-hopping over corporate climbing, travel experiences over shoe collections. So, they must adore obscure diners and off-the-grid cafés, right? Perhaps. But what millennials really can't get enough of is chain restaurants. The latest EquiTrend Report from Harris Poll found that millennials, shaping the trends of the U.S. brand landscape, rank restaurant chains higher than older generations do. Millennial favorites, as indicated by the Harris Poll's "Brand of the Year" awards, are as follows: In the burger category, Five Guys packed the most sizzle; in the chicken restaurant category, Chick-fil-A; the Cheesecake Factory was the top-ranking casual dining restaurant; Starbucks beat out Dunkin' Donuts in the coffee and quick service restaurant category; Moe's Southwest Grill won over Chipotle as fast casual Mexican; Ben & Jerry's ranked as the favorite ice cream and froyo shop; Papa John's came in first for pizza brands, and Subway beat out Panera Bread as the top sandwich shop.

The Millennial Wants What It Wants - And Now How do these chains win over the hearts of millennials? Well, for starters, they're inexpensive and easy to find. "Millennials are huge fans of convenience," said Yohan Varella, a millennial and a marketing executive in Vancouver. "We don't like prepping and cooking our own food, we enjoy food we can eat with our hands, and we're usually on a budget, so chain restaurants pretty much are the personification of the answer to our wants. We don't want to wait for 30 minutes to be seated at an exclusive restaurant, we want our food to be available wherever we are, whenever we want it." And while they may love adventure, millennials don't appreciate surprises. At least, not when it comes to grabbing a quick bite. I know that chain restaurants all have the same protocol and pricing so I won't be surprised when going to a different location," said 23-year-old Kayla Hockman of New York City. "It's comfortable and well known. It's also great because I know that they'll have the same offerings everywhere, and due to heavy advertisement, I know what's available in all restaurants." The millennial demand for reliability is one that these chains make sure to meet. Bruce Schroder, president, Moe's Southwest Grill, notes that "the consistency factor," is especially effective in retaining millennial customers. "At Moe's, you can walk in to any one of our restaurants, in any part of the country and expect the same **great experience**," Schroder told NBC News. "We've found all of our customers, especially the millennial segment, are drawn to that reliability."

At Your Mobile Fingertips - The modern definition of convenience in retail has expanded to include **mobile solutions**, and chain restaurants have mastered this technology. When Chick-fil-A launched its mobile app in June 2016, interest soared. "The app was downloaded more than two million times in the first three days of the launch, ranking it as the number one free app in the Apple Store during that time, ahead of Snapchat, Instagram and Facebook," said Michael Lage, senior manager, digital experience, Chick-fil-A. "It's been a great success among millennials and other busy customers who are looking for easier ways to order." Starbucks also has a hugely successful mobile app program. Bruce Clark, an associate professor of marketing at the D'Amore-McKim School of Business at Northeastern University notes that it works so well because it combines so many elements: mobile payments, a loyalty program, grab and go mobile ordering (skip the line), and even sending gifts to others. "Last year Starbucks reported a full quarter of in-store sales were being paid for through the app," noted Clark. Power to the Social Media Social media is yet another area that sees chain restaurants winning over millennials. Platforms like Facebook and Instagram enable these brands to engage with new and existing customers, and as Professor Clark points out, the ball is in their food court thanks to the thriving "food porn" movement. "Food makes for wonderful digital imagery," said Clark. "User-generated content probably helps here as well: A restaurant experience with friends is more likely to be shared through social media such as Snapchat than say, the purchase of a TV." Just look at the Cheesecake Factory on Instagram, where it has over half a million followers. New pics and videos are constantly being added, and it's one of the brand's best marketing maneuvers. "We have a lot of millennial guests who are our fans on social media," said the Cheesecake Factory's president, David Gordon. "We have a very fun, playful tone on our social media channels that's consistent with the energy of our brand. That playful tone helps to keep our fans engaged. Additionally, our portion sizes and presentations are very photogenic. In fact, we're one of the most Instagrammed restaurant brands."

Social Causes and Healthy Choices - What pairs well with **social media**? A generous serving of **social awareness**. Jose Duenas, EVP of Marketing for Olive Garden (which placed third in the casual restaurant dining category), notes that millennials "want to feel good about the choices they make — and that appetite extends to their dining habits." "As a very socially conscious generation, millennials seek brands who give back to the communities they serve, and brands need to reflect that in their marketing," said Duenas. "For example, we've been making Olive Garden's Harvest program, through which our restaurants have donated more than 36 million pounds of high-quality food to local community food banks, a more visible part of our storytelling." And just as millennials seek food that is good for the world, they seek food that is good for them. It's no accident that Five Guys, a more expensive option with fewer locations than McDonald's came in at number one in the burger category, while McDonald's lagged at number seven. Related: What Do Millennials Really Want at Work? "Even when I eat something like a burger, I like to know that the beef is real and was not frozen so I go with Five Guys," said 26-year-old John Liston of Boston. "Since the ingredients are fresher, every aspect of the meal is better." Over the past few years, Chick-fil-A has upped the ante on healthier offerings, adding the Superfood Side made with kale and broccolini, the Egg White Grill breakfast sandwich, and the Spicy Southwest Salad — all popular additions, Chick-fil-A's Lage says. "We also revamped our salad menu in 2014 and have seen a 50 percent increase in sales in that category," he added. Why Less Boomer Love? Convenience, good pricing, healthy choices — that all sounds like stuff boomers would eat up. So why might they be patronizing chains less than millennials? Perhaps because in matters of time and money, they can afford to be a bit more choosy. "Maybe millennials — due to factors like lower wage growth, and an alleged lack of 'old world' skills, like cooking — have embraced the cheap, fast nature of quick service restaurants, whereas boomers are in a different place in their life and would rather spend a little extra and get a little more quality," opined Adam Giffi, a millennial based in Chicago. Barry Cohen, a boomer and marketer based in New York, finds that the "cookie cutter" menu that appeals to millennials is less inviting to a boomer who may have dietary restrictions. "Chains can't always accommodate boomers' dietary restrictions," said Cohen, adding that a meal, though ostensibly healthy, may not be diabetic friendly. Plus, the fast-paced, noisy atmosphere that is pretty much the norm for chain restaurants can be annoying. "The chains tend to be noisy and we prefer a quiet dining experience," said Cohen. "[They are also] crowded, which requires long wait times, unless you go early. As boomers, we are caregivers to older folks, who often cannot sit and wait for long periods." Perhaps chain restaurants recognize that boomers are more finicky and in turn, don't put as much money or effort into engaging them. After all, when you're busy filling the tall orders of millennials, it's tough to make room at the table for everybody else.

Five Ways McDonald's Could Appeal to Millennials, According to Millennials

August 3, 2015 from Eater.com

- McDonald's just [doesn't get millennials](#), no matter how hard it tries. (No one wants to pay with selfies and a "hipper" Ronald McDonald would probably never wear yellow cargo pants.) The chain claims that it will no longer focus on millennials as part of [its massive restructuring](#), but just a month after making the announcement, the chain [launched filters for Snapchat](#), a social media app especially popular among the millennial set.
- While McDonald's is willing to put lots of time and effort into weird stunts to woo millennials, it seems to have forgotten one thing – asking millennials what they actually want. However, brand strategy agency Y Pulse [recently did just that](#) and surveyed 1000 people ages 13 to 32 year-olds about what they want McDonald's to improve on. Turns out millennials want just five things:
 - **1. Better quality food**

For many millennials, the McDonald's brand is linked to obesity and unhealthy eating. The chain would need to overhaul its image, and while the restaurant is trying, so far [no one really believes them](#). Most importantly, millennials want the chain to have more "transparency around the ingredients and food preparation," and to get rid of artificial and processed products. McDonald's recently announced that it would stop using chickens and eggs [treated with human antibiotics](#) but millennials want more.
 - **2. Better atmosphere**

Millennials also have an issue with the quality and appearance of the company's restaurant dining rooms, saying that the chain lacks cleanliness and it has a boring, "typical" ambiance. One 22-year-old male surveyed noted: "The environment of the restaurant still feels like the typical fast food restaurant. Make it feel less like I'm eating at McDonald's and I'd go."
 - **3. Fewer calories**

McDonald's doesn't seem healthy to millennials, even though calorically the food may be lighter [than a meal at Chipotle](#). Many of the people surveyed were extremely concerned with sodium levels and felt that McDonald's used far too much salt in its food.
 - **4. Burritos or bust**

Perhaps McDonald's biggest problem is that millennials apparently prefer burritos to burgers, the food in which McDonald's specializes. Y Pulse writes, "some of these young consumers just don't want to eat burgers anymore. Several mentioned craving burritos over burgers." However, the chain's [chorizo-less chorizo burritos](#) don't seem to be satisfying the teenaged crowd.
 - **5. More variety**

Millennials say that McDonald's needs some new menu items to keep things from getting boring: "They would have to get healthier options and get some new menu items. I've eaten chicken nuggets and french fries from there forever." They also want more customization options – such as being able to add avocado to a sandwich – something McDonald's [has been working on](#) for a while now, and something that [franchise owners hate](#).

McDonald's Q2 Earnings Report - July, 2017

McDonald's beats on earnings after slashing prices on soda and coffee

- [McDonald's](#) on Tuesday reported second-quarter profits and sales that were stronger than analysts had forecast, sending its shares to a record intraday high.
- The fast-food chain's US sales were boosted by its discounted offering of any size of [soft drink for \\$1](#) and McCafe beverages for \$2, as well as new sandwiches, according to the earnings [statement](#).
- Sales at US stores open for at least one year rose 3.9%, topping the forecast for growth by 3.2% according to Bloomberg. Adjusted earnings per share came in at \$1.70 versus \$1.62 forecast.
- "What this shows is that this is a business that had been in turnaround mode under new CEO Steve Easterbrook and we are starting to see some of these positive results now both domestically and internationally, which is very encouraging," said Trip Miller, managing partner at Gullane Capital Partners, in a note.
- McDonald's shares rose by as much as 3% to a record intraday high. They gained 25% this year through the market close on Monday.
- "We delivered our strongest global comparable sales and guest count results in more than five years," Easterbrook said.

Source: Business Insider

McCormick & Company, Incorporated is engaged in manufacturing, marketing and distributing spices, seasoning mixes, condiments and other flavorful products to the food industry, including retailers, food manufacturers and foodservice businesses. The Company's segments include consumer and industrial. The Company is involved in the manufacturing and sales of flavorful products. As of November 30, 2016, it offered brands for consumers in approximately 150 countries and territories. The Company's brands in the Americas include McCormick, Lawry's, and Club House, as well as brands, such as Gourmet Garden and OLD BAY. It provides a range of products to food manufacturers and foodservice customers. The Company's sales, distribution and production facilities are located in North America, Europe and China. It markets regional and ethnic brands, such as Zatarain's, Stubb's, Thai Kitchen and Simply Asia. The Company offers sensory testing, culinary research, food safety and flavor application.

Source: CNBC



McCormick CEO defends acquisition of Reckitt Benckiser brands, touts millennial-facing strategy

McCormick Chairman and CEO Lawrence Kurzius had an explanation prepared for critics who said his spice company's \$4.2 billion acquisition of Reckitt Benckiser's food division was too costly. "You know, I wish I could've bought my house for a discount, but if I had tried to, somebody else would be living in it. And it's the same with this," the CEO told "Mad Money" host Jim Cramer on Tuesday. "It's a quality asset, these are leading brands, they've got strong growth characteristics, they're on-trend and they're tremendously profitable. A lot of other companies saw value in this." Kurzius said the acquisition, which put top condiment brands like French's Mustard and Frank's RedHot in McCormick's portfolio, had been on the company's strategic list for over a decade. McCormick had approached the U.K.-based Reckitt Benckiser about buying the brands more than once and had maintained a conservative balance sheet in preparation for the acquisition, Kurzius said.

"We did it when we bought the Ducros business, and today that is the centerpiece of our European business. We did it when we bought Lawry's, and today that is a great buy. And nobody asks today what those brands cost," the CEO said. Not only are younger generations more prone to cooking from scratch, which often requires plenty of spices, but they also like bold flavors, he said.

"If you look age group by age group, as you get younger and younger with the consumer, they have a higher and higher desire for spicy, flavorful flavors," Kurzius told Cramer. "You know, Frank's RedHot is the real gem in the portfolio of brands that we bought. This is a brand that was launched in 1920, so it's almost 100 years old, but it's really 100 years young. Millennials use this brand on everything." That burgeoning trend is taking the world by storm, not just the United States, the CEO added. In the past, Italian and Mexican foods were considered spicy. Now, data suggest that millennials have more adventurous tastes in cooking and dining than ever before. **"Today, consumers are challenging themselves with all kinds of spicy cuisines and the younger millennial consumer is the most adventurous of all,"** Kurzius said. **"What we're really doubling down on is growth, and doubling down on flavor."**

July 26, 2017

Source: CNBC Interview

'The RV space is on fire': Millennials expected to push sales to record highs

July 28, 2017 - Source: CNBC Interview

Sometimes, bigger isn't always better. The recreational vehicle industry has figured that out and it has led to record-breaking growth. This year, [RV shipments are expected to hit its highest level ever, according to the Recreation Vehicle Industry Association, marking the industry's eighth consecutive year of gains.](#) Those shipments are accelerating, and should grow even more next year, the group said. Sales in the first quarter rose 11.7 percent from 2016. Much of the growth can be attributed to strong trailer sales, smaller units that can be towed behind an SUV or minivan, which dominate the RV market. The industry also is drawing in new customers. As the economy strengthened since the Great Recession, and consumer confidence improved, sales have picked up, said Kevin Broom, director of media relations for RVIA. Two of the major players in the industry, [Thor Industries](#) and [Winnebago Industries](#), both manufacturers of RVs, reported huge growth in their most recent earnings report. [Thor saw sales skyrocket 56.9 percent to \\$2.02 billion from last year. Winnebago's surged 75.1 percent last quarter to \\$476.4 million.](#) Gerrick Johnson, an analyst at BMO Capital Markets, attributed much of that growth to acquisitions. Thor bought Jayco, then the No. 3 player in the industry, last June; Winnebago bought Grand Design in October. Although Thor shares were down about 1.4 percent Friday, the stock has experienced strong growth over the past year of almost 40 percent. Winnebago tells an even better story; its shares are up 56 percent over the past 12 months. The stock was down about 1 percent Friday. "They've done massively well because they've made massively creative acquisitions," said Johnson. "Wall Street didn't realize how creative those deals were. Each quarter they came through. The RV space is on fire and the demand metrics are quite positive. But, Johnson warned, consumers in this industry are fairly brand-agnostic and any rise in price would turn off potential customers.

Millennials are a major target market for RV companies. [According to the 2017 North American Camping Survey from KOA, a private campground company, millennials make up 38 percent of campers, but 31 percent of the general population.](#) Also, since many RV customers make multiple purchases over time, catching them when they're young is key. To capture the coveted age range, companies have had to make major design changes to their product. While the mention of an RV might conjure up an image of a big motorized home without many amenities, that has changed. [In fact, just two years ago, the KOA survey found younger campers valued having WiFi almost as much as access to toilet paper.](#) The industry needed to keep up.

Now, most people in RVs will have full access to TV, WiFi and whatever else makes modern life modern. Private campgrounds like KOA and GoCampingAmerica.com have hopped on this trend by offering WiFi and full amp hookups at their sites. They also allow RVers to use their slide-out, a way to extend the space in an RV while parked. That last one may sound simple, but it's something public campgrounds don't allow and a major deterrent for RVers, according to Broom. He said national parks are by far the most popular destination for campers. "The typical RVer is staying outside the national park," he said. "The preference is most would much rather drive in and stay in the park, but the campgrounds haven't been modernized." That's one area where RVIA hopes to work with Interior Secretary Ryan Zinke, who assumed the office in March. Broom said Zinke is interested in expanding public-private partnerships in an effort to upgrade the campgrounds on federal lands. Other design improvements have emerged, as well. Companies have begun to make lighter but more durable trailers. Using laminated walls, for example, allows for more space in the trailer (because the walls are thinner); it also means customers can haul their trailer with a minivan or light duty truck. Broom said most RVs are used for frequent weekend getaways, maybe five or six trips a year, with one longer trip mixed in. The first purchase is usually for a smaller, less expensive unit, Broom said. "Then they move up as they start having children, then children bring friends or friends bring children. Then, there's another time when they move down in size. Then it's the retiree couple who is traveling around."

Johnson, who has a neutral rating for both Thor and Winnebago, does warn of some potential pitfalls for both companies. He warns capacity could be constrained and there is a high rate of inflation in the RV industry because these companies are so close to their source supplier. Thor, for instance, conducts their own aluminum extrusion. Another issue could come from higher labor costs. Johnson said almost all RVs are made in Elkhart, Indiana, where unemployment is under two percent.

Millennials are driving a transformation of consumer marketing across five elements: reach, relevance, reputation, relation, and referral. Several findings from the BCG surveys illustrate these points:

- ***Reach.*** Millennials engage much more extensively with brands through social media and mobile devices than do older generations. Fifty-two percent of Millennials surveyed said they use social media to “like” a brand—compared with 33 percent of boomers surveyed—while 39 percent post product reviews. Twice as many Millennials as boomers check prices, look up product information, or search for promotions on their mobile devices while in a store.
- ***Relevance.*** The purchasing decisions of U.S. Millennials are influenced by more people—and different types of people—than are the choices of older generations. Less than half of Millennials said that they trust expert advisors such as doctors or financial advisors, for example, compared with 61 percent of non-Millennials. Instead, Millennials reported that they are most influenced by family, friends, and strangers. Millennials were also twice as likely as Gen-Xers (ages 35 to 49) to say that they were influenced by celebrities and four times more likely than boomers.
- ***Reputation.*** Millennials identify with brands more personally. Fifty percent of U.S. Millennials ages 18 to 24 and 38 percent of those ages 25 to 34 agreed that brands “say something about who I am, my values, and where I fit in.” Forty-eight percent of young Millennials reported that they “try to use brands of companies that are active in supporting social causes.”
- ***Relation.*** To cultivate a relationship with Millennials and sustain brand loyalty, companies must establish a dialogue with them individually and in small groups. Nearly twice as many Millennials as boomers cited “availability 24-7” as the most important thing that brands can do to engage them.
- ***Referral.*** Engaging with Millennials is also important because they are more eager than other generations to share their opinions with friends and on social networks. More than half of U.S. Millennials said that they are willing to share their brand preferences on social media, for example, compared with 31 percent of baby boomers. More than half also said that people seek them out for their knowledge and opinions of brands, compared with only 35 percent of boomers.

Coming Next.....Making Room for Generation Z

Piper Jaffray survey shows what teens like: Chick-fil-A, Amazon, and Nike

CNBC: April 10, 2017

Millennials move over. Generation Z outnumber you by around a million, making the group the largest cohort of American consumers – a valuable demographic for brands to capture early.

Unfortunately for brands targeting the group, spending is down 2.4 percent compared to this time last year, as parents are contributing 63 percent of teen spend this year, down from an average 68 percent. Those figures come from a bi-annual survey conducted by research firm Piper Jaffray.

According to the survey, 5,500 teens with an average age of 16 from across the country shared information on their preferences and spending related to fashion, food, media and more.

Teens are spending slightly more on food outside the home than a year ago, with almost a quarter of spending now going to grub – which trumped the amount spent on clothing by 5 percentage points. But Gen Z isn't crazy about full-service restaurants. In fact, teens prefer limited service establishments two times to one, Piper Jaffray found, marking the highest preference for limited service since at least 2009.

Chick-fil-A took the top spot as the most preferred restaurant, while [Starbucks](#) fell to second. The coffee chain has been number one 12 times out of the last 14 surveys. ([Chipotle](#) snagged the lead those two other times, and now ranks third.) Piper Jaffray analyst Nicole Miller Regan noted the McDonald's brand "remains generally strong" but cautions teens' brand preference for the Golden Arches' "remains below peak levels seen in prior survey periods, and also saw strong moves from Five Guys and Red Robin."

There's no sign of waning preference for athleisure, with athletic wear predominating among teens, according to the survey. Some 41 percent of teens name an athletic apparel brand as their preferred apparel brand, 15 percentage points higher than last year and 6 percentage points higher than in the fall.

[Nike](#) remains the top apparel and footwear brand, up sharply from last year for both males and females by a very wide margin.

Adidas is the fastest growing brand in the survey, Piper Jaffray found, with the company's apparel jumping to fifth favorite from tenth last year. Adidas footwear preference hits an all-time high for females and a decade high for males. The German athletic brand is also unseating Nike as the top "new brand" worn by males.

[Lululemon](#) is also on the rise with teens, landing as the fourth most desired apparel brand and sneaking into the top ten as a fashion trend for males for the first time. Privately-held Patagonia cracked the top five.

However, there's trouble in teenland for Under Armour: It wasn't named by enough teens to land in the top ten favorite apparel or footwear brands. Preference for Under Armour is flat for males, and not a single upper income female named it as favorite apparel brand. In fact, when it comes naming a brands teens no longer wear, [Under Armour](#) jumped to number one for males from third in Piper Jaffray's fall survey.

When it comes to what else teens say is trending in fashion, it's mainly athletic-related. New additions to the guys' trending list included ripped jeans, jeans, and the aforementioned Lululemon. Meanwhile, Ralph Lauren and Vineyard Vines were among the names that fell off their trend list. For females, non-athletic preferences included chokers, which moved into second place from tenth; while bralettes and Birkenstock have fallen off the top ten list from the fall. Crop tops and Michael Kors also lost ground since last spring.

Michael Kors still holds the top spot for handbags, but its losing share. Coach, Kate Spade and Vera Bradley remain in second, third and fourth respectively. Target handbags appeared in the top ten for upper-income females, and move up a spot for average income females.

Historically, older Americans adopted online shopping a bit quicker than teens, a group that seemingly enjoyed the social aspect of hitting the stores more, but that's been changing. Online-only brands or retailers hit a survey peak for shopping channel preference at 17 percent, with pure-play ecommerce showing big growth as compared to last spring's survey.

Amazon and Nike have held the number one and two spots respectively as favorite websites for at least the last four surveys. [Amazon](#) cemented its top position with 43 percent market share, compared to 40 percent share in the fall, while [Nike](#) sits at number two with a distant 5 percent share, down from 8 percent in the fall.

Piper Jaffray estimated Amazon's soft line dollars grew from \$12.4 billion to \$21.7 billion between 2014 and 2016, representing 56 percent of overall softline industry growth.

Amazon may very well hold teens attention because of their household's Prime membership, particularly for those with higher-income. The survey suggests 69 million U.S. households have a Prime memberships.

Final Thought:

Jim Cramer tracks the impact of millennials across the stock market

August 9, 2017 - CNBC

- "Mad Money" host Jim Cramer says market-moving events like Disney's earnings announcement are happening at the behest of the millennial generation.
- Millennials' fingerprints are strewn across major market sectors like media, make-up and even autos, Cramer says.
- As some companies try to steer millennials toward their brands, others wither at the hands of the younger, more frugal cohort.

