



Why Y Women?

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Introduction

Who are Generation Y women? Sometimes referred to as the Millennials or Echo Boomers, they are primarily the children of the Baby Boom generation, and are estimated to number about 70 million men and women, or 20 percent of the population. They are the largest generation since the Boomers, and are generally defined as born between the mid 1970s and early 1990s.

They are ethnically diverse, extremely independent, and adept at navigating new technologies and media platforms. They are also thought to be more socially conscious than their older cohorts in Generation X, and are less inclined to draw a distinct line between their personal and professional lives, seeking instead to find jobs that are meaningful and spiritually rewarding rather than financially.

They are also highly influential in terms of spending. Harris Interactive estimates that Gen Y spent more than \$120 billion in 2007. According to a May 2008 Nielsen report, US households with at least one member of Gen Y account for 37 percent of total dollars spent and 31 percent of total trips, and spend 15 percent more than the average household.

Gen Y women are ambitious, confident, tech savvy, and independent, but not immune to the potential downside that unbridled possibility holds for them. They complain the constant influx of information makes them feel overextended and rushed for time. Yet they are also extremely active online users and socially engaged. They constantly check their email, update their status on social networking sites, program their DVRs, text their friends, and upload videos to share with their social networks—sometimes simultaneously. It is no wonder they often complain they feel overwhelmed. Yet they can't imagine life without the Internet, their computers, and their cell phones.

The constant onslaught of information means advertisers will face a more challenging audience than ever before. Their media landscape is extremely cluttered, but smart marketers can break through. If they don't, they risk considerable loss. *BusinessWeek* pointed out nearly a decade ago:

Boomer brands flopped in their attempts to reach Generation X, but with a mere 17 million in its ranks, that miss was tolerable. The boomer brands won't get off so lightly with Gen Y. This is the first generation to come along that's big enough to hurt a Boomer brand simply by giving it the cold shoulder—and big enough to launch rival brands with enough heft to threaten the status quo.

While Gen Y women tend to be skeptical of marketing messages, they respond to brands and messages they perceive as “authentic.” What has changed for this generation is the definition of “authentic.” While Gen X and Boomers sought insight and brand approval from “experts,” including celebrities, third-party endorsements such as *Good Housekeeping*, or favorable reviews from professional writers, Gen Y needs more than that. They tend to view “experts” more skeptically and respond to the advice of their peers (and not just the ones they know in “real life”).

For a brand to be seen as authentic in the eyes of Gen Y women, it needs more than “professional” approval—it needs to have currency among their peers. There is very little differentiation between professional and personal writers and reviewers in terms of authority for Gen Y women. If anything, they tend to trust nonprofessional writers, bloggers, and reviewers more than professionals, believing they have less of a bias in their reviews.

“Why Y Women” is a two-tier study that examines Y women’s sphere of influence on lifestyle trends. It also looks at how they are, in turn, influenced by their media consumption. How do they shop? How do they share? How do they respond to advertising? Additionally, the study examines how technology and social media help them expand their sphere of influence. The study provides insight into how marketers need to target and communicate with this time-pressed, tech-savvy demographic and how much influence they wield on each other and on older generations.

Key Takeaways

Gen Y Women Have Redefined “Authenticity.” While Gen Y women tend to be skeptical of marketing messages, they respond to brands and messages they perceive as “authentic.” What has changed for this generation is the definition of authentic. While Gen X and Boomers sought insight and brand approval from “experts,” Gen Y women rely more heavily on their peers to determine a brand’s authenticity. One of the key differences for this generation is how they define their peer group, which not only includes their “real-life” friends and co-workers, but also online friends, blog writers, and anonymous reviewers.

They Exert Brand Influence on Older Women. It is no surprise Gen Y women see themselves as influential trendsetters. What is more surprising is that two-thirds of Gen X women also look to Gen Y women to define trends in popular culture. Gen Y women are not just influencing each other; they are also impacting the shopping behaviors of women a generation older.

Online Connections Impact Brand Discovery. Gen Y women are far more likely to use blogs and social networks for brand discovery than Gen X women. Almost double the percentage of Gen Y women (42 percent) reported they’ve discovered a new brand or product from a friend mentioning it in a status update than Gen X women (22 percent). Additionally, Gen Y women use blogs written by nonprofessionals more than Gen X women (28 percent versus 16 percent), as well as blogs written by subject experts or professional writers (22 percent versus 16 percent). Consumption of niche media such as blogs reinforces Generation Y women’s perception of themselves as more individualistic than earlier generations.

Context Matters For Advertising. Gen Y women aren’t clicking on ads, but that doesn’t mean they’re not paying attention to advertising. When it comes to brand perception, context matters a great deal. Gen Y women’s trust in a site is a proxy for trust in the advertiser. Their relationship to the site bleeds into their relationship with advertisers. Exposure to brands is more meaningful to them when it takes place on a web site they already trust.

Gen Y Women Are More Brand Loyal Than Marketers Assume. One of the major criticisms leveled against Gen Y women is they are fickle consumers, lacking any brand loyalty. However, research indicates that Gen Y women are far more brand loyal than most marketers assume. Gen Y and Gen X women had almost exactly the same percentage of survey respondents (79 percent and 84 percent, respectively) claiming they are brand loyal to particular products.

Gen Y Women Are Loyal Blog Readers. Gen Y women are not just brand loyal—they're also blog loyal. Almost a third of Gen Y respondents (31 percent) agree with the statement "I have a few favorite blogs that I read regularly." In contrast, fewer than one in five, or 19 percent of, Gen X women also agree with that statement. Blogs are another important channel Gen Y women depend on for finding news, product recommendations, and communities of like-minded readers and commenters.

Methodology

In September 2009, Radar Research conducted an online survey to better understand the attitudes and behaviors of Gen Y women toward technology, media, shopping and advertising. The survey also sought to understand the characteristics of this generation that differed from Gen X women, and what makes this generation truly unique. To achieve these goals, we surveyed 1,018 women from a demographically representative sample, aged 18–49. All of the respondents have online access and we further screened for active engagement, with 98 percent reporting they access the Internet at least once a day.

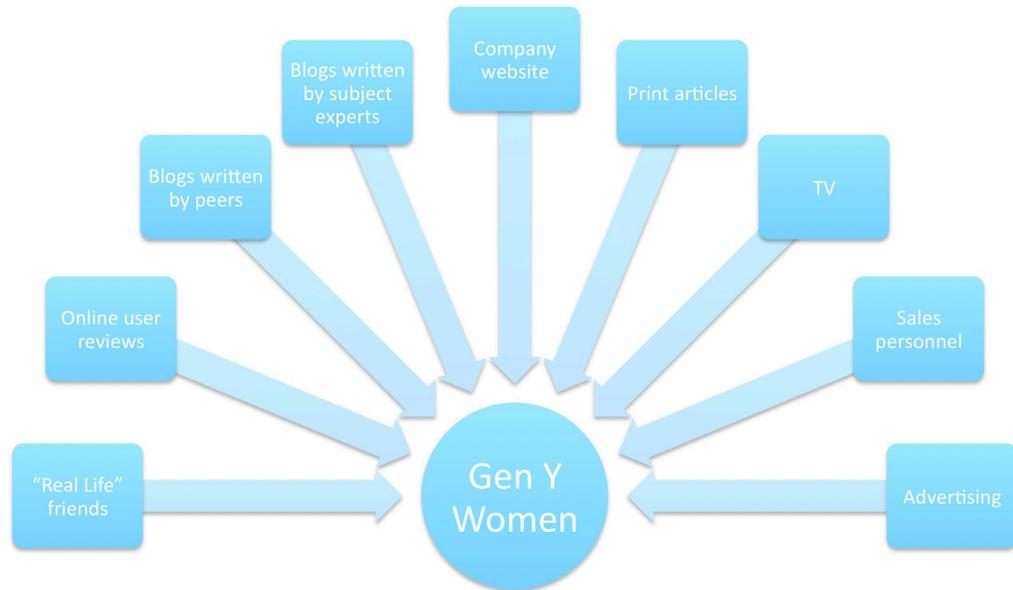
In addition to the online survey, in-person focus groups were conducted in October 2009 in order to gain a better qualitative understanding of Gen Y women's shopping, media, and sharing habits. The focus groups dug deeper into how Gen Y women are influenced by their peers and how they influence their social connections. Three groups were moderated by Marissa Gluck of Radar Research, and were recruited from Los Angeles and its surrounding suburbs. To encourage natural, comfortable discussion, three separate sessions were held, consisting of four to six women aged 18–34. Each session lasted two hours. Participants were informed they were being observed and recorded, and were compensated fairly for their time and participation. Prior to the session, prospective participants were screened to ensure a high degree of social media engagement, as well as demographic diversity.

Who Are Y Women?

Each generation is shaped by the events, technology, and leaders of its time. Generation Y has already lived through 9/11, two televised wars, Hurricane Katrina, and the Columbine High School shootings. There is already a glut of studies and stereotypes about Gen Y—some reiterated in this study, while other findings illuminate a generation resistant to easy classifications. The study reconfirms earlier studies that Gen Y women are more comfortable with technology, particularly those platforms that lend themselves to social interaction, than any other generation. They live at a faster pace, they can be easily distracted, and they have greater choice and opportunity, but they experience anxiety as a result of these factors.

Generation Y is deeply influenced by the advent of communication technologies and platforms. Social networking sites like Facebook and Twitter, video-sharing sites such as YouTube, instant messaging, text, blogs, and email have elevated the importance of their peers. Generation Y women depend heavily on their friends (both in real life and online) for product referrals, brand recommendations, and style cues.

Gen Y Women Don't Draw a Sharp Distinction Between "Expert" and "Layman"



Source: Radar Research, 09/09

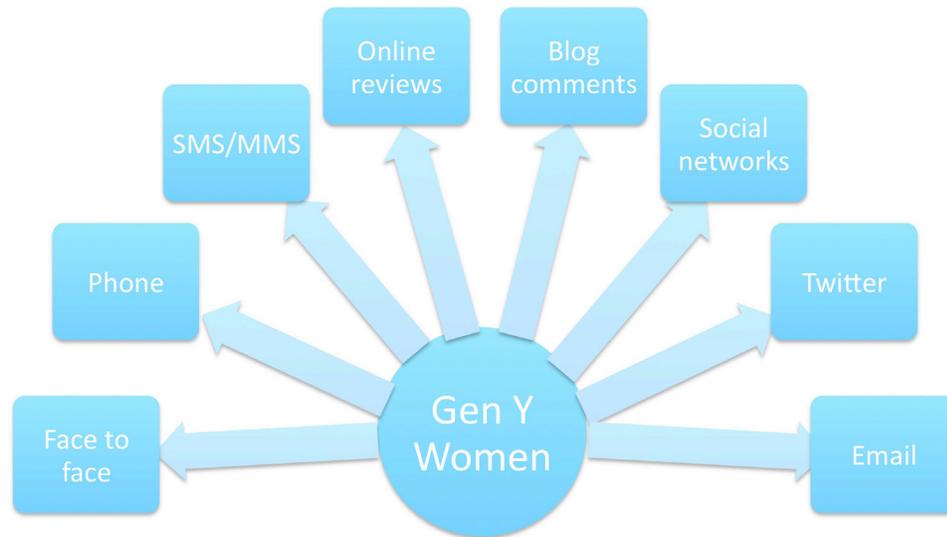
Yet while their peers heavily inspire this generation of women, they are far from conformist. Rather, they see themselves as independent and individualistic, echoing other studies on Gen Y. In our focus groups with Gen Y women, when asked to describe their generation, the most commonly cited traits were "individualistic," "confident," "independent," and "creative."

Gen Y women acknowledge that they have more choices available to them than previous generations. This perception of limitless choice extends to information, media, marketing, their personal lives, and their professional paths. The participants believe that the infinite number of choices they have is both empowering as well as confusing. As a result, they rely heavily on the recommendations of their peers, reconfirming much of the earlier research done by organizations like the Pew Research Center and Forrester.

Yet this research sheds new light on some of these earlier studies. For instance, we will see that Gen Y women have redefined their peer set. "Why Y Women" also dispels some commonly held beliefs about Gen Y. For instance, Gen Y women are more brand loyal than marketers generally assume. Additionally, while they don't click on ads (like most Internet users), they are paying attention to ads and the context they encounter the ad in matters greatly.

One of the key differences for this generation is how they delineate their peer group. The definition of "peer" is far broader and more expansive for them, and includes not only their real-life friends and co-workers, but also online friends, blog writers, and anonymous reviewers. This is one of the key differentiators between this generation and previous ones, and represents both a challenge and an opportunity to marketers.

And Act As Brand Advocates Through Multiple Platforms



Source: Radar Research, 09/09

Gen Y women take social and brand cues from a variety of sources, and share them in turn across a spectrum of communication platforms. They don't discriminate between "expert" and "layman" and in fact, believe their peers often offer better and more unbiased advice. When they feel passionate about a brand, they are also apt to share their passion through Facebook, Twitter, SMS texts, comments on blogs, and contributing their own reviews on sites like Yelp and Amazon. Gen Y women are extremely participatory in their media usage. Not only are they active social networkers, but they also write reviews of products they've bought or services they've used and actively share their opinions with friends.

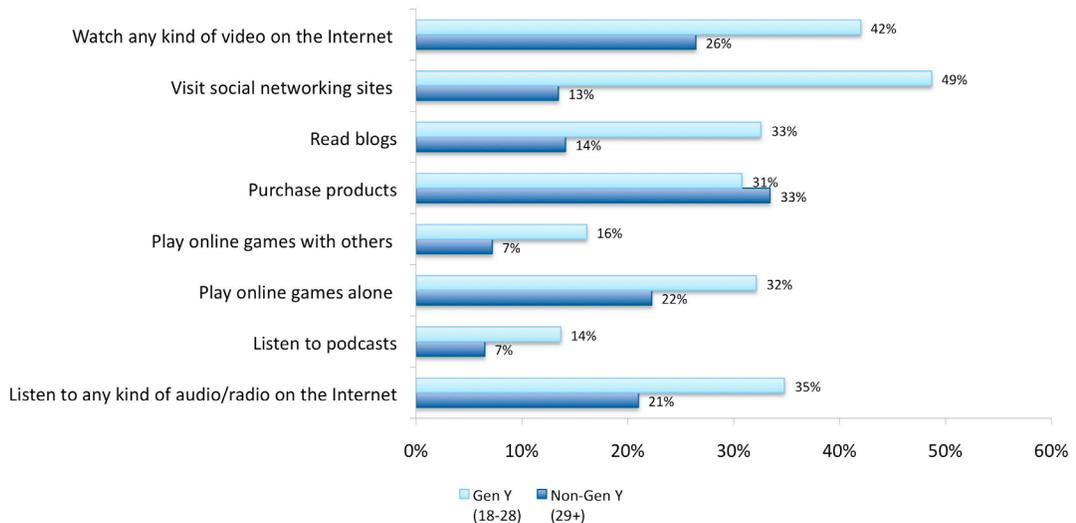
What Makes Gen Y Women Different?

Given the purchasing power and influence of Gen Y, marketers ignore them at their own risk. According to a recent Harris Interactive study, Gen Y spent more than \$120 billion in 2007. Another study, by Resources Interactive, pegged Gen Y's purchasing power at \$200 billion a year.

They are also dedicated shoppers. According to Kit Yarrow, a consumer psychologist at Golden Gate University and author of the book *Gen BuY: How Tweens, Teens, and Twenty-Somethings Are Revolutionizing Retail*, this generation visits the mall four times a month and stays more than 90 minutes each time. They also spend five times more than their parents did at the same age, even adjusted for inflation.

With Gen Y women often being the most tech-savvy members of their families or households, they are the people their parents or grandparents turn to for advice on buying a digital camera, booking a vacation online, or choosing a new car. As Rob Frankel, author of *The Revenge of Brand X* puts it, "Boomers bought stuff because they needed it; Xers buy because they want it. Gen Y . . . are

Gen Y Spend Time Online Socializing and Consuming Media
“Do you do the following activities at least monthly?”



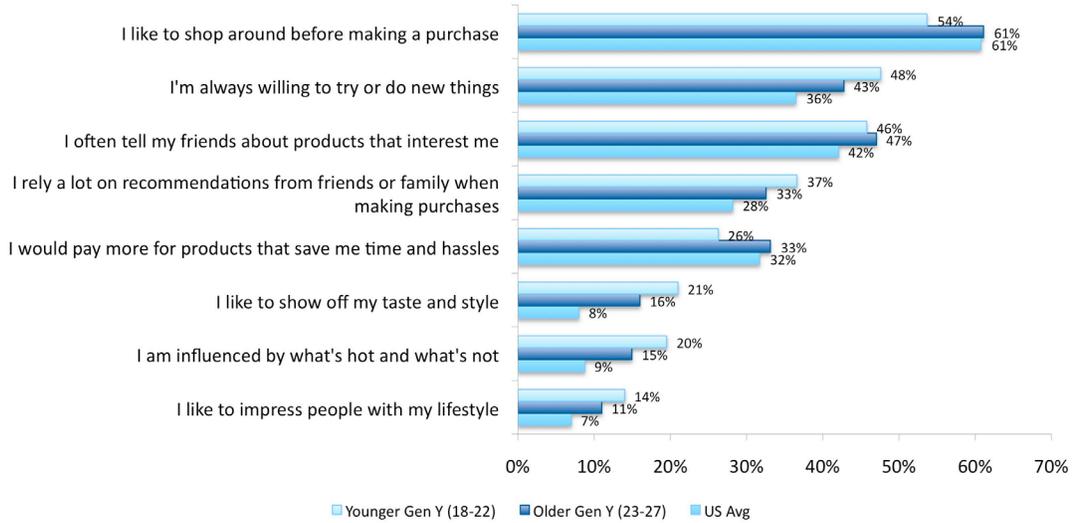
Source: Forrester, North American Technographics Benchmark Survey, 2008

easier targets, because they have grown up in a culture of pure consumerism. They’re more likely to buy because they see buying as a part of life.”

Gen Y spends most of its time online socializing and consuming media, including reading blogs, listing to audio, watching video, and playing games. According to Forrester Research, they are also much more likely to spend their time on a social networking site than their older cohorts. Marketers may also be surprised to learn their likelihood to purchase products online is almost equal to older consumers. While Gen X is the generation most likely to read content online, Gen Y is more likely to do just about everything else online. Gen Y households are more likely than any other generation to have a home broadband connection, and they use it for bandwidth-intensive activities. Over two in five (42 percent of) online Gen Y consumers watch streaming video and 35 percent listen to streaming radio each month, compared with just 26 percent and 21 percent, respectively, of older online adults. Gen Yers are also more likely to take advantage of the diverse communication options the Internet offers. Compared with older consumers, they’re nearly twice as likely to use instant messaging each month, and they’re 50 percent more likely to use discussion boards or forums. Additionally, a small but growing group of Gen Y consumers are creating and publishing content: 16 percent of Gen Y consumers update their blog at least monthly and 15 percent publish a website, compared with just 4 percent and 5 percent, respectively, of older adults.

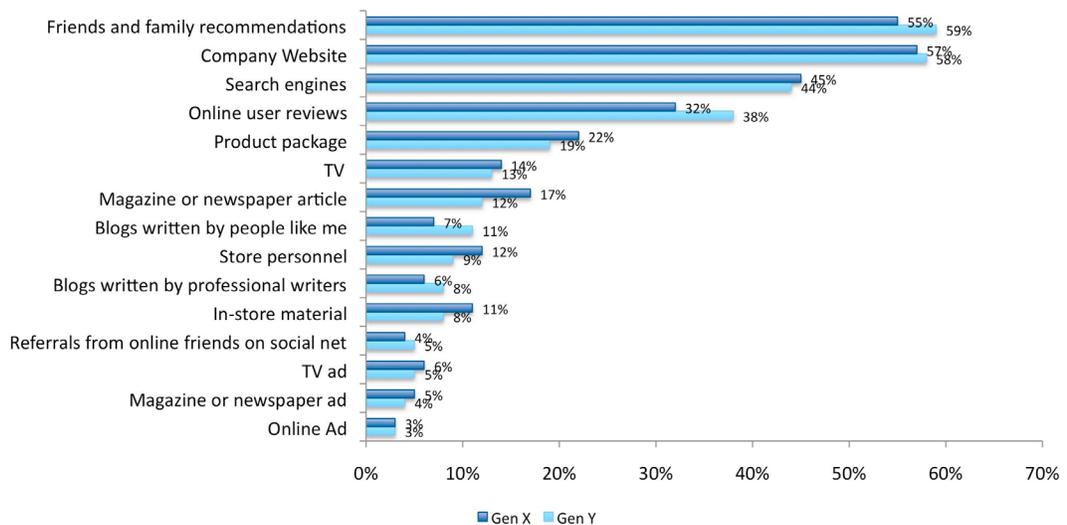
Younger Gen Y consumers (defined as 18–22 by Forrester Research) are the demographic most concerned about image and lifestyle trends. One in five, or 21 percent, agrees with the statement “I like to show off my taste and style,” compared to 16 percent of older Gen Y (defined as 23–37) and 8 percent of the total US average. Similarly, 20 percent report they are influenced by “what’s hot and what’s not,” compared to 9 percent of the US average. They are also more impulsive in their purchasing habits, with 54 percent claiming they like to shop around before making a purchase, versus 61 percent of the US average.

Younger Gen Y Consumers More Concerned About Image and Lifestyle Trends
Consumers Who Agree With The Following Statements:



Source: Forrester, North American Technographics Benchmark Survey, 2007

Gen Y Women Tend to Trust Online Reviews and Peers More Than Gen X
"Which of the following channels do you turn to most to learn more or research it?"



Source: Radar Research, 09/09, n=1018

In order to better understand the attitudes, behaviors, and preferences of Gen Y women in particular, it is useful to contrast them to Generation X women, defined as women between the ages of 35 and 49. While they undoubtedly share many common traits, their technology usage, their self-perception, and their social interactions differ from women a generation older than them. Gen Y women consider themselves more opinionated and informed about news, social issues, and current affairs than Gen X women.



In their own words...

Respondents explain why they trust online sources

"It's easily accessible and updated more often than a print magazine."

"They took the time to write about it so it must be worth it."

"'Real-life' bloggers are more likely to be honest and not be selling you something, and they often pull from a variety of sources"

"They tend to be the first to know things, and write in a way that is more personable and easy to understand."

"I'm not the kind of person who would ever dress or use fancy products . . . I'd rather see what people like me are using."

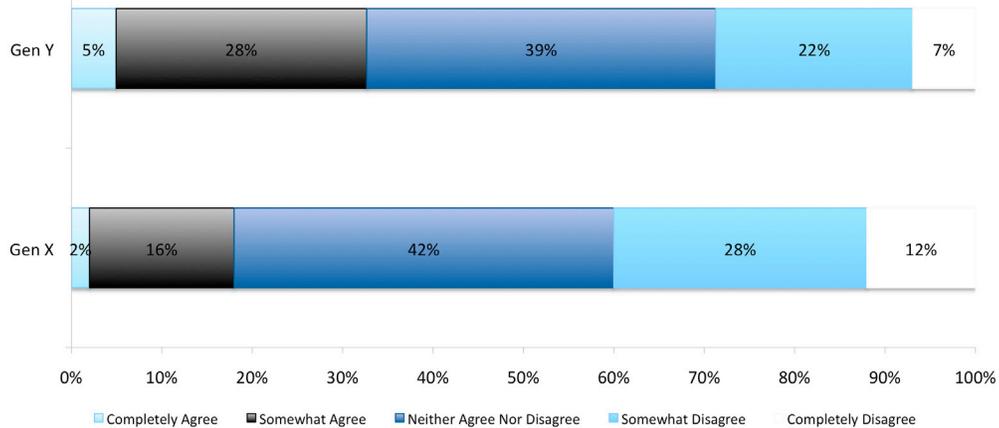
"It's more personal"

"They are written by real people who generally have very similar budgets and interests as I do."

"I know about a lot of inspiring blogs. I like to see what everyday people like. Celebrities get paid to endorse things so I don't value their opinion."



Gen Y Women Are More Likely to Trust Online Advice from Peers
"I trust other user's advice from online."



32% of Gen Y women agree versus only 18% Gen X women.

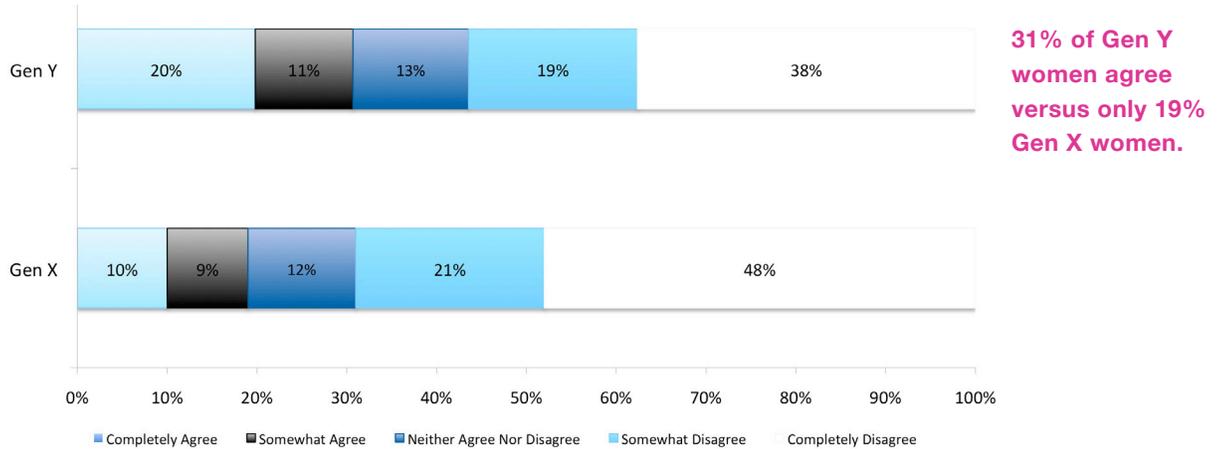
Source: Radar Research, 09/09, n=1018

While both generations of women rely on the recommendations of friends and family when they're researching products, Gen Y women tend to rely on them slightly more than Gen X. They are also more likely to turn to online user reviews, with almost two in five women (38 percent) trusting the (sometimes anonymous) postings of online users to learn more about a product or brand.

Gen Y women also turn to their online peers for inspiration—for fashion, beauty, music, and entertainment. They enjoy reading blogs written by both professional editors or subject experts and nonprofessionals alike, they browse shopping websites like ShopStyle and Gilt, subscribe to email newsletters like Daily Candy and Who What Wear, and visit the online presence of offline magazines, such as Style.com. When asked to explain why they turn to online sources first for inspiration, they cite accessibility, the belief that bloggers are more likely to be honest, and that bloggers are on the cutting edge and more likely to know about trends first. In addition to blog posts, Gen Y women also depend on the comment community on blogs. A healthy commenter community signals approval and trust in the blog, even if their comments disagree with the writer's opinion. In the focus groups, most of the participants said they often glean ideas about cool sites or products from other readers' comments on blogs.

As mentioned previously, Gen Y women are more likely to trust their online peers, even if they don't have a personal relationship with the reviewer, blogger, or contributor. When asked if they trust other users' advice from online forums, nearly a third (32 percent) of Gen Y women claim they do versus 18 percent of Gen X women who say the same.

Gen Y Women Are More Loyal Blog Readers Than Gen X Women
“I have a few favorite blogs that I read regularly.”



Source: Radar Research, 09/09, n=1018

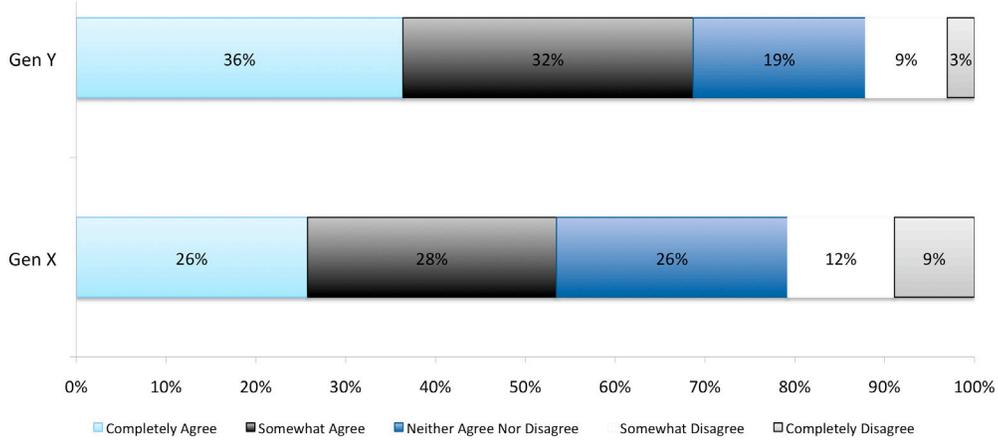
Gen Y women tend to be slightly more skeptical of professional reviewers. They need to be reassured that professional reviewers or subject experts don't have a stake in the results of the review. In contrast, they tend to trust the online reviews of peers and other consumers. In the case of beauty products, fashion, and restaurants, especially, they feel consumer reviews are more reliable and less likely to feel pressure to review a product favorably.

Gen Y women are not just brand loyal—they're also blog loyal. Almost a third of Gen Y respondents (31 percent) agree with the statement "I have a few favorite blogs that I read regularly." In contrast, fewer than one in five, or 19 percent, Gen X women agree with that statement. Blogs are another important channel Gen Y women depend on for finding news, product recommendations, and communities of like-minded readers and commenters.

Gen Y women are a generation whose perception of the world around them is heavily shaped by the Internet. Gen Y women also look first to the Internet not just to stay connected with friends but also as their main source for news and information. Over two-thirds (68 percent) of Gen Y women agree with the statement "I get most of my news, business, politics, celebrity gossip and sports updated online these days." Just over half (54 percent) of Gen X women say the same.

Gen Y women are also avid consumers of celebrity gossip, following the latest scandals, romances, and imbroglios of their favorite tabloid fodder. While a quarter of Gen X women (26 percent) claim they follow celebrity gossip more than they care to admit, two in five Gen Y women report they're also dedicated celebrity gossip consumers. Certainly the nature of celebrity gossip today has a great deal to do with that; it has become both more pervasive and more salacious than the gossip of previous generations. Additionally, most of the tabloid fodder (a few Desperate Housewives excepted), focuses on the lives of women in their age group. Gen Y women who follow

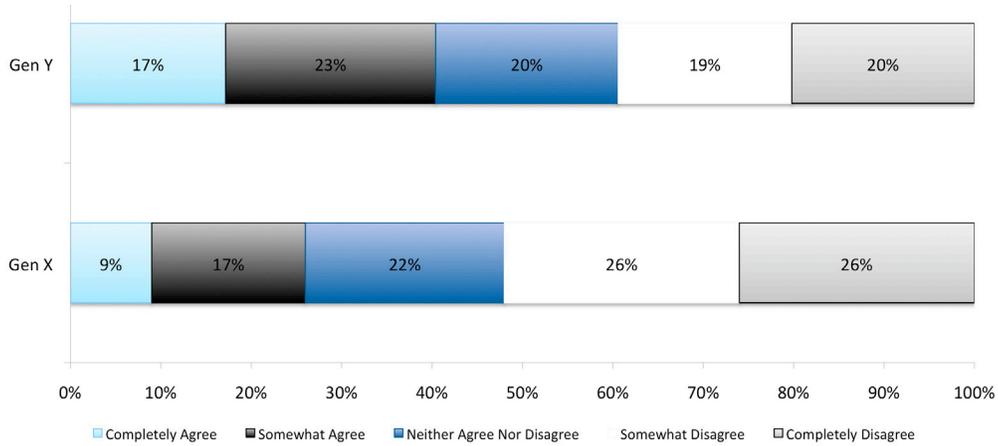
Gen Y Women Are More Likely to Receive News Online
"I get most of my news, business, politics, celebrity gossip, and sports updates from online these days."



68% of Gen Y women agree versus only 54% Gen X women.

Source: Radar Research, 09/09, n=1018

Gen Y Women Follow Celebrity Gossip More Avidly Than Gen X Women
"I follow celebrity gossip more than I can to admit."



40% of Gen Y women agree versus only 26% Gen X women.

Source: Radar Research, 09/09, n=1018

celebrity gossip closely are also likely to report they want to be the first to know breaking news, and enjoy discussing current news and gossip with their friends. They also don't limit themselves to tabloid magazines and are dedicated blog readers. Looking at their media consumption, there seems to be a broader tapestry of news sources for Gen Y women than Gen X impacting their perception of the world, lives, and brand preferences.

How Do You Market To Gen Y Women?

Before answering the question of how to market to Gen Y women, it is useful to answer the question “why?” Theorists from Thomas Frank to Theodore Roszak to Malcolm Gladwell have analyzed the impact and influence of youth culture on the larger society. By now it has become dogma that trends begin and are disseminated through younger consumers, spreading through their peers as well as older (and even younger tween) consumers. Yet quantifying the relatively ephemeral metric of “cool”—how it is defined, how it is shared, how it’s co-opted, and how it eventually evolves into something “uncool”—is much more difficult. While the fluidity of trends is no doubt more complicated than previous analyses of Boomers and Gen X have led us to believe, there are indications that older women still take their style cues from Gen Y women.

While Gen Y women wield purchasing power, they also wield influence on buying decisions. According to a study done by Resources Interactive in Fall 2007, Gen Y consumers brandish considerable influence on house purchases in the following categories:

Clothing/apparel: 90 percent

Computers: 70 percent

Movie videos/DVDs: 85 percent

Sports equipment: 67 percent

Groceries: 85 percent

Vacation: 65 percent

Video games/systems: 77 percent

Vehicles: 49 percent

Cell phones: 71 percent

Not surprisingly, when asked to choose which generation is most influential when it comes to setting trends, Gen Y women see themselves as leaders. In fact, 92 percent of Gen Y survey respondents cited their own generation. Perhaps more surprisingly, the majority of Gen X women also see Gen Y women as trendsetters. Over two-thirds, or 67 percent, of Gen X women choose Gen Y as the most influential age group when it comes to defining trends in popular culture.

When asked in the survey to describe in their own words why they view Gen Y women as the most significant age group for setting trends, a few themes emerged. Respondents cited Gen Y’s ability to discover new things before other generations. Additionally, their creativity was often alluded to as well as their ability to adapt to new technologies quickly. Respondents also mentioned Gen Y women’s impact on social issues, their ability to discern the difference between more long-term trends and fleeting fads, and their likelihood to spend time in social venues.





In their own words...

Respondents explain why they're influenced by Gen Y women

"A lot of them are into social action. They tend to make statements with their products."

"This age group tends to discover things first."

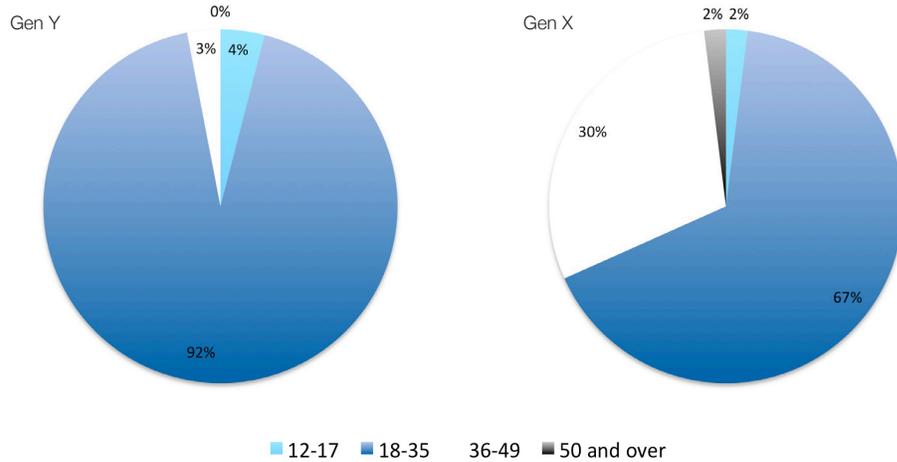
"Young enough to understand the latest technology, but old enough not to get caught up in fads."

"I think most trends are set by the younger crowd because they spend time in venues where they are more likely to be seen."

"[They're] more creative in terms of selection in fashion, pop culture, cuisine, etc."

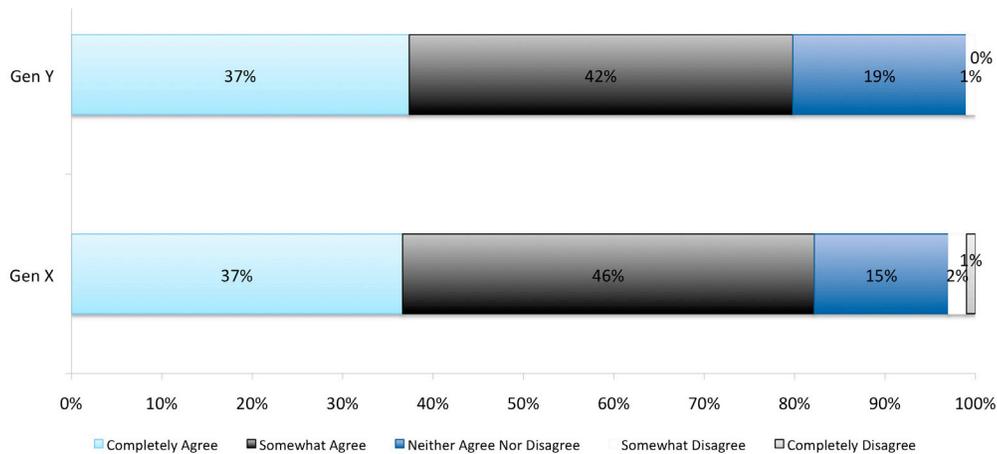


Why Target Gen Y Women? Two-Thirds of Gen X Women Look to Gen Y Women For Trends
“What age group do you think is the biggest trendsetter in music, entertainment, fashion, health, and beauty?”



Source: Radar Research, 09/09, n=1018

Gen Y Women Are More Brand Loyal Than Most Marketers Assume
“Once I find a brand or company I like, I tend to buy its products again and again.”



Source: Radar Research, 09/09, n=1018

One of the major criticisms leveled against Gen Y women is they are fickle consumers, lacking any brand loyalty. However, in both the survey and the focus groups, it was demonstrated that Gen Y women are far more brand loyal than most marketers assume. Gen Y and Gen X women had almost exactly the same percentage of respondents (79 percent and 84 percent, respectively) claiming they are brand loyal to particular products.

Purchase Category Impacts Brand Loyalty

BRAND	PRICE	BRAND
Beauty Products		X
Fashion	X	
Electronics		X
Travel		X
Automotive	X	X
Consumer Packaged Goods	X	X

Within the focus groups, it became clear that product category heavily impacted Gen Y women's brand loyalty. In a discussion of the importance of price versus brand, the focus groups concluded:

Beauty Products: Brand mattered more, especially for skincare. They claimed to be extremely brand loyal to their hair and skin products, but more willing to experiment with new brands for products like mascara. They also said the best way to influence their brand loyalty was through free samples.

Fashion: Price trumped brand. Gen Y women are interested in finding less-expensive versions of runway clothes. They cite Forever 21, H&M, Zara as stores they shop to find the “look for less.” One exception frequently cited is accessories, particularly shoes and bags. Gen Y women still want an “it” bag, and are willing to wait, save, and then, eventually, spend on the luxury brand they want.

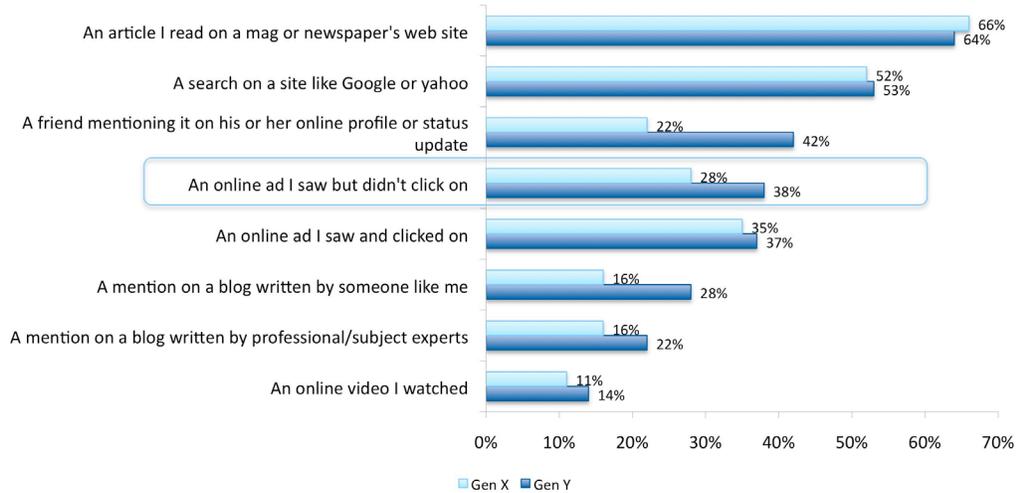
Electronics: Brand unequivocally mattered more. Many of the participants explained they had learned this the hard way—buying an off-brand TV or other electronics only to find it broken after a year and not covered by a warranty. Participants are willing to buy refurbished electronics from brands they trust rather than spend the same on a new product from a brand they don't.

Travel: Again, brand mattered much more to them than price. Most of the participants were enrolled in frequent-flier programs, have a credit card with rewards points, or prefer a particular airline for service and convenience.

Automotive: There was less agreement on brand vs. price for cars. While some are very brand loyal (Honda and Toyota were mentioned several times as being particularly reliable), the relatively high-consideration category for automotive products meant that the decision process is more complex than simply weighing price against brand.

Consumer Packaged Goods: Depends on the product category. For items such as deodorant or pet food, participants said they are very brand loyal. However, for products such as toothpaste or mouthwash participants reported that price matters more to them than brand.

Gen Y Women Acknowledge the Branding Power of Advertising
“Have you ever discovered a new brand or product via...?”



Source: Radar Research, 09/09, n=1018

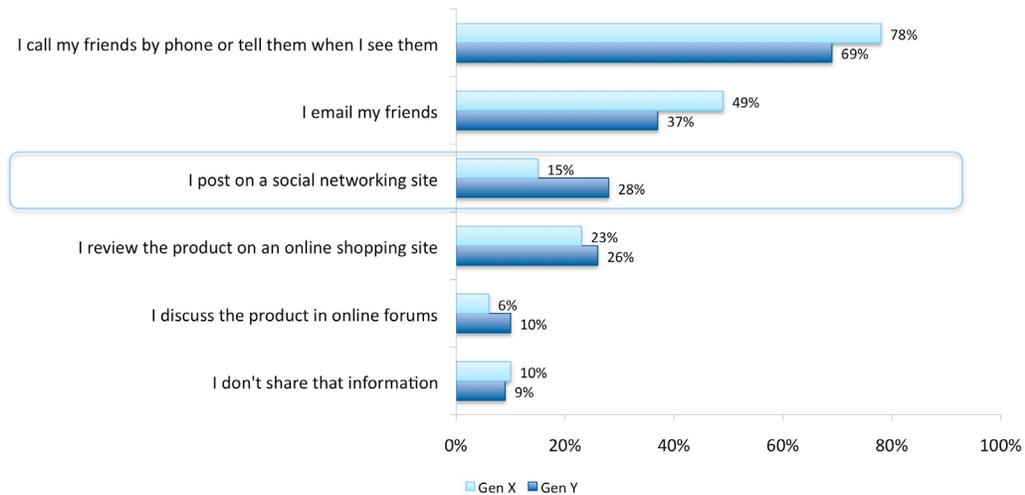
A recent report by measurement firm comScore and ad agency Starcom revealed that few consumers are clicking on ads. According to their analysis, 85 percent of all clicks on ads come from just 8 percent of the Internet user base. Advertisers' insistence on using click through as a metric of campaign success is particularly detrimental to understanding Gen Y. This is a generation that is not easily swayed to action by advertising, either online or offline.

Gen Y women have been inundated by advertising since birth, growing up in an increasingly cluttered and fragmented media landscape. It is a generation that is highly media and marketing savvy, conscious of advertiser attempts to market to them. They are also more likely to be aware of advertising they may not have clicked on, but have responded to in other ways. When asked if they've ever discovered a new product via an online ad they saw but didn't click on, almost two in five (38 percent) reported they did. In contrast, 28 percent of Gen X women said the same. Gen Y women were also more likely to discover a new product via blogs, both those written by laypeople as well as subject experts, than Gen X women.

Another theme that emerged more clearly in focus groups is that context matters a great deal for Gen Y women in terms of how they perceive a brand. When they see an ad for a brand they are unfamiliar with, they depend on their faith in the site they see the ad on as a proxy for trust in the advertiser. Their relationship to the site bleeds into their relationship with advertisers. Ultimately, context matters for them a great deal. Exposure to lesser-known brands is more meaningful to them when it takes place on a website they already trust.

Additionally, Gen Y women are far more likely to use blogs and social networks for brand discovery than Gen X women. Almost double the percentage of Gen Y women (42 percent) reported they've discovered a new brand or product from a friend mentioning it in a status update than Gen X women (22 percent). Additionally, Gen Y women use blogs written by nonprofessionals more than Gen X women (28 percent versus 16 percent) as well as blogs written by subject experts or professional writers (22 percent versus 16 percent). Consumption of niche media such as blogs

Gen Y Women Are More Likely to Use Social Networks to Act as Brand Advocates
“When you find a product or brand that you feel passionate about, how do you share that information?”



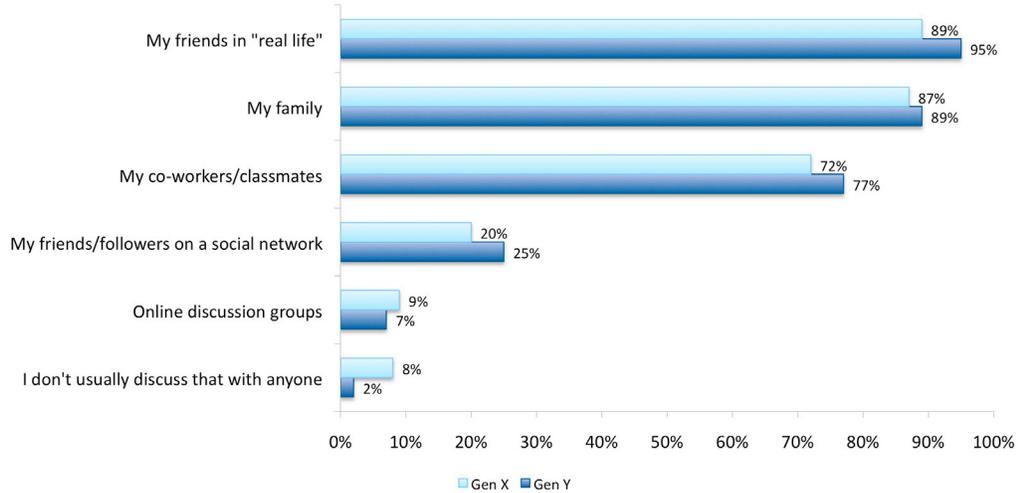
reinforces Generation Y women’s perception of themselves as more individualistic than earlier generations. These women can choose their own identity, brands, and lifestyle, because their options are only a mouse click away.

While both Gen X and Gen Y women are likely to share their product recommendations with friends, Gen Y is almost twice as likely to use an online social networking site to share their recommendations than Gen X women. While 15 percent of Gen X women report they post on a social networking site such as Facebook, Twitter, or LinkedIn to share information on a product, almost double, or 28 percent, of Gen Y women say the same. They are also more likely to review the product on an online shopping site or discuss the product in an online forum than their older cohort. In contrast, Gen X women prefer to share their brand recommendations via email, phone, or in person.

Gen Y women are not just more likely to share their brand preferences online with their peers, they are also more likely to spread information across a wider network of connections than Gen X women. As mentioned previously, Gen Y has redefined its notion of “friend” beyond people they personally know in real life. This generation has elevated looser connections—Twitter followers, pseudonymous bloggers, and anonymous reviewers— to the status of “friend.” Gen Y seems to intuitively understand the concept of the “strength of weak ties.” Having a broad network of weak interpersonal ties “are actually vital for an individual’s integration into modern society,” as Mark Granovetter and others have argued. Gen Y women don’t just talk about their favorite products, brands, shows, and musicians with their real-life friends—they also tell their co-workers, their family, and, most importantly for marketers, their online friends and followers.

So how do you market to Gen Y women? There are both challenges and opportunity for marketers trying to crack this segment. Gen Y women are constantly inundated with media, marketers, and friends thrusting information at them. As a result, they have a very low threshold for boredom. They need constant change and demand dynamic content. A corollary to this condition is the

Gen Y Women Are More Likely to Evangelize Brands Across Spectrum of Social Clusters
“When you feel passionate about a product, brand, television show, movie, or musical artist, whom do you tend to talk about it with most often?”



Source: Radar Research, 09/09, n=1018

shorter attention spans of Gen Y women. There is more clutter and greater media and technology fragmentation in their lives, resulting in the need to get relevant info quickly and efficiently. They are also conscious of obvious marketing attempts and pandering to them doesn't work.

But while it is a challenge to market to Gen Y women, there are also significant opportunities. Gen Y women are multitaskers and creative thinkers, and as demonstrated, they're also passionate brand advocates. They're nonlinear thinkers, influenced by non-narrative formats like the Web. And while they are conscious of marketing, they're also extremely savvy. Smart marketers realize there is an opportunity to address them in ways that resonate without resorting to hackneyed advertising tropes.

How Do You Market to Gen Y Women?

CHALLENGES	OPPORTUNITY
Low threshold for boredom	Ability to multitask
Shorter attention spans	Creative thinkers
More clutter, more fragmentation	Non-linear
Conscious of obvious marketing	Media and marketing savvy

The Dos and Don'ts of Marketing to Gen Y Women

The survey and focus groups illuminate several themes for Gen Y women. They're social, they're networked, and their definition of "authenticity" has evolved to include the opinions of not just real-life friends but online peers as well. Based on these findings, Sugar Inc. and Radar Research recommend the following dos and don'ts:

- 1. Do realize context matters.** Gen Y women aren't likely to click on your ad, but they are influenced by advertising nonetheless. The context they encounter an ad in largely determines their trust in a brand. Trust in a site translates into trust in an advertiser's brand, particularly for brands they're less familiar with.
- 2. Do be honest.** For this generation, transparency is a form of currency. Gen Y women are increasingly comfortable broadcasting their lives on the Internet. This is also a generation that's come of age the same time that reality TV, confessional memoirs, and personal blogs have become commonplace. They've become accustomed to a heightened level of transparency among their peers; they now expect it from brands.
- 3. Do engage in dialogue with your audience or customers.** While it is somewhat trite to call online marketing a conversation, marketers ignore that fact at their own risk. Smart marketers monitor the conversation, respond directly to tweets that mention them, and allow their customers to converse with each other. Gen Y women have already redefined authenticity, basing it on the opinions of their online peers. For marketers to connect with Gen Y women, they need to connect with their peers, rather than privileged experts, such as celebrity endorsements or third-party seals of approval. Additionally, Gen Y women respond favorably to being treated like a VIP. Engaging them in dialogue (through Twitter, contests, or competitions) helps them feel a more personal connection to a brand.
- 4. Do integrate your media across multiple channels.** Gen Y women are multimodal. They move between the Web and their mobile phones with ease, and, unlike Gen Y men (who have all but abandoned TV), they still watch television. Marketers need to be consistent in their communication across multiple platforms, since there are manifold opportunities to connect with consumers.
- 5. Don't get too comfortable.** When it comes to their social networking sites, Gen Y have proven themselves to be fickle. They've already moved from Friendster to MySpace to Facebook. Smart marketers need to monitor where Gen Y women are moving toward online, and react accordingly when the next network hits.

6. Don't ignore Twitter. While there has been media coverage lately claiming Gen Y is less devoted to Twitter than their older cohorts, Gen Y women are using it differently than other generations. They understand it is a promotional platform and subscribe to the feeds of brands that provide “exclusive” info—new products, new information, links to coupons, and deals only offered to followers.

7. Don't dominate the conversation. While marketing to Gen Y women is a multidirectional dialogue, marketers need to be wary of dominating the conversation. This is a generation that expects to be heard. In focus groups, many of the participants claimed that the quickest way to get them to unsubscribe, unfollow, or unfriend a brand's communication is to bombard them. While Gen Y women want to connect with their favorite brands, marketers need to toe the line between relevant info and spam.

8. Don't underestimate the marketing savvy of Gen Y women. Gen Y women, perhaps more than previous generations, understand the value of their personal information and attention. If marketers expect Gen Y women to share their preferences, ideas, and attention with them, they need to offer quid pro quo to those consumers. While it may take the form of discounts on products or access to exclusive products or deals, it might also take the form of recognition for contributions—using a customer-submitted photo or video in advertising or featuring customer-submitted ideas on an official blog or website.



Conclusion

There is no doubt that Gen Y women represent a challenge to marketers. They want to be addressed as individuals, they can be skeptical of marketing, and they are inundated by media and advertising. Attracting their attention in this environment is no small feat. Yet they also control a great deal of spending power, and greatly influence the spending of their older cohorts. Marketers cannot afford to ignore this demographic, despite the barriers they face.

One of the key transformations this generation has experienced is the redefinition of their peer group. Boomers and Gen X tended to think of their friends as people they know in real life—their neighbors, co-workers, and classmates. Gen Y's peer group isn't limited by geography. They communicate online with friends that they have never met, and may not even know the name of the person they consider their friend. Yet, they depend on these friends for product recommendations and brand discovery. Gen Y women seek authenticity in their brands, and authenticity is bestowed by their peer group. What is different for this generation is that the peer group has expanded far beyond previous generations.

Perhaps as important, Gen Y women are active participants in their media usage. They want to contribute, comment, and respond to their peers. Marketers that provide the tools for them to do this will ultimately succeed in attracting them. Marketers need to look for opportunities to add social interactivity to their online presence, offering tools for self-expression and peer communication. Gen Y women are enthusiastic brand advocates, and are more brand loyal than most marketers assume. They are also trendsetters, influencing the purchasing decisions of women a generation older. Advertisers should cultivate a relationship with Gen Y women, providing them with the tools to act as brand advocates, whether that means rewarding them for retweeting marketing messages, forwarding SMS texts, or referring friends to a secret sale.

Last, marketers need to keep in mind that context matters for Gen Y women. This is not a generation that clicks on ads very often. Yet they are paying attention to advertising. When Gen Y women trust a website or blog, they tend to trust the advertisers on that site. Their relationship to the site impacts their relationship to the site's advertisers. Exposure to brands (particularly unfamiliar ones) is more meaningful to them when it happens on a website they already feel an affinity toward.



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PopSugar Media is the online leader in original content and social media for trendsetting Y women. We help brands connect, engage, and be discovered by this influential generation.

This report was prepared for Sugar Inc. by Marissa Gluck of Radar Research. © 2009