



# MARKETING TO MILLENNIALS

## Understanding this often-misunderstood generation

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Those confounded Millennials. Just when the homebuilding industry thought they had the Baby Boomer generation figured out, along come Millennials. And so it begins, all over again. A steep learning curve lies ahead of us as we try to figure out just who these young people are.

What makes them tick. What makes them buy. And more importantly, what makes them buy a new home.

So, just so we are clear, we define Millennials as those born between 1981 and 1996 making them 22-37 years old today. They are the largest generation on earth at 75 million strong but are a distant second to Boomers in terms of wealth. (Baby Boomers currently control 2/3 of the country's wealth.)

There are a number of adjectives that describe Millennials: confident, self-expressive, liberal, upbeat and receptive. They are a happy generation, passionate about everything. They are diverse and typically don't see race or color. They share, they discover and most of all, they experience.

But while this is a very optimistic generation, they tend to be a bit cynical. They like the notion of family although perhaps not the same idea of family as their parents have. They don't believe in justice, being practical or having a sense of duty.

And to them, the word "integrity" is something rich people talk about but seldom engage in.

They confound marketers because they are so very different from that of their parents. They believe in living first and working second. They are starting families later in life. They ►



like collaboration, unlike their parents who were more inclined to seek individual attention. And for years, they have shunned buying a home after witnessing their parents lose their jobs and their homes during the recession.

Fortunately for us, some of that is changing and things are looking up for the homebuilding industry as it relates to Millennials. Consider, for instance:

- 17% of Millennials plan to buy/refinance a home in the next 12 months
- 18% plan to buy/refinance a home in 1-2 years
- 22% plan to spend \$300,000 on a home
- 71% will seek a mortgage to finance their home
- 38% of first-time homebuyers are Millennials

Additionally, Millennials are moving in greater numbers to the suburbs (giving up that cool loft downtown) as they marry and have children. It's important to note, however, that they are willing to sacrifice space in order to stay within their price point.

And while their psychology is very different, so too are their desires for new-home features. A few new home design trends for Millennials include:

- Pre-installed technology and home automation by Alexa or Google Home
- Smaller homes under 2,000 sq. ft. (so they can stay under a \$300,000 price tag)
- Less tennis & golf. More fitness centers & gathering spaces
- Agri-hoods or small co-op farms for vegetable gardens, fruit trees, etc.
- Large communal centers and even communal kitchens

So as a builder, how do you market to this group? Here are our Top 10



Tips to move Millennials out of their parents' basement into a new home:

1. Solve their problems. Millennials have a lot going on: careers, families, where to live, etc. Make their lives easier through home automation, streamlined selections processes, or help getting a mortgage
2. Make them feel good. In an era of economic depression, global warming and crazy politics, Millennials just want to be happy. Advertising that warms the heart or makes them laugh will win them over
3. Authenticity. Craft a personality for your homes, your apartment complex, your company and then stick to it as Millennials like companies who are authentic
4. Develop a good social media strategy. Millennials spend 25 hours per week online because it empowers them. They like sharing, pinning, tweeting, snapping, forwarding and commenting on everything they find
5. Outbound Marketing is out. Magazine ads, direct mail, radio, etc. are thought of as corporate mediums and are therefore untrustworthy in this group's eyes

6. Inbound Marketing is in. Instead of banner ads think blogs, white papers, forums and YouTube videos
7. Good design is mandatory. If you don't make a good first impression, this group will simply scroll on by
8. Content is King. You've heard it before but take heed as this generation laps up good content
9. Show them the experience of a new home with outdoor cooking tips, fast and easy recipes, 10 things to do when it rains, etc. over that of all the awards you won00
10. Since this generation thrives on collaboration, run social media campaigns asking for their input on creating the perfect kitchen, their favorite design trend or what they would like to see in their dream home

*Robyn Bonaquist is founder and CEO of B-Squared Advertising, a full-service, award-winning, advertising, marketing and public relations agency located in Naples, Florida serving builders and developers throughout the country for nearly 20 years. For more information on Marketing to Millennials or for a free consultation, contact Robyn Bonaquist at 239-593-3600 or Robyn@b2ads.com.*

