

THIS IS THE FIRST
DIGITAL GENERATION

MILLENNIAL GENERATION

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01

Life through the screen

All eyes are on them: a group of 80 million people in the United States and somewhere over 51 million in Europe, who by 2025 will represent 75% of the world's workforce. 81% have a profile on Facebook and [83% sleep with their cellphone.](#) (🐦)

The first completely digital generation live their lives addicted to WhatsApp. According to this study by [Cambridge University Press](#) carried out in Spain, almost half of them spend one hour a day and 14% almost three hours a day. When asked which social network they use most on a daily basis, WhatsApp is the

clear leader with 95%, followed by Facebook (65%) and YouTube (44%).

The so-called millennial generation (all those young people who reached adulthood with the change of the century, in 2000) spend several hours a day online, and over 25 a week, as highlighted by this



study by [Forrester](#). They are constantly immersed in social networks and mobile technology.

Technology, in turn, is carefully monitoring this generation Y (those who today are aged between 18 and 33), as proved by the thousands of studies on their habits to be found on the Internet. According to the consultants Deloitte, they will represent 75% of the world's workforce.

They have the following defining features:

1

They're digital natives. They prefer the Internet to conventional television. 59% watch films on the Internet, and 46% on television and on Internet too, a significantly higher proportion than in other age groups.

2

Multiscreen and multi-device.

They use multiple channels and digital devices for their activities. They have the capability and the need to do various things at the same time. In the United States, according to [Nielsen](#), the number of television hours consumed by the segment aged between 18 and 24 declined by almost one hour a day, and [seven out of every ten Spaniards](#) wants total freedom to watch videos at any time and in any place. [Verizon](#) highlights that the millennials triple the consumption of online television.



3

Nomophobes and addicts

This is the way this article in [Forbes](#) defines it: their life is their cellphone, and their main access screen to the Internet is now a mobile screen. 78% of the millennials in Latin America have a cellphone (up 10% since the previous year), 37% have a tablet, 70% a laptop and 57% a desktop computer, according to [Telefónica Global Millennial Survey 2014](#). They are addicted to their cellphones, they feel the need to be constantly connected and 45% admit that they could not live without their smartphone for a single day. Demand from the millennials is driving the extraordinary growth in mobile apps (5 million app downloads are recorded on the Appstore every day).



4

Social and connected. (f)

They're extremely social. The super-connected millennials consider themselves better prepared for their working life at the end of their degrees and even score higher in their leadership skills (32% as opposed to 16%), as shown in this study by Deloitte.

5

Critical and demanding. (in)

They're much more critical, demanding and volatile. In fact 86% of today's consumers declare that they would stop [doing business](#) with a company if they had a poor customer experience, compared to 59% four years ago. And for the millennials, negative digital experiences online and on mobile devices have a much greater [negative impact](#) than on other age groups.

Finally we should highlight their "technological dependence" even in the world of work. This study by the consultants



[Deloitte](#) points out that "Google and Apple were chosen by 11% of the Millennium Generation from among the companies that are most closely identified with the concept of leadership.

Coca-Cola (6%) and Microsoft (5%) ranked immediately after, followed by Samsung (4%). Technology wants the millennium generation, and they too are keen to work in technology companies.



02

Millennials, a challenge for the banks

33% of Americans in the so-called millennium generation believe they will no longer need banks in coming years. In view of these data, capturing customers from among this new generation is shaping up [to be a major challenge](#). (🐦)

“71% of American millennials would rather go to the dentist than listen to what banks are saying”. This phrase from [The Millennial Disruption Index](#) shows how little love is lost between banks and a generation. The study of 10,000 millennials (that

is, anyone born between 1981 and 2000) carried out in the United States highlights that 53% don't think their bank offers anything different than other banks, and that one out of every three millennials is willing to switch banks.

“This generation can see they don't really need the financial sector -they've lived through the economic crisis and they believe that part of the blame for this crisis can be laid at the door of the banks. But this is not the only idea that distances them from banks. There is also the fact that they have been born with technology and demand a very good user experience from any company.”

Rodrigo García de la Cruz

Professor at [Instituto de Estudios Bursátiles](#).

According to the professor, “millennials are digital natives, and they look for absolute simplicity with technology, they're used to accessing everything with the minimum

number of clicks, and companies have to work hard to overcome the technological complexity involved in making a transfer or browsing websites. They must offer their products

with the utmost simplicity; if Amazon allows you to buy things with a couple of clicks, the banks should also make sure the user feels completely at home”.

68% of the millennium generation in this study believe that in five years the way of accessing money is going to change, and 70% think that payment methods will be totally different. 33% think they will no longer need a bank. The professor points out that in

order to approach this segment, the banks should take into account that they are “fans of certain companies. If Apple opened a bank, it would have 37 million customers on the first day. Apple doesn't have customers, it has admirers, and that doesn't happen in the

financial sector”. The Millennial Disruption Index points out that 73% of the respondents would be more receptive to any financial services that might be offered by [Google](#), [Amazon](#), [Apple](#), [Paypal](#) or [Square](#) than by their own banks.

Apple doesn't have customers, it has admirers, and that doesn't happen in the financial sector

The advantages of the millennial customer (f)

But not everything about this generation means bad news for the financial sector. García de la Cruz points out that banks should “exploit the fact that millennials are used to surrendering their data without any resistance without a second thought, and have a much lower perception of risk than other generations, which benefits companies and banks by making it easier to learn about their preferences. This information is very important for designing strategies for

capturing new customers”. [This article](#) in the New York Times highlights that this generation, unlike the boomers (now aged between 50 and 60), downplay work -for 25% it is the cornerstone of their lives, whereas for boomers this percentage rises to 39%-, and when combining work and free time they emphasize that their time is “theirs alone”. “This is a very well-educated generation with very clear ideas.

They are not willing to work at just anything, they believe companies should generate values, and that’s why they

demand that banks should have social responsibility, maximum transparency and values.

The millennials work for something more than just money, and that’s why they’re doubly demanding with the financial sector: as employees, because they’re going to demand that companies manage their talent in the best possible way; and as customers, because they look for added value. We shouldn’t forget that this is generation that is loyal to experiences rather than brands”, concludes García de la Cruz.

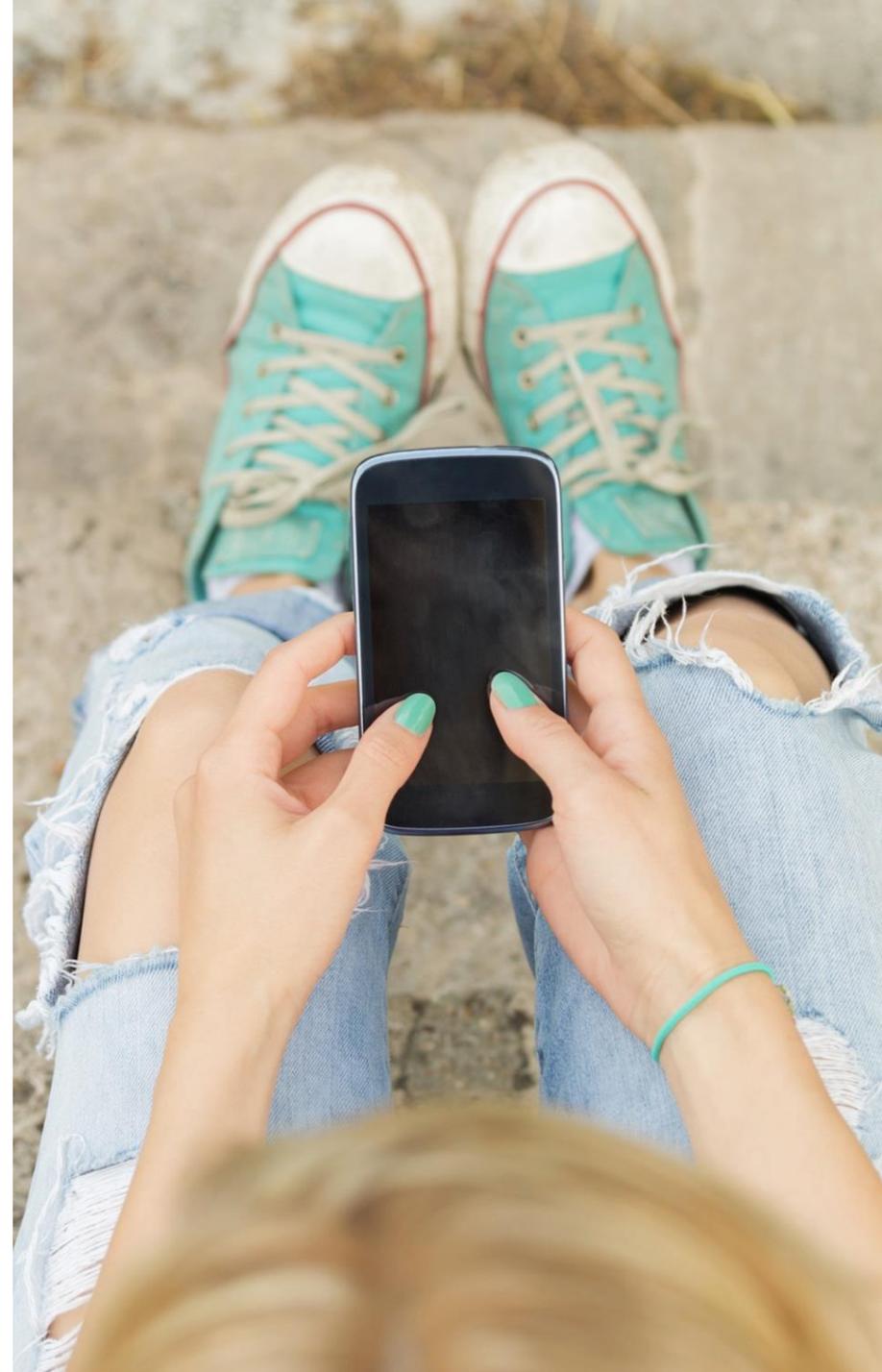


Commitment to mobile banking (in)

Another important point for banks is the role of mobile devices in the lives of millennials -these are digital natives who have grown up in the age of the Internet, smartphones and social networks and are looking for a simple and easy relationship with the bank using these tools.

The [study by Gemalto](#) entitled *Generation mBanking* highlights that 94% of millennials have a cellphone, 42% have a tablet and 38% have both devices. 32% claim never to have stepped inside a bank and 62% say that at least once a month they use an online banking service via their phone or tablet.

[27% would prefer not having a bank](#) to not having a cellphone. [PwC's Global Digital Banking Survey](#) points out that mobile banking users will increase by 64% through to 2016; and those who bank through social networks and online banking will also rise by 56% and 37% respectively. Users of traditional channels such as branch offices or telephone banking will fall by 25% and 13%.

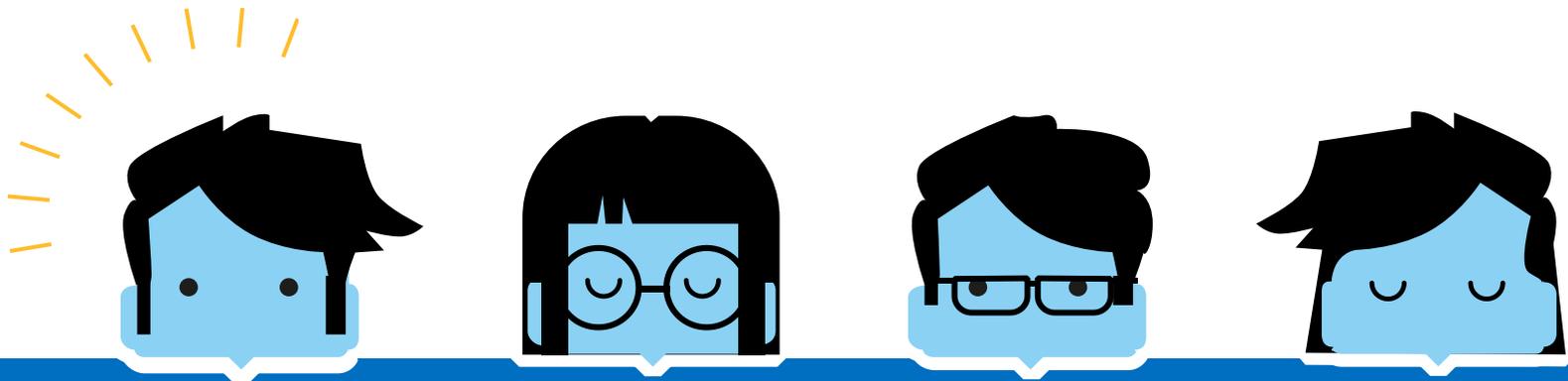


03/INFOGRAPHIC

These are the millennials: This generation vs other generations

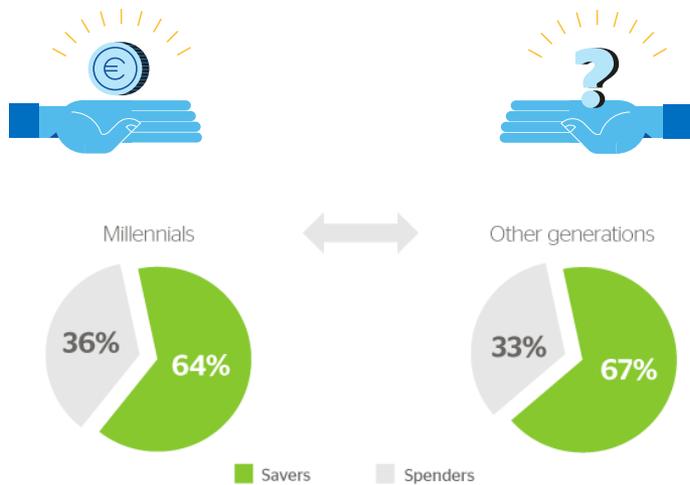
For millennials, new technology and digital platforms are a comfort zone, however, saving is still a difficult place to access for the generation of monitors and social networks.

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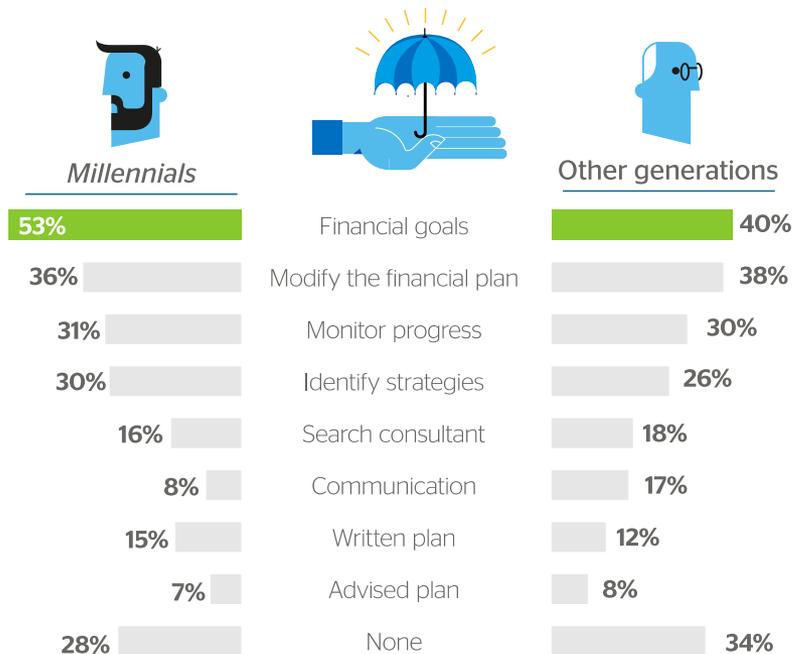
Saving

The greatest challenge for millennials is being able to afford an independent life, surrounded by technology without incurring harsh financial imbalances and with a future savings plan. However, more than half consider themselves to be savers.



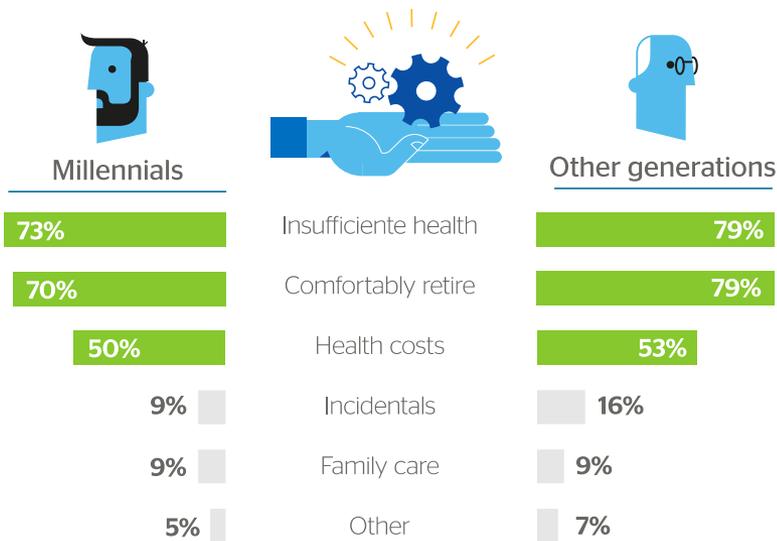
Financial Future

More than half of millennials say that they have set financial goals, compared with just two out of five of people from other generations.



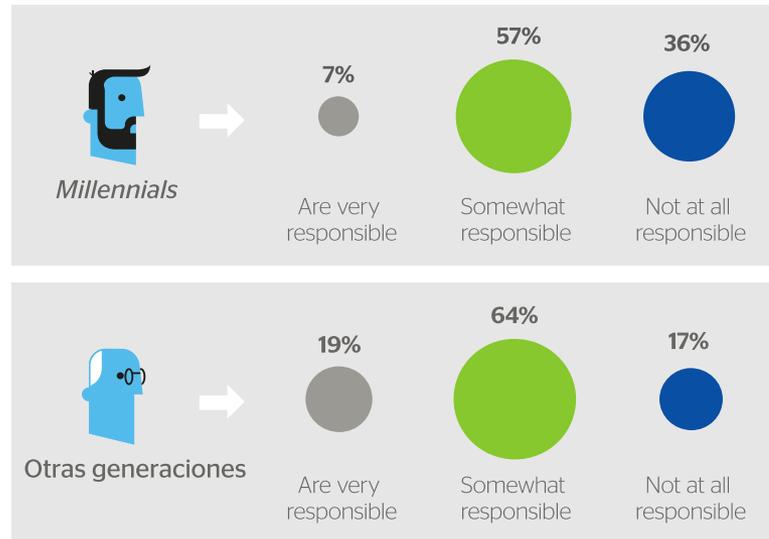
Working at 65

At least 7 of every 10 people who expect to be working at 65 say that they they won't have sufficient savings to comfortably retire, and social security won't take care of their needs.



Financial responsibly

Slowly but surely, the millennial generation is moving further away from financial responsibility and there are more and more signs that they don't have any type of responsibility.

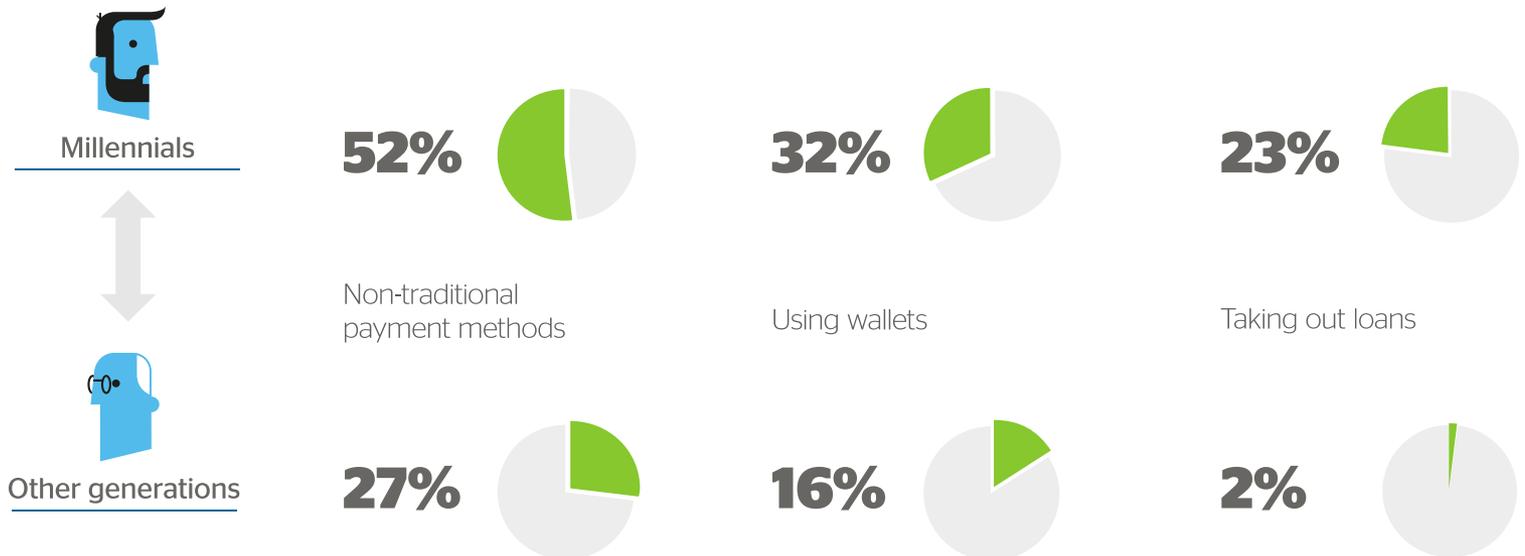


Financial security

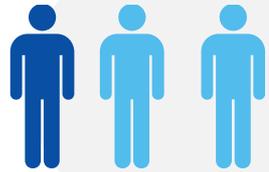
Millennials express the same kind of feelings toward financial security as other generations. 7 of every 10 feel secure or completely secure with their financial situation.



Payment methods



Millennials in figures



One out of every three is willing **to change bank.**

27 %

prefer not to **have a bank.**

32 %

have never stepped **inside a bank**

33 %

think they will no longer **need a bank** in 5 years

73 %

are **more receptive** to Apple, Google, Amazon service...

62 %

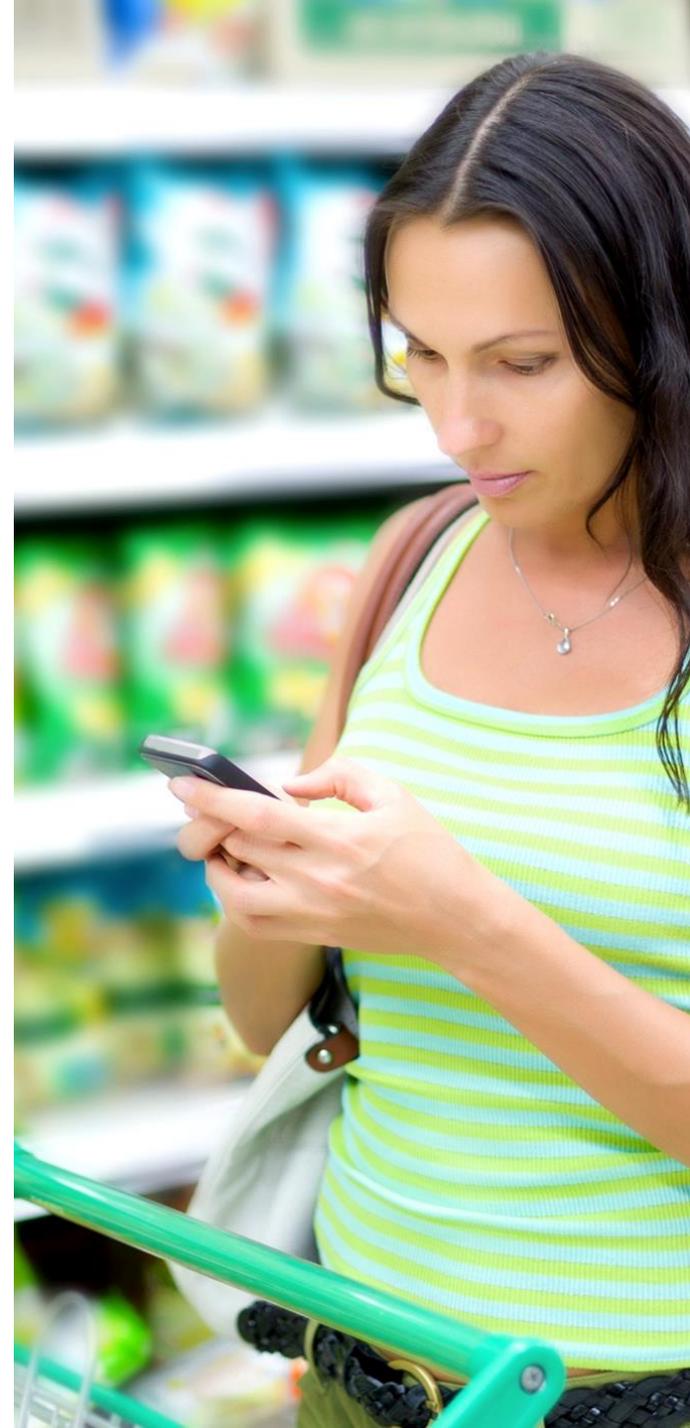
use online banking on their cell or tablet.

04

Brands are out to win over the Millennials

It is estimated that by 2017 they will represent 50% of the global consumption on the planet. But to attract them you need to bear in mind six key features that characterize their [consumption habits](#). 

Digital natives, hyper-connected and familiar with Big Data, active, socially engaged, addicted to the latest trends and to switching between a variety of devices... How does the millennium generation consume? In the United States, they comprise the number one force in the labor market, and have an active population of 53.5 million - ahead of generation X (52.7 million) and the boomers (44.6 million)- and according to a recent study by [Standard & Poor's](#), they spend 600 billion dollars a year. It is estimated that by 2017 millennials will represent 50% of the global consumption on the planet.



Any brands that want to conquer this market need to bear in mind the following points:

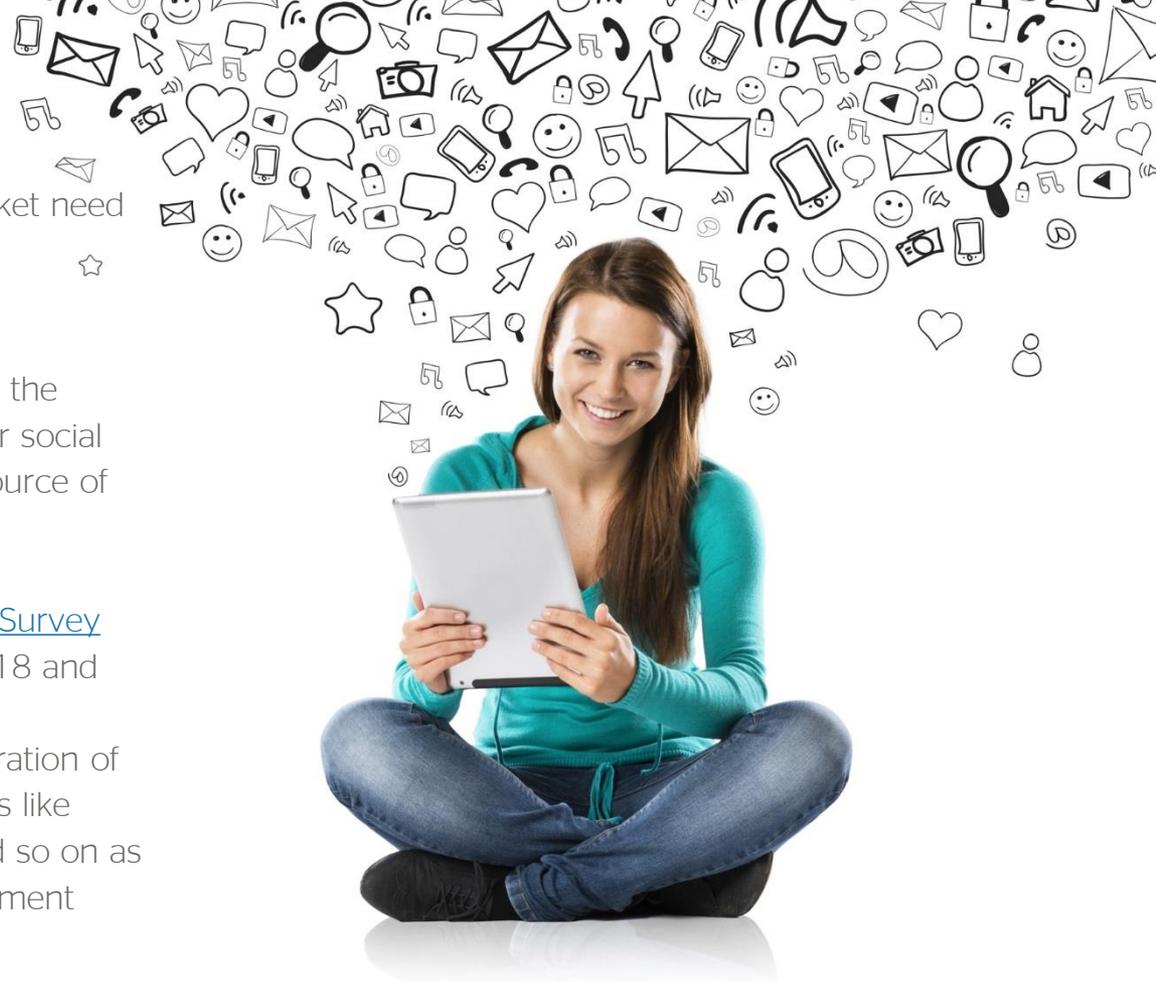
1. **Addicted to mobility.** (f)

They are addicted to their cellphones, and the Internet is linked to all aspects of both their social and professional lives. It is their primary source of information.

According to Telefónica's [Global Millennial Survey 2014](#) of 6,702 millennials aged between 18 and 30, **78% use smart mobile devices to communicate**. Because of this high penetration of smartphones, companies need to use tools like **mobile apps, social networks, videos** and so on as new platforms to be able to reach this segment directly and efficiently.

The millennial generation has a more favorable perception of brands that speak to them through Facebook than using traditional methods. In a study this June, [the consultants Retale](#) highlighted that **85% of millennial parents use their cellphones**

while in the stores doing their shopping. Mothers use their cellphones to find any special offers or discounts currently available in the store, whereas fathers do so to look for comments on the products they have in front of them.



2. They don't like advertising but they do like brands.

“Millennials hate advertising; what you need to have is good content”. These are the words of [Erin McPherson](#), head of content at Maker Studios, a leading digital video creation company (the world's number one distributor of short format video, with 11 billion visits a month, and 60% of whose spectators are aged between 13 and 34; 70% of the audience is from outside the United States).

This expert notes that this generation definitely likes brands, and also underlines **that users spend less time in front of the television** and tend more towards consuming via mobile devices (50% of visualizations come from them).

According to McPherson **the brands have to turn to content creators** to reach the millennials. She says that even though working with brands may look risky, it serves to increase loyalty towards the brand, and that's where the native content arises. **“The new authority is authenticity”**, she stresses.





3. They're not loyal to brands if they disappoint them.

The study by [Aspect](#), a company specializing in customer service, highlights that 56% of young people aged between 18 and 34 have switched brands in the last year after receiving poor service.

4. **Responsible consumption.** (in)

They have a heightened awareness of the idea of responsible consumption and prefer products marketed by small companies. They also incline towards fair trade, as noted by the report entitled [Breaking the myths](#) by Nielsen.

5. Environmentally aware.

A study by the [Pew Research Center](#) found that most millennials are willing to pay a little more for products that have been **made or processed in an environmentally friendly way**. 80% of young people would like to work in companies that are concerned about the impact of their activity on the planet. **The environmental culture is more deeply ingrained in countries** like the United Kingdom, Denmark and Germany, although a 7% growth in this sector is predicted for Spain.

6. Collaborative consumption

Nearly 50% of North American millennials are regular users of collaborative consumption companies. They want to feel closer to the brands, and they're loyal if they identify with their ideals. Proof of this is the success of companies like [Uber](#), [Airbnb](#) or [TaskRabbit](#).



Santiago Gramunt
vice-president at [AEACP](#)
(Asociación Española de
Agencias de Comunicación
Publicitaria)

"Millennials are a generation that communicates without permission. They interact with brands, proposed new products and are very influential with the immediate environment --familiares, friends-- in the decision to purchase a product."

"The publicity seeking, above an emotional message, participation, entertainment. The brands propose them an experience and make them partake of that product. The problem is where to find them, are a generation that uses multiple channels simultaneously and that makes advertising strategies."

Gramunt adds that they are brave and curious and what characterizes them and make a difference with respect to other generations is the pursuit of entertainment.

05

“We want flexibility and that's why we find companies like Google and Microsoft so attractive”



The millennial generation puts flexible and productive [working hours ahead of salaries](#). (🐦)

What do I want from companies? “**Flexible schedules**”. Two millennials, Alberto Tamarit and Marina Fernández concur when they are asked separately what they rate most highly in companies, and also say that Google would be one of their favorite

[companies to work for](#). (in) These two Spaniards are no different from millions of American millennials who –as highlighted in this article in [Forbes](#)– are also looking for efficient and productive workdays: “**70% inquire about flexible working hours** when

they look into a company, a much higher percentage than the 46% who are interested in the basic salary”, notes the article, which also singles out **Google as the jackpot company and the favorite of the North American millennial generation**.

Tamarit and Fernández are two of the participants in the Millennial Challenge, a program by [RedEmprendia](#) to foster entrepreneurial spirit in young university students.

Together with another two colleagues, Tamarit has created an app that allows its users to see how many free spaces are available in libraries.

“The [Myliber](#) app basically works **as a series of sensors that collect information on free spaces, temperature or noise** and helps compile a ranking of the best libraries”, explains this student from the Valencia Polytechnic University who is studying the third year at the Industrial Engineering School.

Alberto Tamarit entered the challenge organized by the Galician company [Plexus](#) which invited students to “**develop a platform with new services** for university students using new technologies and mobile supports”.

The budding engineer proposed an app that could put an end to the problems of overbooking in libraries in exam months. “In the exam period, the study rooms are always full. With this app we can see how many free places there are, the number of plugs... We wanted to create something that would help us.

Myliber makes it possible to compile all kinds of information: on energy efficiency, domotics...

useful information”, he points out. The aim of the project of Marina Fernández, a student at the Higher Technical School of Mining Engineers and Energy at the Madrid Polytechnic University, was to improve [Banco Santander's mobile banking app](#).

“We realized the application was missing things that we students considered important. Like you couldn't see the grants the bank was offering. We made a space for them and created profiles to filter grants. We also wanted to give greater visibility to the social housing fund, and make it more intuitive, among other things”.

Both Fernández and Tamarit -who were born with technology and whose go-to social network is Facebook- highlight companies who take **care of their employees** as places they would want to work. "It may sound trivial, but for example, the company where I'm doing my practical work

experience now brings you fruit in the middle of the morning, and that's something you really appreciate", says Fernández. Tamarit also sets store by how companies treat their employees. "**Companies like Google and Microsoft treat their employees spectacularly well.** They offer good

conditions, and their philosophy is that **the workers come first and are their most valuable asset.** We really hate inefficient workdays. **Our generation evolves very fast with technology.** We adapt rapidly to change; systems are not fixed and that's why we like flexibility", concludes this student.

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The millennials' favorite companies (f)

Universum has recently presented a study based on 240,000 surveys conducted between September 2014 and April 2015 of millennials in Germany, Australia, Brazil, Canada, China, United States, France, India, Italy, Japan, United Kingdom and Russia.



PricewaterhouseCoopers



Google



Ernst & Young



Goldman Sachs



KPMG



Microsoft



Apple



BMW Group



General Electric

share



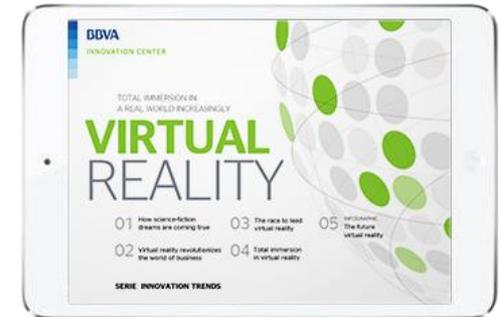
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PREVIOUS ISSUES



Many business services are in the cloud. but do you know how to take advantage of them?



Total immersion in a real world increasingly



The web is now ubiquitous, in our homes, in our business



Revolution trends mobile: Now you wear it

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