



Breaking News on Food & Beverage Development - North America

PODCAST: What makes Millennials tick?

By Elaine Watson+, 27-May-2016

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While many Millennials feel that their vote won't make much difference, they are far more likely than older generations to feel that their purchasing decisions can change society for the better, and that has big implications for the food and beverage industry, according to Hartman Group CEO Laurie Demeritt and MSL Group food & beverage director Steve Bryant.

Indeed, one of the most striking things about Millennials - people born between 1980 and 2000 - is their sense that they can exercise power and enact social change via their purchasing behavior, said Demeritt.

"Market researchers often ask consumers, how can you as a consumer make the greatest impact on society? By your voting decisions, by your purchasing decisions? By your involvement in your local community?"

"Historically, voting has come out as the #1 choice. But in 2015, for the first time, people felt that purchasing decisions would have the biggest impact, and in the case of Millennials, this was the case by far."

"This is in part a rejection of the political system, but it also reflects the fact that Millennials feel like they really are enacting social change by how they spend their dollars, and that makes them feel good."

Millennials don't appreciate bolt-on sponsorships where companies try and borrow credibility from a nonprofit

But while mission-driven brands such as [Hampton Creek](#), [KIND](#), or [ThisBarSavesLives](#) definitely appeal to Millennials, other manufacturers that want a slice of this action have to be careful to do so in a meaningful way, or they risk alienating their target audience, said Bryant at MSL Group.

"Millennials don't appreciate bolt-on sponsorships where companies try and borrow credibility from a nonprofit. They want to see that it is fundamental to your business practices, that you are living your values."

"What is interesting is that they also really look to business to solve problems; they want businesses to step up, which is really an invitation to brands."

Eating habits and food preferences

As for food preferences, while Millennials are "*certainly not a homogenous group*," younger Gen X-ers that live alone or with their spouses or friends show "*extremely high preferences for certain types of health-oriented foods*," added Demeritt.

Notably, they over-index on organic food, fruit snacks, juices and smoothies, bulk foods, cereal/granola bars, sports and energy drinks, and milk alternatives; and they are more experimental when it comes to trying new brands, foods and diets (paleo, vegan etc).



Millennials like mission-driven companies, but if this is part of your brand strategy, you have to live and breathe your values, says Steve Bryant

When it comes to retail channels, Millennials are more likely to shop at a larger number of stores and eat out at a wider number of foodservice outlets, said Demeritt, although the move away from one-stop shopping is something impacting all food shoppers.

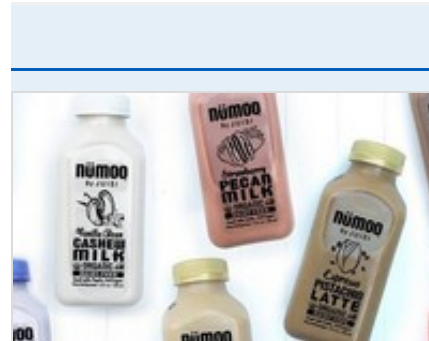
"In 2011, 2% of consumers said they had no 'primary grocery store' [defined as 'the store at which I spend the most money on groceries'], whereas in 2015, this figure rose to 9%, which is huge."

I don't think that Millennials are rejecting big brands per se

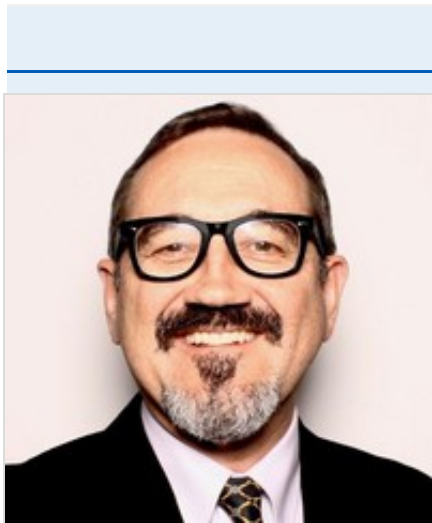
They are also more likely to warm to brands that have an appealing origins story, mission or 'narrative', whether it is about the sourcing of the ingredients, the production process or the people behind the brand, said Demeritt, which can tend to favor smaller, earlier stage brands.

However, this doesn't mean that big legacy brands can't engage Millennials, she added: *"I don't think that Millennials are rejecting big brands per se. We don't see that so much as their embrace of all kinds of different brands and private label brands."*

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Laurie Demeritt, CEO, Hartman Group

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Steve Bryant, food & beverage director, MSL Group

How are Millennials using their smartphones in store?



Millennials are also significantly more likely to use their smartphones while grocery shopping to consult a shopping list they keep on their phones, download digital coupons, call or text a household member with questions about the shopping, research an item, find recipe or compare prices than Gen Xers or Boomers, said Demeritt.

While online shopping still accounts for a small percentage of overall grocery sales, Millennials, particularly urban Millennial males, over-index in this space, meanwhile.

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