

Marketing to today's youth

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Kids these days: From Bieber Fever to owling to Vamplets™ to learning how to Dougie, it's hard for anyone to keep up on the trends and interests of American youth, let alone understand them. The thing is, though, if your brand is trying to reach them or cultivate their loyalty as they grow, you better try.



The youth market—comprised of children ages six through 18—is large and powerful. Statistics show that 8- to 12-year-olds spend \$30 billion of their own money each year and influence another \$150 billion of their parents' spending. Additionally, more and more marketers are realizing the value in reaching out to younger audiences: Companies today spend upward of \$17 billion annually on marketing to kids, compared to \$100 million spent in 1983.¹

Commonly referred to as youth marketing, this type of marketing is highly targeted and different from traditional marketing in many ways. In this Blue Paper® we'll explain why as we explore how to develop a youth marketing strategy, cover youth marketing regulations, take a look at the latest tactics, talk about measurement and more. In fact, just about the only thing we won't cover is how to Dougie.

Why them?

Beyond having incredible purchasing power, the youth segment (which falls into two camps) is appealing to marketers for a number of reasons.

The first camp is comprised of brands like Disney® or Barbie® that develop products and services for younger target markets. Youth marketing in this camp is necessary in order sustain business.

The second camp is comprised of brands like Coca-Cola® or Hulu® that seek a broader audience in terms of age. Youth marketing in this camp operates on the assumption that younger audiences can be tapped now in order to cultivate loyal relationships well into the future. The basis for this camp is loyalty and the commonly held marketing belief that it's easier to retain a customer than it is to recruit a new one.

¹ Lagorio, Christine. "Resources: Marketing To Kids - CBS News." *Breaking News Headlines: Business, Entertainment & World News - CBS News*. Web. 27 July 2011. <http://www.cbsnews.com/stories/2007/05/14/fyi/main2798401.shtml>.

Keep these differences in mind, along with where your company or organization fits in, as we further explore the topic of youth marketing.

A quick profile of the youth market

Today's youth market includes kids (6-9 years old), tweens (10-13 years old), and teens (14-18 years old). Currently, these age groups are referred to as "Digital Natives" or "Generation Z" and represent the generation born between the mid-1990s and 2010. Even after defining "youth" by these segments, their interests, attitudes, tastes and buying habits are different, and in-depth research into each segment is necessary for success. According to researchers, here are a few key traits of Generation Z:²



- They are well networked, "virtually" present, and more tolerant of diversity, driven by greater exposure to digital media and significant time spent online engaging in social networking.
- They are comfortable with, and even dependent on, technology having grown up in a digital world where technology was ever-present.
- They are materially satisfied, yet financially conservative, being born to older parents and smaller families, and having witnessed the impact of the recent economic slowdown.
- They are well-educated and environmentally conscious, due to greater access to a large online information pool, new teaching modalities and extracurricular activities.
- They are savvy and well-informed when it comes to advertising—they are better than any previous generation at recognizing when they are being marketed to. For this reason, they're more apt to be influenced by friends than television commercials.
- They aren't as loyal as we think they are—the product is what matters most, not the brand. For instance, as recently as four or five years ago, you could walk down a Generation Y (born between 1980s to 1990s) high school hallway and find the "popular" girls dressed head-to-toe in Abercrombie & Fitch™, the "preppy" girls in American Eagle Outfitters™, and the Goth girls in Hot Topic™. Not the case in a Generation Z high school hallway — they

² Grail Research. "Consumers of Tomorrow." Grail Research. Web. 27 July 2011. <http://www.grailresearch.com/pdf/ContentPodsPdf/Consumers_of_Tomorrow_Insights_and_Observations_About_Generation_Z.pdf>.

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categorically reject “badge brands.” Today, you will see a girl in the boots she saw Jessica Alba wearing on TMZ, a basic tank from Target®, and a hand-made sweater she scored from Etsy™.

- They are more connected with their parents than prior generations, due to stronger alignment with family values and similarity in technology usage, brand choices and entertainment modes vis-à-vis their parents (Generation X: 1960s to 1980s).

The implications of these traits for marketers include:

- The need to enhance and continuously update an online presence through website, multimedia, content and social networks.
- The need to adopt technology-based marketing and sales channels such as text messages (SMS), mobile Internet, augmented reality and experiential marketing.
- The need to base marketing on personalization and relationships as opposed to sales pitches.
- The need to offer benefits besides products and services to target audiences.
- The need to focus on developing products and services with great value for the money and “green” products and services.



Younger audiences can be fickle—they are skeptical and impetuous but they can be loyal and giving. As in all other areas of marketing, the key is to get to know them as well as possible in order to develop messaging that reaches them and converts them from just another demographic to a loyal customer.

Rules of engagement

Before we get into the thick of youth marketing strategy, let’s take a moment to talk about the rules of engagement. Youth marketing is a touchy subject for many, primarily because of how it is used or misused within some industries. Especially when it comes to brands that involve alcohol, tobacco and other adult products, marketing to youth can be irresponsible and in some cases unethical.

Certain federal government agencies—namely the Federal Communications Commission (FCC) and the Federal Trade Commission (FTC)— and some state governments place restrictions on how market research with youth can take place and just what can be marketed to youth, how and where in order to protect

children and their families from misguided marketing. In recent years, driven by the ever-increasing rate of childhood obesity, these regulations have reached beyond cigarettes and booze and now impact products and services related to food, too.

The policies and the politics behind these regulations are quite specific based on industry and channel—far too great to list in a single Blue Paper. Instead, we urge your business or organization to conduct further research on what you can and should do (or not do) within your industry, in your state prior to launching a youth marketing campaign.

All in all, though, savvy and sustainable brands recognize the need to care about their customers and do by right them through honest and ethical marketing tactics. Doing so is what will drive business and protect reputation in the long run to build those loyal relationships we were talking about earlier.

Developing a strategy

Youth marketing, as we mentioned, is unlike any other area of marketing. Not only does it require constant trend spotting, it requires an overall shift in the marketing thought process. Before we get into the nitty-gritty of a strategy outline, let's first take a look at the key points in this shift and ask some important questions.

It's not just about content—context matters, too.

One of the industries that continually excels in youth marketing is the food and beverage industry. Particularly, soda.

Soda—or pop or cola, depending on preference—for all intents and purposes, is just flavored, colored, bubbly water.

Technically speaking, there are few things that differentiate one soda from another. Except, the context a marketer can create for a brand of soda.

In the '80s, Pepsi® became one of the first youth marketing success stories when it launched the “Pepsi Challenge” and effectively dominated the youth share of the soda market. This challenge consisted of giving customers blind taste tests which resulted in 60 percent of them stating—on camera, for television ads of course—that Pepsi tasted better than other colas.³

The challenge was repeated again the '90s, but this time there was no blindfold. Instead, researchers simply told customers which brands they were tasting prior



³ Brown, Graham, Freddie Benjamin, Josh Dhaliwal, and Ghani Kunto. **Youth Marketing Handbook.** MobileYouth, 2011. Print.

to the test. The result? Four times as many people said they preferred the taste of rival Coke®.⁴

So what gives? Well, people—youth especially—don't just buy a product. They buy what the brand brings (or is perceived to bring) to the table and what it does for them. They buy the feeling, the emotion, the context. In youth marketing, knowledge of the difference between content and context and leveraging how they work together is key.

Content is the product—the “what” we buy. Context is the feeling we get when we buy something—the “why” we buy. Content is driven by logic while context is driven by emotion. Content is advertising, sponsorship, thought leadership, emails, blog posts, public relations. Context is community, contribution, events, crowd-sourced projects. Companies create content. Customers create context.

As your brand or organization considers a youth marketing strategy, focus on how marketing efforts can lead with context. Consider these key questions⁵:

- What is the context of your product?
- How are your customers creating context for my product?
- How does your product's content support its context?
- What can you do to better understand the emotional drivers behind purchases of your product?

The thing is the thing: You have to understand “why”

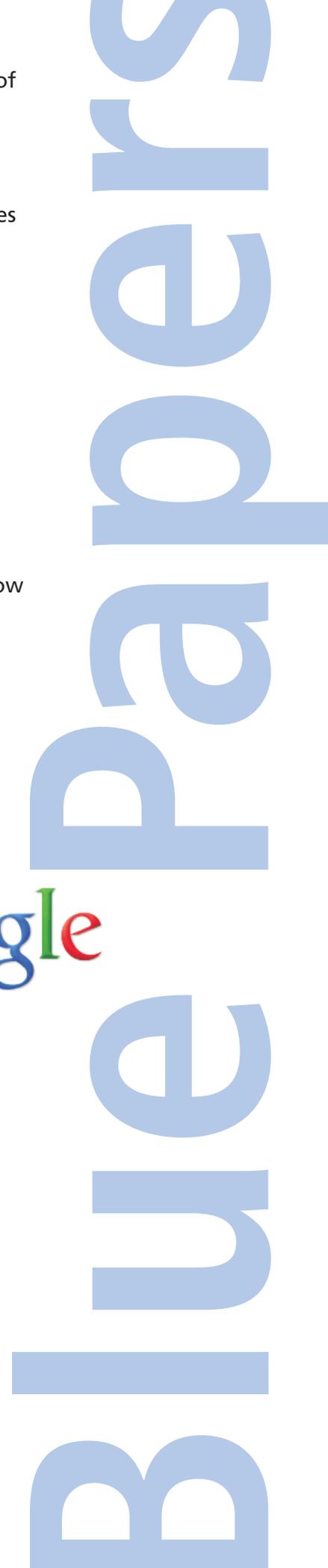
In the beginning of this article, we mentioned owling. If you're unaware of the term and didn't Google® it immediately, allow us to explain. It's an Internet meme that essentially involves kids perching, like owls, on various surfaces, taking photos of this and posting them online to their own social networks or to blogs or Facebook pages devoted to the “cause.”

You don't get it, do you? (Don't feel bad, neither do we.)

That's the point. And that's precisely why no brand will be successful in taking the craze and incorporating it into a successful marketing strategy. That's why viral Internet memes can't always be planned—because when it comes to youth marketing, it's not enough to understand what the latest trend is. You have to understand why something is trendy.

⁴ Brown, Graham, Freddie Benjamin, Josh Dhaliwal, and Ghani Kunto. **Youth Marketing Handbook.** MobileYouth, 2011. Print.

⁵ Brown, Graham, Freddie Benjamin, Josh Dhaliwal, and Ghani Kunto. **Youth Marketing Handbook.** MobileYouth, 2011. Print.



When it comes to owling, the entire point is to be part of something that older audiences don't understand. To tweens and teens, it's inclusive. It's silly. It's totally pointless.

The thought process that an Internet meme like owling can be replicated by a brand is approaching a meme as if it were designed to be successful.⁶

But youth don't buy "design." They buy what the design does for them (owling makes them feel like they're part of something unique). They don't want better content—more memes—they want a better social experience. Developing successful youth marketing strategies depend on this. It isn't enough to speak to youth, they must be engaged in a way that allows them to share and to contribute—with your brand and with each other.

Consider these key questions before moving forward with a youth marketing strategy⁷:

- What social tools are your young customers using?
- What kinds of social spaces are your customers looking for?
- How can you help youth tell their stories?
- What can your brand do to help youth belong and feel significant?

It's no longer enough to buy media, you have to earn it

Traditional marketing strategies are often based on the assumption of trust—what a brand says will be accepted by target audiences if the message is executed well. Generation Z? Not so much.

By the age of 15, the average American youth will have seen 75,000 marketing messages. At some point, everyone gets good at "tuning" things out. Meanwhile, only 34 percent of America's youth trust advertising. While traditional marketing may make younger audiences aware of a brand, product or service, the goal is to get them to pay attention to the message and to trust it.⁸

The best way to do this is two-fold. First, young audiences have a need to see themselves—their interests, hopes, dreams, likes, dislikes, abilities, stories, photos—reflected in their on- and offline experiences. They want to know how it is relevant to their lives and what benefit it is to them to share with others.

⁶ Brown, Graham, Freddie Benjamin, Josh Dhaliwal, and Ghani Kunto. **Youth Marketing Handbook.** MobileYouth, 2011. Print.

⁷ Brown, Graham, Freddie Benjamin, Josh Dhaliwal, and Ghani Kunto. **Youth Marketing Handbook.** MobileYouth, 2011. Print.

⁸ Brown, Graham, Freddie Benjamin, Josh Dhaliwal, and Ghani Kunto. **Youth Marketing Handbook.** MobileYouth, 2011. Print.



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Second, it's no longer enough to buy ad space. Brands have to foster word-of-mouth engagement, also known as earned media. Enable younger audiences to talk about and share your brand, product or service by engaging them online through social networks and the social graph. Add share buttons to e-commerce sites. Give them the opportunity to share input on your website, take part in a project or a survey. Basically, let them tell your story on their own terms.

When thinking about what tools and channels to explore in a youth marketing strategy, first pose these questions⁹:

- Is your marketing budget geared toward getting attention or getting customers?
- What can your brand do to win customers' earned media?
- What can your brand do to ensure that paid media, like advertising, isn't getting in the way of earned media opportunities?

There's a difference between a fan and a customer

The question isn't "How do you engage your customers?" it's "How do you break down the walls that prevent the customer from engaging you?"

A customer buys your product. So does a fan. But a fan will then talk about your product, review your product, share the review, and so on and so forth. Fans are customers with an emotional attachment. Generation Z may not be brand loyal, but they are fierce fans.

Youth marketing strategies and channels need to focus not just on converting prospects to customers, but to fans.



Before establishing the strategy, consider¹⁰:

- Who are your fans?
- What are they doing and what do they love?
- How can your product help your fans tell their stories?
- What can your brand do to help connect fans?

Especially in youth marketing, you don't own your brand

Your audience does.

⁹ Brown, Graham, Freddie Benjamin, Josh Dhaliwal, and Ghani Kunto. **Youth Marketing Handbook.** MobileYouth, 2011. Print.

¹⁰ Brown, Graham, Freddie Benjamin, Josh Dhaliwal, and Ghani Kunto. **Youth Marketing Handbook.** MobileYouth, 2011. Print.

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Brands that have found the most success in marketing to today's youth are those brands that don't use mobile marketing, social networks or other new media to tell their stories. Instead, they use new media to help youth tell their own. It's your brand, democratized.

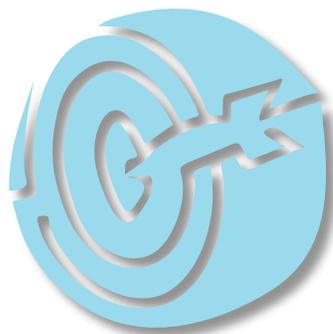
At the end of the day, youth don't want a dialogue with your brand and they don't want to be your friend on Facebook. (Sorry! Don't take it personally.) All they want is for your brand to help them connect with each other. Don't interrupt their conversations, support them. If you can succeed in doing that, you'll be well on your way to a successful youth marketing strategy.

When U.K. fashion retailer Next® decided to launch its own reality-TV style search for the "Next Model" it learned the hard way that its brand had been democratized. The winner wasn't a glamorous, 15-year-old improbably proportioned heart throb, but a 24-year-old computing science graduate from Belfast called Roland Bunce. By all accounts, Bunce was a robust red-headed geeky type, far from your stereotypical model. Yet, he destroyed the competition generating 25,000 likes on his Facebook page compared with second place, a tallied a measly 97. And by the way, Roland never voluntarily entered the competition; he was forwarded as a joke by his college friends.¹¹

Bunce unwittingly forced a conundrum on Next, which hadn't gone unnoticed by the fans who voted Roland to #1 spot. If Next were to pull Bunce they'd risk the wrath of both the fans and the mainstream media. If they went with the plan, they'd end up with a face that might not sell their products or sell their products to its target audiences. Next's problem isn't the result of a poorly managed brand but a poorly conceived plan. When it comes to Generation Z, fashion isn't a popularity contest where the cool kid wins—fashion is something that everybody has a voice in and that voice is the democratized brand.¹²

To avoid a faux pas like Next's, consider these questions:

- You know who you think your brand is, but what is it in the minds of your target audiences?
- How does your brand relate to target audiences currently? Can this be changed and how?
- How comfortable is your brand and your C-Suite or investors with embracing the perceived brand?



¹¹ Brown, Graham, Freddie Benjamin, Josh Dhaliwal, and Ghani Kunto. **Youth Marketing Handbook.** MobileYouth, 2011. Print.

¹² MobileYouth - World Youth Mobile Culture, Data and Research Insights. Web. 27 July 2011. <<http://www.mobileyouth.org/>>.

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After your team has considered these shifts and proposed these questions, you'll be better able to define your target audiences and establish goals for moving forward with your marketing strategy. The next step, then, is to explore the tactics, tools and channels that make youth marketing a success.

Tactics, tools and channels

Today's youth are called "digital natives" for a reason—they practically don't know any other way of communication. Online and mobile connections are inherent to who they are and it's where you'll likely find them. That's why most youth marketing tactics combine print and television media with mobile marketing, social media, online gaming and word-of-mouth.



Mobile marketing

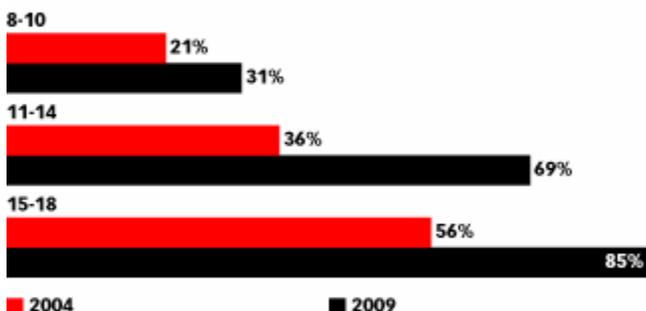
Generation Z is connected, and it's not by landlines or playgroups— globally, 1.2 billion youth own 1.8 billion cell phones. As a standalone country they'd be the largest in the world.¹³

In the U.S., more than half of kids aged 8 to 18 have mobile phones. In fact, it's more likely for today's 8-year-old to own a mobile phone than it is for them to own a book.¹⁴

In no way does this mean that mobile marketing to an 8-year-old makes sense, these numbers just illustrate how crucial this technology is to communicating with this audience. A further breakdown, looks like this:

Mobile Phone Ownership by US Children and Teens, by Age, 2004 & 2009

% of respondents in each group



Source: Kaiser Family Foundation, "Generation M2 - Media in the Lives of 8- to 18-Year-Olds," January 20, 2010

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www.eMarketer.com

Not only do younger generations use mobile phones, they have an unprecedented

¹³ Harris, Sarah. "Children of Seven Years Old More Likely to Have a Mobile Phone than a Book | Mail Online." Daily Mail. 28 May 2010. Web. 27 July 2011.

<<http://www.dailymail.co.uk/news/article-1281978/Children-seven-years-old-likely-mobile-phone-book.html>>.

¹⁴ "Study Finds Media Addiction Prevalent among College Students." ABC News. 12 Apr. 2011. Web. 29 July 2011. <<http://www.abc12.com/story/14429773/from-digital-trends>>.

dependence on them. When one 16-year-old student from the U.K. had to live 24 hours without his mobile phone he reported, "All I wanted to do was pick up my phone and become a part of the human race again."¹⁵

This student took part in an intriguing research study that challenged young people across the globe to live 24 hours without a mobile phone.

Their responses?

"I felt lonely without multimedia."¹⁶

"At the beginning, I felt irritable, tense, restless and anxious when I could not use my mobile phone. When I couldn't communicate with my friends, I felt so lonely as if I was in a small cage on an island."¹⁷

Perhaps it sounds as if they're being a tad melodramatic, and maybe they are. Nonetheless, it's how they feel. Consider the meaning—the context—for why they may feel this way: They are social, connected and informed. The mobile phone is a tool that enables them to fill those needs conveniently.

This is what makes mobile marketing campaigns to youth so successful—reaching them through text message, mobile apps, location-based social networks and gaming via the tool they use most is worth considering in your strategy. For more tips on creating a mobile focused marketing strategy, check out the [Mobile Marketing Blue Paper](#)[®].

Social media

Kids today outnumber adults in social networks 2:1. According to research compiled by CBS News and Column Five Media, 38 percent of tweens and teens share content online through social media sites, like YouTube[®] and Facebook[®], while 14 percent blog their own content on sites like Blogger[®] and Tumblr[™].¹⁸



What's more, 73 percent of all 12-17 year-olds in the U.S. are on Facebook[®]. Alternately, only 8 percent of teens tweet on Twitter[®], compared to 21 percent of adults.¹⁹

Building a strong presence of your products, not just your brands, is necessary to

¹⁵ "Study Finds Media Addiction Prevalent among College Students." **ABC News**. 12 Apr. 2011. Web. 29 July 2011. . <<http://www.abc12.com/story/14429773/from-digital-trends>>.

¹⁶ "Study Finds Media Addiction Prevalent among College Students." **ABC News**. 12 Apr. 2011. Web. 29 July 2011. <<http://www.abc12.com/story/14429773/from-digital-trends>>.

¹⁷ Brown, Devin. "Seventy-five Percent of Teens Are on Social Networks, but Only Eight Percent Are on Twitter (VIDEO) - What's Trending - CBS News." *Breaking News Headlines: Business, Entertainment & World News - CBS News*. Web. 27 July 2011. <http://www.cbsnews.com/8301-504943_162-20065854-10391715.html>.



engage with Generation Z in the online world. Allow them to interact in new and different ways across the social graph.

A great example of reaching youth in the social space is Levi's. The denim conglomerate was one of the very first brands to integrate the new "like" feature on Facebook with their website. Now, when you visit their online store, you can see the number of Facebook likers who liked specific styles and washes.

On individual product pages, the website works with Facebook's social graph to pull in pictures of users' friends who've "liked" the item. The site extends the Facebook Connect integration out to create a "friends store" which essentially customizes the entire experience to be Facebook-friend centric and also allows you to invite all your friends into that shopping experience. Pretty cool, huh?

Word-of-mouth marketing

Piggy-backing off of social networks, word-of-mouth marketing tactics can be extremely successful in marketing to younger demographics—remember, these guys trust each other more than they do traditional advertising. Consider developing tactics around this concept, much like Original Skateboards did.

Original Skateboards increased their sales by 40 percent after shifting their marketing focus onto YouTube with short but visually impressive videos of their products in action. Their videos feature riders as well as CEOs Brad and Scott Imbrie, longboarding in various locations including Hawaii, Puerto Rico, The Rocky Mountains and New York City to name a few. Their sales swelled (no pun intended!) the second year, by 80 percent. The small company that once barely broke even from year to year also grew 432 percent in profit and 321 percent overall. As sales continue to escalate, they have expanded their focus by complementing YouTube campaigns with Facebook contests and Twitter blasts.

Original Skateboards have reinvented the world of longboarding because they see longboarding as physical artistic expression. They seek to create a culture that incorporates art, music and the physicality of longboarding itself, in hopes of encouraging people to question boundaries and find the original within them. They distribute their boards around the world and are currently the number one longboarding company on the East Coast. Their series of longboarding videos, filmed around the world, launched their YouTube channel to 96,000 subscribers, above ESPN's 52,000, making them the eighth most subscribed sports channel in YouTube history.



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The social networking site YouTube has allowed Original to expand longboarding as a sport and culture by connecting their riders with consumers and generating awareness in the online board sports community—ultimately allowing fans of the sport and the product to tell their story for them.

Tips for marketing to youth¹⁸

So we've gone over what makes youth marketing so different and provided insight into how to go about creating a successful strategy, but there's still more. Consider these tips for successful implementation:

- 1. Be edgy.** What other word could possibly describe Kotex's™ new product launch geared toward young women? The [U by Kotex](#) campaign actually employs a good deal of self-mockery, including [television commercials that poke fun at older Kotex ads](#). The packaging, black boxes with bright pink, yellow and green accents, also flaunts convention. The video, launched in March, has racked up almost a million views and the product has already captured 8.3% market share.
- 2. Provide valuable content and information.** On the U by Kotex website, you'll find a page called [The Straight Scoop](#) where young consumers can ask questions about their periods to a panel of advisors; every question gets an answer from a health professional, a mom and a peer. There's no selling here, but the feature establishes Kotex as a company that cares enough to provide an information forum for its customers and that, of course, helps sell the brand.
- 3. Have a social mission.** Both Gen Y and Z care deeply about social causes. A study by [Cone](#) revealed that 9 out of 10 consumers in these generations would switch to a brand associated with a good cause if quality and price were comparable. So when Avon® launched [Mark®](#), a new brand of cosmetics for young women, they signed on MTV celebrity [Lauren Conrad](#) to help create a cause-related product. Sales from Conrad's "Have a Heart" necklace go to Avon's m.powerment campaign, which makes donations to organizations that help end dating and partner abuse. So far, the campaign has raised over \$400,000 and Avon's campus rep sales have increased by 174%.
- 4. Connect with their parents.** This is not a "don't trust anyone over 30" generation. Younger generations (both Z and their older counterparts, Y) tend to be very close to their parents and often consult them on life decisions, large



¹⁸ Fenn, Donna. "Five Surefire Ways to Reach the Youth Market | BNET." BNET - The CBS Interactive Business Network. 7 June 2010. Web. 27 July 2011.
<<http://www.bnet.com/blog/entrepreneurs/five-surefire-ways-to-reach-the-youth-market/945>>.

and small. The folks at Avon knew this, so when they were ramping up the campaign for their youth brand, Mark (see above), they blasted emails to both college students *and* their parents. The goal: to spread the word that Mark was looking for campus sales reps. Remarkably, the parent-targeted email got an open rate of 43%, which is well above average. The campaign, combined with other efforts by Avon, resulted in a 60% increase in campus reps.

5. **Co-create with your customers.** Last January, [VitaminWater created a new flavor](#) called Connect. Or rather, its customers did. Connect, which is black cherry-lime flavored and contains caffeine, was the result of a Facebook Fan Page contest that encouraged fans to design their own VitaminWater flavor. Connect was launched in March and its creator, Sarah from Illinois, won \$5,000. Young consumers love this kind of co-creating using crowdsourcing because it creates a two-way conversation with a brand. Companies love it because it's a pretty cheap way to validate new ideas and to get buy-in from consumers before new products hit the shelves.

Measuring efforts

Youth marketing can be a bit slippery to measure—in part because it's word-of-mouth heavy and also because much of the impact of marketing to youth to drive loyalty over time can't be seen immediately. Through consistent measurement of social interactions and mentions, impressions, media and blog coverage, sales and conversions, website traffic and other metrics, however, the impact of your strategy can be tracked.

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Marketing to today's youth can be tricky—it requires in-depth knowledge of youth as the demographic ages, a new marketing mindset that moves marketing more toward a relationship that's set by the terms of the audience, not by the marketer. But those brands that can adapt will succeed and be rewarded with strong brands, products and services that sell, and customers they can grow with. Bonus points if you learn how to Dougie.



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