

Asia's millennials want to connect with brands

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When it comes to marketing to the Millennial generation across Asia, brands must be authentic and relevant. This was the consensus from a recent panel session on understanding young people in the region, held by the American Chamber of Commerce in Singapore.

With their birth years roughly ranging from 1980 to early 2000s, Millennials are so named because they are the first generation to come of age in the new millennium. Also known as Generation Y, they are also the demographic cohort after Generation X.

According to **Ipsos Business Consulting**, Millennials are estimated to consist of about 25 percent of the region's total population of 134.8 million in ASEAN.

Born into a period of relative peace, affluence and globalisation, these young people have high spending power and promising job prospects. They're better educated and more digitally savvy too.

While previous generations in the region were restricted to terrestrial television, government-restricted media and libraries, the Millennial generation has had access to satellite television and the

internet, giving them news, entertainment and information that was not available to their predecessors, said Tim Hill, business development director, Australia & ASEAN, at Ipsos.

Said Hill: “A number of different forces have converged to bring the ASEAN Millennials into what is quite a different society from their parents’ generation, and this has had quite a disruptive impact on the ASEAN economy. The Millennials’ relationship with businesses and governments are a part of this.”

In a study done by Ipsos, a Singaporean Millennial female aged 26 with tertiary education was quoted as saying: “My parents’ generation were more focused on money almost as a survival necessity...My generation still strives for money, but we see it as a status symbol. We then use social media to amplify our status as successful career executives with exciting and cool lifestyles.”

Ultimately, the rise of Generation Y dictates a shift in brand consumption patterns and, unveils potential marketing opportunities on social media platforms.

The future of brand consumption

Millennials are going to have US\$4.6 trillion in disposable income to spend in 2015, according to Porush Singh, senior vice president, core products, global products & solutions, Asia-Pacific, MasterCard.

“Their spending power is growing,” he said, pointing out that the Millennial generation tends to spend on domestic and international travel, dining as well as on the latest gadgets.

At the same time, they are avid online and smartphone shoppers, with more than 40 percent across Asia-Pacific having shopped via their mobile phones. “They want brands that are relevant to them,” added Singh.

With this generation more likely to buy products with their mobile devices, offering cashless and m-commerce options will become more important for companies intending to woo Millennials.

Speaking their language through social media

As for social media marketing targeted at Millennials, there are still “global truths” to be aware of, said Rod Strother, director, digital & social centre of excellence, Lenovo.

Lenovo recently engaged social media celebrity, Ryan Higa, a 25-year-old Japanese-American who has more than 14.7 million subscribers on YouTube, to review its new tablet computer.

Higa made two short videos, which were uploaded to his secondary YouTube channel, with Lenovo giving him free rein to do what he wanted.

Strother said his main concerns were the brand didn't know how the videos were going to go or how people would react.

He told Higa: "I'm never going to have you do something that you're not comfortable with. You know your audience, you're a Millennial, you know them far better than we're ever going to. We're going to rely on you."

The videos were a hit, grabbing 12 to 13 million views. Strother said, "It's very effective, it's very genuine, it's what appeals to his audience. [And you get] massive engagement with that. We want to bring authentic, genuine content to our audience..."

The takeaway? A brand's success lies in connecting with people who can influence the Millennials or whom the Millennials feel they have a connection with i.e. social media influencers.

Building a brand that resonates

Another point made was that Millennials were also interested in giving back to the environment and community, and looking for brands to do the same. Strother said: "The impact is the pressure it puts on the brand. Millennials are looking for a connection with the brand. They want to believe in a company that does social good."

Ultimately, the challenge for brands is that Millennials are looking for a point of differentiation and want brands to represent their beliefs, one audience member remarked.

With this unique breed of consumers in Asia demanding a different kind of relationship with companies, brands must look at what they stand for as well as assess their digital touch points in order to capture the Millennial opportunity.

Edited by Claire Slattery and Goh Wei Ting