

IPSOS AFFLUENT INTELLIGENCE:

AFFLUENTS AND SOCIAL MEDIA- UNDERSTANDING THE DYNAMICS OF 'INFLUENCE'



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It's hard to believe, but social media has been with us for half a generation. From Friendster in 2002, MySpace and LinkedIn in 2003 and then Facebook in 2004, social media has evolved to become a big part of all our lives, redefining the way people engage on-line and in real life.

The generation that grew up with social media – Millennials – continues to be its most passionate users, despite some of the negative news and challenges faced by the platforms in recent years. Social media has provided the Millennial generation with a platform for everything from identity building, social sharing, connection with like-minded people, and beyond.

Social media allows us to connect with friends and family easily all over the country. There are problems with it, but it can be improved. (affluent female age 35)

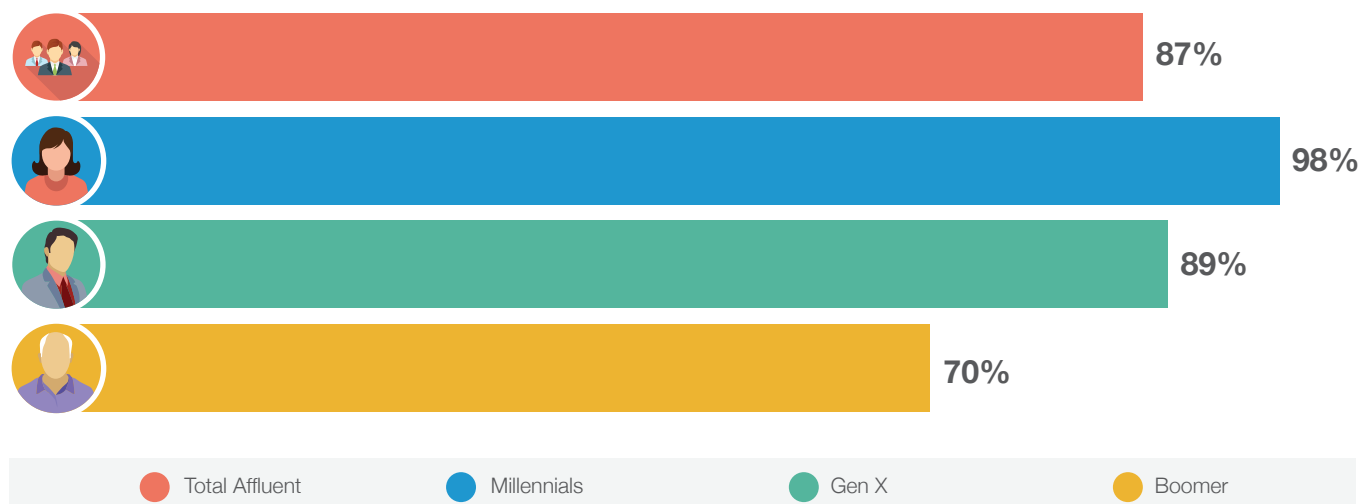
The near addiction to social media long ago spread beyond Millennials to their older generational counterparts. Given the level of influence Millennials have imparted in this space, this paper takes a look at some interesting highlights from the IAI Q3 2019 Barometer with a focused lens on Affluent Millennials who are clearly the most sizeable opportunity for brands and social media platforms to leverage.

At Ipsos Affluent Intelligence, we're focused on helping companies understand Affluent consumers (those with a HH income of \$125K+) and the most influential consumers in every category (Affluencers). We'd love to help provide insights to further enhance your understanding of the various Affluent audiences that pose opportunities for the social media category.

MILLENNIALS NEARLY UNIVERSALLY USING SOCIAL MEDIA

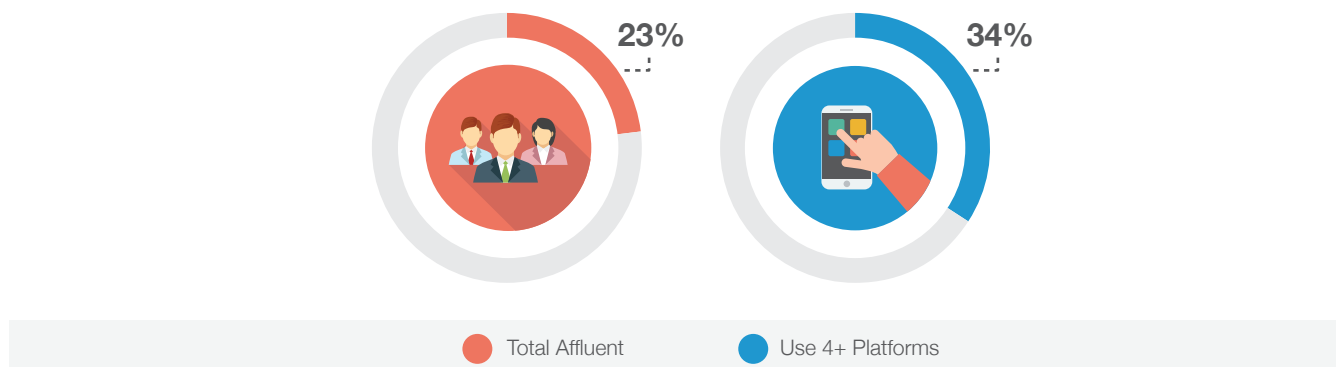
While an overwhelming majority of Affluents (87%) are using social media, an even higher proportion of Affluent Millennials are doing so (98%).

Visited social media platform in last 30 days



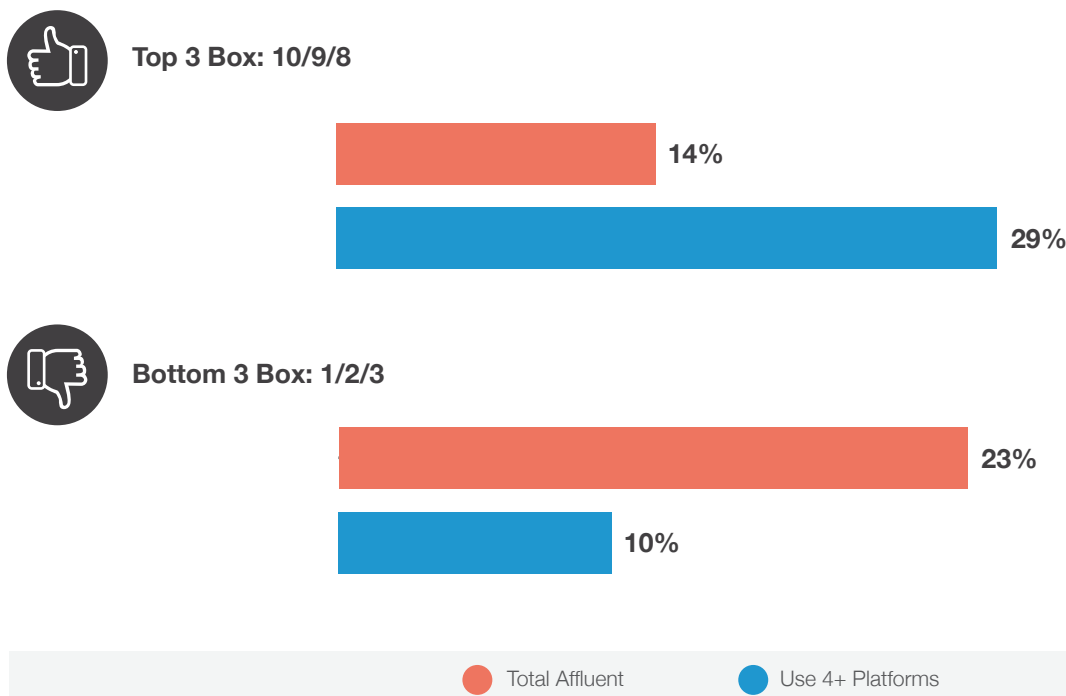
Millennials are heavily engaged in the category - both in depth and breadth – that is, they’re using it more regularly, longer, and performing more actions on the various platforms (sharing, liking, posting, etc.). They’re also more likely to be the generation who are using four or more social media platforms in any given month. This high-engagement group of users connecting on four or more platforms skews Millennial (median age of 30). Not surprisingly, Affluents who use 4+ social media platforms are more positive about social media’s efforts to innovate improvements on some of the contentious issues facing the category. In fact, these social media super-users operate almost as the platform’s cheerleaders, being more positive about nearly everything re: social media – and less concerned about the negatives (privacy, polarization, fake news, etc.).

Social media companies are making positive changes to improve privacy and security (often/Sometimes)



The 4+ platform user is also twice as likely as total Affluents to give a positive disposition rating (10, 9 or 8 out of 10) in terms of how good or bad they believe social media is. And they’re much less likely to say they need breaks from social media or plan on decreasing their use or taking a break from it.

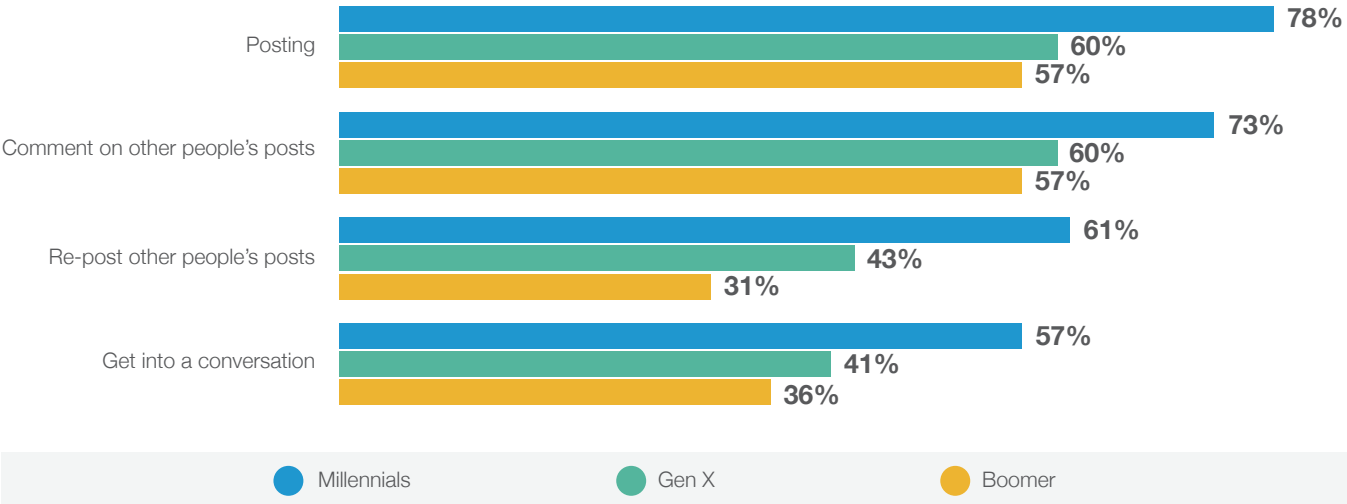
On a scale from 1 to 10 how bad or good do you believe social media is?



MILLENNIALS ARE HIGHLY ENGAGED AT EVERY LEVEL

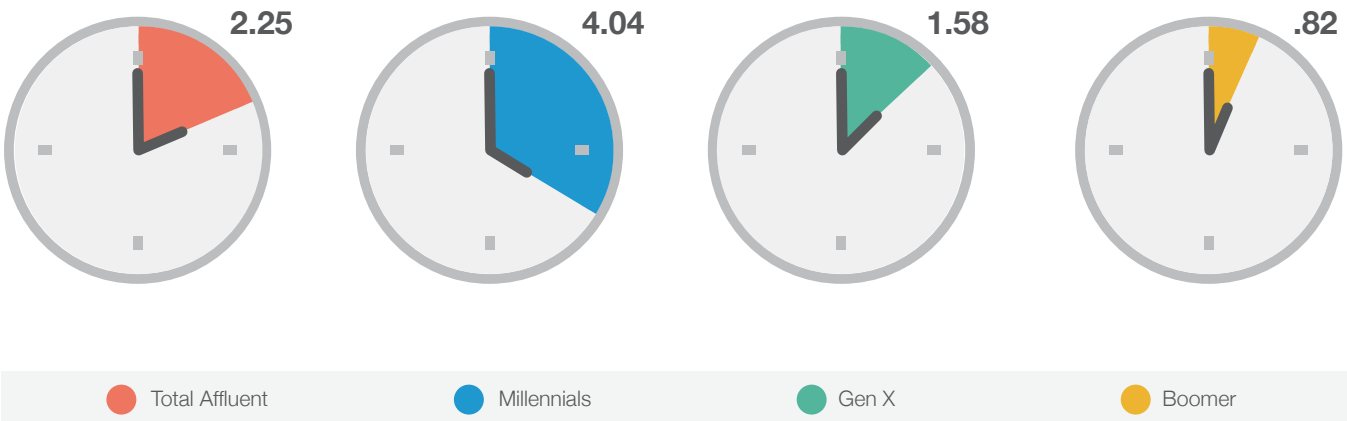
As mentioned, Millennial engagement on social media is dominant across all measures of activity. They are not only spending twice as much time on social media compared to total Affluents, but they are also posting, sharing and commenting more. In addition, for Millennials, posting activity is not just a mindless reflex, but rather a considered action, since over half of them say they are vetting re-posted content for accuracy.

Often/Sometimes Do on Social Media



Millennials also spend significantly more time on social media than their generational counterparts – in fact, well over twice the amount spent by Gen X'ers and over four times that of Boomers.

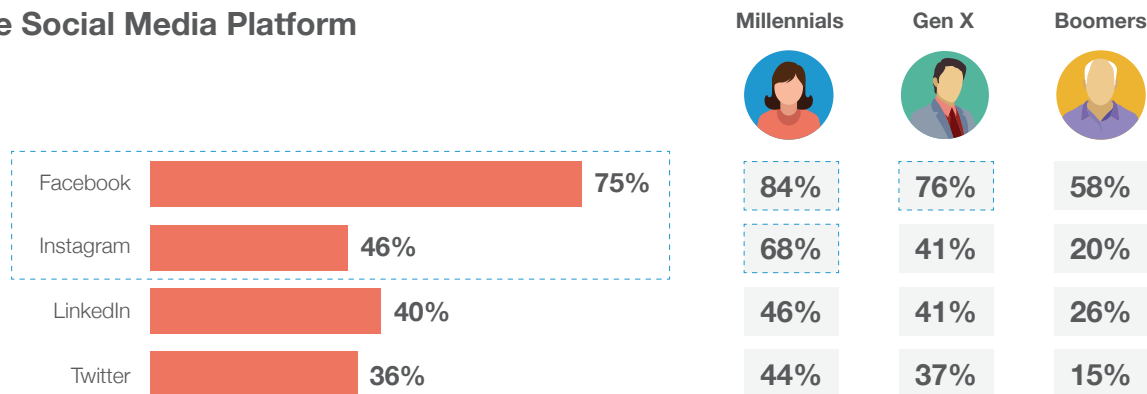
Hours Spent On Social Media (Average Day)



WHAT ARE THE GENERATIONAL DRAWS ACROSS THE TOP FOUR PLATFORMS?'

While there's an assumption that Facebook's dominance is passing (among the younger generations at least), it still holds by far the highest Affluent market share, and even its original adopters, Millennials, continue to be the most likely generation to use it. Facebook also has the attention of three-quarters of Affluent Gen X. More visual in nature, Instagram is clearly a Millennial-dominated platform with over two-thirds using it, and older generations accounting for a much smaller representation of users.

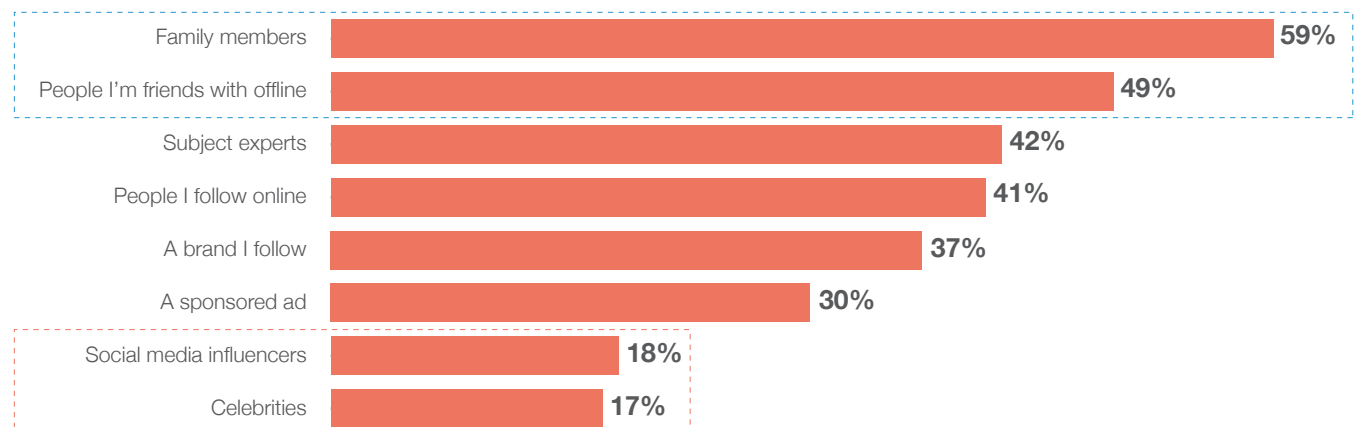
Use Social Media Platform



THE DYNAMICS OF SOCIAL MEDIA 'INFLUENCE' AMONG THE AFFLUENT IS LAYERED

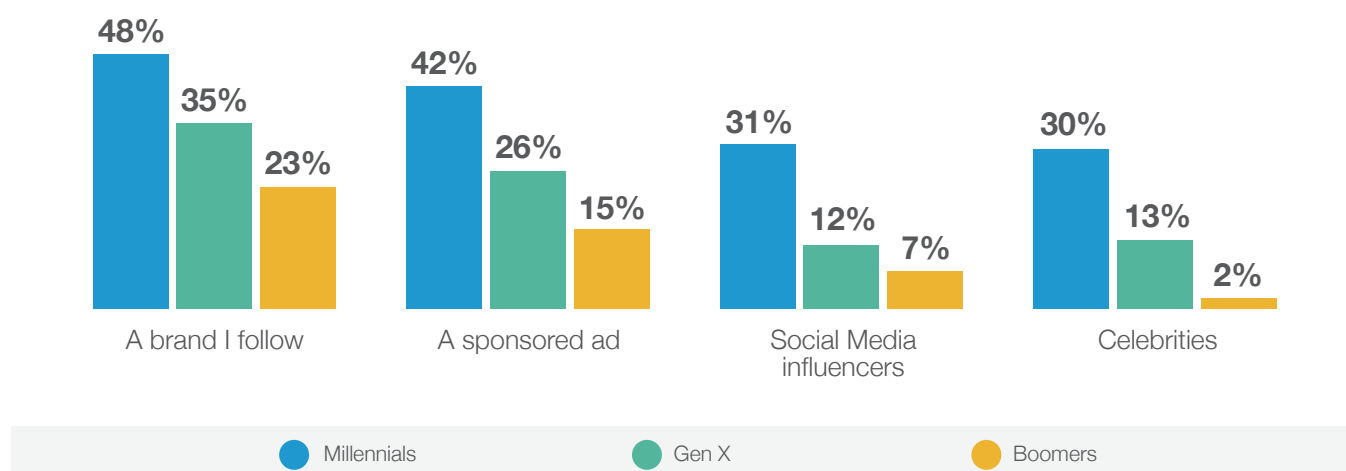
Our research disproves the popularly held belief that paid influencers (i.e. celebrities and social media influencers) are the most influential purchase-driving force on social media. While these celebrities and paid influencers do have some reported influence, they don't appear to have the upper hand in influence amongst Affluents – where family, friends and subject matter experts hold significant sway. This could be behind the rise in “micro-influencers”, social media influencers with smaller followings but perhaps more authenticity.

Influence Purchases Following a Post Made By...



However, for Millennials, celebrities and social media influencers form part of a set of influencer sources that strongly distinguish them from their elder generational siblings. Brands followed and sponsored advertising are also part of this set.

Influencer Sources Distinguishing Millennials



INFLUENCER SOURCE VARIES BY CATEGORY

Interestingly, the sources of influence varied by category. When asked whether a social media post made by various social media influencers would make them more likely to purchase from a specific category (based on an extensive list of categories), affluent respondents reported the following:

Travel, food* and entertainment** are the top 3 categories where family and friends (i.e. people I'm friends with offline) have the most purchase driving influence on social media; in fact their influence over affluent social media users in driving purchase behavior (following a post), is at least twice that of subject experts.

Influencers Driving Purchase Consideration (following social media post)					
Categories likely to purchase	Family members	People friends with offline	Subject Experts	Celebrities	Social media influencers
Travel 	35%	28%	17%	2%	3%
Food 	34%	27%	13%	3%	5%
Entertainment 	31%	27%	10%	7%	2%
Finance Services/Investing 	12%	11%	14%	2%	1%

*Food category also includes cooking and dining
 **Entertainment & media category includes film, books, video, TV & music

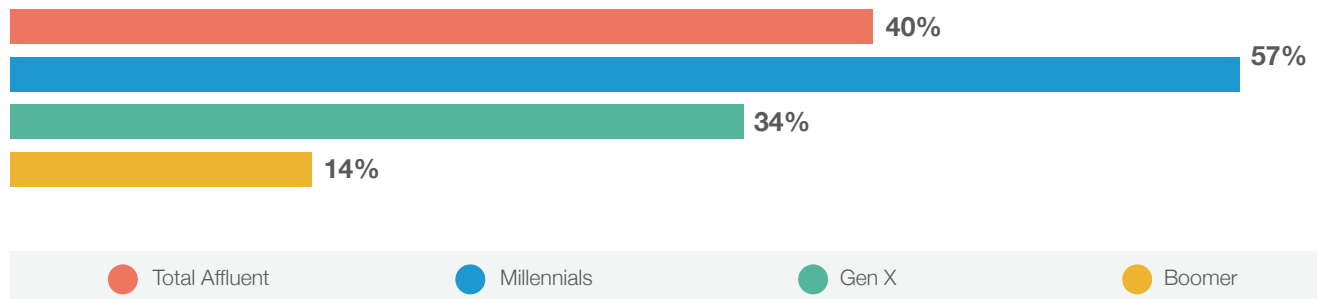
Alternatively, the financial services and investing category is the only category out of a list of 14 where subject experts have slightly more purchase-influencing power after posting on social media.

Also, in the health and wellness category, subject experts are almost on par with family in influencing social media users to make a category related purchase following a post.

As charted below, all of this highlights the power of family as influencers even in categories where you would expect subject experts to be the key influencers. Across generations, Millennials are nearly twice as likely as Gen X and four times more likely than Boomers to feel comforted by recommendations made from someone they know and trust. These insights pose a range of opportunities for these categories beyond guiding messaging and creative execution.

“Having someone I know and trust make a purchase recommendation on social media is a great comfort to me”

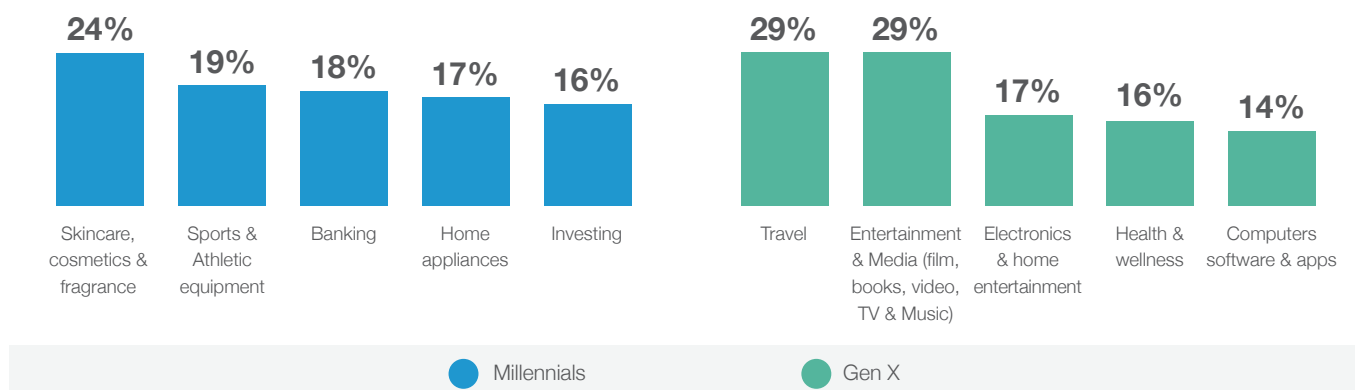
Tend to/definitely agree:



OFFLINE FRIENDS INFLUENCE MILLENNIALS AND GEN X IN DIFFERENT WAYS

Offline friends are more likely to influence Gen X (compared to Millennials) across a range of leisure areas as well as health/wellness and technology. Whereas Millennials distinguish across a more disparate range of products and services including beauty, sports equipment, home appliances and interesting to note, investment and banking. Interesting because this aligns with findings from our other IAI studies where Millennials are not relying on experts in this space and, instead, resort to self-service technologies (i.e. robo-advising, calculator tools and apps) posing both a challenge and opportunity for the financial services sector to reach Millennials. This poses an opportunity for financial services to leverage things like online communities of existing Millennial customers who can influence friends and family in order to snowball brand interest.

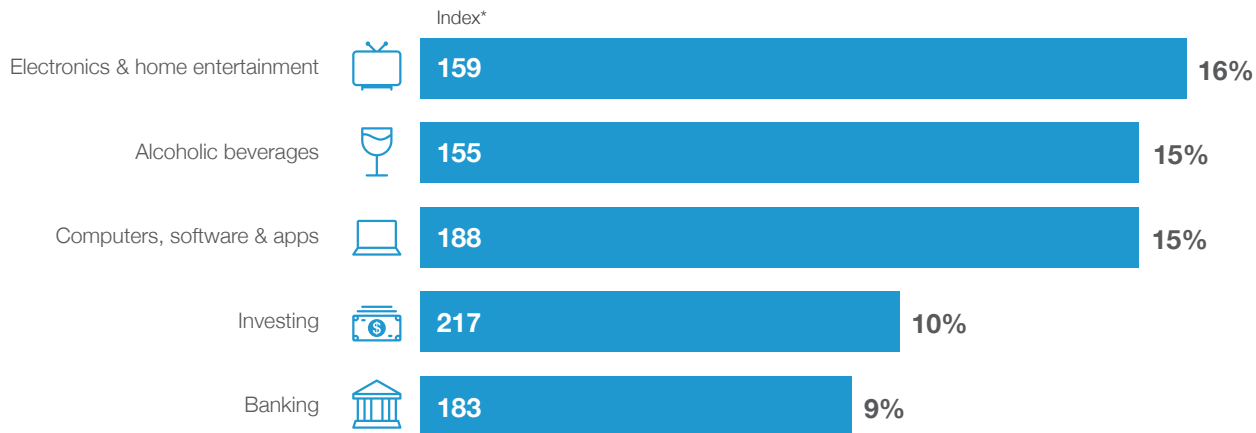
Posts Made by Offline Friends Influence Purchases in Following Categories



BRAND FAMILIARITY INFLUENCES MILLENNIAL PURCHASING

Brands in the following categories who want to retain and grow their Millennial customer base (and who doesn't?) will be pleased to know that these are the sectors where Millennials who follow your brand are most likely to make a purchase following your brand posts.

Posts Made by Brands Followed Influence Millennial Purchases in the Following Categories



These five categories are from an extensive category list and have been shortlisted based on where Millennials are most distinguished from their older Gen X siblings, as well as indexing most strongly against total Affluents when it comes to in-category purchasing following an online post made by brands they follow.

*Indexed against total Affluent

EXPERTISE DRIVES MILLENNIAL PURCHASING TOO

When it comes to home appliances, sports equipment and alcoholic beverages, subject experts are the go-to for Millennials. It almost goes without saying that the information-hungry generation is more likely to be influenced on an alcohol brand purchase by a mixologist or an appliance purchase by a chef demonstrating his/her craft than a Hollywood-style paid promotion or product placement.

Posts Made by Subject Experts Influence Millennial Purchases in the Following Categories



*Indexed against Total Affluent

These findings represent just a sampling of insights and potential opportunities for the social media category in targeting the Affluent generally, and affluent Millennials specifically. There is significantly more data in the study to be mined and leveraged – and we also provide the capability to customize the findings and insights for your brand by appending this (or any other) Barometer data to brand user data. Contact us for more information: IpsosAffluentIntelligence@ipsos.com

ABOUT IPSOS AFFLUENT INTELLIGENCE

Ipsos Affluent Intelligence began our Affluent Survey over 40 years ago because we understood that Affluents are one of the most powerful and influential target audiences across all industries, driving revenue, adoption of new technologies and experiences, and influencing purchases among their peers and network. Affluents control the lion's share of U.S. household net worth and outspend non-Affluents in virtually every category. Consequently, marketers of everything from automobiles to watches, technology to media, and entertainment to travel rely on capturing both the share of wallet and share of mind of this critically important group.

For the purposes of this White Paper, the definition of Affluents is adults aged 18 and over, living in households with at least \$125,000 in annual household income. Data presented here are from a Q3 2019 Ipsos Affluent Barometer.

For more information:

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