



# MILLENNIALS DISRUPT SHOPPING

THE NEW WORLD OF CONNECTED SHOPPING



Millennials are disrupting typical shopping patterns with mobile and social media in ways unimagined just a few short years ago. When it comes to learning about products, shopping news and sales, venerable television is a distant 6th for them, well behind social media and other forums.

Price is their primary purchase influence, driving Millennials to prefer the added savings found in rebates over instant discounts. Some use popular retailer apps for savings, but very few use third-party app.

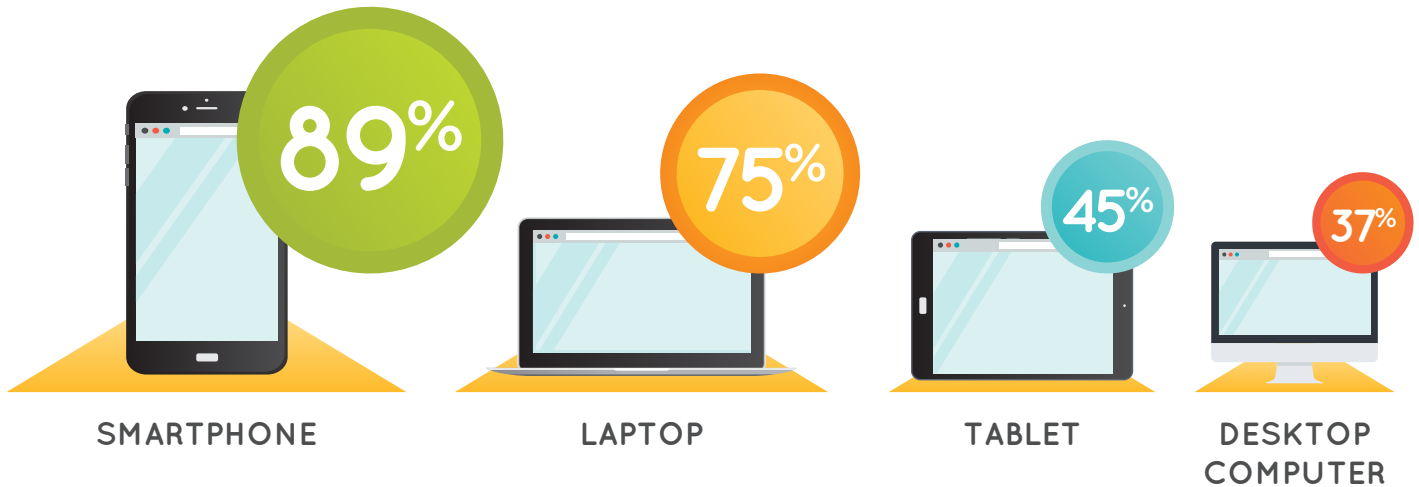
The majority of Millennials find gift cards to be the safest way to make online purchases. They also lead the way in digital wallet use.

We asked Millennials how they discover, filter and shop in two national studies. The results below demonstrate how their influence is disrupting shopping patterns.



# THE SMARTPHONE IS MILLENNIALS' PRIMARY CONNECTION TO THE INTERNET

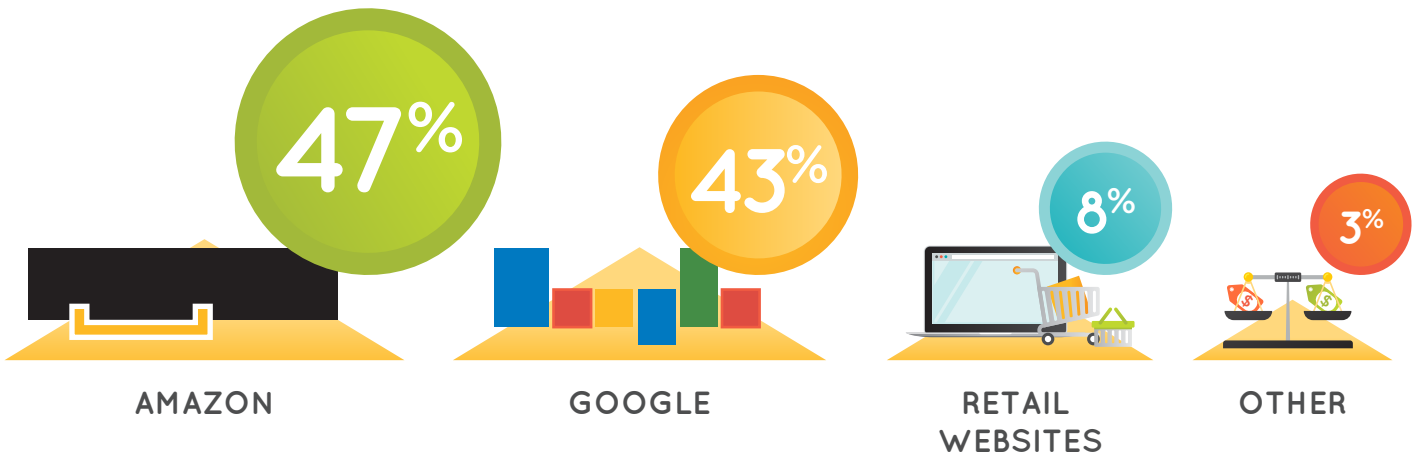
## DEVICES MILLENNIALS OWN AND USE DAILY:





# AMAZON AND GOOGLE ARE THE MOST POPULAR METHODS FOR COMPARING PRICES

FIRST CHOICE FOR COMPARING PRICES ON A SMARTPHONE:



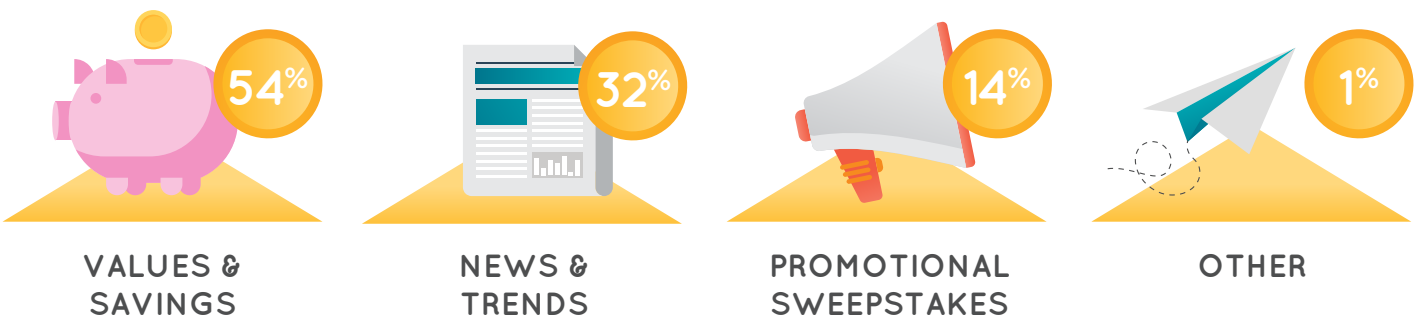


# SOCIAL MEDIA IS #1 SHOPPING NEWS SOURCE

## HOW MILLENNIALS LEARN ABOUT PRODUCTS, SPECIAL SALES AND SHOPPING NEWS:

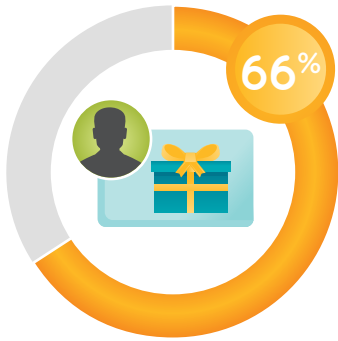


## WHY THEY FOLLOW BRANDS ON SOCIAL MEDIA:





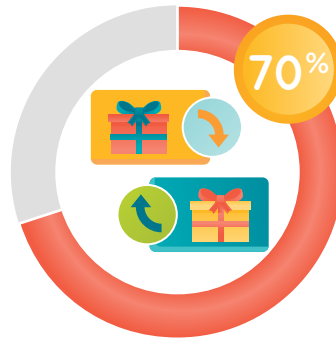
## MILLENNIALS FIND SAFETY AND FLEXIBILITY IN GIFT CARDS



believe gift card transactions help limit identity fraud



believe gift cards are safer online than any other digital payment method



would consider exchanging gift cards they receive for other available brands



would use exclusive values tied to purchases made with gift cards



## SHOP ONLINE, PAY ONLINE

### PREFERRED MILLENNIAL PAYMENT APPS:





## MILLENNIALS KEEP THE FAITH WITH LOYALTY PROGRAMS



69% belong to a retail loyalty program

### HOW THEY RECEIVE AND READ LOYALTY PROGRAM INFORMATION:



76%	Email	10%	Phone App
10%	Text	4%	Other



## TOP 23 MILLENNIAL SHOPPING APPS

RETAILER APPS ARE POPULAR; THIRD-PARTY APPS, NOT SO MUCH:

	APP	OVERALL	FEMALE	MALE
1	AMAZON	55%	55%	55%
2	LOCAL GROCERY STORE	18%	21%	15%
2	APPLE STORE	18%	18%	18%
2	GROUPON	18%	14%	21%
5	WALMART (SAVINGS CATCHER 4% INDEPENDENTLY)	16%	18%	15%
6	ETSY	15%	23%	5%
6	TARGET	15%	19%	11%
8	STARBUCKS	14%	17%	10%
9	WALGREENS	9%	12%	5%
10	CARTWHEEL (TARGET)	7%	10%	3%
10	KOHL'S	7%	8%	5%
10	RETAILMENOT	7%	11%	3%
11	MACY'S	6%	8%	4%
12	7-ELEVEN	5%	6%	5%
12	COUPONS.COM	5%	6%	3%
12	COSTCO	5%	6%	3%
12	CVS CAREMARK	5%	6%	3%
12	H&M	5%	5%	5%
12	SAM'S CLUB	5%	5%	4%
12	VICTORIA'S SECRET DIRECT	5%	8%	1%
19	LIVINGSOCIAL	4%	4%	3%
19	SEARS	4%	5%	3%
19	T.J. MAXX	4%	6%	2%

52 SHOPPING APPS WERE BELOW 4% USAGE





# PRICE IS THE #1 INFLUENCE ON MILLENNIAL PURCHASES

WHAT HAS THE GREATEST EFFECT ON YOUR PURCHASING BEHAVIOR?



#1 PRICE



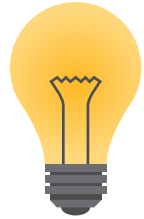
#2 QUALITY



#3 BRAND



#4 STORE



#5 AVAILABILITY



95%

are more or as sensitive to price as last year



77%

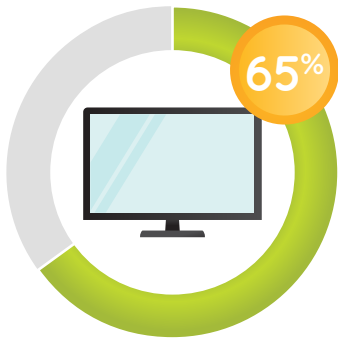
believe their shopping power has decreased or remained the same as last year



## REBATES TRUMP INSTANT DISCOUNTS

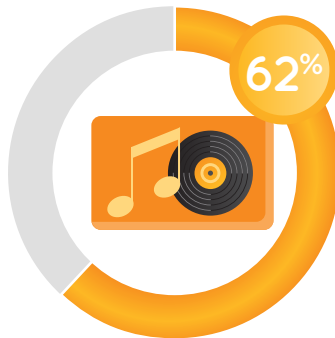
### REBATES PREFERRED BY CATEGORY:

#### SMART TV



will take a \$100 rebate over a \$65 instant discount

#### ITUNES OR GOOGLE PLAY GIFT CARD



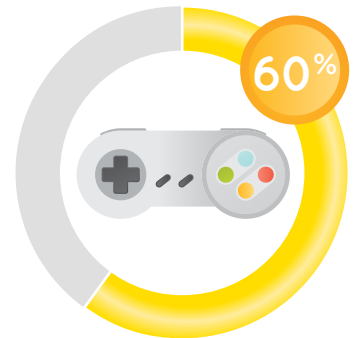
will take a \$20 rebate over a \$10 instant discount

#### SPORTING GOODS



will take a \$25 rebate over a \$15 instant discount

#### VIDEO GAMES



will take a \$15 rebate over a \$7.50 instant discount

#### CLOTHING



will take a \$50 rebate over a \$35 instant discount

#### WIRELESS PLAN



will take a \$150 rebate over a \$100 bill credit

#### GROCERIES



will take a \$15 rebate over a \$7.50 instant discount



## FASTER THAN FAST

BOPIS (BUY ONLINE AND PICKUP IN STORE)  
GIVES MILLENNIALS THE IMMEDIACY THEY CRAVE



88%

would consider  
buying online and  
picking up in-store  
to save \$10 on a  
\$50 item



55%

bought online  
and picked up  
in-store in the  
last six months



## DIGITAL REWARDS GROWING IN POPULARITY

MILLENNIALS STILL PREFER PREPAID CARDS,  
BUT DIGITAL REWARDS ARE GAINING:

PLASTIC	DIGITAL	REWARD VALUE
61%	39%	\$25
64%	36%	\$300



83%  
would accept a  
\$25 digital reward  
on a \$100  
purchase if it's the  
only choice



74%  
would accept a  
\$50 digital  
reward on a  
\$200 purchase  
if it's the only  
choice



Results from two BES shopper studies were used for this report. The first study was conducted in April 2015, surveying 2,608 US adults. Results from 546 participants from the 18–29 age group were used for this report. Gift card and shopping app data was derived from an online national survey conducted in October 2015, surveying 2,500 adults representing the US population. The results from 500 participants from the 18–29 age group were used for this report. A total of 75 app options, plus the ability to write in, were included in the app study.

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