

AGIS

RISE OF THE MILLENNIALS

Agis took a fresh look at “Millennials” and found that the segment’s importance reaches far beyond its demographic profile, with more than half of SA’s population showing millennial behavioural traits.



What's New?

Millennials are SA’s **largest population segment**. They are the **predominant content creators** on the internet, have **income** which they spend with discrimination, and have influence on the behaviours of other demographic segments.



Rather than thinking of Millennials as purely a demographic segment, Millennials should be defined as a **behavioural segment** that spans across a range of **different age groups and income levels**.

What Behaviours?



Always Connected



Bespoke Requirements



Health Conscious



Local Focus

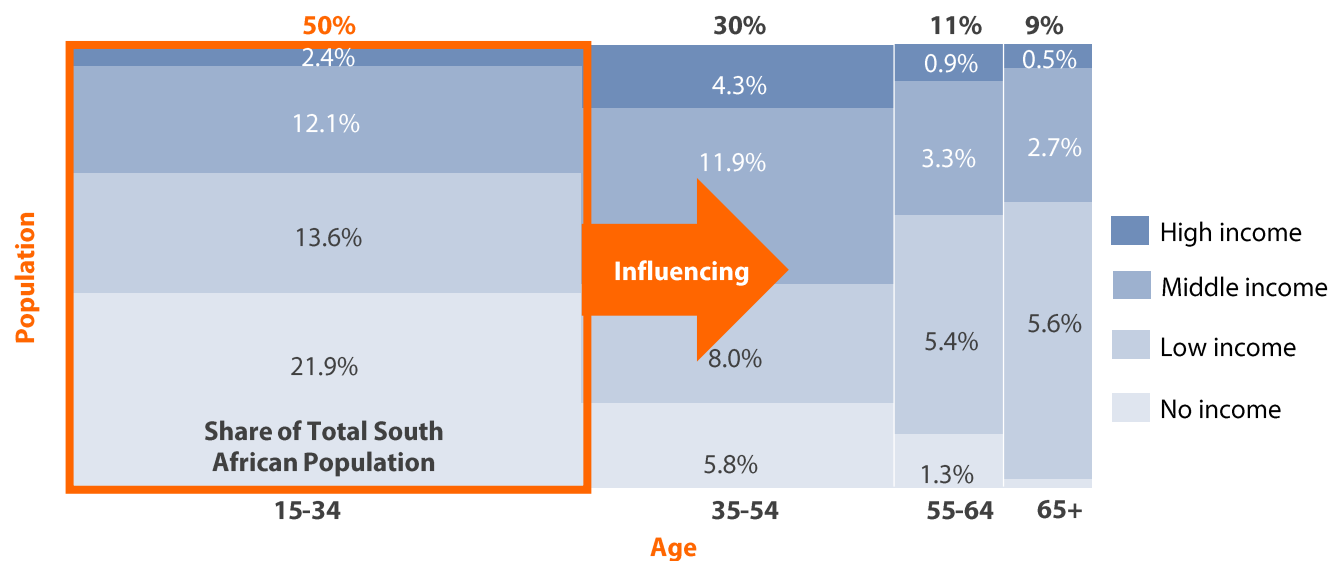


Environmentally Aware



Convenience

What Significance?



Source: SAARF AMPS 2015B; Xtract; “Income groups: Things are tight around the middle”; Visagie J., 2013; SARB; Agis

New Rules of Engagement

Agis identified four underlying truths of the Millennial world view, which are driving new consumer behaviours

Truth #1

I want it my way

"I'm not entitled..., but I expect to get what I want, when and how I want it."



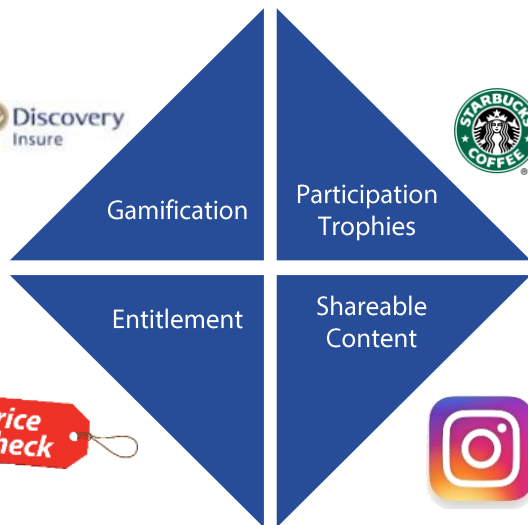
Truth #2

It's good for me if I think it is

"I strive for balance – wellness is about having your cake as long as it is gluten free!"



Discovery Insure



Truth #3

I better get credit for it

"If I'm going to spend my money or time with your company, I better get a reward."

vida e caffè



Truth #4

Tell me a story

"I don't just buy things – I buy the whole concept – I need to know all about you and your ethos."

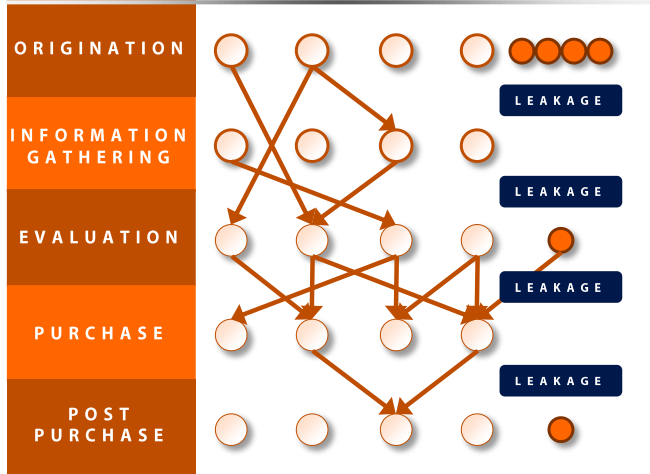


Strategic Implications

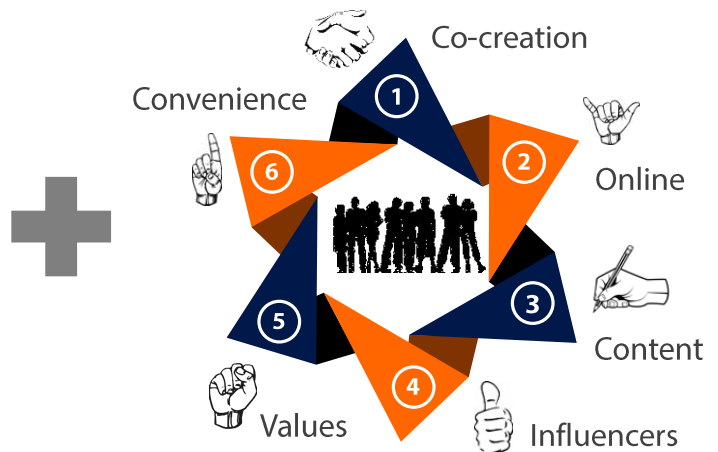
Agis can help companies assess the impact of Millennial consumer behaviour in detail, address the marketing challenges and opportunities, and determine the wider organisational implications

1 Review your existing buying processes to identify an integrated way to more effectively provide for Millennial buyers

New Buying Processes



Adaptations to Consumer Engagement



2 Recognise that Millennials challenge each facet of your organisation

"Sustaining & Driving Growth"

- Sales & Marketing
- Growth & Expansion
- Innovation Management

... stay ahead of the innovation curve?
 ... remain differentiated when everything is micro-designed and micro-segmented?
 ... expand into the rest of Africa with Millennials in mind?

"Managing People"

- Recruiting
- Driving Productivity
- Staff Retention

... manage employees who don't respond to "traditional" incentives?
 ... invest in employees who are not seeking "a career"?
 ... develop employees who want to be hired as CEOs?

"Managing your Business"

- Procurement
- Distribution
- Corporate Strategy

... align ALL organisational activities to a story that Millennials will appreciate?
 ... switch into a more nimble, responsive, flexible organisational model?
 ... organise your strategy development process knowing that Millennial behaviour is not a trend but an evolution?



Tackling the Millennial Challenge

Making sense of the Millennial Challenge will be different for each company – however, we highlight a few approaches that enable your company to address the Challenge in a systematic way

GETTING STARTED



UNDERSTAND YOUR NEW, EMERGING BUYING PROCESS

- ◆ Take a creative approach to evaluating the new ways your customers engage with your – and your competitors’ – products and services.
- ◆ Re-allocate resources to the points in the Buying Process where leakages are occurring.



CONDUCT A REVIEW OF YOUR MILLENNIAL COMPATIBILITY

- ◆ Draw a picture of your corporate strategy, products, and brand as seen by Millennials, and then test for coherence with what you are doing.
- ◆ Find “the weakest” link in your value chain and start to re-engineer from there.



CREATE A NEW APPROACH TO CONTINUOUS RE-INVENTION & INNOVATION

- ◆ Query your market research and innovation processes to determine whether existing process-driven approaches can cope with the requirements of rapid market development.



DEVELOP A ROUGH SEGMENTATION FOR YOUR MILLENNIAL SEGMENTS

- ◆ If you have an existing segmentation (with different sales, actions, packaging, distribution, ... sets for each), query your ability to micro-segment your millennial segments and identify cost effective ways to serve them.