# ORZON



## MILLENNAL PARENTS **GOOD FUTURES HORIZON SCAN**









## FOREWORD

When you're thinking about your target demographic audiences, Millennials, and Millennial parents in particular, are likely to be quite high on the list. They're one of the most charitable generations out there, representing the <u>highest</u> **proportion of weekly donors**.

Born between 1981 and 1996, this audience makes up about <u>a quarter</u> <u>of the UK population</u> of 16.2 million, and about <u>56% of them are parents</u>. This generation is likely to be well into their career, life-planning, and familyplanning (or actively planning not to start a family).

They've been referred to as the 'avocado toast generation' for not being able to afford homeownership, and the '<u>Me</u> <u>Me Me'</u> Generation. But what are they really like as a demographic? And what are their attitudes to family and their children?

Like their Boomer parents before them, Millennials are reshaping the modern definition of family. From choosing to start their families later (or not at all), to choosing not to get married before kids, embracing more diverse family structures that aren't bound by heteronormative ideals, and challenging gender roles within their relationships – modern family looks different to how it looked even a decade ago.

From a charity perspective, although this generation has been committed givers and generous donors in the past, their financial struggles (compounded by the cost of living crisis) show no sign of letting up. It's by no means certain that Millennials will be able to continue to support in the way they currently do – no matter how much they may want to.

Beyond their financial stresses, we'vestyles have influenced their Gen Alphafound that Millennial parents (andchildren (their kids are growing upMillennials in general) are heavilywith more agency, activist ideals, andfocussed on the climate crisis. Theirtechnological access than ever before).worries about leaving a liveablewith all that in mind, we hope that thisplanet for their kids to inherit don't onlyWith all that in mind, we hope that thisinfluence their lifestyle choices, but alsoHorizon Scan offers actionable insight for<br/>now, rather than later.

Regardless of your core mission, concrete, transparent, and impactful



sustainability initiatives will be top of the agenda for those interacting with this audience.

Beyond their approach to family life and their engagement with charity, we're also diving into the nitty-gritty of their finances (not so good, in particular when it comes to the accessibility of homeownership); the way they engage with online spaces and where they get their information (largely social media, with a heavy emphasis on usergenerated content); the way they spend their time (in particular, we dive into o gaming as both leisure and familybonding, wellness, and the experience economy); and how their parenting styles have influenced their Gen Alpha children (their kids are growing up with more agency, activist ideals, and technological access than ever before).

#### **Eef Leurs**

Trend Analyst, Good Innovation







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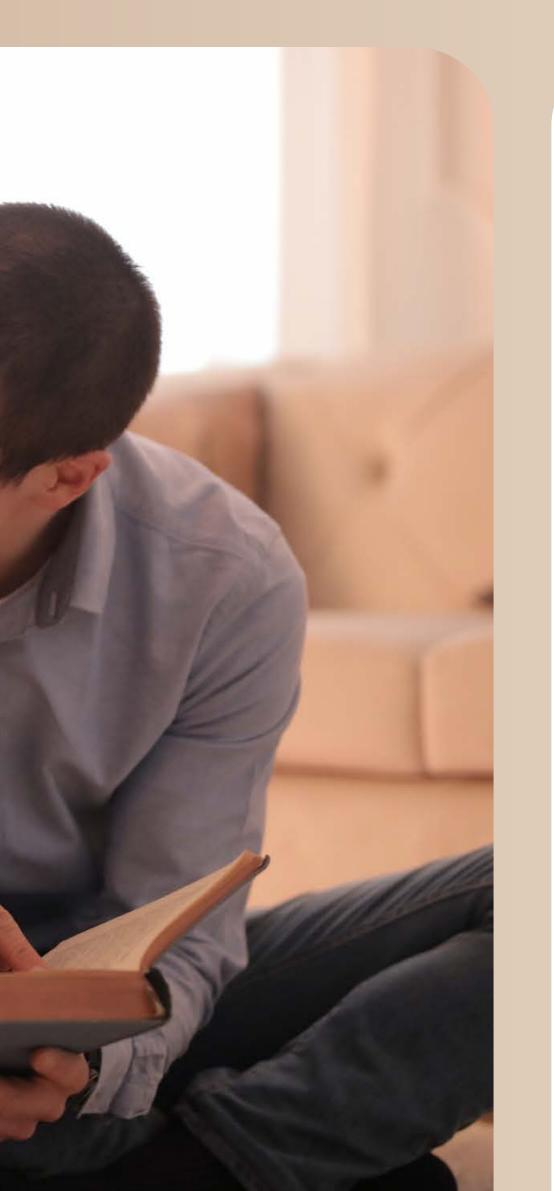
So What?











Millennials are reshaping family dynamics. They're having kids later, are less likely to be married when they start their families, embracing diverse family structures, and challenging traditional gender roles within these.

But it's not all sunny on the horizon: childcare costs are soaring, and increasing amounts of Millennials are seeing parenthood slip out of financial reach. On top of that, we're seeing a growing segment of this demographic choosing to remain childless for a variety of non-financial reasons, like the environment, giving rise to the DINK (Double Income, No Kids) household.









## // Modern Family

Families are changing. Millennials are having kids later in life. The average age at which women have their first children has **gone up to 31**, with 2022 marking the first time that half of women in England and Wales hadn't had children by the time they reached 30. For men, the average age of a first-time dad is now **33.6 years old** – a year on year increase since at least 2016. As more women seek higher education, careers, and more life experiences, they may be **more likely to put off starting a family**, or choose not to have children at all.

#### 'Millennial men are more likely to split chores that were previously predominantly done by women'

And when Millennials do have kids, the gender roles within these families is shifting. Firstly, a **larger share of children** are parented by LGBTQIA+ parents, in part because of greater acceptance of non-traditional family structures, but also due to a greater proliferation of assisted reproductive technology and adoption. The traditional ideals of heterosexual, male-female parenthood no longer apply. In fact, LGBTQIA+ couples are <u>more likely</u> <u>to split household responsibilities and chores</u> <u>equally</u> than their heterosexual counterparts to begin with.

These changes aren't limited to queer family structures. Within heterosexual families, gender roles are also changing. More men are taking on the **responsibility of the caregiver**. Millennial men are more likely to split chores that were previously predominantly done by women, like shopping, meal prep, laundry, etc. Millennial parents of any gender are more likely to research parenting styles and information than previous generations. Overall, this is particularly true of Millennial dads, 54% of whom commit to the research process. Remote work opportunities have contributed to greater equality in childcare as well, with 69% of Millennial dads working flexibly, in comparison to only about half of Gen X parents.









## // Modern Family

Regardless, Millennial mums are ultimately still more likely to put their career on hold or give less attention to work to focus on their kids than dads, (59% of women do this, vs 49% of men). And while 62% of Millennial dads self-report as saying that they share equal parenting duties with their partner, only 43% of Millennial mums say the same. In fact, Millennial dads are <u>no more likely</u> than Gen X dads to cut down on their careers in favour of childcare.

This may be due, in part, to the fact that parental leave policies continue to be difficult to navigate: many of them are based on an <u>out-of-date</u> <u>model</u> that does not encourage the sharing of care between parents. While maternity leave provisions go up to 52 weeks of leave, 39 of which can be paid, statutory paternity leave only allows for a <u>two week period of paid time off</u>. With the infrastructure of leave still promoting the idea that women should bear the brunt of childcare, particularly after birth, and the high barriers for fathers to choose to stay at home instead, achieving equality for Millennial parents in the workplace continues to be difficult.









## The Working Parent Imbalance

Millennial parents are more likely than any generation before them to be double income earners, as **78% of them work full time**. Raising kids is expensive and Millennial finances haven't been particularly stable (more on this in Chapter 3: Financial Health Check). It's no surprise then, that parents of this generation are almost **twice as likely to feel burnout as any that have come before them**. Working life hasn't caught up to the changing expectations and desires of the Millennial family. Long hours continue to be the norm.

### Are Children a Luxury?

So how expensive is being a UK parent? In short, very. With costs skyrocketing, it's not hard to see why more and more people would start to see children as a <u>luxury item</u>. In 2022, a UK couple could expect to spend over <u>£150,000 on raising</u> <u>a child, with lone parent costs going as high</u> <u>as over £200,000</u>. In fact, raising a child up to the age of 21 has increased in cost by <u>37% over</u> <u>the past decade</u>, even as wages fail to keep up. In particular, soaring childcare costs are an increasingly large component of this. As more parents continue to work full-time, and many aren't fortunate enough to have unpaid family care available, childcare now comprises around **60% of the lifetime cost of raising a child, compared to only 40% in 2012**. Add onto this that broadband and internet access are now **considered essential**, and access to expensive technologies that we didn't necessarily consider essential a decade ago.

This problem isn't slowing down. In 2021, a couple working full time, on minimum wage, or a lone parent working on median wage, would be able to afford a minimum standard of living. By 2022, **this was no longer the case**. Cuts to social security benefits aren't helping either. With living standards for many families under threat, and no sign of any approaching changes in this financial landscape, many parents may not feel that they are in a position to give freely to charity. How do we build engagement with this demographic that isn't necessarily based on a giving proposition?









### Double Caring Responsibilities

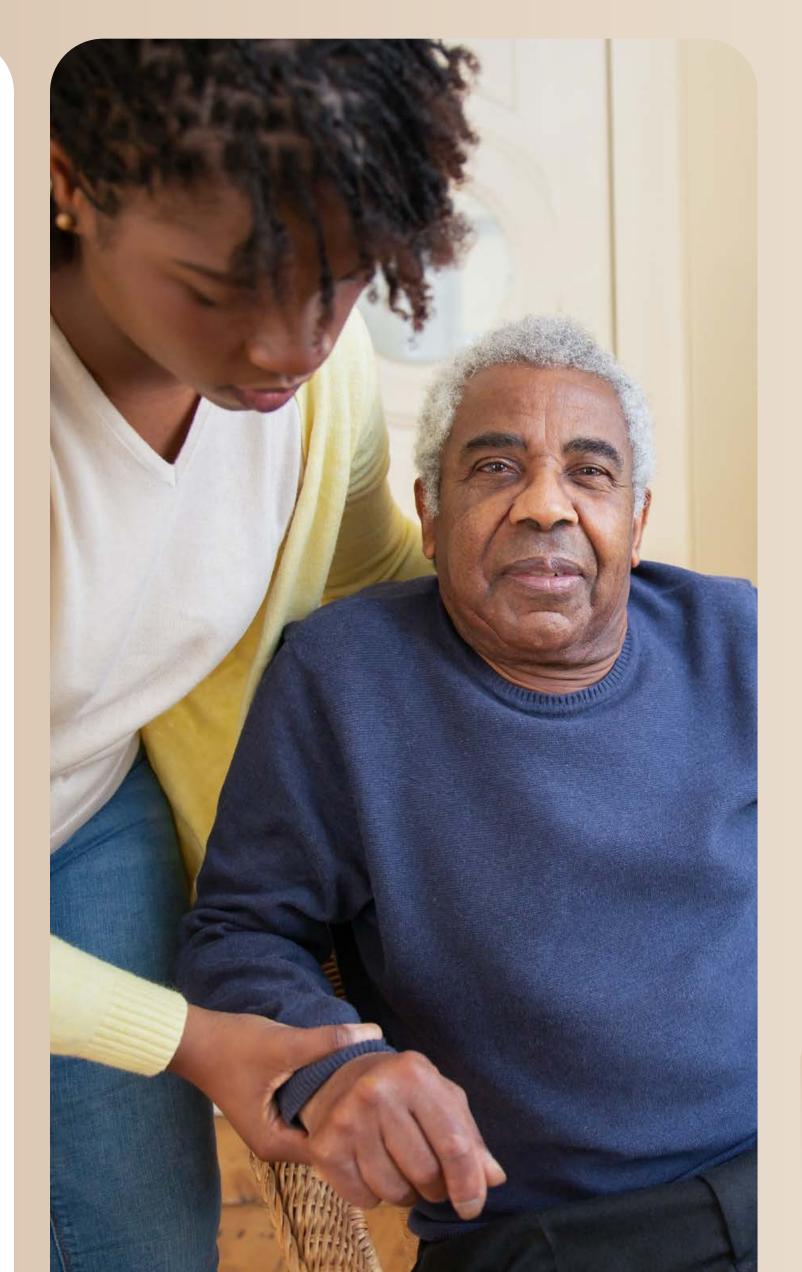
As we face an ageing population, in tandem with people waiting longer to have children, caring for both parents and children at the same time is becoming increasingly common. And we're expecting this trend to increase rapidly, with the number of older people requiring care <u>set</u> to double by 2035. Whilst most Millennials are unlikely to consider themselves a carer, thinking that they're simply doing their bit to support their loved ones through difficult times, responsibilities can quickly stack up. From preparing and delivering meals, to walking the dog, paying the bills, administering medication or picking up prescriptions, to simply keeping someone company - these caring responsibilities could take many different forms, and are usually unpaid.



#### 'The hours these caregivers provide can equal as much time as working a second full-time job'

Yet in many cases, the hours these caregivers provide can equal as much time as working <u>a</u> second full-time job. And amidst the cost of living crisis, 56% of people say that they spend more time caring than previous years, whilst <u>47% of people say they're caring for more people</u> than they used to. For many, this can make the burden of the cost of living crisis on their own finances even greater - not ideal, when wallets are already being pinched by childcare. And for some, the responsibility can even be so great that they find themselves having to quit their job after being overwhelmed by unpaid caring duties. This particular phenomenon is more than twice as likely to affect women, with <u>**9% of women having**</u> experienced this versus 4% of men.









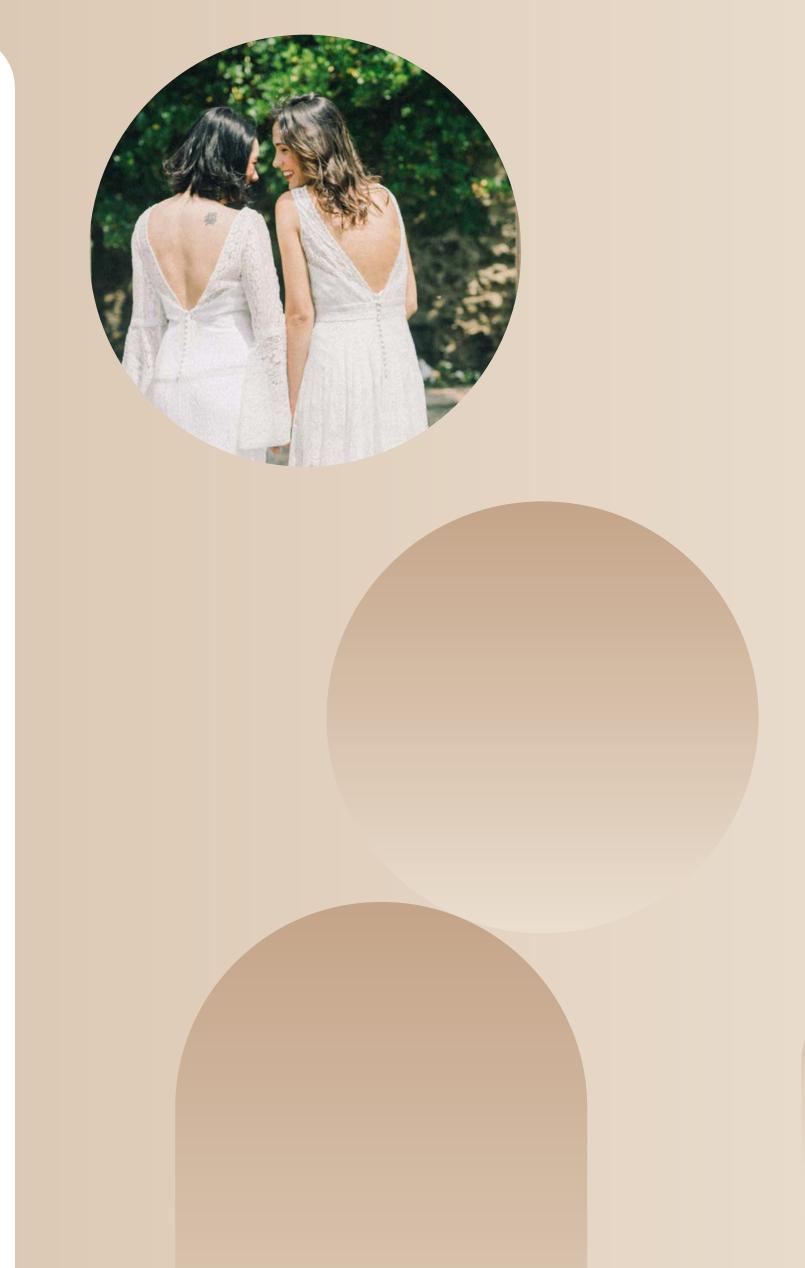
# Marriage and Divorce

Another major shift is marriage. A whopping **55% of Millennial parents** have children before marriage, and many of them aren't getting married at all. In the EU, by 2020, 42% of births were outside marriage, compared to **25% in 2000**. Millennials that do get married tend to do so <u>in</u> **their late 30s** (38 for heterosexual men, 35.7 for heterosexual women, LGBTQIA+ men at 40, and their female counterparts at 36.6). And while it's easy to blame this phenomenon on the dilemma of endless choice (Tinder had, of course, not been invented in the 1980s), there's a host of other factors responsible.

There's less societal pressure to do so, especially for couples who want to have children, and <u>we're</u> <u>more aware of the patriarchal gender norms</u> that 'traditional' weddings represent. Religious ceremonies in particular have been <u>declining in</u> <u>popularity</u> over the last decade. And for LGBTQIA+ couples, marriage can come with difficult questions about participating in an institution that they've historically been excluded from. In the words of author <u>Tom Rasmussen</u>: marriage "means your subsumption into a system that wasn't really designed for you, and will never be designed for everyone equally." Non-binary people still can't be legally recognised when getting married, and the Church of England still doesn't recognise same-sex marriages.

And these changing ideals around marriage are also changing how we understand the stages of a relationship. For example, moving in together is no longer seen as the first step towards marriage - for Millennials it's **primarily out of** convenience, whether financial or otherwise. And many Millennials are simply **<u>choosing to</u>** stay single, for a variety of reasons ranging from empowerment to independence. Which in turn raises questions about what future communities of ageing will look like - how will the increase in single ageing Millennials shape our understanding of new life stages and old age? We're expecting to see an increase in shared house ownership, platonic partnerships, and communal living centred around platonic relationships and values.





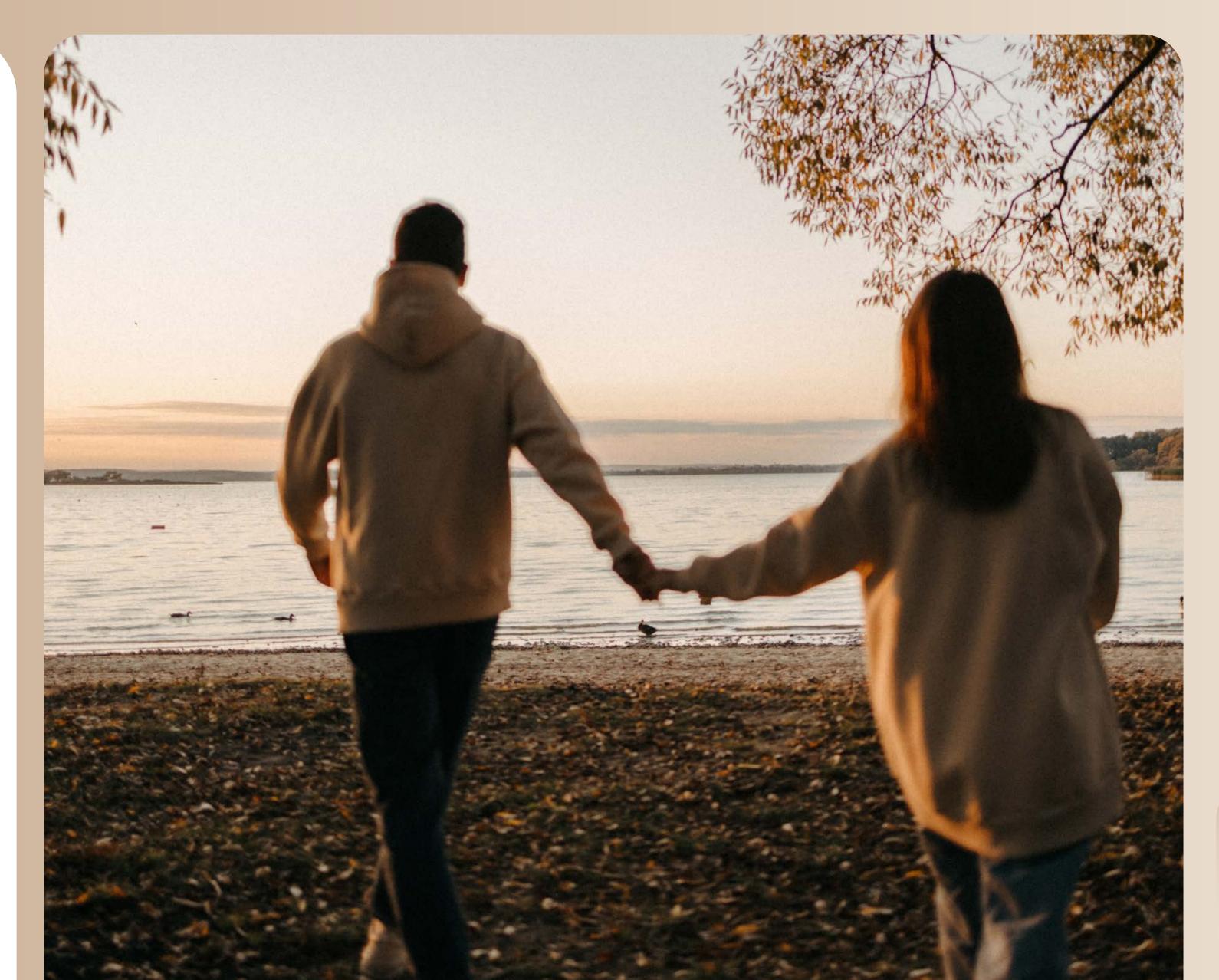




# Marriage and Divorce

And what of divorce? Some cheer in this regard - the decreasing societal pressure to get married means <u>divorce rates are down</u> among Millennials. Those that have doubts about their partner or the institution of marriage simply do not feel the need to get married, and those that do are more intentional in their vows. And we're expecting them to be <u>less likely to divorce even as they continue</u> <u>to grow through middle age</u>, even if this is in part due to the financial burden of it. The Millennial equivalent of divorce? <u>Breaking up after buying a</u> <u>house together</u>.

That's not to say that Millennial parents will not split up after having kids – <u>a third of Millennial</u> <u>parents are lone parents</u>. Perhaps also driven by changing societal expectations, the taboo around leaving a partner after having children together has decreased. Ending a relationship at that later stage no longer has to feel like failure, it can simply feel like a fresh start. Gen Alpha will still experience the realities of lone parenthood or shared custody, they'll just be more likely to experience it without the added complications of divorce piled on top.



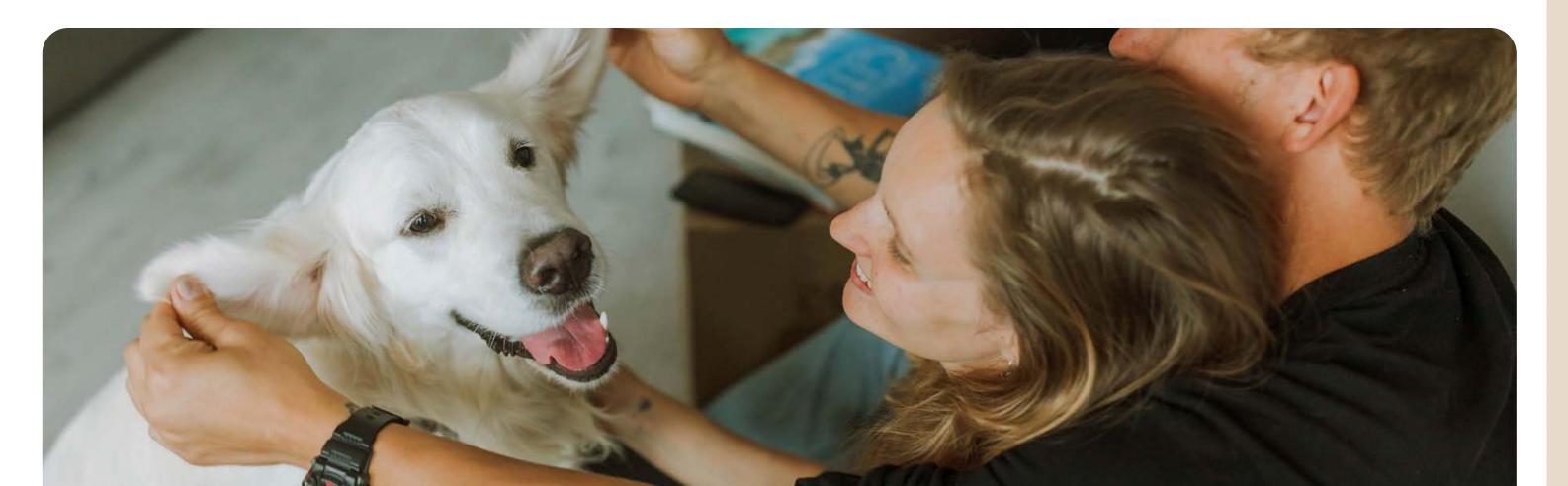




### **Childless Millennials**

Although the focus of this report is on Millennial parents, we'd be remiss to neglect the growing demographic of Millennials choosing to remain childless throughout life. Around 44% don't have kids, and 80% of women who are childless in midlife are through circumstance, rather than infertility. This 80% faces a tapestry of circumstances for why, such as systemic issues around student debt and professional struggles around parenthood; the financial burden of having children feeling unattainable; a longing for greater freedom throughout life; or questions around the morality of bringing a child into the world when we're facing the climate crisis. Many of these should come as no surprise, with the financial burdens of childcare already having been detailed, and the **<u>environmentally slanted</u>**, values-based decision-making of Millennials well documented.

The result? An increasing amount of **DINKs**. And no, that's not an insult, it's a term coined on social media for Double Income No Kids households (or DINKWAD – Double Income No Kids With A Dog). These Millennials may choose to spend more of their discretionary income on themselves, or potentially charity, on achieving the dream lifestyles and experiences that may seem out of reach for the pinched wallets of parents in the current economic climate. Beyond simply being an interesting demographic given their higher disposable incomes, we're also expecting them to drive the growth of the legacy market as they grow into old age. People without kids to consider when writing their will are more likely to leave a legacy gift behind, while economic stresses mean that those with kids are more likely to focus on family giving and leave less space for charities in their wills.



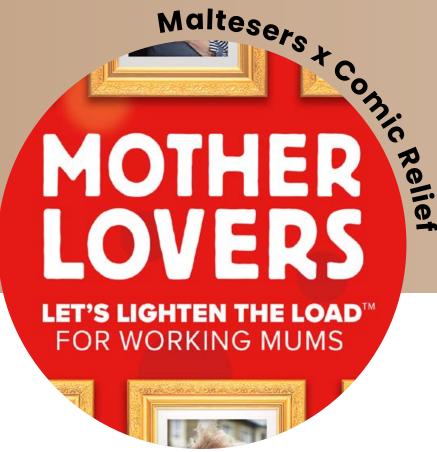


And there's positive news in this regard: almost half of Millennials are considering leaving charitable gifts in their wills, but only 3% of them have chosen specific charities already. And as a generation that's beginning their financial planning earlier, particularly after having lived through the Covid pandemic, which threw our collective mortality into sharp relief, the number of Millennials writing their first will increased 6% between 2021 and 2022. Although typically too young to be considered a key audience for legacy campaigns or engagement, this demographic could present a new opportunity to invest in sooner rather than later.





## **CASE STUDIES**



#### **Motherlovers**

Maltesers' UK and the Netherlands are urging the people who know working mothers (bosses, coworkers, partners, children, etc.) to offer support. And they've also commissioned a study into working moms in both countries, finding that the <u>vast majority of working</u> <u>mothers in both countries</u> feel they have suffered some type of discrimination in the workplace due to being a mum.

**So What:** Rather than simply broadcasting a supportive message, the brand is actively calling on its supporters to do more (and do it better), whilst also giving them the resources they need to understand the root of the problem.



#### **Co-Living**

French startup Commune has launched rental apartments designed for <u>communal</u> <u>co-living for single parents</u>. Although apartments are private, residents share a kitchen, living area, and playroom. On top of that, rent includes DIY help and legal assistance, and the complex offers babysitting opportunities, meal prep, family activities and transport to school.

**So What:** With our understanding of modern family changing, Commune wanted to acknowledge the additional financial hardship of single parenthood, and the risks for social exclusion and potential professional drawbacks.



#### **Parental Leave**

A collaboration between Brazil-based brands Grupo Boticário, Nubank, and Volvo Brasil, has launched a campaign advocating for changes in **parental leave policies**. Stemming from an initial mini-Father's Day message, the initiative has launched a pioneering Best Practices Guide for implementing better equality in parental leave in companies.

Instituto

GrupoBoticário 🧐

**So What:** The collaboration recognises that it's difficult for families to navigate new ways of splitting childcare responsibilities and the potential professional burden of starting a family, by pushing companies to give their employees more power to break out of traditional gendered ideas about childcare.





## SO WHAT?

#### **Redefine Family**

The definition of family has changed, but has your organisation kept pace? Are you still defining family using old models, language and stereotypes?

#### **Preventing Burnout**

With Millennial parents increasingly feeling burnt out and overwhelmed, think about how you're supporting both your own employees and other working parents in general through these feelings of burnout.



#### **Parental Leave**

Simply put: is your parental leave policy equal across genders? What about your other parental policies, like the adoption leave policy?

#### **Engaging the DINKs**

With the rise of the childless Millennial, how are you engaging this growing demographic long-term? In particular, be aware of the untapped potential of this audience for legacy donations, lifetime giving and a group on the lookout for new models of community and support as they age.





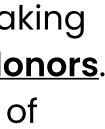
# MILLENNIAL PARENTS SCHARTY

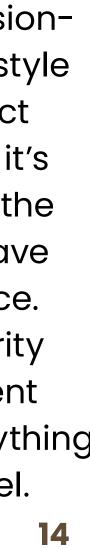




Millennials are committed donors, making up the largest proportion of weekly donors. But they've been hit hard by the cost of living (like everyone else).

Beyond financial stresses, this demographic is heavily committed to addressing climate change, with environmental and sustainable decisionmaking not only influencing their lifestyle choices, but also the way they interact with charities. Regardless of whether it's your core mission, Millennials expect the organisations that they support to have strong sustainability initiatives in place. Their values-driven approach to charity demands transparency and alignment with their own core beliefs, about anything from climate to equality, at every level.





## MILLENNIAL PARENTS & CHARITY

### Causes They Engage With

It should come as no surprise that the top Millennial societal concern right now is the <u>cost</u> <u>of living crisis</u>. For those with young children, and possible double caring responsibilities, Millennials are understandably concerned about their own financial futures. But this doesn't necessarily translate into giving more towards charities specifically supporting beneficiaries through cost of living-related issues.

So what causes do Millennials give to? <u>71% of</u> <u>Millennials believe</u> climate change is the biggest long-term challenge facing their generation. As the generation <u>most likely to experience feelings</u> <u>of fear, guilt and outrage</u> about the climate crisis (along with Gen Z), these anxieties bleed through in their decision making. From family planning to home improvements, what they eat and wear, career and workplace choices, to, yes, charity donations. Not only are they <u>prioritising</u> <u>donations to environmental charities</u>, they also place high value on making sure that <u>all of their</u> <u>giving takes environmental interests</u>, and social equity and diversity, into consideration.

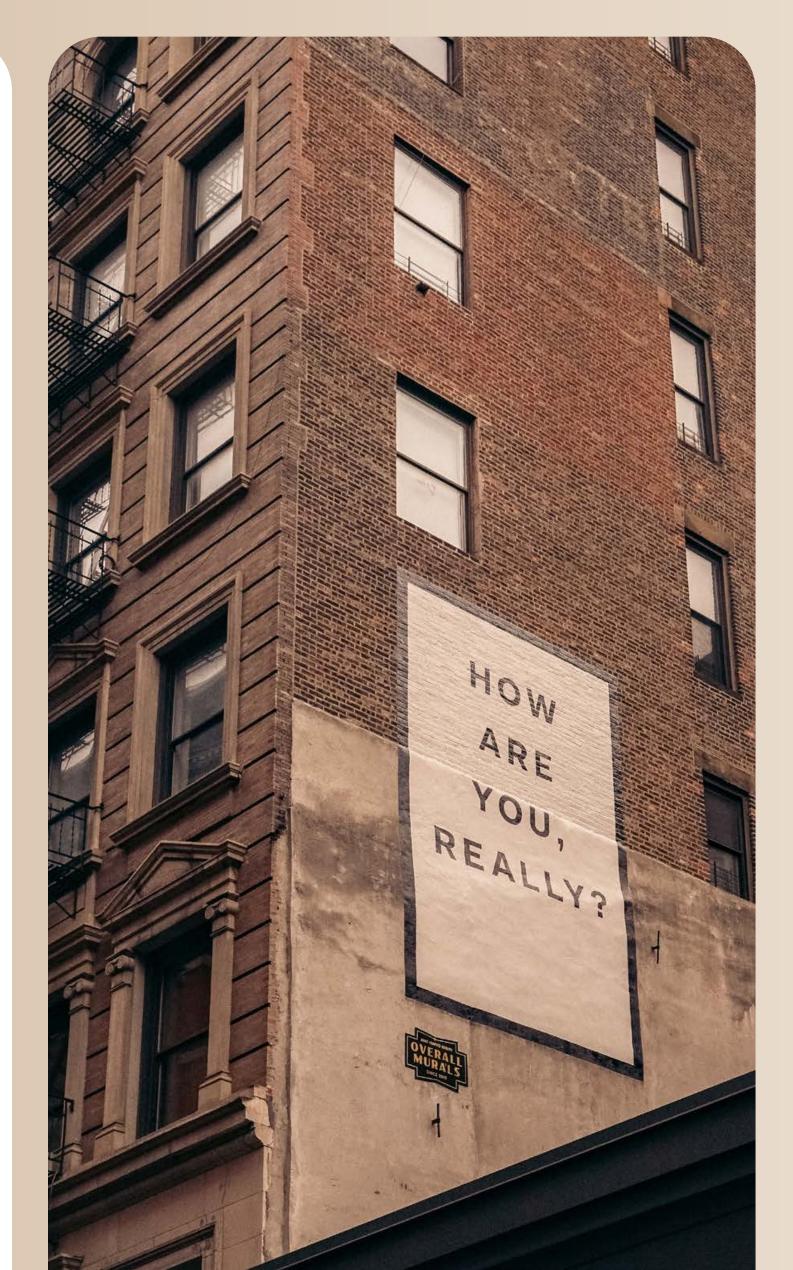
#### '71% of Millennials believe climate change is the biggest long-term challenge facing their generation'

Essentially, environmental concerns factor into all areas of engagement, regardless of whether it's in your mission or not.

For parents in particular, it comes down to securing <u>a good future for their kids</u>. While it's already a herculean effort for some to keep their kids fed and warm, especially during the cost of living crisis, Millennial parents are having to juggle climate concerns as an additional priority for doing right by their children.

With all these anxieties combined, it's no surprise that other leading causes that millennials are likely to donate to includes mental health. Millennials are the generation that <u>donates the most to</u> <u>mental health charities</u>, just behind Gen Z.







## **MILLENNIAL PARENTS & CHARITY**

## **Millennial Donors**

Good news: Millennials are committed donors. They stand out as the largest proportion of weekly charity donors, and those who give to the widest range of charities, with 59% of them supporting two or more causes. Looking towards the future, they're more likely to continue donating in the future than over 40s, with **<u>80% of</u>** them stating this commitment.

#### 'About 59% of under 40s are more likely to donate if they see a celebrity do so'

In terms of how they give, there's a strong affinity for donating online. With <u>54% of Millennials</u> doing so in the past three months, they're more likely to have donated via website or app recently than older donors. To engage Millennial donors, it's worth considering whether your website is fully functional, easy to navigate, and aesthetically pleasing. Also worth keeping in mind: <u>50% of</u> website traffic now comes from mobile phones, so consider whether or not your content is mobile friendly.

Interestingly, Millennials are also more likely to be susceptible to influencer and celebrity endorsements of charities. About **<u>59% of under</u>** 40s are more likely to donate if they see a celebrity do so, and similar amounts of them are additionally more likely to talk about that cause or charity on social media.

### **Value-Alignment Rules the Day**

Millennials' high awareness and engagement with global issues and debates continues to shape their values, and has created a purposedriven generation with a strong sense of activism. They want to join movements, protest, and get behind collective causes and communities. While their high expectations of the overall societal impacts of businesses **largely go <u>unmet</u>**, charities are well placed to engage this generation through their emphasis on valuesbased decision making.

The key? **Value transparency**. Millennials want clear data and measurable results, to





understand an organisation's theory of change, and to see the impact of their support first-hand.

Moreover, Millennials crave bold views and values that align with their own. They want to get behind a cause that's meaningful to them, and expect organisations to be vocal about their values. Amidst news that charities are **increasingly** self-censoring over fear of public backlash, organisations may lose with this audience.





## MILLENNIAL PARENTS & CHARITY

### Mission and Money

Given the financial strains and concerns faced by Millennials, it's no surprise that they're the demographic <u>most likely to cut down on donations</u> over the next few years as the cost of living crisis continues to squeeze incomes. So how do we keep engaging them? Are our current revenue models still the most effective way to do so?

We know that Millennials place an extraordinarily high emphasis on values-based shopping. That is to say, <u>83% of them</u> prefer brands that align with their values, and prioritise ethical consumption over price. And businesses are clocking on to this fact. Both Millennials' and Gen Z's strong preference for these products and services is a <u>huge factor behind the growth in corporate</u> <u>ESG initiatives over the past years</u>. So how could organisations tap into this craving for ethical consumption? There's an opportunity to engage this demographic through a focus on valueexchange, or delivering both mission and money at the same time through developing commercial opportunities with a focus on generating impact.

#### Volunteering Behaviours

Millennials have a history of volunteering. With just <u>over half of them</u> stating that they have volunteered at some point in their lives, they're the second most committed generation to doing so (just behind Gen Z). Yet as the cost of living crisis continues to bite, people are increasingly stating that their <u>ability and willingness to</u> volunteer is declining. This generation's current caring responsibilities mean that they're more likely to be stretched for time and thus more likely to be unable to commit to regular volunteering.

Ultimately, they're looking for flexible opportunities to fit their schedules. Whether this occurs as microvolunteering (think of Age UK's online initiative to let volunteers write letters to older people who may be feeling isolated), or remote volunteering (think anything from online teaching, to editing, to phone counselling, translating, admin, graphic design, etc), think about how to make volunteering tasks as easy as possible for this time-stretched generation.











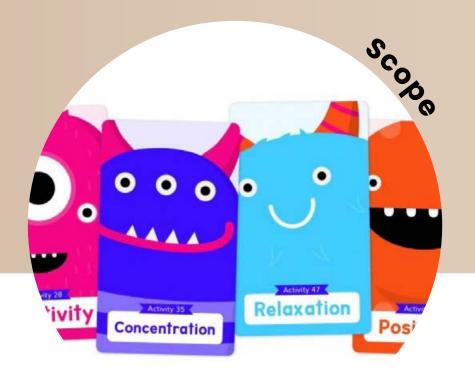


#### **Ethical Gifting**

The British Red Cross have introduced an ambitious <u>ethical gifting</u> <u>strategy</u>, going beyond their charity shop offer (which has outlets on ASOS and eBay as well). They also run an ethical gifting platform offering products by B-Corps, the profits of which all go to the organisation, and a Christmas shop filled with products made by refugees, and specific sub-sections of each of their retail offers designed to promote their eco-friendly products.

**So What:** Shopping value-aligned brands is high on the agenda for Millennial parents. The British Red Cross' strategy not only helps their audiences find ethical brands to support, all the while supporting the charity as well, they also specifically tap into the Millennial craving for sustainability initiatives across the board.





#### **Mindful Monsters**

**Scope's Mindful Monsters**, a monster-themed mindfulness subscription box for children was designed to build emotional resilience among kids. With parents increasingly worried about the world they're leaving their kids, how do we make sure that they're prepared for the future and continue to protect their mental wellbeing? The box sends seven activity cards featuring four different monsters to inspire kids and parents alike: Giggles helps see the positive side of things, Thinky helps focus, etc.

**So What:** What makes Mindful Monsters work well is that it not only answers a core need for current parents (building emotional resilience during polycrisis), but also offers a value-exchange for money-stretched Millennials. On top of that, it offers an extra avenue for parents to connect and bond with their kids – a top priority for this generation.





## SO WHAT?

#### Online Infrastructure

With Millennials' strong preference for donating online, make sure your website is in top condition, from functionality, to accessibility, to its mobile version and aesthetics.

#### Sustainability Across The Board

Millennials see the environment as everyone's problem. Regardless of your core mission, have you ensured that your operations are climatefriendly, and are you putting concrete and actionable sustainability initiatives in place?

#### Transparency, Transparency

Value-driven Millennials expect transparency across the board, and crave clear, in-depth data. How are you articulating your impact to meet these expectations?

#### Commercial Propositions

Given the financial strain on many Millennial parents, how can you use value-exchanges or commercial propositions to build engagement with this demographic?



#### Sustainable Retail

When it comes to their purchasing decisions, Millennials are likely to prioritise sustainability. How can you tap into this with your retail offer, by emphasising your eco-friendly and ethical products?

#### Regular Giving

With Millennials potentially cutting down on their regular giving through the cost of living crisis, think about different tools for engagement and how you could keep these supporters warm in the near future.





# FINANCIAL

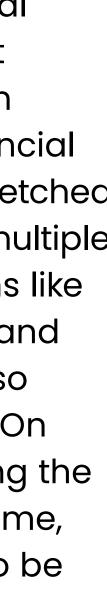




Millennials are grappling with financial realities that aren't painting the most optimistic picture. With many of them living paycheque to paycheque, financial pessimism is on the rise. This time-stretched demographic is likely to be juggling multiple jobs, sidestepping major life decisions like homeownership or starting families, and adopting cost-saving habits (that also happen to benefit the environment). On top of that, they're a generation facing the reality that they may never own a home, or if they do, that they will continue to be renting well into their forties.

Unsurprisingly, the pressures of daily finances and long-term fiscal uncertainty are weighing heavily on their mental wellbeing.





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## FINANCIAL HEALTH-CHECK

#### // Finance Snapshot

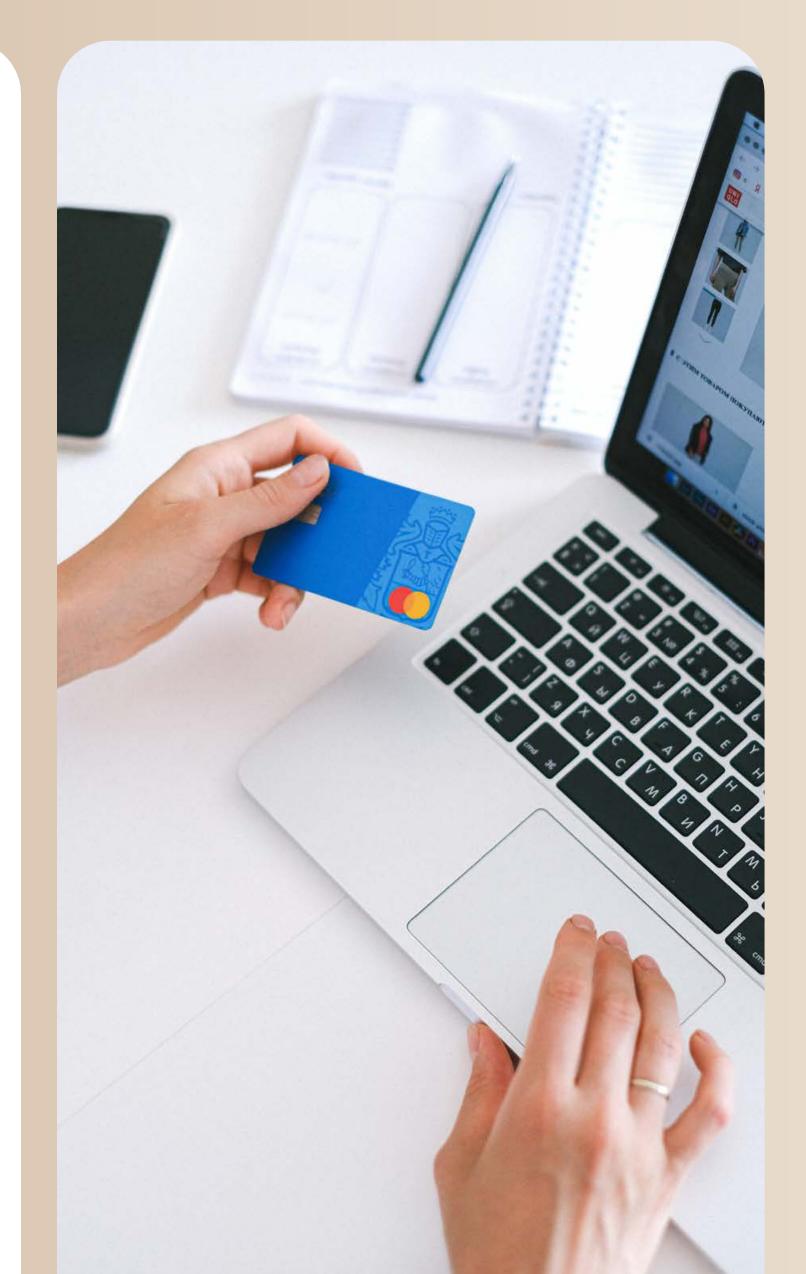
We already know that the cost of living crisis is the <u>top societal concern</u> for Millennials. But how prepared were their finances to weather this storm? Unfortunately, not particularly. <u>Half of</u> <u>Millennials</u> say that they are living paycheque to paycheque. In fact, Millennials <u>are harder hit by</u> <u>the cost of living crisis</u> than any other generation. They're also more pessimistic about their financial situations improving over the next year than other generations, with <u>44% saying</u> that they don't have a sunny outlook over the next year.

Ultimately, this means taking on **side jobs**, postponing big decisions like **buying a house** or **starting a family**, and building moneysaving habits (which tend to be environmentally sustainable at the same time) like thriftshopping or foregoing cars. In fact, almost **40% of millennials** have taken on a part- or full-time paying job in addition to their primary job over the past year. With multiple jobs on the go, kids that are likely still in school, and potential caring responsibilities for their parents, this generation is stretched for both time and money. Related stress and anxiety levels are high, with burnout on the rise, as <u>4 in 10 Millennials</u> say they feel stressed or anxious at work all or most of the time. Biggest culprit in Millennial mental health decline? <u>Long-term financial futures and daily</u> <u>finances</u>.

#### 'Half of Millennials say that they are living paycheque to paycheque'

So what does that mean for donations? Unfortunately, those aged between 35 and 54 are the group most likely to indicate that they'd make cuts to donations to help manage their bills, with <u>22% of them stating this</u>. In fact, they're the age group most likely to cut their expenditure across the board. With <u>only 15% of under 40s</u> saying that they find it easier to donate now than six months ago, charities need to be mindful of these struggles in their messaging and provide flexibility and varied donation options to their supporters.









## FINANCIAL HEALTH-CHECK

### **Asset Ownership**

When comparing generations by various factors, the **biggest differentiating factor continues to be** wealth. In fact, the median total wealth amongst people in their early 60s is almost **<u>nine times that</u>** of those in their early 30s, with home ownership and retirement preparations playing a large role in the divide.

So let's look at homeownership. Millennials have often been in the news as 'Generation Rent': the generation that may never own their own home. And these headlines aren't overstating the situation. About a third of Millennials are unlikely to ever own their own home, and about half of them will rent at least well into their forties. Most shockingly, **a third could still be renting** by the time they claim their pensions (at the age of 70). Ultimately, this means we'll likely see an explosion in housing benefits once Millennials reach retirement. Expect increasing amounts of retiree renters, combined with a rapidly ageing population.

How did we get here? Simply put, property prices have been skyrocketing for decades, with wages failing to keep up. In 1996, the **property value to** 

income ratio was still 3.55 (£88,000 average property price to £24,709 average salary); by 2021 it was 10.91 (£426,000 to £38,994). With these greater barriers to home ownership than any generation before them, Millennials tend to have lived with their parents longer, spent more on rent throughout their lifetimes, and more regularly live in shared accommodation with friends and acquaintances. On top of that, renting households are the most likely to be in **problem debt**, and have lower financial resilience that could act as a buffer against unexpected expenses or losses of income, adding to Millennials' general financial insecurity. And, unsurprisingly, one of the biggest indicators of whether or not someone is able to buy a house is their **parents' property wealth**, meaning we're also seeing widening inequality among this generation.

When comparing this situation with previous generations, Boomers in particular, the differences are stark. Over 65s hold **<u>£2.2 trillion</u>** worth of mortgage-free properties in the UK, with over-50s owning almost 80% of UK housing, in comparison to the under-35s 5%. And yet



despite that property wealth, over-65s have only £147 billion in mortgage debt, compared to £324 billion of property debt among under-35s.

But it's not all bad news. Millennial homeowners outnumber Millennial renters and Millennials living with their parents for the first time ever, as of 2023. The UK now counts 5.7 million Millennial homeowners, compared to 4m private renters and 1.3m living with their parents. And, as inheritances and gifts begin to come their way, their futures may become a lot sunnier.







## FINANCIAL HEALTH-CHECK

#### // Intergenerational Wealth Transfer

In the UK, over the next twenty to thirty years, a record £5.5 trillion is set to be transferred between generations as either inheritance or gifts. By 2040, baby boomers, the largest and wealthiest generational cohort in the UK, will account for two thirds of all deaths, and will drive what has now been dubbed the 'Great Wealth Transfer'. And most of their wealth will go to Millennials, Gen Z and charities. Essentially, this transfer of wealth will create a large amount of wealthier Millennials than we're seeing now.

There's a couple of interesting consequences to this. Firstly, Millennials will likely hold the majority of the UK's wealth in the future, and therefore be the **largest potential donor pool for organisations**. Secondly, they've never held much wealth historically, so there's a potential risk that they may feel like **lottery winners** when they do come into larger sums of money. And lastly, this wealth transfer is happening to a generation that's **increasingly aware of the interconnections between the climate crisis and social justice**, which means they're more likely to question what multi-generation inherited wealth means for our society and environment. Given that Millennials are already incredibly invested in the climate crisis, there's likely to be an interesting opportunity for charities to engage Millennials and their newfound wealth towards climaterelated causes, whether that's through lifetime donations or legacies.

#### Millennial Spending Paradox

Safe to say that the Millennial financial situation is not at its best right now, despite the benefits of the imminent Great Wealth Transfer looming on the horizon. Perhaps due to this long-term financial insecurity, Millennials are likely to <u>self-</u> <u>describe as good at managing money and</u> <u>price-conscious</u>. They've got experience with debt, mortgages, and the impact of a recession by now.

And yet, Millennials are <u>well ahead of average</u> when it comes to snap purchasing decisions. Essentially, their spending habits are <u>a walking</u>



**paradox**. They don't have a lot of money, but they love to spend. They want shopping to be both convenient and socially conscious. It should be seamless and personal. Perhaps due to their pessimism about their financial situations improving and the uncertainty of their futures in general, **treat brain** (unrestrained emotional spending for small hits of dopamine) abounds. Think buying your favourite iced coffee on your way into work, even though the office has an espresso machine, or ordering the most expensive thing on the menu when you go out for dinner. Nice candles and skincare, the 'fancy' brand of olive oil, whatever takes your fancy.

Their tendency to associate these small purchases with dopamine hits is maybe why **they're also keen investors**. Especially when it comes to riskier assets like cryptocurrency. In fact, the number of Millennials who own cryptoassets have grown <u>65% since 2019</u> and shows no signs of stopping.









#### **Digital Inheritance**

Fintech company Vault 12 has set up a **Digital Inheritance plan** which allows cryptocurrency investors to transfer ownership of their digital assets to a beneficiary after their passing. The system simplifies the process and aims to educate crypto-owners about the risks of going through traditional legacy processes when dealing with digital assets.

**So What:** Recognising that increasing amounts of people are amassing digital wealth, and thus likely to transfer these after their deaths, Vault12 is aiming to make the inheritance process easier for this demographic.





#### **Teen Crypto**

**Stack** has launched a trading app designed to teach teenagers about trading and holding cryptocurrency. Acknowledging that a lot of information about the market comes from crypto influencers on social media platforms – which aren't always the most reliable – the app comes with plenty of educational resources. Of course, it also comes with serious parental controls, whereby all ownership and final decisions are made by parents.

**So What:** Given Millennials' own interest in cryptocurrency, and the fact that more and more of their children will likely begin to consider entering this space themselves when they come of age, Stack is looking to find a niche that supports both parents and their kids into making healthy and informed financial decisions.





## **SO WHAT?**

#### Flexible Donations

Millennials are stretched for both time and money. Flexible and varied fundraising (and volunteering) offers will be key to securing their continued support.

#### Engaging Beyond Donations

And with some Millennials feeling like they'll have to cut down on donations due to the cost of living crisis, how can you keep these supporters warm through other engagement tools and strategies?

#### Wealth Transfer

With a potential game-changing wealth transfer towards Millennials, this audience may become even more influential in coming decades. Even if they don't feel like your biggest audience right now, build engagement with them now rather than later.

#### Cryptocurrency

With Millennials increasingly amassing digital wealth, do you have the infrastructure and in-house skills and confidence to accept cryptocurrency donations and legacies?



#### Generation Rent

For a generation who may never own bricks and mortar, their later years are going to look very different. From retiring well into their 70s (or even 80), to communal, shared cost, living in their twilight years. Help Generation Rent prepare their fiances now. Change your language around legacies (away from hard offline assets). Be part of the conversation about shared housing that supports intergenerational living. Support them to live now, not later.





# PARENTS ONLINE





Navigating the seemingly limitless sea of parenting advice in the digital age is no easy task for Millennials. With all of the information in the world at their fingertips, Millennials are trusting their peers, friends and family above all to distinguish the advice they'd actually like to follow. As such, it's no surprise that social media now reigns supreme as their go-to source - and it can be a great resource for making Millennial parents feel more supported or confident in the decisions they're making.

But despite the overflow of information, these platforms can be rife with conflicting and unverified advice. And moreover, the polished, picture-perfect aesthetics dominant online can drive serious feelings of stress and inadequacy among these parents.





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## MILLENNIAL PARENTS ONLINE

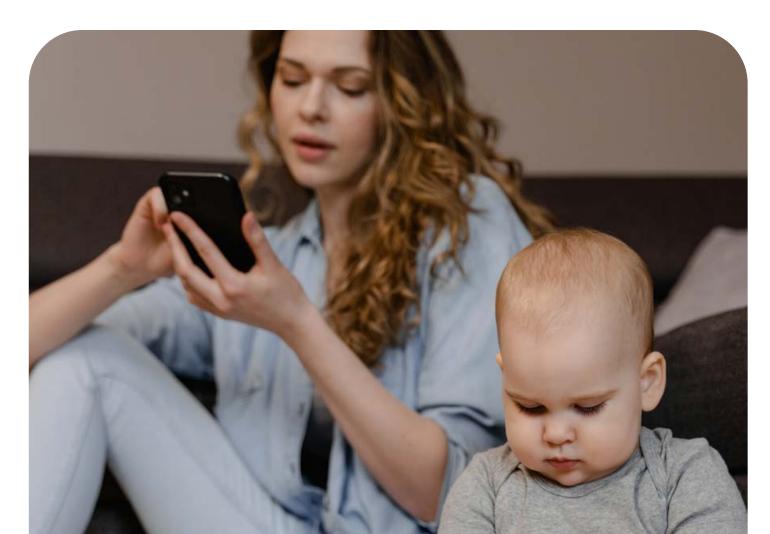
### **Trusted Sources**

With the wealth of the internet at their fingertips, parenting information is easy to come by. But what of trustworthy advice and guidance? With so many conflicting views and opinions out there, and much of the 'best practice' advice often being unattainable for the average parent, where do Millennials get their information?

First and foremost, social media is now one of the most prevalent information hubs out there. If you want to connect to Millennial parents, start there, as a whopping **90.4% of Millennials are active on social networks**. In fact, Millennial mothers specifically spend an average of 17 hours per week on socials, stretched across an average of **3.4 different platforms**. Millennial parents report an average of **4.25 hours on social media every day**, compared to the 3.8 hours their non-parenting counterparts spend online. And **over a third of mothers and half of fathers** state that they use social media daily for parenting advice.

Social media's main appeal as a parenting guide? The advice of their peers. As a generation that's **more trusting of user-generated content**,

particularly if it comes from other Millennials, the value of social media is in being able to see what everyone else is doing. From potty training to temper tantrums to teaching their kids algebra, social media gives them a platform to ask questions and do all the research they need. Even better, different platforms can be as personal and anonymous as they want. So how can you leverage social media to provide your supporters with the information and resources they need? How are you ensuring that you maintain a presence in the social media communities that this audience lives in?





'Millennial parents report an average of 4.25 hours on social media every day, compared to the non-parents' 3.8 hours.'

Beyond social media, forums and parenting blogs also remain crucial. And when thinking of parenting forums, one website may come to mind quicker than others: Mumsnet. While sometimes depicted as a place where mothers come to bicker about the right way to pack a school lunch, it remains a crucial resource for desperate, often disadvantaged, parents. The importance of having the infrastructure of such an all-encompassing, user-generated source of parenting information became particularly noticeable during lockdown: **<u>page views</u>** went up by 10%. Of course, the risk of all these platforms is that none of their information is necessarily fact-checked, and much of it is based on personal experience or opinion.



## MILLENNIAL PARENTS ONLINE

#### Unattainable Ideals

And yet, sometimes these trusted sources have a distinctly negative impact on Millennial parents. They really are the first generation to raise their children under the full glare and scrutiny of social media. With all this information constantly at our fingertips, they're constantly exposed to everyone from experts to influencers to peers discussing what an appropriate amount of screentime is, how best to deal with a temper tantrum, or even which colour to paint your newborn's nursery to encourage better brain development. And a lot of the time, it can feel like parents who aren't living up to these (near-impossible) ideals are failing at parenting.

#### '4 in 10 Millennials say social media makes them feel lonely or inadequate'

In particular, social media platforms have given rise to a wave of 'Momfluencing', the picture-perfect parent lifestyle wrapped up in aesthetically pleasing photos that conveniently

leave out the hard truths on social media. For many mothers in particular, this phenomenon has led them to **internalise the importance of** being the perfect mum, and are exhausted by this constant pressure. Unsurprising then, that almost half of Millennial mothers say that social media causes them stress, finding it difficult to disconnect and coming under pressure to be a 'Pinterest Mum'. And moreover, **<u>4 in 10</u>** Millennials say social media makes them feel lonely or inadequate. And while most Millennials recognise that social media only reflects a curated, polished version of people's realities, they can't seem to stop themselves from feeling **inadequate**. This understanding of the anxieties and stresses of social media no doubt influences how Millennial parents feel about their children having social media: <u>75% of them</u> try and keep their kids off of it for as long as possible, and 35% of them think that a child's digital footprint should be erased at 18 (jumping to 45% for dads in particular).











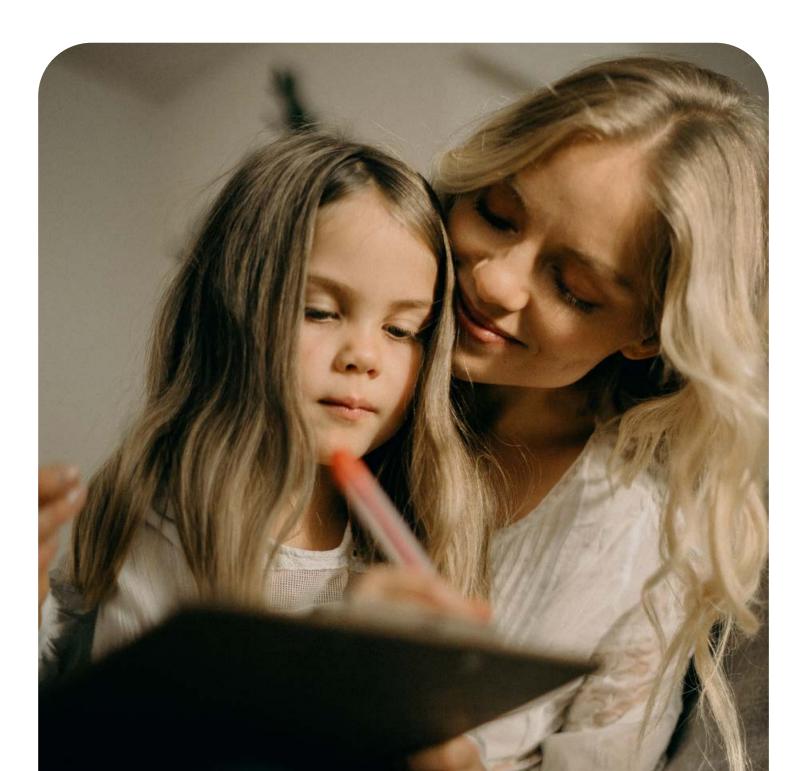
## **MILLENNIAL PARENTS ONLINE**

### Unattainable Ideals

While most of the advice pioneered by these sources is posted with the best of intentions, it's ultimately far from realistic for most parents to achieve these standards. With the burdens of work, the cost of living crisis, and potential double caring responsibilities, most parents don't have time to make their kids healthy lunches every day or read to them every night before bed. For instance, we have data on how screen time is bad for children, but for a lot of parents it may feel like the only option they have to keep their kids occupied throughout a particularly busy day working from home.

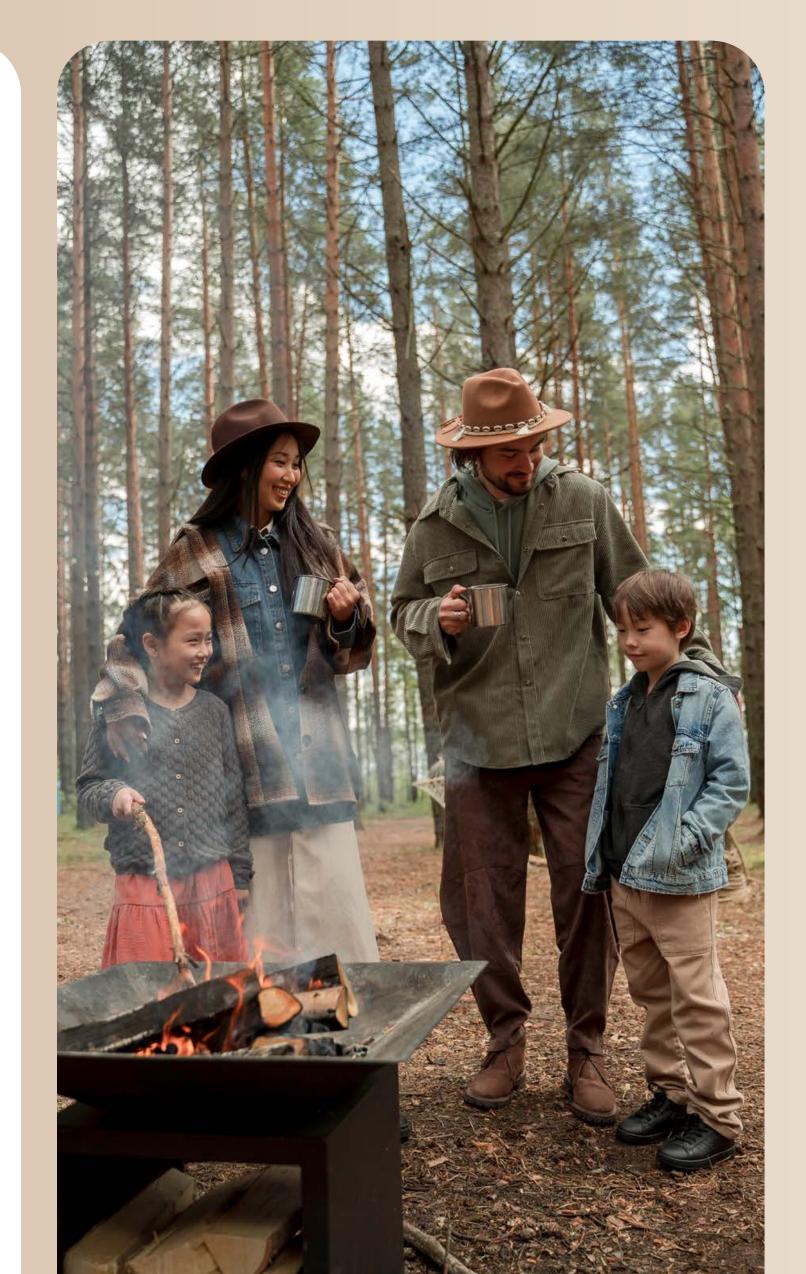
But things are potentially shifting. There's more perfection fatigue, with an appetite for more realistic representations of parenthood online, particularly post-pandemic. As more parents spent more time at home, with their children, and the care system began to crack at the seams, even the more privileged parents were forced to re-examine the realities of childcare on a daily basis. So how could your organisation help alleviate the pressures of social media for this demographic? How are you demonstrating

your awareness of a more realistic vision of parenthood in your communications? How can we help shape the conversation around parenting towards a more achievable and forgiving ideal that allows parents to feel confident and secure in the decisions they're making?











## **CASE STUDIES**



#### **BabySkin Advice**

In 2023, Baby Dove launched the **#BabySkin** Advice campaign on its TikTok page. Created to curate expert advice from leading dermatologists and paediatricians, the idea is that the videos will help parents learn how to assess products designed to care for their newborn's skin. On top of that, experts directly reply to videos and questions posed by new parents to offer personalised advice.

**So What:** Amidst rampant disinformation on social media, how can you position yourself as a trusted source for parents? The communityfeeling of TikTok, and the thread of authenticity that underscores most of its content, allows Baby Dove to connect with Millennial parents by offering expert advice that still feels like it's coming from a trusted peer.



#### **Share With Care**

German carrier Deutsche Telekom recently launched their **ShareWithCare** campaign. Reflecting the growing concern that Millennial parents may be posting more about their kids than any generation before (not only when seeking advice, but childhood photos, accolades, and more), the video features a young actress confronting her parents about the long-term consequences of sharing her childhood photos online.

**So What:** Millennials are the first generation that have had such unprecedented access to social media throughout the childhoods of their children. And it has been suggested that by 2030, the rise in sharing information about kids online will be the cause of two-thirds of identity theft.





#### **Perfectly Imperfect Parenting**

With their ad spot '<u>Here's to Perfectly</u> Imperfect Parenting', child welfare brand Babyganics throws away the baby-marketing playbook that so-often paints parenting as a perfectly stylised, joyful, pastel-coloured world, and instead focuses on the chaos, messiness, frustration, and - yes - the tremendous joy that still comes with this.

**So What:** Babyganics' goal was to show that they're not only focused on children's welfare, but also their parents' mental wellbeing. With so many of our representations of parenting focussed too heavily on the picture-perfect vision of family that may be driving Millennials to feel like they're striving for unattainable ideals, think about ensuring your communications represent a more holistic view of parenting.





## **SO WHAT?**

#### Brand Presence Online

With so many Millennial parents embracing social media on the day-to-day, are you maintaining a presence on the platforms they love? Reach out to them where they live.

#### User-Generated Content

We know that Millennials are more trusting of User-Generated content than anything else. Leverage the UGC created by your supporters, both on social media and elsewhere, to drive more authentic conversations and engagement.

#### Alleviating Stress

Social media can have a potentially harmful impact on Millennial mental health. What policies and resources do you have in place to alleviate this stress for both your own supporters, and Millennial parents in general?



#### Providing Resources

And with misinformation rampant online, use your social media presence to provide this audience with information and resources backed by your expertise.

#### Realistic Parenthood

With so many of the representations of parenthood that we see online looking seemingly perfect, be mindful of how you represent this life-stage yourself. Make sure your communications depict realistic representations of parenthood.



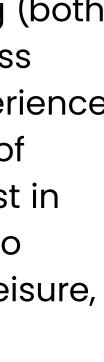


# LE SURE





With their limited spare time, Gaming (both alone and with their children), wellness activities and products, and the experience economy are top of the list for most of these parents. Ultimately, their interest in these categories stems from a wish to connect with their children through leisure, and continuing to promote their own mental wellbeing and self-actualisation.





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## MILLENNIAL LEISURE

## // Gaming

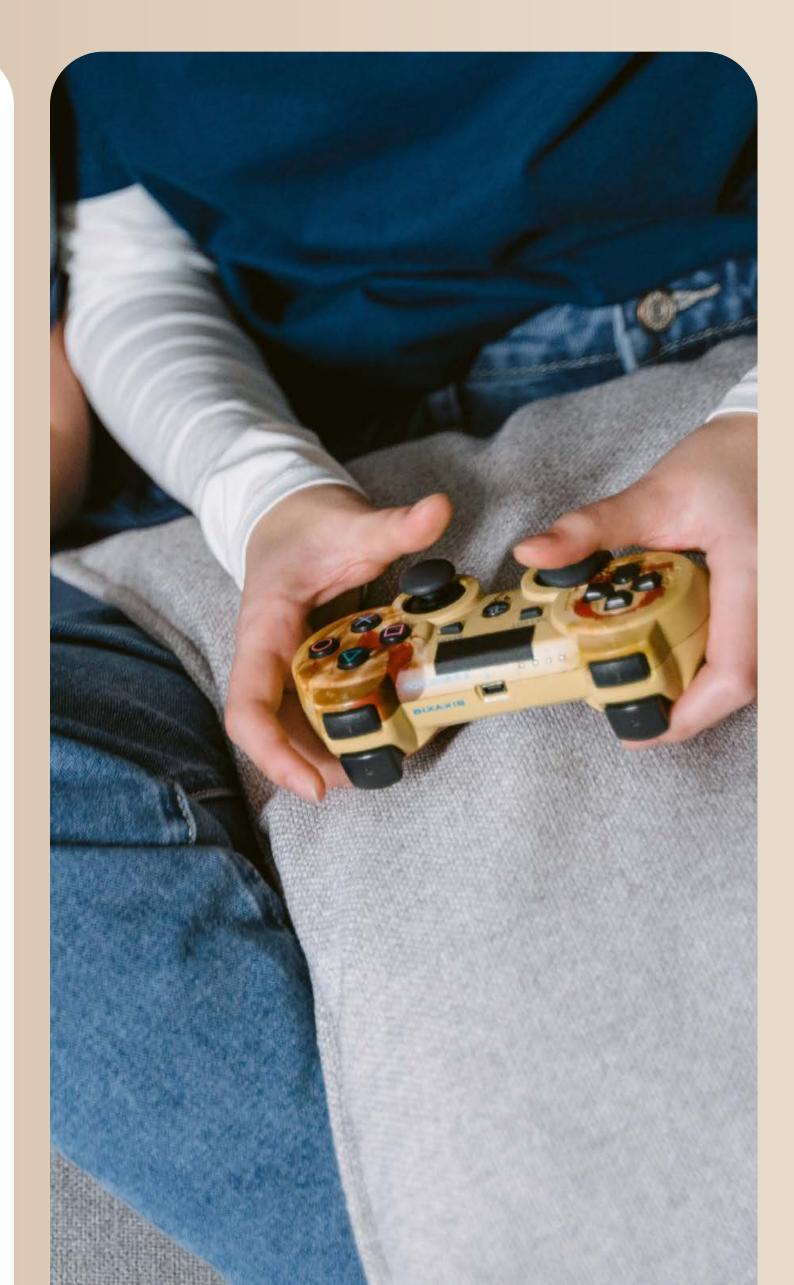
Gaming is an increasingly hot topic for a growing number of charities. And no surprise, because the gaming industry is valued at a whopping **\$200b a year**, more than the film and music industries put together. In the UK alone, an estimated **44m people** regularly play video games, and **45% of people** are spending more time gaming than they did a year ago. And though many charities have reported a loss of income through the cost of living crisis, income generated through the gaming community seems to be **relatively unaffected**.

But when thinking about gamers, Millennial parents may not be the demographic that you have in mind. And yet, the average gamer in **Europe is 31 years old**, and **Millennials game more than any other age group**. In fact, **93% of Millennial parents** report that they play video games in some capacity, and they **game for longer than any other age demographic**. Ultimately, Millennials grew up with the gaming industry, watching it evolve from pixelated, 8-bit worlds, to expansive and realistic environments. It stands to reason that they'd be invested in this hobby that they've grown up alongside.

#### '64% of Millennial parents say that they play video games with their children'

So how do Millennial parents engage with gaming? For them, the allure is twofold: stress relief is still the biggest motivator, but it's now closely followed by trying to connect with their kids. Approximately 64% of Millennial parents say that they play video games with their children. For this generation of parents, it's a form of bonding and connection, with parents sometimes spending <u>up to five extra hours a</u> week gaming with their kids in the hopes to bond more. Where a decade or two ago, the post-dinner family bonding activity of choice may have been to sit in front of the telly for a few hours, we're seeing a shift towards gaming as a family instead. The added benefits are that co-gaming parents increasingly believe that gaming teaches their kids new skills, like teamwork and collaboration (33%); important life lessons (26%); and leadership skills (25%).









## MILLENNIALLESURE

## Gaming

When gaming with their kids, we're looking primarily at the games that Gen Alpha favours - titles like Fortnite, Super Mario Bros, Minecraft and Roblox top the list. Essentially, Battle Royalestyle and sandbox games that allow kids to play with their friends and use their creativity to build worlds and games. In the same vein, we're seeing <u>a push from developers towards creating more</u> **<u>'wholesome' games</u>**; which is to say, games that don't promote or feature gore and violence. As gaming increasingly becomes a pastime for the entire family, it's becoming more diverse, driving demand for titles that don't involve pixelated machine guns and snipers.

#### '70% of [parents] believe that there shouldn't be any advertising within kid's games'

And yet, though parents are increasingly open to letting their young children play video games, <u>70% of them believe that there shouldn't be any</u> advertising within kid's games. But the reality is miles away. Games like Roblox and Fortnite

in particular are inundated with brand deals and experiences, and are still some of the most popular among Gen Alpha (with their parents' approval). What makes the difference? Advertising in the form of branded activities or hangout spots within games seems to be more accepted. Brands offering something of value to gamers, like experiences or education, are more likely to be accepted by the parents involved.

When gaming for themselves, the pastime offers a new avenue towards *finding connection*, positive social interaction and a sense of belonging - which they find through engaging in the gaming community at large. In terms of the games that they favour, they're more likely to value plot-driven games with good character development than their younger counterparts, that ultimately drive intellectual stimulation and exploration. If you're trying to engage a Millennial gamer, consider focussing specifically on RPG, adventure, and action games. In fact, for those trying to engage a Millennial gamer, there's good news: Millennials are 24% more **<u>likely</u>** than the average user to be influenced to



spend money on brands, products or services that are investing heavily in the gaming space.

#### 'There's a huge number of opportunities here for the sector to get involved with.'

There's a huge number of opportunities here for the sector to get involved with. From in-game engagement tools (think of War Child's in-game downloadable content for **World War I game <u>11-11: Memories Retold</u>**); to mass participation event implications (for instance, St Jude's large-scale streaming event **<u>Play Live</u>**); to educational challenges in games (such as the International Committee of the Red Cross' Fortnite mode designed to teach gamers the rules of international warfare). There's opportunities to engage Millennial parents as a singular demographic, or to use co-gaming as an opportunity to build engagement with both parents and their Gen Alpha children, from brand recognition to education.





## MILLENNIAL LEISURE

## **Wellness**

For many Millennials, wellness is a daily pursuit. This is the generation that's driven the boom behind Soulcycle, Lululemon, Fitbits, mindfulness apps, yoga studios, green smoothies, you name it. They <u>exercise more, eat smarter, and smoke</u> <u>less</u>. They've got all the information to make the most informed wellness decisions possible right at their fingertips.

And that market is still going strong, growing at more than <u>5% annually</u>. At its most basic, the market can be broken down into <u>six categories</u>:

- Health, as in vitamins, personal hygiene, or homoeopathic remedies
- **Fitness**, like studios and wearable tech
- **3 Nutrition**, like subscription food services or nutrition apps
- Appearance, such as skincare or salon services
- 5 Mindfulness, like counselling, meditation, or mindfulness apps
- **Sleep**, like sleep supplements or trackers

Mental wellbeing is a particular priority for Millennial parents (mums in particular, <u>45% of</u> <u>whom find it important, vs 31% of dads</u>), with the belief that fulfilling all categories will ultimately lead to better mental wellness as well.

#### 'The market continues to be primarily focussed on white consumers'

And while products in most of these categories seem to abound, Millennials in particular feel that the products on offer <u>aren't meeting their needs</u>. In particular, the greatest <u>unmet consumer</u> <u>need lies with BPOC consumers</u>. The market continues to be primarily focussed on white consumers, leaving the specific needs of BPOC Millennial parents to the wayside and creating an opportunity for organisations to focus their insights into providing better wellness and wellbeing tools, products, and resources for this underserved community.









## MILLENNIAL LEISURE

## **Wellness**

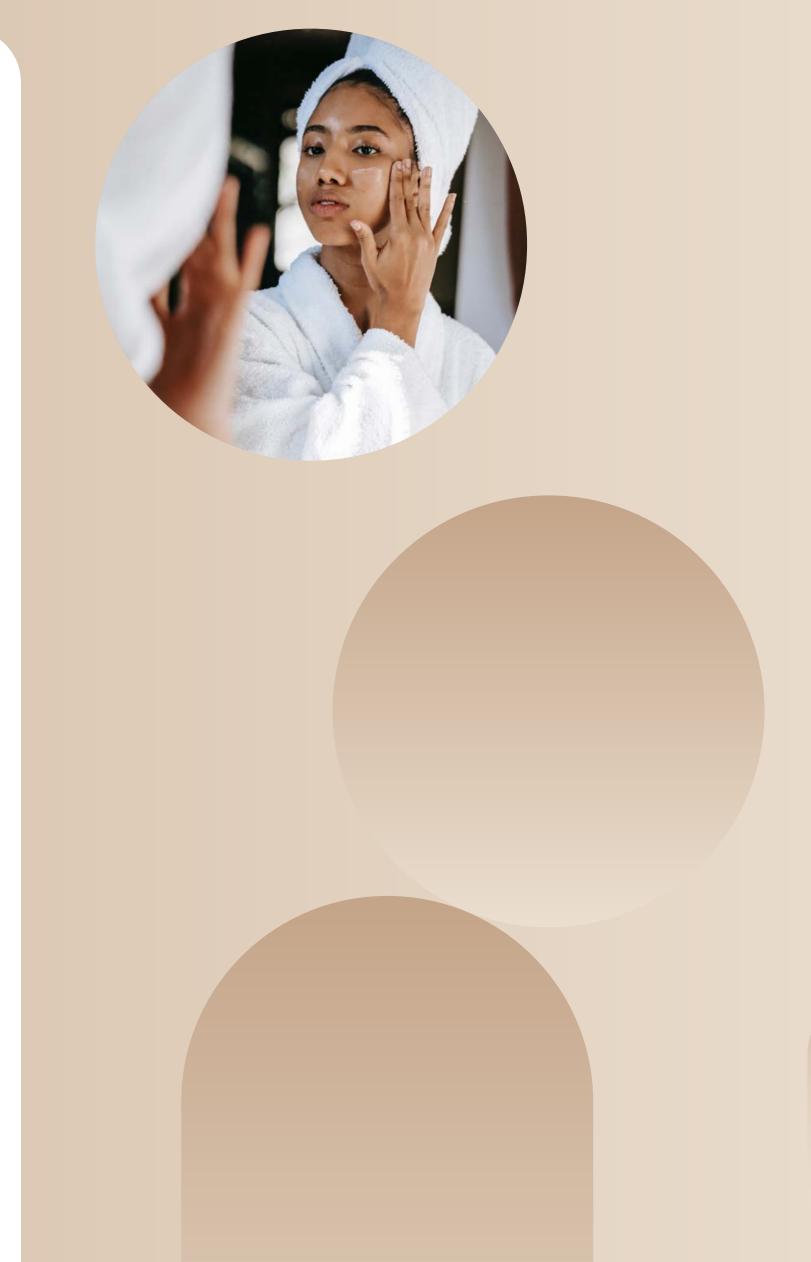
Other trends within the wellness space include increasing demand for products and services that can address these needs across multiple, if not all, of the wellness categories. Millennials are also craving more personalisation across their wellness products, with **49% of them** showing a strong preference for products and services that leverage personal data to personalise the wellness experience. Lastly, there's an **increasing focus on sleep** (no doubt particularly important for time-stretched and stressed parents), which continues to be one of the areas with the greatest unmet consumer needs.

#### '42% of Millennials state that they aim to take care of their appearance'

The hunt for wellness bleeds through into childcare as well - Millennials tend to be healthconscious parents, doing <u>significant amounts</u> <u>of research</u> about the products and services they expose their kids to. The goal for any kids' product? To be the safest, cleanest, and highestquality one available.

Beware - the Millennial hunt for wellness can be a double-edged sword. Yes, the generation is largely healthy and places greater emphasis on healthier behaviours than those that came before them. But, much of this drive also comes from a heavily appearance- and aestheticsbased culture. <u>42% of Millennials</u> state that they aim to take care of their appearance, layered onto 1 in 3 that say it's important to be accepted by others. Yet only 39% are happy with how they look. When engaging with wellnessrelated products or services, be mindful of the fact that so many of this demographic are struggling with their self-image, and may find much of the wellness industry exacerbates this problem. This could mean anything from being more size-inclusive or dropping the airbrush in our marketing, to focussing wellness and health messaging less on weight and appearance, and more on general feelings of happiness.









# **MILLENNIAL LEISURE**

### **Experience Economy**

Since Covid, we have seemingly launched from one crisis into the next. With the cost of living crisis biting, the consequences of climate change becoming increasingly visible, a constant turnover of both Prime Ministers and other government officials, and more, the future looks increasingly uncertain. With all this anxiety and instability, people are increasingly adopting a "live in the now, worry about the future later" mindset. And a huge part of that is creating playful, fun memories, especially those that include our loved ones. Hence, welcome to the experience economy: a world in which we'd rather spend our money on memories than on possessions.

This is particularly true of Millennials, who are more likely to **spend their money on experiences**, rather than possessions, than any other generation, perhaps because they've been uniquely hard-hit by some of these crises. They want to be inspired, to unleash their creativity, to connect with others, and to experience moments of joy and whimsy. So what does the experience economy mean for this generation?

Firstly, now more than ever, we understand the extreme importance of being together. We want to experience life in **public, communal spaces**. Polycrisis has given us the opportunity to reimagine what's important in life, and driven more and more people towards making conscious choices to dedicate their time to celebrating what really matters. For many of us, that includes connection and belonging. In particular, events which drive feelings of connection and make us feel part of a community. In fact, 72% of people say sharing moments with others is the crux of what makes experiences fun.

Secondly, the pursuit of experiences is beginning to **combine with the Millennial** pursuit of wellness. Being stuck inside their homes during Covid has allowed them to re-evaluate what it means to be 'well' - and made them realise that experiences are a part of this. We're seeing a shift towards experiences as more than just a way to spend time, but rather an investment in emotional and personal growth. As a growing body of



research begins to point to the wellbeing benefits of events, we're seeing more experiences designed to simulate or provoke self-transcendence. In other words, losing ourselves and forgetting our worries.

#### 'The pursuit of experiences is beginning to combine with the Millennial pursuit of wellness'

Lastly, and crucially for the third sector, the experience economy is increasingly geared towards purposeful events. Particularly for values-based Millennials, the **greater purpose** and impact behind an event will be key for them to engage. Events must have a clear mission, with clear communications about its impact on the community, environment, and even the world.





# MILLENNIAL LEISURE

### **Experience Economy**

For the Millennial parent in particular, they'll be looking for ways to enjoy these events both alone, as part of their own self-actualisation and wellbeing, and introducing their children to the joys of the experience economy. For Millennials, their interest in attending events doesn't diminish once they start families. Time spent on themselves is still considered an important priority for overall happiness, and many Millennial parents don't think they should sacrifice this for their children. They'll be looking to attend events that incorporate both the aspects of experiences that they enjoy, and finding ways to share these fun, whimsical and exciting experiences with their children. And with their time stretched thin and alternative childcare options perhaps more out of reach during the cost of living crisis, they'll be looking to events that have kid-friendly activities and spaces. Think of festivals, concerts, and other similar events that used to be geared towards adults only beginning to incorporate familyfriendly activities to cater to this need.













#### **Metaverse Marketing**

<u>My Little Pony recently launched a Roblox activation</u> aimed at Gen Alpha kids, building a game set in the franchise setting of Maretime Bay. Not only did they advertise their game on Roblox, they also advertised to Millennial parents through a TripAdvisor listing for Maretime Bay as a family vacation destination. The listing also showed how the game could be made more child-safe through its settings.

**So What:** Given the rise of co-gaming, My Little Pony has taken to reaching parents as well as their kids in their video game marketing. By highlighting the free, safe environment they've created, as well as the co-gaming opportunities in the game, the brand is acknowledging the new way that families have adopted gaming as a communal activity.





#### Lego Lates

Lego has launched its 'Lego Lates' series: an after-hours, adultsonly event hosted in Lego stores around the world. Essentially, the events partner with cultural influencers and creatives for talks and workshops, and let their visitors switch off and connect with others through Lego play.

**So What:** The brand has launched the events series in response to an increasing amount of adults feeling stressed and unable to relax or switch off. Designed to give adults the opportunity to escape from the everyday hustle, Lego is tapping into the trends of both the experience economy, and the Millennial craving to 'kidult': to relax by leaning into the comforting things that brought them joy when they were kids.





# SO WHAT?

#### **Tap Into Gaming**

How can you leverage gaming, a favourite Millennial pastime, to build both awareness of your brand and generate income? Consider anything from in-game activations, to challenge events, or building online communities for gamers.

### **Co-Gaming**

When considering gaming as an income-stream, differentiate between your Millennial, Gen Alpha, and co-gaming demographics. These audiences each interact differently with games and have different needs and expectations.

#### Personalisation

Millennials crave personalisation to streamline the products and services they use. Leverage your existing data to create more personalised and meaningful experiences and services for your supporters.



#### Wellness Inclusivity

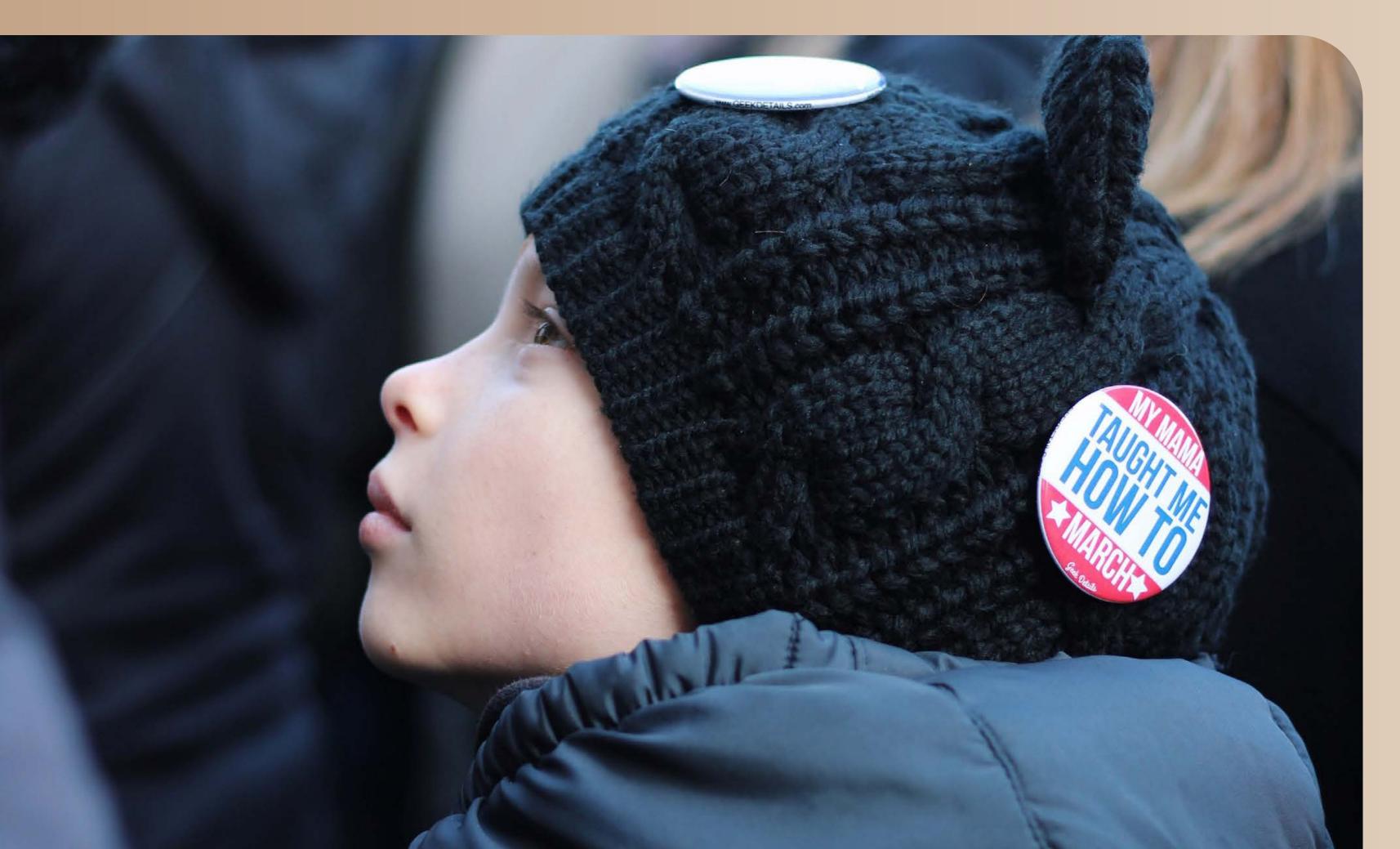
One of the biggest unmet needs in the wellness industry is BPOC consumers. Ensure that all your activities in this space are inclusive of all your audiences – including BPOC, LGBTQIA+, and disabled communities.

#### Experience Economy

With the experience economy thriving, this demographic has high expectations for joy and connection when it comes to events - they're looking for you to provide surprise, delight, and community.





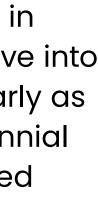


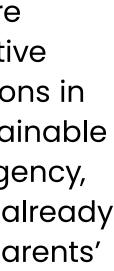


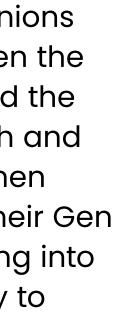


While Gen Alpha could be an entire report in and of themselves, this chapter sees us dive into some of their key characteristics, particularly as they pertain to their upbringing. With Millennial parents focussing increasingly on increased presence and connection, family life has become more collaborative. Gen Alpha are taking up roles as opinion leaders and active household participants, influencing decisions in anything from purchasing choices to sustainable behaviour. With this focus on increased agency, it's no surprise that many Gen Alphas are already engaging with activism and mimic their parents' strong environmental views.

And unlike any generation before them, Gen Alpha has grown up with unprecedented technological access. Their views and opinions are more boundless than ever before, given the limitless information within their reach, and the endless platforms for them to engage with and promote their own views and opinions. When considering both Millennial parents and their Gen Alpha offspring, understanding and tapping into these evolving family dynamics will be key to meaningful engagement and impact.









## Presence & Agency

Reflecting on missed moments and conversations that they feel impacted their own childhoods, Millennial parents are focussing on being more present in their children's lives. In fact, 70% of Millennial parents believe that they're closer to their children than their parents were to them, and **83% of Millennial parents** even consider their child to be one of their best friends. They've been able to dedicate this time towards building closer relationships with their kids in part because of shifting workplace environments, lockdowns, and post-Covid flexibility in terms of remote working. Which means that long-term, companies with flexible work patterns are more appealing to this demographic. Employers that offer on-site daycare or flexible hours, as well as brands or organisations that create products and services to make life more convenient for parents are likely to resonate with this demographic

'Millennial parents are focussing on being more present in their children's lives' This present approach to parenting ultimately means that Gen Alpha kids are encouraged to participate in family life as stakeholders and opinion formers. Especially during lockdowns, kids and parents spent more time together under the same roof and household decisionmaking became more evenly distributed. Gen Alpha has influence on family purchases (94%) of Millennial parents internationally solicit their children's opinion when making purchases), and when asked who decides which apps they download, food they eat, toys they buy, video games they get, and clothes they purchase, Gen <u>Alpha is more likely than previous generations</u> to say they pick them or choose with their parents. And they're willing to give their kids more financial responsibility and literacy as well - we're seeing an **increase in monthly** allowance year on year in the UK. In fact, almost half of children aged six to **<u>sixteen</u>** already have access to an Amazon Prime account. They've essentially got more buying power than any other generation did at the same age, purely through their technological access.









# Activism

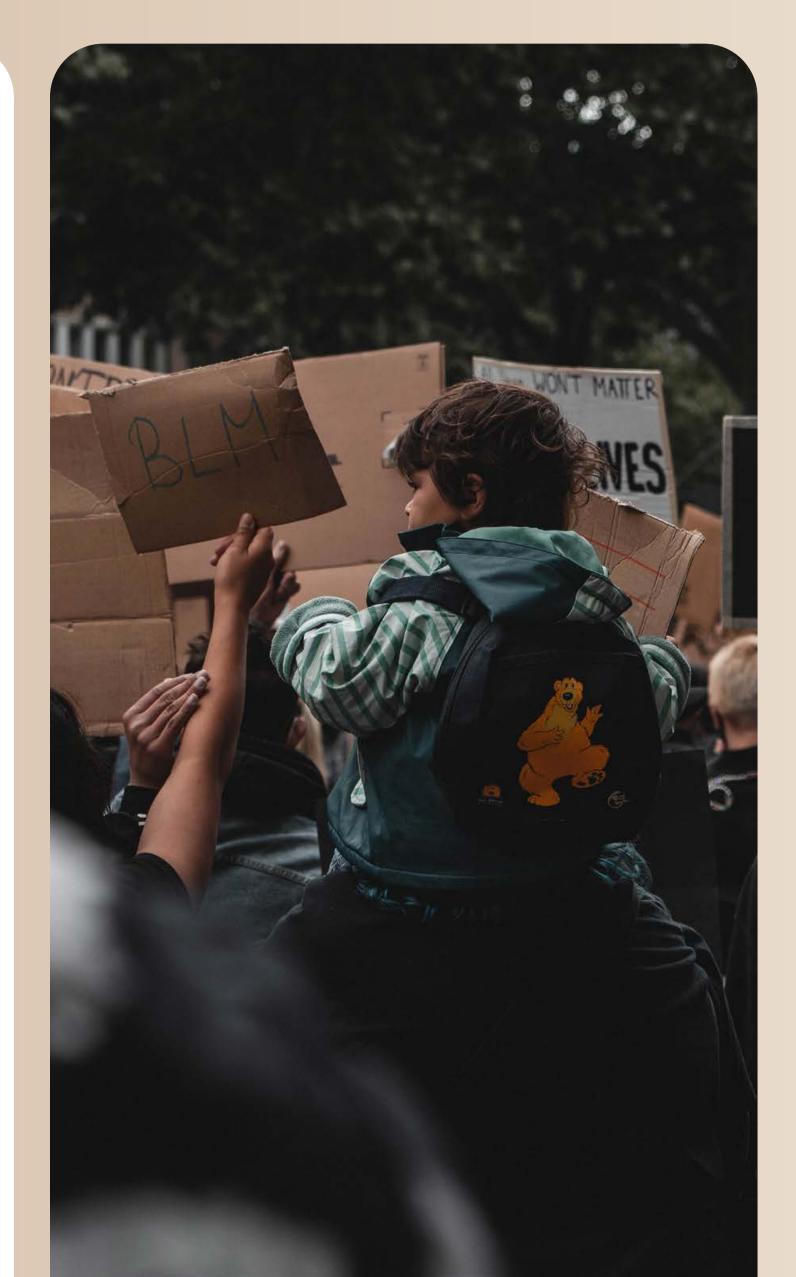
Millennial parents encouraging their children to have more agency doesn't just reflect in their purchasing habits. It also means they're more <u>likely to encourage their children to stand up</u> for their beliefs. Ideally, they hope to be raising the activists that may finally hold some of the answers for the world's biggest problems -53% of Millennial parents think Gen Alpha will help solve the problems caused by previous generations, and a **quarter of UK kids between** <u>7 and 14</u> have already attended a march or protest. This theme is rooted in the parents' fears that their children are inheriting a dying planet, along with the fact that they may not have the opportunities, agency, or resources to fix it in their own lifetimes.

And though many of Gen Alpha's views can be attributed to their parents' (they're sometimes described as <u>mini-Millennials</u>), activism in these Millennial/Gen Alpha households flows up as well as down. <u>69% of Millennial parents</u> acknowledge that their children influence them to make better decisions for the planet.

#### '53% of Millennial parents think Gen Alpha will help solve the problems caused by previous generations'

But the question is whether Gen Alpha genuinely believes they can still make a difference. For one, crisis fatigue has kicked in, with fewer tweens **watching the news or following social issues**. And when asked what they think 2050 will look like, the general opinion **isn't great**. Per one of the interviewees: "Well, I heard that if we don't save the earth in a few years, it'll be too late. So when I'm 30, I don't think I'll be here anymore." Yikes. So how are they coping with this anxiety? We may look towards their love for horror, nihilistic pop culture, and the absurd as a **safe space for them to examine their fears**. Just look at their first ever meme: Skibidi toilet, in which terrifying humanoid toilets take over the world.









# **Technology**

Essentially born with a phone in their hand, Gen Alpha already thinks that technology, digital content, and instant gratification are the norm. They're the first generation to be native to a complete tech ecosystem: 58% of Gen Alpha already uses a phone to communicate with friends and family. Online, they're influenced by their Millennial parents, and also by the Gen Z content-creators that populate their feeds. And whilst, for many previous generations, social media was all about connection, Gen Alpha mostly uses it to **find entertaining or funny <u>content</u>**. For them, it's replacing traditional entertainment media like TV, and taking up more of their daily time. Engaging them through funny content or infotainment is the best way to catch their attention.

But parents aren't always happy with the technological immersion their kids are growing up with. Just over half of them are scared of the negative influences that social media may have on their kids' development. But maybe there's no reason for concern yet. Since 2021, fewer parents are saying their child spends a lot of time on their

#### '58% of Gen Alpha already uses a phone to communicate with friends and family."

devices (-10%) and online (-7%). Instead, these kids are showing an increased interest in seeing their friends in-person. Perhaps, post-Covid, they're gravitating towards a better balance of online and offline living.

That's not to say that online life, events, and experiences won't continue to be crucial when looking at this audience. Although the metaverse has taken some serious hits in the past year, Gen Alpha is the one generation that continues to lend it some credibility. If you consider Roblox to be a crude, early version of the metaverse, they're essentially already living in it. With <u>43% of</u> <u>Gen Alpha</u> playing Roblox regularly, at times even with their parents, brands and organisations that are thinking about engaging this audience are investing in building events and experiences on the platform to create long-term brand recognition and possibly even loyalty.





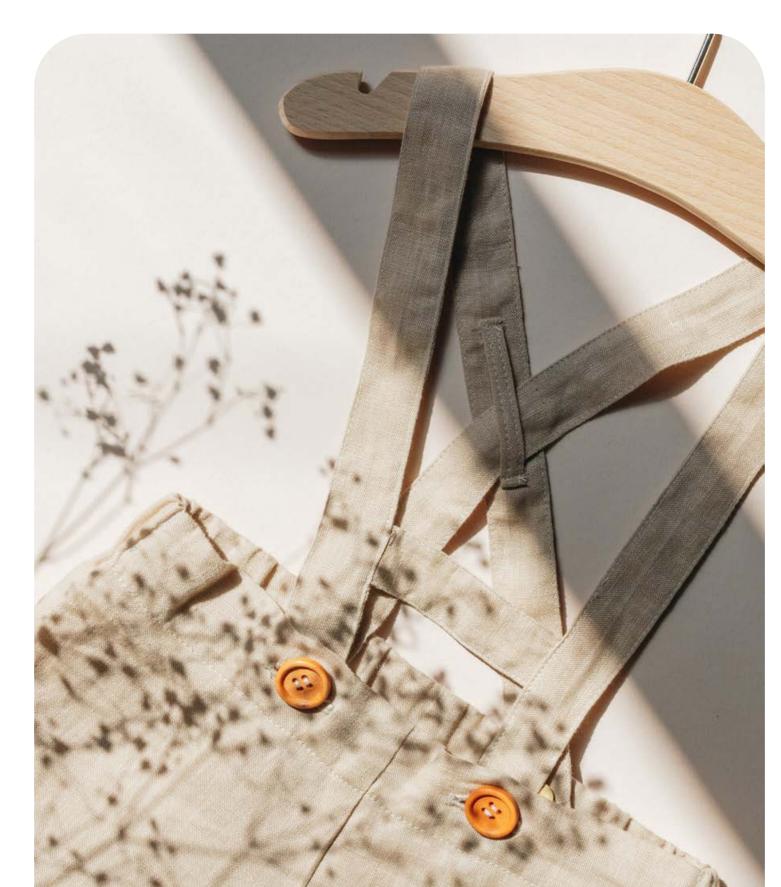




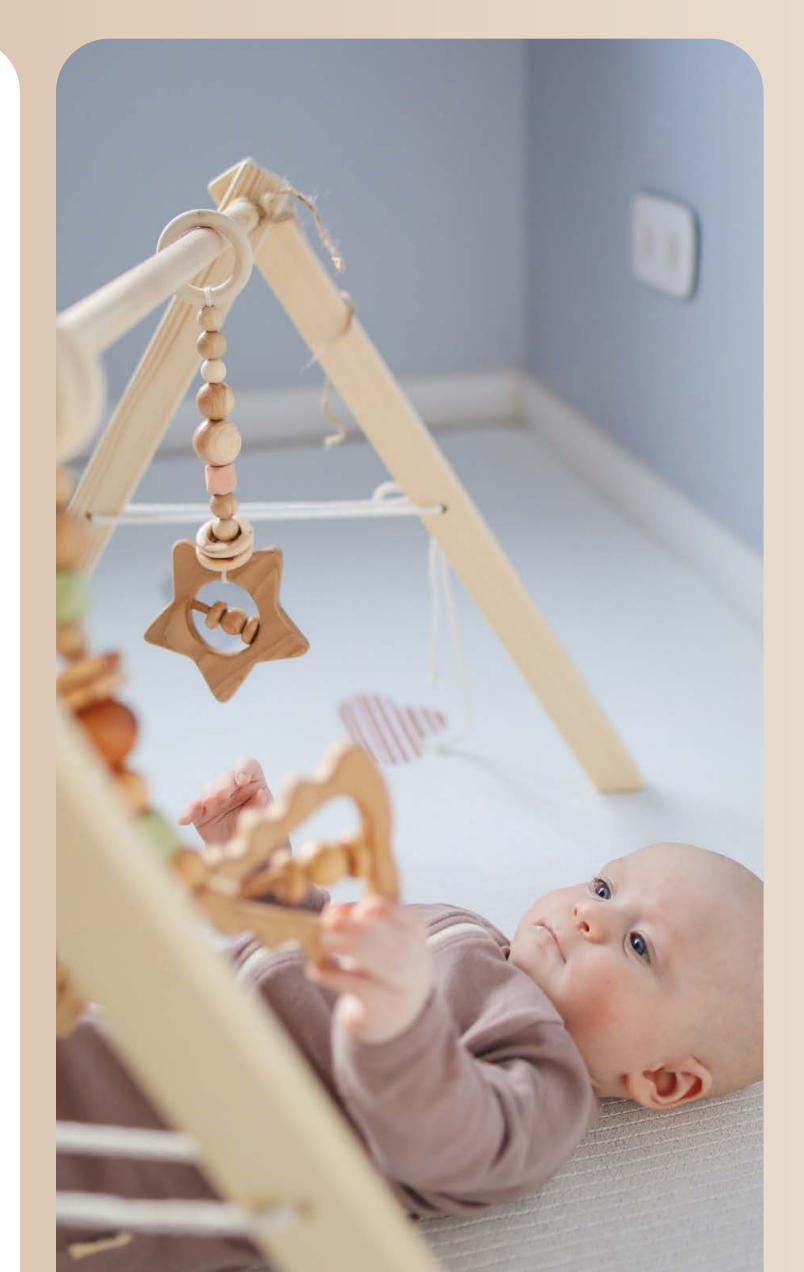
# Beige Babies

We wouldn't be able to talk about Millennial parents and their Gen Alpha kids without talking about Beige Babies, the phenomenon that gained its name after being picked up online and going viral. The idea? Millennials' affinity for muted colours (beige) and earth tones has bled through to the way **they're raising their kids**. Sad beige parenting for sad (predominantly white) beige babies.

From clothes to toys to bedrooms, Millennials are decking their kids out in oatmeal, flax, cream, stone, rope, bone, ash, you name it - as long as it's muted. And the trend seems to come with an inherent sense of melancholy, with <u>few of the</u> <u>children in the relevant campaigns actually</u> <u>looking like they're having fun</u>. Whether it's about their emphasis on aesthetics driving them towards wanting to ensure their child 'fits' within their vision, or about raising kids in a more calming manner (though there is no evidence to support this), or the eco-conscious associations that seem to accompany earth tones, or about being gender neutral (the most compelling argument out of the three), this trend doesn't seem to be going anywhere. When marketing to the Millennial parent generation, consider whether you want to tap into the sad beige babies aesthetic and the implications that drive the trend.











# **CASE STUDIES**



#### **Rooster Money**

UK bank NatWest recently launched its kids pocket money app, built off previously acquired RoosterMoney. The app loads money onto a debit card, which kids can then use (mostly) freely. Parents still retain control over cancelling the card, blocking payments to specific shops, and getting realtime spending notifications. For kids, there's rewards charts and chore reminders to incentivise saving habits from a young age.

**So What:** Recognising that so many kids are gaining greater financial freedom from younger ages, and doing so online more than anything, NatWest is letting parents use this as an opportunity to teach their kids healthy spending habits early on. And it's clearly working: as of May 2022, about 130,000 kids were using the app.



#### **Climate Education**

**Skewb Climate**, the sustainability offshoot of utility tech firm Skewb, is offering digital climate education training to young kids. In July 2022, they launched a climate change-focused gaming world in Minecraft that challenged kids to react to real-time environmental results of their decisions, like the consequences of gas safety, water efficiency, or fuel poverty.

**So What:** With parents hoping to educate their kids about environmental decision-making from a young age, Skewb is creating an in-depth, gamified, and fun way of doing so. Rather than only touching on the easier-toexplain environmental consequences (recycle, turn off the lights, etc), they're diving into more complex problems that the environment faces. And they're making it accessible too: schools and parents can download the module, with laptops being provided.





#### **Back to School Shopping**

US-based retail tech company Shipt is bringing **back-to-school shopping to popular** Gen Alpha game Roblox. The game they've designed lets players simulate the life of a Shipt shopper, delivering in-demand back-toschool products like supplies and snacks, in exchange for in-game currency.

**So What:** The partnership is designed to re-frame back-to-school shopping as a stressfree (and dare I say fun) experience that fosters connectivity for Millennial parents and their kids. And they're realising that Gen Alpha values experiences that combine the virtual and IRL worlds above all.



# SO WHAT?

#### Fostering Connection

Connection is a top priority for many Millennial parents. How can your engagement tools serve as an avenue to foster connection between these parents and kids? Incorporating opportunities for your supporters to engage together as a family.

# Gen A(gency)

Given Gen Alpha's unprecedented impact on family decision-making, getting them on-board will be crucial for engaging their parents as well. You may think they're not your current audience, but you may be missing out on their parents as well.

#### IRL x Online

This generation expects immersive integration of the IRL and virtual worlds. How can you incorporate this into your events and communications? Consider whether building a brand presence in their version of the metaverse is right for you.



#### **Young Activists**

Gen Alpha is already self-identifying as activists. Given their strong commitment to social change, begin engaging this generation early-on, to build lifetime engagement. And think about what you can do to avoid activist fatigue from hindering their long-term support.

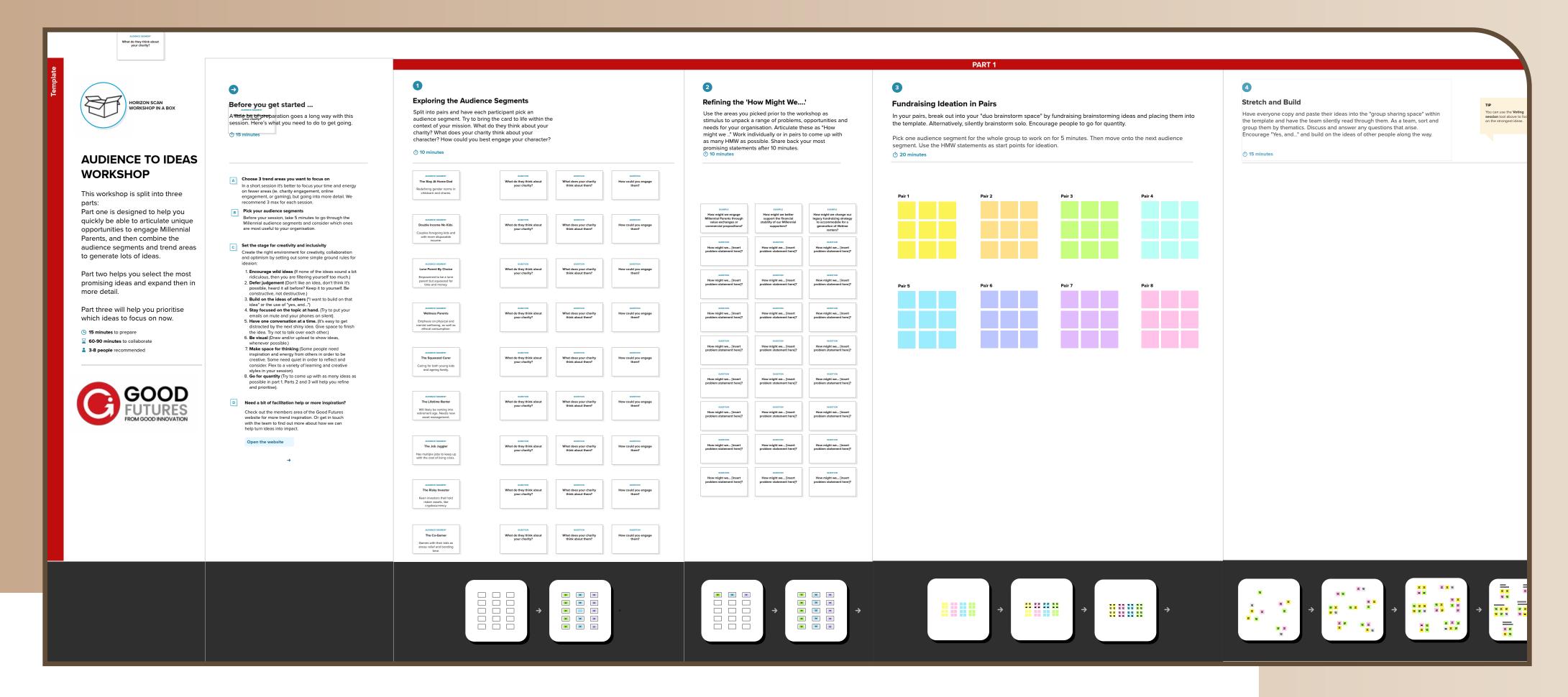
#### **Beige Babies**

How can you integrate the aesthetics that are prevalent among Millennial parents and their kids in your communications?





# **WORKSHOP IN A BOX**



To help you go from inspiration to action, we've created a handy 'Workshop in a box'.

This toolkit will guide you through a 90 minute creative session, designed for 3-8 people.

This workshop is split into three parts:

 Designed to help you quickly be able to articulate unique opportunities to engage Millennial Parents.

2. Helps you select the most promising ideas Download the kit <u>here</u> or <u>visit the Mural</u>. and expand then in more detail.



3. Will help you prioritise which ideas to focus on, which ones might need a bit more thought, and which ones are (quite frankly) a bit crap.





# **CONTACT US**

Want to discuss how you can use the horizon scan as an opportunity to innovate?

We're here to help.

Get in touch.

<u>GoodFutures@goodinnovation.co.uk</u>

Click <u>here//</u> to find out more about Good Futures.

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