BORN TO BE WIRED

The Role of New Media for a Digital Generation

A NEW MEDIA LANDSCAPE COMES OF AGE

EXECUTIVE SUMMARY

COMMISSIONED BY

YAHOO!   **Carat Interactive**

RESEARCH CONDUCTED BY

HarrisInteractive

Teenage Research Unlimited

TRU

KEY FINDINGS
from the Born to Be Wired Study

• The Internet has become THE youth medium of choice. This is among the first studies to show that the time spent with the Internet now exceeds the time spent with the television for the "Millennial" generation, youths aged 13 to 24.

• The Millennial generation faces a new media world and finds the varied media landscape to be empowering, and not confusing; they actively embrace its possibilities.

• The Internet has evolved to become the "hub" – or primary medium, with other media often relegated to the background or being used to help direct the online experience.   Media consumption has reached a saturation point, and multitasking has increased. The increase in time spent online has come at the expense of time spent with traditional media.

• The rise of "active" media provides a choice – a fresh outlet for a young person's drive to control the environment around them. Teens and young adults are searching for independence and control, and the Internet gives it to them like no other media can.

• Advertisers should embrace the idea of helping Millennials control their online experience as a means of bonding with them. This need for a sense of control while online is something adults and advertisers may not fully "get".

• This generation has had a very structured upbringing, and they're seeking more structure online. They demand efficiency, and the continued use of/reliance on other media to help guide their online lives is an attempt to create this efficiency. They seek structure not because they want to be told what to do, but because they've got a lot they want to do online, and simply don't want to waste time. The advantages that other media have over the 'Net will persist until young people feel this structure is present online.

• Millennials share common experiences, but are comprised of a group of market segments. Young consumers react in different ways to brand messaging, depending on why they make their media choices.

• They influence the present and ARE the future. Pay close attention to Millennials, as their usage of media influences other demographic groups and they literally represent the world to come.

TABLE OF CONTENTS

INTRODUCTION

It's a brave new media world for today's youth generation. On a typical day, a young person selects from 200+ cable television networks, 5,500 consumer magazine titles, 10,500 radio stations, 30 million+ websites, and 122,000 newly published books. There are currently 240 million television sets in the U.S.—2 million of which are in bathrooms![1] To many adults, this is a daunting, disjointed media landscape. Not so among today's youth generation, who have matured during a time of choice, optimism, and empowerment. They were literally born to a world of media choice that places them firmly in control of their media environment. Many research studies, commissioned publicly or privately by corporations[2], have documented the "what," where," and "when," of media use by teenagers and young adults. It is largely known which media young people are using, where they choose to consume media, and when they immerse themselves into the media world.

This study was commissioned to provide insight into more deep-rooted motivations – to shed light on "how" and "why" this generation makes the media choices they make. What are Millennials looking for

when they select media? What content do they seek, and do different media play different roles for them? Are there underlying psychological/social needs they seek to fulfill? Which brand messaging resounds with them? How does the media world fit into the broader context of their lives?

To get to the answers, we assembled a team of leading youth researchers and marketers from Yahoo!, Carat, Harris Interactive, and Teenage Research Unlimited. This team designed the Born To Be Wired Study to provide fresh insight to marketers who see their future in the eyes of the Millennial generation, but sometimes struggle to communicate with them. Understanding the new media generation is a matter of understanding the choices they make, as they exert control of their media environment unlike any generation that has preceded them.

1 Information from The Influentials, by Keller and Berry, 2003, Simon & Schuster.
2 Two prominent syndicated research studies that contain information on the topic are Harris Interactive YouthPulseSM and Teenage Research Unlimited's The TRU Study™.
3 Millennials Rising, by Neil Howe and William Strauss, 2000, Vintage Books.

"Millennials are unlike any other youth generation in living memory. They are more numerous, more affluent, better educated, and more ethnically diverse. More important, they are beginning to manifest a wide array of positive social habits that older Americans no longer associate with youth, including a new focus on teamwork, achievement, modesty, and good conduct. Only a few years from now, this can-do youth revolution will overwhelm the cynics and pessimists... with potentially seismic consequences for America."[3]

METHODOLOGY

This project was a two-phased market research study, which included a quantitative online study as well as qualitative focus group project. The online study interviewed a total of 2,618 respondents, aged 13-24, in June 2003. The sample was drawn from the Harris Poll Online database and quotas were set to ensure an end sample, which closely approximates the U.S. Census for demographic variables such as sex, age, and region.

The online questionnaire contained questions regarding the preferences and drivers of teen/young adult media choices, the relative impact of various brand messages, specific needs regarding online media, and psychographic and classification variables. The focus on key drivers of media represents a new way to view the role that media play in the lives of young people. The quantitative data form the basis of a segmentation model, which is derived from the receptiveness young consumers have to various types of brand messaging. The results of this segmentation model are detailed on page 6.

Upon tabulation and preliminary analysis of the quantitative data, Teenage Research Unlimited (TRU) fielded a qualitative study. This focus-group project consisted of eight research sessions in total: four in Chicago and four in Los Angeles. Four of the groups were recruited from TRU's TrendWatch™ panel of influential teens—teens on the forefront of the latest trends who are particularly articulate in expressing the views of the youth generation. The remaining four were conducted among college-student and working-world 19 to 22-year-olds.

The focus groups helped to pursue many of the issues of the study in depth. Discussions centered on media choices young people make, the role of digital media in their lives, and the reasons they make the choices they do.

Teens and young adults are critical to the success of most brands.

In addition to being a sizeable and powerful market force, the Millennial generation wields considerable influence over the purchases of others and literally represents the future for most consumer brands. There are more than 47 million individuals aged 13-24 in the United States. These 47 million individuals account for more than $149 billion in direct spending annually (15% of which is being spent online), and research studies have shown their influence on the spending of others can be as much as 5 times their direct spending.

SEGMENTATION MODELS

Don't paint an entire generation with a broad brush—"young consumers" are a summation of distinct segments with distinct attitudes and behaviors.

Millennials are wonderfully diverse, a combination of distinct segments with unique media consumption behaviors and brand messaging needs. By understanding the needs that exist within this age spectrum, marketers can create communication platforms that create a context, which helps ensure the receptiveness to your message

This study identified six distinct segments of individuals within this age target based on their brand-messaging needs. These segments seek distinct benefits from brands, and marketers' brand messaging should take this into account.

"Hubs" select the Internet when they want to learn about breaking news or find out about what the latest products are. The Internet seems to be a key source of information for the Hubs—it keeps them current.

"Chic Geeks" tend to choose the Internet when they want to rebel or meet someone new who is really different from them. They will take social risks online that they wouldn't dream of taking in their offline life.

"Miss Insulars" are looking for information about celebrities or to verify that the information they have is accurate. They also seem to use the Internet to investigate purchases, although they are apt to spend offline and not online.
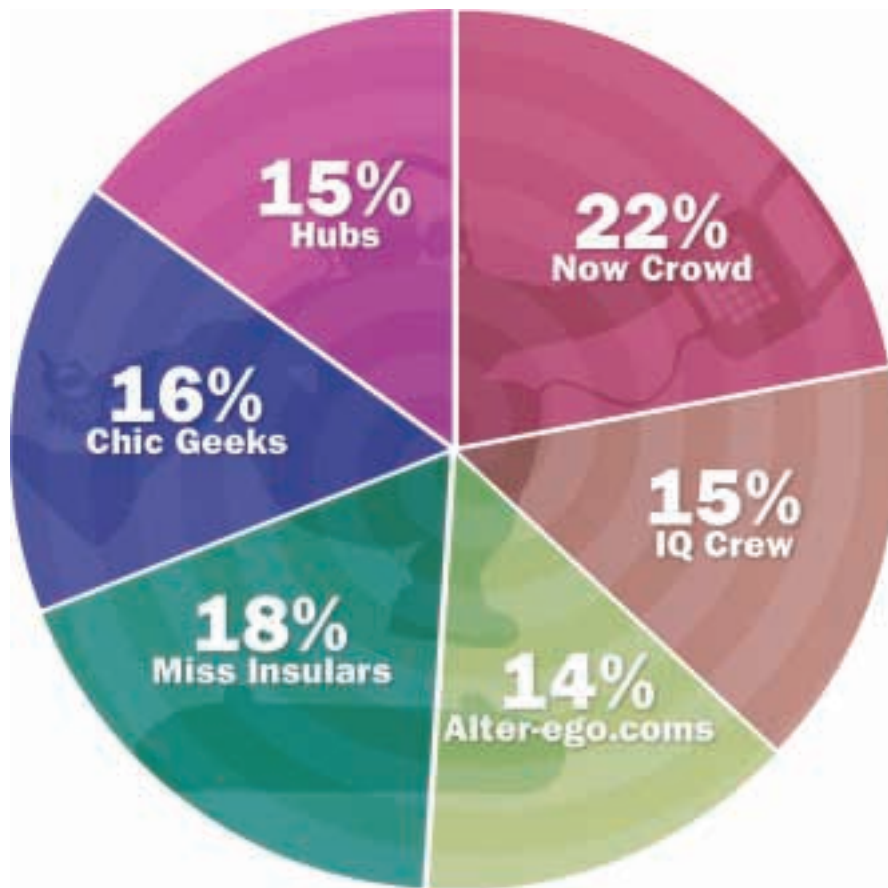
"The 'Now' Crowd" prefer the Internet when the objective is immediacy—when they want to find something to do right now.

"The IQ Crew" tend to select the Internet for practical activities—to research for school, to learn details about products, to verify information, or to research purchases.

"Alter-ego.coms" seek to find acceptance online. They want to be entertained online, but also like to show off things they have done, or discover new things to do in their spare time.

The 'NOW' Crowd

• 22% of the 13-24 year old population, the Now Crowd spends $32.5 billion annually and has the most market power.

• It is a young segment, largely suburban, and contains a relatively high proportion of African-Americans.
• The Now Crowd contains the heaviest media users and maintains a large social network of friends. They are comfortable in groups and uncomfortable spending time alone.
 • They tend to be big talkers and poor listeners, and avoid conflict in conversations when they can.
• They lead groups but generally say what they think the group wants to hear.

How to reach them with brand messaging

•This is an inspirational group, not natural but "wannabe" leaders, so give them "social currency"—information that will raise their standing and credibility within their groups.
• The role of brands to the Now Crowd is to help "brand" them as being the "Now" Crowd. Don't let them down, as they are influential and can spread negative word-of-mouth quickly.
• Your brand must fulfill its promises to them.
• They don't like celebrity endorsers because they want to be seen as the endorser.

THE IQ CREW

• 15% of the 13-24 year old population, the IQ Crew spends $24 billion annually.
• One of the older segments, its members tend to be disproportionately from eastern states.

• This is the most educated and smartest of all segments, but also the lightest media users and elusive to advertisers.
• They enjoy social situations but do not actively seek them out.
• They are known for listening skills and are most comfortable being alone.
• They sit back in groups and their opinions are carefully considered.

• They don't seek showy or ostentatious brands, nor do they seek brands as a way to get themselves noticed.
• This is the segment most concerned about the broader impact of brands on society, such as the environmental impact.
• Show them that your brand provides a good value for the money and that it's socially responsible.

Alter-ego.coms

• **14% of the 13-24 year old population, this segment spends $17 billion annually.**
• **Although having the lowest per capita spending of all segments, it has the highest online per capita spending.**
• **This segment contains the largest proportion of heavy Internet users.**
• **This is the least self-confident segment and does not express their opinions in groups.**
• **They like time to themselves.**
• **This group maintains an alter-ego online—they are more comfortable in a world they can direct and control.**

How to reach them with brand messaging

• **This is an "anti-advertising" segment—they don't feel brands can reach them and are virtually unreachable by TV advertising.**
• **They feel overloaded with information but take solace in the Internet, which affords them control.**
• **Provide them with the "signposts" they need to find your brand on their own.**
• **Help them self-discover the benefits of your brand—online.**

Miss Insulars

• **18% of the 13-24 year old population, this segment spends $26 billion annually.**
• **This segment is dominated by females and contains light Internet users but heavy readers.**
• **They are tech laggards and the least likely of all segments to own digital gadgetry.**
• **This is the least social segment of all; they don't find out about new innovations quickly as they are not steeped in media and don't hang out much socially.**
• **On the fringes of their social network they are not likely to express opinions.**

• **This segment seeks brand messaging that can fulfill needs they can't fulfill on their own—they need brands to become their friends.**
• **They are unconcerned about new trends or branding themselves with what they use, instead, they seek affirmation and acceptance in the brands they choose.**
• **Messaging should avoid confrontation or controversy—and appeal to parents as well as youth from this segment.**

Chic Geeks

How to reach them with brand messaging

- 16% of the 13-24 year old population, Chic Geeks spends $24 billion annually.
- Its members are disproportionately from urban areas and contain a relatively high proportion of minorities.
- They are early adopters of technology and heavy users of gadgetry. These are recommenders of products, and people do look to them for advice.
- They are the heaviest media users, with cell phones as constant companions.
- They have wide social networks that they actively cultivate.
- They want to be on the cutting edge of new things.

- Chic Geeks want brands to do just about everything.
- They are conspicuous consumers, and they're looking to brands to get them noticed.
- They want new news in their messaging—and want to be the first to hear it.
- Give them a sense of exclusivity with the information you provide to them.
- Image is important to them.

HUBS

- 15% of the 13-24 year old population, Hubs spend $26 billion annually and has the highest per capita spending of all segments.
- It is male dominated and is the oldest segment of all.
- They have the highest level of Internet usage of all segments.
- They are self-confident and better listeners than talkers.
- They hang in small packs but are the unquestionable leaders of the pack.
- Hubs most strongly influence what the group does and will shape the opinions of others.

- Hubs need to hear what they need to give their own, confident endorsements of the brand to others.
- They are self-assured and don't need brands to define them.
- Inform them on the quality and value of your brand.
- They seek assurances of quality, as they put themselves at risk as leaders of the group.
- Since they are a bit older, they seek more mature messaging.

MEDIA LANDSCAPE

TIME SPENT WITH INTERNET EXCEEDES TIME SPENT WITH ANY OTHER MEDIA

Media	Average hours per week
Reading books and magazines on your own (not for school)	6
Watching TV	13.6
Listening to the radio	12
Talking on the phone (including land lines and cell phones)	7.7
On the internet or World Wide Web (not counting email)	16.7
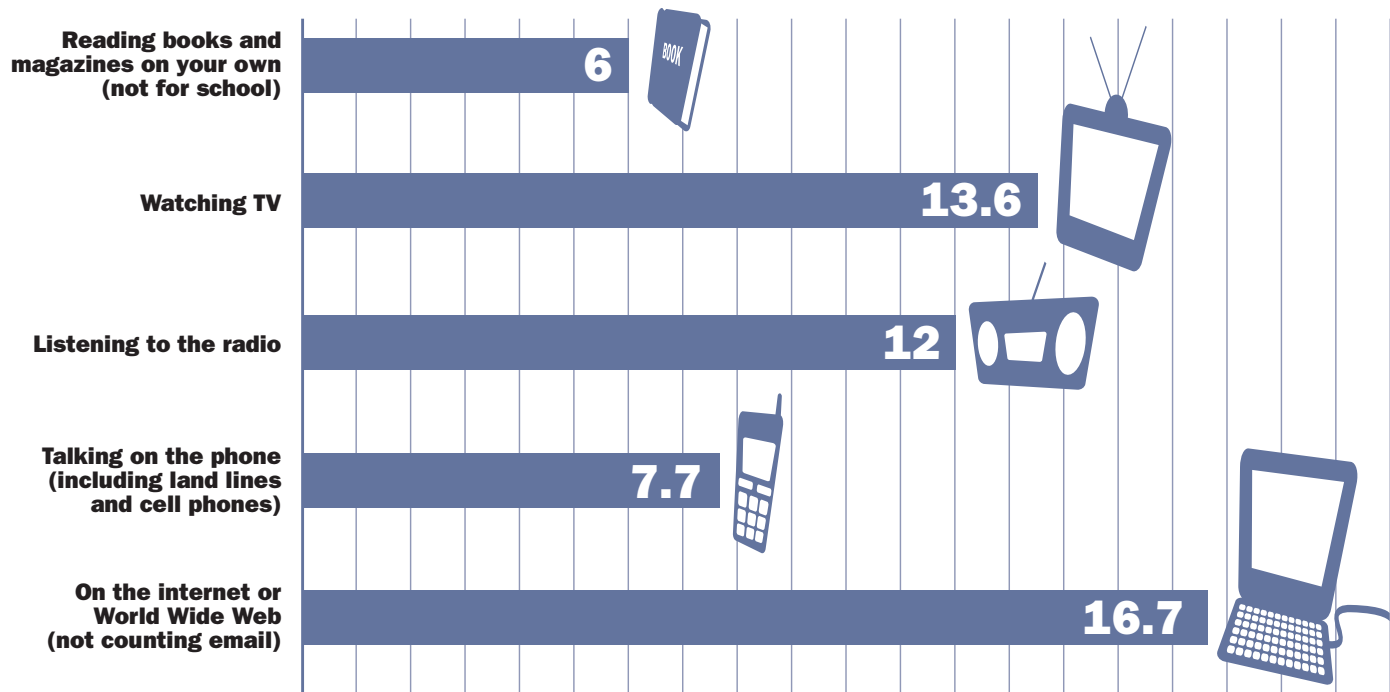
Base: All respondents (x=2618)

AVERAGE HOURS PER WEEK

Millennials thrive—and find empowerment in a fragmented media landscape that confuses and overwhelms adults.

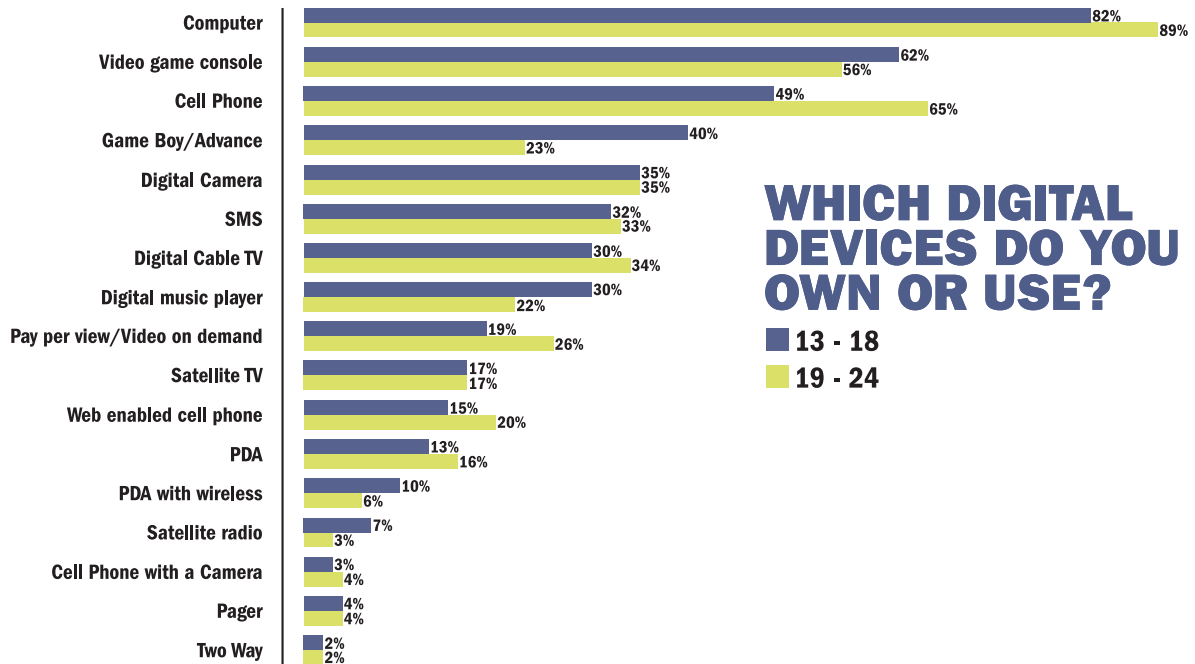Today's youth immerse themselves in media, and 2003 will go down in history as the age when Internet usage exceeded television viewership for the very first time. Multitasking (using various media simultaneously) is the Millennial's specialty, and the growth in the amount of media being used by young people is largely explained by their multitasking behavior. The 'Net plays a central role in their multitasking, acting as the "hub" media that they focus upon most.

"Currently Millennials use traditional media options as starting points for their online activity". For example, we found that Millennials seek new fashion trends from magazines, but once the trend is identified, more information about it is gathered online. New music trends are gleaned from the radio, which helps direct their online music experiences.

Are young people saturated with media?
Yes, and they wouldn't have it any other way.

"Last night, I was watching 'Sex in the City' on TiVo with my friend and my dad. I heard this song. I really wanted to download it, but I didn't know what it was called. So, first I went online and I tried to download. I couldn't, but then I was online. One of my friends who had been out of town was back, and I saw him online and we started talking. Then I went back to watch 'Sex in the City.' I just kept going back and forth. I was eating ice cream too… Then I checked my email… I wasn't doing any shopping. It was late at night. It was getting later. So I was just talking to people. No one really went out because it was Father's Day. If I'm going to do the shopping stuff it's usually in the morning or the afternoon. At night I don't really think about that—nighttime's more the social time online."
—Heather, 11th grade, Chicago, June 2003

WHICH DIGITAL DEVICES DO YOU OWN OR USE?

■ 13 - 18
■ 19 - 24

Device	13 - 18	19 - 24
Computer	82%	89%
Video game console	62%	56%
Cell Phone	49%	65%
Game Boy/Advance	40%	23%
Digital Camera	35%	35%
SMS	32%	33%
Digital Cable TV	30%	34%
Digital music player	30%	22%
Pay per view/Video on demand	19%	26%
Satellite TV	17%	17%
Web enabled cell phone	15%	20%
PDA	13%	16%
PDA with wireless	10%	6%
Satellite radio	7%	3%
Cell Phone with a Camera	3%	4%
Pager	4%	4%
Two Way	2%	2%

The ownership of digital devices permeates all segments of teens and young adults. This generation is characterized by their adoption of new media, and new media serve both as a tool for them and as a way for them to define themselves. Young people often lead the way with new technology, and this is a source of pride for the Millennial Generation. New media are important to them not just for what they can do with the devices, but because they are theirs.

MEDIA LANDSCAPE CONTINUED

WHEN YOU ARE ONLINE, WHAT ELSE DO YOU TYPICALLY DO AT THE SAME TIME?

Listen to CD's/MP3s	Eat	Watch TV	Talk on the telephone	Listen to the radio	Do homework	Read	Nothing
68%	67%	50%	45%	45%	45%	21%	5%
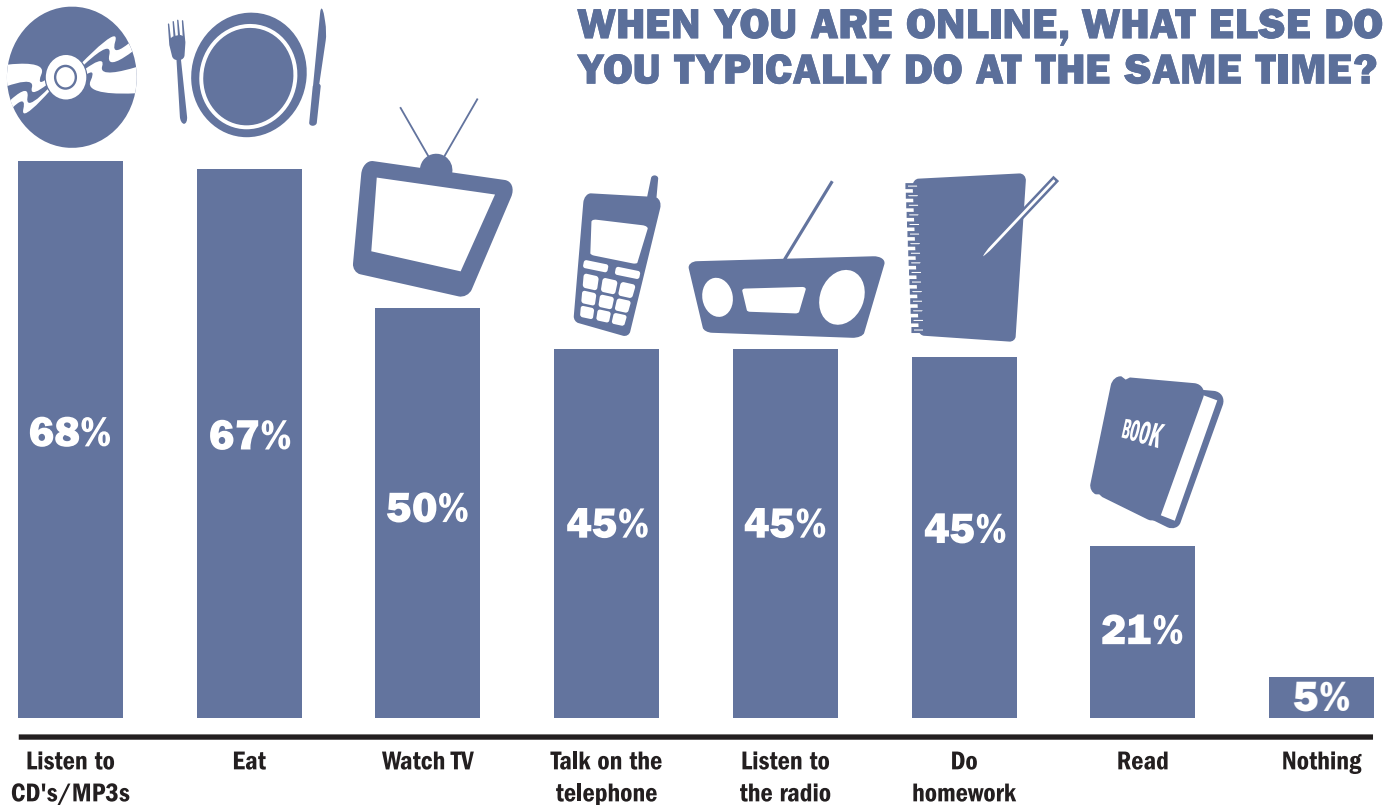
Online Media Choices

There are specific activities Millennials choose to do on the Internet:

• **Search engines:** It all begins here for Millennials. Young Netizens generally approach the Web with a known agenda of information they need to find, and search engines are their first stop.

• **E-mail** is preferred for showing off something (great digital photographs!) or exchanging information (party locations!).

• **IM** tends to be reserved for conversations with close friends (gone are the days of enthusiasm over public chat rooms with unknowns). Plus, it's common for several IM conversations to take place at once, adding to the Millennials' already-full media plates.

• **Games** are used for amusement or to escape reality.

• **Browsing** helps to search for new trends or the latest products. Note: few Millennials "surf" in an aimless sense—rather, they focus on key search terms and search engines to navigate to the content they need, with little dilly-dallying and wandering in the process.

• **Bookmarks** are utilized to find out about news and to investigate purchases. Bookmarks are the signposts Millennials build for themselves, breadcrumb trails that they use to cut through the irrelevant clutter that impedes passage on the Web.

MEDIA CHOICE

Online has become the Center of the Millennials' Media Universe

The Internet provides Millennials with more "choice" than ever before, and increasingly the Net is where they "choose" to go. The Internet is central to Millennials' lives – the nexus for their much-sought activities and content, and the foundation around their media lives. Respondents were shown a list of 28 activities and 32 content areas, and asked which was their preferred media for each. Not surprisingly, media selection decisions are driven by the activities and content they seek. The positioning map to the right shows that many activities cluster around the Internet, particularly activities that have an informational component to them.

Media Choices - Driven by Activities and Content:
On this map, activities that cluster around a medium indicate that the medium is preferred for the activity – and activities that are far away from a medium are not as closely identified with the medium.

Be amused or entertained

MOVIES

Learn about
breaking news

TELEVISION

Catch up on the news

**VIDEO GAME
CONSOLE**

Take a break/Escape
reality for a while

Tell somebody
something quickly

CELL PHONE

RADIO

Make plans to
meet with somebody

See what is on sale

Figure out what to
do in spare time

Hang out with other people

TELEPHONE

NEWSPAPERS

Find something to
do right now

Rebel against my parents

Communicate
with close friend

Learn ways to
improve family life

NONE

Learn about
managing finances

TWO-WAY

Discover what the
new trends are

Be reminded to do things

Exchange information
with somebody

MAGAZINES

Info on celebrities

Show off something I have done

Find out what the
latest products are

Find out where I
can buy something

Research for school

Be sure I have accurate
info about something

Look for details
about products

**COMPUTER WITH
INTERNET ACCESS**

Meet someone new

Take part in a contest

Comparison shop

Meet someone really
different from me

Findings from the choice analysis indicate:

- **The Internet** dominates and is the preferred medium for 16 of the 28 activities and 16 of the 32 content areas studied. The Internet is favored for content with an informational component, taking part in promotion and sweepstakes, and finding product details, as well as a more fun side of content, including information on celebrities, music reviews, sports scores, and even the weather.
Need-to-know fact: The boundless nature of the Internet is seen as liberating but challenging to Millennials. This is a generation that has had life structured for them and is respectful of authority and rules. While they are excited that the Web is without limits, in practice they spend much of their time separating the wheat from the chaff. Millennials seek efficient online search, and better ways to verify the credibility of what they find.

- **Telephones** (land lines and cell phones collectively) are preferred for communicating with close friends, making plans to meet up, or telling somebody something quickly. Cell phones and landlines are not seen as delivery platforms for content—they are currently viewed exclusively as communication devices.
Need-to-know fact: phones (and cell phones in particular) deliver two key benefits: assured privacy (knowing that someone you thought was a friend can't forward your thoughts to others) and, above all, emotional conviction. The Web's great for chatting about rational things (great bands, anticipated upcoming parties—and where to meet and when) but is not the first choice medium for emotional communication.

- **Television** was a secondary choice for many activities. TV is preferred for entertainment content and for content that requires immediacy—such as weather, news, and live sporting events. Notably, Millennials look to TV first for breaking news, as there is an assurance that only the latest information is being presented on TV.
Need-to-know fact: TV is a passive medium, an escape from reality. TV is finite (indeed, 200 cable channel choices pale in comparison to millions of Web sites),

and there are times when Millennials wish to escape from a world of vast choices.

• **Magazines**, are an initial stopping point for young consumers for information on trends, fashions, and celebrities. Magazines help to direct their online experience.
Need-to-know fact: magazines provide the ultimate in targeted, up-to-date content. Magazines call Millennials' attention to trends, news, and brands that editors have pre-filtered for relevance to readers. Assured of relevance, Millennials eagerly consume both the content and the advertising, reading magazines cover-to-cover. There is a satisfaction in knowing that they cannot possibly miss out on anything—if it's between those pages, they'll have access to it.

• **Radio's** ratings belie its importance. Though almost never the first-turned-to medium of choice, it's also almost never left behind. It's the consummately multi-tasked medium, an omnipresent soundtrack in Millennials' lives.

Need-to-know fact: About the only times when the radio's the standalone medium are the shower and the car—when the 'Net, TV, or magazines can't easily be co-consumed. For sheer pervasiveness, little beats radio.

• **Movies** and rentals are chosen for amusement or entertainment and when a young person feels a need to escape reality for a while.

• **Newspapers** are the preferred media choice to see what is on sale in stores locally or for information on local events and happenings. Newspapers aren't heavily read for the news by this generation.

EMOTIONS

The Internet evokes a full range of emotions

More than simply about "choice," the Millennials' Internet is about control.

Millennials gleefully describe the Web as a zone without borders, a limitless expanse of information, entertainment, and community they are eager to immerse themselves in. Describing the emotion of being online, in this qualitative research, Millennials vividly expressed excitement, freedom, immediacy, and most of all control over their experience—where they go, what they learn, what they buy, whom they talk to, and how they live their lives.

It's not like watching television, Millennials explain, where you have to wait for the weather to come on. And, it's not like the radio where play lists are dictated to them. With the 'Net, it's their schedule, their music, and their friends, essentially when they want it.

It's therefore not a surprise that their image of life without the Web is dire indeed. Millennials describe a life solely offline as barren, lonely, slow, and frustrating. And, worst of all, out of control, with their wings clipped and their, hands bound.

Focus group participants were asked to create collages showing how they feel when they are online (in the upper left) and what life would be like if the Internet disappeared from their lives

"Basically, I'm a big shopper. I go on the Internet, to Coach, Neiman Marcus, Nordstrom. And this little girl is happy to be on the Internet. That's the California DMV, because thanks to the Internet I actually made my appointment for DMV and got my permit. On the other side, a rainy day, because it's going to be very rainy and sad without the Internet. 'Fever' is for when you don't feel good—you're hot, you're mad. And then blah. There's my computer and I crossed it out, because I wouldn't even want it without the Internet."
— Britney, 16-year-old, Los Angeles, June 2003

BORN TO BE WIRED EXECUTIVE SUMMARY

"I mostly use the 'Net for my car. I use it to compare prices. Before I got my car I never realized how many different things are out there you can buy. The 'Net's really widened my perspective on what's out there. In the lower right, it's a rainy day, a world gone wild, and life at code red. It would be tough without the Internet. You wouldn't have all this information. There's probably only a couple of stores in this area that you can really go to and you don't have that much of a choice whether you get ripped off or not. With the Internet, you have so many choices. I would definitely be watching more TV."
— Odie, 20-year-old male, Chicago, June 2003

"I chose the yellow, orange and red colors because they're bright and happy. That's how I am when I'm online. It makes my life easier. I'm happy. Then down here is my life without the Internet. This guy is very mad. That would be me. Also this one is sad. Furious, in trouble, postal, thinly veiled anger. 'What next?' pretty much just shows my boredom, sitting around without the Internet. 'What next? What am I going to do?' If I'm bored at home I always know I can go online and there's going to be something for me to do. There's going to be people on for me to talk to. The colors are more blues and greens, sadder. Tormented: I would just be sitting, if I didn't have the Internet, trying to think of something to do. That would be my life."

— Vicky, 17-year-old female, Chicago, June 2003

MESSAGING AND MARKETING CONCEPTS

Reach Millennials by helping them find you

The Web is a complex and infinite media landscape, and Millennials seek direction. While young people like to be entertained online, they are predominantly there in a quest for information. They feel it is important that they can research effectively online and that sites make it possible for them to find what they're looking for. The dominance of the 'Net as a medium for young people derives from their ability to control it – to receive guidance but to be able to tame its boundaries. The Internet aids in self-discovery, as finding a new cool site or activity online is every bit as cool as finding out about a new product or brand.

Comments on importance of website features
(see graph on right)

FROM "GIVE YOU A PLACE TO DO RESEARCH":
"Without the 'Net, I don't think I would be disconnected from the world, but it would definitely take a lot longer to research things and I wouldn't know specifics." Tina, 22, Chicago, June 2003.

FROM "PROVIDE INFORMATION ON PRODUCTS":
"We just type in the product name or the brand name and the 'Net gives us every single thing. The only thing better might be to go into the store and actually look at the product." Mark, 20, Los Angeles, June 2003.

FROM "ALLOW YOU TO DOWNLOAD/SHARE MUSIC": "I still buy a lot of music. I use the Internet to find new bands to get into. If I like it, I will download it, but I also like having a CD" Carlos, 21, Los Angeles, June 2003.

The online world is seen as vast and limitless to young people, but it can also be frustrating if they appear directionless and inefficient. They are truly searching for sites and advertisers to erect signposts and on-ramps on the information superhighway, and to help make their online experiences more efficient.

HOW IMPORTANT IS IT THAT WEBSITES YOU VISIT CAN...

Category	13 - 18	19 - 24
Give you a place to do research	65%	68%
Make it possible to find interesting sites	63%	68%
Provide entertainment	67%	56%
Provide information and products	48%	64%
Allow you to download/share music	52%	47%
Give you the latest news	48%	57%
Tell you about things you can do	40%	44%
Allow you to download/share video	39%	33%
Allow you to interact with others	42%	26%
Display something you created	28%	22%
Enable you to be part of a group	25%	15%
Keep in touch with what celebrities are doing	16%	11%

■ 13 - 18
■ 19 - 24
(% Extremely/Very Important Shown)

BRAND MESSAGING

In terms of messaging, form follows function.

Millennials know what they want from brands. Their first, quite rational concerns are functional aspects of brands—they want a good value and a good, quality product.
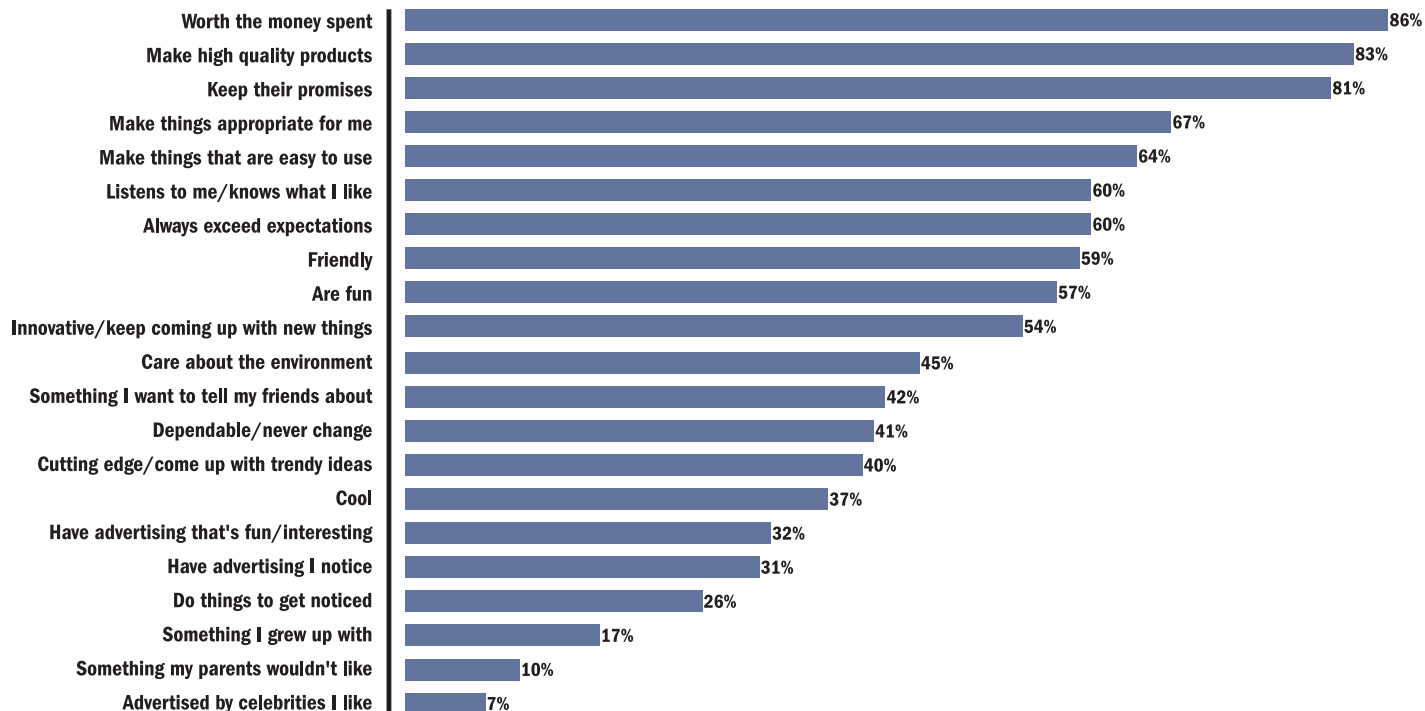
But they're also looking for brands to connect to; they want a brand that makes a statement to them, a promise to meet the needs of people their age and to do so in a relevant, cool, accessible way. And, brands are closely watched to ensure they maintain their authenticity and continue to live up to their promise.

Image is not everything to young people, and they seem to be telling us that image-oriented attributes of brands are only important once the functional aspects of the product are assured. Image and quality are interconnected.

That said, image could often drive perceptions of quality. A cool brand is given more leeway for quality, and many brands deliver image to young people as much as they deliver a product.

When asked directly, celebrity endorsements were not seen as important or relevant, although it was apparent that young people have a high level of knowledge of which celebrities endorse which products.

HOW IMPORTANT IS IT TO YOU THAT THE BRANDS YOU USE BE THE FOLLOWING?

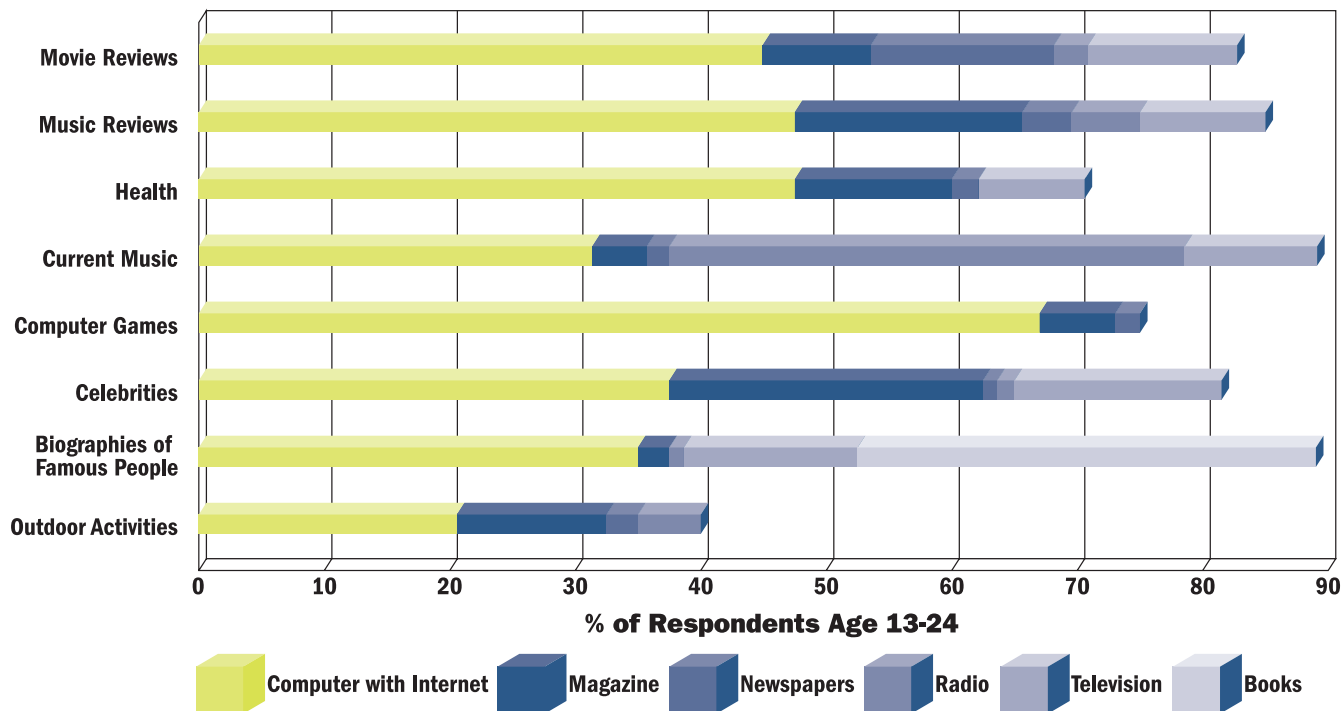|	
Worth the money spent	86%
Make high quality products	83%
Keep their promises	81%
Make things appropriate for me	67%
Make things that are easy to use	64%
Listens to me/knows what I like	60%
Always exceed expectations	60%
Friendly	59%
Are fun	57%
Innovative/keep coming up with new things	54%
Care about the environment	45%
Something I want to tell my friends about	42%
Dependable/never change	41%
Cutting edge/come up with trendy ideas	40%
Cool	37%
Have advertising that's fun/interesting	32%
Have advertising I notice	31%
Do things to get noticed	26%
Something I grew up with	17%
Something my parents wouldn't like	10%
Advertised by celebrities I like	7%

CONCLUDING THOUGHTS

Marketers, media, and advertisers have long sought the "fountain of youth" for their brands – the Millennial generation is large, powerful, and poised to change the definition of consumerism in America. To reach them, brands must go where they are, and more and more this requires using digital media not as support for traditional media, but as the mainstay of communications plans. Marketers cannot overlook the Internet's parity with television and traditional media, and how central it has become to the use of other media.

The growth of media choices and advertising clutter is bewildering to many adults, but not so to a generation that came of age in a fragmented media landscape. Fragmentation needs not result doesn't need to result in an elusive demographic – rather it requires successful advertisers to understand the choices young people make.   Marketing to this generation requires a new mindset. Increasingly, Millennials are consuming media on their own terms from a vantage of total control, and helping them discover your brand with new media will become essential to tapping into the enormous potential today's youth represent.

To reach them, you must go where they are, and the Internet has evolved from an interesting tool to the central medium in their lives.

INTERNET SETS THE STAGE AND IS
PREFERRED FOR MANY CONTENT CHOICES

When you are looking for the following, which media are you most likely to use?

% of Respondents Age 13-24

Legend: Computer with Internet · Magazine · Newspapers · Radio · Television · Books

Categories (top to bottom): Movie Reviews, Music Reviews, Health, Current Music, Computer Games, Celebrities, Biographies of Famous People, Outdoor Activities

Project Directors:

John Geraci, Vice President of Youth Research, Harris Interactive
Dan Drath, Research Director, Teenage Research Unlimited
Judit Nagy, Senior Market Research Manager, Yahoo!
Joanne Burke, EVP, Managing Director, Carat Insight, Carat
Michelle Lynn, VP Associate Director, Consumer Strategies, Carat

---

Research inquiries may be directed to:

Judit Nagy
Sr. Market Research Manager
Yahoo!
701 First Avenue
Sunnyvale, CA 94087
teen-research@yahoo-inc.com

Michelle Lynn
VP, Associate Director, Consumer Strategies
Carat Insight
3 Park Avenue
New York, NY   10016
mlynn@carat-na.com

General inquires may be directed to:

David Riemer
Vice President, Marketing Solutions
Yahoo!
701 First Avenue
Sunnyvale, CA 94087
driemer@yahoo-inc.com

Sarah Fay
President
Carat Interactive
360 Newbury Street
Boston, MA   02115
sfay@carat-na.com

Back in the Day (the pre-'Net day, that is):
"The whole surfing concept I didn't get. I was, 'What is that? Home page?'
I was worried that I was going to get lost on the Internet and I was not going
to be able to find my way back."
— Emily, 16, Chicago, June 2003,
on her first experiences with the Internet five years ago

On the online experience today:
"There are no limits when you're online.
You can do anything. It's pretty personal.
There's nothing like 'you have to do this' when
you're online. You make your own rules.
You do whatever you want to do."
— Lisa, 17, Chicago, June 2003

On checking out sites:
"The Internet can have so much more stuff than a magazine can.
The Internet may miss its mark a lot, but there's also the fact that
there are 50,000 Web sites for that specific topic. There's probably
one that's right for you— you just haven't found it yet. Being on the
Internet is like being at a newsstand and trying to find something you
like. You read the magazines and whatever comes in them,
that's what you've got."
— James, 16, Los Angeles, June 2003

On life without the 'Net—and auction sites in particular:
"I would probably own the same things, but I would have paid more
and I would like them less."
 — Eddie, 18, June 2003

On the need for assured fresh content online:
"If you're reading a magazine, and there's a certain person on the cover, they're going to
have a recent interview about that person. If you were to go on the Internet and go to
that person's Web site, it might be an interview from when that Web site just started."
— Marilyn, 17, Los Angeles, June 2003