

June 20, 2017

4 BRANDS WINNING OUT WITH MILLENNIALS (BESIDES APPLE)

YOUNG CONSUMERS AREN'T EXACTLY KNOWN FOR THEIR BRAND LOYALTY, BUT SOME BRANDS ARE MANAGING TO STAY FAVORITES AMONG MILLENNIALS AND GEN Z. WE'RE BREAKING DOWN FIVE WHO KEEP CAPTURING THEIR ATTENTION—AND WALLETS...

Young consumers today—both Millennials and Gen Z—have a reputation for being completely brand disloyal. According [to CivicScience](#), the number of 18-34-year-olds at least somewhat loyal to their favorite brands has decreased 6% (to 78%) since 2014. One expert says the preference of “new” over “known” is a modern phenomenon: “major trends in marriage, religion, politics, and corporate America have reframed expectations for surviving and thriving in this world. The consistent theme is that change is not something to be feared or avoided.” In Ypulse’s [research into young consumers' brand loyalty](#), we found that 78% of 13-34-year-olds consider themselves loyal to one or more brands—but 72% also say they are always looking for new products to try. It turns out young consumers today are Loyal-ish: they’ll stick to brands, but you have to do just the right things to keep them coming back.

While the news (and our own articles and newsletter) are filled with stories of brands who are failing to win Millennials over (sorry, diamond industry, Buffalo Wild Wings, and Nordstrom, just to name some recent examples) other brands manage to land on top of Millennials’ favorites lists again and again. Apple is, of course, the obvious example. The tech brand has stayed a Millennial favorite [for years](#), thanks in large part to [continuous innovation](#) and improvement. But they aren’t the only brand that knows how to charm Millennials. Here are five *other* brands that research (both Ypulse’s own and outside parties’) shows are winning out with young consumers—and some of the reasons why we think they stay on top with the generation.

DISNEY

In [a recent brand intimacy report](#) Disney took the top spot for the hospitality and theme parks industry—but perhaps more interestingly, the research found that Millennials especially “favor” Disney parks, and the “strength of nostalgia and indulgence” was cited as a primary influence for the age group’s preference in the unique study. Not only did Millennials report the deepest emotional bonds to Disney, but, overall, double the industry average were willing to pay a 20% premium for them. But Millennials’ love for Disney doesn’t stop there. According to [Ypulse's research](#), Disney is one of the top two companies Millennials want to work for, second only to Google. Morning Consult [found the same](#) in their ranking—where Google took the top spot across generations, but Disney’s high ranking was unique to Millennials. Some motivations for Millennials’ long-standing love for Disney are pretty easy to explain—they tend to [chase Neverland](#) and [keep their childhood interests in fantasy alive](#), and Disney lets them feel like a kid again. Nostalgia is a major driver of brand love here—and the brand has leaned into it, rebooting movies and TV shows that Millennials grew up loving. The parks, and their movies, also make them a brand uniquely linked to experience, which we know Millennials are driven by. At the same time, the brand has made some strategic moves to innovatively keep up with the generation even as they age up. From fashion designed [for grownup fans](#) to park food that seems [designed to be Instagrammed](#), Disney makes sure that their marketing efforts don’t leave out Millennials even if they’re not technically kids anymore. On social, Disney is quick to embrace platforms and create multiple accounts geared towards fans’ niche interests, from

crafting to cooking to fashion and beyond. They launched their Snapchat account in May 2015, and [quickly expanded](#) to four other accounts—including Disney Style and Pixar—that generated 15 million opens monthly as of September 2016. The combination of nostalgia, experience, and engagement has made Disney a perennial Millennial fave, with no signs of the love fading soon.

STARBUCKS

When we ask Millennials their favorite place to buy coffee, [Starbucks tops the list](#). In 2016, almost six in ten respondents named the chain famous for their red-cups and pumpkin spice as their favorite place to buy coffee products, and it was the top brand named among males, females, teens and 18-34-year-olds. A [recent Harris Poll](#) also crowned Starbucks as the top spot for best coffee, finding that Millennials voted restaurants higher than Boomers in all categories. But it's not just Millennials who love Starbucks—according to Piper Jaffray's [latest survey](#), Starbucks is the second favorite restaurant of teens as well. Not only is the chain everywhere (ubiquity is of course a part of becoming a dominant brand) but they've also perfected capitalizing on young consumers' tastes and behaviors, and turning beverages into social media stars. Their recent penchant for creating Instagrammable limited-edition beverages like [the infamous Unicorn Frappuccino](#) has helped cast them [as an innovative brand](#) among young consumers. A 13-year-old female told us, "They are always coming up with new recipes and new products to make things better. They used to be narrow and now they have lots of choices and more all the time." The brand has also learned to listen to their fans to find their latest creations, [tapping into "secret recipes"](#) that trend online to add new items to their menu—a move that makes consumers feel part of the creative process.

NIKE

Millennials and Gen Z can't seem to get enough Nike. When we ask 13-34-year-olds [their favorite fashion brands](#), Nike has been at the top of the list for multiple years. Comfort and quality are top reasons that they tell us the brand is a favorite, with almost one in four who named Nike as their favorite referencing the comfort of the clothes in 2015. A 22-year-old female shared, "They offer cute, fun and affordable clothing. It is also versatile in that it can be worn to work out or in public as part of a casual wardrobe." But comfort isn't the only thing that makes Nike a favorite. It also lands at the [top of the list of non-tech brands](#) Millennials find the most innovative, and interestingly, the reasons that young consumers named the brand were similar to the reasons they see Apple or Samsung as innovative: newness and constant improvement. Nike has (like Disney and Starbucks) also excelled at engaging fans on social media. They [were among](#) the three brands ranked highest in popularity among 13-39-year-olds in a report from Conde Nast Inc. and Goldman Sachs Group Inc., where researchers found that online presence was the "key contributor to the companies' success." When we reported on [the secrets of the most-followed brands on Instagram](#), Nike's Instagram [had more](#) Instagram followers than any other brand. The emphasis of their social posts is on inspiring and storytelling, each image feels like a snapshot of a larger narrative—not necessarily a snapshot of an ad. Their feeds feature a healthy mix of professional athletes and everyday athletes, allowing followers to feel they too could be a part of the culture Nike is creating.

AMAZON

How much do Millennials love Amazon? Oh, [we've counted the ways](#). The site topped our list of [Millennial & Teens' 10 favorite places to shop online](#) by a landslide in 2016, for the [second year](#) in a row. Roughly 60% of respondents named the online marketplace as their top spot to shop online. The site also made BOTH our list of overall brands [Millennials & Gen Z think are most innovative](#), and [the non-tech brands they think are most innovative](#). An analysis of the emotional bonds between brands and young consumers by independent agency MBLM [found](#)

[that](#) Amazon was the second most emotional brand for the group, second only to Disney. In the [Conde Nast/Goldman Sachs study](#) cited above, Amazon was voted the favorite retailer among men across all categories and was the top shopping app for women. The immense variety of products they can find there and the seamless shopping experience are huge draws. One female 21-year-old said of Amazon, “I can find all the things. All the things. Do I want a jar of peanut butter with my coloring book? Yes. Yes, Amazon, I do.” The site is majorly shaking up fashion retail as well. According to [Slice Intelligence research](#), almost 17% of all online clothing sales by 18-34-year-olds in 2016 were through Amazon—double the amount of the second most shopped online retailer. Amazon has been “ramp[ing] up its investment in fashion,” and its efforts, combined with seamless shopping experience and immense variety of product, are paying off—they even made the top ten on Ypulse’s ranking of 13-34-year-olds’ [favorite places to buy clothing](#). Convenience and innovation are the brands’ two “secret” ingredients in winning Millennials over—and with [near daily announcements](#) of new technology and shopping perks, they’re likely on track to stay on top.

Terms & Conditions: Use of this content must adhere to the Terms & Conditions, published at <http://www.ypulse.com/about-ypulse/terms>