

People-Based Approach – A Marketing Essential to Align With the Millennials

Dr.B.V.Jayanthi, Prof. Pushpendu Rakshit

Associate Professor, ITM Business School, Navi Mumbai, 8897782299

Assistant Professor, ITM Business School, Navi Mumbai, 9969356348

Corresponding Author: Dr.B.V.Jayanthi

ABSTRACT: Millennials are raised in a gadget-filled and highly networked marketing environment and received a great deal of attention from the marketers for being very optimistic and open to different products. Millennials look not for just products but a whole new customer experience while they shop. The probability of winning back a lost millennial customer is handsome if the marketer attempts behavioural marketing strategies through multiple channels. Though there are many versions of the age group of millennials, they are dexterous in comprehending various interfaces and visual cues which enables the marketers reach out to them cost effectively unlike interacting with Gen X and Y who need aggressive marketing communication. In this context, people-based approach to attract the millennials becomes imperative as they demand a customized communication style. Moving from breaking the advertising clutter to popularizing a brand, the marketers have come to a phase where they are forced to break the clutter to reconquer the millennial who was lost to the competitor. The paper 'People based approach – A marketing essential to align with the millennials' is a humble effort to throw light upon the deliberate communication by a few established brands to retarget the lost millennials. The paper also highlights the integration between the marketing strategies and the appropriate technological tools to reach the identified audiences. The paper involves application of appropriate statistical tools to the primary data from the millennial samples to appreciate the effectiveness of such communication in establishing individual human connections

Keywords: people-based marketing, marketing communication, human connection, segmentation and target marketing

Date of Submission: 25-10-2019

Date Of Acceptance: 10-11-2019

I. Introduction

Demystifying 'People-Based Marketing'

People-Based Marketing denotes a specialized targeting approach followed by a marketer wherein he follows a single individual potential consumer on every device, any browser or the different channels wherever he or she is operating on. This targeting happens both on the company's website and on the other sites. This way the marketer draws a reasonably good picture of the behavioural profile of the consumers and can capture his attention. In the process, he manages to generate exotic digital experiences for the identified consumer. Eventually people-based marketing integrates the traditional brick & mortar experience with the digital involvement. Just by making the consumer go through the digital experience, the marketer, through his technical know-how, figures out the consumer's purchase intentions and patterns. Thus, the so-called 'black box', that is the consumer buying behaviour, becomes comprehensible to the marketer to make his return on investment faster than expected.

II. Review of literature

According to McPherson (2016) Millennials are making the retailers reinvent and assess themselves as to whether they are consumer-ready. In a way he observed that the millennials want the strategies to make them engaged them on Facebook or Twitter and expect the reciprocal relationship with the brands. He further explains that millennials need to be involved in more fashionable and trendy loyalty programs in which their friends and peers are participating. Boston Consulting Group (BCG) observed in its press release in 2014 that millennials who make \$1.3 trillion market, engage vigorously with brands than the older generations and prefer better relationship with the brands and the marketers. The report also expressed that the millennials market transformed the ways the companies marketed their offerings online and offline. Generational groups are highly important as they have common values and experiences which influence their purchase intentions and shopping patterns according to Orden (2015). The 10 areas where the retail trends followed by millennials are evident and dynamic according to Kelton Global (2016), a marketing research firm based in the USA and they are nil

gender bias, essentialism, the influence of Snapchat, social currency, ‘specifically for me’ tendency, hassle-free customer experiences, extraordinary transparency, love of local and loyalty. According to the firm, these dynamic trends could give the marketers a clear direction as to where and how to market to the millennials. Christopher Donnelly and Renato Scaff (2013), in their research report for Accenture, identified the millennial customers as the most loyal ones if treated right. They further reiterated that in their survey around 55% of the samples wanted cheapest return option and around 41% practiced ‘showrooming’, that was to examine the products in a physical store and then shop them online. This was attributed to the high penetration of smartphones and digital marketing initiatives. Nimon (2007) explained that millennials are considered the techno generation because of the technologies like cell phones and social media which have also reflected and influenced their attitudes and values of lives. Belleau and Sommers (2007) observed that millennials are 3 times bigger than generation X. Millennials’ impact is visible in their increasing buying power. Sullivan in his article, ‘Supermarket & Retailer’ (2013) elucidated that e-commerce redefined the concepts of place which enabled the companies available online and offline

Significance of people-based marketing in the contemporary technology-driven economy

Moving towards people-based approach will necessitate the marketers to generate a strong understanding of their potential audiences, construct from the realistic consumer data and decide the strategies and activate marketing programmes based on the acquired data. For the purpose many companies may have to adopt new platforms to advertise and promote attractively to appeal to the new generation of consumers. The study is a humble effort to throw light upon such initiatives to align with the millennial consumers across media and channels and make the business profitable and exciting by the change-oriented companies which have understood ‘old doors do not open new ways’.

Role of Behavioural marketing in regulating people-based approaches

Behavioural marketing embraces a wide range of marketing strategies like email marketing, product recommendations, remarketing and many more. If these approaches are blended judiciously to grab the millennial attention, it takes the shape of behaviourally-based marketing. Instead of sending across a bunch of commercials with many brand information embedded in them, behavioural marketing considers the already available customer data like browsing history, recent searches and cookies to figure out the profile of the user and then customize the brand messages to suit the user’s requirement. This approach has a better conversion rate depending upon the effectiveness of the digital and media tools deployed for the purpose. The online offers available to a user become more accurate and precise based on the searches he made over the products and the related deals during his last few searches.

Managerial implications of people-based marketing

In today’s marketing spectrum, the marketers are equipped with varied tools which are effective not only in facilitating better analysis of the consumer’s preferences but also in tracking the outcomes of his marketing efforts and toil of a period. Google AdWords, Facebook, Snapchat, Instagram are some of the platforms where the consumers are consistently observed by the marketers. The millennial consumers of today refuse to take an ineffective advertisement which does not promise them enough value for money. This takes us closer to the significance and the ways and means of better analysis of millennials as potential customers. They are digi-savvy and their yearning to transform the planet into a technologically-knit village forces the marketers to follow them closely in every channel and on every platform.

Purpose of the study

Millennials are career-driven, educated and are not prey to the conventional advertising. They expect authenticity and trust in the brands advertised. They engage with a specific brand only after satisfying themselves about its consistent performance. So, it becomes imperative for the brands to be active on media and relevant too. The study focuses on those factors that make a millennial prefer a brand which seller wants to comprehend. The study thus provides a solid platform for those marketers in Mumbai, where it was conducted, to proactively fine-tune their efforts in more fruitful ways.

Scope of the study

In its report titled ‘Trend-setting millennials: Redefining the consumer story’, the global ace consulting firm Deloitte’s Indian unit had mentioned in no uncertain terms, that the millennials, the population between the age group of 18 and 35 is going to take all the attention of the marketers in which the millennials were named as Generation Y, and called the chief wage earners of the country with 47% share in the working age population. India has the maximum number of millennials in the world and Generation Y dominates the working population with 50%. The scope of the study obviously covers many areas of absolute significance like millennial mindset,

millennial behaviour and consumption patterns etc. In this direction, Flipkart's Big Billion day and Amazon's Big Billion day which the Indian consumers, especially the millennials witnessed in the month of October 2018. Software R made the study more result-oriented and ensured effective examination by extracting the relevant details of the online millennial participants to contribute superior lucidity to the issue faced by the marketers.

III. Data Analysis

Trend analysis was performed having Flipkart's Big billion day (between 10-10-2018 and 14-10-2018) and Amazon's Big billion day (between 10-10-2018 and 15-10-2018) as the field of study. The analysis was the result of using the real-time data collected from 500 millennial samples which was then run through R 3.5.1 programming language with R studio. This played a crucial role in extensively comprehending the typical mindset of the millennials about the marketer's tactics of following them on different media and channels. Polarity test has been done to throw light on the different degrees of emotions of the samples.

Research design

Descriptive research was selected which was expected to give a clear view to the marketers about the millennial mindset. The study used Sentiment Analysis via Twitter, social media platform to understand the millennial mindset and accurately identifying and categorizing their positive or negative views on being followed by the marketers on various media and channels based on their recent searches

Data collection

- a. Primary data was collected through structured questionnaires circulated online, through WhatsApp and direct responses by interacting with the millennials
- b. Secondary data on the consumption patterns of the millennials and their perceptions was collected from the online and printed literature

Sampling technique

Purposive or judgmental sampling technique was applied to select the samples as the researchers had a set of criteria which each sample had to satisfy to qualify as one

The samples of the study,

- ✓ belonged to the age group of 18 to 35
- ✓ had sound digital knowledge
- ✓ had used digital platforms either to search for products or purchase them
- ✓ had understood the marketing intentions on the digital platforms and channels

As the millennials are content creators and produce videos, images, experiences etc, they get connected with those brands which give them space to create content for them and tools to do the same. The expanded social networks facilitate peer affirmation before a purchase decision is made. Millennials live in an experience-based marketing world which allow them to co-create an innovation.

IV. Research Finding and Analysis through Sentiment Analysis on Twitter

From this exhibit 1, we can understand that a greater number of customers possess positive outlook as compared to being negative. Also, a good number of customers have trust on the brand as compared to anger, disgust, sadness, fear and surprise. Anger / Sadness / Fear may look higher than joy due to dynamic pricing or quality of the products or services. This output depicts that still customers feel positive about Flipkart's Big billion day.

Product Recommendation Match

	Observed N	Expected N	Residual
• Yes, 100%	12	12.0	.0
• Yes, to a great extent	29	12.0	17.0
• Yes, but to a limited extent	9	12.0	-3.0
• Not much	5	12.0	-7.0
• I do not bother if they do	5	12.0	-7.0
Total	60		

Recommendation Based Loyalty

	Observed N	Expected N	Residual
• Yes, I have not only become loyal but also an advocate of a few brands	11	12.0	-1.0
• Yes, I have	25	12.0	13.0
• I just watch the recommendations but yet to buy	8	12.0	-4.0
• Recommendations do not align much with my preferences	7	12.0	-5.0
• I do not much consider the unsolicited recommendations	9	12.0	-3.0
Total	60		

Test Statistics

	Product Recommendation Match	Recommendation Based Loyalty
Chi-Square	33.000 ^a	18.333 ^a
df	4	4
Asymp. Sig.	.000	.001

Inference: As the $P < 0$, there is significant relationship between the product recommendation alignment and the subsequent loyalty based on the accuracy of the recommendation null hypothesis is getting rejected. It goes to show that people develop a sense of loyalty towards those brands which, through their online follow up, match the product search of the customers.

VI. Recommendations To The Marketers

- ✓ The marketers should be willing to meet the potential customers online. This will help the customers understand the business and the marketing objectives.
- ✓ The marketers need to communicate with the online customers as frequently as possible with the offerings which they had looked for online and may attract them. It may be a frustrating experience if a customer is consistently followed online on different media and browsers, but if the follow-up takes place in the right direction like introducing the new products which may suit the recent searchers and fit his price preferences, chances are there that the follow-up may end up profitably to both the parties.
- ✓ To provide such sought-after products, it is advised that the marketer does effective research on the consumer behaviour of the millennials and their dynamic choices and buying patterns
- ✓ Content creation and management proves vital for pitching at the millennials. Such contents must throw light on the brand features, identity and equity. It should also add enough value to the customer’s online experience and align with the brand image that is aimed at by the marketer.
- ✓ The online marketer must possess substantial knowledge about the millennials to interact with, focusing mainly on their behaviours, peer interactions, commercial interests and quick-changing lifestyles. The millennials presume that the marketers align with them in every aspect of marketing initiative.
- ✓ Mobile-friendly websites for the technology-savvy millennials will be an ideal platform to initiate marketing communication and have a profitable collaboration as the hand-held devices like a tablet or a smartphone play a crucial role in connecting with the potential millennials
- ✓ The social accounts of the brand need to be audited periodically to weed out any unprofitable and unyielding accounts and prevent utilization of resources on them.
- ✓ Major social platforms need to be researched upon very frequently when the millennials are active on them just to observe what they pay attention to and share among their networks

References

- [1]. McPherson, S. (2016). How Millennials Are Changing The Face Of Retail Shopping. <https://www.aabacosmallbusiness.com/advisor/millennialschanging-face-retail-shopping-025220847.html>
- [2]. 'The millennial generation is changing the face of consumer marketing', January 15th, 2014, BCG press
- [3]. release
- [4]. 'Surveying Strategy – research tactics for engaging millennials' – white paper, Kelton Global, April, 2013
- [5]. Christopher Donnelly and Renato Scaff, 'Who are the millennial shoppers? And what do they really want?', Accenture, The journal of high-performance business industry report, Volume 2, issue 1, 2013
- [6]. Nimon, S (2007) Generation Y and Higher Education: The Other Y2K Journal of Institutional Research 13(1), 24–41
- [7]. Belleau, B. D., Summers, T. A., Xu, Y., & Pinel, R. 2007, Theory of reasoned action purchase intention of young consumers. Clothing and Textiles Research Journal, 25(3), 244257
- [8]. Supermarket & Retailer (2013) SA retailers urged to adopt e-commerce to retain clients [Accessed 2 August 2016]

Bibliography

- [9]. David Lingelbach, Anthony Patino, Dennis A. Pitta, (2012) "The emergence of marketing in Millennial new ventures", Journal of Consumer Marketing, Vol. 29 Issue: 2, pp.136-145
- [10]. Marguerite Moore, (2012) 'Interactive media usage among millennial consumers', Journal of Consumer Marketing, Vol. 29 Issue: 6, pp.436-444
- [11]. Geoffrey P.Lantor (2014) 'Marketing to Millennials: Reach the largest and most influential generation of consumers ever', Journal of Consumer Marketing, Vol 31, Issue:5, pp.401-403

Dr.B.V.Jayanthi. "People-Based Approach – A Marketing Essential to Align With the Millennials " International Journal of Business and Management Invention (IJBMI), vol. 08, no. 10, 2019, pp 39-45