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Social Media Perceptions and Usage by Generation Y and Relevant Marketing Implications

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One of the most common ways in which Internet users connect and network with each other is through "social media." Social media is the content that is provided and maintained by the user on a Web site. It is clear that social media such as Facebook and LinkedIn are becoming increasingly pervasive in the lives of students, professionals and consumers. A literature review, as well as the results from our survey reveals that not only have social networks evolved rapidly during the last few years, but so too have consumers' behaviors. Subsequently, marketing strategies and tactics, and the potential for practitioners to understand and exploit such knowledge may be influenced by these findings. This research seeks to better understand the current perceptions and use of social media members of Generation Y; and to consider the implications for marketing practitioners.

Introduction

It is well-known that marketing practitioners have developed generational marketing programs for each generational cohort since members of each generation have distinctive communication characteristics and behaviors. Marketers that do not try to understand these distinctions and the particular needs and wants of this group will not be successful with them. Generation Y grew up with the computer as an appliance and have mastered its use for many aspects of their lives, particularly communication. Communication is a key reason for the use of social networks. Hart and Blackshaw (2006), explain that at the core of social networking sites are virtual communities, where, as in physical communities, members come to know and trust each other. While Baby Boomers and Generation X embraced e-mail, Generation Y prefers social media. When marketers try to connect with Generation Y consumers, "old school" e-mails do not work very effectively. A study by Participatory Marketing Network (PMN), found that only 28% of those between ages 18 and 24 indicated that the email they are currently receiving from companies is relevant to them. They prefer more innovative e-mails over which they have more control (Pekala 2009). Nearly a third (32%) indicated that they would like to share promotional e-mail offers with members inside a social network and open e-mails from others. What Gen Y consumers prefer is an open social media format to traditional e-mails. The PMN study reported that about half (51%) indicated that they would join a social network dedicated to managing brand interactions (Pekala 2009). Another PMN study found that 99% of Generation Y has an active profile on at least one social networking site, while only 22% are using Twitter (Penna 2009). Not all social networking sites are equally valued by Generation Y. While communication is the primary behavior of Generation Y on social networks, and is a major

theme of this research, this research will also reveal other behaviors.

Social media, also called consumer generated media, or Web 2.0, refers to media that has been created and driven by the consumer. The primary benefit of social networking is that it satisfies some consumers' need for a sense of community (Dickey, Lewis, Siemens 2008). These online communities are places where consumers can ask for or give advice and insights. Such conversations can often revolve around a company or product; a fact that marketing practitioners need to recognize. Consumers make recommendations about brands to others. In addition, they frequently and willingly associate themselves with particular brands; and marketers need to be aware of this phenomenon (Klaassen 2007). Hart and Blackshaw (2006) found that consumers will go to social networking sites (SNS) for product information if they believe that they will learn from the product or service experiences of other consumers like themselves. The main advantage of social networking sites to consumers is that they are easy to find and readily available. If the foregoing is true, then the odds that consumers will actually post their own product experiences on these sites are increased. Social media has become the new vehicle for word-of-mouth advertising; and more. In the Burson-Marsteller 2010 Social Media Check-up Report, it was found that, between 2007 and 2009, social networking marketing spending increased 165.8%, from \$884 million to \$2.34 billion. The total amount of time spent at social networking sites has increased 210% in the last year; with the average person spending 143% more time on these sites than they did a year ago (Burson-Marsteller 2010). As a result, people are creating more content. This growing phenomenon is generating more opportunities for marketers to have a presence in these social media spaces. Frazier's (2010) research found that social networks such as Facebook and Twitter are revolutionizing the way companies market products.

In order to successfully connect with Generation Y it is imperative to first understand their demographics. Members of this large generation (75 million) are often referred to as the "Millennials" or as the "Echo Boom" generation. They were born, roughly, between 1977 and 2000 (Eisenberg 2010, Simons 2010). Members of this generation range in age from 10 to 33 years of age. As with any generation, members of this generation have been shaped by various current events such as advances in technology, and other significant moments of their relatively brief lifespan. Generation Y, specifically those in the United States, are often seen as being shaped or influenced by events such as school shootings, the Oklahoma City bombing, September 11, terrorists' activities, and the Iraq War. They have been exposed to AIDS, drugs, rapidly improving technology, reality TV, and MTV (Barnes 2009). Members of Generation Y were born into a period

of rapid globalization and significant advances in technology “...where many of the limitations of time and space have been overcome by further advances in information and communication technology” (Savage 2006). Some of the most significant changes have been the advent of the personal computer, the cell phone, the Internet, and other digital technologies” (Tapscott 1998). They have been conditioned to accept and utilize the latest technology to multi-task, and to be constantly entertained. In fact, “...with TVs, computers, MP3 players, cell phones and instant messaging as an integral part of their lives, the Millennials have become masters of multitasking” (McAlister 2010). This generation was born into a period of general economic growth and expanding prosperity. For the most part their parents have provided for them, and seemingly, have given them much of what they want in life. Consequently, Generation Yers may become easily bored or frustrated with outdated technologies and out-of-date “know-how” by older generations. They are interested in instant gratification and prefer to move quickly from one task to another (Barnes 2009). As a result, marketers must keep up with technological advances valued and used by this generation in order to effectively communicate and connect with them.

Despite how marketers may feel about Generation Y and their unique characteristics they need to recognize the importance of this generation on our society, our economy, and on the promotion of individual brands. With the exception of the aging Baby Boomers, Generation Y is the only future expanding market (Gronbach 2006). Generation Y will directly impact society and the economy by their work habits, purchase decisions, investment strategies, and general ways of life. Generation Y is a market segment that is too large to be ignored.

Research Instrument

An online survey was conducted to help better understand the perceptions, awareness and use of social media by members of Generation Y. A 22-question survey instrument was created to examine the purchase behaviors of Generation Y, as well as provide some insight into their online activities, awareness of, and thoughts about advertising and marketing preferences online. A draft of the survey instrument was voluntarily pretested by approximately 22 marketing students, and changes were made where appropriate.

Sampling

Potential candidates for sampling included recent, or current male and female members of university and college student bodies who were 18 years of age or older, but still within the Generation Y parameter (under 33). Because of limitations presented by resources and time, sampling was based on convenience, as well as respondent access and willingness to respond to the survey.

Distribution

The research instrument was created on SurveyMonkey.com. Links to the survey were distributed by electronic mail, as well as posted to three consumer generated media sites (Facebook, LinkedIn and Twitter). Postings on these three social networking sites limit the generalizability of results. A direct email was sent to a convenience sample of Generation Y by a student at the university to her classmates, coworkers, friends and other acquaintances that met the sample frame requirements, with a

request to take the survey. Respondents were also asked to forward the link electronically to other friends, coworkers and classmates in Generation Y. A separate email was sent to all registered students with marketing majors and minors at the university asking for their participation and response. In terms of the social media component, the survey link was posted once a week for three weeks on personal social media pages. This survey methodology produced usable results. However, it must be recognized that the survey was not a probabilistic sample, and therefore, the statistical results cannot be projected to the entire Generation Y population.

Respondent Demographics

The survey produced 416 usable responses. Responses were received from 24 U.S. colleges and universities, and two international colleges and universities. Respondents’ demographics: 41% male, 59% female, 5% freshmen, 13% sophomores, 20% juniors, 45% seniors, 6% graduate students, and 11% other (did not attend, or graduate from college).

Social Networking Site Awareness & Use

In order to determine the extent of awareness of social networking sites, respondents were asked whether they had heard of eighteen different social networking sites—Facebook, MySpace, LinkedIn, Twitter, Last.fm, flickr, bebo, Blogger, Friendster, Digg, LiveJournal, Orkut, Hi5, Ryze, xanga, Care2, MiGente, and Yahoo! 360. Generation Y’s awareness of seven of the most popular Web sites is as follows: Facebook (100.0%), Twitter (92.0%), MySpace (90.0%), LinkedIn (86.0%), flickr (75.0%), xanga (46.0%), and Blogger (39.0%). The top four sites are quite well-known; and there is a large drop-off after the top five most heard of sites. Awareness of all other sites ranged from 0.9% to 32% of respondents.

In order to examine Generation Y’s Web site behaviors respondents were asked how frequently they use each of the eighteen sites. Possible answers included, every day, a few times a week, about once a week, several times a month, about once a month, less than once a month, or never. Table 1 below shows the percentage of respondents who were aware of each social networking site (SNS), and the percentage of respondents who use each site once a week or more. Facebook has the highest frequency of use once a week or more (97.0%), with the next highest frequency of use being LinkedIn (38.0%), followed by Twitter (22.0%), and digg (21.0%).

Facebook vs. MySpace (and other Contenders)

According to Vercillo (2010) there has been an interesting

Table 1: Awareness vs. Frequency of Use

SNS	Awareness	Use Once a Week of More
	%	%
Facebook	100.0	97.0
Twitter	92.0	22.0
MySpace	90.0	1.0
LinkedIn	86.0	38.0
flickr	75.0	2.0

Xanga	46.0	0.0
Blogger	39.0	2.0
LiveJournal	33.0	1.0
digg	31.0	21.0
friendster	22.0	0.0
Last.fm	21.0	3.0
Yahoo!360	19.0	1.0
bebo	18.0	0.0
delicious	13.0	1.0
orkut	5.0	0.0
Hi5	4.0	0.0
Ryze	1.0	0.0
Care2	1.0	0.0
MiGente	1.0	0.0

shift in the usage and users of Facebook and MySpace. MySpace began with teenagers as the target market while Facebook was created with college students in mind. In the beginning a person needed a college e-mail address in order to sign up on Facebook. As the two sites have matured their usage has changed. While many of those in Generation Y have accounts on both sites the preferred usage has changed, and is changing significantly toward Facebook (Vercillo 2010).

Respondents were asked to respond on a scale of 1 to 5 how much they liked (5) or disliked (1) each of the eighteen social networking sites. Answers varied for each site, but the difference between Facebook and MySpace is worth noting. Of those who indicated how much they liked or disliked Facebook (n=403), 85.2% said that they liked it. Of those who indicated how much they liked or disliked MySpace (n=143), only 1.1% liked it. One of the main reasons for such a result may lie in the number and significance of applications available on each of the sites. Facebook has a significantly greater number of applications available to users. In fact, Facebook is designing new applications at a frenetic pace. Many of these applications are very customer-oriented and are designed to assist with the professional networking that takes place on Facebook (Vercillo 2010).

Facebook and MySpace have inverse usage results. These drastic differences suggest that MySpace may no longer be a prominent social networking site for Generation Y. Facebook would be a much better venue for marketing time and dollars than MySpace. It should be noted that the survey instrument was posted on Facebook, but not on MySpace; a fact that may have skewed results in favor of Facebook. However, other data support the swift move by Generation Y to Facebook from MySpace on a broader, more general level. Table 2 displays results from a comScore (2010) study that reports the percentage change in U.S. visitors to three popular social media sites from January 2009 to January 2010. From January 2009 through January 2010 Facebook unique visitors increased by 96.5%. Over the same time period MySpace unique visitors decreased by 23.5%. This trend seems to indicate that MySpace may increasingly become a network of the past. In order to reach members of Generation Y, practitioners must look beyond MySpace for Generation Y connectivity. Facebook continues to grow in use, and is well-liked among Generation Y consumers.

Table 2: U.S. Visitors to Social Networking Sites Jan 2009 vs. Jan 2010

Domain	Unique Visitors Jan 2009	Unique Visitors Jan 2010 (000)	Audience Reach Jan 2010 %	Growth Unique Visitors %
Facebook.com	57,232	112,442	53.2	96.5
MySpace.com	75,639	57,828	27.7	-23.5
Twitter.com	2,604	21,785	10.4	836.6
Total	191,863	208,940	--	8.9

Source: comScore 2010

The third and fourth most well-known sites, LinkedIn and Twitter, were compared as well. Of those who answered the question, and indicated whether they like or disliked the site, 47% liked LinkedIn, 5% disliked the site, and 47% answered “don’t know/no answer.” Of those who answered the question, and indicated whether they like or disliked the site, 25% liked Twitter, 23% dislike it, and 52% answered “don’t know/no answer.” LinkedIn has a much smaller percentage of “dislike” responses comparatively; but Twitter has a somewhat larger “don’t know/no answer” base that, potentially, could expand and capture more “like” responses in the future. This would seem to suggest that, presently, LinkedIn would be both, a smart place to advertise, and a place to build a company profile. This site appears to be growing more popular with Generation Y, and is not as polarizing as Twitter.

The results of the last three of the seven most well known sites were compared as well. However, the percentage of respondents who selected “not applicable” for Blogger was 84.0%, for xanga 89.1%, and for flickr 75.9%. While these sites are relatively well-known, they are not used sufficiently enough by Generation Y to justify expending marketing efforts and resources on them.

Ad Awareness and Subsequent Action

Table 3 shows how frequently Generation Y noticed advertising on social networking sites (SNS) they visit; and how likely they would pursue such an ad, and make a purchase based on this advertisement.

Table 3: Frequency of Purchase Based on SNS Ad

Frequency	Noticed Ad%	Pursued Ad%	Purchased Based on Ad%
Very often	29.8	0.7	0.2
Often	26.8	2.6	1.6
Somewhat often	38.2	34.4	9.6
Never	4.7	61.8	88.1
Not applicable	0.5	0.5	0.5

It was found that 94.8% of respondents noticed advertisements on social networking sites somewhat to very often. It was also found that 37.7% of respondents are likely to pursue an ad somewhat to very often. A striking 72.1% of these respondents were women. Consequently, it can be inferred that Generation Y women visiting social networking sites are somewhat to very likely to pursue an advertisement. Somewhat disappointingly for marketers, only 11.4% of respondents are likely to somewhat to

very often make a purchase based on an ad seen on a social networking site. Interestingly enough, however, the majority of these respondents were males. So, while women are more likely to pursue an ad, men are more likely to make a purchase decision based on the SNS advertisement. These results suggest two key insights for advertisers on social networking sites. The first insight, as stated above, is the likelihood of a Generation Y female to pursue an ad on social media. The second insight is that Generation Y men are willing to make purchase decisions based on ads, and thus must be motivated to connect with the advertisement. These insights suggest to practitioners the importance of targeting Generation Y men with messages that they connect with and serve as a purchase impetus for these males.

Standout Ads

The type of advertisement used on social networking sites is an important factor in grabbing the attention of, and connecting with the consumer. For example, the above insights describe the importance of creating the most appropriate type of message to motivate Generation Y men to make purchases. In this survey respondents were asked what kind of ads stood out the most out of seven commonly utilized online advertising options. The type of online advertisement used could significantly change the outcome of the ad's effectiveness. As a result, respondents were asked how much each of the following types of online ads stood out for them: pop-ups, banner/tower, video, sound clips, humorous, personalized to you, and personalized to the Web site. See Table 4. Humorous ads appear to stand out the most for both men and women. Generation Y males notice video ads more than females, while females notice more personalized advertisements more than males. Marketers targeting Generation Y females should consider using messages that are personalized to the individual, or to the site that she is visiting. Such hyper targeting may not be as important for males. However, when trying to reach males, practitioners may want to use video advertisements; keeping in mind that humorous ads are the most noticeable form of online advertising. As can be seen in the table, sounds clips are the least noticeable form of online advertising for both men and women, followed by pop-up advertisements. Again, it is important for a marketer to recognize this fact as it may allow him or her to spend marketing dollars more wisely. It should be noted that the options presented to respondents are not mutually exclusive. For example, an ad can be both personalized and humorous, or pop-up, etc.

Table 4: Type of Ad that Stands Out the Most

Type of Ad	Male%	Female%
Humorous	45.0	45.0
Personalized to you	31.0	49.0
Personalized to the site	22.0	49.0
Video	35.0	23.0
Banner tower	21.0	30.0
Pop-Up	15.0	18.0
Sound clips	10.0	13.0

It was found that 43% of respondents who notice advertising "very often" on a social networking site said that humorous ads and ads personalized to them stand out the most. Likewise, 51.3% and 46.0% of respondents who notice advertising "often" find the same ads, respectively, to stand out. Another interesting finding is that 40% of respondents who claim they never notice advertising said humorous ads stand out the most, followed by 35% listing

video advertisements. These insights can help marketers reach those Generation Y members who claim to never notice advertising on social media. If used strategically, practitioners could be successful in connecting with, and tapping into these consumers who claim to currently lack ad awareness.

Gathering Product Information and Online Shopping

Respondents were asked how frequently they engage in several different online activities while using the Internet. Among answers such as "Email" or "News," respondents could also disclose the frequency with which they gather product information on the Web. Related options included "shopping" and "buy products." Table 5 shows the breakdown of frequencies between men and women in terms of how often they use the Internet to gather product information. As can be seen, 80% of males use the web to gather product information about once a week or more, and 75.4% of females do the same. Regardless, the percentage of men and women gathering information during these two periods is about equal. It is important to recognize that many respondents use the Internet for the purpose of learning about new products. These findings lend support to the idea that viral marketing on the Internet (there are other forms of viral marketing) is a substantial and growing tool for disseminating information to Generation Y consumers.

Table 5: Frequency of Gathering Product Information

Frequency	Males%	Females%
Every day	12.9	15.1
A few times a week	47.3	32.2
About once a week	19.8	28.1
Several times a month	11.0	14.8
About once a month	5.9	4.6
Less than once a month	3.1	2.6
Never	0.0	2.6
Total	100.0	100.0

Table 5 results also show that most Generation Y males (80.0%) and females (75.4%) are gathering product information online about once a week, a few times a week, or every day. Marketing practitioners need to learn as much as possible about the product search behaviors of Generation Y and what motivates their behaviors. This knowledge will help advertisers create more effective and efficient advertising and promotion programs.

Credibility

Another important finding from this survey of Generation Y is the value placed on the source of information; or who is "talking" about a business or a product. Respondents were asked how valuable they felt information found on a social networking site would be if the writer, or author, was either a consumer's opinion about a product, or a business promoting a product. Table 6 shows that 88.9% of respondents felt that information provided by a consumer would be somewhat to very valuable, while 77% felt the same way about a business. These results should be encouraging to businesses who want to implement promotion efforts on social media sites. While product information coming from a business is not as influential as consumers' opinions it is still quite high.

Table 6: Value of Consumer vs. Business Information

Value	Consumer%	Business%
Very Valuable	24.5	15.2
Somewhat valuable	64.4	61.8
Not at all valuable	11.1	23.0
Total	100.0	100.0

Conclusion

The online world is constantly shifting, and marketing practitioners have a responsibility to understand how such changes might influence consumers' behaviors, as well as marketing promotion strategies and tactics. Decisions on how and when to effectively exploit traditional communications as well as social media options are difficult ones. One decision that seems quite clear, however, is that social media efforts need to be targeted to specific audiences (such as Generation Y), and all information disseminated must be relevant to them. If this research suggests any one overarching theme it is one of relevancy. Members of Generation Y are well aware of marketing and are even willing to participate in the promotion efforts of businesses by way of giving their opinions about products (goods and services) online. The results of this research suggest that the Generation Y target market implores practitioners to be relevant and specific to their needs, wants, likes, and interests. Social media presents marketing practitioners with a vehicle through which they can be relevant and meaningful to this demographic. When composing marketing strategy plans marketing practitioners need to understand this benefit and put forth the effort to effectively utilize consumer generated media outlets.

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