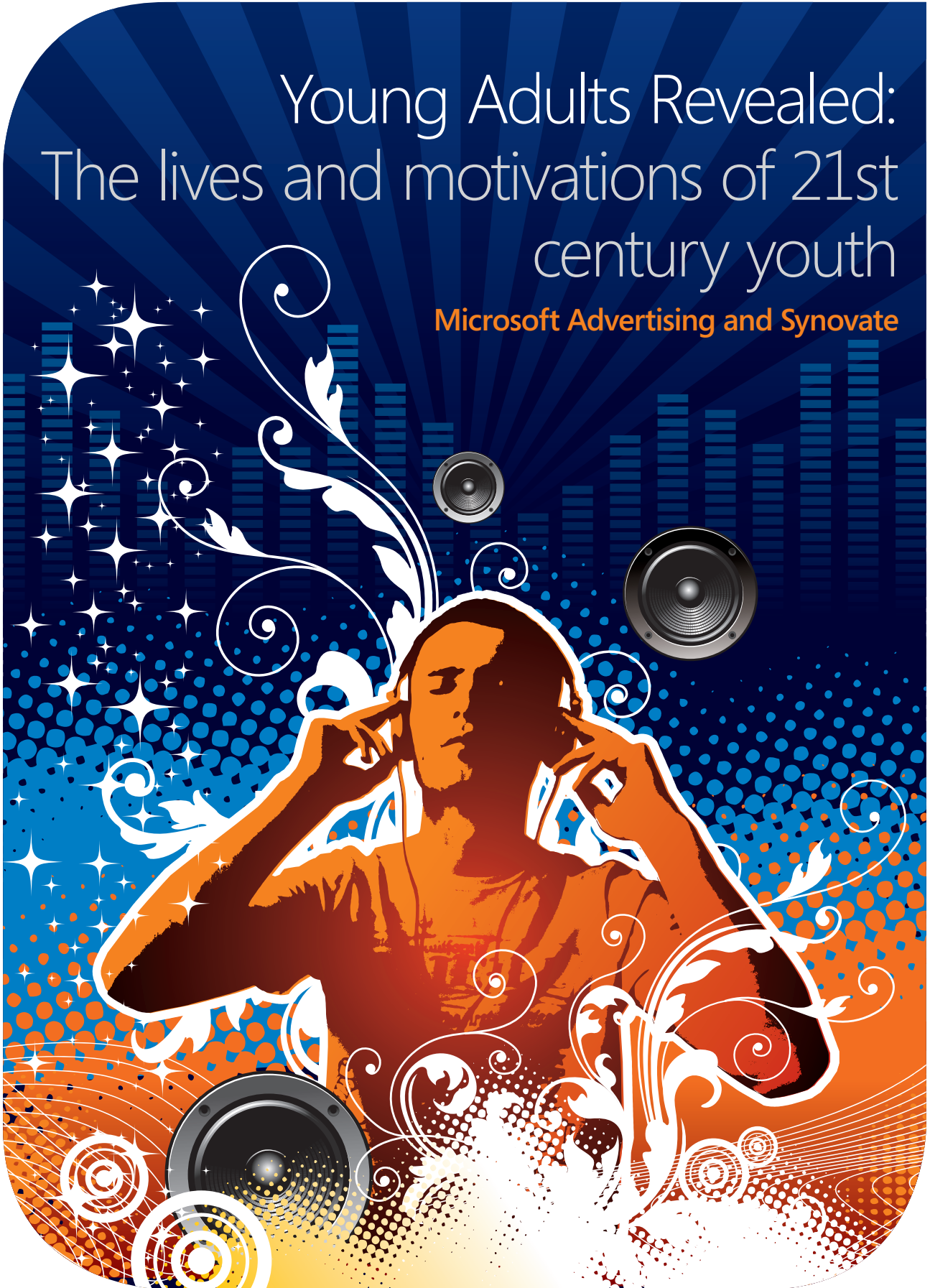


# Young Adults Revealed: The lives and motivations of 21st century youth

Microsoft Advertising and Synovate



# Exploding digital marketing's youth myths

Young Adults Revealed is a groundbreaking new study that has torpedoed many of the myths surrounding young adults and uncovered a thoughtful, complex generation concerned above all with their stability and security. In doing so, it has called into question many of the assumptions that have governed youth-focused marketing solutions over the past decade.

The in-depth international study from research agency Synovate's OnePointNine division reveals a generation that shuns many of the revolutionary ideals of baby boomers, and young people who resemble their grandparents far more closely than they do their parents.

Developed in association with Microsoft, the study uses an online panel of over 12,000 18 to 24-year-old respondents drawn from 26 countries worldwide. Youth experts and sociologists in the different countries are used to provide perspective and commentary on the findings.

## Listening to music? I'd rather spend time with my family

Pragmatic rather than hedonistic or rebellious, the young adults emerging from the study seem reluctant to leave the security of the family home and keen to create their own stable environment as soon as possible after doing so. They identify family as the single most important thing in their lives, followed by girlfriends and boyfriends. Friends, frequently assumed to be the most important ingredient of a fun-filled young life, only come in third. Spending time with the family was preferred to listening to music as an activity.

Young people's devotion to family shouldn't be confused with an abdication of personal responsibility – or an assumption that mum and dad will bail them out. Getting a good career and getting a good education top young adults' list of concerns.

These conservative tendencies have huge implications for the channels used to target marketing solutions at the young, and the type of product and brand messages they are likely to respond to.

## The early adopter myth

Far from the fad-driven, 'early adopters' of marketing myth, young adults seem far more pragmatic in their attitude towards technology: keen to acquire new devices with proven use and value but always wary of missing out on later price falls. Social networking sites, far from eroding traditional emotional ties, are used for specific forms of communication with other channels maintaining more intimate bonds; young adults are very capable of distinguishing between different forms of friendship.

Encouragingly for marketers, young adults reveal an engaged and interested attitude to brands. They see themselves as potential experts keen to share opinions and information online and aware of their potential to influence others. Over a quarter had talked about brands in forums and a similar percentage added brand-related content to Instant Messenger or social networking sites.

**76%** The number of Young Adult responses identifying family as the most important thing in their lives.



## Web holds the key to engaging young adults with brands

The internet represents a tremendous opportunity for brands looking to engage with young adults, the study revealed. However, to succeed in engaging with this generation, marketers will have to abandon several of their preconceptions about youth audiences.

Interest in and engagement with brands and products emerges as a constant theme in the research. Branded and product-related content was clicked-on, viewed, sought out, uploaded and commented on at regular intervals, and emerges as a key element in young adult lives, both on and offline.

### An appetite for brand engagement

Over a third of young adults watch online advertising or marketing clips, with a similar proportion watching clips demonstrating or reviewing products. Product information and links are frequently forwarded by 76 per cent of respondents, whilst just under a quarter (24 per cent) regularly upload advertising or product review clips to social networking and video sites.

This appetite for brand engagement is further reflected in young adults' declared response rates to online advertising: 47 per cent had clicked on an online ad within the last month whilst 42 per cent had watched an ad playing before video content.

Young adults' confidence in the value of their opinions and their ability to influence others emerges as a key characteristic throughout the study, and it is apparent in their brand-related behaviour. Over a quarter (28 per cent) had talked about a product or brand in a forum during the past month. Almost half (49 per cent) had reviewed a product online.

**76%** regularly forward product information and links

## Interest or advocacy?

Marketers should be cautious about assuming that brand interest necessarily equals brand advocacy, however. Young adults' responses in other areas of the survey indicate that they are cautious, pragmatic and occasionally sceptical when it comes to products and marketing. The vast majority are not the youthful early adopters of marketing myth, preferring to 'wait and see' what others make of new products.

The survey also raises question marks over some of the approaches most frequently used to target young people. The free distribution of music over the internet seems to be swiftly diluting the impact of marketing activities built around it. Although they welcome brand activity at festivals and concerts, only 6 per cent of young adults cite going to such concerts as a favourite activity. Overall, spending time with the family is as popular an activity as listening to music.

The idea of the exuberantly forwarded viral brand clip will need some adjustment as well. The study shows a significant difference between the number of young adults watching marketing or advertising clips (over 30 per cent) and those passing them on (less than 10 per cent). This supports the contention of many viral agencies that creativity, originality or (if spoofing other virals and campaigns) currency are all vital to the success of viral campaigns.

When it comes to finding out about brands online, 46 per cent of young adults turn to search engines first but 37 per cent trust start-up pages (such as the Windows Live Messenger Today page) and online portals to give them the information they need. Another 26 per cent have 'favourite' third-party sites that are their first port of call for brand information.

Young adults may be an elusive and sceptical audience at times, but they are also a pragmatic one, happy to advocate the qualities of brands that they see as credible – and even to incorporate them into their own identities. The fact that just under half had uploaded branded content to Instant Messenger services and social networking sites will be hugely encouraging to marketers.

47% have clicked on an ad in the past month

# Young adults switching media consumption online

TV is far from dead, the mobile phone is still the most commonly owned item of technology; yet it is clear that the PC is emerging as the centre of the media world for young adults.

The Young Adults Revealed study shows that TV as a concept is rapidly evolving. For young adults, TV content is as likely to be pulled from other devices as it is to be consumed via a traditional TV schedule set. In fact, one in seven 18-24 year-olds now watch no live TV at all. To this generation, TV means video, delivered on demand. This video content is increasingly likely to be consumed online, either as short clips, downloads or streamed full-length content.

## Video: the new TV

Already 42 per cent of young adults regularly watch TV online, through a PC. Of the 65 per cent who stream or download TV content once a week, 26 per cent do so every day. The PC's growing role as a media consumption device is reflected in the perceived importance of owning one: for young adults, a PC and internet connection is now the item of technology they can least bear to live without, nominated by 45 per cent compared to 28 per cent for mobile phones. TV sets came in at a lowly 11 per cent.

Microsoft's '3 Screens' qualitative study of viewing habits sheds further light on the forces shaping this new video landscape, as 'progressive mainstream' consumers take advantage of opportunities to view a broader range of content at different times in different ways. The increased portability of video content and the ease with which it can be discovered, transferred between devices and shared with other users is already putting the PC centre stage, and opening the way for mobile to play a more prominent role in video consumption in the near future.

Outside of video, the survey contained depressing tidings for print publishers: young adults buy only two magazines per month on average, and fashion and music magazines retain little influence on purchases, losing out to websites.

## Multi-tasking media

Detailed discussion of young adults' viewing habits reveals the complexities of modern media consumption and the significant role of multi-tasking. Whilst watching TV, 66 per cent used their mobile and 58 per cent went online, whilst young adult viewers of traditional TV were far more likely to drink alcohol whilst viewing than those watching video online. Ethnographic research by Microsoft in the US helps to show why: the extra commitment involved in sourcing and viewing relevant video content online ensures a far more focused viewing experience; online video is rarely used as ambient, background noise in the way that traditional TV is.

**45%** say they couldn't live without a PC and web connection  
(higher than all other media devices)

# Savvy, cautious, influential: young adults are the new technology experts

Technology emerges time and again as a recurrent theme in the lives of young adults, yet advertisers who confuse this with an irrational exuberance for gadgets could be seriously mistaken. The Young Adults Revealed study shows that 18-24-year-olds' massive confidence in their grasp of technology is wedded to a savvy caution when it comes to trying new things. Technology is serious – and taken very seriously.

## Essential kit

Most everyday items of technology are considered essential items by 18-24-year-olds. If they don't already own them, they certainly aspire to do so as soon as possible. Ownership of mobile phones stands at 92 per cent globally and as high as 98 per cent in many countries. PCs and laptops are owned by 76 per cent and 52 per cent respectively, whilst 68 per cent own an MP3 Player. Digital cameras boasted global penetration of 59 per cent, proving most popular amongst those living with a partner. Amongst those not already owning one, laptops were highest on the agenda for next purchases, with 71 per cent intending to buy one.

A further measure of the centrality of technology in young adults' lives comes with the amount they spend on the category. Mobile phone bills and technology items consume \$26.30 and \$24.30 of 18-24-year-olds' weekly expenditure respectively. Together, mobile phones and other technology represent a combined total spend of over \$50 per week, by far the biggest expense in young adults' lives.

## Confidence in their ability to influence

Perhaps unsurprisingly for an area that consumes so much of their interest and income, young adults are hugely confident in their grasp of technology – and in their ability to influence others. When asked how likely they were to influence others through their opinion on different subjects, consumer electronics is second only to film as the area on which young adults' feel most authoritative. In all 33 per cent saw themselves as influencers, a confidence that also applied to the subjects of mobile phones (31 per cent) and websites and social networks (29 per cent).

Such confidence in their grasp of technology does not necessarily make young adults the excitable 'early adopters' of youth marketing myth. It translates instead into a pragmatic, savvy approach with a clear majority of respondents more focused on picking technological winners than on grabbing the latest gadget before their peers. When asked to choose a description that most suited their approach to technology, only 11 per cent opted for 'I like to be ahead of everybody else and try to buy the latest technology as soon as it becomes available.' Although 30 per cent acknowledged 'I tend to have technology before most people,' a greater proportion (41 per cent) preferred 'to wait and see what other people make of new technology before I buy it.' This is a generation well aware that technology prices inevitably drop a few months after launches, and cautious of being stuck with the next failed Betamax-style format.

92% ownership of mobile phones



## When it comes to gaming, young adults play together

The role of gaming in young adults' lives is evolving rapidly, varies considerably from country to country, and can certainly no longer be characterised as an individual or isolated activity.

The Young Adults Revealed study shows that the once-mighty individual console has been replaced by the internet as gaming's defining feature. Almost half (44 per cent) of those questioned in the study had played games online in the last week, whereas 33 per cent had played on a console. Systems such as Xbox360 remain important, but are increasingly used to access online, multiplayer gaming experiences.

In a reflection of gaming's move to the web, it now represents a sizable chunk of young adults' online activity. An impressive 60 per cent had played games online in the last month, with 33 per cent playing massively multi-player online role-playing games.

**44%** have played games online in the last week

## A shared activity

Virtual interaction is not the only form of human contact shaping young adults' gaming experience. Analysis of Synovate's data for ownership of games consoles suggests that playing is increasingly a shared activity. Those living with a partner are significantly more likely to own a console, at 50 per cent, than those living with friends (27 per cent) or in the family home (33 per cent). Ownership also spikes amongst those with children, with one likely explanation being an inclination on the part of young families to play games together.

Gaming's reputation as a male-dominated activity may soon have cause to be questioned as well. Although ownership of consoles remains higher amongst men, the gap is narrower than the media would suggest: 42 per cent of males own a console, compared to 28 per cent of females; young men also have a narrow lead when it comes to portable gaming devices, with 25 per cent ownership compared to 19 per cent for females.

## Reinforcing gaming's mainstream credentials

In contrast to young adults' frequently consistent attitudes to technology generally, their approach to gaming continues to vary wildly by country and culture. In the US and Canada, 60 per cent of young adults own games consoles, in contrast to 6 per cent in Romania and 9 per cent in Russia. Portable gaming devices are popular in Japan, where they are owned by 38 per cent of young adults, Spain, where 37 per cent have one, and Egypt and Morocco (both with 31 per cent ownership) but remain a niche activity elsewhere.

At the same time, there are indications that gaming devices are becoming more attractive across different markets. In contrast to current penetration data, there is far greater consistency when young adults are asked whether they would like to own one: consoles received a 27 per cent rating as desirable items from 18-24-year-olds worldwide. The likely growth that this figures implies suggest that gaming will further establish itself in the young adult mainstream over the next few years, and that it will do so as a community activity rather than an individual one.

**50%** of those living with a partner own a console





## Social networks and IM part of life's routine for young adults

Instant Messaging and social networking both occupy increasingly defined roles in young adults' lives, yet neither of these roles undermines face-to-face relationships in the way that some have claimed.

The responses of young adults show that, although 18-24-year-olds around the world are far less obsessed with virtual communication than is frequently claimed, they use it far more often than most commentators realise. Communicating through social networks and instant messaging services isn't seen as an optional activity or 'entertainment', instead it's a necessary, daily part of their social existence.

76% have used IM in the last month

## Deepening real-life relationships

Both IM and social networks play a major role in young adults' lives. Almost half of young adults' time online is spent on social networking sites, with most spending at least a working day each week on the activity. When it came to the most frequent online activities, chatting on IM came in joint third, behind email and catching up on news and current affairs; in all 76 per cent had used IM in the last month.

Both IM and social networking sites occupy well-defined roles in the 18-24-year-old universe, and these roles are predominantly concerned with supporting real-life relationships rather than substituting for them. IM chats revolve around gossip, social arrangements, work and schoolwork but also include cultural subjects such as music and film. Communication on social networks is determinedly relaxed, with discussion of work, schoolwork and even gossip far lower. Social arrangements, music and film dominate.

Expert commentary from across the territories covered by the study backs up the view of IM and social networking sites extending and deepening real life relationships rather than undermining them. As Silje Larsen Borgan, in Norway, put it: "My kid sister is 14 –chats on MSN with her friends when she gets up in the morning, then goes to school where they are together all day. Then as soon as she is home, they chat to and fro all evening until they go to bed."

Pictures are the most popular form of shared content on both channels, with 41 per cent sharing photos on IM and 29 per cent on social networking sites. Funny video clips are popular on both, whilst IM is more commonly favoured as a music-sharing channel.

It seems that the mechanisms that allow IM and social networks to support real-life human relationships so effectively can also be put to the service of brands. Both have emerged as favoured channels for interacting with brands and influencing others' opinion of them (something which young adults are extremely confident in their ability to do). Around a quarter upload advertising or marketing clips to social networking sites on a regular basis and just under half have uploaded branded content to their IM service or social network. Sharing product links is extremely highly placed amongst the favourite activities for both channels.

45% of time online is spent on social network sites

# Mobile: it's not all talk

The Young Adults Revealed study shows massive mobile penetration amongst young adults worldwide, with 92 per cent owning a handset. At \$26.3 a week, the mobile phone bill is the second largest item of expenditure in their lives, and the mobile phone is one of the subjects on which they feel most informed and most influential: 31 per cent of 18-24 year-olds say that their opinions about mobiles influence those of others.

## The mobile as entertainment device

Those opinions will increasingly be built around more than just talking: phone calls and texts remain the most frequent mobile activities, but around half of young adults listen to music or take photographs on their phones; a third regularly access the internet and record and watch video clips. In some countries the mobile is becoming a key entertainment device: 68 per cent of young adults in Saudi Arabia watch video clips, as do 58 per cent of those in South Africa and Morocco and 52 per cent of those in China. In Russia, 53 per cent of young adults access the internet on their phone. As access costs come down, it's likely that mobiles will take a still more prominent role in online access and entertainment. Microsoft's '3 Screen' qualitative study demonstrates how the portability of video content gives the mobile a growing role as a device for intimate viewing of familiar films and short clips.

## Personal communication

The mobile phone continues to be young adults' favoured channel for more personal conversations: about worries, schoolwork and gossip. It is also the technology that defines young adults' experience of socialising giving them far greater flexibility when it comes to arrangements and used by many as a means of defining their identity. Although it does not yet fulfil the same range of cross-platform functions as the PC, the mobile is already the most intimate and ubiquitous device in young adult lives.

**\$26.3** spent on mobile bills every week, making them young adults' second largest item of expenditure



## Online video takes off amongst young adults

Online video is playing a central role in the entertainment schedules of young adults around the world, with 73 per cent watching video clips on a monthly basis and 42 per cent regularly using a PC and internet connection to watch TV.

The Young Adults Revealed study reveals the world of online video as a varied media landscape, containing ever-popular short video clips but also streamed full-length TV and film content and, to an increasing extent, commercial messages.

### Comedy and music dominate, but full-length content is on the rise

Short video clips remain the most familiar form of online video content to most young adults, with just under three quarters having watched them within the last month. However, streamed TV and film content had also been watched by over half (57 per cent) showing the growing acceptance of the internet and PC as a medium for full-length video. In contrast, only 10 per cent of young adults watched video clips using their mobile.

Most rely on favoured sites such as YouTube as their trusted source of video clips, with 30 per cent accessing video in this way. Search engines were used by 27 per cent and recommendations from friends via social networks and Instant Messenger accounted for 20 per cent. Comedy (81 per cent) and music (73 per cent) dominate as the most popular categories of short clip, yet over a third also watched advertising or product-related clips on a regular basis, demonstrating once again young adults' willingness to engage with brands online.

**73%** watch video clips online on a monthly basis

## Advertising welcome

Advertising and product clips also scored well when it came to young adults' choice of video to upload: 24 per cent had uploaded them to YouTube or a social networking site, compared to 30 per cent for funny clips, music clips and video featuring friends. The challenge for advertisers is to identify the key characteristics that encourage their branded messages to be shared in this way.

Interest in product and marketing clips appears to reflect acceptance of online video's commercial potential. Almost half (42 per cent) had watched an ad before watching video content, showing significant uptake for the pre-roll ad format.





The growth of online video to encompass full-length TV and films has had significant repercussions for young adults' media consumption patterns. Online TV and film content is watched by 65 per cent every week and 26 per cent every day, with one in seven 18-24-year-olds now abandoning live TV altogether. Amongst streamed video content, films were the most popular category, watched by 49 per cent, followed by comedy and music on 41 per cent and sport on 26 per cent.

To young adults, the idea of waiting for a schedule to present them with the video content they want is increasingly anachronistic. This generation demands immediately satisfying 'TV' content whenever it suits them. Online video is perfectly positioned to be the format that delivers it.

42% regularly use a PC and web connection to watch TV

# Worldwide scope:

## Respondents were drawn from 26 countries worldwide:

	Australia
	Brazil
	Bulgaria
	Canada
	China
	Egypt
	France
	Germany
	Greece
	Italy
	Japan
	Mexico
	Morocco
	New Zealand
	Norway
	Poland
	Portugal
	Romania
	Russia
	Saudi Arabia
	South Africa
	Spain
	Sweden
	Turkey
	UK
	USA

### **This study was undertaken in four stages:**

First, expert commentary in each country was collected to help us understand the context of how young people think about each particular topic, and to identify current trends. This helped frame our thoughts on how to formulate subsequent questions for the research groups. The experts involved were either journalists or academics specializing in the field of young adults and leisure activities.

Second, a quantitative study was fielded using Synovate's online panel which yielded a total of 12,603 respondents. A minimum of 400 respondents were surveyed in each of the markets. Survey samples were representative in terms of the different lifestyles which encompass the demographic. There was an even split between male and female and between the ages 18-21 and 22-24. Lifestyle groups were represented in proportion to overall population: students, full and part-time workers, those living in the city, suburbs and rural areas, and those living with their families or independently.

Third, we ran a qualitative online bulletin board in each of eight key markets. These discussion groups allowed us to explore the more significant discoveries from the online surveys as well as understand the differences and similarities among sub-groups.

Finally, we conducted follow-up expert interviews in each of the countries to validate and add insights to our analyses.

This report shares the global themes we uncovered. Individual country reports are available through Synovate: [www.synovate.com](http://www.synovate.com).

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