

Generation Y values and lifestyle segments

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Abstract

Purpose – Although Generation Y has been extensively examined in the popular and academic literature, there have not been any studies to date that have identified the psychographic profile of this market segment using the VALS scale. The purpose of the research presented in this paper is to provide a segment characterization of Generation Y using the VALS typology and provide insights into the media habits of this population.

Design/methodology/approach – The research sample consisted of subjects from Generation Y that were drawn from a population of college students. To determine the VALS types, participants completed the VALS survey in addition to responding to questions related to demographics and media habits.

Originality/value – The results contribute to the literature by providing for the first time a segmented characterization of Generation Y consumers. The research provides a detailed perspective of this important market segment and provides marketers with insights on their values, attitudes, and media habits.

Keywords Generation Y, Market segments, Media habits, VALS

Paper type Research paper

An executive summary for managers and executive readers can be found at the end of this article.

Introduction

Generation Y is a unique and influential consumer group whose behavior is often discussed but not fully understood (Drake-Bridges and Burgess, 2010; Racolta-Paina and Luca, 2010; Noble *et al.*, 2009; Smith, 2012). Heavily influenced by technology and the internet, this consumer cohort has evolved differently from previous generations making it a challenging group to target (Lester *et al.*, 2005). Previous research has examined Generation Y in various contexts, however, theoretical and empirical research about its psychographic profile is limited (Yu, 2011). Increased interest in identifying aspects of Generation Y that differentiate them from previous generations has been called for (Hauw and Vos, 2010); however, the present research represents work that characterizes Generation Y on a segmented basis.

A contribution to the segmentation literature can be made by undertaking research that is both theoretically based and that can provide specific information about the psychographic profile and media behavior of Generation Y. Managers believe that the consumers who comprise Generation Y are distinctly different in many ways from Generation X or the Baby Boomers (Pesquera, 2005). The behavior of this cohort is certainly distinguishable and unique to the generation (Hershatter and Epstein, 2010). The literature suggests that Generation Y is more than three times the size of Generation

X, and it is the largest consumer market in America since the Baby Boomers (Ma and Niehm, 2006; Neuborne, 1999; Nayyar, 2001; Paul, 2001). Generation Y has approximately than 83 million members in the USA who were born between 1977 and 1996, although the exact dates vary among researchers with some using the time frame from 1981 to 1995 (Solka *et al.*, 2011). Given the value of Generation Y to marketers, it is important to understand the psychographics and media behavior of this cohort (Swinarski *et al.*, 2010). Specifically, five research questions are addressed in this paper:

- 1 What are the primary VALS segments of Generation Y?
- 2 What are the media habits of Generation Y?
- 3 How do Generation Y media habits vary by VALS segments?
- 4 Do media habits differ by gender?
- 5 Do Generation Y media habits differ by gender across VALS segments?

VALS, as referred to in this research, refers to the most recent revision of the instrument (formerly known as “VALS 2” but renamed “New VALS” by SRI). The research sample consisted of subjects from Generation Y that were drawn from a population of college students. To determine the VALS types, participants completed the VALS survey that is available online via SRI International’s website in addition to responding to items pertaining to demographics and media habits. The research provides a detailed perspective of this important market segment and provides marketers with insights on their values, attitudes, and media habits.

Background

The difference between Generation Y and previous generations relates to a shift in values on the part of Generation Y consumers from those of previous cohorts (Hyllegard *et al.*, 2011). While Generation Y is similar to its parent’s generation (Baby Boomers) in size, in almost every

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other way it is very different (Ciminillo, 2005). While Boomers are still mastering the latest computer software, their children became familiar with computers at a very early age (Neuborne, 1999). Members of Generation Y are trustful, more tolerant, and better traveled than many of their parents. In addition, this generation is supportive of social causes and socially responsible companies (Furlow, 2011). The majority of Generation Y respondents hold similar attitudes toward socially responsible companies in that they are likely to trust the company more, purchase the company's products, and pay attention to the message of the company (Cone, Inc., 2006). Members of Generation Y have been described as individualistic, well-educated, technologically savvy, sophisticated, mature, and structured (Syrett and Lammiman, 2003). They are group-oriented and consider themselves to be "cool", with a strong sense of identity (Pesquera, 2005; Peterson, 2004). Generation Y desires distinctive brands with traits of their own that will serve as a form of self-expression (Gupta *et al.*, 2010). More so than previous generations, this cohort is characterized by an accumulated, materialistic, and consumer culture that is primarily a result of technological innovation (Hanzaee and Aghasibeig, 2010).

As the largest consumer group in US history, Generation Y, also referred to as the "Millennials" and "Echo Boomers", consists of about 56 million people (Taylor and Cosenza, 2002). The sheer magnitude of this generation has already had a profound effect on the retail industry (Kim and Ammeter, 2008). As Generation Y graduates from college and enters the work force, their earning potential will make them even more important as a powerful consumer group (Taylor and Cosenza, 2002). The ample purchasing power and technological expertise of this consumer population will play a large part in determining whether online retailers succeed over the long term (Hanford, 2005). Generation Y represents powerful aggregate spending (Cui *et al.*, 2003; Krotz, 2005). With the majority of their purchases made on clothes, shoes, jewelry, sporting equipment, entertainment, health and beauty aids, and food (Barbagallo, 2003). The age or life-stage of this generation makes them unique to other cohorts (Krotz, 2005). Being young they have different priorities than older generations. Until the economic downturn of the last few years, their lives have been spent in a period of prosperity (Barbagallo, 2003). Armed with a variety of electronic technology, they have grown up in an age of instant global communication, media saturation and material excess (Barbagallo, 2003).

In 2012, members of Generation Y ranged from age 13 to 32 (US Chamber of Commerce Foundation, 2012). The 18- to 34-year-old group watches nearly an hour less of prime-time television than the household average (Brier, 2004). Members of Generation Y have been described as more concerned than previous young generations about work-life quality than income, and as being more responsible, independent, and skeptical (Wolfe, 2004). Despite consumer power unrivaled by any preceding generation, Generation Y is not as brand-loyal or as driven by the same kind of brand label consciousness as Generation X was at the same age. Generation Y exhibits the traits of people in midlife who, regardless of their generation, become less interested in brand labels after they reach a certain age (Wolfe, 2004). The Generation Y consumer has also grown up in an era where shopping has become a form of entertainment with

experiential aspects in a retail setting (Bakewell and Mitchell, 2003).

While different generations have always posed a challenge for marketers due to their unique characteristics, Generation Y has created a more difficult challenge because they are not as influenced by traditional media as previous generations. Generation Y has been described as an enigma to most marketers and new marketing techniques are being used that will more effectively reach Generation Y consumers (Bellman *et al.*, 2009). In order to understand Generation Y, demographic segmentation may show how and where to find these consumers. However, it reveals nothing about their behavior (Jones Lang LaSalle, 2002). Psychographic segmentation provides more insight into consumer behavior, and has become a standard element in the development of many advertising and marketing plans (Lastovicka *et al.*, 1990).

VALS and psychographic segmentation

The purpose of the first research question is to identify the psychographic segments of the VALS framework that characterize Generation Y. Psychographics is a behavioral approach to market segmentation based on an analysis of what people do, such as activities, buying behaviors, and media exposure; and how they feel about life, based on attitudes, opinions, interests, and values. Psychographics started with the classic study of buyers' personality traits by Koponen (1960), leading to several other research attempts to correlate consumer behavior with standardized personality inventories (Wells, 1975). Psychographics measure where people live, how they spend their time, how they view themselves and their world and the important things in their surroundings (Plummer, 1974). Psychographic lifestyle profiles can avoid limitations associated with demographic segmentation by providing deeper insight into a consumer's behavior based on personality, an understanding that research based on demographics alone cannot unveil (Wells, 1975). However, psychographic measures that have been developed are meaningful only when they are situation-specific and not of a generalized nature (Dhalla and Mahatoo, 1976).

One of the most well-known methods to determine psychographic segmentation is the VALS methodology developed as SRI International by Mitchell (1983), and it has been the only commercially available psychographic segmentation system to gain widespread acceptance (Riche, 1989). It is based on the theoretical base of Maslow's (1954) need hierarchy and the concept of social character (Riesman *et al.*, 1950). The original VALS system was introduced by Stanford Research Institute (SRI) International as a demographically oriented way to segment the American population organized along a hierarchy of consumer needs. The original VALS instrument contained 800 questions related to background information (demographics), personal life (financial habits and activities), and perceived value (attitudes and beliefs).

The instrument was later reduced to 400 questions and renamed VALS 2. Further revisions have resulted in an extensively adopted VALS 2 questionnaire that contains only 35 psychographic questions and four demographic questions (Yu, 2011). These questions were identified through statistical and theoretical means, including various specific and general attitude statements and several demographic items. These questions are used to classify people into life style groups, or

VALS types (Kahle *et al.*, 1986). VALS 2 creates a segmented profile of consumers because it is based on a questionnaire that reveals unchanging psychological stances rather than shifting values and lifestyles (Riche, 1989). VALS 2 can predict consumer behavior, and is designed to look for specific relationships between attitudes and purchase behavior (Gates, 1989; Piirto, 1991). VALS 2 divides the American population into groups as defined by:

- their self-identification based on a variety of attitude and lifestyle questions; and
- their resources based on their household income.

They range in affluence from Actualizers (upscale independent intellectuals) to Strugglers (mostly nostalgic and downscale elderly individuals). In between are the principle-oriented Fulfilleds and Believers, the status-oriented Achievers and Strivers, and the action-oriented Experiencers and Makers (Piirto, 1991). A complete description of these segments is shown in Table I.

Media habits of Generation Y

In addition to understanding the psychographic profile of Generation Y, it is also beneficial to understand its media usage patterns. The purpose of the second and third research questions is to identify the media habits of Generation Y and to determine whether those media habits differ by VALS segment. Selecting the appropriate medium through which to reach consumers in Generation Y has proven challenging in many aspects due to their frequent use of such a wide variety of media (Hershatter and Epstein, 2010; Kinley *et al.*, 2010). The same marketing formulas that resonated with earlier generations no longer work for Generation Y because this group is skeptical of traditional advertising (Cone, Inc., 2006). There is the fracturing of the traditional media, with network TV having given way to a spectrum of cable channels and magazine giants such as *Sports Illustrated* and *Seventeen* now joined by dozens of niche competitors. Most important, though, is the rise of the internet, which has sped up the

fashion lifecycle by letting kids everywhere find out about even the most obscure trends as they emerge. It is the Generation Y medium of choice, just as network TV was for Boomers (Neuborne, 1999).

Members of Generation Y are the least likely of any population under the age of 60 to use e-mail on a regular basis and the most likely of any age cohort to utilize texting as a regular mode of communication (Hershatter and Epstein, 2010; Pew Research Center, 2007). Generation Y is attracted to a wide variety of media, regularly using blogs, reviews, and social networks to openly express their interests and feelings (Hershatter and Epstein, 2010). Many retailers use these sites to connect to Generation Y consumers, as well as gain feedback and insight from this audience that have been difficult to reach through conventional methods (Engel *et al.*, 2011).

Generation Y individuals watch less television, are not influenced by mainstream media, and are much more resistant to advertisements than previous generations (Ciminillo, 2005; Engebretson, 2004; Pesquera, 2005). They grew up in a more media-saturated, brand-conscious world than their parents and they respond to ads differently, preferring to encounter ads through sources other than traditional media. For this reason, many companies are relying less on traditional media advertising and more on event marketing, product placements and digital media (Ciminillo, 2005). For a message to appeal to Generation Y, it must be quick, direct, and honest (Pesquera, 2005). Generation Y does not trust the traditional news media as much as earlier generations (Peterson, 2004). This generation dislikes being an advertising target, so they depend more on their friends' opinions and word-of-mouth when making purchase choices (Peterson, 2004). As moderate television viewers, Generation Y leans more toward programs shown on network and cable, and less toward prime time (Engebretson, 2004; Neuborne, 1999). Marketers who have successfully targeted Generation Y use fewer traditional advertisements

Table I VALS types

TYPES	Resources	Orientation	Characteristics	Media
Actualizers	High	Status	Self-confident Receptive to new products and technologies	Skeptical of advertising Read a wide variety of publications
Fulfilleds	High	Principle	Value knowledge Little interest in image or prestige	Like educational and public affairs programs Read widely and often
Achievers	High	Status	Image conscious Relatively affluent Attracted to premium products	Average TV watchers
Experiencers	High	Action	Follow fashion and fads Spend disposable income on socializing	Listen to rock music
Believers	Low	Principle	Traditional family-oriented Slow to change habits	Watch TV more than average
Strivers	Low	Status	Image conscious Carry credit balances Spend on clothing and personal care products	Prefer TV to reading
Makers	Low	Action	Self-sufficient Shop for comfort and durability Unimpressed by luxuries	Read auto, home mechanics, and fishing magazines
Strugglers	Low	Status	Concerned with security and safety Brand loyal	Trust advertising Watch TV often

and often appeal to Generation Y using messages that involve surprise and humor (Peterson, 2004).

Media habits, gender, and VALS segment differences

The fourth and fifth research questions address the differences between media habits by gender and by VALS segments. By incorporating psychological descriptors along with gender differences, a greater understanding of Generation Y as a consumer cohort can be had. Previous research has observed gender differences for a variety of marketing related behaviors. Gender differences have been noted in information processing as well as advertising response for a variety of traditional media such as print (Carsky and Zuckerman, 1991; Meyers-Levy and Mahaswaran, 1991; Wolburg and Pokrywczynski, 2001), radio (Darley and Smith, 1995), television (Brunel and Nelson, 2003; Fisher and Dube, 2005), and e-mail (Phillip and Suri, 2004). Males and females have also been shown to differ in their attitudes toward web advertising, with males exhibiting more positive beliefs about and attitudes toward web advertising than females (Wolin and Korgaonkar, 2003).

It has been reported that women are more visually and intrinsically motivated than men (Holbrook, 1986). It has also been reported that women can decode the nonverbal cues in an advertisement more accurately than men (Everhart *et al.*, 2001). Women are more likely to prefer advertisements that are verbally and visually rich, lexically complex and highly informative, whereas men are item-specific processors who are more likely to value attribute-based messages that focus on one or two distinct features that are unique to the advertised brand (Putrevu, 2001). Women use a relational processing style (Putrevu, 2004), whereas men use an item-specific processing style. With regard to print advertisements, women have shown greater affect and purchase intent toward advertisements that are verbal, harmonious, complex, and category-oriented, whereas men have shown greater affect and purchase intent toward advertisements that are comparative, simple, and attribute-oriented (Putrevu, 2004). Men also simplify the shopping process by attending to a smaller number of information sources than women (Hanzaee, 2009).

Results and findings

The sample consisted of subjects from Generation Y that were drawn from a population of college students at a state university. The sample consisted of 121 individuals that was 41 percent males and 59 percent females with a mean age of 21.5 years. To determine the VALS types, participants completed the VALS survey that is available online via SRI International's website. Given the rigor of the VALS methodology that has been noted in the literature, reliability and validity of the VALS scale were not assessed as part of this research. Participants completed a questionnaire to reveal their primary and secondary VALS type, gender, age, and annual household income (including income of their parents or guardians). In addition, participants were asked to identify how often they used specific media sources in the past four weeks for advertising and/or shopping information to identify their media habits. The media types were based on a scale developed by Bruner *et al.* (2001) that consisted of questions related to billboard, daily news, direct mail, free paper, in-store ads, internet, magazine, radio, television, and weekly news.

VALS types

Research Question 1 (RQ1) pertained to the identification of the primary VALS segments of Generation Y. It was found that 92 percent of the respondents primarily fell into three of the VALS types. Specifically, 59 percent of the respondents were classified as Experiencers, 24 percent as Strivers, and 9 percent as Achievers. The remaining 8 percent of the respondents' primary types were Innovators (3 percent), Believers (2 percent), Thinkers (1 percent), Strugglers (1 percent), and Makers (1 percent). The Experiencer segment consisted of 63 percent females and 37 percent males with an average age of 20 years. The average annual household income for this segment ranged between \$30,000 and \$49,000. The Striver segment consisted of 46 percent females and 54 percent males with an average age of 21 years. The average annual household income for this segment ranged between \$15,000 and \$29,000. The Achiever segment consisted of 64 percent females and 36 percent males with an average age of 25 years. The average annual household income for this segment ranged between \$40,000 and \$74,999. The relative level of resources identified in each segment is consistent with the high and low resources of the VALS typology. These results are shown in Table II.

Media habits

RQ2 addressed the specific media habits of Generation Y. The results indicate that electronic media are the primary media used by this group. Television ranked first and the internet ranked second. Magazines ranked third and radio ranked fourth. The internet (49 percent) and television (54 percent) were rated as high to very high in importance as a source of advertising information. The majority of the respondents rated billboards (85 percent), daily newspapers (79 percent), direct mail (70 percent), free community papers (86 percent), in-store ads (60 percent), magazines (42 percent), radio (50 percent), and weekly newspaper (70 percent) as low to very low in importance as a source of advertising information. Overall, traditional print media was rated lower than electronic media. The media habits of the total sample are shown in Table III.

In order to address the remaining research questions parsimoniously, the top three VALS segments (Experiencers, Strivers, and Achievers) were examined as they represented 92 percent of the respondents. RQ3 asked specifically whether Generation Y media habits vary by VALS segments. Significant differences were found between four of the media types by VALS segments. The results of a one-way ANOVA and Gabriel *post hoc* tests revealed significant differences in media habits between the Experiencer, Striver, and Achiever VALS segments of Generation Y. Media habits regarding the internet vary significantly

Table II Generation Y VALS types

VALS types	Percentage	Gender by segment (percent)		Average household income range (\$)
		Females	Males	
Experiencers	59	63	37	30,000-49,000
Strivers	24	46	54	15,000-29,000
Achievers	9	64	36	40,000-74,999

Table III Generation Y media habits – total sample

	Relative media use (percent)					Mean	Rank
	Very high	High	Some	Low	Very low		
TV	22	32	23	12	11	3.43	1
Internet	22	27	25	17	9	3.35	2
Magazine	12	22	24	20	22	2.81	3
Radio	10	14	26	22	28	2.56	4
In-store ads	3	17	20	24	36	2.29	5
Direct mail	3	8	19	17	53	1.93	6
Daily news	2	10	9	19	60	1.73	7
Weekly news	2	7	10	23	58	1.70	8
Billboard	3	2	10	17	68	1.54	9
Free paper	1	3	10	13	73	1.46	10

between the Striver and Experiencer VALS segments of Generation Y ($F = 4.79, p < 0.01$); (Gabriel *post hoc*, $p < 0.01$). Media habits regarding magazines vary significantly between Striver and Experiencer VALS segments of Generation Y ($F = 4.594, p < 0.01$); (Gabriel *post hoc*, $p < 0.05$). Media habits regarding radio vary significantly between Striver and Experiencer VALS segments of Generation Y ($F = 4.280, p < 0.05$); (Gabriel *post hoc*, $p < 0.01$). Media habits regarding television vary significantly between the Striver and Experiencer VALS segments of Generation Y ($F = 3.233, p < 0.05$); (Gabriel *post hoc*, $p < 0.05$). These results, seen in Table IV, indicate that the average use of television, internet, magazine, and radio is higher for the Experiencer VALS segment than the Striver VALS segment of Generation Y.

RQ4 asked whether Generation Y media habits differed by gender. The results of a *t*-test revealed significant gender differences in media habits for Generation Y. Media habits for males and females vary significantly regarding daily newspaper ($t = -2.490, p < 0.05$), direct mail ($t = -3.778, p < 0.001$), in-store ads ($t = -3.706, p < 0.000$), and magazine ($t = -3.138, p < 0.01$). More specifically, females were more likely to use daily newspaper, direct mail, in-store ads, and magazines. These results are shown in Table V.

In regard to RQ5, which asked whether Generation Y habits differed by gender and specific VALS segments, the results of the independent samples *t*-test revealed differences in media habits between males and females in the Experiencer, Striver, and Achiever VALS segments of Generation Y. Males relied on daily newspapers for advertising information significantly

Table V Media habits by gender

Media	Male	Female	<i>t</i>	Sig.
Television	3.42	3.54	-0.621	0.535
Internet	3.33	3.43	-0.488	0.626
Magazines	2.44	3.05	-3.138	0.002
Radio	2.46	2.74	-1.384	0.168
In-store advertising	1.96	2.64	-3.706	0.000
Direct mail	1.56	2.19	-3.778	0.000
Daily news	1.53	1.96	-2.490	0.014
Weekly newspaper	1.56	1.71	-0.904	0.368
Billboard	1.61	1.53	0.586	0.559
Free community paper	1.35	1.55	-1.426	0.156

less than females in the Striver VALS segments of Generation Y ($t = -2.755, p < 0.01$). Males relied on direct mail for advertising information significantly less than females in the Experiencer VALS segments of Generation Y ($t = -3.872, p < 0.01$). Males relied on in-store promotions for advertising information significantly less than females in the Experiencer VALS segments of Generation Y ($t = -2.003, p < 0.05$). Males relied on magazines for advertising information significantly less so than females in the Experiencer VALS segments of Generation Y ($t = -2.547, p < 0.01$). There were, however, no significant differences between males and females in the Achiever VALS segments of Generation Y. These results are seen in Table VI.

Discussion

This research endeavored to identify specific psychographic segments of Generation Y, as well as to identify differences in media habits by VALS segments and gender. A further understanding of the psychographic makeup and behavior of Generation Y can be of value to managers seeking to reach this segment. The findings of the present research provide several specific insights on the nature of Generation Y. First, the initial findings that relate to the dominant VALS types provide a clear overview of the lifestyle types that are prevalent in Generation Y. The results indicated that Experiencers are the dominant Generation Y VALS type. This finding is not surprising in that this VALS segment has high resources, is action-oriented, follows fads, and has media habits typical of younger people (Kurtz and Boone, 2010). For Experiencers the results found the internet to be the most prevalent media type. It is also interesting to note that within this VALS

Table IV Media habits by VALS types

Media	Mean use: Experiencer	Mean use: Striver	Mean use: Achiever	<i>F</i>	Sig.
Television	3.65	2.97	3.27	3.233	0.043
Internet	3.59	2.79	3.55	4.749	0.011
Magazines	3.13	2.36	2.36	4.594	0.012
Radio	2.80	1.96	2.73	4.280	0.016
In-store advertising	2.27	2.34	2.55	0.255	0.776
Direct mail	1.87	1.93	2.18	0.335	0.716
Daily news	1.59	1.76	2.00	0.847	0.431
Weekly newspaper	1.72	1.39	1.91	1.532	0.221
Billboard	1.51	1.54	1.36	0.153	0.858
Free community paper	1.49	1.29	1.73	1.069	0.347

Table VI Media habits by gender and VALS type

Media	Experienter				Male	Striver				Achiever			
	Male	Female	T	Sig.		Female	t	Sig.	Male	Female	t	Sig.	
Television	3.65	3.64	0.033	0.974	2.80	3.15	-0.660	0.515	2.75	3.57	-0.969	0.358	
Internet	3.35	3.73	-1.491	0.141	2.80	2.83	-0.055	0.957	3.75	3.43	0.529	0.610	
Magazines	2.65	3.40	-2.459	0.016	2.33	2.25	0.171	0.866	1.50	2.86	-1.886	0.092	
Radio	2.92	2.73	0.580	0.564	2.07	1.92	0.333	0.742	2.00	3.14	-1.660	0.131	
In-store advertising	1.92	2.47	-1.861	0.067	1.87	2.77	-1.873	0.072	2.25	2.71	-0.697	0.504	
Direct mail	1.27	2.22	-3.872	0.000	1.87	2.00	-0.255	0.801	1.75	2.43	-0.854	0.415	
Daily news	1.54	1.62	-0.374	0.710	1.20	2.38	-2.755	0.011	1.25	2.43	-1.483	0.172	
Weekly newspaper	1.96	1.58	1.485	0.142	1.33	1.50	-0.532	0.599	1.50	2.14	-1.271	0.235	
Billboard	1.65	1.42	1.074	0.286	1.60	1.50	0.250	0.804	1.50	1.29	0.487	0.638	
Free community paper	1.42	1.52	-0.424	0.673	1.20	1.25	-0.181	0.857	1.25	2.00	-1.647	0.134	

segment females were slightly more represented than in the sample in total.

The second largest Generation Y group was Strivers. The average household income of this segment was the lowest of the three primary groups identified, which is consistent with the VALS typology. This VALS segment is status-seeking in terms of its behavior (Kurtz and Boone, 2010). We found television to be the primary media type for this group. Within the Striver group females were substantially less represented than in the overall sample. The third largest group, Achievers, was by contrast the highest income group, again consistent with the VALS typology. They are also status seekers and used the internet most frequently as a media source (Kurtz and Boone, 2010). Similar to Experiencers, females were slightly more represented in this group than was the sample in total.

The overall findings related to media habits proved to be enlightening. Electronic media were found to be more commonly used. Interestingly, television usage was found to be greater by a small margin than was the internet. Traditional print media, with the exception of magazines, was found to be very low in use. Newspaper and related media such as free community newspaper and weekly newspaper was used very little by Generation Y respondents. Likewise, billboard was the least used of all media. When media usage was examined by VALS types, again some interesting results were seen. The internet, although scoring highly overall, scored significantly less for Strivers than the other two groups. This also held true for radio and television. The relatively high use of magazines by Generation Y was significantly higher for Experiencers as opposed to the other two groups. It is also important to note that the top four media types also had a significant difference in use across the three primary groups.

Perhaps the most interesting finding relates to media habits by gender for Generation Y. The results for the sample in total reveal findings that are generally consistent with the literature (Furlow, 2011; Kilian *et al.*, 2012). Of particular interest is the finding that Generation Y females use more traditional media than Generation Y males. Women had significantly greater usage of direct mail, daily newspaper, in-store advertising, and magazines compared to men. This is consistent with the literature with women being more visually oriented with preference for advertisements that are both verbally and visually rich, as well as highly informative (Putrevu, 2001). It appears clear that women tend to rely on more traditional media. This may be accounted for based on

the better visual content of traditional compared to electronic media, at least at the present time. This finding also supports increasing the use of visual enhanced marketing efforts to females (Kinley *et al.*, 2010). Another important finding was that there was no gender difference in internet usage for Generation Y. This finding is counter to much of what has been written about internet usage of males compared to females, where males are typically described as heavier users of the web (Teo and Lim, 1997). This finding may, however, provide support for the notion in the literature that the internet usage gap between men and women is narrowing (Swinarski *et al.*, 2010). These results warrant additional research to further understand why these differences occur.

Summary and conclusions

To gain a better understanding of Generation Y behavior, this research has provided an overview of psychographic profiles and media usage habits for Generation Y consumers. The specific purpose of the research was to identify the psychographic profiles and the media habits of Generation Y overall, as well as by VALS type and by gender. Although this research was exploratory in nature, it does provide an initial examination of this area that has not been previously reported. While the VALS system has been widely used in commercial applications, it has rarely been investigated in academic settings (Novak and MacEvoy, 1990). This research has used the VALS system in an academic setting, but at the same time it provides managers with a further understanding of Generation Y behavior.

It is no surprise that marketers experience difficulty when trying to draw general conclusions about a population as large as Generation Y (Sullivan and Heitmeyer, 2008). Companies that could benefit from segmenting the Generation Y market into meaningful subsets may be better served through specific and targeted marketing messages. This research has implications for marketing managers that shed some light on this issue. While Generation Y relies primarily on the internet and television for sources of advertising information, the results of this study indicate more variation in media usage when the group is segmented into VALS types. Similarly, there is variation in media usage when Generation Y is examined by gender, but even more specific variation is noted when those groups are further segmented using VALS types. The VALS method is a useful way to characterize members of

Generation Y and gain insight into the values, attitudes, and lifestyles of more targeted consumer segments.

There are limitations of the research that should be noted as well as specific directions for future research. In terms of limitations, the use of a non-random student sample must be considered. While the respondents in this study are part of Generation Y, they are college students and represent a subset of the general population so it would be desirable to replicate the research with a larger and random sample. Future research is necessary to confirm the findings contained in this paper as well as to clarify and provide a deeper understanding of why the differences observed by VALS types do in fact occur. In addition, research to examine the distribution of VALS types among non-college students would provide further insight on the full Generation Y population. It would also be beneficial to examine subsets of Generation Y based on age sub-segments (Drake-Bridges and Burgess, 2010). The results of the present research provide some initial findings on the psychographic profiles and media habits of Generation Y; however, the nature of the research design limits the finding to being descriptive in nature. Additional research that considers the underlying causes of the behavioral differences seen would be beneficial to managers seeking to reach this important market segment.

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Executive summary and implications for managers and executives

This summary has been provided to allow managers and executives a rapid appreciation of the content of the article. Those with a particular interest in the topic covered may then read the article in toto to take advantage of the more comprehensive description of the research undertaken and its results to get the full benefit of the material present.

Different generational cohorts have been widely studied by the marketing research community. Of particular interest are consumers born between around the late 1970s and the mid-1990s and labeled as Generation Y or Millennials. Size and increasing buying power further raises the importance of a cohort acknowledged as being markedly different in various ways from its predecessors.

Growing up in an era dominated by technology has left its mark on a segment that numbers around 83 million in the USA. Generation Y consumers are adept with computers and the internet and are savvy with digital media and newer communication methods. They thus use as blogs, reviews and social networks to frequently interact with like-minded others. Their consumption of various media types makes it difficult for marketers to reach them effectively. Compounding the challenge is the fact that this consumer group is typically unresponsive to traditional advertising and mainstream media forms. Firms are becoming aware of this and many are transmitting their messages via digital media channels and using strategies like event marketing and product placement. However, opinion of friends and word-of-mouth (WOM) recommendations are generally more persuasive than advertising.

Plenty studies have identified gender differences in the way advertising is processed. Women respond better to the visual aspects of an advertisement and are more adept than men at interpreting non-verbal cues. Their preference is for ads which are complex through being “verbally and visually rich”. For their part, male reaction is more favorable when the message is simply conveyed using a minimal number of features. When it comes to online advertising, positive beliefs and attitudes are likelier among males than females.

Among other things, Generation Y consumers are seen as tolerant and compassionate towards social causes. Firms that conduct business in a socially responsible manner are thus likely to be trusted more and favored accordingly. While the cohort has been defined in the literature as materialistic and supportive of brands that permit “self-expression”, their independent nature means they are less brand conscious and brand loyal than the Generation X consumers which preceded them.

Using demographic data to segment this market can only take marketers so far. A growing band of analysts therefore believe that developing a psychographic profile of Millennial consumers might provide greater insight into their behavior. To date, few studies into this consumer cohort have adopted such an approach.

The methodology extensively used for psychographic segmentation is values, attitudes and lifestyles (VALS). It offers a more profound analysis based on personality and incorporates people’s surroundings, activities, perceptions and feelings. Over 800 questions were included in the original VALS instrument, which has since been subjected to several

modifications. Renamed VALS 2, the framework has now been reduced to 35 psychographic questions and four relating to demographics. Answers to these questions are used to organize people into different life style groups based on “unchanging psychological stances”. The methodology can predict consumer behavior and has been used to classify the population of the USA into groups based on individual responses to attitude and lifestyle questions, and on available resources as signified by household income.

Valentine *et al.* create psychographic lifestyle profiles in a study involving 121 subjects recruited from a university in the USA. Females accounted for 59 percent of respondents whose average age was 21.5 years. VALS type, gender, age and annual household income was revealed through the questionnaire, which additionally requested information about recent media usage for advertising and purchasing purposes.

Analysis indicated that an overwhelming majority of the Generation Y respondents fell into one of three VALS types:

- 1 *Experiencers* – With 59 percent, this was the dominant type. Average age in this group was 20 and female representation was slightly higher than in the overall sample. This group has high resource levels, follows trends and has “media habits” characteristic of younger consumers. Of the media forms used, the internet was the most popular. Results also confirmed earlier observations that these individuals are “action oriented”.
- 2 *Strivers* – The second largest group (24 percent) within which females accounted for a lower percentage compared to the sample in total. Consistency with the VALS typology was indicated in the fact that household income was lowest of the three main groups here. Behavior wise, individuals are “status seeking” and use television as their principal source of media.
- 3 *Achievers* – This group accounted for 9 percent of respondents. Income was highest in a group also noted for their status seeking behaviors. The internet was the most preferred media form and the presence of females mirrored Experiencers in being higher than in the main sample.

The remaining 8 percent of subjects were categorized as Innovators, Believers, Thinkers, Strugglers and Makers.

When it came to media usage, electronic forms were most popular. That television enjoyed marginal preference over the Internet is considered interesting by the authors. In contrast, only magazines out of traditional print media forms were used to any significant degree. Billboard advertising was likewise ignored. By VALS type, the internet, television and radio were used considerably less by Strivers than the other two main groups. Markedly higher consumption of magazines was found among Experiencers.

Gender differences were apparent with regard to media consumption. In line with previous indications, use of traditional media forms was higher among female Generation Y individuals than their male counterparts. This divide was especially greater for daily newspapers, magazines, direct mail and in-store advertising. Their preference for visual content is cited as a likely reason for this. Scholars have advised using visually enriched marketing to target females and these findings further justify that strategy. Contrary to popular belief, internet usage among Generation Y respondents showed no difference by gender. Although

males are perceived to use the web more substantially than females, it would suggest that usage difference is becoming less marked.

The exploratory nature of this work does not prevent findings being potentially useful to marketers striving to make generalizations about this large population cohort. In the opinion of Valentine *et al.*, companies will be best served by segmenting this market into various sub-groups based on the different VALS types. Marketing communication that is “specific and targeted” could then be deployed through media channels identified as appropriate to each group in this study.

A consideration of media usage by gender is also recommended.

In future, researchers could use larger samples that include Generation Y consumers other than college students. The authors believe that exploring age-based sub-groups can likewise add to the knowledge about Millennials. Acquiring greater understanding of behavioral differences between VALS types and their underlying causes might further help marketers to target this key segment more effectively.

(A précis of the article “Generation Y values and lifestyle segments”. Supplied by Marketing Consultants for Emerald.)