

REACHING GEN Z AND MILLENNIALS ON YAHOO

**4 strategies to connect
with audiences.**

yahoo!



The future has arrived

People under the age of 25 make up 41% of the world's population.¹ Members of younger generations are officially too big to ignore, with the world's teens and youngest adults powering many of last year's biggest fashion trends, political movements and memes.

Marketers have a scaled opportunity to capture consumer hearts and wallets, but it takes an understanding of what customers want and creating meaningful interactions across the path to purchase.

This report discusses how to cut through and reach Gen Z and Millennial audiences through four essential tips.

- + Lean into consumer passions [page 6](#)
- + Focus on trusted sites [page 13](#)
- + Invest in innovative technology [page 14](#)
- + Build around consumer context [page 15](#)

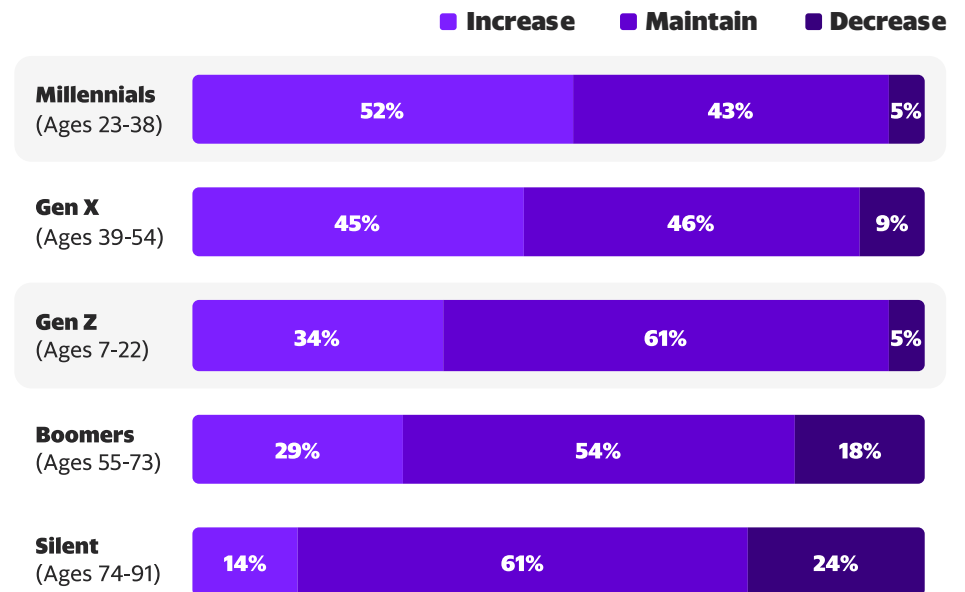
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41%

Of the world's population will be under 25 by 2022.¹



Plans to invest in the next 12 months²



¹ World Health Organization, February 2021.

² eMarketer, 2020.

The marketer challenge

The younger generation's attention span is fast becoming a scarce commodity, and it's been limited even further by social media. Younger audiences tend to tune out most of the noise, and the sheer amount of content and products available makes decision-making difficult.

Consumers today are hungry for engaging, well-executed experiences that are seamless, offer utility, enhance reality and create community.

46%

Of advertisers say they have difficulty standing out, while 1/3 say they have issues finding effective ad placements in cluttered environments.²

50%

Of 18-34-year-olds visit a premium content site everyday or once a week.¹

64%

Of 18-34-year-olds find when there's too much content online, they start to tune it out.³

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¹ Yahoo, Omnibus Study, 18-34, February 2021.

² Yahoo, Brand Building Study, 2020.

³ Yahoo, Building Brands, 18-34, June 2019.

Meet Gen Z and Millennials

Where they're spending:¹

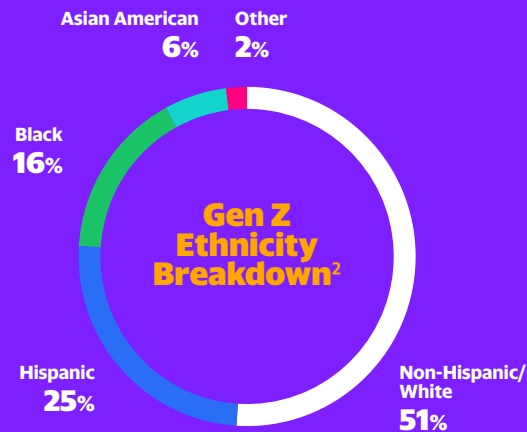
-  Fast food
-  Nutrition
-  Music subscription
-  Hardware
-  Travel: Airbnb

Key daily habits:²

- + Going on social media
- + Sharing content such as videos, photos, GIFs
- + Watching videos
- + Playing games and fantasy sports

Content to win them over:

- + Relevant
- + Educational
- + Entertaining
- + Authentic
- + Cutting-edge
- + Socially responsible



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¹ Yahoo, Audience Insights, February 2021.

² Comscore, Plan Metrix Audience Profile, 18-34, U.S., February 2021.

Yahoo scale and reach



90%

Of 18-34-year-olds are reached through the Yahoo Ecosystem.¹



#1

In the media category, in terms of reach among Spanish speakers and those who do not identify as White/Caucasian.²



44%

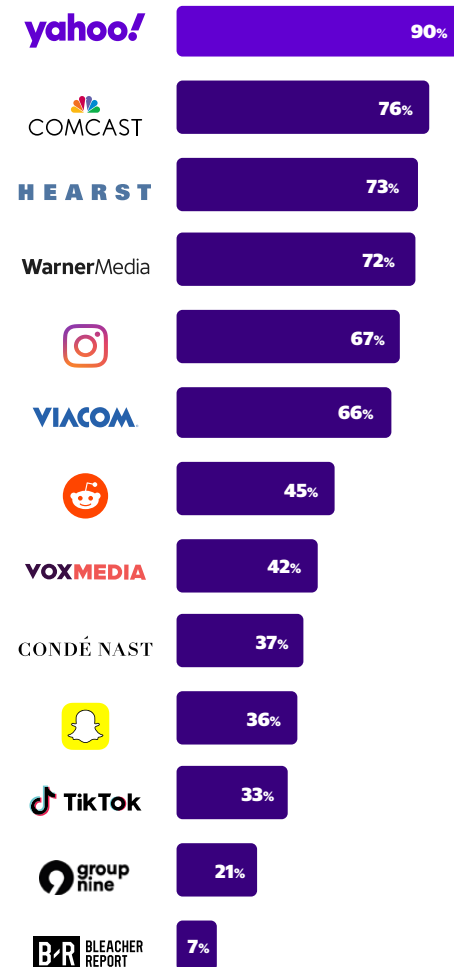
Male³



56%

Female⁴

Gen Z and Millennial % reach of the digital population:⁵



Reaching Gen Z and Millennials

^{1,3,5} Comscore Plan Metrix® Multi-Platform, Yahoo (and Microsoft Partnership), Persons: 18-34, February 2021, U.S.

² Comscore Plan Metrix® Multi-Platform, Media Category, Target Audience: Demo: GenZ (1997++2012) or Millennials/Gen Y (1987++1996), Extended Demos: Primary Household Language: Spanish all the time, Spanish more than English, Spanish & English equally, English more than Spanish or English all the time - Hispanics/language spoken/at home, Race: Black/American Indian/Alaska Native, Asian/Native Hawaiian/Pacific Islander, Other February 2021, U.S.

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TIP 1:

Lean into consumer passions

We know that young audiences are more likely to prefer brands that reflect key elements of their lifestyle. In fact, 56% of Gen Z consumers say that having shared passions and perspectives is a major factor when it comes to their engagement with a brand.¹

But these commonalities can't just be superficial. Brands need to walk the talk, so that when they're integrated into the consumer's own experiences, it seems only natural. According to our research, 49% of young consumers say they will evangelize a brand they feel represents their values, likes and personality.²

How teens decide whether a video is worth watching:

Topic they're interested in **63%**

Created by someone they like **49%**

On a channel they like **47%**

Title **42%**

Suggested video **34%**



49%

Say they will evangelize a brand they feel represents their values, likes and personality.²

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¹ Forbes, 2020. ² Yahoo, consumer study, 18-34, 2020.

TIP 1: LEAN INTO PASSIONS

Sports: Start with mobile-first experiences

While Gen Z and Millennial sports fans share the same passion for their favorite teams and players as generations that came before, they watch games and interact with sports differently. A large portion of Gen Z and Millennial audiences—31% and 41% respectively—opt to follow games and commentary on their phones.¹

Reach sports fans in new ways including through short video clips, co-viewing, highlights and interactive features.



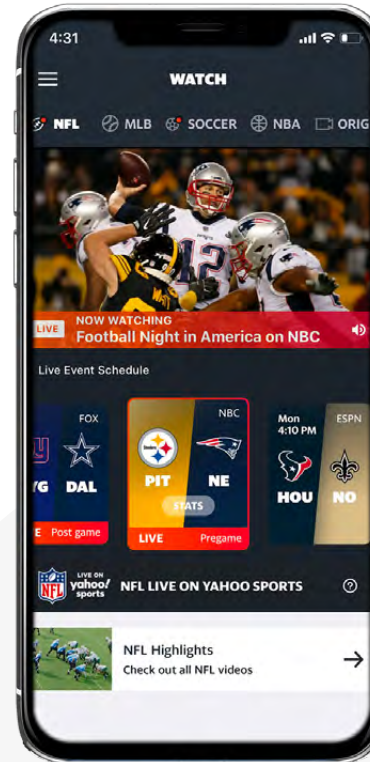
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Listening in on the game

To reach new audiences, Canadian sports broadcaster and streaming platform DAZN launched a branded content campaign that includes a podcast that puts a local spin on the NFL. DAZN hit its annual subscriber goals and surpassed KPI benchmarks.

[Watch the sizzle >](#)

Connect with your fans on Yahoo.



Watch Together by Yahoo Sports

Available through the Yahoo Sports App, this co-viewing experience enables fans to video chat on their phones with friends while watching live local and primetime games.



Interactive experiences

Yahoo Sports is the first sports app to leverage real-time player tracking data with AR, enhancing viewing by putting the play and stats in the palm of your hand.

¹ Sportico, 2021.

TIP 1: LEAN INTO PASSIONS

Sports: Lean into community

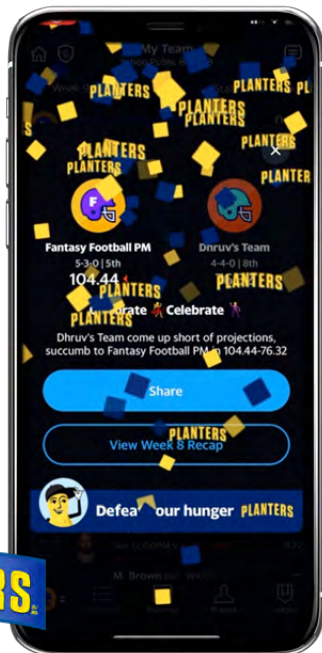
Connect with the sports community with Yahoo.

Ranked #1 Sports Fantasy App five years running, we provide advertisers the opportunity to reach younger sports fans at scale. We've recently expanded NFL live into Yahoo Fantasy and launched Draft Together, which allows fans to connect with each other through video chat as they draft their fantasy baseball team.

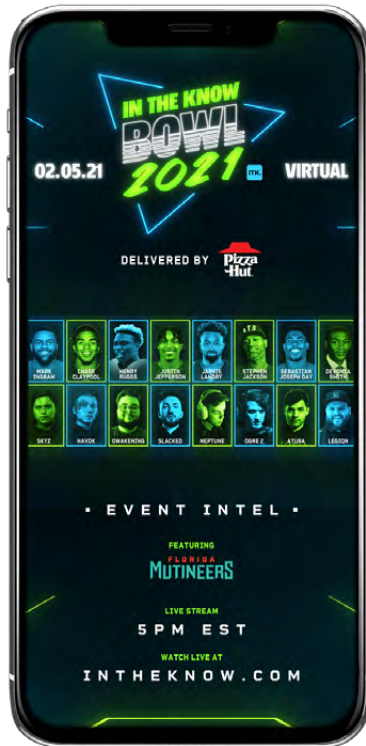
Planters connected with fans through Yahoo Sports and Yahoo Fantasy Sports.

[Watch the sizzle >](#)

PLANTERS



In the Know brought together e-sports fans for the second annual live stream tournament, sponsored by Pizza Hut. Playing their favorite game, NFL pros, including Jarvis Landry and DeVonta Smith, faced off against the Call of Duty League™ franchise team Florida Mutineers.



Community is everything.

Today's leagues need to do more than just broadcast the game. Young fans want sports media experiences that foster sharing, connection and interaction in bite-sized, digital moments. Gen Z and Millennial sports fans are 4X more likely than Boomers to watch non-game sports content and, 78% are "dual screening" while watching live games.¹ Brands need to develop a strong presence in spaces like fantasy sports where young fans can connect and build community.

It's all about connecting.

2x

As many Gen Z and Millennials are more likely to engage with sports content to connect with each other.²

51%

Share sports content with others socially.³

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¹ Ypulse, 2020. ^{2,3} Yahoo internal data, 2020.

TIP 1: LEAN INTO PASSIONS

Yahoo sports fans

Are sports fans the perfect target consumer for your next campaign? Get the full picture of who they are compared to the general population using our deep audience insights gleaned from 200B daily data signals across our ecosystem.

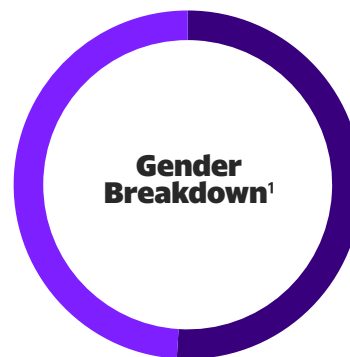
 **71M**

Gen Z & Millennial sports fans reached in the U.S.¹

 **41%**

Have a household income of \$100K or more.²


Female
49%




Male
51%

 **10%**

Are more likely to click on an ad and 18% more likely to convert than those 40+.³

 **25%**

Identify as a race other than Caucasian and 15% speak Spanish at home.⁴

Where they're spending:²

 Streaming music and video memberships

 Pizza orders

 Gaming subscriptions

 Fast food

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^{1,2,4} Comscore Plan Metrix® Multi-Platform, Yahoo (and Microsoft Partnership), Target Audience: Generation Gen Z (1997++2012) or Millennials/Gen Y (1987++1996), and All Sports, February 2021, U.S.

³ Yahoo, Audience insights, February 2021.

TIP 1: LEAN INTO PASSIONS

Gaming

It's no surprise that video games are a huge form of entertainment and a means to connect among Gen Z and young Millennials. In fact, for almost one-third of this segment, gaming is bigger than movies, television and books.

By 2023, the industry projects it will earn \$200B in revenue and be home to 3B gamers.¹ Accelerated by the pandemic, time spent on live streaming video games grew almost 80% last year, and these gamers are here to stay.²

To meet younger generations where they're at, advertisers are quickly turning toward opportunities in gaming. It's a time when they can reach audiences during moments of high engagement.



Xbox is leading the way when it comes to enabling gamers to customize their experience. Today, you can reach a community of over 37M monthly active users between the ages of 18-34 across 10 countries.⁴

31%

Of both Gen-Z and Millennials are playing more video games.³

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W

HOTELS



Boosting brand love through Xbox.

When W Hotels launched a campaign to connect with Millennial luxury travelers, they beamed their brand into living rooms through Xbox. Audiences spent an average of 3 minutes engaging with the campaign, resulting in a brand favorability boost of 11.6%.⁹

[Check out the case study video >](#)

Reach gaming fans with Yahoo.



62M

Gen Z & Millennial Xbox gamers globally, 12.4M in the U.S.⁵



40%

Have a household income of \$100K or more.⁶

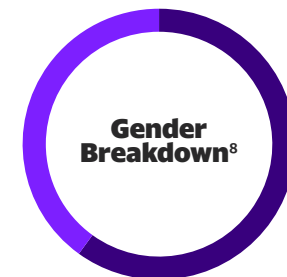


26%

Identify as a race other than Caucasian and 15% speak Spanish at home.⁷



Female 40%



Male 60%

¹ MediaPost, Sept. 2020.

² Business Insider, 2021.

³ Yahoo, COVID-19 Consumption Habits, 2020.

^{4,7} Comscore, Plan Metrix, IAB interest in gaming, 18-34, U.S., February 2021.

⁸ Global Web Index, Xbox, audience numbers for 10 global countries, Q4 2020.

⁹ Yahoo, Internal data, W Hotel Campaign, 2020.

TIP 1: LEAN INTO PASSIONS

Current events

It can be tough to determine whether brands should connect with consumers in the news space. Here are the facts: Advertising in the news is a huge opportunity for brands, no matter the story. During these times of uncertainty, 2/3 of Gen Z and Millennials want to hear from brands they trust.¹ And there's no need to worry about backlash, as 90% of consumers report that heavy news does not negatively impact their perception of the brands that appear next to the content.²

In fact, young adult consumers want to know where brands stand in the context of current events. Brands that incorporate social responsibility into their model enjoy greater brand loyalty.

Reach current event advocates on Yahoo.



27%

Identify as a race other than Caucasian and 15% speak Spanish at home.⁵



44%

Have a household income of \$100K or more.⁶

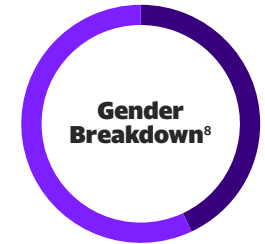


78M

Gen Z & Millennials reached through Yahoo news sites.⁷



Female
57%



Male
43%



47%

Of consumers look to online news sites first for current event information (COVID, BLM), higher than cable, social media and word of mouth.³



29%

Of consumers say they feel more favorable toward brands they see advertising on news sites they trust.⁴



^{1,2} Yahoo, Trusted News Study, 18-34, March 2020.

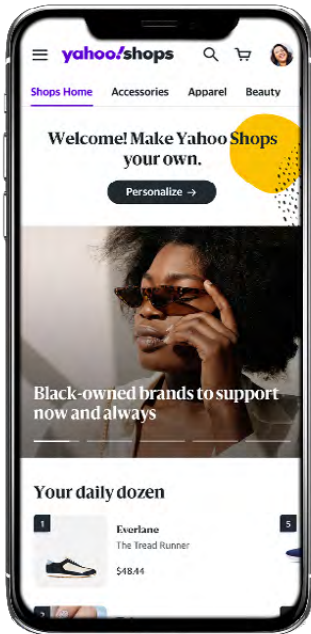
^{3,4} Yahoo, Omnibus Study, 2020.

^{5,6} Comscore Plan Metrix® Multi-Platform, Yahoo (and Microsoft Partnership), Target Audience: Generation Gen Z (1997++2012) or Millennials/Gen Y (1987++1996), and All (News and Politics), February 2021, U.S.

TIP 1: LEAN INTO PASSIONS

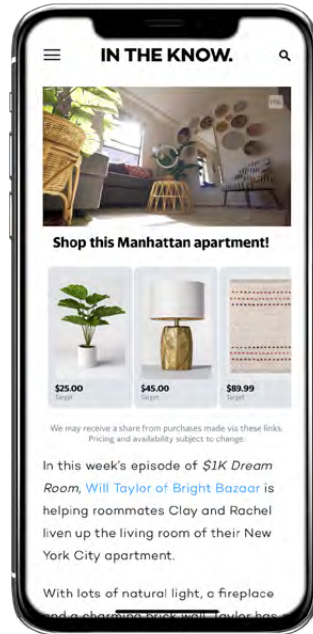
Shopping

About one in four Gen Z shoppers in the U.S. said that online advertising has become more influential in their purchasing decisions over the last two years. And the best type of online advertising is personalized. It's not only what shoppers now expect, but it also drives greater return for brands. Customers today want to engage with brands that reflect and support their passions and interests.



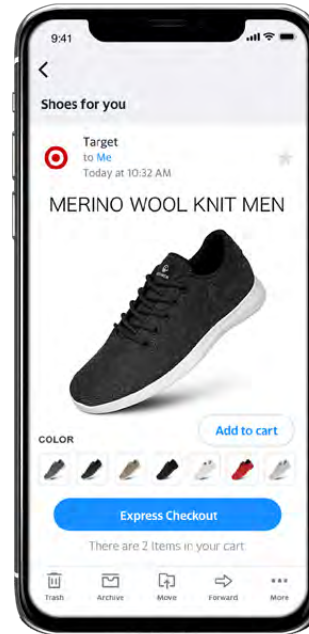
Interest-based shopping

With the launch of Yahoo! Shops this fall, users can discover and buy products through a user-unique digital mall featuring only products that reflect areas of interest. Integrate into this personalized experience where shoppers are further down the funnel.



Short, interactive video

With shoppable videos, customers can buy directly from what they're watching. Partner with brands like In The Know, which connects with 24M users and creates 450 videos/week to engage with viewers through more meaningful interactions.²



Email integrations

Most marketers targeting Gen Z focus on social, meaning Gen Z inboxes have less competition than their Millennial or Gen X counterparts. Invest in email technologies such as AMP, Deal and Grocery Integrations, which enables dynamic, personalized and actionable content.



64%

Of younger shoppers say they pay attention to brands and products tailored to their interests.¹



50%

Of the younger generations shop exclusively online.²

Partner with Yahoo.

Our experiences are designed to meet next-gen audience's authentic daily needs and to inspire them across their journey with premium content in immersive formats — all powered by unparalleled technology and data.



¹ Yahoo, Omnibus Study, 18-34, April 2021.

² Comscore, Media Metrix, intheknow.com, U.S. only, March 2021.

TIP 2:

Focus on trusted sites

Nearly 40% of advertisers have had to address backlash due to their ads being placed next to low-quality content. With the majority of consumers 18-34 believing that brands are responsible for where their advertisements are placed online, what's the right environment for your brand?¹

If the last couple of years have shown us anything, it's that the right context begins with premium environments built for brand safety. In fact, 90% of advertisers say that both trust and performance are requirements for a successful campaign.² Quality matters for younger generations, too. Despite their penchant for memes, influencers and scrolling social feeds, over half of young consumers are more likely to consider and trust brands that advertise next to quality content.

The Yahoo Solution

In order to break through the noise, brands and publishers must create and integrate into experiences that compel audiences to explore further. Yahoo offers both trust and performance, reaching quality audiences at scale.



#1

In professionally produced content.³



91%

Of users aged 18-34 trust Yahoo sites.⁴

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¹47 Yahoo, Halo study, Trusted Sites, 2019.

²5 Yahoo, Omnibus study, March 2021.

⁶ Yahoo, Halo Effect, 18-34, 2019.

³ Comscore, Key Measures, Yahoo (+MSN Partnership), Multi-platform, February 2021.

What younger generations think.



54%

Agree that ads placed next to premium content inspire more consideration and trust.⁵

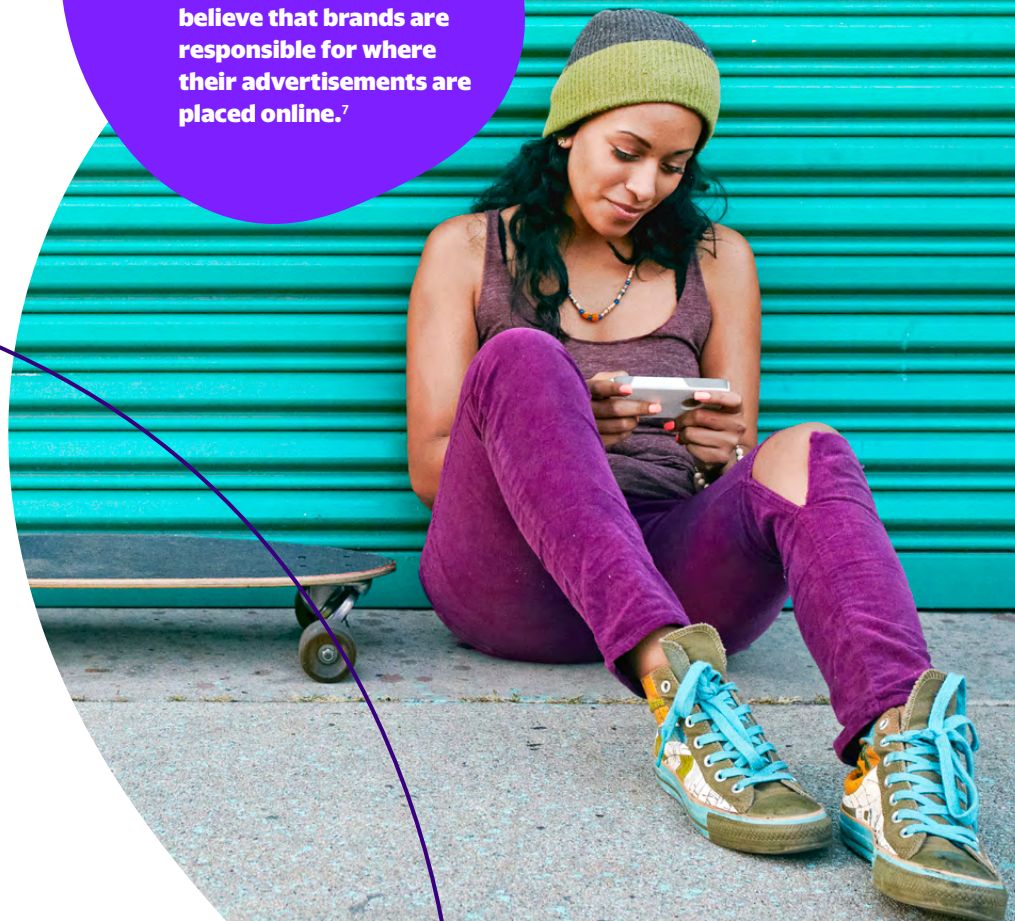


56%

Prefer to see professionally-created content over user-generated content on social media.⁶

74%

Of 18-34-year-olds believe that brands are responsible for where their advertisements are placed online.⁷



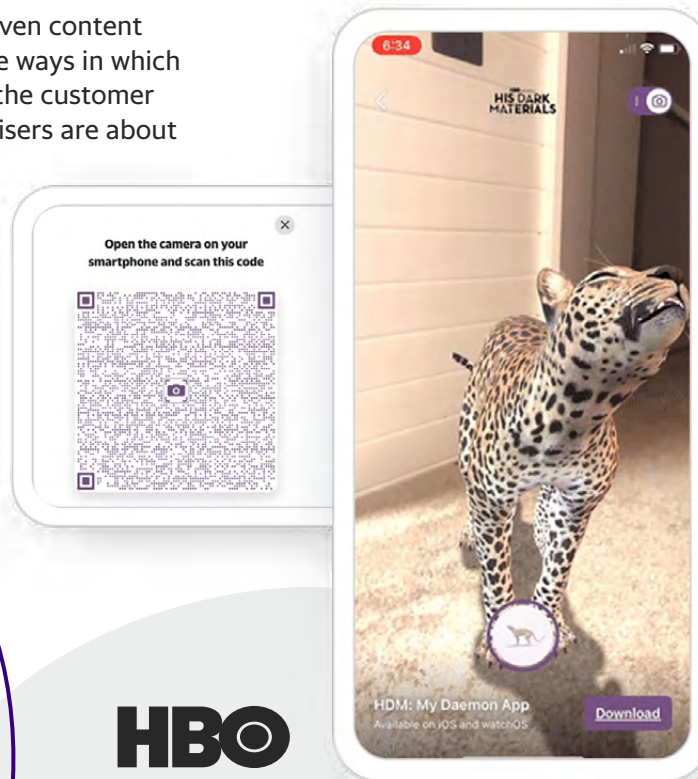
TIP 3:

Invest in innovative technology

Digital experiences just keep getting better. From AI-driven content feeds to shopping enhanced with augmented reality, the ways in which consumers interact with technology have transformed the customer journey. With 5G on the horizon, consumers and advertisers are about to step into digital's new age of speed and capabilities. These new realities make a difference for your brand, with 61% of people saying that experiences are just as important as a company's products.¹

Solution: Yahoo Immersive.

With an overwhelming volume of content for consumers to sift through, brands and publishers can stand out by creating compelling experiences that deliver the wow factor. Our immersive suite and ease of purchasing help you get noticed.



HBO

HBO and Yahoo, two leaders in premium media, recently came together for a must-watch AR partnership to promote Season 2 of the HBO show, **His Dark Materials**. The campaign drove awareness and viewership through highly targeted native AR ad placements to reach relevant audiences.

[Check it out >](#)

^{1,2,5} Yahoo, Immersive Formats, 18-34, May 2020.
^{3,4} Yahoo, Building Brands, 18-34, June 2019.

Marketing Journey

According to users
18-34-years-old:

AWARENESS

63%

Say they are more likely to pay attention to the product or service that use innovative formats.²

ENGAGEMENT

71%

Say innovative ad formats are more engaging.³

CONSIDERATION

62%

Say these ad formats tell me more about the product or service.⁴

PURCHASE INTENT

63%

Say they are more inclined to purchase from brands that create content with innovative tech.⁵

yahoo!

TIP 4:

Build around consumer context

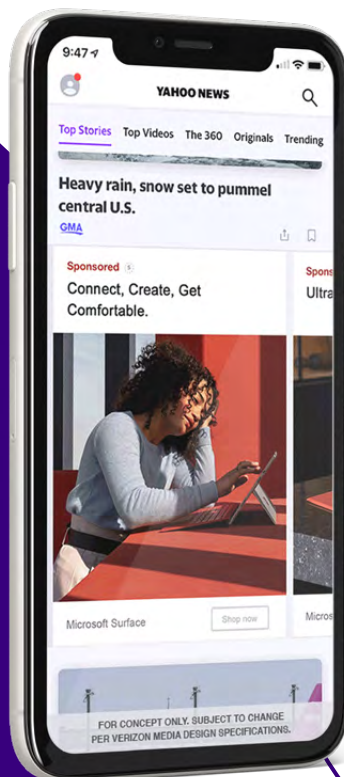
Gen Z not only wants more control over the content they consume, but they also prefer to see ads based on their online activities and interests. They understand how data is used to target ads and make experiences more personal, so they expect useful, well-targeted ads relevant to their current context. On the flip side, that means irrelevant ads, especially if they're interruptive, are less welcome than ever before.

Thankfully, marketers are armed with a mountain of data and a new wave of intelligent ad tech to help them build personalized experiences. When paired with trusted content environments, these highly-targeted ads can drive better performance and a better customer experience.

Yahoo solution: Dynamic Product Ads.

Yahoo combines the power of data targeting, creative personalization and optimization to drive deeper connections with consumers. With Yahoo ConnectID and its profiles of 240M users across the U.S., it's easier to target your audiences precisely. Tap into Dynamic Product Ads to create innovative shopping experiences that serve your message at the exact moment your audience is ready.

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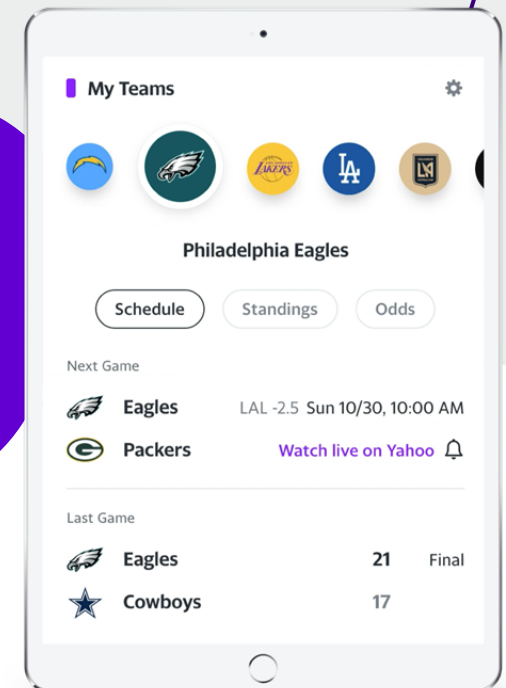


What's new in Yahoo!

We're making Yahoo properties more personal than ever with custom content views, utility and organization. View your favorite sports teams, stocks, news and product recommendations across the ecosystem.

58%

Of those 18-34-years-old say personalized ads help with purchase making decisions.¹



“In the past 6 months I have clicked on a sponsored ad:”²

42%

Gen Z & Millennials

33%

Gen X

29%

Boomers & Silent

^{1,2} Yahoo, Omnibus Study, March 2021.

Work with a trusted partner

Passionate users are at the center of Yahoo. Our ecosystem reaches Gen Z and Millennial audiences, connecting them to the experiences they care about most.

With new partnerships, commerce integrations and our content suite available through Yahoo Immersive, we can help you capture attention, build trust and meet consumers wherever they are.

500_M

Linked profiles globally through Yahoo ConnectID.¹

#1

DSP, SSP, and CTV according to Adweek 2020.²

¹ Yahoo, Internal data, 2021.

² Adweek Readers' Choice: Best of Tech Partner Awards 2020.

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Contact us to get started.

