

# **Millennials and Nostalgia**

**Presented by:**

**Kaley Lewis, Brittany Martin, Tyler Morris, Katie Cantrell,  
Stephanie Parise, Allen Ownley, and Katie Smith**

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## Executive Summary

The overall research problem is figuring out the best way to market to millennials. This topic was broken down into six different subtopics, one being “nostalgia”, which is the subtopic our group was focusing on. The big-picture objective of our research was to find out exactly how nostalgic millennials are and if that nostalgia has any kind of effect on their purchase behavior. By finding out these things, we were able to determine whether or not it would be effective for marketers to use nostalgia in their advertising as a method to increase sales for any given product.

To follow through with these objectives, we drafted questions and administered a survey in which 188 people participated in. We used a convenience sample; each group member sent out the survey to people they know as well as posting the survey on social media. The majority (about 2/3) of the survey participants were female. The average age of the respondents was 25, with most of them being unmarried in a relationship, making less than 24,000 annually.

Our research showed that while millennials are (on average) more than occasionally nostalgic or reflective on their childhood, they are not as nostalgic as we thought they would be. We also found that though they are nostalgic, this nostalgia does not always play a huge role in their purchase behavior. Just because they may like an advertisement with a nostalgia theme, does not necessarily mean they are going to want to buy the product being advertised. It’s more of an “oh, that’s nice” and walk away type of response most of the time. We

recommend that when marketing to millennials, marketers only use the nostalgia theme for older, well known products.

## **Introduction**

Lately there has been a rise in nostalgic themes in advertising. Apple placed the Cookie Monster from the Muppets back in the spotlight for an iPhone 6s commercial. A recent Target television ad featured kids dressed as classic *Star Wars* characters. A commercial featuring McDonald's chicken nuggets reminds today's parents of times they ate chicken nuggets as kids. These are just a few examples that have occurred in 2016. Is nostalgia marketing effective? Is it positively changing consumers' buying habits? Through our Millennials and Nostalgia project, we hope to gain a better understanding of the role nostalgia plays in Millennials' purchase behavior. To clarify what is meant by nostalgia, Merriam-Webster defines it as the "pleasure and sadness that is caused by remembering something from the past and wishing that you could experience it again."

Our target audience for this project is Millennials, who are individuals born between 1977 and 2000 (i.e. between ages 16 and 40). According to multinational finance company Goldman Sachs<sup>1</sup>, the generation of Millennials is the biggest in US history at 92 million individuals. This generation has grown up in a technology-driven world. Between instant messaging, social media, and text messaging, these individuals stay in constant digital connection. Compared to previous generations, Millennials have higher unemployment levels and smaller incomes on top of higher student loan payments. As a result of having less money,

this generation has been known to put off commitments like marriage and owning a home, choosing instead to live with their parents.

### **Research Objectives**

- To gauge the degree of nostalgia in the daily lives of Millennials.
- To see whether or not nostalgia impacts Millennials' purchase behavior.
- To understand the influence of parents on Millennials' purchase behavior.
- To determine Millennials' level of comfort with change.
- To measure Millennials' attitudes towards their childhood, present circumstances, and future.

If we can understand Millennials' attitudes towards their childhood vs. the present or future, we may be able to correlate positive attitudes towards their childhood with a preference for purchasing goods that remind them of it. This will also be reinforced by measuring Millennials' preference for familiarity vs. willingness to step out of their comfort zone. Familiarity and childhood are both factors that relate to nostalgia. Therefore, positive attitudes towards these will indicate an inclination towards nostalgic purchases.

### **Research Methodology**

When it came time to decide how we were going to get all the data we needed for our research on how nostalgia affects the purchase behavior of today's millennials, we decided to create a survey questionnaire on the website Qualtrics. We began by creating a draft list of

about 40 questions that we felt would best capture the attitudes and brand recognitions of those who were going to be participating in the survey.

After reviewing the list, we narrowed it down to a final list of 24 questions, with four demographic questions, leaving the final survey to be 28 total questions. Each member of the team posted the final survey link generated by Qualtrics onto our individual social media sites, and sent them out via email and text messages to everyone we knew. We wanted to be able to gather as many respondents as possible; so majority of the data collection was convenience sampling which falls under non-probability sampling.

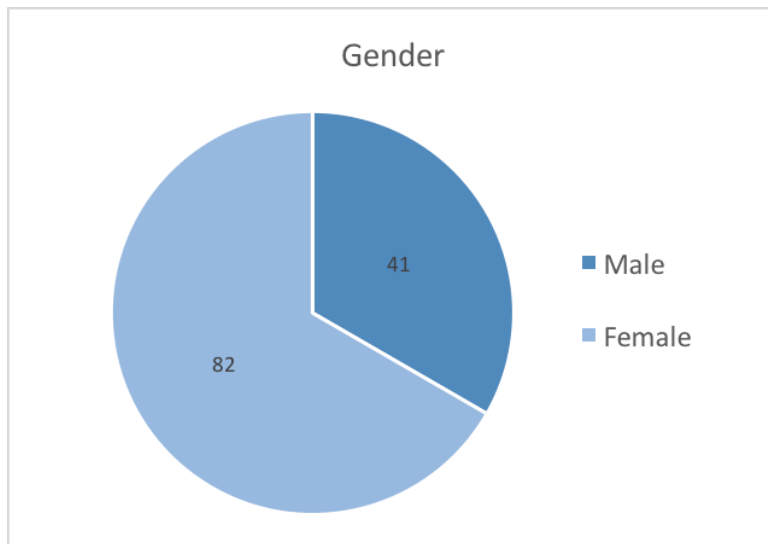
The first question of the survey, which was a filter question, was “Were you born between the years of 1977 and 2000?” Since our research is focused solely on millennials, we only wanted those who marked ‘yes’ to be able to continue on with the survey so we would get data from our targeted group. Those who were able to continue with the survey were met with a variety of likert scale questions

We had a total of 188 respondents that clicked on our survey: 160 answered ‘yes’ to the filter question and were able to continue on with our survey, while 28 answered ‘no’ and the survey ended for them. When it came time to analyze the data, we noticed there were a few respondents who chose not to continue the survey after they had already answered some of the questions, so the means for those questions reflect only those who answered the question. Qualtrics was also able to generate the percentages of answered provided for each individual question.

## Sample Characteristics

These sample characteristics are representative only of the participants that made it all the way through to the end of the survey where the demographic information is. Though 160 participants got through the filter question, only 123 completed the entire survey.

### Gender



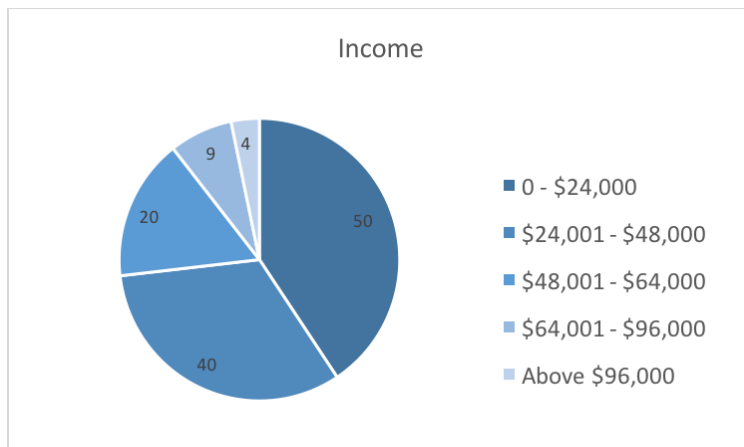
We surveyed 123 people total, with 82 or 66.67 % of them being females and 41 or 33.33 % of them being males. Winthrop is a school with the majority of students being females, this survey reflects that.

## Age

Field	Minimum	Maximum	Mean	Count
Age	18.00	39.00	25.61	123

Out of the 123 people we surveyed, the age range was between 18-39 years old. The average age being 25.61 years old.

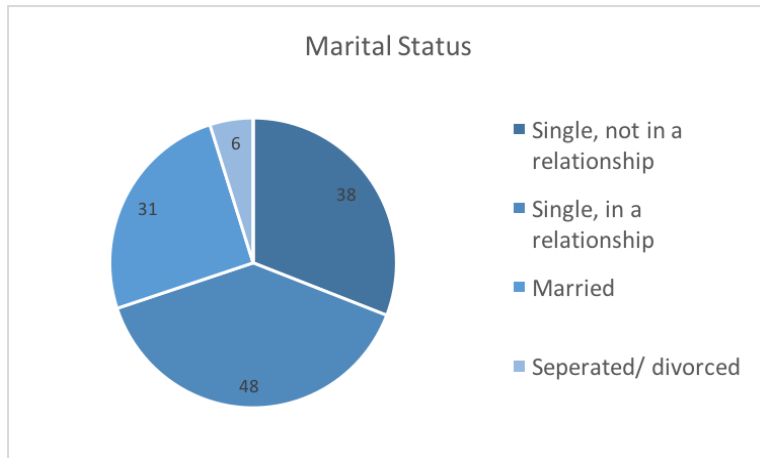
## Annual Income



The average income of the 123 people taking the survey was on the lower end. With 50 people or 40.65% of the people make under \$24,000. 40 people or 32.52% of the people making between \$24,001-\$48,000. 20 people or 16.26% of the people making between \$48,001-\$64,000. 9 people or 7.32% of the people making between \$64,001-\$96,000. 4 people or 3.23% of the people making above \$96,000. The majority of the survey takers are still in college, which is reflected by the income most of the people that took the survey.



## Marital Status



With the majority of the survey takers being college students, this is reflected in the marital status outcomes as well. 38 people or 30.89% of the people are Single, not in a relationship. 48 people or 39.02% of the people are Single, in a relationship. 31 people or 25.20% of the people are Married. 6 people or 4.88% of the people are Separated/Divorced. There wasn't anyone from the survey that was widowed.

## Data Analysis

### Descriptive analysis

Question	Mean	Mode	Sample size
How often do you reflect on your childhood?	3.44	n/a	153
Hof often do you feel nostalgic?	3.31	n/a	153
How large of a role has nostalgia played in your life in the past 5 years?	2.98	n/a	153
Are your parents native to the United States? (yes-1 or no-2)	n/a	1	153

How much did you enjoy your childhood?	4.16	n/a	147
Would you say you are happier today than when you were a child?	3.27	n/a	147
How do you feel about the shape our world is in today?	1.91	n/a	147
How do you feel about the future of our world?	2.60	n/a	147
How comfortable are you with taking on additional responsibility at this stage in your life?	3.64	n/a	147
How much responsibility do you feel you have currently?	3.44	n/a	147
How comfortable are you with change?	3.16	n/a	147
How often do you step outside your comfort zone?	3.29	n/a	147
How much would you say your childhood memories influence the products/brands you buy?	3.28	n/a	123
How inclined are you to buy the same products/brands that your parents bought?	3.28	n/a	123
If you do buy brands your parents bought, please name 3.	n/a	Tide	123
Have you recently purchased a product for yourself that is considered to be a child's brand? (yes-1 or no-2)	n/a	2	123
How inclined are you to buy a product that makes you feel nostalgic about your childhood?	3.28	n/a	123
How closely do you identify with the following brands (Apple)	3.30	n/a	123
How closely do you identify with the following brands (Nintendo)	3.05	n/a	123
How closely do you identify with the following brands (Nike)	2.68	n/a	123
How closely do you identify with the following brands (Lego)	2.54	n/a	123
How closely do you identify with the following brands? (Disney)	3.43	n/a	123
How motivated are you to keep up with the latest trends in the following categories? (Fashion)	2.97	n/a	123
How motivated are you to keep up with the latest trends in the following categories? (Technology)	3.66	n/a	123

How motivated are you to keep up with the latest trends in the following categories? (Household items)	2.95	n/a	123
How motivated are you to keep up with the latest trends in the following categories? (Cars)	2.70	n/a	123
How motivated are you to keep up with the latest trends in the following categories? (Entertainment)	3.43	n/a	123
If you had the opportunity, how differently would you live your life than your parents?	3.46	n/a	123
How differently would you raise your children than your parents raised you?	2.78	n/a	123
How positively do you view brands that use nostalgia as a theme in their advertisements?	3.50	n/a	123
Based on appearance, which bottle would you be more inclined to buy? (new-1 or throwback-2)	n/a	1	123
Gender (male-1 or female-2)	n/a	2	123
Age	25.61	21	123
Annual income	n/a	>24,000	123
Marital status	n/a	Single in a relationship	123

Overall, most millennials reflect on their childhood often with the vast majority having viewed their childhood positively. While college students often feel nostalgic, they feel it has not played a large role in their life in the past five years.

Most millennials are happier today than they were as a child and are comfortable with taking on additional responsibility. Additionally, they are comfortable with change.

In respect to purchase behavior, we found that childhood memories influence the type of brands millennials tend to buy today. Millennials' Purchase behavior is also somewhat influenced by products and brands their parents bought. Strangely enough, although they are

influenced by their parents, we found that most millennials said they would live their lives differently than their parents.

Millennials identify with brands like Apple, Nintendo, and Disney. They are motivated to keep up with the latest trends in technology. Also, they view brands that use nostalgia in advertising positively, though this positive outlook does not always influence their purchase behavior. In other words, just because they like a nostalgia-themed advertisement, doesn't necessarily mean they are going to go out and buy the product.

### Inferential analysis

Through extensive survey research and analysis, we were able to make some statistically significant connections between variables from our survey at the 5% level. The relationships we found have been included below with their respective data tables.

#### Is there a relationship between purchase behavior and nostalgia?

**Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	Nostalgia <sup>b</sup>	.	Enter

a. Dependent Variable: Q14\_1 - Please select one

b. All requested variables entered.

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.205 <sup>a</sup>	.042	.034	1.101

a. Predictors: (Constant), Nostalgia

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.416	1	6.416	5.294	.023 <sup>b</sup>
	Residual	146.625	121	1.212		

Total	153.041	122			
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a. Dependent Variable: Q14\_1 - Please select one

b. Predictors: (Constant), Nostalgia

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.294	.442		5.192	.000
	Nostalgia	.304	.132	.205	2.301	.023

a. Dependent Variable: Q14\_1 - Please select one

**Is there a relationship between motivation to keep up with fashion trends and age?**

**Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	Q26 - Age <sup>b</sup>	.	Enter

a. Dependent Variable: Q20\_1 - Fashion

b. All requested variables entered.

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.240 <sup>a</sup>	.057	.050	1.260

a. Predictors: (Constant), Q26 - Age

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.699	1	11.699	7.366	.008 <sup>b</sup>
	Residual	192.171	121	1.588		
	Total	203.870	122			

a. Dependent Variable: Q20\_1 - Fashion

b. Predictors: (Constant), Q26 - Age

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.447	.557		7.987	.000
	Q26 - Age	-.058	.021	-.240	-2.714	.008

a. Dependent Variable: Q20\_1 - Fashion

Is there a relationship between motivation to keep up with technology trends and age?

**Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	Q26 - Age <sup>b</sup>	.	Enter

a. Dependent Variable: Q20\_2 - Technology

b. All requested variables entered.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.190 <sup>a</sup>	.036	.028	1.085

a. Predictors: (Constant), Q26 - Age

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.304	1	5.304	4.508	.036 <sup>b</sup>
	Residual	142.355	121	1.176		
	Total	147.659	122			

a. Dependent Variable: Q20\_2 - Technology

b. Predictors: (Constant), Q26 - Age

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.654	.479		9.714	.000
	Q26 - Age	-.039	.018	-.190	-2.123	.036

a. Dependent Variable: Q20\_2 - Technology

Is there a relationship between motivation to keep up with technology trends and gender?

**Group Statistics**

		Q25 - Demographics			
		Gender	N	Mean	Std. Deviation
Q20_2 - Technology	Male		41	3.98	1.037
	Female		82	3.50	1.103
					Std. Error Mean
					.162
					.122

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2- tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Q20_2 - Technology	Equal variances assumed	5.414	.022	2.300	121	.023	.476	.207	.066	.885
	Equal variances not assumed			2.348	84.690	.021	.476	.203	.073	.878

While millennials are more than occasionally nostalgic, we found that nostalgia does not play as big of a role in their attitudes and purchase behavior as we initially anticipated. The most important data we were able to uncover was the evidence of a relationship between purchase behavior and nostalgia. The data told us that millennials' nostalgic thoughts have a positive effect on the types of purchases they make.

After looking through both the descriptive and inferential analyses, we concluded that though millennials are nostalgic, marketers should probably not use nostalgia as a theme to market everything. It would be smart to use nostalgia as a theme to market brands like Tide who position themselves as a classic, your-mother-used-it-type brand. However, using the theme to market new or innovative brands like Apple, would be much less effective.