

A MILLENNIAL REPORT

# GENERATION *WHY:* COVID EDITION

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PREPARED BY  
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# A POPULATION IN FLUX

*"TO UNDERSTAND THE MAN YOU HAVE TO KNOW WHAT WAS HAPPENING IN THE WORLD WHEN HE WAS TWENTY."*

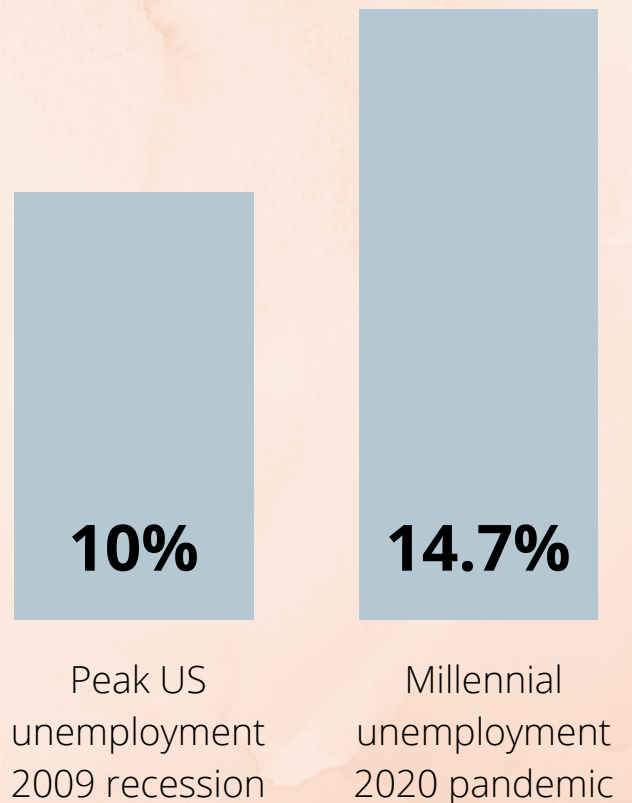
**—NAPOLEON BONAPARTE**

Back in 2008, as many Millennials were fresh out of college and looking for jobs, they were thrown a loop with the economic crash.

At an age when they begin to start families, buy houses, and purchase their first non-used cars, Millennials' life journeys have once again halted due to the worldwide epidemic of COVID-19.

The unemployment rate of 14.7% is almost 5% higher than the unemployment rate at the peak of the recession in 2009. 60% of those ages 18 to 34 said their household income was affected for the worse. Nearly a quarter of younger millennials (25 to 30 years old) say they either lost their jobs or their employers placed them on temporary unpaid leave in April and May.

The largest generation of consumers is now forced to reevaluate their spending, savings, and aspirations as the future holds no certainty.





# Goals put on hold

QUESTION ASKED: WHAT ARE YOUR LIFE GOALS?

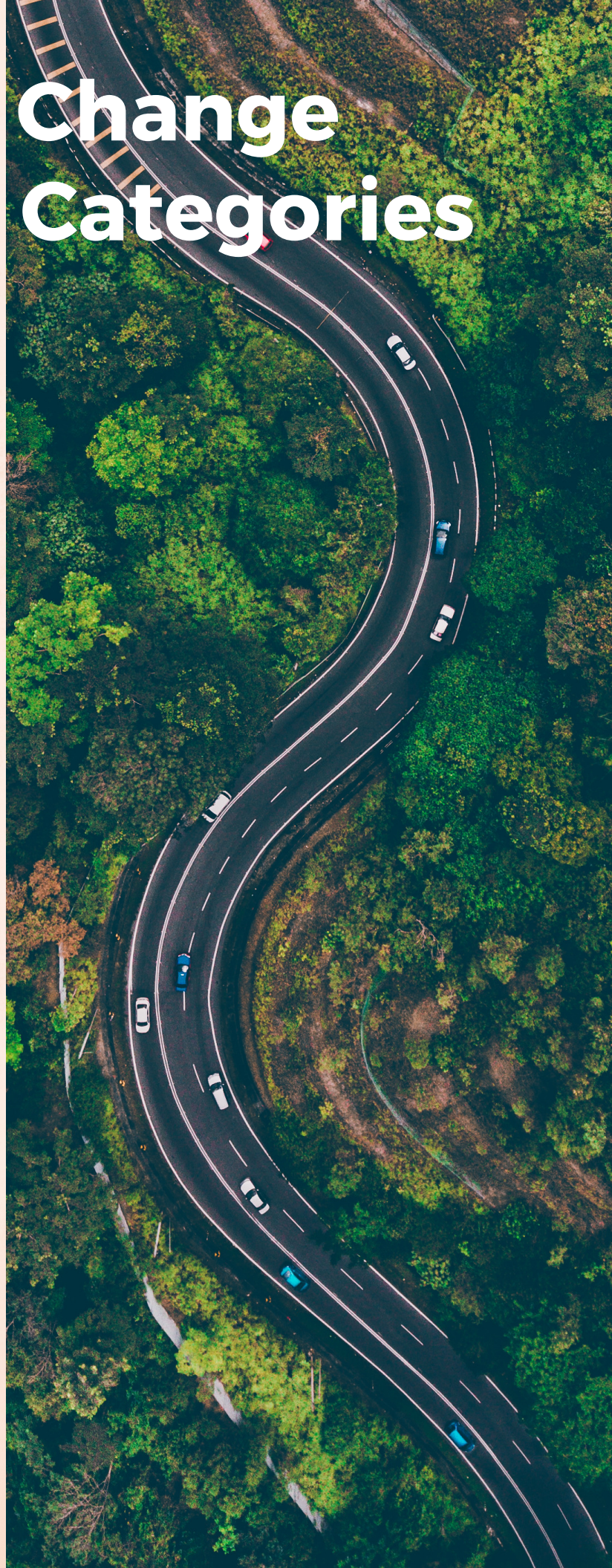


**In our original report we listed the life goals of Millennials. To put it bluntly: this list is now depressing. Anyone can see the epidemic's effect on each and every one of these aspirations. Vacations cancelled, jobs lost, business shuttered—future plans have been put on hold until the world once again finds itself.**



# **Rapid Change in all Categories**

- ▶ **Travel**
- ▶ **Finance**
- ▶ **Health**
- ▶ **Technology**
- ▶ **Alcohol**
- ▶ **Lifestyle**





# Travel

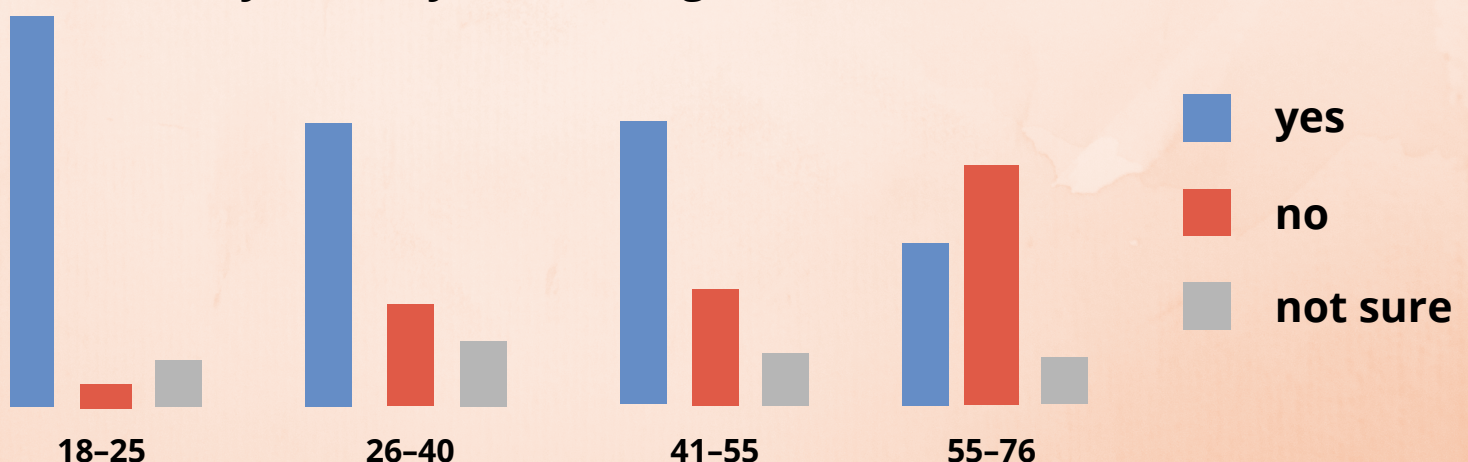
## REPEATING PAST BEHAVIOR

The recent Memorial Day weekend produced a similar trend, according to an American Express Travel Survey, which revealed that 48 percent of Millennials had traveled over the holiday weekend, while just 22 percent of Gen X-ers and 27 percent of Boomers reported doing the same. Even with restrictions on air travel, international trips, and cruise lines, Millennials are leaning into their favorite ways to getaway. Choosing vacation rentals over hotels, they are finding any way to escape their home while social distancing.

After Q2 revenue at only 28% of 2019 levels, AirBnB's Q3 is on course to bounce to around 74% of 2019 levels, representing a dramatic comeback for the company. Camping has always been popular among Millennials, who made up the most considerable portion of campers in 2019 at 41%, tying in with their gravitation towards appreciating nature and green living. This summer, 47 percent of leisure travelers replaced canceled or postponed trips with camping trips. Overseas Adventure Travel, known for its small-group tours, has seen solo bookings mushroom, with more than 24,000 single travelers signed on for 2021.

RV trips are another growing trend with Millennials that saw a surge this summer: the cleanliness control and flexibility of leaving and going at-will rates high on their priorities. While not yet moving into the luxury travel set, Millennials smoothly pivoted their travel plans during restrictions, as it is what they had been doing for years.

### Q: are you ready to travel again?





# Finance

## THE ONE-TWO PUNCH

After surviving the recession and high student loans, 2019 saw a large portion of Millennials in career positions and earning livable wages. The pandemic and non-essential business closures then caused record-breaking layoffs and furloughs, forcing them to dip into their meager savings and further delaying life goals like homeownership and children. A study from August showed 50% of consumers now rank financial security as one of their top three concerns—a rise of 36% since March 2020.

On the flip side, those Millennials who have kept their jobs and work from home have reported saving more money. As the generation that spends the most on dining out and daily venti frappuccinos, canceled vacations and uncertain futures have them saving more than ever. A growing nest-egg could lead those in this circumstance to purchase homes once the market stabilizes.

With this extra pocket money, online retail therapy offers an easy pick me up without the worry of contamination. Quick buy options and flexible return policies provide a rapid boost, but companies have been slow to respond to increased shipment demand in light of increased safety measures at their fulfillment centers.

People are spending more time at home, either alone or hosting, as opposed to meeting outside. They want to make themselves and their guests as comfortable as possible, so home goods and decorations also saw growth. Sales of small appliances were up 24%, housewares 28%, and bakeware 44% in the three months ending August 2020 versus the prior year.

***“In the past few decades, we’ve seen a shift in the economy toward more service jobs. Young people in those service jobs are now at a greater risk of being exposed.”***

**– Sharon Sassler, Cornell University**



# Healthcare

## COVID CABIN FEVER

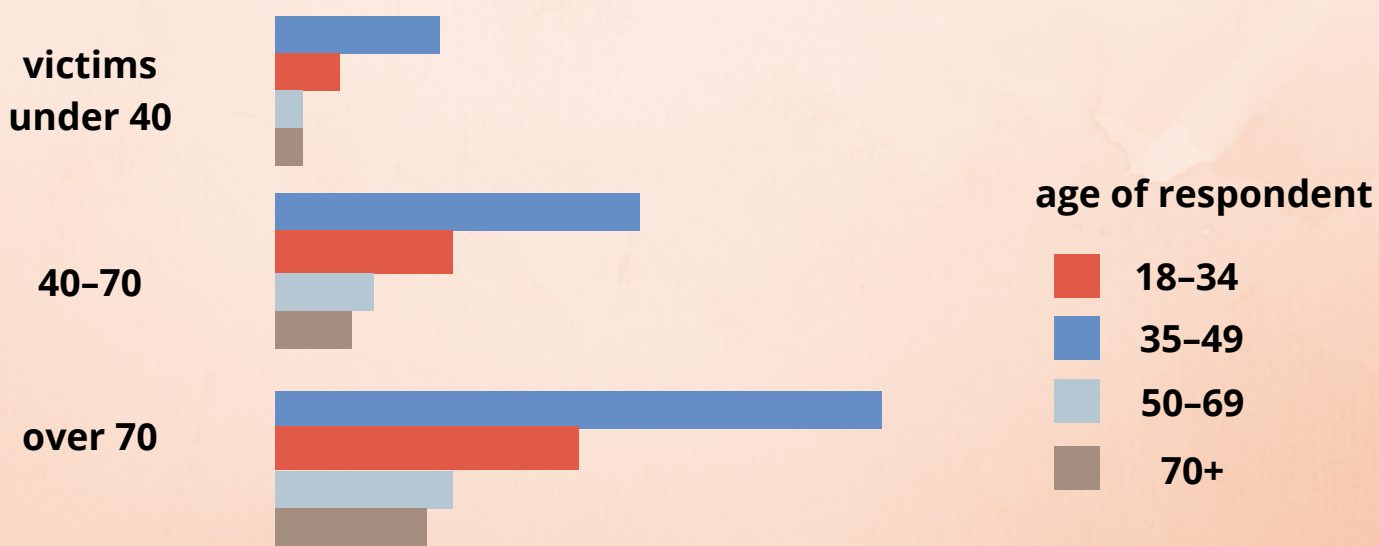
While older generations are more at risk, the coronavirus still sends many Millennials to the ICU, even those without underlying conditions. 48% percent state they are concerned about the risk of contracting COVID-19. Even before the fear of viral spread, Millennials sought malady diagnosis online. With the additional pressure to avoid the hospital or doctor's office, medical facilities are finally putting in a concerted effort to update their virtual portals, making all services, as well as virtual visits, readily available online.

In addition to physical health, mental health has also faced a decline during the epidemic. Replacing face-to-face socializing, people rely even more on social media for an outlet, leading to a rise in malignant thoughts, jealousy, and unrealistic comparisons associated with the industry. Social media breaks and deleting apps have become common ways to combat these issues.

Job loss, COVID-caused deaths of loved-ones, conflicting advisory measures, and mandated shelter-in-place orders produced record-breaking reports of depression. Many have turned to online therapy sessions in addition to more frequent meetings.

Physical fitness has also been affected, tying directly to mental health. Closed gyms and outdoor recreation areas limit workout options, on top of their lack of indirect forms of exercise like shopping trips and work commutes. Diminished physical activity and comfort eating caused by stress has created the weight gain known as the COVID-19lbs. Millennials have flocked to online yoga classes and socially-distanced night walks to regain fitness and a semblance of routine.

### median perceived risk of death on contracting COVID-19





# Technology

## FOR THE GREATER GOOD

The leaders of tech in 2020 all have one thing in common, socializing from a distance. The video conferencing category for business technology saw a 500% increase in buyer activity since the Covid-19 outbreak began. Zoom quickly became the software of choice for over 300 million users daily, due to ease of use and minimal latency. While tackled allegations of privacy issues in the spring, they saw few conversions to competitors. From yoga classes to kindergarten classes, video conferencing has become a ubiquitous part of our lives.

With its tremendous effect on their lives, consumers turn to technology to tackle the viral spread of COVID. 88% of Americans surveyed say they have a "better appreciation" for the role technology has played in helping culture and society during the epidemic. In Australia, COVIDSafe has over 2.5 million downloads. The app, backed by the government, uses Bluetooth to exchange a "digital handshake" with any other user who comes within five feet and pushes an alert if they contact anyone who tests positive for COVID-19. South Korea uses thermal cameras to monitor travelers' body temperatures. Drones in the UK and China spot people who are violating social distancing regulations. Similar to perfume companies manufacturing hand sanitizer in the spring, tech companies who pivot quickly to address current concerns will see a positive response to their products and purpose. Design thinking is increasingly being used to offer comfort and protection. A Beijing-based design studio initiated the Create Cures project, inviting designers to "promote the development of public health in a designer's way." Concepts include the Sterilizing Lamp, which uses UV light to disinfect personal items (keys, mobile phones) in 60 seconds, and the DIY Safe Capsule, an easy-to-assemble safe workspace.

Entertainment companies are also helping people cope with quarantining. Teleparty has partnered with Netflix, Disney, Hulu, and HBO to safely bring friends and family together for a movie night. Users stream TV shows in sync over multiple devices with an integrated chat window. This has been the first step away from the fragmentation occurring in the subscription streaming market, allowing customers to only need a single platform across multiple channels.

Consumers will always respond well to innovation as a means of improving their lives, especially when it solves their problems.



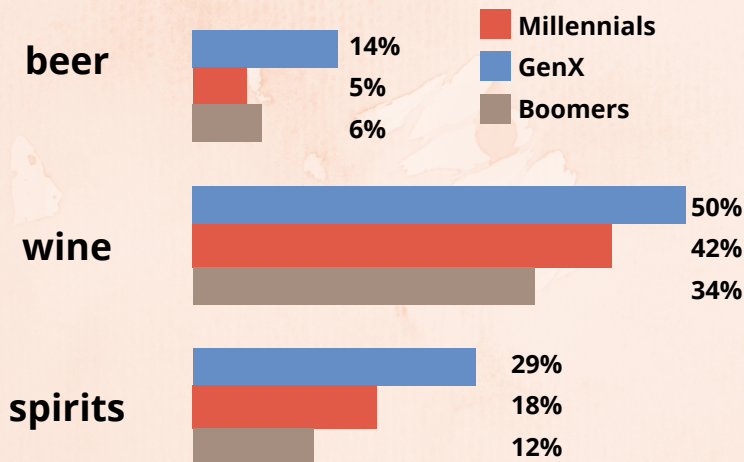
# Alcohol

## DOUBLE FISTING

The media continues to brand millennials as heavy drinkers, especially compared to the younger Gen Zers. In fact, as shown in our original report, Gen X and Boomers both consume more alcohol than younger generations.

That being said, the epidemic has had the most effect on Millennial drinking habits. In early April, 16% of all adults said they were drinking more during the pandemic, with higher rates among younger adults: One in 4 Millennials and nearly 1 in 5 Gen Xers said they had upped their alcohol intake.

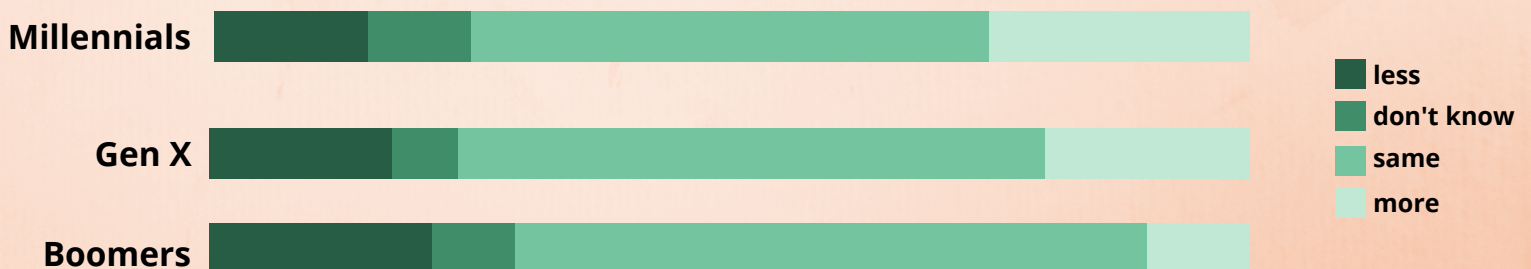
### net percentage point changed by beverage



***“After the terrorist attacks on September 11 and Hurricane Katrina, there was sustained increases in alcohol assumption. The weeks of isolation imposed by stay-at-home policies and the scale of the current pandemic are unmatched by these recent disasters.”***

– Carolina Barbosa, health economist at RTI

### Americans' drinking habits during the pandemic





# Lifestyle

## ESCAPING THE HOME OFFICE

No matter your political views, this year's electoral race coupled with Black Lives Matter protests, white supremacist rallies, and fistfights breaking out at supermarkets over not wearing masks, Millennials are no longer able to mind their business when they are in the presence of injustice. Corporate responsibility towards employees and customers continues to grow in requirements for consumers to see a company as ethical.



**75%**  
the pandemic has highlighted new issues and made them more sympathetic to the needs of others

**70%**  
have already taken actions to have a positive impact on their communities

**73%**  
three-quarters say they plan to do so once restrictions have been lifted.

Many are also finding discourse within themselves during the transition to work from home. Only about one-quarter of workers who usually work in an office are continuing to do so during COVID-19. While some Millennial workers enjoy skipping their commute and working from the comfort of their home, many find their jobs seeping into every hour of their days. Some 40% of millennials will check their work email while watching TV, or a movie, and 35% will check while in bed, 40% while on the phone, 26% while in the bathroom, 26% during a meal with others, 49% while in a work meeting, and 29% while in a video conversation.

Bored and alone, singles quarantining found solace in distance dating. There were more swipes on Tinder on March 29 than any other day in the app's history (over 3 billion), and Bumble claims a 21% increase in the use of their video chat feature during the pandemic. Dating apps added features like in-app video chat, real-time virtual events, and gamification features allowing users to enjoy virtual dates without the need for in-person meetings. Plenty of Fish brings speed dating online with NextDate, which sends users on a series of 90-second video chats.

To increase and retain a healthy millennial base, companies need to take an active role in corporate responsibility and give customers ample online options.



# Caring and Comfort

## WHAT MATTERS AND HOW TO REACH THEM

Millennials faced world-changing catastrophes at the onset of their adulthood, and now again, when they are starting their families. These events shaped their attitudes and decision-making to desire two main ideals: stability and fairness.

They seek products and tools that alleviate their stress by automating responsibilities: budgeting apps and subscription boxes. While not as outspoken as Gen Z due to their aversion to confrontation, companies deemed immoral will quickly be replaced by a more upstanding competitor. Brands with a positive impact on the world will catch their eye and often lead to a trial run.

They want to feel cared for, they want to feel appreciated, and most of all, they just want everyone to get along.





# THANK YOU

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