

# Millennials

## In Search of Millennials

Tailor your opportunity to their values

BY DAN SANTY

**A**s a franchise organization, there is no doubt your marketing department is focused on the Millennial audience as a potential customer base. You've read scores of articles describing the size of this generation, as well as their potential spending power in the coming years. They have outgrown the Baby Boomers in numbers, and they will outspend them as well.

But Millennials are also an emerging target for your franchise sales efforts. A recent independent research study uncovered insights that illuminate how attractive this group is as potential franchisees. For instance, the Great Recession stunted the opportunities and financial growth of Millennials in traditional career tracks. With companies downsizing and closing doors, hiring and upward mobility slowed or ceased. Their expensive college degrees didn't bring the salaries they had dreamed of—or been promised. This has created several lasting effects that we don't believe will change in the near future.

First, the lack of steady and dependable income opportunities has created sensitivity to costs and budgets that faded from the Boomers as they aged and Gen Xers never displayed in meaningful numbers. Franchisors approaching a Millennial prospect or candidate must carefully measure how investment costs, franchise fees, and ongoing costs are positioned in their sales process.

This is not to say Millennials as a rule won't make an investment. They want to understand the experience they will be gaining by making that investment. And they want to know the value the company is providing to customers, markets, and stakeholders as a by-product of their financial investment and commitment.

The misunderstanding about their recession-minded frugality is that they don't spend. This is far from true. Millennials have a high propensity to travel internationally and believe they are deserving of high-quality goods and experiences. The

insight from their "mindful spending" is that they *will* spend, but also that they will compare purchases and investments across traditional lines.

It will also help if you give them access to as much information as you can on how the company arrived at each of the costs involved for franchisees. Growing up with the Internet has made them comfortable doing research and wading through information to get to the tidbits they find most relevant and interesting *to them*. Since they're likely to research extensively on their own, it's in your interest to create an online place where they

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can access the information they need to make a decision.

Second, the most motivated Millennials have been pushed to find new ways to produce income and blaze their own trails outside the traditional business world. This doesn't mean they've eschewed the business world in favor of start-up culture. In fact, they are just seeking opportunities to build or participate in companies they can affect as an individual. Seeing the corporate path as a dead end has caused them to be more cautious of becoming a cog inside a large corporation, unable to move either themselves or the company forward.

When approaching a potential Millennial franchisee, focus on the ability they will have to control their own destiny (through hard work) as well as to contribute to the greater growth of the company. They have been forced to develop an entrepreneurial mindset, so appeal to their desire to chart their own course and illustrate the unique growth they can achieve inside your model.

Last, there is one great contradiction about this group. Despite their independence and entrepreneurial mindset, Millennials have a desire to find social acceptance and consensus among their peer group. As in a job interview, give them *your* references. Whenever possible, connect them with franchisees who are their peers, in age or experience, to talk about how they have grown with your organization, and the different ways the company supported their advancement and independence. This will benefit your organization as well. Those who may not be a fit for your culture will be less likely to invest if they meet with your sales team or representative and don't click.

Understanding these generalized insights on Millennials will make your outreach efforts more productive. Crafting franchising messaging around details reflecting some of these concerns will create richer conversations and demonstrate that you are a partner worthy of their consideration. ■

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