

Canadian Millennial Generation Redefining Customer Loyalty - Millennials willing to engage with marketers but want to know what's in it for them

MONTREAL, June 13, 2012 /CNW Telbec/ - As the largest generational cohort in Canada since the Baby Boomers, the Millennial Generation or "Gen Y" is transforming how companies and brands develop long-term customer loyalty, according to Aimia's proprietary Canadian Millennial Loyalty Survey.

Aimia, a global leader in loyalty management and parent company of Aeroplan, conducted research comparing the attitudes of Millennial and non-Millennial consumers in Canada, revealing how the definition of loyalty is shifting and what companies will need to address in order to connect with the Millennial Generation. For example, the findings show that over three-quarters (78%) of Canadian Millennials are more likely to choose a brand that offers a loyalty or rewards program over a brand that does not.

"Marketers targeting the Millennial demographic will have to demonstrate why this cohort should engage with their brand," said Rick Ferguson, lead author of the report and Vice President, Knowledge Development at Aimia. "Our survey data shows Millennials have extremely high expectations of their brand relationships and demand immediate gratification from reward programs. Delivering this value will require marketers to harness the use of technology to derive maximum efficiency from their programs."

The proliferation of social media and mobile devices is having a profound impact on how Millennials interact with brands. Nearly half of Millennials (44%) surveyed are willing to promote products or brands through social media in exchange for rewards. Furthermore, over one quarter of Millennials (27%) expressed high interest in using a mobile device as a substitute for carrying a plastic loyalty card versus 9% of non-Millennials.

"At nearly one third of the overall population, Generation Y already exerts a strong influence on Canadian culture, politics and commerce," said Ferguson. "It is important that marketers understand how to effectively engage with Millennials and leverage their customer data to build sustained, reciprocal and meaningful relationships that increase profits and drive long-term enterprise value."

The Aimia Millennial Loyalty Survey, which was conducted in Canada as well as the U.S. and the U.K., presents a comprehensive view of customer loyalty expectations covering technology, privacy, rewards and culture themes among the next major cohort of consumer spending. Additional high-level findings in Canada include:

Rewards

- 83% of Millennials participate in loyalty programs, compared to 89% of older Canadians
- 63% of Millennials say the top reason to join a rewards program is that it's free, compared to only 37% of non-Millennials
- 48% of Millennials surveyed agree that they're more likely to share personal details with a brand that offers loyalty and reward incentives

Technology

- 41% of Millennials are interested in using a phone to pay at checkout, compared to only 18% of non-Millennials
- 52% of Millennials use their mobile device for review before a purchase compared to 41% non-Millennials
- 34% of Millennials seek opinions from their social networks, compared with 15% of non-Millennials
- Millennials are also roughly three times more likely than older Canadian consumers to express high interest in mobile wallet applications

Privacy

- 37% of Millennials are likely to provide personal information when registering for websites, compared to only 25% of non-Millennials
- 54% of Millennials are concerned about hackers, compared to 63% of non-Millennials

- 28% of Millennials are concerned about search engine tracking, compared to 42% of non-Millennials
- 18% of Canadian Millennial loyalty program members are concerned about sharing personal information with reward programs, compared to 27% of non-Millennials

Culture

- 23% of Canadian Millennials express interest in joining a rewards program connected to a social cause, compared to only 14% of non-Millennials and compared to only 12% of Millennials in the U.K. and only 9% of Millennials in the U.S.

To view the complete report and related infographics, please visit: www.aimia.com.

About The Survey

Aimia commissioned Harris Interactive to conduct the online survey among adults 19 and older in Canada. The survey was conducted among 2,045 adults in Canada between July 8 and July 19, 2011. Figures were weighted to be representative of the general population.

About Aimia in Canada

Aimia, a global leader in loyalty management, has unique capabilities and proven expertise in delivering proprietary loyalty services, launching and managing coalition loyalty programs, creating value through loyalty analytics and driving innovation in the emerging digital and mobile spaces. In Canada, Aimia owns and operates Aeroplan, Canada's premier coalition loyalty program, as well as a proprietary loyalty division that designs, launches and operates new client programs. Aimia also offers world-class data analytics through its Intelligent Shoppers Solutions suite of tools and has a minority position in Cardlytics, a pioneer of transaction-driven marketing in banking. For more information, please visit: www.aimia.com.

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