

HOME FURNISHINGS

Education, ethics key for home brands seeking millennial consumers

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Millennials are time-poor digital natives. Image credit: Casper

By SARAH JONES

Millennial consumers are shaking up the home industry by delaying ownership, shopping digitally and sourcing sustainably-minded goods, according to analysts from Euromonitor.

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During a webinar hosted by the research firm, speakers noted that due to the size of the millennial population and where these consumers are in their lives, they are a key target demographic for home goods. One of the ways into millennial homes is through their parents' influence, as they turn to baby boomers for advice on everything from kitchens to gardening.

"Many home and garden brands work really hard to not be seen as old fashioned by millennials," said Adeline Ho, senior analyst, home and garden at **Euromonitor**. "However, we have to remember that even though millennials often dictate the trends in other more fashionable industries such as apparel, beauty or electronics, that is often not the case in home and garden given their lack of knowledge.

"Instead, an important inroad to connecting with millennials is through their parents, the baby boomer generation...Maintaining baby boomers' brand loyalties are just as important as winning over millennials," she said.

Millennial households

While millennials share certain traits such as digital native behavior, populations around the globe have differing perspectives.

Those in developed markets tend to be more pessimistic, since they often face more challenges than their parents did at their age when it comes to real estate affordability and debt. Meanwhile, emerging market millennials tend to think that they have it better than their parents, due to the upward mobility they have experienced in terms of education and income.

Millennials desire to live in urban markets, but most who do can only afford to rent rather than own property. They are also marrying and having children later, leading to smaller households.

While some older millennials are settling down, home furnishings brands need to take into account the needs of

"generation rent."

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It's Friday, so we're treating ourselves to an updated living room, that is! Add a modern twist to the family room with pipe accent pieces like the Dudek Industrial Coffee Table. #Wayfair

A post shared by Wayfair (@wayfair) on Feb 1, 2019 at 1:25pm PST

Flat pack furniture is popular with millennials

Millennials are also facing a changing work environment, with many freelancing or working remotely, leading their homes to also function as their offices. This generation is striving to achieve a better work-life balance, even if it means less financial stability.

While they do enjoy going out and traveling, the home serves as an ecosystem in which to spend time, including gadgets, technology and entertainment.

Millennials are also time poor, and they do not want to spend a lot of time doing chores or household tasks. This includes assembling furniture, which many are paying someone else to do rather than taking a do-it-yourself approach.

While consumers in markets such as Asia used to be more about "do it for me," or DIFM, now they are transitioning more towards DIY. Meanwhile, millennials in developed countries are turning towards DIFM, such as TaskRabbit.

Convenience is key for millennials, leading to the rise of services such as meal kits and smart appliances that will take care of work such as grocery shopping and cleaning for them.

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True love is when the creamy dill sauce is homemade. Creamy Dill Chicken, on next week's menu. Order via the link in our bio #HelloFreshPics #CalorieSmart #Chicken #ChickenRecipes #Food #Foodie

A post shared by HelloFresh US (@hellofresh) on Feb 11, 2019 at 5:05pm PST

Meal kits have taken off

Also central to millennials' shopping behavior are values. They seek brands that are transparent, and they will do a lot of research before making a purchase.

In addition, millennials are "frugalistas" who do not buy just for the purpose of accumulating more things.

"Millennials don't want to spend money just for the sake of spending money," said Pavel Marceux, head of household research at Euromonitor. "They want to know the product inside out.

"They want to know what the actual value of it is beyond being a luxury brand or having a certain specific image or being advertised well," he said. "Millennials are really clued up when it comes to understanding products. So brands that really uphold the values of millennials will succeed."

This extends to home furnishings.

As younger consumers seek out home furnishings that are unique as well as sustainable, the market for secondhand furniture and decor is on an upswing.

Auction search platform Barnebys found that the furniture, design and mirror category has grown 32 percent in the past year. Reflective of millennials' larger embrace of the circular economy, they are showing a penchant for buying

and reselling antique pieces at auction ([see story](#)).

Home online

Digitally minded, these consumers expect to be able to easily purchase online. Having a social media and online presence is also key for visibility among this consumer set.

Some home brands have made ecommerce more simplified. For instance, Wayfair has augmented reality features within its mobile application that enable consumers to see products in their homes at scale.

Wayfair's shopping path also combines elements of social media, opting for Pinterest-style discovery.

Millennials seek value for their money, and trust reviews from other shoppers. They are also apt to write their own reviews providing feedback.

While gardening is associated with older generations, younger consumers are fueling their ecological aspirations by planting in their apartments. Tools such as compact gardens and connected applications are making it easier for consumers to track their plants' progress.

In general, millennials are entering adulthood with less knowledge about home upkeep. Digital channels can therefore also be key for providing education on everything from cooking to home improvement projects.

For instance, refrigerator and wine storage brand Sub-Zero provided a fresh perspective on food preparation and storage with an influencer-led initiative.

"Fresh Food Matters," centered on a dedicated Web site, aimed to educate and inspire consumers to buy and cook with more fresh ingredients through insights from varied personalities including television host and chef Daphne Oz and vegan professional surfer Tia Blanco. Sub-Zero's content hub delves into the impact these ingredients can have on health, while also investigating the effect that food choices can have on the economy, the family and the environment ([see story](#)).

"Millennials are the most educated generation in history, but ironically many are also equipped with considerably less household knowledge and skills than previous generations," Ms. Ho said.

"But fortunately with the Internet at their fingertips, they can easily find the solution with a quick Web search," she said. "And many home and garden retailers and manufacturers are working on connecting with and educating millennials online."