



MILLENNIAL TECH EVOLUTION



OVERVIEW

For Millennials, tech has always evolved quickly, but the past five years have seen some dramatic shifts in use and tech reliance, even for a generation known for its early adoption and accelerated world view. In the Gig Economy, the opportunities to advance interests, skills, relationships and even time are available, and multiply each day to provide a more personalized virtual space. Online and offline worlds are increasingly interconnected, and Millennials are using technology in order to facilitate better, or easier, interactions. In the past five years, internet-enabled devices have transitioned from a tool to a lifeline for this generation, and though their intense relationship borders on addiction, Millennials are looking for ways to integrate technology more seamlessly into the human experience.

KEY FINDINGS

Use of technology among Millennials has evolved in the following ways:

1. Consolidation of devices in a mobile takeover
2. Visual communication usurping text-based interaction
3. Increased access and democratization of skills
4. Tech malaise and the future of things

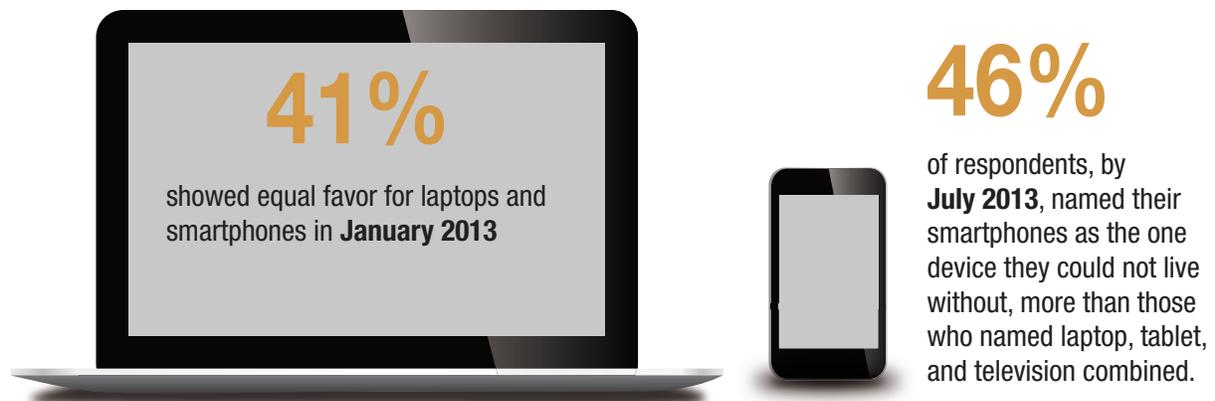
INSIGHTS

Tech Consolidation

While older Millennials remember chatting on landlines, messaging on desktop computers with AIM, and playing music on their iPods, the digital evolution has rendered these things obsolete for most of this generation, who instead turn to modernized digital means. Products like tablets, smartphones, and gaming consoles are all-in-one devices that generally make life easier.

MOBILE TAKEOVER

When Millennials were asked what one tech device they could not live without:



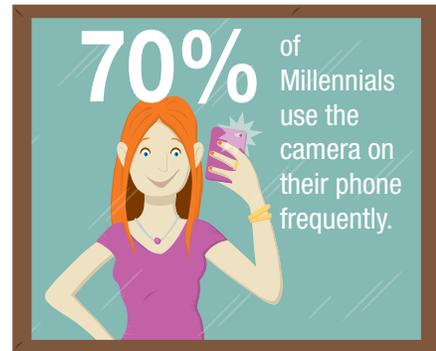
44% of Millennials look at their phone over 6 times in a given hour

VISUAL COMMUNICATION

Millennials are rapidly gravitating towards visual communication, advanced by image sharing apps like Instagram, Tumblr, Pinterest, Vine, and Snapchat whose popularity is fueled by members of this generation. Text and emoticons with a finite number of punctuations have transformed into Emoji, offering a legion of animated faces and objects that illustrate emotions sometimes more poignantly or enthusiastically than words. GIFs, short video clips or animations on endless replay have become the second language of the internet, created and shared by Gen Y to illustrate reactions to pop culture or life moments and celebrate shared sentiments.

SNAP HAPPY

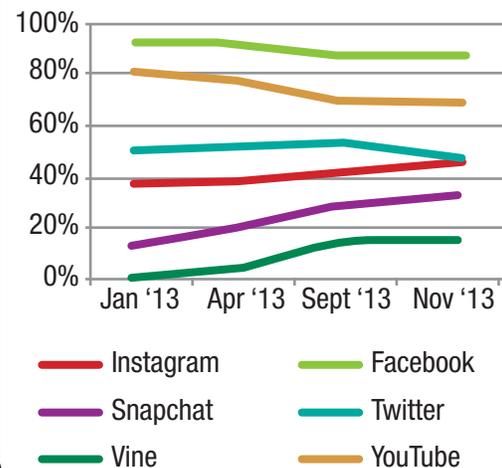
Digital camera sales have been in decline, replaced by mobile technology and high quality camera functions. Forty-three percent of Millennials 14-18-years-old use Instagram frequently, and of that same group, 35% use Snapchat often. Static images are even becoming passe as Instagram video and Vine take over. Vine launched in April 2013 and its usage increased 15% by October 2013.



VIDEO CHATTING

In the relatively short time that video chat has been in existence, it has altered the way that young consumers connect. From Skype to Apple's Facetime, to new platforms like Spin and Google+ Hangouts on Air, video chat breaks down the virtual walls to connect people near and far, whether at home or on-the-go. The technology for video chatting has progressed by leaps and bounds in the past few years; certain platforms allow up to ten people to tune into a conversation at once, increasing the possibilities for people to interact in real time literally by tenfold.

MILLENNIAL SOCIAL MEDIA USAGE



THE BINGING MINDSET

With providers like Netflix, Hulu, and Amazon Prime, the ability to watch shows whenever and wherever has altered both the TV landscape and viewer expectations of entertainment. Over 65% of Millennials use their smartphone and laptop during TV viewing for second-screen engagement, and 47% say "tweeting while watching TV is like watching it with millions of other people." Participation has become more scattered yet personalized, while exposure and engagement have increased significantly.



C IS FOR CROWDSOURCING

As younger Millennials involve themselves more deeply in niche-interest skills and older members of this generation realize the value in business and technology related fields, coding could become a knowledge set as commonplace as Microsoft Word and Excel. The democratization of such a specialized skill set speaks to the evolution of technology education that is pushing computer knowledge forward as a potential second language for (currently) young kids. Crowdsourcing avenues are also on the rise as a way for Millennials to fund their creative endeavors, with 17.5% having crowdsourced a project and almost 40% willing to do so.

MILLENNIAL TECH MALAISE

68%

of Millennials in **January 2013** said that they would be lost without their smartphone.



41%

would agree that their phone is an extension of themselves.

But in a post smartphone world, the real innovation of the Digital Era seems to have maxed out. As Millennials realize their increased dependence on these devices, they are deciding to unplug, 39% having done so for more than a week due to stress or needing to focus. The future of things must incorporate the Millennial lifestyle and put human interaction above tech reliance.

TAKING OUT THE MIDDLE MAN

Whether it is offering one's services for small tasks or simply finding ways to take out the middle man, Millennials are looking to their own solutions to take on the unfavorable job market. Much of this is brought on by the peer-to-peer culture that Millennials grew up knowing as the norm. There is a decentralized co-creation of products and culture that relies on the power of the crowd to create and fuel shared needs or ambitions. As a result, this generation is empowered and enabled to act collectively as a group to "get it done." In addition, the connectivity that technology provides has played a role to lead to this gig economy. Apps and platforms have enabled sharing and collaboration to happen at a faster pace and with a wider scope.

KICKSTARTER

Relay Rides is a peer-to-peer car sharing service. It allows private car-owners to rent out their vehicles on a short-term basis. Instead of parking your car all day at work, the car can actually make the owner a little extra income by being rented out during the day.



Airbnb is a platform that lets anyone rent out their own apartment to travelers and vacationers. It's turning everyone into their own hotelier, and bringing more value to the owners of their apartments and homes.



TIME IS A COMMODITY

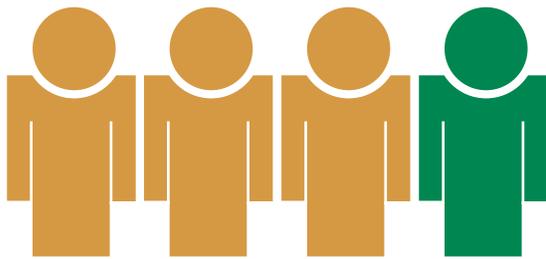
Given how notoriously overscheduled 20-something Millennials were in their teen years, it's no surprise they see time as being of incredible value. Extra credit, tutoring, after-school sports, and extracurriculars were the baseline expectation for this generation to simply get into a "good school." Filled with creativity and the potential to invent, it's clear the rising economy around bite-sized tasks is a new middle ground between work and unemployment. They've channeled their untapped potential into collaborative tools to create value out of idle time.

Lyft is on-demand peer to peer ridesharing. The iPhone app allows passengers to instantly request a pickup, and a safe, friendly driver will arrive within minutes.



58%

say they have already used the internet to "crowd fund" a project, or would be willing to do so.



3 in 4

say the world has changed "a lot" in the past 10 years alone.

1 in 4

say they have used the internet to share or barter their skills.