



U.S. Labor Force: Multicultural Millennial Tipping Point

SSG Total Market ROI Watch; Issue 2

Millennial U.S. Work Force & Economic Impact; Q1:14 vs. Q1:13

As part of SSG's new series, we bring deep analysis & insights on economic & growth indicators pointing at Total Market opportunities where Multicultural & Millennial advantages increasingly impact marketers' overall success.

Find previous SSG Total Market ROI Watch issues at:
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Context



Most Millennials don't ask their peers where they work, they don't assume anyone their age has a job...



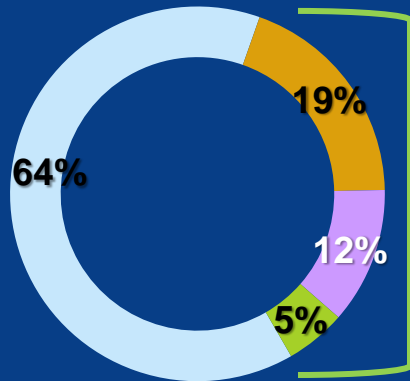
- The U.S. economy has not benefited from the economic boom of past young adults' (25-34 year olds) typical household formation spending spree
- While 4-year degrees have not guaranteed high skilled jobs for many Millennials, more Non-Multicultural Millennials seem to have taken those coveted new jobs
- As the economic resurgence of many states over the past year, has been largely through middle-skilled* jobs, **Multicultural (MC) Millennials may now be getting their turn**

*Require some education after High School, not a 4 year degree

WNH Maintain Largest Share Of Millennial Jobs Base; Multicultural Millennials Move to Nearly 4 in 10

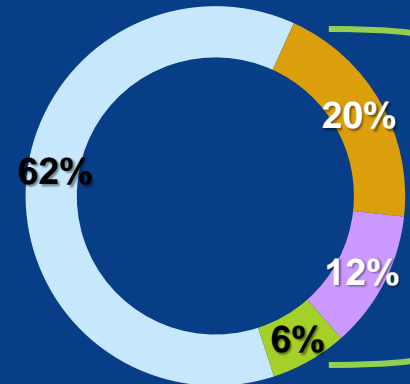
Q1 2010 Share of Employed Millennials

■ WNH ■ HISP ■ AANH ■ AONH



Q1 2014 Share of Employed Millennials

■ WNH ■ HISP ■ AANH ■ AONH



- 1 in 5 employed Millennials are Hispanic (making up 53% of Multicultural (MC) share in Q1 2014)
- The Multicultural share of Employed Millennials grew by 2 percentage points in the last 4 years

WNH: White Non-Hispanic; AANH: African American Non-Hispanic; AONH: All other Non-Hispanic

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The U.S. Is On The Verge Of A Millennial Economic Tipping Point

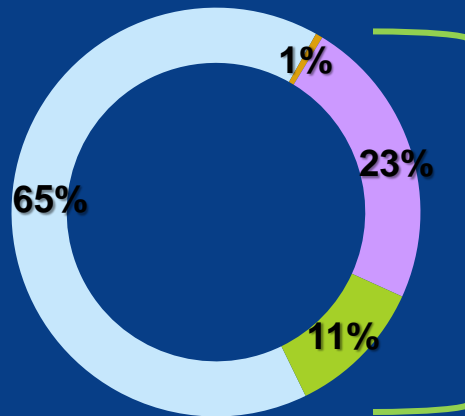


Multicultural Millennials have begun to account for the majority of the growth in employed Millennials.

MC Millennial Share Of Job Growth Is Now Larger Than WNH Millennial Growth

Share of Millennial Job Growth Q1 '12-'13

■ WNH ■ HISP ■ AANH ■ AONH

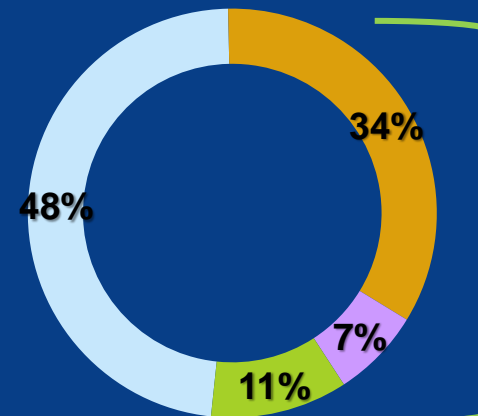


35%
MC Share of
Millennial
Employment
growth

In Q1:13 vs. Q1:12 WNH Millennial Gained Majority of New Jobs while AA Millennial Got More Than 1 Out 5

Share of Millennial Job Growth Q1 '13-'14

■ WNH ■ HISP ■ AANH ■ AONH



52%
MC Share of
Millennial
Employment
growth

In Q1:14 vs. Q1:13 Multicultural Millennial Secured Slightly More than Half of Millennial New Jobs. Hispanic Millennial Landed About 1 of every 3

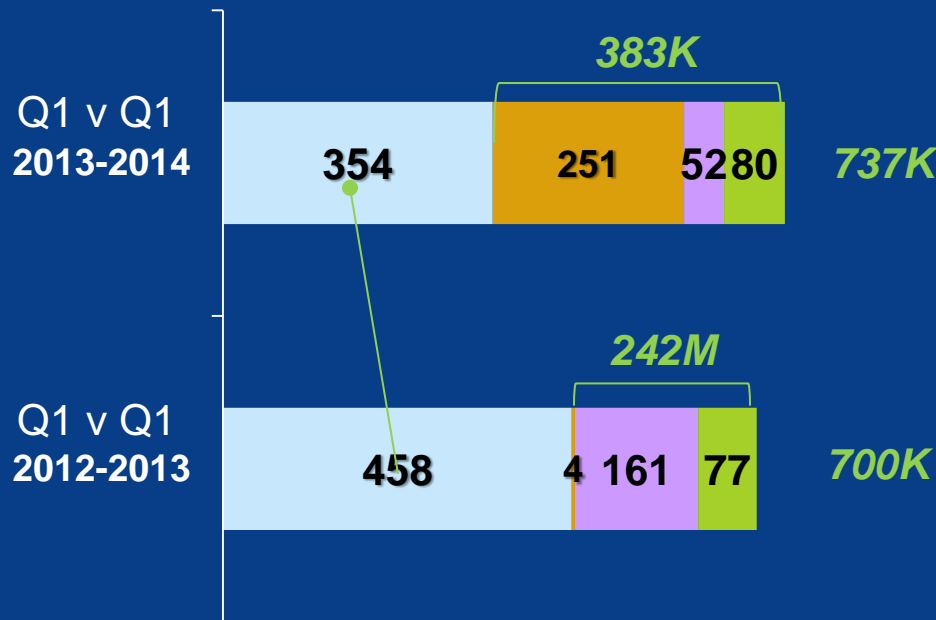
Among MC Millennials, Hispanic Millennials are leading the newly employed with 49% share of MC Job Growth

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Multicultural Millennial Employment Grew 58% Q1:14 v. Q1:13 while Overall Millennial Labor Market Edged Up By A Mere 5%

Growth in Millennial Employment (000)

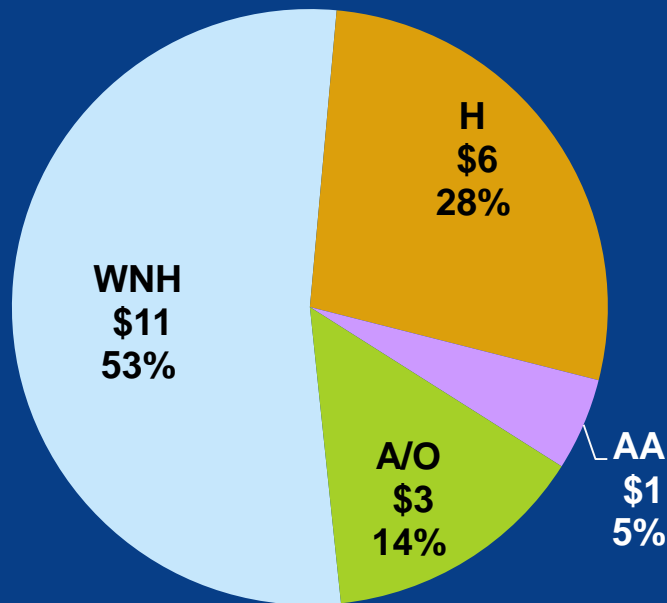
■ WNH ■ HISP ■ AANH ■ AONH



- Q1:13-Q1:14 employment grew to 737K from 700K
- WNH Millennial Employment Growth Declined by 28%

Multicultural Millennials Generated \$10B or about Half of the Overall Millennial Incremental Q1 Employed Aggregate Income

Incremental Q1 Aggregate Income (\$Billions)



Total Millennial Incremental Personal Income for Q1: \$21B

Despite having lower median income, Hispanic Millennials generate about \$1 of every \$3 incremental income Millennial dollar\$ to the U.S. economy

Conclusion

- For newly employed Millennials, new jobs are the gateway to a new life stage.
- Multicultural Millennials are now driving the growth of overall Millennials joining the gainfully employed
- Multicultural Millennials may finally be ready to experience the spending joys of young adults and soon boost durable goods consumer demand for new cars, apartment rentals, home furnishings, and eventually babies and children purchases.



About SSG

SSG is a growth consulting leader driven by management P&L experience, Big Data and predictive analytics.

We develop fact-based business models, insights, customer experiences and roadmaps that profitably segment distinct customer groups and drive revenue.

We help clients focus their limited resources where the highest ROI opportunities exist and customize strategies advancing efficient Total Market growth fueled by Millennial, Multicultural & Hispanics segments.



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