



3 Canadian Ways to “Millennialize” Your Portfolio

Description

As the millennial generation inches closer towards reaching peak consumer spending, many investors may be wondering how they can make their portfolios to be more millennial friendly to profit from the continued shift in spending patterns.

According to a survey conducted by **Charles Schwab Corporation**, millennials have been shown to be more willing than prior generations to spend their money freely on “comforts and conveniences.”

The biggest takeaway from the survey was that millennials were far more likely than prior generations to loosen their purse strings when it comes to coffee that costs more than \$4 each, clothes that aren’t necessarily needed, and eating out at hot restaurants in town.

More likely to pay up for their coffee

Approximately 60% of millennials stated they spend their money on \$4 cups of coffee compared to 40% of Gen Xers and just 29% of baby boomers.

It’s clear from this data that millennials can’t do without their expensive lattes, while an overwhelming majority of boomers would likely cringe at the idea of spending \$4 (or more) for a cup of coffee that they could make themselves for a fraction of the price.

There’s no question that millennials are willing to pay up top dollar on experience-enhancing goods and services. And when it comes to coffee, it’s a lot more convenient (and tastier) to pick up a double-double or a latte from Tim Hortons of **Restaurant Brands International Inc.** ([TSX:QSR](#))([NYSE:QSR](#)) rather than go through the mundane process of grinding up your own beans and making your own cup of joe.

More likely to purchase unnecessary articles of clothing

About 69% of millennials surveyed said they spend their money on “clothes that I don’t necessarily need” compared to 53% of Gen Xers and 45% of baby boomers. This skew towards discretionary spending is likely a major reason why **Canada Goose Holdings Inc.** ([TSX:GOOS](#))([NYSE:GOOS](#))

have enjoyed such tremendous success over the years.

Nobody *needs* a \$1,100 Canada Goose parka. But if you're looking to offload your disposable income on a trendy item that's a hit among the younger crowd, Canada Goose has you covered with its impeccable direct-to-consumer (DTC) e-commerce platform and its "millennial pink"-coloured line of jackets.

More likely to eat out at "hot" restaurants

Finally, a whopping 79% of millennials stated they spend on "eating out at hot restaurants" versus 66% of Gen Xers and 56% of baby boomers.

When it comes to fine dining experiences, **Recipe Unlimited Corporation** ([TSX:RECP](#)) should be your one-stop shop with its promising dine-in brands like The Keg, Milestones, and Swiss Chalet.

Recipe Unlimited is susceptible to major downside come the next economic downturn, so investors in the name ought to monitor the stock (and the macro picture) closely, so they don't get hurt holding the extremely cyclical name that could shed a tonne of value over a very short period of time.

Even millennials, who are more inclined to spend money on discretionary goods and services, aren't going to be able to continue their spending habits when times become tough.

Stay hungry. Stay Foolish.

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