



shoppercentric

## They know they matter

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**References to 'Gen Z' (defined as 15-24yrs) are everywhere these days as brands and retailers seek to demystify these new kids on the block. Gone are the old stereotypes of sulky, uncommunicative Kevin-The-Teenager characters.**

**In their place we find a fascinating cohort, complex and cynical, confident and communicative, (albeit in ways we could only have imagined as teens ourselves) and surprisingly worldly. They can be a difficult bunch to market to. Yet market to them we must, and that means shopper marketing just as much as it means above the line marketing, because these are the high spenders of the future.**

Some things don't change of course. Gen Z are still easily bored – so capturing and holding their interest for any length of time can be a challenge. They can still seem lazy – so providing the easiest ways for them to shop will play well. And they can still be self-centred – so attempts to gain their custom must pass the 'what's in it for me' test. But the most striking thing about this new generation is their confidence. They have a great support system provided by social media which helps them to manage risk when they're choosing what to do and what to buy. And they know we're all interested in them! In our survey fewer than 1 in 5 of Gen Z felt that retailers don't think their age group is important, compared with nearly 1 in 3 of the general shopping population (Fig1). And half of them believe that retailers and brands understand their age group, compared with just a third of the rest of us. This demonstrates a recognition of their attractiveness as a prime target for retailers and brands, worth getting to know – in stark contrast to how many older shoppers feel. They know they're being courted, and so it stands to reason that they can expect to be impressed before they part with their cash. They also seem quite an optimistic lot, many expressing a real sense of personal empowerment: 23% strongly agree that "we can make a difference to our future" vs 17% of shoppers in general. And many claim that their happiness runs deeper than material possessions alone: 34% strongly agree they "want to feel I'm getting good experiences – life isn't all about what I own" vs 28% of older shoppers.

This apparent self-assurance is important because it will set a high bar against which retailers and brands will be judged. This is also a generation that enjoys shopping, so they're open to persuasion. They shop (in-store / online) at least 7 times a month. This rises to 8 times a month amongst the men in this age group, blowing another stereotype out of the water! Going to physical shops and malls is as much a social pursuit as it is about buying things: 52% of Gen Z agree that "going out shopping is a fun way to spend time with friends / family" vs 44% of adult shoppers at large. If shops and malls are a choice motivated by entertainment and sociability the spaces need to deliver to that brief and make shopping fun. And ecommerce can also offer welcome distractions to a generation with a low boredom threshold: 62% of Gen Z agree that online shopping is "a great way to stop getting bored" – vs 53% older shoppers – and 70% of Gen Z shoppers agree that they "often browse online with no intention of buying vs 63% of older shoppers. Shopping opportunities are ubiquitous for these youngsters, always available to lighten a dull moment.

**We think there is a real need to look at the path ahead for retail from the perspective of these important spenders of the future.**