

9 Things to Know About Generation Z

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Source: National Jeweler

New York--Forget about millennials (for now). There's a new generation coming of age to whom retailers will want to pay attention.

Generation Z is defined as those born after the mid-1990s until the early 2000s, meaning they are about 21 to 13 years old right now.

The global Gen Z population is set to reach 2.6 billion by 2020, according to the National Retail Federation, and with access to \$44 billion in buying power, this group is definitely going to have a say in the future of retail.

The NRF, along with the IBM Institute for Business Value, recently released the results of the "Uniquely Gen Z" study to gain insights into the generation. The study is based on findings from more than 15,000 consumers ranging in age from 13 to 21 across 16 countries.

Though Gen Z is the first "digitally native" generation to grow up without knowing the world before cell phones, smartphones and other digital devices, the study shows that members of this generation still do like to shop in brick-and-mortar stores.

"They appreciate the hands-on experience of shopping in a store. With technology constantly evolving but some shopping habits remaining the same, retailers need to be agile enough to serve both needs," NRF President and CEO Matthew Shay said.

Here are nine insights into how the members of this generation operate from "Uniquely Gen Z."

1. They do shop in stores. According to the study, 67 percent of Generation Z'ers shop at brick-and-mortar locations most of the time, while another 31 percent indicated they shop in stores some of the time, which means 98 percent are visiting stores at some point.
2. They spend. Seventy-five percent say they spend more than half of the money that is available to them each month.
3. They demand quality. The study found that 52 percent of Gen Z'ers will move their loyalty to another brand if quality isn't up to their standards.
4. They want retailers to get the basics right. The study also shows that 66 percent of consumers in this age group view quality and availability as the most important factors when they're deciding among brands; 65 percent focus on value as well.
5. Not surprisingly, they spend a lot of time on the web. Survey results showed that 74 percent of Gen Z consumers spend their free time online. Twenty-five percent are online for five hours or more every day.
6. Phones are for family and friends, but could also be for brands. According to the study, 73 percent use their phones to

text and talk to those closest to them, but they're willing to extend their conversations to brands--36 percent indicated they would create digital content for a brand, 42 percent would play a game online as part of a campaign and 43 percent would take part in product reviews.

7. A seamless mobile/digital experience is necessary. By now, a good experience on a brand or retailer's website on any device should be standard, but it's especially important to this generation. Sixty-two percent won't use apps or website that are difficult to navigate and 60 percent won't use them if they're too slow to load.

8. They don't want to share personal info unless they know where it's going. It's not uncommon for companies to collect information through their websites, but this generation wants to know how things like health and wellness, location, personal life or payment information are being used and how they're being protected. Less than 30 percent will share information if they don't think it is being stored securely.

9. They like to engage with brands online. This is especially true when said brands create an interactive environment for shoppers to create their own experiences. As retailers develop sites that do this, they'll be able to capture Gen Z ideas for new products, services and experiences.