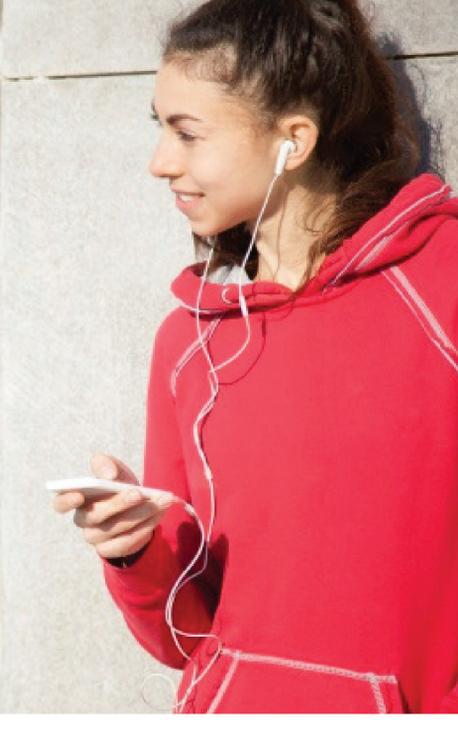


DEMOGRAPHIC SPOTLIGHT 2018

THE POWER OF GEN Z



“Shopper Mom”, “Millennials”, “Baby Boomers”... the mere mention of these demographic monoliths is enough to stir up a frenzy of ideas in the minds of marketers. And with good reason - personalized, targeted tactics that rely on sound demographic insights are the most important ingredient in the marketing toolbox for both brands and consumers; according to Accenture, 75% of consumers say they are more likely to buy if they are recognized by name, are recommended options based on past purchases, or are targeted based on past purchase history.

Here's something you may not have known; there's a new demographic in town, and by all accounts, they're here to stay. We're talking about Gen Z - currently the youngest major demographic segment in the US, and their shopping influence is exploding like never before. Think it's about time you spoke their lingo and reeled them into your brand? Then read on to catch a glimpse of what makes them tick.

Demographic Profile of GEN Z

- Born between 1998 and 2016
- Gen Z now comprise the largest single media audience in US, at 26% of the population
- \$144 billion in direct purchasing power
- The most ethnically diverse segment in US history
- 81% prefer to shop in stores, while 40% only shop in stores
- 60% prefer the mall for shopping

What Do Gen Z's SPEND ON

Age 16-21 years	Age 6-11 years
CAR (gas, taxes, insurance)	TOYS
GROCERIES	CANDY
ENTERTAINMENT / HOBBIES	VIDEO GAMES
MOBILE PHONE	CLOTHING
STUDIES (textbooks, tuition, school fees)	MOVIES
APPEARANCE (hair appointments, clothes, cosmetics, etc)	ENTERTAINMENT
RESTAURANTS	MAGAZINES
FAST FOOD	RESTAURANTS
DEBT PAYMENTS	
SAVINGS	
MISCELLANEOUS BILLS	
PUBLIC TRANSPORTATION	

Gen Z and Tech Are TIGHT, TIGHT, TIGHT

Seriously – if Gen Z's and tech got any tighter they'd basically be fully bionic. They're literally inseparable from their mobile devices and are also the first in-line to test drive new and emerging technologies. Can we get any clearer?

If your brand isn't using technology to motivate, inspire, and entertain, you'll never capture the attention of Gen Z.

- 97% own a smartphone
- The majority receive their first mobile service plan between the ages of 10 and 12
- Average age of first smartphone: 13-17 yr olds: 12, 18-24 yr olds: 16, 25-34 yr olds: 20
- Across ethnicities, today's 13 to 17 yr olds got their first smartphone at an earlier age than their older counterparts
- 50% Almost half will be connected online for 10 or more hours a day
- 40% say Wi-Fi is more important to them than working bathrooms

GEN Z TOP MOBILE ACTIVITIES

- 81% Text Messaging
- 59% Downloading Apps
- 53% Playing Games
- 53% Mobile Internet
- 46% Video Calling

Social Media is RIDICULOUSLY IMPORTANT

- 91% YouTube
- 75% Gmail
- 66% Snapchat
- 65% Instagram
- 61% Facebook
- 44% check in on social media at least hourly
- 7% check in more often than every 15 minutes
- The only generation more likely to turn to social media to research brands than search engines (6% more than Millennials)
- 85% of Gen Z use social media to learn about new products
- 71% use Snapchat more than six times per day
- 51% use it 11 times per day
- 25% say that Snapchat is “essential for their relationships”
- 75% aspire to become YouTube and Vlogging stars

Authentic Loyalty is ABSOLUTELY MANDATORY

Gen Z grew up in an environment of empowerment, diversity, and acceptance, and it's in their nature to see through obtuse and manipulative marketing ploys. Gen Z's don't want to give away their loyalty, and it's in their nature to see through obtuse and manipulative marketing ploys. Gen Z's don't want to give away their loyalty, but they want brands to earn it through transparency. If brands truly speak their language, are open with their intentions, and build organic trust, Gen Z's have no problems dishing out the dough. **Marketing strategies that include influencer marketing and loyalty programs will become especially important when seeking to engage this demographic and make lasting impressions.**

- 63% prefer seeing “real people” in advertisements
- 59% trust the brands they grew up with
- 55% choose brands that are eco-friendly and socially responsible
- 55% want to decide what information they share with brands
- 54% want to control how brands contact them
- 63% are active in at least one loyalty program
- 64% could be persuaded to buy a brand with a loyalty program
- 40% prefer playing games as way of earning points as part of a loyalty program

WHAT TACTICS GET GEN Z GOING?

- 42% would participate in an online game for a brand campaign
- 38% would attend an event sponsored by a brand
- 36% would create digital content for a brand (user generated content)