Gen-Z Rising

THE COMING CONSUMER STORM: LINKSTERS’ IMPACT ON RETAIL, COMMERCE, AND PAYMENTS

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Generational marketing is not a new concept.

But there is some reason over the past 30 years, each time a new age group is identified, merchants and advertisers begin a frantic scramble to figure out what they want and how to connect with them. Before there were Millennials there was Gen X, and before that, there were the Baby Boomers – each group with a unique set of expectations, experiences, generational history, lifestyles, values, and demographics that influence their buying behaviors.

And now, just as marketers were beginning to feel they’d mastered marketing to Millennials, along came Generation Z (or Gen-Z), which includes anyone aged 2 to 19. Once Women’s Wear Daily proclaimed this group to be “Millennials on steroids,”

The first generation in history that has grown up with the Internet, smartphones, apps and social media since birth, technology heavily influences how they approach each other and the marketplace. And she points out the Linksters, as she likes to call them, already control $606 billion in U.S. sales. “Some older Millennials remember using dial-up modems to get online, and Wi-Fi wasn’t available everywhere,” Johnson says.

Linksters value authenticity above all else. Johnson says, “This generation wants to know, ‘how is this product like me?’” She explains they are resistant to buying something that has a heavy brand image. “They want clothes that look like what real teens are wearing, and images in advertising that look just like them.”

Rather than expensive designer brands, Linksters are more likely to buy Target’s Art Class line, which is designed for and marketed to Linksters. “The kids in the photos are wearing practical clothes – leggings and printed headies that are colorful and fun,” Johnson says. “And, the kids in the ads look like kids. They don’t look like 20-year-olds modeling clothes for teens.”

Because they’ve never known as unconnected world, they automatically gravitate to social media and look to trusted influencers to help them form their opinions. “YouTube is the sweet spot for them, where they go to get information about brands,” says Johnson. “When companies latch on to social media influencers to sell products, Linksters are very suspicious. They’ll go to YouTube to find out if those influencers are being paid to sell the brand.”

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Of course, Gen-Z’s notoriously flitting attention spans are often perceived negatively and blamed on their obsession with social media, but research has found differently. A company’s need for speed, Amazon says it’s using real-time customer shopping data to keep shelves stocked at its Amazon Go location. The Seattle experiment has just completed several months of tests for cashless shopping – something nearly 40% of Gen-Zers say they would like.

Both Walmart® and Sam’s Club® have also introduced “Scan & Go” smartphone apps that allow customers to scan each item in their cart and pay through their digital wallet, avoiding checkout lines.

So, yes, Linksters, like all of us, want to save time. But to truly understand the Gen-Z mindset, retailers must understand that they also want to “save the world.” They are much more socially active, more accepting of gender equality and LGBTQ rights, and much more open to all points of view than generations past.

A perfect example of the way Linksters are brushing aside the “seen-and-heard” notions of their elders is their anger at Parkland High School. Politicians and other observers were awed when the students responded to their school shooting with astonishing clarity and cause. They used their mastery of social media to organize, protest, and, yes, be heard.

By recognizing this as a key differentiator, merchants can look for opportunities to tap into their passion to do good, and to right what’s wrong.

Like any other generation, they’re just navigating the world they live in. Merchants who embrace their need for authenticity, their dedication to social media and their social activism, will easily attract their attention and, as a result, capitalize on their market value.
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