

GENERATION Z CONSUMER TRENDS

/ SPRING 2021

key points

1. A **booming** generation with **multiple identities**, who grew up in an era of **globalization and instability**
2. A generation that stands out thanks to its **disruptive character**: it's up to brands to **adapt to these new codes**
3. A generation that grew up **with all things digital**: Internet is their door to the world



Who are they?

/a booming generation with multiple identities

Generation Alpha
(2010 -)

Generation Z
(1996- 2010)

Millennials (Gen Y)
(1981-1995)

Generation X
(1980-1966)

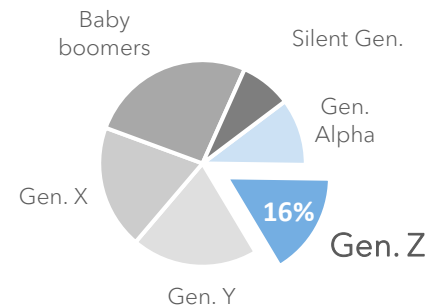
Baby-boomers
(1945-1965)

Silent Generation
(1920-1944)



A GROWING GENERATION

16% of Quebecers are between the ages of 10 and 24, that's 1.38 million people.



On a **global scale**, 10-24 year olds make up the **largest** generation, grouping together **a quarter of the world's population!**



*Their sheer number means they are very important to brands: they are **the consumers of tomorrow***



IDENTITIES THAT ARE MORE DIVERSE THAN PREVIOUS GENERATIONS

In Quebec, Gen Z is the generation with the most diverse cultural and ethnical origins:

- ✓ **25%** belong to a **minority ethnicity** (vs. 12% of the rest of the population)
- ✓ **20%** speak **another language** in addition to French or English (vs. 16% of the rest of Quebec)
- ✓ **16%** assert their place in the **LGBTQ+ community**: that's **2.7 times more** than the rest of the population

Understanding where they come from /to understand who they are

BORN BETWEEN THE MID 90s AND THE END OF 2010, members of Generation Z:

- ✓ were born **in the midst of a technological revolution**: they've never known a world without PlayStation or Internet, or even Instagram and iPhones
- ✓ grew up in a **globalized culture**, in an era of **instant information sharing**
- ✓ ... and in a **context of uncertainty**, both from an **economical and environmental standpoint**

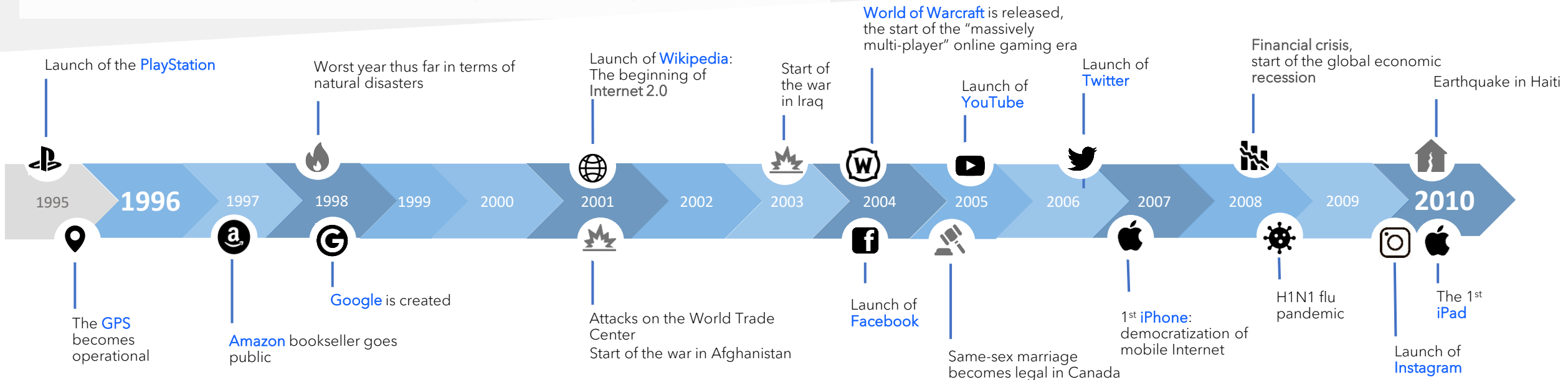
... instability leading to anxiety

36% of young Quebecers claim to be very anxious



For brands: this is a **public that needs reassuring**

THE EVENTS THAT SHAPED THEM (1996/2010):



How do they think?

A generation that's:

/an ecosystem of values influenced by the digital world

Global

On a global scale, members of Gen Z have behaviours and values that are more uniform than other generations. This is in part due to:

- **the simplicity of information sharing**
- the **globalization** of **brands** and the international aura of **celebrities**

Influenced

36% have **purchased a product discovered via an influencer** or celebrity

In Quebec, 14-24 year olds are **3 times more** likely to say that **celebrities influence their purchases**

All about community

*"They've developed their own **vision of the world:** the **me is we** worldview"* Facebook IQ.

For **56%** of young Quebecers, the Internet is a place to **create relationships with similar-minded people**

And for **31%**, the Internet offers a **sense of belonging and acceptance**

Activist

A generation that **defends the causes they care about:** an inclusive society, the environment, mental health, animal welfare, human rights, etc.

47% of young Canadians have already **taken a stand on social media** when it comes to political and social issues

Demanding

They have strict consumer criteria, which means they are demanding insofar as brands are concerned:

79% expect brands to act **responsibly and sustainably**

71% want **ads to portray more diversity**

Creative and informed

In Quebec, **19%** of Gen Zers consider themselves to be very creative (index 138).

They— along with Millennials—are the **most educated** generation in history. Adept at the **self-taught** method, they boast many **soft skills**.

How to communicate with them?

/brands need to adapt to Gen Z codes

To reach a generation that's:

Global

- ✓ Above all else, take into consideration the **generational factor** (education, place of residence, etc.)

A Gen Zer from Quebec has more in common with a Gen Zer from Brazil than with their Gen Xer neighbour.

Influenced

- ✓ Create an **atmosphere of trust** in order to mobilize them and gain their support
- ✓ Focus on **peer recommendations** (friends, influencers)

All about community

- ✓ View them as **a group of humans** rather than simply targeting them as consumers
- ✓ **Be actively involved** in the communities they care about
- ✓ Keep **the conversation going** with them

Activist

- ✓ Promote **brand values** that resonate with their convictions
- ✓ **Take a stand** on social and ethical issues
- ✓ **Encourage inclusion**

Demanding


Initiate **concrete actions** that reflect the causes they care about:
sustainable products, animal cruelty-free, gender-neutral, charitable organizations, etc.

Creative and informed

- ✓ Create **environments that foster creativity**
- ✓ **Pique their curiosity:** discovery leads to purchase
- ✓ **Speak to them as though they're your equals**

Consumer codes, reinvented

/a disruptive generation that votes with their wallets



70% of Gen Zers claim they influence their family's consumer choices!



CONSUMPTION AS AN EXPRESSION OF THEIR IDENTITY

"They want to make choices that **give purpose to their consumption**. They **transpose their ethical considerations onto the brands** they consume."

Christian Bourque, Vice-President of Léger



INSPIRATION AT THE HEART OF THE CONSUMER JOURNEY

"The purchase decisions made by Generation Z [...] are subjected to **much vaster sources of inspiration, disrupting the traditional consumer journey**. **Friends and family** are [...] **the most significant** sources of discovery."

OC&C Strategy Consultants



THE GENERATION WITH THE MOST PRAGMATIC CONSUMER HABITS

More **economical** than previous generations, they seek out products that are **useful & sustainable**.



SEEKING A SIMPLIFIED CONSUMER JOURNEY

Their consumer journey mainly takes place online, but **67%** are of the opinion that there is **too much choice** on the Internet and many are seeking a more **unified shopping experience** (1-click purchases).



Brands need to *reach out to these consumers directly and offer them a customized consumer journey*

Industries must adapt

/consumer habits that are disrupting whole industries



SUSTAINABLE FOOD WITH PURPOSE

19% of Gen Zers are vegetarian/vegan

44% have diminished their meat consumption

22% of 18-24 year old Quebecers use food delivery services



LEISURE TIME SPENT AT HOME

67% prefer spending a quiet night in to going out

37% play video games at least once a week.
Video games are a way of being part of a community, with streaming platforms, such as Twitch rising to fame

91% listen to music on a daily basis
It's the #1 activity of Gen Zers



ONLINE BANKING

52% of young Quebecers use online banking apps
and 17% use mobile payment/wallets

Only 14% expect their banking institution to have a brick-and-mortar location



FASHION & BEAUTY: SUSTAINABILITY AND WELLBEING

45% of Gen Zers refuse to encourage the fast fashion industry

Physical and mental wellbeing is a top priority:

55% of young Quebecers make their health a priority when it comes to improving their appearance



CARS AREN'T ESSENTIAL

Fewer and fewer of them get their driver's license:

54% of young Quebecers think a car is simply a means of getting from point A to point B

31% are against putting themselves in debt for a car



NOT THAT INTERESTED IN ALCOHOL

In Quebec, 18-24 year olds are:

13% less likely than other adults to consume alcohol

29% less likely to go out to bars

This is a point that sets them apart from Millennials.

Media & technology identity sheet

/the generation that does it all online

DEVICE: MOBILE

67% of their Internet browsing is done on their phones

But not ONLY their phones... **66%** of Gen Zers use **more than one connected device** at a time

MEDIA: DIGITAL & SOCIAL

Sharing, entertainment, studying, information, shopping...
Media is used everyday, in all aspects of their lives.

74% claim to spend their free time online

55% claim to be **more creative** online/on social platforms

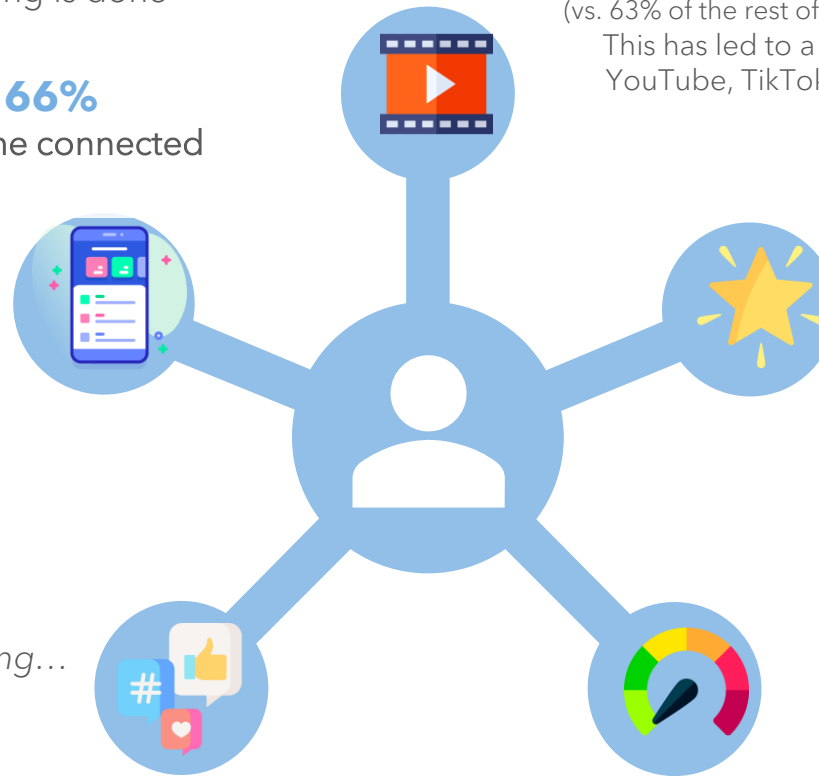
67% consider the Internet their **#1 source** of information

FORMAT: VIDEO

79% watch short-format videos online

(vs. 63% of the rest of the population)

This has led to a rise in popularity of **video-based social platforms**:
YouTube, TikTok, Instagram (*Reels*)



INTEREST: ORIGINAL CONTENT

75% of Gen Zers consider original content to be **important**, whether posted by fellow Internet users or brands

Entertaining content is the most popular among this generation!

PRIORITY: EFFICIENCY

60% will not use an app/website that is **too slow**

As digital natives, Gen Zers place less **importance on tech gadgets** than previous generations
Technology = a tool to access the world.