

# What marketers should know about why Gen Z shops

Article



Every marketer wants to know: What do Gen Z consumers care about? How do they shop? What motivates them to make a purchase?

Here are some answers, in their own words.

## 1. Sustainability is important, but they're on a budget

Gen Z is touted as one of the most sustainability-minded generations. While Gen Zers do care about the environment, they also are mostly teens or young adults and have to be choosy with how they spend their money.

“We have to care, because we’re the ones that are going to be here for the next 70 or so years. We’re going to reap the benefits—and possible consequences—[of our actions now],” Clay Lute, assistant merchant at Todd Snyder, said during a panel at last week’s CommerceNext event in New York City. “But when it comes to a budget ... we don’t have the money that some of the other generations have.”

This is one reason secondhand retail has become so popular among Gen Z consumers—it gives them an opportunity to buy the brands they like while also keeping an item from being thrown away.

“A lot of us are super into buying vintage, secondhand clothing,” said Fay Shuai, a student at the University of Pennsylvania. “It’s a fabulous business model because you’re making money off of clothing that already exists and you’re cycling it through and each generation that encounters it is going to find some sort of newness in it.”

## **2. They don’t mind brands on social media—as long as they behave**

“In the past, celebrities were the untouchable thing, but as social media has evolved, now you can know what your favorite celebrity is eating for breakfast,” said Sophie Silverman, a student at Tulane University. “It’s the same way for brands. In the past, it was corporate brands, they felt like this untouchable thing. Now, you can come close to the brand and see the people behind it and [take a peek] behind the scenes.”

It’s the same with companies, she said. Being on social media adds a human element, making the brand about the people more than the products. But there are limits to what Gen Z consumers will put up with.

“When [the marketing is] done in a way that’s not so obviously in your face, then it’s better. But when it breaks the spell of organic, then it’s annoying,” said Armaan Ahmed, a recent graduate from New York University.

## **3. They use TikTok to discover new products, but trust friends and family most**

TikTok is the platform of choice to discover new products, especially in the beauty category, according to the Gen Zers.

“TikTok, as opposed to platforms like YouTube, will give you more updated, recent content, giving you more exposure to new products that have recently come out or products that have [gone viral],” said Shuai.

Still, recommendations from family or friends are the most influential in the buying process.

“I’m the most influenced by my friends because they’re the most credible source and I can trust what they’re saying,” said Silverman. “Whereas TikTok influencers, I don’t always trust what they’re saying, I don’t know if they really love the product or not.”

#### **4. Loyalty is hard to come by, but not impossible to win**

Gen Z consumers aren’t concerned with labels and brands in the way that previous generations are, according to Shuai, and they’re uber-conscious about how much they consume.

“As a generation, we attach our personal style less to brands and more to ourselves,” she said. “I veer away from loyalty programs that make you try to buy more. I really value ones that focus on sustainability or give you some sort of financial discount.”

Brands that want to win over Gen Zers’ loyalty should meet them where they’re at, said Lute.

“Target’s RedCard was the first loyalty program I signed up for, and it was super easy because I already shop at Target,” he said. “I’m not trying to do more work to shop at your store. I’m not going to put in a bunch of information at checkout to get a couple [of] points [at a retailer I don’t normally shop with].”

#### **5. They don’t shop in the metaverse, but they might in the future**

The general consensus was that the metaverse is not a place where Gen Z shops or interacts with brands ... yet.

“I don’t really believe that the metaverse as it stands is going to exist in the future, but I do believe it’s going to evolve into something we will all use one day. And as a Gen Z[er], I want to be a part of it,” said Lute.

But younger generations may be more inclined to join the metaverse. “I have a younger brother who games a lot [in the metaverse] and is obsessed with VR,” Shuai said. “So while there may be a portion of us that don’t really interact with the metaverse, there are people out there that do. And that’s important to keep in mind when thinking about how to blend together the digital universe with the retail world.”

The students on the panel are part of The Z Suite, a Gen Z student network at Berns Communications Group. The students work with retail and brand leaders to provide thought leadership and reverse mentorship on the power of Gen Z voices in the consumer space.

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