

# Unexpected shopping behaviors from Gen Z, Gen Alpha offer lessons for retailers

Article

Sometimes, consumers don't behave how we expect. Despite their digital-native status, Gen Zers still shop in-store, while baby boomers are all about new-kid-on-the-block Temu. And

though they're still mostly children, Gen Alphas are making their mark on the retail landscape.

Here's what retailers should take away from these unexpected behaviors.

## 1. In-store shopping is not dead to Gen Zers

**The facts:** 79% of consumers worldwide say they often discover products through social media, and 73% say they have purchased from social media in the past year, per August 2023 data from Bazaarvoice.

**The assumption:** Shopping in-store is becoming less relevant as consumers—particularly younger ones—use online channels like social media to browse and buy.

**The unexpected twist:** When it comes to making a purchase, Gen Z shoppers are more likely to buy new items in-store, especially in certain categories.

- 42.0% of US Gen Z clothing buyers say browsing in-store is their top discovery channel, more than brand websites or apps (39.8%), social media (39.0%), or friends/family or word-of-mouth (26.8%), per our September 2023 survey.
- In-store browsing is also the top discovery channel for US Gen Z beauty shoppers (40.1%), tied with social media (40.1%) and followed by friends/family or word-of-mouth (26.8%) and brand websites or apps (26.8%).

**The lesson:** In-store shopping is not dead among younger consumers. For example, Gen Zers are credited with **helping to revive struggling malls**. Yes, social media plays a major role, too, but it's only one piece of the puzzle.

## 2. Gen Alphas are developing brand preferences

**The facts:** The oldest Gen Alpha consumers (i.e., those born between 2010 and 2024, per McCrindle) are turning 14 this year.

**The assumption:** Because Gen Alphas are still children, they don't have favorite brands or purchasing power.

**The unexpected twist:** Gen Alphas have developed strong brand preferences from an early age and are prepared to act on them, as evidenced by their **current obsession with skincare and beauty** brands.

- And they (or their parents) have money to spend.
- By the end of 2024, more than \$5.39 trillion will be spent on Gen Alphas (per McCrindle's research cited by Harvard Business Review), outpacing millennials' \$2.5 trillion as of March 2023 and Gen Z's projected \$3 trillion purchasing power by 2030 (per ESW research and a March 2021 Oxford report, respectively, cited by Harvard Business Review).

**The lesson:** Gen Alphas are quickly becoming powerful consumers, and marketers need to understand how this generation thinks, acts, and buys in order to secure their dollars.

### 3. Baby boomers are Temu's biggest customers

**The facts:** Temu invested 76% of its ad spend on social media, compared with 13% on digital display ads and less than 5% each on online video, TV, and native formats, per MediaRadar.

**The assumption:** Temu's socially forward ad strategy would resonate most with younger, tech-savvy consumers.

**The unexpected twist:** Gen Xers and baby boomers shopped Temu more frequently and spent more than younger shoppers in 2023, according to research firm Attain as reported by Bloomberg. Consumers ages 59 and older were also the most loyal, placing about six orders over 12 months, twice as many as Gen Z consumers ages 18 to 26.

**The lesson:** Baby boomers can be engaged via social media, but you have to know where to find them.

- Consumers ages 55 to 64 spend an average of 25 minutes a day on Facebook, more than any other age group, per our June 2023 forecast.
- So it makes sense that Temu would be reaching them, considering nearly half (46%) of Temu's digital ad spend in 2023 went toward the platform, according to Sensor Tower data cited by The Wall Street Journal.

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