



People Watch

THE ZEN OF GENERATION ZED

JUNE 2017

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By **2020**, Generation Z will account for an
astounding **40%** of all consumers.

Forbes.com

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New Wave Consumers

Millennials have long been a focus of debate for marketers. Their need for immediate gratification fueled by rapid technological advancement makes them crave the next great product. Extremely different to Generation X, Millennials have challenged traditional advertising and marketing techniques with their demanding requirements and 'quick to judge' attitude.

Gen Zed is coming of age and this new wave of consumer is on the cusp of driving another marketing revolution. They may be avid consumers with digital integration their 'norm', but you need to earn their trust and respect that they are in control.

They have grown up in a world of limitless information resulting in an acute processing capability and where socialisation does not necessarily require human contact. Everything is amplified and always with the possibility of 'going viral'.

Safety and **privacy** is their choice. Abuse it and face the consequences.

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GENERATION TIMELINE

Traditionalists/ The Silent Generation

Born at the start of the century until the end of World War II (now 72+). Raised by parents of the Great Depression, they grew up through wars, economic crisis and some times of prosperity. They are family-oriented with a strong sense of trust, responsibility and law and order.

Baby Boomers

"Boomers" are the babies born following the end of World War II (today aged 53-71). They are considered a generation who have "had it all" including free education, low housing costs and job security. Baby boomers are considered anti-government, pioneers of social change and desire to make a difference in the world.

Generation X

Gen X'ers were born 1963-1980 (now aged 41-52.) They are the first generation to experience divorce on a large scale. They are expectant careerists with many changing careers multiple times. They seek balance, independence and are considered cynical and suspicious of Baby Boomers values.

Generation Y/ Millennials

Born between 1981 and 1994 (now 23-36). Considered a debt-pressured generation where instant gratification is fueled by a fast moving digital world. Job security and career choices need to adapt with traditional roles replaced by game changing technology.

Generation Zed

Gen Zed were born between 1995-2009 (now 8-22). They are the first post internet generation with technology integrated into their every day life. They are moving into careers that did not exist for previous generations. They are avid consumers, self confident and extremely tech-savvy.

Gen Alpha

Those born after 2010 (aged up to 7). Trend predictions for this generation are that they will be the most formally educated generation in history. This is influenced by earlier child care, and start to school and tertiary education mandatory for most careers. Watch this generation inherit their wealth late in life.

1900-45

1946-64

1965-76

1977-95


1996-2009

2010+

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Source: smh.com.au | mccrindle.com.au | wmfc.org

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“It will be hard to get their [Gen Zed] data as they know how to use their privacy settings. They are also pretty hostile to interruptive advertising.

Megan Brownlow, Partner - PwC Australia
May 2017



GEN ZED

FIVE INSIGHTS INTO
THE ZED DNA

1. NOT MILLENNIALS

- Gen Zed are NOT the “new millennials”.
- They are the first of their kind, the first ones to grow up post-internet, where technology is the *norm*, not the ‘new norm’.
- They are more grounded, ambitious and career focused.
- Relationships, privacy, information sharing are done on their terms. It takes significant education and trust for a Gen Zed to provide personal data.
- Gen Zed has less of a need for a strong digital footprint unlike Gen Y, where ‘going viral’ is a desired goal.
- Gen Zed are quitting Facebook for more secure social interaction like Snapchat and Whisper.

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Source: mashable.com | forbes.com | businessinsider.com | wmfc.org.au | mccrindle.com



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The average Gen Zed has an eight
second attention span.

cmo.com

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2. FINELY TUNED FILTER

- Death by a thousand swipes? They are estimated to have an attention span of **eight seconds** but don't be fooled, the eight seconds is a finely tuned filter to dismiss irrelevant and meaningless messages.
- Communicating meaningful messages will lose impact unless they are seamless across screens – television, tablets, phone and digital out of home.
- Mobilisation is more critical than ever with a small window to make an impact before being processed, flicked or actioned.
- They won't come to you, you need to go to where they hang out and integrate with their life.

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Source: upfrontanalytics.com | businessinsider.com | forbes.com | cmo.com | mccrindle.com



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It's not about Facebook and Twitter.
It's about Snapchat, Secret and Whisper.

adweek.com

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3. SECRET SOCIALISERS

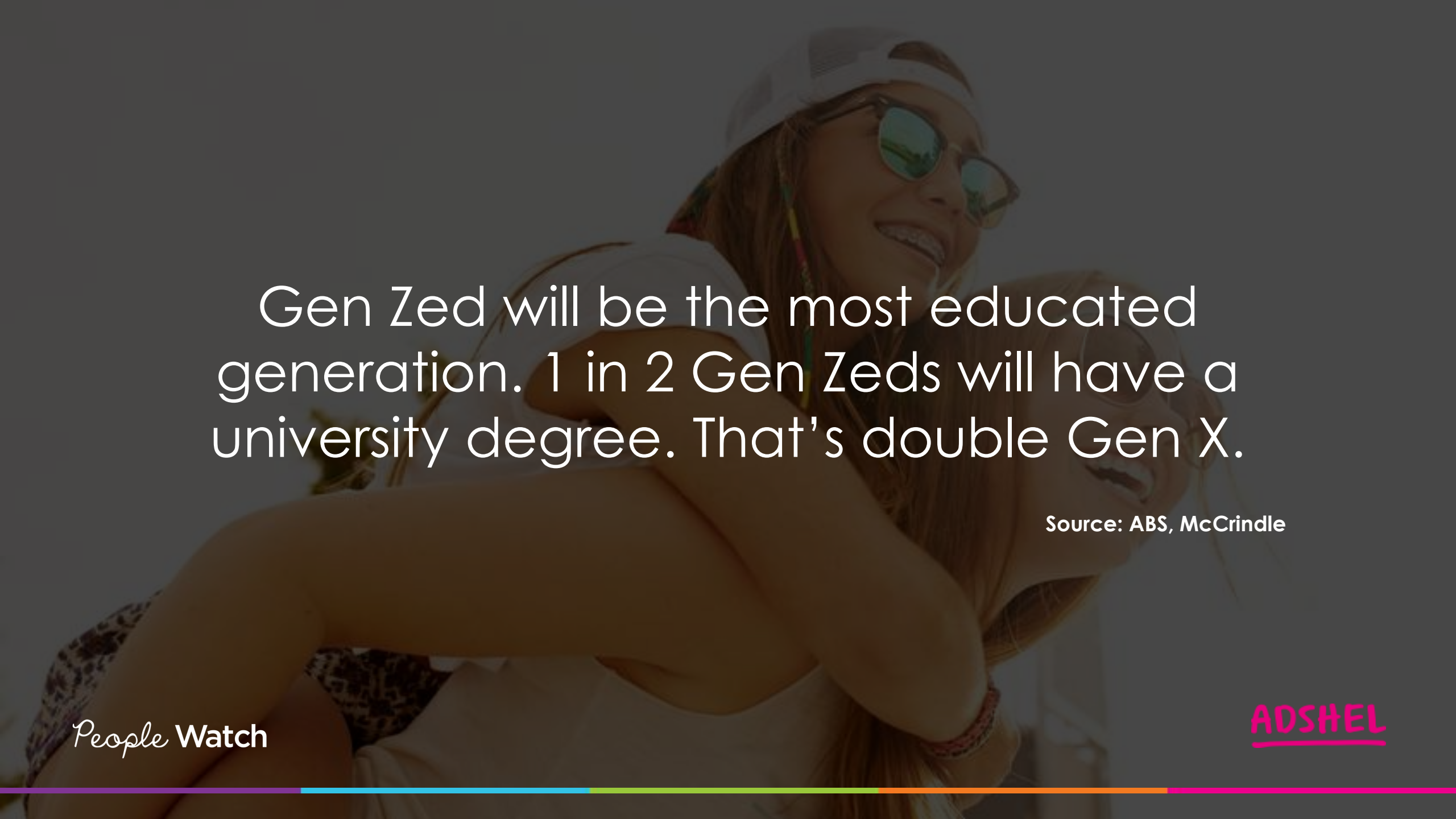
- A desire for privacy has driven this generation away from open, social platforms like Facebook.
- They are moving to secret social platforms like Snapchat, Whisper and Secret where they can share information without identifying themselves.
- The need to control their digital footprint makes it more difficult communicate with them.
- Cut through is also an issue with Gen Zed laden with social messaging receiving on average 3000 text messages a month.
- They are large social consumers, watching twice as many mobile videos than any other demographic and up to 70% watching YouTube for 2 hours or more per day.

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Source: upfrontanalytics.com | businessinsider.com | forbes.com | mccrindle.com | mashable.com



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Gen Zed will be the most educated generation. 1 in 2 Gen Zeds will have a university degree. That's double Gen X.

Source: ABS, McCrindle

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4. ENTREPRENEURIALISTS

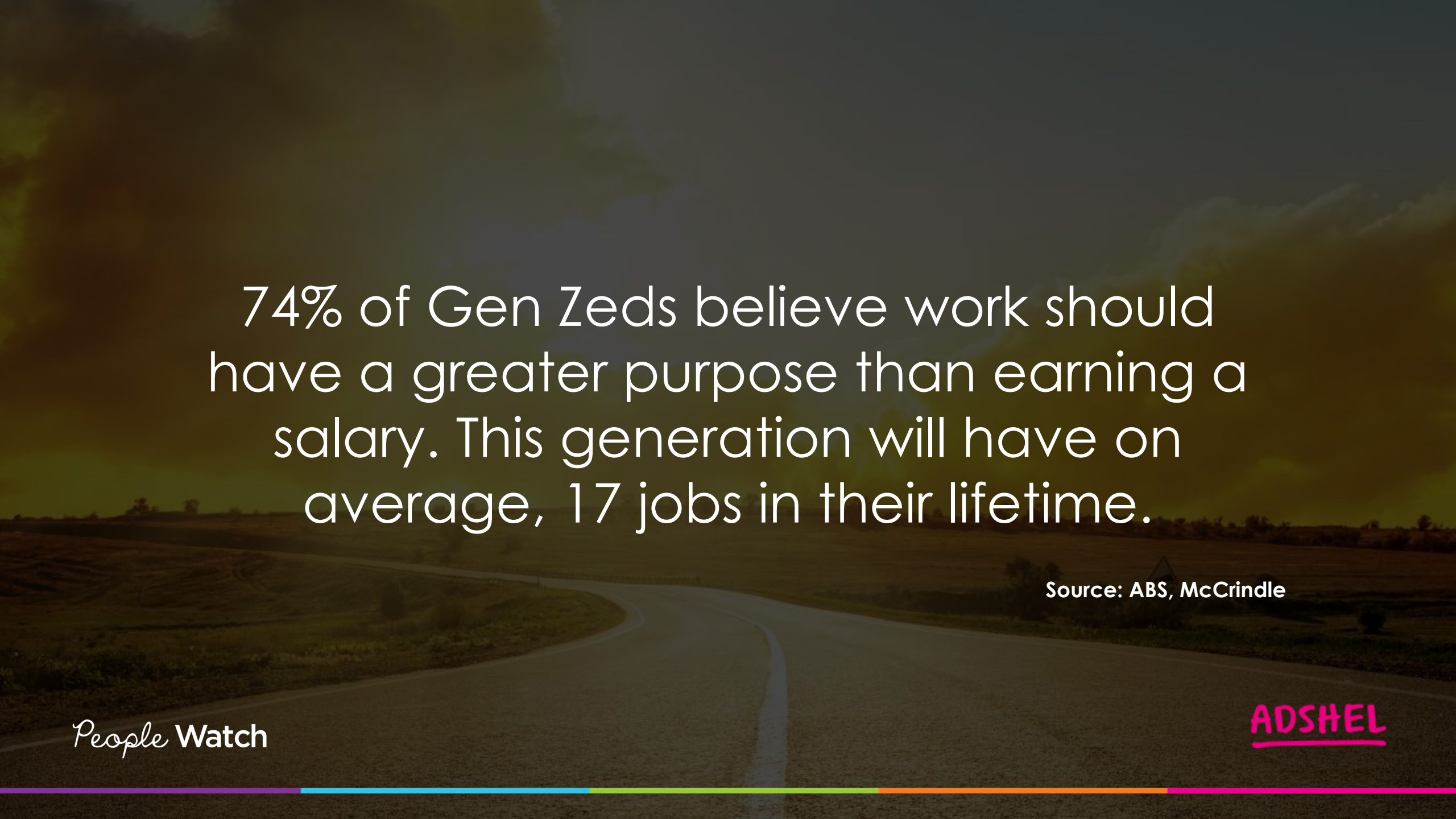
- **1 in 2** will have a university degree (compared to 1 in 3 for Gen Y and 1 in 4 for Gen X).
- **61%** would rather be an entrepreneur than an employee when they graduate.
- **72%** of high schoolers want to start a business someday.
- Gen Zed crave education: 33% watch lessons online, 20% read textbooks on tablets.
- They have a positive relationship with technology that drives innovation and efficiency.
- In 2017 MTV study, 91% of surveyed Gen Zeds believed tech can help them manifest their big ideas to improve the world.

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Source: upfrontanalytics.com | businessinsider.com | forbes.com | [lifewire.com](http://lifelwire.com) | mccrindle.com



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74% of Gen Zeds believe work should have a greater purpose than earning a salary. This generation will have on average, 17 jobs in their lifetime.

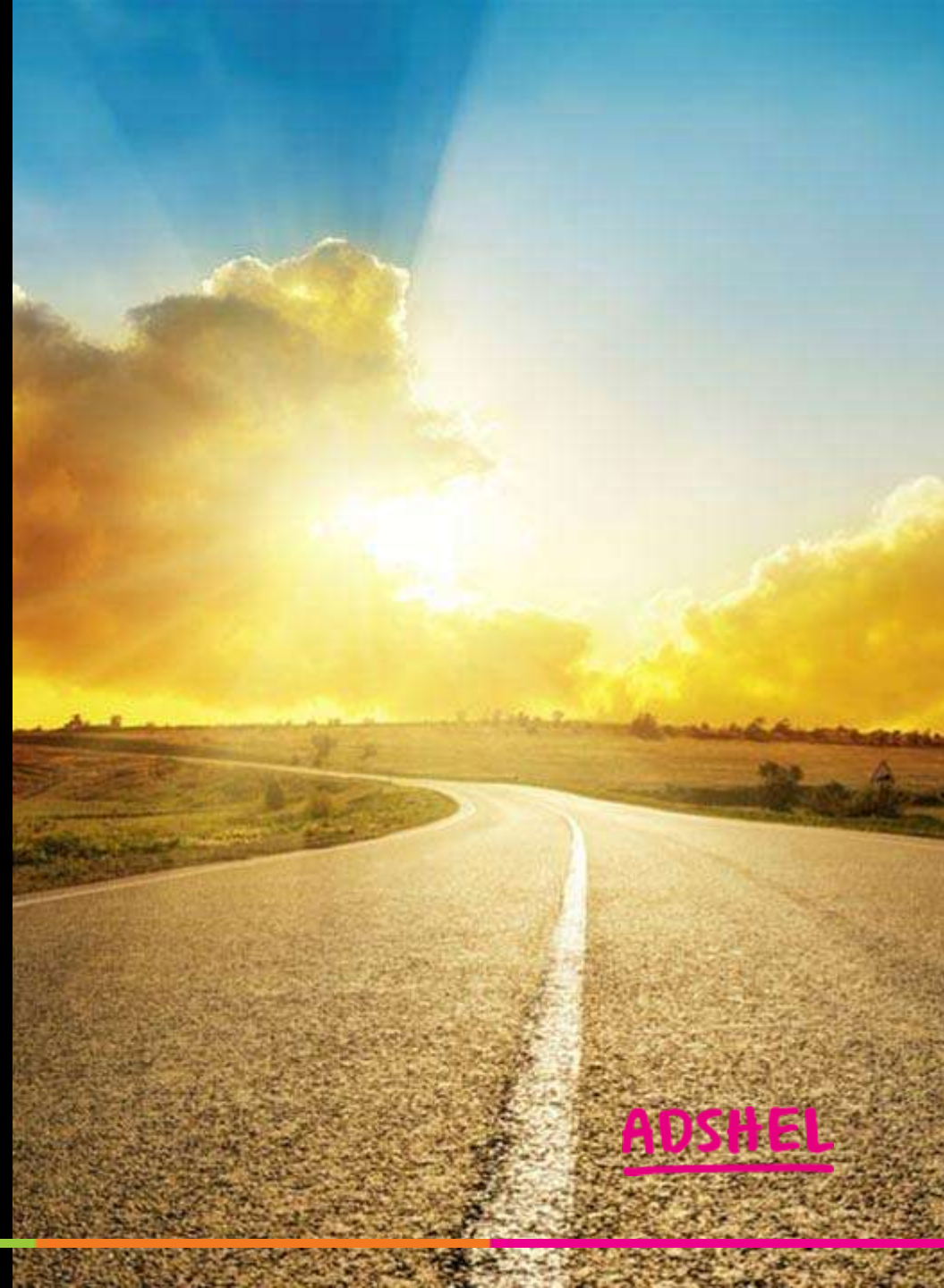
Source: ABS, McCrindle

5. DRIVEN BY PURPOSE

- 60% of Gen Zeds want to change the world compared with 39% of Millennials.
- This generation is purpose led and looking for meaning in their life – they *want* to make a difference.
- Organisations need to clearly articulate their brand's purpose, role in society and consistently act upon it.
- Employers looking to hire this generation will be challenged unless there is an alignment in purpose.
- Gen Zed will drive inclusivity, acceptance, equal rights and ethical workplaces.
- Companies who are not authentic with their cause will face scrutiny and effects will be amplified and socialised.

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Source: upfrontanalytics.com | businessinsider.com | forbes.com | mccrindle.com



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A young boy with light brown hair, wearing a white dress shirt and a plaid bow tie, is adjusting his black-rimmed glasses with both hands. He is looking directly at the camera with a slight smile. The background is blurred.

What's next?
Introducing Gen Alpha.

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GENERATION ALPHA

- The kids of Gen Y – a pure millennial generation.
- 1.6 million Gen Alpha's in Australia (2.5 million born every week worldwide) and on track to be a larger than Generation Z.
- It is anticipated that they will be the most materially endowed and technologically literate generation ... ever.
- They will come of consumer age by 2034, when the world will have grown to 8.8 billion (twice as large as Gen Y's world).
- They will be in a country where there are more Australian's over 60 than under 20 and will support a large, ageing population.
- Retirement age will be 70+ with families smaller than in previous generations with most households a couple with no kids.
- Life expectancy will rise - 80.1 (Men) and 84.3 (Women).

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SO WHAT?

What does this mean to marketers and their brands?

- It means going back to the drawing board, planning strategies that engage Generation Zed for the next decade and beyond.
- Lead with what's in it for the audience, not what's in it for the brand. Create **value** not just ads.
- Adopt a mobile-first mentality. Personalisation, relevancy and seamless screens are the norm now
- Market with purpose and look to add cause-marketing into the mix and be authentic.
- Keep an eye on those Gen Alphas, they are nipping at Gen Zed's heels.

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Generation Z is the largest generation ever, comprising around 20% of Australia's population and almost 30% of the world's population.

Source: ABS, McCrindle

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Thank you

For more information on trends to
watch in 2017 contact us today

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