# Gen Z

## The Next Zeneration of Influencers for Brands and Retailers

IRi
Growth delivered.

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# Gen X

# Baby Boomers

# Millennials

Welcome, **Gen Z.**

They're not Zennials (Mini Millennials), they are an entirely new ***Zeneration***.

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**% U.S. POPULATION (U.S. Census)**

| | |
|---|---|
| Silent Generation | 10% |
| Baby Boomers | 23% |
| Gen X | 20% |
| Millennials | 24% |
| Gen Z | 23% |

# Why do we care?


average weekly allowance


annual purchasing power


have no family spending rules





*Source: SPARKS & HONEY SLIDESHARE REPORT | June, 2014; Original source: Mintel*

Nearly

# 50%

of 18-21 year olds are participating in their household's grocery shopping





*Source: IRI Generational Thought Leadership Survey; December, 2017*

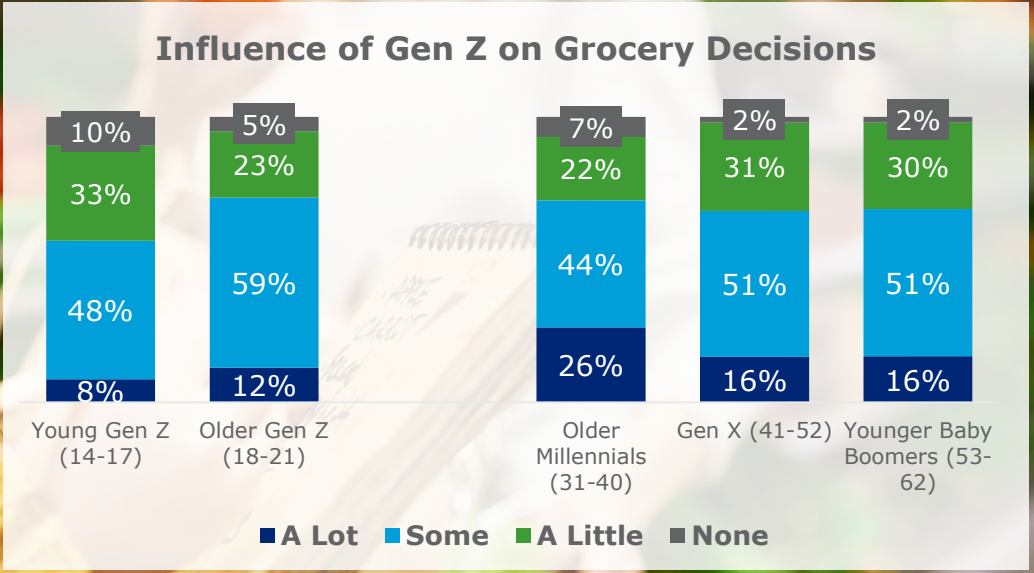
# Gen Z Widely Influences Household Grocery Product and Brand Decisions

IRi The Family Room



*Source: IRI Generational Thought Leadership Survey; December, 2017*

# Gen Z Widely Influences Household Grocery Product and Brand Decisions








*Source: IRI Generational Thought Leadership Survey; December, 2017*

# Many Gen Zs Learn Early About the Value of Being a Savvy Shopper

Gen Z is an

# ‘instant’

generation that’s being taught the value of waiting





*Source: IRI Qualitative Study Among Gen Z; July, 2017*

# 66%

buy products based on price





*Source: IRI Quantitative Generational Study; December, 2017*

"I think I'm going to be like my dad.
He doesn't get things he wants – **he gets things he needs.**
**He saves for back up money** instead of wasting money
on things he might want but doesn't need."



*Source: IRI Qualitative Study Among Gen Z; July, 2017*

# The Greatest Predictor of the Behaviors Older Generations Will Adopt is What Younger Generations are Doing Today

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As the first minority-majority generation in history,
Gen Z doesn’t see diversity –
***until it’s missing***.

# Gen Z is Predisposed to Want VARIETY

Brands will be challenged by **Gen Z's "No Limits"** orientation and willingness to experiment.



*Source: IRI Qualitative Study Among Gen Z; July, 2017*

# Greater Product Variety is Prominent in Gen Z Households


**NATURAL CHEESE**

**16**

**COLD CEREAL**

**12.4**


**NON-CHOC CANDY**

**10.6**


**CSDs**

**10.2**

**Gen Z Households**

*# Unique UPCs Purchased*

| | | | | |
|---|---|---|---|---|
| 12.4 | 7.6 | Non-Gen Z Households | 7.5 | 7.5 |

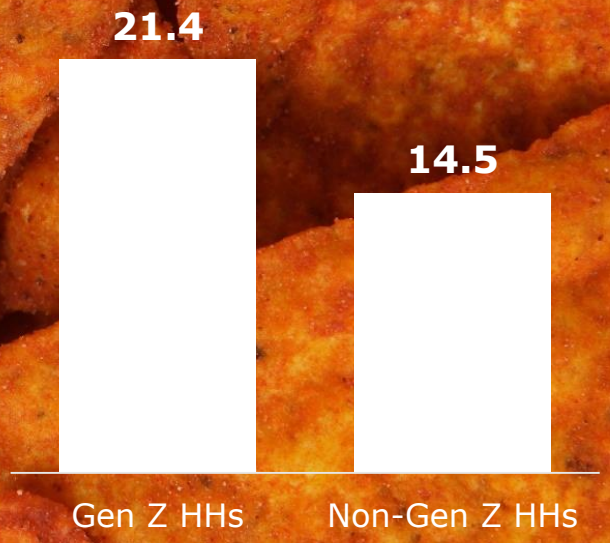




*Total US - All Outlets / Time Period : 52 Weeks Ending October 1, 2017*


# Doritos 'gets it right'

# 168 Active SKUs




**Salty Snacks # Unique UPCs Purchased**





*Source: IRI Qualitative Study Among Gen Z; July, 2017 / Total US - All Outlets / Time Period : 52 Weeks Ending October 1, 2017*

*"I'd take store brand chips to school, but I would want my mom to put them in a plastic bag instead of their regular bag."*

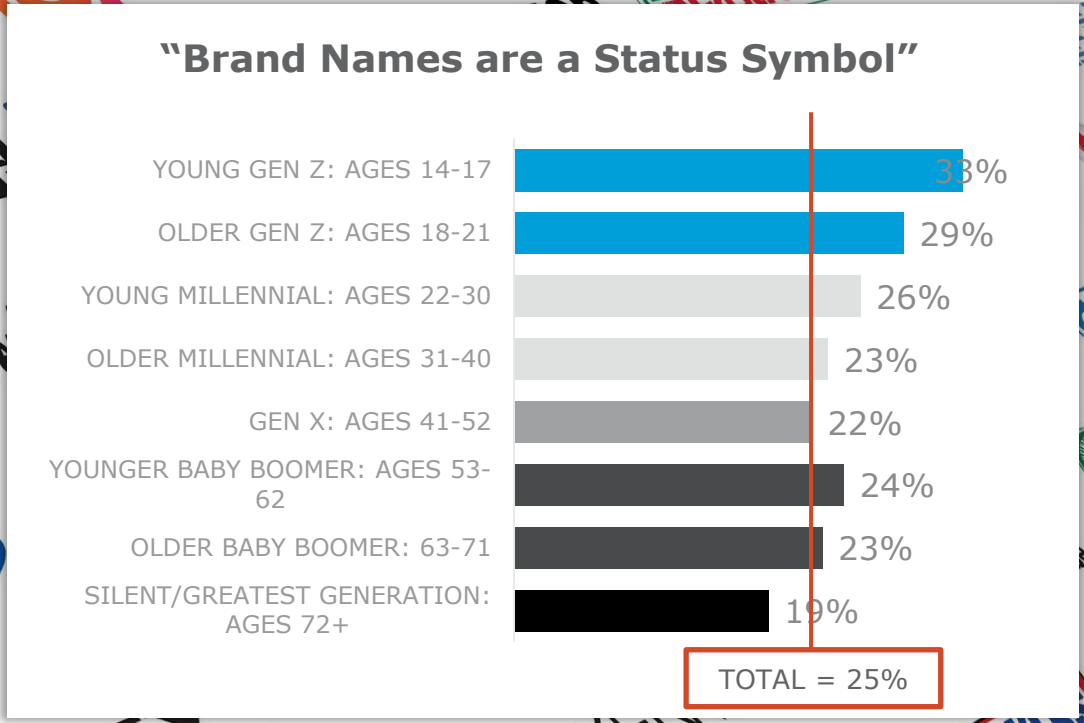
*~ Fredrick, age 10*





*Source: IRI Qualitative Study Among Gen Z; July, 2017*

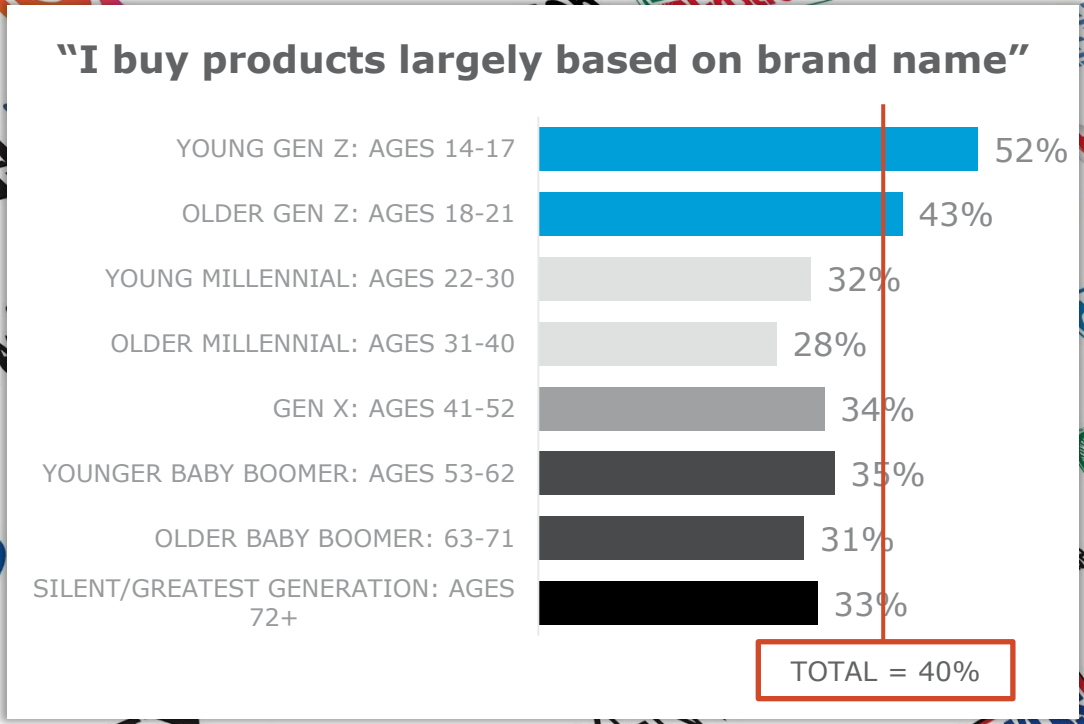
Brands will have a harder time establishing themselves as a **symbol of belonging among Gen Z**





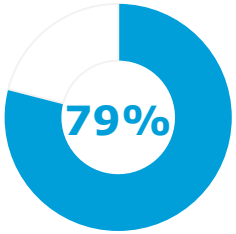

*Source: IRI Quantitative Generational Study; December, 2017*

Brands also help Gen Z **simplify the buying process**

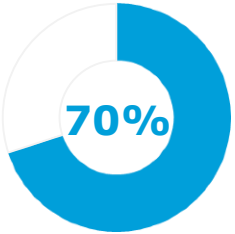




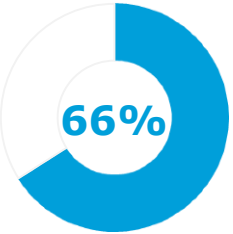

*Source: IRI Quantitative Generational Study; December, 2017*



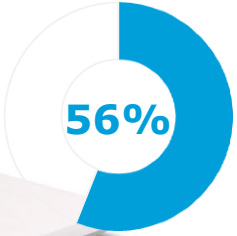

has the brands I want



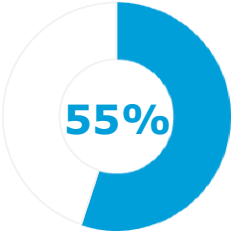

low pricing



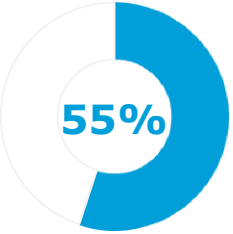

enjoyable shopping experience




large product selection




easy to find what you're looking for



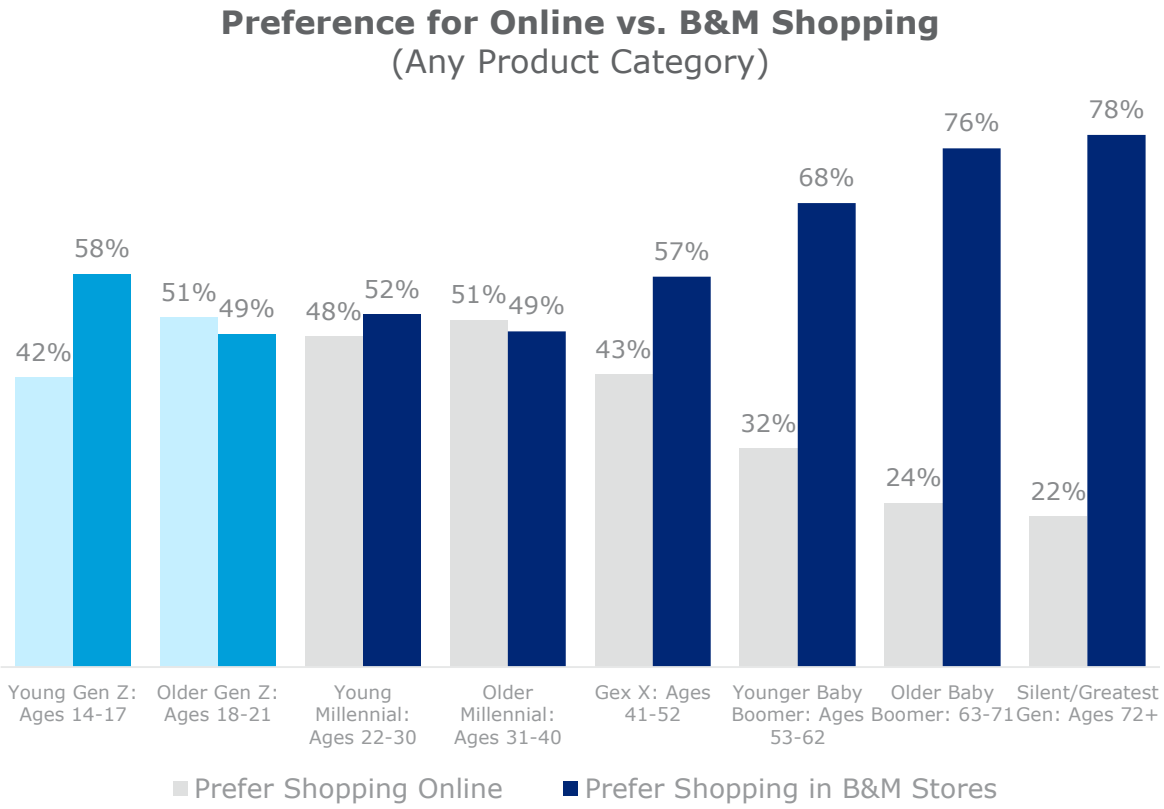

great rewards / loyalty programs





*Source: IRI Quantitative Generational Study; August, 2017*

Despite their digital savviness, **Gen Z is as likely to prefer shopping in brick & mortar** stores as they are online.






*Source: IRI Quantitative Generational Study; December, 2017*

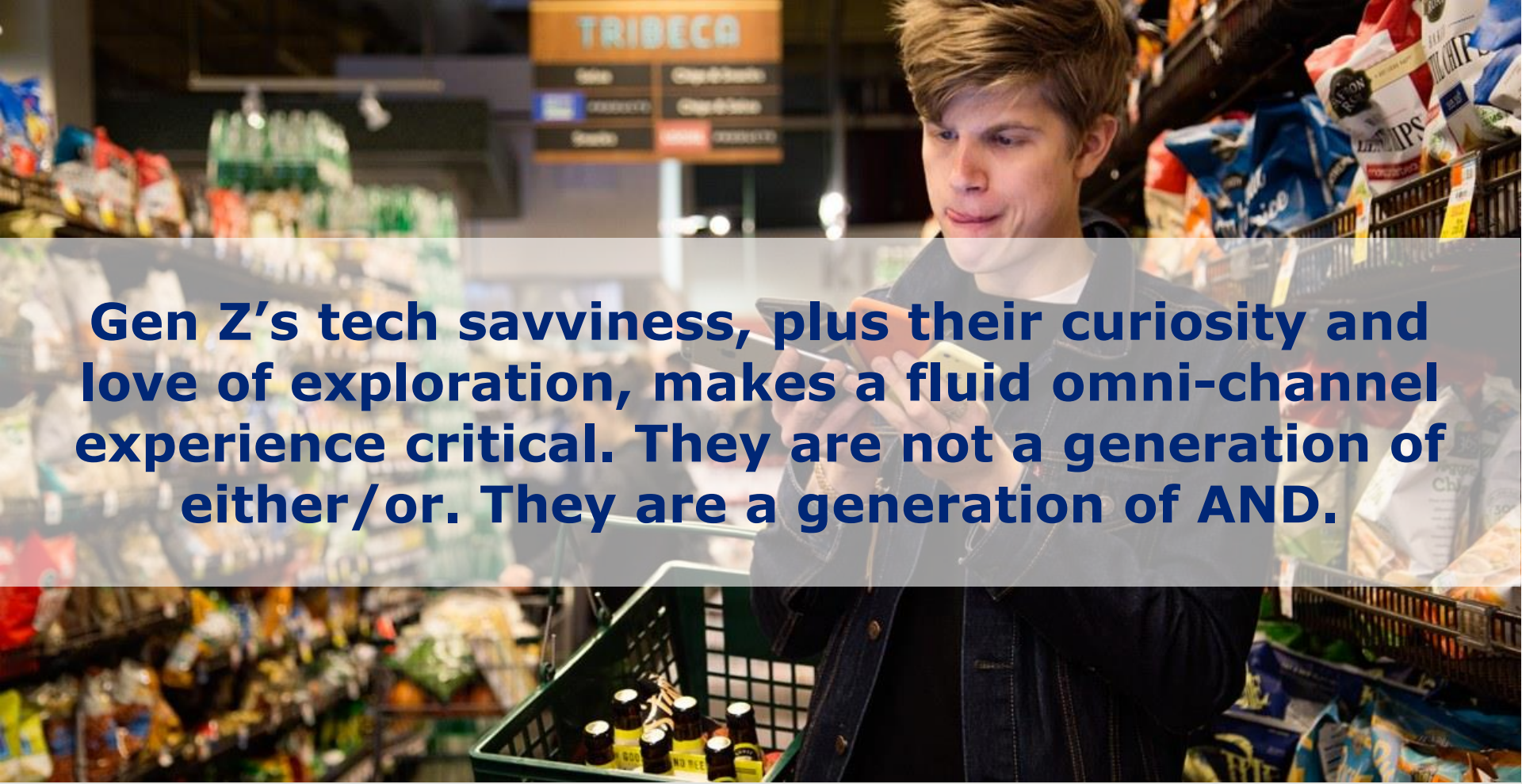

# Three Primary Forces Shape How Gen Z Sees and Will Ultimately Influence the World

## Their Awareness of the Dangers of the World Around Them

# Gen Z will lead like no generation before them.

**Gen Z's openness and exposure to different people, cultures and experiences – and their 'no limits' orientation will significantly impact their expectations of products and retailers.**

**Brands are important to Gen Z – but they must earn their way into Gen Z's hearts and shopping baskets. Gen Z is a savvy generation that demands performance, authenticity, and value.**




**Gen Z's tech savviness, plus their curiosity and love of exploration, makes a fluid omni-channel experience critical. They are not a generation of either/or. They are a generation of AND.**