

ARE YOU GEN Z READY?



In the fifth of this Generational Marketing article series, **Neil Osborne** highlights how the first cohort of Gen Z (16-20 years old) are being depicted as difficult to engage, extremely design-conscious and having exceptionally high brand expectations. But is that really so?

SURPRISING. THAT'S WHAT Gen Z are, once you get to know them. Sadly, though, as young as they are, they've already been written off as having the attention span of a gnat. But some of that is the older 'generational rite' of complaining about 'the kids these days' and is loaded with preconceptions, stereotyping and biases.

If instead you try to glimpse the future through their eyes, you may have a very different perspective. And then the worlds of retail, brands and society as a whole, will open up intriguing new opportunities and approaches for your business.

But, why would you bother? They're so young. How can they possibly affect your business, right now? Well, this generation's behaviour is very, very different. Already they have US\$44bn in annual purchasing power, and as that grows, if you don't understand them, you won't be positioned to adapt to this tech-savvy generation.

This generation offer you the opportunity to see what the future is going to be like. It's a challenge that every business needs to come to grips with... so let's do some backgrounding and myth busting on this emerging market force. Generation Z (or alternatively, Centennials and iGen) were born 1995-2010 and are generally the children of Gen X or Y (who raised them with a 'you figure it out' approach). After accounting for the attrition of

prior generations, by 2020 it's estimated that they'll account for 40 percent of all consumers.

Gen Z's key characteristic? They are never without a personalised device in their pocket. They have never known a world that's not digital, or without a mobile phone that has constant, immediate and convenient access to the web. This generation is not mobile-first, it's mobile-only and they insist on 24/7 wi-fi enablement. They use and consume video in a non-linear way and technology has become an extension of their self-expression.

However, they're not wedded to any one form of internet-enabled self-expression. They spread themselves around. On average, they use five screens – a smart phone, TV, laptop, desktop, and tablet – they understand social media, internet safety and that their parents have been writing about them online since they were in the womb.

Because of that, Gen Z has a much more conservative and strategic approach to social media platforms and footprints. They've already started watching over their shoulder, so temporary, anonymous platforms like Snapchat, Whisper, Secret and Yik Yak are popular, while a quarter of 13- to 17-year-olds have left Facebook. So far, it appears they also prefer peer-to-peer social media and messaging apps like Vine and Instagram, that use less personal information and are more visually appealing.

Now, let's bust three myths about them.

Myth 1: Eight seconds

That's apparently all you have to engage Gen Z. It's four seconds less than you get from Millennials (Gen Y), but it's not because Gen Z have a short attention span. It's an eight-second filter.

This generation has grown up being served media and messaging from all angles, all the time. So, they've adapted. They are navigators, of superior

efficiency, able to quickly sort through and assess enormous amounts of information; they collect the most popular and relevant content by following trusted friends, curators and using the trending pages within apps. These tools help them shrink the time used (and the potential options) down to a manageable size, so they can then quickly judge if it's attention-worthy.

Your business opportunity:

Having grown up with infinite opportunity and access, this has flavoured the Gen Z expectations of all media. They have a high usage of ad-blockers and prefer (even more so than any previous generation) that videos are very short – you've no more than 10 seconds to win them over. Look at ways to access curators and influencers (especially of video content) but in doing that, you must be willing to loosen the control on your messaging, because Gen Z are sceptical of anything that feels like a branded or contrived message.

Once you've demonstrated your attention-worthiness, Gen Z can become intensely committed and focused. They've grown up with an internet that's allowed them to go deep on any topic of their choosing and learn from like-minded fans. To maximise this opportunity, you need to build in a back-and-forth dialogue, other opportunities to engage and give them an immediately beneficial experience.

With their multi-screening habits, Gen Z isn't spreading their focus. They're having tiny 'nano-moments' of interaction, as they move from one device to another. Therefore, messages can't be repurposed for different screens – they must be immediately compelling and specifically designed for each individual format or media style.

The overriding provisos, on anything you do, are: everything must be delivered in nano-bites – not extended time chunks – and all screens are created equal; one is no better than the other.

Myth 2: All the same

Each generation has common habits – shaped during its formative years and staying with them for life – but for Gen Z, that doesn't apply. They can't be treated as an amorphous cohort, or that they're all alike.

Traditionally, generations were grouped together in 15-year chunks. But because change is happening in such compressed periods, it's irrevocably altering not just what was once considered a generational period, but society as a whole. For instance, a five-year old today, is likely to have a very different frame of reference to either a teen or tween, because the evolution of technology has changed their world so fast.

Look at Gen Z, as 3-5 year 'micro-generations.' Understand each one's mindset, their interests, their influencers and the environment they socialise within, so you can reach them on a more meaningful level. No longer is it a matter of just 'knowing the lingo.'

Your business opportunity:

Similar to the nano-moments they enjoy with each screen they're using, so too must be your approach. Go nano and personal – think slivers – but remember not to fall into the trap of thinking of them as an age bracket. Instead, think about what your brand or business can offer them. How can you best serve them?

With a tendency to crowdsource information, they scrutinise online reviews for other people's input and naturally gravitate to influencers, whose opinion they trust. If you do establish influencer relationships, regularly switch them around, because this audience quickly catches on that there's a relationship and tunes out.

Don't try using old-style approaches, the iGen is fragmented and hard to get to in a mass way. They use multiple social networks and are highly influenced by friends' opinions, so it's hard to control your brand story. Best advice: don't try. If you choose to work with influencers and curators, equip them with the information, empower them to tell your story in their own words (with a few guard rails in place).

Myth 3: Uneducated

In their own right, Gen Z are highly educated, with a higher percentage of them graduating from university, than any previous generation. Reportedly 33 per cent of them watch lessons online, 20 per cent read textbooks on tablets and 32 per cent work online, collaboratively, with classmates. They're also adept web-based researchers. YouTube and Pinterest are regularly used, not just for socialising, but for self-education purposes. They often learn complex things, such as upgrading their computer's operating system, the same way that they learn how to apply make-up: one video at a time.

Your business opportunity:

Gen Z still possess a general knowledge about traditional research methods, but they've come of age placing a priority on how fast you can find the right information, rather than on whether or not you know the right information. This generation demands intuitive, seamless and error-free processes – they place a very high value on efficiency. If the information they're looking for isn't easily and immediately available, they aren't likely to look for other sources. That means you need an omni-channel approach to your brand and business. (An omni-channel approach uses multiple channels to provide a seamless shopping experience, whether the customer is shopping online from a desktop or mobile device, by telephone or in a bricks and mortar store.)

Being the most self-educated generation in history, Gen Z are well equipped with plentiful self-service tools to research and identify product details and service offers that best suit their needs. However, what they do value are brands and retailers who relate to their specific needs – providing them with a unique, personalised micro-experience.

So, are you ready for Gen Z? Perhaps not.

Perhaps never.

But do realise that although you may not be targeting them now, their 16-20year old mindset is becoming the mindset of the majority of your customers. Very quickly. ■

Neil Osborne is an elite sales trainer and brand coach who is unique in the salon marketplace. He has devoted more than 30 years of his working life to the Salon Industry and has been responsible for dramatically growing brands and businesses by helping

them launch, develop and change their sales results with his salon-specific, results driven methods. Contact him at The SALES CATALYST, 1300 302 859 or go to www.thesalescatalyst.com.au

