

TARGETING ‘Z’: Marketing and Branding Strategies for an Emerging Generation

by Steven Faerm

Fashion leaders, listen up! Whether you’re a burgeoning designer at the local fashion expo or the CEO of a Fortune 500, you’re a business owner and you’re about to get a brand-new consumer. Introducing Generation Z: the colossal population of current and soon-to-be young adults born roughly between the mid-1990s and 2010. This generation – estimated to comprise 32 percent of the global population of 7.7 billion in 2019 – are about to enter the consumer market. As an entrepreneur, you’re going to need to know them.

When Millennials left college for the workplace and flashed their newly-earned consumer dollars, there was a considerable learning curve for business owners. Their entrance rocked the marketing world and prompted the necessity for businesses to understand exactly what makes a new consumer generation “tick.” What’s their approach to buying? What do we need to know about their personal and professional characteristics? How can we connect with them?

Every generation has its own behaviors, values, and priorities. When companies understand these unique traits, they can develop best practices that strategically target consumers’ needs and wants. Move over Millennials, Gen Z is about to take over the marketplace.

Let’s talk about Z: Here’s what you need to know

- Generation Z (also known as Post-Millennials, the iGeneration, Founders, Plurals, Digital Natives, or the Homeland Generation) is the demographic cohort after the Millennials (Generation Y). Our oldest section of this group is rounding the ripe working age of 22, aka college seniors who are about to enter the workforce.
- They’re huge. Currently, they make up about 25% of the population. This is larger than either Baby Boomers or Millennials. It is estimated that by 2020, they’ll account for one-third of the U.S. population. That’s more than double the amount of men registered to serve in the second World War, and this time, they’re bringing their smartphones.
- They’ve got a lot of buying power. By 2020, they’ll account for 40% of all consumers and potentially bring the market upwards of \$140 billion per year in direct spending.
- They self-identify as being loyal, compassionate, thoughtful, open-minded, responsible, and determined.
- Student loans? They’ll pass. Due to the increasing cost of college tuition (1,200% since the late 1970s) and decline in federal aid, employers will see more of this generation going straight into the workforce rather than choosing higher education than Millennials.
- Technology is their way of life. Among this population, 80% sleep with their smartphones, and 25% check their phone within five minutes of waking up. They are the first generation to have grown up with the internet, and in just five years their ownership of smartphones has more than doubled.

But why the obsession with technology? Some researchers feel the extreme usage of digital tech helps youth to escape from emotional and mental struggles they face offline. Others believe that being online is not allowing them to build the necessary coping mechanisms for success offline. However, smartphones and tablets offer the potential for this generation's deeper involvement in learning and more individualized instruction; Generation Z has the potential to be better educated, more exposed to different points of view, and more well-rounded than previous generations.

Meet Emma

Let me paint you a picture of a Gen Z'er, let's call her Emma. Emma just graduated college, and at 22 years old, she's passionate about who she is as a person and wants to create a life that incorporates her unique and specific attributes, values, habits, and expectations. She has a full-blown tech addiction, having grown up with the internet and social media. Her primary form of communication is texting, and she's always plugged into YouTube, Instagram, and Snapchat. She's incredibly informed politically, socially, and environmentally, and if there's a "customize" button on anything, you better bet she's going to press it. She's signed up and revved up for the next local Women's March, she just hit 3,000 followers on Instagram, and she thinks twice before consuming single-use plastics.

Emma, and the rest of her Gen Z legion, no longer want *just another purchase*. To them, it's not only about the beautiful designs you're selling—it's also about the unique experiences you offer, your company's values, and the contributions you're making to better the world. The social, political, and environmental impact that a company and its products have is important to Gen Z'ers. The traditional purchasing drivers of a product, namely its features, price, and aesthetics, might have satisfied the Booming babies, but for this hyper-informed and socially-minded generation, those are not nearly enough.

Why is it not enough, you ask?

- Due to social media, Gen Z'ers see the world as a relatively small place with large potential for change. They want to be involved, and they expect the companies that supply them products to be involved in making a difference, locally or globally. For the sake of their community and their futures, Gen Z'ers believe there's so much more to be done socially, environmentally, and politically.
- When it comes to politics, they're seeing their country be torn apart. In a nation of "alternative facts" and weekly scandals, Gen Z seeks out truth, authenticity, transparency, and integrity. They've had enough of false promises and skewed moral compasses.
- Most of Gen Z watched their parents go through the recession, with companies failing and leading their families to take on great burdens and stressors. 'Big Brother' happened to be not so big or brotherly after all. Their trust in large corporations is lacking, so they play it safe when it comes to finances, consumption, and brand choice.

As Generation Z comes of age and becomes the next consumer powerhouse, brands must evolve their communication strategies with this demographic or risk losing tremendous market share. A company's success will rely on understanding Gen Z's mindset and crafting well-tailored marketing strategies.

So, what are some best practices for connecting with Gen Z?

GIVE THEM COMMUNITY: IT'S FOR THE GREATER GOOD

Gen Z grew up highly global and multicultural. They were born and raised alongside the internet and exposed to people from radically different cultures, values, and norms. This led them to care much more about people and community than previous generations.

This means it is incumbent upon you to show them the big picture. Show them the goal. Show them WHY your brand is doing what it's doing and HOW it is for the good of the world, for society, and for the Gen Z'ers themselves. Demonstrate the social benefit behind your brand or product and your Gen Z consumers will respond positively. You can also reach them through any community that you craft through the meaningful experiences you offer them, in-person or online. Skip the impersonal and envelop them in the social, environmental, and political causes and experiences they crave. This involves making your brand relevant by highlighting real people who are authentic and whose stories are relatable to their own lives. Ditch the unrealistic messaging and models that project perfection. The desire for community is ever-present with the Gen Z population, and with that desire comes the concept of inclusivity, not exclusivity. If you build your product or brand to embody these attributes, you will hit the sweet spot with Generation Z.

GIVE THEM PERSONALIZATION - THEY WANT IT THEIR WAY

We live in a world full of optimal choice, immediacy, and customization. Down to the simplest act of selecting a morning coffee, Gen Z has perfected the art of personalization by pre-ordering and picking up their usual cup of java en-route to work (a grande, half-caf cappuccino in a venti cup, half-pump caramel, quarter-packet Stevia, no foam, vanilla bean powder, hazelnut drizzle, at 34-degrees). They're used to getting a choice in how, when, and where their purchases are offered. And that's not just with caffeine.

Marketers must offer choices that include multiple ways for Gen Z'ers to engage with the brand or product. This is a highly entrepreneurial generation that wants to create their own unique world. Let the Gen Z'er consider what might work best for them. They'll want to personalize apparel, accessories, and other products to express their individuality. Offer them agency and collaboration in the design and purchasing experiences so they feel more connected to your brand. If you enable your customers to feel heard and included by your brand, *this* will incentivize Gen Z'ers to care more about their purchases from you and about your company as a whole.

THEY SEEK TRUTH, TRANSPARENCY, AND INTEGRITY

Gen Z has witnessed a great deal of political, social, and economic turmoil. Their world went from relatively stable and secure to highly volatile—with significant economic collapse. The institutions they trusted weren't always what they seemed or claimed to be. From this turmoil and perceived deceit, Gen Z quickly realized that for the sake of their futures they had better take matters into their own hands. They became more informed, they connected with one another en masse, and they are striving to build a more secure and socially-just future for themselves. As a result, their key values of truth, integrity, and transparency emerged.

And the Gen Z demand goes beyond authenticity. You must take a stand, communicate your corporation's values, and show consumers where you put your money to support specific causes. Conventional marketing tactics won't cut it anymore. Instead, communicate your core principles by showing hard evidence to gain their trust and patronage. Gen Z is looking for brands that deliver transparency, honesty, and integrity. Being open about your corporate activities, and granting them access to that information, does just that. Gen Z practices what they preach, and they'll expect you to do the same.

CRAFT A FOCUSED, MEANINGFUL, AND RELATABLE STORY

There's an overwhelming amount of marketing noise out there, and Gen Z has become highly skilled at tuning it out. They have very short attention spans (averaging about 8 seconds) and juggle a whopping 5 screens at once. Whether or not they'll notice and choose to sort through *your* marketing noise depends on how well you target and fulfil their emotional needs. If you want to grab and hold their attention, your message better be quick and compelling.

With this generation, your brand's narrative is more important than ever. With so much competition for Gen Z's attention, brands must create well-tailored stories that deliver strong emotional impact. The information needs to be to the point, in their language, and given in small 'snack-sized' bites to accommodate their short attention spans. Your message must grab their attention quickly and allow them to linger and go deeper if and when they choose. Marketing campaigns also need to be delivered through new channels. Rather than sorting through endless offerings themselves, Gen Z'ers want to learn how their favorite influencers are spending money. They no longer look to unrelatable celebrities. They prefer trusted and admired influencers who share similar core-values, beliefs, and ideals. The trust they have in the influencer allows them to connect meaningfully and emotionally with your brand. Loyalty follows.

Connecting with Gen Z requires a marked shift in marketing practices. This massive new generation is beginning to enter the workforce and will soon dominate the market. If businesses want to thrive, they must understand Gen Z's unique characteristics and start building relationships with its members. It'll be a challenge, a lot of hard work, and might even involve rebranding deeply-rooted brand identities. However, Generation Z is the future and the future is about to be in your hands. Are you ready?

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