

GENERATION



THE COMING OF (SHOPPING) AGE

A practical guide on how to attract and engage
the new generation of consumers

OVERVIEW

Some call them the Last Generation, others the Homeland Generation. As the millennial star fades, Generation Z is coming, and they are ready to shop.

Generation Z's were born between 1996 and 2010.^[1] They're already receiving about \$17/week in allowance - that's \$44 billion annually in the US alone.^[2]

But what really sets Generation Z apart is that they are the first generation of digital natives. They have never known a time before smartphones or streaming, so it comes as no surprise that 40% of Generation Z are self-identified digital device addicts.^[3] Working, playing, and buying online has been their language from birth, and they speak it fluently.

To wow Generation Z, and woo them into conversion, brands will need to elevate the digital experience they offer to meet these tech natives' scrupulous expectations.

For this report, we analyzed over 8 million user sessions from [ContentSquare](#) data in 2017 across 7 countries: US, Belgium, Netherlands, UK, Germany, France and Spain. The industries analyzed are retail, beauty, footwear, media and banking.



**WHAT REALLY SETS
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**THERE ARE THREE WAYS TODAY'S
ECOMMERCE STORES CAN (AND MUST) STEP
IT UP FOR TOMORROW'S SHOPPERS:**

01

CAPTURE THEIR LIMITED ATTENTION

60%

WILL NOT USE AN APP OR WEBSITE THAT IS TOO SLOW TO LOAD

62%

WON'T USE AN APP IF IT'S DIFFICULT TO NAVIGATE

Living in the digital age from day one has made Generation Z's attention spans extremely short. That equates to impatience and intolerance for imperfect user experiences.

Actually, 60% of surveyed Generation Z's will not use an app or website that is too slow to load, and 62% won't use an app if it's difficult to navigate.^[4]

In fact, it's estimated that Generation X had an attention span of about 40 seconds, millennials of about 5 seconds, and Generation Z, even less.^[5]

In short, if you can't reach Generation Z in less than five seconds, you can't reach them at all.

This means brands must simplify their customer journey and make it completely seamless, as one false click will send a Generation Z'er packing.

It also means that this dynamic, determined generation knows what it wants and goes for it - they **convert about twice as much** as the rest of the population! So, clear a smooth path for them to convert and they will - a lot!^[6]

01

**"IF YOU CAN'T REACH GENERATION Z
IN LESS THAN FIVE SECONDS,
YOU CAN'T REACH THEM AT ALL."**

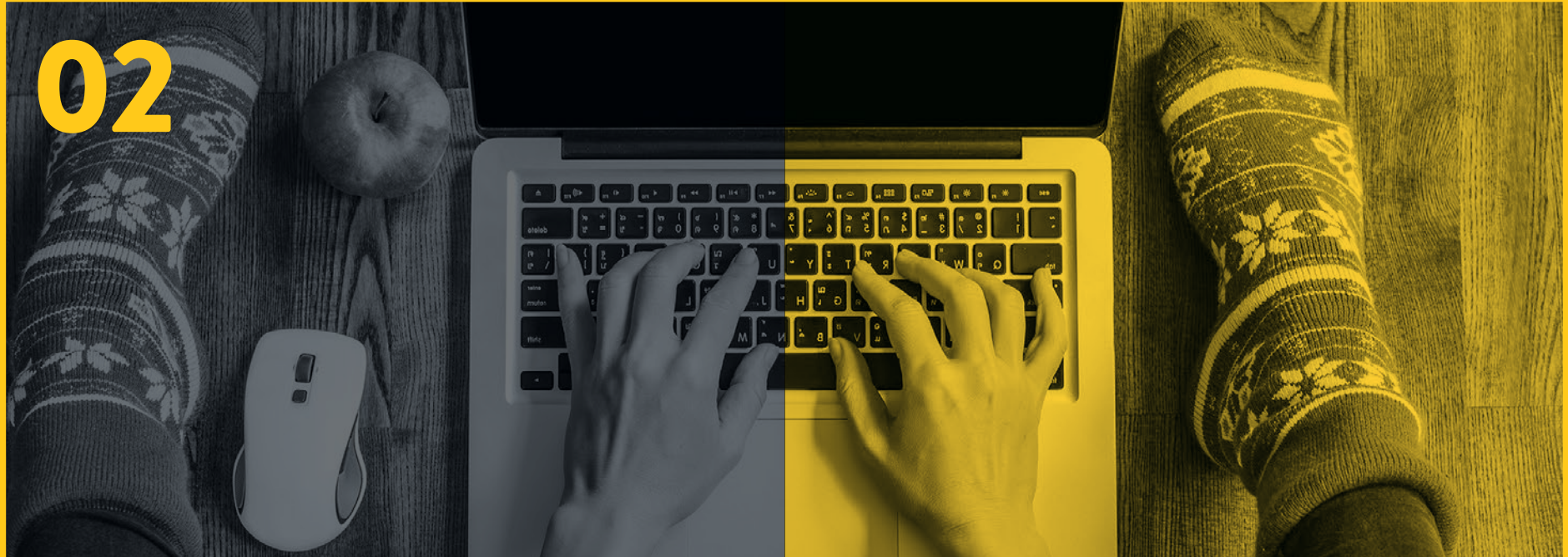


01

GENERATION Z CUSTOMER JOURNEY CHECKLIST:

- ✓ Shorten check-out procedures to as few screens and as few clicks as possible.
 - ✓ Run focused, data-informed optimization tests based on best practices or intuition to deliver enhanced digital experiences.
 - ✓ Optimize **mobile UX** - more than half of Generation Z's don't own a desktop.^[7] Development decisions should be mobile-first, and the complete customer journey should be simple, clear, and engaging in a mainly mobile environment.
- ✓ Equip yourself with the right analytics tool to **map your customers' journeys** and tailor your UX for every kind of shopper - especially the incoming generation.
 - ✓ Create a seamless digital experience between mobile, desktop, and tablet. Think Netflix.^[8] Users can begin a show on their phones, pick up in the same spot on their smart TV, and finish the episode on their laptop, without missing a second. Ecommerce transactions should be similarly uninterrupted by shifting digital platforms.

02



RESPECT THEIR PRIORITY ON PRIVACY AND BE HONEST WITH THEM

After watching their Millennial siblings expose everything in their personal lives for posterity on social media and suffer the consequences, Generation Z has grown up **more cautious about leaving their digital footprint behind.**

Gen Z's tend to prefer apps like Snapchat and Whisper over Facebook, because they are more temporary and feel less invasive. While Facebook is still the social media platform of choice for Generation Z (followed by Instagram),^[9] this is a shifting trend. In fact, 25% of 13-17 year olds left Facebook in 2014.^[10]

02

61%

SAID SECURE STORAGE AND PROTECTION OF PERSONAL DATA WAS IMPORTANT TO THEM

43%

SAID CLEAR TERMS AND CONDITIONS WERE IMPORTANT

39%

SAID CLEARLY EXPLAINING WHAT DATA WILL BE COLLECTED AND FOR WHAT PURPOSE WAS IMPORTANT TO THEM

This emphasis on privacy motivates their online shopping habits and is very evident in their community behaviors.

61% of surveyed Gen Z's said secure storage and protection of personal data was important to them, 43% said clear terms and conditions were important, and 39% said clearly explaining what data will be collected and for what purpose was important to them.^[11]

Conversion happens when a customer's desire to buy outweighs any reservations or discomfort they have about a transaction.

Online businesses need to dramatically sharpen their focus when it comes to data collection, and shift their point of view on privacy, if they are going to win the trust of Generation Z and set them at ease enough to convert.

02

"CONVERSION HAPPENS WHEN A CUSTOMER'S DESIRE TO BUY OUTWEIGHS ANY RESERVATIONS OR DISCOMFORT THEY HAVE ABOUT A TRANSACTION."

02

GENERATION Z SECURE SHOPPING EXPERIENCE CHECKLIST:

- ✓ **Simplify, clarify, and shorten your Terms of Service.** Generation Z is far more likely to read them and care about them than their predecessors. The [500px](#) photography community, for example, achieves this by adding a column with simplified terms.
- ✓ **Carefully track customer journeys** to see exactly which obstacles (i.e., required account registration for check out, long ToS, mandatory location disclosure, etc.) are preventing shoppers from converting, then adjust those pain points.
- ✓ **Deeply understand on-site shopper behavior.** ContentSquare's [analytics tool](#), for example, tracks shopper behavior down to scroll depth and hesitation time, allowing retailers to pinpoint exactly where a conversion was lost - or won.
- ✓ **Do not require extraneous information** or attempt to bribe Generation Z for their personal information, as they are likely to exit the transaction.

03

CONNECT WITH THEIR CRAVING FOR AUTHENTICITY WITH AN IMMERSIVE SHOPPING EXPERIENCE

Gen Z's are looking for an experience, something beyond the ordinary. They do their research across platforms, and they respond to cohesive, engaging experiences. In a browsing session, they view 62% more pages and bounce 51% less of the time than the rest of the population, meaning there's a big opportunity to create an engaging, addictive experience with free-flowing, comfortable, or even fun mobile navigation.

Of all generations surveyed, Generation Z's are the least likely to believe there is such a thing as the "American Dream." Many have watched their older Millennial siblings dream big and then move back home when it didn't work out, which has given Generation Z a generally practical, no-nonsense mindset. This means that they look for products and messaging that reflect reality, rather than a perfect, imagined life.^[12]

03

IN A BROWSING SESSION, THEY VIEW

62% MORE PAGES

AND BOUNCE

51% LESS

THAN THE REST OF THE POPULATION

Although **the ability to hold, feel, and try out products before purchasing** appeals to this critical, pragmatic group, online retailers can meet this generation's needs through a highly personalized user experience.

For online retail, **user experience is the new salesperson**. Enhanced interactivity on product pages, nurturing and displaying user-generated content such as reviews and product images, and in-depth ways to explore products (through video, galleries, 360 views and more) are imperative to tap into this tactile generation.

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03

GENERATION Z CONNECTIVE, IMMERSIVE EXPERIENCE CHECKLIST:

- ✓ **Cultivate a unique digital experience.** Just like brick and mortar stores must invest in the decor and ambience of their locations, everything in your digital storefront - from your color scheme to your image selection to your check-out word choice - should work together to tell your brand's story and reach your revenue goals. Create a special and effective shopping atmosphere and invite Gen Z to explore.
- ✓ **Involve Generation Z in branding and product design.** Generation Z's are very hands-on, they're doers. Involving them in the production process by crowd-sourcing special edition designs, or including them in your online community by featuring their product photos in your social media

feeds and product pages, or running hashtag competitions will tap into their need for connection and to feel they've contributed. ModCloth is an example of a brand that regularly capitalizes on this tactic, like with their "Make the Cut" events, which allow customers to vote on which designs become part of ModCloth's line for purchase.

- ✓ **Enable a fully personalized experience.** Generation Z's have stated that they want control over user preferences and settings when shopping online. Gone are the days of a one-size-fits-all user experience. Get to know your unique shoppers and respond to them in real time with a customizable customer journey.

03

GENERATION Z CONNECTIVE, IMMERSIVE EXPERIENCE CHECKLIST:

- ✓ **Ensure product pages remove all conversion doubts.** Product pages should emulate an in-store experience in every way possible. Each element of your product pages should be strategic. Analytics can guide you to make sure your customers find what they're looking for quickly and easily, which gives them the confidence and incentive to convert.
- ✓ **If you've got a social justice message, flaunt it.** Generation Z prioritizes brands with strong social activism credentials and are attracted to products with a message. **TOMS** appealed to Millennials on this level. Could your brand be the do-good darling of Generation Z?
- ✓ **Inspire their loyalty with a unique customer journey.** Generation Z has relatively low brand loyalty overall - on average, they return to websites 10% less than the rest of the population.^[14] This means that the market is wide open when it comes to winning them over - they didn't grow up buying only from one brand or another, like baby boomers and even many Generation X's did. Providing a one-of-kind, pain-free, enjoyable shopping experience can set a brand apart and keep Gen Z's coming back as repeat customers.



KEY TAKEAWAYS

GEN Z NEEDS SNACKABLE CONTENT THAT IS FRIENDLY TO SHORT ATTENTION SPANS.


- ▶ Mobile optimized sites based on visitor behavior captured by the new breed of UX KPI metrics.
- ▶ Tailored and streamlined customer journeys for specific visitor segments.
- ▶ UX that is individually assessed for specific devices and browsing behaviors.

GEN Z'S VALUE PRIVACY AND THE FACTS.

- ▶ No frills terms and conditions.
- ▶ Only essential data collection.
- ▶ Optimized user experience with all obstacles removed.

ONLINE SHOPPING MUST BE PERSONAL AND IMMERSIVE TO CAPTURE GEN Z SHOPPERS.

- ▶ Personalized from start to finish.
- ▶ Inclusive of Generation Z's ideas and opinions.
- ▶ Rich detail and thorough product pages to emulate an in-store shopping experience.



If you master these concepts and take action on these items, you'll be ready for the oncoming era of shopping. Generation Z's are still young, and we're likely in for more surprises about their commercial behavior, so it's important to arm yourself with as much knowledge as possible of how they actually interact with your site as possible. If you can have a strong sense of your site's **individual performance with your customers**, and deeply understand the specific customer journey of each visitor, you'll be ahead of the game.

**GENERATION Z MAY BE SHREWD,
BUT THEY ARE THE FUTURE OF RETAIL
REVENUE. IT IS A PROMISING FUTURE,
THERE FOR THE TAKING!**



ABOUT CONTENTSQUARE

ContentSquare is a user experience (UX) analytics and optimization platform that helps businesses understand how and why users are interacting with their app, mobile and web sites. We compute billions of touch and mouse movements, and transform this knowledge into profitable actions that increase engagement, reduce operational costs and maximize conversion rates.

Using behavioral data, artificial intelligence and big data to provide automatic recommendations, ContentSquare empowers every member of the digital team to easily measure the impact of their actions, and make fast and productive data-driven decisions to optimize the customer journey.



RESOURCES

- [1] Ryan Scott, Forbes, [Get Ready for Generation Z](#)
- [2] Sparks and Honey, [Meet Generation Z](#)
- [3] George Beall, The Huffington Post, [8 Key Differences between Gen Z and Millennials](#)
- [4] Sarah Gibb, Future Shoppers: [What research tells us about Gen Z](#)
- [5] Sarah Gibb, Future Shoppers: [What research tells us about Gen Z](#)
- [6] Content Square, [Generation Z Market Study](#)
- [7] ContentSquare, [Artificial Intelligence Lands on a Retail Planet](#)
- [8] Jackson Murphy, Forbes, [Mind The Gap: Where User Experiences Go To Die](#)
- [9] Amanda Lenhart, Pew Research Center, [Teens, Social Media & Technology Overview 2015](#)
- [10] [Sparks and honey](#)
- [11] Sarah Gibb, Future Shoppers: [What research tells us about Gen Z](#)
- [12] Ruth Bernstein, Advertising Age, [Move Over Millennials - Here Comes Gen Z](#)
- [13] ContentSquare, [Generation Z Market Study](#)
- [14] ContentSquare, [Generation Z Market Study](#)





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