

Rewriting retail for the Gen Z narrative

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For the past decade or so, many brands have been scrambling to serve the needs of an increasingly digital savvy, growing millennial audience. After two decades, however, the millennial generation is beginning to slip into the annals of retail history. Today's brands are bracing themselves for the next wave of shopper-led disruption in the form of the 11-24 age group, colloquially known as 'Gen Z' or 'Zoomers'.

Perhaps a more fitting epithet for Gen Z, would be 'Generation Omnichannel', as this is the first truly omnichannel generation to hit high streets and social media platforms in equal measure. This group are prepared to shop wherever suits them best, in the moment and without preference as to the vehicle they use to find what they want.

At the same time, Generation Z has been called the most critical consumer group until now, with a fundamentally different view of shopping and consumption to previous generations. They are the latest to enter the workforce and will have strong purchasing power over the next decade, meaning brands have to earn their place in their wallets. Furthermore, Gen Z's frequency of shopping for new items is being disrupted by the second-hand, preloved, vintage market - a market Zoomers are 27 per cent more likely to shop. Preloved and vintage platforms, such as Depop and Vinted, are arguably slowing the cycle of new purchases and redefining the concept of the customer journey and what it really means to be 'new'.



New forms of payments

Since the beginning of the pandemic, 123 percent more Zoomers have used buy-now, pay later (BNPL) than previously, representing the strongest uptake of any generation. Also, 33 percent of Zoomers said they were likely to use BNPL solutions in the future too. Furthermore, Gen Z has continued to embrace mobile payment options such as mobile apps and e-wallets like Apple and Android Pay faster than any other consumer spending group too.

This expectation to be able to pay how, when and with what device or platform is something that permeates Gen Z spending habits, meaning traditional payment and point of sale (POS) technologies need to keep up and be able to offer these different payment options.

A window into the future

Gen Z is the emerging cultural and economic powerhouse in today's retail landscape and it will continue to drive cultural change, retail spending habits and so much more, on so many levels over the next two decades.

While the full force of their pounds and dollars may not have hit retailers just yet, the race to meet the future expectations of Gen Z consumers is very much underway.

The success of brands over the next two decades will not only be predicated by understanding what, how and from who Zoomers are likely to buy, but also on a retailer's abilities to execute frictionless omnichannel experiences with the right technology in their stores and supply chains.



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