

RETAIL

For Gen Z, friends are most important influencers for purchase decisions

May 25, 2017



Generation Z often values experiences over things. Image credit: HowToStartABlogOnline.net

By DANNY PARISI

NEW YORK Generation Z is an emerging powerhouse in the retail world and their highly social shopping habits should be a point of attention for brands of any industry.

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Speaking at Luxury Roundtable 2017: Emerging Gens X, Y & Z on May 3, HRC Retail Advisory's president laid out the reasons for Gen Z's upcoming importance as well as how best to target them. Her keynote, "Emerging Gen Z Powerhouse: The Driving Influence on New Consumer Spending Patterns," covered the many ways that Gen Z is now constantly connected.

"On average, they carry five devices: phones, iPads, computers, etc. and they are constantly refreshing and re-imagining themselves," said Farla Efros, president of [HRC Retail Advisors](#). "They spend an average of seven seconds looking at things on their phones so it's these very small bursts of attention."

Luxury Roundtable 2017: Engaging Gens X, Y & Z was programmed by Luxury Daily

Targeting Gen Z

Gen Z, while controlling less wealth than their older counterparts, is set to be an immensely powerful purchasing bloc in the coming years.

As the generation ages, accrues more wealth and continuously grows their ability to make purchases, brands will have to remain dedicated to keeping track of Gen Z's shopping habits.

Ms. Efros' talk began with some statistics painting a picture of how important it is for brands to use social media to reach Gen Z.



Social media plays a huge role in targeting Gen Z

Members of Gen Z typically spend about 7.6 hours a day on social media. For reference, this is about 33 percent of their day.

All that time is not in one go, of course. Rather, Gen Z is constantly checking and refreshing their social media feeds in short bursts, leaving less time for brands to be able to grab their attention.

Instead, brands should focus on making their content highly sharable, as Gen Z spends a significant number of time sharing with friends and getting opinions on items before making a purchase.

"For Gen Z, friends are their highest influencers," Ms. Efros said. "They pick things up, take a picture, wait for the likes, and then decide if they're going to purchase it or not based on the reaction."

Compared to millennials, Gen Z is much more focused on going out into the world, talking to people and making their decisions based on what their friends and other influencers think.

"The world is very different for different age groups," Ms. Efros said. "Millennials are still looking at magazines and using their computers, but Gen Z is out there and talking to their friends and other people."

Transparent content

Luxury brands can reach Gen Z through social media, but they will have to make sure that the content they are putting out is up to snuff.

Contrary to some speculation on young people getting burnt out on constant advertising, new research shows that Gen Z is happy to engage with branded content so long as it is entertaining and transparent ([see story](#)).

This means that brands will have to put some serious effort into making their social efforts stand out.



Balmain Kids spring/summer 2017

There are a few ways that brands can make sure they are standing out in a way that appeals to Gen Z.

"The first thing is diversity," Ms. Efros said. "You don't want to be seen as same old same old and they are a very ethical, moral group, very socially conscious."

"Personalization is also really important to them. Ten years ago people walked around with brands on their chest, but today they are into black, white, grey, pastel colors and then they personalize from there," she said. "They don't want to advertise a brand, they want to express themselves."

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