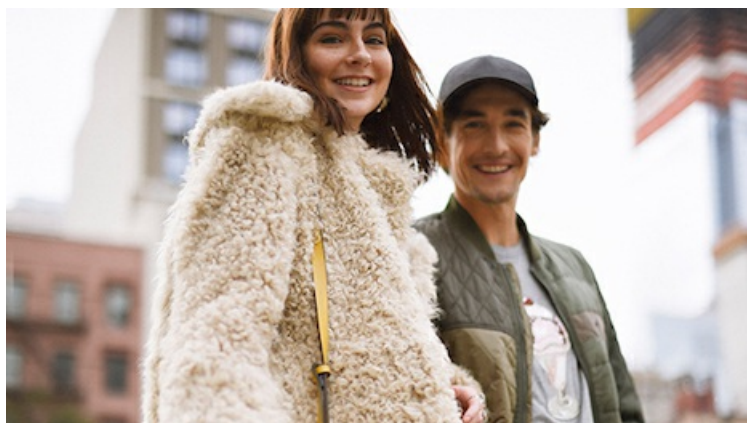


RETAIL

Gen Z favors personalized, flexible shopping experiences

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The average Gen Z consumer purchases clothing and apparel 18 times a year. Image courtesy of Spring

By SARAH RAMIREZ

While millennials and Generation Z consumers make more online clothing purchases than other age groups, they are still seeking flexibility from ecommerce platforms.

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More than a third of Gen Z consumers are interested in installment plans as they desire upscale clothing outside of their budgets, according to a new shopping behavior report from Klarna. Shoppers also continue to turn to bricks-and-mortar locations when making expensive purchases so they can try on items, but they are receptive to “try-now, pay-later” options.

Klarna’s report is based on a survey of more than 1,000 consumers across age groups. Klarna defines Generation Z as consumers between the ages of 16 and 24.

How Gen Z shops

While the average American shopper purchases clothes or accessories online 10 times a year, millennials and Generation Z shoppers make online fashion purchases a respective 14 and 18 times a year.

Almost half of consumers are motivated by seasonal sales, while 30 percent of respondents cited special events such as weddings as an impetus to buy.

Gen Z shoppers in particular have an instant gratification mentality. A quarter are most influenced to buy a particular item when it is “trending,” and 26 percent have been interested in a piece they have seen on social media.



Shoppers want flexible payment options and return policies. Image courtesy of Net-A-Porter

Despite the strong influence of social media and digital marketing, today's shoppers – including Generation Z – remain drawn to the human touch found in the in-store experience.

Nearly three-quarters of respondents believe that bricks-and-mortar shopping cannot be successfully mimicked via ecommerce, although they miss the personalized discounts found online. However, 55 percent of shoppers still believe online shopping is more convenient.

An inconvenient ecommerce experience is one of the fastest ways retailers can lose online shoppers.

Thirty-one percent of consumers have abandoned an online cart because of an overly long checkout process, and 61 percent would avoid making repeat visits to Web sites with poor functionality.

Sixty-six percent of respondents also believe retailers need to offer free and easy returns, and more than a third, 36 percent, have abandoned purchases because of stringent returns policies.

Almost three in 10 shoppers will search for clothing or accessories online before purchasing items in-store.

Thirty percent of millennials and 37 percent of Gen Z shoppers would like installment plans, such as four equal payment, or pay later options.

This should be of particular interest to luxury retailers, since 24 percent of respondents said they would be able to purchase more high-end pieces and 21 percent believe they would spend more in the long-term if this service is available.



Tamara Mellon offers shoppers an installment plan. Image credit: Tamara Mellon

Some luxury brands have expanded their payment options to reach more aspirational buyers.

For instance, direct-to-consumer fashion label Tamara Mellon offers an installment plan that lets customers afford luxury goods by paying for them over time.

Through a partnership with Affirm, customers are to purchase products on an installment plan, spreading the cost out over time so as not to overload the delicate budgets of lower-income individuals ([see story](#)).

Online apparel

The majority of millennial and Gen Z shoppers are purchasing apparel from ecommerce giant Amazon more than any other Web site, according to the 2019 U.S. Forecast on Apparel Shopping Trends from CPC Strategy, now part of

Elite SEM.

While many luxury fashion brands have steered clear of Amazon, the platform is becoming a bigger player in apparel retail, particularly among younger consumers.

Fifty-seven percent of millennials and 63.4 percent of Generation Z have purchased apparel from Amazon, outpacing other age groups. Amazon leverages fast shipping, lower price points and an intuitive user experience to attract younger shoppers looking to spend on fashion ([see story](#)).

As Amazon picks up fashion market share, luxury retailers are finding ways to bridge the online and offline in a high-touch manner.

Upscale online retailers Net-A-Porter and Mr Porter are launching their updated “try-before-you-buy” service, featuring curated at-home shopping consultations for their most loyal customers.

Despite embracing ecommerce, shoppers still prefer to get a real feel for luxury apparel before committing to purchases. Try-before-you-buy services often allow consumers to pass the burden of browsing onto personal shoppers and stylists as well for added convenience.

“Style Trial” gives the retailers’ “Extremely Important People,” or EIPs, a seven-day period to try up to 30 different pieces of apparel before purchasing. Items can be chosen by consumers themselves, or by their designated personal shopper ([see story](#)).

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