

RETAIL

Millennial, Gen Z shopping habits shifting: report

May 3, 2021



Afterpay's 13 million consumers are primarily millennials and Gen Z. Image credit: Afterpay

By LUXURY DAILY NEWS SERVICE

In the wake of the COVID-19 pandemic, millennial and Generation Z consumers are prioritizing spending on local businesses and high-quality goods, according to a report from payment provider Afterpay.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

According to [Afterpay's biannual global trend report](#), the purchasing behavior of millennial and Gen Z consumers has shifted amid the turbulent environment. The report cited growth in categories including beauty, fitness and home dcor.

"The pandemic has shifted the way consumers shop across the board as they make more mindful choices about how they spend their money," [Afterpay](#) said in a statement. "We polled shoppers and found that globally they are focusing on higher quality items.

"This indicates that consumers are being more considerate about adding items to their wardrobe that will stand the test of time," the platform said. "This is especially true for Gen Z and millennial-aged consumers who have sustainability front of mind while shopping."

The report also takes into account purchases made by Afterpay's more than 15 million users across more than 86,000 brand and retail partners.

Consumer shifts

COVID-19 helped spur dramatic growth in ecommerce, with even existing online shoppers increasing their spend or purchase frequency.

Similarly, Afterpay continues to grow its client base and counts markets such as Brooklyn, London, Sydney, Chicago and Los Angeles as its top cities.

Since Afterpay's fall report, shoppers are spending more but investing in local businesses and higher quality items. Three in five global shoppers more likely to buy items to support local businesses, while half are more likely to buy high quality pieces.



Buy-now-pay-later makes large purchases more accessible for younger consumers. Image credit: Afterpay

Buying goods on sale is also important, with 45 percent of consumers more likely to save instead of spending. Additionally, 12 percent of Afterpay users are more likely to support Black and minority-owned businesses than the average shopper.

As far as specific purchases, Afterpay noted that shoppers are still prioritizing comfort while shopping for clothing for the office or social occasions away from computer screens. Transitional pieces such as bodysuits, rompers and sneakers among the most popular purchases.

These findings point to similar trends that appeared in the Lyst Index for the first quarter of 2021.

According to the Lyst Index, shoppers seem re-inspired to purchase pieces other than joggers, as searches for dresses and high heels jumped a respective 222 and 163 percent quarter-over-quarter. Demand was also up for pre-owned handbags and pre-owned luxury watches.

Among the quarter's most sought-after products for women are The North Face x Gucci GG canvas bomber jacket, Hermes pre-owned Kelly bags and Bottega Veneta Lug boots. Men were on the lookout for pieces including the Moncler Gui vest, Prada logo bucket hat and Brunello Cucinelli button-down denim shirts ([see story](#)).

© 2021 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.