

RETAIL

Gen Z embraces mobile shopping, unfazed by online privacy concerns: report

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Gen Z places great value on technology, utilizing mobile wallets and more. Image credit: Apple

By KATIE TAMOLA

If luxury brands and retailers want to reach Gen Z consumers, they must implement effective technology.

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According to new findings by digital marketing solutions provider CM Group, Gen Z is immensely focused on sustainability, values and technology. These consumers also believe that seamless omnichannel experiences are essential, indicating that if brands do not continue to provide these kinds of circumstances, opportunities for profit could be lost.

"Gen Z uses technology in the same way that older generations use pens when they need it and occasionally to doodle," said Laura Carrier, retail advisor to [CM Group](#). "Because they were born with technology in their lives, it is not an add-on, but rather a component of their existence.

"When the benefit is clear, they are willing to share their personal data to use that technology," she said. "In turn, technologies such as smart fitting rooms, digital displays in stores, and delivery-focused technologies (automation, optimization and robotics) will all be important."

CM Group partnered with F'inn on a cross-generational survey of more than 1,000 consumers conducted Sept. 30-Oct. 7, 2021.

Must be technical

It is imperative for luxury brands and retailers to be cognizant of the current landscape Gen Z consumers are living in, as well as the recent past. In the past two years, the population has faced the COVID-19 pandemic, political unrest in various regions across the world, supply chain issues, ethical concerns and more.

Firstly, it is crucial to remember that for Gen Z, technology in all of its offerings and innovations is crucial. Gen Z consumers are using technology to pay for things on the go, are looking for entertaining technological equipment among other needs.



Gen Z is more likely than any other generation to download an app they have seen advertised. Image credit: CM Group

Above all, Gen Z wants to experience technology that is effective, reflecting their high expectations for seamless retail experiences.

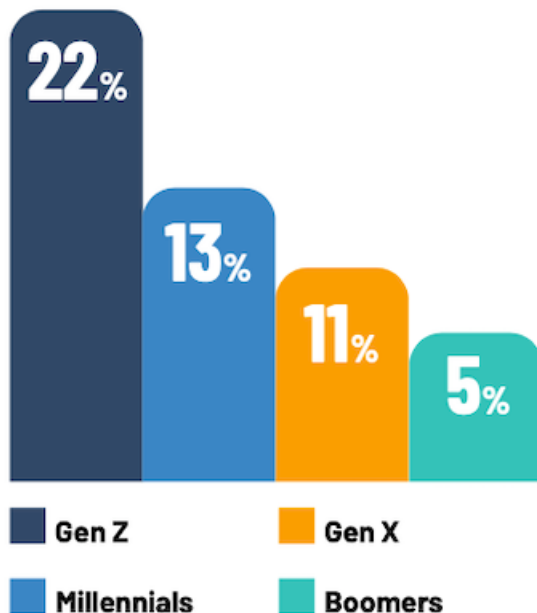
Although Gen Z were early adopters of technological conveniences like mobile wallets, they are generally more cautious about tech adoption, as 55 percent said they wanted to wait until the technology was proven to work, compared to only 47 percent of millennials who felt the need to do so.

When asked who has used Apple Pay in the last 6 months, Gen Z led the charge at 22 percent, as millennials trailed behind at 13 percent, Gen X at 11 percent and Boomers at 5 percent.

Gen Z is more likely than any other generation to download an app they have seen advertised. They are also the generation most likely to make a purchase based on an ad.

Gen Z also ranks their online privacy as being less important to them than other generations, and 50 percent of Gen Z consumers said they feel as though they have control over their personal data.

Have Used Apple Pay in the Last 6 Months



Gen Z is increasingly relying on the convenience of technology offerings like Apple Pay. Image credit: CM Group

Gen Z is less optimistic than millennials about major societal challenges including climate change, gender and racial equality, with only 25 percent saying they are optimistic about climate change versus 32 percent of millennials who feel optimistic about the same topic.

They have embraced mobile shopping, as 75 percent shop on their smartphones compared to 69 percent of millennials and significantly lower percentages of Gen X and Boomers.

"Technology that creates expedience and ease of use will be a focus," Ms. Carrier said.

Research and experts continue identifying Gen Z as a generation known for its reverence for secondhand shopping and sustainability with 38 percent preferring to rent or shop for items versus 27 percent of millennials.

Merging physical, digital worlds

While Gen Z relies heavily on technology, they are just as likely as other generations to seek out in-person experiences and opportunities. With this comes opportunities for brands to merge their physical and digital offerings, offering Gen Z consumers the omnichannel, seamless experiences that they crave.

Gen Z showed a higher preference for in-store shopping than millennials in several categories, including clothing at 43 percent versus 40 percent and electronic devices at 43 percent versus 37 percent.

CM Group identifies the need for brands and retailers to create hybrid "phygital" experiences that meld online and in-person experiences.

For instance, Italian footwear label Aquazzura rolled out mobile tech across its physical stores to better support its international growth.

Aquazzura tapped retail software vendor Cegid for the project, using its unified commerce and point-of-sale platform to add more omnichannel services to its physical locations. The brand also hopes to empower its sales associates with mobile devices powered by Cegid Retail technology to personalize services appropriate for each boutique, region and country ([see story](#)).

This month, department store Bergdorf Goodman invited consumers to "obsess and confess" through an in-store activation.

The department store held an art exhibit by pop artist Kristin Simmons with art, toys, games, photo vignettes and decorations celebrating where wonder and exploration meet discovery and introspection. Bergdorf Goodman invited consumers to experience the free exhibit, a commentary on the luxury most people desire ([see story](#)).

"Luxury brands have an ability to create moments that matter both digitally and physically through experiential retail a focus on the creation of an experience vs. the transactional selling of a product," Ms. Carrier said.

"If luxury brands can master delivery, then both digital and physical channels should be thought of as mediums to create emotion and connection mixing of marketing and commerce and delivery is an added step that can happen at or after the experience."