

RESEARCH

## 36pc of Gen Z pays more for products consistent with an image: Forrester

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By TRICIA CARR

Luxury marketers that want to attract the next wave of young affluent consumers should examine the media and brand consumption habits of the uniquely demanding Gen Z, according to a new report from Forrester Research.

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The “How To Build Your Brand With Generation Z” report found that consumers ages 18-23 are more likely to trust brand communications on digital channels and are often influenced by a brand's image. The oldest members of Gen Z are entering the workforce and are trying new brands from which they have not previously purchased.

“The leading edge of Gen Z is at a pivotal point in their product and brand choices, as they finance their own purchase decisions,” said Tracy Stokes, report lead and principal analyst at **Forrester Research**, Boston. “And, critically, they heavily influence each other.

“Word of mouth is a core driver for brand selection for this generation, because its members rely so much on the opinions of others,” she said.

Attention span

What distinguishes members of Gen Z from previous generations is that these consumers were brought up with technology.

The report found that Gen Z spends much of its time with the latest communication channels, but is more likely to be distracted than other demographics.

Eighty-four percent of consumers in Gen Z multitask while watching television with an average of 1.5 devices, according to a Forrester's Technographics survey of more than 3,000 consumers age 18-23.

Seventy-one percent of respondents said that they use social networking sites while watching TV, 63 percent browse the Web, 57 percent do homework, 53 percent play games and 46 percent chat with friends about other topics.

Also, members of Gen Z are more likely to consume traditional media via online channels than the general population. This demographic spends 3.9 hours per week watching TV online, while U.S. adults watch 1.6 hours online.

Fortunately for marketers, members of Gen Z trust messages from brands more than consumers in other generations across all media, according to the report.

In fact, these consumers are much more likely to trust marketing communications via digital channels.

#### Meeting demands

Gen Z has modernized demands for marketers, compared to consumers in previous generations, according to the report.

Sixty-two percent of Gen Z agreed with the statement "when I find a brand I like, I stick to it," in a recent Forrester Technographics survey of more than 30,000 U.S. online adults and more than 3,000 U.S. online Gen Z members.

Thirty-six percent of Gen Z respondents agreed, "I would pay more for products consistent with an image I like," while 23 percent of total adults surveyed said the same.

Additionally, 25 percent of Gen Z agreed that "owning the best brand is important to me" compared to 17 percent of adults.

The report also revealed that Gen Z chooses brands that are honest in their business practices, offer what is considered to be new and exciting and inspire their confidence.

Gen Z views brands in terms of the products and services that they offer.

"There's a lot of ink out there saying that Gen Z do not care about brands," Ms. Stokes said. "They do care about brands – they just think about them differently.

"For them, the product is synonymous with the brand," she said.

"Marketers need to create a brand experience that is relevant to their customers' lives but also authentic to the brand."

#### Final Take

*Tricia Carr, editorial assistant on Luxury Daily, New York*

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