

News-worthy Trends

The ABCs of Reaching Gen Z: Ads, Brands, Connections

What Drives Gen Z Brand Loyalty?

WHEN BRANDS...



30%

PRIORITIZE THE ENVIRONMENT



27%

HAVE A MISSION THAT ALIGNS WITH GEN Z BELIEFS



27%

USE SUSTAINABLE PACKAGING



25%

DONATE PRODUCTS OR EARNINGS TO THOSE IN NEED

Source: NCSolutions Consumer Sentiment Survey, February 2023
©2023 NCSolutions. All rights reserved.



Gen Z expects ads to be purpose-driven, unobtrusive and entertaining.

(NAPS)—There are an estimated 68 million Americans in what's known as Gen Z, or "Zoomers," born between 1997 and 2012. They're now flowing into the workforce and represent significant spending power. Gen Z households spend an average of 12% more on consumer packaged goods (CPG) than all other households. So companies of all sizes are interested in what will attract Zoomers' attention.

What Gen Z wants in Advertising

Nearly six in 10 members (58%) of Gen Z don't like advertising that interrupts the content they're enjoying, compared to 38% of Baby Boomers. At the same time, more than half of Gen Zers (52%) say they'll engage with creative and entertaining ads, contrasted with 42% of Boomers. These findings are from a new consumer sentiment survey commissioned by NCSolutions (NCS), the leading company for improving advertising effectiveness for CPG brands.

The new data and analysis provide an in-depth look at this generation, the first to be digitally native, and what drives their brand loyalty, including shopping and advertising preferences. The study also contrasted this generation to older generations to understand differences.

A social and sustainable mindset drives Brand loyalty

Gen Zers prefer brands with missions that align with their values and are more willing to support and be loyal to purpose-driven brands. Thirty percent of Gen Zers value brands that prioritize the environment, compared with 15% of Baby Boomers. Twenty-seven percent of Gen Z will stay with brands that use sustainable packaging compared with 18% of Baby Boomers.

As a result, Gen Z is less concerned than other generations about being loyal to brands that provide the best quality or value for their budgets. For instance, fewer Gen Zers (59%) find the quality

of a brand important, compared to 75% of Boomers. Although 79% of Boomers believe value is important, just 68% of Gen Zers say it's important to them.

"Gen Z undoubtedly will raise the bar for CPG brands, as they differ from older generations in some meaningful ways," said Alan Miles, CEO, NCSolutions. "Having grown up with—not alongside—the internet, they are used to having instant access to information, products and services. They bring to the marketplace a fully informed and defined point of view about advertising and brands. That presents both an opportunity and a risk for brands."

NCS's representative and balanced consumer CPG purchase data set consist of the industry's preeminent and comprehensive sources. It includes actual purchase data from big-box retailers, supermarkets, drug stores, convenience stores and other retail channels at which American households buy CPG products spanning 340+ grocery categories.

Unobtrusive, funny and social ads Connect

More than other generations, Gen Z is most engaged when advertising is humorous or entertaining. Almost six in 10 (58%) dislike ads interrupting their content. More than half (52%) prefer creative and entertaining advertising, while only 42% of Baby Boomers, 44% of Millennials and 40% of Generation X agree.

Brands that tickle the funny bone are more likely to capture Gen Z's attention. Forty-three percent say they prefer ads to be humorous. Ads with a social message also resonate well with Gen Z; 17% like ads when they are aligned with the social messaging of the ad compared with 6% of Baby Boomers.

Learn More

For further facts on the study and on appealing to consumers of all ages, visit www.ncsolutions.com.