

Meet Generation Z

YOUR NEW GROWTH SEGMENT
IN THE OUT OF HOME MARKET

Content

Who are Gen Z?

PROFILE

CHARACTERISTICS

Gen Z in the Out of Home market

THEIR MARKET SHARE

THEIR CONSUMPTION BEHAVIOR

How to capture Gen Z

MOBILE MARKETING

GIVE THEM POSITIVE EXPERIENCES AND RECEIVE
BETTER REVIEWS

FACILITATE SHAREABLE MOMENTS

USE GEN Z AS SNACKING OCCASION FILLERS

Gen Z just entered the labor market

Gen Z:

People born between 2002 and 1994 (15 - 23 years old)

Gen Y:

People born between 1993 and 1981 (24 – 32 years old)

Gen X+:

People born before 1981 (33 years old and above)

The definitive truth about Gen Z that sets it apart:

Born in a digital world with full access to information

Digital vs. physical is a very blurred line

...and its spending on food and beverages is surprisingly high

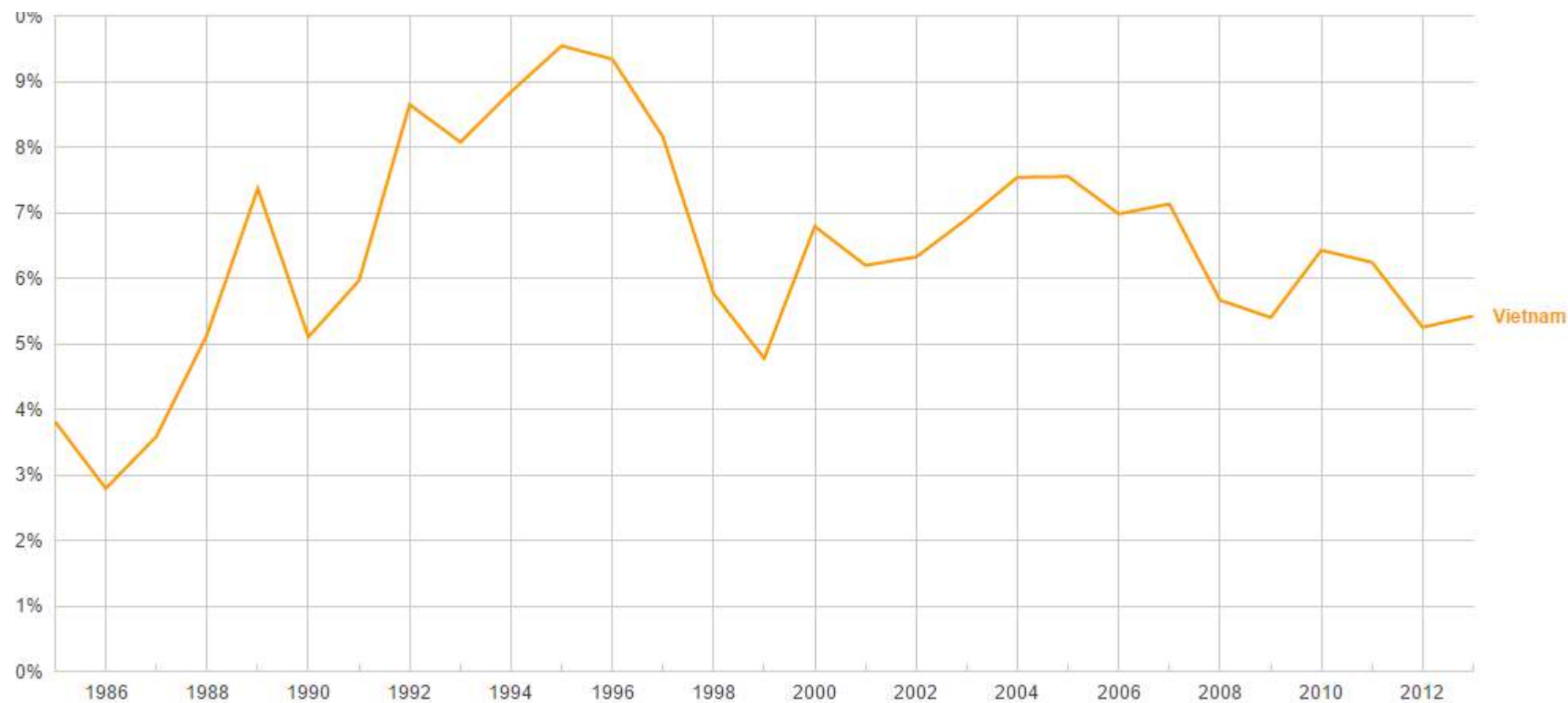
14.4^{mil}

POPULATION

892,443^{vnd}

OUT OF HOME SPENDING
PER MONTH

Gen Z grew up in a generally healthy economy



Source: World Bank

We have been tracking
it carefully since 2015

Key findings:

- Digital native but physically awkward
- Mobile is a must
- Social media conscious
- Smart and in the know

Gen Z eating its way into the Out of Home pie



Gen Z is eating out more and more

Q3 2016 – Q2 2017

181

ANNUAL VISITS PER CAPITA

n = 4,735

Q4 2016 – Q3 2017

197 **9%** ▲

ANNUAL VISITS PER CAPITA

n = 4,498

As a result, their contribution to the market increased substantially

VISITS IN Q3 2016

14%

OUT OF TOTAL OOH - (91 MILLION VISITS)

n = 4,735

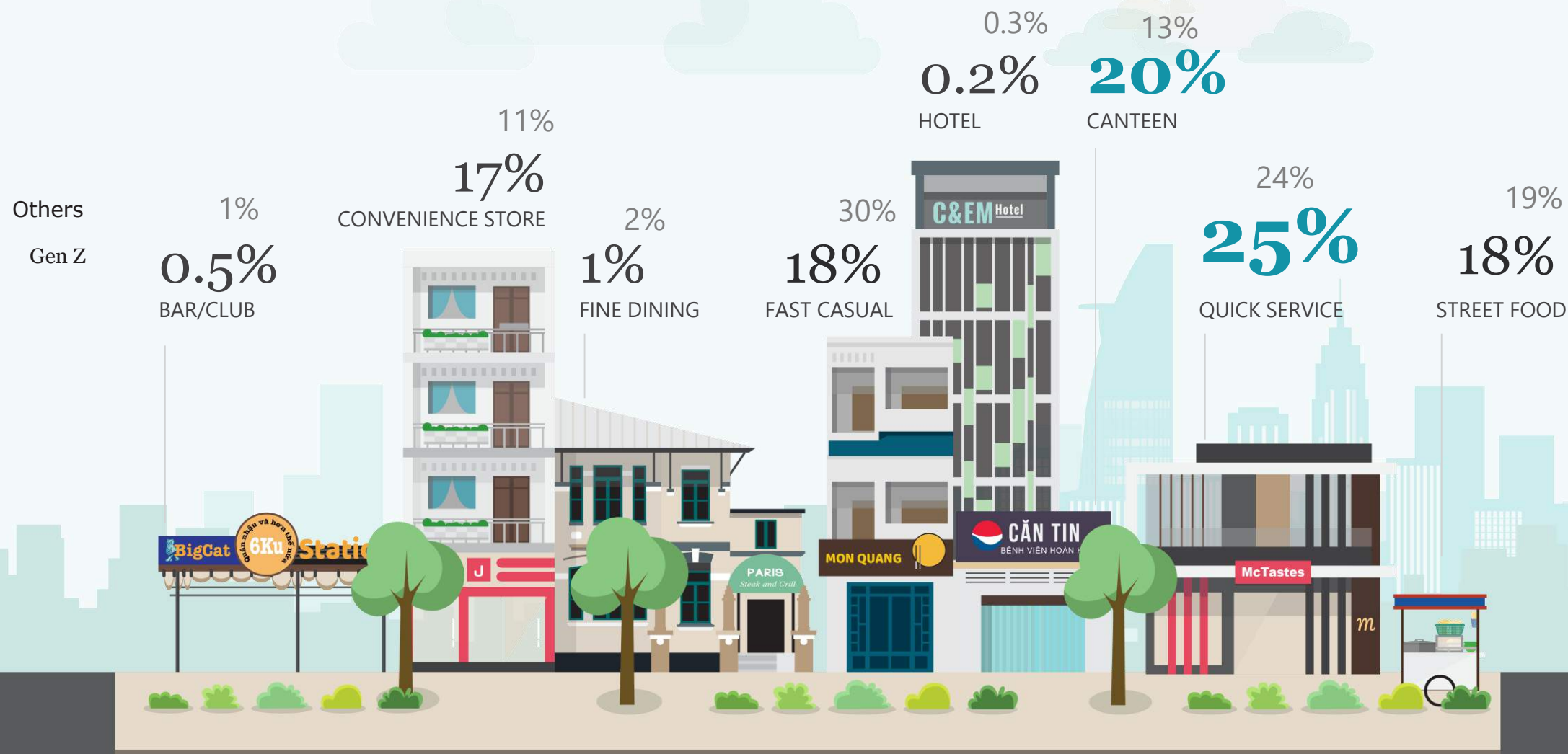
VISITS IN Q3 2017

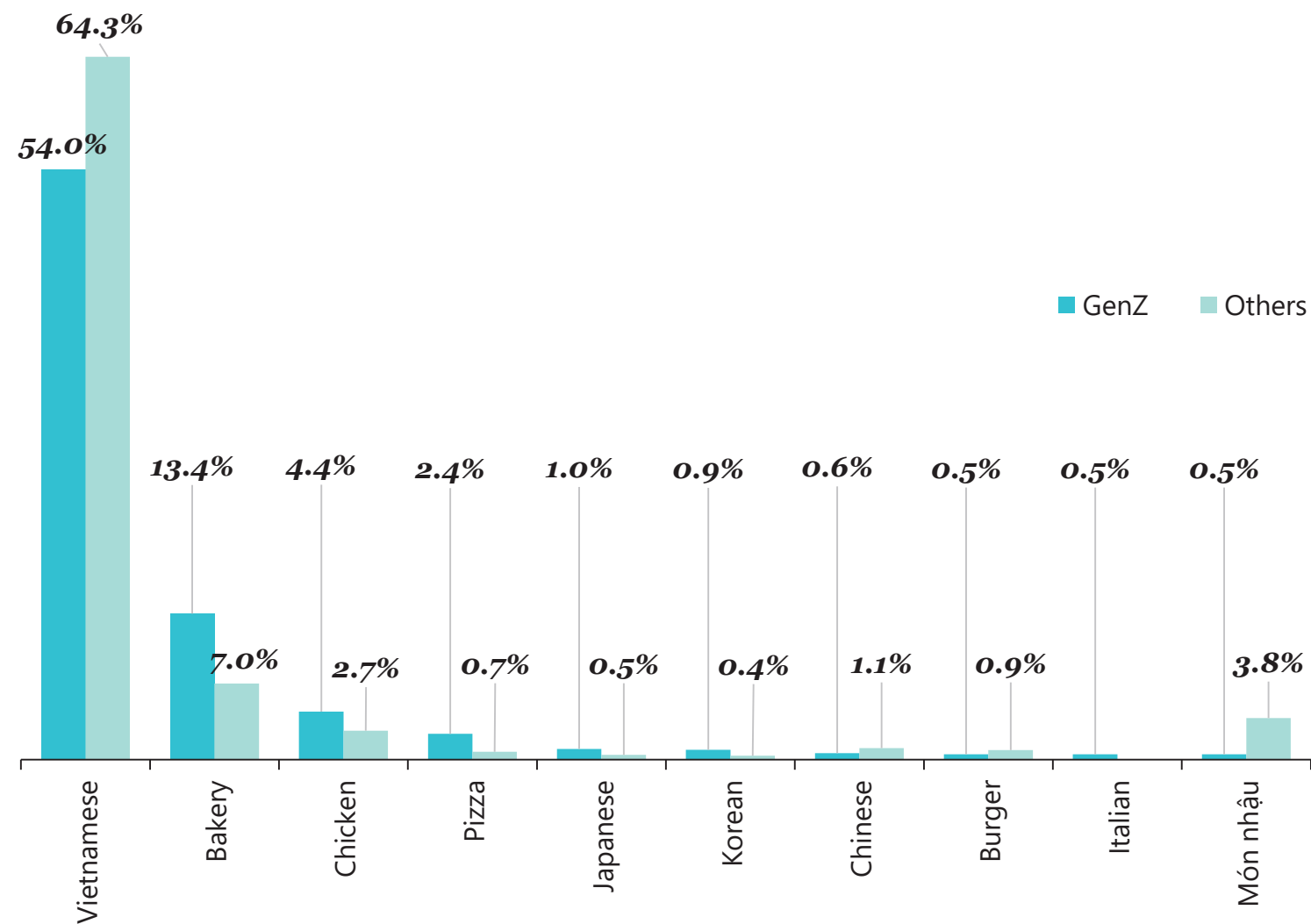
19%

OUT OF TOTAL OOH - (133 MILLION VISITS)

n = 4,498

And its behavior is shaping the winners and losers in the market





The Gen Zs are early adopters of new foods

Shops specialize in Vietnamese and Bakery are more popular amongst Gen Z.

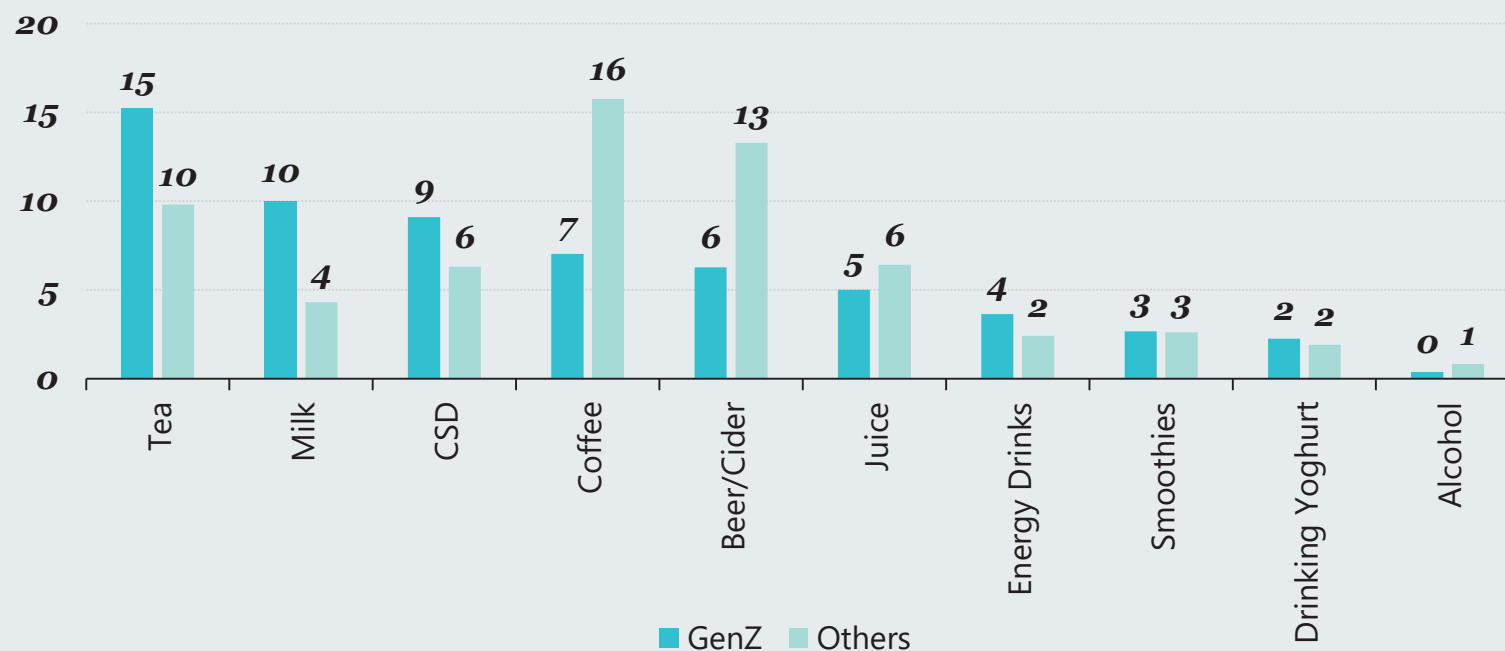
Gen Z also love to explore shops with foreign specialization.

Source: Aggregate Foodservice Monitor data from Q2 2016 to Q2 2017

n = 3314

Their thirst is crunched by tea and milk while leaving coffee and alcohol to the older generations

Servings per capita



Source: Aggregate Foodservice Monitor data from Q2 2016 to Q2 2017

n = 3,314

Indeed, this generation is accountable for the boom in bubble tea!



GEN Z: SERVING RATE =

6%

OTHERS: SERVING RATE =

1%

While leaving coffee shops to suffer

COFFEE SHOPS

VISITS IN Q2 2016

6% ▾

OUT OF TOTAL OOH - (91 MILLION VISITS)

BUBBLE TEA SHOPS

VISITS IN Q2 2017

117% ▲

OUT OF TOTAL OOH - (133 MILLION VISITS)

If this is where the
growth is,
how can we tap into it?





Capture Gen Z's attention on mobile



Give them positive experiences and receive better reviews



Facilitate shareable moments

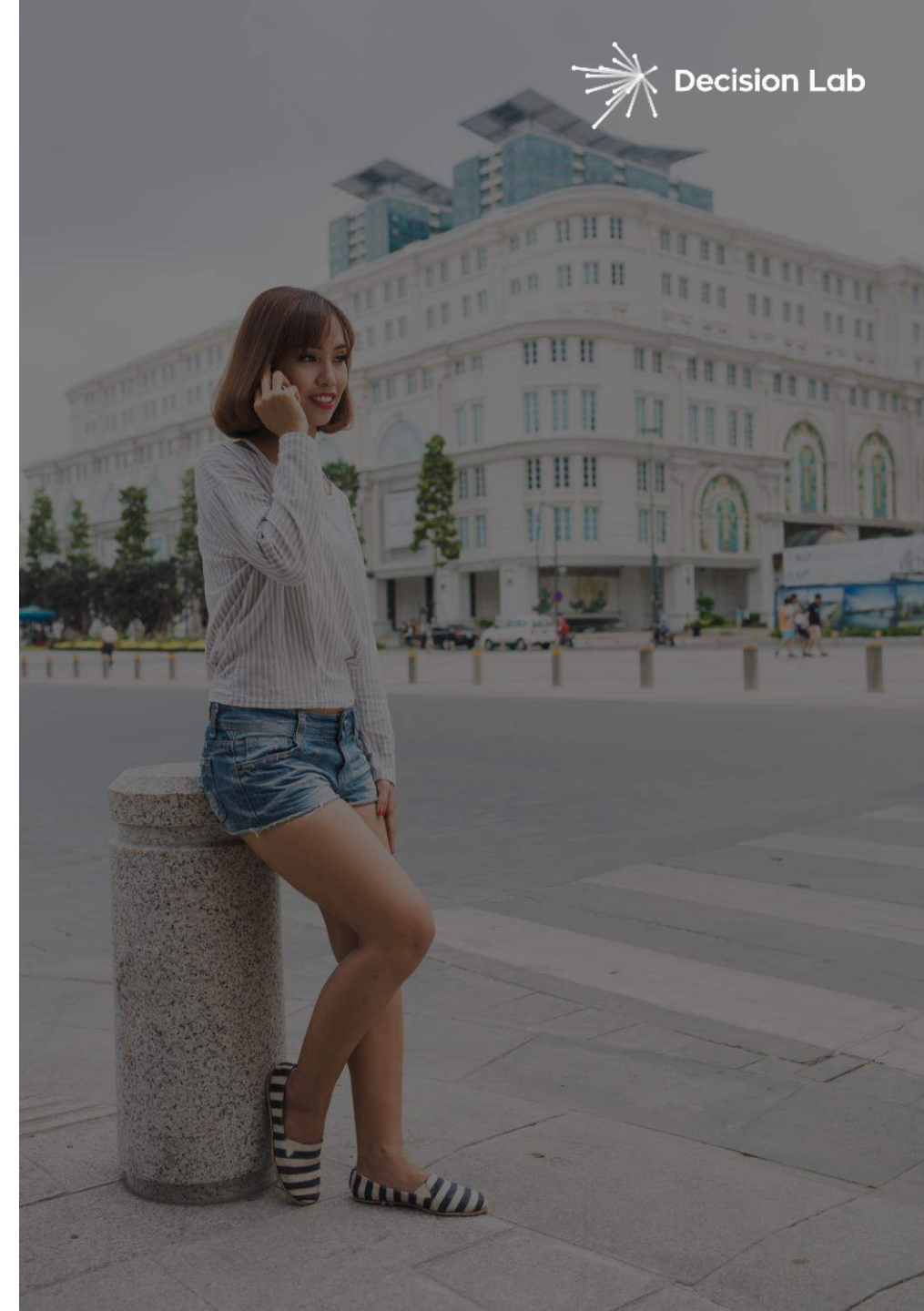


Use Gen Z to fill low traffic day-parts

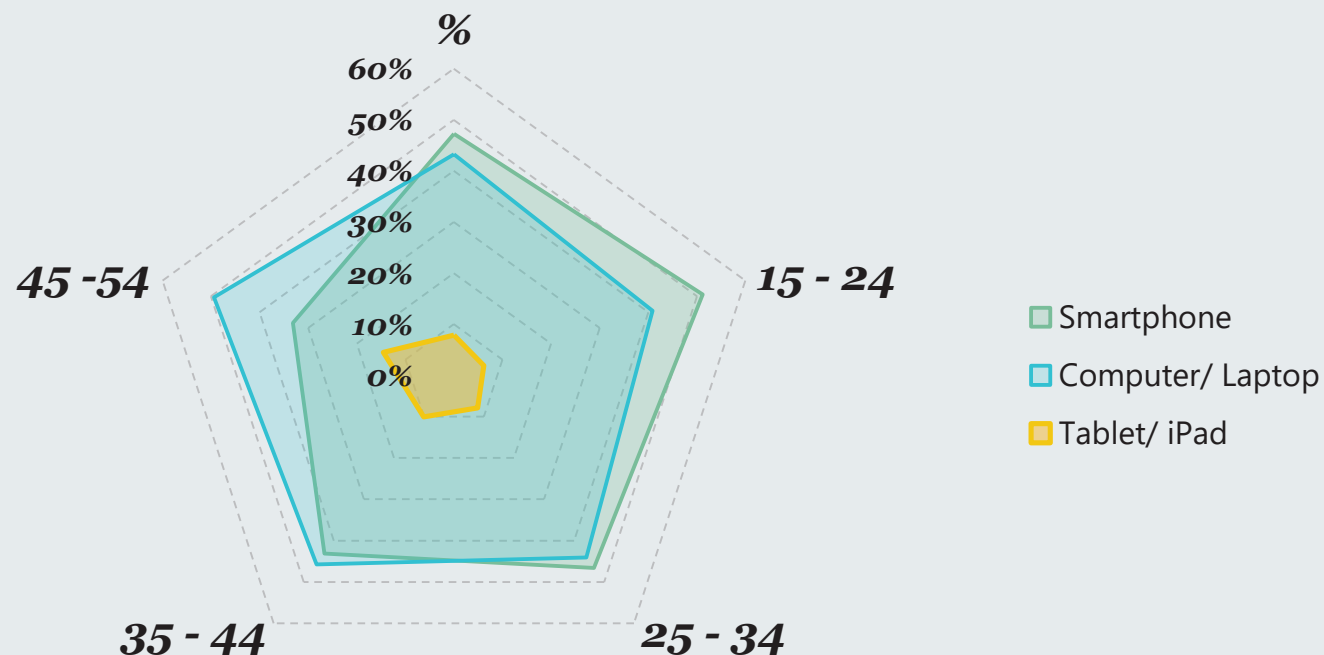
Capture Gen Z's attention on mobile



The mobile phone is Gen Z's lifeline



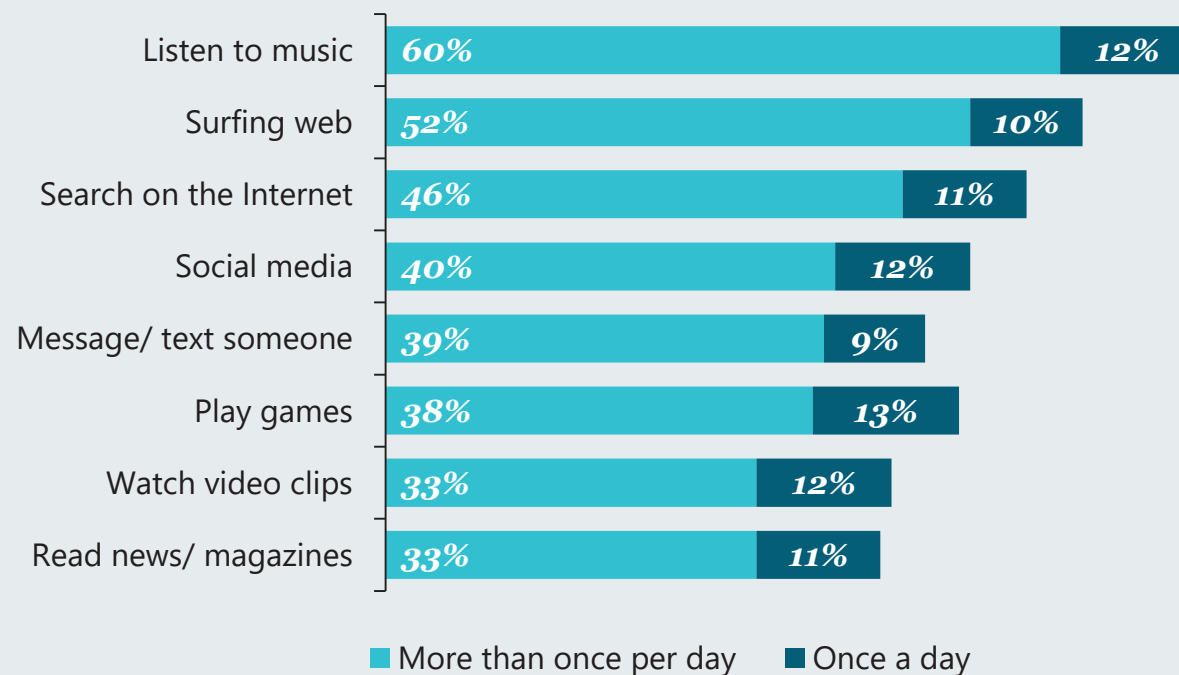
Mobile is the first choice when interacting with brands



Q16. When it comes to researching information about brands / products that you want to buy, which of the following devices do you use the most?

What they do online, they do on their mobile

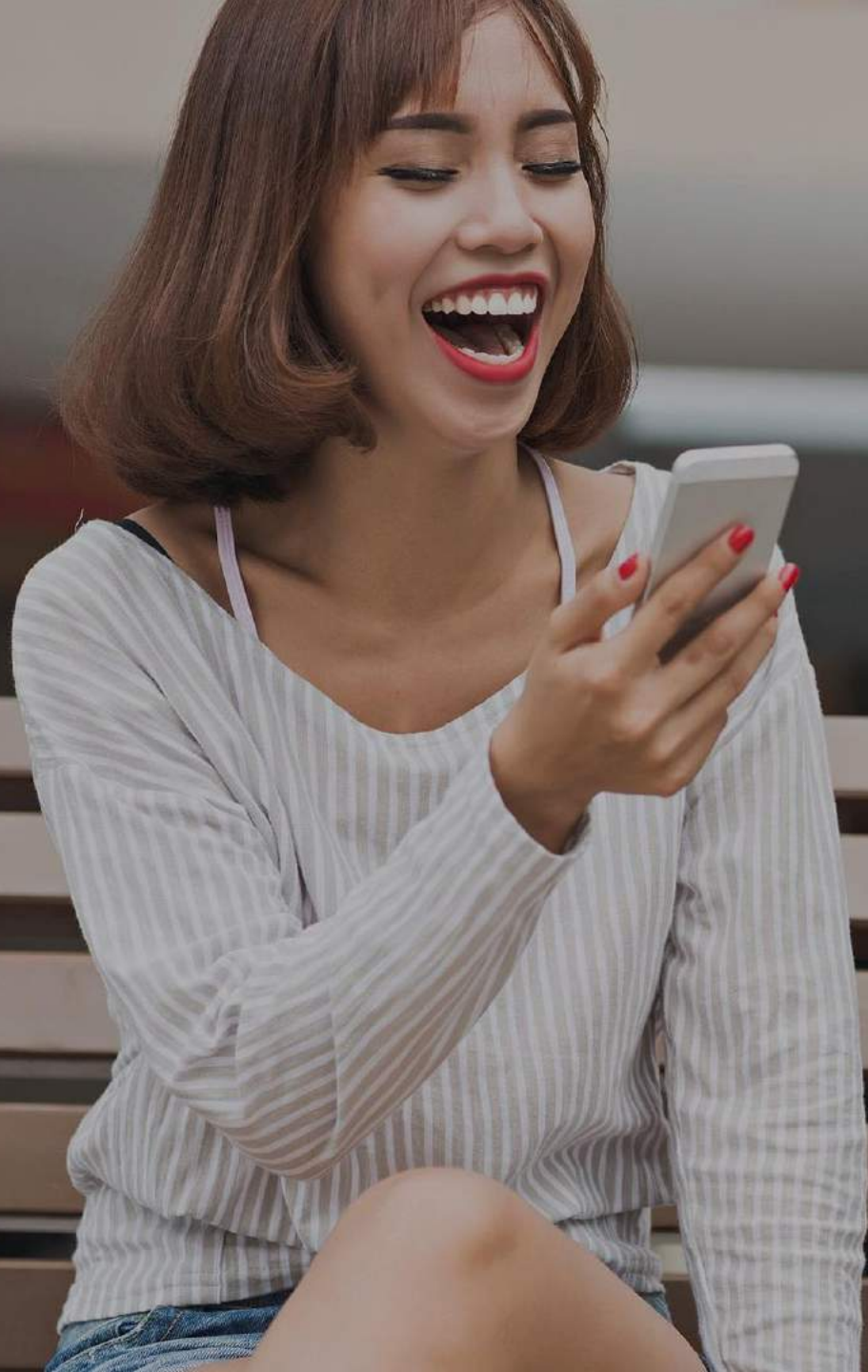
Activities done on mobile phone (%)



Q22: How often do you do the following on your mobile phone itself? (n=710)



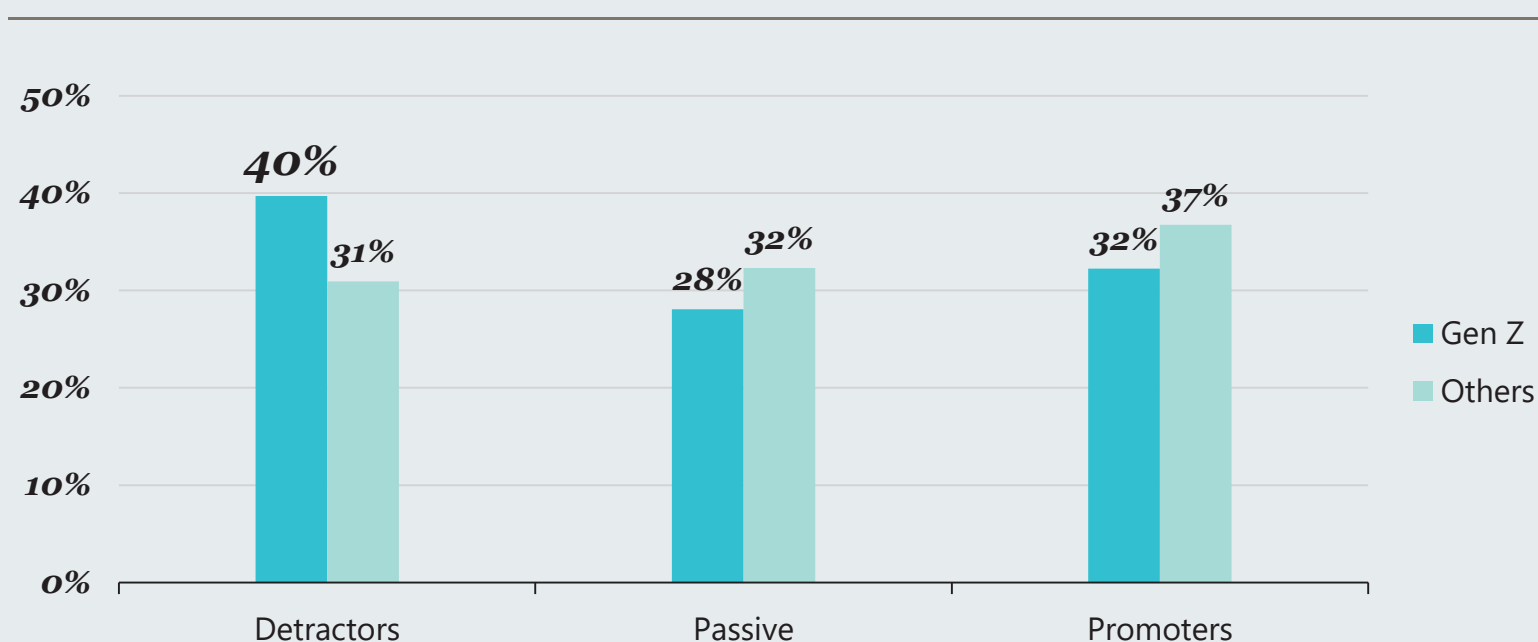
**Push for authentic
online marketing &
ensure real life
positive consumer
experience**



Besides being skeptical about the internet, Gen Z's tendency to shop around make them develop high standards of evaluating F&B outlets

Gen Z are more picky about places they would recommend, while other generations are more lenient.

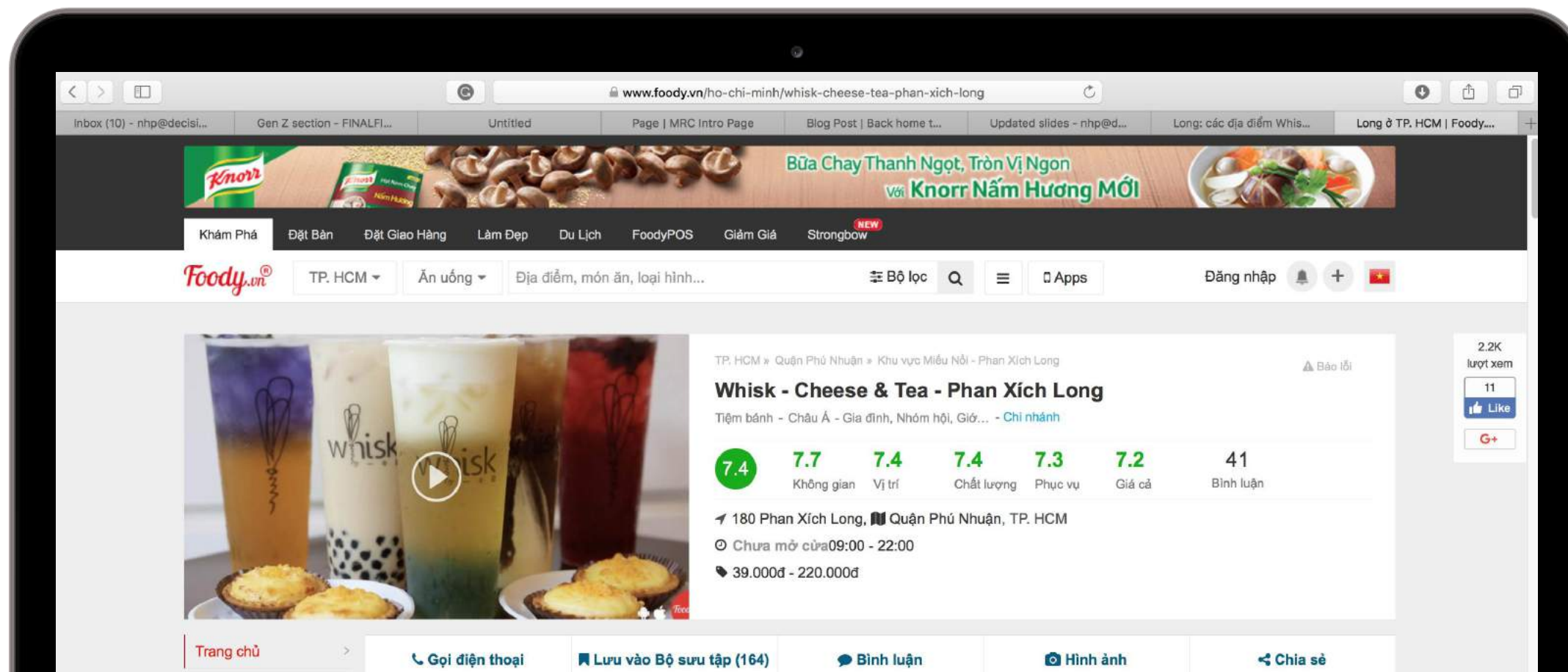
% of visits – Q3 2017



Source: Aggregate Foodservice Monitor data from Q2 2016 to Q2 2017

n = 3314

Be careful as they are always online and communicating



The screenshot shows a mobile browser interface displaying a Foody.vn listing for 'Whisk - Cheese & Tea - Phan Xích Long'. The browser address bar shows the URL: www.foody.vn/ho-chi-minh/whisk-cheese-tea-phan-xich-long. The page features a banner for Knorr products with the text 'Bữa Chay Thanh Ngọt, Tròn Vị Ngon với Knorr Nấm Hương MỚI'. Below the banner is a navigation menu with options like 'Khám Phá', 'Đặt Bàn', 'Đặt Giao Hàng', 'Làm Đẹp', 'Du Lịch', 'FoodyPOS', 'Giảm Giá', and 'Strongbow'. The main content area shows the restaurant's name, location (TP. HCM), and a rating of 7.4. The listing includes a video player showing various drinks and pastries. The bottom navigation bar has options for 'Trang chủ', 'Gọi điện thoại', 'Lưu vào Bộ sưu tập (164)', 'Bình luận', 'Hình ảnh', and 'Chia sẻ'.

www.foody.vn/ho-chi-minh/whisk-cheese-tea-phan-xich-long

inbox (10) - nhp@decisi... Gen Z section - FINALFI... Untitled Page | MRC Intro Page Blog Post | Back home t... Updated slides - nhp@d... Long: các địa điểm Whis... Long ở TP. HCM | Foody...

Knorr Bữa Chay Thanh Ngọt, Tròn Vị Ngon với Knorr Nấm Hương MỚI

Khám Phá Đặt Bàn Đặt Giao Hàng Làm Đẹp Du Lịch FoodyPOS Giảm Giá Strongbow

Foody.vn TP. HCM Ẩn uống Địa điểm, món ăn, loại hình... Bộ lọc Q Apps Đăng nhập

TP. HCM » Quận Phú Nhuận » Khu vực Miếu Nổi - Phan Xích Long Báo lỗi

Whisk - Cheese & Tea - Phan Xích Long
Tiệm bánh - Châu Á - Gia đình, Nhóm hội, Giớ... - Chi nhánh

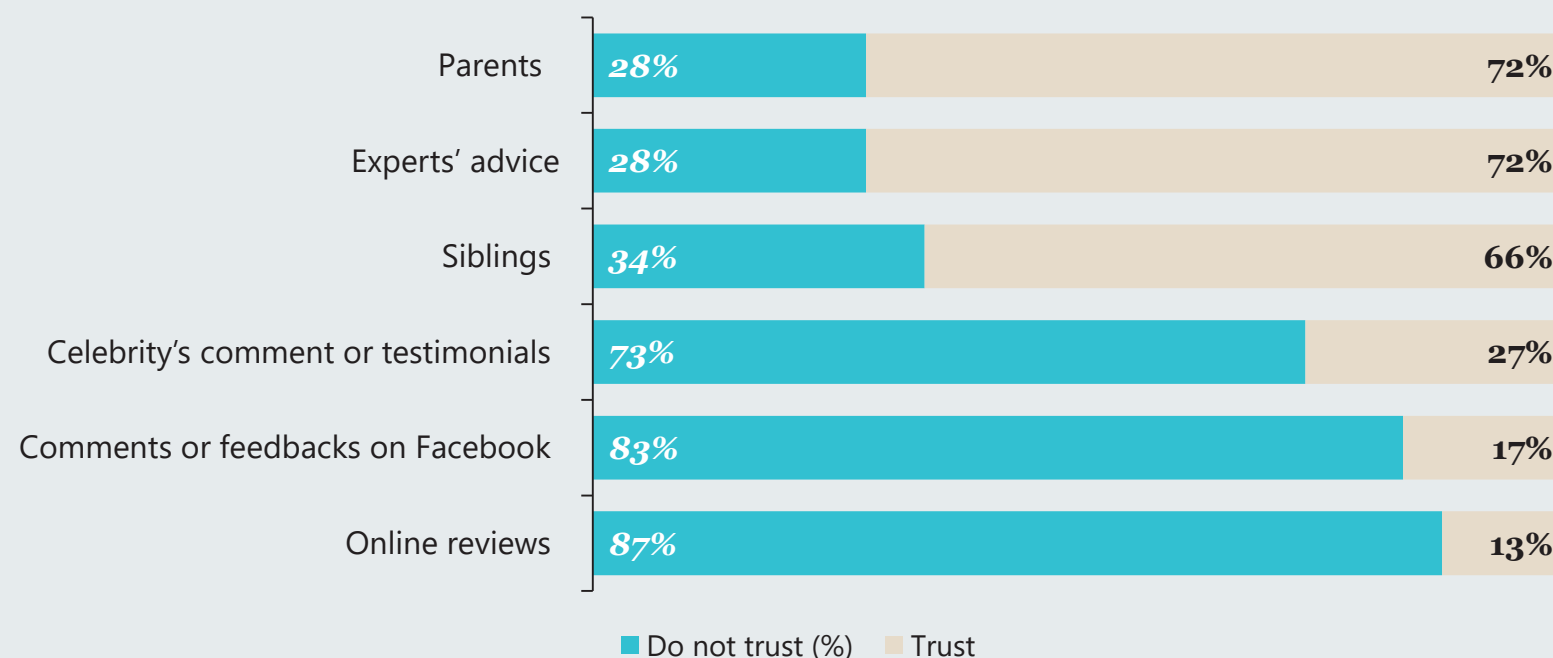
7.4	7.7	7.4	7.4	7.3	7.2	41
	Không gian	Vị trí	Chất lượng	Phục vụ	Giá cả	Bình luận

180 Phan Xích Long, Quận Phú Nhuận, TP. HCM
Chưa mở cửa 09:00 - 22:00
39.000đ - 220.000đ

Trang chủ > Gọi điện thoại Lưu vào Bộ sưu tập (164) Bình luận Hình ảnh Chia sẻ

Although Gen Z spend a lot of time online, they don't trust everything they see on the internet

% of responses



Gen Z rather trust their family members and experts than online reviews and social media.

To win over Gen Z's trust, businesses should be more authentic when promote online and focus on ensuring positive experience to real consumers

**Facilitate shareable
moments**





**Gen Z are social
media conscious**

Online and offline are blurred and social media helps you make real bonding with close friends

My relationship with people around me gets better when we stay connected online

60%

I use online social network to expand my friend circles-more friends more fun

55%

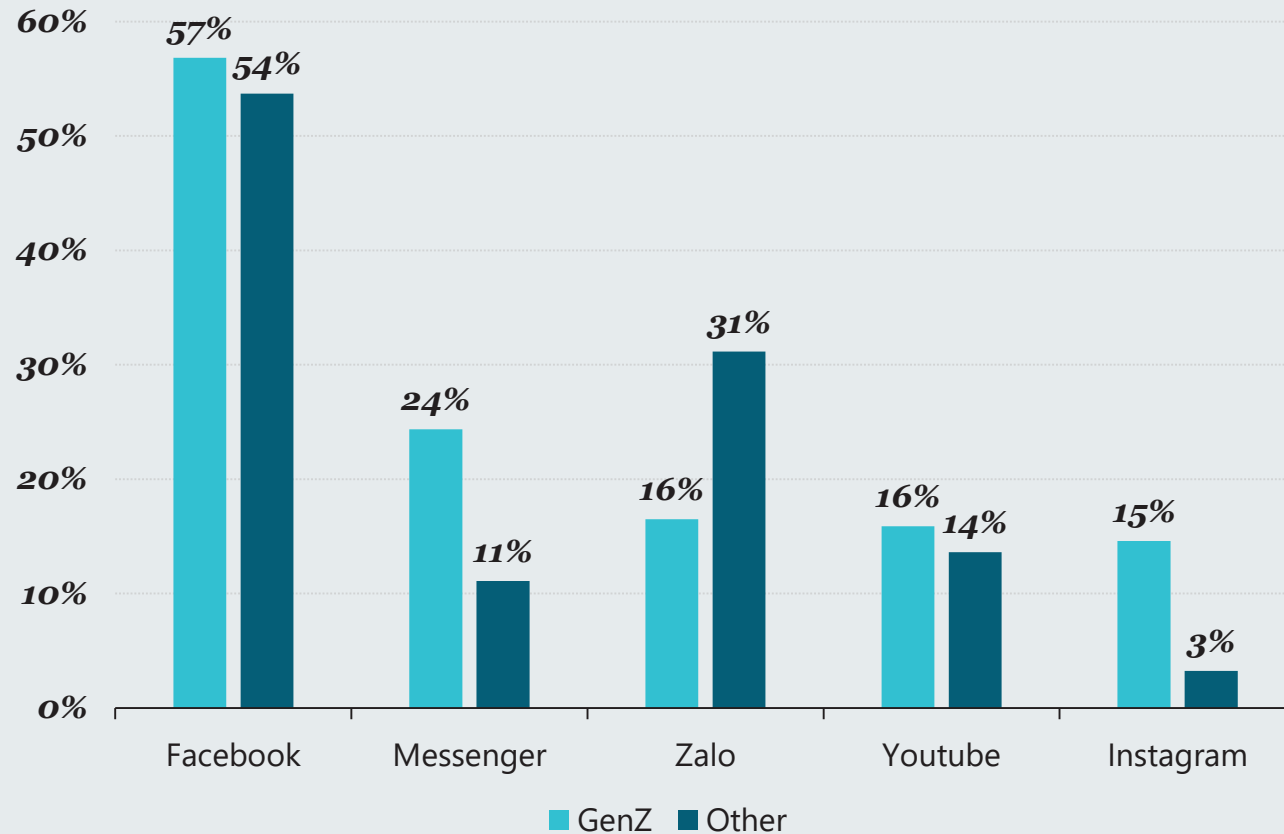
The first thing I normally do when I am bored is to look for friends online

47%

Q4: How much do you agree with the following statement? (5 point scale) (n=710)



Gen Z vs. Other generations



Q: What are the most important apps on your mobile phone?
Decision Lab Device Study - 2017

This is also
seen by their
adoption of
more intimate
social media
platforms

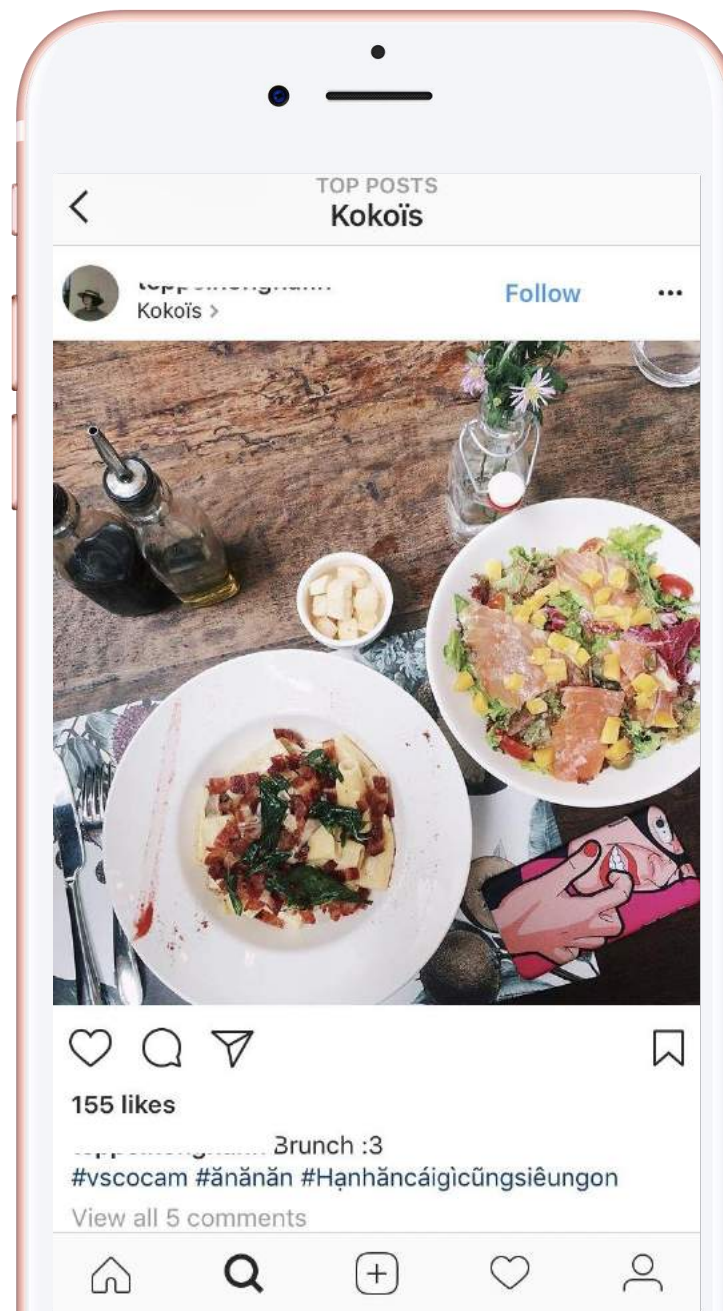
**They want to express
themselves and
connect with their
circles**





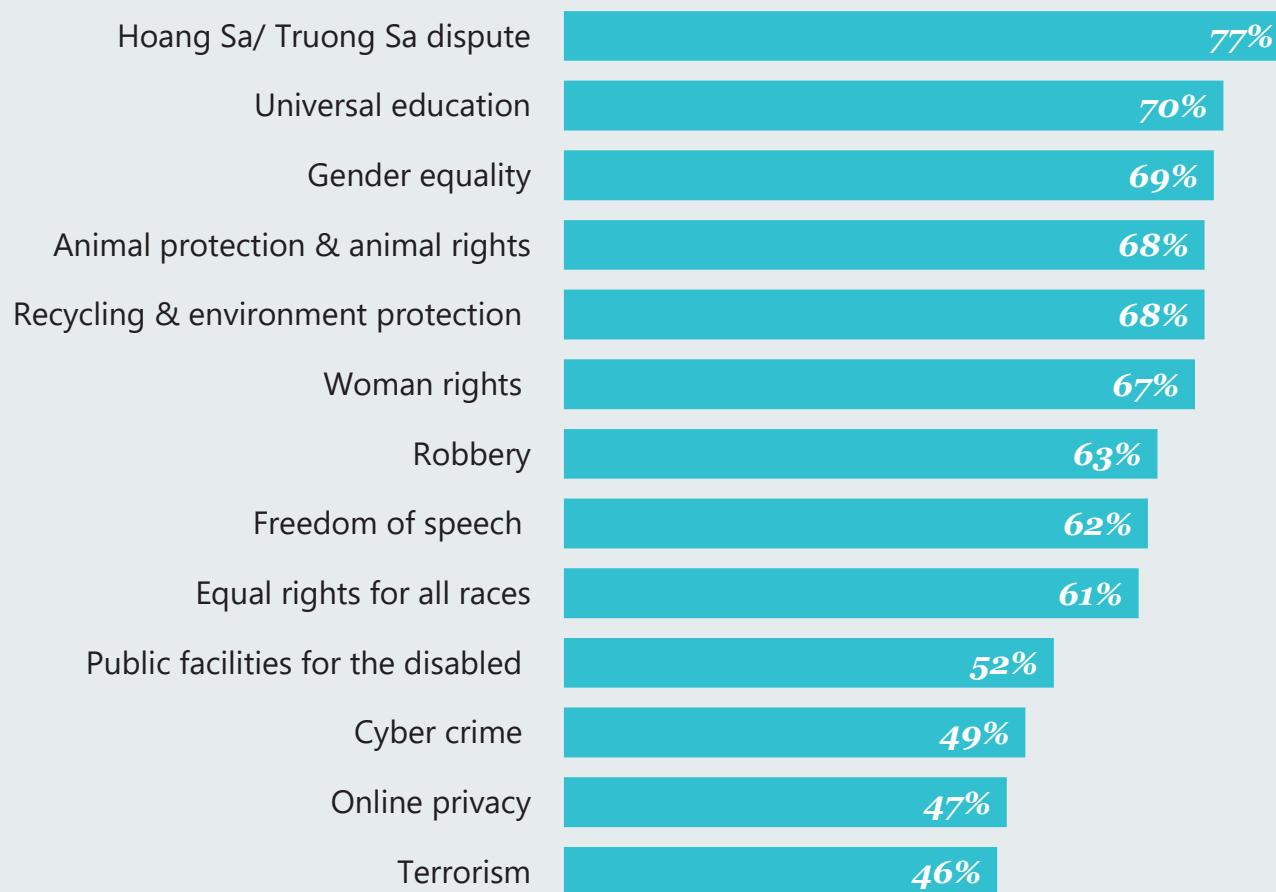
Sharing moments of friendship

Providing a place with decorations and space allows Gen Z to hang out with friends and document their hangout experience.



Sharing their passion for food and discovery

Creative menus and well-crafted dishes also attract Gen Z to share pictures of the food or of them eating.



Q6: How much do you care about the following causes or happenings? (top 2 boxes)

n=710

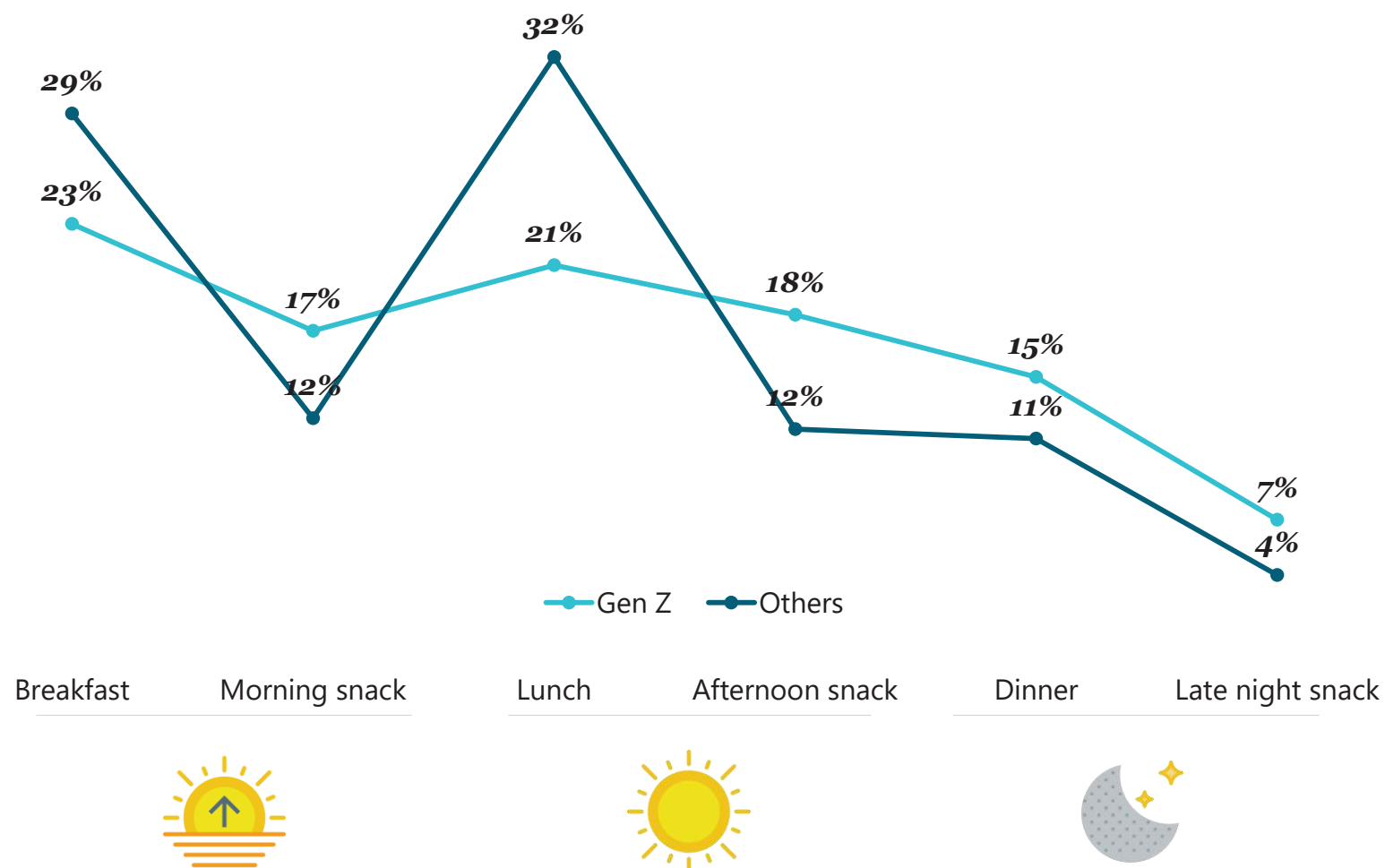
But Gen Z is also very concerned with social issues

Leverage this to connect and create shareable moments

Use Gen Z to fill low traffic day-parts



Gen Z do not discriminate against any day part. They eat all the time



133
millions

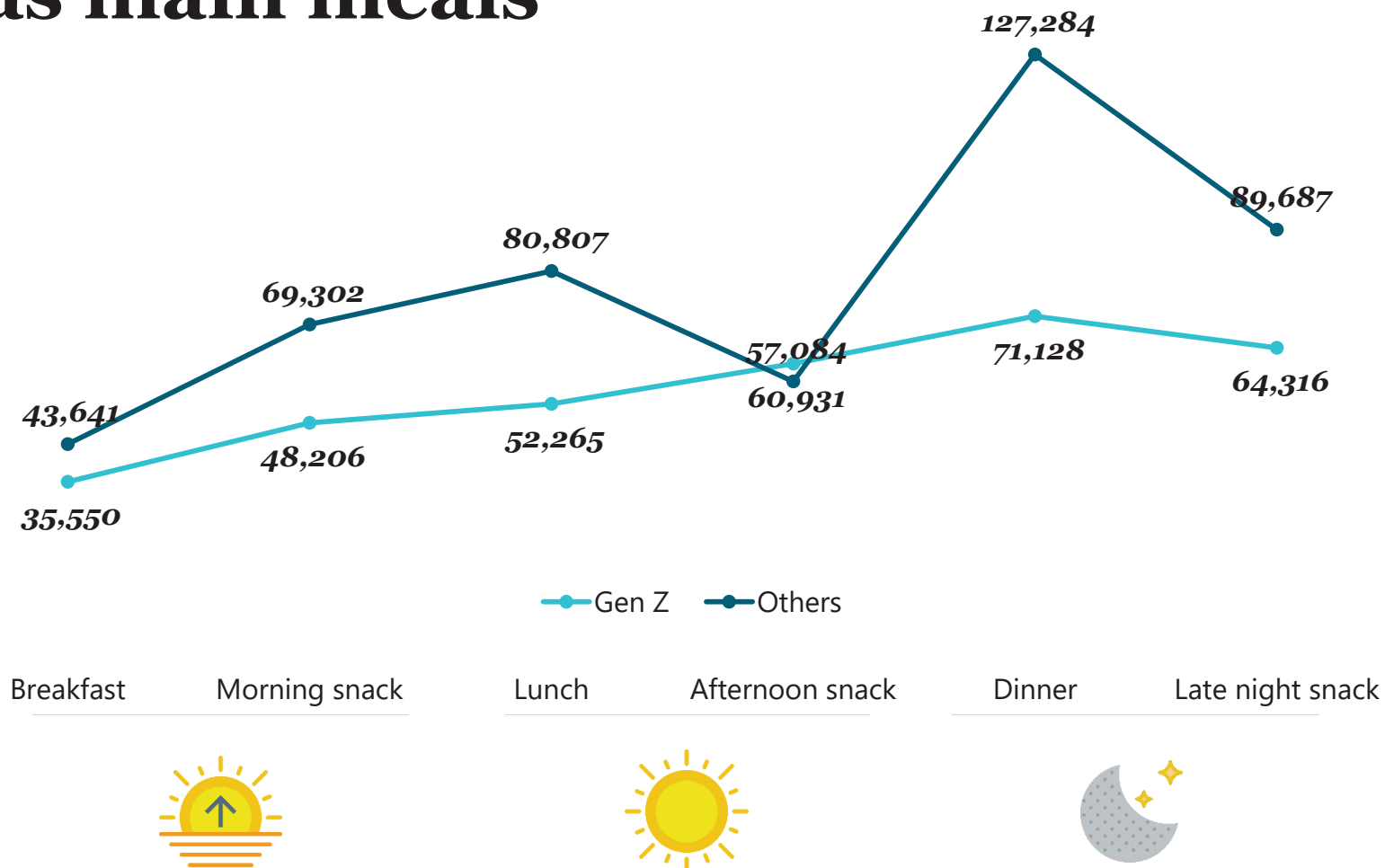
VISITS OF GEN Z TO
FOODSERVICE OUTLETS
IN Q3 2017

↓

Gen Z eat out a lot throughout the day, so the difference in visits % between each occasion isn't as dramatic compared to other generations.

Not only do they eat all the time, they spend on snacking occasions as much as main meals

Gen Z spend more on morning snack than breakfast, more on afternoon snack than lunch, and only slightly less on late night snack than dinner.



Summary



**DIGITALLY NATIVE
AND ALWAYS
MOBILE**



**HIGH VISIT
FREQUENCY**



MORE SNACKING



**HARD TO PLEASE
AND VOCAL
ABOUT IT**



**LESS ALCOHOL
AND COFFEE.
MORE TEA AND
MILK**



**CAPTURE GEN Z'S
ATTENTION ON
MOBILE**



**GIVE THEM
POSITIVE
EXPERIENCES AND
RECEIVE BETTER
REVIEWS**



**FACILITATE
SHAREABLE
MOMENTS**



**USE GEN Z TO FILL
LOW TRAFFIC DAY-
PARTS**



Reach out to us

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