ANTICIPATING CULTURE
& CHANGING BEHAVIOR

01/01/2020

IMA

1. IMA COVER/SUMMARY
2. CURRENT STATE OF CULTURE[1]

We have gone through a distinct shift in the way people interact with brands. Back in the day, it was easier for brands to buy their space before consumers' eyes. By sponsoring celebrities, TV shows, movies, and events, they could build ads that penetrated culture. However, the advent of new technologies like DVR's, the internet, and social media, made it easier for audiences to opt-out of ads and brands saw themselves having to compete directly with other types of entertainment.

At first, the idea that sparked joy to many salivating marketers when social media came into the scene was that brands were now able to bypass traditional media. They wouldn't have to be restricted to buying television spots or advertisement space in magazines because they could simply go directly to consumers.

The truth is that despite the assumption that they would be able to circumvent mainstream media, brands have actually gone through a great deal of effort with not a lot of pay-off. Several brands have dedicated money and time producing branded content that was supposed to make consumers directly engage with them, but in reality, just a few brands have been able to generate meaningful consumer interest online. In fact, brands are becoming less significant.

Why? The answer is simply because they are not succeeding at breaking through the change in culture. Social networks have fundamentally changed how our culture works. Let us explain. Before, brands acted as intermediaries of culture, bringing innovations from the margins of society into the mass market. Nowadays, however, this role that brands used to play has become obsolete due to social media.

Social Media marks a historic milestone in our culture. That is because social networks have brought together communities that used to be remote and geographically isolated. They have also enabled these communities to be more densely networked, increasing the speed and intensity of collaboration. Now, the cultural influence of these communities does not depend on brands anymore, they have a direct and substantial effect - culture can now rely on the crowd. We are in the era of crowdculture.

[1]This entire section is based on the following articles:

Harvard Business Review, Branding in the Age of Social Media, available at https://hbr.org/2016/03/branding-in-the-age-of-social-media; and Mckinsey & Company, 'True Gen': Generation Z and its implications for companies, available at https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/true-gen-generation-z-and-its-implications-for-companies (link)

Crowdculture fostered two different and intertwined phenomena: subcultures and art worlds. Let us explain

Subcultures are the gathering of people around specific topics of interest, such as coffee, anime, bird-watching, or any other thing you can think of - they incubate new ideologies and practices. And unlike before, when it was harder to find content and information, meetings had to be held physically, and people had to make an extra effort to be a part of subcultures, nowadays, you only need a few clicks, and therefore you don't need to be as committed.

As an illustration, the Influencer Kathryn Kellogg, the person behind @going.zero.waste, has built a community with 129,000 followers that are all interested in sustainability issues and how to produce less waste, and are consequently part of this subculture.

"I used to think that food scraps would break down in landfills but they DON'T!!

Last week, on my pumpkin post, I got a bunch of composting questions that I wanted to answer. Organics can't break down in a landfill because they're designed for storage, not decomposition. There's no oxygen in a landfill so organic matter like paper, wood, and food scraps are stuck in a limbo state releasing methane.

Methane is a gas 30x more powerful than carbon which is far more devastating to the climate because of how effectively it absorbs heat. In fact, 16% of ALL methane emissions in the US comes from landfills! 😱
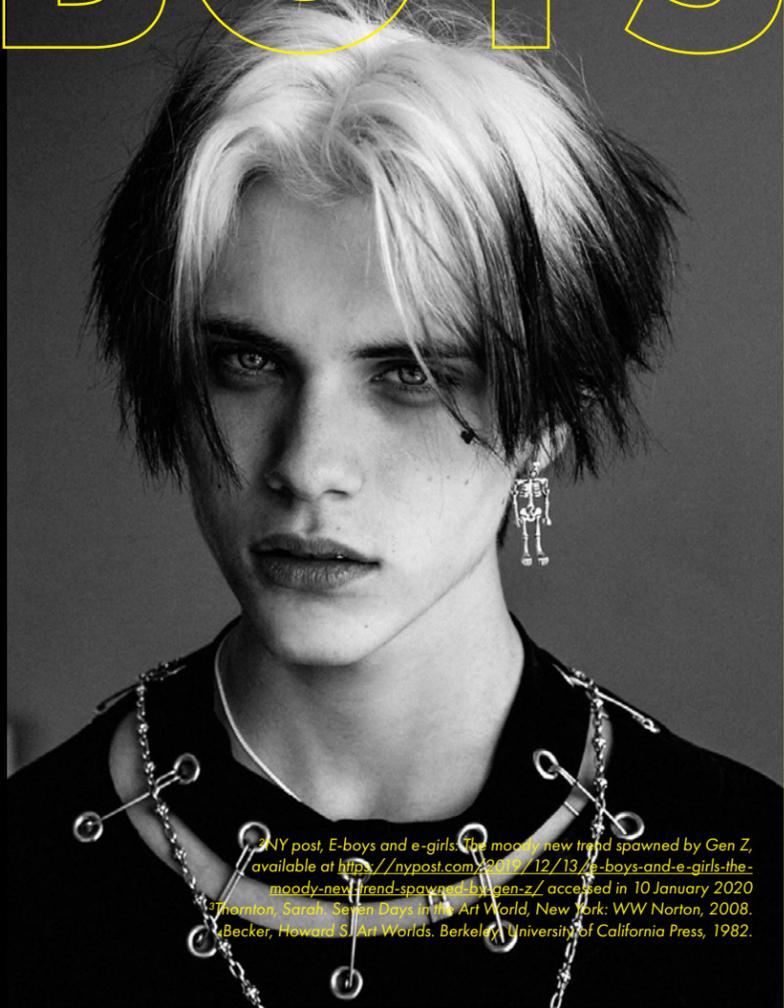
Making food waste, if it were a country, the third-largest emitter of greenhouse gas emissions behind China and the U.S.

So, if you want to make a serious impact and reduce 50% of your household waste with just ONE swap, start composting!

Do you compost? What type of bin do you have? If you don't compost, what's holding you back?

#goingzerowaste #endfoodwaste" (link)

E-GIRLS
E-BOYS

ART WORLDS

@dracuina

@freakinglexus

@ savagexfenty

E-girls are another perfect example of a modern subculture. They are so contemporary that they mainly exist online. In general, they are young and connected females, but you most likely won't be able to identify an e-girl in real life since they look like any other girl. Instead, you know an e-girl by her TikTok presence or the poses she makes on her Instagram. This subculture is known for its unusual hair colors (like pink, lime green, or half-black-half-white) and their distinctive eyeliner.

And e-boys are just as popular on TikTok. Take the influencer Noen Eubanks (**2.6M** on Instagram and **8.6M** on TikTok) as an example. He is often seen with black nail polish, bleached hair, and thick chain necklaces, and recently became the face of the fashion brand Celine. The e-look is anime-inspired, with loads of pink blush applied to the cheeks and nose, plus tiny hearts drawn with eyeliner under the eyes[2].

Art worlds, on the other hand, are a "loose network of overlapping subcultures held together by a belief in art". The people in art worlds organize and cooperate together to produce the art works existing in the world. Nowadays, millions of artists and content creators are inspired by each other in a loose network to produce the type of entertainment that we are seeing and that is so unprecedented. These people are nonetheless in an inspiring collaborative competition: they work, learn, exchange ideas, and push each other. Crowdculture turbo-charged art worlds.

Take for example Rihanna's Savage x Fenty NYW fashion show, which explored and celebrated diversity, clearly inspired by the online and ongoing discussions related to this important topic. Needless to say that the show was a huge success, both online and offline.

Conversely, Victoria's Secret Fashion Show failed to listen to current discussions in art worlds and consequently failed to adapt to social and consumer change, insisting on hard-bodied, Barbie-doll aesthetic models, receiving enormous backlash for it.

All in all, subcultures and art worlds have always existed. The difference is that nowadays they are amplified and turbocharged by social media, and end up having an enormous impact on culture and society.

But most importantly, the content that arises from subcultures and artworlds is normally preferred over branded content. Not to mention that the quantity of good content that can be found online is also making brands struggle. In this content creation era that we currently live in, where everyone can find great content at large scale, and where anyone can be a content powerhouse, brands are facing much more competition and they are seeing themselves having to step up their games.

NY post, E-boys and e-girls: The moody new trend spawned by Gen Z, available at https://nypost.com/2019/12/13/e-boys-and-e-girls-the-moody-new-trend-spawned-by-gen-z/ accessed in 10 January 2020
Thornton, Sarah. Seven Days in the Art World, New York: WW Norton, 2008.
Becker, Howard S. Art Worlds. Berkeley: University of California Press, 1982.

3. HOW GEN Z CAME OUT OF THIS CULTURE

B

BABY BOOMER

IDEALISM
REVOLUTIONARY
COLLECTIVIST

X

GEN X

MATERIALISTIC
COMPETITIVE
INDIVIDUALISTIC

Y

MILLENIAL

GLOBALIST
QUESTIONING
ORIENTED TO SELF

Z

GEN Z

UNDIFINED ID
COMMUNAHOLIC
DIALOGUER
REALISTIC

Born in the middle of this cultural shift, Gen-Zers have always had everything available in the palm of their hands. This is the generation that puts everything on display through Snapchat, Instagram, Twitter, and other apps so new most Millennials haven't even heard of them (hey, TikTok).

Even though the eldest Gen-Zers are 24 years old, in 2019 this generation already represented 32% of our global economy[3], and this figure will grow to 40% by 2020[4]. And on top of that, 9 in 10 parents say Gen-Zers influence their household decisions[5]. Because of their fluency in the digital world and their ability to research products online, they are able to determine availability and price, which has given them a bigger influence in their parents' purchase decisions when compared to previous generations. We are seeing a change in the way families shop where children are much more involved.

But it turns out that they are not only lucrative, influential and aspirational, they are also changing how everyone interacts with the world and how society is currently shaped.

Unlike any other generation, Gen-Zers are known as the "true" generation, because they are always in the pursuit of the truth[6]. This means that they are not only looking for authenticity and sincerity, but they also want to express their individual truths, understand and connect with different truths, and they want to unveil the truth behind all things.

Gen Z's predecessors have very different key characteristics, since generations are shaped by the context in which they emerge. Baby Boomers (1940-59), for example, were born and raised in a post-war context, and as a result they are collectivist, revolutionary, and they saw consumption as a representation of their ideologies. Gen Xers (1960-79), on the other hand, were born and raised in the flourishing times of capitalism, and for this reason, they are more materialistic, individualistic, and competitive. At last, Millennials (1980-1994) - the "me" generation - were immersed in a much more economic stable period, and therefore they are more questioning, more oriented to the self, and more globalist [7].

Therefore, because Gen Zers were born digital natives, in a context of easy mobility, easy access to information, multiple realities, and social networks, they are very much in contact with diversity. They accept it, encourage it, and live it to the fullest. Below, we listed some of the Gen Zers' characteristics[8] (although this is the generation that hates to define itself):

UNDEFINED ID: they value individual expression and avoid any type of label.

This is the gender-fluid generation, the identity nomads, the ones who refuse to have a defined ID. They hate to define themselves through stereotypes, and they advocate in favor of experimenting with different ways of being themselves.

COMMUNAHOLICS: they are in constant pursuit of the truth, both from a personal and a communal perspective. Gen Zers are always in search for authenticity since they believe it generates greater freedom of expression and greater openness to understanding different kinds of people. They value connecting to different truths.

DIALOGUERS: they mobilize themselves around causes and profoundly believe in the efficacy of dialogue to solve conflicts and improve the world. Causes like equality for LGBTQ+, diversity, sustainability, waste production, global warming are among the top priorities.

REALISTIC: they make decisions and relate to institutions in a highly analytical and pragmatic way. Unlike Millennials, which were born in a period of economic prosperity and are consequently more idealistic, Gen-Zers were born at a time of global economic stress. This factor along with the vast availability of easy information made them more realistic, analytical and pragmatic.

And what's more, Gen-Zers rely on creativity, imagination, inventiveness, and innovation to confront real challenges. They want to expand our understanding of what is possible. It is important to note that it's not about destroying what has already been built but instead deconstructing and rethinking outdated ideas and lifestyles.

As an illustration, Gen-Zers understanding around traditional concepts is different from previous generations. For example, they think of authenticity from a totally different perspective. What does it mean to be authentic? For a long time, authenticity has been understood as what is real versus what is not. A person who wears a lot of makeup, or who colors his/her hair, or undergo cosmetic procedures to alter something about his/her face, for example, would not be considered authentic. For the True Gen, however, authenticity is understood as being anything anyone wants to be. In this sense, the idea of changing physical characteristics or "creating a character" for yourself is in line with authenticity, because this is how you can be authentic to yourself.

However, all this change Gen Z is bringing does not necessarily mean that they are refusing conventional industry roles, but instead the way they approach these roles is unconventional, because for them, freedom of self-expression is highly valued. For this reason, they are deconstructing current standards of gender, race, and size, they are inviting everyone to think and talk about topics like sustainability and "plus-privilege", and instead of following old trends, they are creating new ones.

[5] Bloomberg, Gen Z Is Set to Outnumber Millennials Within a Year, available at https://www.bloomberg.com/news/articles/2018-08-20/gen-z-to-outnumber-millennials-within-a-year-demographic-trends
[6] Concordia University Saint Paul, Gen Z in the workforce, available at https://online.csp.edu/generation-z-in-the-workforce
[7] National Retail Federation, Checking in with Gen Z, available at https://nrf.com/blog/checking-gen-z
[8] Caitlin Mullen, Why Gen Z kids play a bigger role in family buying decisions, Bizwomen, the business journals, 2019, available at: https://www.bizjournals.com/bizwomen/news/latest-news/2019/10/why-gen-z-kids-play-a-bigger-role-in-family-buying.html?page=all
[9, 10] Mckinsey & Company, 'True Gen': Generation Z and its implications for companies, available at https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/true-gen-generation-z-and-its-implications-for-companies.

4. HOW INFLUENCERS LIVE IN THIS NEW CULTURE

Influencers have an easy time walking through this new culture simply because they are it. They helped in building the new cultural landscape, they embrace it and represent it. And if they cannot find a subculture that fits them, they create one. They aren't Influencers, but innovators and they are leading the art worlds into directions never thought before.

In addition, these Influencers don't necessarily need to be in the Gen-Z age group, they just need to embody their values. These are people that are leading the conversations and forming large communities around them that follow their every word.

We prepared a list with some examples of how Gen-Z Influencers tap into the values and characteristics that this generation represents. We have separated them into categories to facilitate understanding, but remember, they can be anything and nothing at the same time, they can change at any moment, and they hate being put into boxes.

UNIDENTIFIED ID:
BEING TRUE TO YOURSELF; EXPERIMENTING WITH DIFFERENT WAYS OF BEING YOURSELF.

UNIDENTIFIED ID

VITTORIO FRANCO

One of the first things you can read in Vittorio Franco's bio is "I don't follow gender norms". Through his Instagram feed, he experiments with color, sexuality, and gender.

Instagram: 23K

JOVI ADHIGUNA

Jovi Adhiguna is a rising lifestyle influencer who seems totally comfortable in his own skin and secure in the sartorial choices he makes.

Instagram: 570K
YouTube: 258K

RAIN DOVE

Rain Dove is a fluid, gender-nonconforming model who presents themselves as both masculine and feminine, encouraging everyone to defy binaries and explore their identity in any way that feels right to them.

Instagram: 435K

COMMUNAHOLICS:
CONNECTING WITH DIFFERENT TRUTHS AND EMBRACING INCLUSIVITY.

MATT BERNSTEIN

Matt Bernstein is a beauty influencer who defends that many people are still not heard in the LGBTQ+ community. So, he decided to use his makeup talent to tell his story through series of photos on each post.

Instagram: 158K

CHLOE PULTAR

Chloe Pultar is a makeup artist and model. She has built up a strong following due to her open personality when it comes to her work and personal life with topics including equality and being your true self.

Instagram: 64K

KODO NISHIMURA

Kodo Nishimura is a makeup artist and a Buddhist monk. He believes that Buddhism's core message is to feel balanced and share the happiness. And for him, feeling beautiful makes people more generous, more attentive to helping others.

Instagram: 33K

COMMUNAHOLICS

DIALOGUERS:
UNDERSTANDING DIFFERENT TRUTHS AND OPINIONS.

DIALOGUERS

FLORENCE GIVEN

Florence Given: Florence Given is an artist and champion of gender equality. She designs T-shirts with positive messages, and often gives them for free for marginalized groups, such as plus size girls.

Instagram: **281K**

ELISE BY OLSEN

Elise By Olsen is an editor, publisher and curator. She currently serves as the Editor-in-Chief of Wallet, a new publication dedicated to critical dialogue within the fashion industry: the business, the money, the politics.

Instagram: **17K**

DEVIN MICHAEL LOWE

Devin Michael Lowe is a trans man who strives to redefine masculinity. Devin runs support groups and workshops for transmasculine folks, where he hopes to open the conversation of masculinity to include softness and emotional health.

Instagram: **7.1K**

Torbjørn Rødland, courtesy of Elise By Olsen

REALISTIC: UNVEILING THE TRUTH BEHIND ALL THINGS.

NOONOOURI

Unlike what you might think and expect, this avatar is just as realistic for Gen Z as a real human being. In a world that revolves around social expectations, this digital style guru stands for freedom. Her creator envisioned her to be both a role model and a fantasy, and to serve as a platform to truly make a difference.

Instagram: 334K

REALISTIC

DIET_PRADA

Tony Liu and Lindsey Schuyler are the duo behind the account @diet_prada. The Instagram account has gathered millions of followers by exposing names and shaming brands, designers and others for fashion copycatting, similarities in design, and, seemingly more and more, for racism.

Instagram: 1.7M

5. WHAT BRANDS CAN DO TO SURVIVE

This shift on the cultural landscape is giving brands a hard time. Did you know that there are no brands[9] in the top 100 channels of YouTube? People do not want to engage with companies, as much as they want to engage with people[10]. That is the reason why influencers (and not brands) are the ones garnering the super-engaged community that pundits have long promised social media would deliver.

In order to avoid falling into oblivion, brands need to tap into this new cultural scene. They need to enter subcultures, art worlds, and communities, and interact with them, be a part of them, understand how they think, their values and beliefs, to ultimately align the brand's message with cultural innovation and with Gen Z's mindset.

What's happening now is that brands are facing a structural problem, not a creative one. They have the budget and the creativity to go above and beyond, however, they fail to arouse consumers' interest and attention because they do not immerse themselves in their culture, their community, and their ideologies. However, this is the only way companies can make something truly relevant for this new generation. Otherwise, they will just be able to explore trends, which is a very crowded territory, and they won't deliver real innovation.

Therefore, companies will need to align themselves with Gen Z's values and beliefs. This is especially true when it comes to consumption habits. That is because the True Gen is not only changing their own perception around consumption but how the world as a whole perceives it. Brands should be taking a closer look at that if they want to succeed.

One of the key ways in which consumption is changing lies in the shift of its meaning. For a long time, consumption had an individualistic approach since it was associated with possession. The more assets a person had, the more successful this person was. However, new generations are very concerned about the social and environmental issues that these old consumption habits bring, and therefore they are changing what it means to consume. Currently, consumption is taking a more collaborative approach, being associated with access rather than possession. This way, consuming something does not necessarily mean having the property of it, but instead simply being able to access it.

The change in the cultural perception of consumption is perfectly illustrated by the success of challenger brands that are based on this collaborative approach, such Airbnb, Uber, and the likes. Below, we bring examples just to show you that the collaborative economy is here to stay, since it is aligned with the principles and values of new generations.

[9] The term "brands" here refers to companies that have a USP (Unique Selling Proposition).
[10] Harvard Business Review, *Branding in the Age of Social Media*, available at
https://hbr.org/2016/03/branding-in-the-age-of-social-media

CAR2GO

Car2go is a car sharing service, where customers can grab an available car on designated spots on the street, use it, and then just leave it in an approved legal spot, without the need to "returning" or fueling it. It's experiencing a 21% year-over-year member increase, and the number of its business customers increased by 37 percent in 2018, meaning that more than 58,000 companies are already offering car2go as a mobility solution for their employees (source).

Along the same lines, the general perception around consumption is also being altered to include social and sustainability issues. Thus, consumption is gradually being more and more perceived as a matter of ethical concerns. Check below some of the challenger brands that have been able to successfully align their values and message to create a new business model centered around sustainability and social concerns.

100% NATURAL, VEGAN & CRUELTY FREE skincare

BYBI

BYBI (39K) is a brand whose mission is to make sustainable skincare easy and accessible. Their motto is that sustainability is a need to have instead of a nice to have, and they preach full transparency around a product's entire lifecycle from seed to shelf.

VEJA

VEJA (369K) has one foot in design and the other in social responsibility. They produce sneakers with a positive impact in every stage of production. Their products are ecologically responsible since they use raw and organic materials, and agro-ecological agriculture without chemicals or polluting process. They stand for a greater economic justice, without any advertising or marketing expenses.

Lastly, we bring examples of brands which are excelling in understanding and embracing Gen Z's mindset and values, and are bringing innovation to the market, especially when it comes to accepting and connecting with different truths, which is much appreciated by the new generations.

FENTY BEAUTY

Fenty Beauty ([8.9M](#)): Rihanna's beauty collection has differentiated itself by advocating in favor of inclusivity in the makeup scene. In its launch, the brand released 40 shades of foundation, far more than the handful of hues sold by other brands. Not only the brand reported $100 million in sales in its first few weeks (and continues to skyrocket in sales), it has also changed the industry permanently.

Chris J. Ratcliffe/Getty Images

OUTDOOR VOICES

Outdoor Voices ([400K](#)) is a brand who approaches active wear in a whole new way. They say they do not consider the Nikes, Under Armours and Lulus of the world as competition, but instead they are up against people's negative perceptions of themselves. They're on a mission to create a complete new definition and identity of what it means to be active, and they believe in freeing fitness from performance.

link

link

link

Bearing all this in mind, if you want to successfully target Gen Z, **here is our advice:**

"Pull, don't push". You should immerse yourself into Gen Z's culture, understand their values and beliefs, and adopt an innovative strategy that will attract them to you, instead of pushing your brand story to them. Tap into the conversations already happening, become part of the community, and Gen Z will think of you as relevant for them.

Start listening. It's important that brands genuinely care about people and cultures, in order to fully understand and be able to explore their interests and feelings. Trends and reports cannot be your only source of information, since your competitors are also looking at that. In order to differentiate yourself, you have to truly embrace people and their cultures.

Be real. It's important to actively start conversations. Your audience expects you to take a stance. And don't be afraid to say the wrong thing, it is a fast-changing world, and if you show your audience that you are growing with them, they will connect with you on a much deeper level.

Create real value. Creating beautiful content is great, but keep in mind that the new generations are looking for the truth and values they can connect to. Therefore your content should deliver this above all things. Keep in mind that values like sustainability and inclusivity are expected to be fully incorporated and embraced by every brand from the very beginning. "Search deep to find either your original purpose or one that can truly withstand the scrutiny of credibility and commitment"[11].

[11] Dipanjan Chatterjee, How Direct Brands Are Transforming the Customer/Brand Relationship, Forrester, April 2, 2019, p. 8.
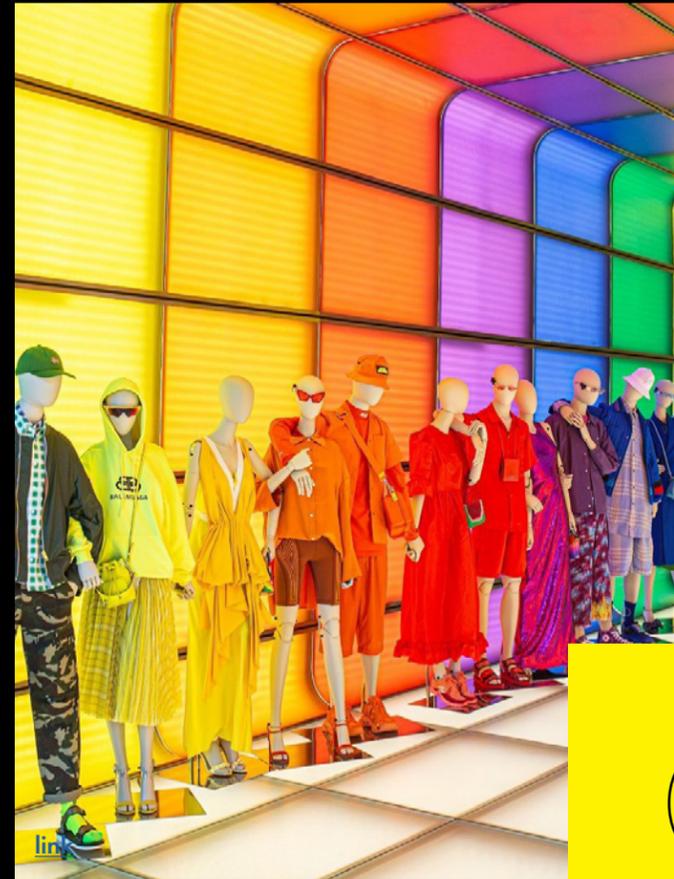
6. IMPLICATIONS FOR SOCIAL CHANNELS

By this point it should be obvious that Gen Z is completely fluent in digital. With every obstacle they encounter, they will turn to the internet.

Nearly half of this generation goes to Instagram in order to find new products. When they need to do product research, they turn to YouTube at twice the rate their Millennial brothers and sisters do. If they decide to make a purchase, it is possible that they will head into brick-and-mortar stores, but they will share their shopping experiences on Snapchat more than any other generation.[12]

Gen Zers also look at memes to rally attention and bring their critical eye without turning people off, and they thrive when they feel they could a community (or subculture) of their own. That's why platforms such as TikTok have taken off so profoundly. TikTok and its unique possibilities of interactions make Gen-Zers feel at home with their peers. If you don't know what we are talking about, it is a social media app that allows its users to post 15-second video skits of themselves. The content takes the most diverse forms, varying from lip-synching and dancing hilariously to karaoke tracks to dressing up in weird costumes and having really awkward interactions (called "duets" in TikTok parlance) with their fellow TikTokers.

This is the digital-first generation. For this reason, brands should be paying more attention than ever to their social presence since it's the perfect space to listen to this new generation and adapt all of the brand's channels to their values and beliefs.

As an example, Galeries Lafayette opened another brand new store in Paris' Champs-Élysées to update its image and reel in younger consumers. This represents a bold statement about the general renewal of the DNA of a store with a heavy heritage such as this one.

CONCLUSION

Gen Z is here to bring innovation. They are deconstructing a lot of old ideas and concepts, and, especially with the rise of crowdculture, brands will need to adapt if they want to survive.

In order to successfully target the True Gen, it's crucial to immerse yourself in their community, values and beliefs. It's essential that you bring innovation instead of only tapping into trends, and consequently you will be able to add relevant content and attract them to your conversations. Don't be afraid to be real and create real value.

A very important step is to start aligning your social presence with the thinking of Gen Z. And when it comes to social presence, influencers are the best way to lead this conversation for brands since they truly are and represent the new generation. However, it's important that brands accept handing over control over their content, giving the influencers full freedom to speak for the brand in the best way they possibly can.

[12]Adweek, As Gen Z Reshapes the Social Media Landscape, Marketers Need to Be Open to Change, available at
https://www.adweek.com/brand-marketing/as-gen-z-reshapes-the-social-media-landscape-marketers-need-to-be-open-to-change/

IMA