

# #TheSearchForGenZ

Is the future of search advertising calling for brands to become part of the conversation?



We are the first generation to have grown up in a fully **connected digital world**.

We have always been immersed in a world of screens, smartphones, and omnipresent digital media. We are inseparable from our personal devices. **Our technology is instant and connected**.

We are **the future**.

We **#followthepulse** of the world. We **collaborate and identify** with ideas. With ideals. With digital movements united under hashtags.

We are voracious consumers of content. On YouTube, Instagram, and Snapchat. We follow **influencers**. We are never more than a few taps away from branded experiences.

We recognise **authenticity in brands**.

We are **Gen Z**.

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# Executive summary

# Executive summary

**Search advertisers will need to adapt the way they market for the next generation of consumers, with 78% of Generation Z seeking authenticity as an important quality in brands that are advertising to them. To connect with new audiences, advertisers will need to become part of the conversation; they will need to understand the wider discussions that are happening in digital media, and evolve their messaging to resonate with the next generation.**

The coming of age of Generation Z represents a landmark moment for advertising. This is the first generation who have grown up in a fully connected digital world, where personalized smartphones and omnipresent digital media are simply the norm.

The findings presented in this report<sup>1</sup>, reveal that 54% of Generation Z have researched a purchase on social media, which is a testament to the flowing, interactive nature of these platforms. Generation Z are comfortable interacting with brands conversationally, and this should not be underestimated. These organic interactions have moulded the expectations of a generation of young consumers.

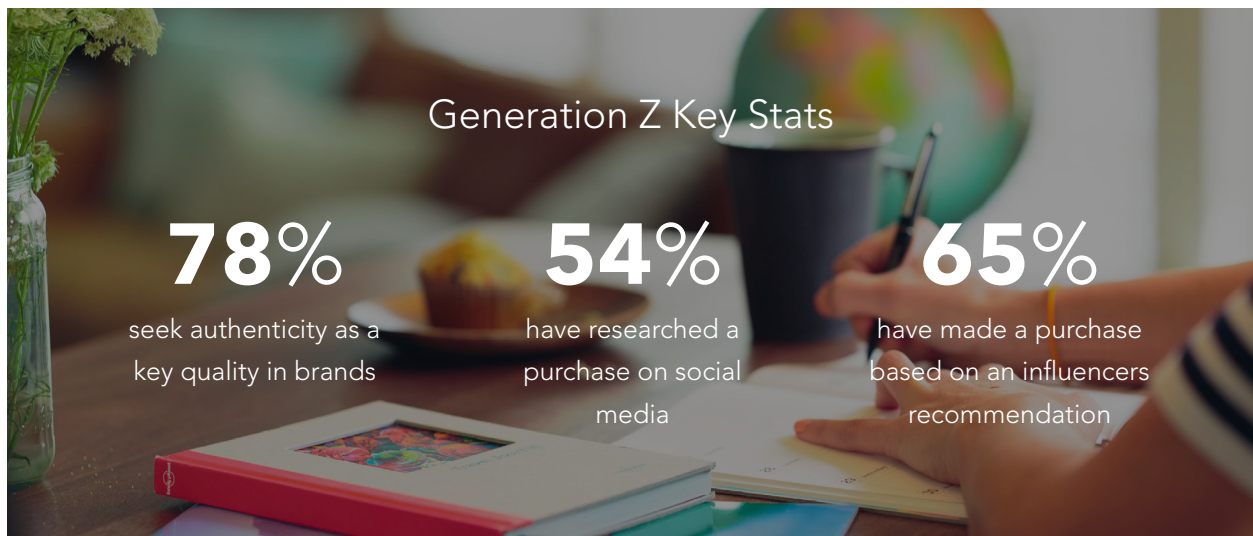


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<sup>1</sup> Drawn from a survey of Gen Z participants, and observed search advertising data from Adthema Competitive Intelligence.

## Engaging and conversational advertising

Generation Z are natural digital natives. Google stats reveal that 40% of 18-24 year olds spend over 3 hours a day on social media, with another 38% spending at least that much time messaging<sup>2</sup>. These engagement levels are significant, and no other generation possesses the same innate relationship with technology. The result is a demographic for whom 65% admit to having made a purchase based on an influencers recommendation.



The growing influence of social media has proved how marketing can thrive on open, two-way conversations, and this has cross-channel learnings. Search, which is still regarded by marketers as the most important digital media channel, with 79% of CMOs rating search as “important” or “very important” in their overall marketing efforts<sup>3</sup>, will require marketers to adapt to this new dynamic.

Generation Z are comfortable with fast-moving trends, slang, and the media-rich subcultures of online media. They are ‘fluent’ in the languages of online, and highly technologically literate. Having grown up with powerful influencers and sponsored content on their preferred media channels, they are also extremely adept at recognizing authenticity in the digital experiences they are exposed to.

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<sup>2</sup> “Gen Z: A Look Inside Its Mobile-First Mindset”, [Think With Google](#)

<sup>3</sup> The Nielsen CMO Report 2018, [Nielsen](#)



“

Generation Z are highly adept at recognizing inauthentic brand experiences, and to resonate, advertisers need to become part of the conversation. They will need to move away from a world in which brands market to consumers, and towards one where brands market with consumers.

Lorna Gill, Marketing Manager, Adthema

Search advertisers have the power to target Generation Z with personalized ads, but changing expectations means they will need to evolve the way they market to this audience. They will need to become more authentic in the way they construct ads and conduct ad campaigns, in order to resonate with wider conversations and trends.

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## Leveraging search intelligence to evolve the conversation...

The coming of age of Gen Z signals new beginnings. To a greater extent than ever before, brands will have the opportunity and technology to connect with the next generation, to build relationships based on genuine engagements and interactions.

Reaching this cohort requires precise search intelligence, and advertisers will need to be more creative and human with their advertising messages. Brands will need to be tuned in to the wider trends and conversations that are taking place online. They will need intelligence on what the competition is saying, what values each brand represents, and leverage this to connect with the needs of young consumers.

For brands that prove capable of authentic, integrated campaigns, the future is open for the taking. Ultimately it's the brands that are able to understand the landscape, position their brand authentically, and become part of the conversation too that will win the hearts and minds of Generation Z.



A group of young women are shown in profile, laughing and talking together in a social setting. The woman in the foreground has blonde hair and is wearing a dark, textured sweater. The background is blurred, showing other people and warm lighting.

## Talking point

How have influencers, and increasingly branded online experiences affected the way Gen Z feel about advertising?

“

Gen Z craves a personal, authentic connection. We grew up watching and interacting with YouTube stars who were just like us, not elusive, Hollywood celebrities. We appreciate the chance to engage with authentic, imperfect art.

Anon, Gen Z<sup>4</sup>

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<sup>4</sup> “There’s a generation below millennials and here’s what they want from brands”, [CNBC](#)

# Gen Z: The stats and facts

Consumer Survey and Adthena data



# A note on methodology

## THE STATS AND FACTS

The following statistics and quotes are drawn from a consumer survey of 200 participants aged 18-24, and are supplemented where relevant, by Adthema's proprietary search data that indexes over 10TB of new search advertising data every day. Powered by Adthema's Whole Market View, our dynamic data represents each advertiser's entire relevant search landscape. The solution provides the comprehensive data scope and quality required by the world's leading advertisers to precisely assess competitive opportunities at scale across their entire market, without limitations.

Results were collected in February 2019, and survey responses were equalized to ensure balanced gender and age distribution within the target demographic.





# Social media

The social media revolution has had a huge influence on the digital media habits of Generation Z. Our findings revealed that not only have a majority of Gen Z consumers researched products on social media, but that a large proportion admit to having made a purchase based on an influencer's recommendation.

Social media is growing in influence as a customer acquisition channel, and the changing way younger consumers are interacting with these platforms has cross channel learnings. In the last year, Nike boldly stepped into the #blacklivesmatter conversation to back Colin Kaepernick, a move that analysts have voiced was a conscious, and researched attempt to win over young audiences. The campaign showed how brands today are much more willing to take a stance on social issues, and to become part of the conversation.

**65%**

agree that they have made a purchase based on an influencers recommendation



**I follow influencers**

Highly engaged with social media, Gen Z are open-minded about brand advertising and experiences on their preferred platforms.

**I couldn't imagine life without social media**



**54%**

of Gen Z survey respondents say they have researched a purchase with social media

“

It's a bold move in an age where marketers often talk a big game about becoming part of the cultural conversation, but often fall short by refusing to take much of a stand on anything. Most brands try desperately to stay out of highly charged political issues. In this case Nike is almost inviting the controversy.

Tim Calkins – Marketing Professor at Northwestern University's Kellogg School of Management



## Talking point

How successful was Nike's decision to back Colin Kaepernick in the controversial #BlackLivesMatter debate?



“

In my mind, this resonates with Nike's core customer. If we look at the studies that have been done on millennials and Gen Z, it's very clear that they want the brand that they buy to take visible stands on social issues.

Matt Powell – Sports Analyst at market research firm NPD Group<sup>5</sup>

<sup>5</sup> "Assessing the Fallout -- Good and Bad -- From Nike's Kaepernick Ad", [Ad Age](#)

# Search



79% of CMOs say search will be their most important marketing channel for 2019 and beyond, according to a Nielsen survey<sup>6</sup>. When it comes to Generation Z, advertisers are facing an audience that is incredibly 'ad-aware' with 85% admitting that they recognise ads in search.

The opportunity for advertisers will be to focus advertising efforts to connect with Generation Z, leveraging the data and intelligence available to them to optimize ad copy for young audiences. With 63% of Generation Z saying that they are influenced by Google ads, advertisers have every chance to reach and engage this audience if they are able to adapt to their changing requirements.

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<sup>6</sup> The Nielsen CMO Report 2018, [Nielsen](#)

Gen Z are highly aware of when they are being advertised to. In fact, many use an ad blocker, showing just how discerning they are about their online experiences.

**26%**

use ad blockers on mobile devices only

I want **ad-free browsing** on my mobile

I **recognise ads** in search

**85%**

say they are aware of the sponsored ads in Google



# Case study

## How are advertisers targeting Generation Z with search ads?

In search, targeted advertising practices enable marketers to segment ads that are clearly catering for a Gen Z demographic.

At present Gen Z still do not have the purchasing power of millennials, however there is evidence in search that advertisers are adapting their approach to better speak to this generation. One area where Gen Z are blooming early as shoppers is fashion. In this segment, search advertisers are beginning to adapt to the demands of their new audiences. It's something that can be visible in observed ad campaigns<sup>7</sup>.

### Conversational ad copy

Consider this Nasty Gal ad, which utilises simplicity, collaborative language and emotions, and conversational ad copy and slang, to resonate with a young target audience.

**Simple and short ad copy. Doesn't insist on filling the character count with promises of free delivery etc.**

Language involves collaborative emotions

Conversational title text and use of slang. Very unusual considering that the second half of the title is normally reserved convenience 'Free Shipping', 'Next Day Delivery', or the company brand name.

**Nasty Gal Latest Co Ords | Go On, Girl, Treat Yo'self**

Ad [www.nastygal.com/](http://www.nastygal.com/)

Get It Together In Our Latest Drop Of Need-Now Sets - New Selection Of Essential Co-Ords.

NastyGalsDoltBetter.

Hashtag style portmanteaus

Creative ad copy, use of slang (reminiscent of DJ culture)

Especially for a Google text ad, it's clear that this ad in particular is noticeably more conversational (and that bit closer to an organic social media post) than conventional search ads, which typically focus on ad copy geared towards conversions (such as next day delivery or financing options).

<sup>7</sup> Adthema internal data, February 2019

### Suit Direct - Mens Suits | Always 30% Off RRP | SuitDirect.co.uk

Ad [www.suitdirect.co.uk/](http://www.suitdirect.co.uk/) ▼

The Perfect Stop For Wedding **Suits**, Formal Wear & Office **Suits For Men**. Spring & Summer 2019 **Suits** Now Available. Shop The Incredible Range Online Now. Free UK Delivery Over £70. Next Day Delivery. **Suits** From Top Brands. Free UK Returns. Brands: Scott & Taylor, Racing Green, Limehaus. [Suit Direct Clearance](#) · [Big & Tall Menswear](#) · [UK Next Day Delivery](#) · [Shop All Shirts](#) · [Shop All Suits](#)

Consider this typical search ad, which highlights established USPs around efficient delivery, and financing options.

### Miss S Leopard Print Skirt | Up To 70% Off Everything

Ad [www.missselfridge.com/Skirts](http://www.missselfridge.com/Skirts)

New Year, New Outfit - Get Up To 70% Off Everything You've Been Eyeing Up! Take A Selfie #MissSelfie.

### Chunky Trainers | Make A Statement With MissPap

Ad [www.misspap.co.uk/](http://www.misspap.co.uk/)

Want Up To 50% Off All Your Favourite Garms? Head To MissPap & Treat Yourself Today Girl. Buy Now & Pay Later. You Only Regret The Purchases You Don't Make Babe.

These ads from [missselfridge.co.uk](http://missselfridge.co.uk) and [misspap.com](http://misspap.com) also employ conversational language and slang to engage their target audiences.



## Influencer endorsements and female empowerment

Further illustrating how search ads are becoming more conversational, and more like social media posts, these ads from Puma and Pretty Little Thing namedrop key brand influencers, and utilize language and hashtags reminiscent of 'textspeak' or the organic languages of social media.

### Must Have Handbags | New In From £8

**Ad** [www.prettylittlething.com/](http://www.prettylittlething.com/)

Want Somethin' New? We've Got You Covered. New Styles Dropping Every Single Day! New In From £5. Must Have Coats. **PLT x Ashley Graham**, Boss Workwear. **PLT x Maya Jama Part 2.**

### Womens Coats & Jackets | New In From £8 | Free Returns

**Ad** [www.prettylittlething.com/](http://www.prettylittlething.com/)

Want Somethin' New? We've Got You Covered. New Styles Dropping Every Single Day! Going Out Out? £1 Next Day Delivery. Boss Workwear. **PLT x Maya Jama Part 2. PLT x Ashley Graham.**

### PUMA California Exotic Sneaker | Step Into Your Own | puma.com

**Ad** [eu.puma.com/Exotic/California](http://eu.puma.com/Exotic/California)

**Dress Like Selena Gomez** With The New California Exotic. **#DoYou #PUMAWomen** Free returns. Exclusively at PUMA®. Free shipping from £ 60. Outstanding Comfort.

### We Are Missguided | Need It For The Weekend?

**Ad** [www.missguided.co.uk/](http://www.missguided.co.uk/)

Need Your Outfit For The Weekend? Choose NDD By Thursday And We'll Do The Rest Babe. **Empowering Every Woman.** Playboy Part II. Klarna Available On App. New Styles Everyday.

Influencer endorsements

Hashtags

Female empowerment

*There is also a theme of female empowerment, a trending and emotionally charged subject, showing how brands can genuinely assert an opinion on key topical issues.*



## Summary

Search advertising makes an interesting case study for the evolving ad landscape. The targeted nature of search ads mean it's possible to discern ads that are specifically catered for a Gen Z audience.

We can observe that even in paid search, where ad copy is driven by iterative testing processes and can sometimes be slow to change, there is evidence that advertisers are becoming more conversational, and that search ad copy is being influenced by the language and slang of social media.

So conversation ads more reminiscent of social media content than rigid A/B testing and optimization. Could this signal a more long term trend? Only time will tell...

## Talking point

Love it or loathe it, isn't it about that time that search ads for the next generation received a vital injection to rejuvenate stale ad copy?

I **discover new products** in Google

**71%**  
say they have discovered a new product in Google

I am **influenced by** Google ads

**63%**  
say they are influenced by either Google text, or Google shopping ads

Nonetheless, search remains highly influential for Gen Z, with the large majority still discovering and evaluating purchases in Google.



# Brands

We're making the Apple Store  
you love even lovelier.

Please visit [apple.com/retail](https://apple.com/retail) to shop or find the nearest store.

Gen Z audiences look to digital signals to evaluate their brands. The largest majority cite price and value for money as the most important factors when making their purchases, and 86% will look at online reviews.

Unique to Generation Z is the extent to which they value authenticity from the brands that advertise to them. Our survey revealed that 78% of Generation Z single this out as the most important quality that they care about.

The deeper undercurrent here is how brands, in order to be perceived as authentic, need to be part of the conversation too. Gillette's 'The best a man can be'<sup>8</sup> campaign shows how brands are being much more proactive in taking a stance on topical conversation, however the challenge will be to ensure that a brand's messages are perceived as authentic and relevant.

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<sup>8</sup> [Gillette](#)

I care about  
**authenticity**

**78%**

strongly agree that they  
care about the authenticity  
of products being marketed  
to them

I care about **brand  
reputation** for the  
products I buy

**86%**

agree or strongly agree that brand  
reputation is important when making  
purchases online

When it comes to their  
favourite brands, Gen Z  
look for authenticity, and  
genuine value.



## Talking point

Gillette's 2019 "The best a man can be" campaign sought to tackle 'toxic masculinity'. But what do Gen Z think?

“

I think Gillette were brave to get involved with the #metoo conversation, but I also think brands should only get involved with the causes that really resonate with their values and what they're about.

Anon, Gen Z survey respondent



Gen Z are smart shoppers, and a large majority will evaluate their purchases online and seek out online reviews.

**54%**

ranked price as the most important factor (from eight competing variables) when making purchases.

**Price and value for money** are the most important factors for me when making purchases.

I research and look for **positive online reviews**

**86%**

rated positive online reviews to be very important when making purchases online

A young woman with voluminous curly hair and glasses is sitting on a light-colored sofa. She is wearing a white long-sleeved shirt and blue jeans. She is looking down at a laptop computer that is open on her lap, with her hands on the keyboard. The background is a bright, modern interior with a large green plant on the left and a window with blinds on the right. A blue rectangular box is overlaid on the top right of the image, containing the text 'Talking point' and a question.

## Talking point

Are Gen Z really that different from millennials?

“

My numero uno message to brands that try too hard with the things that a 40-year-old thinks we would like is: When designing a product or creating an ad, if you think 'oh that's perfect for Gen Z' — that means it's probably a millennial idea and a straight path to failure. We are different.

Anon, Gen Z<sup>9</sup>

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<sup>9</sup> "There's a generation below millennials and here's what they want from brands", [CNBC](#)

# Visual vocabulary

Predictions for the  
future of advertising



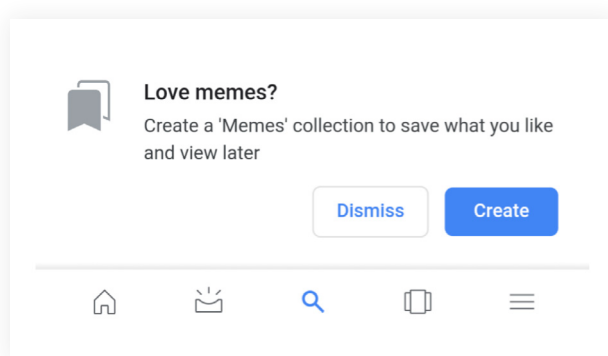
# Predictions for the future of advertising

## VISUAL VOCABULARY

**Marketers have become comfortable advertising to millennials, and it will be tempting to believe that Generation Z are not so different. History, however, tells us that each generation has their own unique identity, their own unique traits that define their choices, and the experiences they seek online.**

Consider that millennials grew up texting on Nokia handsets (making every character count to reduce service charges) but that for Generation Z, a whole conversation can be conducted entirely without words. On social media, memes have become a

popular form of expression. These conversations are more visual, and evolve so quickly that they may be perceived as inaccessible to those not 'in-the-know'.



Even Google recognizes that users may be developing a meme vocabulary. On Android devices, users are now presented with a feature to save images to a 'Memes' collection, that can be conveniently accessed from their preferred social media apps. The way that Generation Z interacts with digital media is breaking new ground. Conversations, or interactions, are much more visual, to the extent that it might be considered part of a visual vocabulary, would they expect the same from their advertising experiences?

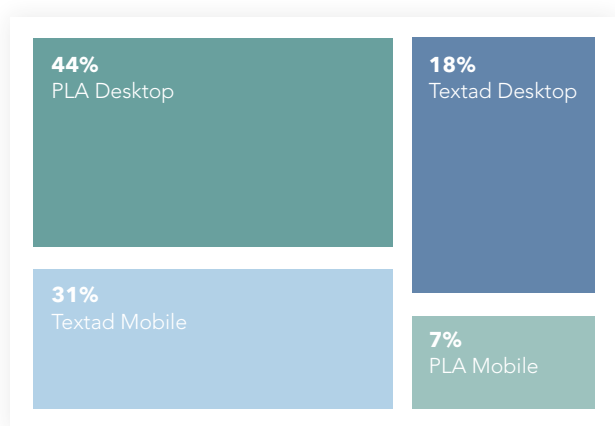
## Talking point

Will search advertising become more visual in order to resonate with a generation accustomed to rich media experiences?



## The growth of Google Shopping ads

There is evidence that advertisers are already responding to a more visual audience with their search advertising campaigns. The following example looked at the types of ads the Gen Z demographic were consuming when researching and purchasing keywords related to prom dresses.



*Volume of estimated impressions by device/channel on searches related to 'prom dresses' (2019).*

Adthema data revealed that 44% of ads that searchers viewed when search from prom dresses in 2019 were Product Listing Ads on desktop, indicating that advertisers may consider the visual format to be effective at reaching this audience. Just 18% of ads viewed in this segment were for desktop text ads.

We can draw from this that in retail, PLAs (also known as Google Shopping ads) are already being utilized as a popular ad format for reaching Gen Z. This is in line with the long term trends; a recent study of Google Shopping ads by Adthema, [The Rise of Google Shopping](#), revealed that advertisers in apparel now devote 54.2% of ad spend in the UK to PLAs on desktop, with US advertisers devoting 47.7%.

### Summary

Search advertising is becoming less and less limited by characters and text. Gen Z have grown up in an era of unrestricted rich media, and a highly visual style of digital communication. The growing influence of product listing ads shows that advertisers are early indications that advertisers are moving towards more visual ad formats in order to connect to young audiences. But could the future of advertising include even more visual forms of advertising?

# Conclusion

Up your game  
for Gen Z



# Up your game for Gen Z

## CONCLUSION

Marketers seeking to connect with Generation Z should first and foremost understand that these consumers place high value on qualities of genuineness and authenticity. The results in this report indicate that Gen Z are more connected and switched on than any generation to date, and that his demographic in particular is highly adept at recognizing authenticity in digital media.

Generation Z are aware of sponsored advertising in Google, and many utilise an ad blocker to filter their ad experiences in some way. Despite this, a large majority still admit that they discover products through the search engine. It shows how Gen Z are simultaneously selective about how they are being advertised to, and also open minded when it comes to digital advertising.

To navigate these challenges, advertisers should ensure they have precise data and intelligence to cut through the noise, and to provide meaningful ad experiences. They will need to ensure they have the right insights to act on, so they can craft relevant and compelling digital experiences for the next generation of consumers.

## Talking point

There are clearly challenges, but is there an opportunity here for advertisers to better reach this audience. How can brands improve on how they deliver ad experiences in order to truly engage with this generation?

**65%**  
follow influencers

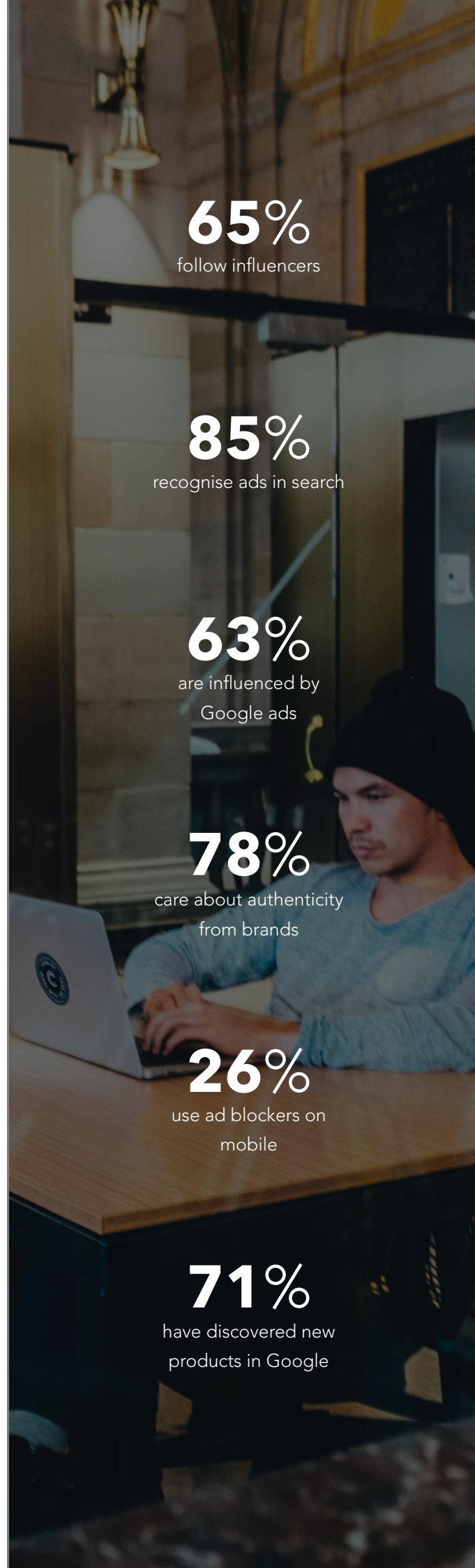
**85%**  
recognise ads in search

**63%**  
are influenced by  
Google ads

**78%**  
care about authenticity  
from brands

**26%**  
use ad blockers on  
mobile

**71%**  
have discovered new  
products in Google



# Looking for Gen Z?

Over **250 major brands and agencies** partner with Adthena, using our **innovative technology to reach audiences and convert customers**. Get in touch with Adthena to find out how our competitive intelligence can benefit your brand.

