

GEN Z



There's a big opportunity for food companies who market to this up and coming cohort.

Generation Z, the cohort born after the Millennials, currently make up a quarter of the US population and will account for 40 percent of all consumers by 2020. The emerging demographic already commands \$44 billion in buying power. CPG manufacturers that begin building a relationship with Gen Z now stand to reap huge benefits as their spending power continues to expand.

As the first generation born into a digital world (96 percent already own a smartphone!), members of Gen Z are constantly and continuously plugged in, and this connectivity translates to their shopping habits. Forty-seven percent of Gen Zers are already using their smartphones while shopping in-store. Melissa Abbott of The Hartman Group explains that for Gen Z, "There is no question that can be unanswered." She adds, "This affects the food they eat because they really want to know where it's from, how's it grown, who made it."

GEN Z WILL ACCOUNT FOR 40% OF ALL CONSUMERS BY 2020.



THE MILLENNIAL ATERSHOCK

by Caitlin Orosz

BRAND AWARENESS

The NPD Group's David Portalatin calls Gen Z "a seismic force for the food industry," and points out that they're growing up "under more prosperous economic circumstances, yet with their own differentiating set of values." Members of Gen Z are partial to brands that are transparent, engaging and conscientious. This group isn't paying attention to ads, it's paying attention to messages. Seventy-two percent of Gen Zers are willing to pay more for products that are committed to positive social and environmental impact.

Finally, The NPD Group reminds manufacturers that Gen Z was born into a foodie culture. They enjoy trying new foods, and are more willing than previous generations to go out on a limb with their tastes. These commanding consumers are active online, care about sustainability and seek adventures in taste. Food manufacturers must recognize and adapt to Gen Z's desire for convenience, value and quality now, as are these forward-thinking brands.



1 Power in the Hands of the Consumer.

In 2014, Frito-Lay launched a contest for consumers to suggest potato chip flavors. The brand was swarmed with more than 14 million online votes. Ann Mukherjee, president of the company's global snacks group and global insights division notes, "This wasn't about Lays. We created tools that allowed people to celebrate their passion for food. Lays became a communication device for people to share about their daily lives."

Chobani.

2 Community Wins the Gold. Chobani spreads its culture through social media and takes its digital connections into the real world. During the 2012 Olympics, Chobani gave athletes yogurt at training centers and selected six US Olympians to represent "Team Chobani." Online, Chobani posted video interviews with Olympians, behind the scenes shots, and an interactive mo-

saic showcasing Chobani fans. Then, Chobani encouraged fans to share their own stories of how yogurt fuels their lives by using the #chobanipowered hashtag. Today, the brand boasts more than 1,480,379 followers on Facebook.



STARBUCKS

3 Brewing Green Responsibility. Since its inception in 1971, Starbucks Coffee has focused on sustainable practices. Starbucks' vision is "together we will elevate our partners, customers, suppliers and neighbors to create positive change." The company supports products like Ethos Water, a brand that provides children with access to clean water and funds water sanitation education programs in water-stressed countries, helping over 430,000 people around the world.

When it comes to eating and drinking behaviors, Gen Z has the potential to be the most influential generation we've ever seen. This group is important, and only getting bigger. Build your loyalty with them now by being authentic, accessible, interactive and forward-thinking. 🔥