

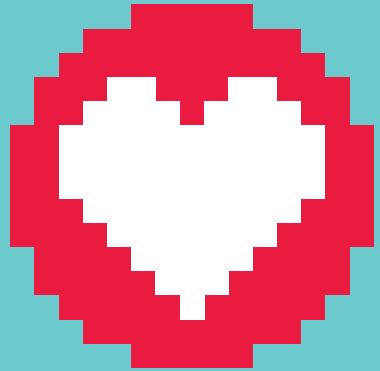
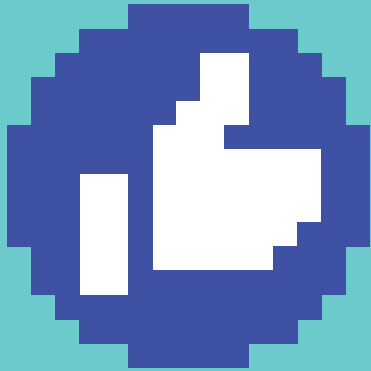
Finding Gen Z At Home for the Holidays



Gen Z's preferences are changing this season. Their behavior has been shaped by nearly 24 months of self-navigation through a global health crisis and economic upheaval, causing them to rethink their values, priorities, and how they will wield their spending power. With the arrival of the holidays, businesses will be vying for brand allegiance so the critical exercise is understanding what makes them tick, pay attention, and shop during this important sales window.

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A New Holiday **Communication Style**



Gen Z is turning their backs on mainstream social media platforms that many assumed were unshakable, as they desperately search for intimate connections with their friends. For Gen Z, it is normal behavior to be digitally active for almost 24 hours a day, but now they are taking that time away from destinations such as Facebook, Instagram, and Twitter. In exchange, they are creating new spaces for themselves that better meets their current needs. They are looking for communities that promote healthier relationships with social media, do not feature intrusive advertisements, and create a feeling of safe spaces for users.

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The rise in Campfire Communities is shifting Gen Z's digital touchpoints into new directions that foster more intimate connections with those they talk to online, seeking a more positive and productive social media experience. These communities tend to be hyper-focused based on specific interests and passions, a drastic change from mainstream platforms that ask the user to broadly appeal to as many followers as possible. Newer audio-only apps like Clubhouse, Greenroom, or Stereo remove the pressure of aesthetics and allow for creativity not seen elsewhere. Hyper-focused follower-based platforms like Twitch and Discord safeguard the community from outsiders.



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Many of these platforms are topically organized, building those communities around a uniting theme that fosters connection. These themes can be centered on fandoms, hobbies, and interests that may be relevant to a brand. The newer social platforms provide Gen Z the opportunity to engage in a way that better allows them to curate their own experiences, leading to an often healthier relationship with social media.



REDDIT

A collection of forums focused on news, commentary, or content.



DISCORD

A voice, video, and text chat app allowing users to communicate on private chats or communities.



STEREO

A social audio app where users can communicate in audio chat rooms based on specific topics.



CLUBHOUSE

A social app that enables people to have and discover real conversations in real-time.



TWITCH

A video live streaming service that focuses on gaming and in real life topics.



NEXTDOOR

A discussion-style platform where neighbors post updates, events, and ask for recommendations.



PEANUT

A safe space app to ask questions, find support and connect with other women on topics including parenting and wellness.



TELEGRAM

A cross-platform, cloud-based instant messaging system that allows for private chats or conversations

A New Holiday Buying Style

Known as digital natives, Gen Zers are in fact heading to the stores to shop! Brick and mortar is not a thing of the past - Gen Z actually prefers it, and **more than half (67%) of the group say** they shop in-store most of the time. **Almost 3 out of 4 Gen Z say in-store shopping is a great way for product discovery** and provides a new sense of “retail therapy” - as more than half feel brick and mortar stores allow them to disconnect from social media stress. This also feeds into the fact that Gen Z consumers crave individualized shopping experiences, which brick and mortar provide through access to in-store reps, try-ons, collabs, etc. with retailers like Target curating an Ulta shop-in experience.



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When it comes to payment, Gen Z is anything but traditional. They adopt new payment methods such as mobile payments and digital wallets and make purchases with apps like Cash App, Venmo, and Apple Pay leading the way. Furthermore, they take advantage of new “loan” options, as Gen Z is most likely out of all the generations to take advantage of the buy now/pay later choices (i.e. Klarna, Afterpay), paying back vendors over a fixed period of time allowing them to ‘keep up with the Jones’. Diving further into the world of digital payment, Gen Z has embraced crypto for its accessibility, community, and perceived blockchain security. Retailers like Pacsun have begun accepting cryptocurrency as a form of payment and even countries like El Salvador recently announced its adoption as a national currency, further solidifying its legitimacy.

A New Holiday Outlook

What we are now witnessing is global culture looking to maintain its identity in all aspects of American culture including holiday celebrations. As Gen Zers continue to awaken from the stillness of 2020, they are reinventing the balance between connecting with their roots outside of American traditions and safely enjoying American traditions. With consumers coming to a new way of experiencing culture, **57% are now making their Thanksgiving plans earlier than usual. For Gen Zers those plans include hosting or attending a "Friendsgiving" celebration**, while other generations are adding travel to their holiday plans.



57%

ARE NOW
MAKING THEIR
THANKSGIVING
PLANS EARLIER
THAN USUAL

Now that preparations are underway, what would seem like already well-known questions such as "When is Thanksgiving?" and "Why did the pilgrims celebrate the first Thanksgiving?" are coming up for Gen Zers as they get to an understanding of their relationship with themselves. Many consumers are connecting with their roots outside of American traditions with Gen Z being at the forefront of this movement of introspective enlightenment. The aim is for more culture to be celebrated in its highest light to dismantle those unnecessary biases and bring out more of those holiday traditions for years to come.

Dos and Don'ts of the Holiday Campaigns

Dos:

In the newer digital platforms, Gen Z users are encouraged to curate their online experience—**DO create holiday campaigns that allow for your brand to fittingly join these newer digital platforms** in a way that doesn't persuade consumers to purchase a product. Let them experience the products through curated organic moments.

As technology advances the ways consumers pay for goods and services by using non-banking apps such as by now pay later offerings—**DO host or sponsor holiday celebrations that incorporate these services** for Gen Z consumers to purchase items during events. Provide them with a balance between excitement and staying financially safe.

Cultural identity empowerment is an important aspect of Gen Zers—**DO authentically represents individual cultures and communities** when approaching holiday partnerships. Gen Z can tell when ads are inauthentic or for cultural optics. Seeing themselves in ads solely through visibility does not foster true cultural representation.

Don'ts:

Over ½ of Gen Z is planning to dial-up their holiday spending this year, but it will align with their generational priorities.—**DON'T encourage overspending by using old holiday traditions** such as Secret Santa instead lean into their purpose-driven passions and interests.

Creative partnerships should feel like a true collaboration—**DON'T ignore the sentiment and values of creators**, rather ensuring they show up within holiday activation.

Gen Z consumers have begun losing interest in mainstream platforms for their lack of personal connections—**DON'T ignore campfire communities** that present niche brand opportunities to connect with consumers.

