



The Gen Z Consumer: What they eat, drink, and think

By Sonal Holland

Sonal Holland breaks down this generation's consumer habits.

I often find myself thinking about how brands have to constantly reinvent themselves, to appeal to newer audiences – many a time newer because they are younger. Consumer bases are shifting like quicksand, and it's the smartest brands that know how to switch gears rapidly and put out messaging that will appeal to a wider range of customers, keeping their varied ages, backgrounds, spending power, and other preferences in mind. The people I find the most fascinating however, is Generation Z. Though it is said that this generation won't peak for another 10 years in terms of numbers, they are rapidly influencing market trends and shaking traditional beliefs that drove businesses for centuries.

Before we get into the many layers of Gen Z consumer behaviour, let's first understand who they are. Anyone born between 1996 and 2015 falls into the Gen Z bracket. This generation probably has the most unique spending habits throughout history, and it is important to pay attention to them since their population size is more than 2 billion on a global scale, with more than 60% in Asia – India alone is home to 472 million of them and is home to 20% of the global Gen Z population. Collectively, they possess \$200 billion worth of annual purchasing power, the richest, history has ever witnessed within an age demographic so far. What's more, they are the first generation to be born into technology, and in India, they are our first generation of digital natives.

How does such a potentially influential generation think, spend, and consume? I would suggest that brands need to sit up and take more notice of this group of people, who are influencing the way our retail and consumer landscapes are being shaped.

What Makes Them Tick

Having grown up in the throes of a heavily digitised era, Generation Z believes that a global, connected world is the norm. Information is readily available at their fingertips, especially while making purchase decisions. These digital natives extensively scroll through hundreds of product reviews and filter out opinions based on what they think is credible, or whose values align with their own, before deciding to spend their money. To put it simply, they do their research and they do it thoroughly, mostly through digital mediums. Therefore, being a brand without a solid online presence is almost like having no presence at all.

The Age of Influence

Gen Z has a knack for dismissing what they feel is inauthentic. They would rather trust people over brand ambassadors, which is why it is crucial to create a community around your brand and solidify what it stands for. Therefore, while thoughtful influencer engagement is important, word of mouth is even stronger for this generation. Move over, macro influencers, hello, micro influencers. Identifying the right people with the best audiences – i.e. those with spending power for your brand is key, and will help a brand build authenticity the way advertising in times past did.

Make it Distinctive

It's never been more important to have a unique brand voice than when trying to woo today's Generation Z. This group is looking to distinguish themselves through the products they purchase which means that only those brands with a distinctive story will make the cut. Brands should not be afraid to be innovative or go niche with this set; in fact, the quirrier the better, but make it good quality, as this generation is still very discerning. To Gen Z, being seen, heard, and valued as a unique individual is of great importance. Brands like Nike, Adidas, Starbucks, and Gucci have identified this trait and capitalised on it by offering customisable products. This generation would much rather spend their money on personalised items which have significant meaning, as opposed to mass produced ones that are trending.

Values First

One of the major principles influencing Gen Z consumer behaviour is their personal value systems. To them, it is imperative that the brands or companies they endorse are in sync with their beliefs. Whether its clothing, luxury items, food, or beverages, they truly want to understand to whom and where their money is going. They expect brands to be ethical in the way they function, and can easily spot if a brand is not aligned with their campaigns.

The discerning, value-driven consumer habits of Gen Z are paving the way for a more conscious corporate environment due to which the future of business will hopefully be one we can trust.

An Openness to Learn

An important thing to keep in mind about Gen Z is their willingness to learn about new things. Their inherent confidence allows them to readily admit when they don't know enough about a subject, and results in an eagerness to gather more information about it. Brands should take this as a great opportunity to engage this generation with their products and services. However, a word of caution – Gen Z needs to be spoken to as an equal, not talked down to. Keep content accessible but not preachy. Trivializing this generation will not be in a brand's best interests!

Keeping it Healthy

Gen Z is, unsurprisingly, also spearheading a change within the food industry. Their food consumption decisions are predominantly based on wellness. They aim to gain a proper understanding of the supply chain of what's on their plate. They purchase organic, sustainable, locally-sourced produce, and look for the same ethos in their dining experiences as well. Being the most racially diverse generation, they are always looking for dining experiences from other cultures, and are also open to trying new things. Plant-based food and numerous niche diets are on this generation's radar, and the food industry is now catering to this trend.

When it comes to beverage consumption, the Gen Z drinker isn't drinking as much alcohol as previous generations. According to RDSi, a research organisation dedicated to studying Gen Z trends, their drinking habits can be attributed to the unstable economy they grew up in. Their spending habits are more conservative which is why they would rather stay home with store-bought alcohol than go out and spend at a posh bar. However, they don't miss out on the bartending experience by virtue of staying home, as they have taken to becoming experimental mixologists with the help of the Internet.

In a nutshell, Generation Z is opinionated, driven by a unique set of values, and not easily impressed. Brand should take heed and work triply hard to hold this generation's interest when offering new products and services. Make a good impression, and something tells me you'll have a Gen Z customer for life.

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