

GETTING TO KNOW GEN Z:

HOW THE PIVOTAL GENERATION
IS DIFFERENT FROM MILLENNIALS



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About FutureCast

FutureCast® is a marketing consultancy that specializes in Millennial trends and modern consumer behavior. We literally wrote the books on it. *Marketing to Millennials* and *Millennials with Kids* are top selling marketing books that have renovated businesses all over the world. We utilize our deep understanding of the Millennial Mindset® and a proprietary typing tool to help brands identify their unmet consumer needs across generations fueled by Millennial cultural trends to unlock their greatest opportunities for activation.



About Barkley

At Barkley, we take pride in future-proofing business models and modernizing iconic brands. However, we are more than an ad agency. We are integrated business partners who are analytic and innovative at the core, using data to drive marketing conversation and strategies. This culture of innovation allows us to partner with our clients to create the solutions of the future. Our emerging technology innovation practice has built and deployed new technologies that create more engagement with the savviest generation of consumers we've ever seen.



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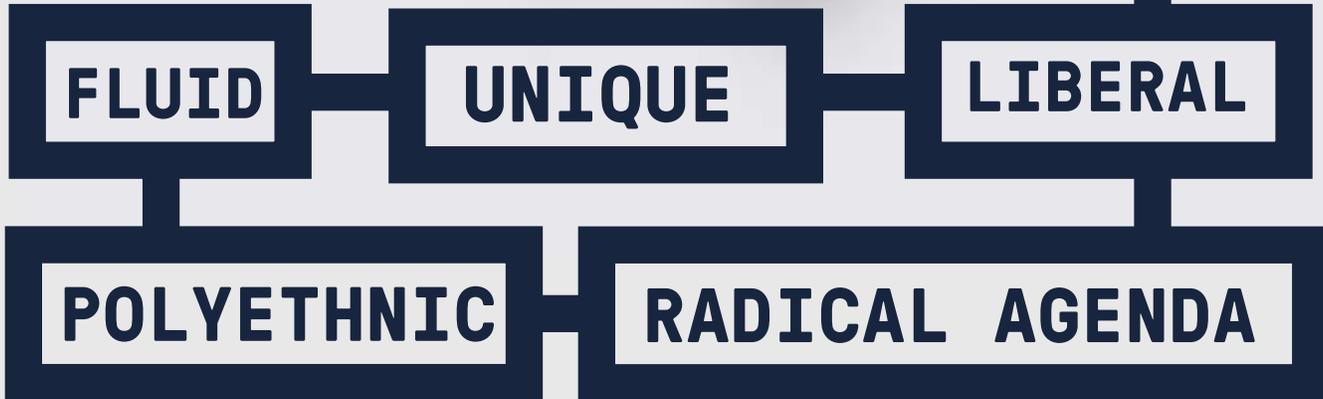
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TRADITIONAL

NON-CONFORMIST



EXECUTIVE SUMMARY

Kids these days ... Can't live with them, can't live without them.

Despite the cliché, there has never been a more true statement. Teens today are becoming one of the most powerful consumer forces in our market, and as they are beginning to form their own brand preferences and develop personal buying behaviors, businesses must be on the forefront of this generation's expectations for brands.

We recognized the major influence Gen Z is starting to wield and wanted to learn more. This same curiosity fueled our investigation of the Millennial generation over the past five years.

As a result, we conducted one of the first deep dive research projects with our partners at Barkley in order to better understand the behaviors, attitudes and motivations of the elusive Generation Z. What we found will not only guide brands as they begin to tap this generation, but will also serve as a roadmap for understanding the complicated inner-workings of teenagers coming of age in the post-digital era.

Through our research, an image of this generation has emerged that points to the fact that teens today are pivoting away from common Millennial behaviors and attitudes and are setting



new standards that brands must be aware of in order to be successful in the future. Because of this, we are calling them the **Pivotal Generation**.

Reading this report, you will begin to understand the pivotal force that this generation brings to the market. Battling the duality of traditional and non-conformist values and behaviors, Pivotalers have harnessed a lever that *will* move the world forward. Earnest, hardworking and driven by traditional views of success regarding money, education and career advancement, Pivotalers resemble Boomers in their attitudes. Their beliefs, however, tell a different story. This generation is writing new rules that favor liberal — almost radical — viewpoints on things like race, gender, identity and sexuality. Socially and technologically empowered, they are arriving on the scene at a crucial moment in history. Whereas Millennials dreamed of changing the world, Pivotalers actually will through a much more practical approach.

Brands willing to support Pivotalers' ambition and play by their rules will win their loyalty. Those that don't will be ignored. We have boiled down the research and consulted the experts, teens themselves, to learn what brands need if they hope to earn their love and loyalty. This is what they told us:

1. **We want to work for our success, not be discovered.** →
2. **We believe that equality is non-negotiable.** →
3. **We want brands to be real so we can be unique.** →
4. **We have our own system of rules and etiquette for how we use social media.** →

Are you ready?



METHODOLOGY

The key questions that served as the cornerstone of this report include:

1. **How is Gen Z different from the Millennial Generation?**
2. **What does Gen Z believe and value?**
3. **What perspectives shape their experiences?**
4. **When faced with decisions, what drives Gen Z to make a choice?**
5. **What makes brands relevant to Gen Z?**

HOW WE DID IT

Barkley quantitative study of national sample

Our primary piece of research was a quantitative, cross-generational, nationally representative study fielded in September 2016. We explored purchase and spending behaviors, attitudes, beliefs and motivations across all generations (Gen Z = age 15-19, Millennials = 20-35, Gen X = 36-51, Boomers = 52-70) as they related to:

- Views on self (health/wellness/nutrition), society (workers/wages/cause), planet (environment/sustainability) and the role of brands
- Brand expectations
- Media habits
- Shopping habits (retail and restaurant segments and channels)
- Information access

Barkley ethnography across ethnic and income tiers

In addition to quantitative research, we spent a month working and shopping with teens to gain better insight into how they spend their time on a daily basis and what motivates them on a personal level.

So, what did we learn?

The answers may surprise you.





“Gen Z? That’s what I am, right? Are we still labeling things like that?”

FOCUS GROUP PARTICIPANT, 16 YEARS OLD



GETTING TO KNOW THE PIVOTALS

While there is not a confirmed age range for Generation Z, for the purpose of this report, we focused predominately on teens under the age of 20. Despite their modest years, this group influences nearly \$44 billion of discretionary spending a year, according to Mintel.

This means that brands across industry verticals can no longer think of this consumer group as just angsty teenagers who everyone wishes would grow up. They are powerful market consumers who have a strong influence on the direction our market will go in the next decade and should be viewed as such. Similar to the Millennial generation, the Pivotal Generation is quickly forcing marketers and brands to rethink their strategies in order to maintain relevancy in a saturated market. A significant percentage of this impact can be attributed to the world in which this generation has grown up.

A Post-Digital Era

Teens today are the first generation of consumers to have truly grown up in an entirely post-digital era. Beginning in early childhood, if they did not know an answer to a question, they were taught to “Google it” or, even better, “ask Siri.” As our technology rapidly evolves, the things that were once considered groundbreaking advances to other generations are taken for granted by Pivotal. For example, a smart phone is not a piece of “technology” instead it is simply part of life. Teens today are not amazed by the latest iPhone because they expect the functionality and ease of use it delivers.

Additionally, the immediate availability of information and the ease with which it can be accessed has completely shaped the way this generation engages with brands, makes purchase decisions and connects with each other. As a result, our market today is dependent on a two-way conversation — something that did not exist during the Boomer years of Mass Marketing.

Although some Millennials are on the cusp of being born into this post-digital era, a majority still came of age before cell phones and Wi-Fi. Pivotal, however, will never know life without social media, smartphones or free wireless internet.

The oldest Pivotal today were born in 1996. Let’s put that into perspective...



7

TIMELINE OF POST-DIGITAL GEN Z

1990

Dial-up internet was first offered publicly by Sprint.



PIVOTAL BIRTH RANGE

AGE 1

Six-Degrees, the first social media site, launched.



AGE 2

Google launched.



2000

AGE 4

Wi-Fi was first publicly accessible.



AGE 5

The first iPod was released.



AGE 8

Facebook launched.



AGE 9

YouTube launched.



AGE 11

The first iPhone was released.



AGE 12

Facebook overtook MySpace as the most visited social site.

2010

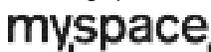
AGE 14

Starbucks first offered free Wi-Fi.



AGE 15

Many experts cite this as the end of MySpace. Most Pivotal's don't know what MySpace is.



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Around 2010 (when the oldest Pivotal was about 14 years old), social media went mainstream and subsequent platforms were launched including Pinterest, Instagram and Snapchat. Around the same time, Facebook and Twitter hit one billion and 500 million users, respectively. This makes it clear that teens today have no concept of what daily activity was like without social media and the mobile technology they use every day. However, we are seeing a shift in social media usage away from the Millennial mentality of broadcasting everything, to the new mentality of only broadcasting *specific* stories, to *specific* people, on *specific* channels. This becomes evident when we look at the channels that today's teens are most likely to use. Rather than Facebook, they are using Snapchat and Instagram, which are much more selective than Facebook (stick around — we'll get into the rules and etiquette of social media later in this report).

Although the number of social platforms has more than doubled in the past decade, teens today are more selective about what they are choosing to share and how they are choosing to share it.

Without question, technology has facilitated the evolution of the social self. This has greatly impacted the way the Pivotal Generation defines their personal identity.

The Curated Self

If you were born before 1980, then you remember that moment in your life when you “came of age.” Whether it was traveling abroad, starting a family or some other significant life milestone, the common narrative was that young adults embarked on a journey to define who they are as a person.

Teens today do not believe in the same narrative.

Instead, they view their identity as a curated composition, not a revelation. Whether through their Instagram feed or by their gender expression, teens have the ability to decide who they want to be at any given point in time and how they want to share that image. All it takes to change their outward identity is a simple swipe and an upload to Instagram. According to Jaclyn Suzuki, creative director at Ziba Design, more than 75 percent of teens today feel comfortable having multiple online personas.

This new approach to identity is a major foundation on which the Pivotal Generation is based.

Everything teens do is a reflection of this concept of curating their own identities. Whether it is how they choose to present themselves on social media in terms of achievement and success, how they outwardly express their gender identification (or lack thereof) or how they subscribe to a more conventional view of the world while still believing in more “liberal” values, the Pivotal Generation is forcing brands to rethink what it means to define one's sense of self and what that means for brand interaction and purchase behavior.

Because their curated identity is so public, teens are taking more care in how they present themselves and are pivoting toward a more traditional value system.



The Pivot Toward Tradition

Through our research, we learned that while Gen Z exhibits many similar behaviors to the Millennial generation regarding tech, digital and social trends, their ethos and value systems are more reflective of Baby Boomers and Generation X. As it is, we are seeing the pendulum swing back toward a culture that is more centered on personal success and branded material rather than experiential currency. This is greatly impacting the way they will approach purchase decisions as they continue to develop and form their spending behavior.

A slow-moving economy has also forced the Pivotal Generation to maintain a much more traditional mentality. The Pivotal Generation witnessed many Millennials fail when they were told they could do anything. As a result, we are seeing more traditional views regarding personal success and achievement resurface for this generation. However, where they maintain a traditional outlook on personal success, their beliefs and core social values are much more liberal.

Traditional	Non-Conformist
conservative behaviors	liberal views
focus on personal success	driven by power in numbers and group acceptance
interest in branded material goods	desire to display a unique identity
considers having a family a high priority	does not conform to traditional notions of sexual preference
values education	entrepreneurial and skill-oriented
financially savvy and aware	thinks globally, not just locally

Our research shows that Gen Z is quickly breaking down the binaries that once defined human behavior. Remember, this generation brings a pivotal force that is constantly battling the duality of traditional values with non-conformist behavior.

Looking at the traditional side, teens today are less likely to be drinking under age, using drugs, smoking and having unprotected and premarital sex. They are also more openly discussing topics that used be taboo including unplanned pregnancy and sexual orientation. As a result, they are more aware of their actions and respectful of the individual choices of their peers.

As this group tends to exhibit more conservative behaviors, it should come as no surprise that they are also more likely to maintain traditional ethos regarding honesty, loyalty and achievement. According to research from Boston Consulting Group, values that were extremely strong within the Boomer generation including responsibility, determination, work ethic, dependability, money, intelligence and independence all reappear as defining characteristics among these teens today.



However, in contrast to their alignment with the traditional ethos of previous generations, Pivotal are more likely to consider themselves to be more liberal, often taking a leftist stance on the core issues facing our economy today including feminism, LGBTQ rights and gun control, to name a few. Especially for young female teens, women's rights (gender pay gap, gender equality, etc.) are a concept with which they have grown up and have been taught from a young age.

It is important to note that while the pendulum may be swinging backward in some ways, the world we live in today is entirely different than the one that existed 50 years ago. While we will continue to see teens follow a more traditional path, they cannot be expected to act just like Boomers or Gen X, as they are doing so in an entirely new market that is guided by technological advancements and a social landscape that spans the physical and digital worlds.

Based on our understanding of their shifting values and behaviors, we've boiled down all of our research into the four most important insights you need to know about the Pivotal Generation:

- 1. We want to work for our success, not be discovered.**
- 2. We believe that equality is non-negotiable.**
- 3. We want brands to be real so we can be unique.**
- 4. We have our own system of rules and etiquette for how we use social media.**





“I want to be the best of the best, the smartest of the smart, and prove to others and myself that I am capable of taking on the world.”

FOCUS GROUP PARTICIPANT, 14 YEARS OLD



1 WE WANT TO WORK FOR OUR SUCCESS, NOT BE DISCOVERED

Personal success and independence are extremely important to the Pivotal Generation. More than half of the teens we surveyed agree that personal success is the most important thing in life. This is nearly 10 percent higher than Millennials (Figure 1.1).

A huge reason for this shift in importance of personal success is the influence of social media on how teens outwardly present themselves. There is an expectation that when something good happens or if someone experiences a success, they will share it on social media. If nothing is shared, we assume nothing good has happened. The Pivotal Generation is changing the old saying, “no news is good news.” Today, no news means bad news. By placing such high importance on personal success, Pivotal are ensuring that they do indeed have good news to share.

Additionally, this is a group that has never known anything other than a stagnant economy that is still responding to the Recession of 2008. During the height of the economic upheaval, when it came to spending, the Millennial mindset was often “it’s not worth it.” There was a sense that spending on material items beyond the necessities was not a worthy way to spend hard-earned dollars. As a result, we started to see that experiences trumped things. Our findings indicate that Millennials are more experience-oriented than any other generation (Figure 1.2).

Gen Z, however, has shifted this way of thinking from “it’s not worth it” to “you have to earn it.”

“If Hannah Horvath from *Girls* is the typical Millennial — self-involved, dependent, flailing financially in the real world as her expectations of a dream job and life collide with reality — then Alex Dunphy from *Modern Family* represents the Gen Z antidote,” said Lucie Greene, the worldwide director of the Innovation Group at J. Walter Thompson, in an interview for

figure 1.1:
SUCCESS BELIEFS BY GENERATION

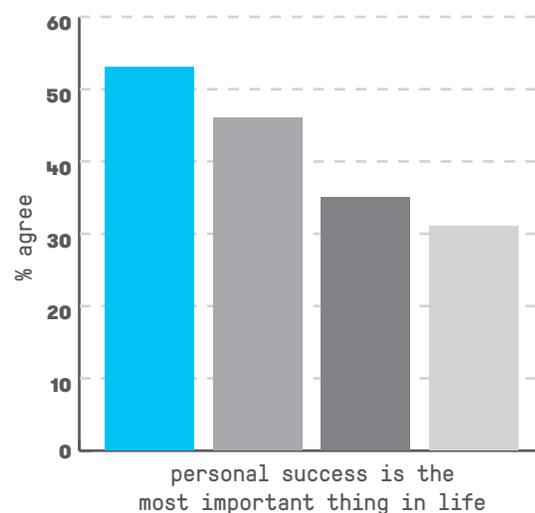
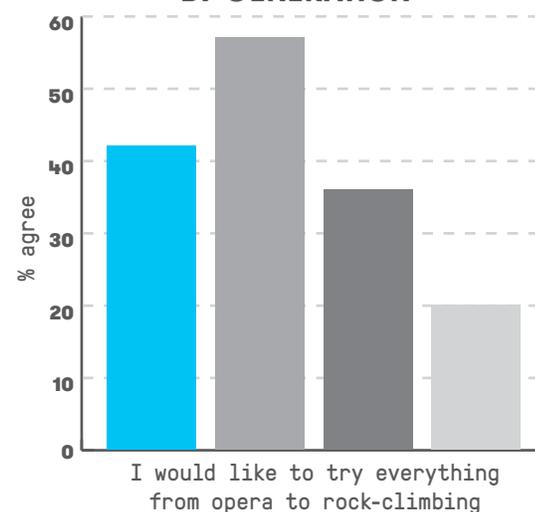


figure 1.2:
EXPERIENCE ACTIVITIES
BY GENERATION



■ Generation Z ■ Generation X
■ Millennials ■ Boomers

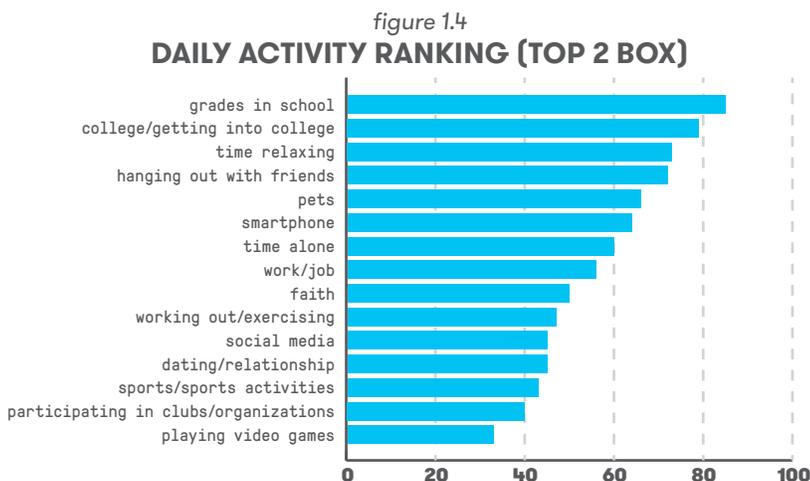
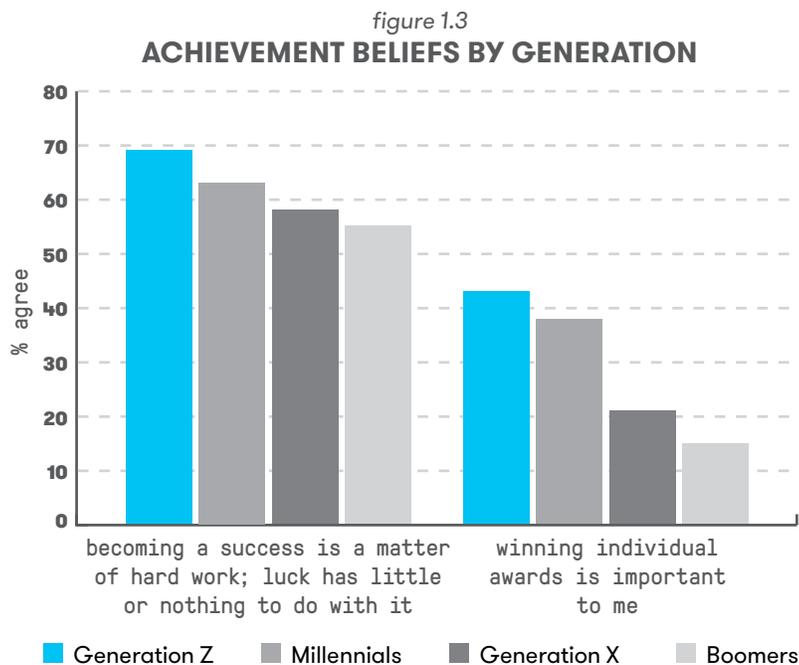
the New York Times. “Alex is a true Gen Z: conscientious, hard-working, somewhat anxious and mindful of the future.”



While Millennials were raised as the “Trophy Generation,” Pivotal view life through a much more practical lens. Teens today were born into an age where failure is broadcasted almost as much, if not more than, success. According to a study conducted by Pew Research Center, there can be as many as 17 negative news reports for every positive one. Teens today are growing up more aware of failure — making success an even greater aspirational goal — and they are not blind as to what it takes to achieve that goal.

According to our research, 69 percent of teens believe that becoming successful has little or nothing to do with luck. Considering Gen X parents, who are notorious for having a more skeptical and cynical view of the world, are raising most of these teens, it should come as no surprise that they also think the world does not owe them any favors. Additionally, Pivotal are significantly more likely to say that winning individual awards is important. For the Pivotal Generation, success is a deeply personal endeavor that is dependent on individual hard work and achievement (Figure 1.3).

We see this proven even further when we consider the things that are most important to Pivotal. When asked to rank the topics that were most important in their lives, grades in school was far and above the most important thing closely followed by getting into a good college. Teens ranked these two areas of their lives as even more important than hanging out with friends and social media (Figure 1.4).



While this may be a reflection of life stage, it is also an indication of a new mentality shaping our youth today. The Pivotal Generation does not expect success in the same way that Millennials did. On the contrary, they watched many Millennials fail when they believed they could do anything. As a result, we are seeing a much more motivated and grounded generation come of age — one that echoes a traditional sentiment of personal achievement.



KEY TAKEAWAY

Brands aiming to connect with Pivotalists need to understand the personal and individual drive that defines this generation. Rather than running away from a challenge or assuming that a little luck will take them a long way, teens today dive in head first. They are not afraid to get their hands dirty and put in the hard work necessary to achieve success. As a generation that is pivoting toward a more traditional view of success and achievement, they are looking for brands to help in a more traditional sense. To succeed, brands must move away from the leading role and take on more of a supportive responsibility. The message must change from “we can get you there,” to “we can help you get yourself there.”

CASE IN POINT

American Express started Small Business Saturday in 2010 with the goal of encouraging shoppers to support small, local businesses every year on November 27th. Since then, the idea of Small Business Saturday has expanded to embracing the passion of young entrepreneurs. The American Express campaign, The Journey Never Stops, features “everyday” entrepreneurs talking about their journey to the top and how American Express supported them. The key is that the campaign is not focused on the benefits of an American Express membership. Instead, role models, like Mindy Kaling, share their stories with the implication that they would not be where they were without American Express.

While Pivotalists are likely not using American Express services just yet (though many are already business owners), this type of absent-but-present marketing is exactly what a young generation of entrepreneurs is seeking out. They want to make decisions on their own but feel supported by the brands they use when they need them.



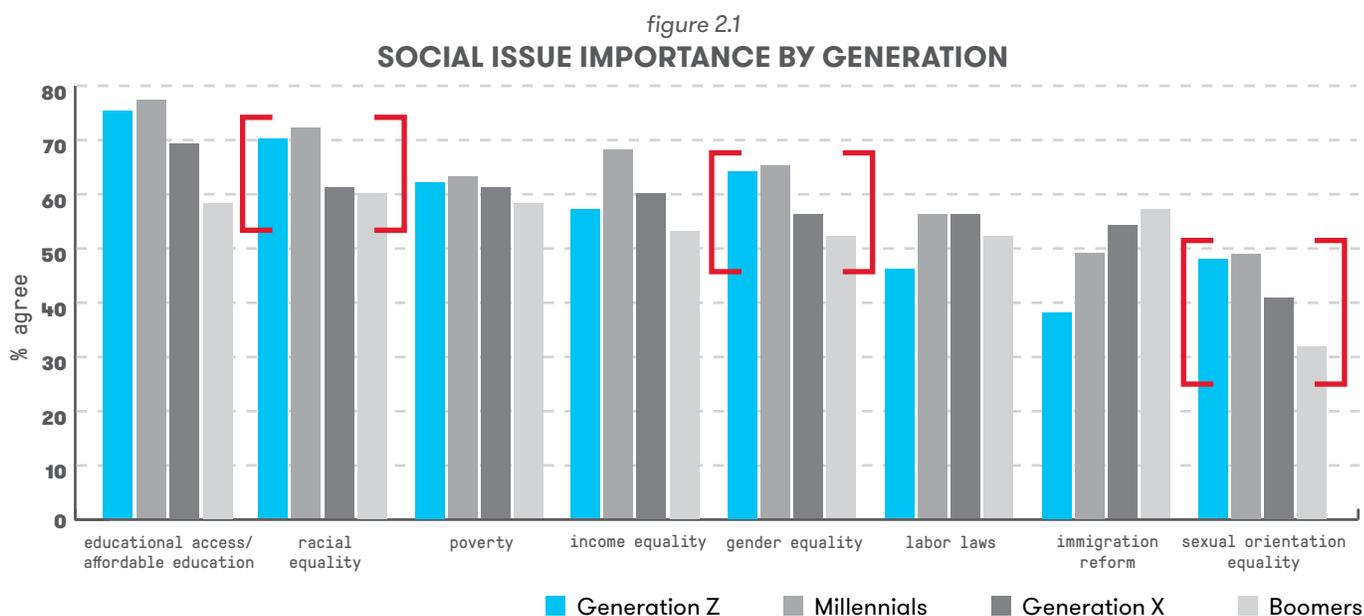
2 WE BELIEVE THAT EQUALITY IS NON-NEGOTIABLE

Every generation has a defining cause that serves as the foundation for its behavior. For Boomers, it was anti-establishment. For Millennials, it was the environment. For Gen Z, it is human equality.

According to our research, the defining issues that the Pivotal Generation rallies behind include: racial equality (72%), gender equality (64%) and sexual orientation equality (48%). The common thread throughout all of these key issues is the relation to the overarching theme of identity that we mentioned earlier. While teens are not at a point in

their lives where they have had visibility into other socially charged discussions like immigration reform, labor laws or income equality, most teens today have had some sort of discourse or insight into the conversation about race, gender and sexual orientation (figure 2.1).

Compared to other generations, Pivotal are becoming more involved in social activism at a much earlier stage in life. Consider the impact of activists today, like Malalla Yousafzai, who at just 18-years-old became the world's youngest ever Nobel Prize recipient, or Jack Andraka, a high school student who invented a test that can detect early onset pancreatic cancer, or Adora Svitak, a 16-year-old education activist whose 2012 TED Talk, "What Adults Can Learn From Kids," has more than four million views. The list goes on.



Clearly, there is no shortage of activism among today's youth. [According to a national survey of college freshman](#), U.S. students are the most politically and socially engaged they've been since the poll launched 50 years ago. This is due in large part to the accessibility of resources and platforms to voice opinions. The activist landscape today looks nothing like it did in the past. With the rise of digital activism, teens have the opportunity to get involved from any place, any time. Crowd source funding websites like Kickstarter and GoFundMe make it easy to spread awareness of ideas and campaigns.

"The key difference is that previous generations like ours grew up with kids in our neighborhood, kids we met at school or camp," said Mia Dand, CEO of digital strategy and research advisory firm, Lighthouse3.

"Teens today have friend networks that span the globe. These include teens they haven't met in person but share a common passion or activity like music, gaming or cause. My 13-year-old is an activist and runs a support group for LGBTQ+ youth on Instagram. She recruited 14 other teen admins across the world who help run the platform. That's her tribe."

Our research indicated that the primary focus of Pivotal's social attention is on the Black Lives Matter movement and LGBTQ rights movements.

We have been talking about the minority majority for some time but in the coming years this will actually be the new normal. Teens today are more likely to sit in classrooms that are almost half non-white and their friend groups are more likely to include teens with a variety of ethnic and cultural backgrounds. As a result, racial discrimination is not something that this generation takes lightly.

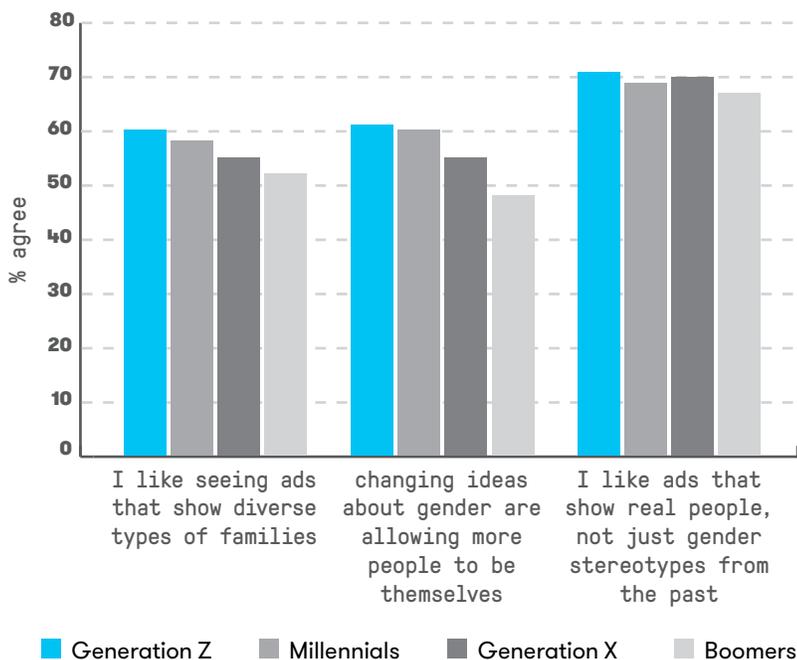
The Pivotal Generation is embarking on another phase of the Civil Rights Movement, one that exists in the digital world. On Twitter's 10th birthday, the site published a list of the most-used hashtags related to social causes. Two of the top three hashtags were directly related to issues of race. [Between 2013 and 2016](#), the hashtag #blacklivesmatter and others within that conversation were used 13.3 million times. While this group may not have the financial wherewithal to support the causes they are passionate about, they are certainly using their voice as a proxy for making change.



The LGBTQ rights movement has been another transformative social issue in the lives of teens today. The oldest Pivotal was just 19 when the Supreme Court ruled in favor of same-sex marriage, meaning the majority of these teens will grow up in a world where marriage is available for all citizens — a major historical landmark. What was once considered taboo is now quickly becoming the norm as teens are more comfortable talking about their sexuality in daily conversations. When we asked about diversity and authenticity, 60 percent of teenagers agreed that changing ideas about gender are allowing more people to be themselves compared to 52 percent of Boomers who said the same thing (Figure 2.2).

On average, Pivotal are coming out of the proverbial closet at an earlier age than previous generations, and the acceptance rate of those who have expressed same sexual preferences is significantly higher. We can see the immediate response in the way teens today are speaking to one another. Common insults that were once heard in the locker room, such as, “you’re so gay,” are now considered insensitive and teens are less likely to use sexual references as degrading remarks.

figure 2.2
DIVERSITY IN ADVERTISING BELIEFS BY GENERATION

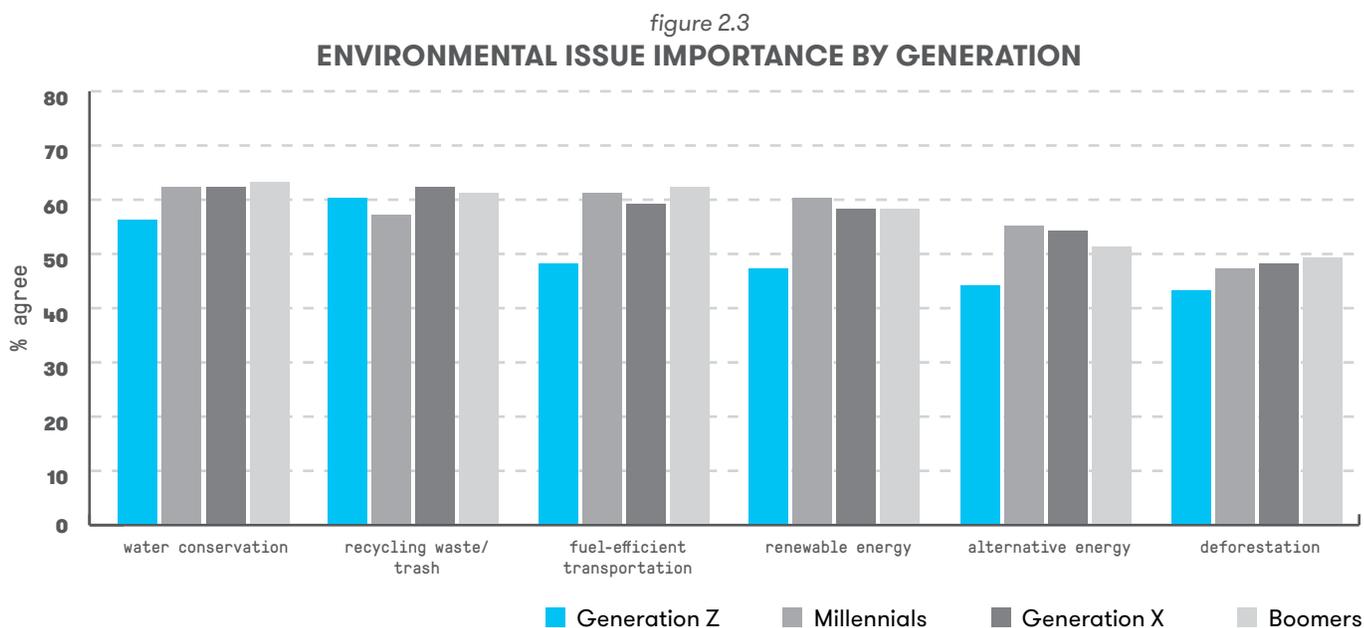


The question that arises is whether or not this level of acceptance is a result of personal choice or influence from parents and the media. Or perhaps the fact that educational professionals are now partaking in heightened training when it comes to issues of acceptance and bullying. All of our research points to the fact that Pivotal are being raised with fewer biases, however, time will tell if they continue to use their voice to impact significant change.



While this generation is leading the market when it comes to issues of identity, specifically among sexual orientation and race, it is trailing in regard to issues about the environment. This points to a major difference between Pivotal and Millennials. When asked about the importance of environmental issues, Pivotal rated all issues as less important than did other generations. This could be an indication that for teens today, environmentalism is expected so it is no longer of top consequence when other social issues come into play (Figure 2.3).

As a generation that practices what it preaches, it demands that brands do the same thing. Pivotal do not view ethics as a gray area; they see things in black and white with no middle ground — you are either on the wrong side of history or the right side. These teens were born into social media, giving them more opportunity to see both sides of a controversial issue. Rather than shielding themselves from the controversy, this generation takes a stand and sticks with it and rewards brands that do the same. According to our research, 60 percent of teens support brands that take a stand on issues they believe in regarding human rights, race and sexual orientation.



KEY TAKEAWAY

Moving forward, brands cannot think about corporate social responsibility as a single part of a messaging platform, it must be the whole thing. In the same way that Millennials spearheaded the move for businesses to reduce their environmental footprint, Pivotalists will force brands to take a stand on the issues that matter. For this generation, silence is not golden and they will hold their favorite brands to the same standards they set for themselves in regard to equality and acceptance.

CASE IN POINT

Starbucks was the focus of a major controversy when it released its “Race Together” campaign. The Seattle-based coffee shop encouraged baristas to write the phrase #racetogether on coffee cups in order to inspire their customers to have deeper conversations about racial issues. What seemed like a positive move in the right direction garnered extremely negative sentiments in the Twittersphere.

Consumers were quick to voice their opinions on Twitter, claiming Starbucks (a company whose leadership team is predominately white male) had no business investing in these types of conversations. Ultimately, while Starbucks’ intentions were honorable, the brand made a claim without the necessary proof. Because diversity was not a core value imbedded into the infrastructure, the second the company began pointing fingers externally without first embracing their own recommendations internally, it opened itself up to backlash.

Although Starbucks is — and will continue to be — a top-loved brand, it has taught us that a new generation of consumers expects proof behind the brand actions.

On the other side of the spectrum, in early 2016 hundreds of brands stood together in support of repealing the House Bill 2, a measure enacted by state legislature in North Carolina, which was widely perceived as discriminatory toward the LGBTQ community. One of the most notable brands to take a stance was the National Basketball Association, which announced that it would no longer be hosting its 2017 All Star Game in Charlotte. While this move led to a considerable financial impact for both the NBA and the city of Charlotte, fans were proud to support the NBA and its decision.

Moving forward, not only must a brand’s outward messaging support new equality initiatives but everything from the actual business model to the internal culture must support a more inclusive, accepting and diverse community.

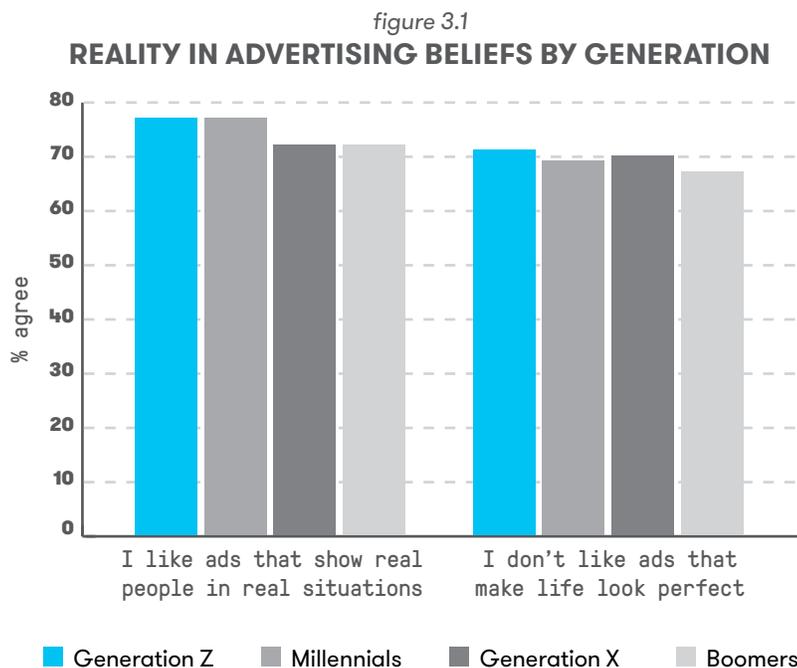


3 WE WANT BRANDS TO BE REAL SO WE CAN BE UNIQUE

Teenagers today are overwhelmingly more accepting of differences and are quick to eliminate those brands that do not foster an inclusive community. Similar to how participation defined the Millennial generation (and still does), acceptance is quickly becoming the overarching motivation for the market and consumer behavior of Pivotal.

As a result, there is no expectation to be perfect. Rather than degrading others for their differences, teens today are more accepting of natural beauty and do not adhere to traditional images of perfection. Body positivity has been taught to girls of this generation from a young age. Female teens grew up with the Dove Real Beauty and Aerie Real campaigns that are constantly making headlines for featuring models and women that are ethnically and physically diverse.

The market overall is also trending toward more “real” advertising (Figure 3.1). However, younger generations are leading when it comes to elevated expectations of brands to reflect a more realistic portrayal of life. That is not to say teenagers have completely outlawed the aspirational images from their Instagram and Snapchat feeds. Instagram announced



that the top followed account of 2016 was Selena Gomez with 103 million followers. However, we are even starting to see a transformation within the celebrity community that is embracing a more real approach to beauty.

While still participating in the glitz and glam that comes with the celebrity life, many stars are also sharing makeup-free selfies and celebrating their natural beauty before doling up for the cameras. This is an entirely new social norm that no other generation experienced growing up. For the past 100 years, celebrities were the gold standard of perfection. That notion is being reconstructed with this generation as they are invited to see the real side of celebrity through social media.

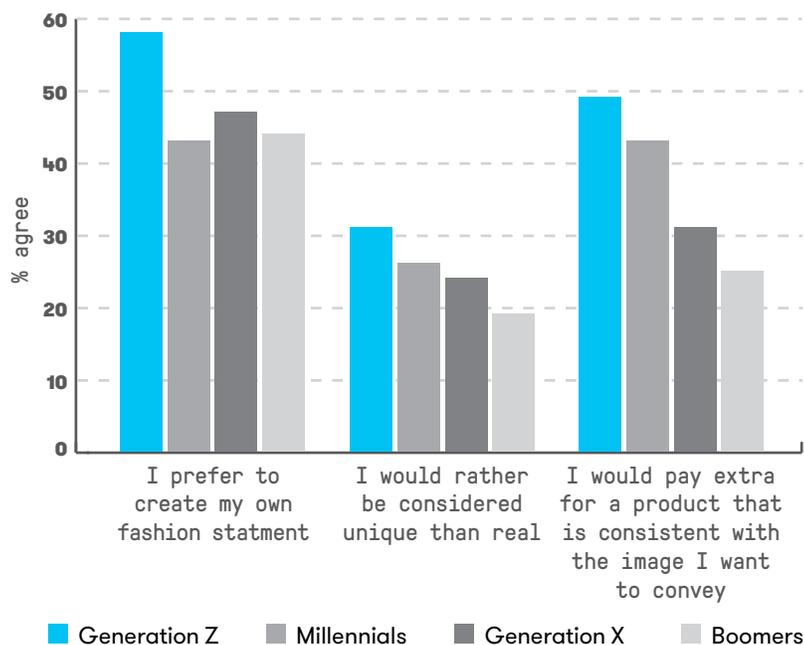
But let's not get too far ahead of ourselves.



Image still matters to Pivotal's. Our research shows that teens remain more likely to purchase brand name products, buy products just to make themselves happy and are more likely to prefer to create their own fashion style. When asked how they want others to view them, nearly one third of teens told us they would rather be considered *unique* than *real*. This is a major pivot away from the Millennial generation and one of the biggest differences between the two generations. This also proves that unlike Millennials, teens have different expectations of brands than they do of themselves (Figure 3.2).

Largely because of social media, the context in which Pivotal's are forming their identities is entirely different than what existed for previous generations. Remember, these teens are still in high school and with that life stage comes a significant amount of pressure to present a certain image — and today that image is more public than it has ever been in the past. The tension between wanting to be unique but expecting reality from brands further emphasizes the duality this generation balances on a daily basis.

figure 3.2
UNIQUENESS BELIEFS BY GENERATION



KEY TAKEAWAY

Overall, we are seeing teens today force brands to redirect their messages from aspirational to more realistic. Those that depict reality as it relates to teens today will be the brands that are most loved and favored as the Pivotal Generation curates their own personal identities and styles. Again, we are seeing a move away from the brand being the hero to the brand playing a more supportive role. For the Pivotal Generation, real advertising is inclusive, non-stereotypical and can be leveraged to build a unique personal identity.

CASE IN POINT

Axe is the perfect example of a brand that has completely captured this mindset. For years, the Axe brand capitalized on perfectly formed models and the tagline “Axe effect,” which described the way women would throw themselves onto any man who used Axe products. In 2016, Axe dumped its stereotypical advertising campaign for one that is more reflective of today’s youth. The “Find Your Magic” campaign first aired in the 2016 Super Bowl with a TV spot featuring the opening tagline, “Who needs that six pack when you’ve got the nose?” The shot opened to show a close-up of a young man with an exceptionally large nose. Instead of pushing him aside or changing him, the campaign embraced his uniqueness and continued to feature other real men, effectively encouraging young men to find their own magic.

To be successful, brands will need to implement programs and campaigns that embrace differences and remove the branding or logo from the feature spot. The goal must be to enhance the personal image of the consumer, not the brand, and allow them to manipulate the product or service to create whatever unique image they want to present.



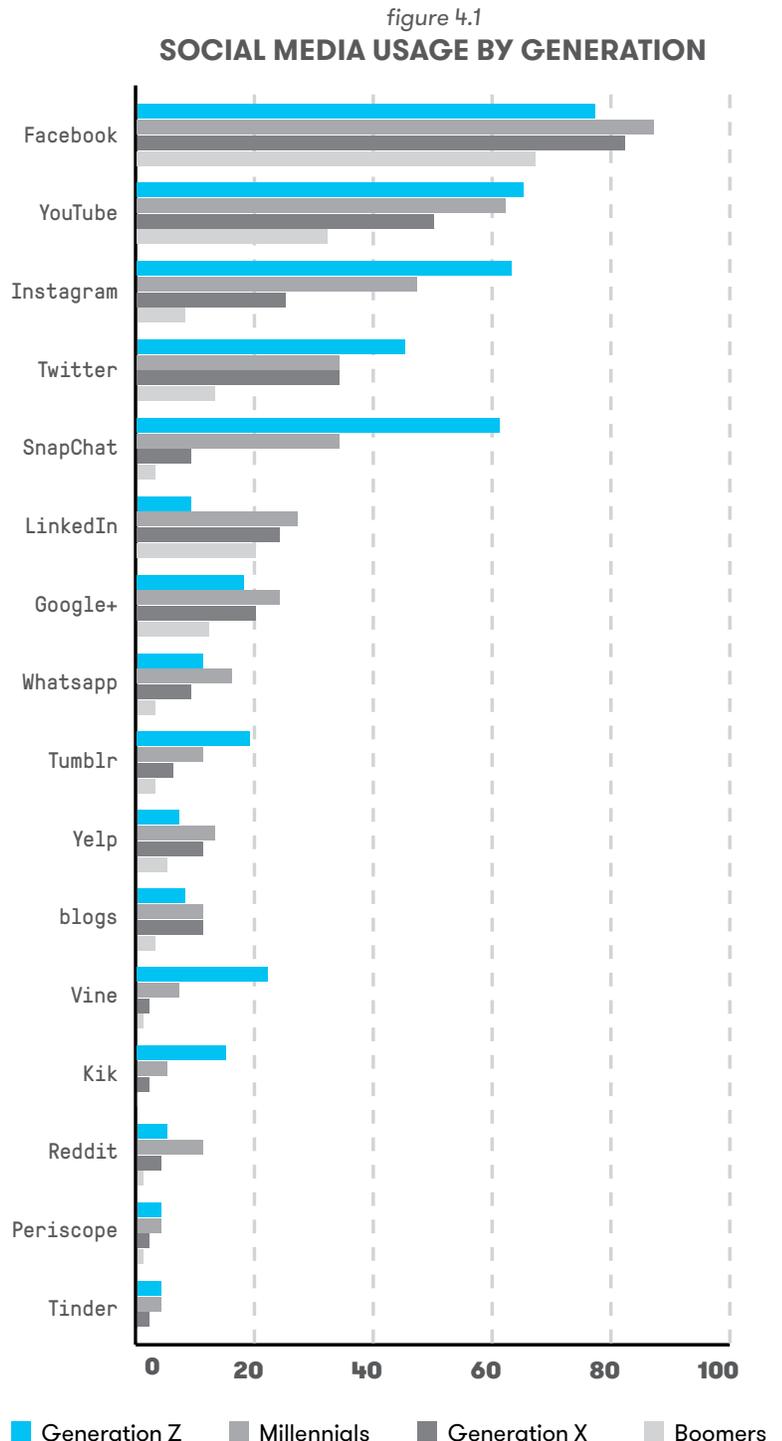


WE HAVE OUR OWN SYSTEM OF RULES AND ETIQUETTE FOR HOW WE USE SOCIAL MEDIA

Remember when we thought Millennials were social media obsessed? The Pivotal Generation is on an entirely different level. Our research shows that Pivotal leads when it comes to usage of YouTube, Instagram, Twitter, Snapchat, Tumblr, Vine, Kik, Periscope and Tinder (Figure 4.1).

Additionally, according to the #Being13 Study conducted exclusively by CNN, some 13-year-olds check their social media accounts 100 times a day and are spending about nine hours a day using media for their enjoyment. To put this into perspective, that is more time than most teens spend sleeping or with their parents/teachers and does not account for the media used at school or while doing their homework.

“I think they’re addicted to the peer connection and affirmation they’re able to get via social media,” said child clinical psychologist Marion Underwood, co-author of the #Being13 Study in an interview with CNN. “To know what each other are doing, where they stand, to know how many people like what they posted, to know how many people followed them today and unfollowed them...that I think is highly addictive.”



sample size = 2,039



The study went on to explore why teens felt the need to regulate their social media and what was found is highly indicative of a generation that is riddled with FOMO (fear of missing out) and FOLO (fear of living off line):

- 61% of teens said they wanted to see if their online posts are getting likes and comments.
- 36% of teens said they wanted to see if their friends are doing things without them.
- 21% of teens said they wanted to make sure no one was saying mean things about them.

While this may be a reflection of life stage, we tend to believe this is more revealing of a generation that has been guided by social media and digital technology their whole lives. As a result, they are deeply concerned with how their digital lives and identities impact their relationships with others in real life.

However, using social media is not a free-for-all. In our focus groups, we worked with teens to learn about why they use different social media accounts (focusing on the big four: Facebook, Twitter, Instagram and Snapchat) and what they use them for. We asked teens to write down the particular rules they follow when using these platforms. What we learned was that there is a detailed system of rules and guidelines for each platform.



Although use of Facebook is declining among this generation, it is still the most used social media platform with 77 percent of teens saying they use Facebook on a regular basis. However, Millennials are still the most likely to use Facebook on a regular basis at 87 percent. With the primary demographic of Facebook aging (thanks, Mom and Dad...oh, and Grandma), teens today are less likely to be actively engaged with the content that is shared on the platform. Originally, Facebook was *the* engagement tool. Now, teens are more likely to use Facebook as a passive tool, they are scrolling rather than posting. This is turning Facebook into more of an information hub rather than an engagement platform.



Twitter is the “be on” platform. Often used for real-time marketing, Twitter is where teens go to get information *right now*. The life expectancy of a tweet that has been re-tweeted is no more than 18 minutes (tweets that have not been re-tweeted have a decreased life expectancy of only a few minutes). According to our research, Pivotal leads Twitter usage at 45 percent compared to 34 percent for Millennials and Gen X and just 13 percent for Boomers.



Pivotal leads Instagram usage at 63 percent compared to 47 percent of Millennials — a dramatic decrease. Unlike Snapchat, Instagram is where teens go to be inspired. They are spending time editing their images and creating the most aspirational versions of themselves. Teens are very careful about how they use their Instagram accounts. When it comes to posting, they want to be sure they are not clogging their friends’ feeds with low-quality images (that’s what Snapchat is for). They will also regularly delete their Instagram photos so their profiles never have more than a handful at any given time — this is intended to optimize the number of likes per photo.





Users on Snapchat are not looking for the perfect shareable moment. Snapchat is a look into real life and is the most selective form of social expression today because the user has to manually select who will receive the photo. Again, Pivotal leads Snapchat usage at 61 percent compared to 34 percent of Millennials with few Gen Xers and Boomers even present on the platform. Snapchat is very quickly becoming the new texting. Teens today communicate using Snapchat through picture storytelling. According to our teens, it is the perfect way to let people know what they're doing in the moment.



KEY TAKEAWAY

As Pivotal continues to define the social media landscape, brands will need to keep their finger on the pulse of the constantly shifting expectations and rules for each social platform and tailor their messages accordingly. If we thought mass media was dead with Millennials, Pivotal are the ones who are digging the grave. As a generation seeking to create its identity using digital content, it's imperative that brands provide them with platform-tailored content that can inspire and influence young consumers.

CASE IN POINT

H&M is one of the top clothing brands today and has made the list of most favored brands by teens countless times. What is it that makes H&M so relevant? Beyond its constant research about what fashion consumers are looking for, the H&M social media strategy is the perfect example of a brand that understands the rules and etiquette of the social landscape.

The brand has successfully built a plan for each channel that aligns with consumer use case and has seen enormous success as a result. While the brand posts similar content to each platform, it understands the intricacies of each channel and what teens are expecting to see. For example, Instagram is used to create an aspirational look book by pairing different clothing items together while Facebook is more video and single-item focused. According to social analytics firm, Sprinklr, H&M has the highest overall engagement scores compared to TOPSHOP, Zara and Forever 21. The brand also has the largest audience and is the most talked about among the four top fashion brands. Additionally, the ratio of followers to engagement (likes, retweets/reposts, comments) is 22 percent for H&M indicating that the brand is successfully influencing digital conversation and building consumer connections. As a standard for the retail industry, H&M quickly reminds us that a robust social strategy is imperative to win in the market today and brands that continue shooting the same messaging across all channels will fall short.





“[In middle school] no one’s comfortable; it’s weird. Everyone is changing. We have new expectations.”

FOCUS GROUP PARTICIPANT, 14 YEARS OLD



NOW IT'S YOUR TURN

Now is the time for brands to prepare for their future. Although the oldest members of the Pivotal Generation are just 19 years old, they are in the throes of developing purchasing behavior that has the potential to dramatically shift the market. Balancing the duality of traditional values and non-conformist beliefs, teenagers today do not hold themselves to the same standards as consumers of previous generations. While their behavior may reflect that of Boomers and Gen Xers on occasion, they are coming of age in an entirely new world and their identity is being formed in a more public way than ever before as a result of social media. This will no doubt lead to the development of completely new attitudes and behaviors in the market, ones that surpass even the influence of the Millennial generation.



To succeed, brands must understand what the Pivotal Generation expects of them:

- 1. Shift from playing the hero to playing the supportive role.**
- 2. Support the issues that are at the core of what matters most to teens today.**
- 3. Present reality while allowing Pivotal's the opportunity to create a unique identity.**
- 4. Utilize various social media platforms to play the right role in Pivotal's' curated selves.**

This will be the beginning of a new era and a new market, one that requires new rules.

As a result, we can no longer act surprised when the brands that follow the rules defined by Industrial Revolution fail. These traditional rules were not designed to address the major changes in culture, media and consumer behavior that are occurring. Rather than slowing down, these changes will continue to progress and place increased pressure on outdated business models.

Like the Millennial Generation before them, the Pivotal Generation will once again force brands to rethink what it means to connect with consumers in a modern era. However, the brands that simply think what worked with Millennials will work with Generation Z are sorely mistaken.

**ARE YOU READY TO PLAY
BY PIVOTALS' RULES?**



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