



HOW TO GET **GEN Z TO OBSESS** ABOUT YOUR BRAND

It's no wonder every company wants to acquire Gen Z. They make up 2 billion consumers worldwide with \$450 billion in spending power.

To better understand how brands can acquire this audience, we surveyed 1,761 Gen Z consumers in the US and UK about their purchasing behavior, what they want from brands, and how brands can provide it.

The survey revealed Gen Z feels uncertain about the economy and is spending less because of it. But it also revealed that an exclusive offer is a surefire way to cut through their gloom.

When a brand gives Gen Z an exclusive offer:

- More than half feel more emotionally connected to the brand.
- 8 in 10 are more likely to buy from the brand.
- 7 in 10 would be more likely to join the brand's loyalty program to redeem it.
- 93% would share it with others who were eligible for it.

**READ ON TO SEE WHAT WE FOUND OUT ABOUT
ACQUIRING LOYAL GEN Z CUSTOMERS.**

GEN Z IS *LOUD BUDGETING*

In 2023, the US economy saw **2.5% in growth and inflation drop to 3.4%**. But our survey indicated that only 30% of Gen Z are optimistic about where the economy is headed compared to last year. This pessimism seems more inline with Europe, where the economy saw **close to zero growth**, and where UK Gen Z are 25% more pessimistic about it than US Gen Z.

It also helps explain the rise of the **TikTok trend of “loud budgeting”**—overtly stating your money plans and rationale for spending less. And it’s causing nearly one-third or more of Gen Z to tighten their budget, shop cheaper brands, and purchase fewer non-essential items. Takeout, gaming, electronics, and online news are taking the biggest hit, with 36% or more of Gen Z saying they are spending less in these categories.

Gen Z college students have an even more negative view, with 45% saying they’re pessimistic about the future of the economy and 94% responding to that concern by making budgetary changes.

TAKEAWAY

An effective Gen Z acquisition strategy has to embrace their reluctance to spend.



DON'T SLEEP ON **GEN Z** **RECOMMENDATIONS**

If the first step in winning Gen Z is recognizing their loud budgeting, the second is knowing how to reach them and how they make purchase decisions.

Our survey revealed that 68% of Gen Z and 77% of Gen Z college students find out about a new brand through social media. That's to be anticipated, given that **more than one-third of Gen Z spends more than four hours a day on social media** and are overwhelmed with content.

But what did stand out was how many Gen Z consumers rely on word of mouth from people they trust. More than 40% of Gen Z and nearly half of Gen Z college students learn about new brands through a recommendation from a friend or family member.

TAKEAWAY

**Engage
Gen Z by
showing
up in their
digital and real-life
communities.**

A background photograph of five diverse young adults (three women and two men) standing in a row, all looking down at their smartphones. They are dressed in casual, contemporary clothing. The image is partially obscured by three large circular overlays containing statistics.

35%

of Gen Z spend more than four hours a day on social media.¹

68%

of Gen Z learn about new brands through social media.

42%

of Gen Z learn out about new brands through a recommendation from a friend or family member.

WAYS YOUR BRAND CAN *STOP THE SCROLL*



Gen Z

23%

of Gen Z think exclusive offers for their age group are the best way for a brand to stand out from their competition.

58%

of Gen Z check to see if a brand offers a young adult discount before purchasing from it.

Like most consumers, Gen Z wants value at a great price. When asked what makes a brand stand out from its competitors, 72% said high quality products and services and 48% said competitive pricing. But nearly 1 in 4 (23%) also said a special deal just for them would do the trick. And for Gen Z college students, that ratio jumps to nearly 1 in 2 (47%).

With so many Gen Z tightening their budget, better pricing can be a great brand differentiator—especially when you consider the amount of information and products they see on social media. You can do that by making your pricing more competitive across the board or by giving special pricing just to Gen Z, like a student discount or a young adult discount for those age 18-26.

Our survey indicates the latter would be highly effective. Fifty-eight percent of Gen Z check to see if a brand offers them an exclusive discount before purchasing from it. And for Gen Z college students — who expect “student discounts”—that number jumps to 90%.

TAKEAWAY

Capture Gen Z's attention by giving them an exclusive offer.



Gen Z College Students

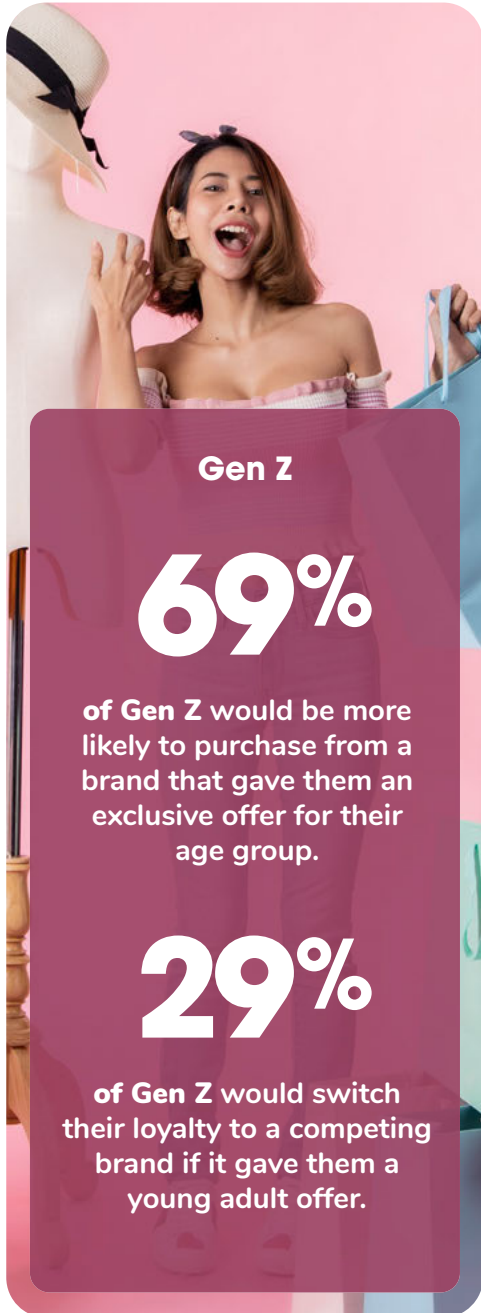
47%

of Gen Z college students think student offers are the best way for a brand to stand out from the competition.

90%

of Gen Z college students check to see if a brand offers a student discount before purchasing from it.

IT'S GIVING... CONVERSIONS



Everyone loves a discount, including Gen Z. Half of our survey respondents said a general discount available to everyone would motivate them to buy from a new brand.

But Gen Z finds exclusive offers highly enticing. Sixty-nine percent of Gen Z and 86% of Gen Z college students said they'd be more likely to purchase from a brand that gave them a young adult or student offer, respectively.

So likely, in fact, that not offering one may mean you lose Gen Z customers to a competitor who does. Twenty-nine percent of Gen Z and 40% of Gen Z college students said they would switch their loyalty from one brand to another if they were given an exclusive discount for students or for young adults.

Many Gen Z consumers (nearly 40%) aren't in college, so offering only a student discount will hamper your reach.

TAKEAWAY

Win Gen Z by offering a student discount and extending it to all young adults.



THE MOST POPULAR GEN Z OFFERS *AREN'T EVEN DISCOUNTS*

Gen Z loves an exclusive discount on price. More than 40% said they like both an occasional 20% discount and 10% off every purchase appealing.

But our survey revealed that even more of Gen Z find freebies attractive. When asked what kind of exclusive offer would be appealing, 52% said a free gift and 60% said free shipping. There's a reason why you see so many #giveaways on Tiktok—they work!

TAKEAWAY

Brands can experiment to find a Gen Z offer strategy that works for them.



Exclusive Offers That Gen Z Finds Appealing

Free Shipping

60%

Free Gift

52%

Occasional 20% Discount

47%

10% Off Every Purchase

43%



HOW YOU VERIFY A GEN Z OFFER IS JUST AS IMPORTANT AS THE OFFER ITSELF. *PERIOD.*

Verifying a Gen Z customer's age, or a Gen Z student's enrollment in college, protects your offer and keeps it truly exclusive, which makes it more appealing. But the verification process has to respect Gen Z's data privacy and satisfy their desire for frictionless digital experiences.

According to our survey, 59% of Gen Z—and 66% of Gen Z students—said being instantly verified and not having their data shared with other brands would have a positive impact on their decision to redeem an offer.

On the other hand, 25% of Gen Z said having to create a separate account on a Gen Z deals website would have a negative impact. And even more (42%) said having to upload a document to prove their eligibility for an offer would have a negative impact.

TAKEAWAY

To ensure the highest conversion rate, verify customers directly on your website using a method that has a high instant verification rate.



The Impact of Verification Experiences on Gen Z



POSITIVE

59%

said being instantly verified and not having their data shared with other brands has a positive impact.

NEGATIVE

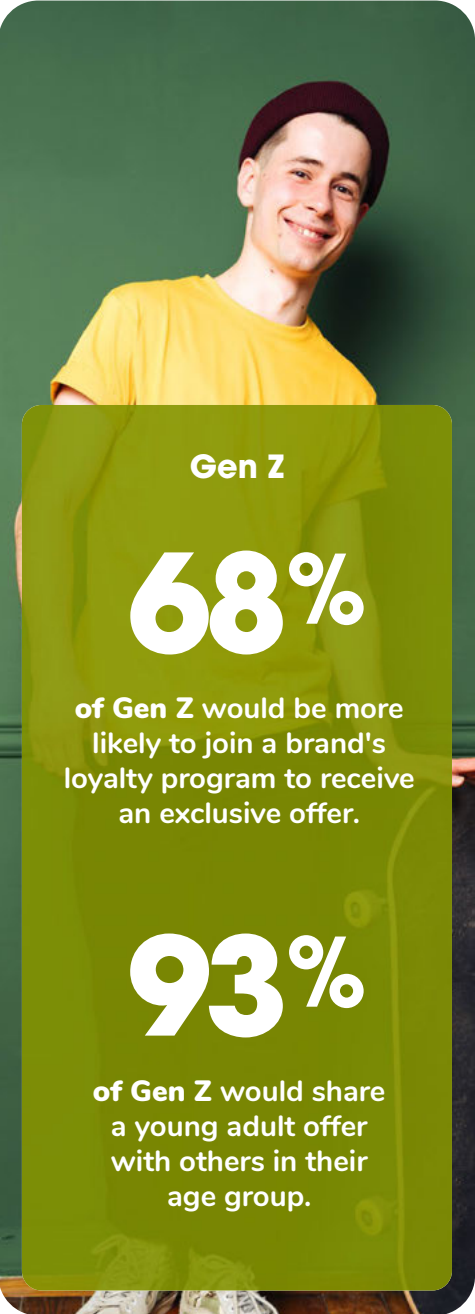
42%

said having to upload a document to prove their eligibility for an offer has a negative experience.

25%

said having to create a separate account on a website that offers deals for Gen Z has a negative impact.

EXCLUSIVITY TURNS GEN Z INTO *HUGE STANS*



Gen Z

68%

of Gen Z would be more likely to join a brand's loyalty program to receive an exclusive offer.

93%

of Gen Z would share a young adult offer with others in their age group.

Exclusive offers for Gen Z create enthusiasm for your brand that quickly spreads. Ninety-three percent of Gen Z and 97% of Gen Z college students said they would share an exclusive offer with others who were eligible for it. With so many Gen Z learning about new brands through social media, friends, and family, an exclusive offer can easily make your campaign go viral.

It can also help turn a viral moment into a lifelong brand relationship by endearing Gen Z to your brand and motivating them to join your loyalty program.

Fifty-six percent of Gen Z and 73% of Gen Z college students feel more emotionally connected to brands that give them an exclusive offer. And 68% of Gen Z and 73% of Gen Z college students would be more likely to join your loyalty program to receive it.

TAKEAWAY

Gen Z exclusive offers can inspire brand loyalty that spreads throughout their community.



Gen Z College Students

73%

of Gen Z college students would be more likely to join a brand's loyalty program to receive a student offer.

97%

of Gen Z college students would share a student offer with other students.

END GAME

WIN GEN Z FOR LIFE



Gen Z's skepticism about the economy is making them financially cautious, but you can overcome their uncertainty by offering them exclusive ways to access the value of your brand.

Giving Gen Z a special deal—and verifying their eligibility for it in an easy, instant, and privacy-friendly way—can make your brand stand out, drive acquisition, and launch meaningful brand relationships that spread throughout their community and last a lifetime.

LEARN HOW TO WIN GEN Z WITH EXCLUSIVE OFFERS



SheerID is the market leader in identity attribute verification, providing the best converting verification solution for commerce. Hundreds of the world's leading brands use the SheerID Verification Platform to acquire customers with gated, exclusive offers.