

# GEN Z

## Out-of-Home: Media of Choice

The generation born between 1997 and early 2010's, known as "Gen Z" appears to be the focal point for all marketers. The digital age, evolution of the economic landscape and changing global environment has been the major contributor towards shaping their identity. Gen Z are considered to be a unique demographic cohort as they have a strong semblance of modern-day values which, at times, can be perceived as conflicting due to their everyday choices .

JCDecaux OneWorld, JCDecaux's international division, conducted a global study in 10 main markets to help brands in 80+ countries to capture Gen Z's attention globally by addressing their expectation and preferences through Out-of-Home.

# OVERVIEW



In order to develop effective marketing strategies, decision-makers are increasingly to address the preferences of Gen Z. However, the real challenge that marketers face today is defining the scope of the following:

- Who are Gen Zs and what are their point of interests?
- How to embrace changes & developments pertaining to the habits of Gen Z?
- Which combination of media platforms is most effective?
- What is an efficacious use of different spaces & environments to attract Gen Z?

While there are quite a few homogenous traits amongst the Gen Z, there are a few distinctive characteristics as well which differentiates them from one another in certain aspects of priorities. More specifically, they can be separated by the following behavioural traits: **Trend Trailblazers, Social Advocates, Serial Streamers, Pragmatism versus Idealism, Novelty Seekers.**<sup>1 2</sup>

Gen Z has become a significant group increasingly worthy of attention as they have been identified as the most politically and socially conscious, digitally literate and agile generation to date. Gen Zs being the digital natives, grew up navigating through hyperconnected networks, simplifying accessibility and therefore, became the generation who are not easily distracted. Hence, it has become **highly complex to capture Gen Z's attention** and therefore, reliant on intense research across a diverse array of behaviours.<sup>3</sup>

# UNDERSTANDING GEN Z

## Behaviours and Expectations

### Social Advocates

The generation relies heavily of the adaptation of technology. Global data from Public Relations and Research firm (Edelman) shows that 70% of Gen Zs are engaged in a social or a political cause.<sup>4</sup>

Gen Zs favour the brands which resonate strongly with their own personal values. 53% of them have chosen a brand or a product because they wanted to advocate support for an underlying stance e.g., sustainability.<sup>5</sup> According to McKinsey & Co, Gen Zs are an **environmentally conscious group**. Additionally, GWI reported that environment is important to 45% of Gen Zs.<sup>6</sup> They call for reform on public, personal, and global levels to prevent future catastrophe. Therefore, they expect to see commitments from brands within the domain of sustainability. 73% of Gen Z have been reported to prefer purchasing from brands whom they consider ethical.<sup>7</sup> Out-of-Home engages the social advocates. According to our research, **71% of Gen Zs get attracted to Out-of-Home advertisements which reflect sustainability.**<sup>8</sup>

### Trend Trailblazers

Gen Z are all about “standing out” rather than “fitting in” when fashion is concerned. Their appreciation of changing trends and unique style is supported by the fashion industry hence, the fashion industry has experienced a high level of growth due to Gen Z.<sup>9</sup>

Their desire for constant change in fashion is at odds with their ‘eco-scruples’, and this is reflected in their support for brands that communicate with transparency. We have seen first-hand that Gen Z are likely to **engage with advertisements which reflect their behaviour yet have a purpose.**

Overall, 58% of Gen Z trusts the brand messages on an Out-of-Home advertisement.<sup>8</sup>

78% Gen Zs engage with an Out-of-Home advertisement that represents brand values and authenticity.

In addition, 82% of Gen Z tend to trust the brand more if the advertisements include images of real customers.<sup>10</sup>

## Serial Streamers

To Gen Zs, consumption is about access rather than ownership. This generation forms the greatest percentage of subscription-holders to streaming platforms. 84% Gen Z say streaming services have better shows or movies than cable and it is convenient to always access without any constraint.<sup>11</sup> Evidently, Gen Z are attracted towards effortless processes which revolve around application-based services such as online payment applications and Quick Response (QR) codes. QR codes provides the Gen Z with the convenience they have grown accustomed to; 68% members of the generation prefer to see integrated QR codes in Out-of-Home advertisements. Out-of-Home caters to this preference which is highlighted by the following: **64% of Gen Z scans the QR code on an Out-of-Home advertisement to find out or learn more** about the shows or movies or songs.<sup>8</sup>

## Pragmatism versus Idealism

According to McKinsey & Co, Gen Zs are generally more pragmatic, with both worries for the future and a convoluted sense of idealism. This is further supported by the GWI report; 72% of Gen Z are protective of their work-life balance and boundaries. While they describe themselves as a money-driven, career oriented, and ambitious generation, they demand no 'hustle culture' at work, more flexibility, fair pay and meaningful work in their job roles.



They seek out support groups and online resources to bring further proposed changes. These also include addressing pertinent issues such as climate change, mental health and inclusivity concerns. However, these preferences are often challenged by real-life dilemmas such as their own desires to achieve economic stability that can be at odds with the way companies act. Therefore, they demand inclusivity and social responsibility from brands.<sup>6</sup> Our findings clearly show best results are driven through advertisements in which brands demonstrate inclusivity (75% agreed). Out-of-Home provides a platform for this behaviour therefore, **72% of Gen Z engages with Out-of-Home advertisements which have inclusivity and 71% of Gen Z engages with advertisements which reflect social responsibility.**<sup>8</sup>

## Novelty Seekers

Gen Z believes “they deserve to live a first-class life”, as described by WARC. Conducting outdoor activities is deemed more important. They are all about seizing moments and enriching their day-to-day lives with unforgettable experiences instead of splurging on luxury. However, they are appreciative of luxury products.

Additionally, they believe in creating memories, profound connections emotionally and living a more purposeful life.<sup>12</sup> This has been proven by the statistic that **63% Gen Zs are likely to be attracted to advertisements which have an emotional connotation attached to them.** They expect brands to offer personalised experiences.

Out-of-Home addresses to such demands hence, in our recent research it was established that 66% of Gen Z engages with creative and interactive Out-of-Home advertisements as they allow them to create connections with the brands. In addition, 47% of Gen Z prefers seeing advertisements at the airport, as 59% of them are more aware of them in this environment.<sup>8</sup>

Considering all Gen Z's behaviour, their preferences and expectations, Out-of-Home has demonstrated to be the media addressing Gen Z's priorities. Out-of-Home advertisements take up 86% of positive perception (considered appealing, relaxing, engaging, pleasant, eye-catching and informative) for appealing advertisements amongst Gen Zs, according to our survey. 38% of Gen Z find Out-of-Home advertisements engaging in communication, 26% find them relaxing and not intrusive and 14% informative. Hence, it appears to be an effective form of advertising for reaching Gen Z.

In our latest findings, it was demonstrated that Out-of-Home media enhances engagement and recall amongst Gen Z.

**84% Gen Zs "pay attention" to Out-of-Home advertising.<sup>13</sup>**

The comprehensive analysis in our global study also demonstrated that the if Gen Z's get exposed to the same Out-of-Home advertisement up to 6 times;

**95% of them recall the advertisement, 91% remember the content of the advertisement, 89% remember the brand and 89% engage with the advertisement otherwise.**

Investigating deeper in regard to engagement, 65% of Gen Z are drawn to digital billboards as they do not find them intrusive.



# REACHING GEN Z

## Through Out-of-Home

As we move out of the pandemic, JCDecaux is significantly investing in different kind of Out-of-Home advertisement formats which are strategic and purposeful.

Gen Zs appreciation of advertisements varies depending on their behaviour, for example billboards and street furniture (traditional and digital) for Social Advocates, Serial Streamers and Pragmatist. Whereas Trend Trailblazers prefer seeing them in malls, ideally with immersive and interactive experiences.

In our recent survey, we established that 74% of Gen Zs like to visit shopping malls for real life experiences and 77% like to visit to see, touch and try on the products. This indicates a clear shift in how people prefer to visit in person, overall making malls a predominant touchpoint for

**Out-of-Home advertising, making it a key media channel amongst Gen Z.**<sup>8</sup> On the other hand,

Novelty Seekers prefers seeing them at the airports as 59% of Gen Z are more aware of the advertisements at the airport. In our extended research, it was discovered that there are specific components which are especially appealing towards Gen Z within Out-of-Home advertisements.

**47% Gen Z find Out-of-Home advertisements captivating when they are less wordy, more colourful and include motion.** Whereas 35% of Gen Z prefers dynamic content (advertising based on given weather, place, time to target the relevant audience) along with humour within an Out-of-Home advertisement.<sup>8</sup>

Furthermore, the online medium is often the first media that comes to mind when considering the most effective medium to target Gen Z.



However, that appears to be a myth. Results have shown that 99% of Gen Z consumers will hit 'skip' on an advertisement and nearly 63% of Gen Z use advertisement blockers to avoid online advertisements. It has been further uncovered that 49% Gen Zs do not like online ads. On the contrary, the most preferred platforms by Gen Z for advertisements are Out-of-Home (55% agreed) and cinema (53% agreed). And finally, 67% of Gen Z remembers seeing an Out-of-Home advertisement on social media.<sup>14</sup> According to The Drum, 79% rely on smartphones to do everything online.<sup>15</sup>

85% of Gen Zs engage with Out-of-Home advertisements and take specific actions, including downloading applications on their phones.<sup>14</sup> In our global research, it was discovered Out-of-Home priming drives actions online and offline.

After seeing an Out-of-Home advertisement, the following actions are taken by Gen Z:

**66% Gen Z are likely to share the content on their social media, 71% Gen Z's visits the brands website, 68% Gen Zs visits the store, and 65% Gen Z's purchase the product or service.**