

# Generation Z and Millennials Demand In-Store Technologies and Social Media ‘Likes’ to Shop

Millennial and Generation Z’s (kids age 10-17) use of technology and social media is changing consumer spending patterns. And while the latter generation was born with a smartphone in hand, it doesn’t keep them from shopping – and even preferring to shop – in brick and mortar stores, as long as they have access to their ever-important social network.

In fact, more than 90% of Generation Z say that a strong wi-fi signal is important to them and their overall shopping experience, according to our most recent industry survey. Emerging in-store technologies and positive social media feedback are among the top priorities for both Generation Z and Millennial consumers. The survey, which also revealed a generational shift in how these consumers shop for beauty products, represents the first in our series centered around Generation Z and Millennials’ attitudes, behaviors, and shopping preferences.

Farla Efras, President of HRC Retail Advisory, is a longtime authority on the constantly changing shopping behaviors among the different consumer demographics, and works closely with retailers to help them understand how to make the necessary changes for growth.



## Study Demographics

- 1,350 survey participants from US
- 2 groups were studied: Millennials and Generation Z (Kids ages 10 to 17)
- Generation Z focus group

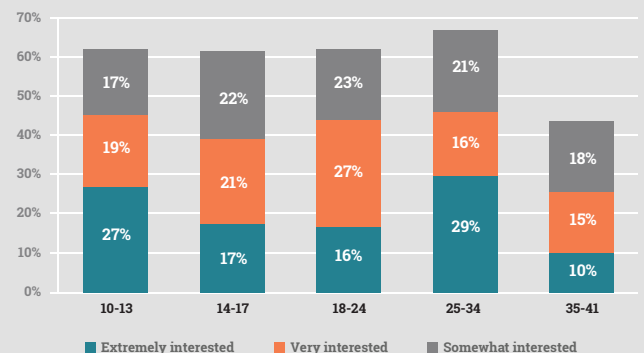
## Key Findings:

**As technology plays a major role in everyday life for Millennials and Generation Z, both age groups look to integrate it into their shopping experience.**

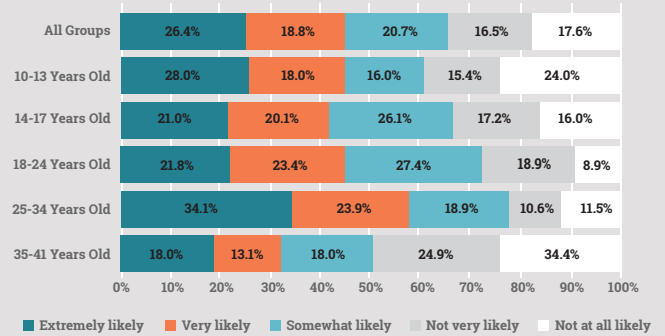
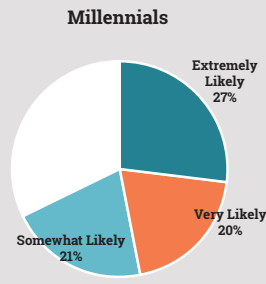
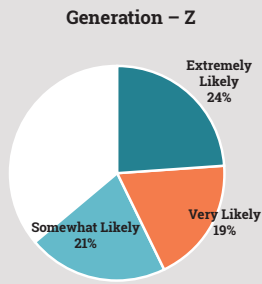
## Magic Mirrors & Retail Apps Enhance In-Store Experiences

**Magic Mirrors keep consumers connected.** When asked if they would use a “Magic Mirror” in dressing rooms to send images through social media, 66% of Millennials aged 18 to 34 said they would be at least somewhat likely to use the technology, which is 50% more than those aged 35 to 41. In fact, Generation Z and Younger Millennials were found to embrace emerging technologies, particularly if they enhanced a connection with their social network or streamlined the shopping experience.

If there was technology such as magic mirrors that gave you the ability to share images on social networking sites in dressing rooms, how interested would you be in using it?



**If a store you regularly shop in had their own app, how likely would you be to use that app to pay in-store?**



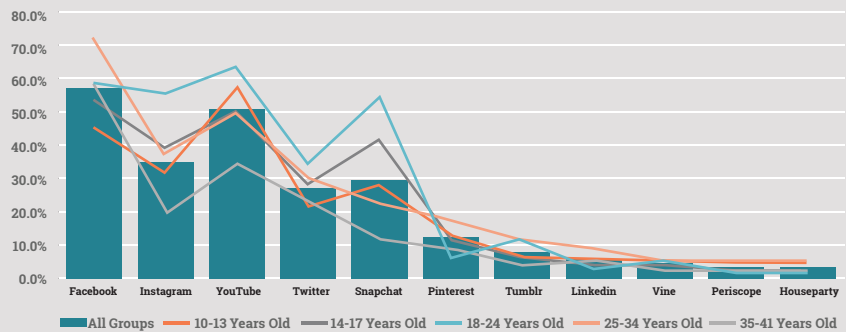
**Retail apps favored over traditional in-store payment methods.** 68% of Millennials, and 64% of Generation Z state that they would likely use a store’s app to make a payment, with 78% of Millennials aged 25 to 34 saying they were likely to use an app to make an in-store purchase.

## Social Networks Drive Purchase Decisions

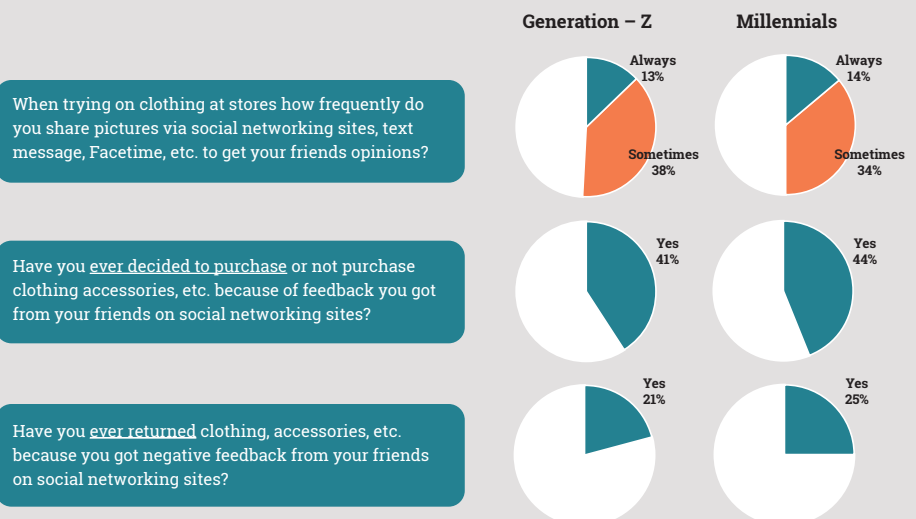
**Facebook and YouTube dominate social media.** Nearly 60% of respondents (both Millennials and Generation Z) use Facebook daily, with as high as 72% of Millennials age 25 to 34. YouTube ranks second amongst both demographics, with over 55% using the platform daily.

**Social media is essential for feedback.** More than half of respondents (both Millennials and Generation Z) said they use social media to solicit opinions while shopping, and more than 40% of respondents have made a decision based on feedback from their network, which consists primarily of their peers. Additionally, 25% of Millennials said they have returned items based on feedback from social media sites, and Generation Z’s return rate is as high as 62%.

### Daily Engagement by Social Media Platform



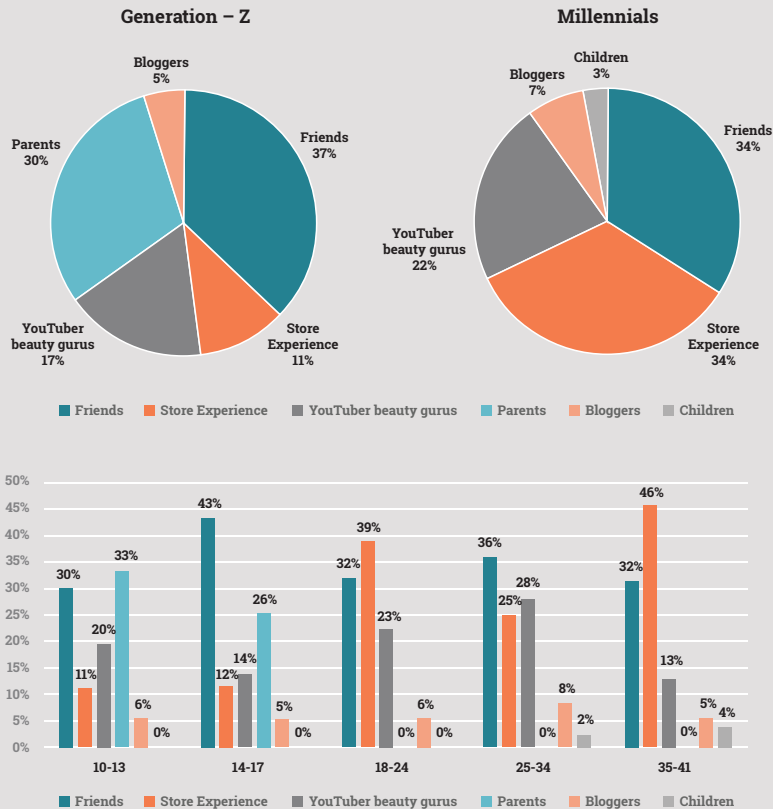
### Social Media Engagement while Shopping



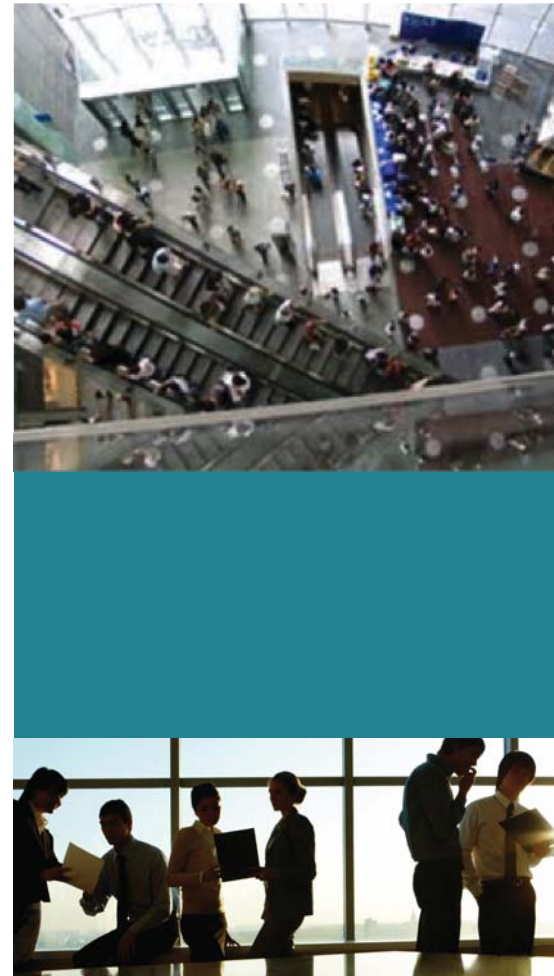
## Discounts & Influencers Are Key to Shopping Beauty

**Amazon & discount stores top traditional beauty stores.** With new beauty trends constantly emerging, both Generation Z and Millennials look to Amazon and Discount Stores (ie. Walmart, Target) to shop for products over traditional beauty stores (ie. Sephora, Department Stores, etc.). In fact, when asked where Generation Z has purchased beauty products in the last 6 months 55% said Discount Stores and 35% said Amazon. For Millennials, 49% said they shop Discount Stores and 45% on Amazon.

### What most influences beauty purchases?



**Friends & YouTubers influence Gen Z beauty buys.** While Millennials are primarily influenced by the store experience when shopping for beauty (34%), Generation Z cites Friends and YouTube Beauty Guru as their primary influence when shopping (54%). Store experience is significantly less important to Generation Z in Beauty purchasing (11%).



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