



# Study don't stereotype

Retailers should keep tabs on generation Z



**RETAIL DESIGN EXPO Interview:**  
**Danielle Pinnington, managing director of Shoppercentric**  
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It's important not to stereotype in any walk of life, but in retail there is a growing tendency of late to place the focus on generational behaviour and cluster together wide age ranges and say: 'This is how they behave, so let's market to them accordingly.'

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From baby boomers and generation X, through to millennials and now generation z, retailer customer insight programmes aim to pick out set characteristics from each of these demographics to help their businesses understand the way people act, interact, and ultimately shop.

The analyst groups continually add to this conversation too, with Gartner recently offering six ways for organisations to shape their customer experience for generation z: in short, it involves offering secure services, asking for feedback, and creating sharable content, experiences and engagement for savvy consumers who know their own minds.

It was this type of conversation that cropped up time and time again on the expo floor and in the conference halls at Retail Design Expo (RDE) in May, as the retail world met in London to debate changing consumer trends and what it all means for the store, high street and shopping centre of the future.

But pigeonholing customers that - in the case of the so-called millennial generation could have been born in any year from 1981 to 1997 - is surely a dangerous game. Isn't that too diverse a consumer sample to study? You have to be cautious but it has its value, says Danielle Pinnington, managing director of research agency Shoppercentric, who presented one of the sessions at RDE 2018.

“There’s huge risk in stereotyping but the real value in looking at the next generation and being aware of where the big spenders of tomorrow are coming from and what it is they’re looking for,” Pinnington explains.

“It should never be at the expense of everyone else as a shopper and it should always be considered in context.”

She adds: “Yes, gen z has a certain perspective because of the context they grew up in - and will therefore have different expectations going forward - but they are shopping in exactly the same environments as everyone else. Their different perspective gives you a clue to how you might attract them in the future as they accrue more spending power, and become more important consumers.”

Pinnington’s presentation at RDE was focused on ‘Getting Under the Skin of Generation Z’, and when defining these consumers - typically considered to be those born in years ranging from the mid-90s to the early 2000s - she explains how they’re the first people to have grown up with access to the internet and digital commerce.

This means they are familiar with what’s available and how to use what’s available, from a technology and sales channel perspective. Pinnington adds “the multi-screen generation” to their list of monikers, and says they are utilising all the opportunities that retail presents them.

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“They’re happy browsing the internet, having a look at what’s available online, and using multiple pages to see what’s out there,” she argues.

“But equally they love going to stores as well - they see that as a social opportunity to spend time with friends. They like going shopping with friends to have a look at what’s out there and get judgement, and input from friends.”

So much of that description could be used when explaining shoppers of any generation, but there are nuances that point to significant changes in how people might expect shops and retailers to serve them in the future.

While generation Z appear to attach as much importance to price and availability as any other shopper, they are driving new trends due to the context in which they have grown up. And it is these behaviours retailers and brands are urged to latch on to wherever possible.

Much of it stems around mobile and social media, which have played a key part in their formative years. Research conducted by Statista in 2017 showed that 96% of 16 to 24-year-olds reported owning a smartphone, highlighting the digital and connected nature of young people’s lives today.

It’s fair to say that retailers, in general, have identified the mobile opportunity and spent the last few years developing their propositions for a more mobile world. But there is also an argument that only a few have gone far enough.

“You’ve got to look at what generation z are referencing,” explains Pinnington.

“They are on their phones all the time, getting information from places like YouTube and vloggers, and they are very used to getting hold of information quickly, and seeing things that inspire them. If you think of an average store where items are just shoved on shelf, then that’s going to bring massive disappointment.”

She adds that successful stores will use visual displays effectively and bring the experience to life in a way that is going to be relevant and resonant to a group of people who are “so image based”. It could be achieved by setting up displays suitable for a quick Instagram photo, she says, or simply by offering them something they cannot get anywhere other than their store.

If that’s the approach from a physical retail perspective, there are separate issues to consider online, says Pinnington, who argues that social media’s role in the commerce landscape has evolved since it first emerged on the scene at the turn of the millennium.

When social media first emerged, users were reticent about brands popping up in that space,” Pinnington explains.

“There was an attitude of ‘why would brands have a Facebook page?’ and ‘this is social media and I don’t want to hear commercial things’. But generation z is different - I don’t know if social media is the right phrase anymore, for them it’s just ways of connecting and they are more than happy to let companies into that space.”

The message to retailers from consultancies, analyst groups like Gartner, and those who are part of generation z themselves is clear: keep tabs on these new behaviours because much of what we’re seeing in small bursts now, will become the norm in the future.

For Pinnington, it’s about monitoring the demographic while being careful not to make assumptions. It’s a delicate balance to maintain, and goes some way to illustrating how challenging it is for today’s retailers today, after years of operating in a non-digital world.

“There is a value to have a broad definition to isolate trends coming through but when that broad definition becomes the only lens used you become too generic and you miss a trick,” she warns.