



MULTI-GENERATIONAL MESSAGING

Speakers: Lisa Talbot & Chris Earnshaw, Sallie Mae

Date: June 5, 2018



DEFINING THE GENERATIONS



Still adapting to
Gen Y? Don't blink.
Here comes Gen Z.



The Generations

Gen Z

Born after 1997

Age in 2017: 20 and younger

The Millennial Generation

Born: 1981 to 1997

Age in 2017: 20-36

Generation X

Born: 1965 to 1980

Age in 2017: 37-52

The Baby Boom Generation

Born: 1946 to 1964

Age in 2017: 53-71

The Silent Generation

Born: 1928 to 1945

Age in 2017: 72-89

The Greatest Generation

Born: Before 1928

Age in 2017: 90-102

According to Pew Research Center

ROBHOSKINS.COM

Millennial Impact

- Born after 1980: Roughly 77 million people, 24% of US population
- Age of adults in 2017: 21 to 37
- America's most racially and ethnically diverse population

15% were born in a foreign country

- In 2012: 15.8 million students making up **75% of Higher Ed** enrollment are millennials
- As the Baby Boomer generation taught us, the larger the generation the greater the influence over norms, expectations and behavior
- By 2018, Millennials will have the most spending power of any generation as they will eclipse Boomers.

Sources: Information gathered 8/2017. Pew Research Center survey conducted Feb. 14-23, 2014 among 1,821 adults nationwide, including 617 Millennial adults, and analysis of other Pew Research Center surveys conducted between 1990 and 2014 <http://www.pewsocialtrends.org/2014/03/07/millennials-in-adulthood/> , Ryan-Jenkins <http://www.ryan-jenkins.com/2013/09/16/22-shocking-stats-about-millennials-to-help-you-chart-tomorrows-change/> , and Nielsen <http://www.nielsen.com/us/en/insights/reports/2014/millennials-breaking-the-myths.html>

Meet Generation Z

- **Gen Z** is the generation after Millennials and tends to be the children of Gen X'ers.
- Marketers have been focused on Millennials for more than a decade.
- Millennials = Most researched generation in history.

- **Gen Z** is different from Millennials – They are almost the *OPPOSITE* or extreme versions of Millennials.
- Marketers will need to adjust to **Gen Z**
- **We are just beginning to understand Gen Z and their impact on the future**

but here is what we know and foresee....

There is a Population Tsunami Approaching



361,000

Approximate number of babies born in the world each day

More than a quarter of America's population belongs to

Gen Z,

and with each birth, the segment is growing

Don't Treat Them Like Millennials

GEN Z

Tech Innate: 5 Screens
Judiciously Share (GeoLoco Off)
Blended (race and gender)
Togetherness
Mature
Communicate with Images
Make Stuff
Have Humility
Future Focused
Realists
Want to Work for Success
Collective Conscious

MILLENNIALS

Tech Savvy: 2 Screens
Radical Transparency: Share All
Multi-cultural
Tolerance
Immature
Communicate with Text
Share Stuff
Have Low Confidence
Now Focused
Optimists
Want to be Discovered
Team Orientation

Source: Information gathered on 8/2017 from
<http://opi.mt.gov/pub/rti/EssentialComponents/Leadership/Present/Understanding%20Generational%20Differences.pdf> and
<http://www.wmfc.org/uploads/GenerationalDifferencesChart.pdf>

Don't Treat Them Like Millennials (cont.)

These generations have very different experiences and references

GEN Z		MILLENNIALS
Many states legalize same-sex marriage	POLITICS	Same-sex relationships are socially acceptable
Video sharing website YouTube is launched	MEDIA	DVDs, an optical disc computer storage media format, is announced
SnapChat, a photo messaging app, is introduced	COMMUNICATIONS	Instant messaging, a type of on-line chat, is released by Microsoft
Smartphones with a multi-touch interface	TELECOMMUNICATIONS	Mobile phones with the ability to send text messages
Commercial music streaming services	MUSIC	Portable media player

Source: Information gathered 8/2107. <https://www.slideshare.net/aniuxbombiux/meet-generation-z-forget-everything-you-learned-about-millennials>

They Intend to Change the World

26%
of 16-to-19 year-olds are
currently volunteering

Social listening reveals that Gen Z are determined to “make a difference” and “make an impact.”

Social entrepreneurship is one of the most popular career choices.

More than 90,000 students enrolled in grades 5 – 12 have the exceptionally rare entrepreneurial talent to help create more jobs within the U.S.

Source: U. S. Department of Labor 2013

They Use Social Media as a Research Tool

52%

of teens use YouTube
or other Social Media sites
for a typical research assignment in
school

Source: Information gathered 8/2017. Pew Research, "How Teens Do Research in the Digital World", 2012

Gen Z = Shorter Attention Spans

8 seconds

is the average American attention span (down from 12 seconds in 2000)

11%

of children age 14 – 17 years old
have been diagnosed with ADHD
(up from 7.8% in 2003)

Gen Z are the ultimate consumers of snack media. They communicate in **bite sizes**. Research studies suggest that their brains have evolved to process more information at faster speeds, and are cognitively more nimble to handle bigger mental challenges.

But, getting and keeping their attention is challenging.

Source: Information gathered 8/2017. National Center for Biotechnology Information, U. S. National Library of Medicine, The Associated Press. Gettinggenz.com "Getting to Know Generation Z", <http://growingleaders.com/blog/generation-z-differs-generation-y/>

They Communicate with *Speed*

68%

of teachers think that digital tools make students more likely to take shortcuts and not put effort into their writing.

46%

of teachers say digital tools make students more likely to “write too fast and be careless.”

Gen Z are agile communicators: speed of communication and witty responses garners cultural currency. They’re accustomed to rapid-fire banter and commentary. As a result, Gen Z are not precise communicators and leave a lot of room for interpretation.

Source: Information gathered 8/2107. Pew Research, 2012

GEN Z – A GENERATION WITH DISPOSABLE INCOME



Spending Behavior of Generation Z

- Cash-poor but savvy - No shame in using bargain websites such as eBay or Etsy, nor in picking up a good deal second-hand.
- Almost half (47%) spend money on **experiences** with friends on a weekly basis. That makes experiences one of the leading spending categories for teens, below only food (80%) and clothing (67%). Their favorite eatery = Starbucks.
- They love to shop, especially on-line
 - Nike is their top clothing brand, followed by Forever 21, Action Sports Brands, American Eagle.
- They lack brand loyalty - The products themselves are more important than the brands that produce them, and these consumers will change brands easily in search of higher quality.
- They are eager to start working
 - Parents of Gen Z encourage their kids to find jobs early and independently without their help
 - 55% of high school students feel pressured by their parents to gain early professional experience
 - 4 in 5 high school students believe they are more driven than their peers

Information gathered 8/2017. <http://www.fitch.com/think/gen-z-and-the-future-of-retail>;

Marketing Trends

Gen Z Wields \$44 B in Annual Purchasing Power

- Gen Z are known to be true digital natives, yet research shows their preference to shop in brick-and-mortar stores:
 - They want to be out there to find the thing that represents them; how can I look different and individual?
 - Their tastes and preferences impact shopping decisions within their own households (70% of parents turn to their Gen-Z kids for what to buy, from food and furniture to clothing and footwear).
- Top technology platforms, brands used by Gen- Z:
 - Snapchat: Snapchat messaging app and new feature called Custom Stories
 - Instagram: Instagram has surpassed Facebook in terms of engagement, with brands getting 3x more views and celebrities seeing 3.6 x what they get on Facebook
 - Musical.ly: Anyone can become a pop star with this lip-synching app. 200 M users. Videos allow Gen Z to sing along to their favorite artists and then share to social media sites.
 - Houseparty: A group video chat. As of Dec. 2016, the app already had 1 M users daily.

Life Cycle of Gen Z

- Get a job
- Buy a car
- Pay off student debt
- Get married
- Buy a house
- Begin saving for retirement
- Have kids

HOW TO ENGAGE GEN Z



How to Engage Generation Z

- ❑ Listen to them. They want to be heard!
- ❑ They need rewards that are changed frequently to meet changing expectations and demands
- ❑ Generation Z students use technology to solve problems
- ❑ Generation Z students connect with movies such as “The Hunger Games” where kids are expendable and not central to the world around them
- ❑ Generation Z students say they would like to attend college for the social connections and network
- ❑ Generation Z students are already connecting with people around the world with the use of technology
- ❑ Generation Z students want to shape their own journey with you as their guide

Information gathered 8/2017: https://sites.google.com/a/uis.edu/colrs_cook/home/engaging-generation-z-students

How to Engage Generation Z

- In 2014 pluralthinking released a cultural intelligence report. According to the report:
 - Gen Z has the lowest attention span to date. They won't wait for a web page to load. 32% will start abandoning slow sites between one and five seconds and after 8 seconds they'll consider it broken
 - Gen Z doesn't differentiate between online and offline. The physical and virtual are the same thing.

Source: Information gathered 8/2017. pluralthinking, Gen Z report, Goldman Sachs report

HOW TO REACH GEN Z ON YOUR COLLEGE CAMPUS



Success with Generation Z on Campus

- ❑ Gen Z is not into “Helicopter Parenting” as much as Millennials were. But schools should still strive to gain parental support. Families are still involved with decisions about higher education.
- ❑ Increasingly decisions are being made around what peers are doing. They turn to peers more than higher ed experts.
- ❑ Outcomes matter more than traditions and cost to Gen Z. Appeal to them on what the outcome of their education could offer them.
- ❑ Materials should be colorful and filled with images – not text.

Source: Information gathered 8/2017. <http://www.eduventures.com/2014/09/recruiting-gen-z/>

Efforts of One State University in the Northeast to Reach the Traditional Gen Z Population from a Marketing/Admission Perspective

Website Re-vamp:

- Images, pictures made even bigger for this generation
- Made text even shorter. Use of more infographics. Used more statistics; numbers
- Made information more career focused. Included career stats of major. Highlighted Career Services office on homepage.

Print:

Continued to provide colorful brochures. Created short infographic pieces for mailings. Remember consumer of paper is generally the parents; other family members who prefer “snail mail”, something tangible

Video:

University spent much of their resources here. Documentary-style film to capture the vision of the Generation Z individual

Focus of video was on the Top 5 Characteristics of what defines a Gen Z today:

1. Pragmatic
2. Globally Minded
3. Customizable
4. Social Media Natives
5. Digital

Efforts of One State University in the Northeast to Reach the Traditional Gen Z from a Marketing/Admission Perspective

(cont.)

Pragmatic: Gen Z's grew up during 9/11; Recession

Globally Minded: Highlight alternative spring break; documentary to focus on a cohort of international students

Notion that things are "Customizable:"

- Meal-Plans are flexible
- Majors are "customizable"
- Schedules are flexible

Social Media Natives:

- Create authenticity in video
- Students generate content and provide their own YouTube videos
- Students take over for "Snatchat" answers

Digital:

- Showcased the Library in its new Digital Age
- Showcased "hybrid" courses

GENERATION Z FINANCIAL TRENDS

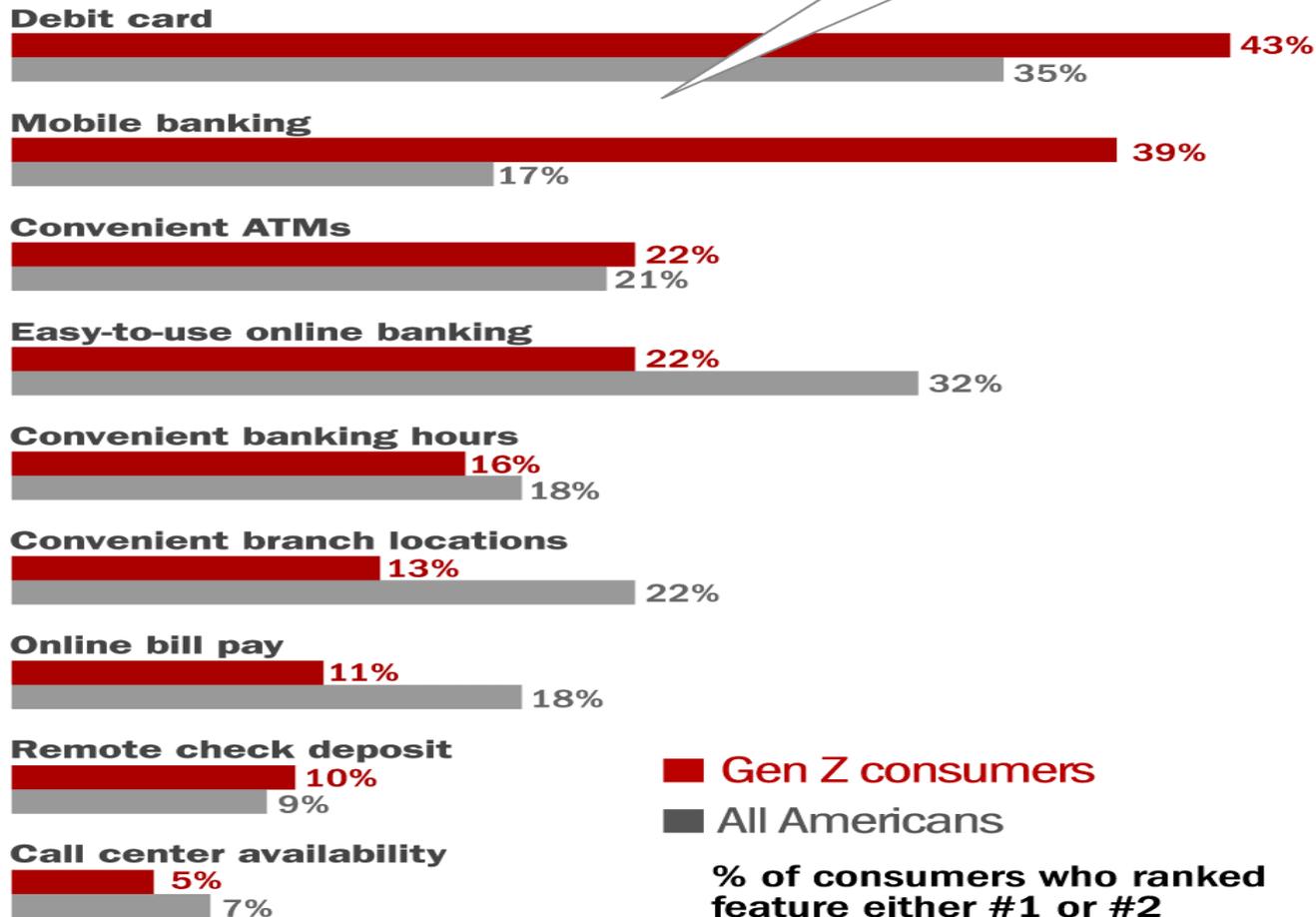


7 Reasons why Gen Z is better with \$\$\$\$

- ❑ Generation Z is more realistic:
Gen Z witnessed the chaos of economic downturn in their younger years
- ❑ Generation Z are more Informed Consumers:
Being born into the internet age allows them to comparison shop online and do their research
- ❑ Generation Z is price conscious:
Generation Z's price consciousness also makes them more wary of college costs
- ❑ Generation Z is preparing for work today:
Career paths and goals are established much earlier. 50% of high school students are tackling internships and volunteer opportunities
- ❑ Generation Z values financial stability:
Gen Z plans to target jobs in growing fields like education; medicine, and sales. Fear of living paycheck to paycheck
- ❑ Generation Z is entrepreneurial:
Gen Z is primarily driven by results, with a need to understand the purpose in every task
- ❑ Generation Z is growing into a stronger economy:
Generation Z is poised to become the most financially-savvy and stable generation

How Gen Z Ranks Banking Services and Features

Which of the following banking features are “most important” to you?



Source: TD Bank © October 2015 The Financial Brand

Conclusion

- Habits and trends vary from generation to generation
- We will need to adapt our messages and approaches to be effective
- That may mean changing our processes and cycles to be in line with their expectations

Post Generation Z – what's next?

- Generation “Alpha” ?
 - Born after 2010 ~ 2015
 - Immersed in technology during formative years
 - “Most transformative age group ever”





Questions?



The information contained in this presentation is not comprehensive, is subject to constant change, and therefore should serve only as general, background information for further investigation and study related to the subject matter and the specific factual circumstances being considered or evaluated. Nothing in this presentation constitutes or is designed to constitute legal advice.

09/2017 MKT12897