



The Rise of Gen Z: What Does It Mean for the Future of Tradeshows?

BY MICHAEL HAMILTON – PRINCIPAL - GETSYNCHRONICITY

Q: I feel like I have a pretty good handle on how to market to Millennials. Is there another up and coming group to whom I should be paying attention?

A: Yes, They're known as Generation Z, and they are going to be a MAJOR disruptor.

"My goals are to travel and become a founder of an organization to help people." **Female, 14**

"When I turn 14 I can get a job if I want and start saving for my first car with that money and the money I make on eBay." **Male, 13**

"My favorite physical store to shop in is thrift stores because I feel that they are unique, and they can change the world." **Male, 17**

Quotes sourced from Ypulse

The world of tradeshows, and especially their target audiences, are always evolving. Over the past 10 years, a great deal of journalistic mindshare has been dedicated to analyzing the rise, arrival, and maturation of Millennials as a major market force.

However, while Millennials continue to have an enormous impact on the event industry—and we're still learning to adapt to their specific needs—they are no longer unique, and marketers have a clear (albeit evolving) understanding of how to market to them. This plateau happened just in time because a new, larger, and potentially more potent group is now making itself known ... **Generation Z.**

As Michael Dominguez, Senior VP and Chief Sales Officer of MGM Resorts says:

"Forget Millennials; I want to know what Gen Z wants because they're going to start showing up in my hotels in three to five years."

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Millennials have been one of the largest disruptions to the economy since Baby Boomers, but Gen Zs are shaping up to be even larger. Some think that Gen Z will simply be another flavor of Millennial, but research tells us that this is not at all accurate; the ubiquity of technology, social media, and the fall-out of a major recession has caused them to be palpably different.

This article offers a high-level overview of this new market segment, as well as some details regarding their personal behavior patterns and motivators. It will then offer a few high-level strategies tradeshow marketers may wish to consider when looking to adapt their engagement programs to better communicate with and convert this new, powerful, and potentially profitable market niche.

Who is Generation Z? The group currently being categorized as Gen Z are people born after 1995. As a group, they are currently the second largest segment of the US population (around 26%), and by 2025, they are projected to be the LARGEST segment, with predictions placing them at 29% of the total population. (US Census Bureau, 2015).

At almost a third of the population, it is imperative that businesses from all verticals gain a better understanding of Gen Z so they can successfully anticipate their needs, properly position their products and services, and create marketing engagements that are relevant to them.

First let's take a macro view of the demographics:

- The Gen Z household will routinely include multiple generations. The number of multi-generational households has doubled since 1980 and could make up a quarter of all households by 2025. (Pew Research 2014)
- Marriage is evolving, if not declining. Less than 20% of Gen Zs will marry in their 20's. By comparison, 42% of Baby Boomers were married in their 20's (whitehouse.gov 2014)
- Most Gen Zs will live in cities. For the first time since the 1920's, population growth in cities is outpacing growth outside cities (Nielsen 2014)

This data paints a picture of an unconventional, urbanized group of individuals who feel their relationships deeply, if not alternatively.

Next, let's examine the Gen Z lifestyle:

- Gen Zs will save money at a higher rate than did young Millennials. This is in response to watching Millennials struggle with unemployment and debt.
- 50% of Gen Zs plan to go to college and will surpass Millennials as the most educated generation in history
- Nearly 50% of Gen Zs say they want to start their own business compared to about 30% of the US population that is actually self-employed today. (Pew Research Center 2015)

This unconventional group will be frugal, smart, and highly self-motivated.

It's also important to know more about Gen Z's values:

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- With Gen Z, “achievement” is back. No more participation trophies. Gen Z is beginning to value achievement above happiness.
- Multi-race population growth among Gen Z is 3x that of the general population (US Census Bureau 2015). Experts believe this will accelerate over the next ten years, which will make Gen Z the most ethnically diverse group in the history of the US.
- Privacy is KING. Young people’s willingness to share private information – and have it tracked and followed – will have reached a tipping point by 2025. By 2025, Gen Zs will *highly value* personal & online privacy.
- 43% of 7- to 13-year-olds feel that school violence/shootings will have the biggest impact on their generation (The Cassandra Report), overriding the invention of social networking and the election of the first Black President. This has made Gen Zs resilient and pragmatic. Rather than hide from their problems, they seek to understand and confront them.

This group will be more private, more diverse, and more pragmatic than ever before, and not easily influenced by empty praise.

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Finally, let’s explore Gen Z’s personal behavior:

- Instead of simply spending less and being careful with their money, Gen Zs are looking for value in a purchase.
- They are liable to change or switch brands if they find products or services of higher value or quality at a more reasonable price point. Amazon exemplifies this with their PRIME service model (compare, review, free shipping, free streaming media, etc.). The products and services on offer are more important than the brand itself.
- Gen Zs put less emphasis on the brand than they do the actual quality of the experience. In the past, brands often used (and still use) celebrities to attract attention to their brand; this doesn’t work as well with Gen Zs. They are fans of YouTube personalities. They see them as more relatable, and gaining their influence as something more attainable.
- Gen Zs communicate visually ... in short bursts, like Snapchat and Instagram. But this is key... in a matter of seconds, they determine if they want to pursue or abandon the message in front of them.
- Gen Zs entertainment is often darker, with dystopian and post-apocalyptic stories dominating the youth space.

This group will be careful about who or what they advocate, make snap judgements about their interest levels, and view the world through a clear, polished lens, with no “rose hue” in sight.

Gen Z Event Behavior. How does all of this data effect their behavior at events?

- Gen Zs want to collaborate and share knowledge with others, preferably through social media.

- Gen Zs are passionate about effecting social change, interacting with a global community, and enjoying unique experiences. This behavior is a natural progression from that of Millennials.
- Gen Zs are more likely to NOT use their email address for much more than a piece of login information, and will only do that if they can't login with Facebook. They see email as outdated and don't check inboxes frequently.
- The good news is ... Gen Zs are about 3x more likely to open a push notification than to open an email. *This positions Location Marketing as a key tool for the future of tradeshows.*
- Gen Z is very conscious of sustainability, and mankind's impact on the Earth. Provably "green" exhibits and marketing campaigns will greatly appeal to them.

When Gen Zs hit the show floor, they'll be looking for something new and different to do QUICKLY, that's relevant to their specific needs, and meaningful in a global, ecological sense.

New Tools & Tactics. Taking all of this information into consideration, what, then, can we do differently (or to be more accurate, how can we evolve what we already do) to appeal to the burgeoning Gen Z demographic? Here are three high-level strategies:

They see email as outdated and don't check inboxes frequently.

1. Create booth experiences that allow Gen Z attendees to control WHAT they learn and HOW they learn it. Taking their behavior patterns into account, this means engaging them with short, relevant activities that are driven by images and personal interactions. This doesn't mean you must abandon telling your brand's solution story; it means that the story you're telling must be 1) focused on them, 2) be succinct and on-point, and 3) only tangentially focus on your brand. The WIIFM Factor—What's In It For Me—has now become the TMITSWIIFMTEA Factor—Tell Me In Two Seconds What's In It For Me And The Earth. Catchy.

2. Use email only as a *requested* information delivery system. Location Marketing (including IP, Mobile, and Proximity Targeting) is becoming the preferred method for digital engagement. Since Gen Zs live in the moment, Mobile or Proximity Targeting, for example, will reach them at the moment they are MOST LIKELY to act.

3. Millennials responded well to engagement programs that incorporated a Cause Marketing element, but Gen Zs will want to take it to the next level. How so? Gen Zs may desire the "cause" element to be a less of an "add-on" to a booth engagement, and more of the central driver of it. For example, rather than have participation in an in-booth product experience trigger a monetary donation to a charity, Gen Zs may want the activity to directly benefit the cause, such as assembling Care Packages for the Homeless or Military Personnel abroad.

This makes the experience more "real" and less "aspirational," which appeals to Gen Z's pragmatic, hands-on world view. Your brand, subsequently, benefits by reflection and association rather than by product storytelling.

Those were only three ways in-booth engagement programs can be adapted to the needs and desires of Gen Zs.

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The possibilities for change, at this point in the game, are endless because as this nascent group grows, changes, and matures, we'll need to remain alert so our marketing programs can grow, change, and mature right along with them.

Conclusion. Gen Zs are ambitious, intelligent, socially aware, and fully cognizant of the impact they will (and do) have on the world of business, and on the world at large. Soon, they will be attending our tradeshows, meetings, and live events en masse, and before we know it, they will comprise the majority of our target audience.

Their ascendance will make it clear that the Millennial learning curve we recently experienced was merely the warm-up act before the main event.

On a personal note, I look forward to the rise of this new group. They will soon (as the 17-year-old said in this article's opening quotes) "change the world" with their innovations, technology, and ideas. The beauty of all this is, they think this way despite the frightening times in which they've grown up. The Cassandra Report discovered that only 6% of Gen Zs are fearful about the future, and they're already offering suggestions, solving problems, and proving how prepared they are for stressful and uncertain times.

These attitudes fill me with a great deal of hope. But taking a page out of their book, my pragmatic side tells me that Gen Z presents an enormous business opportunity, and compels me to adapt and evolve my company's marketing tools and tactics to take advantage of it.

I hope the arrival of Gen Z makes you feel equally inspired and optimistic.