



Gen Z: The Next Generation Consumer

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Timeline of Modern Generations

SILENT GENERATION – 1925-1945



BOOMERS – 1946-1964



GEN X – 1965-1978



MILLENNIALS – 1979-1995



GEN Z – 1996-2010



And, just who are Millennials?

- 75 million strong
- Diverse adults with 22% Hispanic
- Adapted to technology with launch of the internet and social networks
- **96%** of millennials with kids buy pork (*71% Fresh, 95% Processed*)
- **92%** of millennials without kids buy pork (*61% Fresh, 90% Processed*)



Millennials and Gen Z Side-by-Side

MILLENNIALS

TWO SCREENS

LIFE IN 3D

12-SECOND ATTENTION SPAN

RISK TAKERS

PUBLIC

OPTIMISTIC

GEN Z

FIVE SCREENS

LIFE IN 4D

8-SECOND ATTENTION SPAN

RISK AVERSE

PRIVATE

REALISTIC

Gen Z is the first and last generation

First to be defined globally because they are influenced by online events.

Last to be defined as a single generational cohort.

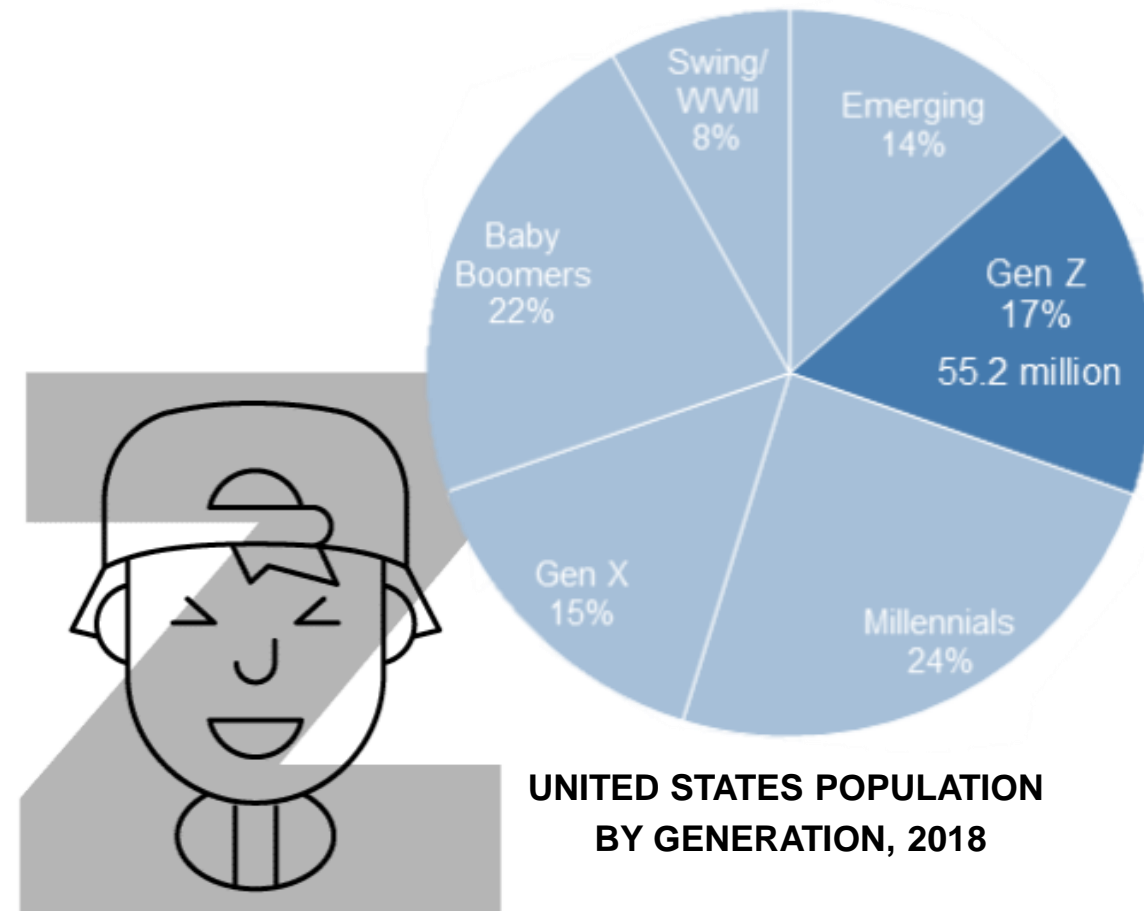
By 2020, Gen Z will make up *40% of all consumers.*



Gen Z: Behaviors

Represents 55 Million Americans

- Includes teens (aged 12-17) and young adults (18-24) – two very different life stages
- More Gen Zs than the emerging generation of kids under age 12



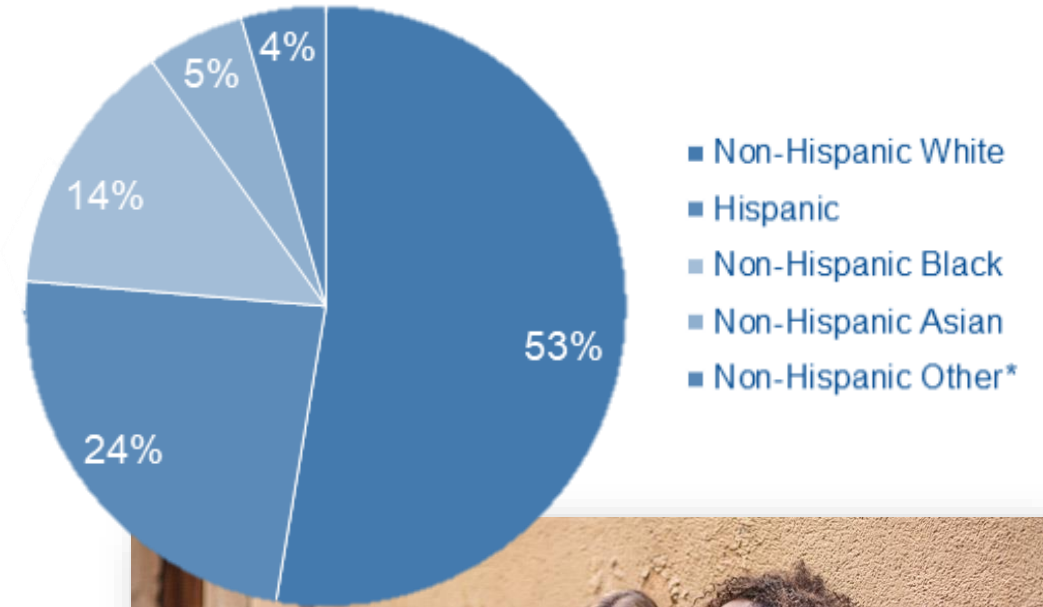
* includes American Indian/Alaska native, native Hawaiian/other Pacific Islander, and two or more races

Source: US Census Bureau, interim population projections released 2017 and annual population estimates/Mintel

Most Diverse Generation

- Define themselves as Hispanic or racially “other”
- Takes many cultural cues from their predecessors (*the Millennials*) but will forge a path for the emerging generation
- Digital natives but born after the advent of smartphones

GEN Z POPULATION
BY RACE AND HISPANIC ORIGIN, 2018



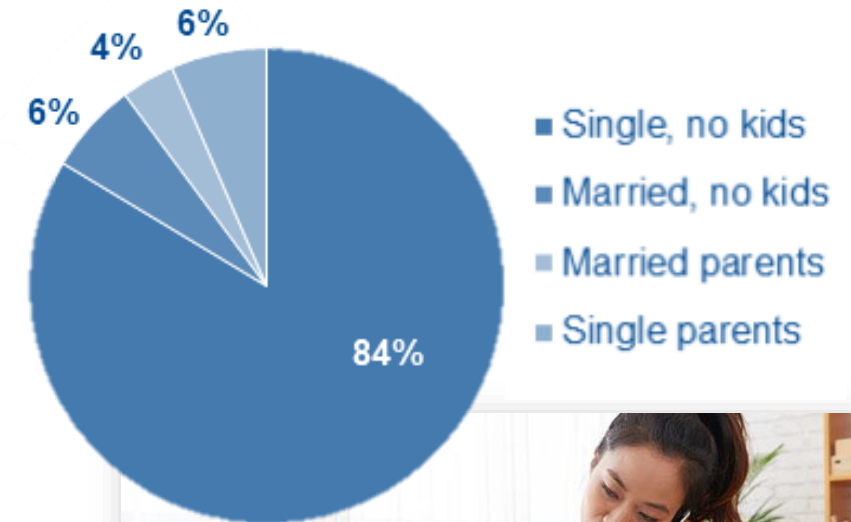
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Source: US Census Bureau, interim population projections released 2017 and annual population estimates/Mintel

Milestones Farther Down the Road

- Majority of Gen Z adults are unmarried and do not live with a partner
- According to *Single Lifestyles March 2017*, 5-Year goal list for unmarried adults aged 18-24:
 - finding a new job, becoming financially independent, obtaining a degree, paying off student loans
- Fewer Gen Z are having kids – 26.8 average age of first-time moms

MARITAL AND PARENTAL STATUS AMONG GENERATION Z ADULTS, NOVEMBER 2018



*single includes single, living with partner, separated, divorced, or widowed

SOURCE: SIMMONS RESEARCH, FALL 2018 NHCS

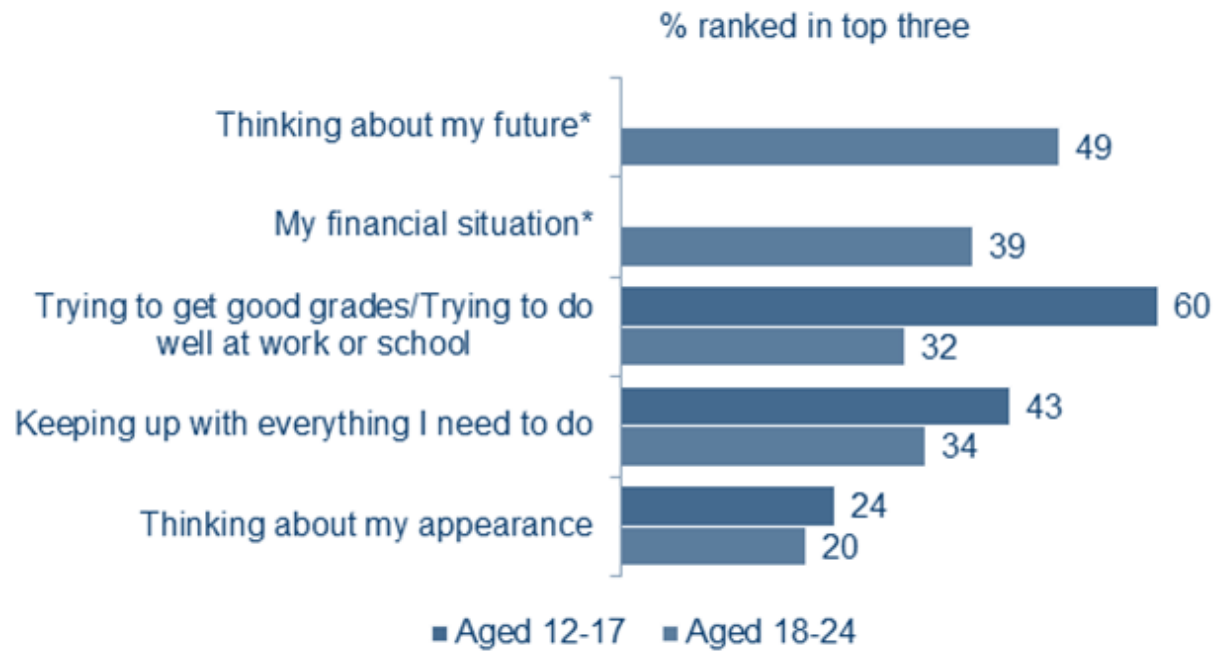
ADULT STUDY 12-MONTH

They are Stressed Out

TOP STRESSORS FOR MEMBERS OF GENERATION Z, MARCH 2019

“WHICH OF THE FOLLOWING THINGS STRESS YOU OUT THE MOST?”

SELECT UP TO THREE RESPONSES AND RANK IN ORDER WITH 1 BEING THE MOST STRESSFUL.



* not asked of teens aged 12-17

Base: N=1,000 internet users aged 12-17 and 371 internet users aged 18-24

Source: Lightspeed/Mintel

Connecting, Communicating, Engaging

A photograph of a group of young people, likely Gen Z, looking at their smartphones. Overlaid on the image are three white speech bubble icons: one with a person icon and '4k', one with a red heart icon and '5k', and one with a blue speech bubble icon and '11'.

MOBILE-FIRST, MOST CONNECTED GENERATION IN HISTORY

Source: Marketing to Gen Z
2018 Jeff Fromm and Angie Read





SEEKS OUT OPPORTUNITIES TO BE *SEEN*
DOING FUN AND EXCITING ACTIVITIES

Source: Marketing to Gen Z
2018 Jeff Fromm and Angie Read





DESIRES CONSTANT EDUCATION AND SELF-IMPROVEMENT

*Source: Marketing to Gen Z
2018 Jeff Fromm and Angie Read*



USES SOCIAL MEDIA TO RAISE
COMMUNITY CONSCIOUSNESS



ICE BUCKET CHALLENGE

Source: Marketing to Gen Z
2018 Jeff Fromm and Angie Read



GAMING/ DIGITAL ENTERTAINMENT IS CONSIDERED A HOBBY AND CATALYST FOR FRIENDSHIPS



Source: Marketing to Gen Z
2018 Jeff Fromm and Angie Read





VALUES TRUST AND AUTHENTICITY OFFERED BY
“REAL PEOPLE” ONLINE KNOWN AS INFLUENCERS

Source: Marketing to Gen Z
2018 Jeff Fromm and Angie Read

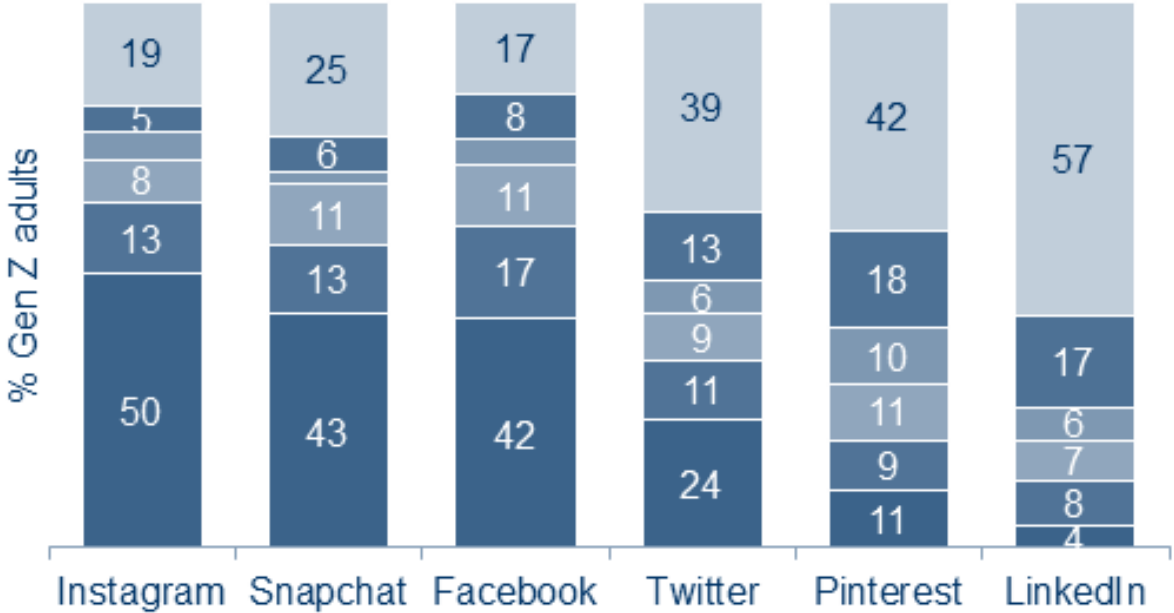


Digital World is Second Nature

SOCIAL MEDIA USE AMONG GEN Z ADULTS, MARCH 2019

“How often do you visit the following social media sites or apps?”

- Never
- Less often than once a week
- Once a week
- A few times per week
- Once per day
- Multiple times per day



Most mainstream social media platform frequents daily but Gen Z are also experimenting with emerging platforms



Gaining a large Gen Z audience



Living in a Digital World

- **6:00 AM:** Shuts off alarm and checks phone notifications
- **7:30 AM:** Asks Alexa to add items to grocery list for later
- **7:50 AM:** Orders Starbucks on the app to grab on the way to work
- **8:00 AM:** Scrolls twitter for news while at stop lights driving to work
- **12:00 PM:** Searches YouTube for “How to fix broken earbuds” and realizes her favorite YouTuber released a new video (YES!)
- **4:00 PM:** Stops at Target on the way home to pick up dinner items. But first, always check Cartwheel deals
- **6:00 PM:** Googles “What is a substitute for sour cream?” while making dinner
- **9:00 PM:** Scrolls Insta feed while watching TV to wind down



Video is the Primary Platform for Communicating, Sharing and Learning

68

Average number of YouTube videos Gen Z watches per day

3 in 5

Gen Z consumers say they want to find purpose and meaning in what they watch

71%

of Gen Z say YouTube is the best place to consumer long-form content (10+ minutes)



YouTube is the
#1
place teens say they
go to **cheer up**

76%

Say watching videos with
others helps them feel **more
connected**



63%

Say they don't know how to get
through life without watching
YouTube videos

Source: Google/Ipsos Connect, Generation Z Media & Values study, US, May 2018; Google Internal Data Report; Google + OMG "Personal Primetime" Study. US, October 2018



Pork's Video Content Resonating with Gen Z



Nutrition / Wellness



How-To

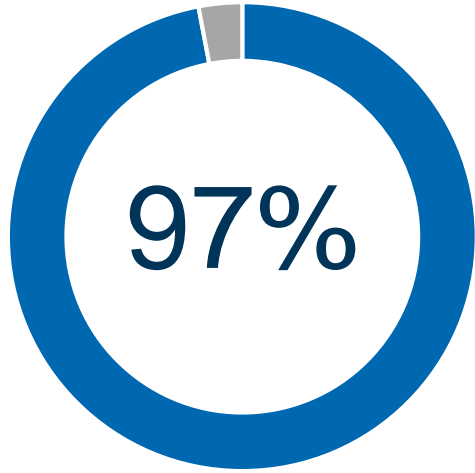


Trends

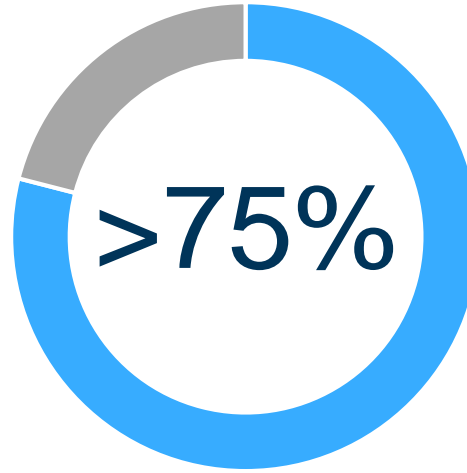


Gen Z: Winning with Pork

Pork is Remarkably Popular



of US households bought pork
last year

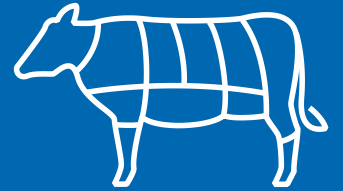
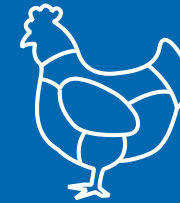


of US households bought both
fresh and processed pork

Yet opportunities exist...

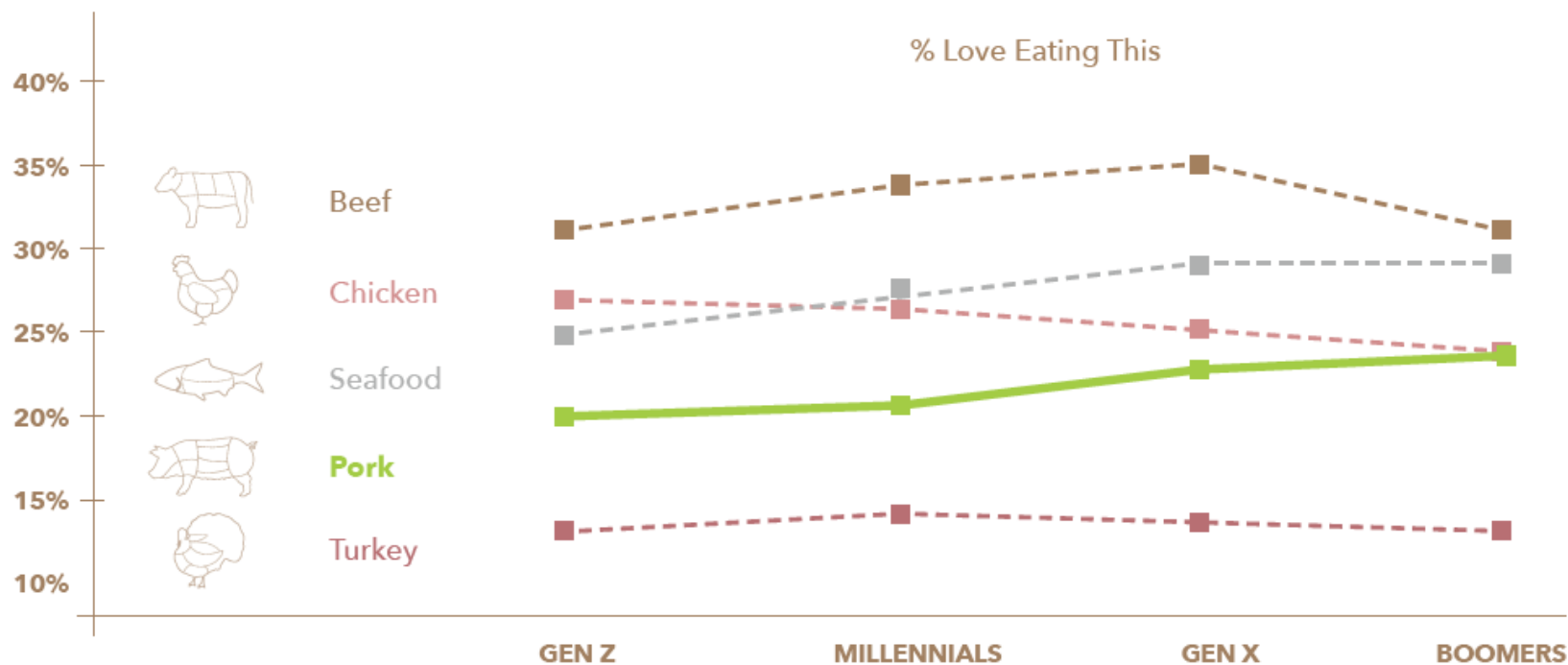
PORK SHOPPERS

are worth more than...



chicken and beef shoppers

Younger Shoppers Lack 'Love' for Pork



“Honestly, I’ve had bad experiences with home cooked pork. I only ever order it out. So when shopping, the pork tends to look unappealing to me and I look over it. In general, it’s confusing. I don’t know how to cook it or what to look for. ~Millennial”

BRIGHT SPOTS



Bacon



Charcuteries



Pork Belly

Base: Total Respondents (Gen Z: n=529; Millennials: n=2,530; Gen X: n=4,299; Boomers: n=3,757)

(percentages shown are the averages of fresh meat cuts)

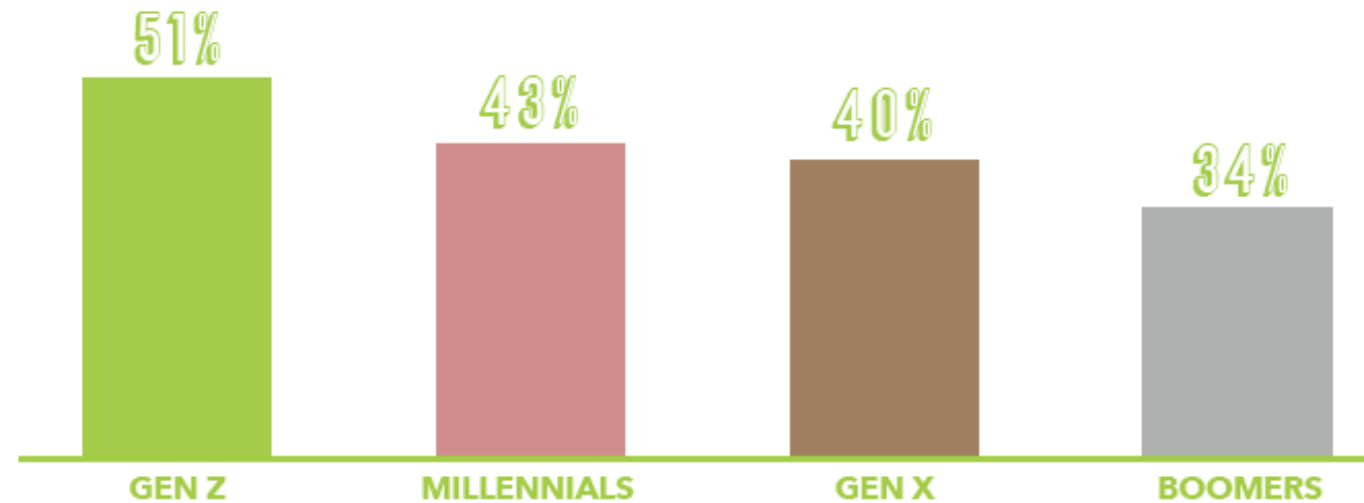
M3 Q1: For each of the following types of meat or seafood, please indicate your feeling toward this type of meat or seafood.

The Value Proposition:

Value can't be at the Cost of Convenience

PRICE MOTIVATES PORK PURCHASES

"IT FIT MY BUDGET"



Base: Total Respondents (Gen Z: n=529; Millennials: n= 2,530; Gen X: n=4,299; Boomers: n=3,757)
M1 Q19: Usage motivators – "had a big influence," table 168

International flavors and the Use of Fresh Pork as an Ingredient Play Well to Pork’s Future



	Millennials + Adult Gen Z
	<i>Among those without kids</i>
How Prepped?	More prep with marinades/sauces and use a recipe (especially new)
How Cooked?	Stove top is used more than oven; skewers on instant pot
How Served?	More use in something as well as a main dish
Flavor?	More Mexican and Asian flavors
How Feel?	More negative emotions and less confident , but also more excited
Motivators?	Top motivators are go-to and flavor ; more motivated by budget

Base: Evaluated fresh pork for “In Home” Dinner Occasion
(Millennials without kids n=69; Gen-X without kids n=110; Boomers without kids n=219)
Various questions – see appendix for details

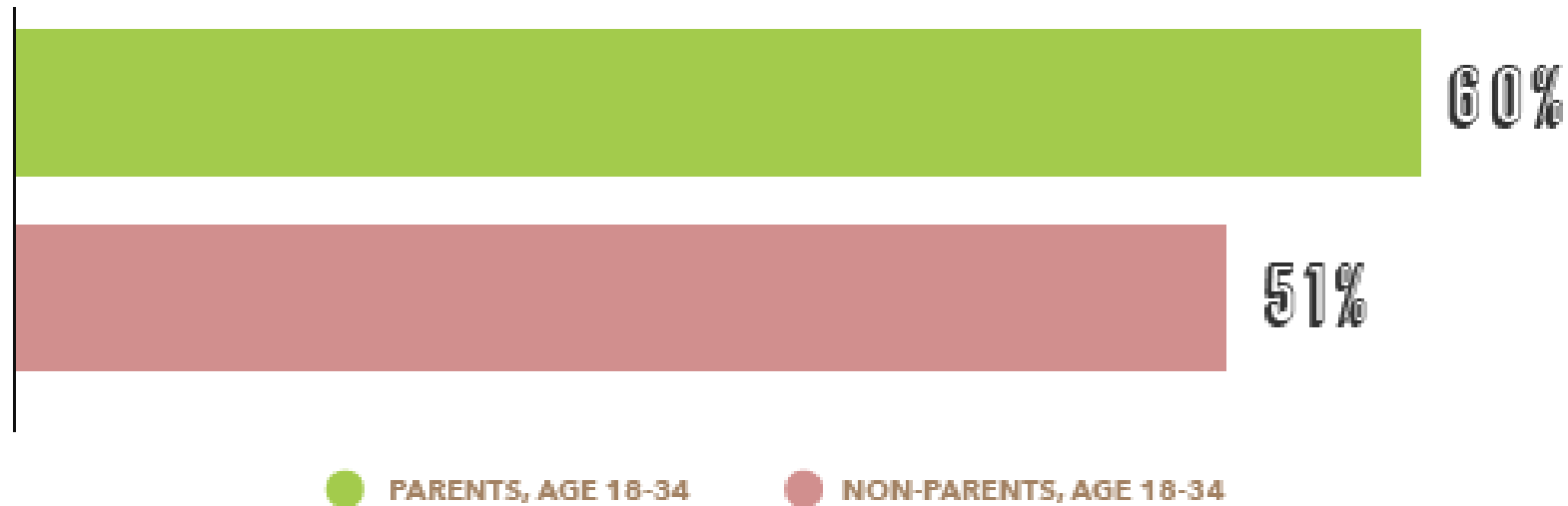
Preparation Perceptions

	With Kids	Without Kids
Fresh Pork Barriers	Millennials + Adult Gen Z	
Some people in family won't eat	19%	12%
Often ends up dry/not juicy	16%	15%
Don't know how to prepare/use	12%	14%
Concerned about undercooking	11%	14%
Difficult to digest	10%	9%
Doesn't come in single serve	8%	5%
Complicated to make/use	8%	11%

○ indicates significantly higher than other generations

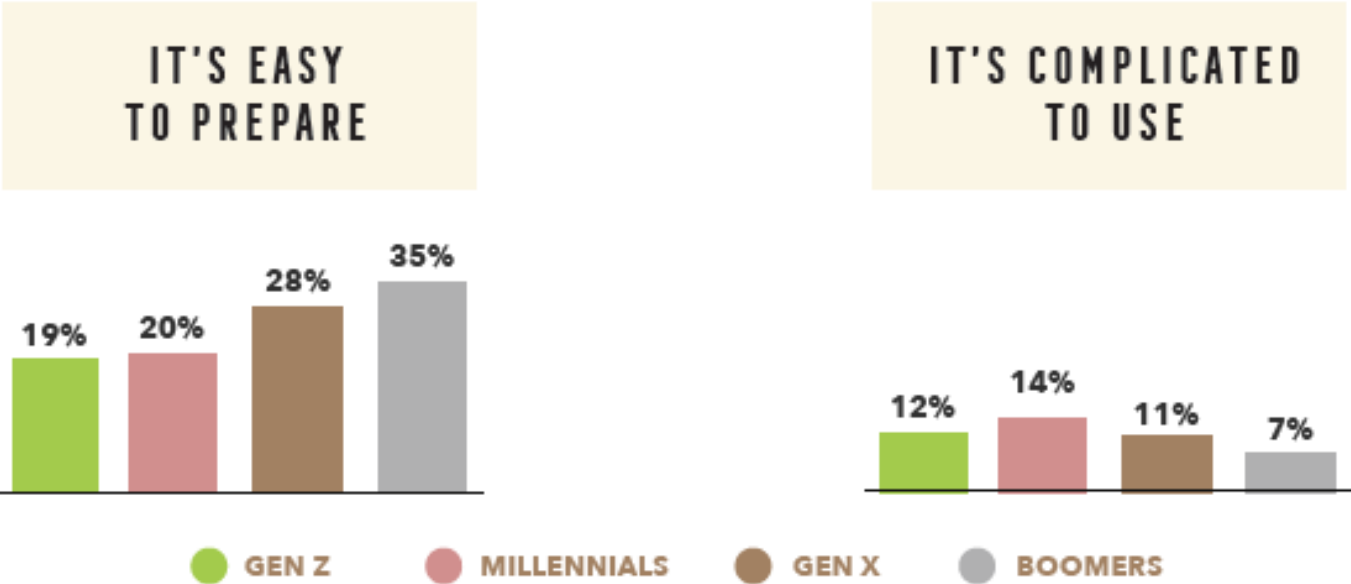
Parenting is a Key Moment in Time to Influence

MILLENNIAL AND GEN Z PARENTS EAT
MORE FRESH PORK AT HOME



Convenience Varies by Generation

FRESH PORK AND CONVENIENCE

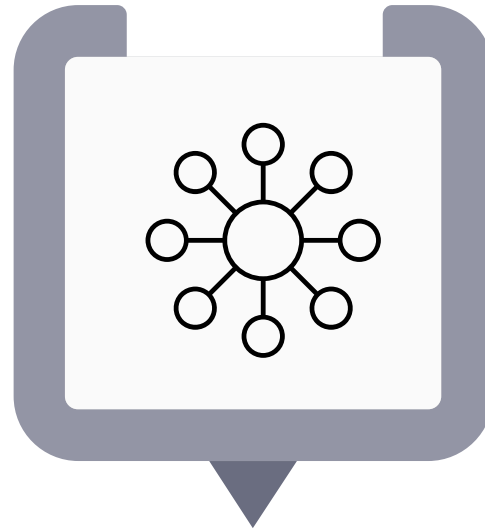


Base: Have tried meat cut and evaluated at M3 Q3 (base sizes vary)
M3 Q3: Which of the following types of meat/seafood does this statement apply to? Table 480

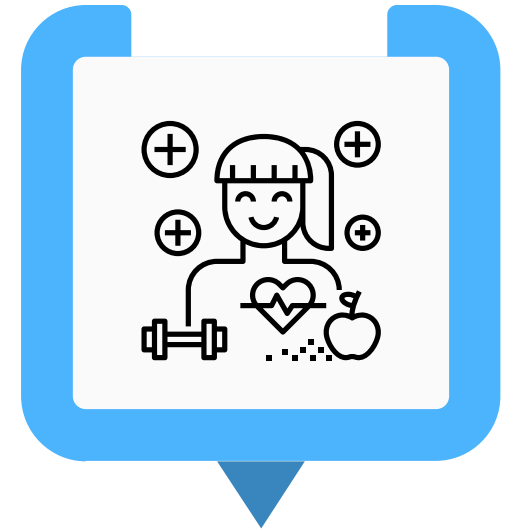
For Younger Shoppers, Pork Needs to Excel In...



Simplicity

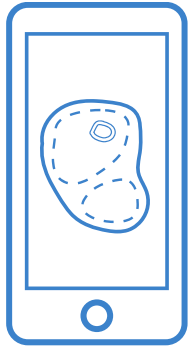


Versatility

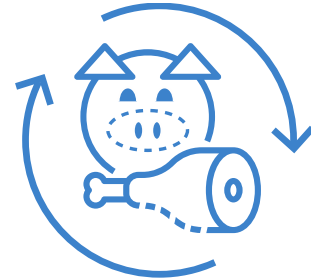


Health

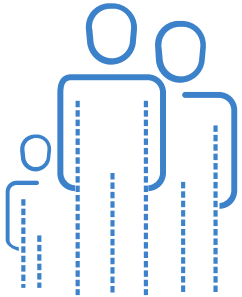
Key Takeaways



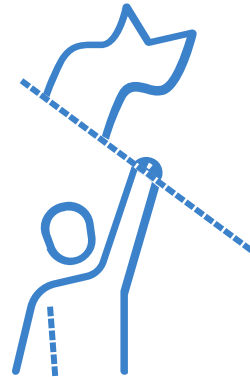
Pork has to be
**marketed
through mobile**



Pork has to feel
**healthy and
sustainable**



Pork has to appeal
**to both parents
and kids**



Pork has to be
easy

People. Pigs. Planet.™

This information is provided by America's Pork Producers through funding from

