The Power Of Gen Z

Trust & The Future Consumer | December 2021

Edelman
Exploring the world of Gen Z

Methodology

Global Survey
9,600 Gen Z, ages 14-24
6 markets
China, France, Germany, Mexico, UK, US

Virtual Discussions
60 minute, 1-on-1 interviews
12 Gen Z, ages 14-24
China, UK, US

Built with Them
Ongoing consultation and collaboration with Gen Z advisory council

* Developed by Edelman in partnership with Smarty Pants, an independent youth research firm

Macro cultural forces shaping the world

Forces breaking the world:
- Climate Change
- Ongoing Global Pandemic
- Economic Recession & Jobs
- Racism & Discrimination
- Social & Political Unrest
- Mental Health
- Disinformation
- Identity & Inclusivity
- Creator Economy
- Power of Employee/Employer
- Social Networking
- Innovation

Forces piecing it back together:

The Power of Gen Z December 2021
What we think we know about Gen Z’s world doesn’t reflect reality

**01**

**Accepted Belief**

Gen Z all want to be influencers

**New Reality**

Only 12% aspire to be an influencer

**02**

**Accepted Belief**

Gen Z are bold, bullish activists

**New Reality**

66% believe that sharing is a form of activism (and it’s not radical)

**03**

**Accepted Belief**

Gen Z mobilizes cancel culture

**New Reality**

It’s about accountability. 1 in 3 want brands to take responsibility for wrongdoing

**04**

**Accepted Belief**

Gen Z believes tech solves everything

**New Reality**

45% say technology is not the solution to most problems

**05**

**Accepted Belief**

In TikTok they trust

**New Reality**

YouTube is the most trusted, while TikTok ranks #5
Who they actually are

Generation of Sensibility
as they want to solve humanity’s most glaring issues, they desire safety, value realism and are making sensibility the new standard

Globally Unified
set on course correcting & getting our world back to basics

Trust Differently
journey to trust-building looks different for this generation
Gen Z’s journey to trust

- Take Care of People
- Make Me Feel Safe
- Unite for Change
MAKE ME FEEL SAFE
The visceral need for safety & security permeates every aspect of their lives

7 in 10 want safety & security in their lives

- **PHYSICAL**
  - Prioritize activities that have a lower risk of getting sick or injured (75%)

- **EMOTIONAL**
  - Prioritize “feeling safe” (81%) over building strong friendships (75%)

- **FINANCIAL**
  - Say “pays well/provides financial stability” is an important career goal (79%)

- **SOCIAL**
  - Have changed social circles to feel safer (69%)

- **EDUCATIONAL**
  - Say safety is critical or important when thinking about school (81%)

Q28. In what ways, if any, has the COVID-19 pandemic impacted your attitudes and behaviors related to your health and wellness? NET Describes me now, but I believe only temporarily/until the pandemic ends & Describes me now, and I believe it will describe me in the future / Q21. Thinking about your school and education, please tell us how important the following are to you. Makes me feel safe, Allows me to build strong friendships. NET Critical/must have and Important to Have. Q22. Thinking about your future or potential employment and career, please tell us how important the following are to you when it comes to the place you choose to work or the career you want to pursue. Pays well/Provides financial stability. NET Critical/must have and Important to have.
Safety in the form of health was exacerbated by COVID
Percent who say the COVID-19 pandemic impacted their attitudes

Describes me now

- **78%**
  - I have created more time in my life for self-care/mental health

- **68%**
  - I have started or continued to save up for future healthcare expenses

- **66%**
  - I have considered or started a career that will allow me to handle health and wellness expenses

Q28 In what ways, if any, has the COVID-19 pandemic impacted your attitudes and behaviors related to your health and wellness? I have created more time in my life for self-care/mental health. I have started or continued to save up for future healthcare expenses. I have considered or started a career that will allow me to handle health and wellness expenses. NET Describes me now, but I believe only temporarily until the pandemic ends. & Describes me now, and I believe it will describe me in the future.
Gen Z finds their way to truth

Q36: Now think about your personal online social media network: how you use it, who you follow and your followers. How much do you agree or disagree with each of these statements? I always double check claims or news I see on social media — one source is not enough. NET Mostly Agree and Completely Agree. Q30: For each of the following types of media, how much of their content do you think is absolutely true and trustworthy? Search Engines: such as Google, Yahoo!, Bing (SHOW ONLY ICN or Baidu). Q35: When it comes to the information you see online, what are the most important things you look for to determine whether something is true and trustworthy? There are links to legitimate sources supporting it, it cites supporting data/proof points.

70% always fact check what you say and will unfollow you if you’re not truthful
58% say the content on search engines is trustworthy

Top 2 trustworthy criteria:
1. Links to legitimate sources
2. Citations of supporting data/proof points
TAKE CARE OF PEOPLE
People they trust most are those that take care of others

Percent who say they trust each the most

▲ Most trusted people
- Doctors/therapists (77%)
- Scientists (75%)
- Teachers/professors (74%)

▼ Less trusted people
- Traditional celebrities (50%)
- CEO’s (60%)
- Government leaders (47%)

Q33. Below is a list of types of people or groups. For each one, please indicate how much you trust that individual or group (i.e., is it trusted to be accurate, factual or truthful) on a 1-9 scale. Trust NET top4 (7+).
Inspiration is from real people
Percent who describe each as sources of inspiration in their life

People Who Are Close & Relatable
Family members (88%)
“Friends” (84%)
Ordinary people doing good (81%)

People Who Represent the Inaccessible & Distant
Journalist (47%)
Religious/faith leaders (44%)
Politicians, rank lowest (42%)

Q18 Think about the types of people/groups who are sources of inspiration in your life. Please describe how inspirational, if at all, the following types of people are to you: NET Extremely or Somewhat
Q43 When it comes to brands in general that you will or will not buy or use, categorize each of the following attributes based on whether it is a critical deal breaker, important to have, or merely a nice to have. It treats its employees well. **NET:** Critical deal breaker or Important to have.

Thinking about your future or potential employment and career, please tell us how important the following are to you when it comes to the place you choose to work or the career you want to pursue. My work supports/gives back to others in need. **NET:** Critical/must have and Important to Have.

**8 in 10**
consider if a brand treats employees well as a critical or important purchase decision factor

**7 in 10**
evaluate a brand’s work to support/give back to those in need when considering whether to work there

The real test of a brand is how it treats people.
UNITE FOR CHANGE
Unity is Gen Z’s superpower

Unity is the definition of activism for this generation

It’s not radical, it’s about coming together to create change for a common good

Activism is a social, political, environmental revolution to change society. I don’t think you can do that alone.”

— 23-year-old Female, China

70% of all Gen Zers globally are involved in a social or political cause

Q25 With which social or political causes are you currently involved? NET one or more causes.
Common causes they unite around

Globally

- Climate Change
- COVID-19
- Social Justice

By Country

Ranked by cause with highest involvement rate in each country

<table>
<thead>
<tr>
<th>China</th>
<th>France</th>
<th>Germany</th>
<th>Mexico</th>
<th>UK</th>
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<td>Climate change</td>
<td>COVID-19 pandemic</td>
<td>Climate change</td>
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<td>2</td>
<td>Education access</td>
<td>Gender equality</td>
<td>COVID-19 pandemic</td>
<td>Gender equality</td>
<td>Mental health</td>
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</tbody>
</table>

Q25. With which social or political causes are you currently involved? Among those currently involved in social or political causes. NET one or more causes.
They want brands to use their superpower

Brands are expected to use their reach, money, and scale to create the change

9 in 10 want the brands they buy to get involved in causes that better the world
Trust is now about “we” not “me”

Gen Z is more interested in brands generating trust that address the needs of the many vs. relevance to “me” alone

The Self (personal relevance) attribute is lowest for Gen Z, but also considerably lower than among adults 25+ (51%)
A generation that buys on beliefs & values

**Gen Z**

- **63%** buy/use brands who take a stance on social issues they care about
- **85%** say trusting a brand is critical or important for purchase

**Adults 25+**

- **49%** buy brands that express opinions on societal and political issues they care about

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Q40. Please indicate how much you agree or disagree with the following statements: “I want the brands I buy/use to take a stance on social issues I care about” — Agree.

Q43. When it comes to brands in general that you will or will not buy or use, categorize each of the following attributes based on whether it is a critical dealbreaker, important to have, or merely a nice to have. 2021 Edelman Trust Barometer Special Report: Trust the New Brand Equity

Q17. Please indicate how much you agree or disagree with the following statements: 9-point scale; top 4 box, agree.

- **63%** among those aged 25+ “I have strong opinions about many societal and political issues; the brands I choose to buy and not buy are one important way I express these opinions.”
WHAT THIS MEANS
There is a new journey
to earning trust

Make Me Feel Safe

• Consider basic needs vs. aspirational experiences
• Deliver on safety through every aspect of their lives
• Transparency needs to be discoverable — Gen Z looks for truth

Take Care of People

• Focus on real people & creators vs. inaccessible personalities
• Substance is the new sizzle
• Take care of your people – Gen Z is watching

Unite for Change

• Trust is about “we” vs. "me"
• Emphasize global values vs. hyperlocal actions
• Harness Gen Z’s definition of activism by bringing them together