



CONSUMER DEEP DIVE

Zooming in on Gen Z Buyers

A SINGLE DATA SOURCE. INFINITE INSIGHTS.

The Gen Z Imperative

Understanding Gen Z consumers is increasingly important for brands & retailers, as they command roughly **\$360 billion in disposable income**¹— a figure that will only continue to grow as members of the generation enter adulthood and the workforce. But understanding this generation can be tricky, with significant differences in life stage and lifestyle even within the 18+ cohort of this generation.

Numerator's 2023 Gen Z Report highlights the intragenerational differences of adult Gen Z consumers (ages 18-26) to help brands & retailers understand the nuances in shopping, spending and saving within this up-and-coming generation. The report leverages a custom survey of over 1,600 Gen Z consumers combined with verified shopping behaviors of over 5,000 Gen Z buyers.

¹[Forbes – Gen Z Buying Power](#)

Lifestyles & Stages

- Adult Gen Z consumers are in a **highly transitional stage of life**. While 60% of 18–20-year-olds live in someone else's home, by the age of 26, over 70% have shifted to independent living.
- As Gen Z'ers move to their own homes and enter the workforce, they also **increase their financial independence**, with 73% claiming to be mostly financially independent by age 26— up from 45% at age 20.
- Increased financial independence also means **increased need for money-saving measures**— age 21 is when many Gen Z shoppers begin trying to save money.

Spending Impacts

- Between the ages of 18 and 26, consumer **spending shifts from discretionary to essentials-focused**. Groceries become the top category purchased independently as Gen Z shoppers age, replacing dining out.
- Observed spending in most categories increases with age, but not all categories experience linear growth— **grocery spending sees a dip in spend around age 23**, when many Gen Z'ers become more conscious of their budgets.
- As Gen Z shoppers look for savings and convenience, they **increasingly turn to online and dollar channels** for their everyday CPG goods.

Gen Z Takeaways

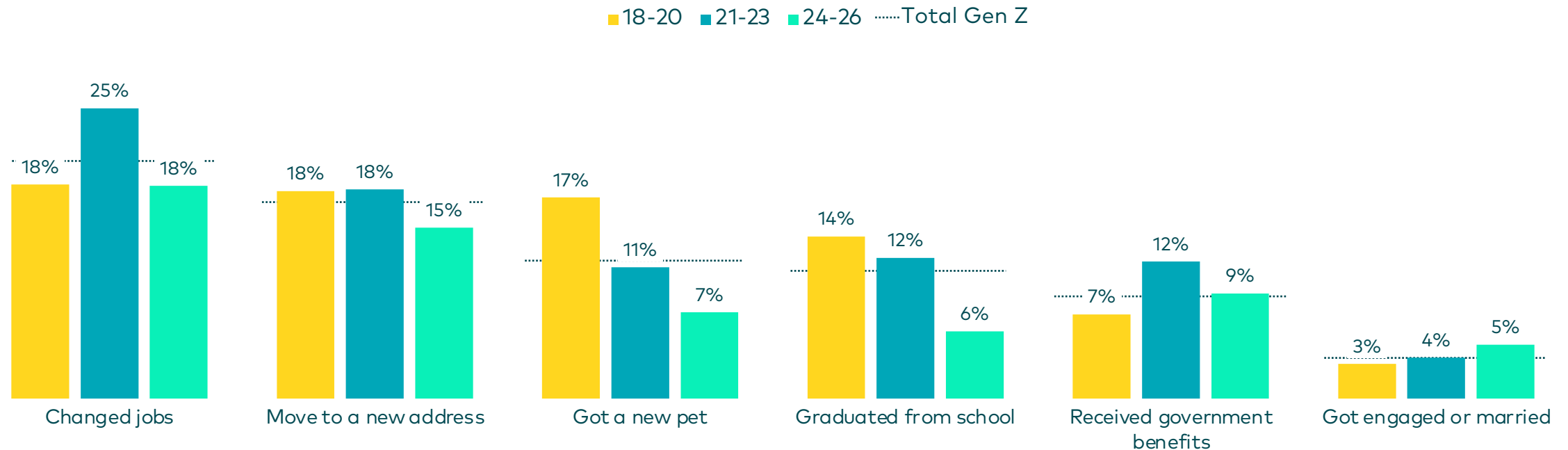
- Given the vast intragenerational differences among Gen Z'ers, it's important to **take a nuanced view** and increase targeting by specific age groups and living situations.
- With an increased focus on finances and budgeting at age 21, brands and retailers should aim to **present money-saving opportunities** to Gen Z shoppers around this age to gain their business and loyalty.
- Currently, Gen Z spends less online than other generations, despite being more tech-enabled. **Use technology to connect** with them but plan for in-store purchases.

Gen Z consumers are in a largely transitional period of life.

While younger Gen Z'ers are graduating school and getting pets, older members of the generation are transitioning to new jobs or starting families. Nearly one-in-five Gen Z consumers changed jobs or addresses in the past three months.

LIFE CHANGES

% of age group



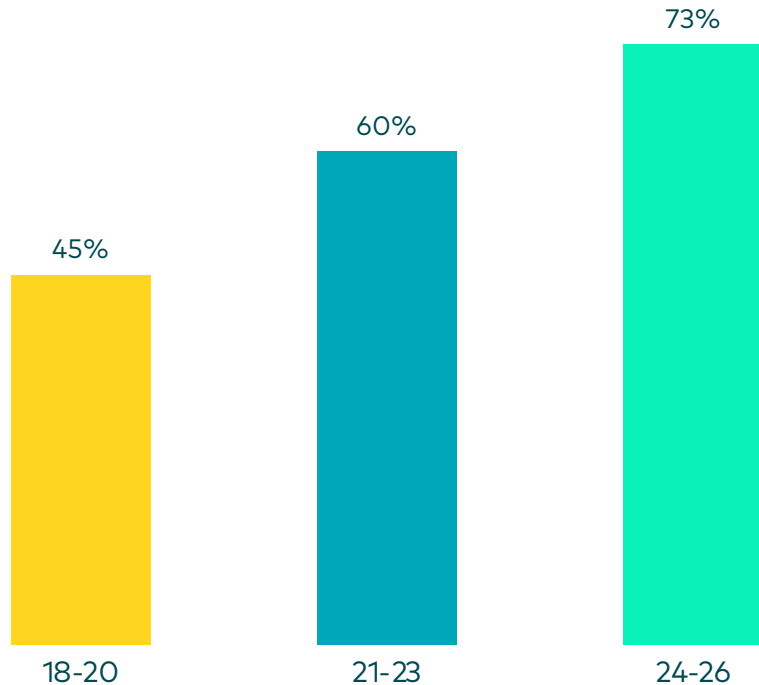
Numerator Gen Z Survey n= 1,668 | Which of the following has happened to you in the past 3 months?

And these life transitions translate to increasing financial independence.

By the age of 26, nearly three-in-four Gen Z consumers are mostly financially independent. Those under the age of 24 are more likely to depend on someone else— like parents & guardians— to supplement their earned income, or to rely on savings or loans.

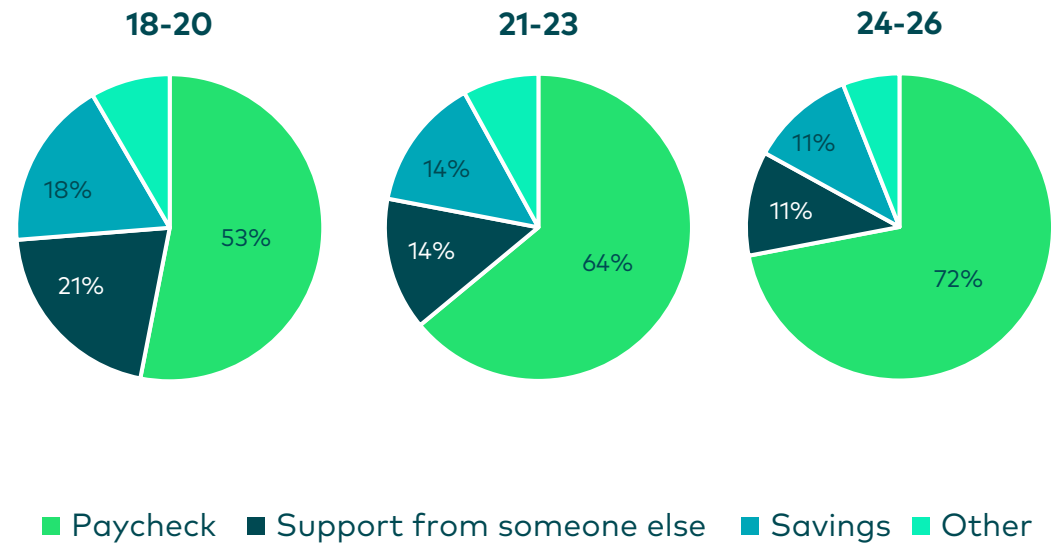
FINANCIAL INDEPENDENCE

% of age group who are "entirely" or "mostly" independent



PRIMARY SOURCE OF INCOME

% of age group



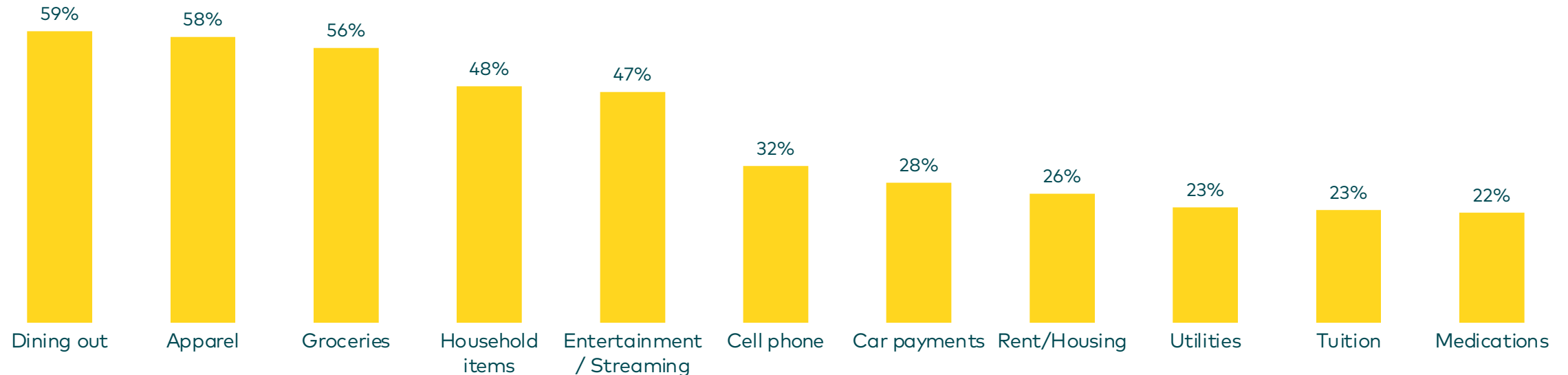
Numerator Gen Z Survey n= 1,668 | How would you best describe your current financial situation? (Entirely financially independent –Entirely financially dependent on someone else) What is your primary source of income for the goods and services you purchase?

When Gen Z'ers first start shopping, food and apparel top their lists.

Discretionary dining is the most common category 18–20-year-olds purchase independently, followed by apparel and groceries. Only one-in-five pay for their own housing, utilities, tuition or medications, leaving more budget for discretionary items.

CATEGORIES PURCHASED INDEPENDENTLY

% of 18-20 year olds



And when they do dine out, Gen Z'ers have distinct tastes.

Overall, Gen Z diners favor Starbucks, Chipotle and Jack In The Box, visiting these restaurants more frequently than other generations. Younger Gen Z'ers frequent Panera and Little Caesars more often than most, while older Gen Z'ers prefer Chipotle.

TOP 10 GEN Z RESTAURANTS

Ranked by overall % of trips within group | % of trips indexed vs. all shoppers

Age 18–20

McDonald's (85)
Wendy's (199)
Starbucks (62)
Dunkin Donuts (125)
Panera Bread (300+)
Taco Bell (78)
Chipotle (180)
Jack In The Box (206)
Little Caesars Pizza (225)
Chick-fil-A (160)

Age 21–23

McDonald's (106)
Starbucks (174)
Wendy's (95)
Taco Bell (94)
Burger King (59)
Dunkin Donuts (55)
Chipotle (121)
Popeyes (102)
Jack In The Box (95)
Chick-fil-A (95)

Age 24–26

McDonald's (99)
Starbucks (112)
Taco Bell (97)
Chipotle (230)
Burger King (92)
Wendy's (85)
Dunkin Donuts (88)
Jack In The Box (135)
Popeyes (124)
Chick-fil-A (115)

Total Gen Z

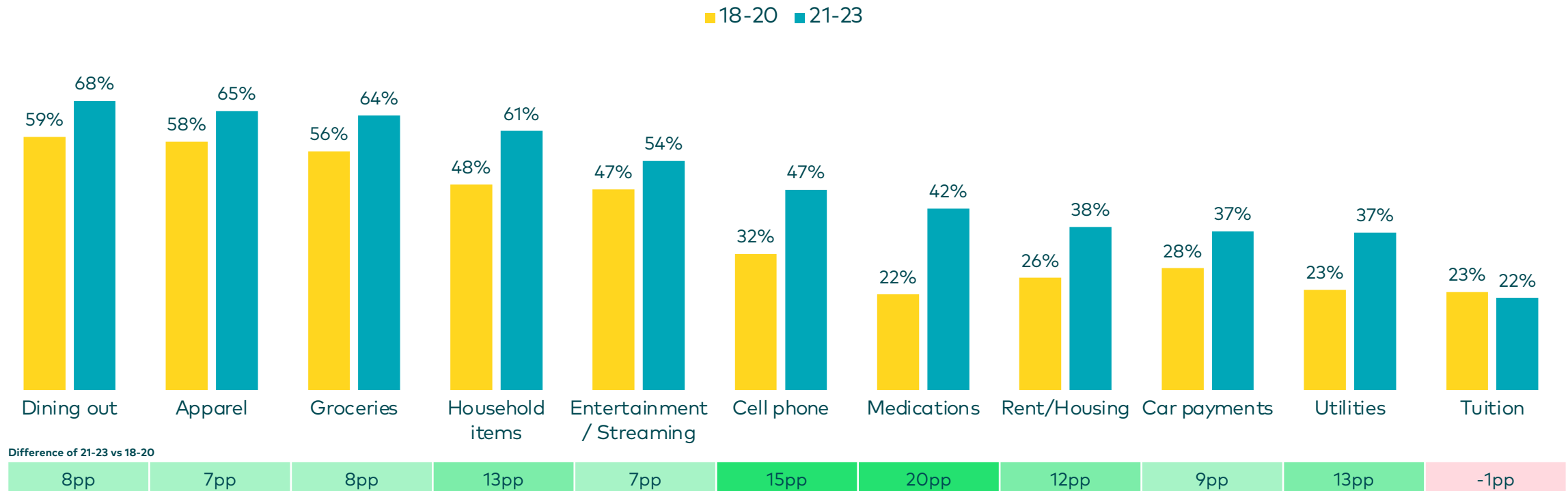
McDonald's (101)
Starbucks (143)
Wendy's (96)
Taco Bell (96)
Dunkin Donuts (80)
Burger King (66)
Chipotle (158)
Jack In The Box (126)
Chick-fil-A (108)
Popeyes (99)

As Gen Z'ers mature, they begin to pay for more of their own essentials.

The largest increases between 18–20-year-olds and 21–23-year-olds are paying for medications and cell phone bills, along with utilities and household items. By age 23, over two-thirds of Gen Z'ers are paying for their own dining, apparel and groceries.

CATEGORIES PURCHASED INDEPENDENTLY

% of age group



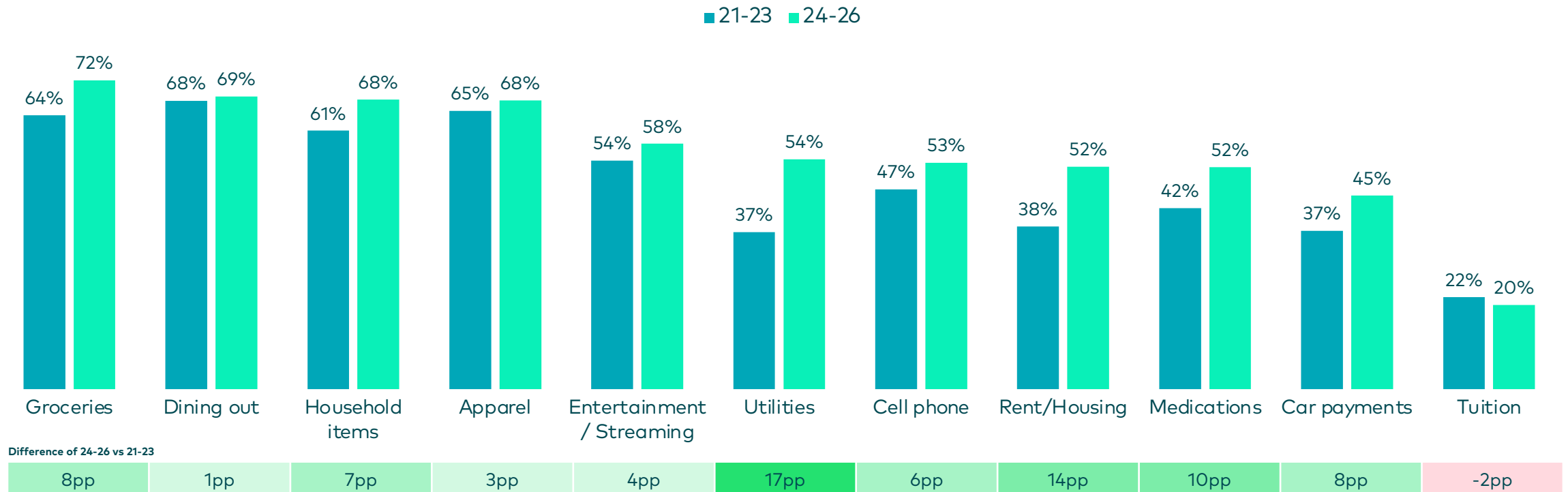
Numerator Gen Z Survey n= 1,668 | Which of the following items do you pay for yourself?

Groceries become the #1 category purchased independently as Gen Z ages.

Utilities, housing and medication sees the largest increase in independent purchasing as Gen Z'ers enter the 24–26 age segment. Though dining out, apparel and entertainment all increase slightly for this age group, they begin to stabilize around this time.

CATEGORIES PURCHASED INDEPENDENTLY

% of age group



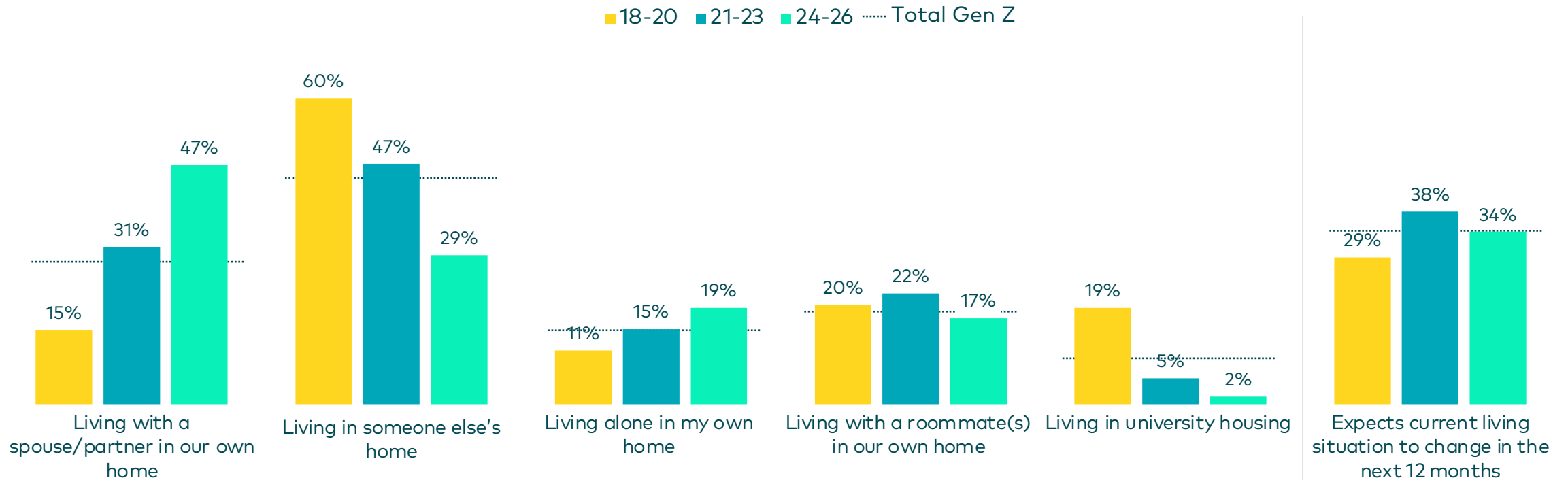
Numerator Gen Z Survey n= 1,668 | Which of the following items do you pay for yourself?

Spending shifts are largely driven by Gen Z'ers moving to their own homes.

The number of Gen Z consumers living with their parents or guardians drops by half between the ages of 18–20 and 24–26. By the age of 26, nearly half of Gen Z'ers are living with a spouse or partner, and a third are living alone or with roommates.

LIVING SITUATION

% of age group



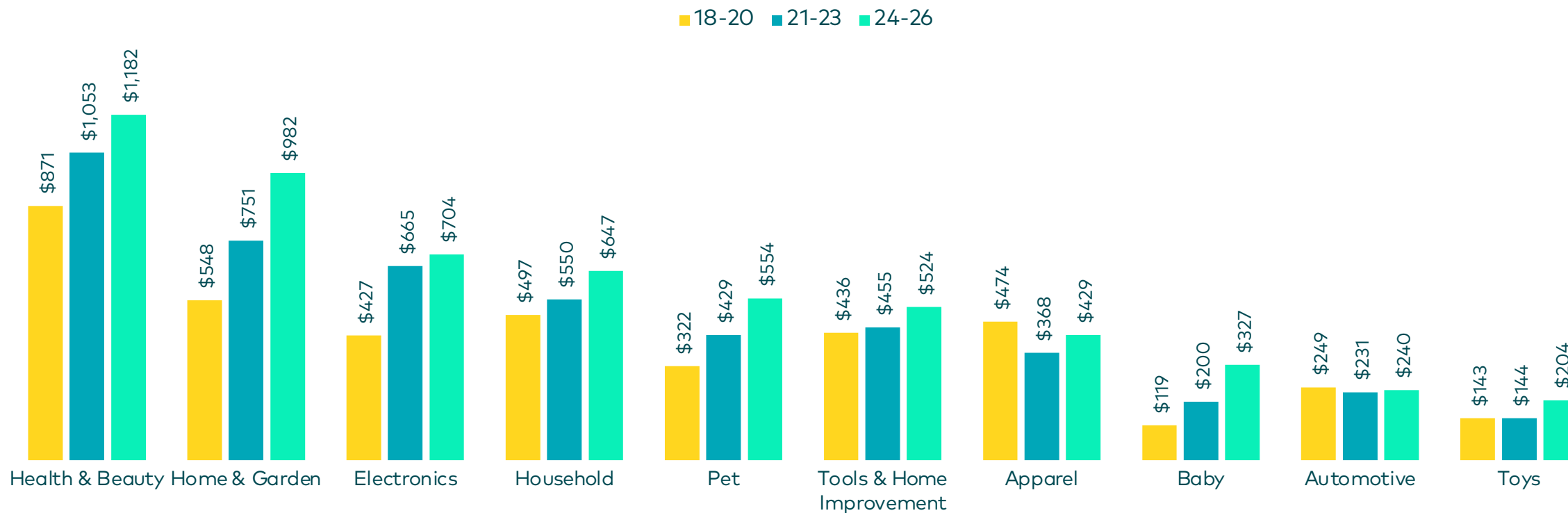
Numerator Gen Z Survey n= 1,668 | Which of the following living situations have you experienced in the past 12 months?

Observed spending in most categories increases with age.

Pet, baby, home & garden and household products see the steadiest spending growth as consumers age. Electronics and health & beauty spend jumps more significantly when consumers reach the 21–23 age group, while apparel and automotive spending dips.

CATEGORY SPENDING

Annual buy rate by age group

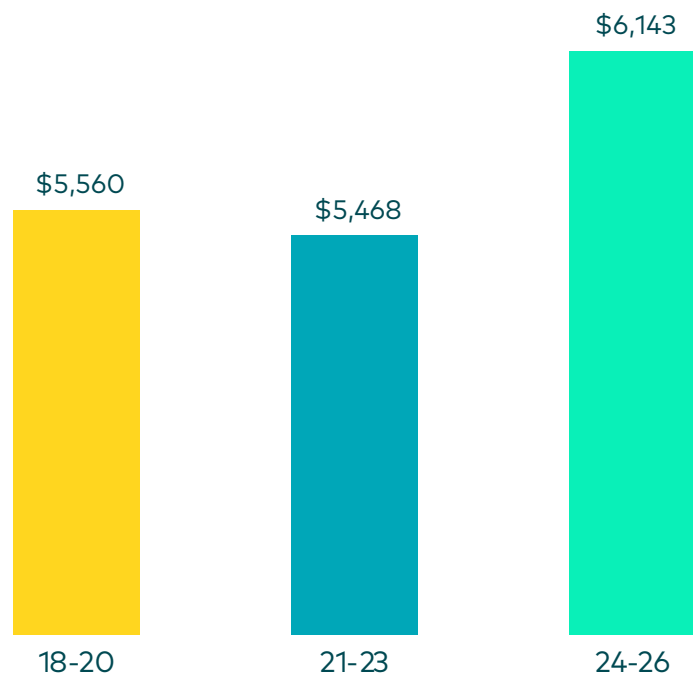


But not all spending growth is strictly linear as consumers gets older.

As seen with apparel and automotive, we see a decline in grocery spending among 21–23-year-olds, with the lowest buy rate occurring at age 23, when many consumers become more financially independent and conscious of budgeting.

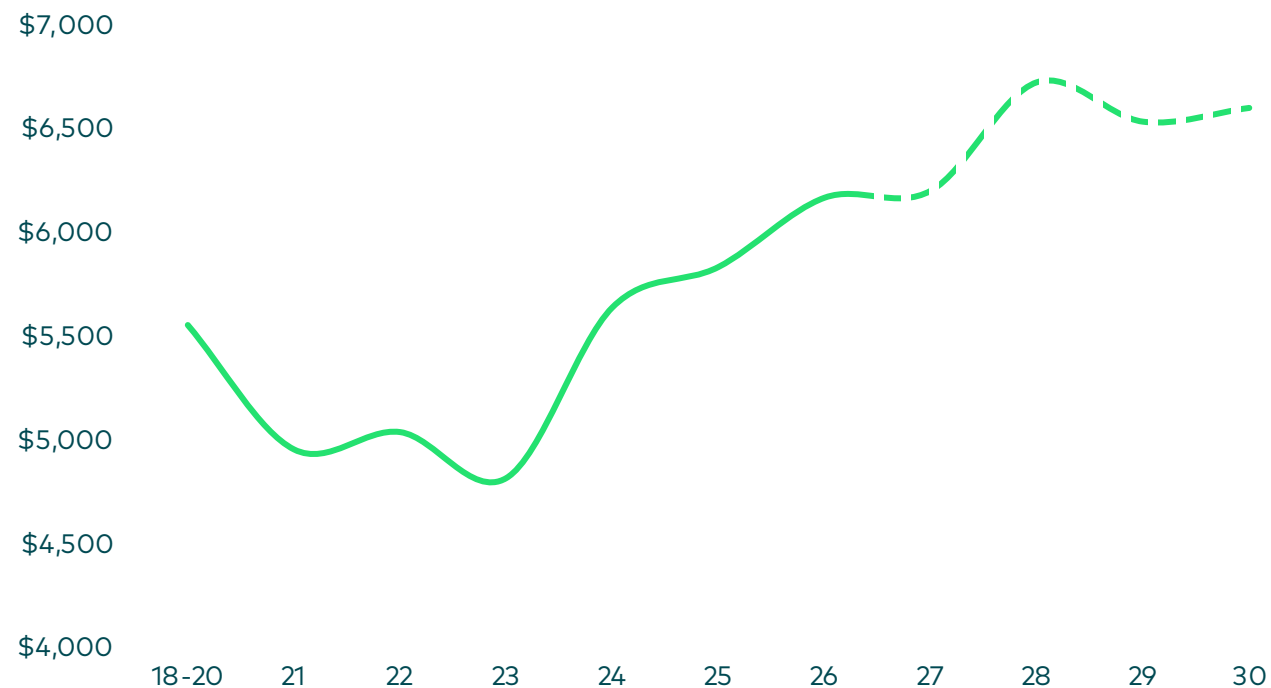
GROCERY SPENDING

Annual buy rate by age group



GROCERY SPENDING

Annual buy rate by age



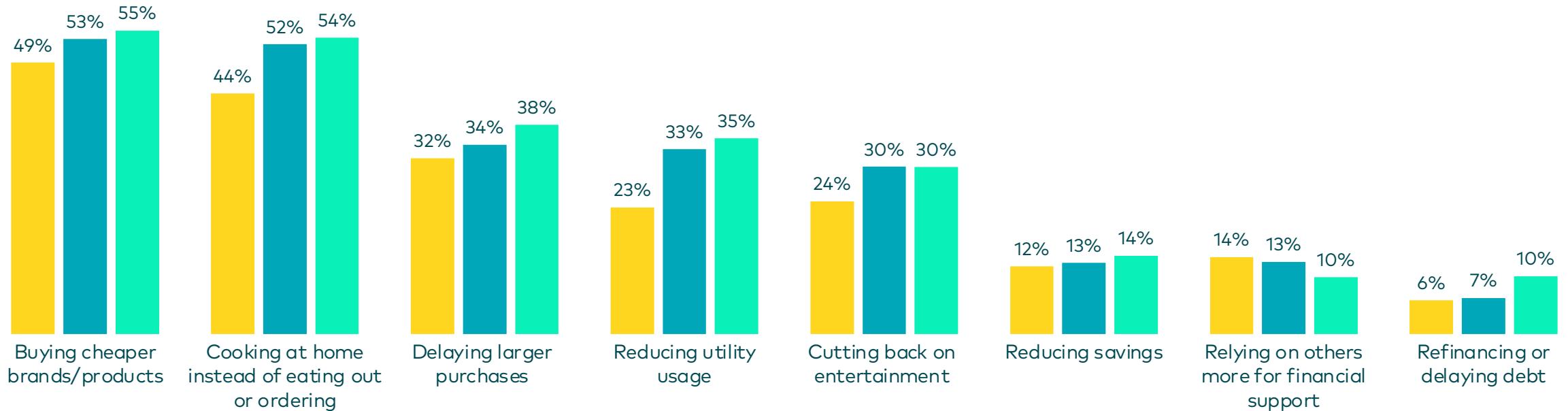
Age 21 is when many Gen Z'ers begin making an effort to save money.

While all money saving measures— apart from relying on others— increase with age, opting for eating in rather than eating out, reducing utility usage and cutting back on entertainment all see the most significant increases between ages 18–20 and 21–23.

MONEY SAVING TACTICS

% of age group

■ 18-20 ■ 21-23 ■ 24-26



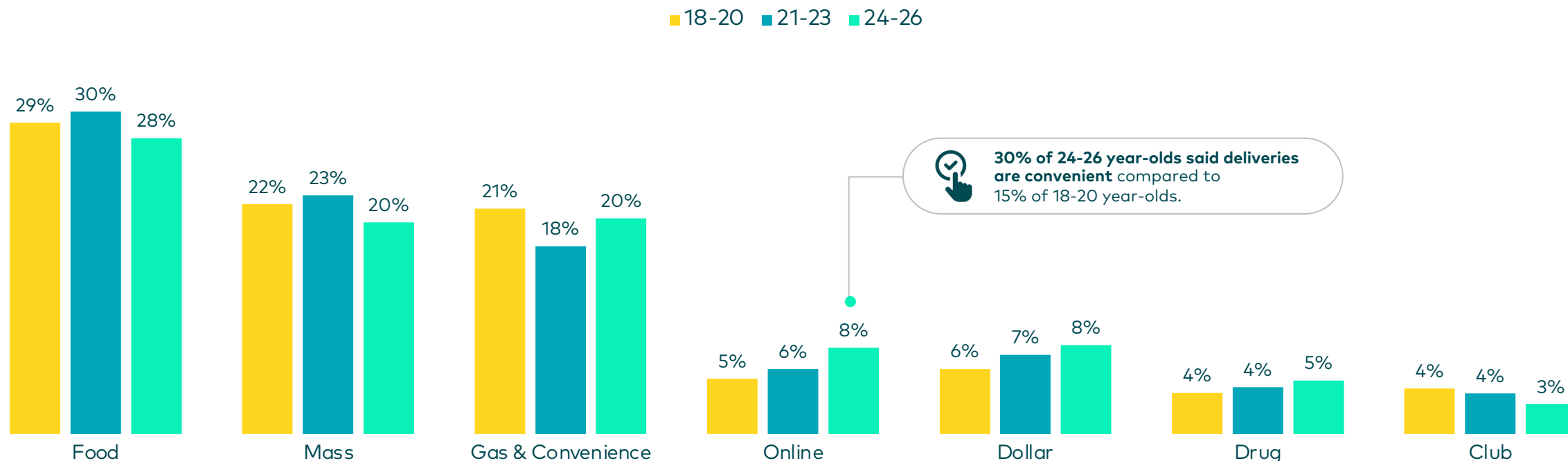
Numerator Gen Z Survey n= 1,668 | Which of the following living situations have you experienced in the past 12 months?

Online and dollar channels become more popular as Gen Z shoppers age.

As Gen Z shoppers look for savings and convenience, they increasingly turn to online and dollar channels for their everyday CPG goods. Compared to other generations, Gen Z shoppers make more of their CPG trips at mass retailers and fewer online.

TOP CHANNELS

% of CPG trips by age group



An online & social media presence is important for connecting with Gen Z.

Although their online spending remains below other generations, Gen Z's tech-savviness is likely to translate to higher rates of online shopping as their spending power grows. They spend more time on mobile devices and social media than other generations.

ONLINE HABITS

% of Gen Z shoppers indexed vs. all shoppers



45%

USES MOBILE 6+ HOURS DAILY

index **161**

Younger members of Gen Z are less likely to use their mobile devices as frequently as older members of the generation.



59%

CHECK SOCIAL MEDIA SEVERAL TIMES DAILY

index **109**

Snapchat, Tumblr and Reddit and TikTok are 2-3x more popular with Gen Z'ers than other generations.



29%

FIND ONLINE SHOPPING VERY ENJOYABLE

index **109**

This attitude is highest among older Gen Z shoppers, who believe it can save them money and that it is more convenient.



29%

VIEW PRODUCTS ON SOCIAL MEDIA

index **138**

Gen Z'ers are more likely to use social media for products & services, product reviews and to make purchases.



Know **your consumer** with certainty.

Interested in learning more about Gen Z consumers and how they buy your brand? Numerator has what you need for the deepest, most comprehensive understanding of consumers with 2500+ demographic, psychographic and premium segmentation attributes available.

To dive deeper into the data outlined in this report, reach out to your Numerator representative or contact us at hello@numerator.com.