

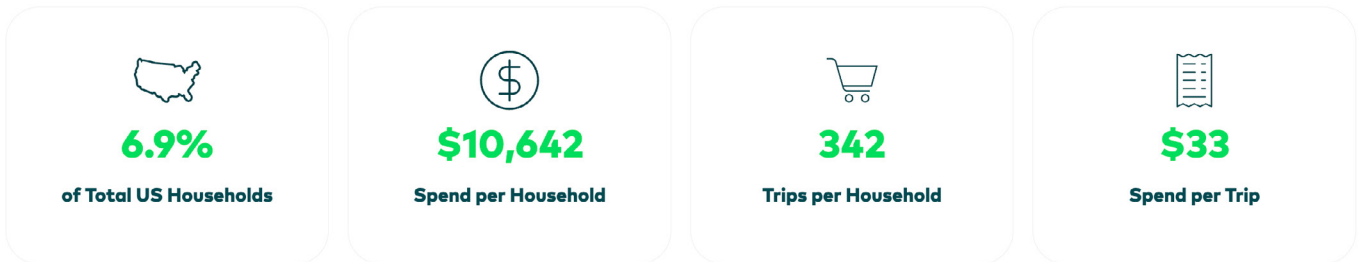
# Rising Fast, Spending Big: Gen Z Deep Dive



## WHAT ARE THE BUYING BEHAVIORS OF GEN Z?

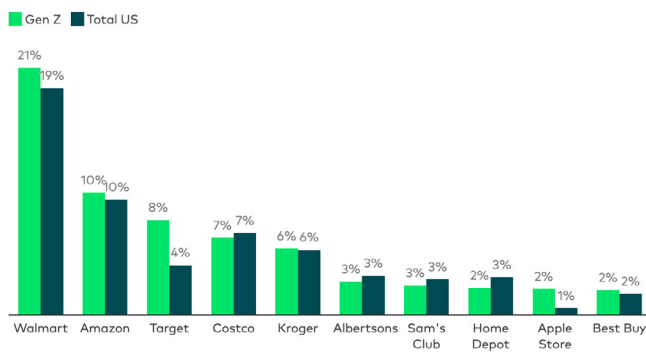
Adult Gen Z households (born after 1996) are becoming a significant force in the consumer & retail industry. While they only make up 6.9% of the US population, they already demonstrate significant spending power. On average, the Gen Z household spends over \$10,000 annually in stores, making 342 shopping outings and spending \$33 per trip.

Gen Z also shows preferences with the retailers they shop. Walmart (21%), Amazon (10%) and Target (8%) are the top three retailers for CPG & general merchandise with Target gaining twice as much Gen Z share compared to the total US. Top brands that overindex with Gen Z include beauty brands such as Hero Cosmetics and La Roche Posay. Oral care brand TheraBreath also overindexed with Gen Z with all three brands also being featured in [Numerator's Brands to Watch in 2024](#).



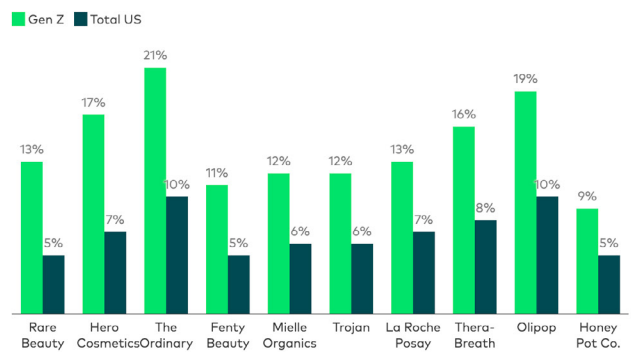
### Top Retailers Based on Gen Z Share of Spend

% of Spend | CPG & General Merchandise | Latest 12 Months Ending 12/31/2023



### Top Brands Overindexing with Gen Z

% of Households | Top 10 Overindexing Brands | Latest 12 Months Ending 12/31/2023



Source: Numerator | Sectors include: Baby, Grocery, Health & Beauty, Household, Pet, Electronics, Home & Garden, Office, Sports, Tools & Home Improvement & Toys. Only showing brands with Gen Z penetration >5%.



## WHO IS THE GEN Z SHOPPER?

Gen Z shoppers are a diverse group, with less than half identifying as White/Caucasian. 1 in 4 Gen Z are Hispanic / Latino (25%), with another quarter split between Black / African-American (13%) and Asian (11%).

Most Gen Z shoppers don't have kids (70%). With many still in school or entering the workforce, nearly half (47%) are low income (less than \$40k). Gen Z is also spread out across urban (42%), suburban (36%), and rural (23%) geographies.

In summary, Gen Z shoppers are a mixed bunch, with many living in cities, earning lower incomes, and not having kids yet. Businesses looking to reach them should consider their diverse backgrounds and spending habits.

### Gen Z Demographic Breakout

Latest 12 Months Ending 12/31/2023

Group	Breakout	Gen Z
Ethnicity	White/Caucasian	48.0%
	Black or African American	13.4%
	Hispanic/Latino	25.2%
	Asian	11.3%
	Other	2.0%
Has Children	Yes	29.9%
	No	70.1%
Household Size	1	27.9%
	2	26.4%
	3	17.1%
	4	14.8%
	5	7.4%
	6	3.2%
	7+	3.1%
Income Bucket	Low Income (Under \$40k)	46.9%
	Middle Income (\$40k-\$125k)	39.7%
	High Income (Over \$125k)	13.3%
Urbanicity	Rural	22.9%
	Suburban	35.5%
	Urban	41.6%

Source: Numerator



## MAJOR TRENDS WITH GEN Z

### ESG FOR GEN Z.

Brands must have a nuanced understanding of which social issues are important to their Gen Z consumers as they vary by ethnicity. For example, environmental issues comprise three of the top five issues among Asian and Hispanic Gen Z consumers. White Gen Z were the only ethnicity to put Made in the USA in their top 5 issues. Regarding social justice, 38% of Black Gen Z express interest, compared to 27% for All Gen Z. Additionally, transparency and ethical sourcing are especially valued among Asian Gen Z (33%) and White Gen Z (31%). [Learn more](#) about how diversity and representation affects Gen Z.

### Gen Z's Top Social Causes / Issues Driving Purchases by Ethnicity

% of Households | Among Gen Z Who Care for Social Issues | Latest 12 Months Ending 12/31/2023

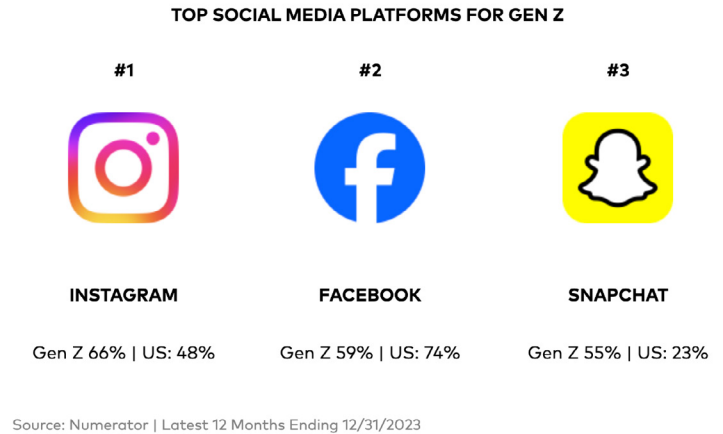
CSR, Key Causes / Issues	All Gen Z	Asian Gen Z	Black Gen Z	Hispanic Gen Z	White Gen Z
Animal welfare	34%	26%	25%	34%	39%
Carbon footprint / Emissions	28%	30%	23%	25%	29%
Charitable causes / Philanthropy	17%	20%	15%	13%	19%
Community involvement	13%	13%	13%	13%	13%
Diversity, equality and social justice	27%	28%	38%	23%	26%
Eco-friendly packaging	39%	36%	35%	41%	40%
Eliminating hunger, poverty	22%	22%	24%	23%	20%
Fair labor practices	31%	31%	28%	29%	33%
Free trade / Fair trade	19%	22%	16%	14%	20%
Made in the USA	26%	18%	21%	19%	32%
Natural / Organic	33%	34%	36%	34%	32%
Renewable energy	23%	26%	20%	21%	23%
Transparency / Ethical sourcing	29%	33%	26%	24%	31%

Source: Numerator

### A DIGITAL TOSS-UP.

The social platforms today will not be the ones we see tomorrow, and marketers should prepare to adjust their marketing spend across different platforms to reach Gen Z. Meta’s portfolio has allowed for them to capture Gen Z given that Facebook, the #1 social media platform used in the US, is outpaced by Instagram among Gen Z.

Another interesting note is that TikTok does not reach the top three social media platforms used among Gen Z, with Snapchat capturing 55% of Gen Z. TikTok and Pinterest round out the top five at 48% and 40%, respectively.



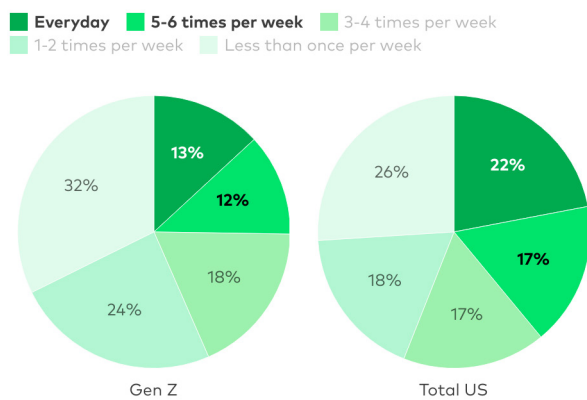
### CHOICEFUL BEAUTY.

Premium beauty will likely pave a path for Gen Z as the generation looks to use beauty products sparingly—allowing existing funds to be used for more expensive products.

Although Gen Z households are more likely to be purchasing beauty products compared to the rest of the US, only 25% of Gen Z consumers use makeup more than 5 times a week, compared to 39% among total US. Beauty brands should look to [track beauty occasions](#) among Gen Z to identify opportunities to capture the elusive demand moment.

### Makeup Frequency

% of Cohort Who Uses Makeup | Latest 12 Months Ending 12/31/2023



Q. How often do you typically wear make-up (in a normal year)?  
Source: Numerator

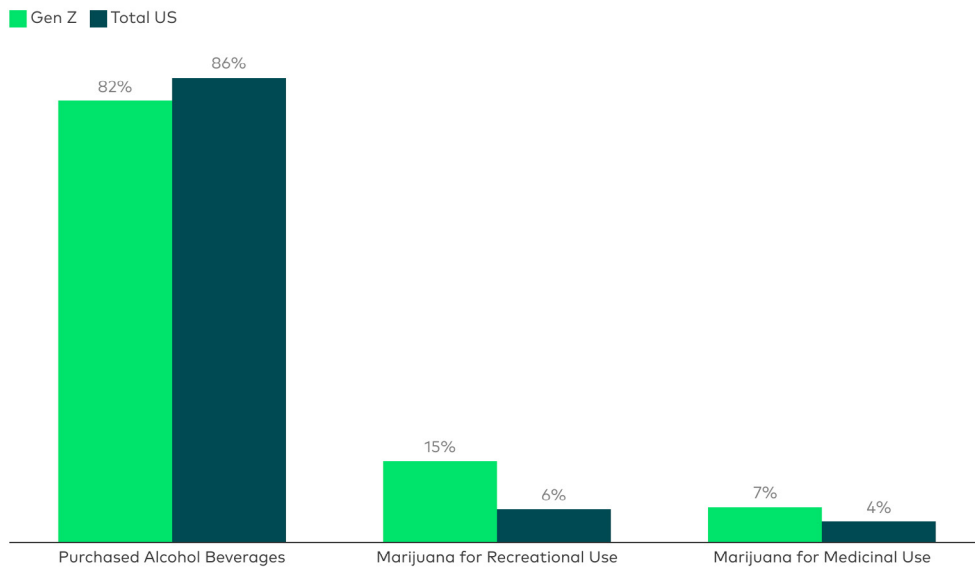
**THE RECREATIONAL TRADE-OFF.**

Health & wellness continues to be an emerging trend in the US, and Gen Z is making significant changes to how they approach recreational substances. For one, alcohol beverage penetration among 21+ year-old Gen Z is the lowest among all generations. With the rise of non-alcohol variants entering the market, Gen Z can find ways to avoid consuming alcohol.

Additionally, Gen Z is also exploring cannabis use. Over 1 in 5 (21.7%) consumed marijuana for recreational or medicinal use compared to just 10% of the US. Alcohol manufacturers should look into expanding their product portfolio to introduce [non-alcohol variants](#) or innovations that include functional benefits such as [CBD and THC](#).

**Alcohol Purchasing and Marijuana Usage**

% of Households | Latest 12 Months Ending 12/31/2023



For marijuana usage: Q. Do you currently smoke (or consume) marijuana?

Source: Numerator | Limited to 21+ year old households



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## Want to see how your brand stacks up with Gen Z?

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Over 72M+ Gen Z trips captured with digital and in-store methods.

150K static panelists to discover historical and in-depth shopping behaviors across 44K tracked retailers.

500K+ purchase-verified panelists to survey based on purchasing behaviors and understand the why behind the buy.

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Numerator uncovers your consumer to inspire you for growth. [Get in touch with us to learn more.](#)