The Influence of Gen Z

How Brands Can Adapt to the First Digital Native Generation

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With each new generation that becomes dominant in the market, brands face a crux of two paths: play the role of self-depreciation and blame the new generation for change, or plan and pivot to be on the forefront of the new generation's radar – here we're bringing you options to choose the latter in a time of the rising Generation Z.

Our hyper connected world creates rise in consumer awareness on the effects of commerce and climate change. This awareness leads to the need for brands to change, especially demanded by younger generations who are rising in influence and spending power. In fact, Generation Z's influence has led to it being labeled "the most disruptive generation ever" by the Bank of America. Furthermore, Generation Z's spending power is on the rise. A recent Bloomberg report states the generation spans from young students to professionals now commanding $360 billion in disposable income. As that figure increases, retailers cannot afford to lose their interest.

In addition to being market disrupters, Gen Z is labeled by McKinsey as the first digitally native generation, as they have never known a world without the internet, social media, and technology. This makes them tech-savvy with high expectations when it comes to digital user experience and brand transparency. Gen Z demands that brands they shop with be operating with sustainable business practices from end to end and that their digital user journey is seamless. This is a guide on how merchants can adapt to these wants and act on that knowledge now to gain Gen Z's loyalty for years to come.

About Gen Z

Also known as the "TikTok" generation, Generation Z was born from 1997 to 2012 ranging from 11 to their mid-20s and accustomed to making informed purchasing decisions due to their tech-savvy nature.

While the most influential and disruptive generation to have lived are not yet leading companies, they are beginning to land jobs and gaining disposable income. These proud champions of sustainable consumer practices have views with a major influence on other age groups to change their buying behavior. Those that are on the younger end of the generation are directing the spending of their parents who are in the Millennial and Gen X. They are also creating the viral trends that we see on platforms such as TikTok.

The oldest members of the "TikTok" generation turn 26 this year, and each year they become profoundly more committed to aligning their consumption with their values. Those values are centered around

- the health of our planet and reducing their carbon footprint,

- social justice and corporate social responsibility,

- supporting small producers and local businesses,

- participating in the circular economy,

- transparency from brands they patron

- and, a seamless digital user experience.

According to Forbes, "No generation before them has shown the same widespread commitment to any societal issue since the Boomers were protesting the Vietnam War in the late 1960s/early 1970s. Retailers and brands need to pay close attention, because by 2031, Bank of America predicts that Gen Z's income will surpass that of their next older generation, Millennials, and they will become the most disruptive generation ever."

While Gen Z faces obstacles that generations before them have not faced, like sky rocketing cost of living, high student loans, and the Covid-19 pandemic, they look to spend their money wisely on products and services that they see real value in. That includes products that are regenerative and sustainable as well as supporting companies that are transparent about their CSR.

1.

Sustainability

Nicole Johnson │ Content Marketing Manager

EcoCart
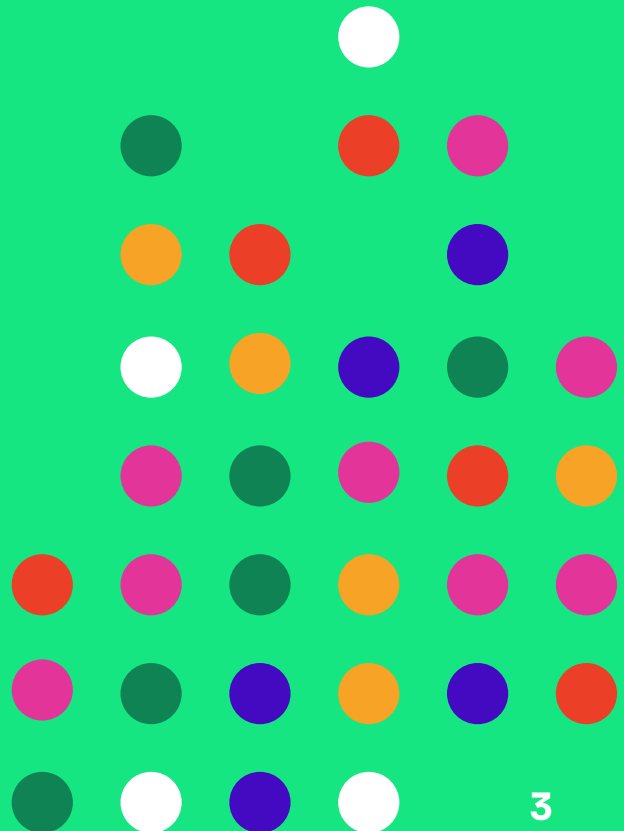
Gen Z's connected awareness is leading to a demand for change from commerce businesses of all shapes and sizes.

The "most disruptive generation ever" are profoundly committed to making choices that align with their values and are tech-savvy enough to spread their desires far and wide.

75%
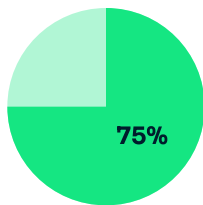
Three-quarters of Gen Z consumers state that sustainability is more important to them than brand name when making purchase decisions. In fact, the Gen Z consumer's power of persuasion around sustainability spans to all older generations when it comes to purchase behavior.

To make their influence tangible take these stats into consideration:

- As a result of Gen Z's influence over their Gen X parents, Gen X consumers' preference to shop sustainable brands increased by **24%** and their willingness to pay more for sustainable products increased by **42%** since 2019.

- Consumers across all generations—from Baby Boomers to Gen Z—are now willing to spend more for sustainable products. Just two years ago, only **58%** of consumers across all generations were willing to spend more for sustainable options.

- Today, nearly **90%** of Gen X consumers said that they would be willing to spend **10%** extra or more for sustainable products, compared to just over **34%** two years ago.

But how do we define sustainability practices when it comes to ecommerce? Corporate sustainability can be described as meeting the goals of your company without forsaking the potential for future individuals or businesses looking to achieve the same accomplishments. We can further break it down into three pillars:

1. **Environment** - the dedication a company has to reducing waste and their carbon footprint.

2. **Social** - striving to support consumers, community, and employees associated with the business.

3. **Governance** - also known as the "economic pillar", this is the financial aspect of the business.

Environment

ESG

Social

Governance
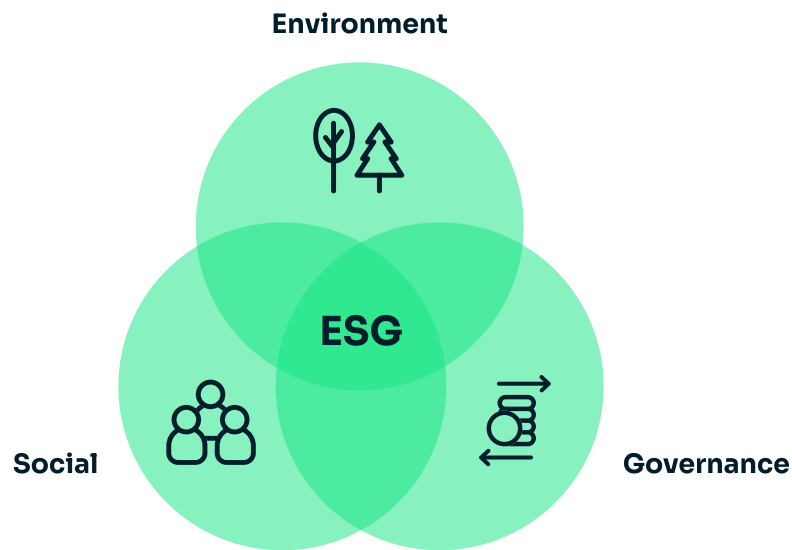
A business that is operating sustainably end to end is opting to thrive in each of these categories. But, how does a business leverage their sustainable operations to better their bottom line? Transparency and a seamless user experience.

It's simple, Gen Z's want to feel good about their purchases and support brands that care about their impact on the planet. This means that in addition to adopting ethical and sustainable practices brands large and small must focus on educating their consumers on the ecological footprint of their organization. By being radically transparent and offering accessible information about your company's operations, you build stronger relationships with younger generations of consumers.

In addition, eco-conscious consumers tend to have 3X more spend and a 200% increase in the number of purchases made with brands they trust.

This journey may look different depending on the size of an organization. For larger brands, this means optimizing their supply chain, minimizing emissions and waste, as well as offsetting what they cannot cut. For smaller organizations, finding smaller, less costly solutions are a great first step in lowering their carbon footprint and building trust. This could mean allowing customers to play a direct role in offsetting their purchase's carbon footprint at checkout or participating in a project that preserves carbon-capturing forests.
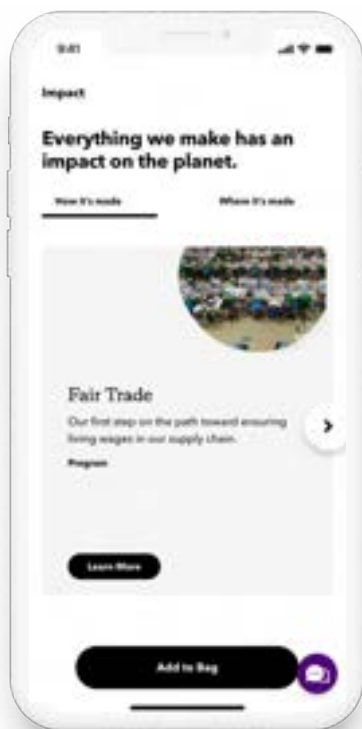
Utilizing a brand's digital real estate to educate customers across their user experience is the single easiest way to weave transparency into your sustainability strategy. By using the space you've already built, you are adding value to your brand while informing your audience about your journey to a lower carbon footprint.

Businesses that show they care about the planet and are transparent about their operations build trust with Gen Z. Brands large and small can afford to offer carbon neutral shipping to offset the carbon footprint of the products they make and sell. By combining sustainable practices with transparency you build deeper relationships that will drive customer lifetime value with Gen Z for years to come.

2.

Loyalty Programs

Georgie Walsh │ Content Marketing Manager

LOYALTY**LION**
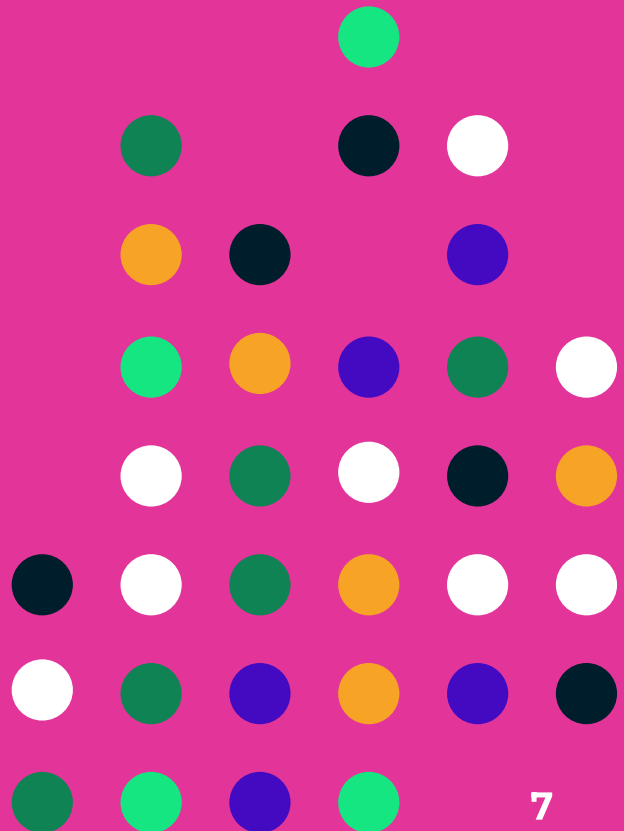
Use your loyalty program to connect with Gen Z consumers through shared values.

Being the first generation to have grown up with the internet at their fingertips, Gen Z is incredibly comfortable with technology, and they tend to spend over eight hours a day online. Unsurprisingly, Gen-Zers prefer to shop online rather than in physical stores, making them a significant force in the ecommerce market.

However, brands have a few hoops to jump through before they can bank on building a relationship with Gen Z consumers. This generation is particularly social media savvy and unswayed by marketing gimmicks. Brands need to work hard to understand what Gen Z shoppers truly care about if they're going to secure their first purchase, let alone their longer-term loyalty.

One of the most significant characteristics of Gen Z shopping behavior is the prioritization of sustainability, social responsibility, and ethical practices. In fact, **73%** of Gen Z will only buy from brands they believe in, and **70%** will attempt to shop with companies that they deem to be ethical.

73%   **70%**
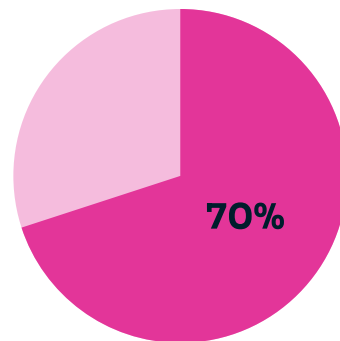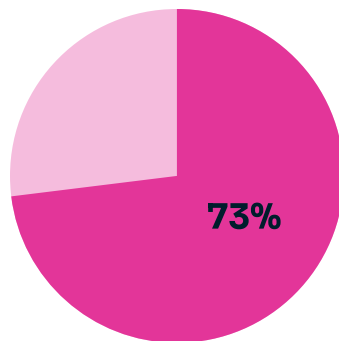
Ecommerce brands must align emotionally with their Gen Z customers and connect with them through shared values, but we bet you didn't know your loyalty program could help you do that! An extension of your brand, your loyalty program can help you to demonstrate your values and show customers that you support causes that are important to them.

For example, Astrid & Miyu have a silver recycling program, "Astrid & Renew", where members get 1000 loyalty points for recycling their unwanted jewelry.

Customers are likely to engage with the loyalty program and participate in the initiative because they know they're doing something good for the environment while being rewarded for doing so. As a result, Astrid & Miyu benefit from positive emotional connections with their customers who will continue to display loyal behaviors and drive more revenue over time.

Another great example of a store connecting with its customers through shared values is pet food brand Edgard & Cooper.

They allow customers to redeem their earned loyalty points on charitable initiatives like donating dog food to shelter dogs in need. This is a perfect example of a brand knowing exactly what makes their customers tick and using their loyalty program to build up a feeling of shared values.

Other examples we've seen are brands allowing customers to spend their loyalty points on planting trees or donating to ocean clean-up conservation projects. Whatever your customers care about – hone in on this! These emotional connections will keep your Gen Z customers returning to engage, spend and share more of their data with you over time.

9

3.

Packaging

Phillip Akhza | CEO

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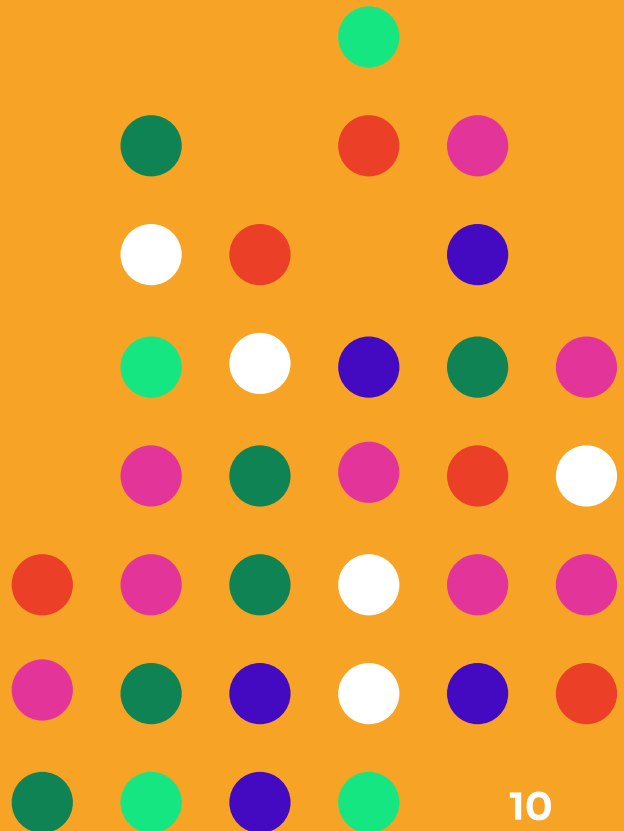
Sustainable packaging is table stakes for brands marketing to Gen Z.

Historically, implementing sustainable packaging could serve as a unique selling point for a merchant—a way to stand out amongst competitors—yet, today Gen Z expects that the brands they purchase from have made a meaningful commitment to the planet. For merchants marketing to Gen Z, this eco-friendly effort most often starts with switching to sustainable packaging.

A survey last year confirmed that nearly **60%** of Generation Z consumers would not repeat purchase from a company that is not using sustainable packaging. Since environmental impact is a top purchase consideration of Gen Z, commitment to eco-packaging not only affects initial purchases decisions, but also repeat purchases.

> *"Studies confirm that Gen Z not only appreciates products packaged sustainably, but factors sustainability into whether or not they would re-order the same product or gift it. Sustainable packaging increases the product's value in their eyes, which is a simple step in building brand equity amongst this consumer group. The good news is that sustainable packaging has become more accessible and can be easily customized, ensuring better customer experience, an outstanding unboxing experience, and improvement of brand's reputation."*

— Phillip Akhzar, CEO of Arka Inc.

Many merchants seek guidance on how to meet the requirements and expectations of Gen Z, particularly when it comes to their most obvious (and tangible) sustainability lever: packaging. With the buying power of this generation growing, it's pragmatic to ensure a sustainability strategy includes packaging— and we've rounded up three key areas merchant's can incorporate sustainability into their packaging decisions.

Consider Digital Printing For A Just-In-Time Packaging Strategy And To Reduce Waste

Many merchants have shifted to digital printing when customizing and decorating their packaging, because it does not require an upfront investment in print plates prior to production. Print plates can be cost-prohibitive to merchants, often forcing them to continue using outdated designs or causing them to over-order packaging to bring down their unit costs which can lead to wastage.

With digital printing, merchants are not beholden to a particular design, as each production run could incorporate new artwork or designs tailored to a promotion or holiday. All in all, this makes it easier for merchants to operate a just-in-time packaging strategy and avoid demand planning blunders that result in wasted packaging. Merchants can also communicate this decision to their customers, as part of the sustainable actions they're taking behind-the-scenes that might not be as easily "seen" by customers.

Swap Single-Use Plastic For Sustainable Options That Encourage Circularity

A multi-country poll in 2022 highlighted that more than **75%** of people worldwide would support a single-use plastic ban.

Fortunately, the supply side of the packaging industry has adjusted to mounting demands from merchants who seek to move away from single-use plastic and, in many cases, plastic entirely. Merchants can easily swap their single-use plastic mailers to mailers made from 100% recycled material or from recyclable bio-based materials that fit into a curbside recycling stream.

75%

Forgo Extra Inserts And Include Product Or Use Instructions On The Packaging Itself

Packaging design and artwork can communicate so much more than just brand to customers. Using empty space on the package to share product use instructions, special promotions, or other marketing information— instead of using inserts, like postcards— can eliminate another packaging component. For example, merchants can give clear end-of-life instructions for the package, on the package itself. Removing the guesswork of how to dispose of packaging in a sustainable way not only highlights the merchant's effort to make sustainable packaging choices, but encourages and connects with customers in a memorable and sustainably-minded way.

With sustainability and transparency being key values of Gen Z consumers, shifting to sustainable packaging has become a low-hanging fruit that arguably every company marketing to this demographic will have to adopt. Fortunately, as the supply side of the packaging world continues to innovate, the swap to sustainable alternatives has become more cost-effective.
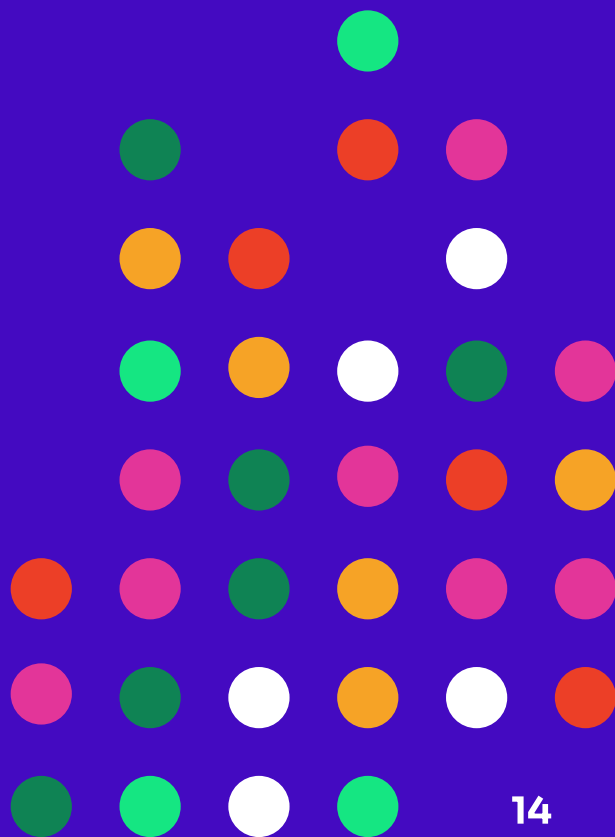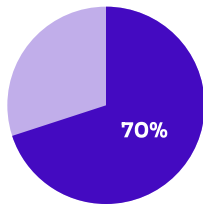
4.

Subscriptions

Gabriella Tegen │ Co-Founder and CEO

smartrr

Gen Z is fueled by their digital literacy as well as the desire to prioritize convenience.

This makes them a prime audience for subscriptions — and the data reflects this, as **46%** of Gen Zers reported that they were interested in subscriptions.

As Gen Z's buying power heightens, DTC brands must appeal to these younger subscribers. Subscriptions that prioritize convenience and a meaningful digital experience are essential, but brands also need to go a little further to impress Gen Z. Since **70%** purchase from ethical companies, considering environmental and social impact is key.

Here are some best practices for subscription businesses looking to engage Gen Z, broken down by Gen Z's priorities:

A Meaningful Digital Experience: Offer a Thoughtful Customer Account Portal

With so much of our world existing in the digital space, simply having an online component for your subscription isn't enough. Rather, the secret to engaging Gen Z is creating a robust, community-building customer account portal — which is conducive to fostering long-lasting relationships.

There are many ways to transform your portal into a brand engagement hub. For one, you can encourage subscribers to cash in rewards with a loyalty program. Not only will tech-savvy Gen Zers be able to navigate this easily, but they'll also appreciate being acknowledged for their loyalty.

Referral rewards are another smart way to play up engagement, lean into the digital landscape, and simultaneously spread awareness through word-of-mouth marketing.

You can also incorporate creator upsells directly in your portal by featuring a creator or influencer's favorite products, which helps capitalize on Gen Z's innate comfort with social media.

Convenience

Leading with convenience starts with offering flexibility — because nobody wants to feel trapped by their subscription. Promoting flexible subscription options and allowing subscription management over text empowers your consumers to have complete control over their subscriptions.

Gen Z finds meaning in quick actions like skipping, gifting, pausing, or altering subscription frequency—allowing them the freedom and ease to truly own their experience.

And, SMS subscription management just makes sense.

Not only does it allow for quick changes to subscribers' next order via text, but it's also a prime opportunity to send consumers a link to their account portal and continue the digital experience.
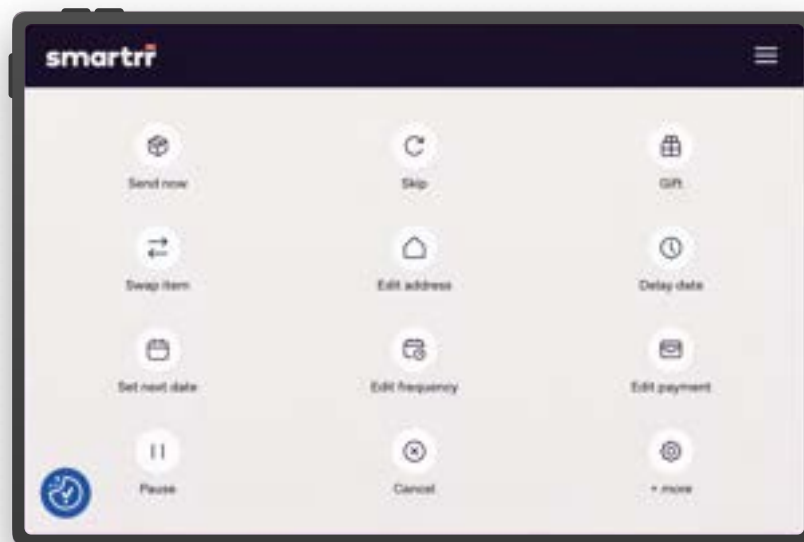
Social Impact & Transparency

Brands with a charitable component typically do well with subscriptions. Consumers are extra willing to spend money each month if they're supporting a good brand. Plus, it helps foster community and build loyalty by having your audience rally around a common issue.

From sustainable packaging to proceed donations, be sure to make every positive aspect of your brand visible.

For example, Asuvi has sustainability woven into every part of their brand. With the tagline "For Nature & Nurture," clearly-labeled sustainable packaging, and promotion of their 1% For the Planet initiative, Asuvi's mission is always evident. Transparency works wonders to build meaningful long-term relationships with subscribers, foster loyalty, and drive engagement.

Meters and impact calculators either on your website or in your account portal are also excellent ways to make subscribers feel like part of your mission. These visualizations tap into digital literacy and will only further encourage subscribers to participate in your social impact efforts.

Overall, leaning into Gen Z's values of online engagement, convenience, and social impact — all through the lens of their digital literacy — will result in a strong and effective subscription offering.
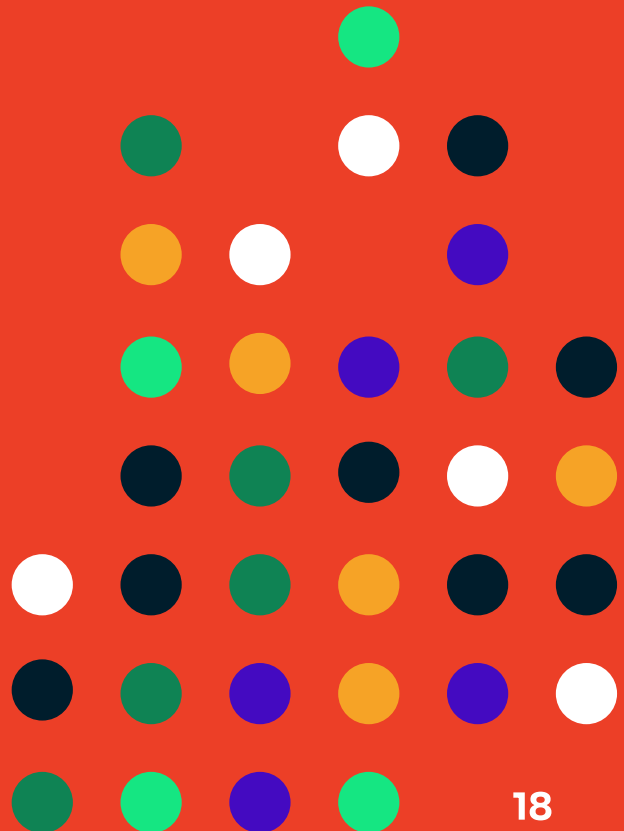
5.

Automation

Tina Donati │ Content and Partner Marketing Manager

Alloy Automation

The key to strategic automation is unlocking Gen Z's desires while optimizing business costs.

In the ever-evolving landscape of consumer behavior, Gen Z is emerging as the driving force behind the demand for seamless customer experiences. One study revealed that Gen Z is notably less satisfied with current customer experiences, with just **50%** satisfaction compared to **71-72%** for previous generations. So, how can brands meet the needs of Gen Z without overwhelming investments of time and resources?

By connecting every touchpoint and integrating traditionally siloed information to enable seamless buying experiences.

Fortunately, there are strategic steps that can be taken:

- As a brand, leverage automation tools to connect your tech stack to streamline operations and deliver unified experiences at every touchpoint of the buying journey.

- As a SaaS company, offload your integrations wishlist to an Embedded IPaaS that can help you meet merchants' connectivity needs at scale.

To bring these concepts to life, we will explore some of the top ecommerce shopping expectations Gen Z consumers have and how you can meet those needs via integrations.

How to Meet Gen Z's Demands Without Breaking the Bank

Every ecommerce business has finite resources, time, and cost when it comes to producing quality products and customer experience. To improve any area, others must take a hit.

This resource, time, and cost trade-off holds true for every business owner. The problem is simple: as a business scales, the demands, complexity, and repetition keep increasing.

So, what if you could streamline operations to increase resources available and time without increasing cost? This is the power of automation—and it's exactly how you'll address the needs of Gen Z consumers without increasing your burn rate. Let's review some examples in relation to Gen Z buying habits.

Gen Z Values Sustainable Brands

There are lots of ways brands can improve their carbon footprint and give back to the environment while keeping your customers informed about the sustainability practices you're engaged in.

This provides another opportunity for automation to help improve data and customer communication. By implementing workflows that track your sustainability efforts, you can spend less time sifting through the data and more time sharing all of the wonderful ways your customers are helping give back by supporting your brand.

For example, some brands use automation to:

- Calculate their carbon offsets by connecting Shopify, Google Maps, and a sustainability tool.

- Tally up whenever an order is paid and how your brand gives back from that purchase.

- Segment Gen-Z buyers who've shown an interest in your sustainability efforts by integrating your sustainability information with customer communication tools.

Gen Z Craves Personalized Experiences

77% of Gen Z believes brands should tailor their interactions, while **76%** seeking digital communications that can be customized according to their preferences. These experiences don't have to come at a high cost, either.

77%

76%
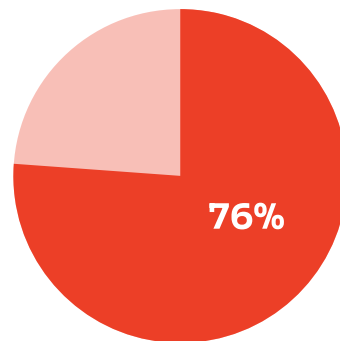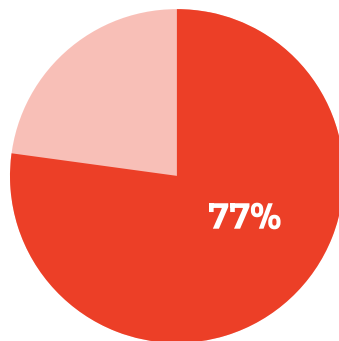
For example, the L'amarue team comprises two people: a mother-daughter co-founder duo. To save time without compromising customer experience, they were looking for a tool that would help L'amarue be able to personalize the way they engage with their customers.

In L'amarue's quiz, they ask customers detailed questions about their age, skin concerns, goals, target areas, and more. These questions give them valuable information about their customers and how L'amarue's products can help them.

Since each skin concern requires a specific product (and education on how to use that product), They came up with the idea of giving customers a physical pamphlet in their orders based on the skin concerns they share in the quiz.

Using automation, L'amarue simplified this process. When a customer completes L'amarue's quiz, their profile gets tagged in Shopify. Then it gets synced with Shipbob, where each piece of collateral is picked for orders.

Automation makes work smarter, not harder.

Embracing the era of Gen Z isn't about reinventing the wheel; it's about making the wheel turn more smoothly, efficiently, and responsively. This is where strategic automation leaps into action, mastering the balance between satisfying Gen Z's consumer demands and maintaining sustainable business operations. Through automation, we unlock the ability to sync with Gen Z's tempo and rhythm without missing a beat or breaking the bank.
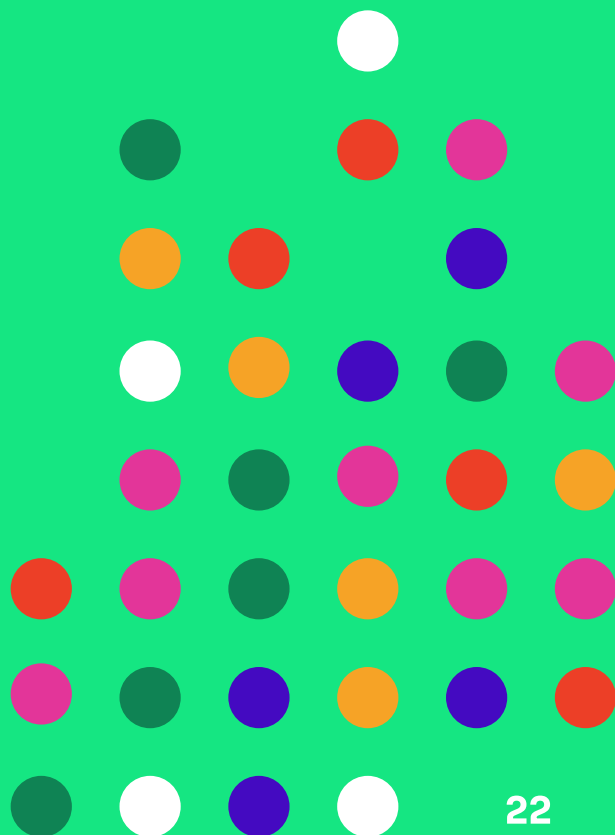
6.

Web & Tech Stack

Kathryn Browning │ Senior Marketing Manager

Justuno

Let's sum up Gen Z in just a few words: sustainable, authentic, and trendy.

Those three terms will be our framework in this chapter on website personalization for the Gen Z shopper.

First up, **sustainable**—while Gen Z isn't the only generation to claim eco-consciousness as a key value, they are the most steadfast in their support. They are more likely to support brands that align with their values and beliefs and are quick to call out those that don't.

According to Apptus, **73%** of them are willing to pay **10%** more for sustainable products, and in a survey run by Justuno last year, **49%** were simply willing to pay more for sustainable products during the holidays.

So make that one of the hallmarks of your website experience, giving Gen Z shoppers immediate access to the impact you have. By announcing goals publicly, sharing real-time milestones & taking the time to educate shoppers on the why/why/how of your efforts—you'll stand out simply for using your brand story.

Next is **authenticity**, which ties directly into sustainability. Gen Z values authenticity above all else when it comes to brands. They want to see real people, real stories, and real experiences. They are quick to spot and call out anything that feels fake or disingenuous. Brands that can demonstrate their authenticity through their marketing and messaging are more likely to win over Gen Z consumers. This is where the updates & public goal-setting start to really shine. **23%** of Gen Z have boycotted a brand before; make sure you're not one of them!

Alongside authenticity is the use of social media among brands and Gen Z. They're 2-3X more likely to shop on social channels than other generations, and **65%** have bought something because of an influencer. As digital natives, Gen Z has a more even playing field looking to peers (influencers) for how they discover things, buy them, and from whom.

As Gen Z is better than any other when detecting inauthentic messaging, brands need to ensure their communication on social media is genuine, consistent, and relevant. Otherwise, it will be promptly ignored by the audience that you're trying to reach.

And finally, **trendy**. This goes to their mindset when Gen Z approaches shopping. Digitally native, they've had immediate access to all the information and content in the world. Which translates into how they shop in terms of having truly omnichannel behavior. Shopping across channels and formats—experiencing brands at every possible point along the way.

> *"Gen Z has grown up in a world of instant gratification, where everything is available at the touch of a button. They expect fast, seamless experiences and are quick to abandon anything that doesn't meet their expectations."*

— Steph Carcamo, Partner Marketing Manager at Justuno

What does all this mean for you as a brand? Take the key pillars we listed above to craft a Gen Z strategy that:

- Meets them where they want to shop with a personalization-first mindset. They expect brands to know who they are, what they like, and what they want.

- Creates continuous feedback loops for engagement & data collection from Gen Z shoppers. They're trend conscious, and if you're not an early mover, you'll be too late to the game.

- Builds a brand personality (that's authentic) and use that to create a connection. Fun, pop culture references that are natural, not forced, will drive results you won't believe.

- Doesn't overthink it. They're like all other consumers, just a little more multi-dimensional in their purchasing decisions beyond simply price or availability of previous generations.
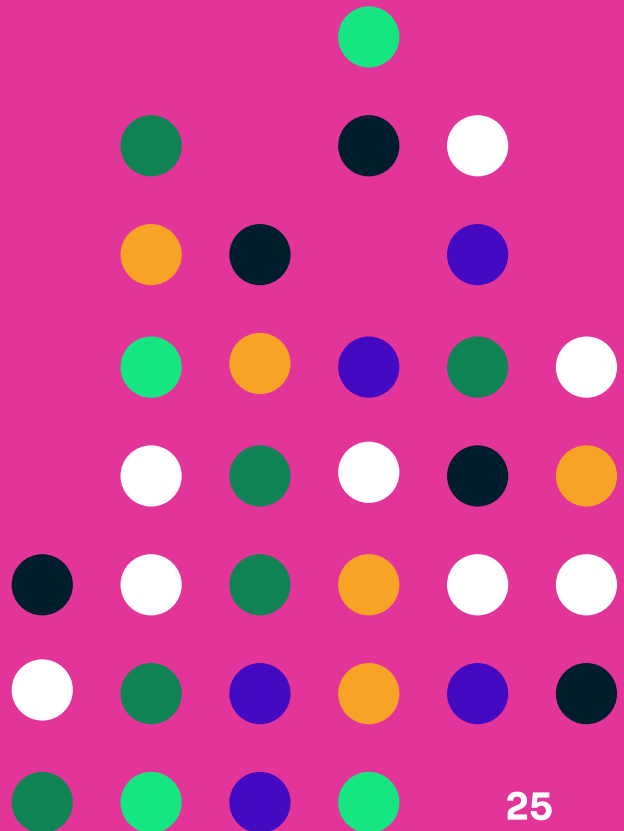
7.

Shipping

Beth Owens │ Head of Content

RYDERECOMMERCE
by whiplash

How can you achieve a more sustainable shipping strategy in ecommerce?

Gen Z's commitment to living sustainable lifestyles includes how they shop online. According to UNiDAYS' Sustainability Report, **80%** of Gen Z consumers would consider paying more for shipping and delivery if products met their sustainability expectations. Moreover, one-third believe that brands should stop providing rapid shipping services to improve sustainability.

So, what does eco-friendly shipping and delivery look like in ecommerce, and how can brands achieve this to grow their appeal with Gen Z consumers? We'll cover that in five steps.

Use Eco-friendly and Reusable Packaging

As we've mentioned, using single-use plastic and non-recyclable materials in your packaging is both bad for the environment and frustrating for the customer who has to find a way to dispose of it. That's why **63%** of Gen Z have sought out products in sustainable packaging when shopping online.

Moreover, finding replacement packaging to send back items in the mail can be a huge point of friction. Using 'return ready' packaging, which has multiple adhesives for resealing and reuse, streamlines the return experience and removes the need for replacement return packaging.

Consider Regional Parcel Carriers

While many brands gravitate towards the carriers like FedEx and UPS, this can be more expensive and more carbon-intensive than using regional parcel carriers. Because regional carriers cover fewer shipping zones and use more direct delivery routes, this cuts down wasted transit miles.

"We're always working with Ryder E-commerce by Whiplash to find new ways to make fulfillment and shipping more efficient." Says Scott Dulany, Chief Operations Officer at Mugsy. "Their partnerships with multiple parcel carriers are key to allowing us to meet customer expectations for fast shipping, and we're exploring how regional carriers can streamline this process further...We know we can rely on Ryder E-commerce to deliver."

Offer an Order Consolidation Service

When a customer places an order containing multiple items, it's not uncommon for this to be split into separate shipments that are fulfilled by different facilities.This drives up fulfillment and shipping costs and results in higher carbon emissions and packaging waste - something that's going to frustrate eco-conscious consumers. If it isn't communicated that an order is going to be split, this can also cause confusion about estimated delivery timeframes. Offering customers the option to consolidate their orders into one package helps to reduce your footprint and empower customers to make eco-friendly decisions.

Use Cartonization

If your business doesn't have a good range of containers available for packing, this can result in orders being packed within boxes that are too large for the contents. In addition to pushing up the cost of shipping, warehouse staff will need to rely on filler like bubble wrap or packing peanuts to ensure that products don't move around in transit.

Excess packaging waste is easily avoidable if businesses implement a cartonization strategy, where an order is accessed to determine the most efficient way to pack items for shipment. This may include determining the optimal dimensions of the shipping container or taking note of certain product characteristics to select appropriate packaging materials.

Offer Carbon Offset

Carbon offsetting refers to the practice of compensating for emissions by investing in environmental projects. Offering a carbon offset tool at the checkout enables customers to understand their impact and play a part in helping the planet. By enabling more consumers to lower their carbon footprint in the shipping process ecommerce brands build trust aiding in CLTV.
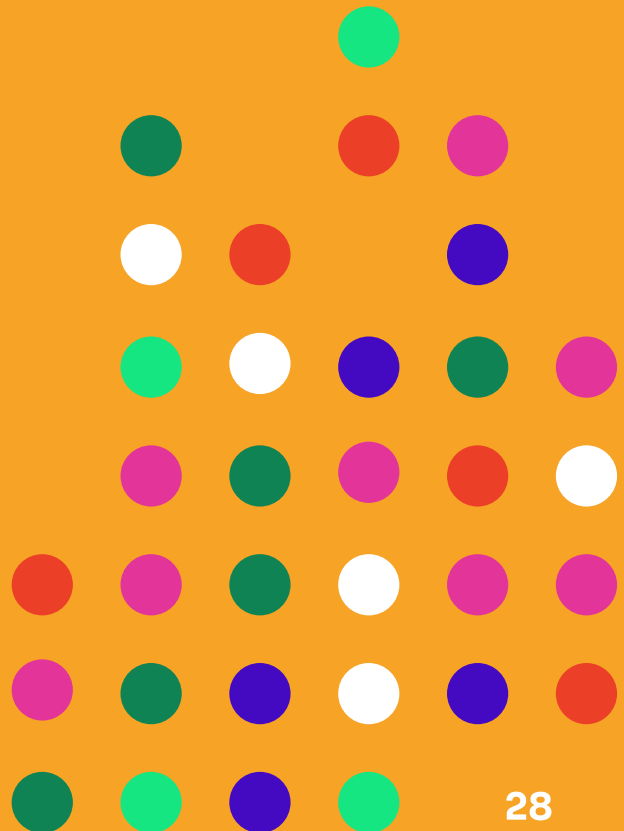
8.

Storytelling

Jesse McCarl │Content Marketing Manager

hawkemedia

The average Gen Z person is exposed to up to 10,000 advertisements per day.

The old marketing tactics from the dawn of the TV spot where advertisers had 30 seconds to tell a story have worn thin, and the new generation doesn't need to be told what to buy any longer. They largely want to feel good about who they're buying from.

Erik Huberman, the founder and CEO of Hawke Media says, "There are three core pillars to marketing. **Awareness**, **nurturing**, and **trust**. A good brand story can address all three. When you build that trust, you improve retention rates and customer lifetime value."

Why Your Brand Story Matters
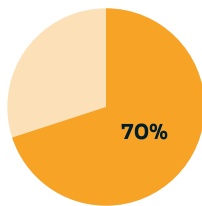
Gen Z cares about your brand story for a lot of reasons. They have values intertwined with their identity as a collective. Over **70%** of Gen Z report having a stable income (and a surprisingly large percentage have buying power at their respective workplaces), and they're selective about who they give money.

The first value they hold is **diversity**. They are the most ethnically diverse generation in American history and with half of the population being non-white. They love to support businesses that reflect themselves and their peers. Your brand doesn't have to be minority-owned to succeed, but your story should highlight the importance of varying opinions and backgrounds.

Gen Z also cares about **social responsibility**. This is a generation that grew up bombarded with news of environmental tipping points, racially-motivated violence, and LGBT discrimination. They are socially conscious because their lives literally depend on it. According to Creatopy, approximately **70%** of Gen Z consumers prefer brands that take a public stand on these issues.

Finding Your Brand Story

The marketing-minded founders and CEOs likely already have a good sense of their brand's stories, but others may want to bring on an outside agency to help craft a narrative that can be concise, meaningful, and resonant. Here are some questions to ask in order to unearth your brand's narrative:

- What made the founder want to start this brand?

- Does your brand already align with any social issues? If not...

    - Are there any that make sense to the foundation of the brand? (For example, are there founding members that are part of a minority group?)

    - Is there anywhere your brand could have a significant impact? For example, if your brand uses a lot of packaging, you could focus on carbon neutral shipping.

Telling Your Brand Story

When you tell your brand story to Gen Z, **stay authentic**. Young people would rather see someone keep it real than try to be cool. This is a generation that grew up with the concept of influencers and the like – they have strong BS detectors. Your brand story is a way to build a relationship with young customers, and as long as you aren't greenwashing, it will establish trust for the long haul to improve retention and customer lifetime value.

Next, **keep it concise**. You should be able to write a book about your brand story, but still fit it all in an elevator pitch.

Most importantly, know how to **tell your story digitally**. This digitally native generation spent their formative years locked in a house with Facetime and social media as their connections to friends and community.

Check out your **website**. According to Rachael Bly, VP of Content and SEO at Hawke Media, "Something as simple as writing a blog detailing how a brand came to be will really resonate with Gen Z buyers. They tend to become repeat buyers more frequently than other generations."

First, look at **social media**. You need a fresh perspective for each new channel and platform that pops up. You can't tell your story the same way on TikTok as you do on Instagram, even though both are popular with Gen Z (used by **68% and 76%** of the demographic, respectively).

Email marketing has stayed remarkably consistent over the last several years and is still effective with young people. There's a perception that Gen Z is allergic to email, but that's really only true in the corporate world, where they'd rather communicate over messaging tools like Slack or Teams.

There's been a resurgence in newsletter popularity with young people. This demographic clears time for the inbox and doesn't mind spending extra time reading content in that form. All of these factors make email a great place to communicate your brand story.

SMS marketing is famous for its incredible open rate, usually hovering around **95%**. However, that could be slipping with Gen Z. Texts are obviously the primary form of digital communication for young people, and that means they get a lot of them. Gen Z is much more comfortable having unread notifications... something that Millennials simply can't comprehend.

How do you adapt to this? Make your SMS marketing engaging. This is a messaging channel, not a broadcast one. Encourage replies via emoji, include exclusive offers, and sound like a real human, not AI. This is a critical channel for reaching Gen Z, but it's also where you'll have to be the most nimble when it comes to weaving in your brand story organically.
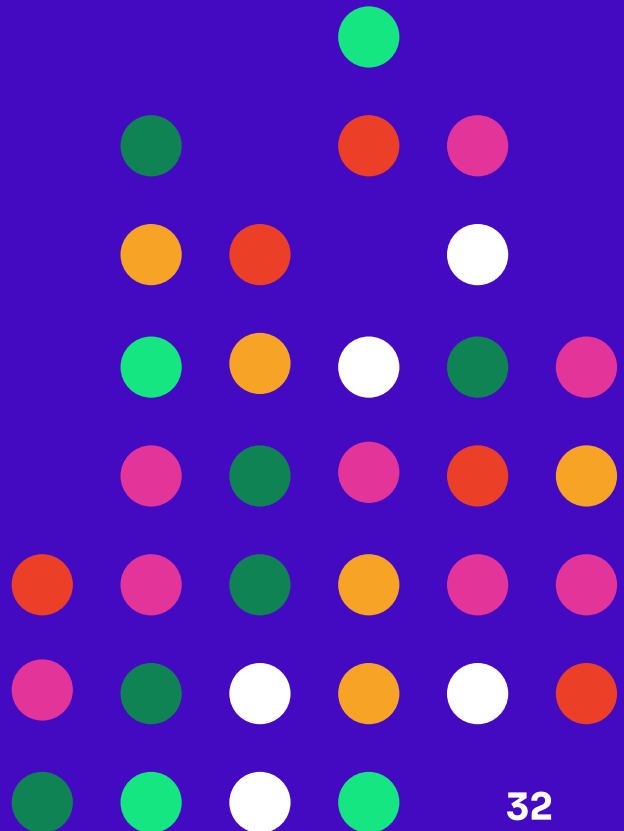
9.

Fairtrade Practices

Kendra Lee │ LCA Analyst

EcoCart

Ethical products are becoming more mainstream and consumers increasingly see fair trade as one of the easiest ways to improve lives, communities, and the environment through their purchases.

First things first. What is fair trade?

Fair trade is a social movement that aims to ensure that traded goods that are produced abroad are produced according to more ethical and sustainable standards than those typically applied in conventional trade.

One might ask, why is fair trade important? Well, unfair trade can contribute to perpetuating systems of poverty and oppression that disproportionately impact the world's most vulnerable populations. Unfair trade can include child labor, not being paid a living wage, unsafe or abusive working conditions, slavery, and can be harmful to the environment.

The World Fair Trade Organization (WFTO) is the influential body that has set the international vision for the fair trade movement. The overarching goal of fair trade is a world where business and trade puts people and the planet before profit.

By adhering to these principles and expectations, businesses can make ethical shopping accessible to consumers.

1	Opportunities for Disadvantaged Producers	**6**	Non Discrimination, Gender Equity and Freedom of Association
2	Transparency and Accountability	**7**	Good Working Conditions
3	Fair Trade Practices	**8**	Capacity Building
4	Fair Payment	**9**	Promote Fair Trade
5	No Child Labour or Forced Labour	**10**	Respect for the Environment

Businesses can market themselves as fair trade or Fairtrade. While both support the values and principle of treating people and the planet fairly through trade, certification is the key difference. There is an in-depth and mandatory certification process that businesses must pursue if they would like to use the Fairtrade label on their products.

® This logo is internationally recognized and indicates that the products hosting the logo have met international standards related to price and premiums, labor laws, and inspection. It is important to note that this certification applies to individual products and is not automatically attributed to the business as a whole.

Not all fair trade products are Fairtrade certified, and that's ok! A lot of organizations were doing important and good work before Fairtrade's third-party certification system was introduced. And this good work is recognized by Gen Z consumers.

That being said, consumers are encouraged to look for Fairtrade certified products to ensure they are not misled by potential false advertising. In fact, **78%** of consumers of all ages put their trust in the Fairtrade certified seal. However, it is clear that the younger generations are leading the charge on demanding fair trade from the brands they shop at. **75%** and **66%** of Gen Z and Millennials consumers respectively recognize the Fairtrade certified seal. And this recognition translates to purchases. A 2022 consumer report states that **55%** of Millennials indicated they are willing to pay more for Fairtrade certified products, regardless of inflation.

And how do you become certified?

First, contact a fair trade organization like FairTrade Certified, or SCS Global Services who will work with you to better understand your business and specific supply chain needs. From there they will help you create a plan to certification.

Then, submit an application with a third-party accredited auditor to ensure that your supply chain meets the Fairtrade Standards set by the organization you hope to become certified with. For example, FLOCERT is the global verifier for FairTrade. You may come to find your supply chain already adheres to fair trade standard requirements! If not, options will be outlined for you to connect with a certified supply chain. At this stage, you will get a "Permission to Trade" so that you can source Fairtrade certified goods.

And finally, label your products! From here you are licensed to use the Fairtrade logo and work with a team to register and launch your products.

The data doesn't lie! Younger generations recognize the value of fair trade and their influence is leading the market. Expect to see the Fairtrade certified seal on many more products moving forward.
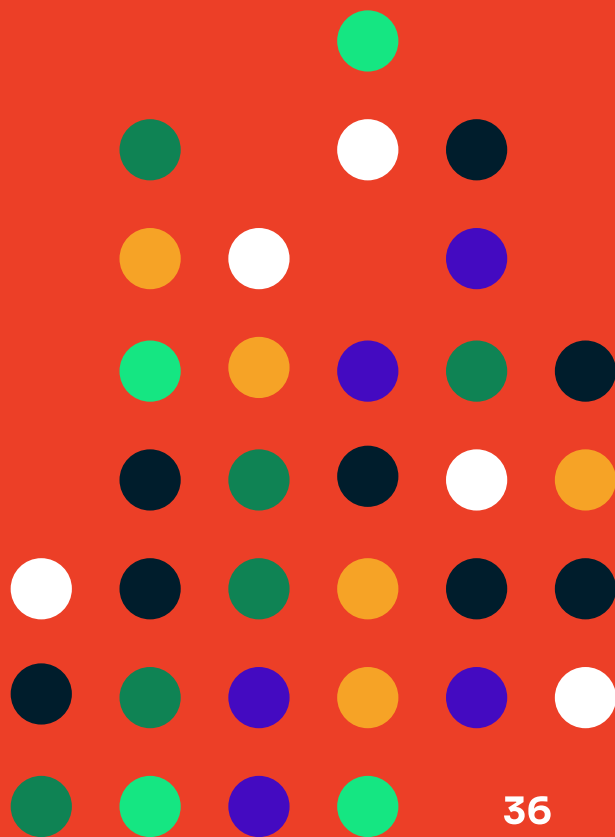
10.

Materials & Supply Chain

George Wojciechowksi │ Cofounder & CEO

manifest

The ever-evolving ecommerce landscape is experiencing a tectonic shift, driven by the rise of Generation Z.

As the first digitally native generation, Gen Z's demands transcend the typical consumer-product relationship. They crave authenticity, purpose, and above all, a robust commitment to sustainability.

For brands, this necessitates a deep-seated integration of sustainable practices across their operations. Reducing the carbon footprint is more than just an idealistic goal—it's a vital, measurable strategy. It starts with an audit of your ecommerce supply chain to identify carbon-intensive areas and devise plans to offset emissions.

However, Gen Z's expectations go beyond just carbon offsetting. They yearn for a comprehensive environmental ethos that pervades the entire business process. From sourcing to transportation and packaging, a comprehensive rethink of supply chain practices is needed. This involves fostering relationships with suppliers who echo your commitment to sustainability, further reinforcing the use of recycled, eco-friendly, or ethically sourced materials.

Material choice plays a significant role in this transformation. Envision a world where biodegradable packaging and ethically sourced textiles are not exceptions, but the standard. This resonates with Generation Z's environmental consciousness and establishes a strong emotional bond with them. By adopting eco-friendly materials, brands can communicate effectively with this demographic, building trust and fostering loyalty.
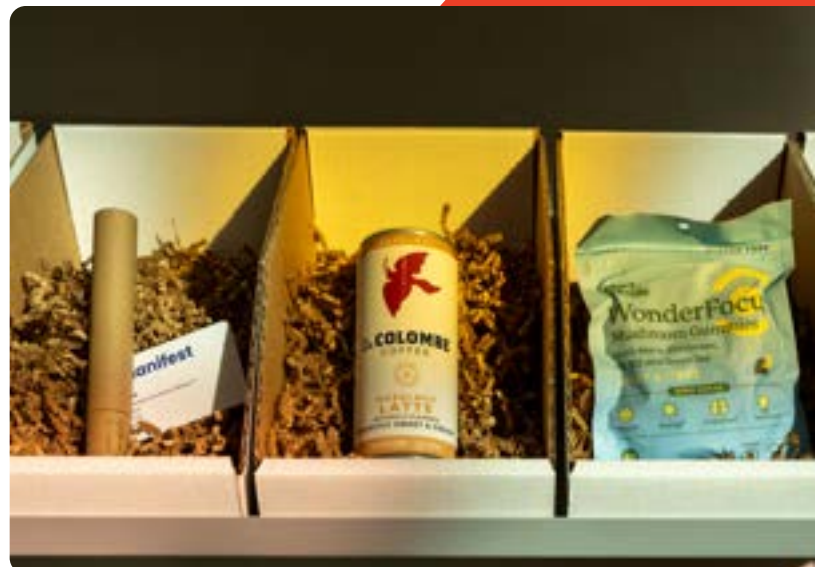
The journey towards sustainability is not a solitary endeavor—it's a collective movement. Collaboration is essential. Aligning with like-minded brands, sustainability researchers, and experts in the ecommerce supply chain infrastructure fosters a knowledge-sharing ecosystem. This unity empowers brands to optimize their supply chains and contributes to a broader force for environmental change.

Gen Z, the trendsetters of the consumer world, are also catalysts for change within commerce. By comprehending the interconnectedness of sustainable practices, they can drive the industry toward a greener future. It's about effectively bridging the gap between their ideals and the reality of sustainable operations.

In essence, meeting Gen Z's sustainability expectations is not just about riding the green wave—it's about leading the charge. Through the strategic use of sustainable materials and business operations, brands can resonate with Gen Z's values, distinguish themselves in a competitive market, and pave the way for a brighter, greener future for everyone. It's a challenging journey, but one that promises real impact and potential for lasting success.

> *"Picture a world where biodegradable packaging materials and ethically sourced textiles take center stage. By embracing these eco-friendly materials, brands gain the power to proudly declare, "Hey Gen Z, we're on the same wavelength!" and truly stand out amidst the throng of competitors."*
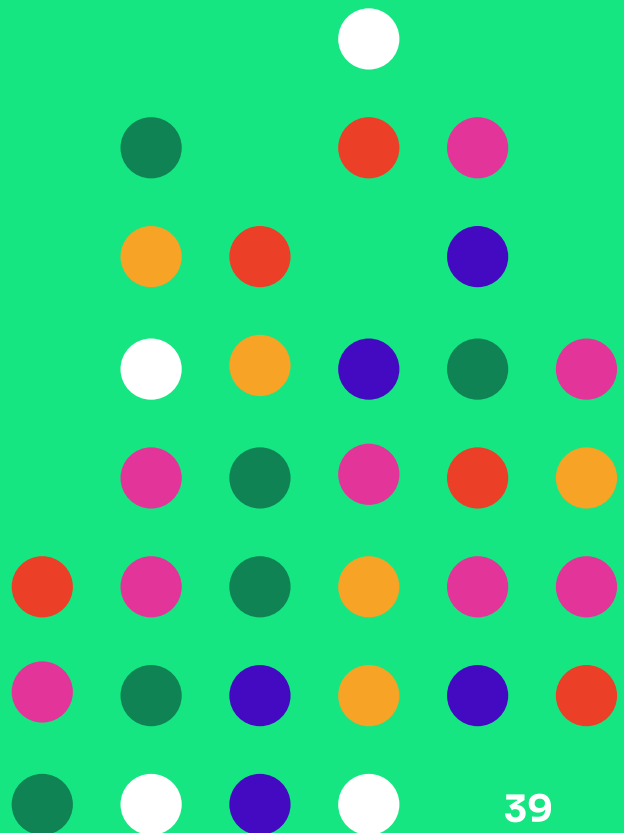
— Peter Hillowe, VP of Commercial at Manifest

11.

Returns

JP Arnaud-Marquez | Content Marketing Manager

O loop

The youngest generation of ecommerce shoppers have considerable influence over how your brand succeeds or fails.

It's important to take their shopping habits into consideration—and encompassed it a consideration of their preferences in how you build your return strategy.

"More and more, ecommerce customers are concerned about the sustainability of the brands they shop with," said Tasha Reasor, Senior Vice President of Marketing at Loop. "Now more than ever, it's important to optimize your return strategy in an eco-friendly way."

Let's start with some key findings on Gen Z's shopping habits.

40%
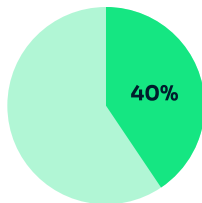
Millennials and Gen Z prioritize luxury much more than previous generations. In 2019, these two younger groups made up **40% of luxury shoppers** in the U.S. Gen Zers who can't afford luxury items are more often turning to resale or secondhand websites, which provide these items at a more accessible price. Many brands, like IKEA, are now offering pre-used versions of their products at a lower rate. Not only will this draw in those looking for a deal, but it will also speak to those who care about sustainability.

Gen Z values issues like environmentalism, diversity and equity, and a brand's ethical practice. A recent survey found that when it comes to environmental, social, and governance (ESG) factors, over two-thirds of this generation responded that at least one aspect of ESG is important.

Since nearly half of Gen Z are minorities, so ensuring your brand focuses on issues that concern these consumers is key. Invest in diversity within marketing campaigns and create programs where your company gives back to communities facing inequity. They like to be able to share their opinions on the products they buy. They believe in transparency—Gen Z wants to know your brand's values, what goes into production, whether it's sustainable, and how you treat your employees.

So how do you leverage these preferences?

When it comes to the shopping experience, this group of consumers looks for personalized, elevated touches. Use tools like VR technology to show them what the product would look like on the shopper (if it's wearable) or in their home. Being able to picture the item will improve their confidence in the purchase.

Having an AI chatbot that asks them a few questions when they begin shopping is a great way to hone in on their needs. You can also collect data to increase future purchases. Implement tactics like up-selling to suggest add-ons to items they have already purchased.

The best way to empower your Gen Z shoppers is to embrace automated returns that are easy to use. Shoppers pay close attention to what happens after they make a purchase, because more than ever, they're looking to establish a relationship with the brands they love. Treating your customers, especially your Gen Z shoppers, as more than just a number is key to keeping their loyalty for life.
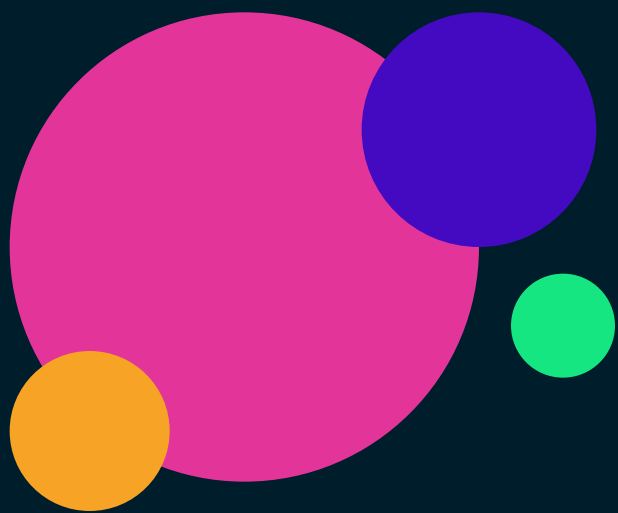
Conclusion
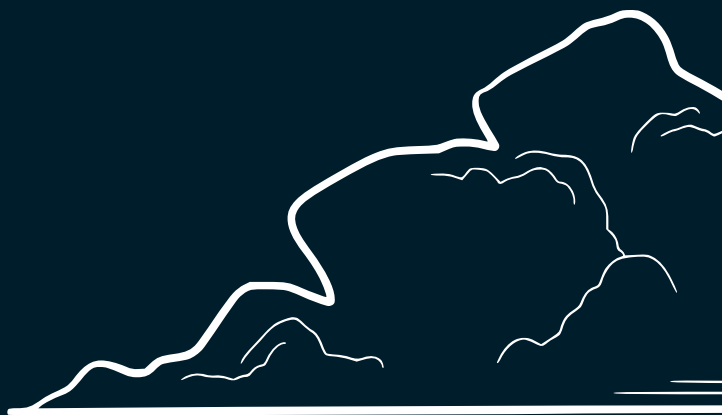
By listening to the voice of younger consumer generations your brand will open many doors that you had, perhaps, not considered before.

In order to gain the trust of Gen Z, opting to manufacture, ship, and source products sustainably should be the goal of every ecommerce business moving forward. In addition, building out a transparency plan to help educate consumers about the work you are doing to better our planet will build loyalty from younger generations like Gen Z, increasing your CLTV.

Without looking to the future of sustainability, ecommerce brands will not remain competitive with the growing buying power and influence of Gen Z. We hope this comprehensive guide will give your brand the tools you need to adapt to the demands of younger consumers and act on that knowledge now to gain their loyalty for years to come.

About EcoCart

EcoCart is a sustainability solution that enables businesses to calculate and offset the carbon emissions associated with their value chain and then encourages consumers to engage with them through transparent and authentic front-end experiences.

By vetting and partnering with various projects and organizations, such as forest protection and building clean energy sources, EcoCart determines the amount of each carbon offsetting activity needed to counteract specific amounts of carbon emissions and then matches the cost of doing so with each order's amount of emissions. EcoCart then empowers brands to leverage their offsetting initiatives into their customer experience through cart, landing page, banner, and other on and off-site experiences.

For more information, please visit us at: ecocart.io

EcoCart