

# THE NEXT GENERATION

5 WAYS TO KEEP YOUR BRAND ALIVE AND KICKING



# THE YEAR IS 2030.

We are starting to poke our heads out of a long, hard, global recession. It's been a tough decade. Yet the world has changed at breakneck speed. Driverless cars are becoming mainstream. AI is dominant in most people's lives. India is the world's second biggest economy<sup>1</sup>. Everyone owns a VR headset. For continuity, the Simpsons is, probably, still running.

Gen Z are now adults with children of their own and Gen A have become the focal point for marketers trying to attract the youth. It's only been 8 years, but from politics to culture to economics to marketing - so much has changed.

Where is your brand in all of this? Is it still working out how to WAP<sup>2</sup>, or is it thriving in the new world of technology and media? Is it part of the past, or part of the zeitgeist?

As we head into times of turmoil, making sure your brand is ahead of the curve for the inevitable wind changes in cultural and marketing is essential. The temptation will be to entirely focus on short-term wins. Whilst important in the current climate, real growth is never achieved through short-termism. And small wins now can be big wins later.

The following guide, developed by M&C Saatchi Group and Chloe Combi, Gen Z expert, gives you tips and pointers on the emerging trends that brands can use to stay relevant and ride the choppy waves to come.

# 1 THINK BEYOND TIKTOK. MAKE DEEPER CONNECTIONS WITH COMMUNITY MEDIA

Marketers love shiny things. New tech. New platforms. New buzzwords to dazzle and confuse. But we have to see the wood from the trees. And though TikTok is right now an undeniable behemoth of a marketing tool, it won't last forever. In fact, many of Gen A and Z are turning it off for new platforms that more readily express their wants and needs. And just like with every other shiny thing that came before, being an early adopter can set you in great stead for the years to come.

There are a number of challenger platforms brands should be researching right now to future proof.

- **Discord** essentially the world's biggest chatroom, Discord offers a unique opportunity to create authenticity and engage with your audience on a human level
- **Snapchat** is actually a more frequently used platform than TikTok by Gen Z's globally that is often overlooked by brands and marketers.
- **BeReal** represents (though at the moment fairly impenetrable for brands) a shift from the focus on overly manicured social media the reality of real life. Younger generations are tired of aspirational content being forced upon them, and yearn for more simplicity.

Ads are currently not allowed but brands can use the platform to post behind-the-scenes snapshots from meetings, shoots, or everyday office life.

- **Twitch** – much like Discord a growing platform<sup>3</sup>, that offers opportunity for conversation with your audience, as well as new streams of influencer marketing, particularly for male gamers.

“I ABSOLUTELY HATE TIKTOK AND SO DO ALL OF MY FRIENDS. IT'S ALL PEOPLE COMPLAINING AND TRYING TO SELL YOU STUFF OR GET FAMOUS. IT'S CRINGE. BEREAL FOR THE CHAT, DISCORD FOR THE CONTENT.”

SUNITA, 12 (GEN A)<sup>4</sup>

Discord, in particular, is interesting. Once a platform solely for niche gaming discussions, is rapidly becoming one of the world's most popular social media platforms. And potentially the most effective way of for brands to gain authentic connections with young audiences through social media.



The platform is growing, fast, and now has over 100 million Daily Active Users and 6.7 million chatrooms, each representing a keyhole into passionate communities obsessed over everything from streetwear and hiking to football and education. Users skew young, and Discord holds an advantage over its gaming competitor Twitch by having a much broader split between men and women<sup>5</sup>.

Unlike image and video sharing apps like TikTok and Instagram, Discord offers brands the opportunity to open up a genuine and balanced two-way conversation with their consumers. TikTok is a lectern with an audience, Discord is a fireside chat. Through brand-owned forums or involvement in pre-existing organic communities, brands have the ability to both understand their audience better and influence them at the same time through the app.

An example. A fashion brand could open up and own a Discord server (see Adidas Originals<sup>6</sup>), or get involved in thriving communities around fashion that already exist<sup>7</sup>. Through this, they can talk to fans and fanatics, opening up new invaluable opportunities to encourage engagement with your brand and engender trust that can only be gained through open conversation. This will bring new streams of customer service, and thus value, to customers, as well as chances to gain new understandings into your audience. Or, like Adobe<sup>8</sup>, use the platform to connect your audience to each other.

Whilst there are fairly limited examples of brands successfully using Discord, this comes predominantly from an undeserved lack of attention, not for lack of opportunity. As marketers, we spend our lives working out how to effectively connect with our audiences. And in Discord, amongst other community based social media platforms, the door has been opened to diverse communities across the world for us to create meaningful engagement, with acres of unexplored creative ways to do so. With young Gen Zers and Gen A turning off TikTok and Instagram in their droves in search of more authentic platforms, it's time to turn your eye to the new kids on the block.

**Siwe Lawrence, Senior Strategist M&C Saatchi Abel:**

'There is always a general curiosity towards work done around generations because it is an important "secret sauce" for brands, marketers and agencies and all of their future growth journeys. Looking at generations, where they go, and what interests them is not an easy feat. It is always so important to be able to separate wild speculation about generations; from some long-standing effects (period, cohort and life cycle) as drivers of difference & similarities between the generations.'



**I DON'T USE ANY SOCIAL MEDIA, EXCEPT DISCORD. SAME WITH A LOT OF MY FRIENDS. WE LIKE IT, BECAUSE IT'S NOT FULL OF OUR MUMS TRYING TO LIP-SYNC TO RIHANNA"**

**MIKEY, 15 (GEN Z)<sup>9</sup>**



# 2 YOUR BRAND IS YOUR PURPOSE

Over the last decade many brands, to varying degrees of success, have shifted marketing efforts towards be more purpose-driven. There are countless studies<sup>10</sup> showing us how youth audiences value purpose in a brand more than anything else. Though true that as a generalised group, Gen Z are an ethically-driven demographic, there is still an identifiable gap between value and action. What our consumers say they want and what they actually do are often wildly different. Take sustainability. In the UK, 65% of Gen Z state they don't mind paying extra for sustainable products, and 50% of them claim to be environmentalists, 15% more than the national average.<sup>11</sup> Yet, concurrently, the sale of cheap, unrecyclable disposable vape bars in the UK has skyrocketed by 883% in the past 12 months, with sales largely driven by youth purchases<sup>12</sup>. Why? Cost and convenience. Because in times of hardship, price almost always wins.

Whilst it's undeniable that Gen Z do value the relative ethics of their favourite brands, as we head into recessions purpose will need to underpin a laser-focus on value, rather than be the focus itself. As their wallet shrinks, customers, especially younger ones will tend towards backing their own self-interest.

In the next few years, the limelight on company values may give way to a more individualistic approach, with a heightened focus on:

**Value** – is it worth the money, regardless of ethical considerations?

**Pleasure** – in a troubled world, how much pleasure does this brand give me?

**Usefulness** – does this brand make my life better or easier?

Table stakes questions for most brands, yes, but ones that may be of heightened importance moving forwards.



**NOW, EVERYONE WANTS TO EDUCATE YOU. I GO TO SCHOOL FOR THAT. LET ME ENJOY MY SNEAKS.**

**CHARLIE, 14 (YOUNG GEN Z)<sup>13</sup>**



**Sophie Newman, Strategist, M&C Saatchi Talk:**

'Brands and consumers must understand and be invested in the issues of today. A greater focus on socially and sustainable consumption, coupled with the increased economic challenges facing many, has put a strain on the relationships between retailers and consumers. At such a critical time, businesses must recognise the problems they are facing, understand them and invest in actions that will build a trusting relationship.'



# 3 ANDROGNY IS KING, OR QUEEN, OR NEITHER

Societal approach to binary labels is evolving, both through pronouns but also wider interests that helped define gender in the past, as women's football booms and the male skirt grows pops up on high streets far and wide. Androgyny is king, or queen, or neither. Whilst older generations may resist this, this school of thought is normalised amongst youth<sup>14</sup>.

As a natural progression of this, gendered products and labels will start to fade away. Pink for girls and blue for boys will lose even more resonance. Feminine language (fresh, pretty, soft) and masculine language (strong, powerful, competitive) will be replaced by more neutral language or used intermittently for ungendered products depending on its makeup. Anything different will begin to look dated. This poses yet another head-scratcher for marketers who have always aimed to drive distinctiveness and differentiation

If this applies to your product or brand, you should quietly and without fuss, start to develop neutral brands for everyone that don't heavily distinguish between genders. This isn't to say, everything should occupy a neutral space, differentiation as always is key. However certain brands in spaces such as beauty are already beginning to look behind the times through the masculine and feminine lens they

advertise themselves – and Gen Z and younger will take notice.

**Will Barren, Co-chair of juniors ELN, M&C Saatchi London:**

'More than half of Gen Z believe the traditional gender norms are outdated. That number looks like it is going to grow with younger generations. Any brand with gendered products looking to appeal to a younger audience, ignore these trends at your peril'



# 4 THE NEW ACTIVIST INFLUENCERS

The last decade well and truly belonged to the influencer. Deals with the biggest brands known to mankind. Millions of dollars spent on singular Instagram posts<sup>15</sup>. Relative nobodies shooting to worldwide fame without immediately discernible talent.

However the status quo never lasts, and the attitudes of youth consumers is on the move. They are increasingly turned off by traditional influencers, often cited by this audience as vacuous individuals who haven't 'earned' their privileges whilst everyone else struggles.

Though traditionally we have been taught Gen Z rely on influencers for their purchasing decisions<sup>16</sup>, many are turning away from some of the more aesthetically focused influencer to purpose-driven individuals like Marcus Rashford, Greta Thunberg, Dolly Parton, and A\$AP Rocky, who are using their celebrity to make the world a better place for others. In the next decade, altruism and meaningful activism will be bigger than reality TV winders – brands can explore this for easy & profitable wins.

Whilst focus on purchasing decisions will be focused more on value, brands can perhaps explore and demonstrate their purposeful

chops through relevant and meaningful influencer partnerships.



**THE ONLY CELEBRITIES I CARE ABOUT ARE THE ONES WHO ARE DOING SOMETHING WITH THEIR FAME. I FOLLOW GRETA THUNBERG BECAUSE SHE'S AMAZING, NOT BECAUSE SHE WANTS TO SELL ME LIP-FILLER.**

**GLENN, 16 (YOUNG GEN Z)<sup>17</sup>**



# 5 BUDGET ALLOWANCES, LUXURY TASTES

It is no secret that Gen Z, globally, are significantly worse off than their parents. Yet they have been raised on luxurious, aspirational and capitalistic influences of the Kardashians and the rich kids of Instagram. The confluence of these things is a challenge to brands, particularly in the luxury space, many of whom are finding it increasingly difficult to locate new customer bases who simply cannot afford their product<sup>18</sup>.

For many brands with expensive product ranges, a decline is on the horizon if they do not start to shift their focus onto the 'pre-consumers' of Gen A. For example, Gen Z and A have a far lower opinion of Apple products than Millennials did, because they view Apple products particularly compared to the competition overpriced and their brand-attitude 'cocky.'

Brands in this space will absolutely need to explore 'budget' lines aimed at young people feeling the pinch, but who still want high-end brands. Extra points will be awarded for budgeting by using recyclable materials, or introducing circularity into your business (see IKEA<sup>19</sup>) to save on customer costs. Fashion has been a leader in this space by integrating rentable and pre-loved items, into their e-commerce ecosystem. (See Mulberry).

But we are already seeing a diverse range of other consumer categories exploring how to secure their fare share in the growing circular economy.

“ **WHEN I WAS A TEENAGER AND IT WAS ALL ABOUT THE KARDASHIANS AND LUXURY, THE FLEX WAS ALL ABOUT PRETENDING YOU WERE RICH. MY YOUNGER SISTERS ARE ALL ABOUT ECONOMIZING, UP-CYCLING, SHARING AND ETHICS, I HAVE SO MUCH RESPECT FOR THAT.**

**CARRIE, 23 (ZOOMER)<sup>20</sup>**



**Andrei Kaigorodov, Creative Strategist, M&C Saatchi Milan:**

'It's time for the luxury of possession to move over. Welcome the Luxury of Integrity.'



The world is always changing at breakneck speed. And in times of extreme turbulence, it can be hard to plan beyond the immediate. But the brands that plan longterm, will win longterm.

That's why we are constantly thinking about how we can help our clients future-proof, with things they can implement right now. Whether it's our understanding of tomorrow's platforms or what makes Gen Z and Gen A tick, we can help arm your brand for the years ahead.

If you want to know what this report means for your brand in the future, get in touch with us.

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# M&C SAATCHI GROUP

## Sources

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<sup>3</sup>WARC: [https://www.warc.com/content/paywall/article/event-reports/what-brands-need-to-know-about-the-cultural-shifts-behind-generation-twitch/en-gb/147216?utm\\_source=CategoryUpdate&utm\\_medium=email&utm\\_campaign=CategoryUpdate20220901](https://www.warc.com/content/paywall/article/event-reports/what-brands-need-to-know-about-the-cultural-shifts-behind-generation-twitch/en-gb/147216?utm_source=CategoryUpdate&utm_medium=email&utm_campaign=CategoryUpdate20220901) <sup>4</sup>A qualitative research study by Chloe Combi and M&C Saatchi Group (500 16-22 year olds UK, USA, Europe, Netherlands) <sup>5</sup>TwoFiveSix: <https://twofivesix.co/women-gamers-discord/>  
<sup>6</sup>Adidas: <https://discord.com/invite/adidasoriginals> <sup>7</sup>Disboard: <https://disboard.org/server/933135815272431677> <sup>8</sup>Adobe: <https://adobediscord.com/>  
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