An Insider's Guide to Generation Z and Higher Education 2018

Kelsey Dombrosky
Penn State University
Class of 2018

Brett Templeton
Penn State University
Class of 2017

Jim Fong
UPCEA Center for Research and Strategy
Founding Director

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About the Authors

Kelsey Dombrosky is a marketing research intern at UPCEA. She is a Penn State University marketing major and represents the class of 2018, part of the first cohort group of Generation Z college graduates. Kelsey is also on the executive board for AMA (American Marketing Association) Penn State.

Kelsey has completed two other internships, both with major marketing firms. Her goal would be to work in brand management near her home in the Connecticut area.

Like many other Generation Z'ers, Kelsey likes to stay active in support of causes close to her, such as the Alzheimer's Association, Penn State's Dance Marathon – THON, and Operation Gratitude, an organization that helps retired veterans.

Kelsey is most loyal to her soon to be alma mater and to the fashion brand Aerie.

Brett Templeton is a marketing research assistant at UPCEA and works virtually from Pittsburgh, PA. Brett graduated from Penn State University with a bachelor's degree in security and risk analysis with an information and cybersecurity option. He represents the class of 2017, an early graduate from Generation Z.

While at Penn State, Brett earned an NSA and DHS Certificate of Recognition and Achievement in Information Assurance and Cyber-Defense.

Generation Z'ers are focused on specific causes and do not spread themselves too thin. During his studies at Penn State, Brett was involved with the Special Olympics, PAWS (an animal rescue nonprofit) and Greek life on campus.

Brett is most loyal to anything Pittsburgh and is most supportive of Apple and Nike as brands.

Jim Fong is the Director of Research and Strategy for the University Professional and Continuing Education Association where he is responsible for member research and monitoring trends that impact the higher education community.

Jim teaches graduate marketing courses at Framingham State University and recently developed a "MOOC" (a massive open online course) for the University of California Davis.

Prior to joining UPCEA in 2010, Jim worked for a number of marketing and consulting firms specializing in higher education, and was Director of Marketing, Research and Planning for Penn State University Outreach. Born in 1965 and officially a member of Generation X, when convenient, he can be found boundary spanning having a microbrew with Baby Boomers.

Jim is exceptionally loyal to Dunkin Donuts and Lands' End as brands.

A Multi-Generational Approach to the Insider's Guide

Other Key Contributors:

Scott Hinty is a UPCEA research assistant and 2017 graduate of Penn State University with a bachelor's degree in corporate innovation and entrepreneurship. As a Millennial and loyal alum, Scott's favorite brands include Penn State and Motorola/Droid. Scott conducted secondary research in support of the eBook and played a role in the final design layout.

Sarah Culver is a 2015 graduate of Penn State University with a bachelor's in immunology and toxicology. She is research assistant with UPCEA, as she waits acceptance into medical school. She is a Millennial who has strong brand preferences with Apple and Chick-fil-A. Sarah conducted secondary research and produced a number of the charts and statistical analyses for the eBook.

Noreen Mack is part of the Baby Boomer generation. She has served as an analyst and writer for UPCEA's Center for Research and Strategy. Prior to joining UPCEA, Noreen served as Director of Marketing and New Program Development for Goucher College's Welch Center for Graduate and Professional Studies. Noreen's favorite brands are The Wall Street Journal and Starbucks.

An Open Letter to Professional and Continuing Education Educators

Dear Education Community,

We are a mysterious group … we are not selfish and self-centered, as you think. We've been shaped by your hands, typically by our Generation X parents, but with a lot of support from our Baby Boomer grandparents. Yes, we're wired and we've seen a lot in our short life spans.

Critics have often called us Generation Z-ombie, and we are anything but that. We can think for ourselves and have specific goals. We are not slow moving, seeking the blood of others, but are a resourceful and compassionate group, thinking about how to make the world a better place. We use technology to communicate efficiently and make our lives easier. We also have the power to organize the masses to promote awareness to important issues, raise money, and vent about poor experiences using crowdsourcing and social media.

We are tomorrow's workforce. Today, we are your entry-level sales and retail people, your junior engineers, your human resource assistant or your accounting assistant. In 2025, working side-by-side with Millennials, we will be your managers and by 2040, your business and policy leaders. Education was an important part of our lives. While we made your model work in your economy, we will explore new ways of learning in the future.

Respectfully and optimistically,

Kelsey Dombrosky
Penn State University, Class of 2018
UPCEA marketing research intern 2017-18

Brett Templeton
Penn State University, Class of 2017
UPCEA marketing research assistant, 2017-18
UPCEA marketing research intern, 2016-17

Introduction

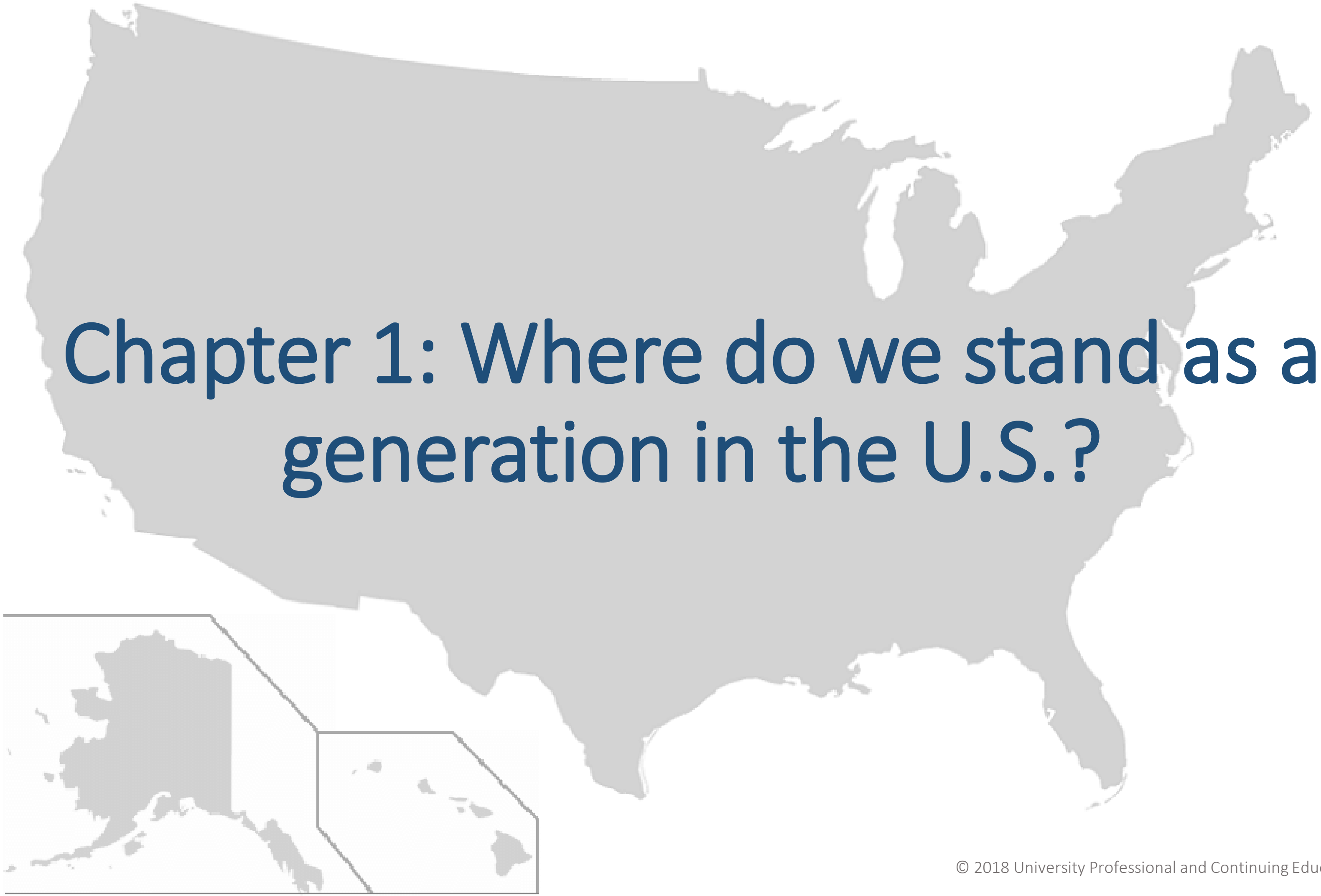
Generation Z remains a mystery for us, as well as business and industry. Only recently has the media and corporate America invested in better understanding them. In fact, they still argue about their definition and their ages. At UPCEA, we define Generation Z as those born between 1995 and 2005, or those roughly 12 to 22 years of age at the time of this report. Other organizations define Generation Z to be even younger. For greater relevance, we've taken the iGeneration segment of them, those age 14 to 22, for this study. We've chosen this group because the bulk of them are either in college, choose not to go to college or are in high school.

Our organizations have focused primarily on adult and corporate learners. Twenty years ago, we had a great opportunity with the number of adults who did not finish their degree or earned an associate's degree. We served them through degree completion. Ten years ago, we migrated higher education to an online model. Now, we are faced with the most educated cohort of our lives, and thus degree completion is less relevant, but one that may value education more. They are also much more savvy and have more choices.

There is so much more to learn about the iGen and Generation Z that will impact our educational offerings, marketing and enrollment management. Generation Z communicates differently and has different values from the other generations. They are also a generation ready for our world of robotics, autonomous vehicles, healthcare technology and renewable energy.

The UPCEA Center for Research and Strategy has compiled this eBook to serve as a resource for you. The eBook has some of the best research on the web, and includes primary research done by UPCEA and other partners, including Blackboard, Pearson and Chmura, as well.

Jim Fong
Director
UPCEA Center for Research and Strategy



Chapter 1: Where do we stand as a generation in the U.S.?

Currently, Millennials are emerging as power players in the economy and with corporate, online and continuing education. While they are quickly becoming the managers and leaders in the new economy, **Generation Z** will become a major presence in the professional, continuing and online education market. They have many similar traits and preferences as young Millennials, but have distinct differences as well.

Over the next decade, Boomers will be fully in retirement mode and will accelerate developments in our healthcare system. Generation Z will be the next wave of entry-level professional and working class employees.

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Generation Z (1995-2005)

60 million strong
Will account for 20 percent of the U.S. population in 2020 and 7% of the workforce.

- Growing up in a time of economic, political, and cultural change
- Born years after the first computer and cellphone
- Barely remember 9/11
- Growing up around most U.S. mass shootings
- iGen is roughly 14 to 21 years old and was born between 1995 and 2002. There are roughly 42 million iGen'ers

Millennials (1981-1994)

75 million strong
Will account for 40% of eligible voters in the U.S. in 2020 and almost half of the workforce.

- Grew up in a world with cable and DSL
- Understand technology, but not as savvy as Gen Z
- Influence family purchase decisions
- Lived through 2008 Financial Crisis
- Lived through growth of online companies (Google, PayPal, Salesforce)
- Millennials are 22 to 36 years old.

Generation X (1965-1980)

66 million strong
Will account for 20 percent of the workforce in the U.S. in 2020

- First generation to really experience divorce and daycare
- Focused on education
- Have fewer children than younger generations
- More ethnically diverse than older generations
- Workaholics – loyal to employers
- Generation X is 37 to 52 years old.

Baby Boomers (1946-1964)

74 million strong and declining
Will account for 22 percent of the workforce in the U.S. in 2020

- Born after World War II
- Lived through JFK and Martin Luther King Jr. assassinations
- Lived through the Civil Rights Movement and Vietnam War
- Lived through the Watergate Scandal and lost trust in government
- Work hard for their jobs and other opportunities
- Baby Boomers are 53 to 71 years old.

Implication for Higher Education and the Workforce

- There are signs that Generation Z will act like younger Millennials, but with greater intensity in certain area, such as the food and fashion they prefer and choices of communication.
- For now, treating Generation Z as young Millennials may serve as an efficient short-term investment and with little risk. However, as they enter the workforce in larger numbers and gain power, a more strategic approach will be merited.
- It will be imperative for higher education, as well as other industries, to understand how to effectively communicate with them and design products and services to meet their needs.
- Employers will also need to better understand them if they are to capitalize on their potential entrepreneurism and creativity in the workforce, as well as retain them as long-term employees.

Chapter 2: Who are they?

The Faces of Generation Z

Members of Generation Z are unique. They’ve been raised by their Generation X parents or perhaps by Boomers going through their second marriages. As a result of a high level of parental interaction, they’ve developed unique preferences, beliefs and opinions, all of which impact marketing and choosing education in the future.

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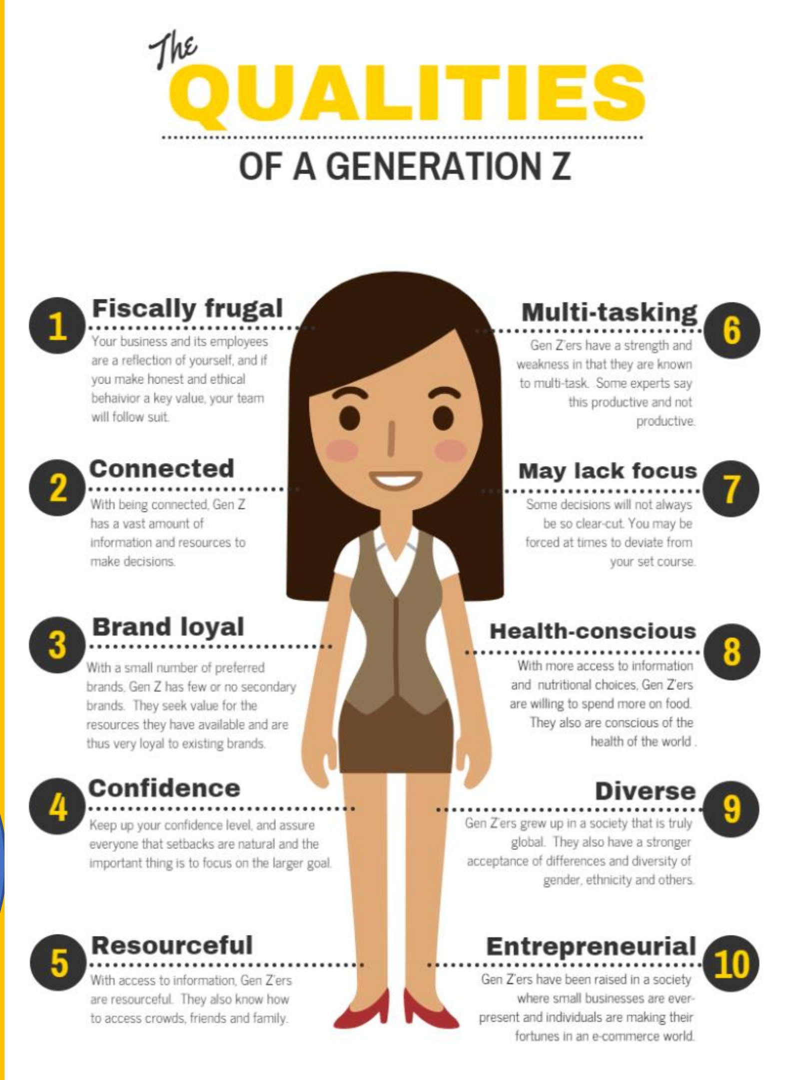
Less likely to try alcohol

More likely to wear a seat belt

Difficult to get to switch brands



Determined

Open-minded

Individual efforts before engaging a group

https://www.visioncritical.com/wp-content/uploads/2016/10/GenZ_Final.pdf

Overall, Generation Z'ers are more positive and sure of themselves. They tend to be more confident because they have more information and resources to make better decisions.

They are also more likely to have a support system, whether it is their direct friends or family or an online community. They are not Zombies!

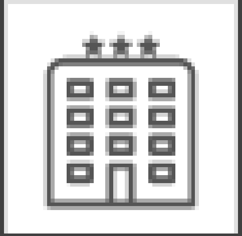
Implication for Higher Education and the Workforce

77% of Generation Z currently earn their own spending money through freelance work, a part-time job, or an earned allowance.

- Within Generation Z is the iGeneration. They are 42 million strong and quite different from their Generation X parents.
- They are truly unique compared to older generations. They are empowered self-starters looking to make a difference.
- They view their diverse mindset as a strength and competitive differentiator.
- They have the most optimistic and inclusive attitudes compared to past generations.
- Many educational, as well as marketing response systems, are still designed for Millennials and older.
- The professional and continuing education system is just starting to adapt to them. Engagement, interaction and customization will drive Gen Z.

Source: 2017 The Center for Generational Kinetics.

Chapter 3: Where do they live?



Members of Generation Z are just entering our workforce. They’ve entered a period of low unemployment, a prosperous stock market and a technologically hanging economy.

Generation Z is well-informed, having grown up in the information age. Unlike Generation X. they’ve been brought up to be entrepreneurial. This generation has large goals. To reach their goals, they will be smart with their finances. Their highest expenses could be housing, transportation, food, clothing and education. Those who go through college may have high levels of debt. As a result, they will make careful decisions to manage finances and will look for demonstrated return on investment on big ticket purchases, including future education and training.

They will look for alternative or affordable means of housing.

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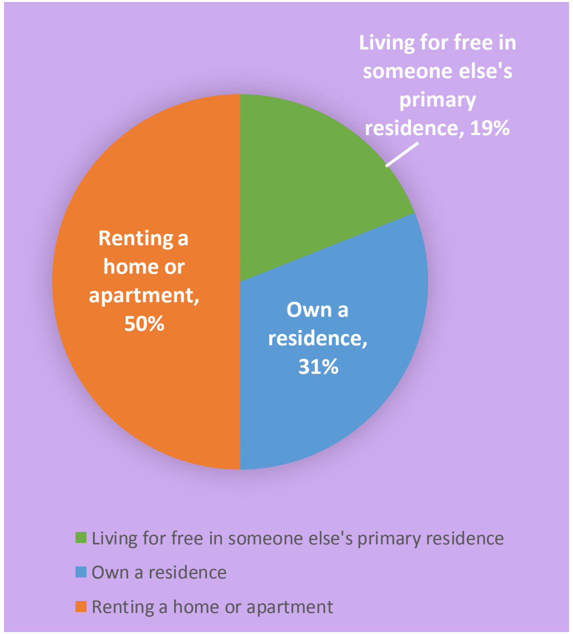
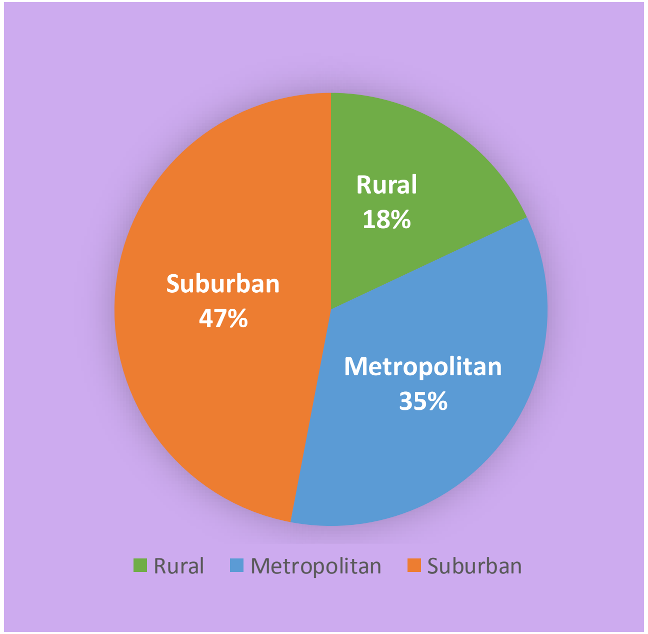


Source: UPCEA/Blackboard Survey 2017



Source: UPCEA/Blackboard Survey 2017

Generation Z adults are becoming more independent. Many are renting and some own a residence. While 31% are in the stage of owning a home, it is unclear whether they will continue this trend.

There is reason to believe that this generation may be a strong “sharing” generation. There is reason to believe that Gen Z will share homes, be “little home” people or live in evolving community residences.

Generation Z will have to make some difficult choices regarding large potential expenditures, including housing, transportation and future education.

Generation Z is just entering the workforce and will make important choices as to how to get to work and where to live affordably. As they work, to move up the corporate ladder will require them to also address future education needs (or investments in themselves).

Like Millennials, Generation Z are minimalists. With the average home costing over $200,000* and the average DIY tiny home being less than 10%** of that, it is likely that Gen Z'ers will rent, share or become part of the tiny home movement. Housing can amount to over one-third of a person's income.

Source: www.Zillow.com* and www.thespruce.com**

Like Millennials, Generation Z will be a major player in the peer-to-peer sharing economy: cars, homes and other services, including their Wi-Fi and clothing.

Given the amount of information they have in their mobile devices and the upbringing they received, Generation Z will demonstrate their consumer savviness by finding the best values in the sharing economy. In fact, more than 60% of AirBnB customers are Millennials or Generation Z (those 18 years of age or older).

Source: AirBnB Citizen

Implication for Higher Education and the Workforce

- 56% of Gen Z'ers surveyed stated that college costs were a major factor when deciding to attend full or part-time.*
- 39% of them said that costs had already changed their higher education paths*
- As costs continue to rise, Gen Z is saving more than ever. However they are not going to be chasing big-ticket items such as houses and cars when they are paying thousands in college debt.
- Gen Z is expected to be much more debt adverse and financially aware than previous generations, especially Generation X.
- They are not just playing games and Snapchatting on their phones. They are seeing and paying attention to all of the headlines regarding the rise of student debt and the effect on their future.
- Making good choices about housing and transportation may make future education a more viable investment.

Source: UPCEA Generation Z and Millennial Survey, 2017 *

Chapter 4:

What do they like and want?

Generation Z is going to continue to change what Millennials have started. Every generation changed a major product or service category. Millennials are changing the video, cable and entertainment industries. Generation X started changing the music and Internet industries. Generation Z could change the financial, technology and education industries.

Understanding their consumer and retail preferences may shed light on how they may change the education industry, as well as how higher education markets to them. Generation Z has specific product and service preferences and, as a result, have developed brand loyalties and consumer behaviors.

These behaviors include how they learn about products and who influences their decisions. Family, friends and other influentials play a role in their decisions, as do their social networks.

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Generation Z is Eager To Interact with Their Favorite Brands

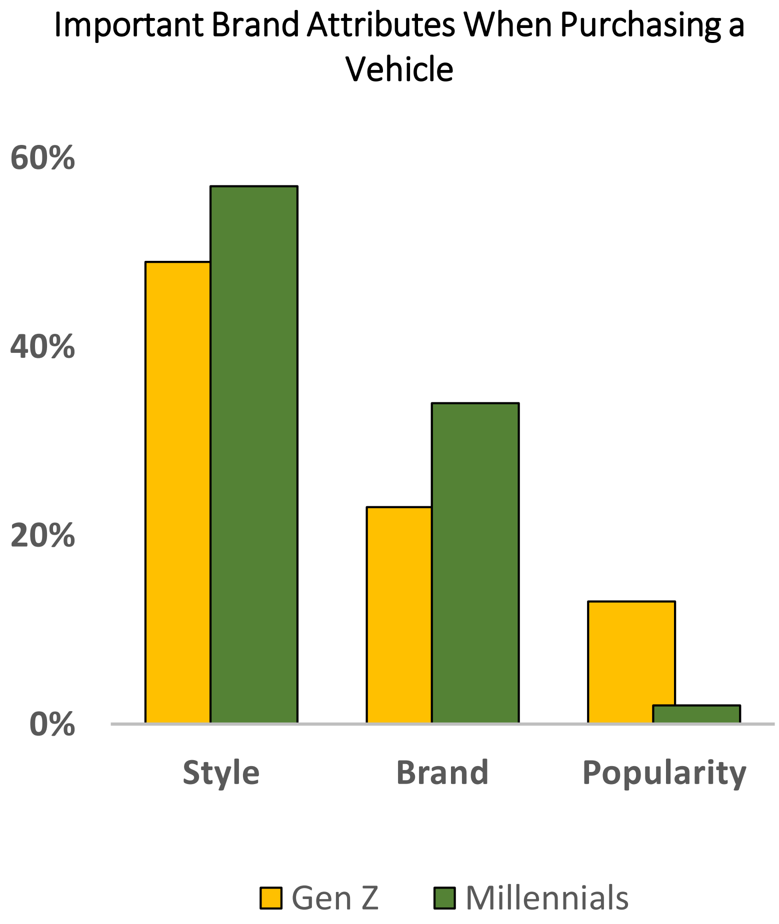
- 66% of Gen Z agrees that it matters that the brand sells high quality products
- 62% are frequently attracted to new and fun brands
- 55% choose brands that are eco-friendly and socially responsible
- 53% say they choose brands that understand them as an individual
- 44% say they would submit ideas for product design
- 38% would attend an event sponsored by a brand
- 36% feel a strong connection/loyalty to a brand

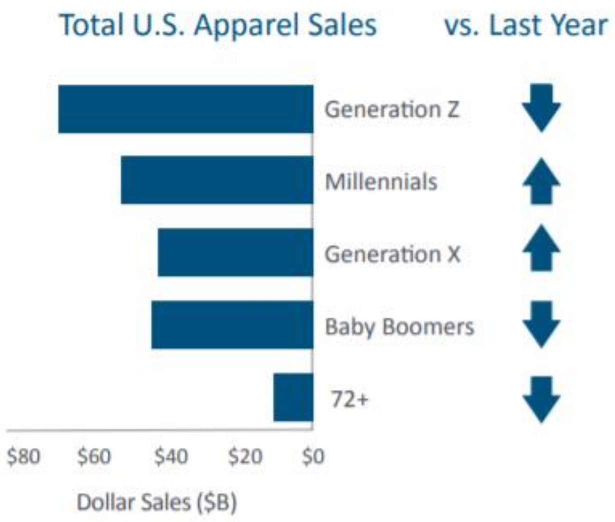
Sources: https://www-01.ibm.com/common/ssi/cgi-bin/ssialias?htmlfid=GBE03799USEN&

https://coxautoinc.app.box.com/v/autotrader-kbb-gen-z-research/file/56691606014

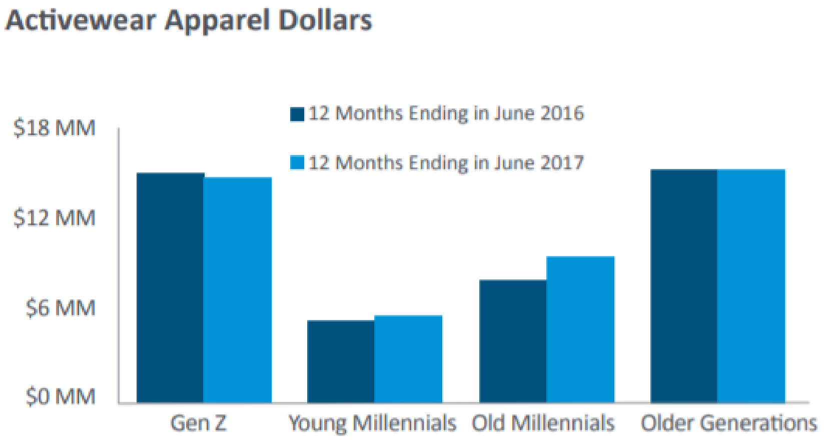
https://nrf.com/resources/retail-library/gen-z-brand-relationships

https://www.retaildive.com/news/study-gen-z-seeks-more-brand-interaction/448378/





Source: The NPD Group/Consumer Tracking Service 12 ME June '17

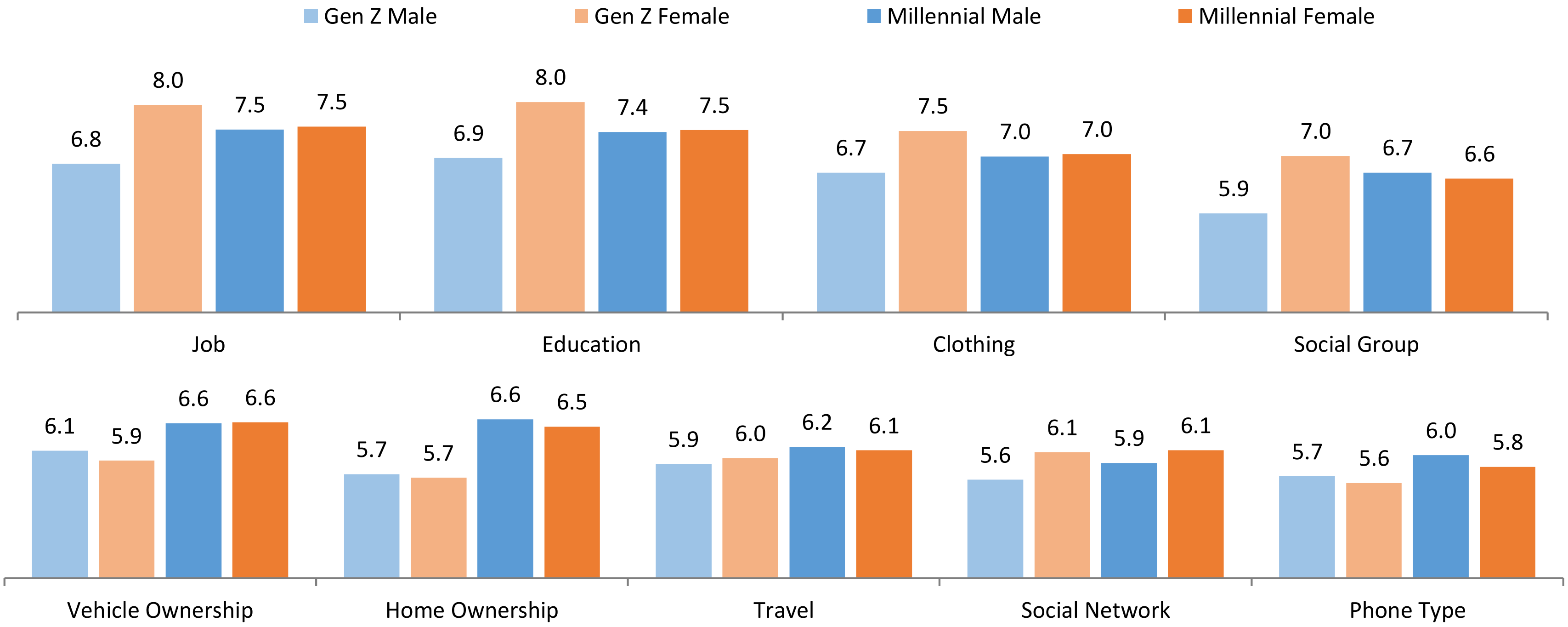


Source: The NPD Group/Consumer Tracking Service 12 ME June '17

Generation Z likes their clothing and food on their terms

Reaching Generation Z females may be complex as many things are important to them

The figures below are how each generation defines itself by gender on a 10 point scale . The survey shows that Generation Z females tend to say they are defined by many things, compared to other groups. Generation Z males are less likely to say they are defined by their social group. Vehicle and homeownership are more likely to define Millennials compared to Generation Z, as these larger ticket items may be less likely to be on their radar.

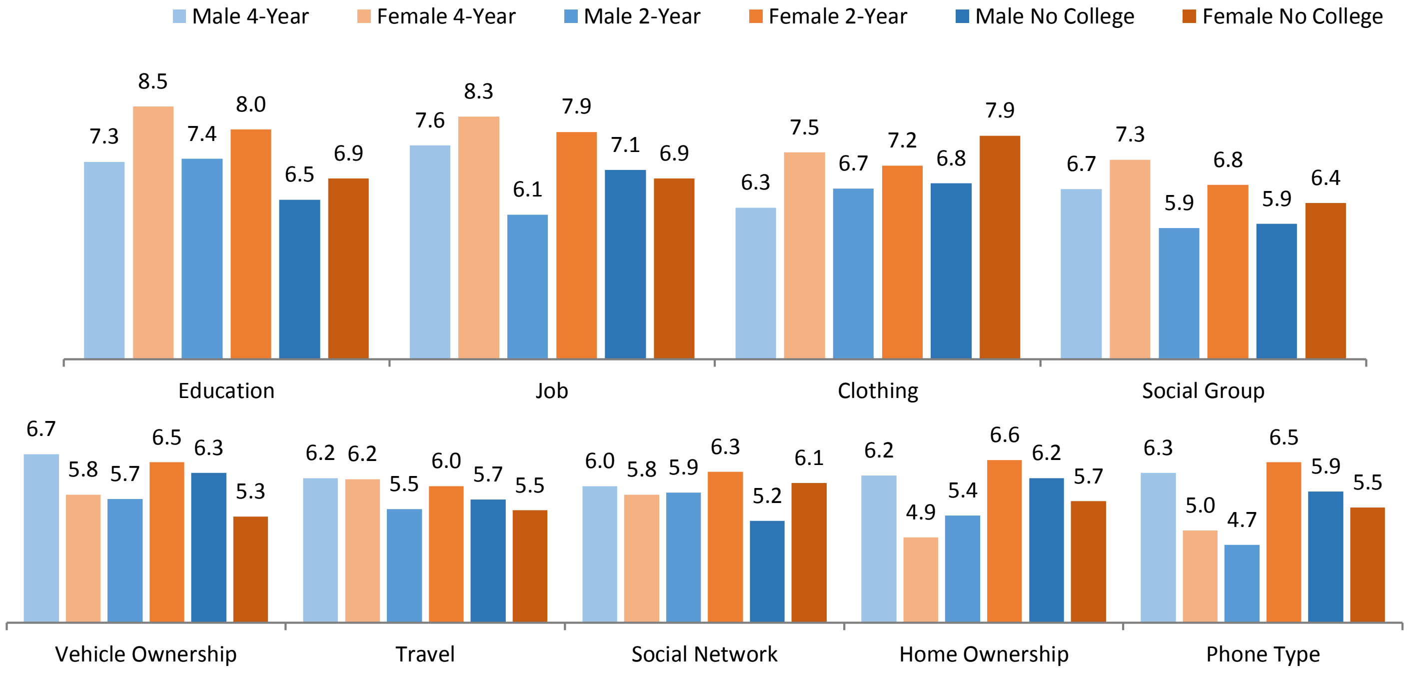


Source: UPCEA Generation Z and Millennial Survey – 2017

Generation Z females in college value education and jobs. Generation Z females not in college value clothing and many other things.

The figures below are how each generation defines itself on a 10 point scale by gender and education. The survey shows that Generation Z females that are in enrolled college or have already graduated college or a two-year program are defined by the education and job more so than clothing or a social group. However, those who are not enrolled in college are more likely to be defined by clothing. Generation Z males not going to college are more likely to say their job defines them.

Many material things such as vehicle or home ownership or even their phone defines education Generation Z males.



Source: UPCEA Generation Z and Millennial Survey – 2017

Preferred or Coolest Brands

Coolest Brands

- YouTube
- Netflix
- Google
- Xbox
- Oreo
- GoPro
- PlayStation
- Doritos
- Nike

Least cool brands:

- TMZ
- Wall Street Journal
- Sprint
- Yahoo!

Coolest Celebrities

- Steph Curry
- Selena Gomez
- Emma Watson
- Chance the Rapper
- Ariana Grande

Coolest Music

- Twenty One Pilots
- Drake
- Beyonce
- Fall Out Boy
- Coldplay
- The Beatles
- Panic at the Disco

Source: Google 2016 Survey of Generation Z

Other Cool or Preferred Brands:

Apple
Amazon
Snapchat
Instagram
Starbucks
Adidas
Tesla
Spotify
Chipotle
Chick-fil-A
Starbucks
Samsung

Sources: (BusinessInsider, Ad Age, Fortune, Piper Jaffray) + Dombrosky and Fong

Generation Z is Fickle and Mysterious About Their Products and Brands

- These young consumers have access to $44 billion in buying power
- 75% claim that they spend over half of the money available to them on a monthly basis
- 5% shop at only one store for clothing
- Only 19% shop at the same store for health and beauty items
- 38% shop at the same place for groceries
- 58% are willing to pay $5 for one-hour delivery

Source: Accenture, March 2017

62% of Generation Z will not use apps or websites that are difficult to navigate

60% of Generation Z will not use slow websites or apps

Source: IBM and the National Retail Federation (January 2017)

Once Generation Z Finds a Brand, They are Hard to Break From It

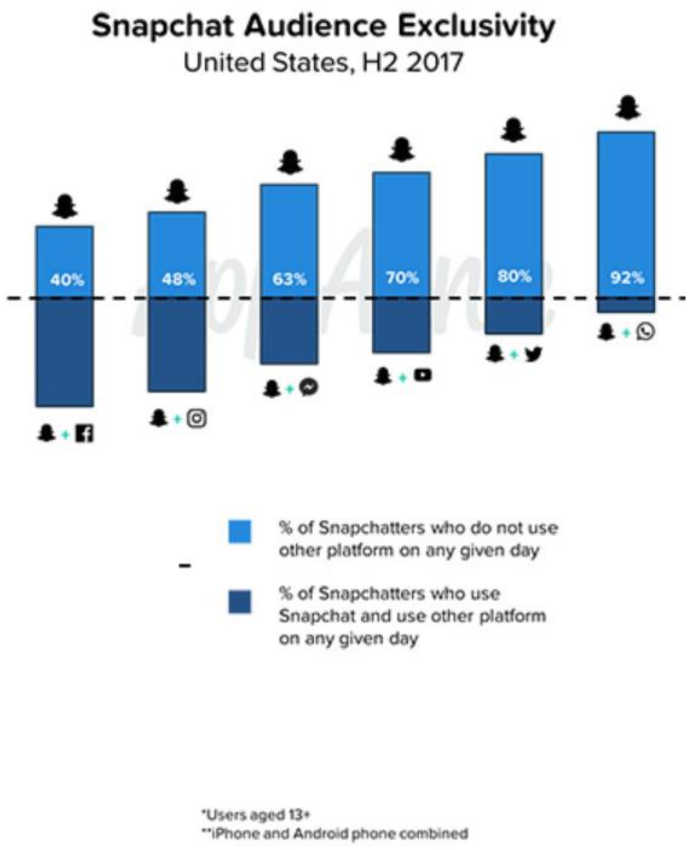
- They tend to stick to a brand they are comfortable with.
- They need a reason to experiment away from a brand. They have a "if it ain't broke, don't fix it" mindset.
- It is important to get in early and to not disappoint.
- They are an app generation and have NO patience with difficult or slow websites or technologies.
- The power of peers, families and influencers may play a role in breaking from brands.

Snapchat is a Brand that Generation Z is Extremely Loyal

Snapchat and Other Social Technology

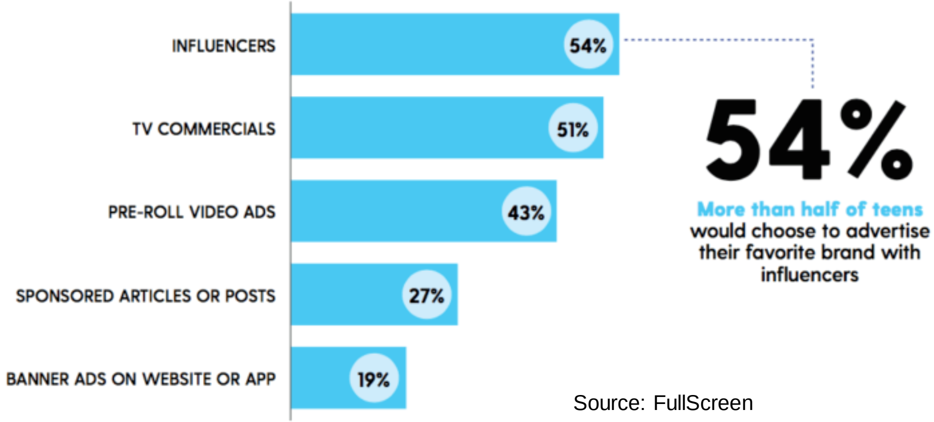
- 40% of Snapchatters do not use *Facebook* on a given day
- 48% of Snapchatters do not use *Instagram* on a given day
- 63% of Snapchatters do no use *Messenger* on a given day
- 80% of Snapchatters do not use *Twitter* on a given day

Source: AppAnnie, 2017 Survey

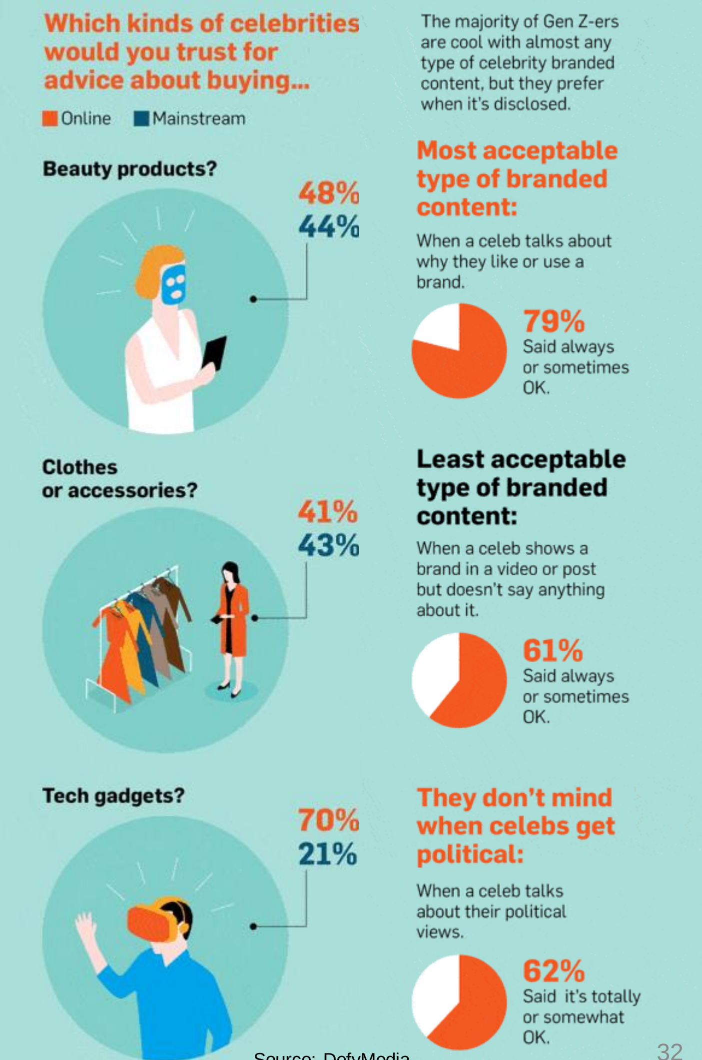


Influential Marketing

- Influencers have been able to make a name for themselves on platforms such as YouTube, Instagram and Musical.ly
- Gen Z fans typically follow their influencer's content across several devices, watching an average of 11.3 hours of videos a week
- 73% of Gen Z'ers "feel close" to YouTubers (45% for TV/movie stars)
- 40% of Gen Z'ers say their favorite influencer understands them better than their real-life friends



Source: FullScreen



Source: DefyMedia

Implication for Higher Education and the Workforce

- Generation Z values veracity and authenticity; understanding their beliefs and providing unique brands and products can win them over.
- They've remained loyal to the familiar brands of their childhood, but are more conscious than ever due to their online research abilities.
- Getting Generation Z to switch to your brand may be difficult but not impossible. You will need to search for the right incentive or opportunity, utilizing meaningful interactions throughout the process.
- They seek information about brands including the opinions of friends, family and influentials.
- Generation Z alumni may be more willing to stay with their alma mater for future educational offerings, unless the alma mater fails them.
- Higher education marketers may have more opportunities to exploit competitive weaknesses due to rapid technological developments.
- Institutions need to make sure their programs are in alignment with Generation Z's needs in order to defend their customer base and also attract new customers. This may mean unbundling education or delivering it in different formats.

Chapter 5: What do they eat?

Food Defines Many Generations and Cultures

- Generation Z is the second largest dining out cohort group, behind Boomers. Z'ers accounted for $78 billion spent at restaurants.
  (Source: http://www.nrn.com/consumer-trends/move-over-millennials-gen-z-takes-seat-table-0)

- Generation Z consumes 57% more tofu and 550% more non-dairy milk than millennials. Many are part of a growing movement of "flexitarians" who eat meat and animal products sparingly.
  (Source: http://www.businessinsider.com/generation-z-is-eating-fake-meat-2017-10)

- Global sales of plant-based meat are expected to top $5.2 billion by 2020.
  (Source: http://www.businessinsider.com/generation-z-is-eating-fake-meat-2017-10)

- Millennials and Generation Z are consuming more chicken and end-dish fresh vegetables. They are seeking healthier choices.
  (Source: NPD Group, A Generational Study: The Evolution of Eating)

Generation Z has choices to make regarding housing, transportation, food and education. Being in a peer-to-peer sharing economy, they have more options. They've chosen lower-cost housing options and ridesharing. However, surprisingly, the way they've made decisions around food may shed some insight about education.

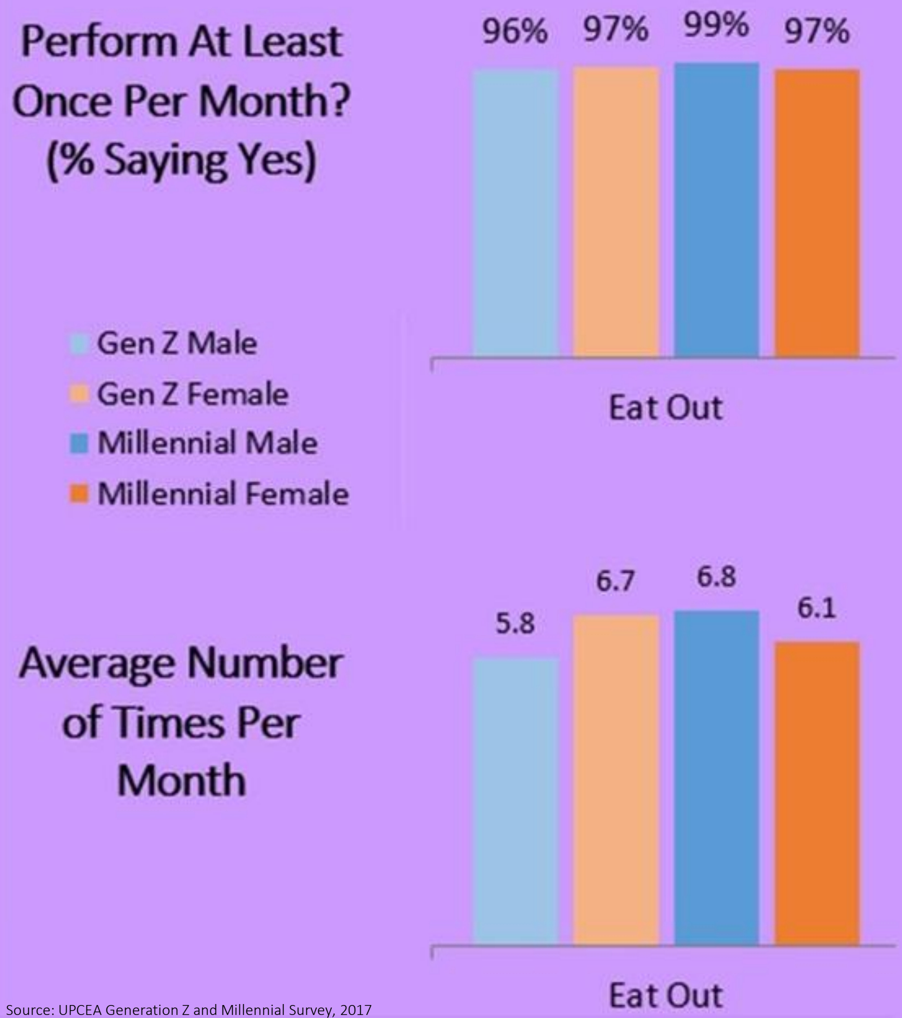
Being well-informed, they are making healthier choices and paying more for food. They understand that eating better makes them feel better and may optimize their longevity.

While education could also be a "food," they may experience a great deal of debt. As a result, they may need to see a positive and long-term return on investment, especially for future educational purchases.

Generation Z places a value on quality, convenient food.

- Gen Z accounted for $78 billion spent at restaurants in 2016
- 11-19 year-olds tend to visit fast-casual chains more than other generations
- Tend to go out as a group and share their food
- Average party size is 2.4

Source: http://www.nrn.com/consumer-trends/move-over-millennials-gen-z-takes-seat-table-0



Source: UPCEA Generation Z and Millennial Survey, 2017

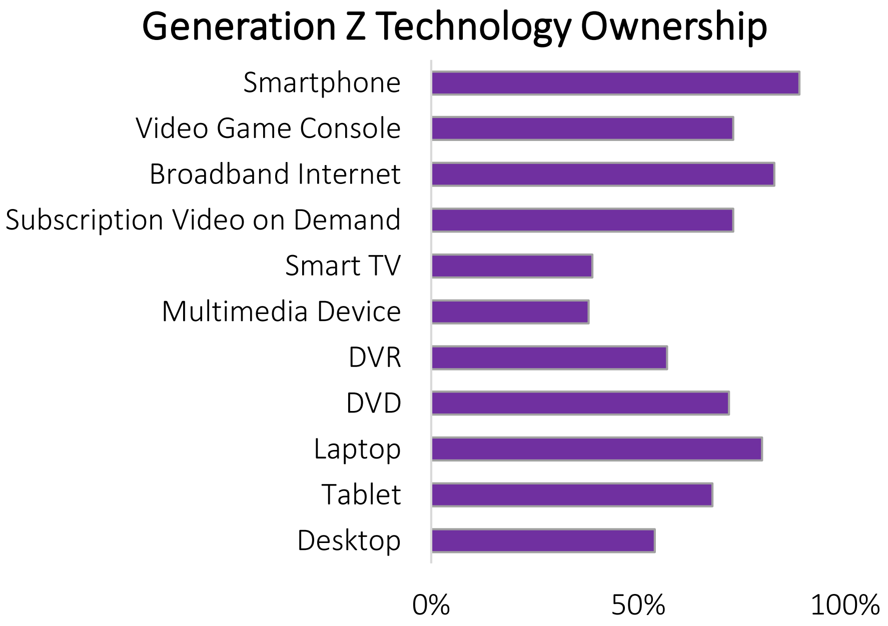
Implication for Higher Education and the Workforce

- Technology is integrated in the food industry, with apps that improve customization, payment and reduce wait times (by pre-ordering).
- The consumer behavior and decision-making process for food may have some insights for educators. Generation Z has trusted brands, desires customization and convenience, and wants a good product. A failed product or experience is likely to result in poor reviews and ratings and viral negative communications.
- Generation Z has disrupted the food industry by seeking out healthier choices, and is willing to pay a premium for it.
- They have certain food likes and dislikes and are loyal to specific brands. Brands that have disappointed them realize that when they make mistakes, they need to be transparent to earn them back.
- As part of the food experience, Generation Z desires customization. Gone is the day of take what you get. Education may have to think similarly.

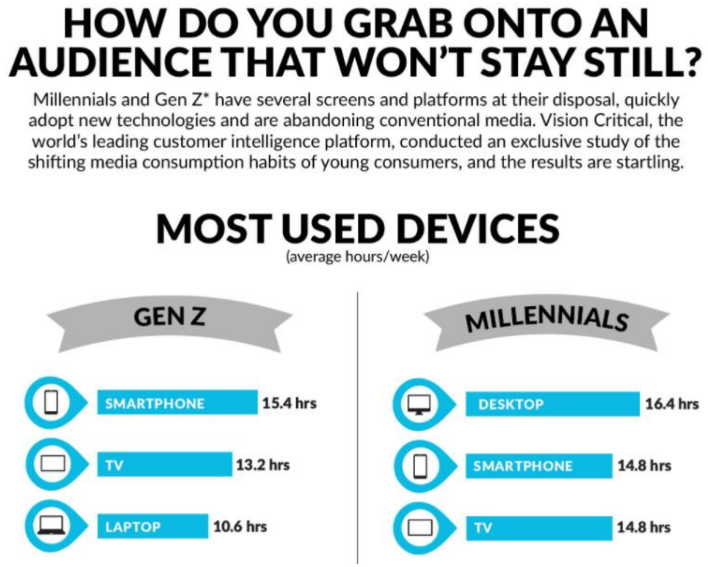
Chapter 6:

How do they learn about products and services?

Their mobile devices are an extension of their bodies. They find information fast. They have trusted contacts in their family and closest friends. If they need more information, they'll use unverified rating sites or biased social media in their decision-making. They'll also ask their hundreds of friends in the social network for advice.



http://www.nielsen.com/us/en/insights/news/2017/youth-movement-gen-z-boasts-the-largest-most-diverse-media-users-yet.html



Generation Z grew up with mobile.

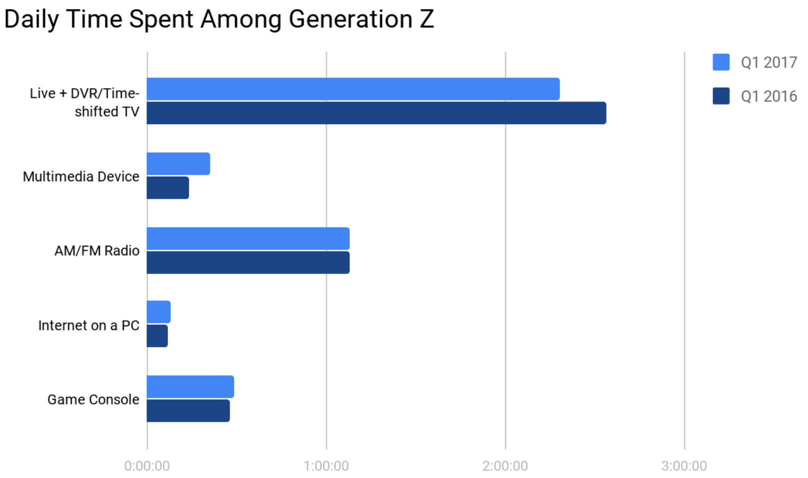
- Telecommunications technologies have seen exceptional growth and advancements over the past decade.
- The level of connectivity in North America is growing just as fast, as every age group is expected to see increased usage over the next five years.
- 55 to 64 year olds are expected to see over a 15% increase in smartphone penetration by 2021.

U.S Smartphone User Penetration, by Age, 2016-2021
(% of population in each group)

	2016	2017	2018	2019	2020	2021
0-11	9.3%	10.4%	11.1%	11.6%	11.9%	12.1%
12-17	74.2%	78.9%	81.1%	82.2%	83.2%	84.1%
18-24	91.1%	94.3%	95.7%	96.5%	97.1%	97.4%
25-34	90.9%	93%	94.5%	94.9%	95.3%	95.7%
35-44	87.3%	89.2%	90%	91%	91.5%	91.8%
45-54	76.6%	81.2%	85.7%	87.9%	88.5%	88.9%
55-64	67%	71.9%	76.4%	79.6%	81.2%	82.4%

http://totalaccess.emarketer.com/reports/viewer.aspx?r=2002116

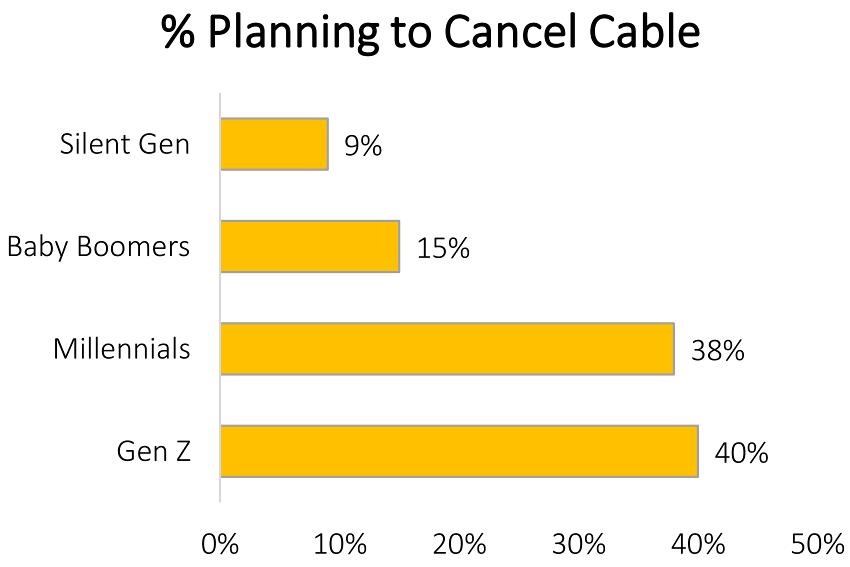
- Gen Z accounts for 26% of all persons in the U.S. with TV’s in their homes*
- 39% of Gen Z have an enabled smart TV, up 30% from 2016*
- Average daily time spent using live/time-shifted TV has decreased from 2:34 to 2:18*



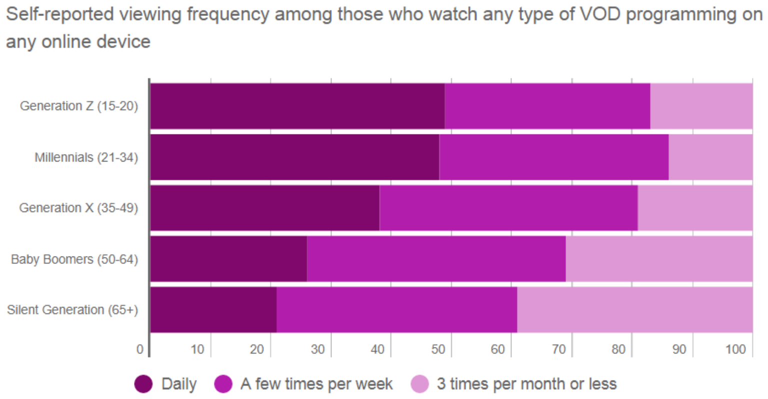
Source: http://www.nielsen.com/content/dam/corporate/us/en/reports-downloads/2017-reports/total-audience-report-q1-2017.pdf *

73% of Generation Z has access to subscription video on-demand services.

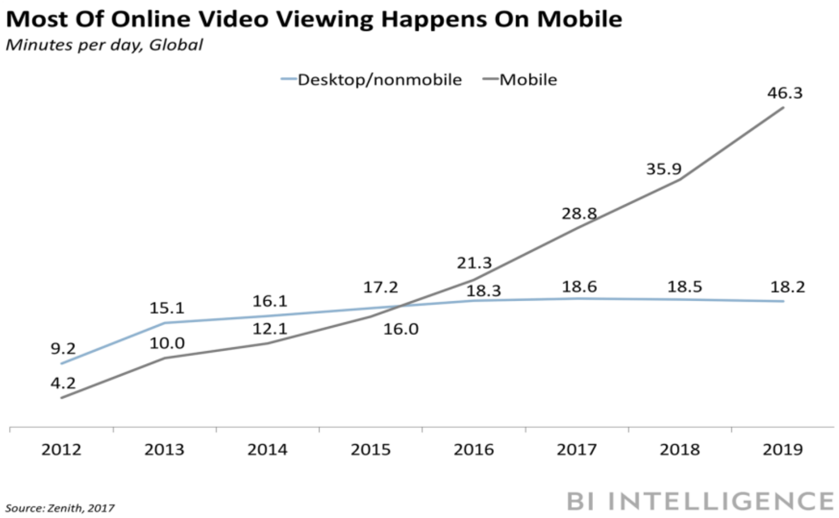
Source: http://www.nielsen.com/us/en/insights/news/2017/youth-movement-gen-z-boasts-the-largest-most-diverse-media-users-yet.html*



Source: http://www.nielsen.com/content/dam/corporate/us/en/reports-downloads/2016-reports/global-video-on-demand-report-mar-2016.pdf

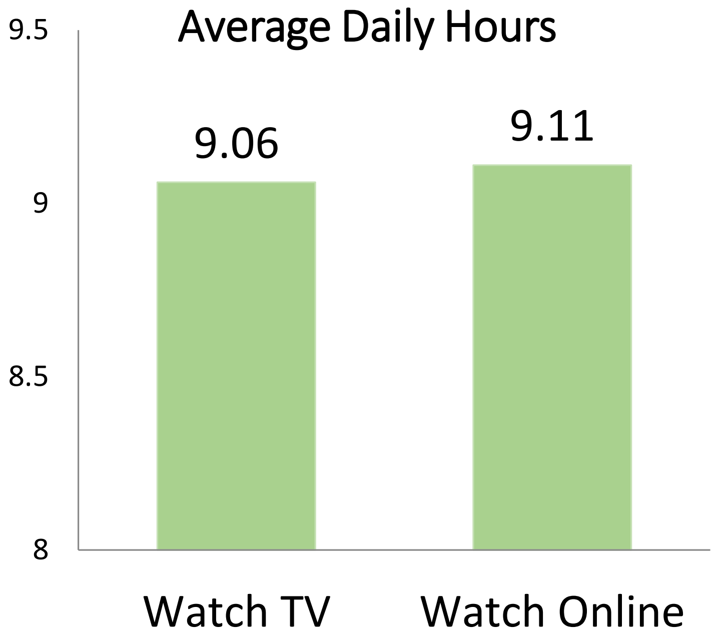


Source: http://www.nielsen.com/content/dam/corporate/us/en/reports-downloads/2016-reports/global-video-on-demand-report-mar-2016.pdf

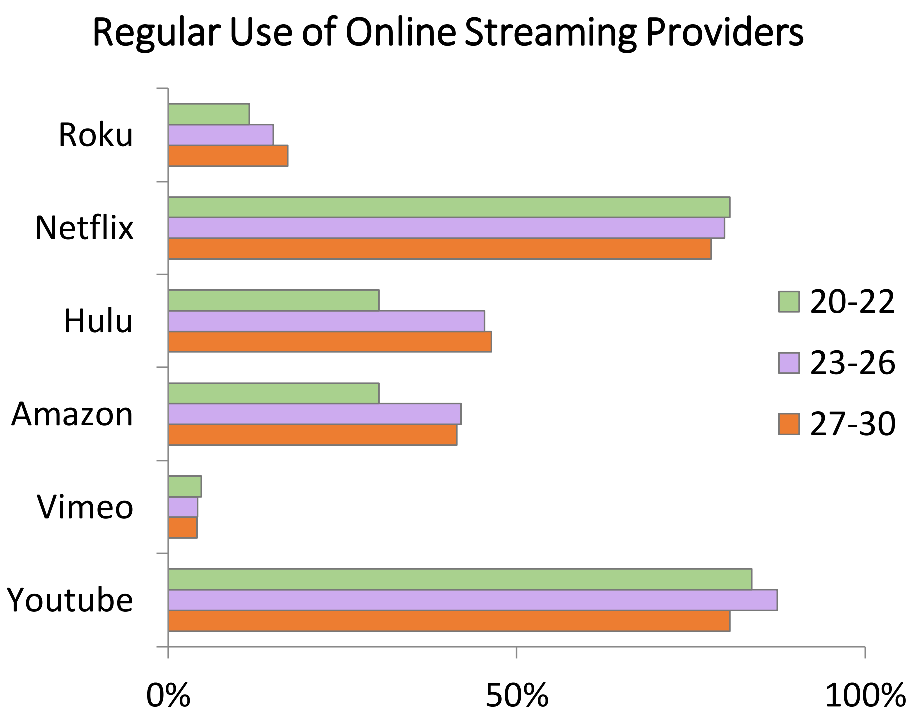


Source: https://intelligence.businessinsider.com/the-social-video-report-an-insiders-guide-to-media-distribution-and-monetization-in-the-platform-age-2017-8

Generation Z and young Millennials are wireless and heavy viewers of online video.



Source: UPCEA Millennial Survey



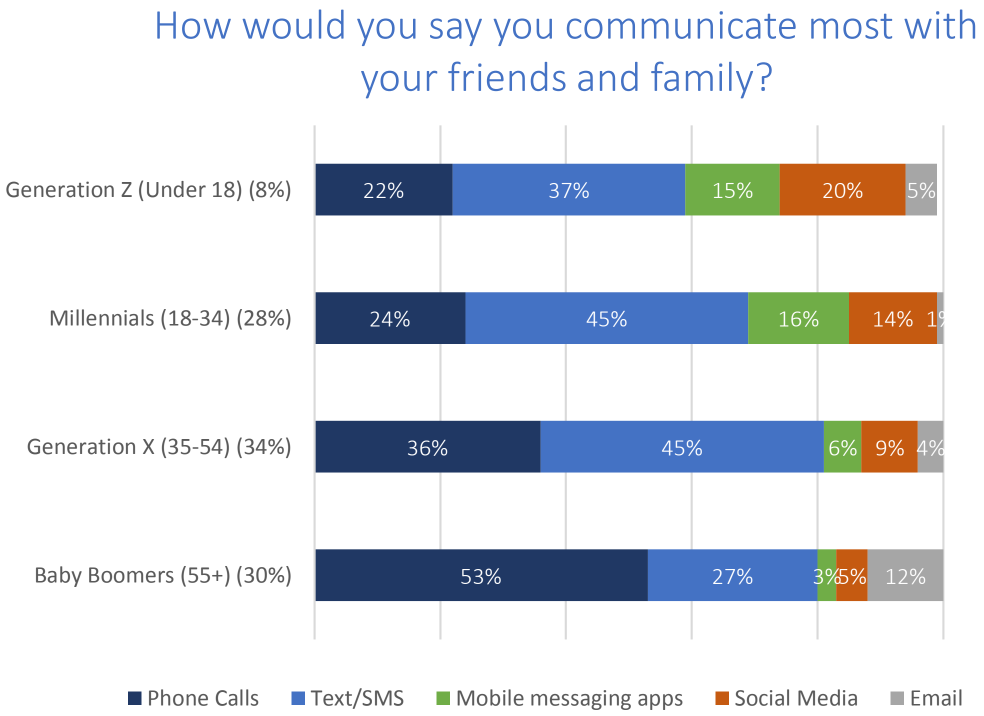
Source: UPCEA Millennial Survey

Gen Z prefers social media for communication more than all other generations

Generation Z doesn't use the "phone" part of their phone much!

If Generation Z is your future adult or corporate learner, is the call center obsolete?

Generation Z, unlike the Millennials, may also not like to type. In fact, they've created their own language … emoji.



Source: Civic Science
Weighted according to U.S. Census figures for gender and age, 13 and older 109,552 responses from 8/26/16 to 8/25/17

Generation Z is Efficient in So Many Ways

Generation Z, unlike Millennials, feels that typing and texting is inefficient. Therefore, they've developed their own language.

New Emoiis in 2016

Credit: Emojipedia

New Emojis in 2017

Credit: Emojipedia

- 78% of women claim to frequently use emojis, compared to 60% of men*
- 76% of Americans claim they have used emojis in a work setting*

- Crowdtap conducted a Brand Emoji Index in April, asking employees to rank their favorite brands using only emojis
- Apple, Google and Microsoft were at the top of the index, represented by the heart eyes emoji, sunglasses-wearing emoji, and the standard smiling face emoji respectively.**

*https://socialmediaweek.org/blog/2017/07/emoji-facts/

**https://socialmediaweek.org/blog/2017/05/crowdtap-brand-emoji-index/

Generation Z's Glossary of What Digital Communication and Social Media Means to Them

Email – Talking to old people without a stamp.

Facebook – Where my parents think I am at. My alter ego.

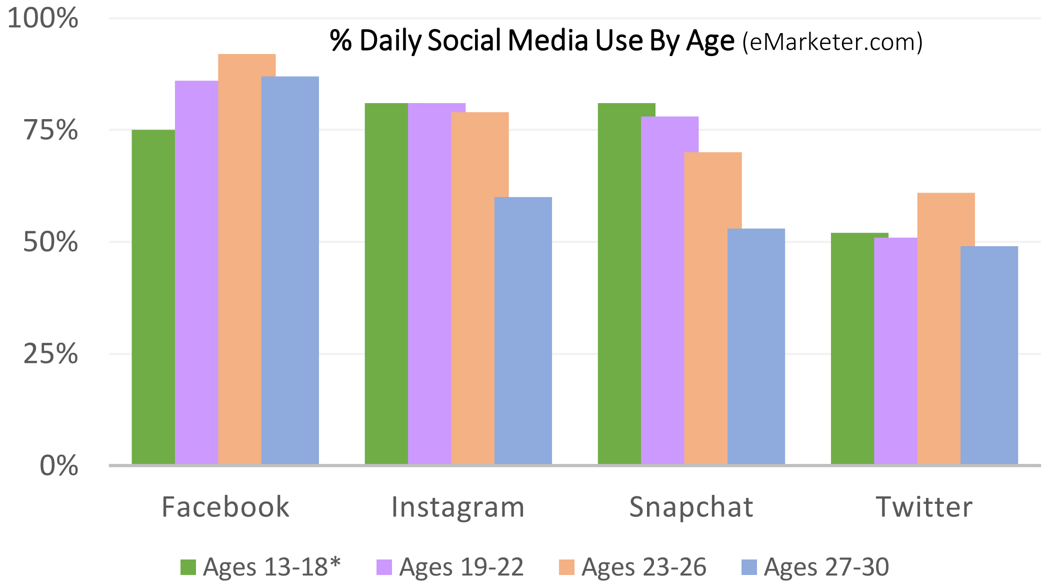
Instagram – Where my real pictures are (that I don't want my parents to see).

YouTube – My primary TV and source to stream everything.

Snapchat – No permanent record of my conversations with my closest friends.

Twitter – My reason to complain and to listen to my friends complain.

Gen Z and Millennial Social Media Usage



- Approximately 80% of Gen Z respondents use Instagram and Snapchat daily, while approximately 70% of Millennials use Instagram, and 61% use Snapchat daily
- Approximately 51% of Gen Z respondents and Millennials use Twitter daily
- Approximately 80% of Gen Z respondents use Facebook daily, while 90% of Millennials use Facebook daily

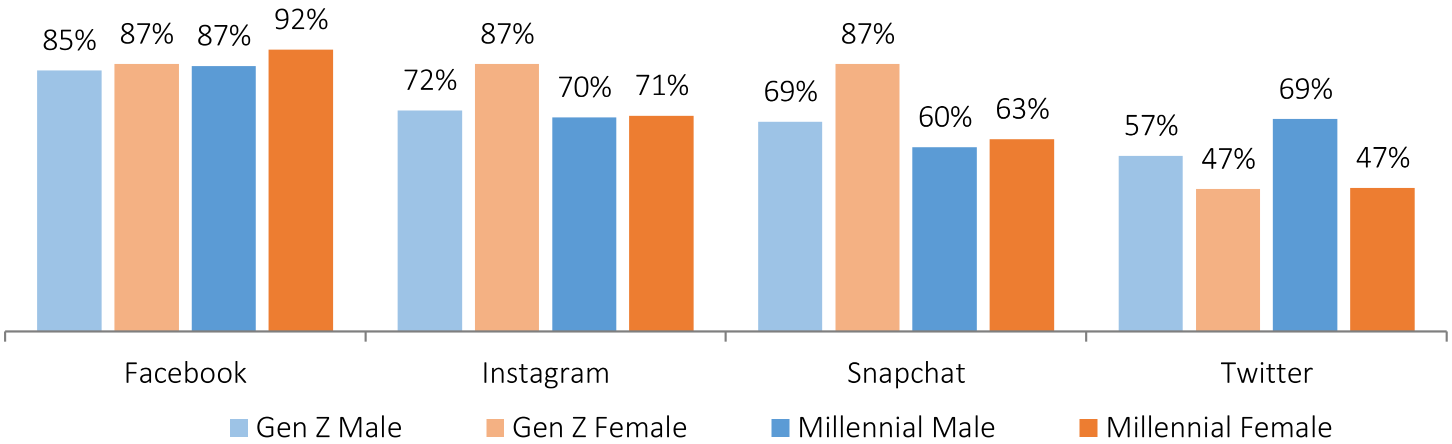
- There will be more teens on Snapchat in 2017 than on Facebook or Instagram**
- Snapchat users under 25 will spend approx. 40 minutes/day (up from 30 minutes in 2016)**
- Twitter has the biggest gains in incremental reach among 18 to 24-year olds compared with other age groups***
- Brands saw a 22% incremental reach with their target audience, compared with only running ads on TV

*http://totalaccess.emarketer.com/reports/viewer.aspx?r=2002116
**http://totalaccess.emarketer.com/Reports/Viewer.aspx?R=2002110
***https://www.mobilemarketer.com/news/twitter-helps-tv-broadcasters-reach-key-gen-z-and-millennial-audiences/448918/

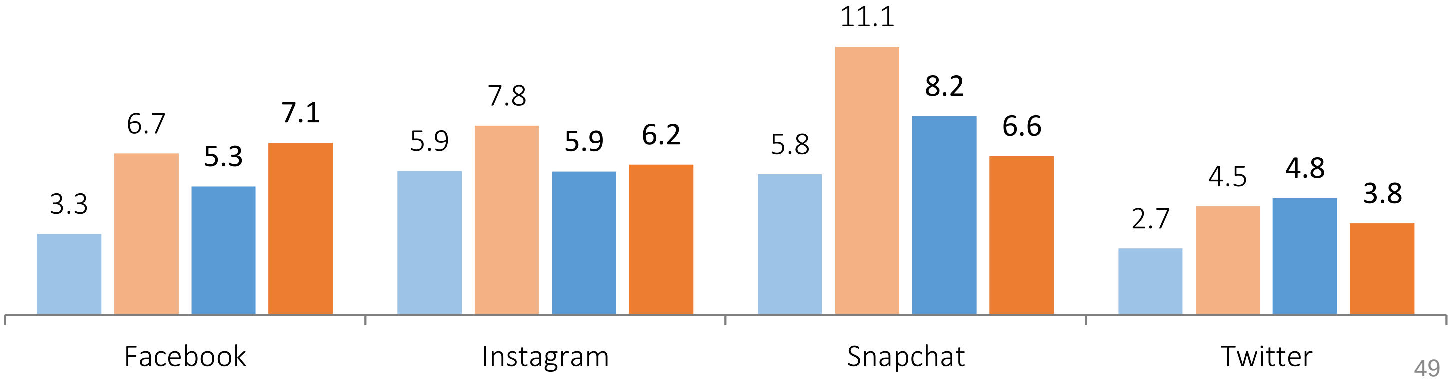
Generation Z is the Snapchat generation, especially among females. Gen Z males use a variety of tools to communicate.

Generation Z females rely heavily on Snapchat. Generation Z males use a variety of different social media tools, but tend to communicate with less frequency on any particular app. Millennials surveyed lean more towards Facebook.

Use Daily?
(% Saying Yes)



Average Number of Times Per Day (Among Those Who Use Daily)



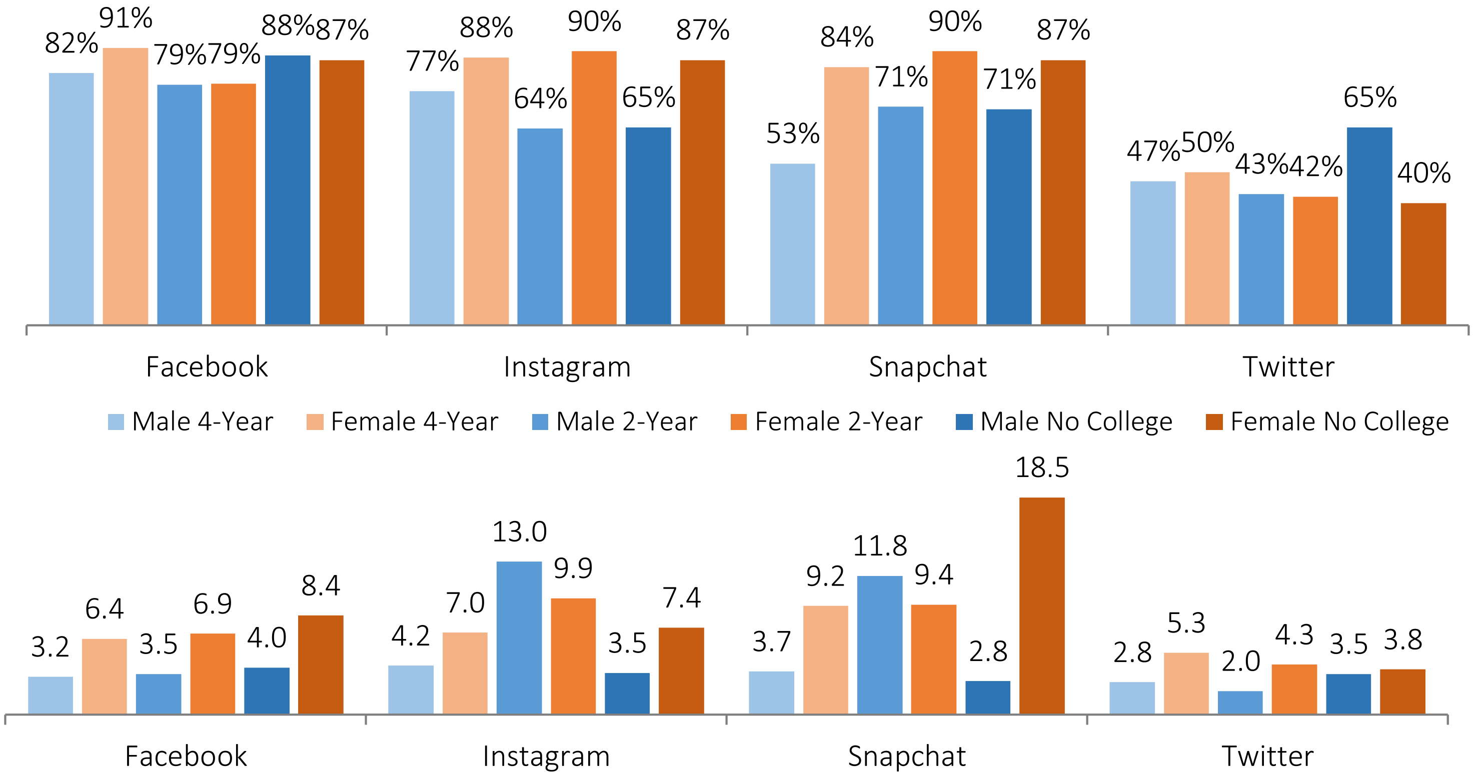
Source: UPCEA Generation Z and Millennial Survey – 2017 (Generation Z Only Results)

College does impact social media communication, as college Gen Z females appear to rely on Snapchat more.

Generation Z has Facebook, but uses it less than Instagram and Snapchat. Females are on multiple platforms. As education decreases, females communicate more on Snapchat and Facebook. Generation Z males who did not go to college are more likely to be on Twitter and Facebook than those who went to college.

Use Daily? (% Saying Yes)

Average Number of Times Per Day (Among Those Who Use Daily)



Source: UPCEA Generation Z and Millennial Survey – 2017 (Generation Z Only Results)

Generation Z is the Snapchat Generation

Snapchat Facts

Snapchat was originally called Picaboo

Launched in 2011

Most popular social network of U.S. teenagers as of Spring 2017

Over 1 billion snaps everyday

More than 400 million Snapchat stories per day

Icon's name is Ghostface Chillah

Created by former Stanford University students Evan Spiegel, Bobby Murphy and Reggie Brown. They failed 34 times before its launch.

Sources: https://www.pastbook.com/txt/7-awesome-snapchat-facts-you-didnt-know/

Snapchat Stats

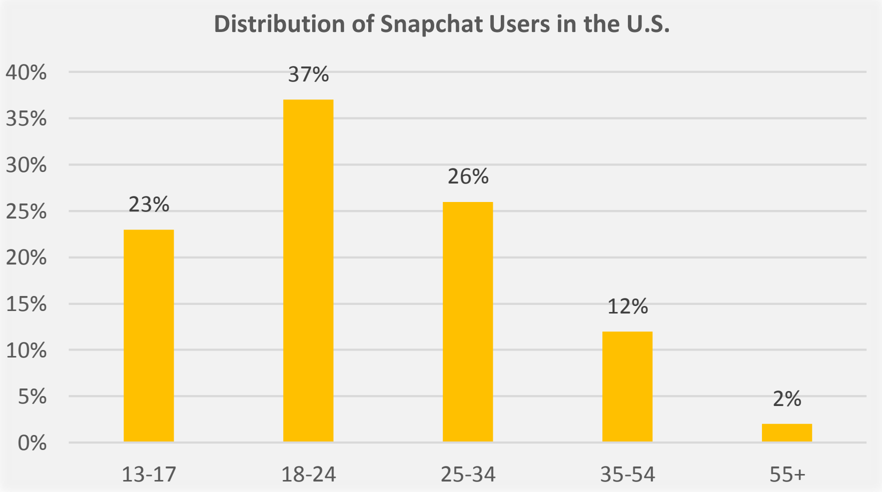
Audience reach: 18% of U.S. population

Most frequently used social media network in 2017: Among 9% of all social media users, but 39% of teens say it is the most important social network

Average daily users as of Q3 2017: 178 million

Global revenue in 2016: $404.5 million

Sources: https://www.statista.com/topics/2882/snapchat/



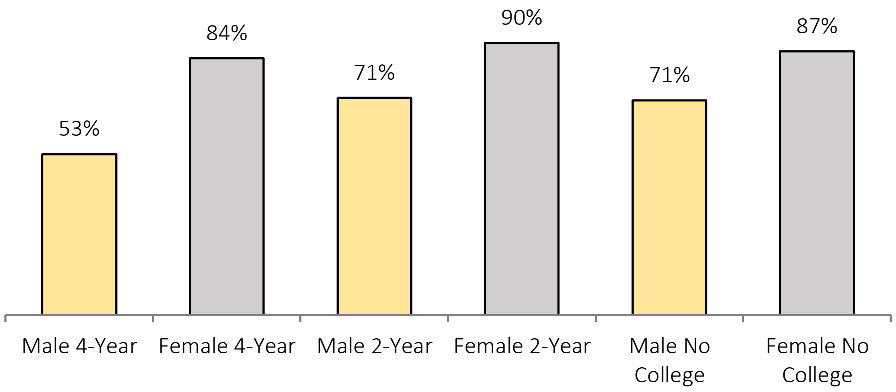
Generation Z and Snapchat

Welcome to the Snapchat Generation!

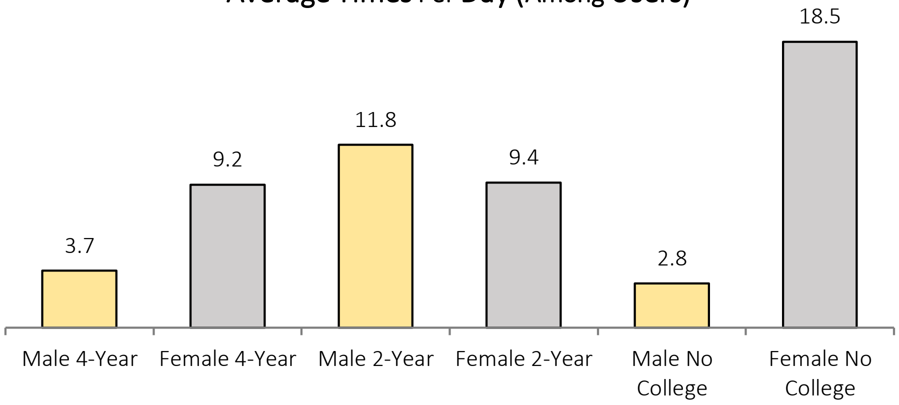
- Snapchat is most valued for keeping in touch with friends (89%)
- 78% of students surveyed said they use Snapchat daily
- 71% of students surveyed said they use Snapchat more than six times per day
- 51% of students surveyed said they use Snapchat more than 11 times per day
- 90% of Snapchat users surveyed said they enjoy the Geo-Filters
- 85% of Snapchat users surveyed said they enjoy the Snapchat Lenses
- 50% of Snapchat users surveyed said they'd feel disconnected from friends if not for Snapchat
- 25% of Snapchat users surveyed said indicated Snapchat is essential to their relationships

Source: www.socialmediaweek.org

Use Daily



Average Times Per Day (Among Users)



Source: UPCEA Generation Z and Millennial Survey – 2017 (Generation Z Only Results)

We are not on Facebook, but if we are, it's our safe, public, sanitized social profile.

Facebook Facts

Facebook was founded in 2004 and now employs 17,048.

Highest traffic comes between 1 and 3 p.m. On Thursdays and Fridays, engagement is 18% higher.

2.07 billion users as of November 2017, an increase of 16% from 2016. In the U.S., Facebook had 240 million users. India has the most. 1.37 billion average daily users.

1.15 billion mobile users daily, an increase of 23% year over year.

Modal Age Range (Most representation from any age range): 25 to 34 year-olds represent 30% of all Facebook users.

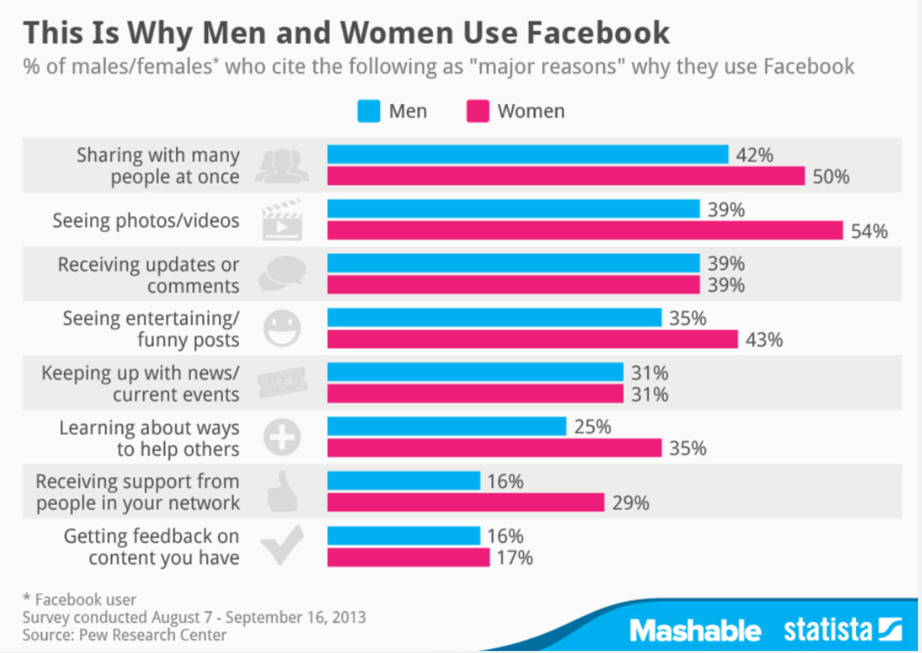
There are 83 million fake profiles (Source: CNN)

Facebook owns Whatsapp, as well as other popular application services.

Women have an average of 166 friends and men have 145

67% of Facebook users read news on the site

Sources: https://zephoria.com/top-15-valuable-facebook-statistics, Facebook Statistics and https://expandedramblings.com/index.php/by-the-numbers-17-amazing-facebook-stats/

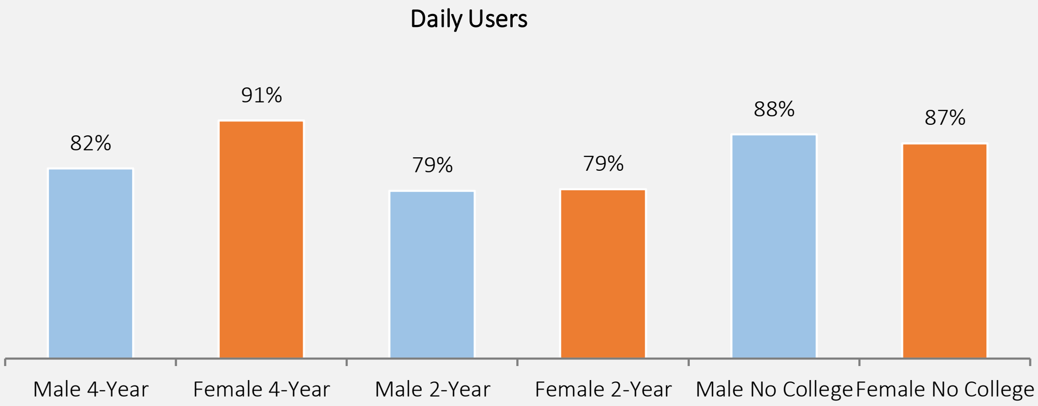


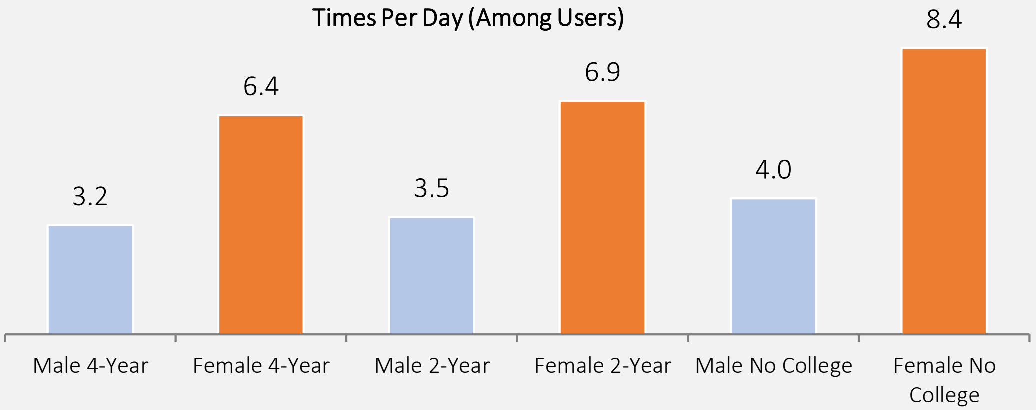
Facebook and Generation Z

Securing Facebook's Future

- ❖ 81% of students surveyed said they use Facebook
- ❖ 66% of students surveyed said they use Facebook daily
- ❖ 91% of females with a 4-year college degree use Facebook daily
- ❖ 6.7 – the average number of times Gen Z females use Facebook daily
- ❖ 3.3 – the average number of times Gen Z males use Facebook daily
- ❖ Facebook Messenger has been gaining popularity among Gen Z as it provides a less invasive platform that includes features such as digital stickers, emojis, and Facebook games

Sources: Facebook Statistics, *www.socialmediaweek.org, and UPCEA Generation Z and Millennial Survey - 2017*





Source: UPCEA Generation Z and Millennial Survey – 2017 (Generation Z Only Results)

We are second to Snapchat, but serve a purpose … to store our permanent public memories.

Instagram Facts

More than 40 billion photos have been shared on Instagram

Launched in 2010. Instagram was purchased by Facebook in 2012 for 1 billion dollars.

Women use Instagram more then men

Most followed Instagram user is Selena Gomez with over 113 million followers

Most popular brand on Instagram is National Geographic

Nike is the most popular fashion brand

There have been over 1 billion installs of Instagram from the Google Store

Nearly a third of all Internet users are on Instagram

Sources: https://www.pastbook.com/txt/25-instagram-facts-that-you-want-to-know/ and https://www.statista.com/topics/1882/instagram/

Instagram Stats

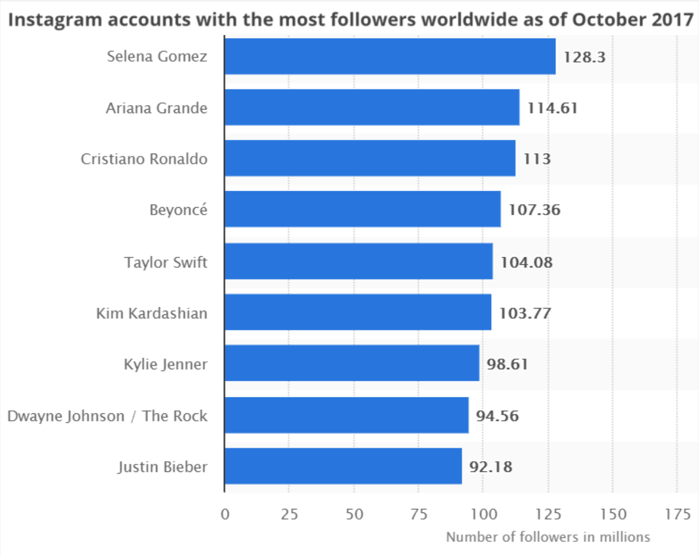
Active users: 800 million

59% of Internet users age 18 to 29 use Instagram

U.S. Instagram users spend 255 minutes a month on Instagram

Two million active advertisers on Instagram as of September 2017.

Sources: https://www.pastbook.com/txt/25-instagram-facts-that-you-want-to-know/ and https://www.statista.com/topics/1882/instagram/

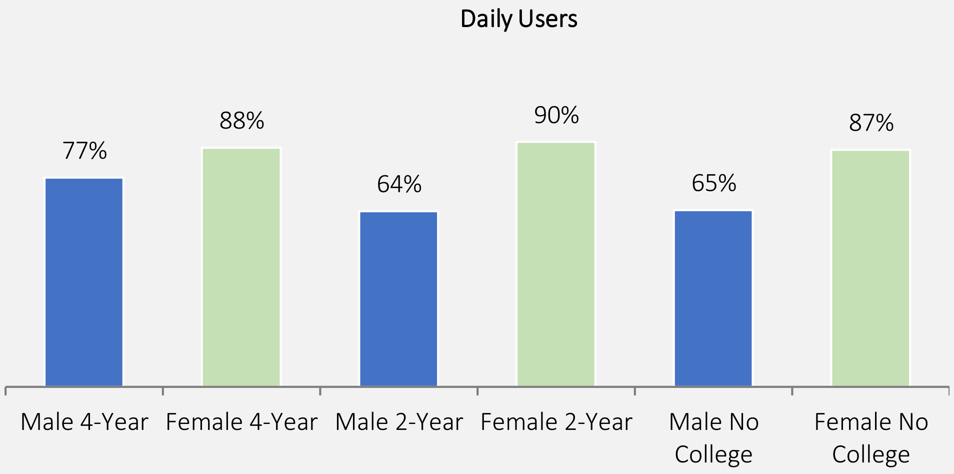


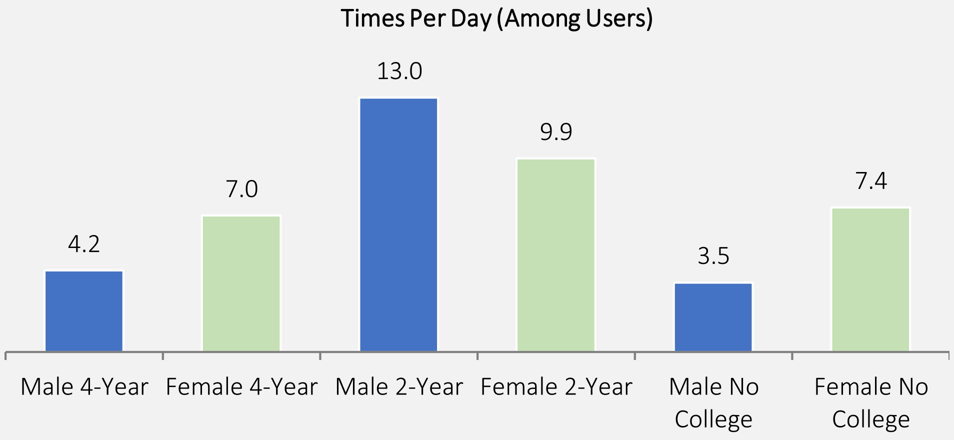
Instagram and Generation Z

"Pics or it didn't happen"

- 88% of students surveyed use Instagram
- 76% of students surveyed said they use Instagram daily
- 63% of 22-27 year olds responded that Instagram is the most important social media account to them (Facebook 2nd, 51%)
- 72% of 17-21 year olds responded that Instagram is the most important social media account to them (YouTube 2nd, 61%)
- 57% of 13-16 year olds responded that Instagram is the most important social media account to them (YouTube 1st, 71%)
- 44% of Gen Z claims that their purchasing decisions are influenced directly by Instagram
- 7.8 – the average number of times Gen Z females use Instagram daily
- 5.9 – the average number of times Gen Z males use Instagram daily

Source: AnchorFree, www.socialmediaweek.org





Source: UPCEA Generation Z and Millennial Survey – 2017 (Generation Z Only Results)

We watch YouTube videos with the same ferocity Baby Boomers watched “the tube”

YouTube Facts

Launched in 2005

Expected to have a revenue of $27.4 billion in 2020

62% of users are male, compared to 38% of their female counterpart

YouTube currently gets over 30 million visitors a day worldwide

More than 5,000,000,000 YouTube videos are watched per day

Over half of YouTube’s views come from mobile devices, approximately 1 billion a day

By 2025, half of viewers under 32 will not subscribe to a pay-TV service

“Despacito” – Luis Fonsi is the most viewed YouTube video with 4.42 billion views and counting

Source: https://fortunelords.com/youtube-statistics/

YouTube Stats

Audience reach: 1.3 billion users, 80% of views come from outside the U.S.

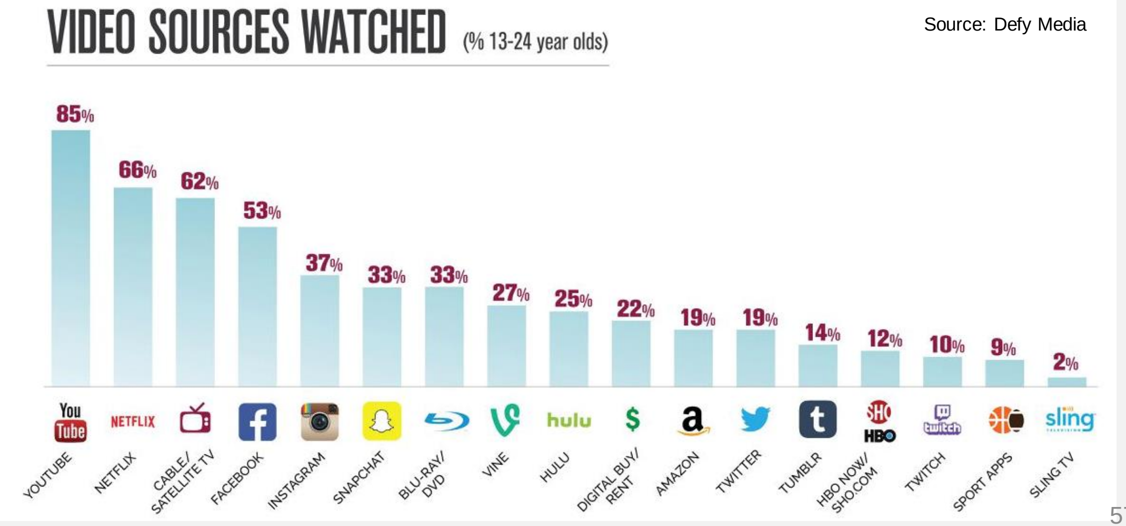
1 million businesses are on Pinterest

User Percentage by Age: Age 18-24: 11%, 25-34: 23%, 35-44: 26%, 45-54: 16%, 50-64: 8%, 65+: 3%, unknown age: 14%

9% of U.S. small businesses use YouTube

10,113 YouTube videos have each generated over 1 billion views

Source: https://fortunelords.com/youtube-statistics/

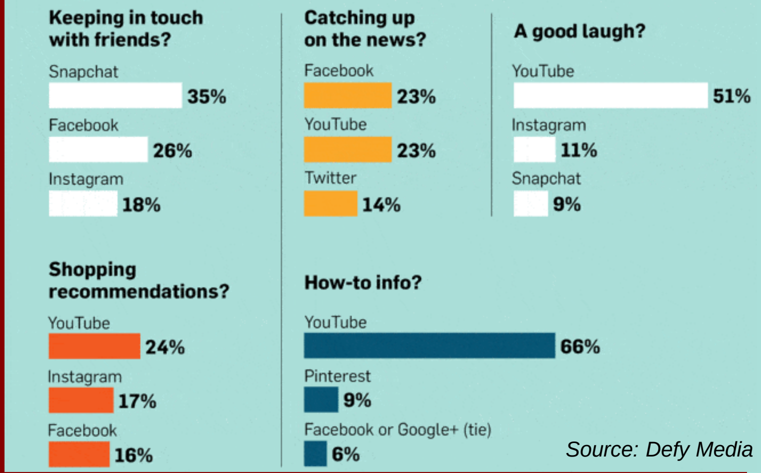


YouTube and Generation Z

"Like, I literally can't live without it"

- 95% of Gen Z'ers surveyed said that they use YouTube
- 50% of those surveyed said that they could not live without YouTube
- 38% of Gen Z'ers surveyed said that they do not have cable/satellite box
- 0 out of 10 Gen Z'ers would select their TV if they could only save 1 device
- 77% of YouTube viewers claim to be multitasking while watching on a daily basis
- 63% of Gen Z'ers say they prefer to see real people rather than celebrities in ads. Many of those "real people" have built massive followings for themselves, and as a result earned the title of Influencer – which means they have an audience.

Sources: https://blog.thesocialms.com/11-facts-pinterest-statistics/ and https://expandedramblings.com/index.php/pinterest-stats/



Source: *Defy Media*

Generation Z Knows How to Tweet

Twitter Facts

Twitter was founded in 2006 and now employs 4,100.

The most retweets per day occur at 1pm. 12pm and 6pm have the highest CTR

Twitter is able to handle 18 quintillion user accounts

160 of the 193 UN member countries have Twitter presence

Katy Perry has the most twitter followers (94.5 million), followed by Justin Bieber (90.2 million) and Taylor Swift (82.2 million)

The average Twitter account has 208 followers

48,000,000 – the number of fake Twitter users (bots)

3.9% of the global population uses Twitter

Sources: https://expandedramblings.com/index.php/march-2013-by-the-numbers-a-few-amazing-twitter-stats/

Twitter Stats

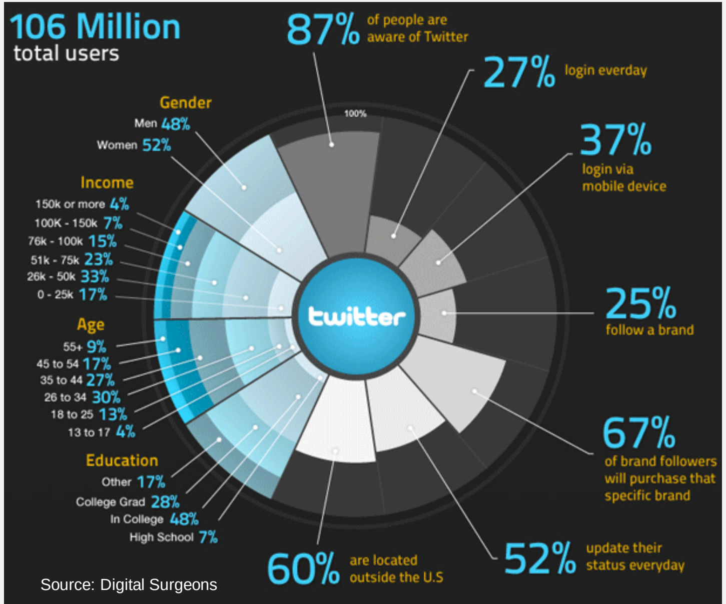
Users: 328 million active monthly users, 100 million daily users

Mobile Users: 80% of daily users are mobile (80 million daily)

Tweets Sent Per Day: 500 million tweets

Modal Age Range (Most representation from any age range): 18 to 29 year-olds represent 37% of all Twitter users.

Sources: https://www.omnicoreagency.com/twitter-statistics/



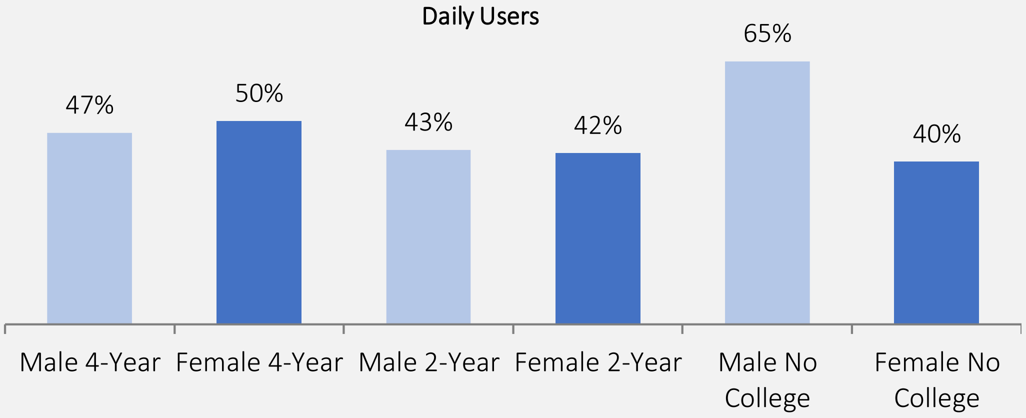
Source: Digital Surgeons

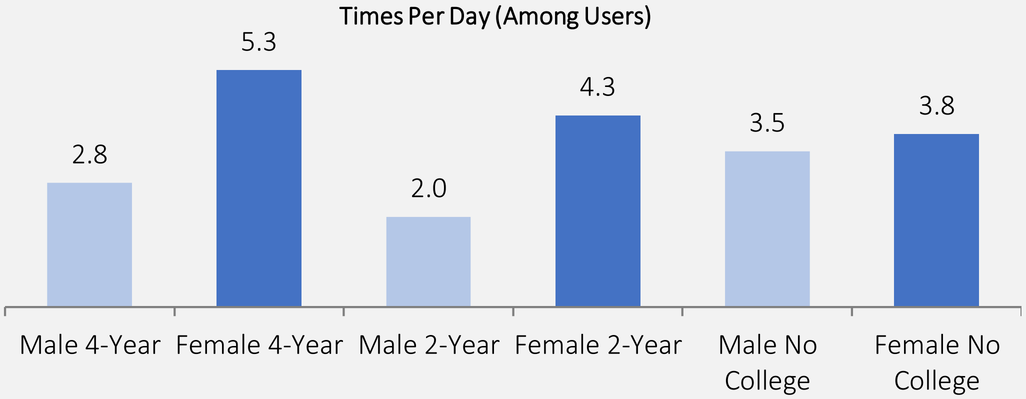
Generation Z Knows How to Tweet

Not Flying Away Anytime Soon

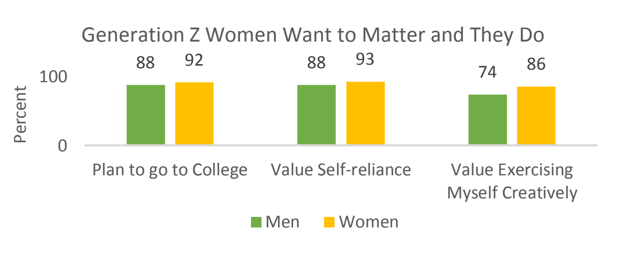
- ❖ 66% of students surveyed said that they use Twitter
- ❖ 50% of students surveyed said that they use Twitter "often"
- ❖ 65% of males surveyed with no college degree use Twitter daily, the highest of any demographic
- ❖ 4.5 – the average number of times Gen Z females use Twitter daily
- ❖ 2.7 – the average number of times Gen Z males use Twitter daily
- ❖ Twitter is often viewed by Gen Z as a media hub to discover trending topics, world news, and random thoughts or complaints of their favorite friends and influencers.

Sources: Twitter Statistics, *www.socialmediaweek.org, and UPCEA Generation Z and Millennial Survey - 2017*



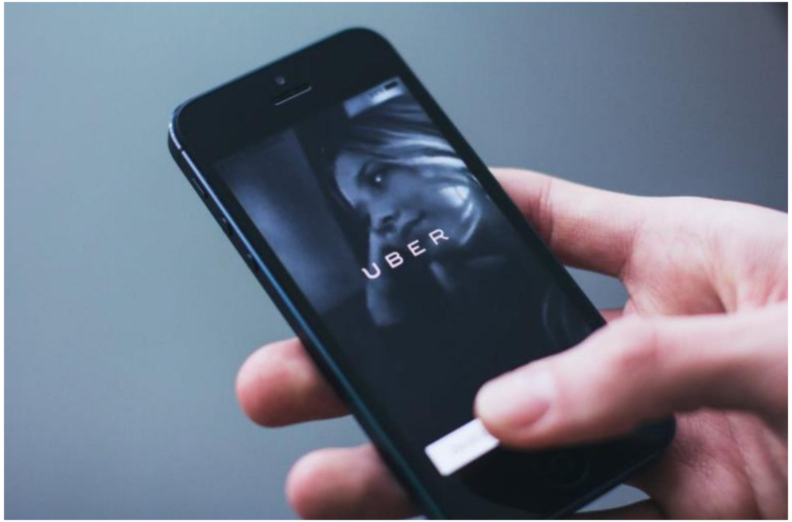


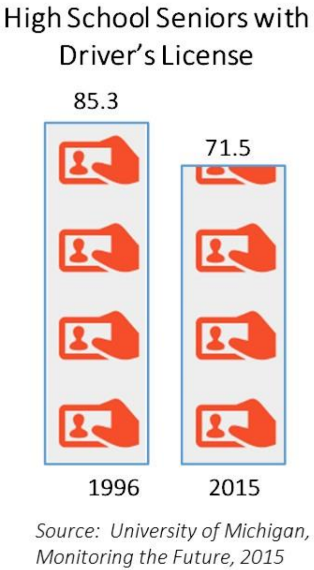
Implication for Higher Education and the Workforce



- Gen Z knows the Internet. More than you. They know when they are being sold to online, and know when you're simply trying to make a quick sale or pitch.
- Stop trying to reach Gen Z with traditional advertising methods such as ad campaigns. They are a connected and creative generation who use technology to share their interests, learn and engage.
- 63% of Gen Z'ers say they prefer to see real people rather than celebrities in ads. Many of those "real people" have built massive followings for themselves, and as a result earned the title of Influencer – which means they have an audience.
- Gen Z actually wants brands to reach out to them and engage on social media. They are much more learner centric and visually appeased than previous generations.
- Gen Z'ers are far, far more likely to see and respond to a company's response on Twitter than to watch the ad you paid for to play before that YouTube video.

Source: https://www.forbes.com/sites/deeppatel/2017/05/30/gen-z-hates-tv-and-what-that-means-for-traditional-advertising/#1334237632ed





Chapter 7:

How do they get around?

While car ownership defined Generation X and Baby Boomers, Millennials and Generation Z have different values. Transportation is important, but not necessarily defining. Generation Z knows they need to get from Point A to Point B. Car ownership and the flexibility and prestige that could potentially come with it may not have a high enough return on investment, especially fossil fuel vehicles.

There are parallels to consider regarding education and automobiles. Innovate or die.

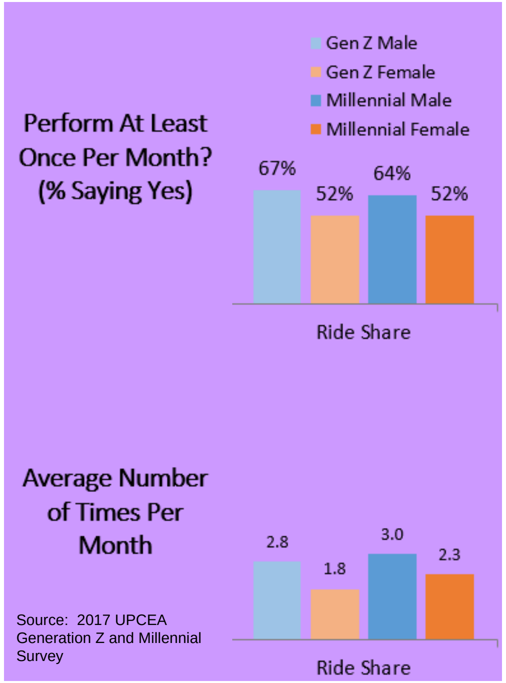
UPCEA

They understand the importance of vehicles, but may opt for alternative forms of transportation rather than ownership.

Despite their interests of ownership and advances in technologies, Generation Z is unlikely to be a car ownership society.

- 92% own or plan to own a vehicle
- 97% have their driver's license or plan to get one
- 72% would rather have a car for a year than use social media, 74% would rather have a car for a year than eat out
- 77% want a good price on their car
- 47% want most cars to drive themselves because 61% think the roads would be safer

Source: https://coxautoinc.app.box.com/v/autotrader-kbb-gen-z-research/file/56691606014



Generation Z is part of a sharing economy. Big purchases, such as car ownership, are less essential.

Implication for Higher Education and the Workforce

- When targeting Gen Z it is important to use strong visuals, interactivity and minimal words.
- Gen Z is very open to convenience such as ride sharing, but they ultimately want connectivity and customization.
- Do not become too focused on online and mobile products and services. They still highly value in-person experiences.
- Gen Z tends to look for alternative fuel technology and safety features within a new car. Focusing on practicality, safety and technology is a must.
- While Gen Z'ers tend to stick to their "go-to" brands, there is currently no manufacturer focused on being genuine and youthful to stand out to them.

Chapter 8: How Do They Shop?

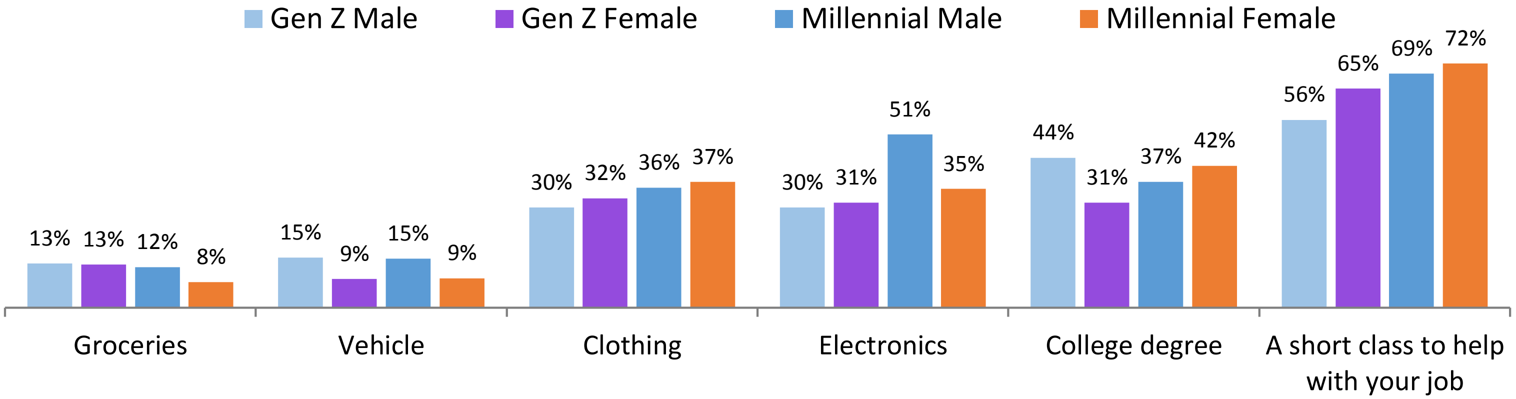
Convenience is critical for Generation Z. Shopping is at Generation Z's fingertips. While convenience is important, the information search before the purchase is expected and critical.

Getting Generation Z to part with their money will be harder than other generations, as they are much more informed and entrepreneurial by nature.

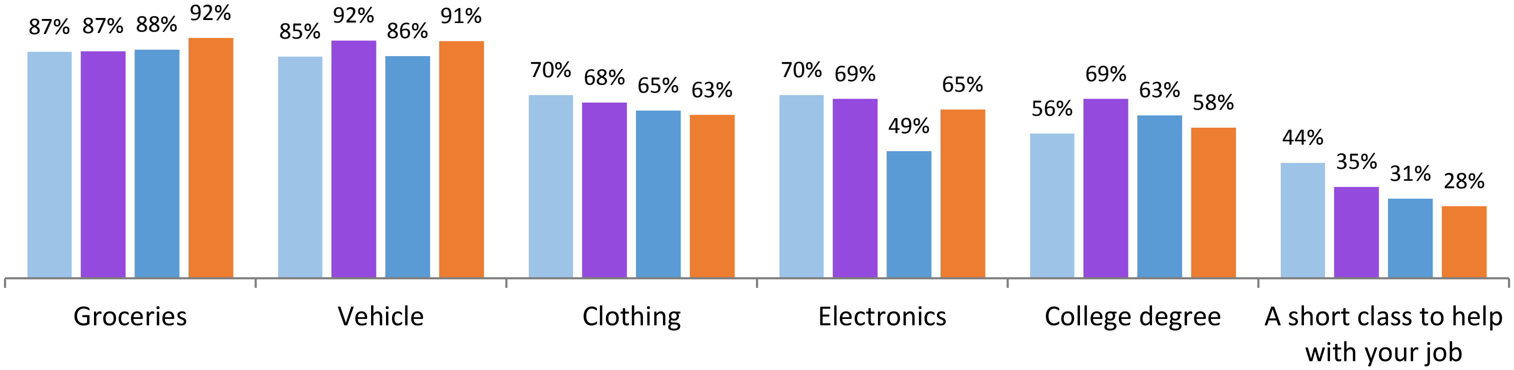
Behaviors: Purchasing In-Store Vs. Online

Generation Z is becoming divided on in-person versus online purchases of education. They also may be more open to MOOCs and other credentials.

Prefer to Purchase Online



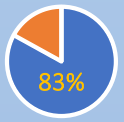
Prefer to Purchase In-Person



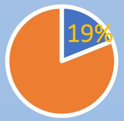
Source: UPCEA Generation Z and Millennial Survey – 2017 (Generation Z Only Results)

Does this generation really deserve a passing grade when it comes to understanding financial health?

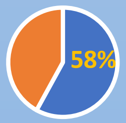
Teens currently saving money:



Teens currently an authorized user on a parent or guardian's credit card:



Teens that consider whether or not they have enough money saved before making a purchase:



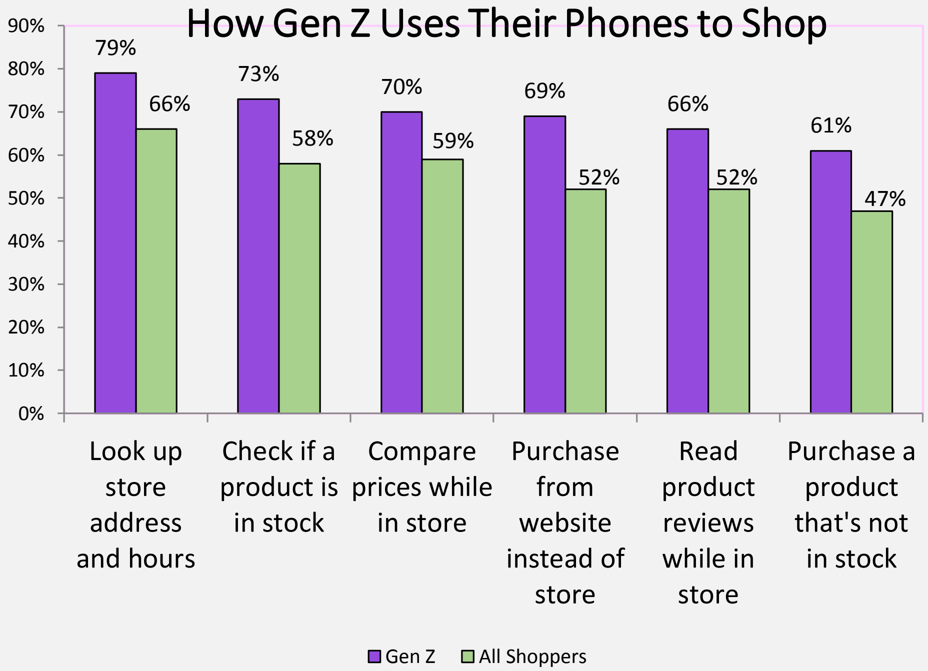
Source: 2017 Transunion Generation Z Report

They are frugal and informed consumers. They will pay a premium for certain things.

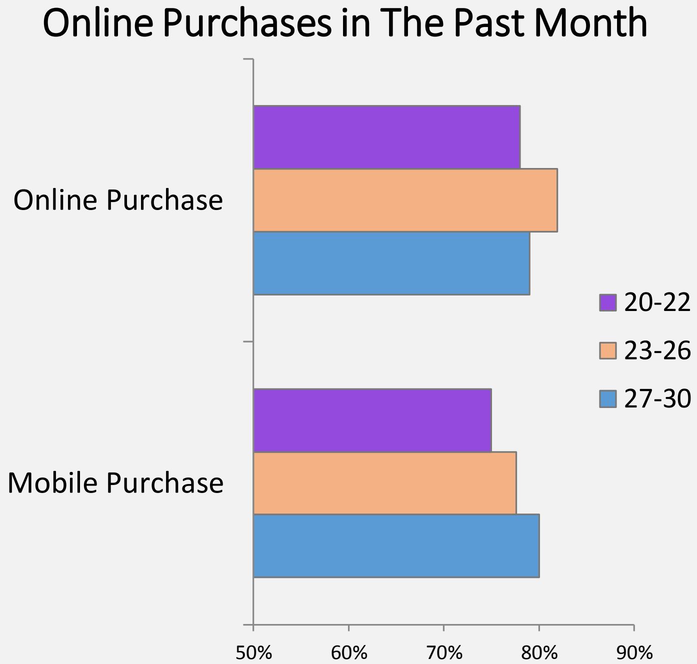
Source: The State of Generation Z 2017 White Paper 2017, The Center for Generational Kinetics

Generation Z is Savvy

Generation Z has less revenue than other generations. However, when shop, they prefer to do so using mobile devices. Millennials have more income and buying power and shop online and via mobile devices. They do use their phones to shop prices. Sixty-three percent feel that shopping online saves time and 53% say the selection is better. Half believe the prices are lower online.



https://intelligence.businessinsider.com/the-retail-innovations-gen-z-wants-2017-10



*http://www.businessinsider.com/millennials-vs-gen-z-2016-2/#teens-shop-online-for-efficiency-purposes-3

Chapter 9:

How do they pay for things?

Generation Z carries very little physical money on their person. Millennials are the Paypal generation and Generation X are debit cards. Baby Boomers are the cash generation.

Generation Z is entrepreneurial and wants to earn a fair wage. This generation wants money, regardless of whether it is in paper or digital form. This generation also wants convenience and simplicity and thus apps connected to digital assets are quickly becoming the norm. They prefer digital payment services such as Venmo where they can make easy, immediate transfers to friends and vendors.

Higher education is potentially vulnerable due to complex, legacy accounting, payment and loan systems.

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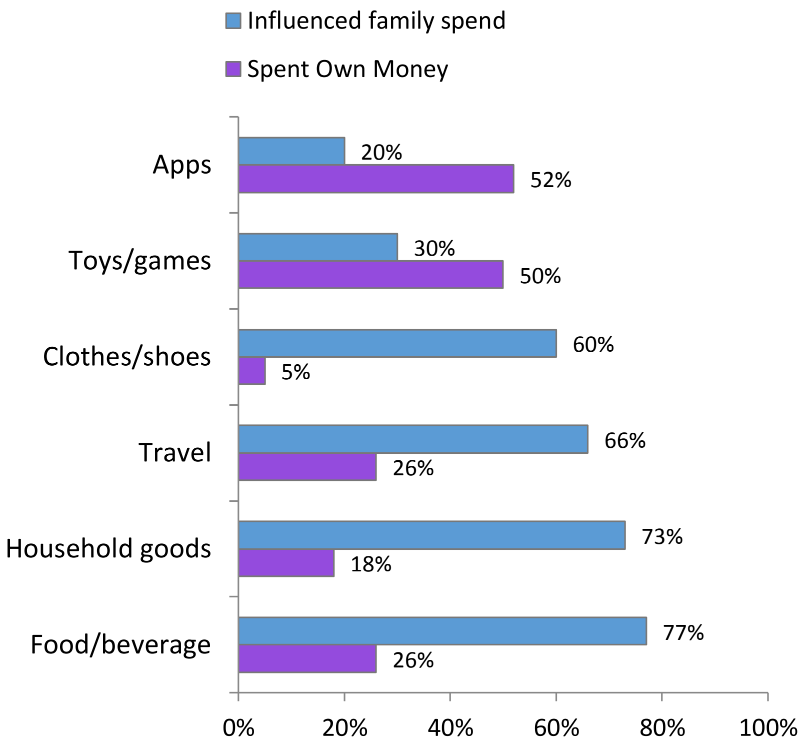
The teen population (13-17) alone is worth $44 billion dollars. On average, they receive $17 a week for allowance.

Adding in older Generation Z'ers, they have purchasing power of over $80 billion dollars.

Generation Z Spending Habits and Influence



https://intelligence.businessinsider.com/amazon-brings-teens-into-the-fold-brick-and-mortar-retailer-apps-need-a-boost-2017-10

68%

of Gen Z consumers are interested in instant person-to-person payments—more than any other age group.

Source: Accenture 2017 North America Consumer Payments Pulse Survey

Only 13 percent of Generation Z care about conveniently located branches. They carry their bank branch around with them wherever they go

visioncritical.com

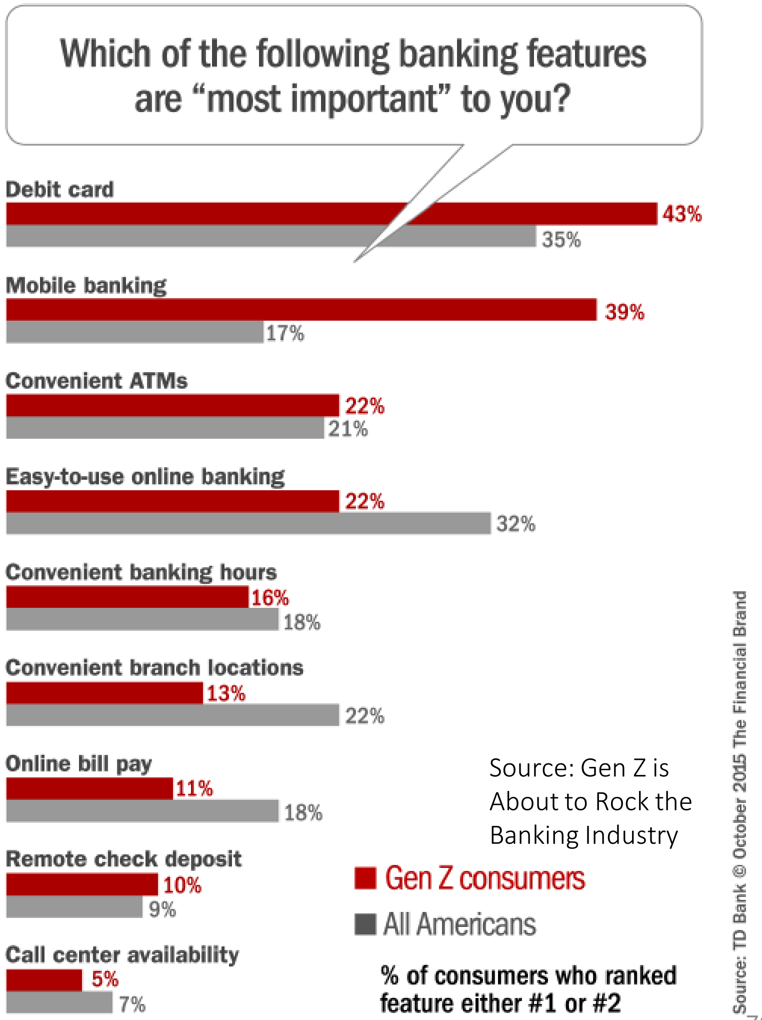
While Generation Z likes the benefit of a face-to-face experience, the convenience of online financial technologies will overcome this. The way they treat financial technologies may also have similarities to their beliefs toward online education.

Generation Z is the Venmo generation. Millennials are PayPal. Boomers and Gen X are the credit generation.

Online vs Physical Location Preferences (age 20-22)

	Electronics	Groceries	Clothing	Vehicle	Short Class	College Degree
Physical Location	69%	89%	69%	88%	39%	64%
Online	31%	13.2%	31%	12%	61%	36%

UPCEA Millennial Survey



Source: Gen Z is About to Rock the Banking Industry

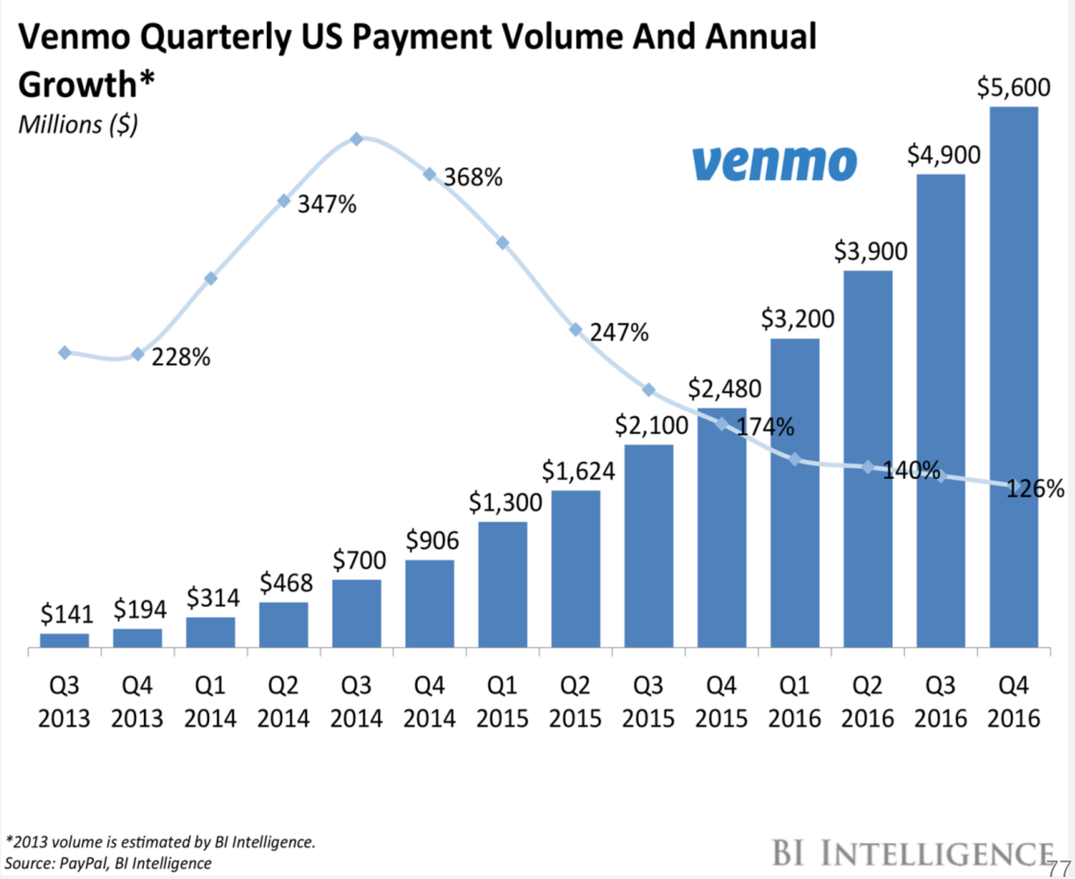
Physical Money is Slowly Going Away with the Maturing of Generation Z

Total person-to-person (P2P) mobile payment volume is poised to grow nine-fold over the next five years, reaching $336 billion by 2021.

There is a major battle going on in the background as credit card companies, banks and major retailers are creating digital payment and financial technologies.

Generation Z and Millennials have looked at money differently and manage it differently as a result. They are saving more and watching their parents' and grandparents' finances. They understand currency and value much better than other generations.

This impacts higher education in that Generation Z looks at many things from a long-term perspective. Return on investment will factor in regarding future higher education and other big ticket item decisions. However, they are so much more informed that they will do more due diligence with trade-offs by looking at substitute educational products, such as badges, certificates and training.



Implication for Higher Education and the Workforce

- Don’t think that they are going to be impressed with your social media presence. They expect it. Follow their trends and make the most out of interactions.
- Gen Z is always connected and to succeed you have to be too.
- They expect on-demand services to be available at any time with low barriers to access. They do not have patience for slow connectivity, lines or poor service.
- Gen Z is the largest and most diverse generation yet, making up 25% of the population. You are not going to win them all.
- 56% of Gen Z’ers want to write their own job description and 62% want to customize their career path. They want to customize their own major and degree path.
- Stop thinking anyone under 30 is in the same generation. Millennials and Gen Z’ers have radically different shopping habits, interests, and mindsets.

Source: https://www.inc.com/marissa-levin/6-things-you-need-to-know-about-the-gen-z-generati.html

Chapter 10:

What are their views on education?

This eBook tells a story and each chapter adds to the impact that Generation Z will have on future educational decisions. As mentioned earlier, they are harder to reach, more informed and have to make choices regarding how they spend their precious money.

This generation is complex, but for higher education marketers and program developers, it’s all about creating and managing value. Value cannot be assumed in future educational offerings. Offering online programs creates convenience which thus creates value.

Strong content and credentials that create more job opportunities demonstrate value. Without good marketing, value in the educational offering may not be optimized.

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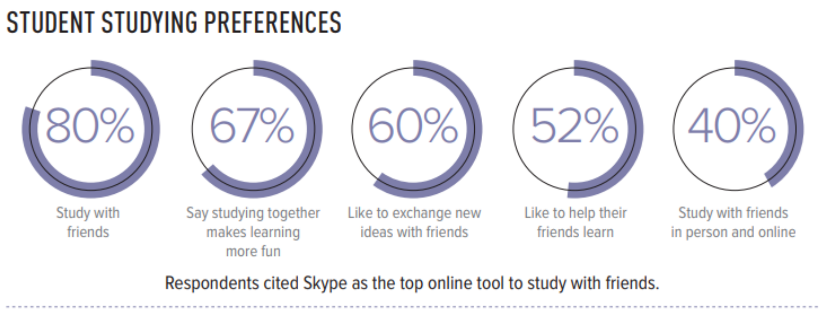
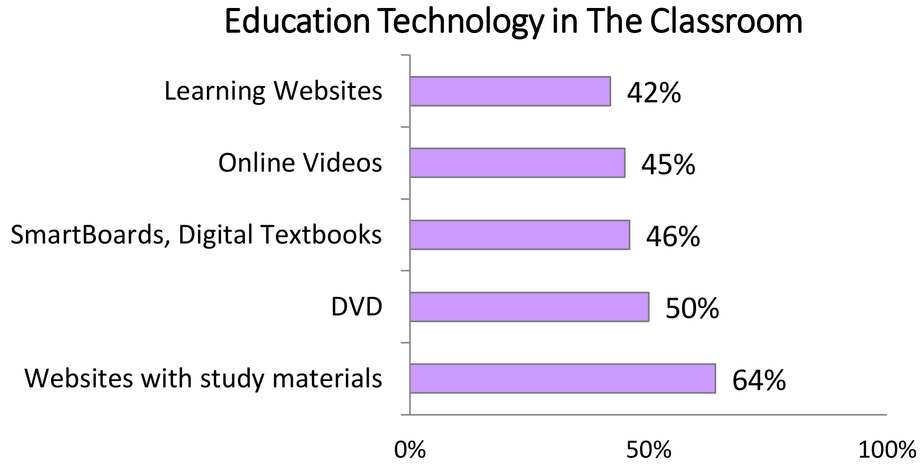
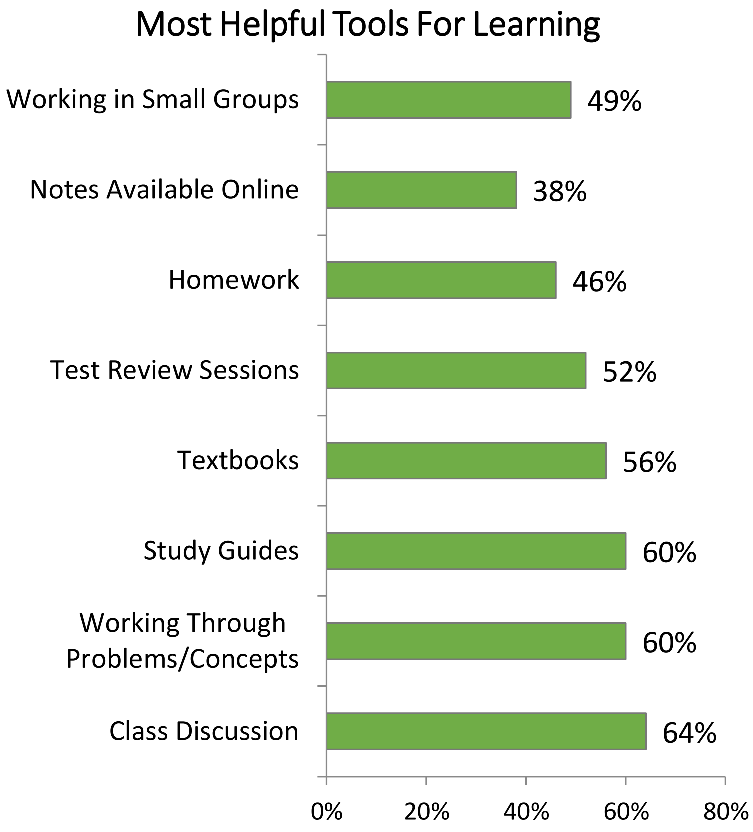
Generation Z'ers are applied learners. They work well together and can work well independently.



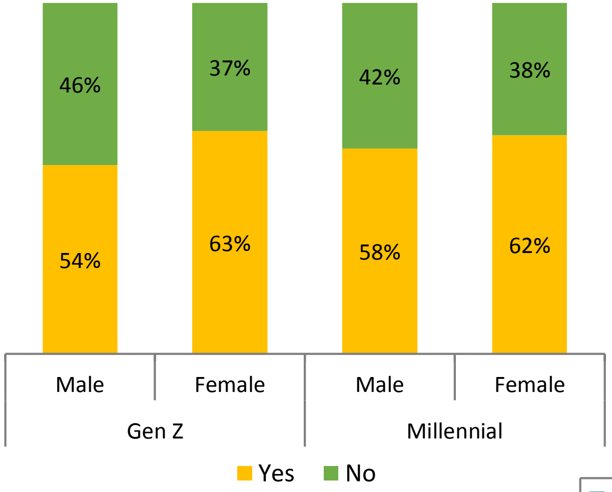




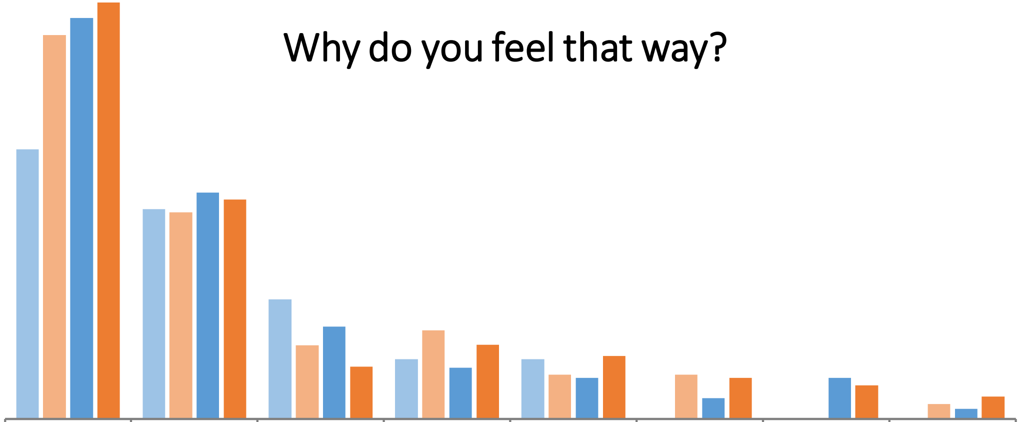
https://www.bncollege.com/Gen-Z-Research-Report-Final.pdf

Young adults understand the need for education, but do they appreciate the value?

Do you believe that having at least a four-year college degree is essential for professional success?



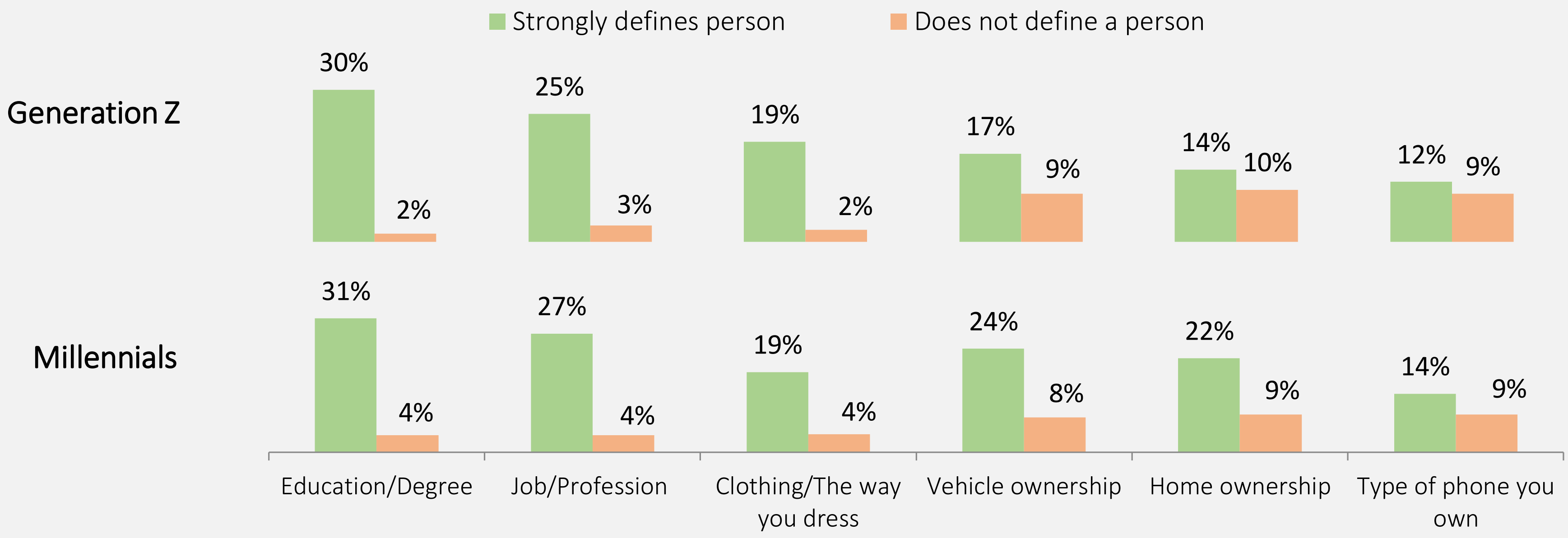
Why do you feel that way?



	Necessary for a good job	Not necessary for a good job	It's helpful overall	Sign of intelligence / persistence	Alternatives are just as good	Depends on the job/not for everyone	High cost	Many degrees aren't worth much
Gen Z Male	26%	20%	11%	6%	6%			
Gen Z Female	37%	20%	7%	8%	4%	4%		1%
Millennial Male	38%	22%	9%	5%	4%	2%	4%	1%
Millennial Female	40%	21%	5%	7%	6%	4%	3%	2%

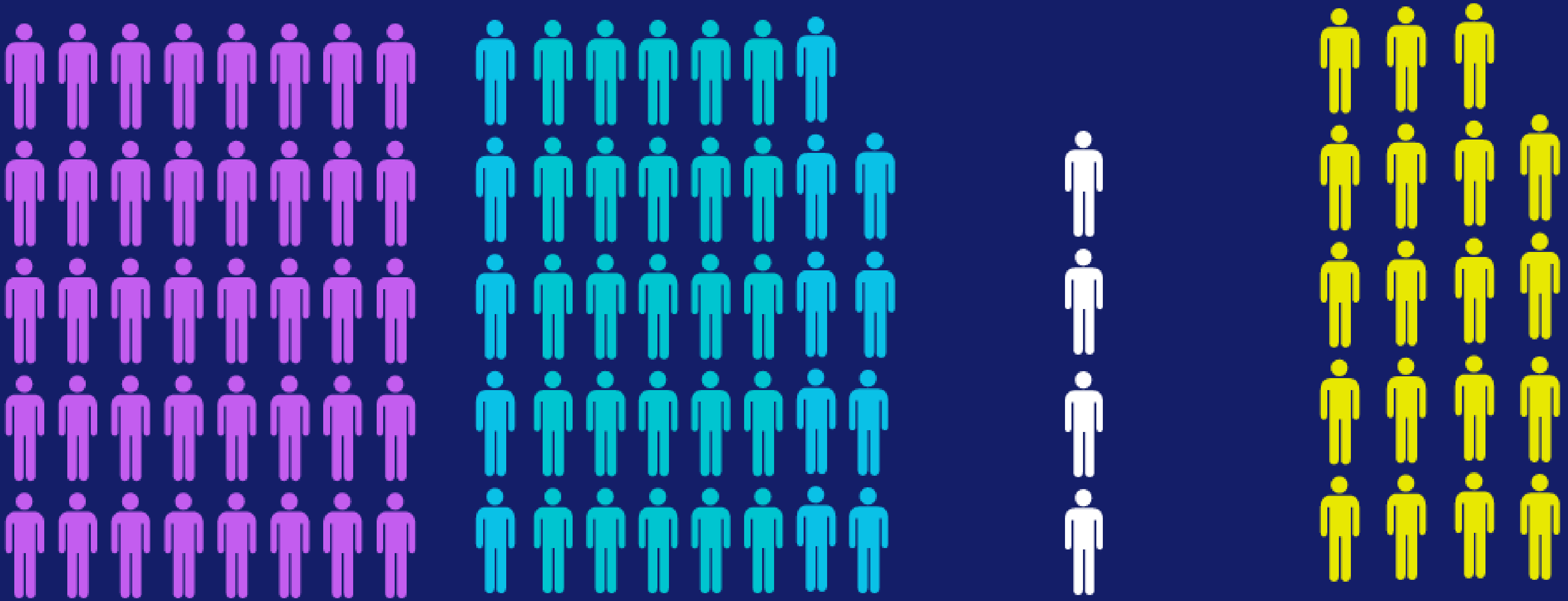
Source: UPCEA Gen Z and Millennial Survey, 2017

In terms of what might define or influence them, Generation Z and Millennials have similar feelings regarding education and a job. However, Millennials also view vehicle and home ownership as influential.



Source: UPCEA Millennial Survey

42 Million Generation Z'ers (iGen Segment, 14-22)



40% or 17 Million are in High School

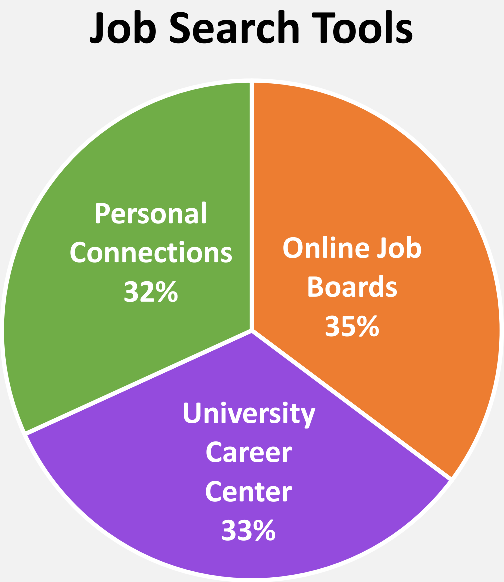
34% or 14.5 Million will Still be in College

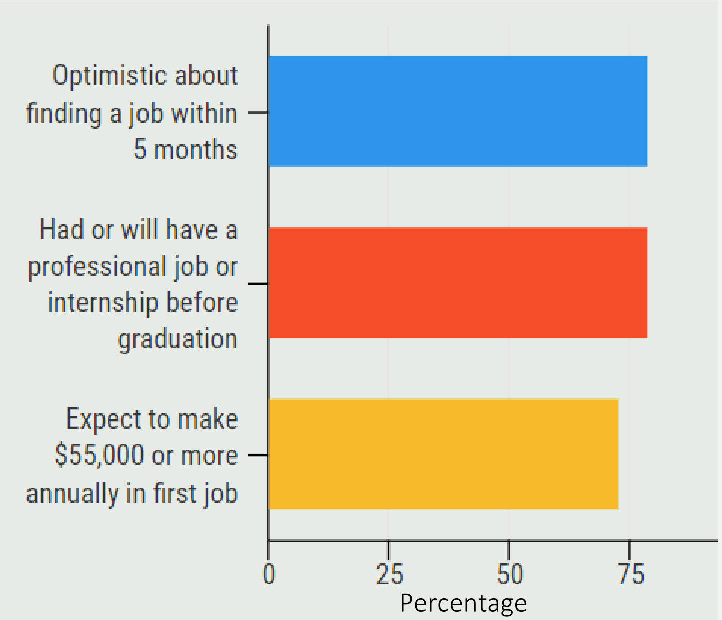
4% or 1.5 Million will Graduate this Spring

19% or 8 Million Did Not Go to College

Generation Z Enters the Workforce Optimistically

Generation Z knows where to search for jobs and is optimistic about their outlook. However, they do not plan to stay at their first job very long.

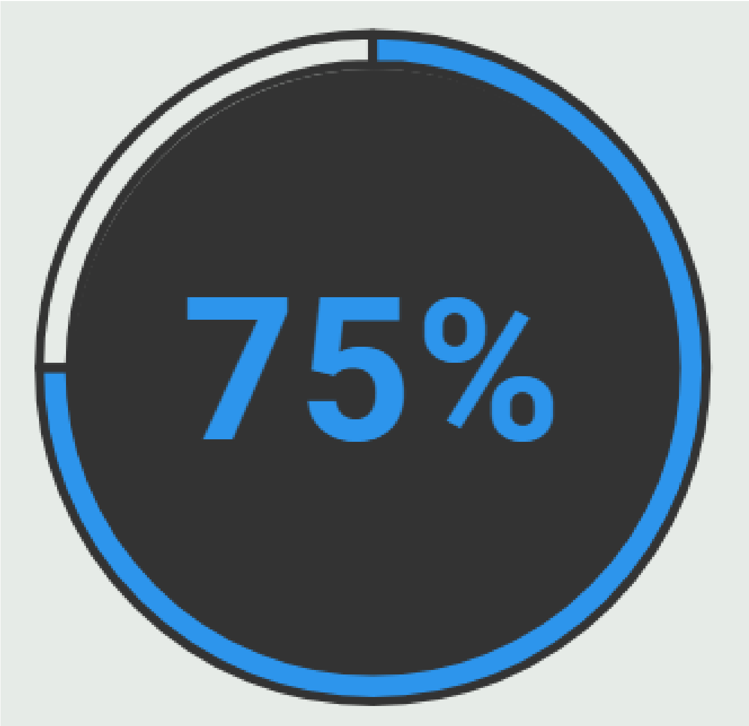




http://pages.adeccousa.com/rs/107-IXF-539/images/generation-z-vs-millennials.pdf

75% of Generation Z say there are other ways of getting good education than going to college

http://www.businessinsider.com/forget-millennials-here-are-8-things-to-know-about-gen-z-2017-7



Millennial and Generation Z males and females have different values and opinions regarding education.

Females are more likely to place a higher value on a college education. They see a stronger return on investment than do males regarding a college education.

Colleges and universities are worth the amount of time required.		
Gen Z vs. Millennials	Male	Female
Generation Z	65%	83%
Millennials	65%	75%

Colleges and universities are worth the amount of money invested.		
Gen Z vs. Millennials	Male	Female
Generation Z	64%	66%
Millennials	58%	61%

Earning a college degree is important because it prepares you for a career.		
Gen Z vs. Millennials	Male	Female
Generation Z	69%	83%
Millennials	76%	81%

Females are more likely see the lifetime value of a college degree

Earning a college degree is important because a college education will remain useful and relevant for a lifetime.		
Gen Z vs. Millennials	Male	Female
Generation Z	67%	85%
Millennials	72%	76%

Colleges and universities are prepared to accommodate my lifestyle.		
Gen Z vs. Millennials	Male	Female
Generation Z	67%	75%
Millennials	60%	61%

Source: UPCEA Generation Z and Millennial Survey, 2017

Millennials are less likely to believe that colleges and universities are in alignment. Female Gen Z'ers are more optimistic.

Colleges and universities would be more valuable if they awarded you certificates as you reached milestones.		
Gen Z vs. Millennials	Male	Female
Generation Z	73%	71%
Millennials	71%	73%

Colleges and universities are aligned with the needs and expectations of employers.		
Gen Z vs. Millennials	Male	Female
Generation Z	67%	76%
Millennials	61%	60%

Generation Z males who do not attend or leave college have lower views about colleges and universities. Those not in college place a higher value on certificates.

Those not in college are less likely to feel that colleges and universities are worth the money. Males not in college have a lower opinion of colleges and universities.

Colleges and universities are worth the amount of time required.		
Gen Z Only	Male	Female
2/4 Year Degree	77%	84%
No College	59%	73%

Colleges and universities are worth the amount of money invested.		
Gen Z Only	Male	Female
2/4 Year Degree	81%	65%
No College	47%	60%

Earning a college degree is important because it prepares you for a career.		
Gen Z Only	Male	Female
2/4 Year Degree	71%	84%
No College	65%	87%

Females are more positive than males regarding college having lifetime value and also being accommodating to their lifestyle.

Earning a college degree is important because a college education will remain useful and relevant for a lifetime.		
Gen Z Only	Male	Female
2/4 Year Degree	74%	86%
No College	65%	73%

Colleges and universities are prepared to accommodate my lifestyle.		
Gen Z Only	Male	Female
2/4 Year Degree	68%	77%
No College	65%	73%

Source: UPCEA Generation Z and Millennial Survey, 2017

Certificates have a higher value from those not in college, but do appeal to those in college as well.

Colleges and universities would be more valuable if they awarded you certificates as you reached milestones.		
Gen Z Only	Male	Female
2/4 Year Degree	71%	67%
No College	76%	80%

Colleges and universities are aligned with the needs and expectations of employers.		
Gen Z Only	Male	Female
2/4 Year Degree	68%	77%
No College	65%	73%

<u>The majority of Generation Z believes a certificate adds value</u>. Most also see the value of college. When combining the two, there are a number of certificate opportunities for Generation Z. Twenty-two percent of Generation Z could be interested in certificates.

However, there would be different approaches when marketing certificates to Generation Z.

Lost Cause (28%):
Indifferent To College and Certificates

Already Sold (23%):
Agree that college is worth the money

Need A Push (34%):
Are lukewarm on the value of college, but certificates could help

Strong Prospects (15%):
Also lukewarm on the value of college, but certificates would make a big impact

All Gen Z	Disagree College Worth Money	Somewhat Agree Colleges Worth Money	Strongly Agree Colleges Worth Money
Disagree Certificates Add Value	15%	13%	3%
Somewhat Agree Certificates Add Value	13%	21%	7%
Strongly Agree Certificates Add Value	7%	8%	13%

Source: UPCEA Generation Z and Millennial Survey, 2017

Over half of both Gen Z males and females are more open to a degree if there are certificates along the way. However, interest in certificates increases among those not in college.

College:

Lost Cause: 33%

Already Sold: 33%

Need A Push: 24%

Strong Prospects: 12%

Gen Z Males	**College**			**No College**		
	Disagree College Worth Money	Somewhat Agree College Worth Money	Strongly Agree College Worth Money	Disagree College Worth Money	Somewhat Agree College Worth Money	Strongly Agree College Worth Money
Disagree Certificates Add Value	15%	18%		12%	12%	
Somewhat Agree Certificates Add Value	6%	18%	12%	29%	24%	
Strongly Agree Certificates Add Value	3%	9%	21%	12%	6%	6%

No College:

Lost Cause: 34%

Already Sold: 6%

Need A Push: 53%

Strong Prospects: 18%

College:

Lost Cause: 29%

Already Sold: 27%

Need A Push: 28%

Strong Prospects: 16%

Gen Z Females	**College**			**No College**		
	Disagree College Worth Money	Somewhat Agree College Worth Money	Strongly Agree College Worth Money	Disagree College Worth Money	Somewhat Agree College Worth Money	Strongly Agree College Worth Money
Disagree Certificates Add Value	17%	12%	7%	13%	7%	
Somewhat Agree Certificates Add Value	10%	18%	8%	20%	40%	
Strongly Agree Certificates Add Value	8%	8%	12%	7%	7%	7%

No College:

Lost Cause: 20%

Already Sold: 7%

Need A Push: 60%

Strong Prospects: 14%

Source: UPCEA Generation Z and Millennial Survey, 2017

Implication for Higher Education and the Workforce

- Adding certificates along the way to a traditional degree may improve value for almost half of those who are skeptical.
- Given the strong connectiveness to communities and sense of value measurement, Generation Z has potential to disrupt enrollments if other more viable credentials have proven effectiveness.
- Especially for those who enroll but don't complete college, having something (a non-degree credential) to show for some effort and learning may prevent them from becoming anti-education, and may turn them into advocates later on.
- Generation Z are applied learners. While they work well in groups, Gen Z'ers are capable of working independently gathering information along the way.
- Gen Z'ers see value in certificates along the way to a degree: Over 70% who did not end up going to college might be persuaded to earn certificates as a means of their career advancement.*
- Among those already in college, many see the value of certificates and about one-quarter don't think it's worth the money. Another third see some value, while nearly a half see more value.

Source: UPCEA Generation Z and Millennial Survey, 2017 *

Conclusions and Final Insights

Final Insights on Generation Z

Generation Z is slowly emerging as an economic force that will impact our higher education systems. Professional, continuing and online education units (PCO) that are most prepared will reap the benefits of a competitive advantage by having credentials that Generation Z wants, in content areas that will have a demonstrated economic return, designed in educational packages that meet their needs, and delivered in a manner that is socially positive or convenient for their lifestyles and with global consciousness. One thing that is clear, as this eBook may suggest, is that Generation Z is an informed generation with specific brand loyalty qualities. They are savvy and will assess value against their resources.

As this generation moves into their mid and late 20's, they will grow their consumer power in a way that will significantly impact professional, continuing and online education units. PCO units will need to rethink content, credentials, delivery, enrollment management, marketing and more as they come to grips with this new adult learner market.

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Generation Z Higher Education Program and Marketing Checklist

- Are you designing programs that Generation Z wants?
- Have you made your prices easy to find?
- Have you created value around your pricing?
- Have you thought of an "influentials" marketing approach?
- Have you marketed to their "influentials"?
- Have you identified program areas in your portfolio that might appeal more to Generation Z'ers?
- Are the programs designed around their needs, i.e., convenience, smaller bundles?
- Are you communicating in their language and using their tools of communication?
- Are you approaching those who have already had an experience with you, i.e., alumni?
- Have you assessed the quality of the competition and whether they are vulnerable?
- Have you developed your customer relationship management systems around their patterns and preferences?
- Are you measuring your marketing efforts to make sure you are having success with Generation Z?
- In marketing to Millennials, are there easy ways to reach Generation Z?
- Does your organization have in their professional development plans a way to understand Generation Z?

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One Dupont Circle
Suite 615 Washington, DC 20036
202-659-3130
info@upcea.edu