A Study on Digital Marketing Preferences of Generation Z

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Abstract: **Digital marketing refers to the promotion of products and services using technologies on the digital platform. Companies are using digital media to reach out to their target segment as more and more customers are using this to gather information and buy products. The way the brands and businesses use technology for marketing has evolved significantly since a decade or two as digital marketing gained prominence. Generation Z play an integral part in the development of e-commerce. This generation is technology savvy and has access to the digital media. This research paper specifically studies the preferences of Generation Z and determines the digital marketing strategies that significantly impact their behavior. This paper focuses on the types of digital marketing strategies that are preferred by Generation Z. It also studies the various digital channels that are used by generation Z which businesses can use to attract them.**

Keywords: **Digital Marketing, Generation Z, Marketing Strategies, Digital Technology, Internet**

1. Introduction

In the last decade or so, with the development of technology digital marketing has gained a lot of importance with companies using this as an essential way to communicate with their customers. Digital marketing is the method of advertising a company's products and services through the digital platform. This is also referred to as e- marketing. Through digital marketing companies now send customized messages to customers which help in better engagement with them. Using digital marketing tools the companies get a vast scope of opportunities to retain and attract customers. By using online search metrics and search engine optimization companies see what works for them. Analytics is also used to measure the impact of digital marketing.

Generation Z refers to those who are born in the mid 1990s to the early 2000s. They are specifically today's teenagers or those who are in their early 20s. Generation Z plays a crucial role in the current business world. Generation Z is known for being empowered and active social media users. The generation openly communicates, networks, and reviews and connects brands influenced by remarks and reviews made on the social media platform. Open-mindedness, authenticity, sustainability, diversity and social responsibility have become the core values for Generation Z (Sparks & Honey, 2015, 46 – 61). They have grown up having access to the internet which is why the most powerful marketing tool is social media. 40% of all the consumers will be Generation Z by the year 2020 (Finch, 2015)

which is applicable to the businesses in the long run. Organizations have to leave behind the traditional practices and focus on delivering valuable content that will be suitable with the new generation.

2. Review of literature

- Mangold (2009) Social media with an extra ordinary example Facebook has opened the door for businesses to communicate with millions of people about products and services and has opened new marketing opportunities in the market. This is possible only if the managers are fully aware of using the communication strategies to engage the customers and enhancing their experience
- Oblinger and Oblinger (2005, 2.5 – 2.7) described them as digitally literate because of their unlimited access to technology, thanks to their technical opportunities, immediate because of the speed at which they process information, experiential in a way that they prefer learning by doing, and thanks to their openness towards diversity, differences and desire to be socially connected.
- Sensis & ThinkNow Research (2016) one of the most important criteria for choosing a brand is the affinity to its personality. Generation Z values powerful brand messages that they resonate with and prioritize emotional reasoning behind the purchase decision. As a result, 57% of Generation Z members admitted that brands helped them to reflect their personalities and represent their values.

3. Research methodology

Under the study on digital marketing preferences of Generation Z, questionnaires were used to collect and analyze the views from the sample group. Questionnaire was sent to a group of n=100 respondents using online Google Forms. The sample group included students and working professionals. The survey consisted of 3 demographic questions and 14 subject related questions.

4. Objectives

- To study about the types of digital marketing strategies preferred by generation Z.
- To determine the current digital marketing channels used by Generation Z.

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- To study the impact of digital marketing on generation Z.

5. Scope of the study

- The scope of this study is limited to generation z within the city of Bengaluru.
- It considers data taken only from 2005 – 2019.

6. Limitations of the study

- This study was conducted within a short period of time therefore an in depth study was not possible.
- The findings of the study are exclusive and cannot be generalized.

7. Research questions

*Chart 1: Gender of the sample*
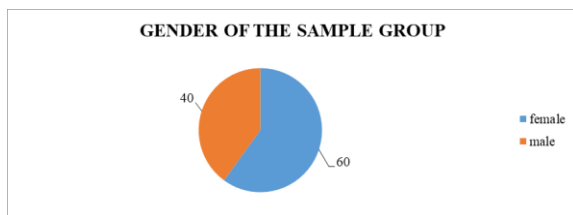
Interpretation: The above chart represents the gender of the sample group with 60% respondents being women and 40% being men. From this we can infer that the majority of the group considered for this particular study was female.

*Chart 2: Occupation of the sample group*
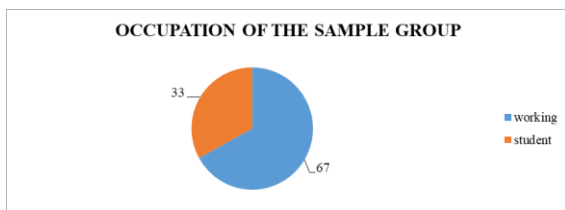
Interpretation: As generation Z refers to those who are teenagers or are in their early 20s most of them are students and a few of them are working. The sample group of this study consisted mainly of students who accounted to 67% and only 33% are working.

Chart 3: Awareness on different types of marketing strategies
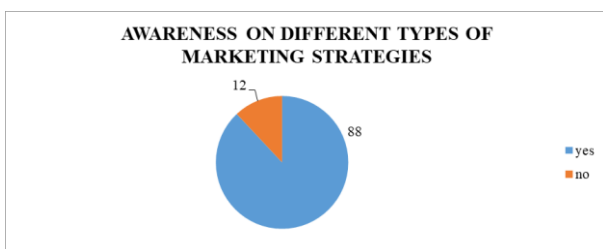

Interpretation: According to the above chart, 88% which is the majority of the group from the sample are aware about the different types of marketing strategies, while 12% are unaware about the same. This is because Generation Z consists of people who are technology savvy and have grown up with more exposure to the internet and hence tend to be familiar with the marketing strategies used by the companies.

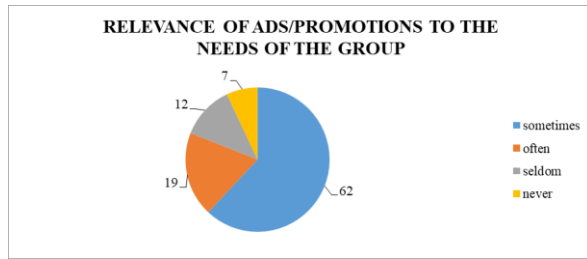*Chart 4: Preferred digital marketing channels*
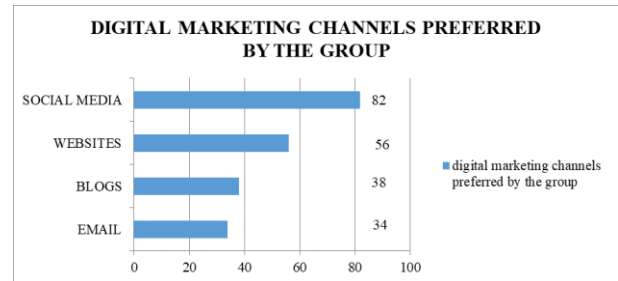
Interpretation: The above chart shows that 82 out of 100 respondents prefer social media. 56 out of 100 respondents prefer websites, followed by Blogs and Emails with 38 and 34 respondents respectively. From this we can infer that social media is the most used digital media channel by this generation. They are more into using Instagram, Facebook, Youtube etc. as they prefer to connect and network with people over social media.

Chart 5: Awareness of different mediums of marketing
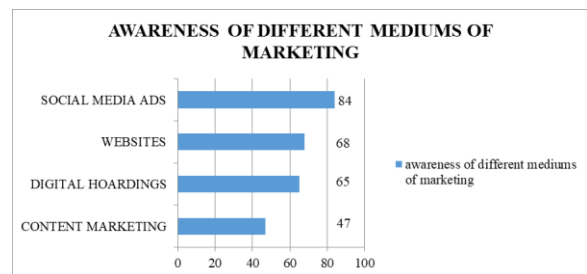

Interpretation: The chart above shows that 84 out 100 respondents are aware about the social media advertisements. 68 out of 100 respondents are aware about the website ads, followed by Digital Hoardings and Content marketing with 65 and 47 respondents respectively. From this data we can infer that, due to the frequent use of social media by this generation they are more aware and knowledgeable about the advertisements shown in social media compared to websites, digital hoardings and content marketing.

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*Chart 6: Relevance of ads/promotions to the needs*

Interpretation: It is evident from the above chart that the majority of the group that is 62% find that the digital marketing ads and promotions are relevant to their needs and preferences while 19% and 12% find it relevant often and seldom respectively. This shows that the advertisements that they are exposed to in the digital media are relevant to their needs and preferences most of the times an only 7% of the group found it to be completely irrelevant.

Chart 7: Benefits from ads/promotions
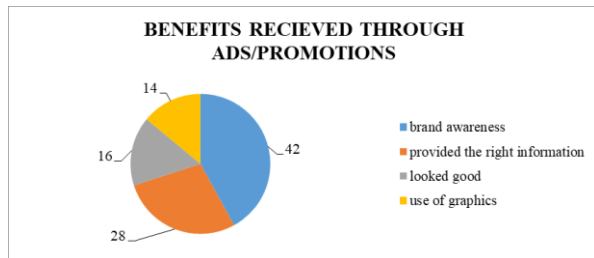
Interpretation: From the above chart we can infer Generation Z gets brand awareness and receives the right information about the products/services promoted through digital media. 42% of the group learns about the brands and 28% use the information provided in the advertisements to their benefit. 16% of the group looks at the ads if they look good and the rest for the graphics shown in the ads. This shows that they are open to receiving the information about brands and products online and trust the same.

Chart 8: Reasons for unappealing promotions/ads
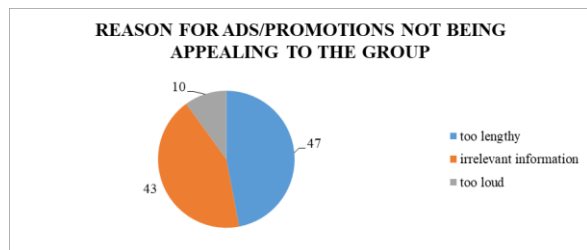
Interpretation: According to the data obtained we can infer that Generation Z does not find too lengthy and irrelevant information being provided in the advertisements appealing.

They prefer advertisements that are short and to the point, which means that this group of people will not look at lengthy ads. 90% of the group feel that way with only 10% finding ads being too loud unappealing.

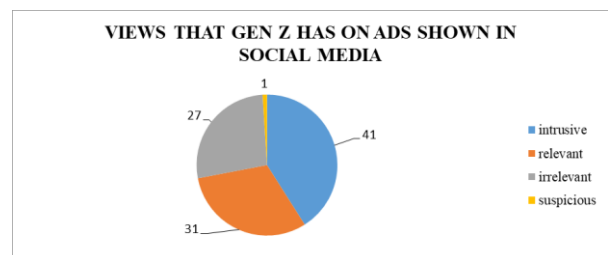*Chart 9: Strategies that need to be avoided in digital media*
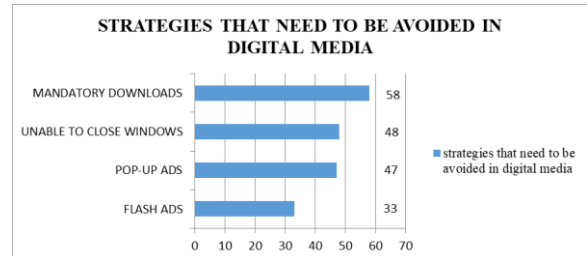
Interpretation: According to the respondents, mandatory downloads needs to be avoided the most with 58 out of the 100 respondents choosing the same. 48 out of 100 respondents felt that not being able to close the windows needs to be avoided, followed by pop-up ads and flash ads which received 47 and 33 responses. This shows that majority of the group finds mandatory downloads unappealing as they interrupt or limit the user's access to certain contents in the site.

*Chart 10: Strategies that grabs more attention of Generation Z*
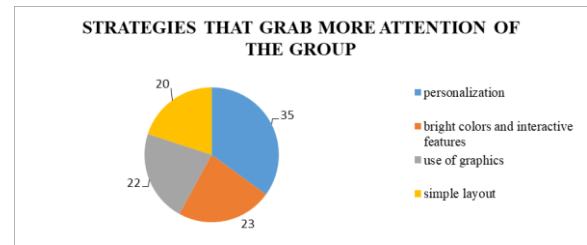
Interpretation: From the above chart 35% of the respondents feel that personalization in the advertisements grabs their attention while 23% feel that bright colors and interactive features grabs their attention. 22% like the use of graphics and 20% like the simple layout in the advertisements. This means that personalization will likely increase the attention of generation z as it keeps them connected catering to their needs.

Chart 11: Views of Generation Z on advertisements shown in social media

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Interpretation: From the above figure we can infer that 41% feel that advertisements are intrusive, 27% feel they are irrelevant and 1% finds it suspicious. 31% of the respondents find them relevant. This shows that most of the respondents find the advertisements irrelevant and intrusive. This shows that advertisements are intrusive because they interrupt the browsing experience which exasperates the users.

*Chart 12: Apps that are used the most by the group*
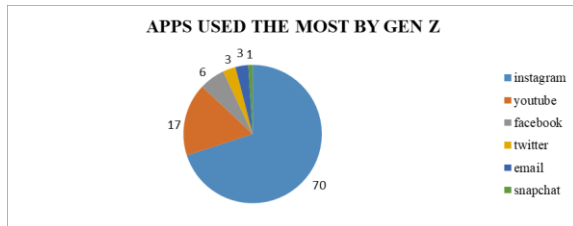
Interpretation: As shown above Instagram is the app that is used the most by generation Z which accounts to 70%. This is followed by Youtube which accounts for 17%. The other apps that are used are facebook, twitter and email. Snapchat is the least popular app that is used by the respondents this is because instagram is a platform that is more user friendly and it shows lots of original and real content.

*Chart 13: Factors that motivate Generation Z to write reviews*
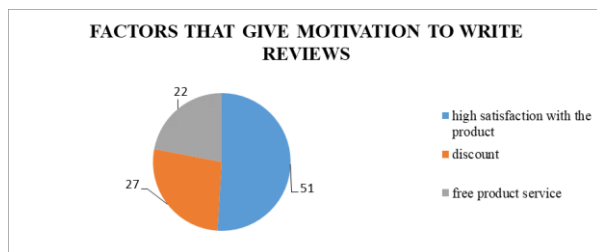
Interpretation: As shown in the above figure, 51% of the respondents would write a review online if they are highly satisfied with the product. 27% of the respondents would write a review for the discount that they receive and the rest 22% for the free product service that they service. This shows that when people feel strong about their experience towards something it motivates that to write reviews.

Chart 14: Reasons for repeat purchases online
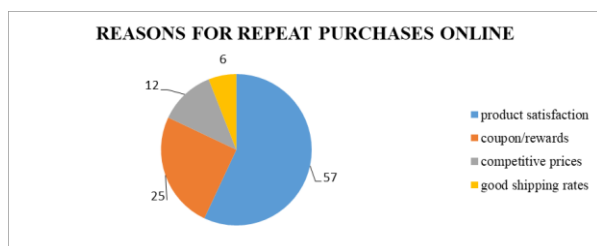
Interpretation: We can infer the reasons for Generation Z to repeat their purchases online from the above chart. 57% of them would purchase again if they are satisfied with the product, 25% of them would purchase again for the coupon/rewards that is given by the companies. 12% would consider the competitive prices offered by the companies and 6% would consider the shipping rates. It is clear that the respondents would repurchase the products online when the brand was true to what they portrayed in the advertisements without misleading the people.

Chart 15: Procedures followed when purchasing online
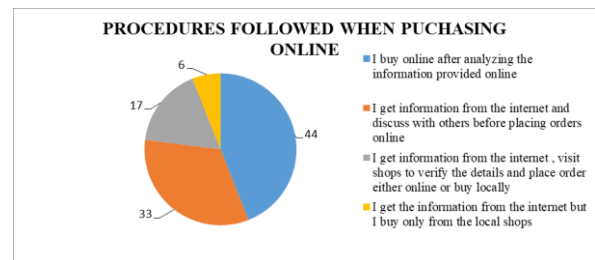
Interpretation: 44% respondents make online purchases after analyzing the information provided online. 33% will not only rely on the information provided online but also discuss with others before placing orders online whereas 17% would make a visit to the shops to verify the information that was provided online and then purchase locally or online. 6% of the respondents will buy only from the local shops even if they have obtained information from the internet. Through this study we found out that majority of the respondents use instagram over any other social media channels and instagram provides personal and real content, wider selection and better prices which makes them buy online after analyzing the provided information.

8. Findings

- Through this survey we have found out that majority of Generation Z are aware about the different types of marketing strategies. Most of them are aware about social media advertisements and websites
- Social media is the most preferred digital marketing channel followed by websites and blogs. Generation Z uses email comparatively lesser
- The respondents get brand awareness through ads and promotions through digital media. They also feel that they get good information about the product
- The group of generation z finds that the ads and promotions in digital media are sometimes relevant to their needs while few people found it to be irrelevant. They find the ads on social media like Instagram and youtube to be intrusive and irrelevant
- The length of the ads and promotions are found to be not appealing to the group while the others found irrelevant information unappealing

- Instagram is the most used app by generation z followed by youtube.
- Personalization grabs more attention of this generation when compared to bright colors and use of graphics as they like products and services to be relevant to their preferences.
- Satisfaction with the product will make this generation repeat their purchases as well as write online reviews.
- We can infer from this study that this generation is more into buying products online after obtaining information than using traditional methods like visiting the store.
- High satisfaction with the products will prompt the group to write online reviews about the purchase.
- Generation Z finds certain ads that are promoted are intrusive as they interrupt their browsing experience.

9. Suggestions

- The advertisements and promotions shown in social media such as Instagram and facebook must be made more relevant to the preferences and needs of generation z.
- Give personalized recommendations during checkout so that it helps them in discovering new products.
- Mandatory downloads and pop-up ads should be avoided as this group finds it intrusive and unwanted.
- Ads and promotions must be short and interactive to capture the attention of Generation Z.

10. Conclusion

Considering the increasing importance of digital media and the influence this has on Generation Z which is technology savvy, this paper focused on the preferences and interests of this generation towards digital marketing and the strategies that appeal to them. Instagram and YouTube dominates the generation Z's social media habits. From the above study researchers can conclude that generation Z extensively uses digital media to get information about products and services and is a generation that does not depend on traditional medium of marketing. Generation Z prefers loyalty, authenticity, and brands which have a positive storytelling process. As they spend more time on social media apps mainly Instagram, companies can provide them relevant and realistic information to connect and network. Companies can use this to their benefit and communicate with them easily.

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