

UNDIVIDED

2019 GEN Z PURPOSE STUDY

PORTER
NOVELLI / CONE

Forget Millennials, Gen Z is the new golden child. With the oldest of this cohort entering the workforce, flexing their purchasing power and shaping strong opinions of the world around them, it's time to take this generation seriously. If you're ready to listen, they've got something to say. Gen Zers are tired of how negative and divided our country has become. They believe positivity is the go-forward strategy and are near-unanimous in their belief we need to come together to make progress. They are looking to Purpose-driven companies to be partners in that progress and stand ready to take action. This is a generation that feels empowered to change the world for the better.

Ready to learn more? It's time to meet Z.

TABLE OF CONTENTS

| | |
|-----------|-----------------------------------|
| 04 | WHO IS GEN Z? |
| 06 | WOKE GENERATION |
| 07 | #TRENDING ISSUES |
| 10 | EMPOWERED FOR ACTION |
| 12 | SOCIAL MEDIA & IRL |
| 16 | THE “NEED-TO-KNOWS” FOR COMPANIES |
| 17 | THE DOWNLOAD |
| 18 | METHODOLOGY |
| 18 | RESOURCES |
| 19 | ABOUT PORTER NOVELLI/CONE |

WHO IS GEN Z?



Born between 1997 and 2012, falling between the ages of 7 and 22¹, Generation Z is coming of age in a time of global unrest, divisive politics and the omnipresent influence of technology. And although many may be quick to deem them as “Millennials 2.0,” that could not be further from the truth. Growing up in a time with active shooter drills in their schools, visible impacts of climate change, “fake news” and “#MeToo” as trending topics, this generation is charting its own course.

As just young children during the Great Recession, Gen Zers saw the impacts on their parents and the world around them. For this reason — and in contrast to Millennials — this generation is both pragmatic and competitive. No handouts or participation trophies for this group. They value hard work and seek to create meaningful careers, but are also marked by a sense of frugality not seen among experience-seeking Millennials. There is also research showing this tendency toward moderation extends beyond budgeting — this generation is known to drink less² and ranks quality family time ahead of sex³.

Generation Z is the first truly wired generation.

96%

Ninety-six percent own a smartphone⁴ — and most cannot remember a time before smart technology. Using headphones an average of four hours a day⁵, Gen Z has been described as “the loneliest generation⁵,” yet they are highly connected and use technology and a myriad of platforms to enhance their experiences beyond the reach of their everyday lives. With technology at their fingertips 24/7, they are well-informed, their world is larger and their voices are louder.

The most ethnically and culturally diverse generation to-date, Gen Zers are interested and attuned to the world around them.

They are also showing early indications toward civic engagement. Indeed, alongside Millennials and Gen X, Gen Z voters outvoted Baby Boomers in the 2018 election⁶. And incidents hitting extremely close to home have had a profound influence on their views, as well as their propensity to take action. Eighty-six percent say events like the Stoneman Douglas High School shooting have made them care more about issues affecting their generation.

Perhaps unlike older generations, Gen Z is ready to flip the script on current national dialogue and start fresh. Nine-in-10 (90%) are tired of how negative and divided our country is on important issues, and the majority (85%) would rather focus on the positive progress made rather than the negative. They feel Americans can and should do more as a united force.

In fact, 94 percent believe we need to come together to make progress on important issues.

Even up against such acute and seemingly insurmountable global problems, Generation Z is not only feeling inspired, but also empowered. Eighty-eight percent of Gen Zers feel their generation has the power to transform the world for the better, and more than eight-in-10 (83%) feel they can personally make a difference on issues important to them. They're also proud of the budding leaders of their generation — 87 percent are encouraged when they see their peers, like Emma González or Greta Thunberg, take a stand on issues. They are undaunted — with more than three-quarters (76%) saying they believe in five years' time we will have made progress on important issues.

WOKE GENERATION

At a time when stories of global strife hit newsfeeds on a daily basis, Generation Z feels and cares deeply for the topical issues impacting the world around them. This generation remains concerned about the health of our planet (87% vs. 89% in 2017), and nearly nine-in-10 (88%) say they care about social and environmental issues. They see these problems as urgent and think companies have a powerful role to play in addressing their concerns. In fact, the majority (90%) believe companies should take action on these issues.

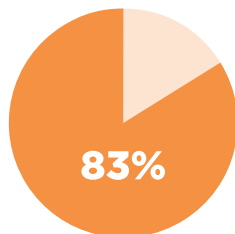
Yet, even as they look to companies as partners in change, they're also holding them to high standards.

More than nine-in-10 (93%) say if a company makes a commitment, it should have the appropriate programs and policies in place to back up that commitment. And they won't take companies on their word alone. Three-quarters (75%) will do research to see if a company is walking the talk when it takes a stand on an issue.

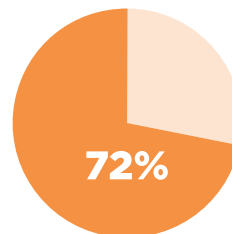
Holding true to their values in the shopping aisle and workplace, they use Purpose as a strong filter and criterion for decision-making. Gen Zers see a company's Purpose as a core consideration in where to work (83%), even more so than what to buy. For companies looking to win the ever-increasing war for talent, this is an important signal. Gen Zers won't check their beliefs for a paycheck and see their job as another avenue for them to make a positive impact. Still, with nearly three-quarters (72%) buying with an eye toward Purpose, companies should continue providing visible indicators of forward progress on packaging, in-store and online.

Gen Zers Consider a Company's Purpose When Deciding:

WHERE TO WORK



WHAT TO BUY



#TRENDING ISSUES

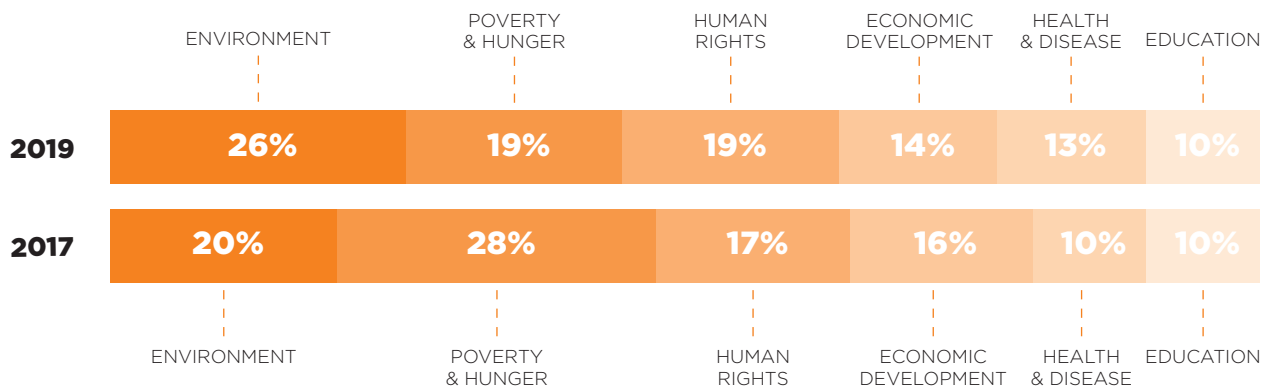
With scientists stating we only have 11 years⁷ to prevent irreversible damage from climate change, Generation Z rightfully feels unprecedented urgency. Not only is the environment (26%) the top issue they want companies to address, it has moved to the top of the list over poverty and hunger, the priority issue in 2017. Poverty and hunger (19%) and human rights (19%) both ranked as secondary priority issues in the minds of Gen Zers, while economic development (14%), health and disease (13%) and education (10%) fell toward the bottom of ranked issues.

This shift in focus from poverty and hunger to the environment shows how far the issue has evolved in just two short years.

For Gen Zers, climate change is no longer an invisible threat.

Now, it's becoming tangible — something they can touch and feel — and be personally impacted by. They are seeing climate-fueled protests in Europe, alongside increasingly frequent and catastrophic natural disasters, and they recognize the role this plays in their everyday lives. This generation has grown up with plastic bag bans, paper straws at their local coffee shop and reef-friendly sunscreens on store shelves.

The One Priority Issue Gen Zers Want Companies to Address:



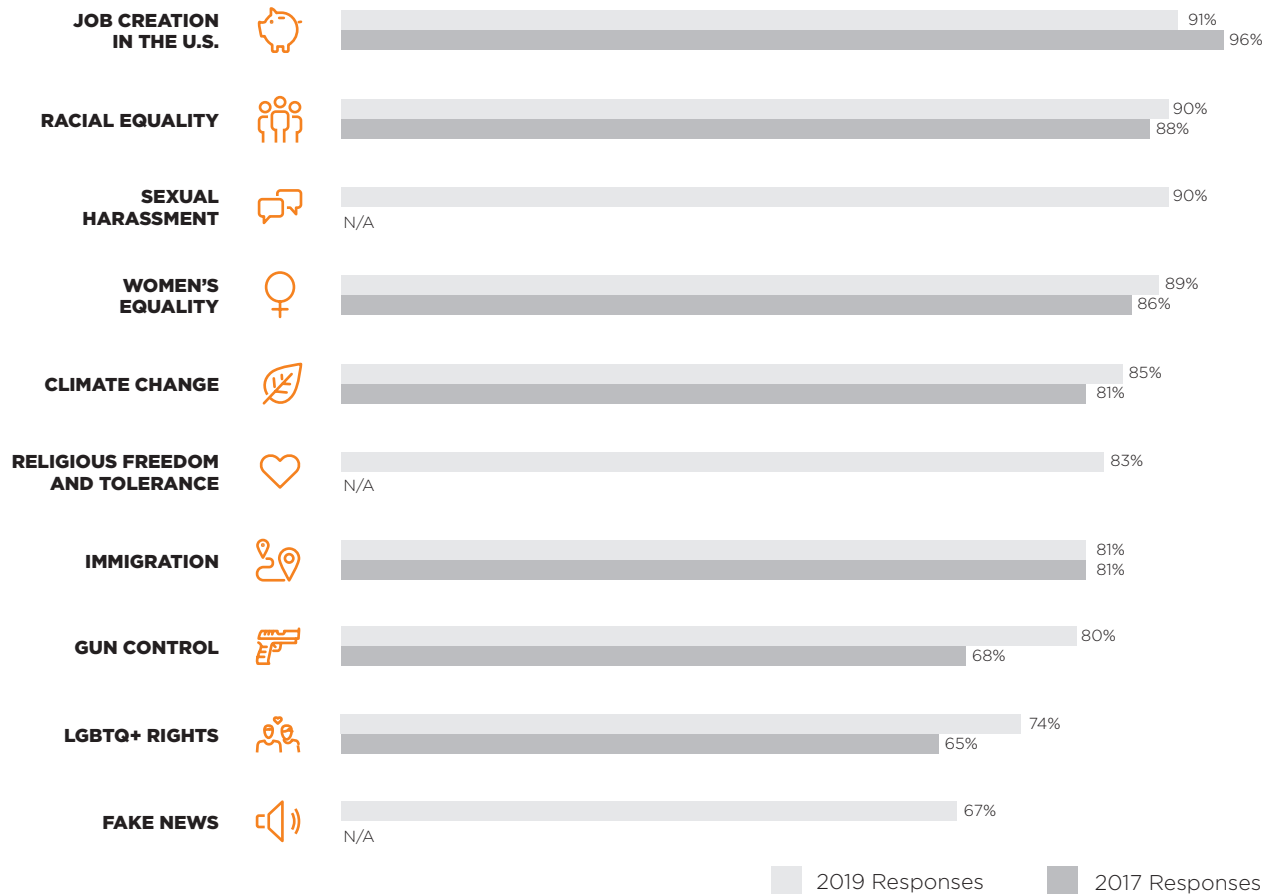
Although Gen Z believes environment is important for companies to address, it is not exclusive. When asked what hot-button issues in the news today companies should look to solve, the list was long and expectations were high. While job creation remains the top newsworthy issue Gen Zers want companies to address, it dropped slightly in importance from two years ago (91% vs. 96% in 2017). Following close behind are racial equality (90%), sexual harassment (90%) and women's equality (89%). Gen Zers also believe companies have a role to play in addressing climate change (85%), religious freedom and tolerance (83%) and immigration (81%).

Notably, while Gen Zers placed roughly the same priority on the latter issues, we saw a significant jump among two specific topics. Not surprisingly, gun control significantly increased as a priority issue from 2017 (80% vs. 68% in 2017) and LGBTQ+ rights also jumped nine percentage points from 65 percent in 2017 to 74 percent in 2019.

Of course, these surges may come as little surprise given events of the last two years. This generation has seen the impact of gun violence first-hand with events like the Stoneman Douglas High School shooting — and subsequent proliferation of mass shooting events, including a school shooting every 12 days on average⁸. And while this generation that has grown up as the most diverse and inclusive cohort to date, the last few years have shown them that not all rights are sacred. As current legislation and political views threaten LGBTQ+ rights that many younger individuals viewed as “a given,” recent events have spurred increased attention and activism on this issue.



Hot-Button Issues in the News Gen Zers Want Companies to Address:



While many of these issues may fall far beyond a company's traditional operational footprint, there is a clear mandate from this generation for business to be active participants in solving for them. Yet, as companies evaluate if, when and how to support these hot-button issues, it's critical they take a thoughtful approach, as Gen Zers will do their homework to ensure that efforts authentically connect to companies' broader Purpose and business practices.

EMPOWERED FOR ACTION

Although Gen Zers see companies as significant players in solving critical issues, they don't expect organizations to go it alone. This generation is ready to roll up their sleeves and participate in progress. Around three-quarters of Gen Zers stand ready to support in a variety of ways — with specific actions like sharing their positive opinion about a company doing good (85%), buying a product with a social or environmental benefit (84%) and learning what they can do to make a difference (84%). They're also willing to participate in more traditional activities like volunteering (83%) and donating (81%) in support of causes they care deeply about.

The study saw the largest year-over-year increases when it came to propensity to research if a company is helping or hurting society or the environment (77% vs. 69% in 2017), take an online action (76% vs. 68% in 2017) and protest to help causes they care about (67% vs. 58% in 2017), perhaps signaling an increased level of maturity to seek out their own information and a heightened sense of urgency to get involved — both online and in the streets.

This high propensity to get involved is likely because Gen Zers feel the power of their actions. More than three-quarters (76%) say they can make an impact by taking actions to support issues that are important to them. For this reason, they feel we'll be better off in the future.

76 percent believe in five years' time we will have made progress on important issues, once again reinforcing a feeling of empowerment and a can-do attitude in both themselves and their generation as a whole.

Ways Gen Zers are Likely to get Involved to Support Issues they Care About:

| | 2019 | 2017 |
|--|-------------|-------------|
| Share their positive opinion about a company that is doing good | 85% | 77% |
| Buy a product with a social or environmental benefit | 84% | 90% |
| Learn about what they can do to make a difference for the environment and their community | 84% | 86% |
| Volunteer for a cause they care about | 83% | 87% |
| Sign petitions to help causes they care about | 82% | 84% |
| Donate to a cause they care about | 81% | 85% |
| Boycott/refuse to buy from a company that is doing harm | 77% | 76% |
| Research if a company is helping or hurting society and the environment | 77% | 69% |
| Share social or environmental information with their social networks | 77% | 77% |
| Take an online action to trigger a donation (e.g., post a selfie and a company will donate to a charity) | 76% | 68% |
| Protest to help causes they care about | 67% | 58% |

SOCIAL MEDIA & IRL

Social media plays such an important role in the lives of Generation Z; it comes as no surprise it is also a critical lever for Purpose-driven engagement. More than nine-in-10 (91%) Gen Zers say they use social media channels to learn about and participate in issues they care about. In fact, they feel so well-informed about the world around them that more than three-quarters (77%) of Gen Zers say, because of social media, they know more than their parents or guardians about important issues. But they aren't just consumers of social media — they are doers. They truly believe their online actions are making a positive impact.

Eight-in-10 (80%) believe they can have an impact on issues by using social media.



And, two-thirds (64%) believe supporting these topics online is more effective at making a difference than doing something in their communities (up from 58% in 2017).

Generation Z has seen the extreme effectiveness of social media in creating grassroots movements at lightning speed; for proof, one must only look at the online impact of #MarchforOurLives or #MeToo. For this reason, when asked to identify the top motivation for posting information about social and environmental issues online, the most common response was to inspire others to care as well (35%). They also see their online participation as a way to show the world what they personally care about (17%) and to stay abreast of the global conversation (15%). They are far less likely to be motivated by more self-serving reasons, such as showing others they are informed (9%) or making them look like a good person (7%).

Top Motivations for Sharing Social or Environmental Content on Social Channels:



35%

It can motivate other people to care as well

17%

It shows others what they care about

15%

They want to be part of the conversation about the world around them

9%

It shows they are informed

7%

It makes them look like a good person

19%

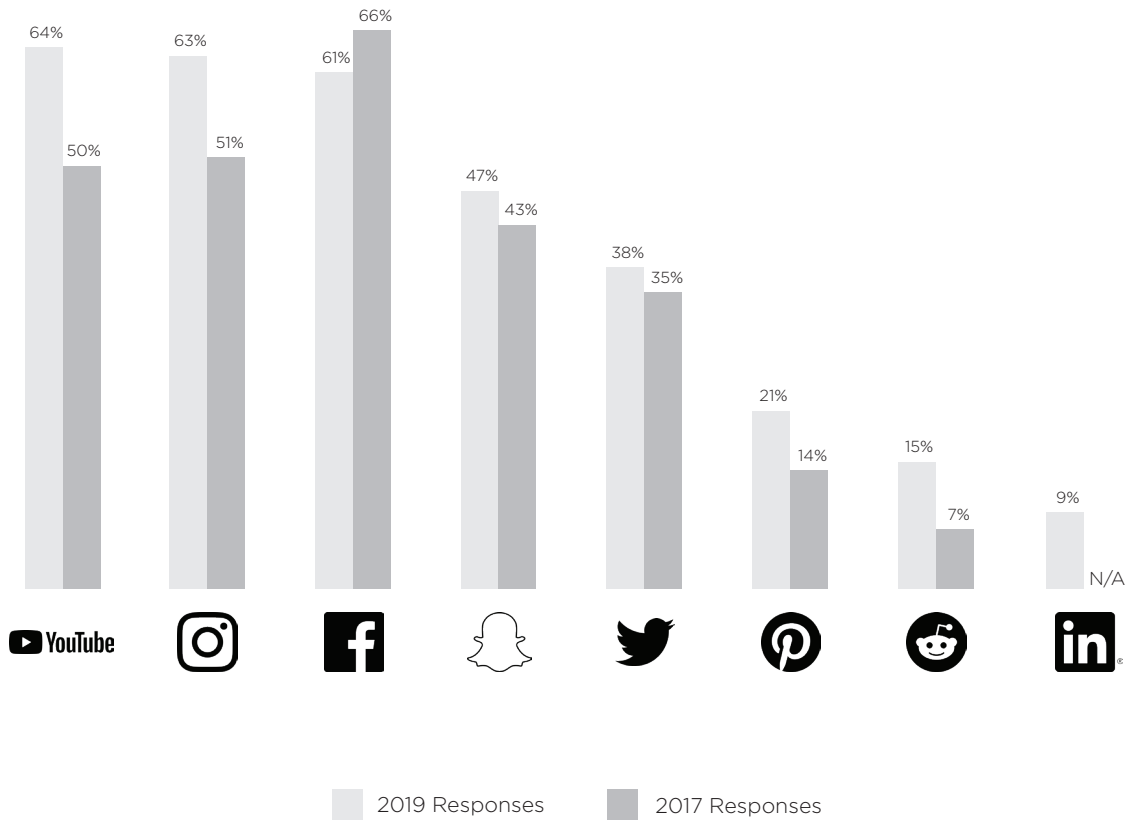
They don't post information about social and environmental issues on their social networks

Over the past two years, we have seen Generation Z's habits and preferred social media platforms change. While in 2017, Facebook reigned as the go-to source for engagement on social and environmental issues, now, YouTube (64% vs. 50% in 2017) ranks as the preferred platform, followed by a sharp increase in Instagram usage (63% vs. 51% in 2017). Despite a slight drop, Facebook still remains a top platform (61% vs. 66% in 2017), with increasing engagement on Snapchat (47% vs. 43% in 2017), Twitter (38% vs. 35% in 2017), Pinterest (21% vs. 14% in 2017) and Reddit (15% vs. 7% in 2017). LinkedIn anchored the list with less than 10 percent participation (9%).

Gen Z's changing platform preferences signal this generation's always-evolving digital habits.

They are constantly seeking what's new and different online. With an attention span of eight seconds⁹, they are constantly toggling between screens, content and activities. Companies must keep this in mind when looking to reach this generation, show up where they are and use those seconds wisely to create urgency and show the impact they can have both on- and offline.

Top Channels Gen Z Reports Using for Learning About or Participating in Social or Environmental Issues:



THE “NEED-TO-KNOW” FOR COMPANIES

01

Flip the Narrative and Stay Positive

Gen Z is sick of the doom-and-gloom dialogue. They want companies to keep it positive and show them how participating in Purpose-driven efforts can help them move the needle on issues they care deeply about. They're primed and ready to join your movement.

02

Speak Their Language

While the environment took the top spot on the list of most urgent issues for companies to support, Gen Z wants companies to address most of the issues filling up their social media feeds. Companies need to determine what topics align with their Purpose and which they can authentically get behind.

03

Empower and Energize for Action

Gen Z is pragmatic but driven — and they're willing to take a host of actions to make a difference. Keep them motivated by showing how their efforts are laddering up to collective impact; they want to know they are making real and tangible change.

04

Reach Them Where They Are: Online

YouTube. Twitter. Snapchat. Gen Z has seen the power of their smartphones to amplify messages into movements, and they're putting this tool to good use. Show up where they are, but understand you have about eight seconds or less to grab their attention. Use those seconds wisely to create urgency and show them the impact they can have — both on- and offline.

05

Appeal to Their Motivators

Gen Zers are using social media to spread the word about issues and programs they care about, but it's important to understand why. Appeal to their motivation to encourage others to care. Give them the tools to engage their friends and networks and see your message go viral.

THE DOWNLOAD

As a generation coming of age in a time of immense political turmoil, global economic uncertainty and unprecedented climate urgency, it would be easy to understand if this group was disengaged, despondent or apathetic. Yet, quite the opposite is true. Generation Z is here and they're a force. They are ready to roll up their sleeves to do their part to address the issues they care about. They're doing it because they feel empowered and they're not going to wait on the sidelines for change to happen. They believe they are the key and see a brighter, better future ahead. It's time to partner with this determined group of future business and world leaders to create the world we all aspire to live in.

THE METHODOLOGY

The 2019 Porter Novelli/Cone Gen Z Purpose Study presents the findings of an online survey conducted by Toluna from August 12-15, 2019 among a random sample of 1,026 American consumers ages 14-22, comprising 500 males, 515 females and 11 other. The margin of error for a sample of this size is $\pm 3\%$ at a 95% level of confidence.

RESOURCES

¹ (2019) *Defining generations: Where Millennials end and Generation Z begins*. Pew Research Center. Retrieved from: <https://www.pewresearch.org/fact-tank/2019/01/17/where-millennials-end-and-generation-z-begins/>

² Jones, D., *Gen Z – The Generation of Sobriety?* RDSi Research. Retrieved from: <https://www.rdsiresearch.com/genz-the-generation-of-sobriety/>

³ Iqbal, N. (2018) *Generation Z: 'We have more to do than drink and take drugs'*. The Guardian. Retrieved from: <https://www.theguardian.com/society/2018/jul/21/generation-z-has-different-attitudes-says-a-new-report>

⁴ (2019) *Mobile Fact Sheet*. Pew Research Center. Retrieved from: <https://www.pewinternet.org/fact-sheet/mobile/>

⁵ Sepetys, K. (2019) *Have Headphones Made Gen Z More Insular?* Pacific Standard Magazine. Retrieved from: <https://psmag.com/ideas/have-headphones-made-gen-z-more-insular>

⁶ Cilluffo, Anthony & Fry, R. (2019) *Gen Z, Millennials and Gen X outvoted older generations in 2018 midterms*. Pew Research Center. Retrieved from: <https://www.pewresearch.org/fact-tank/2019/05/29/gen-z-millennials-and-gen-x-outvoted-older-generations-in-2018-midterms/>

⁷ *United Nations General Assembly 12131 (2019)* Retrieved from: <https://www.un.org/press/en/2019/ga12131.doc.htm>

⁸ Griggs, B & Walker, C. (2019) *In the year since Parkland there's been a school shooting, on average, every 12 days*. CNN. Retrieved from: <https://www.cnn.com/2019/02/14/us/school-shootings-since-parkland-trnd/index.html>

⁹ *Vision Critical (2019) Unlike Millennials: 5 Ways Gen Z Differs from Gen Y*. Retrieved from: <https://www.visioncritical.com/blog/gen-z-versus-millennials-infographics>

ABOUT PORTER NOVELLI/CONE

Porter Novelli is a global Purpose communications consultancy born from the idea that the art of communication can advance society. More than 45 years ago, we opened our doors — and people’s eyes and minds — for brands driven to make a positive impact. Today, we believe that organizations must find, live and tell their Purpose in order to thrive. Those companies will motivate action, secure loyalty and encourage advocacy — all in service to a healthier bottom line.

In 2017, Cone joined Porter Novelli, and the next year formed the world’s largest dedicated Global Purpose Practice. Together, with a collective 80 years of experience and more than 100 subject matter experts, Porter Novelli and Cone help more than 140 organizations find, live and tell their authentic Purpose, weaving it into the brand DNA to both grow the business and positively impact the world. Our deep subject matter expertise in Purpose Brand Strategy, CSR, Social Marketing, Social Impact and Brand Communications creates breakthrough work and unforgettable experiences to ignite action around issues that matter.

