



GENERATION Z 2022 Consumer Insight

It might seem like just yesterday that every other headline was about millennials, but Gen Z, those between the ages of 9 and 24, has arrived to start swaying the culture. While the youngest among these “digital natives” have less purchasing power, the oldest are starting careers and families of their own, and brands are just starting to put a finger on their preferences. From comforting childhood flavors to in-app customization, we’re taking a look at new product introductions, trending cravings, flavors and more. Here’s what you need to know if you’re looking to create food and beverage products for Gen Z.

WHO IS GEN Z?

Gen Z consumers will have a massive impact and say in the food and beverage space. Let's take a look at the facts to see what differentiates them from other generations.



AGE GROUP & POPULATION:

Gen Z consumers were born between 1997-2012 and are currently between the ages of 9 and 24.



RACIALLY & ETHNICALLY DIVERSE:

Gen Z will be the last generation that is predominantly white in the U.S. They are also more likely than other generations to have grown up in diverse households in terms of gender, sexuality, race or family structure.



PERSONAL VALUES:

Having grown up during the Great Recession, many Gen Z consumers value financial stability and pragmatism.



AUTHENTICITY

Gen Z values authenticity. What they value in brands, they also value in their daily lives like authenticity, transparency, being unique, giving back to society and collaborating.

“By 2026, Generation Z will surpass millennials as the largest consumer base in the U.S. So, brands need to get to know them.”

- NCR

WHAT IS GEN Z BUYING?

Gen Z's longing for authenticity is a core part of their identity as consumers; they will seek out products and brands that reflect their own values, such as sustainability and inclusiveness. They also lean toward brands that can provide personalization options in their products.

When Gen Z makes a purchase, they're significantly less interested in celebrity endorsements than they are in recommendations from their peers, and their prolific use of social media makes it easier than ever for them to seek out other consumers for their opinions. Because of this, they often research their purchases extensively before buying. When Gen Z does buy, though, they're spending most of their money on food, which is their top spending category at 23%.



“Brands also have an opportunity to use social media to grab the attention of teens. The Piper Sandler survey found the average teen spends about 12 hours per week on social media.”

– FOOD DIVE

“Food is Gen Z's top spending priority, taking 23% share of their wallet this spring (2021), according to a semiannual report from Piper Sandler assessing teen spending and brand preferences. This figure is up from 21% in the fall of 2020.”

– FOOD DIVE

CRAVINGS & FLAVORS

Whether it's familiar flavors or plant-based proteins, here's what Gen Z is loving.

FAMILIAR FLAVORS

Familiar flavors don't mean boring for Gen Z! Gen Z is still excited about new flavors, but prefers a gentle twist on the familiar, like key lime or dragon fruit, rather than the bold, crazy combinations of their predecessors. Similarly they're less interested in overwhelming or spicy flavors than millennials.

HEALTHY OPTIONS

Gen Z loves snacking, and they're particularly interested in health-conscious options: In-Sight reports that 54% of teens prefer healthy snacks. One category that they've gravitated toward is the plant-based meat sector. Members of Gen Z are more likely than other generations to be vegetarians, and a 2019 Packaged Facts report states that 49% of Gen Z consumers already eat or are willing to try plant-based proteins.

FAVORITE FLAVORS:

- Tangerine
- Dragon fruit
- Ginger
- Pumpkin spice
- Citrus
- Watermelon

Source: In-sight.symrise.com

PRODUCTS OF NOTE



OUTSHINE WATERMELON FROZEN FRUIT BARS are made from real watermelon, are said to be an excellent source of vitamin C and contain no GMO ingredients and no artificial flavors, colors or sweeteners.

66% of consumers responded that they likely or definitely would buy this product.



TRADER JOE'S CRUNCHY RED DRAGON FRUIT CHIPS highlight the fruit's eye-catching fuchsia color and rely on its natural sweetness rather than added sugar.

Source: Exploring Trader Joe's



DORITOS SIMPLY ORGANIC SPICY WHITE CHEDDAR TORTILLA CHIPS are a Gen Z-friendly twist on the originals, with ingredients like organic sweet cream buttermilk and organic yellow corn.

54% of consumers responded that they likely or definitely would buy this product.



GOGO SQUEEZ VANILLA FLAVORED ALMOND BLEND PUDDING is described as smooth and creamy non-dairy pudding on the go. It contains 30% less sugar, 5g protein, and added calcium.

29% of consumers responded that they likely or definitely would buy this product.

APPS, SNACKS & MORE

It's not just other flavors that Gen Z is looking for—they're also consuming their food in different and innovative ways. This provides much opportunity for food and beverage developers who may be interested in marketing to this demographic.

NEW EATING OCCASIONS

Gen Z is a snack-focused generation; rather than three sit-down meals, they prefer to graze throughout the day. In fact, Nestle reports, they value brands and products that "encourage any time of day convenience, expanded choice, flexibility for snacking and healthy options."

TECHNOLOGY & PERSONALIZATION

This generation's digital fluency means that brands who want to appeal to them need to incorporate technology that makes it easier to discover and purchase new products. Gen Z is accustomed to mobile ordering and purchasing and is comfortable with data sharing in order to receive benefits like personalized recommendations and data-driven coupons.

CONVENIENCE

Gen Z want what they consume to be worth their time, so they are drawn to convenient options like frozen food, particularly as they approach the stresses of adulthood. Since 38% of U.S. Gen Z-ers don't feel confident in their cooking skills, brands can help provide the support they need with things like personalized recommendations, introductory "skill-building" products, and online tutorials.

PRODUCTS OF NOTE



TASTY DINNER KITS are a collaboration between BuzzFeed and General Mills that are both budget- and beginner-friendly, offering global options like Chicken Tikka Masala and Korean-Style BBQ Beef that are quick and simple to prepare at home.



LOUISVILLE VEGAN JERKY CO. PETE'S SMOKED BLACK PEPPER JERKY is a plant-based snack that is said to be chewy and delicious with 21g of protein and 210 calories. The jerky comes in flavors like Smoked Black Pepper and Buffalo Dill.



PURPLE CARROT PLANT-BASED SWEET CORN ELOTE BOWL is a vegan and microwavable product that features easy to cook mixed vegetables and grains in a creamy lime sauce. It provides 12 grams of protein per serving.

Source: License Global, Buzzfeed

16% of consumers responded that they likely or definitely would buy this product.

27% of consumers responded that they likely or definitely would buy this product.

GEN Z AND SUSTAINABILITY



Sustainability is top of mind for Gen Z: 83% are worried about climate change; 86% say that the quality of their environment affects their health and well-being; and 69% and 75% say that their physical and mental health has been affected by their environment, respectively.

These concerns are reflected in the brands and products that Gen Z gravitates toward.

This generation's focus on authenticity means that brands can't get away with half-measures — sustainable products should come in sustainable packaging *and* taste great if they want to appeal. And these digital natives are also watching online to make sure that their favorite brands are acting in their best interest, meaning supporting diverse causes and leaving the world a better place for the next generation.

Mintel reports that Gen Z's concerns are "expanding beyond ingredient statements to include important issues such as sustainability, clean agriculture, and the welfare of animals, farmers and workers."

- MINTEL

PRODUCTS OF NOTE



GOOD CATCH PLANT-BASED NEW ENGLAND STYLE CRAB CAKES is said to be sustainably made and has a real seafood taste and a lump crabmeat-style texture. The product provides 20g of protein and its packaging is made of recycled material.



SODASTREAM PEPSI-BRAND SYRUPS allow consumers to make their favorite drink at home and uses reusable containers that help cut down on single-use plastics.



ANNIE'S MAC & EXTREME CHEESE SHELLS & WHITE CHEDDAR is a new limited edition product featuring 50% more cheese than Annie's Shells and White Cheddar. The product is made from 100% recycled paperboard, and the manufacturer states to work with trusted suppliers to source only non-GMO ingredients.

46% of consumers responded that they likely or definitely would buy this product.



RUSSELL STOVER JOY BITES ROASTED ALMONDS IN DARK CHOCOLATE is made with stevia extract and contains no added sugar, artificial sweeteners, preservatives, flavors or colors. The chocolate features the Fairtrade logo and features an environmentally friendly package.

43% of consumers responded that they likely or definitely would buy this product.

THE TAKEAWAYS

One factor to keep in mind when talking about Gen Z is authenticity: they crave it in their flavors, their packaging and their communication. Brands that innovate around both how their products taste and how they're produced, and back up their claims with their behavior on social media, will find success with these digital natives. Taste is key, so if you're looking to connect with Gen Z, focus on products that recall childhood favorites with a gentle twist, as well as data-driven personalization options and coupons — add that to fresh, classic flavors for a winning combination that these consumers will love (and purchase.)

YOU DESERVE MORE. LET'S GET STARTED.

What does true partnership look like? You deserve a flavor partner ready to turn these trends into the tangible.

Let FONA's market insight and research experts get to work for you. Translate these trends into bold new ideas for your brand. Increase market share and get to your "what's next." Our technical flavor and product development experts are also at your service to help meet the labeling and flavor profile needs for your products to capitalize on this consumer trend. Let's mesh the complexities of flavor with your brand development, technical requirements and regulatory needs to deliver a complete taste solution.

From concept to manufacturing, we're here for you — every step of the way. Contact our sales service department at **630.578.8600** to request a flavor sample or **chat us up at www.fona.com/contact-fona/**

SOURCES

- Mintel
- Mintel GNPD
- Verywellhealth.com
- Target
- BuzzFeed
- Nestle Professional
- Good Catch Foods
- AECF.org
- Doritos
- Food Dive
- In-Sight Symrise
- Sodastream.com

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