Report: Gen Z's Purchasing Behavior and Cultural Influence in 2025

This report was created using ChatGPT's Deep Research on March 15, 2025 using the following prompt:

Research GenZ in the United States. Highlight how Gen Z has changed over the last 3 to 5 years in terms of purchasing behavior, and cultural influencee.

Generation Z (born ~1997–2012) is coming of age as a consumer force in 2025. This digital-native cohort wields significant spending power and cultural clout, reshaping how products are bought, sold, and promoted. Below, we analyze Gen Z's buying behavior, the influences on their purchases, whom they influence in turn, and the core values driving their decisions – across fashion, technology, food, entertainment and more – supported by recent stats and expert insights.

1. Buying Behavior of Gen Z

Online vs. In-Store Shopping

Gen Z seamlessly blends e-commerce with brick-and-mortar experiences. **Online:** They are avid online shoppers, especially via mobile – 96% of Gen Z consumers used smartphones to shop online at least once a month in 2023 (70+ Online Shopping Statistics - 2025 Report to Consider - inBeat Agency). A slight majority (52%) say they actually prefer shopping online, versus 48% who favor stores (25 Popular In-Store vs Online Shopping Statistics). **In-Store:** Surprisingly, this screen-savvy generation still values physical retail: *nearly three-quarters of Gen Z shop in-person at least once a week* (Gen Z still prefers in-person shopping | Payments Dive). Many view store visits as an "experience" – enjoying the immediacy of getting products, in-store deals, and the social aspect (Gen Z still prefers in-person shopping | Payments Dive). They often use stores as showrooms and social hubs, but expect them to integrate tech (e.g. mobile checkout, QR info). If the *checkout line is long, 3 in 5 Gen Z shoppers will abandon the purchase*; over a quarter will walk away if their preferred payment method isn't accepted (Gen Z still prefers in-person shopping | Payments Dive). In short, Gen Z demands convenience and speed whether buying online or offline, and will fluidly switch channels to get the best of both.

Preferred Payment Methods (BNPL, Debit, Crypto, etc.)

"Buy Now, Pay Later" (BNPL) has become hugely popular with Gen Z. About 62% of Gen Z consumers have used BNPL services (<u>Gen Z, millennials drive BNPL growth this holiday season I</u>

PaymentsSource | American Banker), far outpacing older groups. Younger shoppers often prefer splitting payments over using credit cards, given BNPL's ease and lack of interest. In fact, Gen Z is cautious with traditional credit - only about half of Gen Z consumers use credit cards, the lowest rate of any generation (Consumers demand more choice & control over how they check out | Mastercard Newsroom). Many were either too young to build credit or are wary of debt, leaning instead on debit and prepaid cards. Digital wallets and mobile payments are second nature: nearly half of Gen Z favor new, innovative payment methods (contactless, mobile apps, etc.) and 65% want to manage all their finances in one digital place (Consumers demand more choice & control over how they check out | Mastercard Newsroom). Services like Apple Pay, Venmo, or Cash App are commonly used for their speed. Cryptocurrency is on Gen Z's radar as well. While not yet mainstream for daily purchases, 34% of Gen Z (highest among age groups) say they'd be likely to use crypto over cash, and over half have dabbled in crypto investing (The Gen Z is the most likely to use crypto instead of cash: survey). This openness signals Gen Z's comfort with fintech innovations. Overall, their payment behavior skews toward flexible, tech-driven options - whether installment plans (BNPL) or digital wallets - rather than relying on traditional credit.

Subscriptions vs. One-Time Purchases

Gen Z came of age in the subscription economy and it shows in their habits. They heavily utilize subscription services for media, products, and more. Over 30% of Gen Z rely primarily on subscriptions for everyday needs (from streaming entertainment to recurring product boxes) (One thing: The subscription economy | Empower). On average, younger consumers (ages 18-44) have ~8 subscriptions at a time (Gen Z and Millennials: Shaping the subscription economy - Savanta) - ranging from Netflix and Spotify to beauty boxes, meal kits, or gaming passes. Importantly, many share or rotate these subs to save money: less than half of 18-24 year-olds fully pay for all their subscriptions themselves (often using family plans or account-sharing) (Gen Z and Millennials: Shaping the subscription economy - Savanta). Gen Z increased their spending on subscriptions in the past year at higher rates than older groups (Gen Z and Millennials: Shaping the subscription economy - Savanta), indicating growing adoption. At the same time, they are mindful of subscription overload: this generation is prone to "subscription fatigue." They frequently track subscriptions with apps and expect flexibility inability to easily pause or cancel is a top reason they'd drop a service (cited by $\sim 27\%$) (Subscription Statistics Predicting 2025 Trends | Sticky.io). They're also selective: for example, only 9% of consumers (across ages) currently pay for subscription boxes, whereas 60% pay for streaming video (One thing: The subscription economy | Empower) - Gen Z tends to stick with high-value digital subscriptions over novelty box services. In summary, Gen Z embraces subscriptions for convenience and curation, but insists on control (easy cancellation, skip options) and good value. They'll supplement these with one-time purchases when needed, but much of their budget has shifted to recurring models (think monthly fees for content, clothes, or even food delivery kits).

Brand Loyalty vs. Trend-Driven Purchases

Unlike some older consumers, Gen Z's brand loyalty is **limited and conditional**. A majority admit their loyalty isn't what it used to be -57% of Gen Z Americans say they are less loyal to brands now than before the pandemic (100+ Staggering Customer Loyalty Statistics for 2024). They won't hesitate to switch if something newer or more exciting comes along. Indeed, 43% of U.S. Gen Zers have abandoned a brand they were once loyal to because they "grew bored" with it (From fading interest to fierce loyalty: nearly half of Gen Z ditch boring brands | SAP Emarsys). Capturing Gen Z's long-term loyalty is challenging; they are highly trend-driven and constantly seeking novelty and authenticity. Social media feeds their discovery of "the next big thing." In one survey, 33% of Gen Z (vs 28% of all ages) tried a new brand simply because of its creative or "cool" marketing content, and a similar share were drawn by brands that offered unique, memorable experiences (From fading interest to fierce loyalty: nearly half of Gen Z ditch boring brands | SAP Emarsys). This highlights how trends (often sparked on TikTok or Instagram) can override prior loyalties. Gen Z is sometimes dubbed the "TikTok Made Me Buy It" generation viral trends and influencer hype can lead them to try obscure brands or products on a whim. That said, loyalty is not dead; it just looks different. Gen Z will stick with brands that continually align with their values and keep them engaged. For example, youth-favored retailer Ulta Beauty credits its robust loyalty program and experiential focus for maintaining Gen Z loyalty (Gen Z still prefers in-person shopping | Payments Dive). Brands that offer personalization, community, or a sense of purpose can foster loyalty among these young shoppers. But any brand that rests on its laurels risks losing Gen Z's attention quickly. In summary, Gen Z will switch brands readily in pursuit of the latest trend or a better value - loyalty must be earned continuously through innovation, interaction, and value alignment.

2. Influences on Gen Z's Purchasing Decisions

Power of Social Media and Influencers

Social media is **the cornerstone of Gen Z's purchase inspiration**. Nearly 70% of Gen Z have made a purchase because something showed up in their social media feed (<u>42 Statistics for Gen Z</u> <u>Spending Power and Habits in 2024</u>). From viral TikTok product demos to Instagram influencer shoutouts, online platforms often drive Gen Z's awareness and desire for products. In fact, 97% of Gen Z uses social media as their main source of shopping inspiration – witness the 2.3+ billion views on hashtags like #TikTokMadeMeBuylt (<u>Top Generation Z Marketing Statistics [2025] for Marketers</u>). TikTok is particularly influential: it's Gen Z's favorite channel for discovering new products (<u>Gen Z Social Media Trends & Usage | Sprout Social</u>). For example, 36% of Gen Z have used TikTok specifically to find or buy beauty products, over 3× the rate of Millennials (<u>42</u> Statistics for Gen Z Spending Power and Habits in 2024). Instagram and YouTube also play major roles for showcasing trends and reviews. Hand-in-hand with platform influence is the role of **social media creators**. Gen Z trusts influencers and peers **more than traditional ads**. Over **half of Gen Z say they follow online influencers and have bought products recommended by them**, reflecting how creator endorsements carry weight (25+ New Generation Z Statistics (2024)). Notably, influence goes beyond top-tier celebrities; Gen Z often relies on relatable micro-influencers and even fellow users. Their trust in influencers has grown – *nearly 40% of Gen Z consumers trust online creators more now than a year ago* (Gen Z Social Media Trends & Usage | Sprout Social). They look for signs of credibility like authenticity, expertise, or a loyal follower community in those influencers (Gen Z Social Media Trends & Usage | Sprout Social). Peer influence is also huge: Gen Z crowdsources opinions via TikTok comments, Reddit threads, and friend group chats before buying. In essence, **social proof is king** – if their online community is excited about a product, Gen Z is likely to give it a try.

Importantly, Gen Z doesn't just browse social media; they *buy* there too. Social commerce is second-nature: 53% of Gen Z have used in-app "buy" buttons on social networks (<u>42 Statistics for Gen Z Spending Power and Habits in 2024</u>), seamlessly purchasing through Instagram Shop or TikTok Shopping. They appreciate when brands make it easy to go from inspiration to checkout in one platform. To influence Gen Z's wallet, being visible (and genuine) on social media is critical – they are highly plugged-in and constantly influenced by the content and creators in their feeds.

Sustainability and Ethical Concerns

Gen Z is often called the **"ethical consumer"** generation – they care about how products impact people and planet, and it *does* affect their decisions. Surveys show that 44% of *today's consumers* are "purpose-driven," choosing brands aligned with their values, and Gen Z leads this trend (<u>100+ Staggering Customer Loyalty Statistics for 2024</u>). **Environmental sustainability** in particular weighs on Gen Z's minds. *Nearly two-thirds of Gen Z* (64%) say they'd pay more for an eco-friendly product (<u>Top Generation Z Marketing Statistics [2025]</u> for Marketers</u>), and about the same percentage would stop purchasing from a company if it was found to have unethical supply chains or labor practices (<u>How consumer demand is fueling the sustainability shift</u>). In Deloitte's 2023 global survey, 77% of Gen Z agreed they won't buy from companies with poor environmental *track records* (at least in principle) (<u>42 Statistics for Gen Z Spending Power and Habits in 2024</u>). They also expect brands to take action: 79% of Gen Z spending Power and Habits in 2024).

That said, Gen Z faces a **value-versus-values dilemma**: price and quality still often trump ideals at the point of purchase. Many Gen Z shoppers feel financial pressure (34% cite cost of living as their top concern) (<u>42 Statistics for Gen Z Spending Power and Habits in 2024</u>), so sustainability is sometimes a secondary factor. In practice, only about 20% say climate change is their very top worry (<u>42 Statistics for Gen Z Spending Power and Habits in 2024</u>). While 64% are willing to pay a "green premium," most will only pay up to ~10% more (<u>42 Statistics for Gen Z Spending</u> Power and Habits in 2024).

option. Moreover, Gen Z is skeptical of superficial ethics: 58% are wary of brands that claim sustainability without proof, fearing "greenwashing" (<u>Top Generation Z Marketing Statistics</u> [2025] for <u>Marketers</u>). So authenticity matters – they'll reward genuinely ethical brands (and often blast those merely posing as such).

In sum, Gen Z's purchase decisions are *influenced* by sustainability and ethics, even if not always *determined* by them. They research brand practices (3 in 10 young consumers actively research companies' environmental/social impact before buying) (Gen Zs and Millennials: <u>Climate Drives Career, Consumer Decisions</u>). A negative news story about labor abuses or a viral TikTok exposing a brand's waste could quickly turn Gen Z away. On the positive side, brands with eco-friendly materials, social good initiatives, or diverse and fair workplaces often earn Gen Z's favor and word-of-mouth promotion. **Bottom line:** To win Gen Z, brands must align with their values (sustainability, human rights, inclusivity) – and also offer affordability and transparency to bridge the intention-action gap in ethical purchasing.

Peer Reviews and Community Engagement

No generation before has had as much information at their fingertips as Gen Z – and they use it. Online reviews, recommendations, and communities strongly guide Gen Z's spending. In fact, for Gen Z **"peer validation" is a prerequisite** to purchase: 67.4% of Gen Z rely on online reviews when researching a product, and 66% will outright avoid a product if they find the reviews to be outdated or insufficient (Top Generation Z Marketing Statistics [2025] for Marketers). They trust the real-life experiences of other consumers more than brand marketing. 80% of Gen Z say they trust online reviews as much as personal recommendations in some studies, underscoring how critical reviews are to their decision funnel (Top 100 Gen Z Marketing Statistics for Marketers [2024] -Blogs). From Amazon star ratings to YouTube unboxings, they will comb through user feedback before clicking "buy."

Beyond formal reviews, Gen Z taps into **community conversations** – whether that's checking Reddit forums, Discord groups, or Twitter threads – to gauge consensus on products. They are highly influenced by user-generated content. For example, candid TikTok or Instagram posts from everyday people showcasing a product ("UGC") often resonate as authentic social proof. Brands have noticed this and often repost UGC; interestingly, *84% of Gen Z say they trust a brand more when they see actual customers featured in its ads* (<u>50 UGC Statistics + Strategic</u> <u>Implications for Your Brand in 2025</u>), reflecting how community voices build credibility. Gen Z also engages actively in these communities: many will leave their own reviews or share opinions on purchases (they won't hesitate to drag a product on TikTok if it disappoints, or hype it if it exceeds expectations).

Community engagement with brands is another facet – Gen Z likes to feel part of a brand's story. They follow brands on social media (over one-third follow brands they *already* like, and **25% even follow brands they are considering buying from** to vet them further (<u>Top Generation Z</u> <u>Marketing Statistics [2025] for Marketers</u>)). They often interact with brands in comments or

DMs, expecting quick, personalized replies. Some even join brands' Discord servers or loyalty communities to get insider info and connect with fellow fans. This communal approach means Gen Z's buying decisions can be swayed by the collective sentiment: a popular consensus in their peer group or online community can validate a purchase, whereas peer warnings can easily dissuade them (e.g. "TikTok told me this gadget wasn't worth it, so I won't buy"). In summary, Gen Z heavily consults **the wisdom of the crowd** – reviews, social communities, and peer feedback are key influencers that can make or break their interest in a product.

Personalization and User Experience

Having grown up with algorithms tailoring their feeds, Gen Z expects **personalized, seamless shopping experiences** – and this expectation affects where they spend. Convenience is paramount: as noted earlier, they will abandon transactions that are too cumbersome (whether that's a slow checkout or clunky website). But beyond speed, they crave *personal relevance*. *Three-quarters of Gen Z say they're more likely to buy a product if they can customize it to their liking* (<u>3 Ways to Wow Gen Z Consumers with Personalised Experiences</u>) – for instance, choosing unique colors/patterns or adding personal engravings appeals to their sense of individuality. Similarly, they favor brands that personalize communications and recommendations. *45% of Gen Z will leave a website if it doesn't intelligently predict what they might like* or need (<u>3 Ways to Wow Gen Z Consumers with Personalised Experiences</u>). They appreciate when Netflix recommends shows they end up loving, or when an online store's "For You" picks seem curated just for them.

Statistics confirm how vital personalization is: 62% of Gen Z are even willing to pay more for a personalized product or experience (<u>3 Ways to Wow Gen Z Consumers with Personalised</u> Experiences), higher than any prior generation. They will also share personal data with brands (to a degree) as long as it yields better service – roughly 4 in 10 Gen Z are comfortable providing their data if it leads to a more tailored shopping experience (<u>3 Ways to Wow Gen Z Consumers with Personalised Experiences</u>). In Gen Z's eyes, **user experience (UX) = user empowerment**. They want intuitive apps, filterable reviews, AR try-on tools, and chatbots that actually help. Any friction – be it a lack of payment options, slow site, or irrelevant spam – might push them to a competitor in a single tap.

A great UX also means an **omnichannel** one. Gen Z expects to seamlessly transition from mobile to desktop to in-store without losing context. They respond well to features like buy-online-pickup-in-store (BOPIS) and instant customer support via social DMs. Personal touches like follow-up texts about their order or a thank-you note in the package can also leave an impression. All of these efforts feed into Gen Z's desire to be treated as individuals, not faceless customers. Brands that get it right – using Al and data to serve Gen Z more of what they want, and less of what they don't – are rewarded with higher conversion and loyalty. In contrast, brands with generic or clunky experiences risk being seen as outdated. In essence, **Gen Z's money follows the best experience**: they gravitate to platforms like Amazon, which remembers their preferences and simplifies purchase, or to niche brands that offer custom

products and responsive service. Personalization and smooth UX aren't just nice-to-haves for Gen Z – they're expectations that directly influence where this generation chooses to spend.

3. Who Gen Z Influences in Culture

Gen Z's impact extends beyond their own purchases; they are tastemakers and change agents influencing both older and younger generations, and driving cultural trends at large.

Influencing Older Generations (Millennials, Gen X, Boomers)

Despite their youth, Gen Z punches above their weight in shaping the behaviors of their elders. Within households, Gen Z kids and teens often play the role of the *"family tech advisor"* and trend ambassador. **Parents listen to their Gen Z children**: Fully *87% of parents say their children influence purchasing decisions in some way* (NRF: Gen Z influences over one-third of household purchases | Retail Dive) – whether it's helping research product reviews, checking prices online, or simply voicing their preferences. Gen Z's opinions carry weight because today's parents actively involve them in shopping (far more than past generations did). In fact, *36% of all household purchases are influenced by Gen Z family members*, even when the product isn't specifically for the kid (NRF: Gen Z influences over one-third of household purchases | Retail Dive). From groceries to gadgets, parents often consult Gen Z on what brands to buy, partly because those Gen Zers will be using the items and partly because parents value their perspective (NRF: Gen Z influences over one-third of household purchases | Retail Dive). As an example, a tech-savvy Gen Z teen might steer the family toward a newer smart home device or a sustainable brand of clothing that they've seen trending.

Beyond the family, Gen Z influences older cohorts through cultural diffusion. They introduce their Gen X/Boomer teachers, relatives, or coworkers to new platforms and ideas. It's noted that having a Gen Z in the household *"educates and exposes parents and even grandparents to the Gen Z way of life"*, accelerating tech adoption and new habits in older generations (How Gen Z influences older generations). For instance, many parents joined TikTok or started using slang like "OK boomer" after hearing it from their Gen Z kids. On a larger scale, Gen Z's preferences in media and retail have pushed even older-focused industries to adapt. Retail analysts observe that older adults are increasingly using convenient shopping innovations that Gen Z loves – such as mobile ordering or curbside pickup – showing a cross-generational transfer of expectations (How Gen Z influences older generations - Epsilon).

Crucially, Gen Z's **values** influence older generations too. Their strong stances on social and environmental issues have spurred broader conversations at dinner tables and boardrooms alike. We see companies led by Gen X or Boomers adopting more progressive positions (on climate, DEI, mental health) in part because Gen Z employees and consumers demand it. Even Millennials, who share many values with Gen Z, report that the activism and outspokenness of Gen Z motivates them to also hold brands accountable. In short, Gen Z is influencing their elders to be more digital-savvy, open-minded, and value-conscious. Whether it's a mother switching to a cruelty-free makeup brand her Gen Z daughter recommended, or a grandfather learning to FaceTime because his Gen Z grandkids prefer it, the ripple effect of Gen Z on older generations is evident in technology use, purchasing behavior, and cultural attitudes.

Impact on Younger Generations (Gen Alpha)

Gen Z serves as the **prototype and tastemaker** for Generation Alpha (born ~2013 and later), who are currently children. In many cases, Gen Z are the older siblings, cousins, babysitters, or even young content creators that Gen Alpha looks up to. The "cool" factor often trickles down: What Gen Z teens and young adults find trendy, Gen Alpha kids soon emulate. As one marketing observer put it, *younger Gen Alpha sees what their Gen Z siblings/cousins think is cool, and they adopt the same* (How to Market to Gen Alpha | Seer Interactive). This is evident in everything from fashion to entertainment. A Gen Z sister wearing baggy '90s jeans or a certain sneaker brand might inspire her elementary-age sibling to want the same style.

Gen Z-driven social media content reaches Gen Alpha directly as well. **Gen Z content creators are hugely influential on kids.** Platforms like TikTok and YouTube have lots of Gen Z influencers whose audience skews very young. (Many pre-teens have TikTok even if officially underage; TikTok's user base is ~25% ages 10–19 (How to Market to Gen Alpha | Seer Interactive).) Young kids frequently participate in viral TikTok challenges, dances, or slang that originated in Gen Z internet culture. For example, if a TikTok toy review by a 20-year-old influencer blows up, Gen Alpha viewers will beg their Millennial parents for that toy. In a recent study, over 80% of Gen Alpha parents said their children ask for specific brands of snacks, toys, or shows by name – indicating kids have brand awareness often fueled by online content and likely influenced by what older Gen Z are watching (How to Market to Gen Alpha | Seer Interactive). Essentially, Gen Z acts as a bridge between marketers and the even-younger cohort; their trends flow downhill.

Additionally, Gen Z's attitudes could shape Gen Alpha's values long-term. Gen Alpha is growing up in an environment shaped by Gen Z's normalization of diversity and inclusion, for instance. A concrete example: many popular kids' shows and YouTubers (often run by younger people) emphasize kindness, diversity, and environmental care, reflecting the ideals Gen Z has pushed into mainstream discourse. So Gen Alpha is inheriting a cultural landscape already molded by Gen Z's priorities. There's also a feedback loop in families: Gen Z's influence on their Millennial parents (as noted above) indirectly affects Gen Alpha, since those parents ultimately make decisions for the younger kids (often based on what the Gen Z in the house suggests). One report noted Gen Alpha *"will do their best to persuade Millennial parents to buy things on their behalf"* and are heavily influenced by Gen Z tastes in doing so (<u>How to Market to Gen Alpha</u>] <u>Seer Interactive</u>) (<u>How to Market to Gen Alpha</u>] <u>Seer Interactive</u>).

In summary, Gen Z serves as trendsetters and role models for Gen Alpha. From the music they stream (leading Gen Alpha to listen to the same artists), to the brands they hype (creating pint-sized fans of those brands), to the social causes they champion (laying groundwork for the

next generation's activism), Gen Z's cultural footprint is imprinting onto their successors. Brands seeking to appeal to the youngest consumers often go through Gen Z channels, knowing that if they win Gen Z fans, the kids will follow.

Cultural Trends and Movements Driven by Gen Z

Gen Z is not only influenced by culture – they are actively *creating and reshaping* it. Many of today's prominent trends in fashion, entertainment, technology, and social movements can be traced back to Gen Z's influence:

- Fashion & Aesthetics: Gen Z has resurrected and remixed pop culture from previous eras, sparking a massive '90s/Y2K revival. Everything from baggy jeans, butterfly clips, to vintage band tees have come back in style, largely because Gen Z declared them cool on platforms like TikTok. (Searches for "Y2K fashion" skyrocketed over 2000% since 2019 thanks to Gen Z interest (7 Top Gen Z Trends for 2024 Exploding Topics).) They've also popularized gender-fluid and gender-neutral fashion over 40% of Gen Z say gender-neutral clothing is important to them when shopping (42 Statistics for Gen Z Spending Power and Habits in 2024), a trend now visible in many retailers offering unisex lines. Their penchant for thrifting and upcycling clothing to reduce waste has driven the boom of secondhand fashion: 61% of Gen Z shoppers look for secondhand options before buying new (Top Generation Z Marketing Statistics [2025] for Marketers), making thrifted "fits" both eco-conscious and trendy. These behaviors are influencing mainstream fashion toward more sustainable, inclusive, and nostalgic designs.
- Entertainment & Media: Gen Z's digital native habits are reshaping entertainment formats. They propelled the rise of short-form video entertainment – TikTok's explosion is largely due to Gen Z, and now even older generations and platforms are embracing bite-sized content. Gen Z's multi-platform content consumption (simultaneously engaging with YouTube, memes, streaming series, etc.) has forced media companies to diversify content delivery. They've also influenced *which* content becomes popular: for instance, songs that Gen Z make go viral on TikTok often climb the music charts (e.g., older songs like Fleetwood Mac's "Dreams" had a resurgence because of a TikTok trend). In gaming, Gen Z has made competitive esports and game streaming part of youth culture, legitimizing them as mainstream entertainment that even Millennials and Gen X now follow. Their preference for authentic, relatable creators has also shifted marketing – brands are hiring TikTokers and meme-makers instead of traditional celebs to shape culture.
- **Technology & Communication:** If Millennials mainstreamed social media, Gen Z supercharged it with new modes of expression. They've normalized video-first communication (FaceTiming instead of calling, Snapchatting instead of texting) and ephemeral content (Stories, TikTok) as standard ways to share life moments. Their comfort with technology from childhood means they often *lead* the adoption curve for

new apps and gadgets, effectively acting as free beta-testers that can turn a niche app into a worldwide craze (as seen with Snapchat in the 2010s, TikTok in 2019–2020, etc.). Even emerging tech like VR and AR have gotten a boost from Gen Z curiosity – many VR chat rooms, virtual concert attendees, and metaverse early adopters are Gen Z and Millennials, hinting at how they might drive those innovations forward (<u>Metaverse</u> <u>adoption | Deloitte Insights</u>) (<u>Metaverse adoption | Deloitte Insights</u>). Additionally, Gen Z's desire for convenience and speed has influenced tech design: features like dark mode, ultra-fast delivery apps, and algorithmic feeds are responses to their feedback and usage patterns.

- Social Movements & Cultural Dialogue: Arguably, Gen Z's most significant cultural influence is in the realm of social values and activism. They have been front and center in movements for climate action, social justice, and inclusion. For example, Gen Z activists like Greta Thunberg (born 2003) catalyzed global youth climate strikes and brought terms like "climate emergency" into everyday conversation. Large majorities of Gen Z are concerned about issues like racial justice, LGBTQ+ rights, mental health, and school safety, and they've used social media to organize and speak out. Their activism has influenced older generations we saw unprecedented intergenerational turnout for events like the 2020 Black Lives Matter protests, partly energized by Gen Z's online mobilization. Gen Z has also changed the corporate culture expectation: they popularized the idea that brands and public figures should take a stand on social issues (for instance, calling out companies that remain silent on big issues). This has pressured many organizations run by older folks to respond to topics they might've avoided in the past.
- Language and Humor: From slang to memes, Gen Z's fingerprints are all over contemporary pop lexicon. Terms like "stan," "simp," "vibe check," or "no cap" (meaning "no lie") have crossed into mainstream usage because Gen Z popularized them online. Their distinctive ironic, self-referential humor (often born on platforms like TikTok, Twitter, or Reddit) has influenced advertising and entertainment you'll now see brands using meme formats or absurdist humor to appeal to the Gen Z sensibility that has permeated culture. Even older generations find themselves inadvertently quoting Gen Z-originated memes or TikTok sounds. Essentially, Gen Z's mode of expression fast, memeable, and internet-driven is setting the tone for broader pop culture.

In all these ways, Gen Z in 2025 is a **cultural driver**. They may be young, but their digital savvy and principled outlook have catalyzed trends that older cohorts follow and younger ones inherit. Marketers, media, and cultural institutions keenly watch Gen Z for the "next big thing," knowing that what this cohort embraces often becomes the norm.

4. Core Values and Priorities of Gen Z Consumers

Finally, to truly understand Gen Z's behavior and influence, one must grasp the core values that guide them. Gen Z's purchase choices and cultural impact are deeply rooted in a set of priorities that they consistently emphasize: sustainability, inclusivity, ethics, and a fluid digital identity.

Sustainability and Environmental Consciousness

Many Gen Zers see themselves as stewards of a planet in crisis, and this eco-conscious mindset is a defining value. Climate change and environmental degradation weigh heavily on them – 62% of Gen Z have felt anxious about climate change in the last month (25+ New Generation Z Statistics (2024)). This translates into a strong desire for sustainable consumption. Three-guarters of Gen Z say sustainability is more important to them than brand name when making purchases (The world according to Gen Alpha: On aging out and growing up), and around 64% are willing to pay more for environmentally sustainable products (even as they often have tight budgets) (Top Generation Z Marketing Statistics [2025] for Marketers). They also expect transparency: they will research where products come from, how they're made, and what companies are doing to reduce harm. Approximately 30% of Gen Z (and similar share of Millennials) actively research a company's environmental policies before buying (Gen Zs and Millennials: Climate Drives Career, Consumer Decisions) – something older consumers rarely did. If a brand is found lacking, Gen Z won't hesitate to call it out or walk away. In one global survey, 25% of Gen Z respondents said they had stopped or reduced buying from a business because its values or conduct didn't match their own (The Deloitte Global 2024 Gen Z and Millennial Survey), with environmental negligence being a common deal-breaker.

However, Gen Z also grapples with the *practicality* of sustainable choices. They are aware of the contradictions – for instance, many love fashion but hate its environmental impact. This has led to Gen Z spearheading solutions like the circular economy in their own lives: they thrift clothes, use resale apps (Depop, Poshmark), and upcycle – aligning their shopping with reduce-reuse-recycle ethics. Secondhand markets are booming thanks to Gen Z – 61% of Gen Z shoppers look for used items first, and the resale market is projected to exceed \$100 billion by 2024 (Top Generation Z Marketing Statistics [2025] for Marketers). In daily life, they also adopt eco-friendly habits (using metal straws, supporting zero-waste stores, etc.).

Still, Gen Z knows individual actions only go so far; they put pressure on corporations and governments to enact sustainable practices at scale. It's telling that 79% of Gen Z say businesses should help consumers be more sustainable (42 Statistics for Gen Z Spending Power and Habits in 2024) – for example, by offering eco-friendly options or recycling programs. And if they don't, Gen Z will use their platforms to demand change. In summary, environmental consciousness is a core Gen Z value that manifests in their spending (buying from green brands, avoiding plastic, favoring renewables) and in activism (from school strikes to social media advocacy). They view their consumption as one avenue to effect climate action – "every purchase is a vote for the future we want" is a sentiment that resonates in this generation (How consumer demand is fueling the sustainability shift) (How consumer demand is fueling the sustainability shift).

Diversity, Equity, and Inclusion (DEI) in Brand Choices

As the most diverse generation yet, Gen Z places **huge importance on inclusivity**. They have grown up celebrating differences in race, gender, sexuality, and ability, and expect brands to do the same. *Nearly 80% of Gen Z say it's important for brands to address diversity and inclusion* in their messaging and products (Top Generation Z Marketing Statistics [2025] for Marketers). This goes beyond tokenism – they want to see authentic representation and equal treatment. For example, Gen Z consumers respond positively to ads featuring interracial families, LGBTQ+ individuals, and people of different body types, because it reflects the real world they know. Conversely, they are quick to call out campaigns or companies they perceive as sexist, racist, homophobic, or ableist.

Gen Z's emphasis on DEI shows up in their product preferences too. In beauty and fashion, they gravitate toward brands with broad shade ranges and size ranges. It's Gen Z and young Millennials who pushed cosmetics companies to create foundations for all skin tones and who popularized gender-neutral apparel lines. *62% of Gen Z believe increased diversity (in society and media) is fundamentally a good thing* for culture (Top Generation Z Marketing Statistics [2025] for Marketers) – a belief that guides them to support inclusive brands. Moreover, Gen Z looks at who runs a company: *over half (53%) of Gen Z want to see more diversity in brand leadership* positions (Top Generation Z Marketing Statistics [2025] for Marketers), not just in advertisements. They feel that if leadership is diverse, the brand will more genuinely serve diverse customers.

In terms of equity, Gen Z cares that companies treat employees well across the board. They value fair wages, equal opportunities, and no discrimination within a brand's workforce. This generation is acutely aware of social justice issues (owing to the internet exposing them to many perspectives), and that awareness flows into purchasing. They will support smaller minority-owned businesses, for instance, as a way to promote equity. Hashtags like #BuyBlack or #ShopLatinx often trend among Gen Z circles during cultural heritage months or after social justice events, reflecting their intent to put money where their values are.

Finally, **inclusion** to Gen Z also means accessibility and catering to *all* identities. They appreciate when brands consider neurodiversity or disability in design (like Microsoft's adaptive controller for gamers or Nike's hands-free Go FlyEase shoes). They reward companies that make inclusion not a special project but a default. To sum up, Gen Z's core value of inclusivity means they expect brands to be **diverse in representation, equitable in practices, and accessible to all**. Brands that live these values (not just during Pride Month or a single ad, but consistently) tend to earn Gen Z's trust and advocacy. Those that falter can face the sting of Gen Z-led backlash on social media.

Ethical Consumption and Brand Accountability

Ethical consumption is almost a reflex for Gen Z – they are highly attuned to whether a brand behaves responsibly and will adjust their support accordingly. This extends to a range of ethics: how a company sources materials, treats workers, protects user data, supports communities, and even its political stances. Gen Z expects **corporate accountability** and will hold brands to high standards. If a company is caught in a scandal or misdeed, Gen Z is often first to spread the word and organize a response (be it a boycott or public pressure). For example, news of unethical labor practices or animal cruelty can go viral on TikTok/Twitter via Gen Z activists, causing many young consumers to drop that brand. *Roughly one-third of Gen Z adults (and even 13% of Gen Z teens) say they actively avoid brands they perceive as unethical* (Top Generation Z Marketing Statistics [2025] for Marketers) – a notable figure given teens don't always have full freedom to choose alternatives, indicating how deep this principle runs.

What counts as "ethical" to Gen Z is broad. It includes the sustainability and DEI aspects discussed above, but also issues like supporting human rights, rejecting hate speech, and being honest and transparent. Gen Z highly values **honesty** – they are quick to sniff out hypocrisy. A brand that preaches empowerment but is revealed to exploit workers, for instance, will lose Gen Z customers' respect. *Trust and transparency are crucial*: surveys find Gen Z wants proof of ethical claims (e.g., fair trade certifications, charity impact reports) and clear, authentic communication. If mistakes happen, Gen Z is forgiving only if companies take real accountability and corrective action; otherwise, "cancel culture" – a concept practically powered by Gen Z online – can come into play.

Social media has supercharged Gen Z's ability to enforce brand accountability. They mobilize quickly: using hashtags and viral posts, they can damage a brand's reputation among young consumers overnight if they see unethical behavior. A recent stat showed *64% of Gen Z would boycott or stop buying from a company if it was exposed for unethical practices* (like using sweatshops or harming the environment) (How consumer demand is fueling the sustainability shift). And indeed, we've seen instances like Gen Z-led outrage causing companies to change product formulas (e.g., removing harmful ingredients) or adjust policies. This generation's ethical lens also means they support brands that take stands on issues. Gen Z generally approves of "brand activism" when it's consistent – for example, brands donating to social causes or speaking out on human rights can strengthen Gen Z loyalty (as long as actions back up the words).

Another dimension is **privacy and data ethics**. Having grown up in the digital age, Gen Z cares about how brands handle personal data and online behavior. They reward brands that protect their privacy and may distrust those who don't (some Gen Z are even turning to encrypted or privacy-focused apps out of distrust for big tech ethics).

In essence, Gen Z's core value of ethical consumption means they **expect businesses to do the right thing**, and they use their collective voice and dollars to push for that. Companies seen as ethical, fair, and accountable tend to gain Gen Z champions. Those that fall short may find Gen

Z either demanding they change or simply shifting their allegiance to a more principled competitor.

Digital Identity and the Metaverse

For Gen Z, the **digital world is a natural extension of self**. They curate online identities across social media profiles, gaming avatars, and more – often fluid and creative identities that allow them to express aspects of themselves beyond physical limitations. This comfort with digital life means Gen Z is primed for emerging concepts like the *metaverse* (a shared virtual space blending digital/physical realities), even if they don't use that term explicitly. In practice, Gen Z is already very active in proto-metaverse environments: immersive games, virtual communities, and digital economies.

Online Gaming & Virtual Goods: A huge proportion of Gen Z engages in gaming, not just as play but as socializing and self-expression. *87% of Gen Z have played video games on consoles or phones* (How many Gen Zers spend money on virtual items when gaming | Pion), and many treat their game avatar as an avatar of their identity. Notably, *65% of Gen Z have spent money on virtual items in a game (skins, clothing, accessories)* (How many Gen Zers spend money on virtual items when gaming | Pion). They purchase outfits for their Fortnite character or furniture for their Sims house much like older generations buy clothes or home décor – highlighting that digital possessions carry real meaning for them. These virtual goods markets (Roblox costumes, CS:GO weapon skins, etc.) thrive largely due to Gen Z participation. It signals that Gen Z places value on their **digital appearance and status**, sometimes equal to physical goods. Owning a rare skin in a game or a cool NFT (non-fungible token) could be as gratifying as owning a designer jacket in real life.

Socializing in Virtual Spaces: Gen Z blurs the line between online and offline friendships. They often hang out in virtual environments – 53% of Gen Z Roblox players have made new friends on that platform (How many Gen Zers spend money on virtual items when gaming | Pion), and half have attended live events in-game (like concerts in Fortnite) (How many Gen Zers spend money on virtual items when gaming | Pion). This generation doesn't see virtual meetups as inferior; they're just another way to connect. During the pandemic, this only intensified, with Gen Z hosting Zoom graduation parties, VR chat hangouts, etc. Now in 2025, many continue to use these spaces out of convenience and fun. This trend foreshadows a metaverse-like future where work, play, and commerce could happen in virtual reality – a future Gen Z is likely to embrace. Indeed, *around 40% of Gen Z and Millennials have already used VR in some capacity* (for gaming, events, or education) and a similar ~40% report owning a VR headset at home (Metaverse adoption | Deloitte Insights). Their interest in deeper virtual experiences is higher than older groups – e.g., 29% of Gen Z/Millennials are interested in using VR regularly to explore virtual travel, vs only 21% of those over 40 (Metaverse adoption | Deloitte Insights).

Metaverse and Digital Assets: While the fully realized "metaverse" is still in progress, Gen Z is arguably the earliest adopter group for it. Many popular metaverse platforms (from Roblox to

Decentraland) skew young; one report even noted over half of current metaverse platform users are under 16 (Metaverse Statistics and Facts (2025) - Market.us Scoop) (Metaverse Statistics By Usage, Users and Revenue - Coolest Gadgets). Gen Z and Gen Alpha are essentially building the metaverse from the ground up through their enthusiastic participation. They're also at the forefront of experimenting with **digital identity tokens** – some Gen Z artists sell NFT artwork, and others collect NFT avatars or virtual fashion items. Fashion brands have started releasing digital clothing collections (for avatars or AR wear) knowing Gen Z will be the ones most intrigued by buying a shirt that only exists virtually. And on social media, Gen Z pioneered the idea of finstas (fake Insta accounts) or avatar profiles, showing they like to play with multiple identities and not always tie their real name/face to their online persona.

To Gen Z, maintaining a digital identity isn't separate from "real life" – it's integrated. Their Instagram aesthetic, their Twitter voice, their gaming avatar, and now maybe their metaverse avatar – all are facets of who they are. And critically, they spend money and time to cultivate these facets. This core value of embracing a digital identity means brands and cultural institutions are adapting: we see concerts in Minecraft, virtual Gucci bags, and metaverse meet-ups largely because Gen Z is there to attend and give them meaning. As this generation ages, their normalization of digital life and the metaverse is likely to make these technologies mainstream. For now, Gen Z finds community, creativity, and commerce in digital realms in a way older cohorts are only beginning to explore. It's a core part of how they define themselves and engage with the world.

To conclude, Gen Z in 2025 is **reshaping consumerism and culture** through their unique shopping behaviors, the outsized influence of social media on their choices, and their fervent commitment to values like sustainability, equality, and authenticity. They shop fluidly between online and offline, favor experience and convenience, and show less brand loyalty – unless a brand consistently wins their fickle hearts and aligns with their principles. Their decisions are molded by a digital ecosystem of influencers, peer reviews, and social values, rather than traditional advertising or family brand allegiance. Moreover, Gen Z's impact radiates outward: they are teaching their parents new tricks, inspiring younger Gen Alpha's tastes, and driving companies to innovate and "do better" on various fronts. As digital natives, they are also pioneers of new frontiers like the metaverse, blurring the lines between virtual and reality in both identity and commerce.

For businesses and culture-makers, understanding Gen Z is crucial not just because of their direct spending (already an estimated **\$360 billion globally** and growing (<u>Why Gen Z is Driving</u> <u>Demand for AI-Powered Clienteling</u>)), but because they are **trend amplifiers** whose preferences often predict where the broader market is headed. By 2030, Gen Z will represent a huge chunk of consumers and voters, and their behaviors today – online shopping dominance, demands for ethical business, reliance on social proof, etc. – foreshadow the future landscape. In short, Gen

Z's mix of **statistical clout** (sheer numbers and spending) and **qualitative influence** (cultural sway and value-driven mindset) makes them a generation no one can afford to ignore.

Summary Table: Key Gen Z Trends in 2025

Aspect	Key Gen Z Trends & Stats (2025)
Online vs In-Store	Omnichannel natives: 52% of Gen Z prefer online shopping vs 48% in-store, yet ¾ shop in-store weekly for experience (<u>25 Popular In-Store vs Online</u> <u>Shopping Statistics</u>) ([Gen Z still prefers in-person shopping
Payment Methods	Low credit use, high innovation: Only ~ 50% use credit cards (lowest of any gen) ([Consumers demand more choice & control over how they check out
Subscriptions	Subscription-heavy lifestyle: Gen Z averages 8+ subscriptions (streaming, subscription boxes, etc.) (<u>Gen Z and Millennials: Shaping the subscription</u> <u>economy - Savanta</u>). 30%+ rely mainly on subs for daily needs ([One thing: The subscription economy
Brand Loyalty	Highly trend-driven : 57% of Gen Z are less brand-loyal than before (<u>100+</u> <u>Staggering Customer Loyalty Statistics for 2024</u>). Nearly 43% have dropped a brand out of boredom ([From fading interest to fierce loyalty: nearly half of Gen Z ditch boring brands
Social Media Influence	Social commerce power: ~70% of Gen Z have bought something seen on social media (<u>42 Statistics for Gen Z Spending Power and Habits in 2024</u>). <i>TikTok and Instagram are top discovery platforms</i> – e.g. 36% use TikTok for beauty buys (<u>42 Statistics for Gen Z Spending Power and Habits in 2024</u>). Over half purchase products promoted by influencers they follow.
Reviews & Community	Peer input guides purchases: 67% of Gen Z rely on online reviews and 66% avoid products with no recent reviews (<u>Top Generation Z Marketing</u> <u>Statistics [2025] for Marketers</u>). They trust UGC and friends' opinions; 97% get shopping ideas from social media trends (<u>Top Generation Z Marketing</u> <u>Statistics [2025] for Marketers</u>) (e.g. #TikTokMadeMeBuylt).
Sustainability Focus	Value-driven choices: 64% willing to pay more for sustainable goods (Top Generation Z Marketing Statistics [2025] for Marketers), and 77% avoid brands with poor environmental practices (stated) (42 Statistics for Gen Z Spending Power and Habits in 2024). 61% thrift or buy secondhand first (Top Generation Z Marketing Statistics [2025] for Marketers). Gen Z pushes brands for eco-action but balances ideals with price sensitivity.

- Diversity & Demand for representation: ~80% of Gen Z expect brands to be inclusive and diverse (Top Generation Z Marketing Statistics [2025] for Marketers). They favor brands championing equality (e.g. wide shade ranges, LGBTQ+ support) and will call out those that don't. Over half want more diversity in company leadership too (Top Generation Z Marketing Statistics [2025] for Marketers).
- Ethical Stances Ethical consumption: 64% would boycott a company over unethical practices (How consumer demand is fueling the sustainability shift). ~33% actively avoid brands deemed unethical (Top Generation Z Marketing Statistics [2025] for Marketers). They value fair labor, honesty, and social responsibility and through "cancel culture," they hold brands accountable to these standards.
- **Digital Identity** Merging virtual with real: **87% of Gen Z are gamers**, and **65% have spent on in-game virtual items** (avatars/skins) ([How many Gen Zers spend money on virtual items when gaming

Each of these trends showcases how Gen Z's behaviors and beliefs are reshaping the consumer landscape in 2025 – and herald even bigger shifts as their influence grows.