Good Rebels

*United Kingdom Edition*

# The Zen Gen

The generation busting myths about digital.

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# 1.

# A ‘zen’ approach to digital

What do you think when you think about people over the age of 55? The word ‘boomer’ probably comes to mind, maybe even the phrase ‘OK, boomer’. We tend to think about that generation as inactive, behind the times (especially when it comes to tech) and just not that important. Well, we challenge you to scrap that mindset, because if you don’t your brand will be the one missing out.

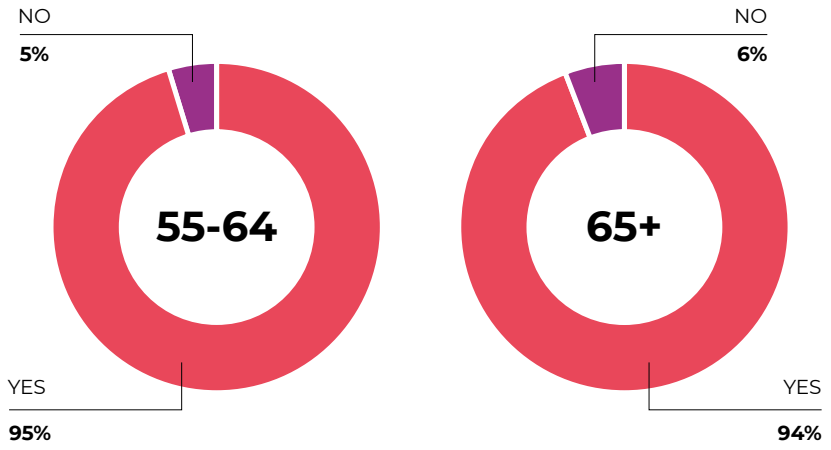
Although not digital natives, those now in their 60s, for example, were in their 40s when the iPhone and Facebook were starting to gain traction, and have therefore been living alongside digitalisation for a good 20 years. We have called this generation the ‘Zen Gen’.

The ‘zenners’ are the real digital pioneers; they entered the world of PCs, e-mail and mobile phones before any other generation. Their experiences of both digital and analogical have made this generation mature and reflective, with distinct online behaviours.

The ‘zenners’ have a different approach to digital that is not ‘a hundred miles per hour’ but it is digital nonetheless, and creates a huge opportunity for brands that are willing to meet them on their turf, their way.

Need more convincing? **Our research of 1,500 people aged 55+ across 3 markets (UK, Spain and Mexico), also found that 55-75 year-olds are a much more important target audience for your brand than you think.** In addition to the impact of superdigitisation, the current climate means consumer habits for this generation are changing for good.

**Do you shop online? (UK)**



**A huge 95% of our UK survey participants aged 55+ shop online, and that number barely changes whether you go over or under 65 years old.**

And they don't just shop online occasionally - from those who purchase online, 78% do so at least monthly, and within that a further 30% at least weekly.

So how does a brand leverage this important generation? We'll tell you:

## How to reach them

- Yes - a lot of them are on Facebook.
- Pay attention to how they are likely to access your site - make sure it's designed for desktop in mature markets like the UK, but mobile in emerging markets like Latam.
- Email and SEO are more impactful than you think.

## Why selling direct to consumer for this generation matters

- It's got to do with building trust.
- The closer they can get to you the better.

## How they make purchasing decisions

- They don't pay attention to digital advertising. Or at least they don't want to admit it.
- Convenience is important - but ultimately the brand is what matters.
- Delivery costs and dodgy sites put them off.
- But if they trust your brand - they will buy it whatever it takes.

## What makes them fall in love with your brand

- Trust, trust, trust. (Check out this recent article from the Drum if in doubt).
- Make them feel included.
- Be transparent and human.

Ultimately, **they need to love your brand, and they will buy it**. Sounds easy?
Didn't think so. That's why we have a few tricks up our sleeve to share with you.

# 2.

# Why D2C?

*"I want to support the brands I love, rather than a big conglomerate like Amazon"*

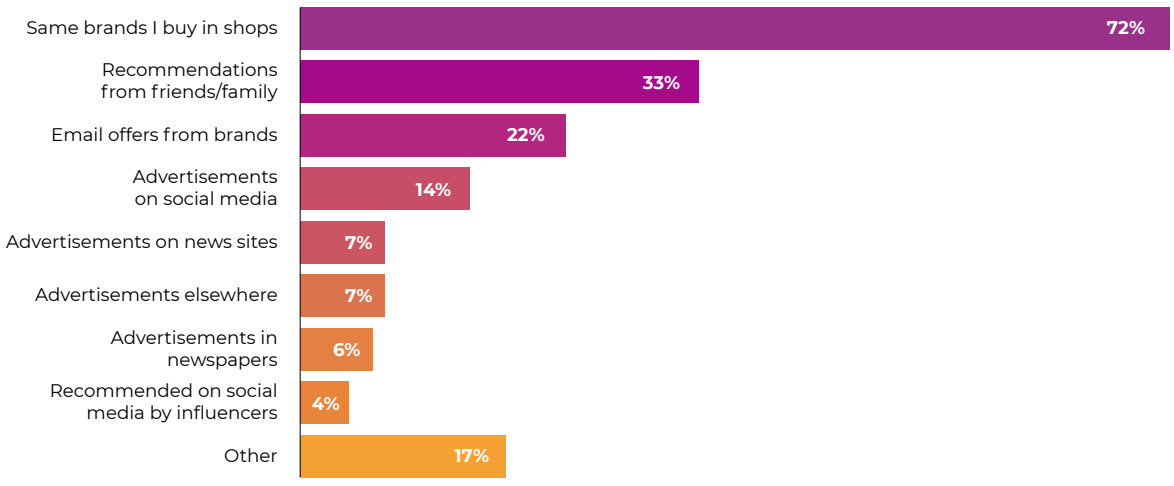
Why think about selling direct-to-consumer, and specifically, why to the Zen Gen?

Well, as we know, now more than ever, a brand's approach to trading online is crucial - that goes without saying (yes, we still said it).

The world is moving more and more online as we know and, particularly in the current climate, the need to access services and products via online platforms is more a necessity than a choice.

Our research unearthed that **the key reason for this generation to choose a brand is trusting that brand - the quality, the process, the entire experience.** 72% of our participants said that they buy the exact same brands online that they buy in shops and that advertising actually has very little to do with what they buy - it's to do with trust and familiarity.

**How do you choose which brand to buy online? (UK, SP, MX)**



In fact, a **quarter of participants indicated that an untrustworthy site has stopped them from completing a purchase online.** However, when buying directly from a brand the consumers often know:

- The quality of the product and service (if they've bought from their shops before).
- Where their money is going.
- Who to contact if there is a problem with their order.
- Who handles the transaction (the brand, not a marketplace).

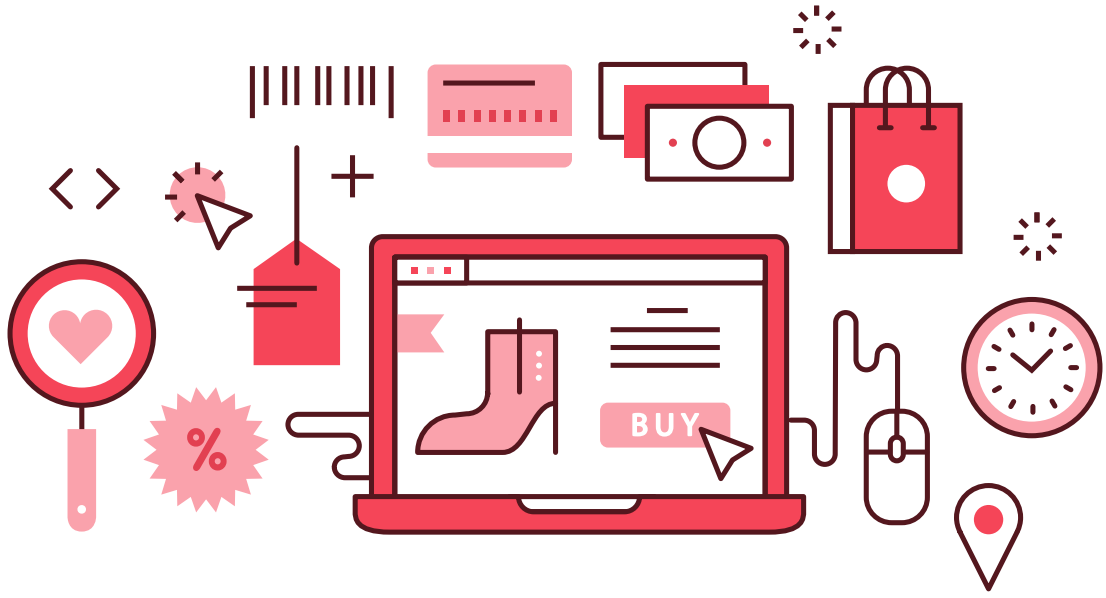
Trust being of particular importance to this generation, it is easier to establish and maintain when consumers can continue to buy directly from a brand rather than from an unfamiliar online marketplace.

With large online retailers such as Amazon remaining an important market place, the emergence of covid has increased the importance of individual brands moving online. **But why should brands try to sell their products without the middleman?**

Firstly, selling directly to the end consumer eliminates a significant amount of overhead and is therefore likely to be more profitable to a brand.

Secondly, selling D2C allows brands to **gather more reliable data on their customers,** how they behave and what they want, and also to own their own brand image and output online.

The positive business impact of a D2C approach can be seen across sectors. Brands like Beavertown Brewery have seen a significant increase in sales after starting to sell D2C (up to 1000% increase), and subscription service Dollar Shave Club is currently worth $1billion.



Digiday also reports an increase in investor interest towards D2C companies such as Eargo (a hearing aid start-up), aimed specifically at baby boomers.

But is this how the over 55s want to shop? **Well, 55% of our British participants shop at both brands' own websites and distributors' sites.**

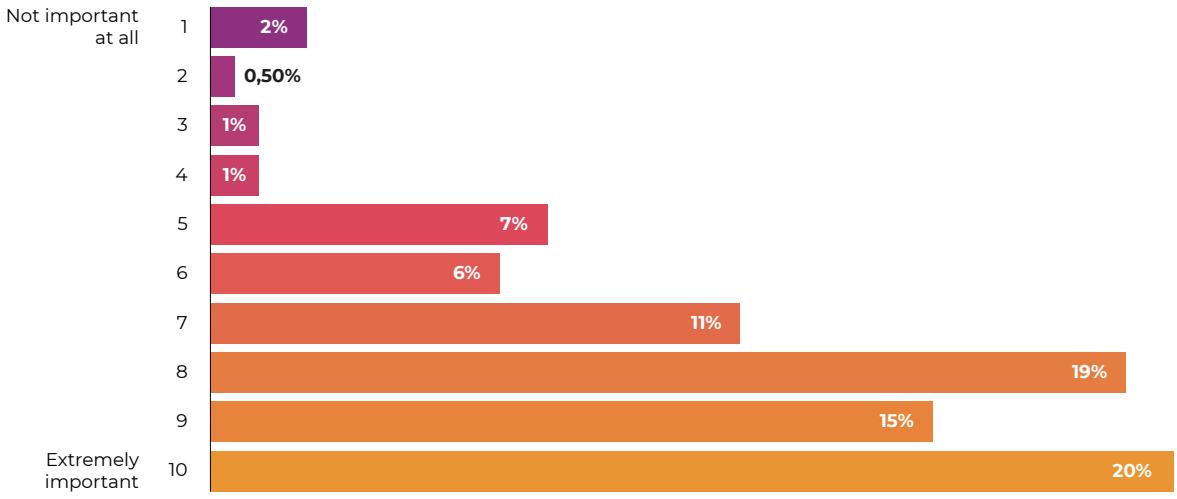
When digging deeper with our interviewees into the thoughts behind shopping D2C or via retailers, the results are two-fold:

- Convenience is the top reason to shop online in the UK. 77% of UK participants stated this as a reason to shop online, surpassing variety and cheap prices. It's difficult for brands to compete with retailers like Amazon in convenience and choice, but there are other areas where D2C brands can win.
- There is an increasing longing for the online shopping experience to be more human and for brands to represent certain values and care about both the planet and its people. And this is where brands that trade directly have the upper hand.

In fact, the majority of participants in all countries stated sustainability to be important to them when choosing which products to buy. When we interviewed some participants, they agreed that **buying directly from brands feels more ethical, secure and trustworthy.**

And we know this generation loves brands they can trust.

**How important is sustainability to you when choosing which products to buy? (UK, SP, MX)**



# 3.

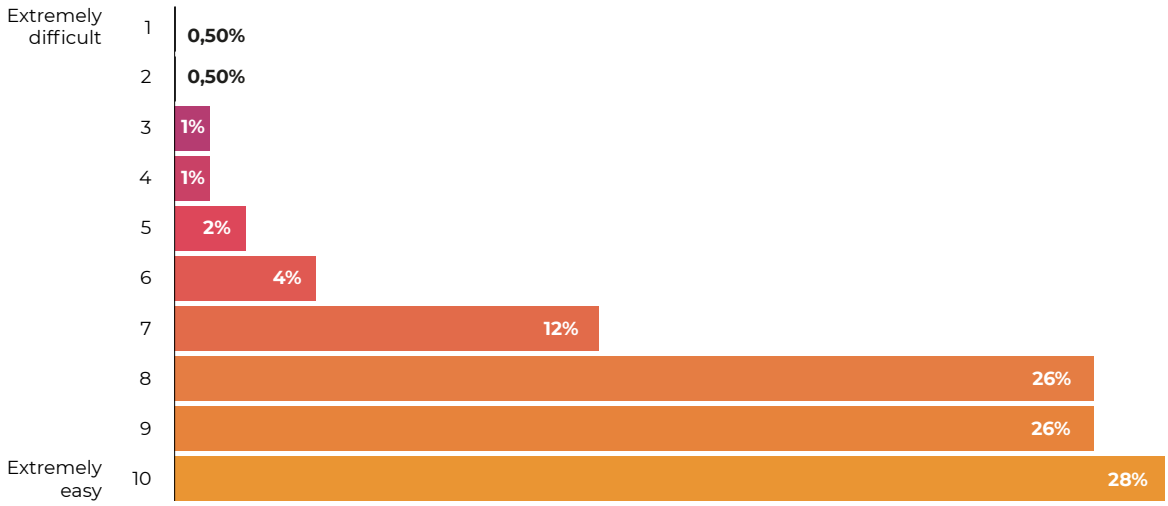
# Online shopping: facts vs fiction

*"Online shopping has become so much easier in the past years"*

When thinking about the 'zenners' shopping, it's easy to assume they all want to shop on the high street and are reluctant to use technology in their everyday life. Why do we think this way? I guess we imagine they find it easier, and more comfortable.

Wrong! In fact, **80% of all respondents who shop online stated that they find shopping online easy,** and a third of them even stated that they find it extremely easy.

**How easy do you find shopping online? (UK, SP, MX)**




Surprisingly, **38% of all our participants don't have a preference for shopping online or shopping in brick and mortar stores.** The number in the UK is even higher at 44%. This is the highest percentage out of our test markets to not have a preference, and 22% of UK participants actually stated they prefer shopping online. A slightly higher number (27%) prefer shopping in brick and mortar shops, but the difference between these numbers is much narrower than in the other markets. This is directly proportionate to the different levels of maturity of the markets.

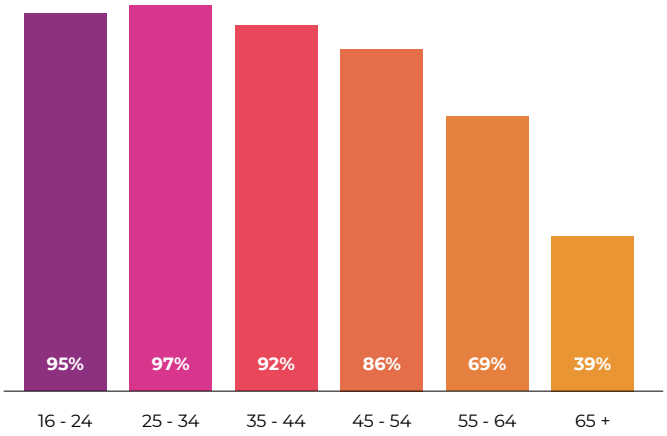
# 3.1. They tend to stick to one device

*"I use my laptop because it's what I'm used to using... and I like to see what I buy properly"*

One of the key differences we discovered between the markets we studied was the use of devices for online shopping. In the UK the key device used was laptop (preferred by 35%) or desktop (preferred by 29%), and this was reiterated by the qualitative interviews we conducted with further participants. Only 14% of our UK survey participants preferred to use their phone for online shopping. Those we interviewed further told us the reasons for this were that they didn't make impulse purchases and that a desktop or laptop was simply easier to use due to the size of the screen.

The 2018 UK data below from the Office of National Statistics tells a similar story - **the tendency to access the internet "on the go" decreases with age, particularly steeply after the age of 65.** This is in direct correlation with the use of a laptop or desktop rather than a mobile phone.

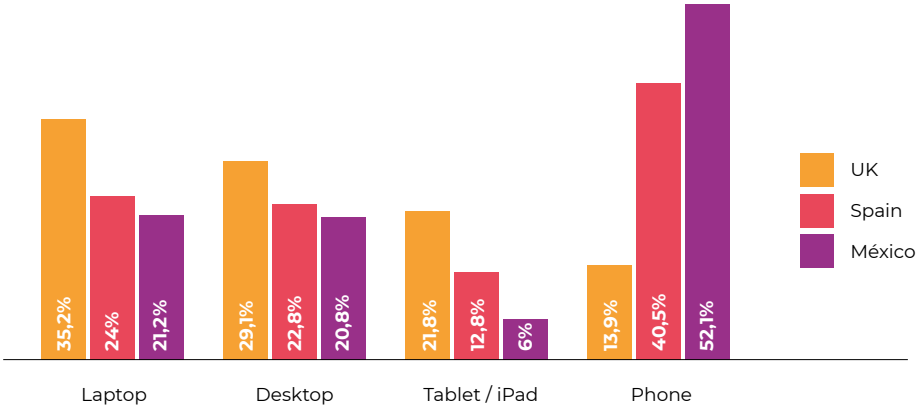
**Percentage adults accessing "internet on the go" by age group, Great Britain, 2018.**
Source: Office for National Statistics (ONS)



This behaviour matches that of Spanish people (IAB July 2020 “Ecommerce Study 2020”) as only 33% of people aged over 55 purchase online using mobile phones, tablets or smart TVs while nearly all of online buyers (93%) use desktop computers instead.

In stark contrast with the UK’s preferences, in Mexico a phone is the preferred method to go online, with a whopping 52% of our survey participants stating it as their device of choice. Spain is in between these two markets, with desktop use lower than in the UK, but also mobile phone use lower than in Mexico.

**What is your primary device for going online?**




The reason for these differences is likely to be the pace at which technology reaches emerging markets and more mature markets. **If you’re used to using a desktop or a laptop, it’s unlikely you will switch to a new device.** However, if your market has had its technological breakthrough in the era of the smartphone, then that’s what you will use. The lesson to learn here? **Reach your older consumers via a device they have used since day one and feel comfortable with.**

It’s crucial to be sensitive to these preferences when targeting this age group in a specific market. They do not only tell about the device specifically but also about the ‘ease’ and impulsiveness of online shopping, which is likely to increase significantly when one shops using their phone and on the go.

# 4.

# Market maturity and advertising

*"I usually buy the same products every time. I don't like it when the website keeps pushing me to add more and more items to my cart"*

Digital advertising is perceived very differently depending on the country. **In the UK, 47% of 'zenners' stated that they don't pay attention to it, and 36% find digital advertising annoying.** A mere 4% of those in the UK state digital advertising helps them decide which brands to buy or helps them discover new brands.

In contrast, in Mexico, however, 46% of participants stated that digital advertising helps them discover new brands, and a further 28% said that it helps them decide which brands to buy. Again, this is likely to be due to the differences in maturity between the markets. In other words, people in Mexico aren't bored of online advertising yet.

These results are partly telling of the role of digital advertising and how it functions in each country respectively, but more importantly, it's telling of the attitude towards digital advertising, and advertising in general. It's impossible to say how these attitudes translate into actions (or inactions), but it's safe to say that the key difference here is how open people are to being influenced in that way.

**In the UK, the Zen Gen doesn't like advertising.** They don't want to think adverts impact their behaviour, regardless of whether they do, in reality (as a reminder, 33% of UK participants decided on brands to buy due to email offers). As Fast Company points out in their article from 2019, this is no wonder really, considering how the older generation is addressed in most adverts. **If in advertising you're treated as someone only relevant to care homes, hearing aids and life insurance, it's not surprising that it doesn't inspire you.**

Particularly since we've seen that the older generation does buy a variety of products online, just like the younger generation. So why do we not see both in advertising?

Creating Results compiled examples of large brands targeting this generation, including Toyota and T-mobile, but these are still few and far between, and therefore a huge area of opportunity for innovative brands.

# 5.

# What does their digital universe look like?

*"For someone with limited mobility, it's really a lifeline to be able to do so many things online"*

We now know the vast majority of this generation shops online. Great. What else do we know?

Only 8% of the participants across all three markets stated the difficulty in navigating sites as a reason to not complete a purchase online, which is encouraging. However, when digging deeper, we discovered **concerns about data privacy, payment privacy or general concern about the trustworthiness of the site,** and each reason had at least a quarter of the participants stating it had stopped them from completing a purchase. Making consumers feel secure is therefore key in establishing trust.

On the other hand, for particular individuals who are vulnerable, it's actually vital that they can access services online. That itself can create a feeling of security, particularly in the current climate.

When it comes to accessing services online, banking is clearly the top one with 60% of participants across the three markets reporting that they have used online banking. The other services commonly accessed were utility providers, but for example online healthcare services and transport booking are yet to become common among this population.

When searching for products or brands, the UK Domain points out that the boomer generation tends to use search engines (as opposed to social media pages). For brands aimed at this generation, it's therefore important to **pay attention to SEO rather than pumping all efforts into social media presence.**

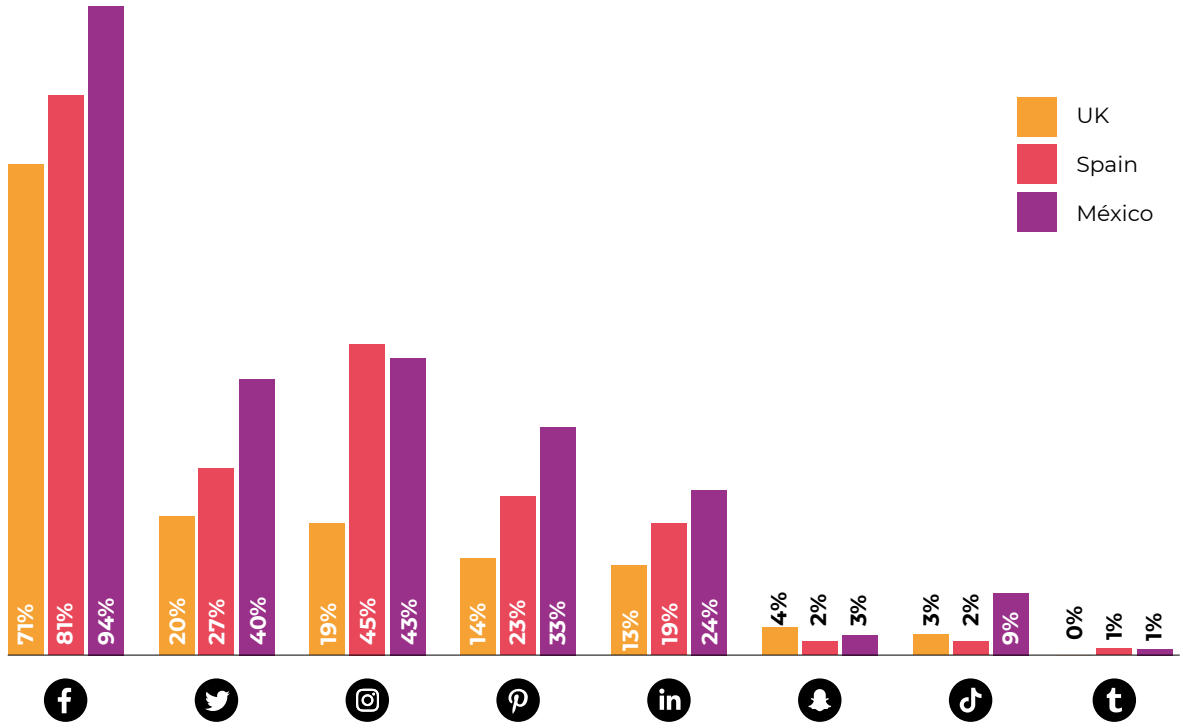
# 5.1. Social media use

The majority of our participants use one or two social media platforms.

**Facebook is the preferred online platform to an overwhelming extent,** with 94% of participants using it in Mexico, 81% in Spain and 71% in the UK.

Although the percentage of participants is lower in the UK, Facebook remains the top social media site with the second most popular, Twitter, reaching a mere 20%.

**Which social media sites or apps do you use? (used in the past 3 months)**



Surprisingly, Pinterest has more penetration in all our test markets than we anticipated, with the levels of use nearing those of Twitter particularly in Mexico (33%). In Spain, 23% of participants use Pinterest, whereas in the UK the number is lower, 14%. When we dug deeper into the reasons behind the reason this generation goes on Pinterest, we discovered the following:

- This is a platform used predominantly for viewing content, not so much for sharing content.

- The number one purpose of using Pinterest is for inspiration, followed by entertainment and looking at content “for fun”.

According to GWI, **the use of Instagram has increased the most (+98%) among the baby boomer generation, when compared to other age groups.** This demonstrates how quick the digital transition has been for the Zen Gen, and just how underestimated their digital presence is.

The reasons for using Facebook and Instagram are predominantly to keep in contact with family and friends. Unlike the younger generation who happily mix news, shopping and friends within one platform, **the older generation seems to have the mindset of ‘one platform, one purpose’.**

# 6.

# But how do they feel about online shopping?

*"Shopping online is convenient, but I miss the human interaction I get in shops"*

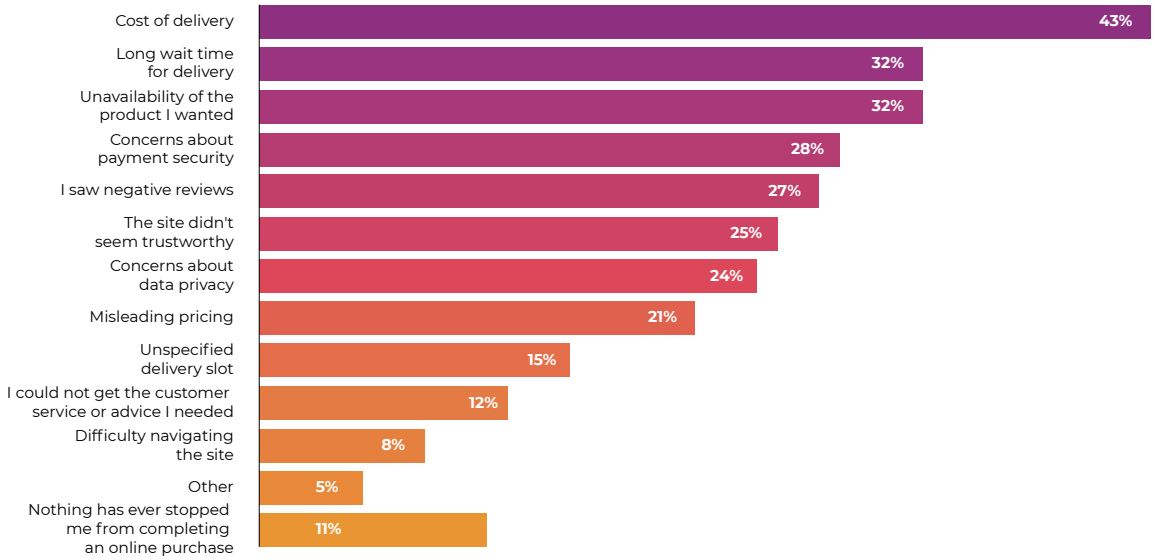
The data we collected from our survey, and the knowledge we got from interviews tell a slightly different story from each other when it comes to attitudes towards online shopping. Let's dig deeper.

Based on behavioural indications from our survey, online shopping is popular, frequent and relatively easy. **38% of the subjects globally said they don't have a preference between shopping in shops or online, and 13% reported they preferred shopping online.**

However, most of our interviewees in the UK did discuss the longing to shop in physical stores for the social experience, and to be able to see what they buy. To them, **the transactions feel more secure and products more trustworthy when they know there are no hidden costs.**

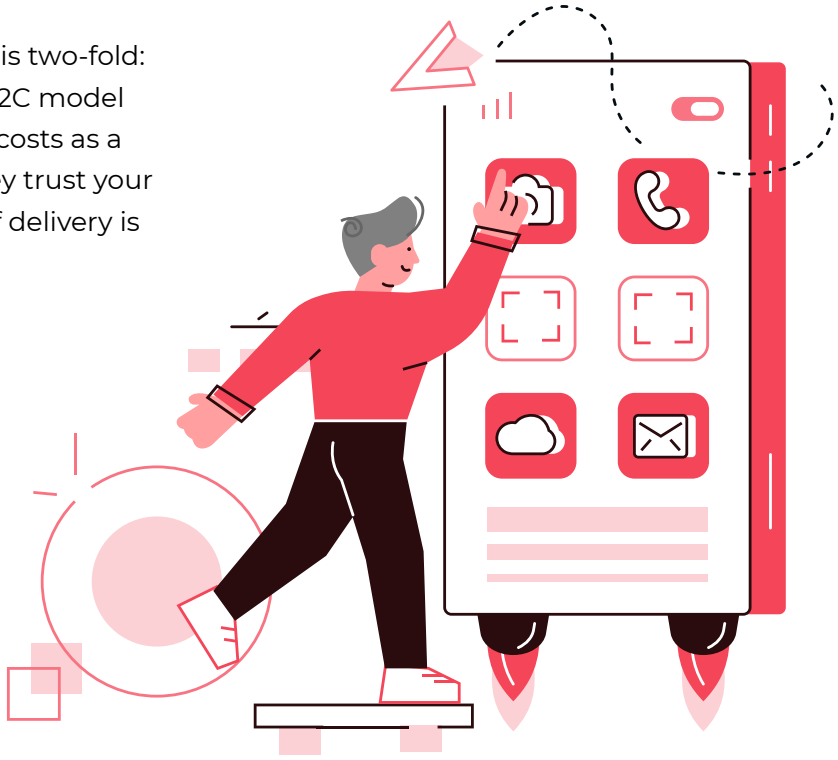
Replicating a 'human' shopping experience online is of course not possible, but the closer your brand can get and the more transparent you are - the better.

**Have any of the following reasons stopped you from completing an online purchase? (UK)**




**Another pain point across the markets is the cost of delivery**, which by far is the number one reason to not complete a purchase.

The approach to tackle this is two-fold: 1) as pointed out earlier, a D2C model helps reduce the overhead costs as a whole for the brand 2) if they trust your brand, they trust the cost of delivery is appropriate.



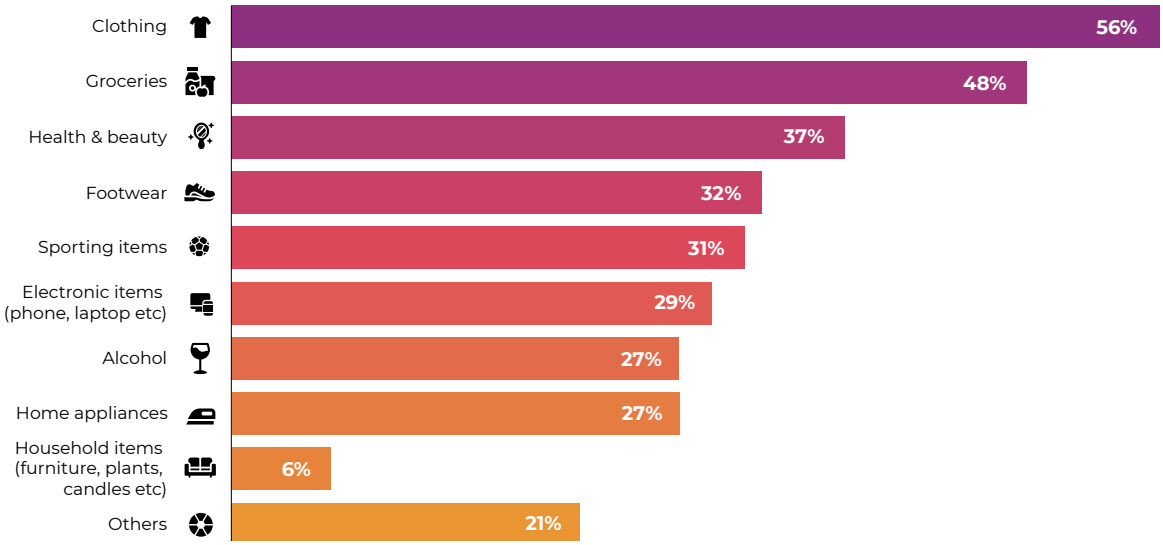
7.

# A wide array of products

*"I like specialty products from across the country – smoked salmon from Scotland and gin from Brighton. By buying online I don't have to settle for what's available locally!"*

So we have now established that 'zenners' do shop online, and they do it frequently. So what do they buy online? You're thinking of groceries, right? Wrong!

**Which products have you bought online in the last 6 months? (UK)**



Surprisingly, the most popular product category for shopping online is actually clothing. **56% of UK shoppers stated they have bought clothing online in the past six months. Groceries do come as the second most popular product category, with 48%.**

Health and beauty products have been bought by 37%, followed closely by footwear (32%) and sporting goods (31%).

This is particularly astounding considering the frequency of online shopping in the UK. In fact, it's encouraging to see such a variety of products represented on UK shoppers' shopping lists and gives us an indication that **perhaps it isn't out of necessity, but out of choice, that they buy online.**

We can't of course ignore the C-word and not think about how the global pandemic has impacted shopping behaviours because undoubtedly it has, at least in the spring of 2020. However, our interviewees indicated that their shopping habits are likely to remain as they have been now that they have established an 'online shopping' routine, so it's well worth investing in catering to them online!

# 7.1. How do they decide what to buy?

*"I always buy my tops from Hollister – I like the quality and that I can trust the sizing"*

**The majority of people buy the same brands online that they buy in shops.** This applies across all our markets, as the top reason to buy the brands they buy. What does this mean? **It means you need to win them over with your brand.** Remember what we said about attitudes to digital advertising? And the limited number of products that use older people in their content? Yep, that's where your brand can be different.

When we interviewed some of our participants to get a more in-depth understanding, we discovered that the key reasons that attract a consumer of this generation to stay loyal to a brand are simple:

- **Local, ethical, good quality, and most importantly trustworthy!** The older generation has demonstrated to us during our research that familiarity with a brand has made them seek that specific brand online, rather than looking at multiple options.

33% of UK consumers in our research also state email offers as having an impact on how they shop. This is interesting considering they find online advertising 'annoying' - clearly less so if there is a financial incentive!

**Speaking of email - it's also an important customer service channel for this generation.** In the UK it surpasses the phone as the most popular customer service channel, which sets it apart from Spain and Mexico where phone contact is preferred.

Another helpful hint - we found in our research that women are more likely to follow recommendations from friends and family when choosing brands or products, so keep this in mind if they are your target audience.

# 8.

# What does this all mean for your brand then?!

Now, what have we learned?

First of all, rethink the importance of 55+ as a generation. It's time to bin that "OK, boomer" phrase entirely, and face the fact that the so-called 'boomers' are online just like everyone else, shopping and consuming content. **The Zen Gen is a huge opportunity for your brand, should you play your cards right.**

We know that this generation cares about brands, and once they like a brand they will certainly stick to it. However, there are certainly steps you can take to aid this and make it easier for your brand.

1. **Make no assumptions** about their technical capability, or alleged 'reluctance' to shop online.
2. Meet them on their turf. In the UK that's desktop, email and Facebook, in Mexico it's smartphone.
3. **Make sure they trust your brand.** This is the number one deciding factor for purchase decisions.
4. Make sure they trust your process. Educate on privacy and security.
5. Delivery costs and times matter.
6. **Don't hold back.** This generation doesn't discriminate in terms of products they buy online.

DISCOVER MORE

# 9.

# Appendix: How the research was conducted

### 1. Knowledge

The online panel allowed us to capture valuable quantitative data on the behaviours, thoughts and attitudes of the target population.

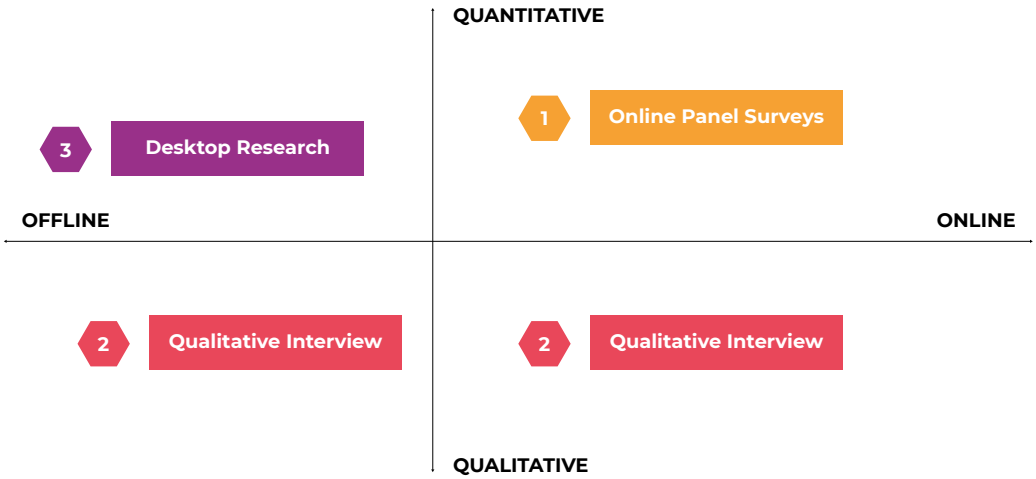
The data gave us insight into online shopping, digital behaviours and brand decisions.

### 2. Deep-dive

On the basis of the survey data, we conducted qualitative interviews with a number of research subjects. This gave us insight into the reasons behind certain behaviors, and the way this generation comes to trust a brand.

### 3. Context

We placed our findings into context by investigating existing insights. This allowed us to translate our insights into actionable recommendations for brands.




### 1. Knowledge

- 1,507 digital participants aged 55-75
- 505 in the UK
- 501 in Spain
- 501 in Mexico
- No other pre-defined demographics
- 18 multiple choice questions

### 2. Deep-dive

- 40 qualitative interviews per market via zoom
- Participants aged 55-75
- No other pre-defined demographics
- 17 open questions

### 3. Context

- Secondary research sources:
  - Global Web Index
  - Office of National Statistics
  - The Drum
  - Digiday
  - Camino Financial
  - News Break
  - Creating Results
  - Fast Company
  - The UK Domain

# Let´s talk

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