Beyond labels : segmenting the Gen Z market for more effective marketing

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Beyond Labels: Segmenting the Gen Z market for more effective marketing

Structured abstract

Purpose: The study identifies segments in the Gen Z population (born between 1996 and 2010) in Europe, the U.S. and Australia, based on brand- and lifestyle-related variables and perceptions about their online activities. It explores how these segments differ and provide insights into cross-country similarities and differences.

Design/methodology/approach: An online survey was conducted with 4304 participants, and cluster analysis and analysis of variance were used to identify and profile Gen Z segments in each of three geographical areas.

Findings: Five segments in Europe and four segments in the U.S. and in Australia were identified. Segments differ in terms of the importance they attach to exclusivity, inclusivity and sustainability of brands, how Gen Z members perceive money issues and stand in life, and how they perceive their online activities. Similar segments are found in the three geographical areas.

Originality: Cross-country generational cohort research is scarce, and especially intra-cohort diversity is under-researched. The study offers a deep and fine-grained insight into the diversity of the Gen Z cohort across three geographical areas, based on representative samples in these areas.

Research implications: The study proposes a conceptual and analytical approach for exploring intra-cohort diversity. Future research can apply this approach to different generational cohorts and use it to study intra-cohort diversity in other parts of the world.

Practical implications: The study provides input for marketing practitioners to create better focused and more effective campaigns.

Keywords: Generation Z, market segmentation, cluster analysis, cross-country research

Introduction

The Generational Cohort Theory posits that populations can be divided into generational segments that are sets of individuals who share common birth years. They experienced similar life events and socio-economic developments and have a shared history, such as social norms, historical events, political and economic upheavals, breakthrough innovations, and new celebrity and cultural icons (Goldring and Azab, 2021). These shared events and experiences, in turn, lead to the formation of common characteristics, beliefs and preferences, and similar values, attitudes, lifestyles and (consumer) behaviours among the cohort members. (Bäcklund and Martin, 2019; Djafarova and Bowes, 2021; Thangavel *et al.*, 2021; Thomas and George, 2021). This impacts their communication style, knowledge, skills and other aspects of life, including socializing and purchasing (Thangavel *et al.,* 2022).

Several generations have been identified, such as Generation X, Millennials and Generation Z (Gen Z). Gen Z is the focus of the current study. This generation was born between the mid-nineties and around 2010 (Bulanda and Vavrecka, 2019; Van den Bergh and Behrer, 2016). It comprises 32% of the world's population, or 2.47 billion people. This generation is of great importance for marketers. The older Gen Z members have substantial purchasing power and the younger ones have a strong influence on family buying and consumption. Duffett (2020) estimates that the Gen Z cohort spends in excess of $142 billion and influences more than $600 billion of household purchase decisions on an annual basis. With Gen Z spending much more time on social media and streaming media (Instagram, Snapchat, audio and video such as Spotify, YouTube, TikTok) and far less on linear TV and radio, the marketing models to engage this target group must be revised. For marketing managers, it is thus crucial to get to know them better.

It may not be assumed that the Gen Z cohort is homogeneous and has exactly the same characteristics in different countries. The Gen Z cohort appears to be remarkably diverse (Thangavel *et al.*, 2021, 2022). It is important to recognize that differences within generation can be larger than differences across generations and, consequently, each generation can be composed of distinct segments, for example, Cyber, Hipster, and Goth within Generation Y (Williams *et al.,* 2010). Segmentation of generational cohorts is largely under-researched (Taylor, 2021). More particularly, there are only a few studies that have attempted to explore a segmentation of the Gen Z population. All of them are single-country studies with a relatively narrow focus, often based on student samples.

In the current study, by means of cluster analysis, we identify and profile distinct segments in the Gen Z population based on a number of brand- and lifestyle-related variables and on how they perceive their online activities. Our approach develops Gen Z segments based on a large number of variables, based on existing Gen Z research, a substantial portion of which are related to what they expect from brands, in a multi-country setting (U.S., Australia, and 6 European countries), using representative random samples. We explore how these segments differ, also between the three geographical areas.

The current study offers a number of contributions. First of all, there remains a lot to be explored about Gen Z consumer behaviour (Duffett, 2017; Thangavel *et al.*, 2022). More particularly, exploring intra-cohort diversity is under-researched. There are only a few single-country studies that have attempted to develop a segmentation of the Gen Z population. Our approach profiles Gen Z segments based on a large number of variables, with a focus on what they expect from brands. Moreover, to the best of our knowledge, this is the first study that develops Gen Z segmentation in a cross-country setting. Gen Z studies are often based on student samples, framed as ‘Gen Z’ members (e.g., Axcell and Ellis, 2023; Coman *et al., 2022;* Kamenidou *et al.,* 2019), and thus focus on the older part of the Gen Z cohort. The current study is done with large random and representative samples of individuals (4304 in total) who were born between 1996 and 2007, and thus also include the younger Gen Z members.

The current study provides a deeper, relevant and more fine-grained insight in the Gen Z world and also provides input for marketing practitioners to create better focused and more effective campaigns.

Who are Gen Z?

The Generational Cohort Theory posits that populations can be divided into generational segments that are sets of individuals who were born in a certain period, and experience similar life events and socio-economic developments. Goldring and Azab (2021) state that three conditions define a generation: (a) perceived awareness of membership in the group, (b) common beliefs and behaviours that can be articulated by the group, and (c) a shared history of significant historical macro events, such as social norms, historical events, political and economic upheavals, breakthrough innovations, and new celebrity and cultural icons. These shared events and experiences lead to common beliefs and preferences, and similar values, attitudes, lifestyles and (consumer) behaviours among the cohort members. (Bäcklund and Martin, 2019; Djafarova and Bowes, 2021; Thangavel *et al.*, 2021; Thomas and George, 2021). Generational Cohort Theory proposes that these events thus lead to a particular generational identity that have profound and life-long lasting effects on the perceptions, attitudes, and behaviours of a cohort, with significant differences between generations. These generational differences impact their style, knowledge, skills and (buying) behaviour (McCrindle and Fell, 2021; Thangavel *et al.,* 2022).

The Gen Z population is usually defined as being between about 13 and 27 years old today (born between 1996 and 2010). They have been raised in the twenty-first century and were strongly influenced by growing cultural diversity, global brands and a digital world dominated by social media. (McCrindle and Fell, 2021). They have been described in terms of their common characteristics, a number of which sets them apart from other generational cohorts (see Dreyer and Stojanová (2023), Southgate (2017) and Tomas and George (2021) for extensive reviews).

Digital natives

First of all, they are *digital natives*. The Gen Z cohort has not known a life without personal computers, smart mobile devices, social networks, video platforms, and the omnipresent "search". They are continually connected, frequently engaging in a range of online activities at the same time and have information and communication channels immediately at their fingertips (Bäcklund and Martin, 2019; Ng *et al.*, 2021; Nicolaou, 2022; Van den Bergh and Behrer, 2016). As a "tech native" generation, Gen Z are technologically savvy, innovative and creative. It is the first generation born into a digital world that lives online and virtually integrates and engages with its favourite brands. They are highly open to interacting with technologies such as chatbots and augmented reality (Ameen *et al.,* 2022), and they insist on ease of use of these technologies (Priporas *et al.*, 2017). They are avid users of TikTok, Instagram, Snapchat and Youtube (Axcell and Ellis, 2023; Bäcklund and Martin, 2019; Duffett, 2017; Munsch, 2021; Southgate, 2017; Thangavel *et al.*, 2021), and they are mainly using mobile devices. In a study with 18-20 years old South-Africans, Axcell and Ellis (2023) found that Gen Z individuals have positive attitudes towards mobile apps, and that privacy is a major concern for their attitudes and behaviour towards mobile apps. The socialisation of their formative years took place on online apps and platforms. They have grown up sending Snapchat messages to each other and watching tutorial videos on YouTube. It has helped them to stay more connected with each other across the globe – also during the pandemic – and to express themselves through their own content (McCrindle and Fell, 2021). The backside is that most Gen Z admit social media put a lot of pressure on looks. The same media that offer them connection and entertainment increase sensitivity to social feedback which might lead to social anxiety when rewarding approval and likes are lacking. Social media have an impact on how youngsters see themselves and they often feel pressured to look like something that has been edited or "tuned". Van den Bergh et al. (2023) found that Gen Z in Latin America who spend more time on social media indicated more "comparing myself to others" as a source of stress.

The shortcut generation

Gen Z is the '*shortcut generation'*. They want things done rapidly, easily and hassle-free. Brands need to provide such instantaneously accessible user experiences, and customization and efficiency is important (Duffett, 2020; Naumovska, 2017; Van den Bergh and Pallini, 2017; Weinswig, 2016). Gen Z are multitaskers (Munsch, 2020; Kupec, 2016). They place a priority on how fast they can find the right information, rather than on actually knowing the right information (Bäcklund and Martin, 2019; Southgate, 2017). Advertisers should therefore grab their attention quickly and create „snackable" and shareable content, i.e. short, concise, using image or videos (Dimitriou and Abou, 2019; Puiu, 2016; Van den Bergh and Pallini, 2017). For instance, Djafarova and Bowes (2021) found that Gen Z members prefer to communicate with images, as opposed to the generation prior who communicate with text and looks for innovative content. Speed is important for any activities which Generation Z undertakes. In a Malaysian study about the adoption of Smart Retailing Technology (SRT), Ng *et al.* (2021) found that Gen Z put a high emphasis on functional value, fun value and value for money to develop positive attitudes and word-of-mouth intentions. A U.K. study found that SRT has a significant influence on generation Z consumers' experiences. They expect various new devices and electronic processes to be widely available, offering consumers more autonomy and faster transactions that enable them to make more informed shopping decisions (Priporas et al. (2017). In a culinary tourism context, García-Carrión *et al.* (2023) found that Generation Z consumers process many types of information simultaneously, devoting less time and attention to it, and prefer simple, visual, and authentic (less “professional”) content. Moreover, any activity performed by Gen Z individuals is related to speed, that is they process information less attentively. Thus, the process triggered by content is less elaborated, resulting in a rapid execution of behavioural responses. These authors’ eye-tracking study also shows that Generation Z users devoted more attention to the graphic content of the post on a hotel website than other cohorts. In a study on Spanish music festival goers, Llopis-Amorós *et al.* (2019) found that Gen Z members like to live life in the fast lane and are more impatient and more agile than their predecessors, are continually looking for new challenges and impulses, and are more influenced by user-created social media content other generational cohorts.

Down to earth realistic

Gen Z is a generation growing up in times of fragility on economic, environmental, and political level. They are expected and expect themselves to be the first generation which is worse off than their parents (Van den Bergh and Pallini, 2017). They have experienced a lot in their brief lifetimes and have encountered political, social, technological and economic changes (Priporas *et al.*, 2017). That makes them *down to earth realistic* (Lendvai *et al.*, 2022). Gen Z is conscientious, hard-working, somewhat anxious, and mindful of the future (Djafarova and Foots, 2022; Rue, 2018; Van den Bergh *et al.*, 2020). They are savings minded, savvy consumers (Entina *et al.*, 2019; Van den Bergh *et al.*, 2020). For instance, Squires and Ho (2023) found that the majority of consumers from Generation Z thinks that using credit is basically wrong and that being in debt is never a good thing. Ameen *et al.* (2022) state that Generation Z is one of the most concerned with physical and mental well-being, and has been associated with low confidence and low self-esteem. Particularly Generation Z women have less self-confidence and are more risk averse in their attitude and behaviour than earlier generations. Furthermore, low self-esteem in young women has been linked to the use of social media in ways that do not reflect a true social life.

Individualistic self-identity and self-image seekers

Gen Zers are *individualistic self-identity and self-image seekers*. They are likely to be independent-minded. Gen Z have a need for uniqueness, especially expressing a unique point of view, a unique style, and unusual hobbies and interests (Goldring and Azab, 2021). They create their own, unique selves and they are not afraid of standing out. They are image-conscious identity seekers and explore a broad set of interests and get a taste of a multitude of experiences

(Lendvai *et al.*, 2022). They pay attention to what brands and products offer them for their exclusive individualized self-representation (Kupec, 2016) and use social media and brands for personal branding (Djafarova and Foots, 2022; Vitelar, 2019, Weinswig, 2016). Gen Z consumers seem to be less brand loyal than previous generations. However, they want to show a personal style that reflects high quality, functional, fashionable items that may look expensive but are not, so that they provide the perception of an exclusive look to intensify their personal brand to others (Goldring and Azab, 2021). Also Ismail *et al.* (2021) state that Generation Z consumers desire to express themselves, often through their buying behaviour and purchases, and that they frequently engage with brands that support their selves or desired selves. Chetioui and El Bouzidi (2023) found that impulsive online buying is positively associated with hedonic shopping motivation and materialism, and especially the fear of missing out.

Nevertheless, their self-concept is partially determined by the group to which they (want to) belong. Peer acceptance is very important to Generation Z (Williams *et al.,* 2010). They share personal experiences and recommendations, and they also accept to be influenced by their peers (Cruz *et al.*, 2017; Goldring and Azab, 2021; Puiu, 2016). For instance, in a study about luxury fashion in the U.S., Cho et al. (2022) found a positive effect of the need for uniqueness on attitudes and purchase intention, as well as an even greater effect of the bandwagon effect (a psychological phenomenon in which a person tends to follow trends, styles, attitudes, and so on, because they see many other people doing the same thing (Cho *et al.*, 2022)). Gen Z consumers expect brands to create experiences for consumers to participate in and share with others. These experiences provide a level of exclusivity (Van den Bergh and Pallini, 2017). In a qualitative study of people between 20 and 24 years old, Riivits-Arkonsuo and Leppiman (2015) found that the Gen Z connections with brands are largely influenced by their social network, i.e.

schoolmates, friends and 'cool' trends, and they appreciate a lot the positive comments on their brands received by friends.

Purpose-driven

Gen Z is *purpose-driven.* They are on a personal quest for meaningful lives. However, they also want to create a more equitable and better world (Kupec, 2016; Kusá and Záziková, 2016; Ling *et al.,* 2023; Puiu, 2016). They like the idea of diversity, inclusion, human equality (Bäcklund and Martin, 2019; Duffett, 2020; Rue, 2018) and sustainability, both in terms of environmental consciousness and social responsibility (Bulanda and Vavrecka, 2019; Lendvai *et al.*, 2020; Naumovska, 2017). They believe that brands should have a positive effect on or generate these values (Djafarova and Foots, 2022; Van den Bergh *et al.*, 2020). In terms of characteristics, lifestyles, and attitudes, Generation Z individuals are the new conservatives. They have returned to old-school values such as respect, trust, and restraint (Williams *et al.,* 2010). Consequently, they want real, honest and authentic brands, showcasing real people, and transparency in communication is key (Van den Bergh and Pallini, 2017).

The digitally literate consumption of Gen Z makes them highly informed, more pragmatic, and more capable of making analytical decisions than representatives of previous generations are (Ameen *et al.,* 2022). They are more aware and informed than previous youth generations and consequently do not trust brand messages (Djafarova and Bowes (2021). Brand loyalty appears to lose its significance among Gen Z consumers. They are critical and cynical about advertising, and they have difficulty trusting a brand's intentions. For instance, Djafarova and Bowes (2021) state that Generation Z like subtle marketing messages and found that they preferred fashion brands who post creative content, as opposed to those who excessively advertise their products.

If they do not get what they expect, they will share this on social media and switch brands (Thangavel *et al.* (2022). Also Ameen *et al.* (2022) found Generation Z consumers to be less attached and loyal to brands than other consumer cohorts and they trust user-generated content on social media more than the brands themselves. They have higher expectations, no brand loyalty, and care more about the experience (Priporas *et al*., 2017).

Gen Z are tuned in to social activism but tuned out to traditional politics (McCrindle and Fell, 2021). Coman *et al*. (2022) state that Gen Zers have greater awareness of issues about race, diversity and sustainability, and are engaged in advocating for social issues. A large part of the Gen Z cohort is attracted to companies that act on societal causes. In their study with U.S. students, they found that Gen Z tend to agree that companies should publicly support diversity, racial and gender justice, climate change, and rights issues. Most respondents see companies as responsible for solving all or most of the issues, because Gen Zers see most of these issues as essential for the wellbeing of society and future and they perceive companies might hold more control and power than other actors.

Riivits-Riivits-Arkonsuo and Leppiman (2015) found that Gen Z consumers are strongly influenced by their personal values and beliefs in developing relations with brands, such as environmental values. Consequently, they can see a brand as a reflection of socially responsible behaviour. Such perceptions can be influenced either by values and beliefs of their social network or reflect individual values and beliefs. For instance, Youn and Cho, E. (2022) report that the majority of Gen Z consumers like to purchase sustainable brands and they are willing to pay 10% more for sustainable products. Ghosh and Bhattacharya (2022) found that, in India, CSR attributes and sustainability attributes support luxury brand loyalty. Also Ewe and Tjiptono (2023) found that, when consumers are more familiar with an eco-friendly brand than a non-eco-friendly brand, their attitude toward, buying intention and willingness to pay more for eco-friendly brands are significantly higher than for non-eco-friendly products. Chaturvedi *et al.* (2020) found that, amongst others, environmental concern was a major predictor of purchase intention for recycled clothing. In a qualitative study in Romania, Dabia *et al*. (2020) found that Gen Z members buy green products and services and buy from retailers who implement proper environmental protection strategies, promote socially responsible consumption, and adopt specific measures to protect employees and support local communities. Combining three alleged characteristics of Gen Z, Robichaud and Yu (2022) show that Gen Z's shift in ethical/sustainable consumption is influenced by their peer influence circles and contributes to their self-branding, identify claims and social currency.

Social media influencers

Social media influencers (SMIs) play an important role in Gen Z's lives (Spálová *et al.*, 2021). A social media influencer is an opinion leader or tastemaker in one or more areas of consumption, who has a considerable following in social media. Consumers trust each other far more than they trust companies' marketing communications, and social media influencers have become important mediators in consumer decision making, particularly for Gen Z members (Närvänen *et al*. (2020). They appreciate the communication of brands on social media through micro-celebrities (influencers with a relatively limited number of followers) as they find them authentic (Djafarova and Bowes, 2021). SMIs have a major influence on the Gen Z consumer decision-making process, since they are convinced that social media influencers convey more authentic, believable, trustworthy and reliable information than the brand itself (Bäcklund and Martin, 2019; Munsch, 2020), because they have built their status through objective careers, efforts and achievements, and behave authentically (Spálová *et al.*, 2021). Gen Z consumers typically admire social media influencers and consider them like their friends. They often form a one-sided relationship that has an illusion of intimacy with the influencer – a parasocial relationship. Therefore they are likely to be influenced by them in their purchasing decisions (Närvänen *et al.* (2020).

In a study with U.K. Gen Z fashion impulse buying, Djafarova and Bowes (2021) conclude that predominantly female Gen Z members are strongly influenced by Instagram content. Micro-celebrities and traditional celebrities are actively utilised by fashion brands, and micro-celebrities are the primary influence on Generation Z females' impulse fashion purchases as they set the trends. Ameen *et al.* (2022) found that celebrities have a strong influence on Gen Z members' behaviour. The more trust recommendations made by celebrities that Generation Z consumers see on social media, the more confident they are about the products that they are buying and the higher their self-esteem becomes.

Generation Z segments

As already pointed out in the introduction, it may not be assumed that the Gen Z cohort is homogeneous and has exactly the same characteristics in different countries. Furthermore, the Gen Z cohort appears to be remarkably diverse (Thangavel *et al.*, 2021, 2022). Williams *et al.* (2010) point out that it is important to recognize that each generation can be composed of distinct segments. However, there are only a few studies that have attempted to explore a segmentation of the Gen Z population.

Törőcsik *et* al., (2015) identified eight Gen Z segments in Hungary, based on pace of life and value-orientations: The multi-coloured conscious, sensitive future planners, me/celebrities, average, sensitive motivated, hungry for success, spectators, and introverted.

Su *et al.* (2019) developed a typology of U.S. Gen Zers between 18 and 23 years of age, based on 16 environmental consciousness items, and explore the relationships between these segments and food choices. They identify 3 segments: sustainable moderates, sustainable activists, and sustainable believers. Sustainable moderates had the lowest mean score in environmental protection and health. Sustainable activists and sustainable believers had similar perceptions about price, attitude, and convenience, but are very different from sustainable moderates who consider sustainable foods expensive and inconvenient to buy. Sustainable activists and believers also consider the purchase of sustainable food to be beneficial to environmental protection and health.

Thangavel *et al.*, (2022) use the shopping style inventory to develop a segmentation based on Gen Z online shopping orientation styles. They identify four segments: Economic-quality seekers, convenience shoppers, deal hunting-convenience seekers, and brand and quality conscious shoppers.

Lendvai *et al.* (2022) explored segments in the Hungarian Gen Z population based upon the LOHAS (Lifestyle of Health and Sustainability). They define three segments, which they call: fitting the LOHAS model, nearly fitting the LOHAS model, and far away from fitting the LOHAS model.

In a study with Greek university students, Kamenidou *et al.* (2019) segmented the Gen Z cohort based on sustainable food consumption behaviour. The authors distinguish two segments: The under-consideration and the negatively positioned. The first segment is positively predisposed towards SFC, while the second is not.

In a Malaysian study, Ismail *et al.* (2021) identify four clusters based on brand engagement in self-concept (BESC) and value consciousness (VC), and they explore the differences in brand loyalty between those segments. The "attentive customers" are highly engaged with the brand and highly value-conscious. "Dedicated customers" show the highest scores on brand engagement and a low score on VC. "Switchers" have low scores for brand engagement and a high level of VC. They can easily engage with other brands in the category if they get lower prices. "Prospectives" consisted of consumers who are less engaged with the brand and scored low in VC. Consumers in the attentive group are the most loyal customers, followed by consumers in the dedicated group. Those two groups are highly engaged in self-concept than the other groups. In table 1, an overview of these Gen Z segmentation studies is given.

All these studies are single-country studies with a relatively narrow focus, mostly based on lifestyle and value orientation. Our approach profiles Gen Z segments based on a large number of variables in a multi-country setting.

Empirical Study

Procedure, samples, measures and method

An online questionnaire was delivered in January-March 2022 to Gen Z members, born between 1996 and 2007. We selected a random quota sample from the Dynata and Human8 online research panels, based on gender and age to be representative of the Gen Z populations of the countries in which the study was carried out. The total sample consists of 4304 respondents: 468 in the U.S., 561 in Australia, and 3275 in Europe (samples of similar size in Belgium, the Netherlands, France, Germany, Sweden, and the U.K.). Sample characteristics can be found in Table 1.

<<Insert Table 1 about here>>

Gen Z questions were asked that relate to the alleged Gen Z characteristics as reported in previous research and discussed in the previous section, on insights from an extensive multi-country quantitative study among 10,000 respondents in 8 European countries (Van den Bergh, 2018), a qualitative study based on 26 expert interviews with senior marketing executives of youth targeting brands (Van den Bergh and Pallini, 2017) and on an interpandemic qualitative study commissioned by Coca-Cola involving 200 16- to 19-year-olds in 8 European countries during a 3 week online community (Van den Bergh *et al.*, 2020). Apart from demographic information (age, gender, family composition, and employment status), two categories of variables can be distinguished, namely cluster and profiling variables. Thirteen variables were selected to form clusters. Five of them relate to what Gen Z members expect from brands in terms of exclusiveness, trendiness, diversity and inclusivity and sustainability. Three variables tap into how they perceive their financial situation. The five remaining variables measure how they stand in life and look at the future. Additionally, eight profiling variables were measured that explore the participants' online activities and experiences (Tables 2-7).

<<Insert Tables 2-7 here>>

Analysis

We carried out cluster analysis, following the standard procedure to identify segments in a quantitative study. (Hair *et al.* (2013). Apart from numerous other published segmentation articles, most of the Gen Z papers have followed the same approach, e.g., Su et al. (2019), Thangavel et al. (2022) and Lendvai et al. (2022). Cluster analysis is a quantitative analytical technique, the purpose of which is to detect groups (clusters) of individuals in a dataset that are internally more homogeneous with respect to a number of characteristics, and significantly different from other clusters. The variables used to do so (the characteristics) are called 'cluster variables'. Additionally, cluster descriptions can be enriched by testing to what extent clusters also differ in terms of other characteristics, called 'profiling variables'. To identify clusters, the standard k-means cluster analysis procedure was followed here, based on the 13 cluster variables used to expose the cluster structure in the data and group individuals with similar characteristics (Hair *et al.*, 2013). These thirteen variables were selected from a broader variable set using factor analysis applied to the total-level sample including all geographic regions. Variables selected were those with large factor loadings that were distinct to a single factor. Selected variables with high correlations among the other variables selected were dropped from the selection set.

The 13 cluster variables were used for k-means clustering, based on mean-centred individual respondent variables. This transformation, for a given respondent, calculates the mean response across the cluster variables and subtracts this value from each variable. The resulting values indicate items rated above the respondent's average rating (resulting positive values) and items rated below the respondent's average rating (resulting negative values). This technique works well to eliminate scale usage bias and tends to avoid the identification of clusters where all items are rated high/low compared to the total-level distribution.

In order to select the optimal number of clusters, the following criteria were used. First of all, we calculated the gap statistic. This statistic compares the error sum of squares of solutions with 2, 3, 4, etc. clusters to a reference distribution derived from clustering random noise. The appropriate number of clusters is selected where the 'gap' in error between the data and the reference is largest. Second, the 'elbow' method of looking at the error sum of squares was used. This method involves plotting the error sum of squares for varying numbers of clusters and selecting the number of clusters where the resulting curve begins to flatten, i.e., the point where the curve bends, effectively forming an 'elbow'. Finally, cluster solutions were inspected such as to allow to identify and profile meaningful and coherent segments. All three criteria pointed at the same number of clusters: 5 in Europe, and 4 in the U.S. and in Australia. For each of the three geographical areas, two tables are reported (Tables 2-7). The first table for each geographical area reports the mean scores (centroids) of the 13 cluster variables (values they expect brands to represent, how they perceive their financial issues and quality of life) and the 8 profiling variables (what the online world means to them) per cluster, and indicates to what extent these scores are significantly different across clusters. The results in these tables were generated by means of ANOVA analysis with Bonferroni post-hoc tests. These tests indicate that the clusters are significantly different with respect to all cluster variables (respondent characteristics), as they should. The second table for each geographical area reports the sociodemographic differences between the clusters.

Results

Based on the most distinctive characteristics of each Gen Z segment, i.e. those characteristics for which they score significantly lower or higher than all other clusters, we identify the following segments. In all three geographical areas, Gen Z segments are substantially different in terms of values they expect brands to represent, how they perceive their financial issues and quality of life, and what the online world means to them. However, the segments identified are largely similar across geographical areas. In table 8, a comprehensive overview of segment characteristics is provided. The segments can be described as follows.

<<Table 8 about here>>

Well-off show offs (EUR A ~ US C ~ AUS A): Members like exclusivity in brands, and brands that take sustainability into account and comment on news and political events. Inclusivity is less/not important. They do not feel financial stress and having money and other status symbols are important for them. In fact "eco-friendly" is just another label for them to show that they are on-trend and willing to pay more for products that claim to take care of the environment. They are also into fundraising charity events as another example of ego-centric altruism. They are happy.

Happy hipsters (EUR B ~ US B ~ AUS B): Exclusive and trendy brands are very important to them, as well as inclusivity and sustainability. They do not feel financial stress. They are happy and not stressed.

Unwoke geeks (EUR E ~ US D ~ AUS C): For the members of this group, it is not important that brands are inclusive, sustainable and exclusive and trendy. Money and status symbols are very important to them, but they are struggling with making money. They are uncertain and nostalgic.

Eco-worriers (EUR C ~ US A ~ AUS D): Members of this segment find inclusivity and sustainability very important. This segment is very aware of their own responsibility in lowering ecological footprints and contributing to a more sustainable future. They are not in favour of big international brands at all, as in their view their only goal is to make profits. They do not expect brands to be exclusive. They feel financial stress, and they are uncertain and the most stressed-out segment.

Eco-fatalists (Europe D): They are moderately in favour of inclusivity and exclusivity in brands, but they are not interested in sustainability as they believe it is too late to save the planet anyway. As they have financial worries, they are quite frugal, and they are generally uncertain and stressed.

In figures 1-3, the clusters are represented on the basis of the importance of exclusivity, inclusivity and sustainability.

<<Insert Figures 1-3 about here>>

With respect to the online-related perceptions (see profiling variables in Tables 2-7), in Europe, the Well-off show offs and the Unwoke geeks score substantially higher than the other segments on the statements ‘My online and offline lives are two different worlds’, ‘Hanging out with friends online is just as good as seeing them in person’, and ‘I feel anxious if I must disconnect from my socials’. The Well-off show offs also score substantially higher than the other segments on statements such as ‘In a virtual world everyone is equal’ and ‘I have quite some online friends I have never met face to face’. Eco-worriers and Eco-fatalists score higher than other segments on ‘Social media bring a lot of pressure on looks’. In the U.S. the Well-off show offs score significantly higher than most other segments on the statements ‘My online and offline lives are two different worlds’ and ‘I have quite some online friends I have never met face to face’. The

Unwoke geeks and the Eco-worriers score significantly higher on 'Social media bring a lot of pressure on looks'.

With respect to how they relate to social media influencers, the results are relatively dissimilar across both segments and geographical areas. In all three areas, the eco-worriers on average state that they do not follow SMIs at all. The Well-off show offs in Australia and to a certain extent also in the U.S. follow SMIs intensively, and so do the Happy Hipsters in Australia. In Europe, the Unwoke geeks are avid SMI followers, while this segment avoids SMIs in the U.S.

In the Well-off show offs segment, males with children and a full-time job are overrepresented, while the Eco-warriors segment predominantly contains females and 22- to 25-year-old (except in the US). The Happy hipsters segment overrepresents females, except in Europe where it overrepresents males under 18. The Unwoke geeks segment overrepresents females and students.

The relative size of the segments is largely similar across geographical areas. The Happy hipsters, Unwoke geeks and Eco-warriers segments are relatively equally represented in the three areas: the Happy hipsters segment comprises 20-25% of Gen Z, the Unwoke geeks around 20%, and the Eco-worriers about 15-19%. However, there is a large difference between the representation of the Well-off show offs segment. In Europe, this segment is 29% of the Gen Z population, while this is 40% in the U.S. and 37% in Australia. This essentially means that the segment that prefers exclusive and sustainable brands (but not inclusive ones) and for which money is not a problem is substantially smaller in Europe than in the other two areas. The Eco-fatalists in Europe account for 16% of the sample.

Discussion, Implications and Further Research

The results of the current study confirm that it may not be assumed that the Gen Z cohort is homogeneous, and that it is remarkably diverse (Thangavel *et al.*, 2021, 2022). Segmentation of generational cohorts is thus very relevant (Taylor, 2021). Contrary to the few previous Gen Z segmentation study that are single-country studies with a relatively narrow focus, the current study is a cross-country study using large representative random samples in each geographical area, and is based on a broad set of variables related to what Gen Z members expect from brands, lifestyle-related variables and on how they perceive their online activities. The current study provides deep, relevant and fine-grained insights in the Gen Z world and provides insights for marketing practitioners to create better focused and more effective campaigns.

Our findings support earlier research about what Gen Z expects of brands in terms of exclusivity, inclusivity and sustainability, and how they stand in life with respect to dealing with money and an uncertain future. These are all important for at least certain segments of the Gen Z population. At the same time, Gen Z is very diverse in that there are segments that fundamentally differ with respect to the relative importance they attach to these issues. In those domains that are important for segments, they score well above the scale midpoint. It is remarkable that none of the segments has all the important characteristics of the 'typical' Gen Z cohort, although Happy hipsters, eco-worriers and Eco fatalists come close, as illustrated in Table 8 and Figures 1-3. The Happy hipsters find sustainability, inclusivity and brand exclusivity and trendiness important, but on the other hand they do not have financial problems, and are happy and not stressed. Also the eco-worriers come close to the 'typical' Gen Z individual. They find inclusivity and sustainability important, they have financial problems, and they are uncertain and stressed. However, they do not care about the exclusivity and trendiness of brands. The Eco fatalists do not care about sustainability, but they do find inclusivity and exclusivity of brands important. They have financial problems, and are uncertain and stressed. The Well-off show-off segment care about sustainability and exclusivity of brands, find money and status symbols important, but does not find inclusivity important, and they are happy and without financial worries. Finally, the Unwoke geeks may be largely considered as ‘anti-Gen Z’ and the opposite of the Happy hipsters: They do not seem to care about inclusivity, sustainability or exclusiveness and trendiness of brands, but they do find money and status symbols important. They are nostalgic and uncertain, and have financial problems.

Looking at the relative size of the segments, exclusivity and sustainability related branding appeals to around 60-70% of Gen Z, whereas inclusivity claims will work with around half of them. More than half of Gen Z does not worry about financial problems and are happy. These findings are consistent with some of the previous Gen Z segmentation studies. With respect to the importance of sustainability, one of the three segments identified by Su *et al.* (2019) is ‘sustainable moderates’ that care less about the environment. In Lendvai *et al.*’s (2022), one of the three segments identified is qualified as ‘far away from fitting the Lifestyle of Health and Sustainability profile’. In Kamenidou *et al.*’s (2019), both segments identified are relatively indifferent (the ‘under-consideration’, or even negative (the ‘negatively positioned’) about sustainability issues. With respect to the importance of brand engagement in self-concept (a characteristic that is related to the exclusivity/trendiness in the current study), Ismail *et al.* (2021) found that two out of the four segments they identified score low on brand engagement. The vast majority of Gen Z follow social media influencers. This is consistent with what previous studies have reported (e.g., Bäcklund and Martin, 2019; Djafarova and Bowes, 2021; Munsch, 2020; Närvänen *et al*., 2020S; Pálová *et al.*, 2021).

In terms of demographic characteristics, the segments are not consistently and very markedly different, although in some segments and countries certain demographic groups are overrepresented.

The Gen Z segments are largely similar in different geographical areas, although the relative importance (size) of certain segments differs. This is consistent with Ismail *et al.*'s (2021) observation that generational cohorts seem to be convergent in different countries. However, in the current study, cross-country differences were noticed with respect to their (perception of) online activities. For instance, The perception of the Well-off show-offs that online and offline are two different worlds, that hanging out with friends online is just as good as seeing them in person, and that they feel anxious if they must disconnect from their socials is only perceived as such in Europe, while following SMIs intensively is only reported by U.S. and Australian Gen Zers. Only Australian happy hipsters report that they follow SMIs intensively. Finally, only in Europe, Gen Z members state that online and offline are two different worlds, hanging out with friends online is just as good as seeing them in person, feel anxious if they must disconnect from their socials, and follow SMIs intensively.

These findings have important implications for marketing. The insight that Gen Z segments are very different in terms of what they expect from brands and how they stand in life implies the use of a more fine-grained (content) strategy of how Gen Z segments should be approached and can be persuaded. By means of customized online advertising, marketers can relatively easily target their campaigns by means of online behavioural advertising, tapping into the perceptions, preferences and interests of different Gen Z segments. It is a suboptimal to assume that all Gen Z needs to be persuaded by at the same time focusing upon brand exclusivity and trendiness, inclusivity, sustainability, and (financial) uncertainty. Some segments do not care for inclusivity, sustainability, exclusivity or (financial) uncertainty, or are even explicitly not interested or worried about some of these issues and should thus be approached by marketers in different ways and with different arguments. At the same time, segments are relatively similar in their perceptions about the online world. It is fair to conclude that all Gen Z segments are very active online, and like to be, and that is where marketers can reach them. Most Gen Z segments (but not all) are avid followers of social media influencers. Marketers are thus advised to incorporate SMIs in their campaigns. Our findings also suggest that there are opportunities for cross-country standardization of marketing strategies: similar segments are found in different geographical areas, which would allow advertisers to develop global campaigns with the same messages targeted at Gen Z segments that are similar across countries.

Table 9 shows a concise overview of the most distinct characteristics of each segment, and provides concrete input on which messages and claims would or would not appeal to the different segments. Customizing brand messages to the different segments in this way in targeted online and offline media will most likely enhance marketing effectiveness. Hereafter we briefly describe a blueprint of what the content of marketing messages and claims could be for the different Gen Z segments, based on Table 9. We also give examples of campaigns that use these claims.

<<Insert Table 9 about here>>

A campaign targeted at the Well-off show-offs should emphasize the exclusiveness/trendiness and sustainability of the brand, and on the status value of the brand. It should not try to stress inclusivity elements or use value-for-money arguments. Integrating SMIs is important. For instance, premium outdoor brand The North Face understood how to help young Gen Z parents in this segment to meet the challenges of family life while showing off trendiness with its collection of convertible maternity performance wear. The puffer jackets include a removable baby blanket that zips into the coat of the parent to carry their infant children while being engaged in hiking (Hypebeast, 2022). In campaigns for Happy hipsters, stressing exclusivity/trendiness, sustainability and inclusivity of brands are all important. Value-for-money should not be used as an argument. Emphasising how the brand can relieve stress may be useful, as well as using SMIs. Liquid Death is one of the fastest-growing non-alcoholic beverage brands known for its bold, hilarious packaging with teen-rebel skull imagery and heavy blackletter type. Its aluminium cans are more environmentally friendly than plastic bottles and the brand gives donations to ocean recovery. In of its latest commercials, Liquid Death uses Travis Barker, drummer of Blink 182, stating he became successful thanks to drinking the brand (Usatoday, 2023). The Unwoke geeks do not care about brands that are exclusive/trendy, sustainable or inclusive, but they do care about brands as status symbols, and they are value-conscious. These last two elements should thus be used in marketing campaigns. As for the Happy hipsters, emphasising how the brand can relieve stress may be useful, as well as using SMIs especially those related to e-sports and gaming. Black Steel Bourbon is a new whiskey brand launched by gaming influencer Dr DisRespect who has a community of over 4 million followers via his live-streamed gaming shows on Twitch and YouTube. The campaign using Dr DisRespect as a spokesperson emphasizes premium traditional craft as well as the status and fame gained by winning computer games (Youtube.com/watch?v=1_jhD5uvQXE, 2023). Campaigns targeted at Eco-worriers should emphasize the brand's sustainability, inclusivity and value-for-money merits. Pointing at how the brand can relieve stress is relevant. Using SMIs is not essential. Patagonia created the Purpose Trust that will use the non-reinvested profits of the clothing brand (about 100 million dollars a year) to invest in businesses that will protect biodiversity and restore nature on the planet. Yvan Chouinard, billionaire-founder of the brand stated “we are making Earth our sole shareholder” (Fastcompany, 2023). Finally, campaigns targeted at the eco fatalists should not use brand sustainability claims, but they should emphasize exclusivity/trendiness, inclusivity and value-for-money claims and messages, and argue how the brand can relieve stress. Aldi’s “Like Brands, Only Cheaper” commercials use value-for-money claims reducing financial worries and its Dutch commercial showing its wide range of food products including vegan, dairy and gluten free options radiates inclusiveness (Thegrocer, 2023)

Future research could develop our work further, by exploring Gen Z segments across different European countries and in other parts of the world. Most Gen Zers are in Asia and Latin America, a part of the world that was not included in the current study. Segments differ in their perceptions of SMIs. Future research could focus upon finding out what influencer qualities will make a partnership with a brand feel genuine, authentic and credible. When advertisers are trying to identify social media influencers for a campaign, they can examine the psychographics in addition to the demographics of the Generation Z age cohorts. With this perspective in mind, identifying social media influencers that matter most can be uncovered to better target different Generation Z segments (Munsch, 2021). Finally, (experimental) research is needed about the effectiveness of specific advertising tactics in terms of message formats and content, that may have differential effects on Gen Z segments.

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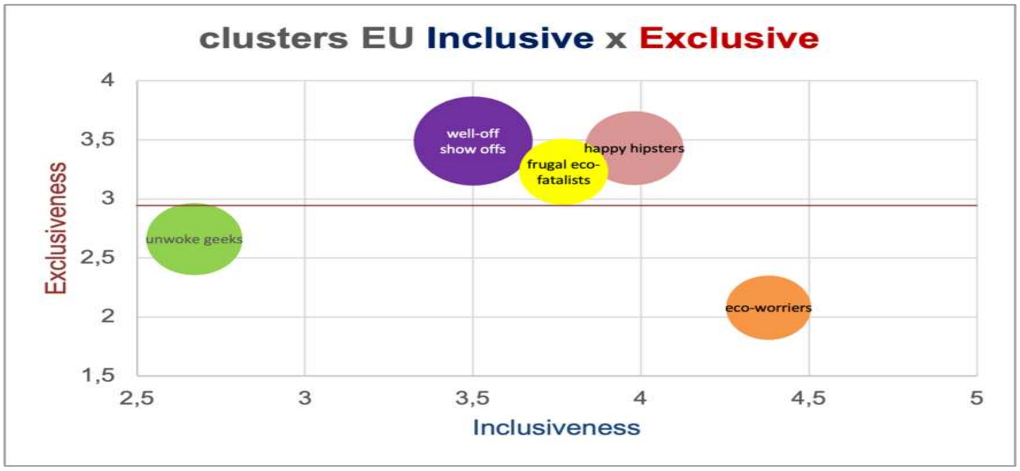
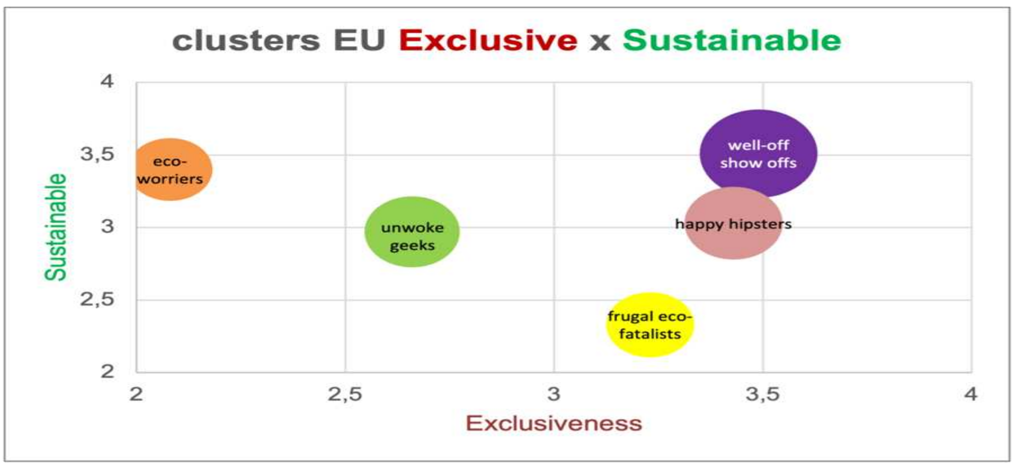
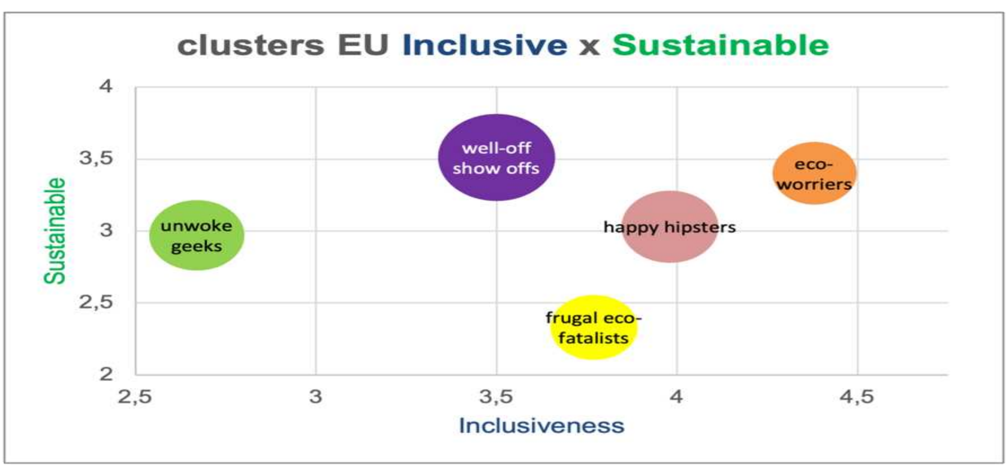
Figure 1. Europe: Clusters based on inclusivity, exclusivity and sustainability

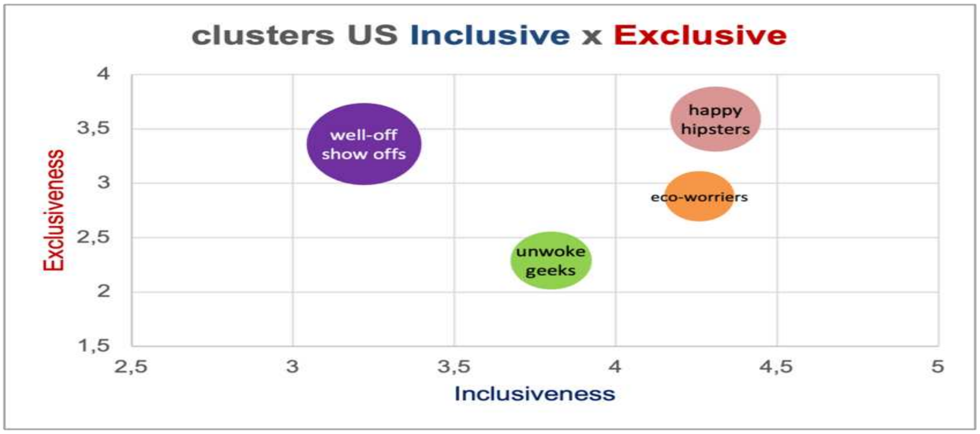


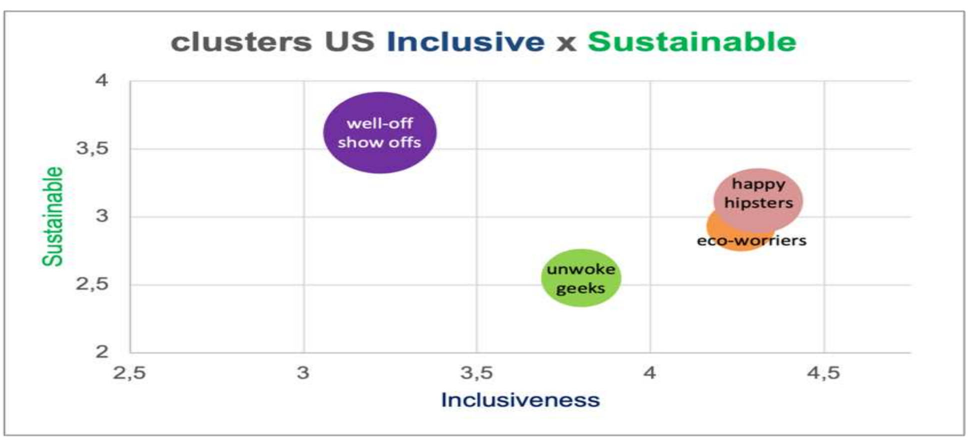




Circles represent the sizes of the segments

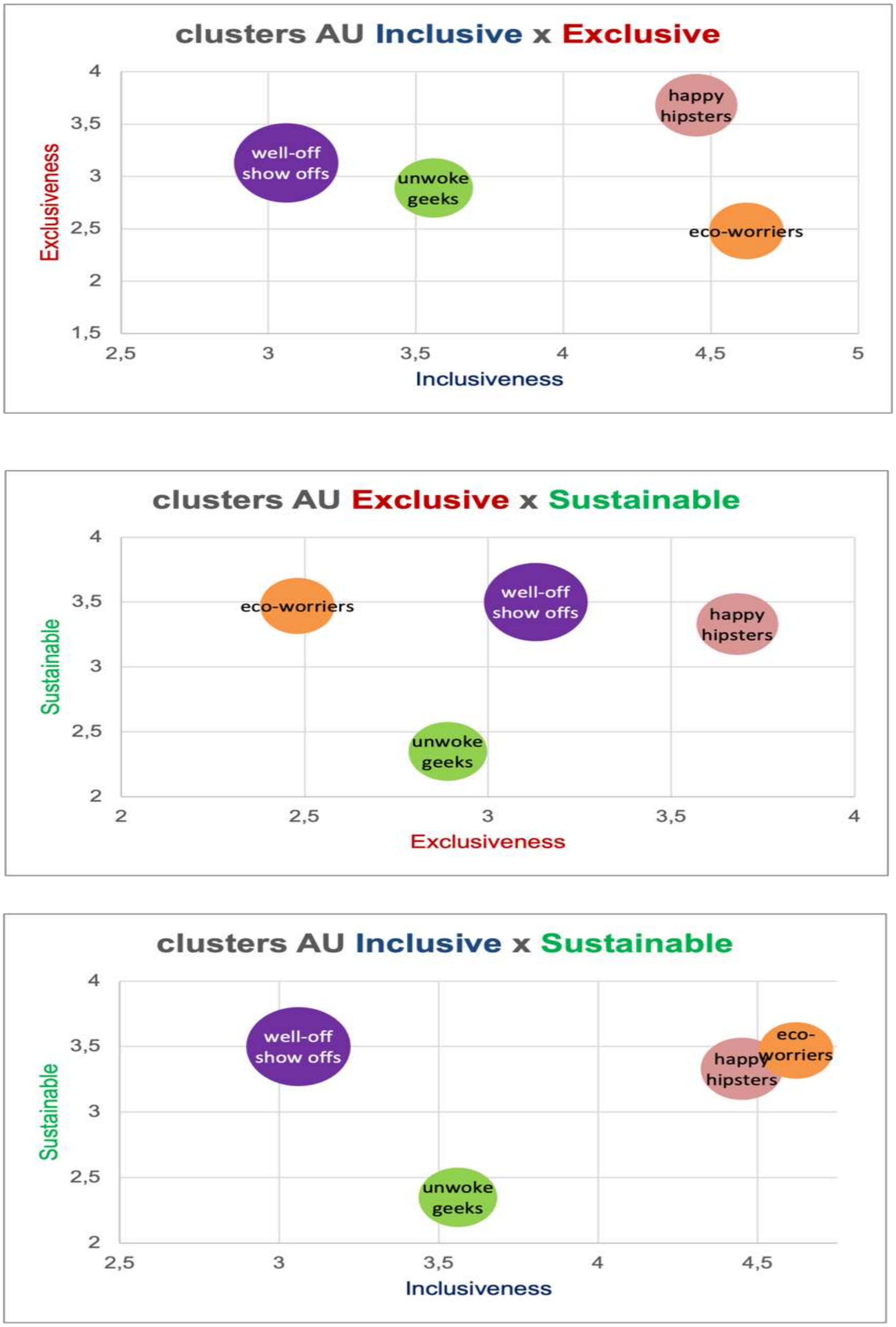
Figure 2. U.S.: Clusters based on inclusivity, exclusivity and sustainability





Circles represent the sizes of the segments

Figure 3. Australia: Clusters based on inclusivity, exclusivity and sustainability



Circles represent the sizes of the segments

Table 1. Socio-demographic composition of samples

Variable	Values	Europe	U.S.	Australia
Age	1 Under 18	16%	15%	23%
	2.00 18 - 21	51%	47%	51%
	3.00 22 - 25	34%	38%	26%
Gender	1 Male	51%	44%	45%
	2 Female	49%	56%	55%
Children	1 I have children / I am a parent	12%	18%	13%
	2 I am planning on having children in the future / I would like to be a parent in the future	56%	48%	49%
	3 I am not planning on having children in the future	15%	17%	20%
	4 I am undecided	13%	13%	14%
	5 Prefer not to answer	5%	5%	4%
Employment status	1 Full-time	30%	32%	24%
	2 Part-time	15%	19%	32%
	3 Seasonal worker	2%	1%	1%
	4 Self-employed	6%	7%	2%
	5 Not working	8%	14%	13%
	6 Not working due to illness	2%	3%	2%
	7 Retired	0%	0%	0%
	8 Student	37%	25%	25%

Table 2. Cluster and profiling variables Europe

Cluster variables	Cluster A n=959 29.28%	Cluster B n=662 20.21%	Cluster C n=498 15.21%	Cluster D n=535 16.34%	Cluster E n=621 18.96%
In order for me to consider a product, service or brand, it is important that it is exclusive	3.49 C D E	3.43 C D E	2.08	3.23 C E	2.66 C
In order for me to consider a product, service or brand, it is important that it is inclusive	3.50 E	3.98 A D E	4.38 A B D E	3.77 A E	2.67
In order for me to consider a product, service or brand, it is important that it is on trend/sets the trend	3.48 C E	3.59 C E	2.21	3.49 C E	2.95 C
Brands should comment on news, social and political events	3.55 B C D E	3.06 C D	2.84 D	2.62	2.92 D
I refuse to buy from brands that are not sustainable	3.51 B D E	3.03 D	3.40 B D E	2.33	2.97 D
I try to save money each time I earn or receive money	3.06	3.96 A E	4.29 A B D E	4.09 A E	3.79 A
Money and status symbols are important to me	3.46 C D	3.36 C D	2.73	3.16 C	3.52 C D
I feel it is harder to make money today, than it used to be	3.13	2.97	3.33 A B	3.92 A B C E	3.65 A B C
I am happy	7.12 C D	7.58 A C D E	6.45	6.63	7.05 C D
I feel stressed	3.45 B	3.10	3.72 A B E	3.60 B E	3.38 B
I am often lacking confidence	3.70 B	2.15	3.76 B	3.86 B E	3.59 B
I feel uncertain about my future	3.41 B	2.60	3.92 A B E	3.94 A B E	3.73 A B
I am often thinking fondly about the past	3.17	3.46 A C	3.20	3.38 A	3.60 A C D
Profiling variables					
My online and offline lives are two different worlds	3.46 B C D	3.16 C	2.93	3.14	3.42 B C D
In a virtual world everyone is equal	3.42 B C D	3.22 C D	2.73	2.87	3.40 C D
I have quite some online friends I have never met face-to-face	3.26 B C D	3.00 C	2.54	2.79 C	3.22 C D
Hanging out with friends online is just as good as seeing them in person	3.20 B C D	2.92 C D	2.54	2.70	3.14 B C D
I am following influencers on social media	3.20 C D	3.15 C D	1.60	2.07 C	3.63 A B C D
I try to limit my smartphone usage	3.30 C D	3.19 D	3.11 D	2.86	3.27 D
I feel anxious if I must disconnect from my socials for a day	3.15 B C D	2.76	2.59	2.81 C	3.06 B C D
Social media bring a lot of pressure on looks	3.55	3.54	4.12 A B E	4.02 A B E	3.57

*Rows: To what extent do you agree with the following statements? 1=I definitely don't agree – 3=neutral – 5=I definitely agree. Numbers in the cells are mean scores of the cluster and profiling variables for each cluster

**Columns are the clusters. In the headings the number of consumers in each cluster are reported, as well the percentage of consumers in the sample belonging to the cluster.

***Letters in cells indicate a significantly (p<.05) higher score than the clusters indicated (Bonferroni post-hoc test)

Table 3. Demographics Europe

Variable	Values	Cluster A	Cluster B	Cluster C	Cluster D	Cluster E
Age	1.00 Under 18	12.4%	19.0%	15.5%	16.6%	16.4%
	2.00 18 - 21	52.3%	52.3%	49.0%	44.9%	53.3%
	3.00 22 - 25	35.2%	28.7%	35.5%	38.5%	30.3%
Gender	1 Male	57.9%	61.8%	27.5%	39.4%	58.0%
	2 Female	42.1%	38.2%	72.5%	60.6%	42.0%
Children	1 I have children / I am a parent	16.3%	10.9%	6.4%	8.4%	14.3%
	2 I am planning on having children in the future / I would like to be a parent in the future	50.6%	57.3%	58.6%	60.9%	54.6%
	3 I am not planning on having children in the future	15.8%	14.2%	16.7%	14.0%	14.2%
	4 I am undecided	11.1%	12.8%	16.1%	14.4%	11.6%
	5 Prefer not to answer	6.3%	4.8%	2.2%	2.2%	5.3%
Employment status	1 Full-time	34.7%	30.4%	20.1%	26.2%	32.4%
	2 Part-time	14.8%	15.0%	11.8%	14.4%	17.4%
	3 Seasonal worker	2.6%	1.7%	1.4%	0.9%	1.8%
	4 Self-employed	6.7%	6.8%	2.0%	4.7%	7.2%
	5 Not working	9.4%	7.9%	8.0%	7.9%	8.5%
	6 Not working due to illness	2.4%	0.6%	1.4%	3.2%	1.0%
	7 Retired	0.6%	0.5%	0.0%	0.2%	0.3%
	8 Student	28.8%	37.3%	55.2%	42.6%	31.4%

Table 4. Cluster and profiling variables U.S.

Cluster variables	Cluster A n=68 14.53%	Cluster B n=118 25.21%	Cluster C n=188 40.17%	Cluster D n=94 20.09%
In order for me to consider a product, service or brand, it is important that it is exclusive	2.88 D	3.59 A D	3.36 A D	2.29
In order for me to consider a product, service or brand, it is important that it is inclusive	4.26 C	4.31 C D	3.22	3.80 C
In order for me to consider a product, service or brand, it is important that it is on trend/sets the trend	3.00	3.81 A C D	3.39 D	2.53
Brands should comment on news, social and political events	2.99 D	2.86 D	3.60 A B D	2.35
I refuse to buy from brands that are not sustainable	2.93	3.12 D	3.62 A B D	2.55
I try to save money each time I earn or receive money	3.97	3.81	3.62	4.32 B C
Money and status symbols are important to me	2.82	3.10	3.68 A B D	2.72
I feel it is harder to make money today, than it used to be	3.97 B	2.92	3.59 B	4.01 B C
I am happy	6.03	7.26 A D	7.31 A D	6.04
I feel stressed	4.12 B C	3.42	3.51	3.78
I am often lacking confidence	3.96 B	2.58	3.62 B	3.87 B
I feel uncertain about my future	4.35 B C	2.97	3.38 B	4.18 B C
I am often thinking fondly about the past	2.18	3.55 A	3.60 A	4.21 A B C
Profiling variables				
My online and offline lives are two different worlds	3.37	2.85	3.49 B D	3.02
In a virtual world everyone is equal	3.15	3.17 D	3.55 D	2.67
I have quite some online friends I have never met face-to-face	3.16	2.99	3.51 B D	3.03
Hanging out with friends online is just as good as seeing them in person	2.88	2.83	3.23 D	2.43
I am following influencers on social media	2.25	2.53 D	3.70 A B D	1.89
I try to limit my smartphone usage	2.66	3.01	3.44 A B D	2.83
I feel anxious if I must disconnect from my socials for a day	2.97	2.84	3.19 D	2.49
Social media bring a lot of pressure on looks	4.34 B C	3.68	3.76	4.37 B C

*Rows: To what extent do you agree with the following statements? 1=I definitely don't agree – 3=neutral – 5=I definitely agree. Numbers in the cells are mean scores of the cluster and profiling variables for each cluster

**Columns are the clusters. In the headings the number of consumers in each cluster are reported, as well the percentage of consumers in the sample belonging to the cluster.

***Letters in cells indicate a significantly (p<.05) higher score than the clusters indicated (Bonferroni post-hoc test)

Table 5. Demographics U.S.

		Cluster A	Cluster B	Cluster C	Cluster D
Age	1.00 Under 18	20.6%	19.5%	9.0%	14.9%
	2.00 18 - 21	45.6%	39.0%	52.7%	46.8%
	3.00 22 - 25	33.8%	41.5%	38.3%	38.3%
Gender	1 Male	39.7%	40.7%	53.7%	29.8%
	2 Female	60.3%	59.3%	46.3%	70.2%
Children	I have children/I am a parent	14.7%	18.6%	20.2%	12.2%
	2 I am planning on having children in the future / I would like to be a parent in the future	45.6%	48.3%	45.7%	53.2%
	3 I am not planning on having children in the future	22.1%	13.6%	18.6%	12.8%
	4 I am undecided	13.2%	15.3%	10.1%	14.9%
	5 Prefer not to answer	4.4%	4.2%	5.3%	6.4%
Employment status	1 Full-time	29.4%	31.4%	37.8%	21.3%
	2 Part-time	20.6%	16.9%	18.1%	21.3%
	3 Seasonal worker	0.0%	0.8%	1.6%	1.1%
	4 Self-employed	7.4%	9.3%	6.4%	3.2%
	5 Not working	14.7%	14.4%	13.8%	12.8%
	6 Not working due to illness	0.0%	1.7%	2.7%	8.5%
	7 Retired	0.0%	0.0%	0.0%	1.1%
	8 Student	27.9%	25.4%	19.7%	30.9%

Table 6. Cluster and profiling variables Australia

Cluster variables	Cluster A 208 n=37.08%	Cluster B 132 n=23.53%	Cluster C 117 n=20.85%	Cluster D 104 n=18.54%
In order for me to consider a product, service or brand, it is important that it is exclusive	3.13 D	3.68 A C D	2.89 D	2.48
In order for me to consider a product, service or brand, it is important that it is inclusive	3.06	4.45 A C	3.56 A	4.62 A C
In order for me to consider a product, service or brand, it is important that it is on trend/sets the trend	3.18 D	3.87 A C D	3.38 D	2.59
Brands should comment on news, social and political events	3.58 B C	2.98	2.76	3.24 C
I refuse to buy from brands that are not sustainable	3.50 C	3.33 C	2.35	3.47 C
I try to save money each time I earn or receive money	3.48	3.88 A	4.02 A	4.07 A
Money and status symbols are important to me	3.39 C D	3.48 C D	2.84	2.46
I feel it is harder to make money today, than it used to be	3.34	3.37	3.44	3.64
I am happy	6.90 C D	6.92 C D	5.97	6.06
I feel stressed	3.30	3.51	3.47	3.88 A B C
I am often lacking confidence	3.33	3.19	4.13 A B	3.81 A B
I feel uncertain about my future	3.38 B	2.87	4.11 A B	4.24 A B
I am often thinking fondly about the past	3.43 D	3.27	3.84 A B D	3.02
Profiling variables				
My online and offline lives are two different worlds	3.43	3.17	3.29	3.13
In a virtual world everyone is equal	3.37 D	3.17 D	3.01	2.63
I have quite some online friends I have never met face-to-face	3.16	3.17	2.98	2.92
Hanging out with friends online is just as good as seeing them in person	3.09 D	3.06 D	2.90 D	2.43
I am following influencers on social media	3.43 C D	3.15 C D	2.07 D	1.56
I try to limit my smartphone usage	3.20 C D	3.29 C D	2.78	2.80
I feel anxious if I must disconnect from my socials for a day	3.17 C	2.98	2.67	2.79
Social media bring a lot of pressure on looks	3.61	3.75	3.79	4.42 A B C

*Rows: To what extent do you agree with the following statements? 1=I definitely don't agree – 3=neutral – 5=I definitely agree. Numbers in the cells are mean scores of the cluster and profiling variables for each cluster

**Columns are the clusters. In the headings the number of consumers in each cluster are reported, as well the percentage of consumers in the sample belonging to the cluster.

*** Letters in cells indicate a significantly ($p<.05$) higher score than the clusters indicated (Bonferroni post-hoc test)

Table 7. Demographics Australia

		Cluster A	Cluster B	Cluster C	Cluster D
Age	1.00 Under 18	24.0%	21.2%	26.5%	20.2%
	2.00 18-21	50.5%	51.5%	53.0%	47.1%
	3.00 22-25	25.5%	27.3%	20.5%	32.7%
Gender	1 Male	56.7%	39.4%	40.2%	33.7%
	2 Female	43.3%	60.6%	59.8%	66.3%
Children	1 I have children / I am a parent	14.4%	11.4%	11.1%	14.4%
	2 I am planning on having children in the future / I would like to be a parent in the future	41.3%	61.4%	49.6%	47.1%
	3 I am not planning on having children in the future	21.6%	15.2%	19.7%	22.1%
	4 I am undecided	13.0%	10.6%	17.9%	16.3%
	5 Prefer not to answer	9.6%	1.5%	1.7%	0.0%
Employment status	1 Full-time	26.0%	28.8%	21.4%	19.2%
	2 Part-time	32.7%	32.6%	32.5%	29.8%
	3 Seasonal worker	2.9%	0.0%	0.9%	0.0%
	4 Self-employed	2.4%	3.0%	2.6%	0.0%
	5 Not working	11.5%	12.1%	14.5%	13.5%
	6 Not working due to illness	1.4%	0.8%	1.7%	3.8%
	7 Retired	1.0%	0.0%	0.0%	0.0%
	8 Student	22.1%	22.7%	26.5%	33.7%

Table 8. Overview of cluster characteristics

Well-off show offs EUR 29.28% US 40.17% AUS 37.08%	**Happy hipsters** EUR 20.21% US 25.21% AUS 23.53%	**Unwoke geeks** EUR 18.96% US 20.09% AUS 20.85%	**Eco-worriers** EUR 15.21% US 14.53% AUS 18.54%	**Eco-fatalists** EUR 16.34%
Exclusivity of brands is important Sustainability of brands is important Like brands that comment on news and political events. Inclusivity is less/not important. Money is not a problem Money and status symbols are important Happy	Exclusive and trendy brands are very important Inclusivity of brands is very important Sustainability of brands is very important Money is a not a problem Happy Not stressed.	Inclusivity of brands is not important Sustainable of brands is not important Exclusiveness and trendiness of brands are not important Money is a problem Money and status symbols are important Uncertain Nostalgic.	Inclusivity of brands is very important Sustainability of brands is very important Brand trendiness and exclusiveness are not important Money is a problem Uncertain Stressed	Moderately in favor of inclusivity of brands Moderately in favor of exclusivity of brands Not interested in sustainability of brands Money is a problem Uncertain Stressed
Online and offline are two different worlds (EUR) Hanging out with friends online is just as good as seeing them in person (EUR) Feel anxious if they must disconnect from their socials (EUR) In a virtual world everyone is equal Have quite some online friends they have never met face to face Follow SMIs intensively (U.S., AUS)	Follow SMIs intensively (AUS)	Online and offline are two different worlds (EUR) Hanging out with friends online is just as good as seeing them in person (EUR) Feel anxious if they must disconnect from their socials (EUR) Social media bring a lot of pressure on looks Follow SMIs intensively (EUR)	Social media bring a lot of pressure on looks' Do not follow SMIs at all	Social media bring a lot of pressure on looks
Males with children and a full-time job are overrepresented	Females are overrepresented (U.S. and AUS) Males under 18 overrepresented (EUR)	Females and students overrepresented .	Females and 22- to 25-year-old overrepresented (EUR and AUS).	

*The first row contains the segment name and the percentage of the sample that belongs to the segment in the three geographical areas.

**The second row contains the most distinct characteristics of the segments in terms of cluster variables, the third row on profiling variables, the fourth row on demographic characteristics.

Table 9. Overview of important characteristics of the Gen Z segments

Characteristics	**Well off Show-offs**	**Happy hipsters**	**Unwoke Geeks**	**Eco-worriers**	**Eco fatalists**
Importance of brand exclusivity/trendiness	Y	Y	N	N	Y
Importance of brand sustainability	Y	Y	N	Y	N
Importance of brand inclusivity	N	Y	N	Y	Y
Importance of money and status symbols	Y		Y		
Financial worries	N	N	Y	Y	Y
Happy	Y	Y			
Uncertain			Y	Y	Y
Stressed		Y		Y	Y
SMI followers	Y	Y	Y	N	

*Y=yes, N=no