

Implications of the American Gen Z on the Workation Industry

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[Background: Characterizing "Gen Z" in the US]

The newest generation is the "toggle generation", a generation accustomed to a constant overload of information through toggling between tabs, devices, social circles, et cetera

- **[Values]** - Gen Zs toggle across information sources as a way to constantly search for truth regarding themselves and the world around them - [McKinsey](#)
 - Understanding the truth about the world around them is a way Gen Zs control the world around them
 - This generation grew up after 9/11 and came of age during the great recession of the late 2000s - [Marketing Evolution](#)
 - Such access to information and constant prevalence/willingness to engage in dialogue is shrinking socioeconomic gaps in consumption patterns, which means that age can play a greater role in determining behavior - [McKinsey](#)
 - Consumption patterns will reflect this toggle behavior because Gen Zs consume as an expression of individual identity, as a matter of ethical concern, and focus on access (i.e. gig economy) rather than material possession - [McKinsey](#)
 - "A 2016 study by Retail Perceptions reports 62 percent of [Gen Zs] prefer to spend their money on an experience rather than on something material" - ["Marketing to Gen Z" by Fromm, Read](#)
- **[Environment]** - Gen Zs have grown up constantly toggling between devices and do not see a separation between the internet and the real world
 - Toggling is taught from an early age; Gen Zs in the US grow up with technology and multimedia prevalent in their school curriculums. Teachers' emphasis on using digital media/interactive tools has significantly increased with the curriculums for Gen Zs - [Adobe](#)
 - Gen Zs toggle between social groups; Gen Zs are especially fluent in mobilization technology (i.e. social media, online communities) that allow them to move between groups of people based on causes and interests. Such social media have been part of their social environment from a young age - [McKinsey](#)
 - Omnichannel marketing tactics attempt to follow this toggle behavior
 - "Almost 40 percent of adult Gen Zers (age 18 to 23) say their purchasing decisions are most influenced by social media" - [McKinsey](#)
 - Gen Zs "... are always shopping, because they are always connected. They buy on any device and in any format or channel. - [McKinsey](#)
 - Gen Zs "...are much more likely to shop in physical stores than are millennials" - [McKinsey](#)

[Implications: Relevant examples of Gen Z behavior for Workation]

Gen Zs adapted to the new realities of COVID-19 through toggling between locations with the help of technology, with the world around them as the only thing holding them back. These examples of Gen Z reactions may help to predict their relationship with workation in the long term after the pandemic.

- **[Opportunities]** - Gen Zs show little apprehension in toggling between locations
 - Proxy Example 1: College students' residential situation during the pandemic
 - Many college students opted for alternative destinations to take classes from and the stays tend to be short term (shorter than their academic semesters) and emphasize flexibility - [Lonely Planet](#)
 - "Gen Zers care about experiences, but to them it is more important to spend on those that enrich their everyday lives...[as opposed to travel or entertainment]" As WFH became the new normal, Gen Zs sought to improve their daily life through travel - [McKinsey](#)
 - The Gen Z identity is curated as a brand over time and their choice of accommodation for the semester can be a part of their self-branding - ["Marketing to Gen Z" by Fromm, Read](#)
 - Proxy Example 2: Airbnb's new shift in business model and its success
 - Airbnb started to offer longer stays, capitalized last minute bookings, focused on local travel, and provided flexibility to accommodate situations similar to the example above - [AirBnB, Hospitality Net](#)
 - "60% of long term guests were working or studying during stays"
 - "65% of guests working or studying remotely during their stay reported that COVID was a factor in their decision to book a longer-term stay. Most often they reported feeling newfound freedom to temporarily relocate while not commuting to offices or schools." - [AirBnB Study](#)
 - "College Collab houses" are becoming a trend among college students, a trend started by collectives of social media influencers - [NY Times](#)
 - 77% of Airbnb survey respondents report awareness of college collab house trends (74% are in strong or moderate support for this trend) - [Airbnb News](#)
 - The social media influencers that started this movement collectively have billions of views and reach from Gen Zs - [Pulsar Platform](#)
- **[Threats]** - Realities of their world (and work) are not so toggle-friendly
 - Proxy Example 3: Struggles of digital nomads in the pandemic - [Bloomberg](#)
 - For a distracted generation, heavy research into logistics such as laws, taxes, Visas, and COVID guidelines are not the strength of Gen Zs (ironically despite their unlimited access to information) - [NY Times](#)
 - Without a proper tech environment already set up, workation situations can be more of a distraction than a relief - [NY Times](#)
 - Proxy Example 4: Gen Z's work from home realities
 - Over 60% of Gen Z would want to have options for work from home/remote locations in the future - [Deloitte 2020 Millennial Survey](#)
 - On the other hand, research suggests that, compared to Baby Boomers/GenX, younger workers are feeling less productive and less connected to their workplace while working from home - [Gensler Research](#)
 - A hypothesis on this phenomenon could be that due to their age/role, the tasks assigned to them may require them to be constantly on call or waiting for approval from a manager, making the nature of Gen Z's current roles not accommodating to work from home
 - Distractions at home are hard to avoid and hinder work-life balance - [Gensler Research](#)
 - ◆ 95% of Gen Zs use another device while watching TV - [Hootsuite](#)



