

## China's Generation Z Consumer Psychology Reacts to Advertising Style

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Generation Z (or Gen Z for short) is a term that originated in Europe and the United States, but is also popular in Greater China, referring to people born between the mid-to-late 1990s and the early 2010s. They are greatly influenced by technology products. The social relationships and values shaped by the development of technology have deeply influenced the self-identity of this generation. In recent years, much attention has been paid to the interactions between this generation and other generations in the workplace, with Generation Z injecting life into organizations with its unique culture and capabilities, but many contradictions have surfaced. The paper is an analysis of the relationship between the consumer psychology and advertising campaigns of Generation Z in China.

Generation Z is now over 260 million people in China, accounting for 19% of the total population. Nearly half of them are students, while the other half have already left the ivory tower and continue to work in the workplace.

According to the data, the per capita monthly disposable income of Generation Z is as high as 4,673 RMB, and about 45% of Generation Z have an average monthly disposable income of more than 5,000 RMB.

In the face of the high spending power and large consumer base of Generation Z, it is conceivable that businesses will cater to this generation's preferences in their advertising and promotion styles in order to please them. However, this also raises the question: what will China's Generation Z consume for?

The motivations of Chinese Gen Z consumers are divided into three categories:

1) Social - looking for expressions of identity. 65% of Gen Z want to share a common language with their friends, they are eager to socialize but also under great pressure to do so, especially as heavy school workloads limit their opportunities to meet the outside world, so they spend to buy empathy, attract friends to maintain common topics among friends, and keep up with trends in their circles in the hope of better integration.

2) For persona - complete self-improvement. Gen Z likes to explore and experiment with different styles, and they consume different brands and products to find a lifestyle that suits them. They are at an age where they are learning about themselves, so before they find a style that suits them, Gen Z says they want to have the latest or some unique experience they haven't tried before (e.g., limited edition) to deepen their interests and create their own exclusive persona.

3) To please themselves - to feel good and happy in the moment. More than 50% of Gen Z agree that spending money is about happiness. Since it takes a long time to develop an interest, during this long process, they will enjoy the instant pleasure of owning their favorite items to satisfy their immediate desire for happiness. For example, 31% of Gen Z have started to use installment payments, and since the proliferation of credit spending products has lowered the

threshold for young people, they are willing to pay more just to buy items that match their preferences.[3]

In the face of Generation Z's embrace of consumer loans, society likes to label them as "spendthrifts". And Nielsen's "Young Chinese Debt Report" shows that half of young people only use credit as short-term liquidity and pay it off that month. What's more, it's for fixed asset loans for apartments, houses, and cars.[2]

China's Generation Z consumption concept is influenced by the traditional Chinese culture that promotes the concept of diligence and frugality, coupled with the impact of the new crown epidemic on the economy, coupled with the uneven geographical development of China, the young people's consumption psychology is such that they only pay for what they need, what they currently need and what their hearts need, and will not pay a penny more for the brand premiums.[1]

Therefore, in recent years, Chinese advertising campaigns have focused on trendy brands, new packaging for national products, brand co-branding and cultural consumption. And advertising style are to its favorite simple, straightforward, rich in Chinese characteristics of culture, such as the admiration of simple Japanese MUJI style, Japanese wabi-sabi style, Scandinavian style, China's domestic Dunhuang style.

### **References**

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