

# Analyzing Gen Z Spending Habits Before and During COVID-19

## A research-backed look at spending across major retail verticals

Remember when it was normal for Gen Z (and the rest of us) to eat at restaurants, go to classes and concerts, and attend parties and gatherings of any size? When we'd be able to leave our houses without wearing face masks and grabbing a bottle of hand sanitizer to go?

Those days (it was just four months ago!) feel like eons ago, but here we are, and life moves on with a new normal that feels anything but. In this 'new normal', we've seen the world change drastically, impacting lifestyles and economies along the way.

With that in mind, UNiDAYS analyzed the activity of **over 1 million Gen Z students** who use our U.S. student affinity app, in an effort to compare their spending habits in the months before COVID-19 and those since the pandemic has taken hold. The following statistics compare the time periods of **'Pre-COVID'**—defined as **Dec. 31, 2019, to Feb. 29, 2020**—and **'Post-COVID'**—defined as **March 1, 2020, to April 30, 2020**—across four major spending verticals: **Fashion, Tech, Beauty,** and **Health & Fitness.**

While these statistics have been pulled directly from UNiDAYS' own student app users, we do believe that spending activity on the UNiDAYS Platform is indicative of activity across Generation Z as a whole. So, whether your brand is a UNiDAYS partner or not, we hope you find this information useful.

*(Definitions: Please note, for the purposes of this report and survey, 'Post-COVID' does not imply that COVID-19 has passed. Rather, it references the time period following the inception of shelter-in-place orders and other restrictions that began in the U.S. roughly on March 1, 2020. 'Redemptions' refers to in-app discount code redemptions on the UNiDAYS Platform.)*



## Not a UNiDAYS partner yet?

[Click here](#) to see how the UNiDAYS Platform helps brands build revenue and lifetime affinity with Gen Z, all in one place.

# A quick primer on Generation Z



They were born between **1997** and the present.



They hold **\$143 billion** of spending power in the U.S.



They are the most **diverse** generation in history.



By 2026, Gen Z will be the **largest** U.S. consumer population.

## VERTICAL 1

# Fashion

With semesters ending early and lockdown orders in place, it would be reasonable to assume that Gen Z's fashion purchases would sharply decline. Not so. Gen Z is expressive, and fashion is one of the best ways to show that, lockdown or not.

## +2.6%

INCREASE IN ENGAGEMENT ON THE UNIDAYS PLATFORM SINCE THE ONSET OF COVID-19

## +19%

INCREASE IN FASHION INTEREST WITH INTENT TO PURCHASE

## 24%

OF NEW UNIDAYS MEMBERS ARE 'PUMPED' TO GROW THEIR WARDROBES



In another recent survey focused on back-to-school spending among its' Z members ([you can view that report here](#)), UNiDAYS found that Gen Z is **anxious** but **hopeful** about going to school in the fall, and they intend to spend money preparing for it.

First-time college students are projected to spend **\$751MM** on back-to-school items for the 2020-21 school year, and returning college students are slated to spend **\$4.25 billion**.

## +7.7%

CLIMB IN FASHION SALES DURING COVID

## +8.4%

INCREASE IN TOTAL ORDER VALUE (TOV)

## +1.6%

INCREASE IN AVERAGE ORDER VALUE (AOV) YOY

Gen Z's overall interest in fashion has also increased post-COVID. **Gen Z's surge in fashion purchasing may be due to the fact that they have more time to explore it.**

Pro find:  
Purchasing has shifted to fit lockdown needs

## +30%

INCREASE IN SALES OF FOOTWEAR AND SPORTSWEAR POST-COVID



VERTICAL 2

# Tech



**+53%**

MORE STUDENTS ARE INTERESTED IN BUYING TECH PRODUCTS SINCE EARLY MARCH

**+15%**

RISE IN TECH SALES ON THE UNiDAYS APP SINCE EARLY MARCH

**+1.5x**

INCREASE IN TECH CONVERSIONS PER PERSON COMPARED TO PRE-COVID LEVELS

**+34%**

INCREASE IN NEW UNiDAYS APP USERS' INTENT TO PURCHASE TECH

UNiDAYS' first-party data indicates that sales of **computers and tablets** have grown considerably Post-COVID, with sales up **55%** and TOV up **27%**

**Why the growth in tech spending?**

**This one is pretty straightforward:**

With classes moving online and lockdown orders in place, students have an increased need for tech that enables them to learn and communicate from home.



**READ** the UNiDAYS back-to-school spending report for specifics about spending on all things tech.

Pro find:  
Gen Z is going all-in on tech

**+55%**

INCREASE IN REDEMPTIONS OF COMPUTERS AND TABLETS ON THE UNiDAYS PLATFORM



## VERTICAL 3

# Beauty

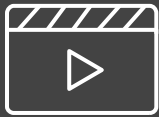
Whether they're watching YouTube and TikTok tutorials (**60% of TikTok users are Gen Zers**), or they're just keeping up with the latest trends, Gen Z is here for the beauty industry—even during a pandemic.

**+39%**

MORE STUDENTS ARE LOOKING TO BUY BEAUTY NOW VERSUS PRE-COVID

**+67%**

INCREASE IN NEW UNIDAYS MEMBERS WHO ARE INTERESTED IN BEAUTY PRODUCTS



Zers are taking time to hone **self-care** routines and **experiment** with new looks. They're likely binging on **beauty tutorials** or even creating them themselves.

**+25%**

INCREASE IN TOV

**+32%**

RISE IN SPENDING ON BEAUTY ON THE UNIDAYS PLATFORM DURING COVID

**+13%**

INCLINE IN PURCHASE SIZE YOY

**+118%**

RISE IN SKINCARE SALES FROM PRE-COVID LEVELS

**+50%**

GROWTH IN MAKEUP AND ACCESSORIES SALES ON THE UNIDAYS APP

VERTICAL 3

# Health & Fitness

Since the first whispers of a potential health crisis began, buying a pair of dumbbells or a kettlebell could prove as impossible as scoring a six-roll pack of toilet paper.

**+70%**

INCREASE IN AOV FOR THE HEALTH & FITNESS CATEGORY AMONG STUDENTS



**+307%**

RISE IN AT-HOME WEIGHT TRAINING EQUIPMENT



**+17%**

MORE STUDENTS LOOKING TO BUY HEALTH & FITNESS NOW VERSUS PRE-COVID

Nutrition brands have seen a **2.2%** increase in AOV among UNiDAYS Platform users as well, indicating that proper diet remains a focus among Zers.



# Be there for Gen Z, and they'll be there for you



**COVID-19 is reshaping how Gen Z shops and what they're spending their money on.**

When it comes to shopping in-store, comfort levels are down, and anxiety is up. According to a Cotton Incorporated survey, **62%** of Gen Z shoppers shared that it may take them a while before they feel comfortable shopping in a mall again. But here's the good news for brands: Zs are still shopping, and in many cases, they're shopping even more. Their spending activity across the four major verticals we explored in this report proves exactly that.

Brands should understand and embrace the opportunity they have with Gen Z right now. Below are some ways to get started. Above all else, give Z a place to be heard, and then listen and respond accordingly. They, in turn, will do the same for your brand.



**So how can brands tap into this 'new normal' of Gen Z spending?**

## **Build an inclusive community that Zs can tap into.**

Community (albeit digital and virtual) is more important than ever for Gen Z, who have had so many events and milestones cancelled. Foster conversation with Zs to let them know you are here to support them, no matter what challenges lie ahead.

## **Give Zers a way to participate with your brand on the platforms they already use.**

In other words, be where they are, and be a helpful part of their community. Encourage and solicit Gen Z to use and try your products and services, and to upload videos of themselves doing so. TikTok and YouTube are givens here.

## **Ensure your content is authentic and trustworthy.**

Gen Z really *isn't* here for celebrity influencers. Zs would much prefer to learn about the latest products and trends from relatable sources, such as customer testimonials from peers and micro-influencers. The same applies for all other categories and verticals.

## **Create group virtual experiences.**

Take a cue from other brands using virtual events like **Pickathon's A Concert A Day**, for example, and create one of your own. Use countdowns (employ Instagram stories and Twitch) to create awareness, interest, and engagement.

**The UNiDAYS Platform** empowers your brand to connect with Gen Z via video, user-generated content, polls, and much more. **Start building your community today.**

[Click to learn more](#)