

THE NEXT GENERATION HAS LANDED

Youth Forum Releases Unique Research Defining “Generation Z”

12th May, 2009 – Move over Baby Bombers, enough of Generation Y, a new influential generation ‘Generation Z’ has been identified at a forum today held by **Multi Channel Network (MCN)**, **Habbo Australia**, and **Channel V** at the Sydney Opera House.

The Next Generation forum, hosted by Jason Davis aka “Jabba”, gave fresh insight to advertisers and marketers about the characteristics, values and media and brand consumption habits of Australian youth in the 13 and 24 year-old demographic. However, the focus of the forum was on the previously undefined teen demographic of 12 – 18 year olds who are part of Generation Z.

Speakers at the event included; Paul MacGregor, top Australian blogger and MCN youth strategist; Jeff Brookes, Asia Pacific Director, **Habbo.com.au** and **Sulake**; Shaun James, General Manager, Music Channels for **XYZ Networks**.

Comprehensive online research on thousands of teens in Australia and around the world demonstrates there is a sub generation of youths with markedly different characteristics and value systems to that of their Gen Y predecessors. The findings are part of **nine separate surveys, each of which included an average of 3,000 participants aged 12 to 18 years-old** released today by **Habbo** (www.habbo.com.au), Australia’s most popular online playground for teenagers with 359,817¹ unique visitors a month*. The research was conducted by Habbo Australia and developed and analysed by [Launch Group](#).

Some of the major findings around advertising included:

- **More than three-quarters (82%) of Australian teens surveyed like advertising** - not only tolerating it, but welcoming it,
- Advertising adds value – **almost half (42%) of the teen respondents thought advertising improved their experience** with a product, game, social networking site etc., by making it more entertaining,
- **Advertising is successful – 61%** of teens acknowledge that advertising makes them purchase products,
- More than three-quarters (79%) of teens will go to a website for further information about a product after watching an advertisement on TV, and **around half of the teens (53%) surveyed will purchase products online.**

¹ Google Analytics, 2009



Damian Keogh, National Sales & Marketing Director, [MCN](#) said Generation Z is emerging as a youth demographic to pay close attention to. “Whilst it’s still early days for Generation Z, we are seeing some distinct attitudinal differences emerging that impact advertising decisions to youth audiences. This generation of teenagers in Australia is already influencing the purchasing choices of their parents and will soon be powering our nation financially, environmentally and of course socially.

“There’s been much debate around media use for youth, but perhaps what’s more interesting is that it’s the quality of the entertainment content, rather than the platform which attracts both Generations Y and Z. Both generations respond to having a live community to connect with – knowing their friends are on the platform at the same time,” Keogh said.

[Habbo.com.au](#) and Sulake Asia Pacific Head, Jeff Brookes said: “We’ve heard a lot about the fame and fortune quest of Generation Y. However, Generation Z seems to have a lot less to prove than the previous Generation – and they also seem to be more consistent about their likes and dislikes, and potentially less faddish. It’s possibly too early to tell whether this develops into deeper brand loyalty but it’s an interesting trait to watch. They also seem to be more likely to purchase with their hearts rather than their egos.

“That’s not to say they can’t be persuaded. Like Gen Y, Generation Z are brand savvy and they like advertising. This Generation has not only grown up within a digital playground, they are completely used to advertising as part of life – and they like it,” Brookes said.

The research also identified further Generation Z characteristics:

- **Altruistic** (if you thought Gen Y wants to save the world, wait until you see Gen Z);
- **Appears to care less about fame and fortune** than Generation Y, and to **care more about what their parents think**;
- May return to **more traditional values**, and are focused on **social justice** issues;
- **Prefer brands that align themselves with their value systems** around the environment, as well as their strong spirit of humanitarianism.
- **Generation Z has a deep connection with Australia** – they seek to understand and comment on national issues and they are proud of Australia’s multicultural nation status.
- **Favour platforms and medium that they can mould** – they do not have set patterns for viewing/ listening. Therefore advertisers should look past traditional prime time.
- **Prefer humour** in advertising above other characteristics



- **Having a sense of community is paramount to Generation Z.** They gravitate towards media which provides a sense of LIVE community.

Shaun James, General Manager, Music Channels for **XYZ Networks** said the desire to be entertained is powerful amongst this generation – the majority of whom say they couldn't live without music. "Channel V and the XYZ Music Channels are delighted to be part of the Next Generation forum. Our V brand is one of the most significant in the youth space and the insights contained in Habbo's most recent research are particularly relevant to advertisers and audiences alike. We have known for some time the relevance and importance music has in the life of the majority of young audiences. As Australia's leading music broadcaster, continuing a relevant, engaging conversation with this market remains a priority. The confirmation that Generation Z delight in consuming media across a number of platforms, in particular television, is a positive confirmation of this strategy we have in place."

Paul MacGregor, MCN Youth Strategist and [top Australian blogger](#) said: "Generation Z has definite preferences when it comes to their favourite media platforms, viewing times and what they want advertising to give them. As discerning consumers, they will follow good content, whether this falls on TV, online or even mobile is of no consequence. Media savvy Australian teens don't see platforms, they see gateways to entertainment. One of the key findings of this new research showed the relationship between TV and online and how they worked in tandem with each other, sometimes consumed at the same time, almost always cross-referenced when they wanted to learn more."

Habbo's Brookes concluded: "We have been conducting research on our users for quite some time now, because we have noticed both nationally and globally that today's teenagers have opinions and values that do not align with what people are referring to them as, which is Generation Y. There are some interesting factors that separate this generation from others. For example unlike the career gypsies in Generation Y, Gen Z don't necessarily want to have up to ten career changes in their lifetime and they don't need to live overseas. When they think about their future careers, the majority of Gen Z favoured factors such as fairness – and the absence of discrimination on the basis of race, religion, gender or sexuality. Believe it or not, money and fame are way down on their priority lists - happiness is one their main priorities in life."

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**About the research:**

Habbo is one of the leading sources of teen insights & data. There are more than 129 million registered Habbo characters worldwide & 3.9 million in Australia. Four online surveys were conducted during 16 April and 11 May 2009, with an average of 3,000 teens who are registered Habbo users participating in each survey. Additional insights regarding Generation Z have been compiled from Habbo online research completed during 2008-09. Survey participants were between 12 – 18 years, and were evenly spread between males and females. Teens from every Australian State and Territory participated in the Survey. Survey questions were developed and results analysed by the [Launch Group](#). Due to the age of the survey respondents, these research results provide an indication only of the emerging characteristics of this generation of youth.

About Multi Channel Network (MCN): Established in 1997, MCN is a joint venture between FOXTEL, AUSTAR, Premier Media Group and XYZ Networks. MCN is responsible for the advertising interests of over 39 national channels and 28 entertainment and channel websites. MCN is also the only media company to offer digital interactive television advertising via the remote control and video on demand advertising in Australia. www.mcn.com.au

About Habbo: Habbo is a richly colourful, multi-dimensional virtual world and community for teens. Users join by creating a fully customized online character called a Habbo. From there, they can explore many public hang-outs, participate in a variety of activities, connect with friends, decorate their own rooms, and have fun through creativity and self expression. Currently there are Habbo communities in 33 countries on six continents. To date, 126 million Habbo characters have been created and 11.5 million unique users worldwide visit Habbo each month (source: Google Analytics). www.habbo.com.au

About XYZ networks: XYZnetworks is a unique business, which encompasses popular youth music channels Channel [V], and Channel [V]². Depending on your age group and interests, or the demographic you chose to target, you will probably have an affinity with one or more of XYZnetworks' Channels. We offer targeted programming to clearly defined audiences, with a high degree of local relevance. With our strategic approach to attracting and building our Channel audiences, we lead through innovation and involvement. Our focus on building dedicated and connected television audiences leads us to a high degree of interactivity with our viewers. Thousands of consumers interact with our Channels everyday in a range of ways, including online, text and telephone messaging. XYZnetworks is jointly owned by [FOXTEL](#) and [AUSTAR](#).

About Fuel TV: FUEL TV is the first 24-hour Australian television channel dedicated to the world of action sports. FUEL TV showcases the best freestyle disciplines including surf, skate, snow, BMX and FMX and the lifestyle that goes with it! By covering both competitive and non-competitive events, FUEL TV provides viewers with non-stop action as well as the best names in the business. FUEL TV is focused on bringing viewers up to date with what is happening in the world of action sports, on both a local and international level. This can be seen by the line up of programs and events including the Action Sports Tour, the ASP World Tour, BMX Games, FIM Motocross, FIM Supermoto, Dirt Demons, Ultimate Fighter, Monster Trucks, Attack of the Show and Bikini Beach. FUEL TV also encourages viewers to get involved in the channel by logging on to www.fueltv.com.au.