

McKinsey Explainers

What is Gen Z?

Generation Z refers to people born between 1996 and 2010. They're the second-youngest generation, between millennials and Generation Alpha. Gen Z identity has been shaped by the digital age, climate anxiety, a shifting financial landscape, and COVID-19. They're known as 'digital natives'—the first generation to grow up with the internet.



Gen Z is currently the second-youngest generation, with millennials coming before them and Generation Alpha after. Like every generation, Gen Z's behaviors are shaped by how they grew up. Young people today have come of age in the shadow of climate doom, pandemic lockdowns, and fears of economic collapse. The earliest Gen Zers were born when the internet had just achieved widespread use. They're called "[digital natives](#)"—the first generation to grow up with the internet as a part of daily life. The generation spans a wide range: the oldest Gen Zers have jobs and mortgages, while the youngest are still preteens. Globally, Gen Z is growing fast: Gen Zers will [make up a quarter of the population](#) of the Asia–Pacific region by 2025. Read on to understand what makes Gen Z tick.

Learn more about our [Growth, Marketing, & Sales Practice](#).

What is a generation?

No doubt you're already familiar with the concept of generations within families. Your grandparents, parents, children, and children's children all make up a distinct generation in relation to you. But each of them also belongs to a diffuse category of their peers, grouped together based on when they were born and what they experience during their lives. Social scientists have studied generations—in theory and more practically—for millennia. More recently, thinkers like August Comte have argued that generational change is the engine behind social change. Specifically, each generation entering into a new life stage at more or less the same time is the pulse that creates the history of a society.

Specific major-scale events can also shape the outlook of a generation and are often reflected in how they're named. The Lost Generation, for example, is named for the malaise and disillusionment experienced by people who lived through World War I. Later, the Greatest Generation was named for the heroic sacrifice many made during World War II. Their children, born soon after the war ended, are called baby boomers; their outlook, in turn, was

colored by the Vietnam War and the social upheavals of the 1960s. More recently, millennials' worldviews have been shaped by the September 11 attacks and the proliferation of the internet.

Of course, these are generalizations: every so-called generation comprises a multitude of unique individuals with their own opinions, values, behaviors, and plans for the future. Some social scientists even believe that the practice of studying generations can obfuscate what motivates people on an individual level. Generational theory should be understood with this caveat, and used only as a way of thinking about society, rather than as the gospel truth.

What are the unique characteristics of Gen Z?

While there are substantive differences within the cohort known as Gen Z, there are a few commonalities its members share.

As the first real digital natives, Gen Zers—speaking generally—are *extremely online*. Gen Zers are known for working, shopping, dating, and making friends online; in Asia, Gen Zers spend [six or more hours per day](#) on their phones.

Digital natives often turn to the internet when looking for any kind of information, including [news](#) and [reviews prior to making a purchase](#). They flit between sites, apps, and social media feeds, each one forming a different part of their online ecosystem. Having grown up with social media, Gen Zers [curate their online selves](#) more carefully than those in prior generations have, and they are more likely to turn to trends of anonymity, more personalized feeds, and a smaller online presence, even as they [voraciously consume media online](#).

Video-sharing [social media](#) sites have seen a meteoric rise as Gen Z comes of age. TikTok currently rules trends, feelings, and culture for Gen Zers, who make up [60 percent of the app's one billion-plus users](#). Gen Zers flock to corners of the internet where they can discuss their passions and interests with

those who share them—from [gaming](#) to [K-pop](#)—bonding with both people they know in real life and ones they’ve only met online.

Gen Z is also generally known for its *idealism*—they’re part of a new wave of “[inclusive consumers](#)” and socially progressive dreamers. Generally speaking, Gen Zers believe in doing their part to help stop the [intensification of climate change](#) and to establish greater equity for all. More than any other generation, Gen Z collectively demands [purpose and accountability](#), the creation of more opportunities for people of diverse and [underrepresented backgrounds](#), and rigorous [sustainable and green practices](#).

Learn more about McKinsey’s [Retail](#), [Healthcare](#), and [Sustainability Practices](#), and check out our [Diversity and Inclusion collection](#).

How is Gen Z’s mental health?

Gen Z is facing an unprecedented behavioral health crisis: US Gen Zers surveyed by McKinsey report the [least positive outlook and the highest prevalence of mental illness](#) of any generation. European respondents also report struggling with self-stigma. This pessimism is fueled by growing [global unrest](#), [wars and disruptions](#), [financial crises](#), and [educational interruptions due to the COVID-19 pandemic](#). Feelings of “climate anxiety” [are also widely reported](#): many Gen Zers report that they think about the fate of the planet on a daily basis.

They are already seeing [decreased economic opportunity](#) and don’t assume a social safety net will be there to catch them as pensions shrink, saving for retirement gets [more difficult](#), and the [older population grows](#). Already, 58 percent of Gen Zers in a recent McKinsey survey reported not having a [basic social need met](#)—the largest percentage by far of any generation.

But Gen Zers also report a more nuanced perspective around the stigma of mental illness than other

generations. European Gen Zers seem less inclined to discriminate against people with mental illness ([although they do stigmatize themselves](#)).

What does social media have to do with Gen Z’s mental health crisis?

Many of the relationships a person has between the ages of 18 and 24 are complicated—and young peoples’ relationship with [social media](#) is no exception. Yes, it’s true that social media usage can lead to FOMO—that’s fear of missing out—and poor body image. But Gen Z social media users also report that being online can facilitate self-expression and lead to more social connections.

McKinsey Health Institute’s (MHI) 2022 Global Gen Z Survey asked more than 42,000 respondents (including more than 16,000 Gen Z respondents) in 26 countries questions about various aspects of health. The results have shed light on Gen Zers’ relationships with social media. For one thing, Gen Zers are more likely than other generations to cite negative feelings about social media. But surprisingly, they’re not necessarily using social media more than their older counterparts. [More than 75 percent of respondents](#) in all age groups say they use and check social media sites at least ten minutes a day. Baby boomers in eight of the 26 countries surveyed report spending as much time on social media as Gen Zers, with millennials being the most likely to post online. And while negative impacts of social media were reported across cohorts, positive effects were even more common: more than 50 percent of all groups cited positive outcomes from their time spent on social media.

The amount of time someone spends on social media can be a determining factor in whether their experience is mostly positive or negative. Negative effects of social media seem to be greatest for younger generations, with particularly pronounced impacts for Gen Zers who spend more than two hours a day on social media (and Gen Zers with existing mental health struggles).

Talk Z talk

Slang: the lexicographer's delight. Every generation creates its own language to better understand and participate in its own unique zeitgeist. If you were born before 1996, the lexicon below might help you understand what exactly your Gen Z colleagues are talking about in the office or on Slack. Of course, we don't believe Gen Zers are taking more "bare minimum Mondays" than their older colleagues—or, indeed, that anyone *should*—just that they've invented a name for it. Exercise caution, though, before attempting to use these terms yourself—cringe.

five-to-nine (before the nine-to-five) adj/noun

: a [productive routine](#) before working your primary job, possibly including exercise or personal projects

| *My five-to-nine helps me remember that I'm way more than just my day job.*

bare minimum Monday noun

: [bare minimum](#) Mondays are when people give themselves permission to take it easy the first day of the week; related: Sunday scaries

| *Today has to be a bare minimum Monday; I need to get myself centered for the week to come.*

-coded adjective

: when something takes on the traits or echoes something else

| *They are really driving hard for the youth vote. Their whole campaign is so Gen Z-coded.*

cook verb

: demonstrating expertise or panache at a particular task

| *Our summer intern's social media metrics speak for themselves. No need for additional oversight; let her cook!*

iPad kid noun

: a child who struggles without their screens; related: latchkey kid

| *Are iPad kids inevitable in our digital age?*

loud budgeting noun/verb

: sharing [financial goals](#) publicly

| *I am loud budgeting this year, so don't be surprised if I say no to going out.*

loud quitting noun/verb

: publicly [expresses frustration](#) with a job or employer, without necessarily quitting the job; see also: quiet quitting

| *Did you see Fred's rant about his boss? Guess he's loud quitting now.*

quiet luxury adj/noun

: subtle wealth displayed in your habits, [personal activities](#), and clothing

| *Ostentatious logos are so last decade; these days it's all about the quiet luxury.*

quiet quitting noun/verb

: [slightly dialing back](#) at work; just doing the bare minimum necessary to keep your job

| *My boss asked for volunteers to take on this extra project. Not for me! I'm quiet quitting and won't do anything unless specifically asked.*

quiet vacationing noun/verb

: taking a trip without informing your employer, common among [millennials](#) and [Gen Zers](#) with remote jobs

| *I have to work a bit tonight because I'm quiet vacationing; my boss doesn't know I'm in Paris.*

stand on business verb

: not wavering on a decision that you made; [sticking to your word](#)

| *One thing I've learned about the candidate is that she always stands on business.*

receipts noun

: evidence or [proof](#) of someone's actions

| *She said she would hand in the assignment yesterday, and I have the receipts.*

understood the assignment verb

: when someone meets or [exceeds expectations](#)

| *It was a 90s-themed party and they came dressed as the Spice Girls—definitely understood the assignment!*

How are Gen Zers different from millennials?

Those on the cusp of Gen Z and the millennial generation—people who were born shortly before the turn of the millennium—are sometimes referred to as “Zillennials” or “Zennials.” That includes older Gen Zers who’ve been in the workforce for a few years and young millennials who identify more with Gen Z.

However, Gen Z generally has its own formative experiences [distinct from those of most millennials](#). Here are some ways American Gen Zers [differ from their older counterparts](#):

- They are generally more [pragmatic](#), with both complicated idealism and worries for the future. Gen Zers dream of personal career fulfillment but expect economic struggles.
- They have [less positive life outlooks](#), with lower levels of emotional and social well-being than older generations.
- They are more interested in [belonging to an inclusive, supportive community](#).
- They are more [individualistic, with a stronger sense](#) of personal expression.
- They are more [politically and socially active](#), advocating for what they believe on social media.

What are Gen Z’s values?

Gen Zers generally have strong values related to [racial justice](#) and [sustainability](#). Mobilizations like the Global Climate March, led by Gen Z activist Greta Thunberg, thrive on the activism of young people.

Climate change is one of [the issues](#) Gen Zers care about most. They frequently call for reform on personal, public, and global scales to prevent future catastrophe. Many Gen Zers describe themselves as environmentally conscious, and the majority of Gen Z [expects to see sustainability commitments](#) from companies and organizations.

Gen Z is also living in a time marked by rapidly rising [inflation](#) and financial woes. [Rising student loan debt](#) also plagues many members of this generation.

How is Gen Z experiencing the working world?

Every new generation entering the workplace experiences struggles. Gen Zers are getting their first jobs in the wake of an unprecedented global pandemic, rising [inflation](#), climate change, and geopolitical conflict. McKinsey’s [American Opportunity Survey](#) of more than 25,000 Americans reveals some key details.

For one thing, Gen Z respondents who are working are [more likely](#) than older workers to have independent jobs or multiple jobs. They are less likely than older generations to expect this period of financial insecurity to end; they also are pessimistic about their chances of ever buying a home or retiring.

Gen Zers who are employed full-time are more likely to report that the pay they receive does not allow them a good quality of life. They’re also less likely to report feeling fairly [recognized and rewarded](#) for their work. Only 37 percent of Gen Z respondents believe that most people in the United States have economic opportunities, suggesting a deep malaise about their own prospects and those of other Americans.

For more on Gen Z in the workforce, read our [key takeaways](#) from the latest American Opportunity Survey.

What are Gen Z fashion trends?

Gen Z loves expressive clothes, wants to [stand out rather than fit in](#), and [has an ever-changing style](#)—what was in a month ago might already be out. Their [trend-chasing habits](#) are supported by [fast-fashion](#) retailers [supplying accessible ways](#) to switch it up. One Gen Z staple shop, Chinese fast-fashion giant Shein, [adds 6,000 new products to its website per day](#). This may seem at odds with the generation’s

values of sustainability, but the speed at which Gen Z trends change and their desire for unique style can sometimes overcome their eco-scruples.

Gen Zers also love thrifting and vintage styles—which are much more in line with their calls for [circular fashion](#). Both ['90s and Y2K-style clothes](#) have seen a major comeback, including fast-fashion dupes and clothes dug out of closets and thrift stores. Fashion [resale has experienced massive growth](#) thanks to Gen Z resellers and influencers, and it's normal for a Gen Z wardrobe to be a mix of cheap fast fashion and treasured vintage pieces.

Learn more about McKinsey's [Retail Practice](#).

What do Gen Z shoppers want?

The internet has changed retail forever and shaped the tastes of digital natives. Here's how:

- [Consumption is about access rather than ownership](#)—Gen Zers subscribe to streaming platforms instead of buying films or music. This trend extends beyond entertainment—even to services like car shares or luxury-clothing rentals.
- Gen Zers accept that their tastes might change, and they are more likely to [spend on experiences that enrich their day-to-day lives](#) than millennials, who are more likely to splurge on luxury.
- Members of this generation care about ease of use: mobile pay, app-based services, and simple online transactions are important, and brands have found major success [by restructuring to suit Gen Z tastes](#).
- Gen Zers like brick-and-mortar stores more than millennials do but still want a great [online shopping experience](#). Some brands have even found [success through online-first launches](#), often supported by Gen Z consumers.

- Ads are everywhere; Gen Zers experience brands [“at every moment”](#) as they move through their digital and physical worlds.

And as a generation committed to its values, Gen Z expects the same of its retailers—Gen Zers often choose brands that have a [strong story or purpose](#), as well as those committed to [green practices](#). In one McKinsey study, 73 percent of Gen Z [reported trying to purchase](#) from companies they consider ethical, and [nine out of ten believe](#) that companies have a responsibility to [address environmental and social issues](#). However, they can [tell when a brand is just paying lip service](#) and isn't backing up [diversity](#) or sustainability claims with real change.

Many Gen Zers throughout Asia [see the internet as the first place to go](#) when researching new products to purchase; in the United States, 40 percent of Gen Zers [admit to being influenced online](#), often by the brands featured in the videos they watch. Members of Gen Z filter a lot of information, from influencers, family, and friends, to decide [where and how they want to spend](#).

For more in-depth exploration of these topics, see McKinsey's [Generation Z collection](#). Learn more about Gen Z insights by [subscribing to our newsletter](#)—and check out [entry-level job opportunities](#) if you're interested in working at McKinsey.

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Get to know and directly engage with senior McKinsey experts on Gen Z.

[André Dua](#) is a senior partner in McKinsey’s Miami office, where [Bo Finneman](#) is a partner; [Erica Hutchins Coe](#) co-leads the McKinsey Health Institute and is a partner in the Atlanta office; [Jenny Cordina](#) is a partner in the Detroit office; [Kana Enomoto](#) is a partner in the Washington, DC, office; [Kweilin Ellingrud](#) is a McKinsey Global Institute director and senior partner in the Minneapolis office; and [Raelyn Jacobson](#) is a partner in the Seattle office.

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