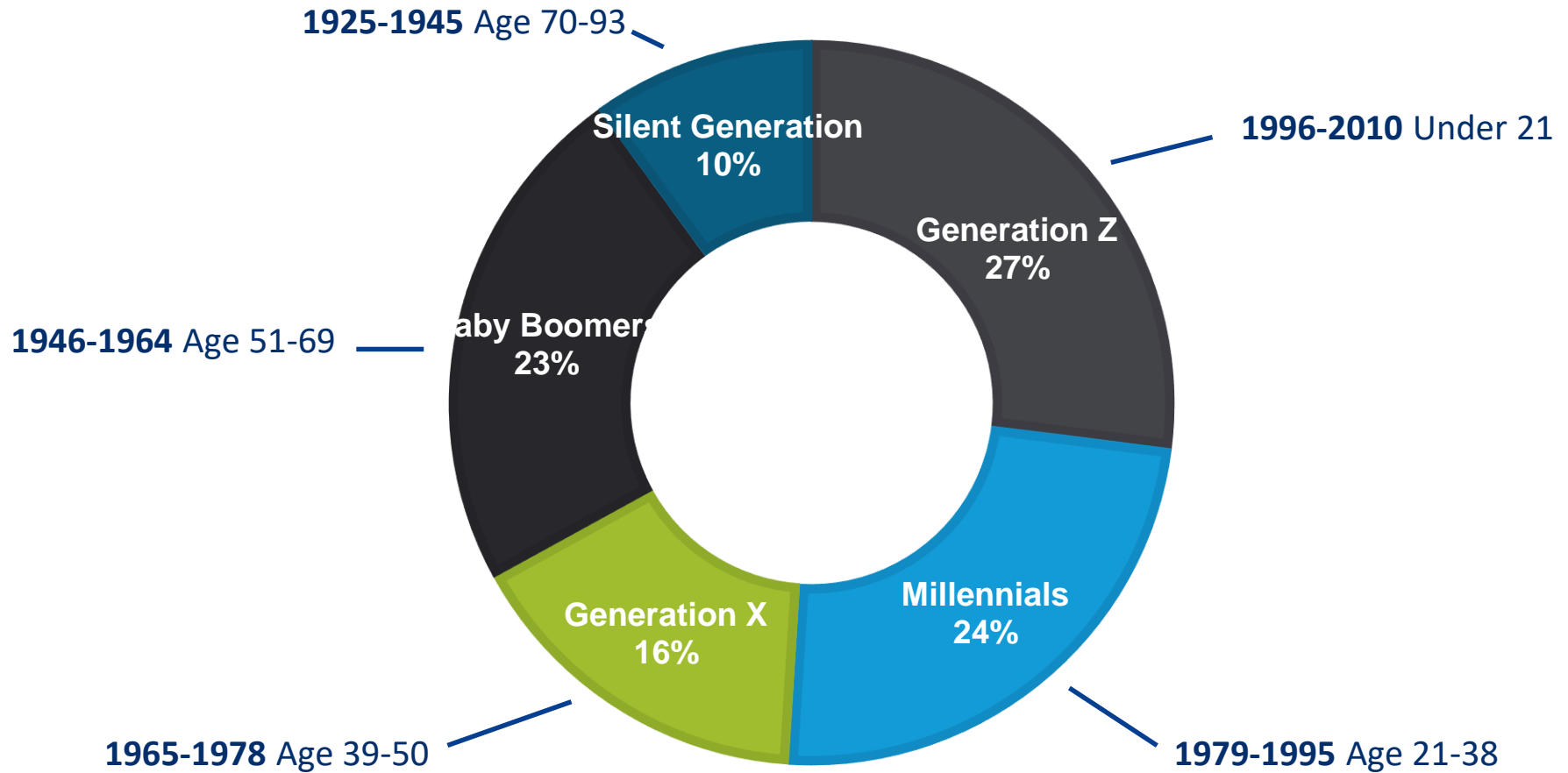




Discovering Gen Z

Dairy Trends & Innovations

U.S. Generation Distribution



Gen Z: The Pivotal Generation



Gen Z makes up 27% of the U.S. population today and will account for 40% by 2020.



Mobile and Connected From Birth

First truly digital generation

There's no difference between online and offline – it's all the same.



They have never heard of a flip phone.



They use social media to amplify their IRL social lives, educate themselves, have fun and be entertained.



Because they are so connected to information, they have family buying power.

And They Are Willing to Experiment



Brands will be challenged by **Gen Z's** **“No Limits”** orientation and willingness to experiment.

More Willing to Pay for Health Attributes than Any Other Generation

31%

Compared to 29% of Millennials and 23% of Baby Boomers.



Healthier



Premium



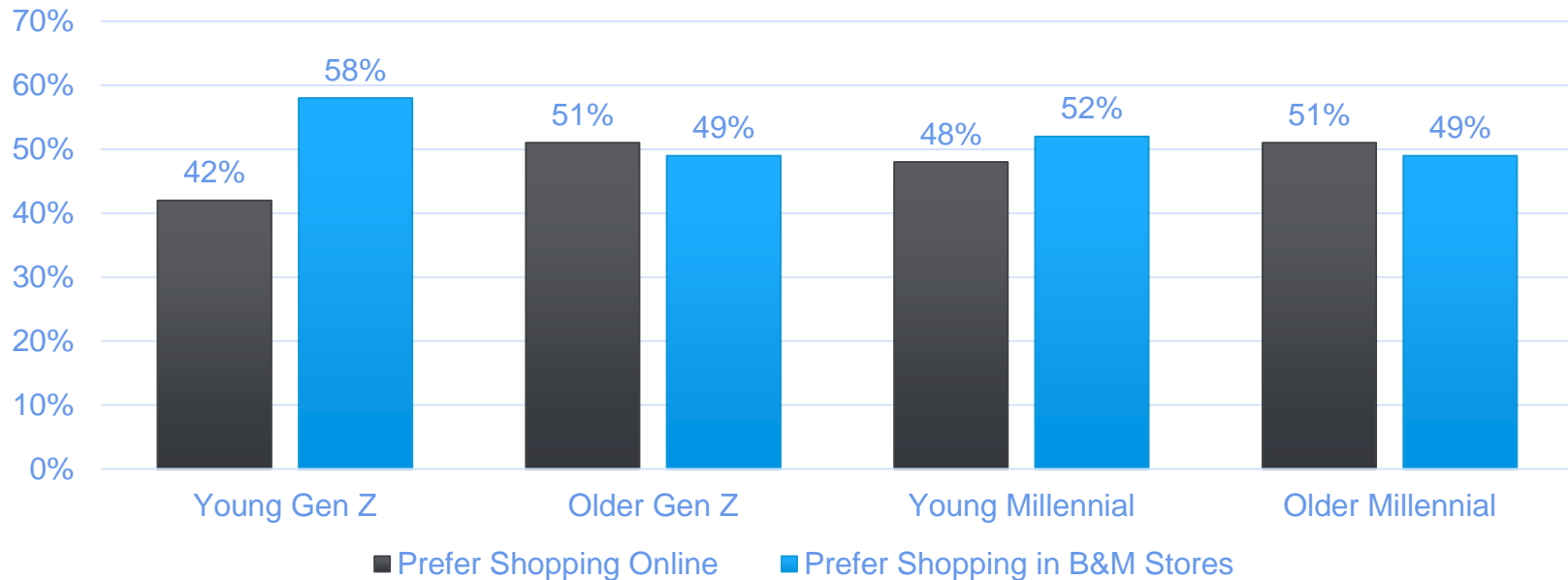
Sustainably-sourced



True Omni-Channel Shoppers

And so are Millennials...

Preference for Online vs. Brick and Mortar Shopping
(any product category)



Mobile isn't just cool. It's life.

98% own smartphones and they spend ~3.5 hours per day on their phone.



Eating Healthy (and delicious) Foods

- **Organic** holds more value to Gen Z'ers than older generations.
- They want **fresh, natural foods** with a variety of options.
- They want ingredients that are **sustainable, healthy** choices.
- They still like to **indulge**, but they are more aware of what is healthy and what is not.



There is a Paradigm Shift Among Gen Z on the Meaning of Healthy

From “Being Healthy”

To “Being Well”



Social Experiences With Friends & Family

When families and friends *do* come together to eat they want to maximize the occasions with exciting and indulgent experiences.

Unusual flavors

Colorful foods

Global Cuisine



Food is a Tool for Self-Expression



Brands are Important to Gen Z, but in a Different Way than Millennials.

2003



Millennials identified with popular brands.

Vs.

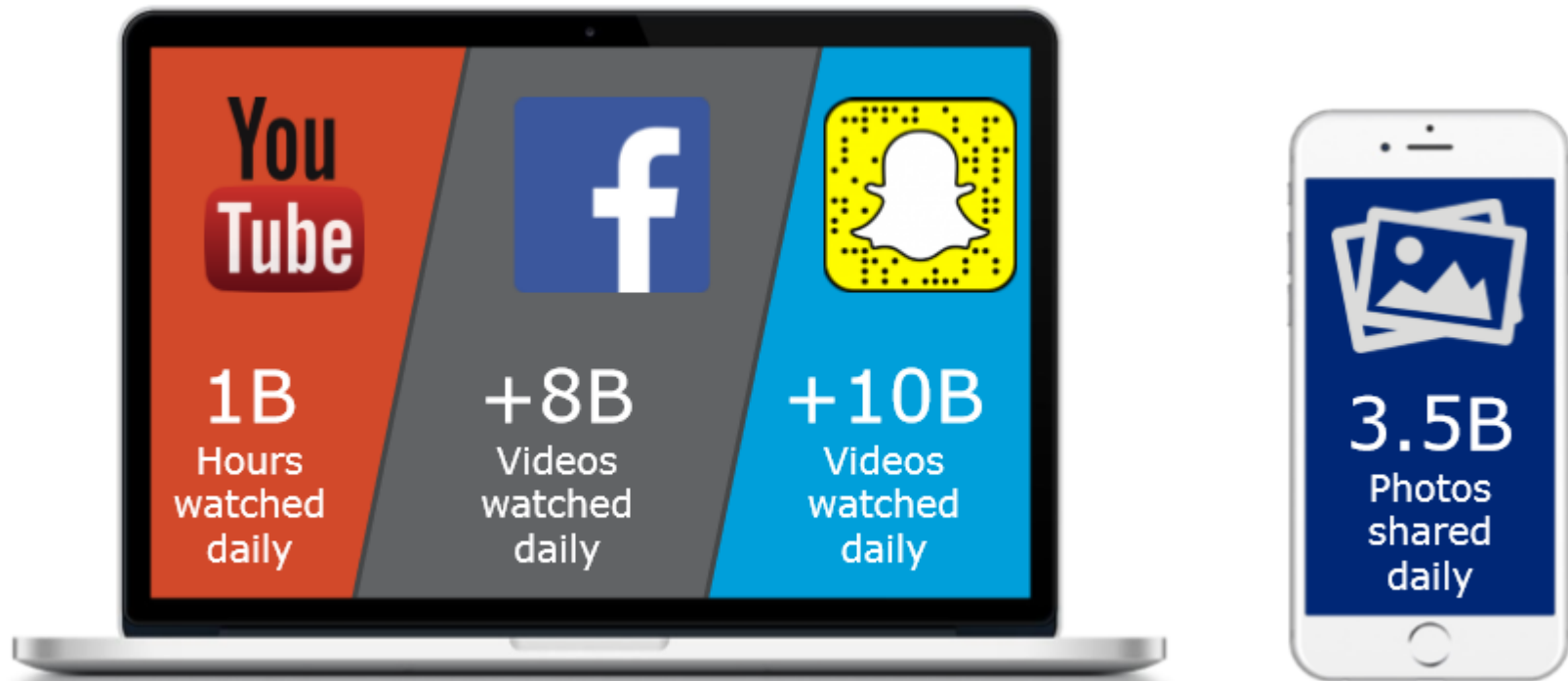
2018



Personal brand is the best way to show the world they are unique, authentic and praiseworthy.

Communication through Video and Photo

Pivotals have never known a world without *instant consumption* of snackable content, day or night.



Learn from Peers Vs. Celebrities



tollydollyposh Follow

1,255 posts 7,572 followers 862 following

Tolly Dolly Posh - 17 **GBT** 🏳️‍🌈 Ethical fashion blogger & designer 📱 Twitter/FB: TollyDollyPosh 🛍️ Shop #LSxTDP ethical tees @lostshapes 📄 Search @tollydollyposh under GIFs 📄 **BLOG**
tollydollyposhfashion.com

rosalindjana Follow

3,891 posts 6,367 followers 1,066 following

Rosalind Jana Rather tall. Author (Notes or for Dazed, Broadly, Refinery 29, Suitcase, B rosalindjana.com)



hollycamilla_ Follow

447 posts 10.9k followers 3,049 following

HOLLY • CAMILLA Blogger / Teen Model / Influencer 📱 on Snapchat: hollycamilla1 DM for collaborations. Be Kind 🤝
www.hollycamilla.com



Angela Lan

@styleasaurus

I make clothes and do that blog thing. Proud supporter of messy hair and sweats. My book #OOTD Sew and Style is out NOW!!! x amzn.to/1K4MiPH

📍 California, USA

🔗 lovespunk.com

📅 Joined July 2013

Personalization



Black coffee

**Grande 2%
double-
blended
extra whip
extra
caramel with
java chips
caramel
Frappuccino**



Transparency in Processing Methods and Ingredients

Transparency is an *expectation* rather than a pleasant option.

- Who made it?
- Who owns the company that made it?
- Where is it from?
- How was it produced?
- Did they treat their workers fairly?
- Can I reuse or recycle the packaging?
- What's the environmental impact?
- Does it have harmful or unnatural ingredients?



Quick, Convenient Options

Pivotals want everything to be *fast*.

The reason they still shop in-store? **Instant gratification.**

61%

Would choose same-day delivery even if it meant paying a surcharge.



58%

Would pay even more for one-hour deliveries.



Busy Lifestyles Drive New Products with Added Convenience



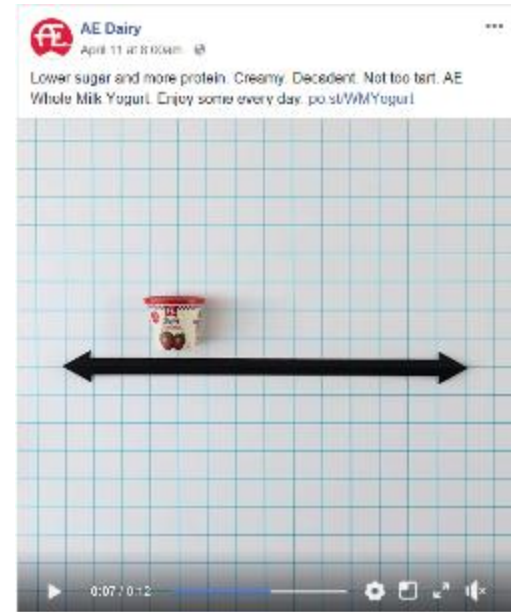
Health Food as A Remedy Drives New Products with Added Nutrition



Experimental Food Trend Drives New Innovative Flavors



Digital Trend Drives an Increase in Social Presence for Dairy Brands



Growing Dairy Categories & Sub Categories



- Flavored milk
- Drinkable yogurt
- *Natural* cheese
- Ice cream
- Butter
- Whole-fat yogurt
- Lactose-free milk
- Whole milk





Connecting to Gen Z In-Store

Embrace Technology to be Transparent



JUST SCAN HERE

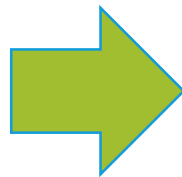
Quick and easy way to deliver any message to any customer at any time



Put Your Store in the Palms of Their Hands

More than other generations, Gen Z is open about what they think.

40%



Say they give feedback, such as writing reviews, “**very often.**”



Placement Outside of The Dairy Aisle



PERMANENT END CAP



GRAB-N-GO COOLER



HEALTHY CHECKOUT COOLER

Offer more appetizers, snack foods and on-the-go options



Source: Upserve Restaurant Insider

Add More Customization

For Gen Z, ages 13-18, top beverage are *more personalized* and not manufactured.



Cooler Signage



INSPIRE & INFORM

- ★ Fresh & Local Milk
- ★ Local Farm Stories
- ★ Product Nutrition
- ★ Healthy Recipes
- ★ Product Pairings

Dairy Destinations



- Create a memorable experience
- Inspire, Inform and Educate
- Connect with the local community
- Connect with local farmers
- A look to the future

