

Analysis of Generation Z as a New Powerhouse Driving Influencer for Marketing

– Using Improve TikTok Advertising as an Example

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Abstract: With the help of the Internet, online celebrity marketing has become an important way of publicity for many companies, especially in the B2C field. As the target group of Internet celebrity marketing, the strong influence of Generation Z on social media such as TIKTOK and Instagram has also been recognized, and it has become a contemporary power source to promote market influence. This article demonstrates the influence of TikTok and other social media through case studies and qualitative analysis, and also demonstrates the influence of Generation Z on current marketing methods. Therefore, this paper proposes three strategies to increase the effectiveness of TikTok in advertising by targeting specific groups of people.

Keywords: Generation Z, TikTok, Marketing, Advertising

1. Introduction

Influencer marketing is anticipated to be a \$10 billion industry by 2020, and it is gaining importance for many firms, especially in the B2C sector. Companies in the fashion, beauty, travel, food, and beverage industries seldom execute a marketing campaign that, in the opinion of some, does not entail cooperating with influential users on platforms like as Instagram and TikTok. This article began with defining the present generation's powerhouse that drives market impact, which is mostly the Z generation. The Z generation's strong presence and impact on social media was also recognised and related to a specific social media platform called TikTok. The if the influence of TikTok and other social medias was proven using two case studies. The reasons for these success stories were also investigated, and they all pointed to the Z generation's impact. As a consequence, three tactics were presented in order to boost the effectiveness of TikTok in advertising by targeting certain demographic populations such as the Z generation. Other operational elements, such as cost and management, were also included into the strategy.

2. Definition of Generation Z

Generation Z consists of those born between the mid-1990s and 2009. (Gen-Z). They were raised in a digital environment and saw digital technology as the foundation of their lives [1]. Digital natives are a broader category of social media users that includes Generation Z [2]. Digital natives, who were

born and raised in the digital age, spend the bulk of their time surrounded by and using computers, video games, mobile phones, and all other digital age toys and tools [2]. An increasing amount of research reveals that younger generations vary dramatically from their ancestors in technology-related cognitions, motives, and behaviors.

Use and gratification theory (U&G) is a significant paradigm for dealing with social media interactions with users, emphasising the significance of people's social and psychological needs in determining their motivations and, subsequently, their communication behaviours [3]. On the one hand, prior research has demonstrated that Generation Z differs from its predecessors in numerous aspects of online motivation, such as a greater desire for self-expression and self-disclosure, online shopping, online enjoyment, meme engagement, content generation, and long-term online behaviour [3]. The cost of social media platforms determines the amount to which they may fulfil the online motivations of Gen Z. As technology and the market evolve, the social media affordances move from a focus on online communication to the breadth of online social networking. On how socialising, a vital social media perk, may help fulfil some of Generation Z's online motivations, for example enhancing social influence and increasing social capital [4].

3. How Generation Z Influence Social Media

Even under ideal circumstances, it may be challenging to convey a marketing message to younger clientele. Generation Z (individuals born in the late 1990s and less than 25 years old) consumes media fundamentally differently than prior generations. Generation Z prefers to utilise streaming services such as Netflix over viewing television. Instead of listening to the radio, they utilise Spotify. They rely on Reddit rather than magazines [4]. Two significant marketing channels have emerged as a result of these changes: outdoor advertising (such as billboards) and mobile advertising, especially on social media sites like Instagram and TikTok. On Instagram, sixty percent of US users are under the age of thirty-four, while over forty percent of TikTok users are between the ages of ten and nineteen.

In recent years, the migration to social media platforms such as Instagram, TikTok, Snapchat, and Twitch has generated an industry-wide social media influencer and influencer marketing organisation. Over 100 million Instagram followers are shared by superstars such as Cristiano Ronaldo and Selena Gomez, as well as Kylie Jenner and Kim Kardashian West and other smaller celebrities. More than 40 million people follow dancer Charli d'Amelio, singer Loren Gray, and filmmaker Zach King on TikTok. Influencer marketing is anticipated to be worth \$9.7 billion by 2020, representing around 5% of the \$250 billion online advertising industry [5]. Consequently, two-thirds of organisations want to increase spending on influencer marketing in the next year, with eighty percent intending to allocate at least 10 percent of their marketing budgets to the practice [5].

When properly executed, influencer marketing may be quite successful. Gucci used influencer marketing for the 2019 launch of their new fragrance line, Gucci Bloom. Gucci collaborates with 23 Instagram artists to provide very inventive visual renderings of the floral world around scents. Through the publication of 135 pieces of content and the acquisition of nearly 750,000 followers, the campaign was able to attract significant attention. Gucci includes some of the resulting content on their website and Facebook page.

4. Two Case Studies Showing the Efficacy of TikTok and Social Media Advertising in General

4.1. Chipotle

Chipotle a popular Mexican style fast-food brand that prepares signature South American food such as burritos, bowls, and nachos. This brand has earned a significant social media following for another reason: memes. Memes are units of culture that pass from person to person and often com-

municate humorous messages [6]. Many of Chipotle's social media postings were Chipotle-related memes to engage customers rather than about promoting their menus. The Director of Social at Chipotle defined the plan as a means to both connect to their consumers and tap into unique insights [7]. A successful example of their usage of memes as a marketing tactic was the Cilantro Soap. At the time, a number of Chipotle's customers have commented about the herb used in some menu items, stating that it has a soapy taste, which has been explained by certain genetic factors directly influence a person's taste of cilantro by several studies. To address these issues on social media, Chipotle designed holiday-themed Cilantro Soap that could be bought. Again, the strategy was described by the chief marketing officer, as a way to fits within a bigger trend of transforming digital interactions into real-world experiences. Although this technique is not the conventional way to communicate with consumers, Chipotle has secured its position in a relatively untouched area and expanded its brand recognition among a larger audience. Moreover, Chipotle has developed a number of collaboration initiatives with renowned pop culture celebrities to reach a larger audience. In September 2021, Chipotle announced the first Chipotle Creator Class, "a programmed that empowers some of the brand's most important creators via unique privileges and collaborations to help define Chipotle's future". This class included many prominent TikTok influencers, including Newton Nguyen, Griffin Laszlo, and a fan who developed a Chipotle-themed TikTok film. The hashtag #ChipotleCreator, which was coined after the announcement, has received 12,800,000 views on TikTok. This tactic of immersing itself into the center of popular culture has provided Chipotle with a significant business edge. Chipotle was voted the Most Innovative Branding Company of 2022 for "leveraging new social platforms and discovering very inventive ways to employ them for maximum effect" [8]. In addition, Chipotle's sales increased by 26.1% in 2021 to a total of \$7.5 billion according to statistia.com. These strategic marketing initiatives have helped Chipotle strengthen its position in the fast food and popular culture markets.

4.2. Gymshark

Gymshark has almost 5 million TikTok followers and nearly 80 million likes in fall 2022. UK-based garment brand has become a worldwide clothing competitor by heavily relying on influencer marketing since 2012 [9]. Fitness influencers have millions of followers, making fitness popular on social media. Since its founding, Gymshark has worked with Instagram influencers to build a distinct visual language to stand out from competitors. TikTok fitness and lifestyle stars help Gymshark spread its message as well. The most popular TikTok hashtag (#fitness) had over 44 billion worldwide views, according to Gymshark. Due to the epidemic, fitness-related TikTok videos received a lot more attention, mostly about in home exercise ideas, dances, and no-equipment workouts. Gymshark distributed 40 films every month during the pandemic, with its main categories being gym/fitness comedy, training challenges and suggestions, and fitness inspiration. Its "66 Days, Change Your Life" TikTok challenge used six influencer accounts in health, fitness, lifestyle, and dance to promote the challenge, raising Gymshark brand and product awareness, and establishing an active, meaningful relationship with followers by urging them to join. The result was significant with 45.5 million #gymshark66 hashtag views achieved. The "66 Day | Change Your Life" challenge showed that companies can enhance brand recognition and engagement by finding their niche on a platform and creating focused content with relevant influencers [9].

5. TikTok Marketing Strategy

5.1. Understanding the Geographic and Demographic Profile of the Platform is Critical

Since the 1960s and 1970s, the literature has advocated that market segmentation and the production of distinctive marketing strategies for certain demographic categories, especially young people, need

proper understanding and communication. Instagram and TikTok are not exceptions. An image that does well in a print advertisement or Facebook campaign may struggle on Instagram, but a video that performs well as an Instagram story may get few likes on TikTok. It is important to note, however, that these effects extend beyond what can be expected based on audience demographics alone. These platforms have their own cultures, dialects, idioms, and styles, which must be reflected in their material. Organizations must carefully choose the social media channels they will use. Because content cannot be easily transferred across platforms, each platform requires the development of new skills and resources. Some firms, especially smaller ones, may quickly exhaust their time, money, and personnel if they attempt to be everywhere. The question is not which platform to develop a presence on, but rather which idea to apply in order to reach which target audience, and then, in a following step, which channel is most effective at doing this.

5.2. Using Multiple Platform and Multiple Influencers Can Reach a Wider Audience

Broad advertising guidelines requires coordinated communication across several channels. Frequency is vital to the effectiveness of a campaign since repeated exposure to the same message is required. To achieve this frequency, influencer marketing must be included into a larger marketing strategy, especially because research demonstrates a significant interaction effect between influencer marketing, advertising, and promotion [10]. In addition to social media channels, it is proposed that firms should use other forms of influencer-generated content, such as in print adverts, billboards, and emails. Last, another aspect to be kept in mind is choosing the appropriate influencer, not just in terms of quantity, but also in terms of quality.

5.3. Correct Selection Between Small Influencers and Big Influencers

Academic research often emphasizes the importance of the big influencers, which are generally grouped as the top 10% of influencers having the greatest number of followers. They can reach the most audience and hence tend to be thought as having the biggest influences. Conversely, smaller influencers tend to have higher engagement rates relative to their overall number of followers and a follower group that consists of individuals alike or with similar interests and demands [11]. The selection thus should be based on the influencer marketing campaign's objectives. Large influencers are the most effective way for a national or worldwide corporation to promote a new product. Not only do these accounts provide sufficient reach, but they also allow companies to engage with immediately recognisable faces, which is especially important for firms that want to utilise their fame rather than their specialty. A minor influencer, on the other hand, may be desirable if a client's primary objective is to reach a geographically targeted audience or to provide content that is viewed as particularly relevant. Another important factor that needs to be considered is the cost and time of using different influences. A campaign involving dozens or even hundreds of influencers require informing and managing dozens or even hundreds of people. Small influencers with less than one million followers may lack the knowledge about the strategy and operations of influencer marketing since they do not have managers who can assist them in this area. Therefore, despite the fact that smaller influencers may benefit more than larger influencers in certain situations, the cost of retaining them may easily result in a negative net gain.

6. Conclusion

This article started by identifying the powerhouse of current generation that drives the influence of market, which is mainly the Z generation. The dominant presence and influence of the Z generation on social media was also recognised and linked to a particular social Media platform called TikTok. With the use of two case studies, the if the impact of mainly TikTok and other social medias was

demonstrated. The reason behind these success stories were analysed as well, which universally pointed towards the influence of the Z generation. As a result, three strategies proposed that an increase in the efficacy of TikTok in advertising by targeting specific demographic population such as the Z generation were discussed. Other factors that can impact the operation such as cost, and management were integrated into the strategies as well.

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