All industries look towards the future. Whether it's projecting sales, developing new products, or creating new marketing campaigns, all business decisions are made with one eye on the future. The first wave of Generation Z consumers turned 18 in 2014. They're the youngest generational segment and they're the youngest group of consumers. You might be familiar with some of the other, maybe more notable consumption groups. Think about baby boomers, Generation X or millennials. And there's been a lot of talk about how these generational segments are different, and they are different. And this matters to a lot of different industries.

One particular industry is the grocery industry, the Canadian grocery industry. In this industry, growth has been almost nonexistent in the past decade. Competition is making everything less profitable with increases in discount retailers and the increased prevalence of the online marketplace. Generation Z consumers have the ability to control the future of this particular marketplace. Generation Z consumers are going to be different than their predecessors. After all, Generation Z consumers have a unique relationship with technology.

One way to classify this relationship is the concept of Generation Z consumers being digital natives. What that means is they were born into a world where technology that we take for granted every day already exists. They didn't have to learn how to use smartphones. They didn't have to learn how to use the internet or laptops. Those things were natural to them because they already existed in the world as they were developing. Other generational segments, and I'm sure lots of our viewers listening to this presentation can relate, had to learn how to use technology. There was a time when millennials Gen X, baby boomers had to learn how to use a computer, a laptop, the internet, all things that Generation Z consumers take for granted every day.

What we wanted to do in our research is understand how Generation Z consumers are going to take that unique perspective they have on the marketplace with this technology development and their upbringing and apply it to their grocery retail decisions. How is their willingness and adaptivity to technology integration going to influence the choices they make when they choose where they shop?
Using a conjoint analysis approach, we developed hypothetical grocery store decisions for Generation Z consumers to make based on traditional motivators of retail selection, such as distance to the store and the amount of discount being offered to the consumer, as well as technology integrations, such as automated self checkout and smartphone integration into the shopping experience. And what we did was understand the trade-offs Generation Z consumers might be willing to make when they shop at one grocery store over another. These are trade-offs that the Canadian grocery industry can leverage to increase their appeal to a younger audience and maintain their relevance in this increasingly digital world.

Thank you.

[End of transcript]