

Balderton.

Gen Z Guide: Redefining Demand for the Next Decade

Laura McGinnis
Balderton Capital
November 2025



The background features abstract geometric shapes in blue and orange. On the left, there are blue circles, orange circles, and a blue square. On the right, there are blue squares, orange circles, and blue circles. The central text is dark blue.

State of Gen Z



❤️ 👍 🗑️ HA HA !! ?

Wait what does it mean if I have the communist shoes AND the fascist shoes, but I bought them both secondhand for <£10 each?

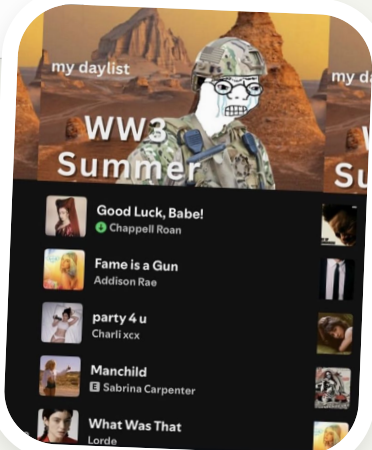
❤️ 💬 🗑️ ..

iMessage
Today 3:08 AM

Hello

I was in a Roblox ice protest but then we all got shot

By the police



❤️
6,260

💬
133



It's Hard to Quit Zyn.
Reddit Bros Want to Help.

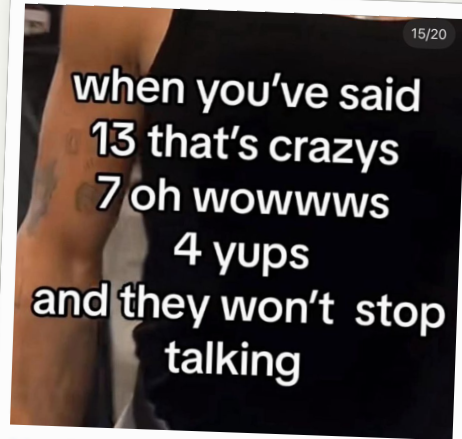


Rob
@robrousseau

Just trying to think of something to say that won't eventually get me drone struck by Palantir

5:19 PM · 6/21/25 · 55K Views

💬 23 🔄 362 ❤️ 3.9K 📖 73 📤



❤️ 💬 🗑️ ..



big sean's verse in the mighty fall
@gremlinmichael

we need a slur for people who use chatgpt

11:01 AM · 6/20/25 · **2.6M** Views

1.2K 9.4K 95K 2.4K



Daniel Lockyer @DanielLockyer · 9h
Lmfao this is becoming insane

Earth \ Environment

The GIST

Glass bottles found to contain more microplastics than plastic bottles

by Rébecca Frasquet
edited by Andrew Zinin
Editors' notes



9 362

Justin Feldman
@jfeldman_epi

I watched 5 minutes of TV news for the first time in a decade and helped remind me why so many people over 50 are like that

8:18 PM · 6/20/25 · **474** Views

b @wwwxwashere

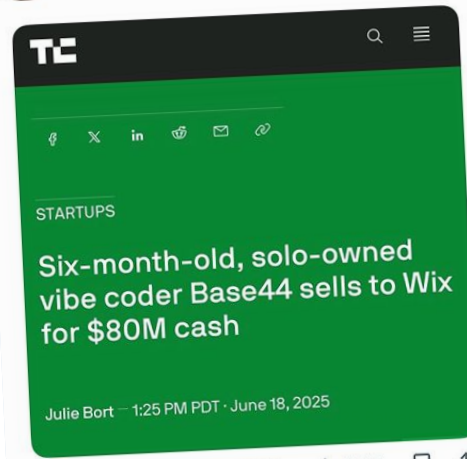
got asked "why do you think you stand out?" at an interview where i was under qualified. i said "i earned my degree before any AI existed, which means i don't depend on it and i believe you'll find most of your other candidates do"

got the second interview LOL

1:18 AM · 6/19/25 · **1.3M** Views

61 5.2K 127K 7.2K

Ish Verduzco @ishverduzco · 1d
what a time to be alive



The background is a light blue color with various abstract geometric shapes in white and orange. On the left side, there are several white circles of different sizes, a 3x3 grid of small blue circles, and four orange circles arranged in a 2x2 square. On the right side, there are white and blue squares, a large orange circle, and a 3x3 grid of small blue circles. At the bottom, there are orange and blue semi-circles.

State of Gen Z

At a Glance

Who this deep dive is for

Most Gen Z reports skim the surface. This one doesn't. It's for investors and operators seeking to understand how this generation thinks, builds, and buys, using leading and proprietary research



Who this is for

For investors, founders, and operators who want to track where Gen Z is heading, and what's gaining traction



About the data

While the focus is on the global West, Gen Z's cross-cultural nature means that many trends translate. Data shown is global unless noted



What's inside

Five investable frontiers: privacy, e-commerce, education, health, and financial wellness

Two generations, two playbooks

Gen Z, born 1997-2012 and now aged 13-28, has grown up in volatility, from recession to climate crisis, shaping an outlook defined by independence, scepticism, and resilience

Millennials (1981-1996)

Millennials were raised during the internet boom but shaped by protective parenting and cultural conformity

- Came of age with PCs, the internet boom, and 24/7 news
- Childhood defined by supervision, rules, and conformity
- Parents shielded them from crises like Columbine and 9/11
- Cultural panic over media, music, and online safety
- Social media = sharing and performance
- Looked to brands for solutions to global issues

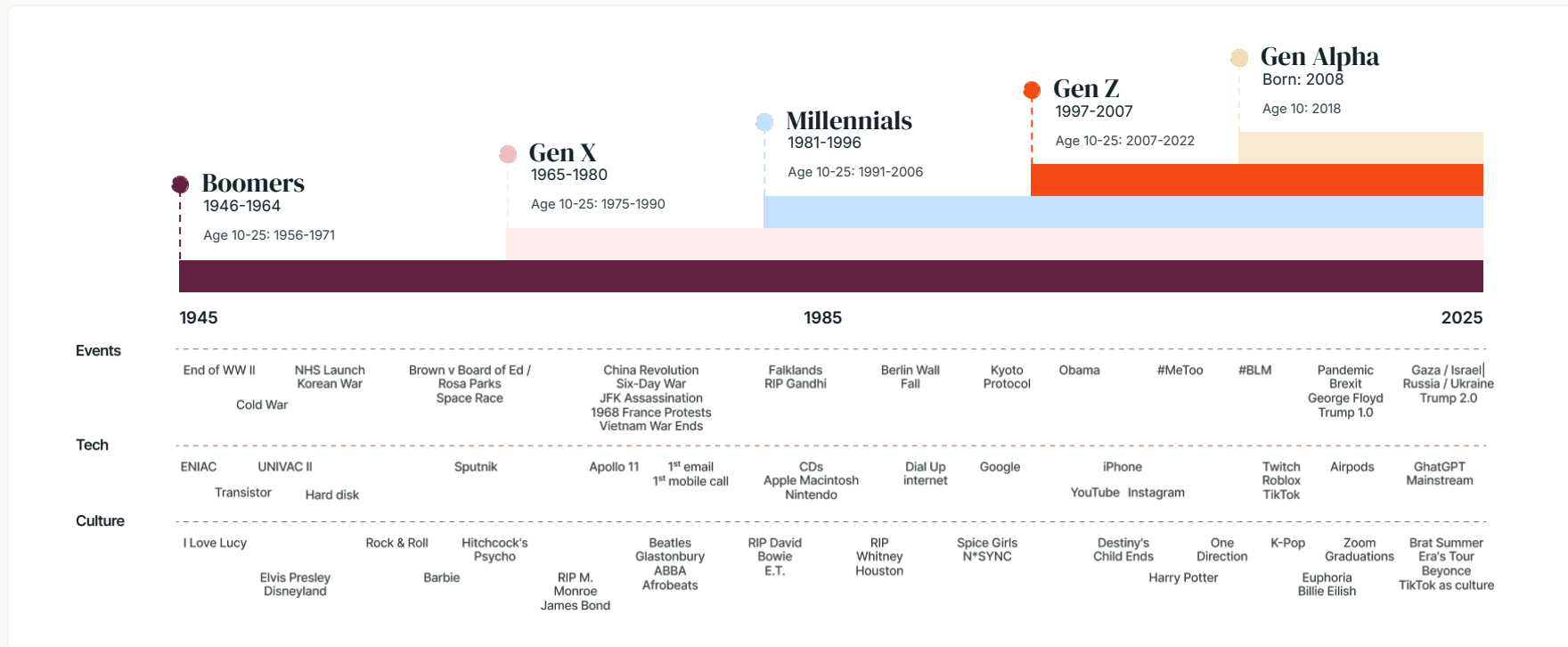
Gen Z (1997-2012)

Gen Z was born into crisis, from terrorism and recession, to smartphones, forcing independence and resilience

- Grew up with school lockdowns, terrorism, and job loss at home
- Smartphones defined their world more than PCs did for Millennials
- Parents emphasised independence and self-protection, not shielding
- Social media = communication and connection
- Balance global disasters (climate, war) with personal security (jobs, money, education)
- Demand that brands make real, measurable impact

Born online, connected by culture

Unlike Boomers who lived in separate realities, Gen Z shares a single digital culture. They form behaviours through the same platforms, creators, and trends that spread globally in seconds



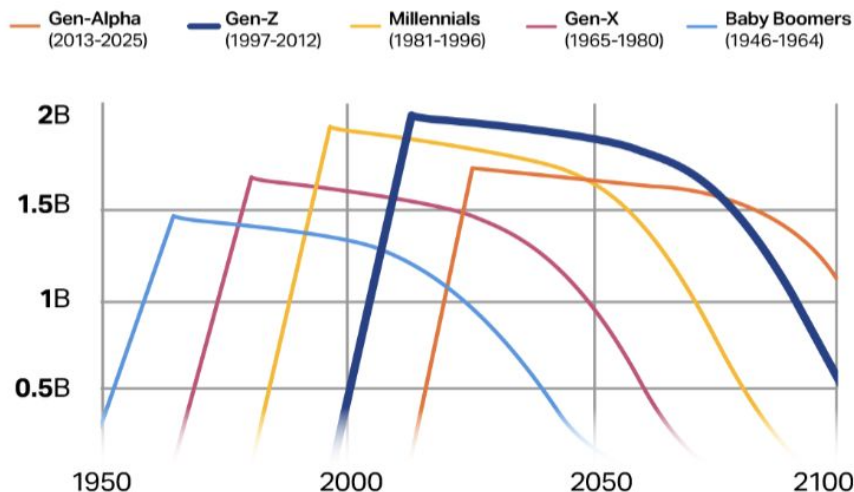
A generation reshaping global growth

Gen Z makes up a quarter of the global population and will likely be the largest in history, driven by higher survival rates, life expectancy, education, and tech access

Compared to other generations...

- Largest generation ever (25% of the global population; ~35% in low-income countries)
- Highest survival rates and longest expected life expectancy
- Greatest access to education and tech
- Fastest growing spend
- First truly digital natives
- Racially and ethnically diverse
- Majority non-Western, only 10% are from US/EU

According to the World Data Lab, Gen Z is the largest generation that will ever exist and will likely be the only generation to reach 2 billion people



Sources: World Data Lab

Diversity as the default

Gen Z is the most diverse generation yet. Brands that earn their trust won't chase everyone; they'll start with micro-communities and let authenticity scale

EY has tracked and identified five psychographic profiles through which Gen Z should be viewed:

73%

Stress Strevers

High achievers, driven by a fear of not being good enough

24%

Big Dreamers

Expect to do well and make money, but don't put the effort

21%

Authentic Activists

Driven by an obligation to help save the world

15%

Secluded Perfectionists

Focussed on being the best, for the love of it

12%

Carefree Constituents

"Go with the flow" cohort that follows the lead of others

Gen Z Diversity Snapshot

50% Multilingual

47% Multicultural

25% LGBTQIA+

Rewriting how we live, work, and spend

Gen Z are culture carriers. They're architecting new economies and behaviours, forcing older generations to adapt, and their spending power is finally catching up

The evolution of Gen Z power—from influence to infrastructure



They go viral

Gen Z influence takes off via memes, music, digital aesthetics

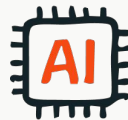
2020



They go pro

Side hustles, investment apps, monetising creativity, redefining work

2025 (now)



They go agentic

AI agents, custom learning, startup creation


2025-2030



They reshape

\$12T+ in projected spending power by 2035, Gen Z is the policy-influencing, workplace-dominant majority

2030+

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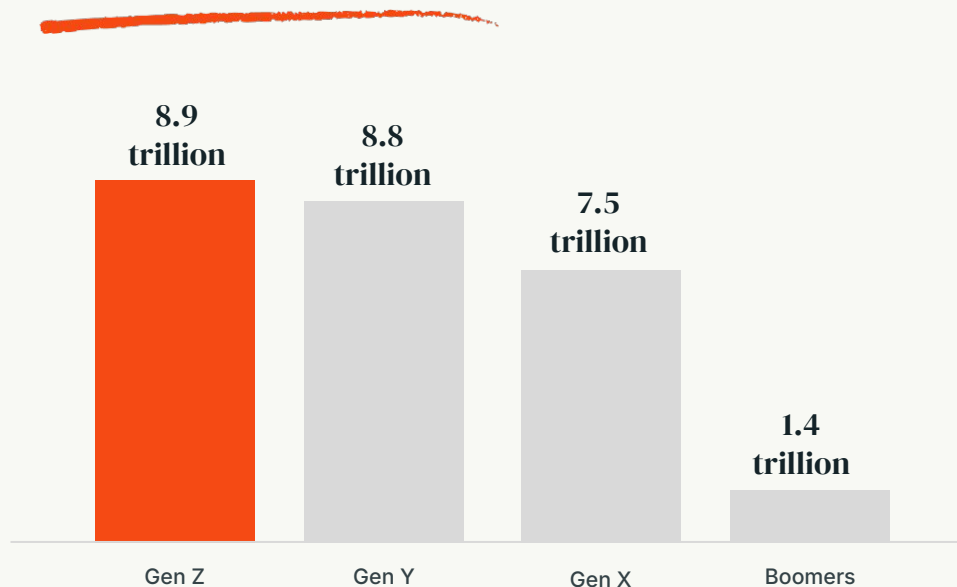
State of Gen Z

Spending Power

Spend Z: the next growth engine

Gen Z spending is growing twice as fast as previous generations at the same age, and by 2035 they will add \$8.9 trillion to the global economy

Projected global spending growth (\$ trillions, 2024-2035)



The risk behind Gen Z's spending power

Gen Z's \$2.7 trillion in global spend shows their scale, but most have savings that wouldn't cover a single month of expenses

Global Spend



\$2.7 trillion

Gen Z's estimated global spend in 2024

And they will add an additional \$8.9-12 trillion to the global economy by 2035

Higher discretionary and necessity (utilities, rent) spending growth than other generations*

26%

Gen Z's entertainment spend grew 26% YoY, compared to 10% in other generations

14%

Travel spend rose 14% YoY, more than triple the growth of other generations

Savings don't align with their spending levels

1.93

Their spending-to-savings ratio (1.93) far exceeds millennials (1.2), Gen X (0.9), and boomers (0.2)

32%

Feel that they are behind where their parents were at the same age in meeting financial goals

*US data from BoA; however, figures are in line with UK trends from regional and country-wide surveys from Eadon & Co, Yorkshire Council, & NatWest Savings Index 2025. Figures in lower income markets are more drastic.

The paradox of Gen Z finance

Gen Z spends like they're wealthy, even when they aren't, leading all generations in intent to splurge while still facing financial fragility

Spending characteristics



34% willing to buy on credit



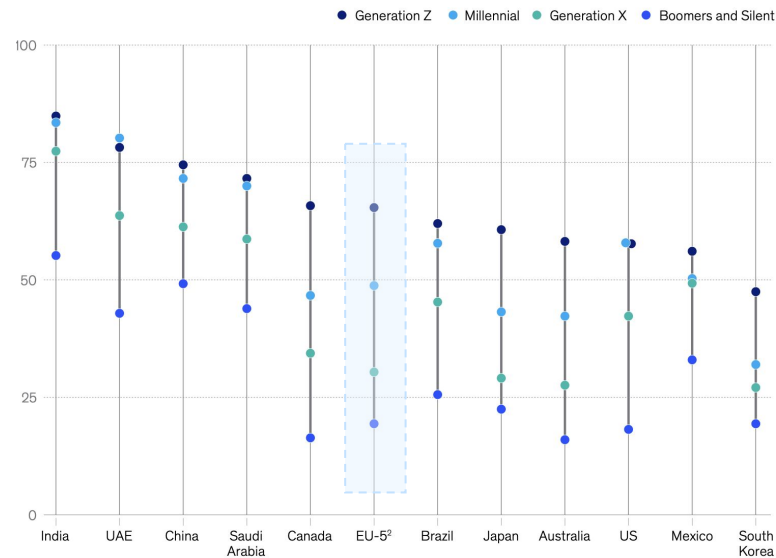
Top splurge areas:
apparel (34%) and beauty (29%)



Spending driven by peers and trends,
not financial comfort

EU-5 Gen Zs splurge more than older generations

% with intent to splurge, Q2 2025



Turning pressure into innovation

Despite high living costs and limited job security, Gen Z is adapting fast, budgeting more, side hustling, and investing in their own ideas

70%



set a budget for their finances

Compared to only 42% of UK adults aged 65+. Gen Z are the most likely of any generation to budget.

43%



feel financially insecure

Despite growth in generational wealth, "money dysmorphia" is real

62%



have entrepreneurial ambition

Have plans to start or potentially start their own business someday

42%



started investing before age 25

Twice the rate of Millennials, they're early and active in financial markets



And this is just the beginning

Over the next five years, the largest wealth transfer in history, "The Great Wealth Transfer", will move \$18.3 trillion globally to younger generations with £7 trillion alone expected to change hands in the UK by 2050

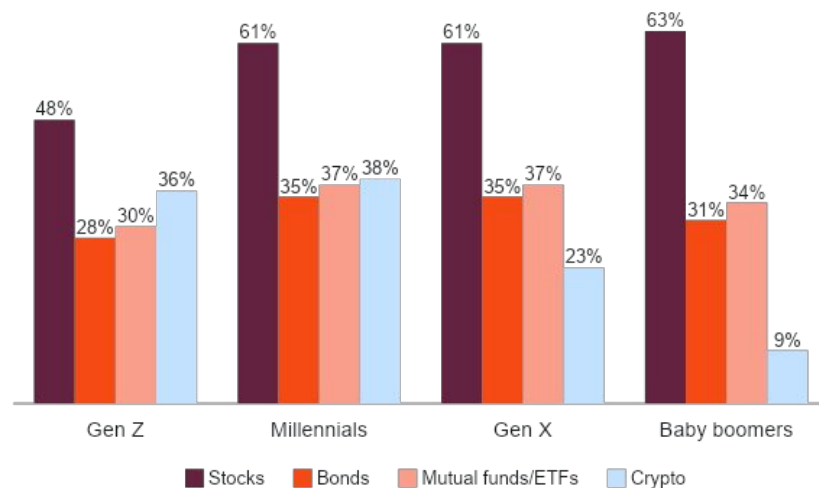
Gen Z's financial operating system

Three in ten Gen Z began investing at university age, double the rate of millennials and six times that of baby boomers

Before 25, Gen Z is already earning, investing, and building businesses

- 30% of Gen Z began investing while at university, double millennials' rate
- Gen Z uses mobile-first tools to sell, trade, and earn, often before their first full-time job
- Platforms like Cleo, Kalshi, and Revolut make financial activity social, gamified, and influencer-led
- Social media drives discovery, nearly 2/3 of 18-29-year-olds follow "finfluencers"
- Regulation is playing catch-up as influence blurs with financial advice

Stocks remain the most popular asset class for global Gen Z retail investors



Selected asset classes. Survey of 13,000 people including investors and non-investors across 13 countries.
Source: World Economic Forum

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State of Gen Z

Habits & Behaviours

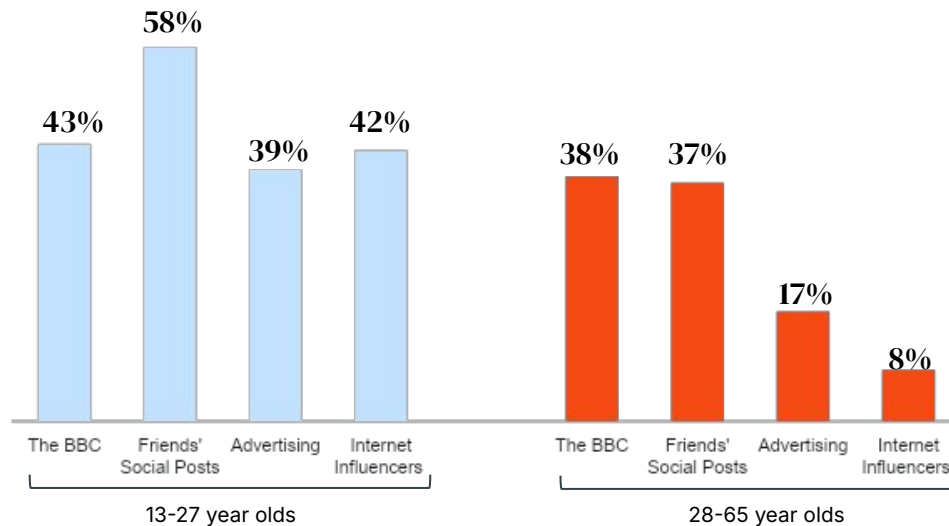
Systemic erosion of trust

Low public sector progress on issues Gen Z care about has eroded trust in government and traditional media, pushing them towards peers, creators, and decentralised sources

Global Insights

- Trust is personal, proximate, and peer-driven. It's horizontal, not trickle down
- High trust indices in peers, small businesses, and local governments
- Low trust in large businesses, federal states
- 40% use TikTok daily as their primary news source
- Information authority is now earned
- Information becoming mediated by community, creators, and micro-networks, not broadcast media

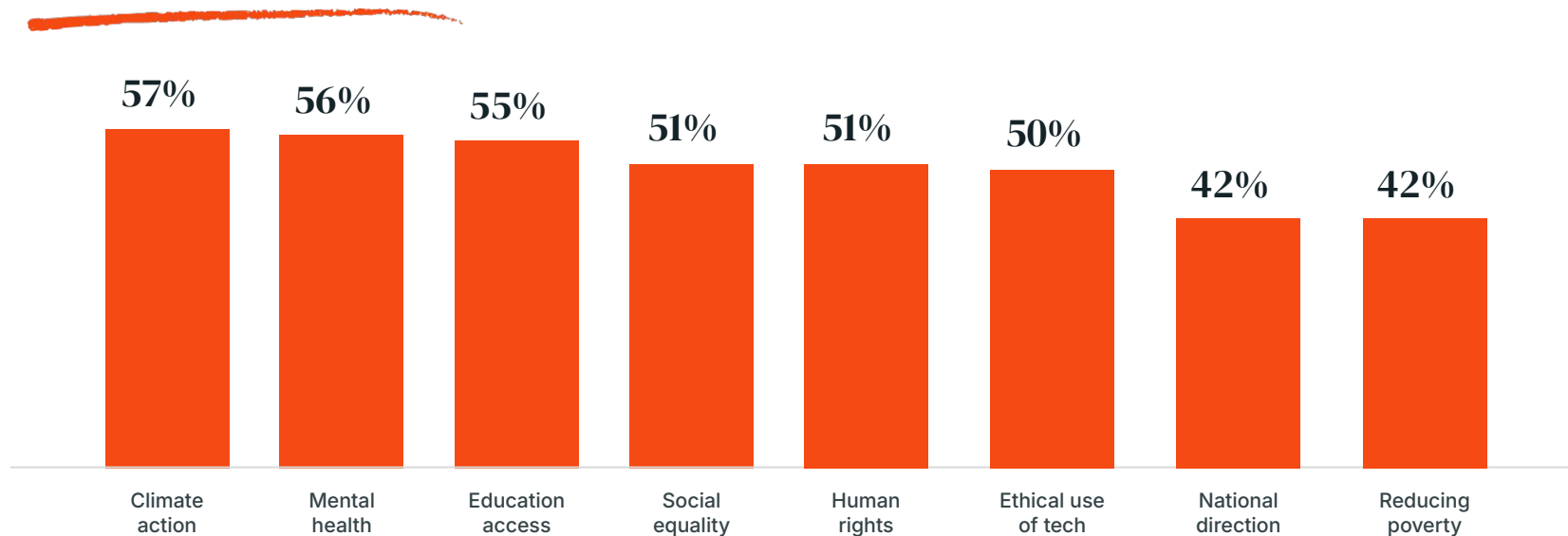
Institutions are no longer assumed to be credible, pushing Gen Z to source truth from individuals more than other generations



A generation compelled to act

Despite public sector failings, they're more values-driven and impact-minded than any generation before, with over half believing they can shape the world and one-third engaging in activism

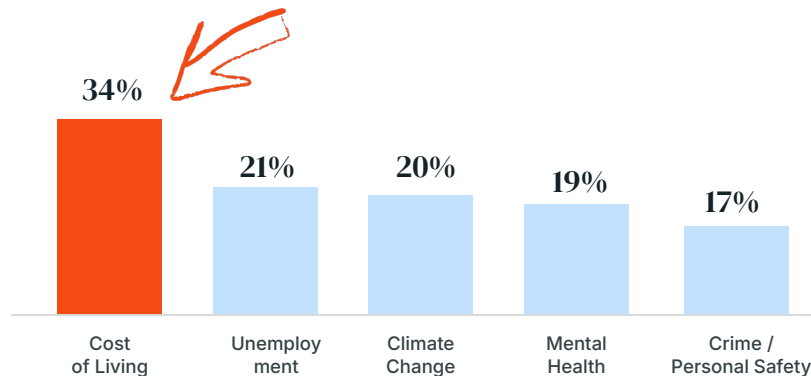
% that feel they have significant or moderate influence over the following:



Cost of living paralysis

Globally, Gen Z acts on climate, equality, and justice; but personally, rising living costs dominate their worries, ranking as their top source of stress

Gen Zs top 5 concerns



Mind the Gap

55%

of British Gen Zs believe that society rewards being born into wealth more than meritocracy versus 41% of 45-65s

Contradictions, not confusion

Gen Z's "say versus do" gap isn't hypocrisy; it's a rational response to a pressured, uncertain, hyper-connected world



Logged In, Checked Out

Gen Z spends 8+ hours online daily, and still, 73% report feeling lonely or isolated

73%

Feel lonely despite constant connectivity



Privately Oversharing

85% say privacy is a right, yet 88% location-share for safety and connection

85%

Privacy is a right

88%

Location-share



Side-Hustling & Burnt-Out

Half have a side hustle, while 75% report feeling burnt out

50%

Side hustle

75%

Burn Out



Green Values, Fast Fashion

They care about climate, but still drive micro-trends and rate Shein highly

70%

Have bought or sold second-hand online in the last year (compared to 30% of 60+)



Financially Woke, Mentally Broke

42% invest before 25, yet 52% feel "extremely worried" about money

42%

Invest early

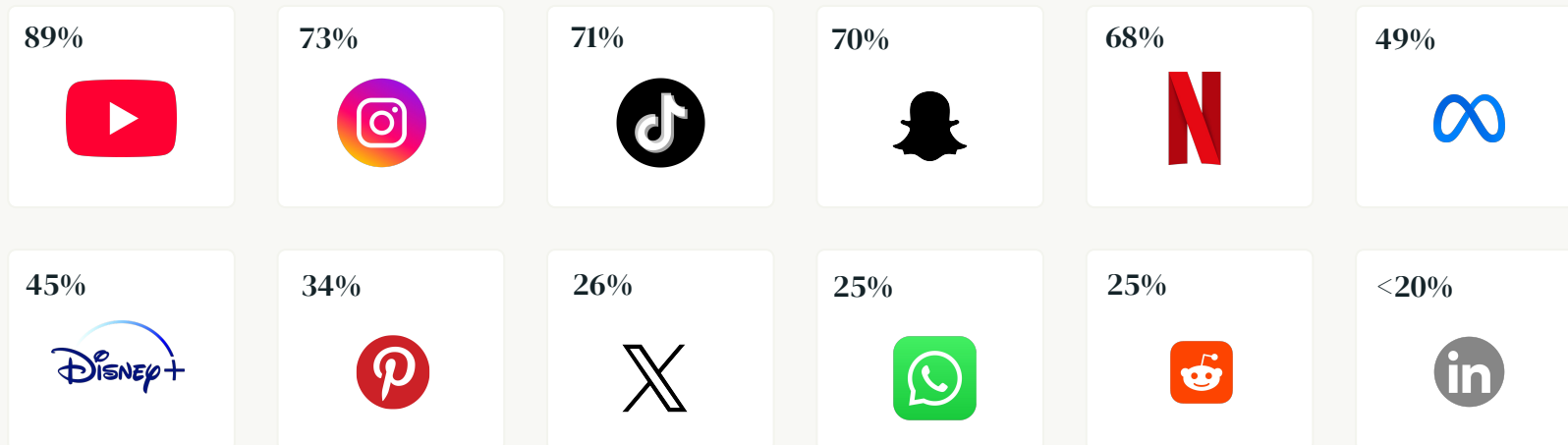
52%

Worry about money

The battle for attention

With trust shifting away from institutions, Gen Z's attention is now captured by fast, high-frequency platforms; TikTok has overtaken Instagram and Snap

Gen Z's most used platforms are peer-generated, immediate, immersive, and overwhelmingly video-first

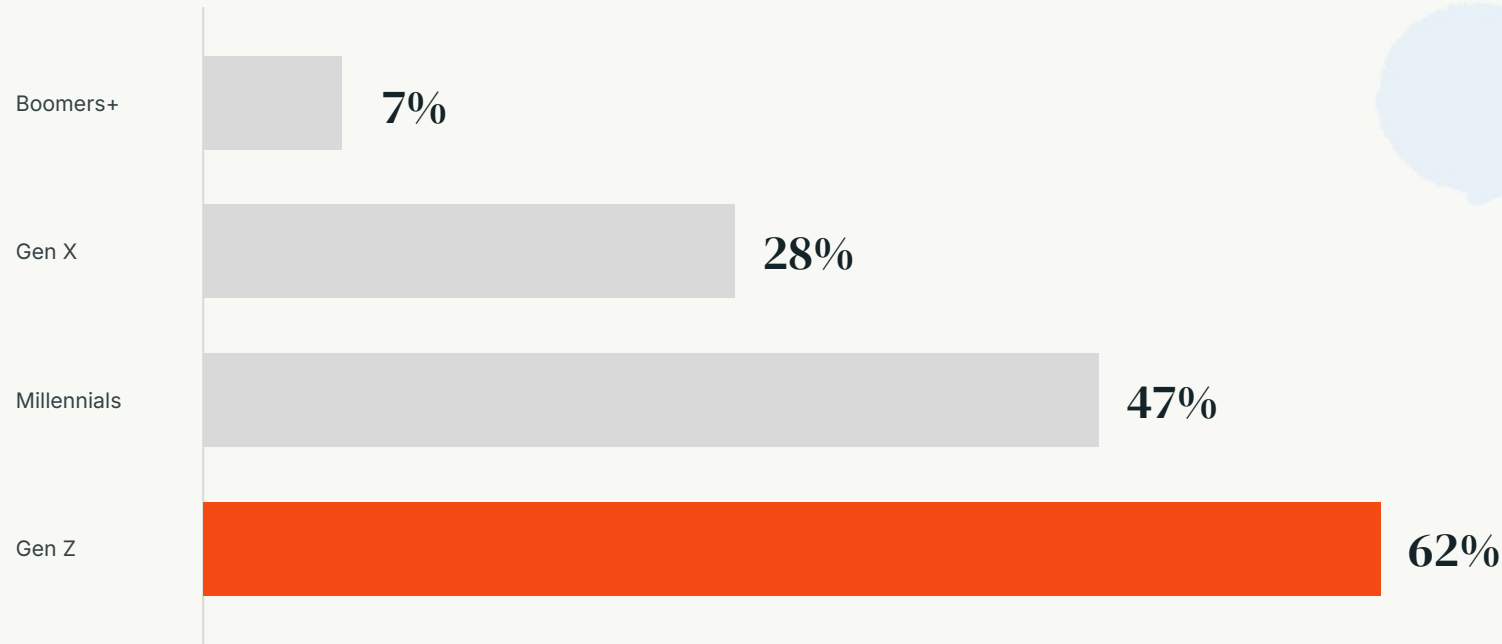


US data global figures show similar trends in terms of adoption with lower income markets picking up WhatsApp

TikTok's daily grip

TikTok is Gen Z's everyday platform, far ahead of other generations, yet YouTube remains the most trusted source for information and learning

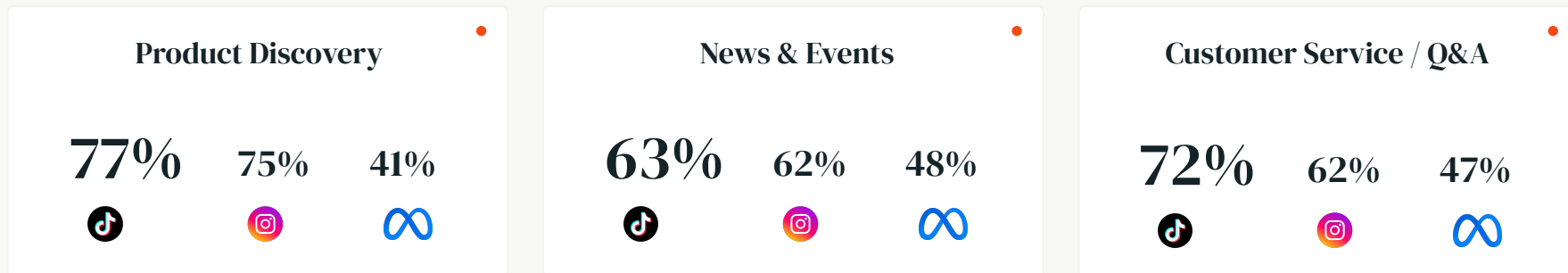
TikTok usage by generation



Social media as infrastructure

For Gen Z, social platforms aren't just entertainment, they're infrastructure for discovery, influence, creativity, and self-expression

% of Gen Z using each platform for discovery, news, and customer service



What this means for brands

1

Social is the new search

Optimize for TikTok/Instagram SEO, not just Google

2

Social is the new support desk

Prioritise responsiveness in DMs, comments

3

Social is the new storefront

UGC and peer content > polished ad creative

4

Social is the new CRM

Identity, loyalty, and feedback loops live in-platform

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State of Gen Z AI Adoption

Millennials vs Gen Z: the AI gap

While Gen Z dominates the feed, millennials are powering the AI-native workforce

Now in leadership roles, Millennials are emerging as the most AI-confident cohort in the workforce:

- 62% say they have AI expertise, more than any other generation
- 90% are comfortable using Gen AI tools at work
- 81% want to participate in the design of those tools

Millennials are at the intersection of digital fluency and decision-making power and are both adopting *and* helping define how AI is used inside organisations

Further, they think it's important that AI adoption is balanced with human empathy and transparency

Millennials aged 35-44 are AI optimists with 90% indicating confidence in their Gen AI abilities

US employee sentiment on gen AI, by age group, % of respondents



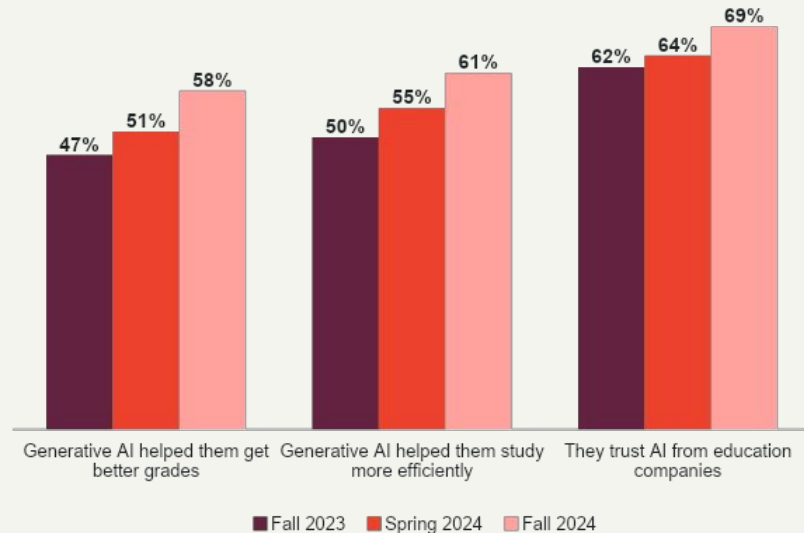
¹Defined as those who have "extensive experience (use several tools for complex tasks)" and "experts."
Source: McKinsey US employee survey, Oct–Nov 2024 (n = 3,002)

McKinsey & Company

Gen Z's growing AI fluency

While millennials learn AI on the job, Gen Z's fluency starts in the classroom. And it's not just for shortcuts, two in three students trust AI to boost their performance and confidence

Positive perceptions of Generative AI amongst U.S. Gen Z students



AI in the classroom

75%

Are regular AI users

69%

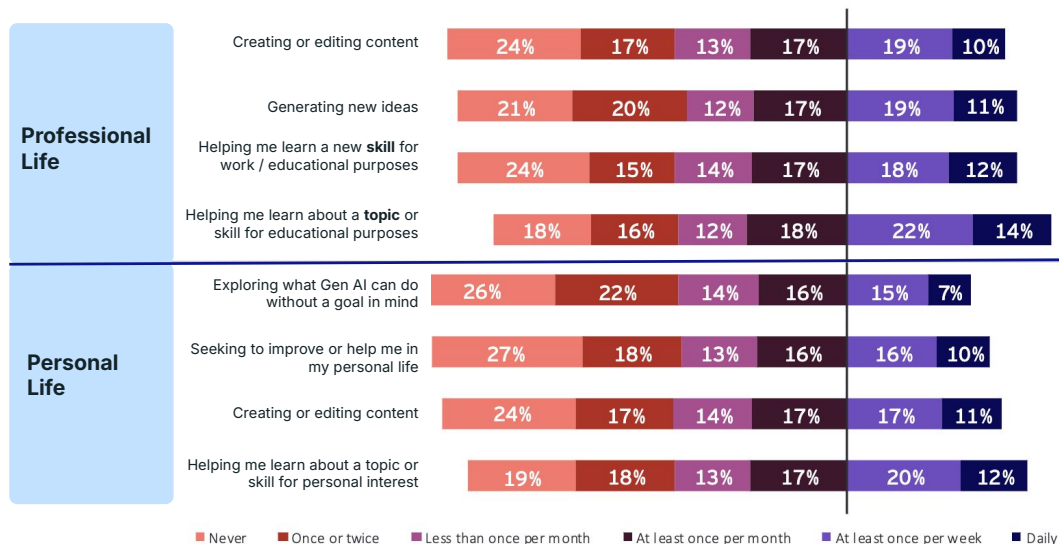
Trust AI tools

How Gen Z uses AI, and where support still lags

Most of Gen Z are regular AI users across work and life, with top use cases in learning, skill-building, content creation, and shopping

Gen Z uses AI differently across personal and professional

N=5,218 respondents



Gen Z's AI use is already broad, frequent, and self-directed

- 76% are varied or super users, using AI regularly for work and personal
- Top use cases: learning new topics, skill-building, content creation, shopping
- 54% use AI at least monthly to learn something new professionally; 49% do so personally
- Creativity & utility > novelty: AI is used to write better, generate ideas, and understand topics
- 91% use AI to shop



State of Gen Z

Predictions & Where to Focus

Globally synced, social first

Beyond 2025: using global data on how Gen Z lives, works, and connects, we've identified five key shifts that will define their next chapter and reshape the cultural and economic landscape

01

The war for young talent intensifies

Aging populations in the West meet youth bulges in the Global South; countries compete for young workers

02

A rise in NEETs* weakens the generational knowledge loop

1 in 5 globally are NEETs, disconnected from work, education, training

03

Gender divides reach a breaking point

Gen Z reports the highest tension between men and women; women & LGBTQIA+ face high rates of online harassment

04

Displacement, automation, and AI redraw the workforce

93% of Gen Z use AI weekly, and 62% believe it could replace their job

05

Trust fractures into micro-networks

They don't look to institutions for truth. Peers define credibility

*NEET: Not in Education, Employment or Training

Why care, invest, build now?

Gen Z hasn't picked their default tools yet: their bank, therapist, classroom, marketplace, and side hustle stack are all still open for disruption



Consumption

Content and commerce have collapsed into one stream. Gen Z moves fast: 98% discover products on social, 91% use AI to shop, and most decisions are made in 48 hours.

→ Winners will fuse entertainment, shopping, and AI into instant decisions.



Learning

AI and job pressure are reshaping education. 75% say job outcomes drive learning, and AI tutors are moving mainstream.

→ Winners will deliver AI-powered tools tied to real outcomes.



Future of Work

Instability makes financial independence urgent. Over half of Gen Z run side hustles, and 63% want to start a business.

□ Winners will unlock flexible income, side hustles, entrepreneurship



Data Privacy

Gen Z trades convenience for control. 72% have deleted an app over privacy, while 88% share location for safety.

→ Winners will build trust while keeping users safe and in control



Health

Always online but oft alone, 73% of Gen Z report feeling lonely and turn to group chats for support.

→ Winners will turn digital time into real connection and support

What this means for CEOs and investors

Advice to founders and investors: how to build for or invest in Gen Z based on what the data and behaviours are really telling us

1

Design for global scale, but win through cultural depth

Gen Z's worlds are borderless, meaning shared passions connect a gamer in Rio to one in Paris more than to their neighbour

→ **Winers will scale globally by tapping into dispersed communities built around identity and interests**

2

Cater to Gen Z's ambition and anxiety

They are financially fluent and driven yet overwhelmed by uncertainty. They want tools that help them progress and offer confidence in an unpredictable world

→ **Products that give them clarity and confidence will outperform those that only entertain**

3

Build credibility through peers, not institutions

Gen Z's trust flows sideways, not top-down. Authority now lives in creators, UGC, and micro-networks that validate what's real and worth buying

→ **Use UGC, peer validation, and credible micro-networks to drive adoption**

What this means for CEOs and investors

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4

Empower Gen Z to create their own work

With 1 in 5 disengaged from traditional jobs and AI reshaping entry-level roles, Gen Z isn't waiting for employment, they're inventing new ways of working

→ **Platforms that help them earn, upskill, or build solo, not just get hired will stand out**

5

Turn the trust collapse into an advantage

Institutional trust is eroding. Gen Z expects transparency, data ownership, and ethical design by default.

→ **Companies that bake credibility into their product architecture, not their marketing, will win this cohort**



Five investable frontiers

This generation is massive, fragmented, distrustful, and entrepreneurial. We believe the most defensible companies will be built around five unmet needs



Digital Privacy & Trust

Gen Z overshares, then deletes. They distrust surveillance but trade data for access. For them, privacy is product, not just policy.



Next-Gen Learning

Classrooms are optional. They learn on YouTube, with chatbots, and from creators. Native learning tools will win.



Agentic Commerce

AI agents and social channels now do the browsing. Gen Z doesn't just shop — they will soon outsource the decision-making.



Wellness Reimagined

The most connected generation is also the loneliest. Real-life intimacy and mental health are the new luxury goods.

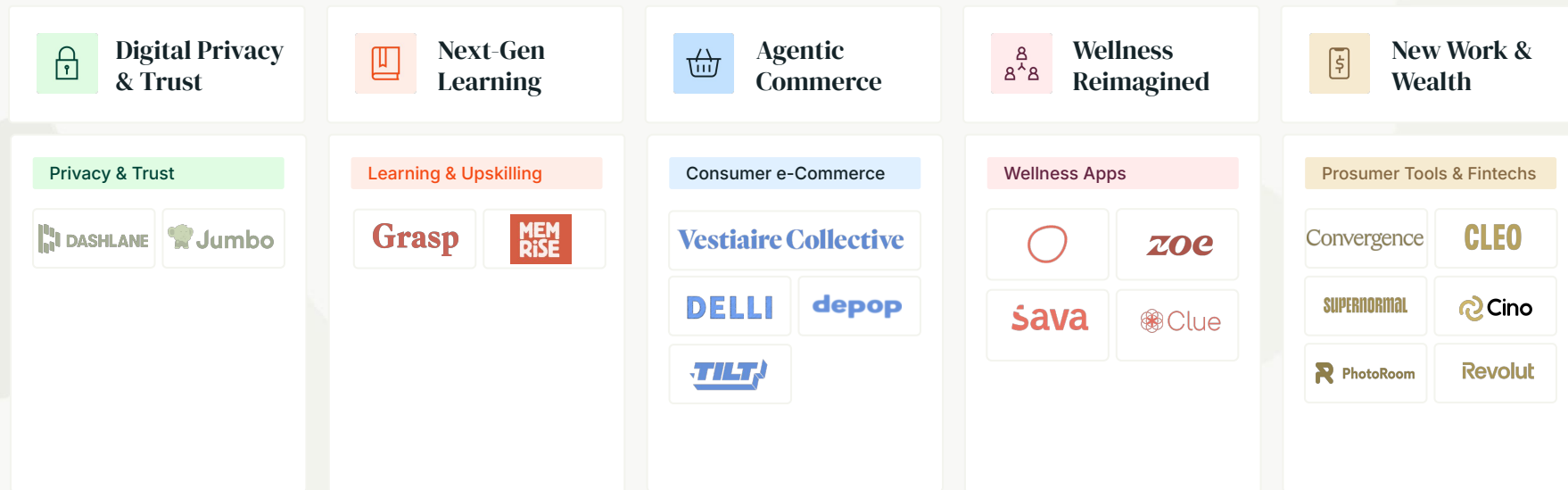


New Work & Wealth

Half of Gen Z is already monetising online. They need tools to run businesses, not just bank accounts, from their phones.

Where we're focused

Balderton has backed future-focussed CEOs who are rewriting the rules to serve this powerful customer as they enter adulthood





Digital Privacy & Trust

“

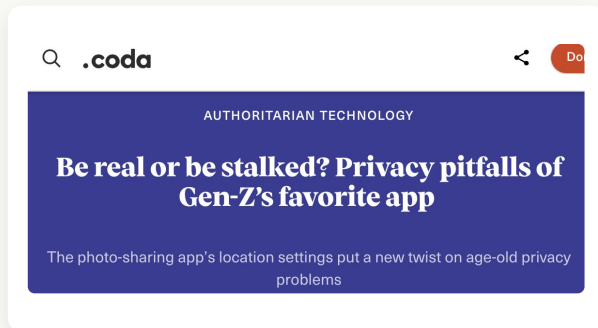
"I'm more worried about my private information being exposed online (e.g., embarrassing or compromising photos and videos, mental health, sexuality...) than I am about typical cybersecurity threats [like viruses and malware]."

Malwarebytes survey

of online privacy habits of 1,000 Gen Z respondents

Digital privacy and trust in the press

Gen Z is scammed more often than Baby Boomers, largely due to higher exposure to online shopping scams, financial aid and job scams, and social media account takeovers



“

Gen Z are most likely to be caught by telephone scams, Boomers most likely to fall for phishing emails and texts, under 27s most likely to be caught out by online shopping scams.

Source: Virgin Media Research, n=2,000

Shift: privacy paradox - beliefs versus behaviours

Gen Z wants privacy as a right, yet they've grown up in an era of constant visibility. They expect protection by default but will trade data for personalisation, convenience, or clout

What they say

85%

say data privacy is a fundamental right

72%

say social platforms shouldn't profit from data without consent

33%

"Privacy Actives": deleted apps over poor privacy standards

What they do

88%

regularly use location-sharing apps

78%

share personal info for better experiences

40%

Use VPNs; 20% more likely than older generations to use MFA

Shift: privacy expected, not optional

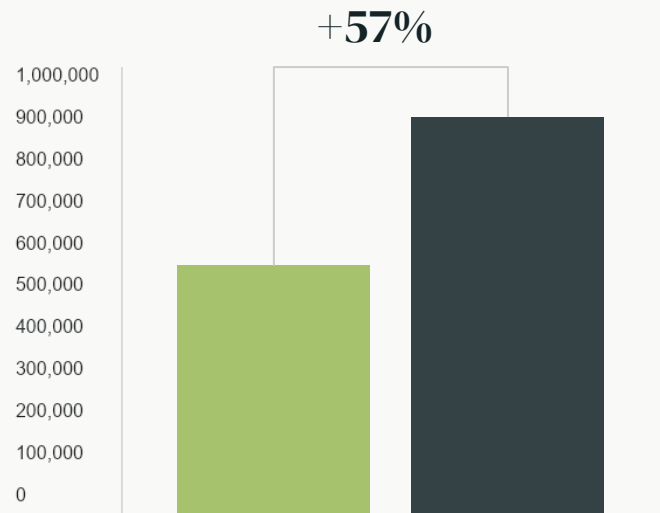
Gen Z is the most digitally fluent generation, and the most exposed. Privacy is no longer a feature; it's the foundation of trust

Privacy isn't a compliance checkbox, it's a competitive edge and Gen Z expects it built-in

- Spend more time online than any other generation and therefore, are also most likely to fall for digital scams
- AI-driven fraud is up 300% YoY, with imposter scams rising 57% since the pandemic
- Raised under GDPR and CCPA, yet shaped by TikTok, Snap, and Instagram, platforms built on behavioural data
- 9 in 10 will share data for a better experience, trading privacy for relevance when they trust the exchange
- They don't want shady opt-ins or fine print, they expect consent, clarity, and control
- Gravitating toward safer or niche spaces: Snapchat, Signal, Discord, and closed communities

FTC Reported Imposter Scam Fraud

● 2020 ● 2024



Key sectors and market map

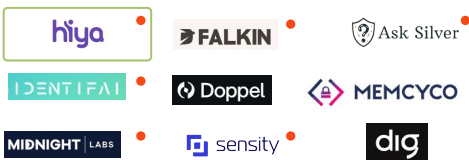
Market Map: Digital Privacy & Trust

★ Extra bullish
Balderton portfolio
● EU / UK HQ



AI-Powered Fraud Protection

Deepfake & scam detection



AI content integrity & authenticity



Consumer security (VPN, MFA...)



Privacy-First Socials & Messaging

Privacy-First Socials

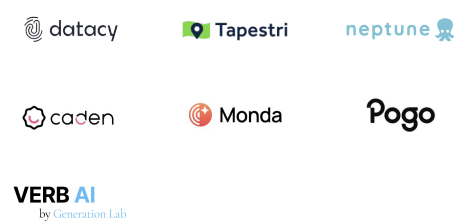


Content Moderation & Parental Controls



User Data Marketplaces & SSI

User Data Marketplaces

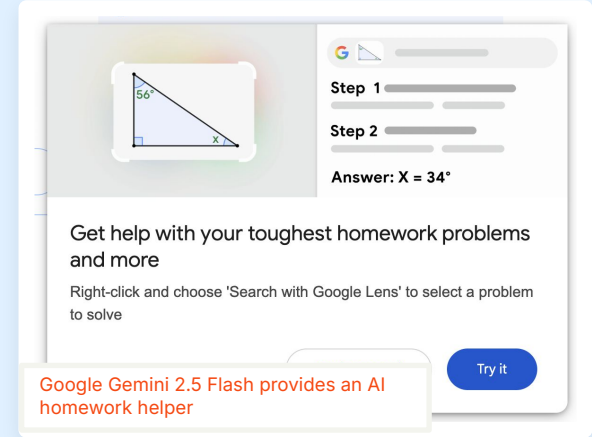
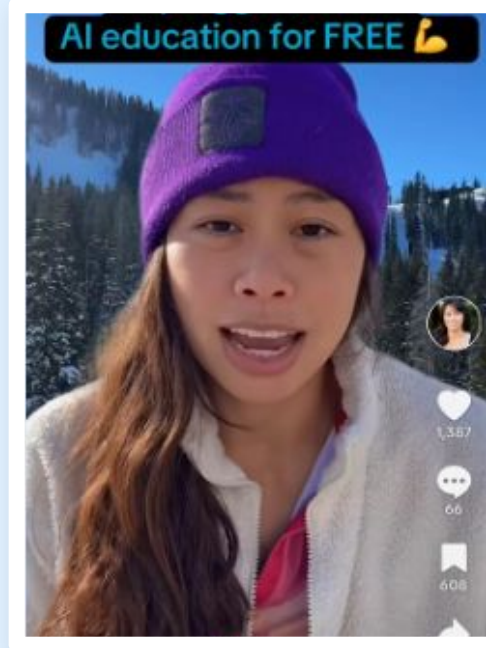




Next-Gen Learning

Next-gen learning in the press

Gen Z is rethinking how and where they learn, using AI, online content, and creators instead of traditional classrooms



Shift: outcomes over degrees

Gen Z is redefining education. It's less about credentials, more about skills, outcomes, and adaptability



Language learning is cultural currency

- 45% of Gen Z are actively learning a new language, vs. 8% of boomers (Duolingo)
- 80% learn a significant portion of new language through social media
- Language is seen as identity, connection, and global fluency



AI-first learning takes hold

- 52% rank creativity as the top skill needed to use AI well, followed by critical thinking (47%) and coding (46%)
- 26% of teens (13-17) now use ChatGPT for homework, up from 13% two years ago
- Gen Z sees both the risks and benefits of AI, with mixed emotions (anxiety, excitement, hope)



Social & algorithmic learning grows

- 70% of under-25s prefer gaming to watching video, signalling appetite for interactivity
- TikTok's algorithm drives discovery of educational content, reinforcing learning habits
- Social and gamified formats keep Gen Z engaged, motivated, and coming back

Shift: the toolbelt generation

College is losing its shine while trades and applied skills are on the rise. Gen Z in the US and Europe are embracing hands-on careers that offer stability and independence

Key factors driving change

Four-year colleges are losing appeal

- Vocational training is rising as degrees show weaker returns. Gen Z is driving the shift, median worker age in trades is falling

Pay is pulling workers in

- Construction wages rose 5.1% last year, outpacing many professional services

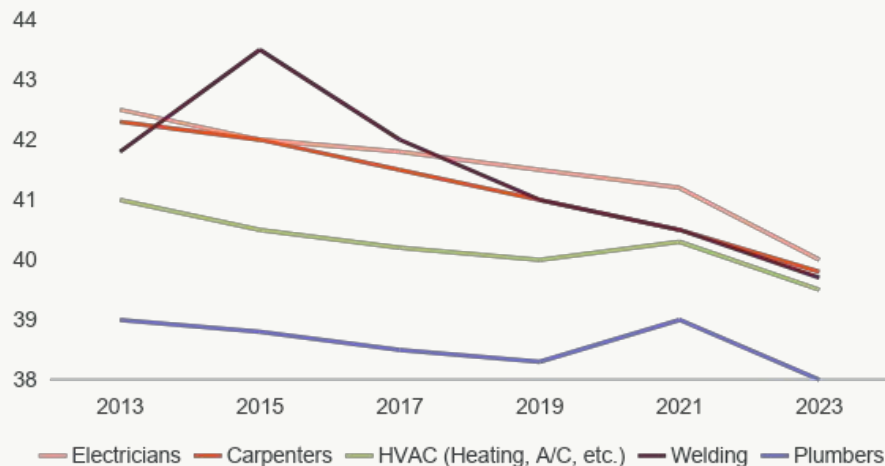
Turnover keeps demand high

- Carpentry, electrical, and other trades face constant churn

The demand gap is widening

- By 2032, U.S. firms will need 22x more trade hires to replace retirees than to fill new jobs, a trend echoed globally

Median age for select trades, 2013-2024



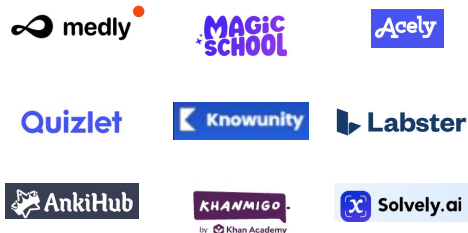
Source: The Economist, 2023

Key sectors and market map

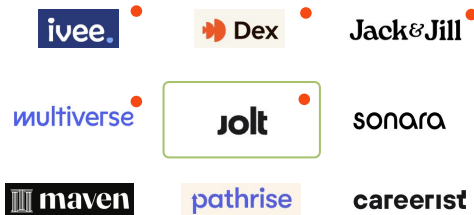
Market Map: Next-Gen Learning

★ Extra bullish
 Balderton portfolio
 ● EU / UK HQ

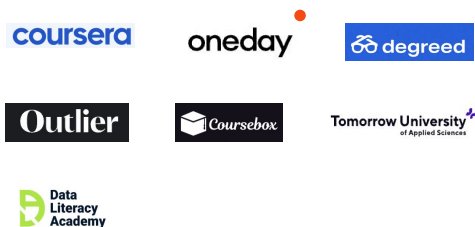
AI-tutors & study tools



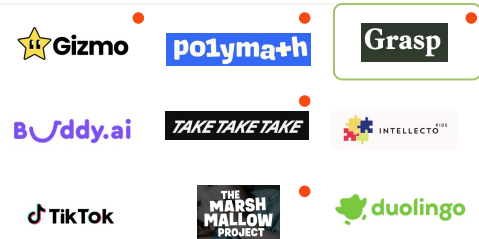
Career launchpads & AI recruiters



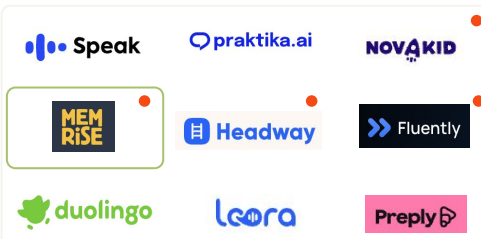
Micro-credentialing



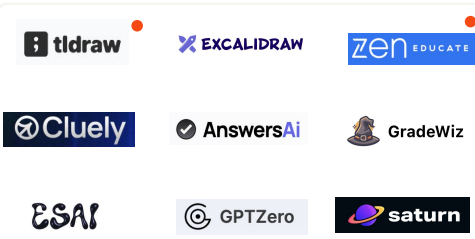
Social & gamified learning

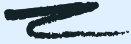


Language & cultural immersion



Classroom infra & integrity

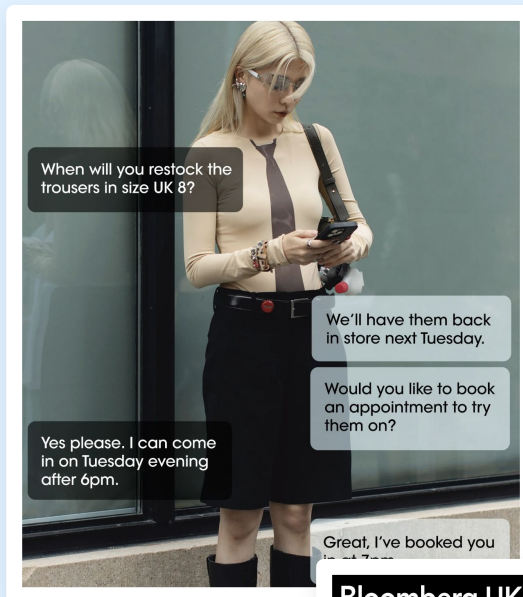




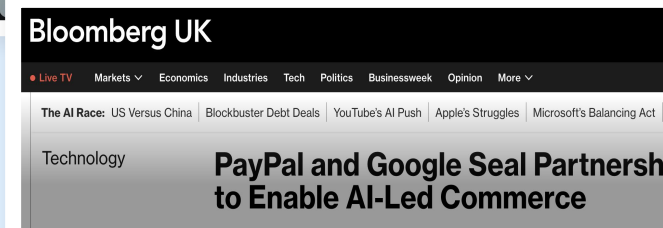
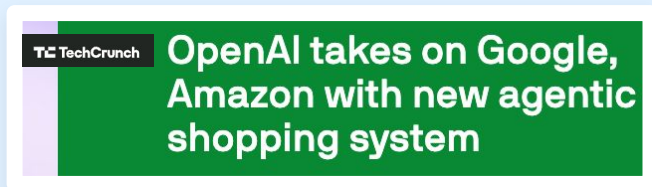
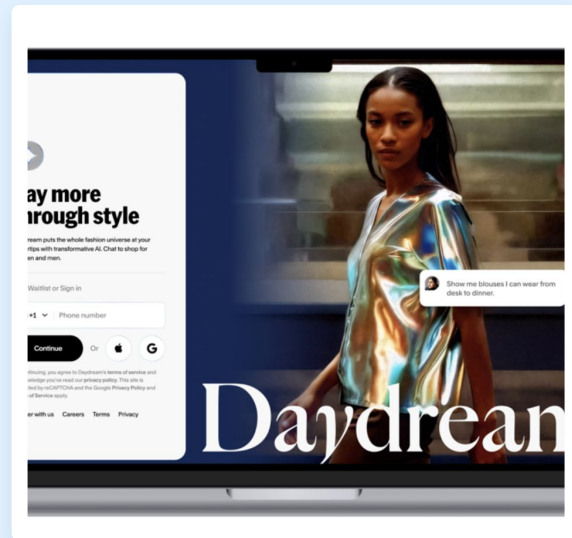
Agentic Commerce

Agentic commerce in the press

Agentic commerce describes AI-powered agents that handle the buying process end-to-end: searching, comparing, managing preferences, and purchasing autonomously



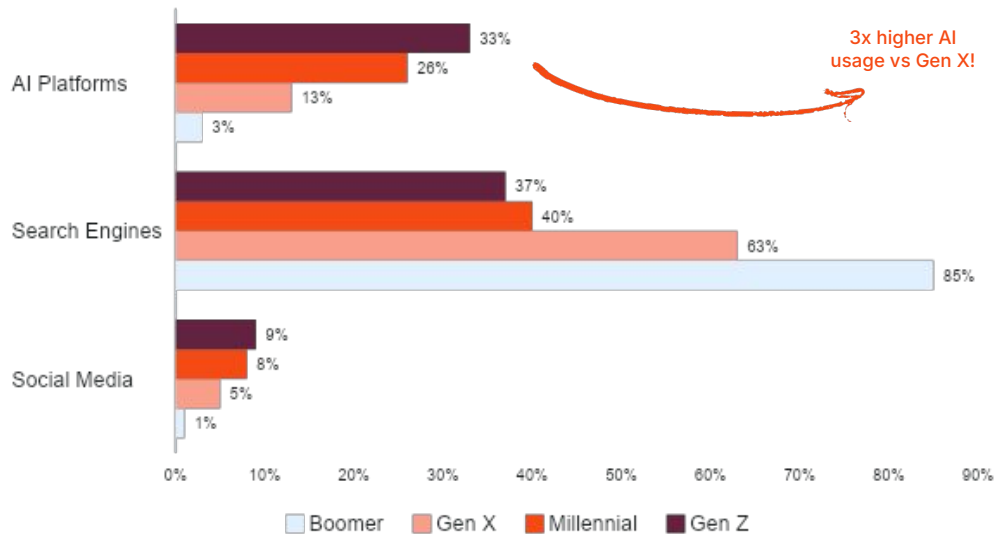
Vogue Business



Shift: Gen Z hands the reins to AI

With a quarter of Gen Z trusting AI more than people, shopping could become a delegated act, where authority, curation, and decision-making are rebuilt around algorithms

Imagine you're researching a new product category. Which of the following are you most likely to use to get an understanding of what options are available?



Gen Z is shifting trust from humans to AI, reshaping how shopping choices are made

- 1 in 4 trusts AI over people for what to buy next, seeing it as a smarter curator than influencers or peers
- They don't want to search; they want to delegate. AI should cut the noise and deliver direct, instant answers that feel personalised without the effort
- Shopping is soon ideally ambient and runs in the background. The right products appear at the right moment without needing to hunt
- For brands, relevance now depends on showing up where AI holds the authority, reshaping how discovery, SEO, and paid happen

Sources: Future Commerce 2025 Survey of 1,000+ consumers across US, UK, AU/NZ.

Shift: A-commerce adoption and omnimodal shopping

Dubbed the “Do It For Me” generation, Gen Z is starting to see AI as an intelligent confidant that anticipates needs, personalises choices, and executes across channels seamlessly

The “Do It for Me” Generation

- Gen Z trusts algorithms to curate what they see, read, and buy, the feed decides faster than they do
- Search is disappearing. They expect AI to anticipate what they need before they type it
- Discovery now happens everywhere, across chats, feeds, marketplaces, and agents
- In this omnimodal era, brands don't own the journey; they win by being discoverable and useful wherever Gen Z happens to be

Brands that show up inside AI-driven platforms will earn relevance and loyalty in this new era

23%

Gen Z (27% millennials) say they are starting to trust AI more than people for curated product recommendations

69%

Interested in integrating AI into their shopping experience

22%

Gen Z consumers say that using voice agents feels more intimate than typing a search query (vs 6% of Boomers)

11x

Gen Z uses AI for product research 11x more than Boomers

Key sectors and market map

Market Map: Agentic Commerce

★ Extra bullish
Balderton portfolio
● EU / UK HQ

Discovery & Search Agents

Intent-Triggered & Personalised Search



Autonomous Purchase

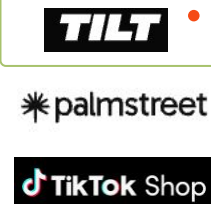
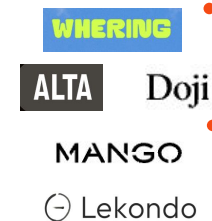
AI Buying Agents



Styling & Personalisation

Stylists

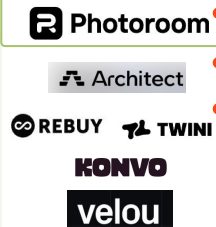
Shoppable Social



Selling & Resale (B2B)

Resale

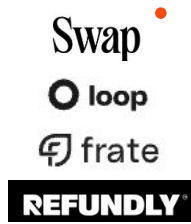
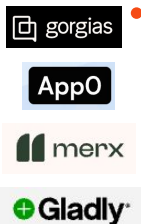
Conversion Optimisation



Customer Experience & Returns (B2B)

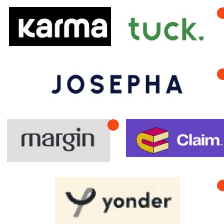
Customer Experience

Returns



Earning & Rewards

Rewards





Wellness Reimagined

“

“They don’t really make life decisions without asking ChatGPT what they should do...It has the full context on every person in their life and what they’ve talked about.”

Sam Altman

CEO of Open AI, May 2025

Gen Z health and wellness in the press

Faced with anxiety, loneliness, and constant comparison, Gen Z is transforming wellness from a fleeting trend into a daily survival system

News | Protests



Gen Z protesters rally across Morocco demanding health, education reforms

The Blepharoplasty Bun Is Everywhere

Now that the classic slickback has been adopted by famous white women, it's taken on a new purpose: to snatch

BY MARCI ROBIN
September 23, 2025

Mental health study shows Gen Z overwhelmed but undeterred by unrelenting global crises

With 60 per cent of young people reporting feeling overwhelmed by the news, a new study by a coalition of UNICEF and private sector partners shows that young people continue to face stigma and limited access to mental health services.

for every child

Why Gen Z are saying no to Botox

Put off by the frozen faces of millennials, the next generation of twentysomethings are turning to hardcore skincare and bespoke treatments instead

Forbes

Cyber

LEADERSHIP > CMO NETWORK

Gen-Z, The Loneliness Epidemic And The Unifying Power Of Brands

OPINION FUTURE VIEW Follow

WSJ | OPINION

Generation Z Embraces MAHA

Students discuss social-media influencers' promotion of clean eating and skepticism of Big Pharma.

Shift: mental health, loneliness, and resilience

Despite 6 in 10 Gen Z feeling overwhelmed by the news and 73% reporting loneliness, they remain optimistic, practising self-care daily and outspending all other generations on wellness

60%



Feel overwhelmed by the news

Global crises take a toll, and 4 in 10 still face stigma in school or work when speaking about mental health

73%



Feel lonely sometimes or always

Gen Z are lonelier than any other age group, including over 65s. Loneliness carries health risks equal to smoking 15 cigarettes a day

60%



Remain hopeful about the future

Despite pressures, most Gen Z channel resilience through movement, mindfulness, and community as coping tools

41%



Wellness spend from Gen Z & millennials

Just 36% of the adult population, younger consumers drive 41%+ of wellness spend, fuelling a \$2 trillion market

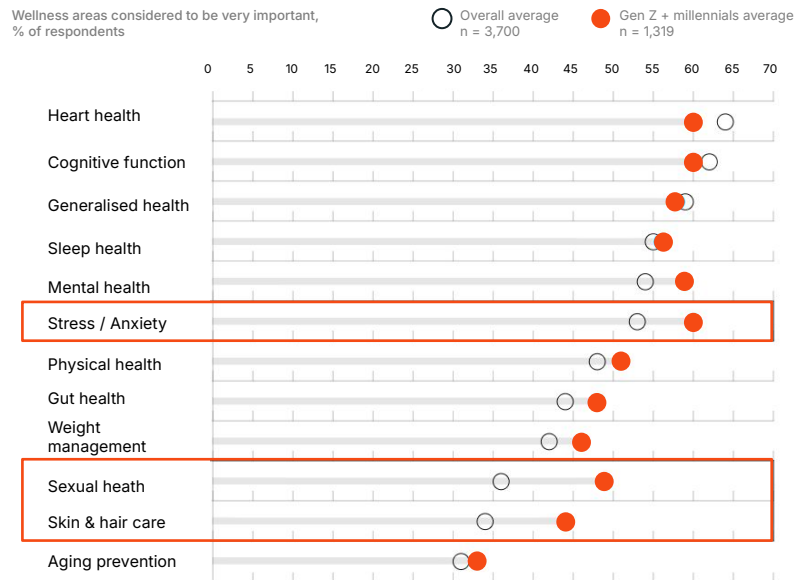
Shift: self-care and wellness as daily practice

Gen Z and millennials prioritise stress management, mental health, sexual health, and appearance more than older generations, embracing a broader, more holistic approach to wellbeing

Gen Z's Wellness Approach

- Gen Z ranks appearance, sleep, mental health highest. Wellness has become performance-driven, where looking good equates to being physically healthy
- Sexual health outpaces older cohorts, with greater transparency and normalisation around breakthroughs like GLP-1s, PCOS, and endometriosis
- Stress and anxiety dominate their focus, driving demand for real time regulation tools, from mindfulness tech to IV therapy
- 2x as likely than other generations to try alternative remedies
- Social media is both motivating (#FitTok) and stressful, normalising self-care while reinforcing toxic comparison loops

Mental health, stress, sexual health, and appearance are more important to Gen Z than older generations












Key sectors and market map






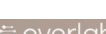



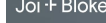

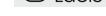

Market Map: Wellness Reimagined

★ Extra bullish
 Balderton portfolio
 ● EU / UK HQ









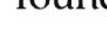
Emotional & AI-Driven Wellbeing

Emotional Companions	AI Coaching	Cognitive Growth
   	 	  


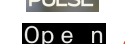






Longevity & Bio-Optimisation

Performance	Early Detection	Preventive
  	   	     

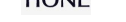
Gut & Metabolic Health

Diagnostics / CGM	Supplements	Weight Mgmt
  	  	  









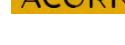
Mindfulness, Focus & Sleep

Mindfulness	Sleep
    	  





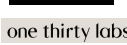


Hormonal & Cycle Intelligence

Cycle Care	Hormones
  	      

Beauty & Aesthetics

Skin	Aesthetics
     	  

IRL, Fitness, & Retreats

Social / IRL	Fitness / Clubs
 	    



New Work & Wealth



“

“People joke about Gen Z being terrible with money, but it’s not about your responsibility...I feel like we’re just being graded on a test with missing pages.”

Danny Benson, 22

speaking to The New York Times about the growing struggle among Gen Z to build credit amid pandemic-era spending, rising student loan debt, and persistent inflation that have left many young adults financially vulnerable

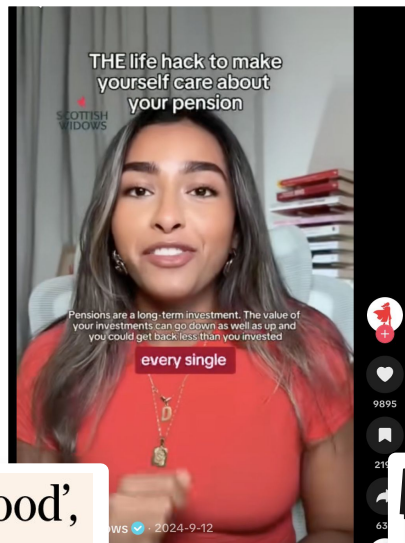
New work and wealth in the press

A new financial ecosystem is emerging around Gen Z, from credit builders and creator-style banking to micro-investing apps, as they blend hustle culture with long-term wealth ambition

Gen Z Wants to Build Credit. It Has Few Options.

Roadblocks for today's young adults include fewer entry-level jobs, rising debt and increasing reliance on debit cards or "buy now, pay later" loans.

The New York Times



SUCCESS: GEN Z

Gen Z may not be able to afford a house or the cost of living now—but give it 10 years. They're on track to gain \$36 trillion and become the richest generation

FORTUNE

A third of Gen Z invest by 'early adulthood', poll finds

FINANCIAL TIMES

Forbes

MONEY > PERSONAL FINANCE

Why Gen Z Is Breaking Up With Credit Cards

Shift: investing younger, moving faster

Gen Z is entering markets earlier, trading more actively, and favouring transparency over tradition, shaped by TikTok finance and mobile-first platforms

Gen Z is investing earlier, and experimenting faster, than other generations

30%

Nearly 1 in 3 Gen Zs invest by early adulthood, 2x the rate of millennials at the same age

64%

64% of Gen Z investors adjust their portfolios monthly vs 34% of boomers

35%

35% of Gen Z investors have held crypto assets at some point

21%

21% of Gen Z use AI assistants to support investment decisions vs 1% of Boomers



Shift: the rise of *delulu* economics

'Delulu economics' describes the widening gap between Gen Z's perceived and actual financial reality, shaped by social media's performance of wealth and the illusion of effortless success

Gen Z and the illusion of progress

- The average Gen Z benchmark for "financial success" is \$587K in annual income and \$9.4M in net worth which is nearly 10x the actual U.S. median income
- 71% of Gen Z believe they'll reach that level within their lifetime, making them the most financially optimistic generation
- Social media and side-hustle culture fuel this distortion, glamourising wealth while blurring the reality of what most people earn
- The result is ambition without grounding, a widening gap between perception and progress



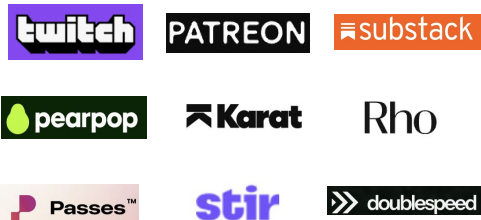
For Gen Z, wealth represents freedom and self-expression, but the same social spotlight that fuels that ambition also drives anxiety

Key sectors and market map

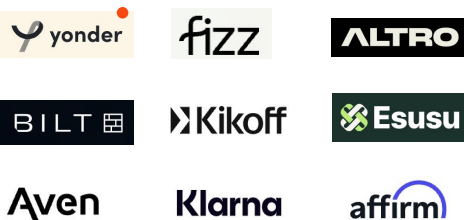
Market Map: New Work & Wealth

★ Extra bullish
 Balderton portfolio
 ● EU / UK HQ

Creator Monetisation & Income Tools



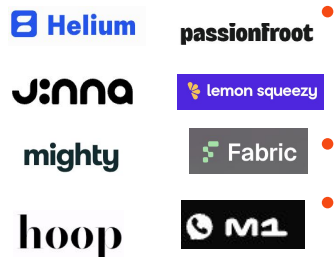
Credit, BNPL, & Alt Underwriting



Micro-Investing & Savings Platforms



Freelance & Gig Tools



Debt & Income Smoothing



Neobanks & Global Wallets



Coaching & Gamified Finance





If you're a founder building for this audience, we'd love to hear from you:

Laura McGinnis

lmcginnis@balderton.com