



## Gen Z Customer Profiles And On-going Research

### The Hong Kong Jockey Club



# 1 Background

2 Key findings from our research

3 Major Gen Z segments identified

4 Preliminary hot buttons

# Background of HKJC Gen Z study



- **Gen Z** will be an additional segment that HKJC has to focus on in the coming **5 to 10 years**.
- A dedicated research for Gen Z in Hong Kong is **first of its kind** with no known predecessor



# Research approach & deliverables



## Phase 1 Understanding Gen Z

Focus:

- Value, demographics, attributes and beliefs

Approach:

- Online survey and focus group

## Phase 2 Segmentation

Focus:

- Behavior, consumption and wagering related

Approach:

- 1 to 1 street interview and panel discussion

## Phase 3 New experience feasibility study

Focus:

- Concept design, customer offers and customer experience

Approach:

- Cross-function brainstorming session, product and concept based research

## Final output: Overall Gen Z strategy

- Develop a holistic strategy dedicated to Gen Z, covering various touch points:
  - Segment strategy
  - Racecourse venues
  - Retail outlets
  - Customer digital experience
  - New wagering offer or bet type (e.g. subscription model)





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# Comparing Gen Z with Gen X / Y



Original hypothesis for Gen Z	Project findings compared to Gen X / Y
Have a <b>stronger social awareness and social equality mindset</b> compare with Gen Y	They are more aware of social and supportive of social causes such as equality, however, they are <b>apathetic when it comes to action</b>
Gen Z have <b>stronger personal views</b> compare with Gen Y, they are a non-conformist, a truth seeker	Gen Z are <b>truth seekers</b> who have the <b>critical mindset</b> in research and making purchase decisions; they are <b>not confirmative on political matters</b> and take actions to the street
Their consumption habit shift <b>from possession to access</b> (e.g. sharing economy, subscription services)	Their consumption habit is largely dependent on <b>value for money</b> and are <b>flexible</b> to switch between possession and access where more cost efficient
Gen Z value <b>real life experience</b> which digital can't provide	Instead of saving for long-term possessions, they much rather <b>spend on experiences</b> such as travelling
Gen Z value <b>authentic two-way conversations</b> that allow co-creation with brands	Gen Z are able to see through fake promotion from brands and filter sources that are trustworthy; they are impressed by <b>authentic</b> and <b>down-to-earth communication</b> from brands

# Comparing Gen Z with Gen X / Y (Con't)



Original hypothesis for Gen Z	Project findings compared to Gen X / Y
Gen Z are keen on <b>curating</b> their <b>online image / branding</b>	Gen Z manage their online images with <b>segregated social circles</b> and selective sharing of information
They <b>treasure individuality / uniqueness</b> more than Gen Y	They are more willing to pay more for products that are <b>personalized</b> than previous generations
Their <b>loyalty</b> towards a brand is driven by <b>emotional attributes / belief</b> , instead of solely on function / price	Contrary to expectation, they are very <b>pragmatic</b> and still look for the best deal; with the exception when it is related to <b>political stance</b>
They are more conscious about <b>financial planning</b> compare with Gen Y, at the same time emphasize on value-for-money	They care more about <b>value-for-money</b> and manage their financials earlier, but surprisingly <b>not for long term saving</b> on houses
They are more <b>health conscious</b> compare with Gen Y	They are more aware of health concepts and take actions <b>slightly more proactively</b> for social causes
They are more <b>environmental conscious</b> compare with Gen Y	They are more aware of environmental issues yet <b>do not necessarily take actions</b> or consider in their purchase decisions



# Gen Z has their unique culture and values



HK Gen Z are pragmatic given the socio-economic developments and education





# Gen Z are better critical thinkers



They utilize the advantage of having diverse information sources





# More socially conscious with little actionable difference



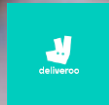
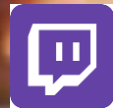
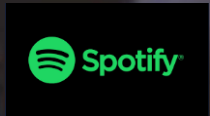
With political stance being the only exception



# Gen Z entertainment options are all internet driven



Mobile phone is their major entertainment platform





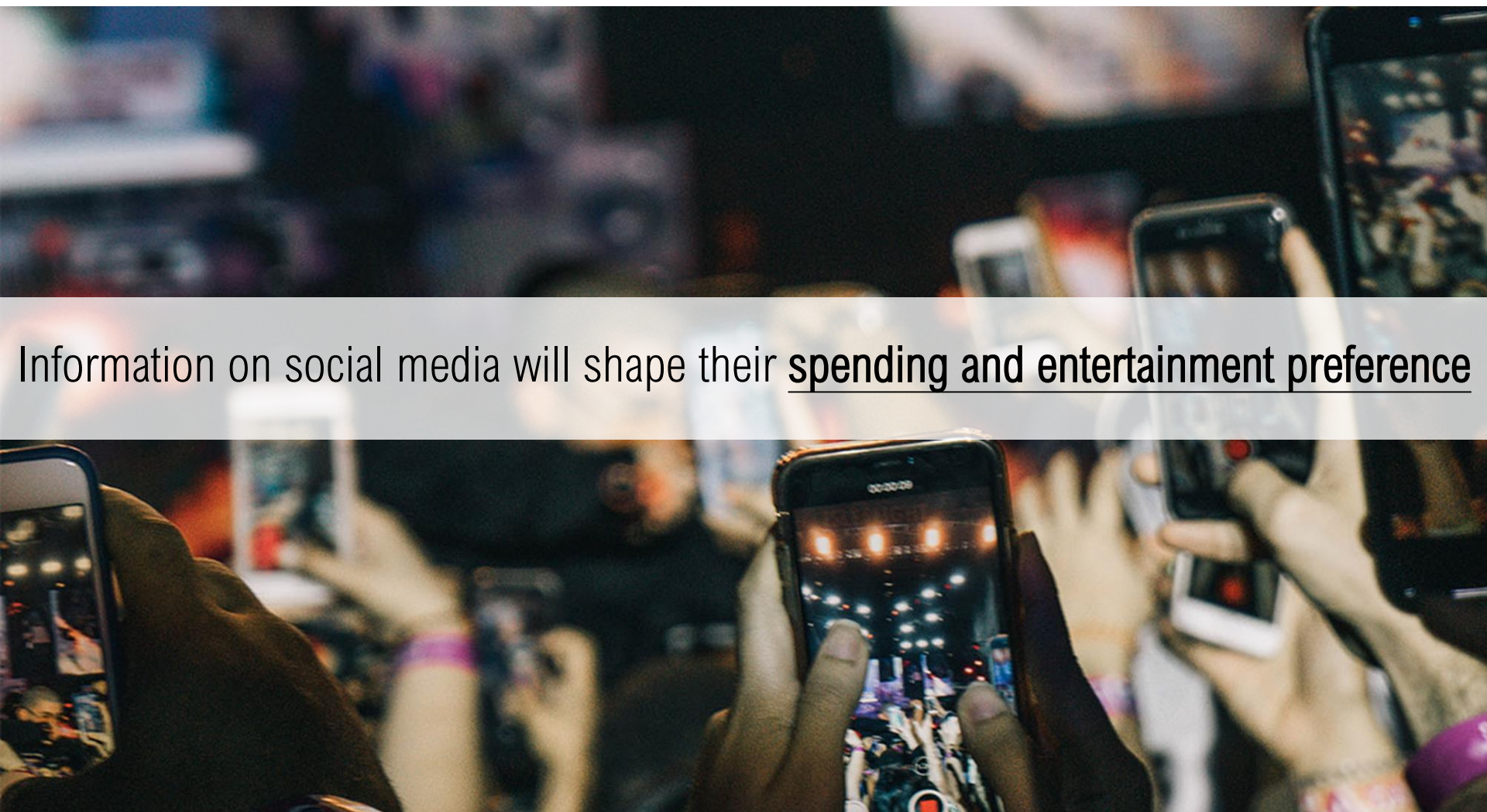
# Online video has replaced other traditional channels



Gen Z obtain all sorts of information through online video



# Social media means more than networking to Gen Z



Information on social media will shape their spending and entertainment preference



# Consumption and lifestyle



They use online and offline channels for different purpose, but offline experience is still irreplaceable





# Gaming and sports



Bonding with friends is crucial for Gen Z when they are playing games or watching sports



# Wagering



They are a more open-minded generation compare with Gen X / Y







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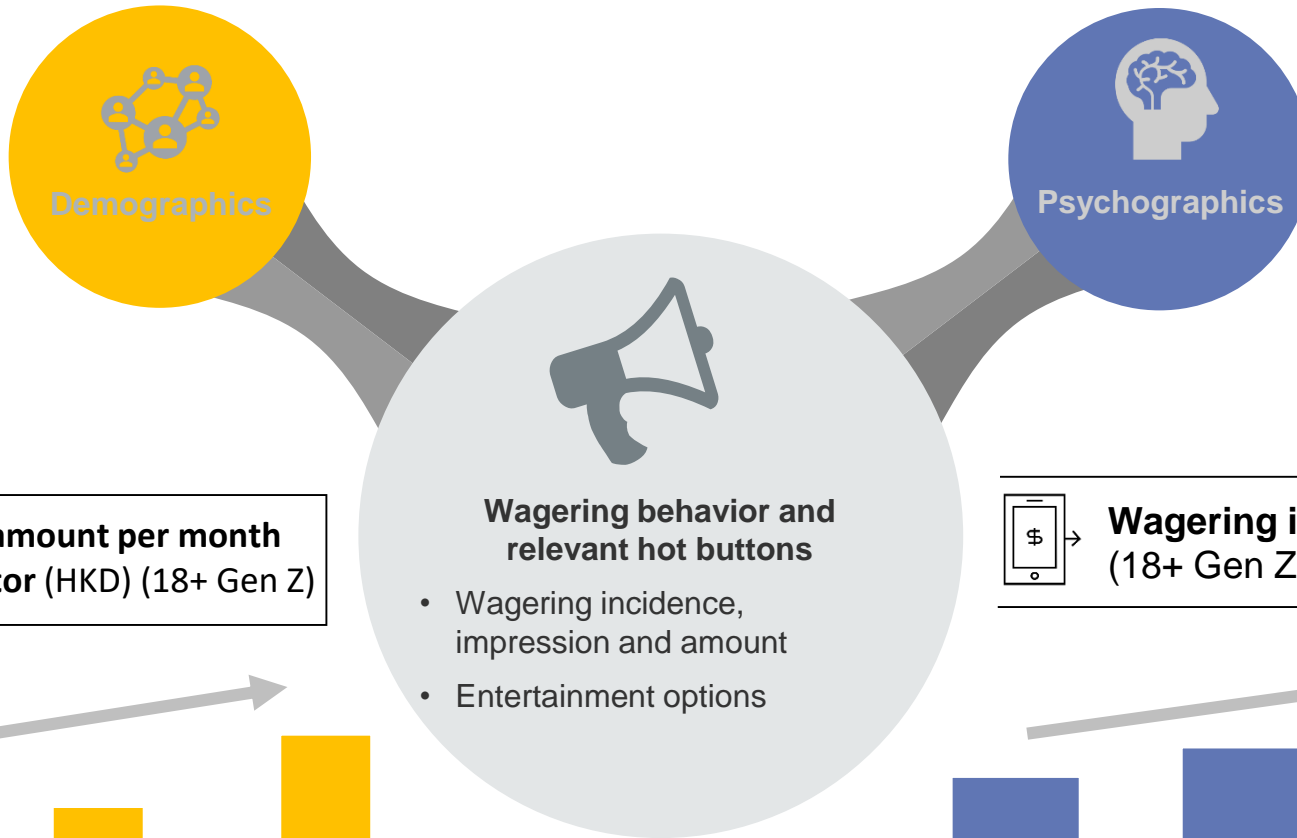
**Major Gen Z segments identified**

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Preliminary hot buttons



# Both psychographic and demographic matters



**Wager amount per month  
per bettor (HKD) (18+ Gen Z)**



**Wagering behavior and  
relevant hot buttons**

- Wagering incidence, impression and amount
- Entertainment options

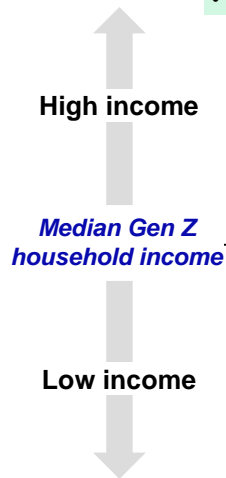


**Wagering incidence  
(18+ Gen Z)**

— Quality of education received —>

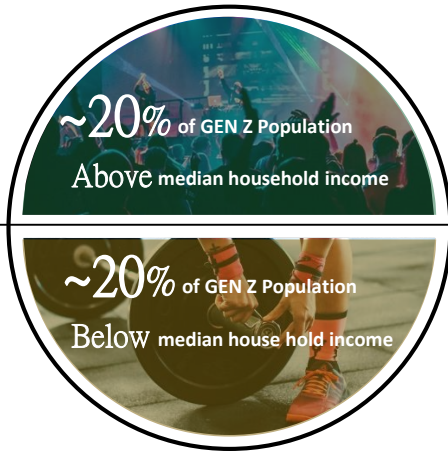
— More risk loving —>

# Segmentation base on both attributes



## Segment A

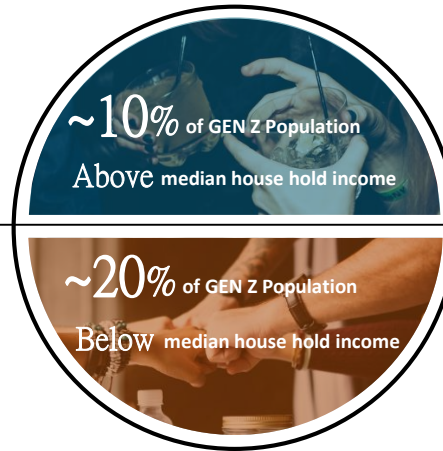
- Prefer to physically **attend live events**
- Look for **uniqueness** in restaurants
- **Follow most number** of account on IG
- **Go out to watch sports** most frequent



- Prefer to physically **attend live events**
- watch live sports game **even alone**
- Prepare before betting
- **>2x in-game purchase** with uncertain rewards than Explorer

## Segment C

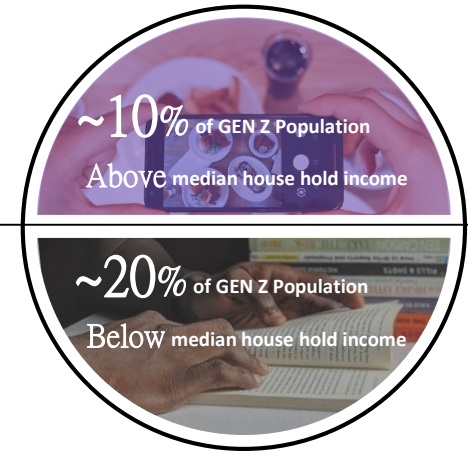
- **Highest number of followers** on IG
- **Actively post** on social media Care more about **result** when watching games
- Play games because of **popularity**



- **Do not purchase** to manage image
- Do not aim to build connection with social media but to **express emotion**
- Play games because of **friends play it** but not because of popularity

## Segment E

- Like to play **card games**
- Visit offline store for **pop-up stores**
- Pick **restaurant** for trendiness



- Prefer **card games** / **single-player** games
- Spent more time on **online video**
- **Browse friends' feed** on social media but **post less** on social media

## Segment B

Take calculated risks and bet socially  
Believe wagering is about skills  
Ambivert  
Seek for novelty and physical enjoyment

## Segment D

Risk-loving  
Strongly believe wagering is about luck  
Extrovert  
Independent and strive for success

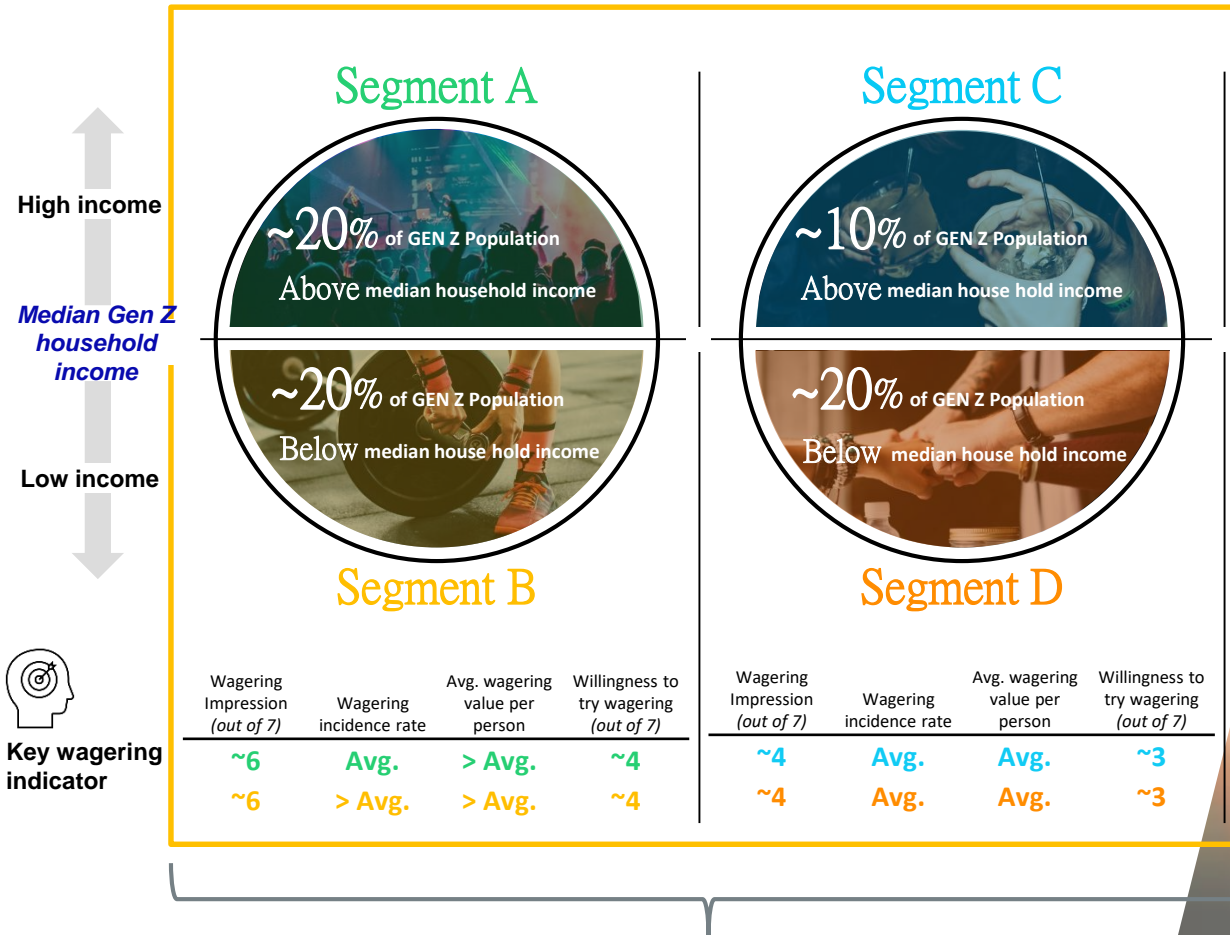
## Segment F

Anti-risk  
Believe wagering is about luck  
Introvert  
Stay in comfort zone



Key  
psychographics

# We should first prioritize 4 segments



In order to maximize the impact of the overall Gen Z strategy, segments with the **highest potential** (i.e. in terms of wagering impression and incidence rate) should be prioritized.

Hot buttons should be designed based on their **entertainment preference**





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**Preliminary hot buttons**

# Gen Z strategy comes from 4 different dimensions



The potential hot buttons should be **holistic**, **inter-connected** and **immersive**, providing an **all-round experience** for Gen Z betting novices.



# Physical hot buttons to offer unique offline experience



Interactive features:

- VR & AR
- E-sports arena
- Crane machines
- Interactive feature wall



Merge format retail stores

Pop-up events with monthly rotational theme



Create co-working area for interaction between customers

Food hall style catering venues · hosting new F&B brands and small individual restaurants



# Marketing channels should align with Gen Z's interest



Engage in influencer marketing and user generated content



Endorse racing themed skin /map in mainstream games



Racing related video / documentary



Promote animal rights and animal related volunteer works



unicef  
聯合國兒童基金香港委員會



樂施會  
Oxfam  
Hong Kong

Allow bettors to select the beneficiaries of the lost wagers



# Enhance the existing digital platform



Introduce social networking features in apps

Leaderboard	
Sent to	Received from
	Aragaki Yui \$180.00
	Emma Holmes \$160.00
	Ruth Greene \$130.00
	Kathy Freeman \$105.00
	Tiffany Hamilton \$80.00
	Jessica Choi \$50.00

Enable voice recognition in betting apps

Tailored UI for individual users



Create leader board for top performers



# Explore new betting products for racing novices



Fantasy League style products



Subscription model betting

Head-to-head betting



Contextual live betting