

The Impact of Generation Z Consumers on the Film Market: Behavioral Shifts and Industrial Transformation

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Abstract: The movie market has changed significantly in recent years, due in large part to the emerging influence of Generation Z consumers, born between 1995 and 2009, who have become a dominant force in the consumer marketplace, including the movie industry. The purpose of this paper is to explore the impact of Generation Z consumers on the film market, focusing on their unique behavioral shifts and the resulting changes in the industry. The Characteristics of Generation Z consumers, such as their preference for diverse and personalized content, their reliance on Internet word-of-mouth, and the impact of these characteristics on film content, distribution methods, and marketing strategies are explored. It also explores the impact of these characteristics on movies, distribution methods and marketing strategies, providing valuable insights for the movie industry. By understanding the preferences and behaviors of Generation Z, the film market can adapt and thrive in an ever-changing consumer environment.

1 INTRODUCTION

As society changes, consumer groups have also undergone tremendous changes, with Generation Z consumers (the generation born between 1995-2009) gradually becoming the main force of consumption, and the movie market is no exception. The characteristics of consumer behavior and preferences have had a profound impact on various industries, including the movie market. Generation Z consumers are said to be the generation that grew up on the Internet, which shows that the Internet has had a profound impact on Generation Z consumers, whose consumer behavior in the movie market mainly focuses on their preference for diversified products, and their acceptance of the scope and degree of acceptance of the means of communication is different from that of the previous generations. There are no gaps in existing research on Gen Z consumers, but there is a shortage of research on the movie market.

Based on the above thesis, the combination of Gen Z consumers and the film market is shorter for the analysis. The purpose of this paper is to explore the impact of the characteristics of Generation Z consumers and the characteristics of the movie market. Understanding the importance of Generation

Z consumers in the movie market can help the movie industry better meet the needs of Generation Z consumers and develop more effective marketing strategies. At the same time, it also provides a reference for consumer behavior research in other industries.

It has been suggested that Gen Z consumers are eager to get news online and are easily influenced by online information (Lim et al., 2024). Some scholars also point out that Generation Z is passionate about digital media (Statista, n.d.) Other scholars have explored how Gen Z's values affect consumer behavior from the perspective of the theory of planned behavior, suggesting that values can also be a major factor influencing Gen Z consumer behavior (Zimand-Sheiner & Lissitsa, 2024). However, there is still a lack of comprehensive research on the impact of Z-generation consumers on the film market.

This paper is divided into five parts. The first part is the introduction, which mainly introduces the background of the study, the research topic, the importance of the study and the literature review. The second part is the characteristics of Generation Z consumers, which mainly analyzes the upbringing, values, and consumption behavior of Generation Z consumers. The third part is the impact of Generation Z consumers on the movie market, which mainly discusses the impact of Generation Z consumers on

the transformation of movie content and changes in communication and marketing modes. The fourth part is based on the analysis to provide appropriate suggestions for the development of film marketing, with reference to certain case studies. The fifth section is the conclusion, which mainly summarizes the research results and looks forward to the future development trend.

2 THE CHARACTERISTICS OF Z-GENERATION CONSUMERS

Based on the previous research, the next section will discuss the external environment of life, values (internal), and the consumption characteristics presented by today's Generation Z consumers.

Within the framework of the two-factor needs theory, Generation Z, who grew up in an environment rich in external material conditions, will be intrinsically motivated to focus more on higher-level needs such as emotional connection, belonging, and respect, once their physiological and safety needs have been fully satisfied. This shift in demand motivation is reflected in a significant increase in consumer behavior, with a preference for goods with social attributes and products that provide emotional value. At the same time, with the development of the Internet, Generation Z consumers have a higher level of trust in the Internet, which leads to their vulnerability to online information relative to other generations.

In addition to the influence of the external environment on the consumer characteristics of Generation Z consumers, internal values also have a significant impact on consumer behaviors and decision-making. For example, if a vegetarian will not buy meat, or if marketing about meat does not appeal to them, it is important to identify what the values of the Gen Z consumer target group favor.

Under the influence of the external environment mentioned earlier, Generation Z consumers are more concerned about gender equality, social responsibility and environmental protection than other generations of consumers (Sawicka & Marcinkowska, 2023). They prefer products and services that are in line with their values. In the movie market, they are willing to choose movies that reflect positive values, such as movies about social issues and environmental protection. Growing up in the Internet era, they have a strong sense of globalization, reject the traditional value judgment system, and pursue a personalized and liberal lifestyle.

Based on the above analysis, we can conclude that Generation Z consumers have the following consumption characteristics. The first feature is pursuing unique and diverse content and rejecting the mainstream. Generation Z seeks unique and non-mainstream experiences and therefore favors diverse film genres and independent films. The second feature is personalization. Generation Z values personalized experiences and prefers content that relates to their own experiences. The third feature is focusing on Cost-Effectiveness (Jiang, 2024). Gen Z consumers will compare the value for money of different films and are more inclined to choose the films that they consider to be the best value for money, with data suggesting that Gen Z consumers are more likely to engage in price compared to other generations. They may prefer streaming services that offer a variety of content at a lower cost. Greater Reliance on Online Word-of-Mouth Social word-of-mouth communication mechanism (Rahadjeng & Harsono, 2024). Different from the traditional word-of-mouth communication with one-way reception, the online grass-raising behaviors of Generation Z come with the social currency attributed to changing the unilateral information dissemination into a two-way window that can be issued and accepted. When they post comments after grabbing a purchase on the live stream, participate in a 10,000-person discussion under a review video, or show off their unboxing ninth in their circle of friends, they are essentially constructing a digital identity through their consumption behaviors. This sense of belonging brought about by group interaction makes word-of-mouth communication no longer a mere transmission of information but evolves into a bond that sustains social relationships.

The table reflects the amount of time adults spend using different electronic devices at different ages. Based on the data in the table below, it can be concluded that Gen Z spends far more time online than other generations.

The fourth feature is that Z generation consumers prefer to make decisions by accessing information. As technological development continues to permeate their lives, Generation Z is more inclined to access information and influence consumer decisions through digital means. These Internet natives have a natural trust in real evaluations within their social circles - feedback from their classmates' groups, reviews from vegetarians on RedNote, and unboxing videos on B station are often more influential to their consumption decisions than TV advertisements.

Table 1. Usage time of electronic products for people of all ages.

Age Group	Smartphone	Tablet	Computer	Total Internet
18+	3.25 hours	0.53 hours	0.53 hours	4.33 hours
18-24	4.62 hours	0.65 hours	0.77 hours	6.02 hours
25-34	4.05 hours	0.28hours	0.53 hours	4.85 hours
35-44	3.83 hours	0.47 hours	0.42 hours	4.72 hours
45-54	3.18 hours	0.40 hours	0.48hours	4.05 hours
55-64	2.65 hours	0.60 hours	0.55hours	3.78 hours
65+	1.78 hours	0.80 hours	0.58 hours	3.17 hours

Data source: Online Nation 2024 Report (Ofcom, 2024)

3 THE IMPACT OF Z-GENERATION CONSUMERS ON THE FILM MARKET

Based on the change of the main consumer, the consumption characteristics of Generation Z have also had an impact on the film market, not only in the content creation of the film, but also in the way of film distribution and the way of marketing before, during, and after the film.

3.1 Promote the Diversification of Film Content

In terms of film content, subsequent content creation in the film market should present more innovative storylines or promote core cultural values. For example, this year's summer holiday hit film 'Ne Zha 2' was successful partly because it promoted the cultural value of 'man can win', and in the film's storyline, it did not completely follow the plot of the classic story by writing the two protagonists as adversaries, but instead wrote them as close friends, which to a certain extent broke the stereotypical thinking and brought unexpected developments to the audience. At the same time, in the plot of the film, it did not follow the classic story of the two protagonists into a hostile relationship, but instead wrote them as close friends, which to a certain extent breaks the original inherent thinking, and also brings unexpected development to the audience, which also corresponds to the consumer characteristics of the Z generation of consumers who pursue individuality and do not follow the trend.

3.2 Promote the Transformation of Playback Methods

The film distribution market is currently characterized by a variety of models and an evolving dynamic relationship between traditional cinemas and streaming platforms. Traditional models that have long emphasized the theatrical experience are adapting to accommodate shorter shelf lives. Larger studios such as Disney as well as Walt are developing hybrid models (corporate production models) to balance the interests of theatres and streaming platforms (Orankiewicz & Adamczak, 2025). Streaming platforms such as Netflix are pushing direct streaming releases (executive production models), while some films are launched in theatres for very short windows of exclusivity before release on streaming platforms (hybrid models).

Based on the way the film market is distributed and communicated today, the traditional 'window-dressing' effect is no longer effective in attracting Gen Z consumers. In other words, more and more films and film-related messages are coming to the consumer, resulting in less time to sift through each one, which leads to a much higher level of attraction efficiency to match the habits of today's consumers. This has led to the need for films to be much more effective in engaging today's consumers.

3.3 Promoting the Change of Marketing Models

In today's film market, interactive and participatory marketing strategies have emerged as a significant transformation. Film producers and distributors are

now designing interactive activities that encourage audience participation in movie promotion. For instance, "Nezha 2" launched a series of interactive activities on social media platforms, where fans could vote for their favorite characters or participate in creative contests. These activities not only increased audience engagement but also generated a large amount of user-generated content, further promoting the film.

Another important aspect is fan meetings and offline events. It has also become an important part of film promotion. The organization of fan meets, premieres, and other offline events provides fans with the opportunity to interact with the cast and crew. These events enhance the connection between fans and the film and provide a newer way for audiences to learn more about the film, not only through the screen but also through interaction with the cast and crew, and to a certain extent promote word-of-mouth marketing. This is particularly effective for Gen Z consumers, who are heavily influenced by online information. Studies have shown that interactive engagement has a greater impact on a film's box office performance than individual engagement (Castillo et al., 2021). As a result, these offline events play a critical role in engaging young audiences and driving film success.

4 SUGGESTION

The above discussion shows that there is a mutual influence between Generation Z consumers and the film market. On the one hand, Generation Z consumers have had a significant impact on the film market, contributing to the diversification of film content, changes in broadcasting methods, and changes in marketing models. On the other hand, the film market has had a significant impact on Gen Z consumers, providing them with a wide range of film content and a variety of broadcasting methods, as well as satisfying their need for emotional value. In the following section, we will make recommendations for the film market based on the current situation of the film market and the characteristics of Generation Z consumers.

In the part of improving interactivity, it is believed that the movie market can boldly try new technologies such as VR and AR technology to stimulate the senses of consumers to give consumers a deep impression, especially the movie theme and science fiction special effects class related to the high degree, it is easier to stimulate the senses of consumers, in addition to the movie producers can be

in the relevant games or interactive AR and VR buried a series of colorful eggs about the movie provided to the audience (Kim et al., 2023). In addition, movie producers can plant a series of eggs about the movie in related games or interactive AR and VR to provide the audience with a series of measures that can continuously attract the audience and extend the product life cycle.

In addition to the previously mentioned changes in distribution and increased marketing interactions, the focus on personalization and customization as well as embracing sustainable and ethical practices is also beneficial to the film market.

Focus on personalization and customization. Generation Z consumers value personalization and customization. Providing tailored advice, exclusive content and personalized merchandise can increase engagement and loyalty. A successful example of this is the Harry Potter aftermarket game 'Sorting hat' which allows Gen Z consumers to be assigned to different colleges based on the questions they answer, which is a side-effect of the Harry Potter game. This is a testament to the value of asserting that everyone can be different and unique. In addition to giving specific titles, other activities such as offering limited edition collectibles or personalized digital content can create a sense of exclusivity and special treatment. What's more, generation Z consumers are increasingly concerned about environmental and social issues. Promoting sustainability and ethical practices in film production and marketing can be a powerful way to market the environmental message of a film's production but be careful not to fake it or it could lead to word-of-mouth collapses. For example, using environmentally friendly materials for merchandise or partnering with organizations that support environmental causes can resonate with their values. Transparency and authenticity: Be transparent in your business practices and clearly communicate your film's values and mission; Gen Z values authenticity and brands that demonstrate genuine commitment to their values will build a stronger connection with their audience.

5 CONCLUSION

By analyzing the characteristics of Generation Z consumers, this paper further summarizes the impact of Generation Z consumers on the film market, which not only influences the noisy creation of film content but also promotes the change of film promotion methods. The symbiotic relationship between the movie market and Generation Z consumers has

formed a distinctive interactive pattern. New generation audiences are reshaping the industry ecology with their unique cultural consumption patterns: at the content level, giving rise to diversified narrative themes and subcultural expressions; at the communication level, promoting the innovation of streaming media platforms and immersive viewing experience; and at the marketing level, leading the social fission and user co-creation of content production models. In the face of such changes, the industry has continued to meet the growing demand for emotional resonance and value recognition of this group through the development of segmented genre films, the construction of cross-media narrative systems, and big data-driven precision promotion and distribution strategies.

According to the study, the industry needs to grasp three core directions for future upgrading: firstly, to build a personalized content recommendation system based on user profiles, and strengthen the conversion efficiency of the fan economy; secondly, to integrate the concept of sustainable development into the production process, and convey youth values through the application of green filming technology; and thirdly, to build an ecosystem of UGC content, and enhance the audience's participation in the creation experience by making use of cutting-edge technologies such as virtual production. These findings not only provide a practical path for the transformation of the film and television industry but also provide a new theoretical perspective for the study of the characteristics of the consumption behavior of digital aborigines.

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