

Background Research

Perennial Coffee



E.L.A.L.G. Strategy

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Company Profile

Perennial is located at 401 West Franklin Street in Chapel Hill, North Carolina. While they don't have a specific mission statement, the owner of Perennial, Scott Conary, makes statements that project the experience of Perennial in a specific way. Statements from him include "The menu reflects a few different perspectives, all meant to elevate the guests' experience," and "All this adds to the aura of welcomeness that we want to share with our customers and neighbors, with an eye to making this a community hub," (Hopper, 2021).

The history of Perennial begins with their opening in 2016. Unfortunately, it took a hit from the Covid-19 Pandemic and had to temporarily close its doors. This ended on April 15, 2021 when they announced their reopening on Instagram. Since their reopening, they've been adding shading outside and new furniture all around to help improve their business (Hopper, 2021). They have no noted controversies or scandals.

Perennial appeared to be running ads on local websites before their reopening. They were written about in *Triangle Business Journal*, *Chapelboro*, and *The Daily Tar Heel*. In addition to this, they did have a few advertisements running in *The Daily Tar Heel* during the 2023 and 2024 Caffeine Crawls (Liu, 2024). When glancing at their Instagram, they do not seem to have any active campaigns. They tend to focus more on just photos of their food and drinks (Instagram).

Instagram is the only platform that Perennial is active on. They lack profiles on any other platforms that may engage with their goal population. This could include, but is not limited to, TikTok, Twitter, or Threads. On Instagram they appear to have a large following of about 2,100 followers yet when you dive into their page a little deeper, their posts tend to lack engagement. The most likes I saw on one post when doing a quick scan was 45 (Instagram).

Key Concept

In this background research report I will be focused on exploring the topic of engaging an audience through online platforms. I also will be exploring what Generation Z (Gen Z) values in a company. Researching these two broad areas will allow me to get closer to answering our research questions which all are surrounded by the broad idea of social media presence and what our targeted population wants in a specific, study, location.

Literature Review

Source 1

Himma-Kadakas, M., & Ferrer-Conill, R. (2022). Is news engagement worthwhile? Studying young audiences' engagement with YouTuber-like news content. *NORDICOM Review*, 43(2), 152–170. <https://doi.org/10.2478/nor-2022-0010>

This article discusses a study that was done that examines how young audiences engage with the video-formatting style of Youtube. The authors held a theoretical framework that a more productive way to criticize engagement is to understand how and when users want to engage. They studied members and received feedback from five focus groups. The conclusions presented are heavily centered around the idea that young audiences will pay attention to something that reaches their attention span. The authors state that there is an art to be done in remixing the news in an artistic way so young audiences don't feel like they're just reading information. This above all is concluded to be of the most importance to the young people who were studied.

The biggest takeaway I had from this article is how important paying attention to attention spans is when targeting Gen Z. Advertising on a social media platform isn't enough.

The advertisement has to be produced in a way that captures this generation's attention in order to engage them. I think this is a good thing for Perennial to remember when deciding their strategy of how they will, specifically, engage their target population.

Source 2

Villanueva, I. I., Li, N., Jilk, T., Renner, J., Van Matre, B. R., & Brossard, D. (2024). When Science Meets Art on Instagram: Examining the Effects of Visual Art on Emotions, Interest, and Social Media Engagement. *Science Communication*, 46(2), 210–238.
<https://doi.org/10.1177/10755470241228279>

The growing popularity of social media has brought along a growing popularity of visual-based social media platforms. This study was based on the hypothesis that the communities on these platforms appreciate the artistic presence that accounts have. Using surveys with simple 1-10 ratings, researchers were able to determine emotions and their values in specific contexts. Their emotions when looking at various posts and likelihood to engage with them were studied to come up with a conclusion. The study concluded that there is a higher emotional connection to a page that is more artistic versus a page that is more factual. Respondent results indicated a significant positive correlation between art exposure on an account and engagement behavior.

The most relevant part of this study to my client is the way to engage the customer once you're on social media. I think for a coffee shop especially, there is a lot of artistic freedom you have on your platforms and can take many different creative directions. With the evidence from this article, our target population may like to see Perennial take a more artistic approach on their digital marketing platforms versus just sticking to the status quo. Whether this platform is on

social media or an advertisement in a news article, Perennial has a lot of leeway when it comes to how they advertise (they don't have to just focus on one thing such as data). They should take advantage of this as it has shown to increase engagement which is our end goal.

Source 3

Peterson, W. (2020). *What Can Organizations Do to Attract and Retain Generation Z?*(Order No. 28086916). Available from ProQuest Dissertations & Theses Global. (2440875734). <http://libproxy.lib.unc.edu/login?url=https://www.proquest.com/dissertations-theses/what-can-organizations-do-attract-retain/docview/2440875734/se-2>

This article dove into what Generation Z looks for in the workplace and what companies can do to retain them while encouraging them. Qualitative research in the form of interviews was implemented. The hypothesis, which was discovered to be 100% incorrect, was that Gen Z didn't have strong opinions in what they look for in companies. It was discovered that Generation Z is especially hyper aware of which companies are making an impact as they want to be contributing to a positive societal change. The article took this to form a complete recommendation that companies who want to retain Gen Z should put their brand and their people first.

While this study was focused around Gen Z in the workplace, I do think that the traits that are valued most in a company can be reflected in their daily lives. They want to work for and support companies that represent their values. Since Perennial teams up with other local small businesses and locally sources their products, they have an interesting angle they can take here with this generation. Perennial is committing to that positive societal change that Gen Z wants to contribute to. Thus, Perennial using this angle to their advantage could help retain Gen Z engagement.

Source 4

Dixon, S. (2024, February 2). *Gen Z and Global Users Top Social Media 2023* | *statista*. statista.
<https://www.statista.com/statistics/1446950/gen-z-internet-users-social-media-use/>

The data presented in the graph highlights the differences in social media usage between Gen Z and the general population. 13 social media platforms are listed, all showing two bars. The first bar shows the percent of Gen Z that uses that particular platform compared to the other bar which is the percent of the general population. The most drastic differences between the two groups can be seen in the platforms TikTok, SnapChat, and Facebook. The top three universal platforms used by both groups are Youtube, TikTok, and Instagram. Gen Z tends to use LinkedIn, BeReal, and Nextdoor the least.

When strategizing how to market to a specific generation, especially through digital channels, it's important to get a full understanding of where they tend to go online. Without this, the target population won't see the efforts being made to market them. I found it interesting that there is a lot of marketing potential in looking at the most used social media platforms that are TikTok, Youtube, and Instagram. Majority of Gen Z is active on these, meaning it's an easy opening to catch their attention and make Perennial's presence known.

Source 5

Modzelewski, A. (2024, September 9). *Brands, are you brat enough for gen Z?*. Adweek.
<https://www.adweek.com/partner-articles/brands-are-you-brat-enough-for-gen-z/>

This article analyzed the idea that a company jumping on a cultural moment isn't always the right way to market towards Gen Z. They say that before you do, you need to consider your company's values to make sure everything you market supports your brand identity. They also say it's important to prioritize your values over trends - especially with how much of the Gen Z population stays true to supporting companies that they share values with. When utilizing a trend in marketing, this article says it's important to jump in but respond with your brand voice and stick the landing.

My biggest takeaway was that Perennial speaking out about their values more and/or posting their mission statement may make their business more appealing to Gen Z. The issue is, when marketing through social media channels, it can be easy to get distracted by trends and feel inclined to post whatever you think will go viral. Going back to this article though, you have to consider your business's brand identity when doing so. When Perennial gets up and running with their social media, it's important they remember this too and stick to their values instead of just focusing on what is trending and what's not. They need to market in an appealing way but in a way that is also still true to them as that is what catches the attention of their target generation.

Source 6

Drenik, G. (2023, July 14). *Gen-Z 101: A marketing guide to connecting with the next generation of consumers*. Forbes.

<https://www.forbes.com/sites/garydrenik/2023/07/13/gen-z-101-a-marketing-guide-to-connecting-with-the-next-generation-of-consumers/>

This article explains all of the potential that capturing Gen Z has in a business's growth. Craig Corbett, a co-founder of Publicize, was interviewed regarding his perspective on how to market towards Gen Z. He claims that Gen Z buyers search for a genuine connection with a

business and that businesses should focus on their human element and any initiatives they take to help better the community. Going off of this, Corbett explains that it's easy to capture the target generation with campaigns centered around this connection that is valued. It is also discussed how Gen Z is very eager to get their opinions out there and it can be beneficial to businesses to engage with them to understand their thoughts.

I think from this article there are a lot of interesting points that Perennial should look at when marketing to this generation. It was interesting to read how much Gen Z values the human element and values of a company which, right now, is something Perennial lacks on their website and Instagram. It would also be beneficial for Perennial to advertise heavily on their initiatives of working with local businesses to support the community. I think they have a lot of factors that Gen Z looks for in a business, they just need to execute highlighting these to engage that population.

Closing Summary

Going into this assignment, I intended to explore the art of engaging an audience through online platforms. Whether that platform be a social media channel, news site, or anything else. I also intended to explore what specific factors Generation Z values in a company. The sources that I reviewed definitely helped me begin to thoroughly explore these categories. Multiple of them explored the idea of marketing to this generation and how to do so successfully. The others had valuable insights into what Generation Z looks for when deciding to support, or not support, a business. Together, a couple of the sources even explored the idea of taking this generation's values and using them to create engagement.

The first relationship I discovered between my sources was how to achieve the right attention span which creates engagement. Himma-Kadaka and Ferrer-Conill (2022) highlights that Gen Z engages with content that captures their attention span. The study mentions how news needs to be remixed to maintain engagement. Villanueva et al. (2024) reinforced this idea with their study which showed that visually artistic content on social media generated more of an emotional connect and engagement. Another relationship I discovered was that of authenticity and brand values. Peterson (2020) discussed how Gen Z cares about companies that make a positive social impact. Modzelewski (2024) warned that companies shouldn't chase online trends if they don't align with the brand's values. Tying this relationship together, Drenik (2023) emphasizes that Gen Z looks for a human connection and businesses that actively work with them and their values. Lastly, Dixon (2024) provided data on the top social media platforms in which most of these sources supported by mentioning them in their studies and conclusions.

The sources regarding Gen Z and their values definitely change what I had previously hypothesized. I figured that Gen Z weighted aesthetics or quality more than social impact. I greatly underestimated the weight of their values of social impact when they are choosing whether or not to support a business. I don't think my research question has necessarily changed but should be narrowed down to further investigate this specific quality that is searched for. Another one of my assumptions that was changed by this research was that Youtube was consistently mentioned when discussing targeting towards Gen Z through digital platforms. I had assumed this platform would be nowhere near the most popular. Overall, my research questions didn't change but a couple of my initial assumptions/hypotheses did.

The data I collected provides a strong foundation for narrowing the focus of my research moving forward. After learning that attention span and visual engagement are important for Gen

Z, I would like to conduct further research on specific design elements that maximize engagement. Given that Gen Z engages most with Youtube, Instagram, and TikTok, I also want to focus on studying successful marketing strategies through these platforms. Lastly, I may want to implement a few more research questions to make sure we are exploring the whole field. These research questions may center around Perennial's current marketing, content formats that create engagement, and how Perennial can grow brand identity while staying true to their values.

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