



Are you ready for Gen Z?

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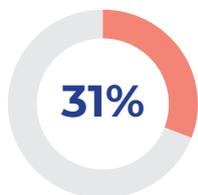


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A quick guide to generations



Millennials

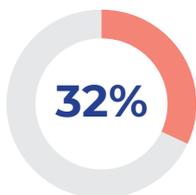


of the world's population by 2020

Born in

1981–1996

Gen Z



of the world's population by 2020

Born in

1997–after



Youngest Millennials and oldest Gen Zers

- Expect online, device-friendly consumer and work experiences
- Often looking for communal, shared experiences

Meet Kavi, 22 and has just finished his last assignment on his company's rotational training program for new hires. He has secured a permanent position and can't wait to get started, but there's one catch: his assigned office is located outside of the city, in the quiet suburbs. Having spent the last two years living in corporate housing in major cities, he's not ready to give up the busy social scene in exchange for "life in the burbs." He's also not sure if he can afford to live on his own, especially with the added expense of furnishing a new apartment.

Meet Marie-Therese, 25 and relocating from Canada to the U.S. for a new role. She's spent the last five years on the fast track with her company – finally buying her dream car last year. Though she's willing to sell it and take advantage of the Loss on Sale benefit that's part of her company's relocation policy, she isn't thrilled that her loss will likely be greater than what her company will cover. And she'll still have to buy a car when she arrives in the U.S.!



Next generation mobility

The mobility industry has long been aware of how differing demographics, cultures and relocating employees' lifestyles have required the need for some built-in flexibility – for both relocation policy and support. More recently, disruption from today's "youthquake" of Millennial and emerging Gen Z employees has only increased the need for flexibility, pushing mobility programs and policy towards on-going innovation.

A number of global studies show that in most parts of the world Gen Zers, or the "iGeneration," are similar to Millennials in that they increasingly expect an international opportunity at some point in their careers. They tend to be more fiscally aware than their older Gen X and Baby Boomer counter-parts, and are concerned with the value of money. In the U.S., for example, the oldest Gen Zers are just starting careers and are often managing significant debt from student loans. The opportunity to relocate, be it domestically or internationally, provides them with a potential adventure. But for this latest generation of digital native employees, the traditional relocation services that have been offered as standard may not fit the bill. One clear outcome has been the rapid transformation of how industry suppliers provide their services – and it's not always about developing new technology. This article highlights five ways that relocation services are transforming to meet the expectations and needs of this upcoming generation.



1. Co-living, roommates and alternative housing options

Housing is one of the most interesting examples of where the needs of younger assignees or transferees are undergoing a big transformation, and it has a lot to do with Millennial and Gen Z lifestyle preferences.

Employees in their early to late 20s are often looking for the life experiences and adventure that an international assignment offers. They tend to be single and aren't ready to purchase a home. They are even less likely to rent a home on their own, especially if their new job is located in the suburbs or a rural location. Proximity to an urban area or city where they might have more opportunities to explore and socialize with people their age is appealing. As a result, new housing options are emerging that offer unique alternatives for early-career employee accommodations.

Alternative housing options, including companies that offer co-living spaces are popping up around the world. Bungalow, WeLive, Roam, Unsettled, Lyf, Hmlet, The Collective, Sun & Co, Zoku and Oversight are but a few examples, offering community housing in a number of formats.

Whether an employee is looking for a studio apartment or a communal living space, reminiscent of dorm-style living, many come with high-end design features. The amenities in a number of these housing options include curated social activities, like cooking classes, bowling nights, happy hours or urban tours, as a way to build "a community at home."

To support this enhanced lifestyle flexibility, some service partners in the mobility industry have started offering similar amenities in corporate housing – like accepting the delivery of tenants' packages, online maintenance portals where you can log in a repair request or roommate vetting services. They may offer housing in residential neighborhoods for those who want a homely feel without missing out on the connections or opportunity for adventure that come with communal living. The alternatives that these providers are offering help facilitate the settling-in and community-building experience while keeping in line with younger generations' interests.



2. Transportation, commuting, ride-shares and public transportation

The development of alternative living arrangements, along with the growing popularity of green transportation options, have led to a need for new approaches to transportation assistance.

Younger Millennials and Gen Z new hires often don't feel the need to own a car in order to get around, and in the interest of saving money, may not want to budget for a parking spot or garage. They are well-versed in ride-hailing options like Uber, Grab, Didi and Lyft. And smaller urban settings are joining major cities in many parts of the world in adopting more environmentally friendly, health-oriented alternatives to driving.

Bike sharing programs address the need to access transportation, but also promote a healthy lifestyle. With the swipe of a credit card a relocating employee can grab a bike near home and return it to a port at their destination. Some cities have even extended this service to electric scooters. All of these are examples of supporting the flexible, adventurous, environmentally-friendly lifestyle that Gen Zers are looking for.

When it comes to commuting for employees who choose to or can only afford to live far from the office, there are alternative transportation options that allow you to reserve cars with less hassle and less cost than a lease or traditional rental. Companies like ZipCar, Car2go, Maven and Hertz all provide options to rent a car for a couple of hours or a full day. They offer relocating employees the option to choose an occasional driving or monthly plan. ZipCar also offers a commuter rate that provides dedicated weekday access to a "personal" Zipcar and parking spot. For employees on a lump sum (cash) approach, this flexible, cost-effective option can be very efficient, especially if they can carpool with a colleague and split the cost.



3. New approaches to destination services

When it comes to supporting the newest generation, many Destination Services Providers (DSPs) also recognize that they need to work more flexibility into their service offerings. Younger Millennials and emerging Gen Zers want more guidance on how to get settled into new locations and lives, but they also want the autonomy to decide what that guidance looks like. In many cases they may need more help with the day-to-day aspects of setting up in a new location than previous generations. Most of these relocating employees are early in their careers, primarily single and arriving without a partner to help share the responsibility of taking care of things like setting up utilities or opening a bank account. Time is money and they want to get these things done efficiently, taking as little time off work as possible, but still getting the full value of any Destination Services support they have access to.

To this end, and as a way to maximize the effectiveness of their programs, many DSPs have started offering some of their settling-in services virtually. One example of this is a virtual home tour. With a virtual option the home finding process can begin before the employee has arrived in the new location. The local consultant will show the employee around properties using online platforms like Skype or FaceTime, giving them a head start on what might be available to them when they arrive.

This virtual option also provides increased value of the DSP assistance; traditionally a full area tour includes the driving time to get from property to property. This allows the employee to view more properties during the one or two days that are typically authorized for home finding.

For those employees who still want an area orientation but don't want to take a full day off work, some local DSP consultants now offer to meet at a coffee shop or local restaurant to give a more concise version of the traditional, customized orientation. And when it comes to settling-in services, local consultants may make themselves available to help with time consuming activities such as installing local apps on the employee's phone, waiting in line for a new driver's license or meeting the local Internet provider at the employee's new home in order to add value to the services they provide. What is key is that relocation providers are updating the choices and approaches to traditional DSP services through added flexibility.



4. Intercultural training and a value for skill building

Another area of assignment support that is adjusting to meet Millennial and Gen Z priorities is intercultural training. Millennials' expectation that an employer will invest in their development and give them access to a strong learning and development approach can be a deciding factor in joining the company.

Younger relocating employees see intercultural training and skill building as an investment in their future. Although a number of changes to intercultural training began a few years ago with the first Millennials, the digital age has given younger generations access to a strong sense of global citizenry and of an interconnected world. It is this curiosity that encourages a need for personal development. They are approaching intercultural training with more open-minded awareness of its meaning and value. They are more apt to recognize that there are a number of ways in which cultural differences can create large gaps in communication.

This generation understands better than others that cultural differences need examination, particularly in a business environment. This demand combined with this generation's digital fluency with information gathering has led to changes in the format of intercultural training.

The original format of face-to-face training has segued into a blended training style; originally developed for early Millennials, the blended training has been very successful for this newest demographic. Today's intercultural services not only offer a post-arrival, face-to-face training experience (to answer questions and talk through potential issues) but also include a virtual training tool, allowing for on-going research and access to curated, vetted resources. These new options meet the iGeneration's need for flexibility and satisfy their interests in "getting more for less." Blended learning and virtual options have the added benefit of being cost effective for companies, since using a virtual tool as a supplement has made one-day trainings the norm instead of the traditional two-day format.



5. Moving less stuff?

A relatively new development in household goods shipping, Groupage has emerged as an alternative to the traditional Household Goods (HHG) shipments. Groupage is made up of smaller shipments, particularly useful for employees being given a Lump Sum (cash) assignment allowance and not a lot of stuff to bring with them.

It is common to find that Gen Zers might have a couple of suitcases filled with clothes and a small assortment of personal belongings. They rarely have furniture, artwork or high-value items. Groupage is a shipping approach that allows moving companies to combine several smaller shipments into one 20 or 40-foot container, saving space and cost.

Conclusion

The youngest of the Millennials and the emerging Gen Zers are already shaking up the mobility industry in many ways. They don't want to spend as much money, they value the life experience that an assignment or relocation offers and they want the flexibility to decide how their company's relocation assistance can provide them with the most value. And many of the latest changes to meet their needs are quickly becoming the norm for the industry as a whole. The added flexibility and service options benefit employees from any generation.

The variety of new services that are available are just the beginning of a trend towards more concise, cost-effective, flexible, user-friendly mobility services. As the needs and expectations of relocating employees continue to evolve, and technology continues to change how consumers get information, make decisions and purchase goods, relocation services and support will continue to develop innovative service offerings to keep up.



This article was authored by Leah Kaiser, a member of Crown's Millennial employee population and Mobility Advisor, supporting early-career employees with their international and domestic relocations. If you have questions regarding this article or would like to find out more about our other services, please contact our Consulting Services at ljohnson@crownew.com or visit our website at www.crownworldmobility.com.