



# The Alpha Effect:

**InAcademia's inside track on retail's next consumer cohort**



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The Alpha Effect explores how Generation Alpha - the first cohort born fully into an AI-driven and connected world - is already redefining the way value, trust and loyalty are built online. Their influence is shaping family spending and setting new expectations for seamless, secure and purpose-led shopping experiences.

Drawing on InAcademia's role in helping younger audiences access valuable offers without oversharing data, while simultaneously

supporting retailers to reduce GDPR risk, this report combines research and real-world insight to help e-commerce brands understand and be ready to engage this next-generation audience.

Navigating issues including privacy and verification through to personalisation and purpose.

The Alpha Effect is a call to help e-commerce build strong foundations for a generation whose choices will define the next decade of retail.

# Introduction



## **Why Gen Alpha matters now**

The world's youngest digital citizens are coming of age. The oldest members of Generation Alpha are now around 13 - 14 years old; forming habits, opinions and brand loyalties that will define the next decade of retail. Their influence already stretches beyond their own purchases into family buying decisions, gifting and subscription choices.

**29% of household non-essential digital spend is now influenced by children aged 8–15.**

**(Checkout.com Global Consumer Report, 2024) <sup>1</sup>**

**+**

**Gen Alpha's global economic footprint is projected to reach US \$5.46 trillion by 2029.**

**(Generation Alpha's Economic Footprint, McCrindle Research) <sup>2</sup>**

They are also shaping expectations for what an online experience should feel like - instant, interactive and inclusive. These are not future consumers. They are the now generation quietly rewriting the rules of engagement.

<sup>1</sup> <https://www.checkout.com/newsroom/global-study-generation-alpha-digital-economy>

<sup>2</sup> <https://mccrindle.com.au/article/generation-alphas-economic-footprint/>

65% of Gen Alpha members have at least one social media account by age 8 (Gen Alpha Statistics Report 2025)



### How they differ from Gen Z and Millennials

While Gen Z learned to adapt to emerging technology, Gen Alpha entered a world already defined by it. They were born into a connected world - most use multiple digital devices daily and many interact naturally with AI tools. With early adoption of digital devices, 82% of Gen Alpha own or have access to a smartphone (*Gen Alpha Statistics Report 2025*)<sup>3</sup>.

That technological fluency translates into expectations: Gen Alpha navigate seamlessly between the physical and digital, expect frictionless checkout and trust AI-driven recommendations as part of everyday life. Yet they're also more aware of screen fatigue, misinformation and data misuse than previous cohorts. They expect the brands they interact with to balance convenience with care, combining digital intelligence with human trust.

<sup>3</sup> <https://gitnux.org/gen-alpha-statistics/>

### The young decision makers at home

Gen Alpha may not yet have their own income, but they already play an outsized role in what their families buy. Across Europe, children aged 4–14 are helping decide everything from clothes and food to cosmetics and holidays reflecting a shift toward collaborative family decision-making. Millennial parents are more likely than any previous generation to involve their kids in choices, giving rise to a new form of pester power which is built on persuasion.

Only 31% of European parents say their child has no say in family purchases meaning nearly seven in ten homes are guided, at least in part, by young voices. This growing influence offers retailers valuable insight into how preferences are forming, long before Gen Alpha begins spending independently. Their choices already signal future expectations around convenience, ethics and experience. By understanding these early behaviours now, brands can ensure their products, platforms and values

remain relevant as this generation matures into active consumers.

Rather than speaking to Gen Alpha directly, smart brands are adapting for them, building trust with families today and preparing to serve this audience responsibly when they're ready to participate in the economy.

<sup>4</sup> [www.joerivandenbergh.com/post/kid-fluenza-the-influence-of-generation-alpha-on-consumer-behavior](http://www.joerivandenbergh.com/post/kid-fluenza-the-influence-of-generation-alpha-on-consumer-behavior)

64% of European Gen Alpha children decide what clothes they wear, 59% influence what the family eats, and 30% shape decisions on cosmetics. (Kid-fluenza: The Influence of Generation Alpha on Consumer Behaviour) <sup>4</sup>





**By 2025, Generation Alpha will number almost 2 billion worldwide — the largest generation in human history. (McCrimdle Research, “Understanding Generation Alpha”, 2024) <sup>5</sup>**

### **Why retailers should start preparing now**

The scale of Gen Alpha’s population, digital knowledge and adoption alone makes them impossible for retailers to ignore. But it’s not just about volume - it’s about velocity. This generation’s influence on technology, culture and consumption is compounding faster than any before it.

Gen Alpha may still be in school, but their impact on commerce is already profound. These early signals of influence are translating into real economic power: by 2029, Gen Alpha’s direct and indirect spending is projected to reach \$5.46 trillion globally (*Gen Alpha Social media statistics, SQ Magazine*)<sup>6</sup>. For brands, this is a signal to build experiences, ethics and systems that will be ready when this digitally fluent generation steps into the economy. Their expectations around transparency, trust and personalisation are already influencing household behaviour today and will soon define the standards of retail tomorrow.

<sup>5</sup> [mccrimdle.com.au/article/topic/generation-alpha/generation-alpha-defined/](https://mccrimdle.com.au/article/topic/generation-alpha/generation-alpha-defined/)

<sup>6</sup> [sqmagazine.co.uk/gen-alpha-social-media-statistics](https://sqmagazine.co.uk/gen-alpha-social-media-statistics)



### **Introducing InAcademia: Building trust for the next generation of shoppers**

As digital expectations rise, the ability to verify eligibility for student offers securely, quickly and ethically will become a cornerstone of trust in e-commerce.

InAcademia bridges the gap between trust and convenience. Focused on enabling young consumers to prove eligibility without exposing unnecessary data and helping retailers meet GDPR expectations, the online service offers a simple, secure way for brands to verify students in real time. It's built on the

same principles that matter most to Generation Alpha: transparency, simplicity and security.

By helping retailers offer trusted, student-focused discounts and benefits, InAcademia gives e-commerce businesses an opportunity to build credibility with future consumers responsibly. It demonstrates how privacy-first verification can underpin lasting relationships, proving that security and seamlessness can thrive together.

### **Key takeaway:**

Gen Alpha is already redefining what retail experience means and will look for brands that understand their values, adapt to their needs and communicate with authenticity. This is the generation whose expectations will soon shape every shopping basket and every customer-facing system.

# Social commerce is the new storefront

## Shopping meets scrolling

For digital natives, discovery, recommendation and purchase now happen within the same feed, often in the same moment. Social platforms have become the new shopping districts, where entertainment and commerce merge seamlessly. The global social commerce market is projected to reach €3.33 trillion<sup>7</sup> in 2025, fuelled by the rise of shoppable video, influencer-driven discovery and in-app checkout (Statista). In this environment, social platforms aren't just marketing channels anymore, they are digital storefronts where brand stories, creators and conversions coexist in real time.

## YouTube as the discovery hub

YouTube isn't just entertainment, it's where Gen Alpha first hears about brands. In fact, 51% of Gen Alpha say they first learn about brands via YouTube, making it their primary discovery platform over TikTok (*A Brand Guide to Engage Gen Alpha, Digital Voices*)<sup>8</sup>. Video content offers the perfect intersection of entertainment and commerce, giving brands both reach and narrative control.

## Trust via creators, hauls and authentic content

Gen Alpha's view of influencers isn't one-dimensional. 49% trust influencers as much as family when it comes to purchasing decisions (*A Brand Guide to Engage Gen Alpha, Digital Voices*)<sup>9</sup>. They closely follow "shopping hauls," "unboxing" and product reveal formats.

<sup>7</sup> [www.statista.com/outlook/emo/ecommerce/worldwide?currency=EUR](http://www.statista.com/outlook/emo/ecommerce/worldwide?currency=EUR)

<sup>8</sup> [insights.digitalvoices.com/hubfs/Gen%20Alpha%20Report%20V2%20\\_%20Digital%20Voices.pdf](https://insights.digitalvoices.com/hubfs/Gen%20Alpha%20Report%20V2%20_%20Digital%20Voices.pdf)

<sup>9</sup> [insights.digitalvoices.com/hubfs/Gen%20Alpha%20Report%20V2%20\\_%20Digital%20Voices.pdf](https://insights.digitalvoices.com/hubfs/Gen%20Alpha%20Report%20V2%20_%20Digital%20Voices.pdf)

Across ages 3–17, 96% watch videos on video-sharing platforms and 58% engage with live-streamed video content, with YouTube leading the pack (Digital Voices).



## Shoppable video and in-app purchasing

The leap from content to checkout is now expected. Social platforms are embedding commerce directly into video formats. TikTok Shop, Instagram Checkout, and YouTube's shoppable ad tools close the loop in one tap.

## What it means for brand visibility and trust

When discovery, recommendation and purchase all live within social feeds, brands no longer compete for moments - they compete for entire journeys. Visibility is trust: consistent content, creator alignment, seamless commerce and ethical engagement become the pillars. For Gen Alpha, a brand with high reach but low resonance won't convert.

## Key takeaway:

For Gen Alpha, social media is where discovery, inspiration and shopping intersect but trust is what turns that interest into action. Brands that show up consistently, work with credible creators and make every in-app interaction feel secure will earn this generation's confidence. And as they mature into full digital consumers, services like InAcademia will help retailers offer value in a way that feels seamless, safe and respectful of their data expectations - proving that relevance and responsibility must evolve together in the social-commerce era.

<sup>10</sup> [assets.morningconsult.com/wp-uploads/2023/03/07164415/A-Brands-Guide-to-Gen-Alpha-1.pdf](https://assets.morningconsult.com/wp-uploads/2023/03/07164415/A-Brands-Guide-to-Gen-Alpha-1.pdf)

<sup>11</sup> [cbusiness.tiktokshop.com/uk/blog/detail/10021959](https://business.tiktokshop.com/uk/blog/detail/10021959)

<sup>12</sup> [www.financial-news.co.uk/asos-and-tiktok-shop-a-changing-retail-landscape/](https://www.financial-news.co.uk/asos-and-tiktok-shop-a-changing-retail-landscape/)

**56% of Gen Alpha parents report their kids watch shopping-related content where they discover new products and services. This form of content turns curiosity into trial - the influencer acts as both storyteller and salesperson (A Brand's Guide to Gen Alpha, Morning Consult) <sup>10</sup>**

**ASOS partnered with over 30 creators to launch its TikTok Shop in the UK, embedding 85 ASOS Design products directly into shoppable videos. (TikTok Shop for business) <sup>11</sup>**

**Result? 57% of ASOS TikTok Shop transactions came from new customers showing how in-app shopping expands reach to younger and discovery-led audiences. (Financial News) <sup>12</sup>**

# Living digital first

## Born connected

Gen Alpha has never known an offline world. Their earliest memories are shaped by touchscreens, voice assistants and instant access to information. From learning to leisure, their digital surroundings have taught them speed, choice and control. This constant connectivity has normalised multitasking between devices and platforms - shaping how they consume, communicate and even make decisions.

## The rise of AI-native consumers

This cohort is growing up with smart assistants and adaptive learning tools. AI-driven recommendations are part of their everyday environment. Artificial intelligence is not a novelty but a normal interface. From ChatGPT-style homework help to AI-generated avatars in games, Alpha expects tech to understand and respond to them intuitively.

## Immersed in AR, VR and gamification

The most immersive audience ever, they are comfortable toggling between physical and virtual realities, with gaming worlds like Roblox, Minecraft and Fortnite serving as both entertainment and early e-commerce environments. AR and VR are already influencing Gen Alpha's expectations of what they believe a digital experience should be - visual, interactive and gamified. This is the generation that would not be convinced by simply advertising to them but would expect brands to "play back" with them.

**43% of Gen Alpha used a tablet by age six, and 58% had a smartphone by age ten. (How Gen Alpha is Redefining Consumer Behaviour, Kadence International) <sup>13</sup>**

**Nearly one in four children aged 8–12 (22 %) are now using generative AI (e.g. ChatGPT) for learning or play. (Understanding the Impacts of Generative AI Use on Children, Alan Turing Institute) <sup>14</sup>**

**55% of Gen Alpha children have used virtual reality for entertainment; 56% have used augmented reality apps. (Gen Alpha Stats Report, Gitnux) <sup>15</sup>**

<sup>13</sup> [kadence.com/how-gen-alpha-is-redefining-consumer-behavior/](https://kadence.com/how-gen-alpha-is-redefining-consumer-behavior/)

<sup>14</sup> [www.turing.ac.uk/sites/default/files/2025-05/combined\\_briefing\\_-\\_understanding\\_the\\_impacts\\_of\\_generative\\_ai\\_use\\_on\\_children.pdf](https://www.turing.ac.uk/sites/default/files/2025-05/combined_briefing_-_understanding_the_impacts_of_generative_ai_use_on_children.pdf)

<sup>15</sup> [gitnux.org/gen-alpha-statistics/](https://gitnux.org/gen-alpha-statistics/)

### The always-on opportunity and risk

Being perpetually connected gives retailers a rare chance to stay relevant across the entire customer journey but it also means Gen Alpha expects more care, and not just an abundance of promotional noise. Screen saturation is already a real concern.

Even short bursts of digital distraction impose cognitive cost: research shows that media multitasking and forced interruptions degrade attention and reduce performance in primary tasks (*The Short and Long-Term Effects of Digital Media Use on Attention*)<sup>17</sup>

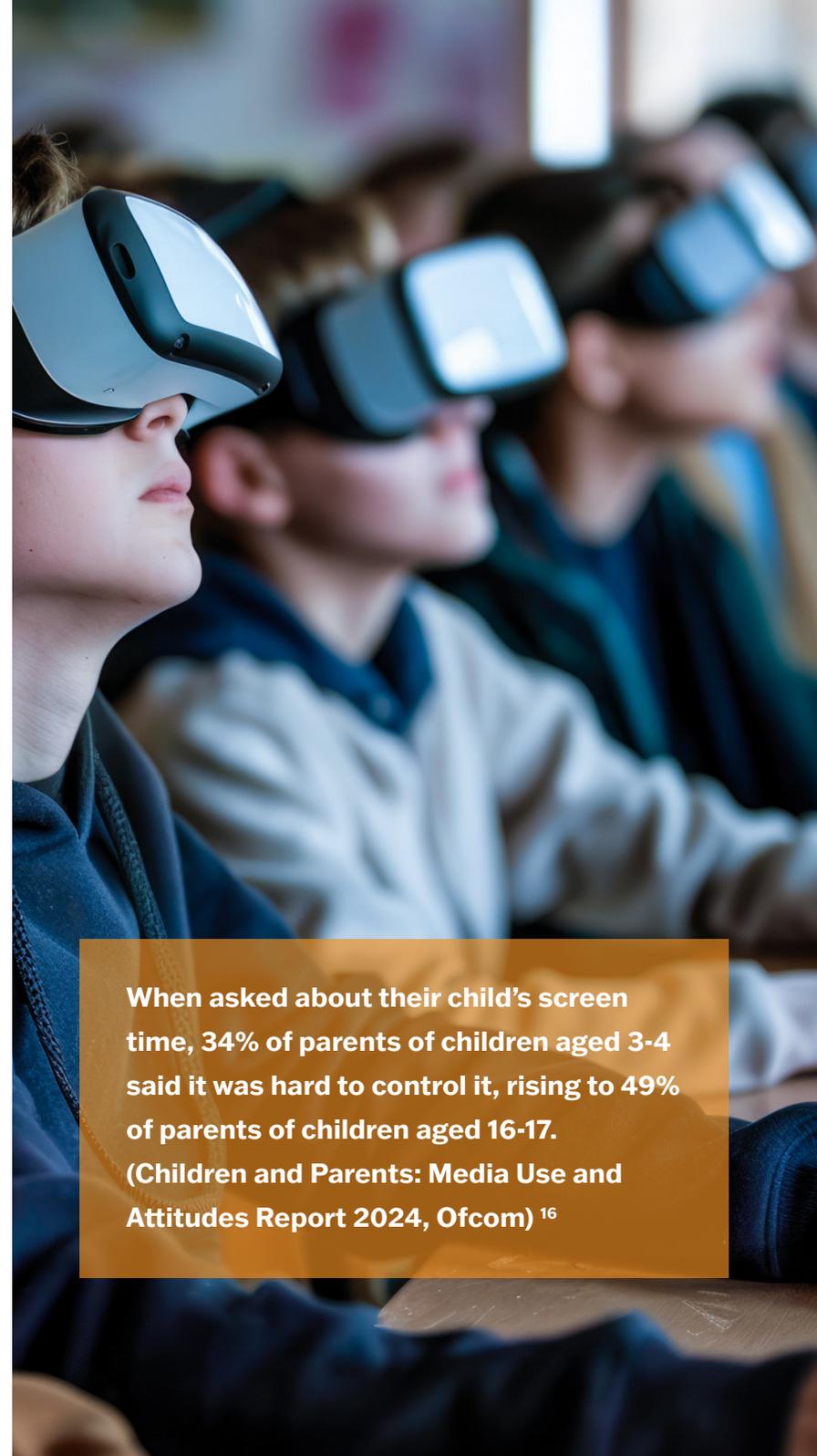
For e-commerce, this means brands must design for attention and not assume that the digital native audience will definitely act on it. Experiences must acknowledge screen fatigue, minimise forced interruptions and earn time through meaningful engagement. The brands that tread lightly, but deliver on trust and consistency, will be the ones Gen Alpha actually wants to keep open.

#### Key takeaway:

For this generation, digital isn't a skill, it's second nature. For e-commerce, that means they won't "go online" to shop, they already live there. The opportunity lies in building trust early, crafting seamless, ethical and adaptive digital journeys that speak their language because in a world where everything is interactive, Gen Alpha will reward the brands that truly understand how they live, learn and buy.

<sup>16</sup> [www.ofcom.org.uk/siteassets/resources/documents/research-and-data/media-literacy-research/children/children-media-use-and-attitudes-2024/childrens-media-literacy-report-2024.pdf?v=368229](http://www.ofcom.org.uk/siteassets/resources/documents/research-and-data/media-literacy-research/children/children-media-use-and-attitudes-2024/childrens-media-literacy-report-2024.pdf?v=368229)

<sup>17</sup> [ink.springer.com/chapter/10.1007/978-3-031-69362-5\\_5](http://ink.springer.com/chapter/10.1007/978-3-031-69362-5_5)



**When asked about their child's screen time, 34% of parents of children aged 3-4 said it was hard to control it, rising to 49% of parents of children aged 16-17. (Children and Parents: Media Use and Attitudes Report 2024, Ofcom)<sup>16</sup>**

# Phygital expectations

## Blending the best of both worlds

Shopping isn't about choosing between online or in-store for this cohort, it's about having the best of both. They enjoy the instant access and convenience of digital browsing but still value the sensory, social side of visiting a shop. What they really want is a hybrid experience: the immediacy of online combined with the interactivity of in-person retail.

Far from stores being seen as old fashioned, this generation are drawn into retail spaces that recognise their role as an extension of the digital world and adapt accordingly. They expect AR try-ons, self-checkout kiosks and click-and-collect options to blend into physical shopping seamlessly. For Gen Alpha, retail works best when it's immersive, effortless and alive - a place where technology enhances, rather than replaces, the human experience.

<sup>18</sup> [www.vml.com/campaign/trailblazers-of-tomorrow](http://www.vml.com/campaign/trailblazers-of-tomorrow)

<sup>19</sup> [eminence.ch/en/phygital/](http://eminence.ch/en/phygital/)

## Physical stores as “retail playgrounds”

This young group see physical stores as spaces to explore, socialise and express independence. They view retail as a form of entertainment, where every visit should feel interactive and rewarding.

Retailers are already adapting. IKEA, for example, uses phygital design to connect the digital and physical seamlessly. Its in-store app lets shoppers visualise products through AR try-ons, check stock in real time, and even navigate the store via mobile. This strategy turns IKEA into “a playground for discovery,” blending practical shopping with digital immersion that keeps younger consumers engaged

This fusion of convenience and creativity defines what “fun shopping” looks like - an experience that's tactile, social and powered by technology.

**69% of Gen Alpha prefer shopping in-store, compared to 63% who enjoy shopping online proving that physical retail remains central, but with digital layers built in.**

**(Trailblazers of Tomorrow: What Gen Alpha Can Teach Us About the Future, VML) <sup>18</sup>**



**“Phygital experiences like IKEA’s combine physical interaction with digital personalisation - transforming a simple store visit into a connected journey.”**

**(Phygital: The Best of Both Worlds, Eminence Digital Agency) <sup>19</sup>**

### Seamless integration is the baseline

Shopping journeys aren't divided by screens or store walls when it comes to this generation, they expect everything to connect. They want to browse online, try in person and check out anywhere - all within the same brand experience.

Whether it's designing trainers online and picking them up in-store or virtually trying furniture at home before collecting it, Alpha sees seamless integration not as a differentiated offering, but a necessity.

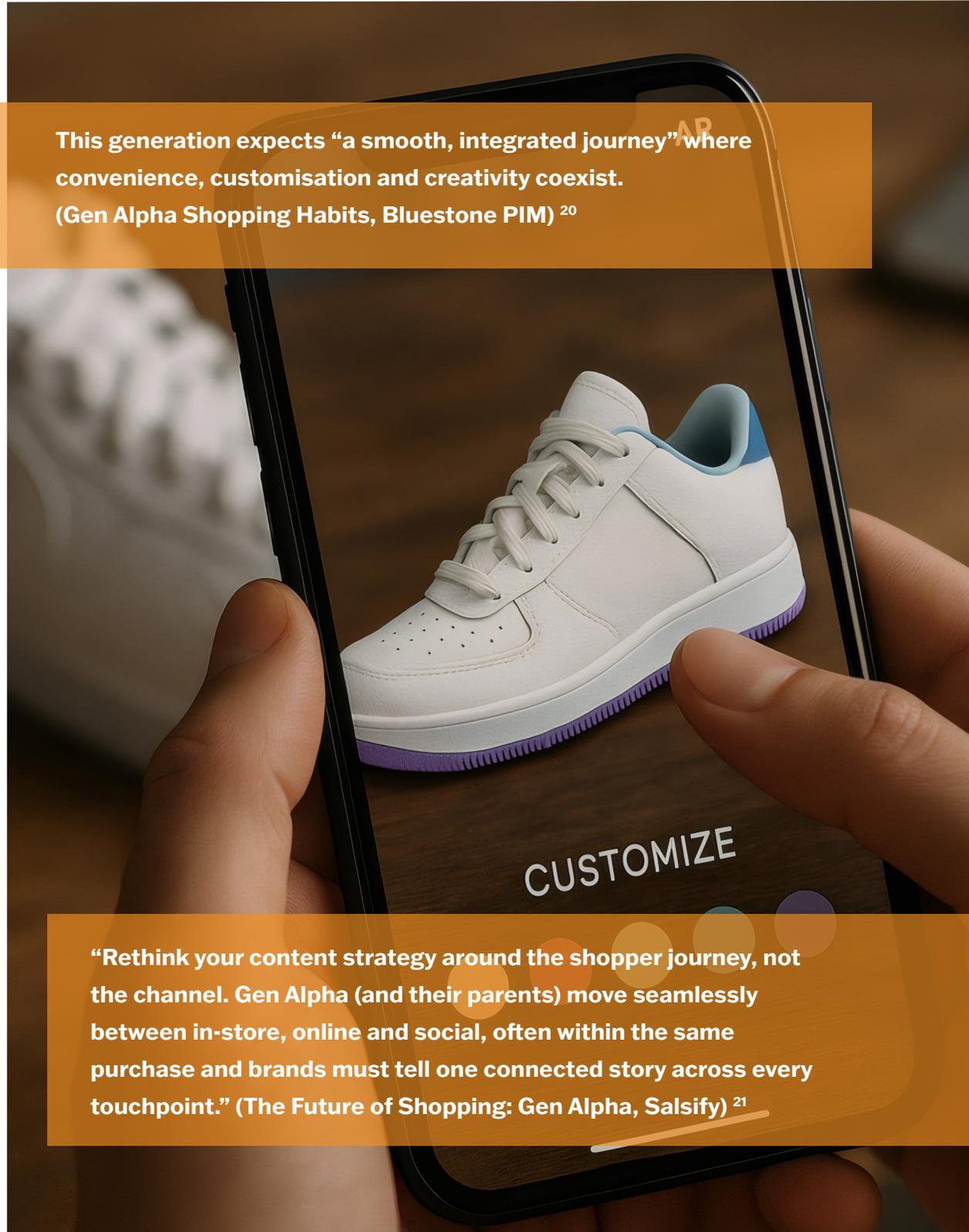
For e-commerce, the lesson is clear: Gen Alpha won't adapt to disjointed systems. They'll gravitate toward brands that make movement between digital and physical feel effortless, proving that being seamless is the foundation of shopping.

#### Key takeaway:

For Gen Alpha, being seamless is an expectation. They want to feel seen, heard and served instantly across every platform. E-commerce has the power to meet the demand by fusing identity, convenience and creativity into every interaction. Retailers who build unified ecosystems that anticipate rather than follow Gen Alpha's behaviour will gain their trust early.

<sup>20</sup> [www.bluestonepim.com/blog/gen-alpha-shopping-habits](http://www.bluestonepim.com/blog/gen-alpha-shopping-habits)

<sup>21</sup> [www.salsify.com/blog/future-of-shopping-gen-alpha](http://www.salsify.com/blog/future-of-shopping-gen-alpha)



This generation expects “a smooth, integrated journey” where convenience, customisation and creativity coexist. (Gen Alpha Shopping Habits, Bluestone PIM) <sup>20</sup>

“Rethink your content strategy around the shopper journey, not the channel. Gen Alpha (and their parents) move seamlessly between in-store, online and social, often within the same purchase and brands must tell one connected story across every touchpoint.” (The Future of Shopping: Gen Alpha, Salsify) <sup>21</sup>

# Recommerce: Thriftling & circularity

## Gen Alpha embracing secondhand and recommerce

Sustainability is an expectation. Growing up amid conversations about climate impact, fast fashion and conscious consumption, this generation already views secondhand as smart, not second best. They are inheriting Gen Z's mindset but taking it further: for them, resale, rental and recommerce are simply part of how shopping works.

As younger consumers begin to enter the retail ecosystem, their influence is accelerating a global shift toward circular fashion and conscious consumption. Platforms like Vinted, Depop and ThredUp are normalising resale as a lifestyle choice, not a niche behaviour. Gen Alpha's early exposure to these platforms - often through their Gen Z siblings or millennial parents - means they are growing up expecting

retail ecosystems that extend product life, rather than end it. For retailers, this presents both a commercial and cultural opportunity: to turn sustainability from statement to system. By embracing recommerce models from take-back schemes to authenticated resale and brand-owned secondhand marketplaces, e-commerce brands can align with Gen Alpha's values while staying relevant in a circular future.

**The global secondhand apparel market is forecast to reach US \$367 billion by 2029, driven by younger generations, led by Gen Z and soon Gen Alpha. (2025 Resale Report, ThredUp) <sup>22</sup>**

<sup>22</sup> [www.thredup.com/resale/](http://www.thredup.com/resale/)



## Sustainability matters but value still wins

This sustainability mindset is strong, but it has limits. Whilst this generation cares about climate impact, ethical production and circular fashion, they still balance those values with affordability and access. This is a group that loves the hunt - the thrill of thrifting for something unique, affordable and expressive but they aren't yet ready to pay a premium for "green" credentials alone.

*InAcademia's Recommerce Guide* <sup>23</sup> also found that young consumers increasingly see resale as an act of creativity and financial independence, not just sustainability - reinforcing why circular models must feel effortless and rewarding to succeed. (Recommerce Guide 2025)

For retailers, this presents a clear challenge and an opportunity. The brands

that make sustainable choices cost-neutral and culturally cool will win early loyalty. Embedding resale, rental and repair within existing ecosystems allows Gen Alpha to act sustainably without changing their habits or budgets. When sustainability feels intuitive, fun and affordable, it becomes more than a message and the default way to shop.

<sup>23</sup> [inacademia.org/recommerce2025](https://inacademia.org/recommerce2025)

<sup>24</sup> [sustainabilityonline.net/research/gen-alpha-consumers-not-as-socially-conscious-as-expected](https://sustainabilityonline.net/research/gen-alpha-consumers-not-as-socially-conscious-as-expected)

Only 38% of Gen Alpha say they would pay more for a product that's better for the environment. (Razorfish / GWI study, cited in Sustainability Online) <sup>24</sup>



## European brands leading the resale shift

Recommerce is moving from niche to normal and Europe is leading the charge. Major retailers are building circularity directly into their core business models as opposed to treating it as a side initiative. One of the strongest examples comes from Zalando, which has integrated secondhand fashion into its main platform.

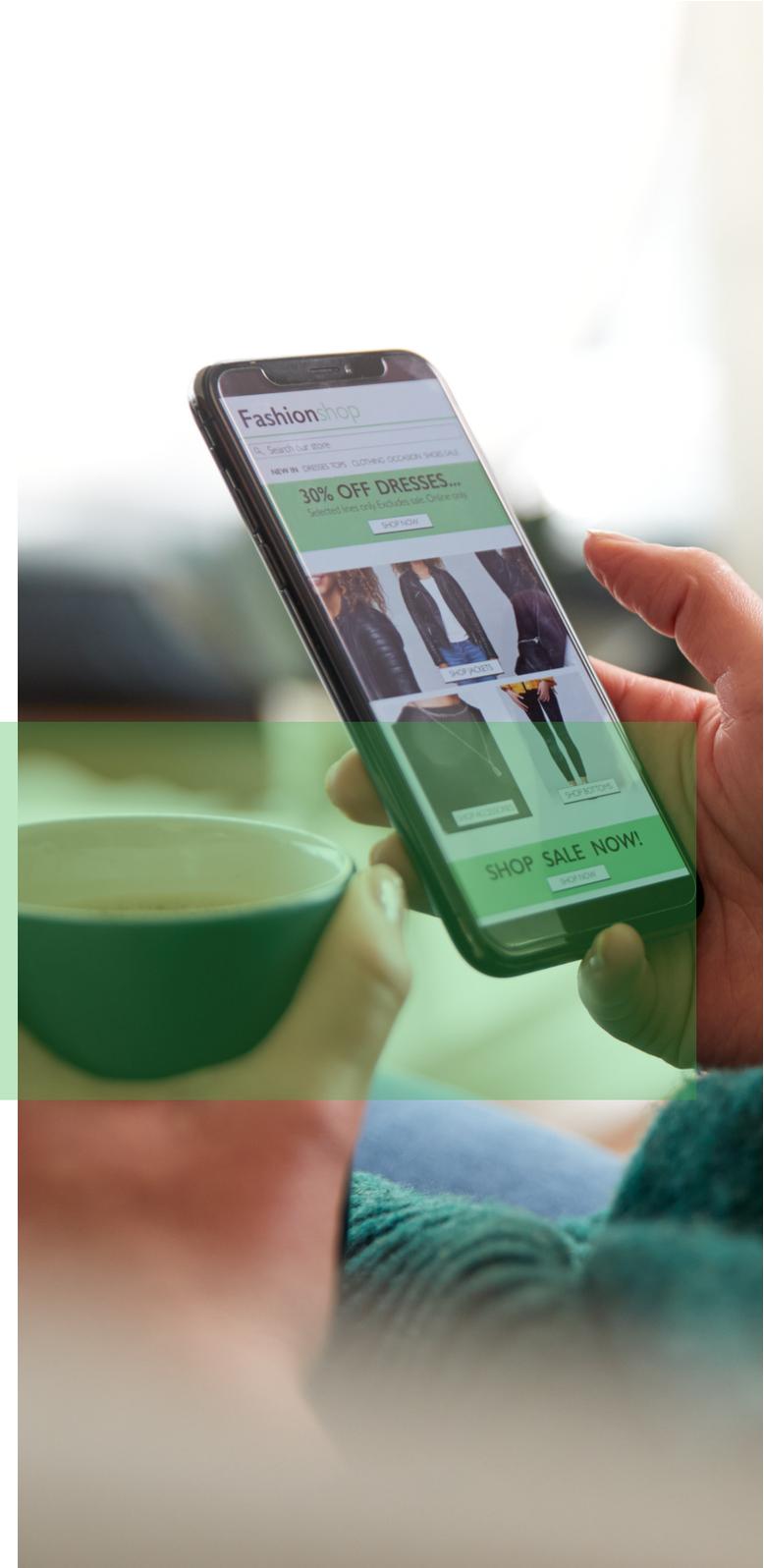
By integrating resale into the same ecosystem as new fashion, Zalando makes circular shopping intuitive for digital-native audiences like Gen Alpha combining convenience, sustainability and style. Younger consumers don't see resale as a compromise, they embrace it as part of the experience. Retailers that follow this model will not only reduce waste but also enjoy lasting loyalty with a generation that equates circularity with good design and smart living.

## Key takeaway:

Gen Alpha sees value, creativity and sustainability as inseparable, favouring resale and recommerce because they offer individuality and access, not because they're eco statements. The brands that weave repair, reuse and resale into everyday shopping without raising prices or adding friction will win their trust early and stay relevant as this generation defines what "new" means in retail.

**Customers in 13 European markets can now buy and sell secondhand fashion on Zalando, with "Pre-owned" collections also introduced in its outlet stores in Germany. (Zalando, "Walking the Talk,")** <sup>25</sup>

<sup>25</sup> [corporate.zalando.com/en/walking-talk](https://corporate.zalando.com/en/walking-talk)



# Confident yet vulnerable: The cybersecurity paradox

## Digital confidence without caution

This group of young customers move through the online world with ease and instinct, often trusting what feels familiar. They're tech-confident but still learning to navigate a digital environment where scams, misinformation and fraud are increasingly sophisticated and convincing. This leaves them particularly vulnerable to deceptive content that mimics the platforms they use most.

**In Europe, 23% of children aged 8 – 17 say they're confident they can tell what's real or fake online yet failed to correctly identify a fake social media profile when tested. (Ofcom, Children and Parents: Media Use and Attitudes Report, 2023) <sup>26</sup>**

For retailers, this confidence -without -caution dynamic highlights the need for embedded protection which is hassle-free as opposed to adding extra steps. Verification, data handling and privacy cues must feel invisible yet reliable, ensuring Gen Alpha's online confidence is met with equal safety.

## Privacy awareness inherited not learned

Gen Alpha's sense of privacy isn't accidental, it's inherited. Raised by millennial parents who experienced the rise and risks of social media first-hand, they've grown up in homes where online safety and data control are part of everyday conversations. While they may not yet fully understand how their data is used, they instinctively value transparency and fairness from the brands they interact with.

This awareness, even at a young age, makes Gen Alpha less tolerant of unclear data practices. They expect brands to protect their information without friction, proving that responsible data handling is not just a compliance measure, it's a trust signal for the next generation of shoppers.

**45% of Gen Z and Gen Alpha believe companies should not be allowed to pass on their personal data to third parties. (Fame vs Protection: A Data Privacy Dilemma for Gen Z and Alpha, EDPS) <sup>27</sup>**

<sup>26</sup>[www.ofcom.org.uk/siteassets/resources/documents/research-and-data/media-literacy-research/children/childrens-media-use-and-attitudes-2023/childrens-media-use-and-attitudes-report-2023.pdf?v=329412](https://www.ofcom.org.uk/siteassets/resources/documents/research-and-data/media-literacy-research/children/childrens-media-use-and-attitudes-2023/childrens-media-use-and-attitudes-report-2023.pdf?v=329412)

<sup>27</sup>[www.edps.europa.eu/podcasts/edps-air/fame-vs-privacy-15-seconds-fame-loss-personal-data-what-does-data-protection-mean-gen-z-and-gen-alpha-digital-users\\_en](https://www.edps.europa.eu/podcasts/edps-air/fame-vs-privacy-15-seconds-fame-loss-personal-data-what-does-data-protection-mean-gen-z-and-gen-alpha-digital-users_en)

### Fast, frictionless and secure verification

Alpha's digital expectations extend beyond convenience - they want speed, security and privacy to work together without friction. Growing up in an era of biometric logins and digital wallets, they are used to verification processes that feel quick and intuitive but also visibly secure. For them, confidence comes from protection that is visible but not a burden.

Across Europe, this mindset aligns with a broader digital shift. "eID-advanced" countries, where citizens actively use electronic IDs for everyday services are showing how secure verification can become streamlined yet fully user-controlled. Meanwhile, the European Commission's new age-verification blueprint will allow users to prove they are over 18 without revealing their age or

oversharing personal data, setting a clear benchmark for privacy-by-design systems in commerce and education.

For Gen Alpha, this shift is perfectly timed. They will expect brands and platforms to deliver instant, federated authentication and privacy-first registration processes without intrusive data requests. While adoption of Europe's emerging eID frameworks is still in its early stages, retailers can start preparing by aligning with the same principles: informed consent, minimal data use and user-controlled verification. Building trust through these practices now will position them to integrate seamlessly when broader commercial applications become available.

### Key takeaway:

Gen Alpha's confidence online is both their strength and their weakness. For e-commerce, trust and security must be built into every click, checkout and confirmation. Retailers that combine speed with safety and transparency with simplicity - and make conscious choices to use authoritative privacy preserving solutions - will become the trusted spaces where this generation feels confident to connect, share and shop.

**By 2026, the EU's Digital Identity Wallet will enable citizens across Europe to verify identity and age securely online - without sharing personal data unnecessarily.**  
(European Commission, "Minimising Risks Children and Young People Face Online," 2025)<sup>28</sup>

<sup>28</sup> [commission.europa.eu/news-and-media/news/minimising-risks-children-and-young-people-face-online-2025-07-14\\_en](https://commission.europa.eu/news-and-media/news/minimising-risks-children-and-young-people-face-online-2025-07-14_en)



# Europe's privacy First mindset

## Raised under GDPR

Gen Alpha has never known an online world without data protection. They've grown up under GDPR and now the EU Digital Services Act, which together set strict boundaries around what can be collected, stored and shared about them. They instinctively understand consent and transparency and they assume the brands they interact with will protect their data as standard.

For retailers, this privacy-first environment changes the rules of engagement. Every form, login and loyalty programme must now demonstrate respect for user data - legally as well as emotionally. The younger cohort will choose platforms that keep their information safe and reject those that feel intrusive. For e-commerce brands, this means designing verification and

personalisation tools that are privacy-aware by design: collecting less, explaining more and earning loyalty through trust.

<sup>29</sup> [https://commission.europa.eu/news-and-media/news/minimising-risks-children-and-young-people-face-online-2025-07-14\\_en](https://commission.europa.eu/news-and-media/news/minimising-risks-children-and-young-people-face-online-2025-07-14_en)



**Children's accounts in the EU must now be private by default and use "minimal data" for age verification, part of rules designed to protect minors' online rights under the Digital Services Act and GDPR. (Minimising the Risks Children and Young People Face Online, European Commission) <sup>29</sup>**

## Trust over novelty:

### Europe's cautious adoption

Europe continues to balance innovation with restraint. Unlike APAC's rapid embrace of new payment technologies, European consumers remain more deliberate - adopting tools only once their safety is proven. This mindset stems from a deep cultural emphasis on privacy and data control, now being passed to Gen Alpha, who expect digital experiences that are both fast and fully secure. European retailers must invest in verification tools and innovation that deliver confidence first - through transparency, encryption and visible protection. Student verification solutions like InAcademia align perfectly with this trust-first mindset, allowing young consumers to verify eligibility securely without oversharing personal data - a model for how frictionless technology and privacy can coexist.

<sup>30</sup> [https://www.ecb.europa.eu/stats/ecb\\_surveys/space/html/ecb.space2024~19d46f0f17.en.html](https://www.ecb.europa.eu/stats/ecb_surveys/space/html/ecb.space2024~19d46f0f17.en.html)

<sup>31</sup> <https://www.mastercard.com/news/ap/en/newsroom/press-releases/en/2025/from-pocket-money-to-portfolio-gen-alpha-is-rewriting-the-rules-of-financial-literacy/>



**58% of euro-area consumers say they are concerned about their privacy when performing digital payments or other banking activities. (SPACE Study, European Central Bank) <sup>30</sup>**

**At the same time, 82% of Gen Alpha parents wish there were more tools available to teach children about finances - a clear signal that innovation must prioritise trust, education and empowerment over speed alone. (From Pocket Money to Portfolio: Gen Alpha Is Rewriting the Rules of Financial Literacy, Mastercard) <sup>31</sup>**

## Agentic AI: Innovation with integrity

AI is quietly becoming the backbone of how young consumers shop, search and spend - from personalised product recommendations to automated checkouts and digital assistants. But for Gen Alpha, convenience powered by AI comes with an expectation of accountability. Europe is taking the global lead in defining those boundaries. Through the *EU Artificial Intelligence Act* <sup>32</sup> regulators are ensuring that AI systems are transparent, traceable and used ethically particularly in sectors that affect privacy, identity and personal choice. This approach resonates with Gen Alpha's mindset: they're open to technology that helps them, but sceptical of systems that track or predict them without consent.

Agentic AI systems capable of acting autonomously on a user's behalf will soon shape Gen Alpha's digital world, from automated shopping lists to adaptive learning and financial planning tools. But with that

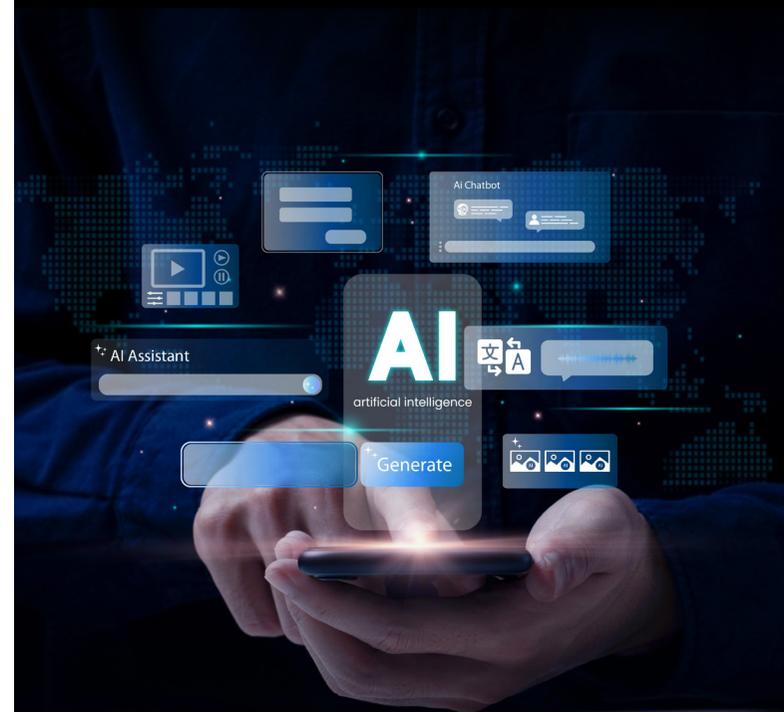
autonomy comes a duty of care. Retailers must design AI that explains itself: why it recommends a product, how it uses data and how it protects it. The brands that give users control and clarity will turn responsible automation into assurance and earn loyalty from the world's most digitally fluent generation.

### Key takeaway:

Gen Alpha will reward brands that treat privacy as a promise. In Europe's trust-led market, success will belong to retailers that make data protection visible, innovation transparent and AI accountable. Platforms like InAcademia show how trust can be built through seamless and privacy-safe verification proving that security and simplicity can thrive together in today's vulnerable digital world.

<sup>32</sup> <https://artificialintelligenceact.eu/>

<sup>33</sup> <http://euronews.com/next/2025/06/12/survey-most-europeans-are-worried-about-their-digital-privacy-and-its-impacting-how-they-u>



**Nearly nine in ten Europeans say they are concerned about their digital privacy and would feel more comfortable using AI if they understood how their data is secured.**

**(Samsung Electronics via Euronews) <sup>33</sup>**

# Summary

## The road to 2030: Earning the trust of generation alpha

By 2030, Generation Alpha will be the world's largest and most digitally fluent consumer cohort defining how commerce looks, feels and earns trust. They are growing up with AI, social shopping and seamless payments as the norm, expecting personalised, secure and purposeful transactions. For e-commerce leaders, meeting this generation's expectations means rethinking how to connect with this cohort.

### E-commerce leaders must:

- **Adopt trust-first design:** Build privacy, transparency and ethical data use into every checkout, recommendation and reward. Show users what happens with their data and why.
- **Invest in phygital experiences:** Blend online ease with in-store interaction. Use AR, gamified spaces and connected retail journeys to make physical shopping as dynamic as digital.
- **Embed recommerce strategies:** Extend product life through resale, rental and repair models that make sustainability intuitive, accessible and rewarding.
- **Cultivate influencer partnerships:** Move from promotion to participation. Partner with creators who share Gen Alpha's values and turn content into trusted commerce.

## Looking ahead to 2030

Gen Alpha will expect brands to feel human, transparent and responsive, despite underlying technologies' increasing use of AI and bot-driven customer interactions. Consistency across every platform will build loyalty and proof that convenience can coexist with conscience. The businesses that adapt now - designing for trust, creativity and connectedness - will grow with this generation as they reshape the global retail economy.



## How InAcademia fits this future

Online stores must be geared up to offer experiences that are trustworthy, simple and secure with clear value and minimal friction. The insights across this report point to a generation that will reward those brands that protect their data, respect their time and offer genuine benefits without unnecessary complexity. InAcademia helps to bridge the gap between trust and convenience for Gen Alpha - the very balance they expect across all touchpoints - because the platform amplifies what matters most to them:

### 1) Privacy-first

This generation values privacy as much as convenience. InAcademia enables instant and privacy-first student discount eligibility checks without oversharing data.

### 2) Values-aligned

The platform's purpose reinforces the transparency young consumers look for - providing a compliant and responsible way to offer value to genuine students, which is increasingly important for a generation that is both price-conscious and highly attuned to authenticity.

### 3) Simply secure

These are consumers that expect frictionless experiences as standard. InAcademia allows verification to be achieved in just a few quick and secure steps without disrupting the user journey. Aligning with the seamless journeys Gen Alpha already experiences across social platforms and digital services.

In short, InAcademia gives retailers a way to connect responsibly and confidently. Allowing brands to reach young, price-conscious consumers, while maintaining compliance and trust.

For brands exploring how to enhance this emerging customer's experience through low-friction and high-trust infrastructure, InAcademia helps to ensure security, simplicity and personal value coexist in every eligible e-commerce interaction.

**Discover more at [inacademia.org](https://inacademia.org)**



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