

## СПОСОБИ ПРИЙНЯТТЯ РІШЕНЬ ПРО КУПІВЛЮ ПРЕДСТАВНИКАМИ ПОКОЛІННЯ Z ТА ПОКОЛІННЯ Y – ПОРІВНЯЛЬНИЙ АНАЛІЗ

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**Предметом статті є способи прийняття рішень про купівлю молодими людьми. Аналітична інформація ґрунтується на анкетному опитуванні із використанням методу випадкової вибірки. Дослідження порівнює дві групи покупців: з покоління Z та з покоління Y. Дослідження показало існування відмінностей між групами у чотирьох з десяти величинах аналізованих споживацьких рішень.**

**Ключові слова:** покоління Y, покоління Z, молоді споживачі, поведінка споживачів, способи прийняття споживацьких рішень.

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## STYLES OF MAKING PURCHASING DECISIONS BY CONSUMERS FROM Z GENERATION AND Y GENERATION – COMPARATIVE ANALYSIS

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**The subject of the present article is consumer decision-making styles of young persons. The analysis is based on a questionnaire using the technique of random survey. The study compares two groups of buyers – consumers from generation Z and consumers from generation Y. The analysis reveals the existence of differences between the groups in four out of ten dimensions of analyzed consumer decisions.**

**Key words:** Z generation, Y generation, young consumers, consumers behaviour, consumer's decision-making styles.

Today, we can observe a dynamic development of the youth market, so groups of young consumers become the subject of marketing experts' analysis more and more often. However, it should be noted that this group of consumers is not homogeneous, it comprises representatives of Y generation and slightly younger Z generation. Consumers belonging to these generations have different characteristics and behave differently in many life areas. The aim of this paper is to compare consumers from Y generation and those representing Z generation in terms of making purchasing decisions.

**Y generation and Z generation as consumer groups.** Generations X, Y and Z are distinguished by the diversity of economic and socio-cultural conditions in which individuals function. A given generation consists of people born in a given period of time. This concept assumes the diversity of behaviors

characteristic for each group. Generations are defined by comparing them to the preceding one, so generation Y is described in opposition to X and Z in relation to Y. These generations have a different attitude to the past, material goods, work, and many other key aspects of life. The present paper focuses on a short description of Y and Z generation, bypassing others.

People belonging to generation Y are accustomed to a fast pace of life, the use of modern technologies and increased competition, but they are worse than representatives of the earlier generation X in decision-making, searching for information in the real world, or coping with unforeseen circumstances [3]. Moreover, they are more demanding, narcissistic, mobile and global. As written by J. A. Fazlagić, “representatives of the Polish generation Y are a kind of hybrid of a system of values characteristic for their Western counterparts and traditional, Eastern-European, Slavic values.” [3]. On the other hand, representatives of Z generation are no longer part of this hybrid as they are a new generation described only in recent years. Generation Z, also called App Generation or Digital Natives is proficient in using modern technologies from an early age, they put the image and sound above the text, they are multitaskers and accustomed to immediacy [6]. Moreover, as proven by current research, they constitute a group oriented at innovative solutions in the field of work and education. They demonstrate entrepreneurial activities, and start paid work more and more early [10]. They are also open to e-learning and are characterized by high expectations and a high degree of individualism [1].

The representatives of the described demographic cohorts also differ in terms of consumer behaviors, which has a particular meaning in the context of the present paper. As written by Małgorzata Budzanowska-Drzewiecka, the growing interest of entrepreneurs, as well as market researchers in young consumer behaviors is caused by numerous shifts in the market reality which determines purchasing decisions. The most important changes include the increasing supply of products, numerous technological innovations, growing number and access to information, but also transformations in consumers themselves such as generational change and new groups of buyers entering into the market [2].

Nowadays, the analyses of consumer behaviors are increasingly focusing on younger demographic cohorts. Special attention is given to representatives of generation Y, that is consumers' group born between 1977 and 1994. However, it should be noted that an increasing market activity is manifested by representatives of the younger generation Z, which includes people born after 1995. It is a specific generation, which is the first in the history not to know a world without modern technologies, accompanied by the Internet almost from the day of birth, and existing in a world of prosperity and developed capitalism. These factors are the basis for the claim that their consumer behaviors, conditioned by such a different reality, may demonstrate specific trends, different from behaviors of previous generations. Therefore, it seems interesting to study consumer behaviors characteristic for generation Y and generation Z taking into consideration possible differences between them. Although market behaviors cannot be a determinant defining the membership of a particular generation, they may be one of the identification factors of this membership, as stated by D. Hildebrandt-Wypych “one of the identifications, constituting the latest generation of youth is participating in mass culture, so primarily consumption” [5].

The present paper is an attempt to outline the consumer decision-making styles chosen among young consumers – representatives of the generation Z and generation Y. The analysis was carried out using a standardized instrument SPDZ12 measuring consumer decision – making styles, which will be briefly described in the following section.

**The outline of consumer decision – making styles.** A decision – making style, in the classical understanding of G. Sproles and E. Kendall, is defined as a mental orientation determining the consumer attitude toward reaching decisions, or making choices [11]. Consumer decision – making styles are considered to be a part of the consumer's personality and provide a basis for their purchasing decisions. Each individual represents a configuration of consumer styles with a greater or lesser intensity of various dimensions which create a unique profile [9]. Within a profile, ten dimensions (styles) are distinguished: a Perfectionistic Consumer (PERF) characterized by a high sensitivity to the quality of the bought products;

a Brand-Conscious Consumer (BC) eager to buy well-known and expensive brands; a Novelty Fashion Conscious Consumer (NFC) seeking fashionable goods and novelties on the market; a Recreational Shopping Conscious Consumer (RSC) who finds pleasure in shopping and treats the purchasing process as entertainment; a Price-Value Conscious Consumer (PVC) looking for the highest quality at the lowest possible price, willingly using price discounts; an Impulsive Consumer (IMP) who usually shops mindlessly and doesn't plan shopping; a Confused by Overchoice Consumer (CO) overwhelmed by products, brands and places of purchase, often manifesting difficulties in making purchase decisions; a Habitual Brand-Loyal Consumer (HBL) characterized by high loyalty and repeatability in purchasing certain brands in certain points of sale; a Compulsive Consumer (COMP) exhibiting a tendency to shopping addiction; and an Ecologically-Conscious Consumer (ECO) taking into account the concern for the environment and their own health in the purchasing process.

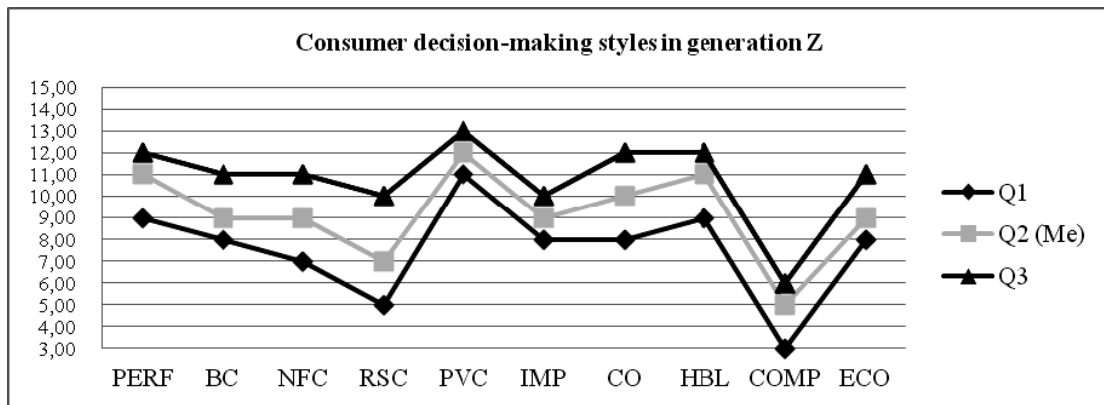
**The chosen research method.** In order to determine and compare consumer decision - making styles of generation Y and generation Z, a quantitative research was used by means of a random survey. Two groups of respondents were chosen for the research. The first group consisted of representatives of generation Z - students of a randomly selected secondary school in Lublin voivodship. The comparative group consisted of representatives of generation Y represented by students of one of Lublin universities. Last year students meeting the criterion of belonging to the generation Y (born before 1995) were surveyed. The survey was conducted in the Lublin voivodship. The basis for the choice of voivodship was the income criterion. The Lublin voivodship took the 8th position among the 16 Polish voivodships (data of December 2016) in the wages rating, so it is placed exactly in the middle of the rate. This means that the voivodship can be considered as representative of the average wage in Poland [4]. A total of 155 respondents were involved in the study, 71 of them were high school students and 84 university students.

19 men and 52 women were representatives of the generation Z (high school students), while the group of generation Y (represented by students) consisted of 34 men and 50 women. A standardized questionnaire "Consumer decision - making styles" by George B. Sproles and Elizabeth Kendall in the Polish adaptation of Radosław Maćik and Dorota Maćik from 2012 [7] was used as the research instrument. The questionnaire contains 30 statements (consisting of 10 dimensions) measured on a 5-point Likert-type scales (from 1 – strongly disagree to 5 – strongly agree). The questionnaire of G. B. Sproles and E. Kendall is a reliable instrument, used in numerous studies of consumer behaviors, both in Poland and in the world (among others: R. Maćik, M. Budzanowska-Drzewiecka, G. Walsh, V. W. Mitchell and T. Hennig-Thurau).

A comparative analysis of consumers from Z and Y generations in terms of consumer decision - making styles. In order to discern differences and similarities in consumer behaviors of persons from generation Z and generation Y, a comparative analysis using the software for statistical data processing SPSS 22 was performed. To compare these groups, the nonparametric Mann-Whitney U test was performed, which was chosen because of the results distribution which did not allow the use of parametric tests. In case of perfectionistic, brand-conscious, novelty fashion conscious, hedonistic, habitual and compulsive styles, the performed tests allowed to accept the null hypothesis affirming the absence of statistically significant differences between the groups. In case of other styles, i.e. price-value conscious ( $p = 0.002$ ), impulsive ( $p = 0.005$ ), confused by overchoice ( $p = 0.015$ ) and ecologically-conscious ( $p = 0.032$ ), the test allowed to reject the null hypothesis assuming the lack of differences between the groups. This means that in these dimensions, there are statistically significant differences in consumer behaviors between the generation Z and generation Y.

A more detailed distribution of answers of the surveyed groups members is presented below. Chart 1 shows the values of the quartiles (Q1, Me, Q3) obtained for each dimension in the group of subjects from generation Z.

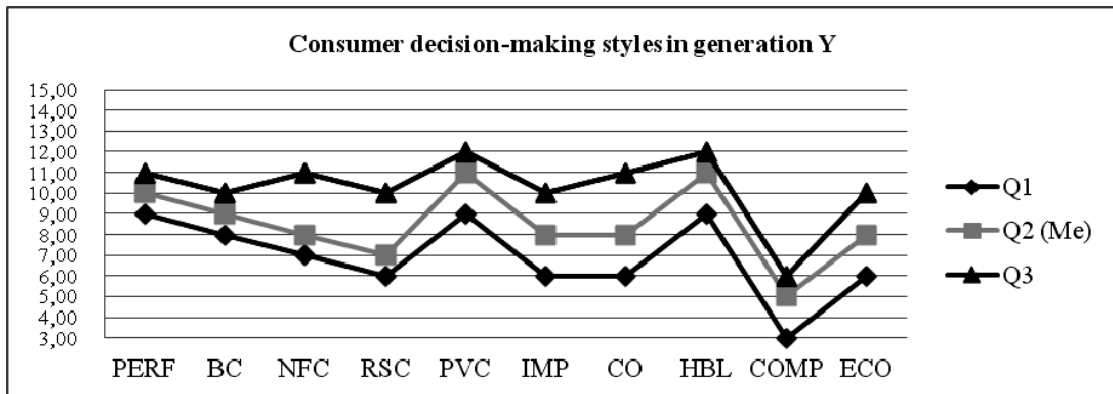
Chart 1. The values of the quartiles for particular consumer decision-making styles in generation Z.



Source: own work

Chart 2 presents values of the quartiles (Q1, Me, Q3) obtained during the study for the particular dimensions of decision-making styles of consumers from generation Y.

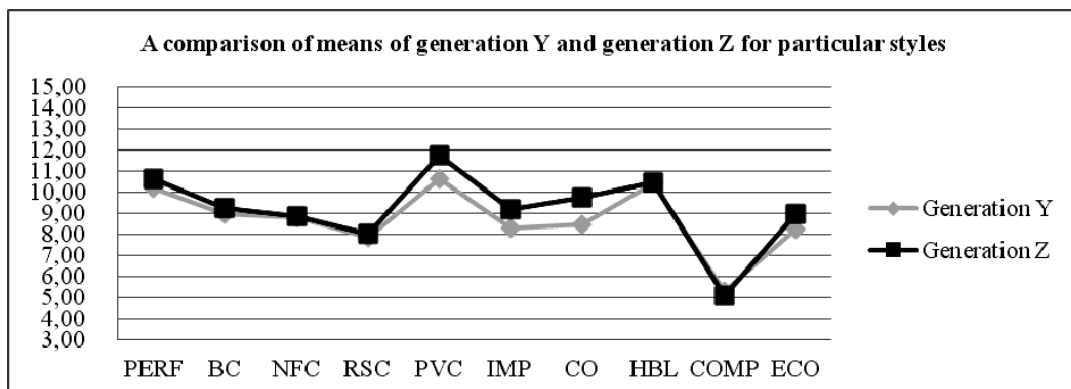
Chart 2. The values of the quartiles for particular consumer decision-making styles in generation Y.



Source: own work

The next chart (number 3) is a presentation of the means obtained for ten dimensions analyzed in both generations.

Chart 3. Average values for particular consumer decision-making styles in generation Z and generation Y



Source: own work

The comparative analysis shows that consumers from generation Z and generation Y present similar consumer behaviors in terms of consumer decision-making styles. However, persons belonging to generation Z seem to be slightly more sensitive to the price of purchased goods, which may result from the fact that they are less likely to have their own financial resources, less often take a paid work at this age, and the amount of money that they possess may be lower. Moreover, during shopping they exhibit impulsive behaviors more often. This is not surprising, because they usually live in their parent's households, parents maintain them and they are allowed to shop more carelessly. People from generation Z feel more overwhelmed with the multitude of information than representatives of generation Y. This may be the result of the fact that young people spend more time on the Internet on entertainment, where marketing actions are particularly intense. On the other hand, this relationship may be surprising, because younger people who do not know the world without modern technologies, mass media, and who live in a time of intense marketing should be accustomed to the accumulation of information. As the survey revealed, that while shopping people from generation Z are also more sensitive to the environment protection, which in turn can be explained by the fact that are taught waste sorting, environmentally friendly and healthy behaviors since childhood.

**Conclusions.** The conducted research and the results of statistical analysis allow us to conclude that there are no significant differences between generation Z and generation Y in terms of consumer behaviors. Statistically significant differences between these generations were observed in four out of ten dimensions of consumer decision-making styles which were analyzed. Persons from generation Z appeared slightly more sensitive to price and ecology, more carefree and overwhelmed with the multitude of information than consumers from generation Y. It is advisable to conduct further research in the analyzed field. It may be particularly interesting to compare generation Z with older people belonging to generation Y, make analysis of other aspects of consumer behaviors and compare them with other generations.

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