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Purchase Behaviours of Generation Y

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Abstract

The purpose of this article is to verify the hypothesis related to the possibility to meet the needs of young consumers who are both capricious and unreliable in their purchase choices. This article concerns the values by which Generation Y are driven, as well as their life purposes, consumption-related behaviours, factors that have an impact on their choice of product, and differences between traditional purchases and ones made over the Internet. The sense of involvement in purchase, planning and satisfaction from the purchase were all analysed in this paper.

Introduction

New generations differ from previous generations in the way in which they evaluate their life goals as well as their behaviours. Their behaviours concerning the purchase of goods are particularly interesting because the development of technology and consumerism means that there are many different ways that people can make purchases, and the purchase and consumption of goods is central to the overall

ethos of Generation Y. Additionally, this generation is internally diversified by the environment in which they grew up in, as well as their life experiences and their financial resources. The development of this new generation needs to be followed very closely so that marketing offers can be adapted very rapidly to changing realities. Generation Y tend to be interested in their personal development and in purchasing well-known brands both in traditional shops and online. The aim of this article is to broaden the knowledge concerning the purchasing decisions of this demographic. It aims to determine whether it is true that Generation Y's main goal in life is purchasing, whether the present purchasing behaviour of this generation is focused on online purchases, and whether they find their information for a particular product from the Internet. It may also be interesting to determine whether a brand is decisive in the purchasing process.

Literature review

Millennials or Generation Y, also known as the digital generation or the iPod generation, constitutes a target group for many companies. This generation currently consists of young adults. In Poland, a generation gap may be taken into consideration here (Littman, 2008, pp. 74–80), and this generation can be defined as those who were born between 1982 and 2000. Other definitions of this generation may be also found in the literature, yet they are adults who constitute ca. 25% of Polish society, numbering approximately 9,526,000 individuals (Central Statistical Office in Gdańsk, 2017). A large part of this segment, mainly those between 15 and 35 years of age, are currently students. The statistics also show that ca. 3.87 million people belonging to this generation are employed, while ca 3.95 million are unemployed (Central Statistical...).

There is a large diversification in the material and financial status of people who derive their incomes both from permanent and temporary employment (temporary contracts), or who acquire funds from their families and scholarships, pensions and other sources such as loans. The young consumer demographic is currently one of the more important segments of the market. Its development originated in the evolution of the social and economic status of young people, which has been influenced by an increase of the standard of living, increasing sums of money offered by parents for the so-called pocket money, parents treating their children with more understanding, increasing numbers of young people in employment and independence in purchasing decisions on the part of children and young people (Olejniczuk-Merta, 2001, p. 13).

In view of the fact that this generation delays the moment of departure from their family home as long as possible, and the fact that they often cohabit and do not start any families, they possess significant financial means. Millennials believe that the system promotes egoism, uncompromising self-realisation and thinking in ideal categories, which aims for perfection with no obligations in friendship or emotional

relationships; this is what the system demands so that they could act to the best of their abilities. The rules of economics are applied to one's private life. It is they that constitute standards for the present-day culture. The predominant culture among young people is thinking in ideal categories, aiming at perfection, which can never be achieved although the goal is to improve upon perfection, and the sense that one needs to continuously improve. This system can lead to high levels of dissatisfaction among young people (Nast, 2017, pp. 304–305).

Young people and the idea of work

The attitude that this generation has towards work can be seen as puzzling and even a little shocking to previous generations who frequently identify themselves and evaluate their lives through work. Young people want to work, but not for their entire lives. They expect copious amounts of freedom and flexible time so that they can pursue their passions outside of their working lives. Having to work long hours every day is not their objective as they value their work-life balance. They have dreams about having an interesting job, which offers plenty of opportunities for development. Psychologists attach these changes to the culture of consumption; they claim that the ethics of hard work has been replaced with the ethos of exciting work.

This can lead to frustration because there is little opportunity for exciting work, with the majority of work being hard and monotonous (Socha, 2018). The employee of the future is a digital employee, i.e. one that knows how to use modern sources of communication and data transfer. These competences will be required not only from specialists but also from regular employees, such as those working in shops or warehouses (Barlik & Raszewska, 2014).

Passion for shopping

This generation also constitutes a segment which is the focus of interest on the part of marketers involved in encouraging people to buy certain brands in particular. Brands will be able to effectively communicate with the younger generation only when they understand their lifestyle. Young consumers value practicality and they often differ from accepted behaviours; they have an individual approach to everything, and this attitude is based on emotions and feelings. They perceive material status in the context of opportunities for the pursuit of their passions. Hence, there is a growing role for economics and for sharing flats, cars, etc. in their lives.

It is not only those who are recognised as authorities that encourage people to buy things. In the past, these were mainly celebrities; nowadays, they are more likely to be sportsmen, bloggers, influencers (i.e., someone who has a high level of expertise and reach within their particular online niche), brand ambassadors and virtual as-

sistants (which are bots that can answer consumers' questions) (Żebrowska, 2018). The coupling of telecommunications with computerisation has opened opportunities for communication and has permitted the creation of entire global networks. The Internet is used for many different purposes (communicative, educational, trading, social) and not only by institutions and organisations but also by millions of ordinary people all over the world (Bolesta-Kukułka, 2003). For young adults, the Internet is the place where they search for information about products, buy them and share opinions about them. The whole purchasing process realised by young adults often takes place solely online. Searching for information about products that they want to buy is of paramount importance to them, as it will be based on the information they find as to whether they will make a purchase. The places that they most frequently search are social media, official company profiles and in their online peer groups. The development of technology enables them to rapidly access the required data.

The knowledge collected allows them to make the best and most economic purchase (Pikuła-Malachowska, 2018). Collated information may be used to diminish uncertainty connected with a given decision, or to conduct a better assessment of alternatives in terms of satisfying a given need (Kos-Łabędowicz, 2018). Young adult consumers constitute an example of changes in the manner of consumption that are occurring under the influence of the development of new technologies and common access to the Internet. Most Polish Internet users are young people. They systematically make purchases over the Internet and mostly use mobile apps to make those purchases. Young adults also use the Internet to search for information on products before making any purchases, buying them online and then sharing their opinions with other users (Kuźniar, Surmacz, & Szopiński, 2017, pp. 143–149).

Research methodology

This study used a quantitative research method, with a questionnaire being used as the research tool. A total of 214 people participated in the research, of which 69.63% were women and 30.37% were men. All of the participants were students at the Faculty of Economic Sciences at the Koszalin University of Technology and were all born between 1991 and 2000. A total of 59.35% of the participants were full-time students; 40.65% were part-time students; 38.32% lived in the country; 14.48% lived in small towns with up to 20,000 residents, 15.42% lived in towns with between 21,000 and 50,000 residents, and 31.78% lived in towns with over 50,000 residents. The research sample was artificially selected as the respondents lived mainly in the area of the West Pomeranian and Pomeranian regions of Poland. The questionnaire consisted of 37 questions, 15 of which adopted a five-point Likert scale and three tables. Only questionnaires that had all the questions completed were used in the research.

The research was of a declarative character in which the expressed opinion was not always consistent with behaviour. It has been assumed that the participants had

similar characteristics to their counterparts in Europe and the USA. In the main hypothesis, the question was formed as to whether it was possible in general to satisfy the changing needs of young consumers.

In addition, certain matters connected with accepted values were examined in the research. The researcher tried to get answers to the following questions:

1. What sorts of information about a product are regarded as being most valuable?
2. What product features influence both its selection and purchase?
3. How is the purchase made?
4. What factors determine the selection of a particular shop?

The respondents were given a number of statements concerning the values that they hold and were asked to state to what degree the given statement refers to them.

Results

The results showed that making purchases often put the respondents in a good mood. A total of 61.21% of the participants said that making purchases reduces stress (37.85% of replies). In addition, making purchases is a necessity only for 50% of the respondents, while 39.72% used making purchases as a pretext to leave their houses. For 35.51% of the respondents, purchases constituted a pretext to leave their houses to meet friends, while almost half of the respondents (49.53%) stated that they could control their shopping habits. Shopping constitutes the way in which people can spend free time. Only 2% said that they hated shopping, while 3% said that they found shopping to be tiring and stressful.

With regard to values, 85% stated that health was most important to them with a sense of security the next most popular (73.83%) with self-acceptance coming third (50.93%). These values all scored higher than money, which obtained only 36.92% of the indications. Other indicators that were considered to be important by the respondents were: a good image (22.43%), spirituality (14.49%), hedonism (7.48%) or popularity in one's environment (6.54%).

What sources of information regarding a product did respondents believe to be most reliable? It is evident from the results that family has a lot of influence on the choice of products, with 90.65% of the respondents agreeing with this statement. This may be because a lot of the respondents are financially dependent on their families to a large extent. The influence of peers (86.92%) took second place, followed by information available on websites and apps (60.75%). The next choice was in accordance with the values of Generation Y, i.e. sportsmen, bloggers and influencers were seen as important (35.51%), while advertising obtained 15.42% and influential celebrities obtained as little as 2.34%.

The next question to be examined was what features of the product are of greatest significance during its selection. As in many surveys concerning the choice of products, price appeared to be the most important factor, with 92.99% of respondents

agreeing with this. Health was also considered to be very important. As far as food products were concerned, food that was seen as healthy with no preservatives was selected by 63.55% of the respondents, while the attractiveness of the packaging would tempt 24.30% of the respondents. Other choices, such as selecting a product that emphasises the consumer’s lifestyle (53.27%) coincided neatly with consumers who stated that branded products were important (51.40%).

However, in answer to the question as to whether there were any products that you would never purchase by the Internet, only 1% indicated clothes and shoes. Hence, we can conclude that online purchases are considered to be safe and there is no product which would never be bought over the Internet.

As traditional shops continue to enjoy a lot of interest, the question was posed as to what features a high-street shop needed to offer in order to attract consumers. It appeared that this time apart from the price (66.36%), the quality of goods (64.95%) and various discounts (39.72%) were also important. In addition, good customer service (17.76%) and convenient forms of payments (14.95%) were also important. Using online shopping platforms meant that convenient forms of payment (14.95%), the delivery time (7%) and delivery cost (7%) were also mentioned. The Internet is now a characteristic feature of the engagement of modern consumers, as can be seen in Table 1.

Table 1. Engagement of customer in the purchasing process

	Form	Percentage (%)
1	Gaining vouchers, bonuses or gifts	49.07
2	Receiving a larger quantity of information	36.92
3	Asking questions	29.44
4	Taking part in a discussion about the product	12.62
5	Participation in a competition	12.62

Source: Author’s own study.

There is a widespread belief that millennials are keen on branded products and it is they that define their manner of evaluation. However, our research showed that 40% of the respondents had no opinion on this issue, while 36% denied this statement, including 15.89% who were very opposed to branding. In contrast, only 15.89% of respondents appreciated branded products, while 5.61% considered branding to be most important to them.

It was verified whether a limited product, i.e. a unique product, is readily purchased. It turned out that almost 60% did not believe this was the case, while 26.17% had no opinion on the issue. In contrast, only 7% would probably buy such a product, while 5.6% would definitely buy it.

Another question that was asked was whether a feature such as uniqueness or originality would lead to a purchase. More than 45% of respondents replied in the negative, 23.36% had no opinion on the issue, 20% would be prepared to think about

such an offer while positively perceiving it, while 9.81% would certainly buy such a product or service.

Although Generation Y do most of their shopping online, they do not shun traditional shopping. Almost 50% of the respondents did not believe that online shopping gave them more satisfaction than other forms of shopping, 22.43% had no opinion on the issue, 17.75% preferred online shopping, while 10.28% would only shop online.

Discussion

The increasing trend for narration in advertising and the effectiveness of true histories connected with the brand is being effectively developed. However, this did not obtain any high indications among the respondents. A total of 37.38% did not watch advertisements nor were they interested in any narration connected with the brand, 21.5% did not like watching advertisements, 25.23% had no opinion, while only 11.22% of respondents watched adverts and just 4.67% watched and enjoyed them.

Further attempts were made to determine what types of feelings are produced during shopping activity. The question examined was whether one feels happier, more cheerful and more fulfilled after making a purchase. Again, the research results were distributed in quite a similar fashion because 20.56% strongly disagreed with this statement, 20.1% disagreed and 27.57% had no opinion on the issue or have never reflected on what emotions are aroused by shopping. In contrast, 25.70% of respondents agreed with the statement and 6% strongly agreed. Another question asked whether you felt healthier and more competent if you made a purchase. Furthermore, an attempt was made to find out whether it is true that if you make a purchase you will be more competent, healthier and more adequate to your times. Just 4.29% strongly agreed with this statement, 12.62% agreed, 30.37% had no opinion, 26.17% did not agree and 26.64% strongly disagreed with it.

The next question aimed to discover whether wealth determines one's worth. As many as 64.95% of the respondents strongly disagreed with this statement, 15.42% disagreed, 10.75% had no opinion, 5.14% agreed with the statement and only 3.74% strongly agreed, saying that they judged people based on their financial resources. The next statement concerned richness as a factor that offers a sense of security. 31.31% of respondents strongly agreed with the statement, 16.82% agreed with it, 18.70% had no opinion on the subject, 13.08% did not agree with the statement and 20.09% strongly disagreed. The next question asked whether the style of the brand also defined the consumer. 29.91% of the respondents strongly disagreed with this statement, 19.16% disagreed, 23.83% had no opinion, 18.22% agreed and 8.88% strongly agreed.

On the other hand, it was believed that a limitation of sale always winds it up. 21% of the respondents did not agree with this. 26.17% had no opinion, 33.64% agreed and 19.16% strongly agreed. The next question asked whether selling limited

edition products made good business sense. 5.61% strongly disagreed, 7.48% did not agree, 26.63% had no opinion, 38.32% agreed and 21.96% strongly agreed. When asked whether one should resist temptation when it came to purchasing products, almost 8% of the respondents did not agree with this, 22.43% had no opinion, 32.71% agreed and 36.91% strongly agreed.

The next question asked whether making a shopping list allowed you to cut down on impulse buys. 12% of the respondents disagreed, 13.08% had no opinion, 27.57% agree and 47.20% of the respondents strongly agreed. Finally, 65% of the respondents were of the opinion that one should be careful and use common sense regarding offers and promotion, 22.90% disagreed and only 7% had no opinion.

Conclusions

The research showed that 55% of the respondents had jobs, so their involvement in work could be noticed both in full-time and part-time studies. The respondents in full-time employment had considerable problems combining study with their work, most frequently yielding to the rigour of work at the expense of study. However, for formal reasons, they wanted to continue studying because their student status offered greater opportunities to find a job. However, this only concerned those doing full-time courses and other students revealed different priorities. With regard to recognised values, health turned out to be the most important value, with 85.05% of the respondents stating this. This is indicative of being focused on oneself. Sense of security with 73.83% of respondents deeming it important is a value that offers an answer to external threats, but this is also the question of being able to support oneself.

Money, which obtained 36.92% of the important indications, was also valued. The question that was considered was whether wealth brings happiness and leads to a better quality of life. Almost 26% did not agree with this statement while 47% agreed with it. Therefore, according to the respondents, money does not define a person's intrinsic worth, but personal happiness certainly does, in that the pursuit of happiness leads to the desire to earn a lot of money. Therefore, the first hypothesis, which concerned the act of purchasing a product as the main value was rejected.

It is evident based on the research that the respondents were not afraid of buying products over the Internet but only 10% of the respondents said that they did all of their shopping online. The respondents stated that whether they shopped online or in traditional shops depended on the product (39.72%), yet 36.92% selected purchases in traditional shops while 32.24% mainly shopped online. However, it is difficult to admit that shopping centres or traditional shops are perceived by young people as places where they make purchases only. They would rather go shopping to spend their free time with friends (35.51%), similar to going to a café, which is why shopping can act as therapy during hard times and can lead to a feeling of happiness (61.21%). In addition, 37.85% of respondents stated that shopping reduced their stress levels. The

second hypothesis about shopping on the Internet was only partially confirmed, with 32% making many of their purchases online and 10% exclusively shopping online.

Another question that was asked was who has an influence on shopping decisions and where is the information collected? Is it collected on the Internet or from external sources? A total of 60.75% of the respondents stated that they searched for data concerning a product on websites and applications as well as social media. The next most popular choices were in accordance with the values of Generation Y, in that sportsmen, bloggers and influencers were found to be important (35.51%) while advertising as a credible source was only considered to be important by 15.42% of respondents. This could be because family has a strong influence on products, with 90.65% of respondents agreeing with this. A reason for this could be because a lot of young people are financially dependent on their families and respect their opinions to a significant extent. In addition, 86.92% of the respondents mentioned the influence of their peers. The hypothesis stating that most of Generation Y look for products on the Internet was confirmed, with 60% agreeing with this.

There is a widespread belief that millennials appreciate branded products and that they define their manner of valuation. However, it became evident in the research that 40% of the respondents have no opinion on this issue, while only 21.89% of the respondents said that they appreciated branded products. Many people consider that the market offer should be adapted a consumer's individual needs and that this is possible, with 76.64% of the respondents believing this. The branding of a product does not interest members of Generation Y as much as the possibility of matching a product to individual needs. Regarding this trend, marketers take these requirements into consideration.

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