



Study on the new generation's consumer behaviour and how it's difficult for marketers to sell

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Abstract : This study investigates the difficulties marketers have when attempting to reach Gen Z consumers, who are distinguished by their inclination for personalised experiences, focus on brand ethics, and active participation on social media. Unlike earlier generations, Gen Z is price-conscious but not exclusively so. Understanding these distinguishing characteristics is critical for organisations to remain competitive. Marketers must alter their strategy to emphasise authenticity, brand ethics, and a strong social media presence. This review underlines the critical significance of understanding customer behaviour in developing effective marketing strategies, increasing brand loyalty, and influencing Gen Z's decision-making process in today's dynamic marketplace.

IndexTerms - New generation, Consumer behavior, Millennials, Generation Z, Marketing challenges, Technological influence, Personalisation, Experiential marketing, Social media.

I.INTRODUCTION

The new generation, particularly Generation Z, demonstrates distinct consumer behavior that offers marketers with hurdles. Consumers of Generation Z are known to respond favourably to personalized experiences and messages, and they highly prioritise ethical standards and corporate accountability when it comes to branding. Additionally, they are less devoted to specific brands and prefer to compare prices. Furthermore, Gen Z is the most likely group to purchase using social media and is extremely price cautious. Marketers have the challenge of reaching this group with an omnichannel strategy and engaging in projects that assist the local community, the environment, and significant causes^{[1][3]}. Understanding generational disparities in customer behavior is critical for firms to remain competitive, since each generation has different purchasing goals and expectations^[2]. The ramifications for businesses include the need to adapt to consumption as an access rather than a possession, an expression of individual identity, and an ethical concern^[4]. As a result, marketers must be aware of these distinct customer needs and be ready to connect with Generation Z as their purchasing power and disposable income grow^[3].

II.OBJECTIVES OF THE STUDY

The study's goal is to better understand Generation Z's distinct consumer behavior and the problems it poses for marketers. This involves investigating their preference for tailored experiences, focusing on brand ethics, and actively participating on social media. The study aims to discover the distinctive traits and preferences of Generation Z that make traditional marketing tactics less effective, such as their price sensitivity, need for authenticity, and the impact of social media and influencers on their purchase decisions. By addressing these goals, the research hopes to highlight the crucial importance of understanding consumer behavior in building effective marketing strategies, increasing brand loyalty, and influencing Gen Z's decision-making process in today's volatile economy

III.LITERATURE REVIEW

Characteristics of New Generation Consumer Behavior

Consumers of Generation Z have various qualities that set them apart from earlier generations. They are realistic when it comes to money and education, and they embrace technology and autonomy. They are also extremely diverse and socially sensitive, with a strong demand for firms to act authentically while also committing to diversity and eco-credentials. Gen Z customers have a tremendous effect on their parents' purchasing habits and overall product trends in the consumer market. They are price-conscious and value-driven consumers that demand tailored experiences and communications. In addition, Gen Z customers are very analytical

and pragmatic in their purchasing decisions, and they place a great value on customer service and product quality. Marketers must acknowledge Gen Z as a vital population to engage, especially as their purchasing power and disposable income rise^{[1][2][3][4]}.

Technological Influence

Gen Z customers utilise social media to impact their shopping decisions in a variety of ways. With 41% of Gen Z customers utilising social media to learn about new products or services, it functions as a platform for product discovery. They also rely on social media for peer evaluations and suggestions, with 75% utilising it to make purchase decisions and 61% purchasing a product after seeing an advertisement on social media. Social media influencers have a major impact on Gen Z purchasing behavior, with 54% making a purchase based on a suggestion from a social media influencer. Social media is also used by Gen Z customers to engage with their favourite businesses, and those who follow brands on social media are significantly more likely to buy items from those firms. TikTok, Instagram, and YouTube are especially important, with 45% of Gen Z consumers ranking them the top sites for product discovery and purchase influence^{[6][7][8][9]}. Social media has had a significant influence on how Generation Z shoppers purchase, altering their behavior and affecting their shopping decisions. Given that Gen Z is the first generation to have grown up entirely online, the impact of social media and the digital world on their habits and way of life cannot be overstated. Brands must recognise Gen Z's importance as a vital group to engage, especially as their purchasing power and disposable income rise^[3].

IV. RESEARCH GAP

A lack of attention on Gen Z purchasing habits

While there is an increasing volume of research on Gen Z consumer behavior, much of it focuses on their consumption patterns and preferences rather than the issues marketers confront when marketing to this demographic^{[10][11]}.

Inadequate research on marketing techniques for Generation Z

Existing literature may describe the issues that marketers have when selling to Generation Z, but there is a need for further in-depth study that investigates effective marketing tactics for engaging with this demographic^{[12][13]}.

Findings that are diverse and contradictory

Some studies reveal differences in impulsive purchase behaviors between Generation Z and previous generations, while others find similarities^[11]. This disparity in findings emphasizes the importance of more study to better understand Gen Z customer behavior and its influence on marketing tactics.

The importance of social media and influencers is not given enough attention

In their purchase decisions, Gen Z customers are significantly impacted by social media and influencers^[12]. Existing study, however, may not sufficiently investigate the impact of social media and influencers in Gen Z consumer behavior, as well as the issues marketers face when exploiting these platforms..

Cultural and socioeconomic aspects are underrepresented.

Consumers of Generation Z are varied and impacted by cultural and socioeconomic influences. Existing literature, however, may not adequately address the influence of these characteristics on their purchasing behavior as well as the obstacles marketers confront when marketing to this population.

V. FINDINGS OF THE STUDY

The true generation

Considering Generation Z in particular provides some crucial truths. Generation Z, commonly known as the "True Gen," is defined by a desire for truth and a strong focus on personal identification. Consumption is a form of self-expression for this age, and they prioritize individualized items and are ready to pay a premium for them. Furthermore, Gen Z values brand ethics, authenticity, and a dedication to diversity and environmental responsibility. They are brand-savvy and want businesses to be honest and consistent in their behaviors. Tech savvy, social media usage, and a demand for customized, ethical, and ecological products all affect Gen Z's purchasing habits. Businesses are being pushed to react to these consequences by prioritizing access over possession, embracing individual identity, and connecting their activities with their principles. The report emphasizes the need of firms practicing what they preach, rebalancing scale and mass manufacturing versus customisation, and providing value to customers. In addition, the assessment emphasizes the crucial importance of understanding consumer behavior in building effective marketing strategies, increasing brand loyalty, and influencing Gen Z decision-making in today's dynamic economy. ^{[4] [3] [14] [15] [16]}

Authenticity and honesty of brands

Brand authenticity and transparency are important elements in Gen Z customers' purchase decisions. They respect openness, honesty, and genuine connections with companies, and they expect brands to interact with them as people, not simply as customers^[18]. Gen Z is well-versed in brand ethics and can easily acquire information to develop views on their activities and ethics^[4]. They want businesses' ideals and actions to be consistent, and they are more inclined to support firms that stress diversity, equity, and environmental responsibility^[3].

The following are some major components of Gen Z's opinion of brand authenticity and transparency:

1. Authentic content: Generation Z expects companies to make genuine relationships with them by creating authentic content that speaks to their emotions and displays the brand's values^[18].
2. Honesty and openness: Gen Z values honesty and transparency in a brand's processes, supply chain, and attempts to solve social and environmental issues^[18].
3. Inclusivity and representation: Generation Z embraces diversity and inclusion and is drawn to companies that celebrate differences and question established norms^[18].
4. Personalized experiences: As they want to express their distinct identities via consumption, Gen Z consumers are more inclined to interact with personalized content and experiences^[4].

To match Gen Z customers' expectations, companies must focus on developing trust via authenticity, openness, and honesty. They should promote diversity in their marketing, product development, and staff, and engage their audience via true storytelling^[18]. Furthermore, organisations must maintain consistency in their principles and activities, since Gen Z customers are more inclined to support firms that embrace diversity, equity, and environmental responsibility^[3].

Challenges for Marketers

When it comes to selling to the new generation of consumers, particularly Generation Z, marketers confront a number of obstacles. Among these difficulties are:

1. Information overload: Because Gen Z and Millennials are continuously assaulted with information from multiple sources, marketers find it challenging to attract their attention and successfully express their message^[20].
2. Ad blockers and banner blindness: Many Millennials and Generation Z users use ad blockers and have acquired banner blindness, willfully disregarding traditional forms of advertising^[20].
3. Authenticity is important: Generation Z values authenticity and value-driven content. They can detect inauthentic marketing strategies fast and are more willing to engage with firms that share their beliefs^[20].
4. Short attention spans: Because Gen Z and Millennials have shorter attention spans, they want succinct and interesting material. Marketers must communicate their message fast and effectively in order to pique consumers interest^[20].
5. Socially concerned consumers: Social and environmental problems have a strong effect on Generation Z, and they want businesses to promote diversity, equity, and environmental responsibility^{[20][21]}.
6. Digital natives: The first generation to be born is Generation Z and raised in an internet-connected world, making them tech-savvy customers in need of new marketing methods and a strong online presence^[22].
7. Price-conscious, but not entirely so: While Gen Z is price-conscious, they also appreciate quality and want the price to reflect the quality of the goods they buy^[21].
8. Individualized experiences: Generation Z demands individualized experiences and messaging, making traditional advertising tactics harder to reach them^[23].

To overcome these obstacles, marketers must tailor their strategies to Generation Z's distinct tastes and beliefs, emphasizing authenticity, transparency, and a strong social media presence.

Strategies for Overcoming Challenges

The research findings have numerous implications for organizations targeting Gen Z consumers:

1. Adapt to new purchasing patterns: Gen Z consumers see consumption as an expression of individual identity rather than possession. They are also more conscious of the environmental and social consequences of their purchases.
2. Emphasise personalization: Because Gen Z customers prefer individualised experiences and communications, firms must modify their marketing techniques accordingly.
3. Highlight brand ethics and corporate responsibility: Gen Z consumers prioritize brand ethics and corporate responsibility even more than Millennials do, They are more inclined to support brands that value diversity, equity, and environmental stewardship.
4. Leverage social media and influencers: In their purchase decisions, Gen Z customers are greatly impacted by social media and influencers. To reach and engage Gen Z customers, brands should invest in social media marketing and cooperate with influencers.

5. Provide value and quality: Gen Z customers are realistic and knowledgeable, looking for items and promotions that provide actual value. They have high standards for both customer service and product quality.
6. Be truthful and authentic: When it comes to brand involvement, Gen Z consumers prefer authenticity, transparency, and inclusion. They can recognize and reject marketing techniques fast, so firms must be real and honest in their communication.
7. Invest in purpose-driven and sustainable initiatives: Gen Z customers are more inclined to support firms that promote sustainability and social reasons. Brands should contribute to activities that help the local community, the environment, and significant causes.
8. Omnichannel approach: Because Gen Z customers anticipate seamless integration between online and physical buying experiences, firms must take an omnichannel approach.

Businesses may effectively interact with Gen Z customers and tap into their expanding market power by recognizing these implications and modifying their marketing strategy appropriately..

VI. CONCLUSION

In conclusion, the next generation of customers, notably Generation Z, confronts marketers with fresh obstacles. Information saturation, ad blockers, authenticity, short attention spans, and socially concerned customers are among the problems. To overcome these obstacles, marketers must alter their methods to suit to this generation's distinct tastes and beliefs, emphasizing on authenticity, transparency, and a strong social media presence. In addition, they must create individualized experiences, alter pricing and quality, and adopt purpose-driven marketing. Understanding Gen Z's changing wants and modifying marketing tactics appropriately is critical for firms to remain competitive in today's volatile market. The study emphasizes the importance of understanding consumer behavior in generating effective marketing strategies, building brand loyalty, and influencing the decision-making process of Generation Z. Marketers may effectively engage Generation Z and tap into their expanding market power by addressing these concerns with unique and authentic techniques.

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