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SEGMENTING THE BABY BOOMER GENERATION: AN EXAMPLE OF CROATIAN CONSUMERS

Abstract

In today's world, demographic ageing has become a global phenomenon that emphasizes the need for researching older consumers' retail purchasing patterns and behaviour. Previous research failed to address this demographic segment in the context of the retail environment in Croatia. With this in mind, the present paper focuses on Croatian Baby Boomers in order to examine their level of satisfaction and loyalty to retail stores. The main purpose of this paper is to broaden current knowledge of Baby Boomers' retail store attitudes and retail behaviour in order to identify distinct categories of this ageing segment. Therefore, empirical research was conducted from 1 June to 1 October 2016 using a purposive sample of 169 Baby Boomers. In order to achieve the main aim of this paper, cluster analysis, ANOVA and the t-test were used. The results reveal that Croatian Baby Boomers can be segmented into three main clusters, each with their specific characteristics. This research has given rise to many questions in need of further examination of this growing segment in order to better understand their behaviour.

Keywords: Baby Boomer Generation, retail store attributes, buying behaviour, Croatian consumers

1. Introduction

Demographic ageing is a global phenomenon with ever-increasing relevance affecting the retail industry, particularly the food retail sector. In that sense, age increases older consumers' retail buying and food-related behaviour changes (Meneely et al., 2009a). Traditionally, ageing consumers have been considered and treated as a rather homogeneous group (Kohijoki, Marjanen, 2013). However, numerous scholars emphasize the heterogeneity of this broad age segment (Greco, 1987; Carrigan, 1998; Gunter, 1998; Mumel, Prodnik, 2005; Sudbury, Simcock, 2009; Moschis et al., 2011; Angell et al., 2014; Van der Zanden et al., 2014). Consequently, retailers are interested in knowing how this segment can be best served in the marketplace (Johnson-Hillery et al., 1997).

As stressed by Moschis et al. (2000), age groups must be understood for their specific needs and situations as consumers, and it is often emphasized that the elderly have special needs in the marketplace (Lumpkin, Hite, 1988). This is particularly true for Baby Boomers since there is little research on this aging segment. Although the precise boundaries of the Baby Boomer Generation are still being debated, it mainly refers to individuals born between the years 1946 and 1964 (Moschis et al., 2000; Worsley et al., 2011; Bava, 2015; Chapman, Ciment, 2015; Feeney, 2015; Russell, 2015).

Approaching the elderly consumer market properly is essential in meeting their needs and improving their shopping experience. More recent evidence (Parment, 2013) highlights that for Baby Boomers, the purchase process starts with a retailer the consumer trusts, who gives advice for choosing the right product. Therefore, it is crucial for retailers to develop a solid understanding of older consumers and to communicate with them. So far, retailers' understanding of the elderly consumers has received little attention. Although food retailers are interested in improving the food shopping experience of older consumers, their efforts are often not put into practice (Meneely et al., 2008).

Understanding elderly consumers' retail behaviour is important for retailers in order to improve their service and more effectively capture this growing market segment. The purpose of this study is to expand the knowledge base of Baby Boomers' retail store attitudes and retail behaviours in order to identify distinct categories of this ageing segment. To this end, the paper is organized into four sections. Following the introduction, the second section considers the bodies of literature associated with the shopping behaviour and the preferences of older consumers. The research methodology, data analysis and research results are presented in the third section. Following this, the fourth section brings the research results. Finally, the paper closes with conclusions drawn from the paper.

2. Literature Review

Traditionally, older people have often been stigmatised with negative stereotypes regarding their physical and mental capacities (Gunter, 1998). However, more recent evidence (Thomas, Okleshen Peters, 2009) suggests that elderly consumers continue to remain physically and socially active. In addition, it has been shown that elderly consumers feel younger than their actual life age (Ying, Yao, 2010). However, Pak and Kambil (2006) affirm that there are psychological, social, economic and biological changes that affect their spending habits and priorities. In general, these consumers, on the average, spend more money at food stores than younger consumers (Moschis et al., 2004; Ong et al., 2008). As mentioned by Meneely et al. (2009a), a decline in patronage of multiple retailers is evident as age increases since elderly consumers tend to use local shops. In addition, they also appreciate the provision of additional facilities, e.g. a post office or chemist's (Meneely et al., 2009b).

When it comes to the food-shopping experience, Hare (2003) indicates key areas of dissatisfaction for elderly consumers, such as aspects of products for sale, retail practices and factors in the community that affect the shopping trip. Traditionally, many elderly consumers have been very reluctant to pursue their rights through the complaint process when they encounter problems with products or services (LaForge, 1989). In addition, as argued by Lee and Soberon-Ferrer (1999), ageing consumers were often described as a quiet majority who were less likely to report a dissatisfying experience. Nevertheless, elderly consumers are generally being more ethical than younger consumers (Vitell et al., 1991) and also less accepting of unethical sales tactics (Ramsey et al., 2007).

Baby Boomers are characterized by time poverty as they try to coordinate two careers and personal and family responsibilities (Hawkins, Mothersbaugh, 2010). The phenomenon of the "empty nest" is becoming the standard for this particular generation, a situation that is providing them with increased discretionary income on the one hand and time on the other. Although the segment of Baby Boomers is extremely diverse, some general characteristics have been determined. This segment is characterised as having a blend of "me-generation" and old-fashioned family values as well as a strong influence on the values of other groups. Many people, who don't belong to this generation feel as if they belong, feel affiliation (Paul, Olson, 2010).

As regards the shopping environment, Baby Boomers value the retail experience and in-store service (Parment, 2013). In that sense, the role of sales personnel is often emphasized (Oates et al., 1996; Hare et al., 2001). Elderly consumers identify friendly and helpful staff as positive factors associated with food shopping (Meneely et al., 2009b). Likewise, Lu and Seock (2008) argue that personal interaction is the strongest predictor of both elderly consumers' satisfaction and overall loyalty behaviour. Consequently, creating a relationship with older consumers is of the utmost importance (Leventhal, 1997). Older consumers emphasise the importance of shopping as a means of socialisation and a leisure pursuit (Myers, Lumbers, 2008). Moreover, they see themselves as experienced, astute shoppers who seek quality and service. Furthermore, shopping can be seen as a way of reducing elderly consumers' loneliness and enhancing social interaction (Kim et al., 2005; Pettigrew, 2007).

A number of in-store difficulties and challenges faced by elderly consumers can be identified in the retail store environment, e.g. store size and changing layout (Meneely et al., 2009b). In this sense, Pettigrew et al. (2005) identify the three issues of most concern to elderly supermarket shoppers which included the demeanour of supermarket employees, the functionality of the shopping environment (i.e. trolleys and baskets), and the appropriate placement of products on supermarket shelves. Likewise, Yin et al. (2013) stress the problem of understanding where certain products are placed on shelves and why. In addition, they determine other areas of concern, such as shelf height, poor signage, labelling and inappropriate portion sizes. Similarly, Sudbury-Riley (2014) points out both physical and psychological problems with product packaging. In their study of the elderly consumers, Moye and Giddings (2002) reported that they would not return to and would avoid looking around in retail stores without chairs or benches or with inappropriate product placement on retail shelves.

As regards retail store lighting and the influence of the colour of light on readability and overall colour perception, elderly consumers reported difficulties with warmer lighting when value contrasts were reduced (Park, Farr, 2007). As regards brand loyalty, recent evidence suggests that elderly consumers tend to be more brand loyal (East et al., 2014) and remain attached for a longer duration to the same preferred brand (Lambert-Pandraud, Laurent, 2010). In addition, these consumers are not only more likely to repurchase but also actively resist switching brands once they have established a favourite brand (Karani, Fraccastoro, 2010). Consequently, Singh et al. (2012) outline that brand choice behaviour of elderly customers becomes an increasingly important issue for marketers.

When considering innovation resistance among mature consumers, Laukkanen et al. (2007) state that ageing appears to be related especially to the risk and image barriers. In terms of risk aversion, Reisenwitz et al. (2007) argue that seniors with more online experience report a lower level of risk aversion to the Internet than other mature consumers. As regards the fast pace of technology advancement, it is also important to consider elderly consumers and their behaviour. Although the use of information technology can improve the quality of life for the elderly, Hough and Kobylanski (2009) report that many older consumers choose to limit their interactions with information technology and so may be denied its potential benefits for enhancing quality of life. Further, Iyer and Eastman (2006) emphasize that senior citizens who have a more positive attitude about the Internet are more likely to use the Internet, to buy online, and to use the Internet for comparison shopping than those seniors with a less positive attitude toward the Internet. Within this framework, recent findings by Jiunn-Woei and Yen (2014) indicate that the major barriers toward online shopping include value, risk, and tradition.

Based on a review of empirical studies, it can be observed that continued research on the current topic is needed to better understand older consumers' retail behaviour and their food shopping experience. In particular, this refers to Baby Boomers' retail store attitudes and retail behaviours.

3. Methodology and Data Analysis

In this paper, we follow the abovementioned definitions of the Baby Boomer Generation focusing on members born between 1946 and 1964. To achieve the main aim of the paper, empirical research was carried out using a convenience sample of 300 Croatian Baby Boomers from the Dubrovnik-Neretva County. The research was conducted from June 1 to October 1 2016. Of the initial sample, 169 questionnaires were correctly completed. The sample profile is summarized in Table 1.

Data were collected through a consumer questionnaire consisting of structured questions based on the literature review and previous research in the field (Mihić, 2006; Mihić, Kursan, 2010). The questionnaire consisted of four parts. The first part focused on five dimensions that looked at the satisfaction of Baby Boomers in a retail store context. Those value-based dimensions included retail service quality, retail store quality, product assortment, price and additional services. Each dimension was composed of several items that described attributes of customer satisfaction in more detail. In total 38 elements were categorized into five relevant dimensions. The questionnaire included multiple choice questions using a five-point Likert scale (1=very dissatisfied, 5=very satisfied), where respondents expressed their level of satisfaction. The second part of the questionnaire analysed the level of Baby Boomers' loyalty in a retail store environment and included eight items (1=completely disagree; 5=strongly agree). The third part of the questionnaire consisted of particular purchasing patterns – behavioural information: sources of information (four items - local newspapers, radio, TV, the Internet), the most visited retail store format (three items - local convenience store, supermarket, and hypermarket), frequency of purchases (three items - daily, weekly, once in two weeks), and monthly consumption (open question). The last part concentrated on demographic information such as gender, age, level of education, occupation, personal monthly income level and geographic information - place of residence (town or suburbs). As can be noticed, in addition to demographic variables, geographic and behavioural variables were also included. Taking into consideration all the variables included in the questionnaire, hybrid segmentation was applied.

Based on the literature review and purpose of this research, the following hypotheses were tested:

H1. There are significant differences in the level of satisfaction and retail store loyalty among Baby Boomers in Croatia.

H2. In addition to demographic features, behavioural features have a significant impact on Baby Boomers' level of satisfaction with retail stores in Croatia.

For the purpose of the research, a number of statistical procedures were carried out using the Statistical Package for the Social Sciences (SPSS, version 20.0). In order to segment Baby Boomers according their overall satisfaction of retail services, cluster analysis was chosen. It is a segmentation technique that minimizes the distance between members of each cluster but maximizes the distance between the cluster centres (Weaver, Lawton, 2001: 445). Its importance lies in a fact that it offers explicit evidence that the respondents and their opinions are not homogeneous (Aguiló, Rosello, 2005: 931). K-means cluster analysis was used for segments identification due to the sample size. In this type of cluster analysis the number of clusters is chosen by the researcher. It has been demonstrated that K-means clustering methodology can be applied for the elderly market segmentation to achieve the appropriate forecasting and planning decisions (Wang et al., 2010).

To test validity of the data, the Kaiser-Meyer-Olkin test (KMO) of sampling adequacy was used. Further, Cronbach's alpha coefficient was calculated to test the reliability of the scale. First, univariate statistics were calculated for all questionnaire items (Table 2). Second, to divide residents into segments, K-means cluster analysis was carried out where two, three and four segment solutions were obtained. Since the three segment solution described data variability the best, it was chosen. Third, once clusters were identified, key socio-demographic characteristics were examined using ANOVA and t-test.

4. Results

Table 1 summarizes the profile of the respondents. As regards gender structure, approximately 70% of the respondents were female. Considering the age groups, three-quarters of the respondents belong to the age group from 50 to 64 years.

Table 1 Respondents' profile

Demographic characteristics	Frequency	Percentage (%)
Age		
50-64	127	75.1
65 and over	42	24.9
Gender		
Male	52	30.8
Female	117	69.2
Education		
Primary school or less	11	6.5
High school	102	60.3
Bachelor's degree	36	21.3
Graduate degree	16	9.5
Postgraduate	4	2.4
Occupation		
Public sector	21	12.4
Private sector	45	26.6
Private businessperson	8	4.7
Housekeeper	25	14.8
Retired	70	41.5
Monthly income in HRK[1]		
under 3,000	42	24.9
3,001-4,000	33	19.5
4,001-6,000	62	36.7
6,001-8,000	20	11.8
8,001-10,000	7	4.1
10,001-	5	3.0

Source: Authors' research

The education structure showed that the majority of respondents (60%) completed high school, whilst one-third were highly educated. In addition, just under 60% of those surveyed were employed. For approximately 80% of the respondents, monthly income was under 6,001 HRK.

Table 2 Overall responses of Baby Boomers' satisfaction and retail store loyalty

	1	2	3	4	5	Mean	Std. Deviation
	%	%	%	%	%		
RETAIL SERVICE QUALITY							
Courtesy of store personnel			33.7	56.8	9.5	3.61	.54
Helpfulness of store personnel		3.0	32.0	56.2	8.9	3.57	.579
Sincerity of store personnel		3.0	50.9	39.1	7.1	3.4	.623
Education of store personnel			100.0			3.45	.576
Tidiness		1.2	24.9	52.7	21.3	3.8	.637
Efficiency of store personnel		7.1	33.7	52.1	7.1	3.5	.654
Promptness at the cash registers	1.8	13.0	45.0	38.5	1.8	3.19	.778

	1	2	3	4	5	Mean	Std. Deviation
	%	%	%	%	%		
RETAIL STORE QUALITY							
Store layout	2.4	2.4	32.5	51.5	11.2	3.48	.802
Cleanliness of store		2.4	23.1	57.4	17.2	3.75	.687
Store location		0.6	25.4	65.1	8.9	3.66	.532
Number of stores	0.6	0.6	31.4	62.7	4.7	3.51	.541
Store hours	4.1	1.2	29.0	52.1	13.6	3.57	.815
Parking facilities		6.5	66.9	23.7	3.0	3.18	.624
Store exterior appearance		4.1	63.9	28.4	3.6	3.25	.565
In-store attractiveness		6.5	68.0	17.2	8.3	3.25	.596
In-store atmosphere		1.8	43.2	51.5	3.6	3.49	.534
Scent		12.4	54.4	26.6	6.5	3.24	.748
In-store aisle width		2.4	43.6	41.3	12.7	3.75	.455
In-store ease of navigation	2.4	5.3	21.9	59.2	11.2	3.62	.653
Cash register organization		5.9	42.0	46.2	5.9	3.4	.676
PRODUCT ASSORTMENT							
Assortment		2.4	33.1	60.9	3.6	3.56	.601
Product quality		1.8	23.1	66.3	8.9	3.63	.555
Placement of products on shelves		3.6	42.0	50.3	4.1	3.5	.566
Selection of local products		9.5	48.5	32.5	9.5	3.34	.716
Selection of retail store brands		5.9	32.5	58.0	3.6	3.46	.598
Selection of bread and gourmet products	2.4	3.0	31.4	53.3	10.1	3.5	.741
Selection of fresh fruit and vegetables	0.6	0.6	45.0	41.4	12.4	3.46	.652
Selection of health products	3.2	10.6	41.4	38.9	5.9	3.06	.564
Selection of fresh meat		3.6	57.4	32.5	6.5	3.27	.641
PRICE							
Price level	3.0	18.3	52.7	19.5	6.5	3.02	.872
Signage/readability	0 6	8.9	52.7	34.3	3.6	3.16	.699
Price credibility		0.6	36.1	53.8	9.5	3.72	.636
Frequency of price promotions		5.3	32.0	54.4	8.3	3.66	.708
Quality of product promotion		8.4	43.4	38.7	9.5	3.33	.571
Value offered equal to price charged	0 6	9.5	37.9	47.3	4.7	3.46	.664
Overall level of satisfaction		9.7	47.6	36.4	6.3	3.56	.586
ADDITIONAL SERVICES							
Bill payment	1.8	4.1	30.8	44.4	18.9	3.75	.756
Home delivery	4.7	10.7	37.9	39.1	7.7	3.31	.873
LOYALTY							.965
I prefer to buy in this retail store		1.8	26.6	56.8	14.8	3.85	.791
I am a member of the customer loyalty programme		0.6	29.6	59.8	10.1	3.79	.681
I am satisfied with benefits of loyalty programme	3.6	0.6	33.7	61.5	4.1	3.69	.616
I am satisfied with types and frequency of rewards			32.5	54.4	9.5	3.66	.793
I feel comfortable buying in this store	0.8	7.7	48.5	36.4	6.6	3.87	.482
Store atmosphere evokes positive emotions		3.4	53.6	40.4	2.6	3.64	.527
I will recommend the store		2.4	40.8	50.9	5.9	3.8	.681
The store has a positive image	2.1	6.7	43.5	38.9	8.8	3.76	.522

**Percentages (rows) are not always 100 % in total due to rounding*
*** Less than 1%*
Source: Authors' research

Table 2 presents the results in relation to the responses to 38 attitudinal statements associated with the level of satisfaction and eight attitudinal statements relating to the level of retail store loyalty. The Kaiser-Meyer-Olkin measure of sampling adequacy was 0.658, indicating that the number of variables and sample size was appropriate. The value of Cronbach's alpha coefficient was 0.890 suggesting satisfactory internal consistency and reliability of the scale.

Table 3 Mean scores of clusters according to Baby Boomers' level of satisfaction and retail store loyalty and ANOVA

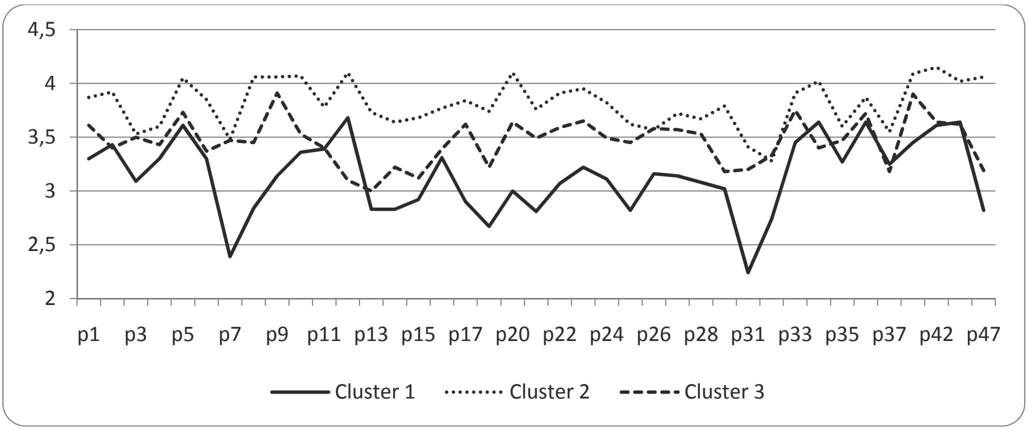
	Cluster 1	Cluster 2	Cluster 3	F ratio*
RETAIL SERVICE QUALITY				
Courtesy of store personnel	3.30	3.87	**3.61**	15.916
Helpfulness of store personnel	**3.63**	3.92	3.40	16.336
Sincerity of store personnel	3.09	3.53	3.50	8.012
Education of store personnel	3.30	3.60	3.43	3.500
Tidiness	3.61	**4.05**	3.73	6.806
Efficiency of store personnel	3.30	3.85	3.37	12.915
Promptness at the cash registers	2.39	3.48	3.47	50.185
RETAIL STORE QUALITY				
Store layout	2.84	4.06	3.45	41.312
Cleanliness of store	3.14	4.06	**3.91**	34.782
Store location	3.36	4.07	3.53	34.584
Number of stores	3.39	3.78	3.40	10.597
Store hours	**3.68**	**4.10**	3.10	32.369
Parking facilities	2.83	3.73	3.00	47.085
Store exterior appearance	2.83	3.64	3.22	34.556
In-store attractiveness	2.92	3.68	3.12	30.256
In-store atmosphere	3.31	3.77	3.39	12.510
Scent	2.90	3.84	3.62	22.479
In-store ease of navigation	2.67	3.74	3.22	34.035
Cash register organization	3.00	**4.10**	3.64	32.227
PRODUCT ASSORTMENT				
Assortment	2.81	3.76	3.49	35.348
Product quality	3.07	**3.95**	3.59	32.884
Placement of products on shelves	**3.22**	3.91	3.49	27.682
Selection of local products	3.11	3.82	**3.65**	23.471
Selection of store brands	2.82	3.62	3.45	20.673
Selection of bread and gourmet products	3.16	3.57	3.58	8.457
Selection of fresh fruit and vegetables	3.14	3.72	3.57	8.629
Selection of fresh meat	3.08	3.67	3.53	12.052
PRICE				
Price level	3.02	3.79	3.18	26.662
Signage/readability	2.24	3.41	3.20	34.330
Price credibility	2.74	3.28	3.33	12.415
Frequency of price promotions	3.45	4.02	3.75	6.583
Value offered equal to price charged	3.64	3.91	3.40	13.297

	Cluster 1	Cluster 2	Cluster 3	F ratio*
ADDITIONAL SERVICES				
Bill payment	3.27	3.60	3.47	2.355
Home delivery	3.64	3.87	3.72	2.371
LOYALTY				
I prefer to buy in this retail store	3.25	3.55	3.18	12.548
I am a member of the customer loyalty programme	3.45	4.09	3.90	29.531
I am satisfied with benefits of loyalty programme	3.61	4.15	3.64	27.881
I am satisfied with types and frequency of rewards	3.64	4.02	3.62	36.135
I will recommend the store	2.82	4.06	3.19	25.192

**p<0.01*
Source: Authors' research

In addition, it should be noted that statements with a statistical significance higher than 0.01 were excluded from further analysis. These statements included five questions associated with customer satisfaction (*in-store aisle width, selection of health products, quality of product promotion, feeling valued and appreciated as a customer, and the overall level of satisfaction*), and three questions relating to customer loyalty (*I feel comfortable buying in this store; The store atmosphere evokes positive emotions; The store has a positive image*).

Figure 1 Plot of means for each cluster



Source: Authors' research

According to Table 3 and Figure 1 it can be concluded that three different segments were isolated. The results indicate that differences of mean values among the segments are statistically significant indicating that hypothesis H1 is confirmed.

Broadly speaking, Croatian Baby Boomers express middle level of satisfaction toward retail stores (Figure 1). On the one hand, Cluster 1 includes Croatian Baby Boomers who have lower scores on satisfaction and loyalty statements towards retail stores. On the other hand, Baby Boomers belonging to Cluster 2 have opposing opinions compared with those in Cluster 1, whilst consumers belonging to Cluster 3 seem to be rather indifferent.

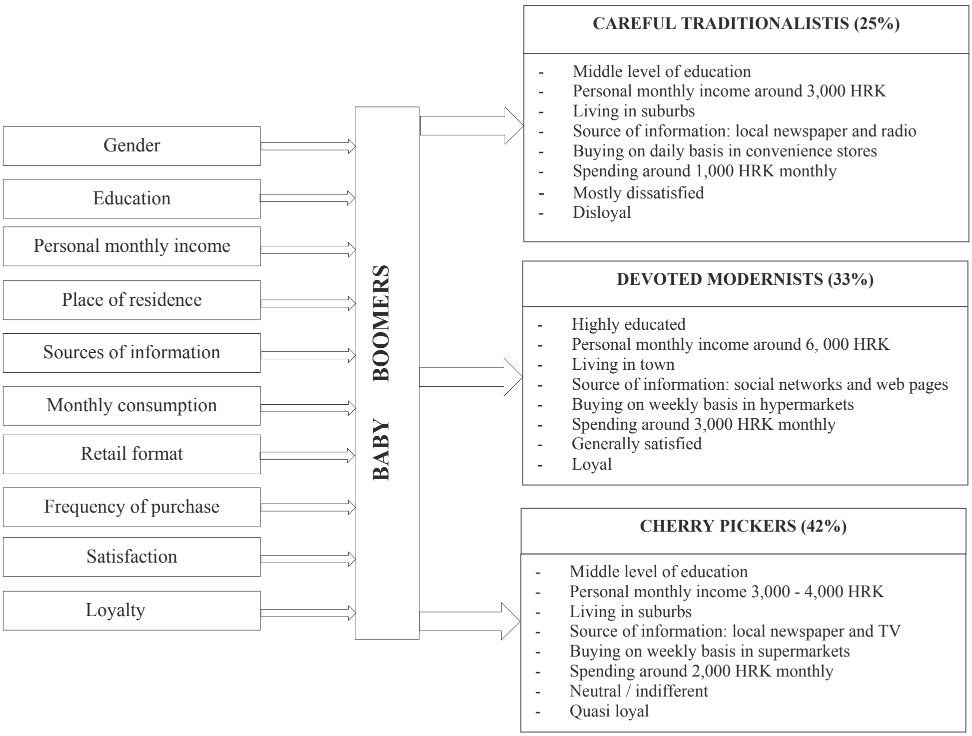
Table 4 ANOVA and t-test results for individual variables by segments

	Cluster 1 *Careful traditionalists*	**Cluster 2** *Devoted modernists*	**Cluster 3** *Cherry pickers*	**p**
Age	3.14	3.28	3.29	0.136
Gender	1.73	1.45	1.85	**0.000**
Education	2.20	2.62	2.38	**0.046**
Occupation	3.75	3.58	4.90	0.102
Personal monthly income	2.35	2.85	2.58	**0.050**
Place of residence	1.66	1.34	2.23	**0.000**
Sources of information	2.31	2.16	2.46	**0.000**
Monthly consumption	2.09	2.78	2.72	**0.002**
Retail format	2.14	1.79	1.61	**0.000**
Frequency of purchase	1.98	1.47	1.79	**0.001**

**p<0.1*
Source: Authors' research

As can be observed from Table 4, variables age and occupation are not statistically significant. Thus, they will be excluded from further analysis. Three isolated segments are named as follows: *Careful traditionalists*, *Devoted modernists* and *Cherry pickers* (Figure 2).

Figure 2 Empirical model



Source: Authors' research

The first cluster, given the label *Careful traditionalists* and comprising one-fourth of the sample, is the smallest of the three clusters. These Baby Boomers are mostly women (72%), with middle levels of education (70%), personal monthly income around 3,000 HRK (52%), and living in suburbs (40%). They use local newspapers and radio as a source of information; buy on a daily basis in convenience stores and spend around 1,000 HRK a month. In general, these consumers are dissatisfied with the analysed retail store attributes. Specifically, they are dissatisfied with sincerity of store personnel, promptness at the cash registers, in-store ease of navigation, assortment, selection of store brands, and signage and readability. In light of this, they would not recommend the retail store and they do not prefer to buy there. However, they are satisfied with helpfulness of store personnel and tidiness, store hours, placement of products on shelves, value offered equal to price charged, and frequency of price promotions.

The second cluster entitled *Devoted modernists* includes just under one-third of the Baby Boomers, with the same percentage of male and female buyers; mostly highly educated (40%), with a personal monthly income around 6,000 HRK (52%) and living in town (69%). The members of this cluster use social networks and web pages as a source of information, buy mostly in hypermarkets on a weekly basis and spend around 3,000 HRK a month. Generally, they are satisfied with the analysed store attributes. In particular, they are satisfied with tidiness, store hours, product quality, frequency of price promotions, and benefits of loyalty programme. Moreover, they are loyal consumers; they would recommend the retail store to others, and they are aware of the benefits from loyalty programmes. On the other hand, these consumers express dissatisfaction with promptness at the cash registers, store exterior appearance, selection of fresh meet, and signage and readability.

Finally, the third cluster, named *Cherry pickers* and comprising 42% of the sample, is the largest of the three clusters. Members of this group are mostly women (85%), living in suburbs (30%), with middle levels of education (66%), and a personal monthly income between 3,000 and 4,000 HRK (41%). Local newspapers and TV are their main sources of information gathering; they usually buy in supermarkets on a weekly basis and spend around 2,000 HRK a month. Broadly speaking, these consumers appear to be fairly neutral when compared to other segments. On the one hand, they are satisfied with the courtesy of store personnel, cleanliness of store, selection of local products, and frequency of price promotions. Furthermore, they are also members of customer loyalty programmes. On the other hand, they are dissatisfied with the efficiency of store personnel, parking facilities, selection of store brands and price levels.

Apart from the demographic impact on elderly consumer behaviour, the findings suggest that behavioural impacts also have a significant influence on the Baby Boomers' level of satisfaction with retail stores. As a result, the second hypothesis (H2) can be confirmed.

5. Conclusion

Population ageing directly affects the retail industry, in particular the food retail sector. In that context, the market segmentation analysis focused on the Baby Boomer Generation provides a more sophisticated understanding of the elderly consumer market allowing retailers to target and position offerings specifically for selected elderly consumer groups (Moschis et al., 2005). Furthermore, segmentation of the elderly market enables better customer understanding, defining the most attractive elderly segments, efficient prioritising of services, appropriate positioning of products and market services both for the customer and against the competition, creating the personalised marketing campaigns, selecting the best performing distribution channels, winning competitive edges after customization of products and services, and creating value offers and making the most of market opportunities (Dibb, Simkin, 2010; Feldman, 2006).

To the best of our knowledge, this is the first study that deals with Croatian Baby Boomers with the aim to identify profiles of older consumers using behavioural, geographic and demographic variables. This paper has examined the specific segment of the consumer market by clustering the Baby Boomers into various market segments. Three clusters were profiled using behavioural, geographic and demographic variables: *Careful traditionalists*, *Devoted modernists* and *Cherry pickers*. In conclusion, several points have to be outlined. First, the research has stressed the heterogeneity of the older consumers' segment. This finding is consistent with previous studies (Sudbury, Simcock, 2009; Moschis et al., 2011; Angell et al., 2014; Van der Zanden et al., 2014) emphasizing heterogeneity within the older consumers' segment. Second, the paper developed an older consumer typology taking into account their behavioural, geographic and demographic features. In light of this, the findings can be useful to both retailers and marketers in order to properly approach the elderly consumer market and to improve their shopping experience.

However, the findings should be considered in the light of their limitations. As anticipated, there were some problems due to the questionnaire length, implying more time to complete it. As the focus of the study was on older consumers, the questionnaire could have been a bit shorter. Thus, the questionnaire length should be treated with the utmost caution, in particular when examining ageing consumers. Further, given that purposive sampling was used, the results should be taken as indicative only. In regard to a sample selection, the research was conducted in one Croatian county, in the very south of Croatia, which possibly limits the representativeness of the sample and the generalisation of the findings. Finally, an additional limitation refers to the lack of prior research of Baby Boomers in Croatia. Consequently, it was not possible to compare the results with similar previous studies relating to older consumers in Croatia.

Starting from questionnaire design, future research should adjust better to older consumers. In other words, one should take into account the distinctive features of older consumers. Therefore, instead of a questionnaire, further researches could apply different methods of interviewing, as well as other methods of data collection in qualitative research. The future research sample should be extended by including other Croatian counties and conducting the research over a longer period. In that way, certain similarities and differences of retail buying behaviour of older consumers in Croatia could be identified. Thus, in order to generalize the findings, future research should be focused on the respondent selection and should cover a wider geographic area of examination. In addition, further research should be undertaken in the area of elderly consumers and e-retailing. In that sense, the following aspects could be examined: older consumers' attitudes and intentions towards using the Internet, risk aversion, or innovation resistance among older consumers. Despite the limitations, the paper provides a framework for an improved understanding of older consumers and their food store experience. Moreover, it contributes to the existing literature by providing new insights into the level of satisfaction and loyalty of Croatian Baby Boomers. In addition, the research can be useful for future studies on this topic, in particular in the context of the Croatian retail environment.

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(Endnotes)

1 HRK stands for the Croatian Kuna. In January 2016 the exchange rate for EUR to HRK 7.515, available at: https://www.hnb.hr/en/web/guest/core-functions/monetary-policy/exchange-rate-list/exchange-rate-list (Accessed on: January 30, 2017)

Appendix I.

A part of the questionnaire

Please mark the level of your satisfaction with given statements on the Likert scale 1-5 (1 is very dissatisfied and 5 is very satisfied)					
RETAIL SERVICE QUALITY					
Courtesy of store personnel	1	2	3	4	5
Helpfulness of store personnel	1	2	3	4	5
Sincerity of store personnel	1	2	3	4	5
Education of store personnel	1	2	3	4	5
Tidiness	1	2	3	4	5
Efficiency of store personnel	1	2	3	4	5
Promptness at the cash registers	1	2	3	4	5
RETAIL STORE QUALITY					
Store layout	1	2	3	4	5
Cleanliness of store	1	2	3	4	5
Store location	1	2	3	4	5
Number of stores	1	2	3	4	5
Store hours	1	2	3	4	5
Parking facilities	1	2	3	4	5
Store exterior appearance	1	2	3	4	5
In-store attractiveness	1	2	3	4	5
In-store atmosphere	1	2	3	4	5
Scent	1	2	3	4	5
In-store ease of navigation	1	2	3	4	5
Cash register organization	1	2	3	4	5
PRODUCT ASSORTMENT					
Assortment	1	2	3	4	5
Product quality	1	2	3	4	5
Placement of products on shelves	1	2	3	4	5
Selection of local products	1	2	3	4	5
Selection of store brands	1	2	3	4	5
Selection of bread and gourmet products	1	2	3	4	5
Selection of fresh fruit and vegetables	1	2	3	4	5
Selection of fresh meat	1	2	3	4	5

Please mark the level of your satisfaction with given statements on the Likert scale 1-5 (1 is very dissatisfied and 5 is very satisfied)					
PRICE					
Price level	1	2	3	4	5
Signage/readability	1	2	3	4	5
Price credibility	1	2	3	4	5
Frequency of price promotions	1	2	3	4	5
Value offered equal to price charged	1	2	3	4	5
ADDITIONAL SERVICES					
Bill payment	1	2	3	4	5
Home delivery	1	2	3	4	5
LOYALTY					
I prefer to buy in this retail store	1	2	3	4	5
I am a member of the customer loyalty programme	1	2	3	4	5
I am satisfied with benefits of loyalty programme	1	2	3	4	5
I am satisfied with types and frequency of rewards	1	2	3	4	5
I will recommend the store	1	2	3	4	5

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Segmentiranje Baby Boomer generacije: primjer hrvatskih potrošača

Sažetak

Demografsko starenje danas postaje globalni fenomen koji naglašava potrebu istraživanja kupovnih obrazaca i ponašanja starijih potrošača. Prethodna istraživanja zanemarila su ovaj demografski segment u kontekstu hrvatskog maloprodajnog okruženja. S tim u vezi, rad se bavi generacijom hrvatskih *Baby Boomera* kako bi se istražila razina njihovog zadovoljstva i odanost prodavaonicama. Glavni je cilj rada proširiti postojeća znanja o maloprodajnim obilježjima i ponašanju ove generacijske skupine kako bi se identificirale njihove različite kategorije. Empirijsko istraživanje provedeno je od 1. lipnja do 1. listopada 2016. na prigodnom namjernom uzorku od 169 *Baby Boomera*. Klasterska analiza, ANOVA i t-test korištene su kako bi se postigao glavni cilj rada. Rezultati upućuju na to da se hrvatski *Baby Boomeri* mogu segmentirati u tri glavna klastera uzimajući u obzir njihove posebnosti. Istraživanje otvara brojna pitanja koja treba istražiti u kontekstu boljeg razumijevanja ponašanja ovog rastućeg segmenta potrošača.

Ključne riječi: *Baby Boomer* generacija, obilježja prodavaonica, kupovno ponašanje, hrvatski potrošači