

Change in Responsible Consumer Behaviour Through Generations?

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Abstract

In our accelerated world, in the era of over-consumption, decisions and choices have got more and more emphases than before. In spite of the fact, that conscious and responsible behaviour did not draw as much attention as it does nowadays, the whole society suffers the consequences of decisions independently from which generation can be blamed. However, the education for responsible behaviour has started and become more important than ever, the real change in the attitude and the approach to responsibility still needs a lot of time. The research conducted among Hungarian consumers aims to reveal the differences between the generations' consumer behaviour with special focus on the FMCG market. In the analysis of the factors influencing consumer decision-making, the corporate marketing communication as well as the environmental and social aspects get central role.

Keywords: responsible consumers, generations, consumer decision-making, corporate marketing communication

JEL classification: M31

Introduction

More Conscious Consumers?

Environmental protection, sustainability, conscious consumption are magic words in our days. Not only environmental activists, climate researchers, but also economists, marketing specialists must have a deep knowledge and understanding about the topic. On the way to a sustainable society the individual consumption habits play a crucial role. However, conscious consumption patterns are getting to be more and more popular in Hungary as well, there are still a lot of people, who are not willing to follow a sustainable lifestyle (Kovács, 2015, p. 32). More authors underline the significance of different "consumer policy tools", because for these consumers sustainable consumption is not associated with positive attributes" (Zilahy and Zsóka, 2012, p. 19).

Conscious consumption can be considered to be an umbrella term. It embraces the self-conscious consumption, which concentrates on the self-interest of the consumer; but it also incorporates the responsible consumption, which takes the interests of others into consideration. Self-conscious consumption focuses on health, price, values, the brand and the rights of the person as a consumer. Responsible

consumption covers social responsibility, environmental consciousness and ethical customer behaviour as well (Dudás, 2011).

In Europe most citizens have understood, that it is vital now, that both our production and consumption must stay within the limits determined by the environment and society. An overwhelming percentage of Europeans (81%) have recognized, that environmental concerns are not just the problem of scientists, but they have a direct impact on their everyday life and health. In Hungary this proportion was 82%. However, it is obvious now for most citizens, that not only big companies and governments have a role in this fight, since 87% of Europeans are convinced, that as individuals we can also play an essential part in protecting the environment and society. This number has been quite consistent for ten years now: ranging between 85-87%. A survey conducted in the US and UK came to similar conclusions (Young, 2018). However, the tendency has not changed, since more Europeans feel that big companies, industries do not do enough to protect the environment (79%), than that citizens themselves (66%) are not active enough on this field (European Commission, 2017, p. 4, 12, 19).

Does Age Matter?

The hope is invested in new generations. The way of thinking, the lifestyle and the consumption habits of each generation is determined by many different factors: they are driven by the historical background they live in, expectations, values, technological changes as well (Williams and Page, 2011, p. 1). According to Howe and Strauss (2000) the perceived membership to a group; the common behavioural patterns and beliefs, the decisions made determine the characteristics of a generation much deeper, than the age (Pál and Törőcsik, 2013, pp. 2-3.; Törőcsik et al., 2014, pp. 24-25.). Furthermore, as Parment (2013) states referring to the result of other researches, the „consumer motivations often lie below the surface of age". He argues that cataclysmic events – which are called defining moment events by him - create different values within roughly the ages of 17-23, and they remain relatively constant during our whole life. These events can be technological developments, wars, even terror attacks (Parment, 2013, p. 189).

The Effects of Generational Differences on Purchase Behaviour

As different generations vary on many different fields in general terms, it is also true for their purchasing habits. Of course, these are rough generalizations, but the tendency is clear. (See the differences in Table 1)

Table 1
The Purchase Habits of Different Generations

	Veterans	Baby Boomers	Gen X	Gen Y	Gen Z
MOTIVATION	To make reasonable decisions.	focus on value for their money and product quality	want to feel emotionally connected to the purchase experience and to the brand itself They want to make a good deal.	to have fun; since shopping is a relaxing activity and a social event for them	to have fun
DRIVERS THAT INFLUENCE PURCHASING DECISIONS	Good value for money. Do not like waste.	Prioritize products that are reliable, fairly priced, and budget friendly The reported popularity of a brand is important.	Speedy shopping is important. <i>conservative shopping,</i> <i>Deliberate purchasing decisions.</i>	Friends and family recommendations, word of mouth, in-store experience, their moods, social media posts, product reviews, user-generated content	review, atmosphere, tech, speed, word of mouth, coupon offers.
OTHER CHARACTERISTICS	They prefer small shopping centres. They spend much more on food and medical care than others. They are conservative, careful customers. They do not like adventures, changes. Structure is important for them.	Do not consider shopping a way to relax, it is stressful for them. They prefer the personal engagement of traditional stores; however, they make regular purchases online. High expectations of customer service.	Research the product thoroughly before buying - extensive use of search engines, online reviews, and social media networks before making a purchase.	Use web devices in nearly every aspect of their life. Speedy shopping is important.	Uses Google resources to compare prices, styles, availability, and ratings of products to make the most educated purchase possible. Technology drives their shopping experience. Still prefers to shop in store. Enjoys visiting stores as a social excursion. Make comments online.

Important: Payment security, easy brand interactions, and transparent promotions

Receptive to loyalty and rewards programs.

Source: Authors' work based on Square (2019); Salesfloor (2017); Budac (2015); Directional Insights (N/A); Wolner, (2015)

Youngsters on the Green Way?

We tend to think, that youngsters, who have been the witnesses of the struggles of the world for sustainability in their whole lives, are much more conscious, than older generations. In our article we examine how conscious the different generations are based on a Hungarian sample. However, at first, it is worth to overview the global data.

A Nielsen online global study seems to strengthen this perception, since Millennial Generation (Gen Y) proved to be the most conscious when making shopping decisions, as 75% of them answered that they were willing to pay more for sustainable goods. The Generation Z considers the CSR activities of companies important even in this case, as 72% of the responders was ready to pay more for products of companies that are devoted to CSR activities. It is also a promising trend, that their ratio has grown from 55% (2014) to 72%. Based on these findings Grace Farraj (SVP, Public Development and Sustainability, Nielsen) emphasized, that "brands that establish a reputation for environmental stewardship among today's youngest consumers have an opportunity to not only grow market share but build loyalty among the power-spending Millennials of tomorrow, too." (Nielsen, 2015). However, Baby Boomers are getting to be more conscious as well: 51% of them is willing to spend more in the above-mentioned case; it means a 7% increase comparing to the previous year (Nielsen, 2015).

Another survey conducted in the US and in the UK affirmed these findings: In biggest ratio Millennials tend to pay more for eco-friendly, sustainable products (61%), Generation Z (58%), Generation X (55%), Baby-boomers (46%) come only later in this row (Young, 2018).

Regarding the products, FMCG brands have to face first the „green motion", as customers are likely to check the greenness of these products most. According to the earlier survey data (Young, 2018), 73% of the consumers do consider environmentally-friendly aspects of household cleaning products or personal care products. These products are followed by the food (61%), electronic devices (49%) and clothes (48%) categories.

Methodology

A quantitative approach was chosen to assess the attitude of consumers of different generations toward conscious consumption. An online survey was conducted on 652 people who are the buyers of a German supermarket chain in Hungary. The questionnaire including 22 questions aiming to reveal the general demographics and the buying habits of the consumers and the drivers of their shopping. To measure the importance of influencing factors (9 items) and the respondents' attitude toward conscious consumption based on 16 statements a 5-point Likert type scale was developed. The following research questions were defined:

RQ1: How did the importance of factors influencing product choice change?

RQ2: Is the youngest generation the most conscious/responsible one?

Results

Consumers' product choice depends on lots of factors. Both descriptive and exploratory analysis methods were applied to map this process and its background. According the Hungarian respondents, product quality (mean=4,67 on 5-point Likert type scale) is the most determining factor in their decision-making process during their shopping. The 67,6 % of the buyers find the product quality extremely important. This is followed by the good value for money (mean=4,38) and the labelling referring to bio or environmentally-friendly product labels. (mean=3,41). Concerning the whole

sample, the factor with the least influencing power is the CSR activity of the business, while the brand, the packaging or the products design rather have neutral effect on decisions. Compared to the importance of the factors between generations, only the veterans are who find the good value for money more important than the product quality.

Table 2
Means of Influencing Factors by Generations

	Veterans	Baby-boomers	Gen X	Gen Y	Gen Z
Brand	3,41	3,37	2,93	3,28	3,55
Labels	3,18	3,65	3,49	3,31	3,23
Environmentally conscious production	2,36	3,49	3,28	3,17	2,97
CSR of the supermarket	2,23	2,84	2,72	2,65	2,41
Advertising	3,73	3,04	2,63	2,64	2,80
Value for money	4,36	4,34	4,34	4,41	4,45
Product quality	4,23	4,61	4,69	4,72	4,65
Recyclability of product packaging	2,91	3,39	3,22	3,12	2,81
Product design	3,55	3,72	3,28	3,06	3,28

Source: Authors' work

As the means indicate that the CSR activity of the supermarket where they do shopping, the recyclability of product packaging, as well as, the environmentally conscious production are not really determinants in the product choice. Running One-way ANOVA analysis gave the results that the groups of the Veterans and the Z-generation form distinct groups. LSD comparisons revealed that the mean (2,36) of Veterans was significantly different from the means of all the other generations in terms of the aspects of environmentally-friendly conscious production on 5% significant level ($p^{BB}=0,000$, $p^{Gen X}=0,000$, $p^{Gen Y}=0,001$, $p^{Gen Z}=0,023 < 0,05$). Like Veterans, Z-generation also differs from the other groups. Other consequence from the LSD analyses is that generations coming after each other (e.g. Baby-boomers and X-generation or X-generation and Y-generation) show many similarities in their attitudes, therefore real changes can be identified between every second generations only (e.g. between baby-boomers and Gen Y). In terms of commercials/ advertisements, recyclable product packaging there was no significant difference between the means of groups.

In addition, the analysis of factors playing role in consumer-decision making, another question focused on the investigation of the characteristics and the habits of the survey participants in the light of consciousness.

Table 3
Characteristics of Consumers by Generations

	Veterans	Baby-boomers	Gen X	Gen Y	Gen Z	Total
Purchasing energy-saving bulbs	4,14	4,42	4,63	4,57	3,97	4,49
Purchasing recycled toilet papers	2,55	3,12	3,16	2,85	2,57	2,95
Purchasing recycled copy papers	3,82	4,36	4,59	4,40	4,22	4,41
Taking my own basket/ textile bag for shopping	2,82	3,14	3,30	3,11	2,71	3,12
Purchasing returnable/ recycled packaging products	3,45	4,18	3,94	3,67	3,88	3,85
Putting the bakery products into paper bags during shopping	2,73	3,50	3,23	3,01	2,84	3,13
Purchasing environmentally-friendly hygiene products	3,23	3,55	3,16	2,89	2,81	3,08
Purchasing labelled products (e.g. bio)	3,95	3,90	3,95	3,90	3,61	3,88
Taking my shopping list	3,14	3,47	3,36	3,45	3,03	3,37
The product I purchase represents me	4,05	3,78	3,58	3,56	3,64	3,63
Brand loyalty is important for me	2,36	3,00	2,97	2,88	2,62	2,88
Purchasing fair-trade products is important for me	4,36	4,23	4,04	4,11	4,00	4,10
The primary goal is to find wide range of products during shopping	3,41	3,50	3,38	3,51	3,17	3,43
The price is the most determining factor in my purchase decision	4,00	3,85	3,48	3,53	3,83	3,61
I am willing to pay more for fair-trade products to help others	2,50	3,07	3,07	2,86	2,62	2,92
The quality is the most important factor for me.	3,64	4,20	4,21	4,19	3,99	4,16

Source: Authors' work

Analysing the means, purchasing energy saving bulbs (mean=4,49) or taking own textile bags for shopping (mean=4,41) are relatively popular among the respondents, however choosing recycled, recycled packaged or labelled (bio, fair-trade...etc.) product do not characterize the Hungarian consumers participated in the survey. A possible reason of the relatively higher mean of purchasing energy-saving bulbs can be due to the present EU regulation. Purchasing recycled copy papers is typical for the younger generations, especially for the Gen X and Y, that is also statistically proven with the ANOVA F probe ($F=11,368$; $p=0,000$).

The labelled and recycled packaged products usually cost more than the other products, that can also hinder the purchase willingness, however based on the Chi-square test on 5% significance level, there is no association between income and this kind of purchase habit ($p=0,059 > 0,05$). Since the higher price cannot be blamed for

lower purchase intention, other reasons needed to be found. Other surprising result from the survey data is that purchasing fair-trade products is so important for all generations, however they are not really willing to pay more for them.

Based on the survey data, real characteristics regarding consumption habits cannot be defined such as in other European and US samples.

Discussion

Only every second generation shows a slightly positive shift towards consciousness, a sharp change cannot be experienced through generations – based on the Hungarian data. Comparing the Hungarian results to other international data (e.g. UK or US) unfortunately, the difference is detected. After the analysis of the influencing factor in consumer decision-making and consumption habits, the consciousness is rather manifested in the self-interest than in the responsibility. While other international survey data have proven development through generations, and found younger consumers more conscious and responsible, in Hungary this has not been statistically proven.

Conclusion

As this survey result shows that the younger generations have not brought such a big change in terms of conscious consumption than we expected based on earlier survey data and global trends. Regarding the responsibility in consumption/ shopping the majority of the Hungarian respondents are not so really sensitive to the CSR activity of companies as the other Europeans are. Only 25% is the proportion of those respondents in each generation, who would pay more for products coming from companies with strong CSR activity. This proportion in the UK and US amounts to minimum 46% (Baby-boomers), but concerning Generation Z this is 58%. What can cause the difference between Hungary and other countries? Socio-demographic factors of consumers or education (family or institutional)? Some questions have arisen, whose answering could help to understand more the consumers' behaviour.

Until the new research starts, the authors highlight some measurements based on earlier analyses (Young, 2018). On the one hand, giving more information or introducing training to change the attitudes of people is vital on state level, however, the marketing communication strategies and tactics of the companies adapted to the generations' media consumption habits is essential. The results of a Hungarian market research on the FMCG market emphasized that every third Z Gen consumer makes decision based on the opinions of social media influencers (Schäffer, 2018). This result also strengthens us that the power of marketing does alter behaviours.

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