

AN EMPIRICAL STUDY ON UNDERSTANDING THE PURCHASE BEHAVIOUR OF GEN Z AND GEN Y IN FASHION INDUSTRY

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Abstract:

Marketers, promoters, academicians, and most importantly the companies are more interested in identifying that how a specific generation behaves while purchasing the things, specifically related to consumption practices and brand preferences. This study tries to understand the Purchase Preference for Branded Products of two generations Gen Z, and Gen Y. This study examines the buying pattern of both the generation and also how they are different from each other when it comes to the fashion industry whether purchasing online or offline. Objectives of the study is to find out buying behaviour of both generation and to understand the 00, for this study the sample size was 100 respondents, 50 of each generation and tools and techniques used for data analysis was simple percentage analysis is applied to understand the result. The study reveals that Gen Z are more shopaholic than Gen Y. Gen Z are more into impulse buying behaviour than Gen Y. Gen Z are more brand conscious than Gen Y, and most importantly Gen Y spend more time on searching the things rather than buying. The last conclusion is majority of Gen Y is working and having good spending capacity while Gen Z are students with very little income or no income on hand still buy more than Gen Y.

Keywords: Gen Z, Gen Y, Branded Products, buying behaviour.

Introduction:

The digital revolution has impacted all generations, with Gen Y and Gen Z being particularly affected. The rise of the Internet, smart devices, and social media has transformed communication and purchase decision-making. Both generations use smartphones for social media and product research, though they may still visit physical stores. The time spent online, especially among teenagers, is increasing. Consumers are more brand-aware, and social media marketing has become a significant marketing tool. Gen Y and Gen Z exhibit differences in purchasing behaviour, influenced by various factors, including the fast-paced, globalized world and changing trends. This research explores the differences in fashion choices between Gen Y and Gen Z. Gen Z's consumer values and preferences differ from earlier generations, making it crucial to understand their consumption characteristics. Gen Y is more focused on personal development and well-known brands. Both generations prefer offline stores, but Gen Z values in-store experiences. The fashion industry is becoming more digital, with e-commerce and digital marketing methods gaining importance.

Consumer behavior is always changing as a result of changes in the economy, culture, and technology. Millennials and Generation Z, who have experienced major digital upheavals as children, are driving some of the most rapid advances. By comparing and contrasting the unique consumer behaviors and e-commerce adoption trends of these two significant cohorts, this study sheds light on the variables that influence their online engagement and purchase decisions.

Generation Z, which was born roughly between 1997 and 2012, is the first to have been exposed to smartphones and the internet at a young age. Their digital native status, which also makes them highly

adept at using online platforms, has a significant impact on their purchasing behaviours.

Because they appreciate simplicity, speed, and customized experiences, they are drawn to state-of-the-art e-commerce platforms. Furthermore, Gen Z's preference for social media and digital content consumption affects their purchasing decisions because they usually rely on peer recommendations, influencer endorsements, and interesting online experiences.

On the other hand, Millennials, or people born between 1981 and 1996, have a unique outlook on life because they witnessed the transition from traditional to digital media. Even if they are tech aware and comfortable making purchases online, their behavior is impacted by different life phases and financial circumstances. Given that many Millennials are now beginning or

They have greater spending power now that they are established in the workforce, but they also have specific goals, such funding family-related bills, vacations, and real estate. A combination of convenience, value, and brand loyalty that has been cultivated over years of evolving digital engagement often influences their propensity for online shopping. While Gen Z and Millennials handle e-commerce differently, both generations express a significant preference for it. Gen Z is more interested in social commerce and quick, easy transactions, whereas Millennials place a higher importance on value-driven purchases and thorough research.

Additionally, both groups place a high value on social and environmental consciousness, which influences their support for sustainable businesses and moral business conduct. Companies could more effectively modify their strategies to meet the

particular needs and preferences of Understanding these two significant consumer groups by examining the minute differences and parallels between Gen Z and Millennials in terms of e-commerce adoption and customer behaviour. Businesses looking to prosper in an increasingly digital environment, where growth and sustainability need sensitivity to the shifting needs of younger consumers, must understand these generational dynamics.

Who are Gen Y and Gen Z?

Generation Y (Millennials) (Born 1981-1996)

Millennials were born during a time of globalization, the rise of social media and the internet, and other significant political events. A desire to have a positive effect on the world and a sense of global interconnectedness were stoked as a result of this. Their communication styles and access to information were influenced by technological advancements.

Core Characteristics:

Tech-Savvy and Collaborative – Millennials are digital natives comfortable with technology and adept at using it for communication and collaboration. They thrive in team environments and value open communication channels.

Purpose driven: Generation Y is driven by a sense of purpose in their work and is drawn to businesses that take strong social responsibility initiatives. They value opportunities for professional growth and work-life balance.

Entrepreneurial Spirit - Many Gen Y are comfortable taking risks and exploring innovative approaches to work. They might be interested in starting their own businesses or working as freelancers.

Feedback and Recognition: Generation Y values regular acknowledgement and feedback for their contributions. They value opportunities to share their thoughts and open communication.

Preferences in the Workplace:

Collaborative Workplace: Generation Y thrives in environments that foster teamwork and open communication at work.

Work-Life Integration: This generation values opportunities for personal growth and flexible work schedules in order to achieve a healthy work-life balance.

Learning and Development: - Gen Y places a high value on continuous learning and development opportunities. They are eager to expand their skill set and take on new challenges.

Meaningful Work and Impact - Like Gen X, Gen Y seeks work that contributes to a greater purpose and allows them to see the impact of their efforts.

Generation Z (Zoomers, Centennials) (Born 1997-2012)

Social media's renaissance, economic downturns, and a growing awareness of climate change have all shaped Generation Z. Their social consciousness, entrepreneurial spirit, and emphasis on work-life balance have all been shaped by this.

Core Characteristics:

Digital Natives: Generation Z is the first generation that is entirely digitally literate. They are familiar with intricate technologies and adept at navigating online platforms. They are extremely aware of social and global issues.

Innovative and entrepreneurial - Generation Z are frequently risk-averse and entrepreneurial. They may be interested in freelance work or starting their own businesses because they value autonomy.

Socially Conscious: This generation is very aware of environmental and social problems and wants to work in places that do a lot for social good.

Work-Life Balance and Well-Being: Gen Z places a high value on maintaining a healthy work-life balance. They might not be as willing to put in long hours at work or put work ahead of personal life.

Preferences in the Workplace:

Authentic and Open Culture: Generation Z places a high value on a workplace culture that is open and honest and in line with their values.

Remote Work Opportunities - Having grown up with technology, this generation is comfortable with remote work arrangements and may value the flexibility it offers.

Diversity and Inclusion: In the workplace, diversity and inclusion are valued by this generation. They want to work in settings that welcome people from different backgrounds and points of view. **Mental Health and Well-Being:** This generation places a high value on mental health and well-being, so it's possible that they'll look for workplaces with robust support systems and wellness-focused benefits.

Review of Literature:

1. Azhar et al (2023): Analysed the Social Commerce Adoption Model, look at the purchasing intentions on social media platforms of Generation Z. Forecasting customer behaviour are necessary. This model incorporates variables in social commerce environments, such as perceived trust, utility, and social influence. The report emphasizes the social shopping habits of Generation Z. media platforms and how their purchases are influenced by their perceived utility and peer pressure. The findings suggest that

Gen Z's need for social interaction is the source of their interest in social commerce. contact and straightforward online shopping made possible by social media they are more addicted to social media and buys more from that.

2. Dabija and Lung (2019) compared Millennials' and Generation Z's online shopping habits. in a market that is growing. The variables that influence their online shopping are the subject of the study. choices like the variety of products, the ease of use, and the confidence in online platforms It calls attention to the fact that Millennials prefer e-commerce and adopted it earlier than Gen Z over mobile-first and social media platforms for traditional online retail channels. The research emphasizes the value of individualized marketing plans and smooth online experiences catered to the preferences of various demographic groups.
3. **García-Jurado et al. (2019):** They have compared Millennials and Generation X to see how gamification works and flow experience affect online shoppers. The study looks at how immersive flow works. User engagement and online purchasing behaviour are influenced by states and gamified components. It locates that gamified features that increase participation and enjoyment are more appealing to Millennials shopping, which makes it more likely that they will buy something. The outcomes emphasize how user experience design can foster customer engagement and loyalty across age ranges.
4. **Williams et al (2010):** The social scene explodes and the economy expands quickly among Generation Y or millennials. Millennials are tech-savvy and modern in their behavior. Pop culture has an impact on society. The has an impact on daily life. Internet. They are early adopters of technology and are the first generation to embrace communication technology and usage of tech devices

when they were introduced in the market. In contrast to Generation Y, Generation Z could be regarded as the actual group of digital natives. their elders. Generation Z cannot imagine a world without the Internet because they were the first generation to have it from birth. Communication. Gen Z cannot imagine the world without online communication.

5. **Ng et al. (2021):** Determine whether Generation Z in Malaysia is ready for smart commerce. technology. The study looks at how technology affects Gen Zers' shopping experiences. augmented reality (AR), virtual reality (VR), and purchase decisions interactive exhibits It acknowledges the Gen Z's obsession with immersive and interactive retail environments that enhance customer satisfaction and engagement. The study focuses on how Gen Z Smart retailing technology can attract and retain customers through individualized and imaginative shopping experiences.

CONSUMER BEHAVIOR PATTERNS:

How individuals or groups choose what to purchase, how to use it, and how to get rid of it are referred to as consumer behavior patterns. Numerous elements, such as psychological, social, cultural, and economic considerations, have an impact on these patterns. Psychologically, customers frequently base their choices on their needs, wants, opinions, and attitudes regarding a brand or product. Past, emotions, and cognitive biases experiences can all have an impact on these variables. A customer, for instance, might like a specific brand of smartphone due to favourable past experiences, or they may select a luxury product to fulfil their status-seeking impulse.

A consumer's behavior can be shaped by social influences from friends, family, and other reference groups. People frequently seek approval or validation from others when making purchases, which creates social circles'

trends and patterns. Clothing may be purchased by adolescents. brands promoted by celebrities in order to blend in with their peer group, but families might give priority to purchases that are consistent with their religious or cultural beliefs.

The cultural norms, values, and practices that define a market shape consumers' their community or subculture. These factors determine what constitutes acceptable consumption as well as preferences for specific services or products. Cultural differences in dietary choices, for instance, can have a significant impact on the varieties of food groups of people prefer to buy

Millennials' Ways of Spending Money:

Millennials, also known as those born between 1981 and 1996, are frequently particular spending patterns that are influenced by the particular socioeconomic background of the person and digital education. In contrast to previous generations, millennials place a higher value on experiences. tangible possessions and frequently prioritize dining out, entertainment, and travel. This preference for experiences is rooted in the opportunity to celebrate special occasions on platforms for social media as well as a desire for personal fulfilment. Additionally, Millennials are more likely to be price and value conscious due, in part, to the financial strains they experienced as children, including student loan debt and job instability markets. They do their product research and comparison shopping on digital platforms, and they are also heavily influenced by online reviews and recommendations from peers. Additionally, Millennials have a strong affinity for brands that align with their values, like social responsibility and sustainability, which necessitates alterations in marketing strategies for businesses. Most of the time, businesses are trying to win over this significant group's loyalty and spending power. These spending patterns must be understood by the demographic group.

Gen Z's Ways of Spending Money:

Generation Z, those born roughly between 1997 and 2012, has distinctive purchasing habits. that are shaped by their upbringing in varied settings, digital native status, and social environment. Brands that show genuine connection and transparency are preferred by this generation. and places an emphasis on the authenticity and personalization of goods and services. contrasted with Generation Z, unlike Millennials, places a higher value on financial responsibility and saving money. This tendency is probably influenced by their early exposure to global events and economic uncertainty. They are tech-savvy consumers who heavily rely on technology. relying on online reviews and social media influencers to assist them in making decisions. Additionally, Gen Z demonstrates a strong preference for diverse-supporting brands, sustainability of the environment and social issues. As a result, businesses are being forced to to conform their methods and tenets to these requirements. Additionally, their expenditures patterns show that they value experiences similarly to Millennials do, but they place more of a focus on novelty and uniqueness, which is helping to developments in industries like specialized leisure and experiential travel. Companies hoping to appeal to this significant and tech-savvy demographic group's loyalty and involvement must comprehend these dynamics.

OBJECTIVES OF THE STUDY

1. To identify the shopping pattern of Gen Y and Gen Z.
2. To analyze the thought process of specific generation while buying the fashion products.
3. To Understand the factors influencing both the generation while buying the fashion products.
4. To analyze how these two generation are different from each other.

RESEARCH METHODOLOGY

The research design of a study outlines the nature of information required for the purpose of the study, the method of data collection, the technique used for the analysis and interpretation of the data for the study.

- **Type of the Study:**

This research work is in the form of empirical study, in which the researcher tried to study the buying behaviour of Gen Y and Gen Z.

- **Sample Design:**

Keeping in view the problem of the study, Convenience sampling method was adapted to 100 respondents from Rajkot city. Which represent an overall picture of the city.

- **Sample size:**

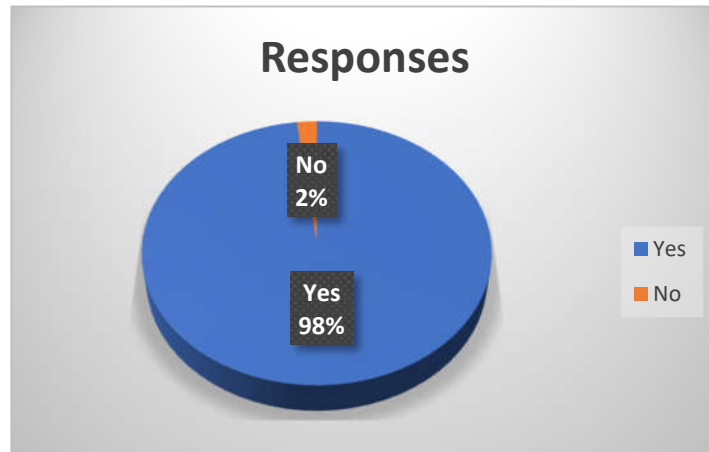
For this study the researcher has taken 100 respondents for the study. Convenient sampling method is used.

- **Tools & Techniques:** Percentage analysis.

ANALYSIS AND INTERPRETATION:

Respondent's Statement regarding weather they do shopping online or not?

(Chart: 1)



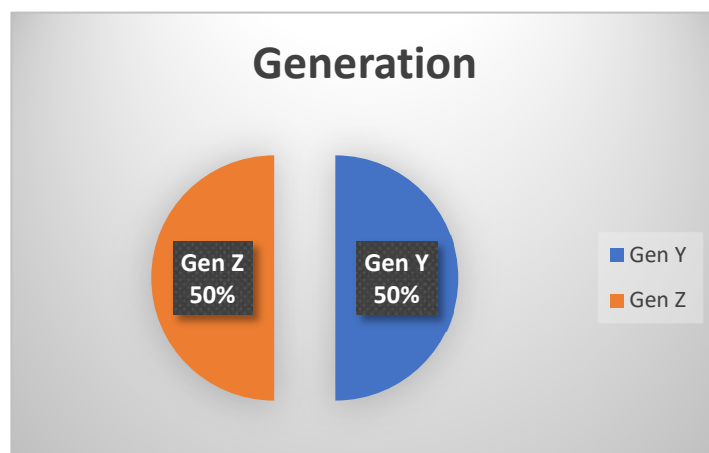
(Source: Primary data from survey)

Interpretation:

From the above graph we can interpret that the majority of the respondents 98% says yes, they do online shopping. Only 2% said no for online shopping.

Respondent's Statement regarding which generation they belong?

(Chart: 2)



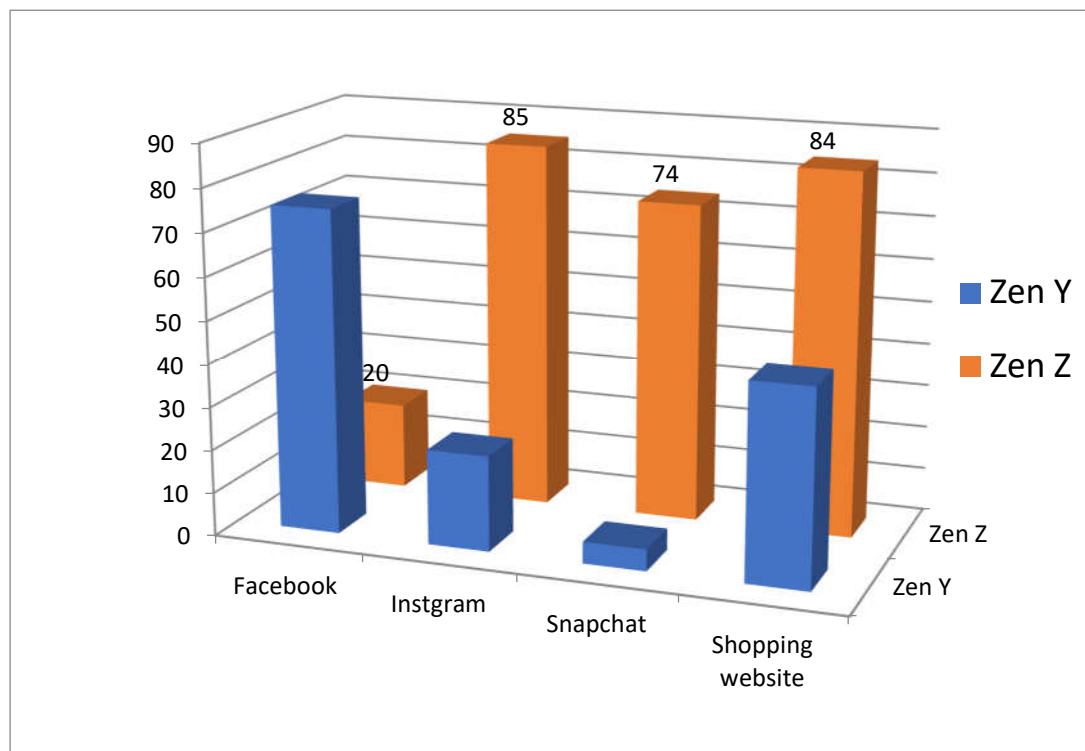
(Source: Primary data from survey)

Interpretation:

From the above graph we can interpret that researcher has taken the data of both the generation equally so a fair conclusion can be driven.

Respondent's Statement regarding which platform they use frequently?

(Chart: 3)



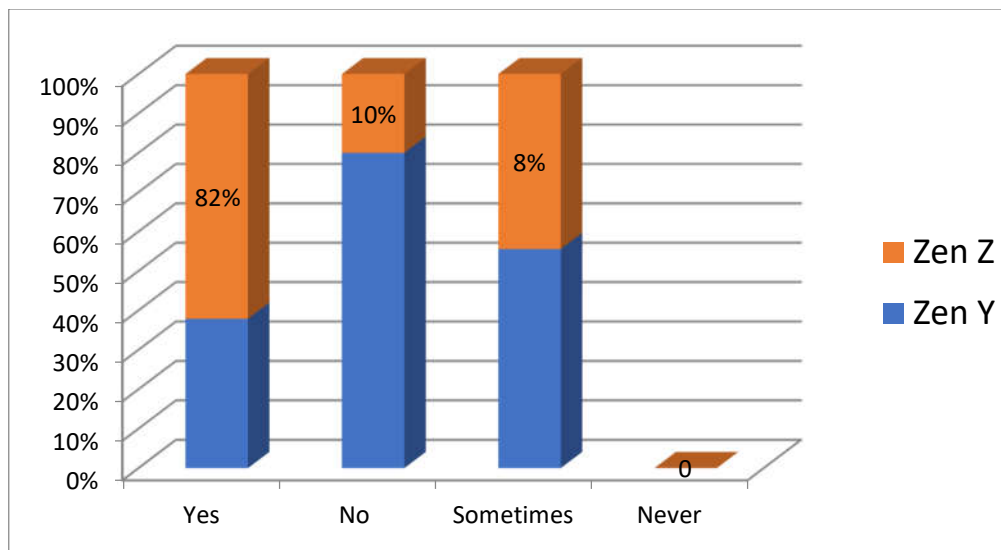
(Source: Primary data from survey)

Interpretation:

From the above graph we can interpret that Gen Y spend more time on Facebook and other shopping sites while Gen Z spend time on instagram, snap chat and shopping website too.

Respondent's Statement regarding do they buy fashion apparel online, when they see the advertisement on various social media platforms.

(Chart: 4)



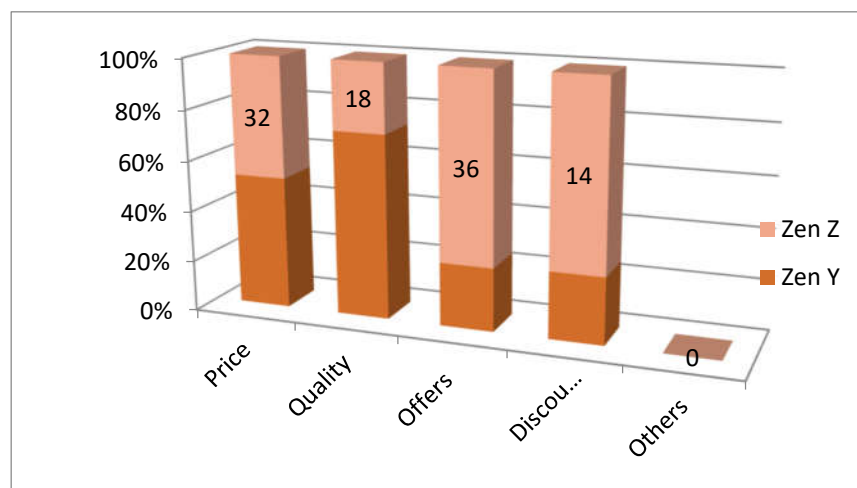
(Source: Primary data from Survey)

Interpretation:

From the above graph we can interpret that Gen Z are more shopaholic than Gen Y. It shows that they are more impulse buyers than Gen Y.

Respondent's Statement regarding which indicator they prefer while buying

(Chart: 5)



(Source: Primary data from Survey)

Interpretation:

From the above graph we can interpret that Gen Y are more quality conscious rather than other things, while Gen Z are more attracted towards offers and discounts, so we can say that Gen Z are more impulse buyer than Gen Y because they easily got attracted towards offers and discounts.

FINDINGS:

- Based on the study we can say that Gen Z is more shopaholic than Gen Y.
- Based on study we can say that Gen Z spend more time on various social media platform and Shopping websites as compared to Gen Y.
- Based on study we can say that Gen Z's are more into impulse purchasing as compared to Gen Y.
- Based on study we can conclude that though Gen Z are earning less they spend more on luxuries items and fashion appealers as compared to Gen Y.
- Based on study we can say that just to show off the things Gen Z shop more as compared to Gen Y.

CONCLUSION:

Based on study we can conclude that Gen Z is more shopaholic than Gen Y, Gen Y do not go for impulse buying, instead they prefer to wait and compare before buying, not only that they are less brand oriented as compared to Gen Z, on the other hand Gen Z do not earn more, with no money or less money they shop more, they are more brand conscious and impulse buying behavior we can see. Though both the generation is more techs oriented few people from Gen Y still prefer offline shopping, we can see various features now a days like try on features, AI and so on so shopping of apparel became very easy for both the generation. Researcher have concluded that this is the era of technology so a retailer must ensure that they are providing goods products and

services with the help of technology, as buying habits of both the generations have changed now, so there is huge scope of online shopping not only for both generations but for upcoming generation also.

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