

The internet impact on market behavior of young consumers

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Abstract. Technological progress and increasing accessibility of Internet cause significant changes in consumers behavior. New informatics technologies has impact mostly on young generation, which uses it in everyday life but also in market processes. Young people raised in digital era occurred to be different comparing to older generations. According to that fact this group of young people should be constantly observed and analyzed, so the companies offer can adjust to their needs. All trends behaviors and study results presented in this article will show what influence has Internet on young people, who are making a commercial transactions.

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THE YOUNG CONSUMERS MARKET

Development of young consumers market in highly developed countries took place in 60s, while in Poland it had the occurrence 30 years later together with country transformation. From that time the young consumers became an object of all the market participant interest. Nowadays the young consumers segment is very relevant participant in the market processes (Olejniczuk-Merta, 2001, p. 43). It is associated with strong impact that this group has in their family purchasing decisions and increasing potency of buying related to their financial held. The importance of young consumers is even higher considering the fact that this children will be soon reasonable, conscious consumers, who are forming their buying behaviors at the young age (Kicińska, 2009).

It is hard to define young people, but taking age as a standard we can select following groups:

- young teenagers – 13 – 15 years old,
- older teenagers – 16 – 18 years old,
- young adults – 19 – 24 years old.

There is a lot of definitions of young people but we can basically say that a young person is someone between 15 to 24 years of age. This group is the most independent group of all young consumers.

Behavior, expectations and preferences of young consumers are not grounded. Furthermore they are characterized by dynamic changes and dependence on internal and external factors. Internal ones are usually

psychological determinants including the overall of thought, emotional and spiritual processing. The internal group consists of: needs, motives, perceptions and attitudes of an individual, personality, learning ability and the risk of the purchase (Olejniczak-Merta, 2009, p. 52-53). Second group of determinants are external factors, among which may be mentioned: economical determinants (economic situation, incomes, prices, products) and socio-cultural determinants (family, reference group, opinion leaders and culture).

On the basis of the variety of young consumers behavior conducted by Organization of Competition and Consumer Protection in 2003, it is possible to distinguish following types of recipients (Badzińska, 2011, p.53-54):

Type 1. Young enthusiasts of consumption

This group is formed mainly by girls from middle class families and who are attending technical schools, profiled high schools or vocation schools. They usually have little pocket money for their own expenses. This group likes to shop, they easily find a right store, they enjoy sales and understand what market has to offer. They prefer to shop in big shopping malls and hypermarkets. They do not care about the brand. They like advertisement, which is the main source of information for them. This group of consumers know their rights.

Type 2. Young connoisseurs of consumption

This group is formed mainly by young boys from middle to upper class families, who are attending high schools and technical schools. They usually have large amount of money for their own expenses. Shopping is not their passion. They do not like shopping malls and supermarkets. They buy high quality products and they stick to the same brand, they are not interested in sales. They are critical for advertising, saying it's only to persuade people to buy what they don't need.

Type 3. Young beneficiaries of consumption

This group is formed by boys and girls deriving from upper class families, attending mostly high schools. This group has the largest amount of money to spend. These are people who are not passionate about shopping but they can afford whatever they want to get. They don't like supermarkets and shopping malls. They have critical attitude towards advertising.

Young consumers differ from other buyers by making conscious actions, changing indicators of social status and needs creation (Badzińska, 2011, p. 67). Social and economic changes led to creation of specific type of consumer, who is characterized by (Mazurek-Łopińska, 2003, p.28-29):

- greater awareness of their rights and more reasonable attitude to the market offers,
- constant need to make social networks, which can be satisfied by making friends, families and other relationships, that helps to find their way in society,
- strategic ability to manage their own budget,
- multiculturalism as a result of globalization,
- social mobility, which encourages the development of different forms of communication,
- participation in various forms of interpersonal integration.

Present trends of young consumers behavior are strongly conditioned by development of new technologies and opportunities offered by the Internet's availability. Nowadays young people use new technologies in order to assist in the process of consumption, identification of needs, search for information and purchase of products and services. All those transformations had impact on formation of new trends in young consumers behavior, among which may be mentioned: spread of technology consumption, granting mass consumption, homogenization of consumption and phenomenon called "crowdsourcing".

The first very significant trend of behavior is spread of technology consumption, which relates to development of the Internet. An important element in the spread of technology consumption of young buyers is the development of e-commerce. Young consumers more likely choose to shop through the Internet, using the selection of an appropriate offer price comparison engines. Auctions and online stores are gaining popularity. The result of spread of technology consumption is also a growth of m-commerce. Mobile commerce is possible through the widespread of modern telephones working in GSM networks and having access to the Internet. The increasing use of information technology significantly changed the behavior of young consumers, for instance by eliminating many of the traditional activities, changing the way people communicate by transferring it to the virtual world and change sources to obtain information.

Strong influence on the attitudes of young consumers has also a process of mass consumption as a result of globalization intensify by growth of the Internet, which opens the borders. This trend takes place both in commerce, where consumers in different countries have the opportunity to purchase the same products, but also in the sphere of culture, entertainment, recreation and leisure provision. This process is called globalization of consumption and lifestyle. By globalization of consumption we mean process in which it is popularized range of products promoted on world markets, leading to assimilation patterns of consumption and consumer behavior. As a result of globalization, we can observe an unification of consumption needs and tastes of buyers who choose the products of an international character and react similar to promotional activities. Young people due to personality are strongly influenced by the new trends of global nature. They are flexible, open to new ideas and willing to make changes. In addition, show less attachment to national traditions and customs when compared to older consumers. Attitude, in which buyers do not recognize the country of origin and do not feel the need to promote local products is called "cosmopolitanism consumption". Also particularly among young consumers there is a noticeable trend called "internationalism consumer" consists of consciously choosing products of foreign origin, regarded as better and more prestigious ones.

The process of globalization led to unification of products offered on the market called the homogenization of consumption, but in contrast to the market can be clearly observed an increasing tendency of importance of unique goods produced in small series. The reason for the occurrence of heterogenization consumption is the desire to stand out from the crowd, which mostly can be observed in the behavior of young consumers through unconventional way of dress, behavior and values. Observed intensifying individualization of lifestyles does not remain unnoticed in the activities of companies who adapt their product to individual customers (Badzińska, 2011, p. 73-74). This term is referred to "mass customization" (Kotler, 2005, p. 282). This phenomenon and the activities of companies in the virtual world have led to a trend referred to as prosumption and new customer categories, so-called prosumer. Prosumer is a person with extensive knowledge about products and services related to their favorite brand to communicate their knowledge to others. This is a consumer who is actively involved in the creation of products and services, and is more aware when making purchasing decisions.

Noticeable among young consumers is also a phenomenon called "crowdsourcing" derived from two words: crowd and sourcing, involving reap the knowledge and potential from the crowd. Active and creative young consumers who are willing to express opinions on the characteristics and experiences of the product, usually use opportunities brought by the Internet. In addition, when purchasing they sometimes use the opinions posted by other consumers, which are often the deciding factor in making their purchasing decisions. Therefore we can say that by sharing their opinions they create ideas and advertising content and concepts for new products. The possibility of a global exchange of ideas became a reality through the disseminating of the Internet. This phenomenon is also a valuable source of information for businesses, because it allows the introduction of new products fit to the customers' expectations.

CHARACTERISTICS OF RESPONDENTS

In order to characterize the behavior of young consumers shopping via the internet, research was conducted on a group of 231 people. Despite the fact that the young consumer is a person of 13 years of age, in the study, population were limited to the group from 16 to 24 years of age. The theme of the adoption of a specified group of respondents was the fact that they have their own money and often decides on their own, without the involvement of parents about their purchases, as opposed to younger teens (who are 13-15 years of age) (Badzińska, 2011, p. 48). Study population consisted of 118 women and 113 men living in West Pomerania province, attending secondary school, technical training school, as well as the University of Szczecin and the West Pomerania University of Technology. Most of the respondents were people with lower secondary education (45%) and medium (42%), a smaller percentage were people with high education (10% of respondents) and vocational education (3% of respondents). The main group of respondents were people living in the city with 100,000 to 500,000 residents (68%). Of the respondents 14% were residents of towns up to 50,000 and 10% of people living in rural areas. Respondents were selected randomly.

MARKET BEHAVIOR OF YOUNG CONSUMERS WHEN MAKING PURCHASES ON THE INTERNET

Widespread use of the Internet among young people is very high. Of the surveyed respondents 94% stated that they use the Internet every day or almost every day. Such a high percentage of the display shows that the Internet has become the medium not only accompanying young people in their existence, but as it can be said that is strongly rooted in their everyday lives. Among the many activities which opens up a virtual world of Internet users, mostly young people use the Internet for interpersonal relations, and to make purchases. Few years ago purchase of products or services over the Internet might have seemed impossible or very risky venture, but now their popularity is growing, especially among young people. Of those surveyed, 84% of people said they had made a purchase over the Internet, which means that only 16% of respondents do not yet purchased a product or service through this distribution. As is clear from the study the frequency of purchase goods electronic way among the surveyed population is not large, because the majority of people make purchases over the Internet several times a year (42%) or once a year or less often (29% of respondents). Making purchases once a month and often declared 28% of respondents (3% - about once in a week, 13% - several times a month, 11% - once a month).

Purchases made through the Internet actually involves some risks, but this form of sale provides many prospects and conveniences. The main reason in favor of making shopping online young consumers indicated a convenient form of placing an order at any time (14% of responses) and home delivery (14% of responses). Other strong reasons for this form of shopping they think is time saving and convenience (12% of responses), as well as the ability to compare offers of different shops (10% of responses). Distribution of consumer choices for reasons to shopping online are illustrated in Figure 1.

Preferred form of shopping online for young consumers is to use auction sites (26% of responses). Second of all, analyzed group indicated the use of specific online stores (24% of responses), through which their purchases and uses search engines (24% of responses) in order to find the desired offer that meets their expectations. The least frequently young consumers are looking for products through tenders published in passages online (5% of responses), and make purchases under the influence of advertising messages encountered both in the network and outside (5% of responses).

Range found in online stores is often much more varied than in traditional retail outlets. Purchases made over the Internet by young consumers is most often clothes, underwear and shoes (19% of responses).

Subsequently, the youth is interested in purchasing cosmetics and perfumes (11% of responses), consumer electronics, among others phones, digital cameras, etc. (11% of responses), and computers, software and computer games (11% of responses). The Internet is also a place for them to purchase tickets for “mass events” (10% of responses).

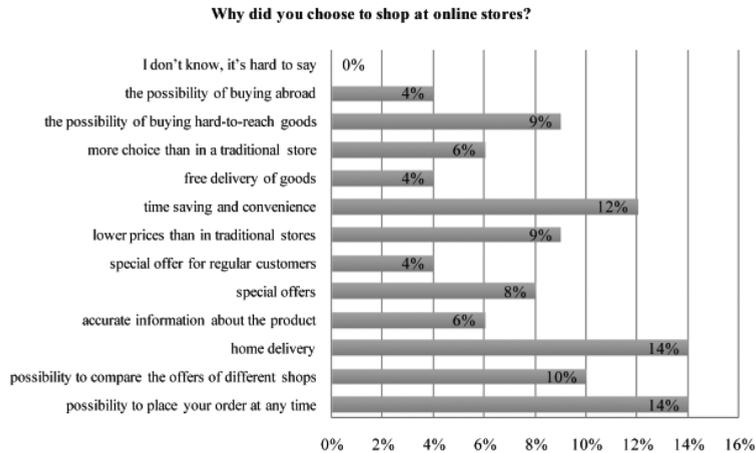


Figure 1. Reasons to shopping online

Source: prepared by

Young consumers rarely look online for information about products, but mainly to visit them in order to make a purchase, compare prices, and read the opinions of other consumers. Therefore, one of the most important part of World Wide Website stores are products search (18% of responses), features for sharing the views and opinions of buyers (15% of responses), and information on the method of delivery (14% of responses). Crucial for young buyers purchasing through a network is primarily low price products (29% of responses), and the time and cost of delivery (26% of responses), which often translates into a higher final price. In addition, great importance for consumers buying products online has customer feedback (24% of responses).

Purchases made online as well as those made in the traditional way are exposed to the possibility of some inconvenience. Young people asked in the survey about the problems they encountered in purchasing products or services on the network most often pointed to the long waiting time for delivery of the product (27% of responses), and dissatisfaction with the resulting product (17% of responses), which may be the result of non-compliance with the expectations of the customer by incorrect information about the product and its price posted on the website (12% of responses). Young people do not care much problems associated with inadequate customer service (6% of responses), and problems with the warranty claim and return the damaged goods (9% of responses). However it should be noted, that one-fifth of people making purchases over the Internet are fully satisfied with the deals and were not met with any problems.

Selection of product or service on the internet for various reasons are not always finalized. The most common reasons indicated by young consumers is too long of time required to deliver the product to the customer (31% of responses). In addition, proved to be a decisive lack of access to a particular form of pay-

ment (20% of responses), as well too much data a request by the vendor (15% of responses) and a high final cost of purchase (15% of responses).

Although the purchases made over the Internet are often associated with higher levels of risk than those done in traditional stores, they are continuously growing in popularity. Impact on the spread of a new sales channel is the primarily experience has gotten by the buyer after efficient and successful transactions, and the opinions of others who have already made a purchase. In addition, in order to reduce the risk of buying products on the network young consumers first try them in traditional stores. Young consumers who follow the technological advances largely approve purchases made via the Internet. Among respondents, over three-quarters of the population expressed the desire to purchase products via the Internet in the future. The opinions about the future of e-commerce are divided. However, more than half of those surveyed said that Internet sales will only support traditional trade, and it cannot be a substitute for the prototype.

SUMMARY

Internet usage continues to grow and expand into new areas of life. One of the most impacted groups of the virtual world is a segment of young people who grew up in an environment open for personal computers, the Internet and mobile technologies. Modern technologies make major changes in the behavior of today's youth. How they spend their free time, has the influence on their purchasing trends. New media in the goods market allow you to overcome virtually unlimited time and space, thus providing consumers with the opportunity to purchase products from all over the world without leaving home. Progressive changes in the behavior of young consumers is particularly important for businesses that cater to this segment of customers. Internet, which is the fastest growing medium without a doubt becomes an area for action and opened wide opportunities for communication with the consumer, and how to provide them with sufficient, personalized offers. The strong influence of the Internet on the lives of young people and trends that are the consequence of market behavior, should encourage companies to build relationships with young consumers through the virtual world.

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