

A Review of the Buying behaviour of the Millennials in India

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Received: 09 Dec 2023; Received in revised form: 16 Jan 2024; Accepted: 26 Jan 2024; Available online: 06 Feb 2024

Abstract— Consumer shopping behavior has undergone a profound and permanent transformation due to the evolution of the Internet, social networking, and the introduction of mobile devices. The current booming segments that are being lured by the companies are the Millennials and Generation Z because of which the global market is flourishing. They are considered as the most loyal consumers because of their good reach and connectivity. This study focuses on the buying behaviour of these millennials.

Keywords— consumer behaviour, Generation X & Y, millennials, technology.

I. INTRODUCTION

The study discusses the impact of generational differences on consumer behavior, emphasizing the evolving landscape shaped by various factors such as technological advancements, societal changes, and economic shifts. The focus is particularly on Millennials, born between 1980 and 2000, who are identified as a unique and influential consumer group.

Generational cohorts, as proposed by Howe and Strauss, are seen as aggregates of individuals with shared experiences and beliefs due to the historical events occurring during their formative years. The study emphasizes the importance of understanding these generational dynamics in the realm of consumer behavior, as they influence preferences, attitudes, and purchasing patterns.

The rise of Millennials is highlighted, being the largest and best-educated generation globally. The text points out their unique characteristics and the potential they present for businesses. However, it also notes the challenges faced by Millennials in developed countries, such as unemployment, housing issues, and student debt burdens.

The impact of technology on Millennials is a central theme, emphasizing their digital engagement, particularly with mobile devices. Millennials' dependence on smartphones for various activities, including shopping, socializing, and media consumption, is explored. Their interactions with brands on social media are characterized by a quest for

deals, coupons, and specialized information rather than brand loyalty.

Moreover, the text underscores the importance of analyzing Millennials' digital behavior for brands to succeed in influencing this demographic. It highlights Millennials' preference for customization, and personalization, and their inclination to be influenced by celebrities, vloggers, and peers. Traditional advertising methods are considered less effective due to changing lifestyle patterns.

Additionally, the discussion touches on the global distribution of Millennials, with significant populations in countries like India and China. The text suggests that while Millennials in developing countries may have high potential, their limited purchasing power affects their economic impact.

In conclusion, the summary captures the essence of the text, emphasizing the influence of generational cohorts, particularly Millennials, on consumer behavior. The impact of technology, the challenges faced by Millennials, and their unique preferences in the market are key themes explored in the context of global consumer dynamics.

II. LITERATURE REVIEW

Each generation is endowed with unique characteristics shaped by Earth's events, influencing and, in turn, impacting the world. The global landscape is on the brink of being governed by a new generation, demanding our preparation. News has become as accessible as a mobile phone,

necessitating a re-evaluation of ancient norms and approaches to align with contemporary needs.

From a pessimistic viewpoint, this emerging generation is often criticized as lazy, irresponsible, impatient, apathetic, vain, disrespectful, and wasteful in the millennium context. However, an optimistic perspective portrays them as open-minded, social, innovative, energetic, ambitious, confident, motivated, and intelligent. A common thread among them is their affinity for consumerism.

Consumer behaviour is the primary field and source for Customer Relationship Management (CRM) programs. Understanding the adjustments in consumption patterns through generational strategies is crucial. Generational lifestyles and cultural attitudes influence purchasing decisions, with demographic variables such as income, education, and gender playing a significant role.

Different generations face varying personal, financial, technological, cultural, and life-related factors. Consumer motivation and buying commitment are often age-dependent, necessitating a nuanced understanding of generational cohorts. These cohorts, individuals born during a specific era with mutually consistent lives, play a pivotal role in market segmentation. Cohort marketing has become an essential tool in understanding economies, as individuals within cohorts share similar beliefs and unique experiences influencing their preferences and purchasing behaviour.

While the purchasing power of baby boomers has historically driven the economy, this group is aging, and a broader sector now receives a substantial portion of consumer spending. The Millennial community, or Generation Y, has emerged as a significant force in the market, surpassing Generation X and even outpacing baby boomers threefold. Studying the factors influencing Millennials, such as their future spending strength, trend-setting abilities, adoption of new products, and customization preferences, has become a crucial aspect of consumer studies.

Macro-level cultural, political, and economic developments during a cohort's pre-adult years contribute to the formation of a generational identity, characterized by distinct values, opinions, aspirations, and behaviours. These ideals persist throughout a family's life, providing a constant framework for understanding generational dynamics.

(Howe and Strauss) introduced the generational hypothesis in their book "Generations: The Story of America's Future, 1584-2069." They propose that a social generation comprises individuals born within a roughly 20-year span, sharing common cultural, social, political, and historical experiences throughout childhood, growth, and adulthood, leading to shared beliefs and actions. The term

"economic generation," defined by **(Strauss and Howe)**, represents an average duration of about 20 years, covering stages from infancy to old age. Specific generations, from their initial to final years, are identified based on certain criteria within this timeframe.

Members of a generation, positioned at a specific age in history, undergo similar life cycles, participating in crucial historical developments and social trends. The enduring influence of leaders within a group during their formative years contributes to shared beliefs and behaviors, fostering a collective sense of membership within that generation. Strauss and Howe's theory asserts that historical ages are shaped by various generations living in different periods.

Their research, outlined in "Generations," is recognized as pioneering work that comprehensively understands the history of generational trends, strengthens the influence of advertising across generations, revolutionizes modern thought shaped by generational differences, and aids in comprehending non-demographically established decades. The generation succeeding the Baby Boomers is termed the 13th generation, roughly equivalent to Generation X, with those born after 1982 being recognized as part of the Millennial Generation (Generation Y).

In a subsequent work, (Howe and Strauss) delve into the historical phases influencing Generation X and Generation Y, providing insights into America's initial encounters with destiny. **(Erickson)** contrasts the generations of India with the United States, elucidating how distinct social, political, and economic circumstances have shaped different generations in India during various periods.

(Bachler) contributed to a journal with an essay focusing on targeting Generation X and Generation Y in America. Throughout the essay, Bachler discussed various characteristics of both generations, including their preferences, dislikes, and favourite places. The article aimed to provide insights for advertisers to tailor their strategies. It compared different marketing tools such as the internet, radio, publications, and direct mail for effectively reaching these target groups.

(Richard Sayers) addressed the growing challenge for businesses and public sector organizations to attract and retain talented workers, especially among the younger and highly qualified workforce. Workplace readiness's importance and generational changes' impact on organizations were explored. The survey covered countries in East Asia, South-East Asia, and the United Kingdom, including China, India, Indonesia, Pakistan, Philippines, Singapore, Thailand, and Australia. The paper argued that understanding generational changes and contributing to professional development is vital for attracting and retaining talent in future academic libraries.

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(La Toya M Robbins) conducted research on leadership growth in the Platteville area for both generations in comparison to baby boomers. The article delves into how traditional and modern methodologies and ideas can be integrated to cultivate effective leaders.

(Tolbiz) analyzed generational differences among American employees in the workplace. The research examined various factors, including attitudes toward the job, employer loyalty, respect for authority, learning and training preferences, and the inclination for a favourable work/life balance. The study identified several similarities and distinctions among the surveyed generations, including traditional, baby boomers, Generation X, and Generation Y.

(Susana Fernandez) compared the work-related attitudes of Silicon Valley workers from Generation X and Generation Y. The research investigated potential differences between generations and genders concerning three job-related convictions: employment, teamwork, and career development. The findings indicated that Generation Y exhibits a greater interest in work compared to Generation X, and men tend to be more engaged and satisfied in their job conversations than women.

(Gayle Elizabeth Ruddick) examined the workforce dynamics of traditionalists, baby boomers, Generation X, and Generation Y. The research highlighted diverse interactions, workplace values, and requirements across the four generations. The study revealed that Generation Y seeks guidance and consultation, valuing independence while also desiring recognition and direction. Key findings addressed ideal and unacceptable work qualities, effective and ineffective interaction, and perceptions of leadership communication.

(Marketingcharts.com) explored how Generation X and Generation Y contribute to economic recovery. The study identified top spending categories for the younger generation, including clothes, travel/holidays, footwear, and theatre-based films. **(Sylvia J. Jaros)** examined intergenerational tensions among female employees, focusing on the forms and differences of interaction among different generations of women.

(Mahalakshmi and Dr. K. Jawahar Rani) investigated the factors influencing the adoption and use of smartphones in Chennai for Generations X and Y. The study concluded that economic, demographic, cultural, and technological factors shape the actions of Generation X and Y in adopting and using mobile phones. The research also highlighted how both generations perceive mobile phones as status symbols that reflect their social standing and power.

The research paper by **(Kaylene C. Williams and Robert A.)** emphasized the differences in buying behaviour, perceptions, perspectives, family backgrounds, attitudes,

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beliefs, and demographics across generations. The study covered six generations, including pre-depression, depression, baby boomers, Generation X, Generation Y, and Generation Z. The paper underscored the importance of understanding each generation's characteristics and behaviors for effective marketing strategies, particularly in terms of segmentation, products, services, and communication.

(Ventura Institute) issued a report indicating that various companies are tailoring their strategies to target customers across different generations, including Baby Boomers, Generation X, Generation Y, and the emerging Generation Z in the United Kingdom. The study also explores how Generations X and Y can contribute as an active workforce.

(Lai Man, Stella), compared Chinese Generation X and Y females, focusing on their preferences for luxury brands and values associated with luxury. The research examined customer preferences, service habits, and actual brand purchases. Generation Y exhibited differences from its predecessor, Generation X, particularly in attitudes and values related to luxury brands. This resulted in millennials being more eligible and willing to purchase luxury products.

(Stacy Phillips) analyzed the interaction patterns, affirmation, and de-confirmation behaviors of female workers from Generation X and Generation Y, studying their impact on communication dynamics. The research concluded that there are differences in the interaction behaviour of women employees between Generation X and Generation Y.

The study conducted by the **(Talent Management Team)** in New York investigated Traditionalists, Baby Boomers, Generation X, Generation Y, and Generation Z, working together. The conclusion emphasized that businesses prepared to bridge the gap between traditionalists and Generations X and Y would thrive, attracting, retaining, and engaging employees from these generations with the upcoming demographic shift.

(Karen Ritchie) discussed Generation X marketing in a paper, highlighting how the buying behaviour of Generation X consumers is influenced by factors such as separation, diversity, and rising incomes. The purchase decisions of Generation X are impacted by family and friends, and the generation tends to avoid advertising and insincere marketing. The paper also notes the technological advancements of this generation, emphasizing the importance of the Internet. The author further addresses the influential role of Generation X in shaping the choices of friends and family.

(Jonathan Penny) delved into various payment services and options for Generation Y in his article, highlighting the increasing use of online payments and the role of the

internet in shaping Generation Y's lifestyle. **(Enrique J. Fernandez)** documented the customer preferences and activities of Generation Y teens in his dissertation, analyzing their decision-making processes in purchasing goods, and considering influences from family, peers, celebrities, and information sources.

(Greg Maloney) explored the habits and shopping patterns of Generation Y consumers in his report, initially outlining the demographic, characteristics, and psychographic traits of Generation Y. The writer then delved into Generation Y's buying habits, noting their political and eco-friendly inclinations, preferences for disposable products, aversion to correctable items, and attraction to luxury shops and labels. Maloney discussed the implications of these traits for retailers and mall owners, emphasizing the need for adaptable, cross-cutting strategies sensitive to ongoing changes in retail.

(Roy Farris, Frank Chong, and Darlene Danning) analyzed Generation Y's buying habits, emphasizing the significant impact of the Internet and technology on this generation in America. The authors foresee Generation Y having a substantial economic influence.

(Alan J. Bush, Craig A. Martin, and Victoria D. Bush) explored the impact of sports stars and athletic icons on behavioural expectations in Generation Y. The study concluded that athlete role models play a significant role in spreading positive sentiments about a product or brand and fostering brand loyalty among Generation Y consumers.

(Bernard Salt) produced a consultant report for KPMG addressing the needs and expectations of Generation Y customers and employees. **(Megan E. Lodes)** conducted a preliminary study on brand loyalty, customer satisfaction, and the influences on buying patterns of Generation Y (millennial) consumers in New York. The study concluded that there were no brand loyalties, no gender differences in brand loyalty, and that economic recessions did not significantly impact buying behaviour.

(Riza Casidy) conducted a study investigating the correlation between the characteristic traits of Generation Y users, their tolerance for style, and their sensitivity to the prestige of fashion brands. The research revealed numerous personality traits significantly linked to the perception of style and prestige. It was concluded that style consciousness plays a mediating role in the relationship between personality traits and sensitivity to reputation. The study also found that personality characteristics play a crucial role in influencing individuals' attitudes towards prestigious fashion brands.

(Nicolas Maria) authored a Luxe Avenue article analyzing luxury brands among Generation Y consumers in America. The conclusion highlighted the features of Generation Y

consumers, emphasizing social pressures, analysis, and a lack of engagement that drive them to purchase high-quality, well-known designer products at lower prices. **(Dr. Parul Saxena and Mr. Rajiv Jain)** published a paper on the strengths, principles, and professional expectations of Indian Generation Y. The researchers concluded that Y professionals prioritize brand identity and skills, seeking empathic bosses, good job performance, ethical business practices, and a competitive salary. Generation Y values work and social success, with a strong work ethic and quick adaptability being considered valuable attributes.

(Monika Rahulan et al.) applied the concept of generational cohorts to compare the purchasing behaviour of Generation Y cohorts with that of baby boomers, focusing on sports compression. The study aimed to understand consumer behaviour regarding factors such as comfort, performance, technological features, and brand marketing methods. The conclusion highlighted that Baby Boomers paid more attention to value factors and fashion comfort, while Generation Y discussions centered more on the aesthetic appeal of clothing and technical information on packaging and labels.

(Anders Parment) examined the purchasing behaviour and buying preferences for food, clothing, and vehicles among Swedish Generation Y. It was hypothesized that the beliefs, behaviors, and desires of Generation Y significantly affect their buying patterns. The study found that Generation Y customers are highly demanding, seeking personal attention and purchasing products that align with their lifestyle.

(Dawn B. Valentine and Thomas L. Powers) discussed the online consumer search and purchase habits of Generation Y, including product types searched and bought on the internet, product type information, reasons for not buying online, and reasons for returning goods purchased online.

(Shelja Jose Kuruvilla and Nishank Joshi) researched demographics, psychographics, shopping mall purchases, and store sponsorship routes in India. The study, involving eight cities in India, revealed that heavy shoppers significantly differed from others across various geographic, social, behavioural, shopping, and orientation variables in central India.

(Robin Pentecost and Lynda Andrews) explored the implications of fashion transactions in generational groups, ages, and fashion enthusiasts. The results indicated that gender and clothing enthusiasm significantly influenced weekly and monthly spending, with women exhibiting higher frequency, varied annual expenses, and a preference for style-related purchases. Generation Y reported higher frequency, a penchant for fashion, distinct behaviors, and energetic transactions.

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III. CONCLUSION

The exploration of Millennials is of significant interest to business researchers and marketing sectors, particularly for products aiming to remain competitive in the market. This is primarily due to their widespread global population coverage and their ability to reshape purchasing patterns, challenging traditional vendors with their distinct consumption habits. A substantial portion of their purchases occurs online, prompting sellers to seek effective means of engaging with them, monitoring their behaviors, and offering products and services that align with their evolving preferences, irrespective of scale. Positive and meaningful experiences in navigating online platforms significantly influence attitudes toward the internet, subsequently impacting the inclination to make purchases. Therefore, ensuring consumers have satisfactory experiences is crucial, as favourable interactions contribute to a positive predisposition toward purchasing a product.

Millennials represent the world's second-largest population, presenting both challenges and opportunities. While currently in their college or bachelor's student phase, they are poised to dominate the workforce in the coming years. Despite some scepticism and unease among current executives, Millennials are already exerting influence on industries, not just through their purchasing power but also by shaping the buying decisions of their relatives. To effectively engage with this demographic, it is crucial for organizations and retailers to understand their perceptions, behaviors, decision-making models, and actions.

Millennials actively seek connections but value trustworthiness, emphasizing the need for a nuanced approach to engage with their complex characteristics. Rather than attempting to assimilate into their generation, establishing connections within their personal networks is key. Building trust within these networks allows organizations and retailers to influence Millennials' behavior based on research outcomes. By positioning themselves as trusted sources within Millennials' social circles, businesses can navigate the unique dynamics of this demographic.

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