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**Technology-induced Changes in Consumer Behaviour: A Study of the Impact of
Emerging ICTs on the Consumer Behaviour of the Youth Market**



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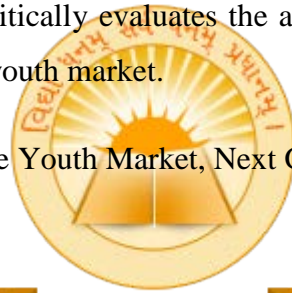
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**Abstract**

Young adults are the consumer of the future. They have been described as ‘the engine of growth’ over the next two decades and ‘agents of change’ in the world of marketing. Young adults inhabit an exciting and ever-changing digital marketplace. They are early adopters and key influencers of new technology. Although this group is still motivated by the same aspirations as previous generations, the key differences today are the new communication channels that they use. Next generation information and communication technologies (ICTs) may dramatically change the way the youth market makes buying decisions and could redefine how marketers can reach consumers.

This study examines if there is a new IT-enabled consumer that inhabits an interactive marketplace characterised by high levels of heterogeneity. It assesses whether this new consumer will make traditional approaches to marketing redundant. It critically evaluates the attributes of next generation ICTs and their impact on the consumer behaviour of the youth market.

Key Words: Consumer behaviour, The Youth Market, Next Generation ICTs





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Introduction

This study focuses on how the attributes of next generation ICTs could change the way the youth market makes buying decisions, thus potentially giving birth to a new technology-savvy consumer, and whether these technologies are redefining how marketers can reach consumers. The research will examine key motivational factors that influence the choices young adults make in the marketplace. The work will concentrate on those aged 18 to 24 years old. The life stage from adolescence to early adulthood has been identified in the literature as a time when young people seek to establish their own individual personas which signifies a period of great transition with the formation of behaviour patterns, attitudes and values and hence the formation of consumption patterns (Fannin, 1984; Holbrook and Schlinder, 1989; Arnett, 2000). Also, young people are increasingly able to influence the purchase and decision making of others given their increased independence and consumption sophistication (Loudon, 1984; Zollo, 1995; MII, 2005). The youth market has also been identified as being more technically aware and can be seen as a barometer of social change in terms of their impact on society and surrounding culture (Widdicombe and Woffitt, 1995). Tapscott (1998, pg.20) describes the “N-Geners” as including anyone currently aged 4 to 24, early adopters of new technology and the defining users of the digital media revolution. He suggests that through the use of digital media, the N-Generation will “develop and superimpose its culture on the rest of society”. Moreover, while the youth market is said to be shaping future marketing trends, it is also becoming apparent that emerging next generation technologies are potentially going to change the way these users interact with sellers, make buying decisions, and carry out purchasing transactions.

Overview of Literature on Consumer behaviour of the Youth Market

Loudon and Della Bitta (1993) define consumer behaviour as ‘the decision process and physical activity individuals engage in when evaluating, acquiring, using, and disposing of goods and services’. Antonides and Van Raaij (1998) argue that the study of consumer behaviour is heavily stimulated by the needs of the marketing function, and that knowledge of consumer behaviour is essential for effective marketing management. Determining the specific factors that influence young consumers and their purchasing attitudes and patterns has become an important element of consumer research. A multitude of studies has examined how consumers learn what to consume (Keillor et al, 1996; Moschis, 1987). Many of these are based on the foundation of social learning theory, which proposes that individuals learn general behaviours and attitudes from past experiences. However, other research has indicated that consumers learn or model behaviours, values, attitudes, and skills through the observation of other individuals, or through the impact



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of electronic or print media (Bandura, 1986; King and Multon, 1996).

It is likely that young adults will hold differing attitudes, values and behaviour regarding consumer-related skills as compared to other cohorts because of technological, socio-cultural and economic changes during the last 10 to 20 years (Bakewell and Mitchell, 2003). Herbig et al. (1993) argue that each generation seems to become more conspicuous in its consumption compared with previous cohorts, and it seems unlikely that the youth market is any different. It is argued that emerging technologies and the young people that utilise them to the full will revolutionise the world (Snyder, D. and Edward G., 2004; Tapscott, 1998; Spero and Stone, 2004). Because the advent of a range of technologies including the Internet, mobile communications and self service technologies, is a defining event for this group, and one that could shape their future consumer behaviour, they should continue to be the engine of growth and change.

Methodology

In addition to an in-depth analysis of the literature, the research will involve empirical qualitative data collection and analysis. This will be used for the inductive reasoning portion of this study. Focus group surveys with the group mentioned above will be used in order to gain a deeper understanding of consumers' thinking and behaviour and to conduct an extensive cross-cultural analysis, with a view to discovering if there is a new technology savvy consumer inhabiting an interactive marketplace.

Personal interviews will be carried out with technology developers and providers with a view to determining their perception of the impact of next generation technologies on this particular consumer group, and thus provide a narrative method for specifying the research results.

In addition, for a more comprehensive analysis, phase two of the research will also involve the researcher conducting questionnaire surveys with a variety of groups (young adults from different geographic areas in Ireland and overseas). In order to a gain deeper insight into some of the data being collected, research tools such as ZMET¹ and multiattribute attitude models will be investigated for possible use.

The above mentioned data will enable the researcher to use a hypothetico-deductive methodology to examine consumer behaviour models with a view validating or repudiating existing theories, as well as

¹ Zaltman Metaphor Elicitation Technique (qualitative research method developed by Professor Altman of Harvard Business School).



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producing new theoretical hypotheses in relation to this field of study. The final phase of the research, therefore, will involve the researcher reflecting, concluding and making recommendations from the findings.

Conclusion

This research will make a necessary and timely empirical contribution by examining the current academic research and practice relating to the consumer behaviour of the global youth market in the face of emerging technologies. From a theoretical perspective, the study highlights the need for marketing academics to consider more fully the importance of consumer behaviour of the youth market in a marketing context. The findings will also be used to validate or repudiate existing technology focused theories in the consumer behaviour literature, as well as producing new theoretical hypotheses in relation to this field of study. The research will also seek to make a practical contribution by deriving the relevant implications for marketing managers involved in targeting the youth sector.



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