



Institute of Interdisciplinary Research



Working Papers in Interdisciplinary Economics and Business Research

The Differences in Degree of Identification with the Brands among Generations

Veronika Braciníková, Kateřina Matušínská

Working Papers in Interdisciplinary Economics and Business Research

Silesian University in Opava
School of Business Administration in Karviná
Institute of Interdisciplinary Research
Univerzitní nám. 1934/3
733 40 Karviná
Czech Republic
http://www.iivopf.cz/
email: iiv@opf.slu.cz
+420 596 398 237

Citation

BRACINÍKOVÁ, V. and K. MATUŠÍNSKÁ, 2018. The differences in degree of identification with the brands among generations. *Working Paper in Interdisciplinary Economics and Business Research no. 55.* Silesian University in Opava, School of Business Administration in Karviná.

Abstract

Veronika Braciníková, Kateřina Matušínská: The differences in degree of identification with the brands among generations

Consumers are still faced with more and more offerings of various companies from many channels. Because of increasing competitive the companies have to be constantly trying to differentiate from the others. The brands are the means, which help the companies with distinguishing them. There is no doubt anymore that the brand is important. That is why the companies should be focusing on the building the strong brand, because it collaterally leads consumers to connect products with the quality, emotions, functions, and the design. Therefore, the aim of this paper is to investigate the consumers' degree of identification with the brand in the relation with the age of consumers, accordingly with the cohort, which they are members of. For achieving this aim the questionnaire as the primary research technique was used. The analysis was based on the number of 840 respondents. The respondents were heavy social network users. The consumers were questioned about their attitudes to brands, their perceptions of the brands and opinions about the degree of importance of the brands in their lives.

Key words

brands, attitudes, degree of identification, perceptions

JEL: M30

Contacts

Veronika Braciníková, Department of Business Economics and Management, School of Business Administration, Silesian University, Univerzitní nám. 1934/3, 733 40 Karviná, Czechia, e-mail: bracinikova@opf.slu.cz.

Kateřina Matušínská, Department of Business Economics and Management, School of Business Administration, Silesian University, Univerzitní nám. 1934/3, 733 40 Karviná, Czechia, e-mail: matusinska@opf.slu.cz.

Acknowledgement

This research was financially supported by the Student grant competition project SGS/7/2017: "Acceptance of technology from the perspective of marketing tools". The support is gratefully acknowledged.

Introduction

For decades, brands have been crucial for building relationships with consumers assuring long-term business success. (Tuškej, Golob and Podnar, 2011) A brand is a tool to build a customer-company relationship. Brands are important tools leading customers to develop a favourable image of a company, which helps organizations to differentiate from their rivals. (Kotler and Armstrong, 2004; Gözükara and Çolakoğlu, 2016)

Brands are gearing up to provide a complete package of functional sensory and emotional experiences. Brands are at the very heart of business and advertising and play an important role in every business successes and are the major assets of consumer business. (Ponduri and Sailaja, 2014) Consumers are likely to find brand's identity more attractive when the brand matches their own sense of who they are because such identities enable them to maintain and express their sense of self more fully and authentically (Bhattacharya and Sen, 2003; Tuškej, Golob and Podnar, 2011).

Trends of the market change with each generation and it is important to understand the con-sumer behaviours of the respective generational cohort. According to the generational theo-ry, cohorts develop similar beliefs and attitudes because of the life experiences they share (Meriac et al., 2010). Generational cohort marketing has become a useful tool in segmenting markets since cohort members share similar values and generational cohorts have different experiences, which influence their values, preferences and shopping behaviour (Parment, 2013; Ordun, 2015). Therefore, the aim of this paper is to investigate the consumers' degree of identification with the brand in the relation with the age of consumers, accordingly with the cohort, which they are members of.

1. Generations and Brands

Hankinson (2004) announced brand performance is closely linked to brand personality, it is the concept which allows the brand to form a relationship with the consumer. Aaker (1997) assigned that brand personality is a result of human characteristics endowment to the brand. This brand personality can lead the customers to have relationship with a brand similar to a person (Aaker, Fornier and Brakel, 2004). The perception of consumer about the personality of the brand can be shaped by direct or indirect experience dealing with the brand (Aaker, 2010 in Seimiene and Kamarauskaite, 2014). Swaminathan, Page and Gurhan-Canli (2007) said this perception can influence how consumers evaluate and consume the brand. (Ang-graenia and Rachmanita, 2015)

Consumer-brand relationship in the last decade has gained much attention from both practi-tioners and academics. Understanding the relationships between consumers and their brands has practical relevance to marketers due to the significant impact of this relationship on a company's profitability. (Ismail and Spinelli, 2012)

A generation can be characterized as an identifiable group that shares common age groupings and has experienced similar historical events at critical stages of development (Kupperschmidt 2000). Accordingly, individuals in the same generational cohort may have simi-lar values, beliefs, and behaviours due to a common location in history and shared sense of membership within a particular generation. (Real, Mitnick and Maloney, 2010)

Even though the consumer age is commonly used as a segmentation variable in several aca-demic studies, it does not allow us to understand what actually motivates consumers, neither the reason behind their behaviour. Therefore, according to the cohort theory (De

Pelsmacker, Geuens and Van den Bergh, 2005), by using generational cohorts it would be possible to gain additional understanding as each cohort involves people who were born during a specific period, who have similar experiences, values and priorities which will remain relatively the same during one's life (Meredith, Schewe and Karlovich, 2002).

Gen X buyers pride themselves as being independent and self-aware from an early age. They did not have buying power to use products to define themselves in their formative years. When younger, Generation X was seen as rebellious and non-conformist. This generation still does not place emphasis on what others think and isn't concerned with using products to display status or similarity with others. Gen Xers have been said to feel alienated and ignored by marketers and as such are unlikely to feel that most companies or brands have an understanding of their needs or personalities. Gen X is very motivated to search for purchase-related information and is adept at searching. Gen Xers tend to use information not as a point of pride but as assurance that they are not being taken advantage of by marketers and are getting the best deal possible. Gen X is most likely to look for the lowest cost item or dis-count rather than thinking of the investment value of purchases. From watching their parents become the first generation not to give or be given lifelong loyalty by their employers, this generation grew up with no desire to be loyal to corporations or brands; scepticism and rebel-lion against their parent's brands prevailed. (Ordun, 2015)

The buying power of the baby boomer generation has been a driven for the economy but this group is aging. Although it is still a dominant market segment, there is another even larger segment that spends a significant amount of consumer goods. This group called Generation Y or Millennials has become a major force in the marketplace. (Ordun, 2015)

Gen Y buyers select and consume products that helps them to define who they are, what is important to them and what they value in life also serve to express some aspect of their own personality or image. They use their considerable knowledge about the latest trends, images, and reputations of retailers, products, and brand names to be considered experts or leaders among peers. They have the desire to make the best decision in regards to not only price and quality but gave consideration to making good investments for the future. Millennial customers found great confidence and trust in the brand names of their choice. (Ordun, 2015)

In this sense, Generation Y possess a unique nature due to their upbringing surrounded by brands, which has driven this generation to exhibit different reactions to brands compared to previous generations (Bilgihan, 2016). (Gözükara and Çolakoğlu, 2016)

So, the foreign literature says that the perceptions of the brands throughout the cohorts are different. But the consumers staying in distinguished parts of world have the different habits, opinions, mind-set. That is why it is needed to investigate the cohorts and their perceptions in the conditions of Czech Republic. It means that on the literature basis there is necessity to answer the following research question:

RQ1: How does the age (being under the cohort) influence the perceptions of consumers about the brands?

2. Materials and Methods

The paper is focused on the perceptions of the brands throughout the different cohorts of the consumers.

The questionnaire as the primary research method was chosen. Overall 840 respondents were participated. The respondents were in the age of 18 - 65 years old. There was no limitation regarding marital status, the level of incomes and education, gender, place of living

and other demographic characteristics. The respondents were heavy social network users. The sur-vey was realized in 2017. For the purpose of the paper the primary data were obtained in Czech Republic through IPSOS research agency. This agency guarantees several mechanisms for controlling the quality of data and the panel is certified by SIMAR authority. The author questioned the respondents about their brands perceptions, the degree of identification with the brands, statements about the importance of the brands.

For gaining the answer of the RQ of the study CHI-SQUARE TEST of the statistical methods in MS EXCEL was used.

The structure of the sample according to their gender was 48 % of male and 52 % of female respondents.

The structure of the respondents according to their age, accordingly being under some cohorts is shown in Fig. 1. The structure was 40 % members of Generation Y (in 2017 in the age of 18-37), 33 % member of Generation X (in 2017 in the age of 38-52) and 27 % (in 2017 in the age of 53-65) Baby Boomers.

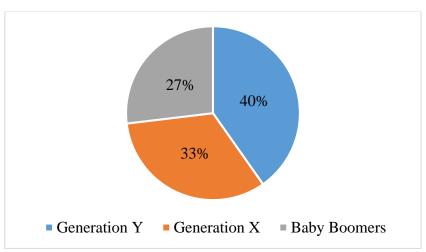


Fig. 1: The composition of cohorts (Source: Authors)

3. Results

For the answering of the RQ1 some statements about the brand were tested. The respondents answered in a scale from 1 (absolutely agree) to 6 (absolutely disagree).

At the beginning the respondents were questioned about their opinions to statement: Part of me is defined by brands, which are important in my life. And after the answers were tested across the categories of cohorts. There was found the relation of agreements with this statements and being the member of some cohort (see Fig. 2), because the number of significance was 5,53004E-07. It means that we reject the null hypothesis and accept alternative hypothesis: Being in different cohort has significant influence on the agreement with the importance of the brands in our lives.

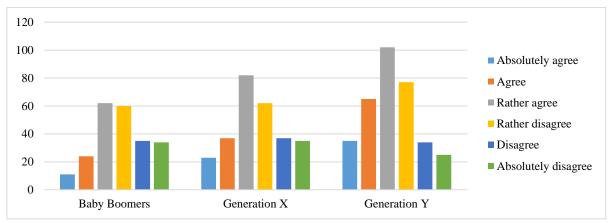


Fig. 2: Statement: Part of me is defined by brands, which are important in my life (Source: Authors)

Afterwards the respondents were asked about the statement: I identify with what my favourite brands do. There was found the relation also (Fig. 3), because the number of significance was 3,6948E-07, what means that we reject the null hypothesis and accept alternative hypothesis: Being in different cohort has significant influence on the agreement with the identification with the favourite brands' acts.

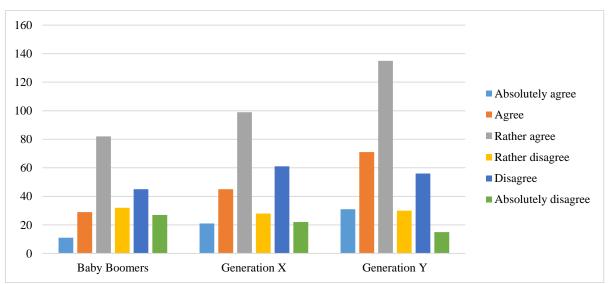


Fig. 3: Statement: I identify with what my favourite brands do (Source: Authors)

As the last the following statement was tested: My favourite brands are an image of who I am. Also in this case the relation was found (Fig. 4). The number of significance was 2,32442E-15. It means that we again reject the null hypothesis and accept alternative hypothesis: Being in different cohort has significant influence on the agreement with the opinion, that brands are the image of who we are.

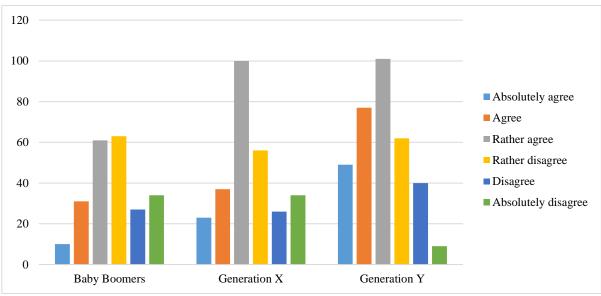


Fig. 4: Statement: My favourite brands are an image of who I am (Source: Authors)

The relation was found in all of the three statements, what means that the opinions about the identification with the brands throughout the members of the cohorts are different.

4. Discussion

The customers are the most important in the market. If the companies understand the behaviour of the consumers, they can be successful. The generations are not topic just of the practitioners, but also of the scholars. Consumer perceptions are influenced by many factors. Members of some cohort share the same historical events, it means that their opinions and habits can be similar. In this study the relation between perceptions about the brand and being the part of some cohorts was found. Generation Y or Millennials are the most discussed generation in the literature because of their buying power or different modes of behaviour against to the other generations. The generations are influenced also by the places, in which the members are growing up or living. That's why the Millennials were tested in the conditions of Czech Republic. Czech Millennials are the open topic, which should be more explored.

Conclusion

From the results it is obvious that the opinions about the brands as the part of the human personality are different. The opinions of the people from different cohorts distinguish. The brands don't mean for the Baby Boomers consumers or Generation X as much as they mean for the consumers belonging to the Generation Y. These consumers have different perceptions of the brands, what is caused by different opportunities to get the products and present themselves by them. The members of the cohorts Baby Boomers and Generation X don't need to build relationships with the brands or to present themselves by brands as much as the members of the cohort Generation Y. The members of Generation Y like building the relationships, presenting themselves by brands and also because of their buying power and desire to shop Generation Y is very lucrative cohort for the marketers. That's why it is important in research to focus on this generation for much better understanding.

References

- [1] Aaker, J., 1997. Dimensions of brand personality. *Journal of Marketing Research*, vol. 34, no. 3, pp. 347–356.
- [2] Anggraenia, A. and Rachmanita, 2015. Effects of brand love, personality and image on word of mouth; The case of local fashion brands among young consumers. *Procedia Social and Behavioral Sciences*, vol. 211, pp. 442-447.
- [3] Bhattacharya, C. B. and S. Sen, 2003. Consumer–company identification: A framework for understanding consumers' relationships with brands. *The Journal of Marketing*, vol. 67, no. 2, pp. 76–88.
- [4] Bilgihan, A., 2016. Gen Y customer loyalty in online shopping: An integrated model of trust, user experience and branding. *Computers in Human Behavior*, vol. 61, pp. 103–113.
- [5] De Pelsmacker, P., GEUENS, M. and J. Van Den Bergh, 2005. *Marketing communicatie*. Amsterdam: Pearson Education Benelux.
- [6] Gözükara, I. and N. Çolakoğlu, 2016. A research on generation Y students: Brand innovation, brand trust and brand loyalty. *International Journal of Business Management and Economic Research*, vol. 7, no. 2, pp. 603-611.
- [7] Hankinson, G., 2004. The brand images of tourism destinations: a study of the saliency of organic images. *Journal of Product and Brand Management*, vol. 13, no. 1, pp. 6-14.
- [8] Ismail, A. R. and G. Spinelli, 2012. Effects of brand love, personality and image on word of mouth: The case of fashion brands among young consumers. *Journal of Fashion Marketing and Management*, vol. 16, no. 4, pp. 386-398.
- [9] Kotler, P. and G. Armstrong, 2004. *Principles of Marketing*, 10th Ed. Upper Saddle River: Pearson Prentice Hall.
- [10] Kupperschmidt, B. R., 2000. Multigeneration employees: Strategies for effective management. *The Health Care Manager*, vol. 19, no. 1, pp. 65–76.
- [11] Meredith, G., Schewe, C. D. and J. Karlovich, 2002. *Defining markets, defining moments:*America's seven generational cohorts, their shared experiences, and why businesses should care. New York: John Wiley & Sons.
- [12] Meriac, J. P., Woehr, D. J. and C. Banister, 2010. Generational differences in work ethic: An examination of measurement equivalence across three cohorts. *Journal of Business and Psychology*, vol. 25, no. 2, pp. 315–324.
- [13] Ordun, G., 2015. Millennial (gen Y) consumer behavior, their shopping preferences and perceptual maps associated with brand loyalty. *Canadian Social Science*, vol. 11, no. 4, pp. 40-55.
- [14] Parment, A., 2013. Generation Y vs. baby boomers: Shopping behavior, buyer involvement and implications for retailing. *Journal of Retailing and Consumer Services*, vol. 20, no. 2, pp. 189-199.
- [15] Ponduri, S. B. and V. Sailaja, 2014. Consumer involvement in brand positioning. *International Journal of Scientific Research and Management*, vol. 2, no. 6, pp. 1040-1059.
- [16] Real, K., Mitnick, A. D. and W. F. Maloney, 2010. More similar than different: Millennials in the U. S. building trades. *Journal of Business and Psychology*, vol. 25, no. 2, pp. 303-313.
- [17] Seimiene, E. and E. Kamarauskaite, 2014. Effect of brand elements on brand personality perception. *Procedia Social and Behavioral Sciences*, vol. 156, pp. 429-434.

- [18] Swaminathan, V., Page, K. and Z. Gürhan-Canli, 2007. "My" brand or "Our" brand: The effects of brand relationship dimensions and self-construal on brand evaluations. *Journal of Consumer Research*, vol. 34, no. 2, pp. 248–259.
- [19] Tuškej, U., Golob, U. and K. Podnar, 2011. The role of consumer—brand identification in building brand relationships. *Journal of Business Research*, vol. 66, no. 1, pp. 53-59.