

Generation Y Marketing—The Path to Achievement of Successful Marketing Results Among the Young Generation

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Abstract Nowadays, there are discussions about crisis which the entire advertising sector is experiencing due to upcoming new trends in marketing communication in which there are new forms and means of communication constantly arising, whose charm and efficiency has been decreasing due to their mass use. Another problem is the gradual generation change, respectively, emergence of generation Y. Companies that want to reach this group of potential customers by their marketing activities have to find other ways than traditional advertising. Young people are growing up in the digital culture, which is characterized by rapid change of information technology. They are not limited only by the possibilities of their workplace but they are discovering new ones through social networks in the online environment and they are creating communities. These are the main features of the environment in which the generation Y is developing and operating. These all explains why it is now important to talk about *generation Y marketing*. Based on detailed analysis of the literary sources and results of conducted research the aim of this paper is to develop a model of effective implementation of the generation Y marketing in a company. To solve the problem of unfavourable marketing results among the generation Y there was proposed detailed process for effective use of generation Y marketing in company. The recommendations for successful reaching of young generation by marketing manager of the company were described. Areas of potential problems on which marketing managers must focus to achieve effective marketing communication of their company were pointed out.

Keywords Generation Y marketing • Generation Y • Research • Marketing communication

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Introduction

Young people are growing up in the digital culture, which is characterized by information technology. Daily they are surrounded by the current and latest technology and inventions. They can carry out their work at any place by using Internet in their laptops or mobile phones. They are not limited by their workplace. For members of this generation, price is not a problem. Generation Y is employing social media and information and communication technologies to a higher degree than other generations which also applies in different sectors (Kavoura and Stavrianeas 2015). Marketers and human resource managers are therefore looking for new ways as how to attract the youngest generation.

Based on detailed analysis of the literary sources and results of conducted research the aim of this paper is to develop a model of effective implementation of the generation Y marketing in a company. To solve problems of conducted research different methods were used: content analysis—the study of documents, synthesis, comparative analysis, process analysis, statistical analysis, modelling, programming, empirical research methods and others. Elaborated draft of the process for efficient use of generation Y marketing in the company can be considered as the main finding and result. The approach of the generation Y to marketing and management was mapped while solving the research problem (authors conducted empirical research on a sample of 479 respondents). Recommendations for successful reaching of young generation by marketing manager of the company can be considered as valuable result of this paper. The authors also pointed out areas of potential problems on which marketing managers have to focus to achieve effective marketing communication.

Generation Y Marketing

The term *generation Y* was originally used in the USA and relates to consumer behaviour and lifestyle of the generation entering the labour market (Můčka 2007). The term *generation Y marketing* describes techniques that are used to build and promote product brands among the group of consumers usually born between 1977 and 1995. Generation Y is also described as echo boomers, net generation, web generation, or millennium generation. People belonging to this group are primarily characterized by their positive attitude towards information technology and Internet which provides them a lot of information about products and services. Another interesting feature of the generation Y is a sense of practicality (Lendel and Kubina 2009) due to the fact that most of the young people has been raised in families with only one parent, so they acquired the ability to manage money. Generation Y is characterized by these features (Můčka 2007): they are born between 1977 and 1995, they do not believe in traditional means of advertising in traditional media, they are processing much more information than Generation X, they postpone

marriages and have high expectations of life, they like services, information technology, financial services, they rely on themselves, they are ambitious, self-confident and independent, they are competitive and eager for success, they like new challenges and hate stereotypes, they are losing brand loyalty and loyalty to employers, they take their career advancement and rapid wage growth for granted, they require more free time and flexible working hours, they have higher self-esteem, they see their future optimistic and they quickly get into debt, their lifestyle is about networking and creating communities.

Generation Y with its characteristics is significantly different from previous generations. Young people strive for success. They are ambitious and know that social institutions will not take care of their future. Key factors of success are education, appearance, financial proficiency and knowledge of information technology (Zelnik 1999). These characteristics make them outstanding and interesting for advertising and personnel market.

To be able to attract generation Y by manufacturers they have to increase their interest and present their job vacancy as an opportunity for a stable and financially attractive career (Lendel 2009). Only this way companies can attract young people who meet their requirements.

Employee belonging to the generation Y can be characterized as strong and flexible personality with skills of team problem solving, with strong technological expertise and ability to process tasks on multiple levels (Generation Y is changing the appearance of production 2007).

Generation Y has grown up in the world of advertising and expensive brands. The result is a lack of trust in brand and advertising. They do not trust personalities, on contrary they are looking for a product with which they can identify and which will communicate towards external environment and express their status and feelings.

Results of the Empirical Research

The research was conducted from October 2014 to January 2015. Main objective of this research was to identify the view of generation Y on the marketing and management. The research included 479 respondents born from 1977 until 1995.

Research was aimed to identify forms of marketing communication that have largest and least impact on this generation. Forms of marketing communication with the largest impact are recommendations from friends within their communities (up 83.9 %), advertising on the Internet (51.6 %), advertising on TV (39.7 %), advertising on social networks (37 %), and guerilla marketing (26.1 %). Conversely, forms of marketing communication with the least impact are telephone advertising (85.4 %), teleshopping (73.9 %), personal sales (68.3 %), promotional material sent by post to the name (41.5 %) and delivering promotional materials into the postal boxes (40.3 %), advertising on TV (41.5 %), and advertising on the radio (39.9 %).

Respondents on a scale of 1 (unimportant) to 6 (extremely important) evaluate elements that should be fulfilled to achieve successful advertising. Very important is humorous story, professional design (focus on details), practical information, simplicity, interesting story, focus on the lifestyle, focus on the product design. Conversely, less important is the presentation of products through successful peers, presentation through personalities, and a lot of information.

Respondents had the opportunity to express the range, in which all kind of industry take account of the expectations and needs of Generation Y on a scale of 1 (non-applied) to 6 (fully implemented). According to the representatives of generation Y are their expectations and needs mainly applied in the automotive, textiles/ clothing, telecommunications (mobile telephones), IT industry and banking, marketing, and tourism. On the contrary, they feel that their expectations and needs are neglected in the area of education and training, health, public administration, construction, legal sector, furniture industry, and transport.

The research was also aimed to characteristics of generation Y on the basis of their expression with the offered statements. Representatives of the generation Y, rather than supervisors prefer coaches and mentors. They are used to that their ideas are not ignored. Generation Y valued human conversation and reject the directive management. They have high expectations on the work. They are not intending to work all life in one company, and they can only work on meaningful projects.

Ways to Successful Addressing Young Generation

Generation Y hears and sees advertisements from birth, therefore it is not possible to “fool” them at all. Advertising does not play a major role in deciding on the purchase of goods or services. Most of this generation make parodies to advertising and shares the view that what is advertised, it is the worst product (Vološčuková 2003).

Ads designed for generation Y, which aim to successfully reach this segment of customers, must meet the following characteristics: humorous story, practical information, clear information, emphasis on design, common building brand, and product is a communication resource, focus on lifestyle, good preparation of advertisements and focus on details.

Conversely, in an advertisement aimed to the generation Y do not work following marketing initiatives: presentation of products through celebrities, simplicity and rudeness, branding without involving generation Y.

Product design is the basis for attracting teenagers. For example, in mobile phone the design plays a special role. Young people use the mobile phone as a means of rapid communication, but it is also a fashion accessory and the thing that conveys social status (Vološčuková 2003). In addition an emphasis is on individual functions of the device.

Another sector that began to react flexibly to the needs and expectations of generation Y is the automotive industry. Young people often visit design centres

where they comment on the latest car models. Car manufacturers are well aware that their style and aesthetic criteria are in the fact quite different than style and criteria of parents. Information and communication technologies greatly affect their lives, so they would like to see that even in the car.

In the 2007 the company Hyundai Motor Co. introduced three completely new models. The leader is the Hyundai Veloster, sports coupe meeting the unique requirements of generation Y. The panoramic glass roof and other futuristic styling elements create the image of advanced technology. Orientation to generation Y is confirmed by words of Vice President of Hyundai for design Oh Suk-Geun: "With Veloster, we wanted to try something completely new. We are aware that generation Y, for which the model was designed as a priority area, looking for a radically different new products" (3 news on Hyundai Motor Show in Seoul 2007).

When creating the ad itself marketing agencies must take into account the fact that young people are able to verify everything in a very short time. Through the Internet, they can very quickly find all relevant information on products and services. As part of the community, in which they act, they can also quickly find someone with experiences with a product.

Unlike other generations, generation Y is characterized by different ways of processing the communication. Young generation is accustomed and loves graphics and video installation, sound compositions, light and sound effects, machine rhythms, etc. Image–sound–music. This is a key triangle for successful communication with the young generation.

Many marketing managers considered generation Y as children. The situation changes dramatically. Even the most famous clothing brands responded to this situation after they had started to lose their customers. Generation Y marketing is specific in that it is directly subordinate to the incoming generation. Marketing agencies and companies realize that this generation in the short term leaves school and begins to buy their first homes, cars, establish their accounts.

Currently the entire advertising sector focuses mainly on people of working age who have the money to spend. In recent years, the numbers of young people who love brands have rapidly increased. They have become a huge market force.

Fashion has become probably the fastest growing clothing sector in the world. Since 1995, specialty stores dedicated exclusively to youth have been occurring. In this industry it revolves annually \$70 billion. (Vološčuková 2003)

To reach successful marketing campaign it is necessary to cooperate on the side of young people and marketing managers. The snowboard ramps, clubs and music festivals are becoming suitable advertising spaces and surfaces.

Marketing strategy must be based on those groups of young people and take account of its characteristics and its lifestyle. Products must be interesting, practical and above all to be a trend. Producers have to deal with this reality and prepare for the fact that the product, which is currently a trend among young people, could be replaced by something new that increases the interest of teenagers any time.

The way to success is to understand the thinking of members of generation Y. As an example, an advertising of the chocolate Forte can be introduced. The company wanted to break into the territory in which the Czech producer of chocolate—

Študentská pečať had built a strong position. After several months it was found that the sale of the Czech product did not decrease, though Forte came to the same market share. Advertisement “This is meat”, which offended many people, awaken an interest in generation Y (Zelník 1999).

It is also necessary to realize that this generation does not form a homogenous group. Therefore, marketing professionals are forced to seek ways to address them as a group. The variation of groups is formed under the conditions of environment in which they grew up. As a useful marketing tool the Internet advertising shows to be. On the Internet, there is a two-way communication. The most commonly used communication between companies and customers (one-to-one), by individual offers and promotions, or between multiple companies and customers (many-to-many) using chat or discussion forums. In other media, this communication takes place only towards the recipient (one-to-many), so advertising on the Internet is becoming more interesting and more relevant not only to the generation Y but especially for companies.

Conclusion

In conclusion, despite the fact that in Slovakia young people usually belong to the generation Y, they sometimes make decision through other patterns (Zelník 1999). Marketing communications to generation Y is to mediate live and famous figures (best from the world of popular music or professional sports). They themselves are Unique Selling Proposition (USP), since they are the epitome of individual style and ideal generational style, combination of exclusivity and general availability. The product, which is supported, thereby gains status of generational symbol.

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