

A Review on Research of Impulse Purchase's Influencing Factors in Generation Z

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Abstract: With the development of society and technological progress, Generation Z has become one of the focuses of business and social attention. In-depth research on the influencing factors of impulse purchase in the Generation Z group. This study mainly focuses on internal and external factors that affect impulsive consumption, including self-concept, education level & income, and delayed gratification; External influencing factors include external environment and marketing strategies. The full text used the literature analysis method to search and read relevant materials and literature. The advantage of this research method lies in its ability to systematically analyze existing literature and research methods, providing a theoretical and empirical basis for research. The research findings of this study indicate that impulse purchase is influenced by both internal and external factors. In terms of internal influencing factors, Generation Z consumers are self-centered, focus on personal image and social status, and are easily influenced by emotions. Consumers with higher income and education levels are more likely to make an impulse purchase, while the trend of delayed gratification makes Generation Z more inclined to immediately satisfy shopping needs. Among the external influencing factors, the Internet era and the prevalence of consumerism are considered important factors. Generation Z grew up on the Internet and is vulnerable to the impact of digital media, while pricing and packaging in marketing strategies will also impact impulse buying.

Keywords: Impulse purchase, consumer behavior, Generation Z, influence factors

1. Introduction

With the development of society and technological progress, Generation Z (born from 1995 to 2010) has become one of the focuses of business and society. This study focuses on the impulse purchases of Generation Z consumers [1]. This study has profound significance for understanding the consumption behavior of Generation Z consumers. This study mainly focuses on internal and external factors that affect impulse purchases. Internal influencing factors include self-concept, education level and income, and delayed gratification; External influencing factors include external environment and marketing strategies. The full text used the literature analysis method to search and read relevant materials and literature. The advantage of this research method lies in its ability to systematically analyze existing literature and research methods, providing a theoretical and empirical

basis for research. The ultimate research objective of this study is to expand the existing research gaps while understanding the essence of consumer behavior among Generation Z consumers, providing a reference for enterprises to develop more targeted marketing strategies.

An impulse purchase is a unique consumption model based on strong emotional reactions from customers, which are instantaneous, sudden, and direct [1]. The academic community has conducted certain research on impulse purchases, mainly defining it from the following two perspectives: one is to equate impulse purchases with unplanned consumption activities. Another view is that impulse consumption is a consumption activity carried out by customers due to emotional reactions triggered by external stimuli [2].

In the past, people divided impulse purchases into four categories: Planned impulse purchases, Reminded impulse purchases, Suggestion or fashion-oriented impulse purchases, and Pure impulse purchases [3]. This is very similar to the current classification of impulse purchases, but the current types of impulse purchases are more generalized. In recent years, people's living standards have improved, and the income of residents has significantly increased. With the continuous advancement of technology, different promotional methods and advertising forms often emerge. This has led to a change in the types of impulse purchases. Nowadays, people categorize impulse purchases into three types: pure impulse purchases, initiating impulse purchases, and planned impulse purchases [4]. Pure impulse purchase is the most primitive type of impulse purchase behavior. They have not considered the specific situation of whether the product is needed or its performance before the shopping behavior occurs and are only satisfied with the current desire to purchase. Initiate impulse purchase, the motivation behind this consumption behavior is that the product prompts consumers that they currently lack or have a demand for this product in the future, leading to impulse purchase behavior. Planned impulse purchase. Before the emergence of impulse purchase behavior, most consumers had relevant plans and ideas in the early stage, which will instantly generate a desire to purchase when consumers come into contact with similar products in the future.

2. Internal Influencing Factors

Impulse purchase is a common consumer behavior for consumers. The internal factors that influence this behavior are often closely related to the consumer's personal needs, emotions, and personality traits. As the first children of social media, Generation Z consumers have a strong need for personal expression and immediate gratification. Their confidence and their desire for money and success are typical of them [5]. Generation Z consumers are expressive, seek approval, and are curious about new things. These characteristics have led to some changes in the factors that influence their impulse Purchase. It is worth noting that impulse purchase is not entirely pejorative. Impulse purchases can satisfy consumers' immediate needs and emotional demands, thus bringing short-term satisfaction. Especially for Generation Z, who focus on experience and seek new and unique goods or services, impulse purchase is sometimes a sign of their enthusiasm for life and their search for the unknown.

2.1. Self-Concept

Self-centeredness is a single-minded focus on oneself and one's own needs, desires, preferences, and problems. Someone self-centered may be preoccupied with their thoughts and feelings and may not be very attentive to the needs and perspectives of others.

With the increasing focus on the concept of identity, Generation Z consumers are self-centered [6]. The core idea of Generation Z is to show off one's identity, and the way to do so is often through consumption. Generation Z consumers seek not only material satisfaction but more importantly, spiritual satisfaction [7].

Self-centered consumers pay more attention to whether a product or service can enhance their personal image and social status, and consequently generate impulse purchase behavior. For example, a consumer with a preference for designer clothes may buy a limited edition of designer-style clothes immediately when customers see it to satisfy their self-image needs, even though they do not need more clothes.

In addition, self-centered consumers are also more susceptible to emotions and may make impulse purchases driven by pleasant or angry emotions in search of emotional catharsis or satisfaction. Mattila and Enz bring up that fashion-oriented impulse purchases can be influenced by shoppers' own positive emotions when shopping [8].

2.2. Income & Education

Individual consumers' education and income situations have a one-sided effect on their spending behavior, which can promote impulse purchases.

Most Generation Z consumers are well-educated. A high level of education usually means that this segment of the population has higher earning potential and stronger financial resources. Additionally, this segment is more likely to have a more comprehensive and in-depth understanding of their buying behavior; they have their ideas and are more aware of their own needs. Generation Z customers may make purchases that appear to be impulsive but are well thought out. For example, buying their favorite products as soon as they see them on sale, so they don't miss out on a limited-time discount.

The most senior portion of Generation Z is already in college and even the workforce and has some financial footing. Generation Z consumers in the early stages of their careers have relatively stable incomes, along with relatively high disposable incomes. This, coupled with their optimism about life, acceptance of new things, and willingness to pay for self-satisfaction and quick fun, further fuels their impulse buying behavior.

2.3. Deferred Gratification

Deferred gratification refers to the postponement of gratification or satisfaction [9]. Pre-Generation Z consumers favor deferred gratification. But in an era of globalization, information explosion, and rapid technological advancement, Generation Z consumers have greater access to a wide range of product information and shopping channels. At the same time, those Generation Z consumers who are familiar with online shopping platforms, are good at using social media to get buying advice and want answers immediately. The Buy Now, Pay Later (BNPL) approach that many platforms are playing up has also made Generation Z consumers more inclined to buy items immediately to fulfill their needs. When those customers need a product or service, they tend to buy it immediately to satisfy their ego. Their deferred gratification personalities are gradually changing with technology compared to previous consumers.

3. External Influencing Factors

According to the behavior theory, some scholars point out that impulse purchase is the purchase behavior of customers after receiving a strong consumption stimulus, and the stimulus involved may be the marketing strategies formulated by the enterprise, the product promotion by sales representatives, the attractiveness of the product itself or the environment in which the customers are located. Peck J et al. attributed the significant increase in the frequency of impulse purchases by consumers to marketing stimuli in the form of discounts on goods, the context of the store, etc. [10]. According to researchers, impulse purchase is defined as a final purchase behavior made after an emotional struggle in a certain consumption scenario, triggered by a strong, sudden stimulus [11]. When reviewing the research literature on impulse consumption, it becomes clear that the two main

external factors that influence impulse purchase are the marketing strategies developed by merchants and the external environment in which consumers live [12].

3.1. External Environment

The prevalence of impulse purchases in Generation Z is a result of the overlap, penetration, and development of digital information technology and consumerism [13]. According to the progressive relationship of "context-individual-behavior", the impulse purchase of Generation Z is not directly caused by the environment, but rather the environment affects one's own emotions first, which then leads to one's purchase behaviors.

With the emergence of advanced technologies like 5G networks, big data, and intelligent sensing technologies, various digital media platforms based on capital logic have merged to form a super digital ecosystem. This ecosystem has continuously reconstructed and reshaped the consumer identities of Generation Z more implicitly and acceptably. Generation Z is the first generation to grow up with the internet and is comfortable with online shopping and sharing personal information on social media [14]. They are also more receptive to new technologies and products. Due to their status as 'Internet natives', they are highly susceptible to the influence and compulsion of digital media. As a result, they may not realize that they are being marketed to, which can lead to impulse purchases driven by capital. In the survey of 300 Generation Z college students from across China, Xin and Lou found that 68% of Generation Z consumers preferred online shopping, while 32% preferred offline shopping [15]. Luo et al. surveyed Generation Z college students and found that 70% of respondents were aware of live online shopping. Additionally, more than half of the respondents reported that live online shopping was a common method of shopping for them. Functions of the live stream including the live streaming host's performance, interactive chatting, and "likes" make college students consider themselves to have a sense of participation. This kind of online interaction makes an emotional connection between college students and live-streaming hosts, thus satisfying college students' needs for personalized expression and generating a sense of satisfaction and achievement in their psychological perception. At the same time, most of the commodities in the live stream are usually cheap, discounted, and limited edition as a means of promotion, while college students as consumers do not have a comprehensive understanding of live streaming hosts and commodities and are unable to effectively identify and judge the authenticity of the information they advertise. In this way, they tend to be lured into impulse purchases [16]. Zhang et al. conducted a questionnaire survey on 300 Generation Z college students. The results indicate that Generation Z college students are more prone to impulse purchases when shopping via live stream [17].

Some college consumers who are addicted to online shopping spend 20% or more per month on live streaming above the number of living expenses they get from their parents [16]. Online lending platforms offer a convenient solution for these consumers in response to their inability to make ends meet. According to Xin and Lou's survey on Generation Z, 76% of the surveyed respondents had used an internet lending platform, with almost half of them using it regularly [15]. The global media era has resulted in the interconnection and reinforcement of new media and the collateral consumerism of capital logic. These factors contribute to the over-consumption and over-expansion dynamics of this era. In this environment, it is easy for Generation Z to develop an impulse purchase mentality due to the influence of digital media, and the availability of online lending platforms has made it simple and effective for them to reach impulse purchase outcomes [13].

3.2. The Marketing Strategy

3.2.1. Price Strategy

Dixie Button argued that price marketing is an important factor in driving impulse purchases [17]. According to Luo et al., 72.1% of Generation Z respondents were attracted to products with large discounts and made unplanned purchases [18]. Xu and Xiao studied the drivers of online shopping among Generation Z college students and found that strong discounts, limited-time and limited-quantity steals, and live-streaming atmosphere renderings were the dominant drivers of online consumption among college students [19]. The desire for value for money is human nature, and the pseudo-luxurious scenario of live shopping that Generation Z is so keen on reinforces this desire and impulse. In this atmosphere, even if consumers know that the goods, they are about to buy are useless and will be left unused, they still cannot suppress their desire and impulse for bargain goods. Driven by the chain reaction of price charm, Generation Z can easily lose their heads, compelled by the benefits defined by the enterprise, and then impulsively purchase [13].

3.2.2. Packaging Strategy

Sanjeev Prashar et al. argued that packaging plays an important role in marketing and has a significant impact on consumer purchasing decisions and conducted a study by collecting 239 samples. The results of the study showed that packaging design influences impulse purchase, and both brand name and color make consumers buy goods on impulse [20]. Taking the hipster market as an example, hipster blind boxes with an exquisite look have a significant appeal to the Generation Z group. According to publicly available data from POP Mart, a leading company in the industry, 32% of blind box purchases are made by 18-24-year-olds and 26% by 25-29-year-olds, who alone account for more than 60% of purchases [21]. IP is the core competitiveness of POP MART, and there is a significant positive relationship between IP image formation and consumers' purchase intention [22]. According to the theory of consumer society, demand is not spontaneously generated by consumers at the grassroots level. Instead, goods have the opportunity to appear in the 'standard packaging' that consumers demand only through the adornment of 'selective packaging' [23]. Consumers who seem to be shopping independently are influenced by attractive packaging, which creates a specific demand for certain products. Generation Z lacks rational understanding and judgment and is more likely to fall into the shopping scenario created by attractive packaging. Therefore, driven by sophistication, Generation Z chooses to affirm and satisfy their desires, following the 'buy when you like' mentality of impulse purchase [13].

4. Discussion

The influencing factors of impulse purchase in Generation Z are divided into two parts: internal factors and external factors. The internal influencing factors include self-concept, consumer income and education, and delayed gratification. Self-concept is an important psychological concept, and this characteristic is very evident in Generation Z. Self-centered consumers are more concerned about whether products or services can enhance their personal image and social status, leading to impulse purchase behavior. In addition, self-centered consumers are more susceptible to emotional influences and impulse purchase behavior. The second factor is education level and income. High-level education usually means they have higher income potential. For Generation Z consumers who are in the early stages of their career and have relatively stable income, their disposable income is relatively high and they are more likely to engage in purchasing behavior. The third factor is delayed gratification. Generation Z consumers have more opportunities to access a wide range of product

information and shopping channels, and many platforms offer a pay-as-go policy, which makes them more inclined to make impulse purchases to meet their needs.

External factors can be divided into two categories: the external environment in which consumers operate, and the marketing strategies of businesses. Firstly, there are external environmental factors. Digital information technology and consumerism together constitute an external environment that is highly likely to make impulse purchases among the Z generation. In addition, the organic combination of digital information technology and consumerism has given rise to online lending platforms, making Generation Z more prone to impulse purchases. In the marketing strategy section, two strategies have a strong driving effect on the impulse purchase of Generation Z: price strategy and packaging strategy. The impact of price marketing strategies on impulse consumption is particularly significant, as live shopping satisfies Generation Z's pursuit of cost-effectiveness. Exquisitely packaged products are more likely to arouse people's desire to purchase.

To alleviate impulse purchase behavior, consumers should think calmly before making shopping decisions and avoid making hasty decisions. Clarify one needs and avoid impulsive purchases of irrelevant items. Clear consumption goals can help consumers better control their impulse purchases. At present, there are still some shortcomings in this research field:

Firstly, in terms of the external environment, existing research focuses on the abstract macro environment of the social environment, and the research on the physical environment is not sufficient.

Secondly, existing research has analyzed that there is more online consumption, which may be related to the enthusiasm of Generation Z for online consumption. Still, they also have many impulse purchase behaviors in offline consumption.

In addition, with the deepening development of the digital economy, consumer behavior has shown new characteristics such as diversity, immediacy, and cross-temporal and spatial variability. The characteristics of emerging impulse purchases still need further research.

5. Conclusion

Overall, impulse purchase is influenced by both internal and external factors. In terms of internal influencing factors, Generation Z consumers are self centered, focus on personal image and social status, and are easily influenced by emotions. Consumers with higher income and education levels are more likely to make an impulse purchase, while the trend of delayed gratification makes Generation Z more inclined to immediately satisfy shopping needs.

Among the external influencing factors, the Internet era and the prevalence of consumerism are considered important factors. Generation Z grew up on the Internet and is vulnerable to the impact of digital media, while pricing and packaging in marketing strategies will also have an impact on impulse purchases. In pricing strategies, discounts and limited-time promotions attract a large number of Generation Z consumers to make unplanned purchases. Regarding packaging strategy, products with exquisite appearance are a significant attraction to Generation Z.

This study has profound significance for understanding the consumption behavior of Generation Z consumers. While providing a reference for enterprises to develop more targeted marketing strategies, it also provides consumers with some suggestions to alleviate impulse purchases. To further enrich the research on the influencing factors of impulse purchase in Generation Z, the main research directions in the future are as follows: The scientific definition of impulse purchase and its basic logic. Through research methods such as questionnaire surveys, further investigate specific cases and deeper influencing mechanisms of impulse purchase in Generation Z and explore the relationship between internal and external factors.

Authors Contribution

All the authors contributed equally and their names were listed in alphabetical order.

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