The Influence of Communication Mixture on Seniors’ Purchase Behavior

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Abstract. The target group of people at the age of 60+ is interesting for all marketers. The offer for seniors should be understandable and mainly authentic. Communication mixture tools can motivate and influence the purchase decision-making process of customer-senior. The goal of this article is finding out the influence of communication mixture on seniors’ purchase behaviour over 60 years in Ustecky region in the Czech Republic. The analysis of secondary data, technical literature and studies which deal with given issues, was accomplished to fulfil the goal of this article. The results from the questionnaire will be used as primary data. It examined the influence of communication tools components on seniors’ purchase behaviour in specific region. The results of the research point at the fact that first of all the effect of traditional communication mixture components, such as advertisement on TV, receiving leaflets into post boxes and mainly discount products, has the influence on purchase behaviour of this segment. Neither the age nor the social status of seniors has significant influence on the effect of marketing communication tools. In the near future it is assumed that the influence of information technology and the lifestyle of older people will affect the marketing communication. The senior before the retirement will be different from the contemporary senior.

Keywords: seniors, growing older, communication mixture tools, purchase decision

JEL Codes: M31, M37.

1. Introduction

Europe and the Czech Republic are getting older. Seniors are becoming an interesting target group for traders and services providers. The population over 50 years in the EU countries will be considerably rising in the nearest years according to the prognosis of European statistical office Eurostat. In 2014, this age limit had the representation of almost 40% population [4]. Eurostat population projection presumes that in EU-27 in 2060 there will be less than two people at productive age (15-64) for every person at the age of 65 and more. Contemporary ratio is 4:1 [6].

Old age is denoted as a display and consequence of regressive, morphological and functional changes which are modified with the influence of the environment, state of health, lifestyle, self-evaluation and acceptance of certain role. The World Health Organisation considers the early old age period 60-74 years, the old age 75-89 years and long-term age over 90 years. If we take into consideration demographic changes
with the extension of life length, the age of 65 is considered the beginning of old age, about old age it is spoken over 75 years.

Contemporary classification of the old age is inspired by the author B.L. Neugarten. She divides the old age into “young seniors” from 65 to 74 years where the seniors solve the issues of retirement, free time, activities and self-realization. Then she divides it into “old seniors” from 75 to 84 years where these seniors solve the issues of adaptation, tolerance, stress and loneliness. Last stage is called “very old seniors” over 85 years where the issues of self-sufficiency and social security are solved [9]. The authors Zavazalova [29] and Holmerova [7] also agree with this classification in their publications.

Nowadays the people who are 45 and more have changed the process of growing old. The so-called generation of baby-boom was 26 to 44 twenty years ago. Today, with many entering their 50s and beyond, they remain as active as ever, with varying degrees of purchasing power. As such, it would make sense that advertisers, marketers and public-relations professionals would aim to harness what will be the largest segment of consumers.

The sociologist Sykorova distinguishes 6 different attitudes of seniors not according to the age but according to how they experience and cope with growing old [20]. It is about the attitude “young old age”, “balanced old age”, “ambivalent old age”, “negation of old age”, “seriously ill old age”, “coping with the fourth age”. There are more seniors who want to have active lifestyle, educate and take part in social life.

Senior population is heterogeneous. It means that there is not a typical senior. Seniors differ from each other from the age, state of health, functional state, lifestyle, family background, economical circumstances, social network, education etc. [1]. For better satisfying of seniors’ needs, marketer’s task is to analyse and understand their mental states and finding how their purchase behaviour differs from younger consumers [14].

Moreover, Moschis points that shopping of the same products in shops is typical for older generation and sellers regard them as loyal customers [15]. The authors Lambert-Pandrued and Laurent agree with this statement and they also refer to high seniors’ loyalty [11]. Many seniors prefer traditional lifestyle which means that these people have not had high ambitions for all life. They learnt to adapt their life situations. This group of old people has been hard-working for all life and they want to enjoy their deserved pension and rest [8].

They prefer new products which offer less perceived risk and are innovative if they are socially active. While going for shopping they do not only buy products but they are interested in having buying experience [23].

This demographic segment represents a greater potential for advertisers and marketers blond the insurance plans, medicine and other products that are associated with the health of the elderly [5].

2. Objective and Methodology

Nowadays in the Czech Republic there is 37.2% of population over 50 years, from that the representation of people over 65 years and more reached 17.4% [2]. The growth of demographic curve except the problems with paying out pensions and extension of the retirement leave brings the change of goods producers’ attitude and service providers to this target group of inhabitants. Contemporary senior feels the influence of traders’ marketing activities more, he or she has bigger choice of shop or product and he or she can gain more information about the product. It is required to look at the seniors from the point of view of the marketing tools influence and from the point of view of time of creating their values. Contemporary seniors at the age of 80 and more spent a big part of active life in totalitarian regime and it can be supposed that most
of them had already created their value scale. Twenty years younger seniors, at the age of 60, were creating value structures in totalitarian regime and democratic regime could influence their value attitudes.

The goal of this article is finding of communication tools influence on seniors’ purchase behaviour over 60 years in Ustecky region in the Czech Republic. The secondary goal is the assessment of growing age influence and lifestyle on purchase decision of older people. Seniors 60+ represent in the examined region approximately 24% which rates this region among regions with the lowest seniors’ representation. Seniors increase in this region every year compared to children and this development will be confirmed [3]. It is assumed that seniors’ needs and wishes in certain area will be different from the needs of older people from another area. Therefore the attention is paid to one region.

The collection of primary data via written questioning was used to define the communication tools influence on seniors’ behaviour in purchase decision making. The questionnaire was distributed to seniors in printed version. Stratified random choice of respondents’ samples was used because it was not possible to fulfil the requirements for representative choice. Respondents’ gained replies were filled on the basis of analytic research which enabled to examine mutual relations and dependences among discovered information.

To find out the influence of communication tools on seniors’ behaviour in purchase decision making, the research question was established: “What communication mixture tools have the biggest influence on seniors’ purchase behaviour?”

The questionnaire research was taken place in spring 2015. The number of female and male respondents was 418. The determination of age range, working status and amount of income was important index for the research of the influence of communication tools on seniors’ purchase behaviour. The respondents were divided into 4 age groups 60-64 years, 65-69 years, 70-74 years, 75 years and more. 35% of seniors made the age category 60-64 years, 32% of seniors made the age category 65-69 years, 24% of seniors made the age group 70-74 years and the last age category 75 years and more made 9%.

The influence of particular elements of communication mixture on motivation of purchase decision making among age groups with regard to their income and working status was compared within particular age categories.

3. Results

According to the results from the questionnaire research 60% of all seniors’ respondents buy in different kinds of shops (supermarkets, self-service shops, small shop with staff) according to their offers. This target group is represented more than two thirds by women, three fourths of respondents buy in this way in the category 60-69 years. Mostly seniors (75%) make the group shopping on the basis of special offers whose only income is old age pension. Just economic reasons of given segment can be the cause of such purchase decision. From the research follows that the seniors with their monthly pension in the range of 8 to 12 thousand Czech crowns (55%) make the strongest income group of respondents.

Seniors’ shopping according to special offers of shops is also influenced with sending of advertising material to post boxes. From the research results follows that 70% of respondents do not mind the fact they find advertising material in their post boxes. Only 12% of all respondents mentioned that the leaflets annoy them and they refuse them. The leaflets also annoy the rest of seniors 18% but they are not able to refuse them.

Regarding the influence of advertisement, it can be supposed that it has a big influence on seniors’ behaviour. Advertisement affects seniors with different tools (Tab 1). The most respondents (77%), from them two thirds are pensioners from 60 to 75 years, are motivated to purchase with leaflets. TV
advertisement still has significant influence on purchase decision making mainly by “young seniors” from 60 to 69 years (19%). We can claim the same about the advertisement in newspaper and magazines (24%). The perception of the advertisement in newspaper or magazines depends on the writing size of text and print quality. Seniors (5%) also mention that they like listening to the radio but the perception of advertisement from this media is the worst.

Almost 47% of seniors are motivated with their acquaintances’ references during their shopping. A part of seniors is alert on one hand, on the other hand a little bit suggestible by purchase of goods, therefore the references of given products can be used by certain group of people in their favour.

As it can be assumed, internet advertisement has the smallest influence on purchase decision making at this respondent target group (6% of respondents). The respondents who perceive the advertisement in certain media belong mainly to the age group 60-64 years with the social status – pensioner and working pensioner.

<table>
<thead>
<tr>
<th>Age</th>
<th>TV advert</th>
<th>Radio advert</th>
<th>Advert in newspaper/magazine</th>
<th>Leaflets</th>
<th>Acquaintance’s reference</th>
<th>Internet advert</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>60-64</td>
<td>10,3</td>
<td>1,7</td>
<td>7,2</td>
<td>25,6</td>
<td>17,7</td>
<td>3,1</td>
<td>4,3</td>
</tr>
<tr>
<td>65-69</td>
<td>8,6</td>
<td>1,9</td>
<td>9,6</td>
<td>26,1</td>
<td>15,3</td>
<td>1,2</td>
<td>1,7</td>
</tr>
<tr>
<td>70-75</td>
<td>5,0</td>
<td>0,7</td>
<td>5,5</td>
<td>18,4</td>
<td>11,7</td>
<td>1,4</td>
<td>2,2</td>
</tr>
<tr>
<td>76+</td>
<td>1,4</td>
<td>0,2</td>
<td>1,9</td>
<td>6,9</td>
<td>2,6</td>
<td>0,0</td>
<td>1,4</td>
</tr>
<tr>
<td>total</td>
<td>25,4</td>
<td>4,5</td>
<td>24,2</td>
<td>77,0</td>
<td>47,4</td>
<td>5,7</td>
<td>9,6</td>
</tr>
</tbody>
</table>

Source: author. Note: Respondents could mark more answers.

Moreover, the questionnaire research is focused on finding of the influence of another communication mixture tool, which means marketing support. Respondents should order particular tools of marketing support (extra present, economy pack, tasting of certain product, discount, consumer competition, discount coupon) according to the biggest influence on their motivation for shopping.

The discount of goods motivates the most seniors for shopping. Up to 68% of all respondents with the pension from 8 to 12 thousand presented this fact. Price will be the biggest factor when shopping goods if there are low pensions. Another motivating tool of marketing support is economy pack according to the seniors (35%).

Another tool of marketing support “discount coupon” is ambiguous. This is a tool where on one hand respondents (22%) pointed that this tool motivated for shopping, on the other hand the same percentage of respondents claimed that this tool does not motivate them for shopping. Given fact can depend on the discount amount which seniors get during their purchase. The target segment is pleased when they get extra present during shopping (32%).

“Tasting of certain product” and “consumer competition” are the tools for given segment which motivate least for shopping. Seniors like taking part in these actions but it does not mean that they are motivated more for shopping. Up to 54% of respondents mentioned that they do not rather buy goods advertised in the shop.
It is showed here that seniors are people who do not waste money and they like their stereotype during shopping.

The object of questionnaire research is finding if direct marketing also influences seniors’ purchase behaviour (Tab 2). When respondents decide to buy goods out of shops, then they choose products in catalogues (66%). Pensioners do not prefer too much to buy goods via TV spots and letter into post box.

Table 2: The most often used form of direct marketing

<table>
<thead>
<tr>
<th>Age</th>
<th>Catalogue</th>
<th>Phone</th>
<th>TV spot</th>
<th>Letter into post box</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>60-64</td>
<td>28,4</td>
<td>3,0</td>
<td>5,2</td>
<td>3,7</td>
<td>40,3</td>
</tr>
<tr>
<td>65-69</td>
<td>20,1</td>
<td>0,7</td>
<td>7,5</td>
<td>6,7</td>
<td>35,1</td>
</tr>
<tr>
<td>70-75</td>
<td>12,7</td>
<td>0,7</td>
<td>2,2</td>
<td>3,0</td>
<td>18,7</td>
</tr>
<tr>
<td>76-more</td>
<td>4,5</td>
<td>0,7</td>
<td>0,7</td>
<td>0,0</td>
<td>6,0</td>
</tr>
<tr>
<td>Total</td>
<td>65,7</td>
<td>5,2</td>
<td>15,7</td>
<td>13,4</td>
<td>100,0</td>
</tr>
</tbody>
</table>

Source: author

Internet as the media is important communication mixture tool which begins to influence mainly “young seniors” from 60 to 64 years (19%) to whom their retirement age lengthens and they are forced in some measure to adapt technological development of society. When seniors buy via internet, it is about electronics (43%) and clothes (13%).

3.1. Discussion

Marketing experts, economists and sociologists are aware of senior’s importance as the target group for companies considering growing old of inhabitants not only in Europe but all over the world. In particular experts’ opinions there is not given the same age view of seniors. The authors in particular studies introduce seniors as older generation from 55 years, in technical literature it is from 60 years and the Czech statistical office defines the senior status from 65 years. As it follows from next studies the age is not too important in seniors’ purchase behaviour.

When the baby boomers were 18, they were regarded as the most important generation as far as marketers were concerned. That generation has moved on. But the marketers have not moved on with it. The need isn't for campaigns that specifically target older people. The greatest ads have always been those that are the most inclusive [22].

According to managing director of the company Doner Cardwel Hawkins (2010), a 50-year-old has more in common with a 25-year-old than with somebody in their nineties. Digital-led communication holds the key to change because it's there that mature consumers can interact with brands in their own time and space. The head of consumer communications of the company Honda has the same opinion. He claims that important aim is to create ads that will appeal to people irrespective of their age. After all, age is a state of mind and the age at which we consider ourselves to be old gets older all the time. The authors Wolfe [28] and Treguer [21] confirm in their publications that products offered by seller are accepted by younger and older group of customers.
The results of another study, which compare German to American seniors, confirm the fact that most contemporary seniors need to get closer to lifestyle of young people not only emotionally but also with life. Moreover, this study also shows that considering seniors behaviour the attention should be paid to differences between social classes, culture of given country, individual state of health of every senior and his or her private lifestyle [27]. Ward R. points at this fact in his survey [26]. These analyses investigated change in perceived age in both midlife (48-54 and 55-64) and later life (65 and more), enabling comparisons of patterns in these different parts of adulthood. Older respondents report increasingly younger felt age compared with chronological age, but felt age tends to be proportionately similar from midlife into later life, as also noted by Rubín and Berntsen [19].

The author Vysekalová [24] confirms these above mentioned authors’ opinions in her publication Emotions in marketing and presents that biological age is not too important to marketing seniors’ communication but the social time should be considered. It means that the people at the same age, education and income do not have to create marketing segment. The authors Kotler and Keller [10] claim that mainly seniors before retirement do not often decide according to their age but according to their lifestyle when they buy something. These seniors are characterized by high knowledge of brand and sensitivity but their brand loyalty is not too big as older senior generation.

Today’s market of population 55 introduces interesting potential for traders and marketers. Older people are more experienced, confidence and sensitive to influence of marketing activities. Within free time this segment deals with media world more than it is with younger generation. According to the study Mather [13] it is necessary to choose media carefully for addressing this target group – it is mainly about TV, radio, tabloid, hobby magazines and direct mail. On the other hand seniors do not want to be isolated group and therefore they do not like advertisement displaying people over 50 years [17].

According to the author’s research Vysekalová [25], in 2011 companies released negligible part of their budget for communication with seniors. According to this research, the prospect into the future is more positive. Almost one third of marketing managers presented that they want to establish active dialog with seniors.

According to the author called Reidl [18] within communication policy it is suitable to present seniors positive as vital, working people who do not lose their charm and charisma and look calmly regardless their age. Verbal communication is effective for seniors’ purchase (Word of Mouth).

The research „An Exploratory Note on the Shopping Behaviour of the Low Income Senior Citizen” [12] of 1974 confirms that senior uses personal observation in terms of physical search and the newspaper as primary sources of product information, purchases food mainly from a chain supermarket, purchases clothing and household furnishings mainly in the central business district,) is highly mobile and well informed, and considers shopping to be a major part of his or her life style. According to the study of agency Mather [13] the sense of advertisement is important for the generation 55+, by selected products which are mainly travelling, food purchase and medical equipment.

The SME Digital & Mobile Behavioural Study for 2014, carried out by the consulting firm Estudios Técnicos, found that 45% of people sampled for the study, between the ages of 40 and 45, are connected to the Internet; followed by 40% of those between 55 and 64, and 14% of those 65 and older. As each group advances in age, the numbers in each age bracket will keep increasing. This study is also confirmed by The Ministry of work and social matters from 2008 which claims that internet becomes the key source of information, mainly information about solution of various life situations and key communication tool [16].

After the evaluation of the results of the questionnaire research and particular authors’ technical studies there are not any significant differences of seniors’ purchase behaviour of different age and their social
status. From the point of view of communication mixture influence, the customers are motivated to shopping mostly via leaflets which they get into their post box. Contemporary pensioner is a person whose pension is usually between 8-12 thousand Czech crowns and that means from the point of view of marketing support they watch mainly the discount. Seniors are active and within taking part in consumer competition, tasting they do not reject a small present for the shopping. These tools do not motivate them too much for shopping because older people are conservative and they do not often decide spontaneous. Regarding influence efficiency of direct marketing elements, effective purchase via catalogue is for the approaching of this segment.

Contemporary older people are influenced a little by modern communication technologies. In a few years this statement will not be valid. As it followed from local research „young seniors” do not refuse shopping on the internet.

In general, as it follows from the conclusion of studies and technical literature, future seniors will have different purchase behaviour than seniors today. From that it can be deduced the tools of communication policy influence on purchase decision making will change. People who get into the category senior in following years will be with the people with bigger purchasing power than today’s older generation has. People, who do business nowadays, are active in their free time and make reserve per pension saving, go into retirement. Marketer will not look at seniors from the point of view of age but from the point of view of their lifestyle.

4. Conclusion

The development in recent years from the point of view of demographic growing old is characterized by unstoppable changes of age structure. The character of contemporary age group has potential of active growing old. The number of older people will depend on following development of mortality, development of foreign migration and development of fertility. Economic activity of older people contributes to life quality – to higher standard of living in old age. Nowadays marketers are mainly interested in the age group of older people from 55 to 65 years maximum. They are not interested in people over 65 much which is a shame because these people begin to have their purchase standard. Although most seniors have their monthly income about 12 thousand Czech crowns, there are some rich seniors who are difficult target group requiring luxurious products and they are loyal to verified brands.

From the point of view of fulfilment of the goal of the article it can be stated that communication tools influence all seniors in the same way regardless the age and their social status. Marketing communication occurs via TV advertisement, leaflets in post box, marketing support – mainly discount of products.

On one hand, the target group of seniors is opportunity for companies and they have to react with the fact that people before retirement and pensioners become the target group of the future and mainly that these people will be different from today’s seniors over 65. Marketers will have to work with new marketing communication tools and mainly with information technologies when approaching older people.

5. References


