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## **PURCHASE BEHAVIOUR OF YOUNG CONSUMERS ON ALCOHOLIC BEVERAGE MARKET**

### **Introduction**

Changes on the market, the pace of its development and globalization, fierce competition and the changing consumer (buyer) requirements resulted in the fact that purchase behaviour became an important research area of present day theoreticians and practitioners of marketing. Purchase behaviour involves several decisions that are related to product purchase and depends on numerous factors. The literature on consumption mentions most frequently economic, demographic, social, cultural and psychological determinants. The knowledge about consumers and the factors that influence them in purchasing processes makes it possible to learn about the trends in consumer behaviour and is a crucial element in starting marketing operations by market actors.

It seems interesting to analyse purchase decisions of young buyers (in the case of the alcoholic beverage market the term *young buyers* refers to a group in the age range of 20- 32) as they are important participants of the market comparing their number in relation to other consumer age groups.

The aim of the article is to analyse the purchase behaviour of young consumers on the alcoholic beverage market. Due to a limited volume of the article, only the main conclusions are presented that could be made on the basis of the author's survey among 100 young respondents who declared buying and consuming alcoholic beverages. As the title of the article suggests, the author focused on the alcoholic beverage purchase behaviour. It seems equally interesting to study the after-purchase behaviour that concerns the consumption process (the frequency and circumstances of alcohol consumption, the company, etc.) as well as the satisfaction level of consumers. The analysis of purchase preferences with regard to particular alcoholic beverage categories and the differences between male and female behaviour on the alcoholic market may be an interesting area for future research.

## 1. The scope of consumer purchase behaviour

Consumer purchase behaviour includes actions of consumers that are taken in the course of a purchasing process. It should be emphasized that the purchasing process is in fact a decision-making process regarding product purchase and it consists of several steps<sup>1</sup>:

1. The sense of need, i.e. the identification of a problem: this feeling appears when the consumer becomes aware of the lack of something and the need to buy a product;
2. The search for information in order to find the way to meet the need – the consumer refers to his/her own knowledge and experience, seeks advice from the family, friends and acquaintances; the exploration of various information sources (the Internet, press, sales people, etc.);
3. The evaluation of opportunities – this includes the evaluation of the methods how to meet the need; the consumer evaluates the advantages and disadvantages of the options;
4. Purchase decision – the selection of a product.

It should be pointed out that the product purchasing decision is followed by the product use (consumption) and its evaluation. There are two types of consumer feelings after the purchase: satisfaction (when the consumer is satisfied and his/her needs are met) or an after-purchase dissonance (when consumers are dissatisfied and their expectations are not met). These feelings have an impact on the consumer opinion about the product and it is shared with other people (e.g. through social media on the Internet). Moreover, the feelings will influence the consumer's future purchasing decisions and may increase his/her loyalty.

Consumer purchasing behaviour is determined by various factors – the most frequent ones that are mentioned by the literature on the subject include determinants that are<sup>2</sup>:

- economic – such as consumer's income level, product supply, product prices;
- demographic and social – such as consumer's gender, age, phase of life cycle, number of inhabitants in the household, job activity, social and professional group, free-time resources and structure;
- cultural – such as habits and customs, value systems, the impact of consumption patterns;
- psychological – motivation, emotions, attitudes, learning, life-style.

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<sup>1</sup> M. Bartosik-Purgat (ed.), *Zachowania konsumentów. Globalizacja. Nowe technologie. Aktualne trendy. Otoczenie społeczno-kulturowe*, PWN, Warszawa 2017, p. 22.

<sup>2</sup> M. Janoś-Kresło, B. Mróz (ed.), *Konsument i konsumpcja we współczesnej gospodarce*, Szkoła Główna Handlowa w Warszawie, Warszawa 2006, pp. 119-136.

The knowledge about the rules and factors that determine consumer purchasing behaviour makes it easier for business to adapt its sales offer to consumer preferences and expectations.

## 2. Alcoholic beverage market in Poland

In Poland alcoholic beverage is referred to as an every agricultural product intended for consumption which contains over 0.5% ethanol by volume<sup>3</sup>. The alcoholic beverage sector is an important industry branch in Poland because:

- it provides direct and indirect employment for 5000 and over 89 000 employees, respectively;
- the state budget receives approx. 12.5 billion PLN from VAT and excise duty;
- it is a significant recipient of the agricultural industry as it processes 800 000 tons of grain and 55 000 tons of potatoes;
- the revenues generated by the export of alcoholic beverages amount to approx. 700 million PLN.

According to the WHO latest data, the annual alcohol consumption rate per capita (over 15 years of age) in Poland equals 11.6 litre. The WHO figures abolish the myth that Poland is among the countries with the highest consumption of alcohol – Poland is ranked 12<sup>th</sup> among the 22 EU countries. However, in 2019 we drank 0.3 litre more than in 2011<sup>4</sup>.

The sales of alcoholic beverages in modern trade channels, discounters and traditional trade in recent years has reached the level of about 50 billion PLN and accounts for approx. 20% of the total of FMCG product sales<sup>5</sup>. Beer has the highest share in sales value (approx. 56%), vodka is the second with approx. 36%, while wine is ranked third (approx. 8%). Despite the domination of beer and vodka in consumer purchase preferences, wine, top quality alcohols (such as whisky or brandy) and craft beers are enjoying a growing interest of consumers thanks to an increasing premiumization and innovativeness. It can be concluded that consumers look for higher quality and premium segment of products. The relation of taste to price is an important element in choosing a product. The above trends have an impact on all alcohol categories and consequently they shape both consumer purchasing decisions and the strategies

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<sup>3</sup> Ł. Zarzecki, M. Zarzecki, *Alkohole w Polsce i na świecie*, OSB, Warszawa 2016, p. 8.

<sup>4</sup> <https://kobieta.onet.pl/zdrowie/alkohol-w-europie-who-opublikowala-zatrwarzajacy-raport/9q4lr5v> (accessed: 15.10.2019 ).

<sup>5</sup> Figures from AC Nielsen reports for 2017.

of producers and distributors. The market is also affected by many other lesser elements that are related to consumer knowledge and the search for regional (local) products.<sup>6</sup>

### 3. Analysis of alcohol purchasing decisions of young buyers

In order to investigate alcohol beverage purchasing decisions of young buyers, a survey was conducted in February-May 2019 among 100 respondents aged 20-34. A paper-based questionnaire with 10 closed questions was used as a research tool. 50 male and 50 female respondents participated in the survey. They all admitted buying and drinking alcoholic beverages. The most numerous age group was constituted by respondents in the age range of 25 to 29 (42 respondents), 31 respondents were in the range of 20 to 24 and 27 respondents in the age range of 30 to 34. 46 respondents were high school graduates, 36 had higher education while *other education* was declared by 18 respondents. For the purpose of the survey, alcoholic beverages were divided into four categories: vodka, top-quality alcohol (whisky, brandy, etc.), beer, wine.

Beer was the beverage that was purchased most frequently (37 answers), vodka was ranked second (29), then wine (22) and finally top-quality alcohol (12). It is worth mentioning that the purchase of alcoholic beverages was declared more often by male than female respondents (Table 1) – perhaps the purchase of this kind of product gives pleasure to men.

**Table 1. Frequency of alcoholic beverage purchases by respondents**

Category	Every day	Several times a week	Once a week	Several times a month	Once a month	Occasionally	Never
Vodka F, n=50		1	5	12	18	13	1
Vodka M, n=50		3	11	18	14	4	
Top-quality alcohol (e.g. whisky, brandy, etc.) F, n=50			4	10	20	15	3
Top-quality alcohol (e.g. whisky, brandy, etc.) M, n=50		2	9	16	17	5	1
Beer F, n=50		8	12	23	4	2	1
Beer M, n=50	2	10	18	14	5	1	
Wine F, n=50		2	11	18	15	4	
Wine M, n=50		2	13	19	13	3	

Key: F – female, M – male, n – number of respondents

Source: based on the results of the author's survey research.

<sup>6</sup> A.F. Kawula, *Uwarunkowania zachowań młodych nabywców na rynku alkoholowym*, (undergraduate thesis), Wyższa Szkoła Zarządzania i Bankowości w Krakowie, Kraków 2018, pp. 54-55.

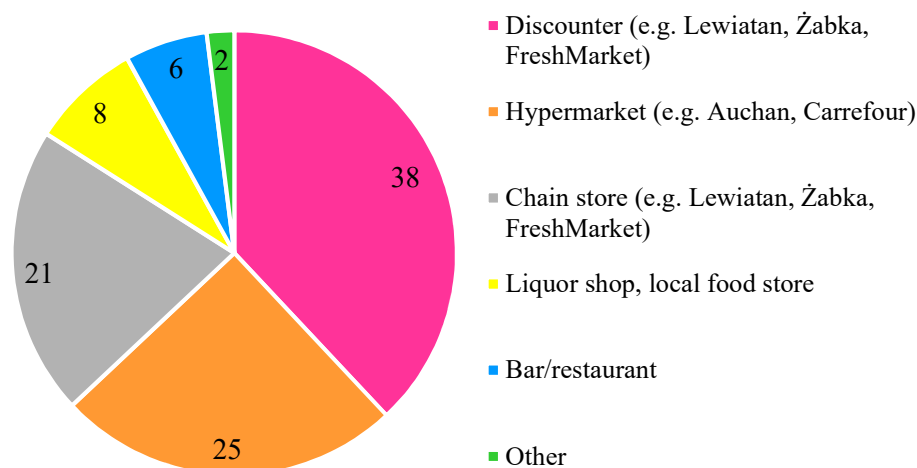
The purchase of alcoholic beverages on a daily basis was declared only by 2 men – this referred to the beer category – and this is a positive phenomenon considering a negative influence of alcohol on human health. Beer is the category that is purchased both by men and women most frequently in comparison to other categories.

High-quality alcohols (such as whisky or brandy) are the least frequently purchased drinks – a high price may be the reason. The greatest similarity in the frequency of purchasing particular categories by men and women can be noticed in the case of wine. It should be indicated that the question regarded the frequency of the purchase, which may mean that the consumption may be more or less frequent and the product is bought for later consumption.

The respondents buy alcohol mainly for their own consumption and for the members of their households/families (68 answers), 22 respondents buy it for a present.

Over 1/3 respondents (38) most frequently buy alcoholic beverages in discounters (e.g. Lidl, Biedronka), ¼ respondents do it in hypermarkets (e.g. Auchan, Carrefour), 21 respondents buy alcohol in chain stores (e.g. Lewiatan, Żabka, FreshMarket), 8 respondents in liquor shops or local food stores, 6 in bars/restaurants and 2 in other places (Figure 1)

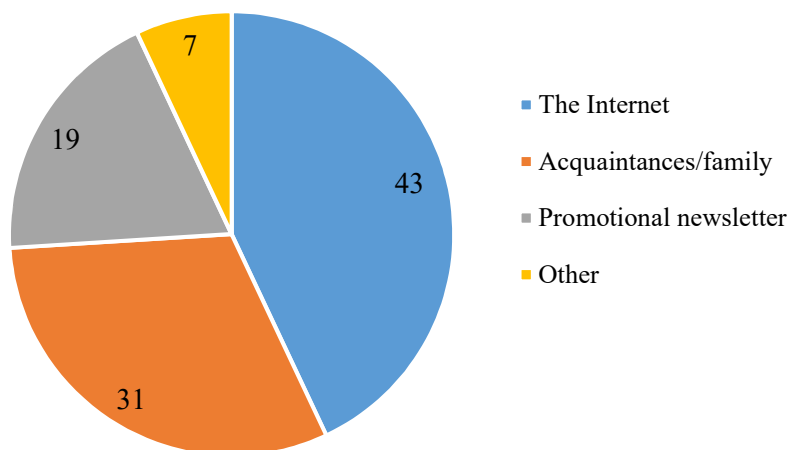
Figure 1. Alcoholic beverage place of purchase



Source: based on the results of the author's survey research.

As regards the information about the products from the category of alcoholic beverages, the Internet is the main source of information (43 replies) – Figure 2. This is not surprising as the respondents were young consumers for whom the Internet is generally the main information source and these days searching information on the Internet is usually the first step in the product purchase decision process. Moreover, the opinion of acquaintances and the members of family is also significant for young buyers of alcohols (31), which confirms the results of survey studies concerning the purchase of various category products where the opinion of acquaintances and relatives about their experience with the application and consumption of goods and services has crucial significance. 19 respondents admitted that promotional newsletters are the main source of information about alcoholic products and 7 respondents used other sources.

**Figure 2. Information source about alcoholic beverages**

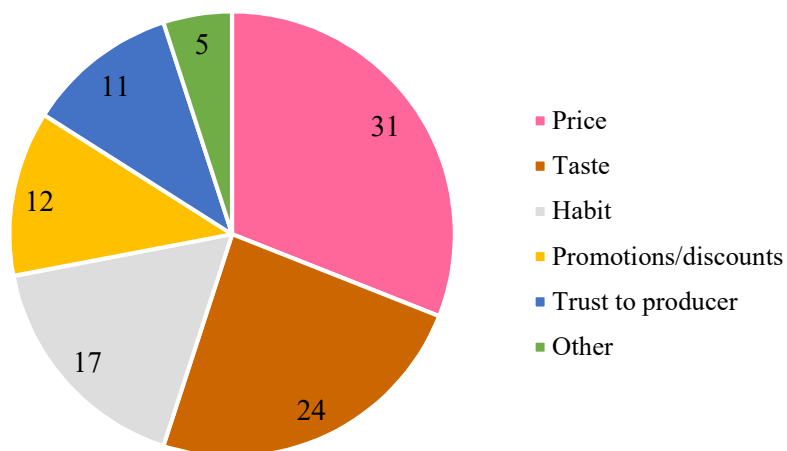


Source: based on the results of the author's survey research.

As it could be expected, price is the main decisive factor for almost 1/3 respondents (31) at the purchase of an alcoholic drink (Fig.3). Another significant factor that was indicated by 24 respondents is the taste of the beverage. Habit is important for 17, promotions/discounts for 12 persons while the trust to the producer was indicated by 11 respondents, 5 respondents chose other factors.



Figure 3. Main factors influencing alcoholic beverage purchase decision



Source: based on the results of the author's survey research.

The respondents were to indicate the amount of money that they spend on the average on alcohol per month; the amount ranges were: *up to 50 PLN, 50-150 PLN, 150 – 300 PLN, more than 300 PLN, it is difficult to say*. The maximum range, i.e. *more than 300 PLN* was selected by the greatest number of respondents – 29. Among these respondents there may be ones who on the average spend per month much more than 300 PLN on alcohol. Slightly fewer respondents (24) indicated *150-300 PLN*, while 20 of them indicated *50-150 PLN*. 15 respondents stated that *it is difficult to say* how much a month on the average they spend on alcohol – it is possible that some of them did not want to give a true answer. Such high amounts that are spent on alcohol may be worrying but one should hope that some of the purchases are presents (22 respondents gave such answers to the question that was discussed before).

## Conclusions

The changes on the market have a significant impact on consumer behaviour and this also applies to the behaviour of young buyers of alcoholic beverages. Thus, factors that determine consumer purchase decisions are an important analysis area of marketing practitioners and theoreticians as they constitute a basis strategy for business and they help adapt business offer to customer needs and expectations, which eventually leads to the increase of customer satisfaction.

On the basis of the author's own research survey it can be concluded that beer and vodka are alcohol beverages that are most frequently bought by consumers aged 20-34. The main objective of the purchase is the consumption by the buyers themselves and the members of the household/family. Alcohol is most frequently purchased in discounters and hypermarkets. The Internet is the main source of information about alcoholic products and their price and taste are the most important purchase determinants. On the average, young consumers spend over 300 PLN a month on alcoholic beverages.

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### **Abstract**

Consumer purchasing behaviour concerns the behaviour that is related to a product buying process which involves making a decision on the basis of complex criteria. The knowledge about this process constitutes a significantly valuable database for business operations which makes it possible to develop an effective course of action. The article discusses the area of consumer purchasing behaviour. It describes the alcoholic beverage market in Poland. On the basis of the author's research survey that was conducted among 100 respondents aged 20-34, an analysis was made of the purchasing behaviour of young buyers of alcoholic beverages.

### **Key words**

Purchasing behaviour, consumer behaviour, young consumers, alcoholic beverage market