

Aleksandra Krzywicka

The School of Banking and Management in Krakow

krzyola@interia.pl

ANALYSIS OF PREFERENCES AND BEHAVIORS OF GENERATION Z CONSUMERS IN THE POLISH LUXURY GOODS MARKET

Introduction

The luxury goods market is subject to significant changes because of socio-economic changes and the emergence of a new generation of consumers. Generation Z – which includes people born in approx. 1995-2010¹ - enters the market with growing purchasing power and consumer habits different from those of previous generations. The research problem that is discussed in the article concerns the specific preferences and purchasing behaviors of Polish Generation Z consumers in the luxury goods market and their impact on the market.

The aim of the article is to describe Generation Z as luxury goods consumers in Poland and to analyze their purchasing preferences and behaviors. A thesis is put forward that Generation Z redefines the approach to luxury, emphasizing new values (authenticity, sustainable development, digital experience) and the role of communication channels, which forces luxury brands to adapt their strategies, to understand the specificity and to adjust their offer to this generation.

The research motivation results from a cognitive gap regarding the Polish market – although globally a lot of attention is paid to young luxury consumers, there is a lack of in-depth analyses considering Polish economic and cultural realities. The Polish Generation Z grew up in the period of the country's rapid economic growth after 2004 and the popularization of the Internet and social media. As a result, their consumer attitudes may differ both from those of older Poles and peers from other countries. The analysis of this issue is crucial both scientifically (for a better understanding of consumer behavior in a changing society) and practically (for luxury goods companies that are planning marketing activities on the Polish market).

¹ https://www.ey.com/pl_pl/insights/workforce/pokolenie-z-co-to-jest (accessed: 30 March 2025).

1. Generation Z as a new consumer in the luxury goods market

Generation Z (also referred to as Gen Z) is most often defined as people born between 1995 and 2010. This makes it the youngest group of adult consumers – in 2025 these people are around 15-30 years old; in the context of the luxury goods market the key subgroup entering the adulthood and the labor market comprises people aged 18-30. From the beginning, this generation grew up in an environment strongly influenced by digital technologies, with no memory of the reality before the era of the Internet and smartphones². Generation Z is the first generation to be fluent in the environment of new technologies. Constant access to the Internet, social media and mobile devices shaped their lifestyles, communication systems and the way they make consumer decisions.

Generation Z is characterized by high self-confidence, strong emphasis on individualism and the need to express one's own identity³. Moreover, its representatives are distinguished by such qualities as multitasking, immediate access to information and a close network of online connections with their peer community. They are said to have a set of unique attitudes and values that differ them from previous generations. On the one hand young people are extremely digitally advanced and open to change, but on the other hand, they are impatient and seek immediate gratification. Research highlights their increased social and environmental awareness⁴ – today's young consumers pay more attention to ethical, environmental and corporate responsibility issues than their predecessors⁵. They increasingly adopt morally responsible attitude, limit excessive consumption and choose environmentally friendly goods, showing an increasing awareness of sustainable growth⁶. At the same time, they are open to new consumption styles and experimenting with alternative models, such as goods sharing and collaborative economy.

In the context of the luxury goods market, the purchasing potential of Generation Z is enormous – this is the fastest growing consumer group in the world, which constitutes

² J. Dębski, *Trendy konsumenckie pokolenia Z w obszarze dóbr luksusowych. Gen Z jako przyszły kluczowy klient motoryzacyjnych marek premium*, „Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu” 2024, No. 68(1), p. 14.

³ <https://centrumprasowe.merito.pl/254597-pokolenie-z-luksus-i-wygoda-czy-wartosci#:~:text=W%20przypadku%20m%C3%B3wienia%20o%20pokoleniu,kupuj%C4%85%20produkty%20limitowane%20i%20personalizowane> (accessed: 27 July 2023).

⁴ E. Paczka, *Zmiana zachowań rynkowych pokolenia Z*, „Ekonomia – Wrocław Economic Review” 2020, No. 26/1, p. 25.

⁵ <https://centrumprasowe.merito.pl/254597-pokolenie-z-luksus-i-wygoda-czy-wartosci#:~:text=W%20przypadku%20m%C3%B3wienia%20o%20pokoleniu,kupuj%C4%85%20produkty%20limitowane%20i%20personalizowane> (accessed: 27 July 2023).

⁶ E. Paczka, *Zmiana...*, op. cit., p. 26.

approx. 25.9% of the global population (approx. 1.9 billion people)⁷. In the coming years, it is Generation Z that will begin to determine consumer trends in the premium and luxury segment, replacing Generation Y as the main purchasing power in the market⁸. In Poland, too, their role is becoming increasingly significant, which is reflected in the strategies of luxury brands that are clearly aimed at younger recipients. However, Generation Z as customers set new challenges to business – traditional marketing methods may prove less effective in the case of a generation raised in the era of social media and constant information noise. It is important to understand what guides young consumers when choosing luxury products and what values determine their purchasing decisions.

2. Luxury market in Poland and the essence of luxury goods

Luxury goods are commonly defined as products and services of high quality, uniqueness and exclusivity, the possession of which is beyond the satisfaction of basic needs and is associated with prestige. The literature on the subject emphasizes the distinguishing features of luxury products, such as rarity, excellent quality, artistry and high price, as well as the capacity to provide the buyers with additional sensory pleasure and emphasize their social status⁹. Possessing luxury goods is aspiratory in nature – they are not necessary for existence but are a symbol of social position and refined taste of the owner.

The luxury goods market covers a wide range of categories from premium cars, through high-end fashion and clothing accessories, luxury cosmetics and perfumes, jewelry and watches to goods such as exclusive real estate, hotel and tourism services (five-star hotels, spas, travel) and premium alcohol. In Poland, as globally, luxury and premium cars have the largest share in the market value - it is estimated that they constitute about half of the entire luxury market. Further important segments include luxury fashion and accessories (clothing, footwear, haberdashery), jewelry and watches, as well as high-class real estate and luxury services (including spa services, exclusive gastronomy, luxury tourism). In recent years, there has been a noticeable development of new market areas, such as luxury experiences (e.g. exclusive events, travel, rental of luxury suites for holidays) and collectibles (works of art, auctions of rare alcohols, etc.)¹⁰.

⁷ J. Dębski, *Trendy...*, op. cit., p. 16.

⁸ H. Sharma, P. Srivastav, *Purchase Preference of Generation Z: A Comparison with Gen Y and Gen X*, „Sky Research Publication and Journals, Bhavnagar” 2023, Vol. 5, No. 4, pp. 1-8.

⁹ J. Dębski, *Trendy...*, op. cit., p. 18.

¹⁰ Fundacja KPMG, *Rynek dóbr luksusowych w Polsce, Edycja XV*, Warszawa 2024, p. 13.

The specificity of the Polish luxury goods market developed along with the increase in the wealth of the society after 1989. Initially, the market was dominated by foreign brands and luxury goods were synonymous with imported western products. Currently, Polish consumers are much more conscious and demanding – their preferences are changing from the traditional emphasis on possessing material goods to greater appreciation of luxury experiences and lifestyle. This evolution is influenced by, among others, the growing purchasing power of the middle and upper classes and generational changes: young customers perceive luxury differently than the generation of their parents. According to the latest analyses, the key trends that currently shape the market of luxury goods are the digital transformation of sales channels (e-commerce), focus on life quality and wellness, personalization of the offer and the so-called *no logo* trend (i.e. the tendency to choose luxury products with more discreet branding)¹¹. The growing importance of social and ecological responsibility is particularly significant – consumers expect luxury brands to be active in the areas of sustainable development and ethical approach to business.

3. Preferences of Generation Z consumers in the luxury goods segment

The purchasing preferences of Generation Z in the luxury goods market are shaped by their unique values and experiences. Young consumers demonstrate a clear attachment to brand authenticity and value. It is not enough for a product to be prestigious – what a given brand represents is equally important. This generation is more likely to choose brands that resonate with their beliefs and values, e.g., are socially engaged, have ethical production practices and care about sustainable development. Research shows that luxury brands demonstrating a consistent ethical attitude and authenticity gain greater loyalty from young consumers than brands focusing solely on the creation of a status image. Luxury brand specialists even claim that for Generation Z, the brand and its entire value system are important, which changes the face of the luxury industry in line with the expectations of younger generations¹². Generation Z values highly transparency – they are interested in where products come from, how they are manufactured and whether the process complies with ethical and environmental standards. This is the reason why luxury brands increasingly communicate such aspects as sustainable

¹¹ Fundacja KPMG, *Rynek dóbr luksusowych w Polsce, Nowe wymiary luksusu*, Warszawa 2024, p. 21.

¹² <https://centrumprasowe.merito.pl/254597-pokolenie-z-luksus-i-wygoda-czy-wartosci#:~:text=,wyk%C5%82adowca%20Uniwersytetu%20WSB%20Merito%20Chorz%C3%B3w> (accessed: 27 July 2023).

materials, responsible supply chains and charity initiatives in order to meet the requirements of young consumers who look for a more profound value in luxury.

At the same time, to some extent Generation Z is a paradox generation in the context of luxury. On the one hand, young people attach importance to moderation, quality and conscious consumption, they declare that they prefer to buy things less frequently but the products they buy should be high-class, durable and timeless¹³. The studies of the Boston Consulting Group confirm that the number of young people buying luxury goods increases dynamically, but they invest in selected, valuable items rather than spontaneously accumulate goods¹⁴. On the other hand, it is the young generation that drives many new consumer trends that may sometimes seem to be against the idea of minimalism. Generation Z values uniqueness and likes to stand out, which is why limited editions of luxury goods enjoy high demand among this group as they give a sense of having something special, which emphasizes individual style. Importantly, their concern for the environment does not exclude the need for some luxury novelties. Young consumers declare that they pay attention to ecology and ethics, but at the same time they tend to buy both second-hand products (e.g. upcycled clothes) and new luxury goods if they are limited or personalized. This apparent contradiction can be again explained by the emphasis on unique value: a vintage second-hand product can be attractive due to its history and sustainability and a new luxury product – if it is unique and in line with taste – is also consistent with the need to express oneself.

Another key aspect of Generation Z preferences is their greater emphasis on luxury experiences in comparison to previous generations. For many young consumers, luxury is defined not only by objects they own, but also by experiences and lifestyle. As market reports indicate, global spending on luxury experiences (travel, hotels, gastronomy) is growing faster than on material goods¹⁵. In Poland, too, it is noticeable that younger generations are increasingly eager to spend money on exclusive trips, cultural events, festivals and top-class gastronomy, treating them as a form of accessible luxury¹⁶. For Generation Z, unique experiences may be the most important measure of luxury. This trend, however, does not mean giving up luxury goods, but a shift in emphasis: luxury items are desired not only as status

¹³ <https://centrumprasowe.merito.pl/254597-pokolenie-z-luksus-i-wygoda-czy-wartosci#:~:text=pokolenia%29> (accessed: 27 July 2023).

¹⁴ <https://centrumprasowe.merito.pl/254597-pokolenie-z-luksus-i-wygoda-czy-wartosci#:~:text=Warto%C5%9B%C4%87%20vs%20warto%C5%9Bci> (accessed: 27 July 202.).

¹⁵ [https://www.bain.com/insights/luxury-in-transition-securing-future-growth/#:~:text="](https://www.bain.com/insights/luxury-in-transition-securing-future-growth/#:~:text=) (accessed: 30 March 2025).

¹⁶ Fundacja KPMG, *Rynek dóbr luksusowych w Polsce, Edycja XV*, Warszawa 2024, p. 28.

symbols, but also as elements that provide experiences. Young consumers are also more likely to seek interaction and personalization – luxury should be experienced and tailored to them. Therefore, such services as tailoring, personalized perfumes or product co-creation offered by some brands increase in popularity.

Generation Z preferences for luxury goods focus on three dimensions: values (ethics, authenticity, sustainable development), uniqueness (personalization, limited editions, individual style) and experiences (luxury as an experience, not just an object). These priorities distinguish them from previous generations and force luxury brands to redefine their approach to offering and communicating with customers.

4. Generation Z consumer behavior towards luxury goods

The purchasing behavior of Generation Z in the luxury goods market is directly related to their digital nature and the preferences discussed above. As young consumers, they heavily rely on online information. Before purchasing a luxury product, they usually conduct in-depth online research – they browse social media, forums and discussion groups, reviews on websites, as well as official websites and materials provided by brands. Generation Z is eager to draw inspiration from platforms like Instagram, TikTok or YouTube, on which influencers and other users present luxury products and lifestyle. As many as 8 out of 10 million young consumers follow luxury brand profiles on social media to stay up to date with new products¹⁷. Social media serve as both a source of inspiration and a space for verifying brand authenticity - Generation Z trust in user generated content more than in traditional advertising. According to research, the influence of social media and brand alignment with personal values are critical determinants of Generation Z's luxury purchasing decisions¹⁸. Young consumers attach great importance to the opinion of peers and website communities.

Despite strong immersion in the digital world, Generation Z's purchasing behavior does not mean a complete retreat from traditional forms of sales. It is true that Generation Z prefers using online channels to search for and often buy premium products (analyses show that it is Generation Z consumers who show the highest propensity to shop online as compared to other

¹⁷https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5005009#:~:text=make%20unplanned%20online%20purchases%20of,relevance%20in%20an%20increasingly%20competitive (accessed 14 August 2024).

¹⁸https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5005009#:~:text=make%20unplanned%20online%20purchases%20of,relevance%20in%20an%20increasingly%20competitive (accessed 14 August 2024).

age groups)¹⁹. However, in the case of luxury goods – especially the ones of the highest value they still prefer to buy in a hybrid or brick-and-mortar mode. According to research, a large proportion of Generation Z consumers, even after a meticulous analysis of online offers, finalize their purchase in a brick-and-mortar store or brand salon. This is because the shopping experience itself is important to them – they expect professional advice, the opportunity to touch the product, and often a sense of exceptional customer service, which is offered by luxury boutiques²⁰. When it comes to complex and expensive goods (e.g. luxury cars), young consumers definitely prefer personal contact – they want to take a test drive, ask questions to an expert, feel the brand atmosphere. Even when buying luxury fashion or accessories, many Generation Z consumers appreciate the opportunity to visit a brand boutique, even if only for the ritual of the transaction (smart packaging, exclusive store interior, additional services). Generation Z seamlessly moves between the online and offline worlds, taking advantage of the advantages of both. Luxury brands react to it by developing omnichannel – they integrate online sales channels with stationary stores, offering, for example, online product reservation and its pickup at the showroom, or virtual presentations with the possibility of a later visit to the store.

A characteristic feature of young consumer' behavior is also the pursuit of ultimate convenience and efficiency of the purchasing process. Generation Z became accustomed to flawless digital service, so they expect purchasing also in the luxury segment to be simple and fast. Long waiting for the completion of the order, complicated procedures or a lack of information can effectively discourage a young customer. Generation Z values customer experience – they attach importance to the way how they are treated by a brand at every stage: from the first contact to after-sales service²¹. They require the availability of reliable product information (e.g. on the website), quick response to inquiries (hence the growing use of AI chatbots in the luxury sector), and a personalized approach. Young customers want to feel special, so brands try, for example, to offer dedicated loyalty programs, exclusive content for Generation Z subscribers or engage them in brand storytelling through social platforms.

An interesting phenomenon among some young consumers is the tendency to impulsive online purchasing of luxury goods which is reinforced by the Internet's culture of immediacy. Research suggests that while Generation Z declares to be sensible in spending money, dynamic

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https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5005009#:~:text=make%20unplanned%20online%20purchases%20of,relevance%20in%20an%20increasingly%20competitive (accessed: 19 December 2024).

²⁰ J. Dębski, *Trendy...*, op. cit., p. 21.

²¹ Ibidem, p. 24.

media stimuli in social media (e.g., limited time sale, influencer recommendations, fear of missing a special opportunity) can lead to unplanned purchase of luxury goods. Generation Z consumers are driven by values and authenticity, but at the same time they are susceptible to some spontaneity and desire for instant gratification that is offered by luxury²². The influence of the environment plays an important role here: if it becomes fashionable in the peer group to have a given product, some young consumers may impulsively wish to have the same experience so as not to be excluded from the group. Nevertheless, compared to previous generations, Generation Z seems to make purchasing decisions more consciously and critically. They are less loyal to brands – if a brand disappoints them (e.g., by the lack of authenticity or poor service), they will quickly turn to an alternative. According to sector analyses, loyalty metric (e.g. NPS) for the luxury industry are noticeably lower among Generation Z than among the millennials²³, which indicates that companies need to constantly strive to attract and satisfy young customers.

Generation Z consumer's behavior towards luxury good is characterized by the high digitization of the purchasing process, reliance on the recommendations from online communities, the expectation of a perfect customer experience and a certain ambivalence between rationality and impulsiveness. This generation flawlessly combines the online and offline worlds. Their decisions are driven both by technological trends (social media shopping, omnichannel) and they force brands to care about authentic relationships with customers. For the luxury goods industry, this means the need to constantly monitor the changing behavior patterns of young consumers and flexibly adapt marketing strategies.

Conclusions

The analysis of the literature on the subject and available data indicates that Generation Z significantly changes luxury goods market in Poland. Young consumers, who are raised in the digital era, show different preferences than previous generations – they value ethical values, authenticity, uniqueness and personalization. They perceive luxury primarily as an experience, not just a material status. Their purchasing behavior is accompanied by intensive use of digital

²² B. Stępień, *Wartość luksusu. Perspektywa konsumentów i przedsiębiorstw*, Polskie Wydawnictwo Naukowe, Warszawa 2019, p. 209.

²³ <https://www.bain.com/insights/luxury-in-transition-securing-future-growth/#:~:text=Luxury%20in%20Transition%3A%20Securing%20Future,consumers%20compared%20to%20millennial%20shoppers> (accessed: 30 March 2025).

media, high awareness of service quality and a tendency to rapidly changing preferences along with low loyalty to brands that do not meet expectations.

Although Generation Z is only just entering the phase of the greatest purchasing power, it is already influencing the strategies of luxury companies. To remain competitive, brands must adapt their communication, i.e. to focus on authenticity (story telling in-line with values), interactivity (social media, influencers) and innovative technologies (e.g. m-commerce, AV/VR). As a result of the increasing significance of social responsibility and sustainable development, pro-ecological activities are becoming not an option for brands but a requirement.

Generation Z is both a challenge and an opportunity for the luxury industry – it is dynamic, conscious and expects a redefinition of luxury as a phenomenon consistent with their values and lifestyle.

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Abstract

The aim of the article is to present the characteristics of preferences and behaviors of Generation Z consumers in the Polish luxury goods market. Generation Z shows preferences that differ significantly from those of earlier generations – young consumers place greater emphasis on authenticity and brand ethics, seek unique values (such as personalization and limited editions), and increasingly prioritize luxury experiences (travel, lifestyle) over the possession of material goods. Their purchasing behavior is marked by a high level of digitalization, with social media and the internet playing a significant role in the decision-making process. They value convenience and seamless shopping experiences, expect high-quality customer service and instant access to information, while also displaying low brand loyalty and strong susceptibility to online trends. These young consumers are highly demanding – they reward brands that align with their values and show authenticity but are quick to abandon those that fail to meet their expectations. In the Polish luxury market, Generation Z is emerging as a key segment that causes a transformation in business strategies, from communication methods (including a strong social media presence and value-driven storytelling) to product offerings (such as sustainable development and new forms of luxury experiences). Generation Z is already shaping trends in the luxury segment in Poland, and its influence is expected to grow in the coming years. Understanding the preferences and behaviors of this group is therefore essential for luxury brands, as it enables the adaptation of marketing and product strategies to meet the expectations of younger consumers.

Key words

Generation Z, luxury goods market, consumer behavior, consumer preferences.