

Effects of Social Media on Generation Z's Consumerism

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Generation Z (Gen Z) thrives on social media as it becomes more relevant each and every day. Whether it's Instagram, TikTok, Twitter, Snapchat, Facebook, etc., the audience is constantly influenced to buy certain products. They could be influenced by ads, influencers, celebrities, hashtags, and many other things that can be persuasive in consuming products online. As college students, we have seen firsthand the impact that social media has on individuals when it comes to consumption. The likelihood of Gen Z buying a product that they see on social media being advertised by an influencer is high because a certain number of followers on an account can be influential. A celebrity advertising a product can make someone a part of Gen Z think that the product is good just because someone with a big following has posted about it. This leads us to our thesis statement and general research question: How does consumerism change with Gen Z, specifically with the implementation of social media influencers?

This topic is important because it raises questions and thoughts about how much Gen Z is truly affected by social media and consumerism. With social media being on the rise, thousands of people are joining. The majority of those people are younger individuals. Ever since the pandemic, social media has taken over Gen Z's lives. From being locked up into our houses, to not being able to see the world, this somewhat "forced" consumerism through social media to increase. For example, many know that TikTok was a very popular app that people downloaded during the pandemic, and it is filled with influencers who are constantly advertising products because they get paid to do so. The higher number of followers someone has, the more influential they become when advertising products. With that being said, Gen Z is the main audience being affected through social media and consumerism.

This topic is important to research as it is so relevant today for Gen Z consumers. It is vital to know how much social media affects Gen Z and consumerism now to see how much it will increase, remain the same, or decrease in the future. While social media is prevalent in our society, so is technology. With more and more technology, the more access we will have to the internet and social media. Five years down the road, there could be a new social media app that skyrockets that could affect the next generation after Gen Z even more. It is important to study this because if consumerism is so common online through social media, will in-person stores and shops go out of business? Will social media be the new way of consuming products not only for Gen Z, but for everyone? Is Gen Z the cause of this? There are so many questions that have been raised, and due to that, research is needed.

Literature Review

Before we go into research, there are many theories and statements that relate to this concept and help us understand why Gen Z is affected so much through social media and consumerism. One vocabulary word that describes how Gen Z is being affected through social media and consumerism is that it is a **cognitive need**. An example of a cognitive need is when information is being gathered and increasing one's understanding of a particular issue. People consume newspapers, social media, and television to gather certain information. In this case, the information that is being gathered are products that are being promoted through social media. This information attracts viewers and consumers to buy products that they see online. This could also be considered as **persuasion**. Many influencers have specific thoughts, creative ideas, plans, and tricks that can persuade the audience to buy something online. Again, the main people who are being impacted in this way are people in Gen Z since they are constantly surrounded by social media.

When we say Gen Z is always around social media, the reason could be that they have a **tension-release need** which encompasses aspects of escapism or diversion. Gen Z's escape to the real world and everyday life may be social media. Being around something all the time can cause people to become attached to it and learn all sides of something they are surrounded by. In this case, it is Gen Z binging social media and being prone to consuming items they see on different social media platforms.

Before diving into research that was completed specifically towards our research question, it is important to analyze the importance of the social cognitive theory and how it is present in our research. Social Cognitive Theory (SCT), or Social Learning Theory, shows a direct correlation between a person's perceived self-efficacy and behavioral change. The relevance of this theory in the lives of Gen Z-aged students is analyzed in research completed by Mohd Rasdi, R., & Ahrari, S. (2020), who found that a student's general confidence in their current lifestyle directly affected their performance and satisfaction in their own life. This primarily relates to our research through the idea of satisfaction and how it causes action and vice versa: The research translates into the idea that if a Gen Z is satisfied with something that they see on social media, they are more likely to purchase it. This also can go hand in hand with repurchasing other items from social media, where if somebody is satisfied with a prior advertised/recommended purchase that they had made, they are more likely to become repeat purchasers of online products. Satisfaction directly correlates with action according to the SCT, which is further proven with the research conducted in this article.

To discuss the importance of the age category of Gen Z, it is crucial to note the significance of social media in their everyday lives. Gen Z is typically defined as people born between the years 1997-2012, making them primarily college, high school, and middle school

students. Because smartphones were on the rise in the early 2000s, and smart devices even before then, Gen Z members have grown up with social media constantly around them and consistently running their lives. In research conducted by Aksoğan, M., & Türel, Y. K. (2021), the researchers analyze the effects of social media on consumerism, specifically what each person's social media habits do to influence them on certain products. Social media use is important in this study, and it found that the more a Gen Z member uses their social media platforms, the more likely they are to participate in online spending behaviors. It also found that Gen Z tends to find social media advertisements more interesting and appealing than more traditional advertisements such as television or billboard ads. This is vitally important to our research, for it proves the efficacy of social media advertisements and helps us understand how they intertwine with the minds of Gen Z social media users.

To dive deeper into why we are emphasizing Gen Z in this research, we can look at the article, "New rules of social media shopping: Personality differences of U.S. Gen Z versus Gen X market mavens." This research found that there are many differences between market mavens in generations. Mavens can be defined by their expertise on a certain topic or subject matter, making market mavens experts on the market, comparable to an opinion leader. Goldring, D., & Azab, C. (2021) found in their research that Gen Z has less market interfaces than Generation X, most likely due to their tendency to purchase online. Additionally, they found that Gen Z shoppers prefer things that are more visually appealing, for they have a strong drive to appear unique and different from those around them. Furthermore, the research found the major differences in what determines value between generations. Because Gen Z had to watch their parents struggle through the Financial Crash of 2008, they put a large emphasis on value, meaning that they don't want to waste money on products that aren't worth it. This causes them

to spend more time looking for reviews and comments on all products, which is where social media sites come in handy. Looking for real-time examples of products being used, reviews, and conversations about the product at hand is a large part of why social media is such an important part of consumption for Gen Z.

Going further into the relationship between Gen Z and social media, research conducted by Tunsakul, K. (2020) discusses the reasons why Gen Z is more likely than older generations to shop online. The researchers found in their studies that usefulness motives and hedonic motives were extremely impactful on Gen Z's purchasing decisions, which are both directional towards social media consumption. Since so many members of Gen Z have positive opinions about social media sites such as Instagram and TikTok, they are more likely to shop and/or purchase on these sites. This helps us understand why Gen Z is so much more susceptible to social media advertisements: They are more drawn to social media sites in general.

When getting into the specific research done in this category previously, it is clear to see that there is a gap in research regarding the direct correlation between social media advertisements and the spending habits of Gen Z. We can begin by looking at a research article titled that dives into the reasons that Gen Z uses social media so consistently and often. Dunas, D. V. & Vartanov, S. A. (2020) found that this generation primarily uses social media for self-actualization, socialization, entertainment, and to gather information. This information is vital to our research question, for we must analyze *why* Gen Z uses social media so often to understand how their habits in this field affect their consumption. Since Gen Z is so enamored with social media for the purpose of socialization, consumerism may be affected by their parasocial relationships with the people that are promoting products on the social media application of their choosing. This can also be applied for the other uses: For example, if a

member of Gen Z is going on social media to gather information, they may be seeking out specific products to fulfill their needs on social media, which has a direct correlation to their spending habits. This research guides our question to not why social media is used in Gen Z, but the direct effect that it has on their consumption.

To further discuss the spending habits of Gen Z when it relates to social media advertising, the article, “The Role of Social Media in Purchasing Behaviour of Young Digital Customers in Poland” can be referenced in its research on purchasing through social media as well as the importance of brand behavior. Viet-Błaszczuk, M. L., & Lerman, J. (2020) found in their studies that the number one reason for Gen Z to go to social media is to seek out information, specifically information about products and services. It also analyzed the importance of brand relationships with consumers, which can be carefully created through social media platforms such as TikTok and Instagram. The study found that many interactions and purchases on social media by Gen Z are simply made because the person likes the brand and the content that it is putting out, not necessarily the product. I can recognize this firsthand with the popular TikTok page of DuoLingo, the language learning service available on smart devices. The comical and entertaining videos that the company produces on its social media sites draw massive amounts of attention, nearly gaining a cult-like following in its viewers. The article found that this relationship between a brand and its consumers is extremely important, for it evokes an emotional response with the viewers that they then associate with that brand. This research primarily presented the view that social media can strengthen relationships between consumers in Gen Z and companies through social media, which then encourages consumption.

To understand specifically the topic of influencers and their relationship with Gen Z consumers, we must first define how an influencer is categorized. Influencers are people on

social media with a large following, similar to opinion leaders in other fields. When referencing research completed by Kádeková, Z., & Holienčinová, M. (2018), it is easier to understand the efficacy of influencer marketing when you understand parasocial relationships. Parasocial relationships are a one-sided relationship that a person establishes with a media personality. In the research conducted, 92% of people interviewed said that they trust friends or family with their recommendations for products or services. When a Gen Z has a parasocial relationship with an influencer on social media, they see them as a friend, making them more likely to consume the products that they are advertising. The research also found that 41% of Gen Z's interviewed were likely to purchase influencer-advertised products, which was a much larger number than Gen Y's response. The general consensus from this research was that influencers are just like us - normal people. It is a lot easier to trust somebody that is similar to you than somebody like a celebrity, though they can be influencers as well.

A major factor that goes into a parasocial relationship, specifically with influencers, is trustworthiness. Research conducted by Saima, & Khan, M. A. (2021) demonstrated the importance of trust with influencers on social media. Many times, social media influencers don't use the products that they are promoting. This is especially dangerous, for if people cannot trust their favorite influencers and their recommendations, they are less likely to purchase products and services that they are promoting. This trustworthiness is found through information quality and entertainment value as found through the research. The primary findings of this research proved that an influencer's trustworthiness has a direct link to the consumers' purchase intentions.

Upon finding all of this information, it leaves one to wonder: What does this mean for the future of advertising and consumption, for Gen Z will soon make up a large majority of

consumers in the world? Research conducted by Southgate, D. (2017) found that a large majority of Gen Z members spend more than an hour a day on social media. Additionally, it found that advertisements in television and in magazines are much less effective on Gen Z members than they are on members of older generations. This leads to many questions that could be asked about the future of consumerism in Gen Z's hands. Are all social media advertisements effective? If not, what makes them effective? Is social media the best way to attract Gen Z consumers? These questions can be simplified into one large question, which we pose below.

Our overall research question regards consumption habits with Gen Z in regard to influencers specifically: How does consumerism change with Gen Z, specifically with the implementation of social media influencers? This question goes hand-in-hand with the broader questions posed above, but we can also ask similar questions. What brought the rise of influencer marketing? Why was influencer marketing never a bigger concept with older generations, specifically through television or other visual mediums? There are many concepts to be explored within this area, for the technology being used is still somewhat new. As Generation Z continues to grow older, the topic has increasing importance and relevance. Before long, Generation Z will make up a large majority of consumers, and advertisers will have to adjust quickly to ensure that they are using the correct marketing tactics to attract their target audiences.

To summarize our research, we've discovered the true power of social media marketing on members of Generation Z. Social media is extremely powerful, and nobody knows how to use it quite like Gen Z does. This provides a world of new opportunities for marketers, specifically through the use of influencers. The power that parasocial relationships have on consumerism cannot be understated, specifically due to the power of word of mouth marketing. Previous research has proven that Gen Z members spend more time on social media than any other

generations, specifically because it is all they have ever known. For the future of research in this area, I would expect marketers and those who study the media's effect on the market to dive deep into similar studies, for this could make or break the future of marketing. Some outcomes of this research could include a massive boost in consumption in Gen Z members, more advanced marketing tools, or even new innovations in social media that make consumption directly through the applications easier.

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