A comparative study of the purchasing behaviours for motor vehicles between Baby Boomer and Generation Y consumers

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Declaration

I certify that this thesis contains no material accepted toward any other degree, diploma or similar award, in the university or institution and that, to the best of my knowledge, the thesis contains no material published or written by another person, except where due reference is made in the text.

Signature of candidate,

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Abstract

This thesis represents an exploratory attempt at studying the purchasing behaviour of both the Baby Boomer and Generation Y cohorts in relation to the five stages of the consumer decision making (CDM) model. The purpose of this study is to (1) analyse and compare the attitudes and behaviours of both the Baby Boomer and Generation Y cohorts in their purchasing behaviour in high ticket purchases, and (2) examine in greater depth the information search stage of the CDM model adopted by these two mentioned cohorts in relation to the purchase of a motor vehicle.

Interviewer-administered questionnaires were conducted and information was gathered from 50 respondents between the ages of 18-32 and 45-63. Results from the Independent samples T-test, One sample T-test and the Pearson correlation test found that both the Baby Boomer and Generation Y cohorts were equally involved in their search for information on motor vehicles, particularly searching for information on the Internet. Results from further tests also revealed that Generation Y is more likely to seek advice from friends and family members, and also recommending the same model of motor vehicle and/or brand to friends and family members. Additionally, findings showed that Generation Y consumers favoured brands more than the Baby Boomer consumers, particularly when choosing motor vehicle brands. Further findings revealed that the more involved the Baby Boomer and Generation Y cohorts positioned themselves towards the purchase of the motor vehicle, the more information they searched. Finally, findings from the study revealed that internal information search is initially used by both the Baby Boomer and Generation Y cohorts, however there needs to be more research carried out for the usage of external information in the consumer decision making process.

Recommendations made to marketing practitioners within this thesis can be summarised as follows. Firstly, more information should be made readily available and easily accessible to the Baby Boomer and Generation Y cohorts through print and other forms of media such as the Internet, televisions and radios. Secondly, marketing practitioners should attract Baby Boomer and retain Generation Y consumers through loyalty programs and building communications based on the needs, wants and perceived relevance as depicted by these consumers. Accordingly, this will produce favourable word-of-mouth promotions and recommendations by Baby Boomer and Generation Y consumers.
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CHAPTER ONE

INTRODUCTION

1.1 CHAPTER INTRODUCTION
This thesis examines the purchasing behaviour of cohort generations, of major interests are the Baby Boomer and Generation Y cohorts. It represents an exploratory attempt at studying the purchasing behaviour of these two mentioned cohorts in relation to each of the five stages of the consumer decision making process model. For the purpose of writing this thesis, the five stage model known as the consumer decision making model, pioneered a century ago by John Dewey and later elaborated by Engel, Blackwell, and Kollat (1978 cited in Olshavsky and Granbois, 1979), is chosen. Due to the manner in which consumers search for, process, and use information being a complex phenomenon that is not completely understood (Peterson and Merino, 2003), the information search stage (second stage) of the consumer decision making model will be examined in greater detail. Furthermore, the thesis attempts to analyse and compare the attitudes and behaviours of both Baby Boomer and Generation Y in their purchasing behaviour in high ticket purchases (i.e. motor vehicles).

This chapter outlines the general topic of the thesis. The first sub-section discusses the study of consumer behaviour and its perceived importance in relation to understanding the consumer’s purchasing behaviour for purposes of better understanding the area of research for this thesis. A subsequent discussion of the motivation for the research is proposed. Finally, the section concludes with an examination of the structure of the thesis.

1.2 CONSUMER BEHAVIOUR
Consumer behaviour is the process and activity that customers engage in when searching for, selecting, purchasing, using, evaluating, and disposing of products and services so as to satisfy their needs and desires (Schiffman, Bednall, O’Cass, Paladino and Kanuk, 2005). In essence, it is the study that looks at the mental orientation of how, what, where and why people buy while attempting to understand the buyer decision making process, both
individually and in groups (Quester, McGuiggan, Perreault and McCarthy, 2004). Sproles and Sproles (1990) confirm that the decision consumers usually make to purchase products and services are based on a process of learned behaviour. In general, this is an almost axiomatic statement to consumer educators and those involved with consumer interest studies. Even though people assume that consumers’ learning and decision making are related phenomenon, this relationship has not been properly identified in consumer research. In fact, a lot of research shows that the consumer decision making process is definitely a complex phenomenon and very hard to identify (Sproles, 1983), because the purchase of products or services includes several factors that could affect each and every decision.

Identifying the main characteristics of decision making strategy is central to consumer-interest studies. This identification helps assist marketers to better understand why consumers buy certain products instead of the others.

1.3 MOTIVATION FOR RESEARCH

This thesis represents an exploratory attempt to examine the relationship between cohort generations, specially the Baby Boomer and Generation Y, and the consumer decision making process in regards to high involvement purchases for two reasons. First, the sheer size of the Baby Boomer generation suggests that it is, and will continue to be, important to understanding this generation’s perception and attitude towards marketing and product goods. As they age, Baby Boomers will likely to continue spending more money than other generations (Rock, 1995 cited in Roberts and Manolis, 2000). As a group, Baby Boomers will have more money to spend when they have reached retirement age than any other generation (Roberts and Manolis, 2000). Second, Generation Y is the largest generation since the Baby Boomers (Couper, 2006). Because of its large size, its current significant amount of spending and its potential for huge amounts of future spending power has become a very important segment in today’s market (Wolburg and Pokrywcynski, 2001 cited in Lazarevic and Lazarevic, 2007). Together the cohorts of Baby Boomer and Generation Y make up the largest consumer segments in the market. For this reason, it is vitally important for marketers as well as academia to explore and further research these
two generations to better understand the unique characteristics that shape these cohorts in terms of their personalities and responses in their purchasing behaviour.

For the purpose of this thesis, motor vehicle purchases are chosen as the object of measurement linking the five stages of the consumer decision making process. These links will then be utilised in comparing the behaviour and attitude depicted between cohorts of Baby Boomer and Generation Y consumers.

1.3.1 Gap in Research

Previous literature focusing on such topics as the consumers’ decision making styles (Sproles and Sproles, 1990; Sproles and Kendall, 1986; Bauer, Sauer and Becker, 2006), consumers’ decision in high involvement purchases (Hsu, 2000; Abramson and Desai, 1993) and cross cultural decision making strategies (Tidwell and Marks, 1994) have been extensively written and researched over the years. Despite literature written on these areas of research, there appears to be few studies that have empirically tested the above two identified groups of consumers concerning their decision making processes for high ticket purchases. The pivotal purpose of this study is to fill this gap of research, and also use it as a building block for further postgraduate research endeavours.

1.3.2 Managerial Implications

There are a number of managerial implications flowing from this research:
First, the theoretical analysis provides insights into the differences and similarities of each generation of cohorts, Baby Boomer and Generation Y, and also aspects of their characteristics. Second, the theoretical analysis provides insights on how people belonging to these two generational of cohorts affect the consumer decision making process in the case of motor vehicle purchases. Third, the findings may infer to marketers the need to be aware and also to understand the benefits of segmenting their products and services into the cohorts. This will better cater to differentiate generation of cohorts through modifying, and adopting more refined marketing strategies.
1.4 STRUCTURE OF THESIS

The thesis begins with a literature review and theoretical development exploring the purchasing behaviour of Baby Boomer and Generation Y consumers to the five stage consumer decision making model in the purchase of motor vehicles. It proceeds to establish hypotheses concerning literature pertaining to the stages of the consumer decision making model, with greater emphasis on the information search stage. Appendix A highlights the relationship between the chosen literature review and hypotheses developed.

Subsequently, the research design utilised in testing the hypotheses is outlined, and the results are discussed. Finally, the thesis outlines the conclusions and potential limitations arising from the exploratory study and suggests avenues to be pursued for future research.
CHAPTER TWO

LITERATURE REVIEW

2.1 CHAPTER INTRODUCTION

This section reviews and provides theoretical contribution about the consumer decision making process of both Baby Boomer and Generation Y cohorts. The literature review is divided into three sections. The first section discusses the origin of cohort generations and the key characteristics of the Baby Boomer and Generation Y. This involves an examination of current academic literature on how the term cohort generation had entered the vernacular. In addition this section also examines the key characteristics that define and differentiate the two mentioned cohorts.

The second section conceptualises the five stage consumer decision making process model in relation to the need recognition, information search, evaluation and selection of alternatives, decision implementation and post-purchase evaluation (Kotler, Adam, Denize and Armstrong, 2009). Of particular interest to the thesis is the information search stage of the consumer decision making process model examined in greater detail. The third section examines the levels of involvement in product purchases. It involves identifying low involvement and high involvement purchases, and explains how the terms differ in comparing with Baby Boomer and Generation Y cohorts.

Motor vehicle purchases will be chosen as the object of measurement linking the five stage consumer decision making process. These links will then be utilised in comparing the behaviour and attitude depicted between cohorts of Baby Boomer and Generation Y consumers.

2.2 COHORT GENERATIONS

Traditionally a generation was defined biologically as the average interval of time between the birth of parents and the birth of their offspring (Houghton Mifflin Harcourt, 2006). Generation does not change over time but rather a generation is a product of their current
Prior to the Baby Boomers, the practice of labeling a generation did not exist. Labels, where they did exist, were limited to a particular span of age such as ‘this generation of young people’ or ‘this generation of old people’. However, because of the clear demographic impacts of the post-World War II generation, the term Baby Boomer entered the vernacular (Noble and Schewe, 2003). With the emergence of the Baby Boomer label other well known labeling of subsequent generations followed. Although the alphabetised terms have continued with Generations X, Y and Z, it took a while for these generational labels to reach widespread acceptance.

2.2.1 Baby Boomer

Baby Boomers, also known as the “Me” Generation are individuals born in between the years 1946-1964 (Mulhall, 2008). As a group, Baby Boomers have stayed in school longer than previous generations, and waited longer to start careers, get married, buy homes and have children (Dychtwald and Gable, 1990). Their superior education, with over 25% graduating from universities, can be deemed as being one of the most educated generations ever observed (Esman, 1997). When considering Maslow’s Hierarchy of Needs, comfort to the Baby Boomers becomes a key psychological need not just out of increased expectation, but also out of physical need (Dychtwald and Gable, 1990). As Baby Boomers age, they face the diminishing of some physical capacities, deteriorating health and the deaths of friends or family members (Dychtwald and Gable, 1990). Due to these unfortunate yet unavoidable events, safety needs, such as the need for physical wellbeing, and social needs, such as the need for friendship, are among their priority concerns (Moschis, 2003).

When it comes to making purchases, in general, Baby Boomers are more interested in purchasing products and services only to create a desirable experience or enrich the quality in their lives (Moschis, 2003). It is suggested that materialism declines as lower-order of needs belonging in the Maslow’s Hierarchy of Needs are met and consumers begin to focus on satisfying higher-order needs (Inglehart, 1990 cited in Roberts and Manolis, 2000). Thus
it is for this reason that Baby Boomers seek out products and services that will increase satisfaction, personal well-being and self-fulfillment.

Many Baby Boomers thrive on change and reinvention. They did not grow up with the Internet, but they readily go online to plot out vacations and seek bargains (Miller and Washington, 2009). However for many individuals belonging to this cohort who reached adulthood without digital technology, many find the usage of technology overwhelming. Therefore while many embrace new technology, some do so reluctantly (Miller and Washington, 2009).

In terms of branding, Baby Boomers are brand-loyal consumers who prefer long-established options in brand that they are familiar with when growing up (Cole, Laurent, Drolet, Ebert, Gutchess, Lambert-Pandraud, Mullet, Norton and Peters, 2008). They are likely to be more thoughtful purchasers and will be less inclined to follow fads or to buy on impulse (Dychtwald and Gable, 1990). Individuals belonging to this cohort generation are less influenced by peer pressure but are more in favoured on word-of-mouth promotion (Leventhal, 1997). When it comes to influencing Baby Boomer consumers’ consumption of upscale goods, a brand’s reputation carries the most influence, followed by an item’s perceived value and then the reputation of the store (Miller and Washington, 2009).

In contrast to the motivation and attitude characterised by the Baby Boomer cohort, the Generation Y cohort is very different in terms of their attitude, behaviour and believe towards such matters as education, technology, lifestyle and brand-loyalty. Generation Y will be discussed in the subsequent section.

**2.2.2 Generation Y**

Generation Y, also known as Echo Boomer, Millennium Generation, MyPod, iGeneration and the Internet Generation are individuals born in between the years 1977-1994 (Neuborne and Kerwin, 1999; Daniels, 2007; Lazarevic and Lazarevic, 2007). However it should be noted that there are differences in the years in other literature written about Generation Y (Leung, 2003; Patterson, 2007). Therefore the year that Generation Y is born, may vary to what has been written in this thesis. Ethnically, Generation Y is more diverse than any
previous generations, displaying a high degree of tolerance towards different cultures, lifestyle and behaviours (Promar International, 2001). Generation Y is one of the most educated generation yet with around 56% attending tertiary education as recorded by the Australian Bureau of Statistics in its 2002 census data. Generation Y is peer-directed and parental influenced decision makers whereby they are more likely to make a decision based on the influence of their own peers and input of their parents (Couper, 2006). When considering Maslow’s Hierarchy of Needs, Generation Y has the same basic needs and wants as any generation that has come before and after them. Needs can be described as the “states of felt deprivation” while wants are the “term taken by human needs as they are shaped by culture and individual personality” (Kotler et al., 2009, p.8). These basic wants and needs can be recognised as food, shelter, a sense of belonging and a purpose of living (Raiti, 2008).

Members of Generation Y will not accept anything less than the latest in technology. This generation feels more comfortable with computer than do their parents, the Baby Boomers, so they are more likely to go online surfing the Internet for the latest, greatest information (Leung, 2003). Thanks to the advancement in technology, especially the Internet, this has facilitated the ability for Generation Y to chat with others all over the world at the speed of light (Leung, 2003).

As consumers, Generation Y encompasses sophisticated individuals with a high level of awareness; however this does not necessarily mean that they are brand-loyal consumers (Daniels, 2007). As this generation is constantly changing in relation to the trend, they are not committed to a certain brand but rather select anything that they perceived as a trend for the time being. In relations to their spending habit, Generation Y is best known for their ability to spend rather than save and is likely to spend their cash as quickly as they acquire it (Daniels, 2007; Couper, 2006).

In identifying the key characteristics that shapes the cohorts of Baby Boomer and Generation Y, this will assist marketers to better understand these two segments in greater depth. Nevertheless to understand how consumers make purchase decisions can be a difficult task if not researched properly. The following section will discuss the five stage
model that marketers can adopt to gain better insights into how consumers operate at each stage of the consumer decision making model in making their purchase decisions.

2.3 CONSUMER DECISION MAKING PROCESS

Understanding how consumers make purchase decisions has long been a central issue among consumer behaviour researchers. Over the years, research and theory on the consumer decision making (CDM) process has focused squarely on the problem of choosing a most preferred brand from a set of several alternative brands that all belong to the same product category (Lawson, 1997). By analysing and modeling the CDM processes, this assists marketers and academia in providing insights into choice processes, as well as being instrumental to feasibility and impact assessment, user-oriented design and management decisions (Middelkoop, Arentze, Borgers and Timmermans, 2006). This multistage model, pioneered a century ago by John Dewey and later elaborated by Engel, Blackwell, and Kollat (1978 cited in Olshavsky and Granbois, 1979), illustrates the consumer’s initial process of recognising a need. This need is then followed by the stages of searching for information and constructing consideration sets of alternatives, evaluating the alternatives, making the purchase, and finally evaluating the consumptive experience (Lawson, 1997) as can be depicted in Figure 2.1. The five stages of the CDM model are subsequently discussed in brief.

Figure 2.1 The Consumer Decision Making Process Model. Source: Kotler et al., 2009, p. 178-180.
2.3.1 Need / Problem Recognition

Commencing with the first stage of the CDM process, it is believed that the recognition of a need/problem initiates the decision making process (Kotler et al., 2009). As a result, making it possible for the consumer to generate a consideration set of alternatives, which in turn allows for selection (Lawson, 1997). Once the problem has been recognised, the process then leads to second stage of the model, best recognised as information search (Neal, Quester and Hawkins, 2004).

2.3.2 Information Search

Within this stage both Baby Boomer and Generation Y consumers will actively seek out information on the product of interest. Generation Y consumers, being more technologically savvy and are very much influenced by their peers, will evidently search for information via the Internet and from friends (Couper, 2006). Baby Boomer consumers on the other hand are less peer influenced but are more susceptible to promotions through word of mouth, will seek information from other previous consumers (Leventhal, 1997). Through gathering information, the consumer learns more about the brands that compete in the market place and their distinct features and characteristics (Neal et al., 2004). Due to the manner in which consumers search for, process, and use information being a complex phenomenon that is not completely understood (Peterson and Merino, 2003), the information search stage of the CDM model will be discussed in more detail in Section 2.4 of this literature review.

2.3.3 Evaluation and Selection of Alternatives

Once information has been sufficiently collated, the consumer will begin evaluating and thus, selecting, the product that best satisfies his or her need (Lawson, 1997). In this case, Baby Boomer and Generation Y consumers will both look for problem-solving benefits from the product. These consumers will look for products with a certain set of attributes and their corresponding benefits (Neal et al., 2004). A study conducted by Tidwell and Marks (1994) formulated a set of seven consumer choice strategies found from various literature, that best illustrates the various extensive processes which consumers undertake in the evaluation and selection stage of the CDM process. Questions in the study conducted by Tidwell and Marks (1994) asked participants to choose amongst one of seven strategies, by
the process of elimination, for a brand that they will pick as their final choice. The seven consumer choice strategies are provided in Appendix B.

2.3.4 Decision Implementation

To actively implement the purchase decision, the consumer will then progress to the next stage along the multistage model. At this stage, the consumer now needs to select the product brand and where, in term of the specific store, to purchase the product (Neal et al., 2004). In this event, there are three ways these decisions can be made:

1). The consumer will first choose the brand that s/he has chosen from the previous stage as brand is considered highly important to them while the store where the product is sold will be chosen second (Hawkins, Best and Coney, 1983; Neal et al., 2004).

2). The consumer will initially choose the store where s/he will want to purchase the product from as it is considered highly important while the product brand, being considered less important, is chosen second (Hawkins et al., 1983; Neal et al., 2004).

3). The consumer will consider both the product brand and the store where the product is sold as equally important (Stoltman, Gentry, Anglin and Burns, 1990).

However due to the advancement in technology, products can now be purchased online via the internet (i.e. store websites, eBay). Online purchases are mainly adopted by Generation Y consumers and with a smaller proportion of Baby Boomer consumers also utilising this facility (Couper, 2006).

2.3.5 Post-Purchase Evaluation

At this final stage of the CDM process, the consumer will experience one of the following attributes following the purchase of the product in the form of post-purchase evaluation. At this stage the consumer evaluates the purchased product in terms of their expectation: satisfaction and perceived performance of the product; product use or non-use: how the product will be used and if not used, will the consumer either retain or return the product; and disposal: how the product is to be disposed off and whether it will affect the ecosystem (Kotler et al., 2009). In addition, consumers may experience post-purchase dissonance. This experience can be felt when the consumer feels dissatisfied with the product and are in
doubt or feels an anxiety about the correctness of their decision after the purchase has been made (Neal et al., 2004).

On the contrary, consumers may feel satisfied with the product. The level of satisfaction often has a positive influence on future purchase intentions (Lawson, 1997). Behavioural intentions are most commonly operationalised as recommendations to others and repurchase from the provider (Bendall-Lyon and Powers, 2004 cited in Spinks and Lawley, 2005).

2.4 CONSUMER INFORMATION SEARCH

Researchers of consumer behaviour have historically developed a number of complex theories in the attempt to explain and predict the behaviour of the consumer (Zaichkowsky, 1985). These theories propose that consumers actively search for and use information to make a better, more satisfactory decision prior to purchase (Srinivasan and Ratchford, 1991). For this reason information search is an important part of the decision process for consumers, especially when considering high ticket purchases. Consumer information search, in more specific terms, encompasses what is termed internal information search and external information search (Schiffman et al., 2005). The following sections describe the types of information search to which consumers utilises for collating information.

2.4.1 Internal Information Search

Internal information search involves memory and occurs prior to external information search (Peterson and Merino, 2003). In this particular case, the consumer may gather information by drawing upon his or her own prior experiences and/or by scanning long-term memory that is stored in the mind (Bettman, Johnson and Payne, 1991). Such prior experiences can be drawn from a favourable past experience with a particular motor vehicle brand for example. Similarly to drawing up prior experiences, scanning long-term memory are presentations of facts, images, thoughts, feelings, skills and experiences that may reside for as long as a lifetime in the individual’s mind (Kowalski and Westen, 2005). By scanning long-term memory, it draws upon conscious memories that are stored in the person’s mind but were not retrieved until required. This can include, for example, drawing upon recollections of a conversation with a friend about the design of a motor vehicle of
interest or flipping through a magazine and reading an article discussing about the motor
vehicle of interest.

2.4.2 External Information Search

External information search refers to everything but memory when searching for
information (Peterson and Merino, 2003). For an individual collating information on motor
vehicles, the measures of this construct may include the time spent to obtain information
and the quantity of information obtained from sources such as friends, the Internet, books
and magazine articles on motor vehicles, sales persons at dealerships, and actual experience
test-driving, in this case, new motor vehicles (Bettman et al., 1991). However unlike
internal information search which is free to pursue, external information search has certain
costs associated with it; such as the cost of purchasing motor vehicle magazines or books,
traveling costs, and Internet connection fee, etc.

The following sections discuss the two forms of methods, traditional methods (i.e. searching for information through magazines, television advertisement and car dealerships, etc) and the adoption of the Internet, when applying external information search on motor
vehicles.

2.4.2.1 Traditional Methods

The perusal of consumer information search depicts how many and what sources of
information consumers use, and how much time consumers devote to each source (i.e. reading motor vehicle magazines or visiting car dealerships) when the goal is to purchase a
particular product or service (Peterson and Merino, 2003). This type of information search
can be time consuming with the potential possibility that there may be limited information
available for the consumer to collect (Beales, Mazis, Salop and Staelin, 1981). Included
among the information sources typically adopted by consumers are media such as
magazines, newspapers, television and radio advertisements, individuals such as friends,
salespeople and experts, sellers such as stores and catalogs, and personal hands-on
experiences such as product trial (Bettman et al., 1991).
2.4.2.2 Internet

The World Wide Web, more generally known as the Internet, acquires a powerful capacity for efficiently and effectively searching, organising, sharing, and disseminating stored information, as well as information generated dynamically through various protocols (Peterson and Merino, 2003). Consumers undertaking information search through the Internet presently have at their disposal browsers and search engines for acquiring information. In theory, the Internet provides a large volume and variety of information available with relatively minimal expenditures of time, effort and money (Ratchford, Myung and Talukdar, 2003). Due to the easily accessible large volume and variety of information made available, consumers can risk the possibility of being overloaded with information (Edmunds and Morris, 2000). For this reason, information overload can make it difficult for consumers to effectively make an informed decision on their purchase intentions (Nelson, 1994). Consumers can acquire information from the Internet that is similar to information available from traditional methods of seeking. This can include acquiring information from websites and third party providers such as electronic sources, online advertisement, chat forums, and YouTube.

Once information has been collated, the consumer then commences evaluating the alternative options available to select the product. The above information can be summarised as depicted in the following diagram in Figure 2.2.
Overall, to understand why consumers purchase certain products instead of others, marketers study consumer behaviour. The concept of involvement is of major significance in understanding and explaining consumer behaviour (Zaichlowsky, 1985; Assael, 1995 cited in Hsu, 2000). In the following section, the concept in the involvement of product purchases is discussed.

### 2.5 INVOLVEMENT LEVELS – PRODUCT PURCHASES

The level of involvement can be defined as a person’s perceived relevance of the object based on inherent needs, values, and interests (Zaichkowsky, 1985). This can be differentiated as high and low involvement. By definition, high involvement product purchases involves the purchase of a high monetary product that requires an individual to put forth extensive effort and time allocated to collate information and construct decisions prior to purchase (Abramson and Desai, 1993). Examples of high involvement products include motor vehicles, televisions, and computers, etc. High involvement product purchases, being the main focus of attention in this thesis, relating Baby Boomer and
Generation Y consumers to the purchase of motor vehicles will be discussed in more details in the following section.

On the other hand, low involvement product purchases involves the purchase of a low monetary product that is not considered important to the consumer to which s/he will not put forth much effort and time allocated to collate the necessary information and construct decisions prior to purchase (Abramson and Desai, 1993). Examples of low involvement products include such items as purchasing bread, can of drink, and music CDs, etc.

2.5.1 High Involvement Levels

It is assumed that the level of product involvement is highly correlated with the number of steps on the consumer’s purchase process (Beatty and Smith, 1987 cited in Tidwell and Marks, 1994). Therefore high involvement products require more decision making prior to purchase, while low involvement products require less decision making prior to purchase (Tidwell and Marks, 1994; Spinks and Lawley, 2005). The purchase of a ‘new’ motor vehicle is often cited as the embodiment of a high involvement purchase decision, catered with the financial risks of the purchase, dictate that motor vehicle buyers put forth much effort before making a decision (Abramson and Desai, 1993).

Since Baby Boomers are generally over-represented in the higher income brackets as a result of their accumulated employment salaries and superannuation savings, they are highly targeted by marketers for aspirational products such as luxury motor vehicles (Esman, 1997; Dann, 2007). In contrast, since some Generation Y individuals are only earning their income on a part-time basis while others are still working on accumulating their superannuation savings, they tend to be less focused on aspirational products like motor vehicles, houses and boats, because it is simply too far out of their reach (Mulhall, 2008). Therefore they are less targeted by marketers for these products as compared to Baby Boomers.
2.6 CHAPTER SUMMARY

The literature review has established theoretical relationships pertaining to the CDM model, and the Baby Boomer and Generation Y cohorts in high ticket purchases. From the above literature, it discussed how both Baby Boomer and Generation Y cohorts experience each of the five stages of the CDM process slightly differently, especially at the information search stage, prior to purchase. An examination of the consumer information search and the levels of involvement to product purchases depicted that involvement with purchases leads to searching for more information; in addition, leading to spending more time searching for the right selection (Clarke and Belk, 1978 cited in Zaichkowsky, 1985).

The next chapter will establish hypotheses with references pertaining to the information search stage, decision implementation stage and the post-purchase evaluation stage in relation to the levels of product involvement adopted identified in this chapter.
CHAPTER THREE

HYPOTHESES DEVELOPMENT

3.1 CHAPTER INTRODUCTION

The development of the hypotheses is divided into five sections. The first section discusses the general relationship between the consumer decision making process and the involvement in product purchases among Baby Boomer and Generation Y consumers. The second section hypothesises the differences between age and the levels, and types of information sought as an outcome. The third section proposes the consumer’s decision implementation of product purchases with effect of age, while in the following section the effect of customer satisfaction between Baby Boomer and Generation Y consumers will be suggested. Finally, the relationship between product involvement and the levels of information searched is proposed.

3.2 HIGH INVOLVEMENT PURCHASES AND CDM PROCESS

Consumers constantly make decisions regarding the choice, purchase, and use of products and services (Bettman et al., 1991). These decisions are often difficult as consumers are faced with a large number of alternative choices which are constantly changing due to new technology and competitive pressures (Bettman et al., 1991). As previously mentioned in Chapter Two, consumers pass through each of the five stages of the consumer decision making model in similar patterns. These patterns are more popularly identified as the consumer’s initial process of recognising a need (Neal et al., 2004). This need is then followed by the stages of searching for information and constructing alternative sets of considerations, evaluating the alternatives, making the purchase, and finally evaluating the consumptive experience (Lawson, 1997). Although it can be easily portrayed that consumers follow a certain pattern in their quest to selecting and purchasing a product, however understanding how involved consumers are with respect to each stage of the consumer decision making model is rather difficult. For example, the steps leading to the purchase of a motor vehicle (high involvement purchase product) can have a different effect in the involvement levels adopted by different people. Clarke and Belk (1978 cited in
Zaichkowsky, 1985) demonstrated that different purchase situations for the same products cause differences in search and evaluation or raise the level of involvement perceived by the purchaser as a result affected by the consumer’s demographic characteristics, such as income and age. To a more refined extent, Houston and Rothschild (1978 cited in Zaichkowsky, 1985) defined involvement as a function of enduring need derived from a value in the individuals’ hierarchy of needs. Thus it can be argued that from the definition, the more value and need for the intended product as depicted by the individual, the more likely that product will be perceived as being more important and as a result, will affect the individual’s involvement in each stage of the consumer decision making process (Tidwell and Marks, 1994).

In the subsequent sections of this chapter, the proposed hypotheses in relations to the information search stage, decision implementation stage and the post-purchase evaluation stage will be discussed in relation to the levels of product involvement adopted by Baby Boomer and Generation Y consumers.

3.3 INFORMATION SEARCH

As mentioned within the consumer information search section in the previous chapter, information search is an important part of the decision process for consumers, especially when considering high ticket purchases. Thus there are many reasons as to why consumers perform information search. However one main reason consumers search for information prior to purchase is to reduce their uncertainty about their decision (Lawson, 1997; Neal et al., 2004). Consequently, greater uncertainty presumably would lead to more extensive search for information (Lanzetta, 1963 cited in Urbany, Dickson and Wilkie, 1989). By reducing the uncertainty towards the purchase of a certain product, extensive amount of information search should be obtained. In the case of the purchase of a motor vehicle, either new or used, it is reasonable to consider that since the product chosen is relatively a high cost, high involvement product, more extensive search for information and thoughts involved are necessarily required to reduce the chances of uncertainty bundled with this high ticket purchase. When comparing the age differences in terms of the amount of information which has been searched, sought and processed, Baby Boomers are considered more likely to go through finding further information about the product and think through
their options in more depth before purchase as compared to Generation Y consumers (Dychtwald and Gable, 1990). Therefore, it is hypothesised that:

**H1 - Baby Boomers are more involved with information search than Generation Y.**

Although performing information search reduces the chances of uncertainty, it also depends on the methods utilised to obtain the necessary information considered ideal for reducing uncertainty (Neal *et al.*, 2004). A popular method presently adopted as a means of acquiring reliable information in a relatively short amount of time is the Internet. People, more specifically Generation Y adopters, increasingly use the Internet to search for specific information on a variety of goods and services such as real estate, motor vehicles and travel, etc (Ratchford *et al.*, 2003). The reason being is that the Internet provides a large volume and variety of information available with relatively minimal expenditures of time, effort and money (Ratchford *et al.*, 2003). Additionally, Generation Y is generally considered to feel more comfortable with the computer than Baby Boomers, therefore they are more likely to go online surfing the Internet for the latest, greatest information (Leung, 2003). Thus, it is hypothesised that:

**H2 - Generation Y uses the internet as a means of information search more often than Baby Boomers.**

Given the fact that Baby Boomers presumably are more involved with the process of information search, it has been identified that they are not as willing to be influenced by others (i.e. friends, co-workers, etc) when seeking for advice prior to purchase (Dychtwald and Gable, 1990). In contrast to the Baby Boomers, Generation Y is more likely to make a decision based on the influence of their own peers and input of their parents prior to purchase (Couper, 2006). Therefore, it is hypothesised that:

**H3 - Generation Y is more likely to seek advice than Baby Boomers.**
3.3.1 Internal and External Information Search

As mentioned in Chapter Two, there are two methods of gathering information. The first is internal information search which involves memory and occurs prior to external information search (Peterson and Merino, 2003). The second is external information search which refers to everything but memory when searching for information (Peterson and Merino, 2003). This form of information search can include collating information on motor vehicles, the measures of this construct may include the time spent to obtain information and the quantity of information obtained from sources such as friends, the Internet, books and magazine articles on motor vehicles, sales persons at dealerships, and actual experience test-driving, in this case, new motor vehicles (Bettman et al., 1991). However unlike internal information search which is free to pursue, external information search has a certain amount of costs associated with conducting it (Punj and Staelin, 1983). For example, these costs can include the cost of purchasing motor vehicle magazines or books, traveling costs, and Internet connection fee, etc. Thus due to the cost of obtaining external information search, consumers more often gather information by drawing upon his or her own prior experiences and/or by scanning long-term memory that is stored in the mind first as opposed to physically collating information (Bettman et al., 1991). Therefore, it is hypothesised that:

**H4 – Internal information search is initially used before external information search.**

3.4 DECISION IMPLEMENTATION

Unlike Generation Y, Baby Boomers are perceived to be more brand-loyal consumers (Cole et al., 2008). Therefore as perceived by Baby Boomers, a brand’s reputation carries the most influence, followed by an item’s perceived value and then the reputation of the store (Miller and Washington, 2009). As a result, it is more likely that Baby Boomer consumers will select a product based on the reputation of the brand more so than Generation Y consumers (Moschis, 2003). Thus, it is hypothesised that:

**H5 – Product brand is more important to Baby Boomer consumers than to Generation Y consumers.**
3.5 POST-PURCHASE EVALUATION

An important component of post-purchase evaluation is the reduction of any uncertainty or doubt that the consumer might have had about the selection of the product (Schiffman et al., 2005). As consumers use a product, they evaluate its performance in light of their own expectation. If the product matches or exceeds their expectations then the consumer is perceived to be satisfied with the purchased product (Kotler et al., 2009). On the contrary, if the product does not match or perform as expected, then an opposite reaction will occur (Kotler et al., 2009). The level of satisfaction often has a positive influence on future purchase intentions (Gilly and Gelb, 1982). Behavioural intentions are most commonly operationalised as recommendations to others and repurchase from the provider (Bendall-Lyon and Powers, 2004 cited in Spinks and Lawley, 2005). Since Generation Y is more likely to make a decision based on the influence of their own peers’ advice and influences (Couper, 2006); as a result there is a greater possibility that Generation Y will recommend upon satisfaction with the purchased product to their friends and family members more often than Baby Boomers. Therefore, it is hypothesised that:

H6 - Satisfied Generation Y consumers are more likely to recommend than Baby Boomer consumers.

3.6 LEVELS OF INVOLVEMENT

Purchase involvement may be defined as the “extent of interest and concern that a consumer brings to bear upon a purchase decision task” (Banwari, 1989, p.150). It can be argued that involvement with purchases leads one to search for more information and to spend more time searching for the right selection (Zaichowsky, 1985). Therefore, high involvement products require more commitment to information search prior to purchase as compared to low involvement products, which require less commitment to information search prior to purchase (Spinks and Lawley, 2005). Thus high involvement consumers should be more interested in acquiring information about the product than low involvement consumers. Hence, it is hypothesised that:

H7 - There is a positive correlation between purchase involvement and the levels of information searched.
3.7 CHAPTER SUMMARY

This chapter generated hypotheses pertaining to the literature from Chapter Two of this thesis. These include an examination of the literature that best matches the proposed hypotheses. Table 3.1 appended below provides a summary of the contents that were seen depicted within this chapter as a foundation for the hypotheses proposed along with the research objectives and the implications raised.

<table>
<thead>
<tr>
<th>Research Objectives</th>
<th>Implications</th>
<th>Literature Review</th>
<th>Hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td>To determine the difference between age and the levels of information sought.</td>
<td>To design promotions and marketing advertisements to better inform consumers about the products.</td>
<td>Baby Boomers are more thoughtful purchasers as compared to Generation Y consumers (Dychtwald and Gable, 1990).</td>
<td>H1: Baby Boomers are more involved with information search than Generation Y</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Generation Y feels more comfortable with computers so they are more likely to go online surfing the Internet for the latest, greatest information (Leung, 2003).</td>
<td>H2: Generation Y uses the Internet as a means of information search more often than Baby Boomers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Generation Y is more likely to make a decision based on the influence of their peers and input of their parents (Couper, 2006).</td>
<td>H3: Generation Y is more likely to seek advice than Baby Boomers</td>
</tr>
<tr>
<td>To identify the adoption of internal information search as opposed to external information search.</td>
<td>To increase the adoption of sources obtained from external information search.</td>
<td>Consumers more often gather information by drawing upon his or her own prior experiences and/or by scanning long-term memory that is stored in the mind first as opposed to physically collating information (Bettman et al., 1991).</td>
<td>H4: Internal information search is initially used before external information search</td>
</tr>
<tr>
<td>To determine the difference between age and a customer’s decision implementation in product purchased.</td>
<td>To increase brand loyalty.</td>
<td>A brand’s reputation carries the most influence, followed by an item’s perceived value and the reputation of the store as perceived by Baby Boomers (Miller and Washington, 2009).</td>
<td>H5: Product brand is more important to Baby Boomer consumers than to Generation Y consumers</td>
</tr>
</tbody>
</table>

Table 3.1 Hypotheses Development Summary
<table>
<thead>
<tr>
<th>Research Objectives</th>
<th>Implications</th>
<th>Literature Review</th>
<th>Hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td>To identify the underlying factors of customer satisfaction.</td>
<td>To increase purchase rates of motor vehicles by implementing changes to the product offerings.</td>
<td>Generation Y consumers are more likely to make a decision based on the influence of their peers’ advice and influences (Couper, 2006); as a result there is a greater possibility that upon satisfaction with the purchased product, Generation Y will recommend more than other generations.</td>
<td><strong>H6</strong>: Satisfied Generation Y consumers are more likely to recommend than Baby Boomer consumers</td>
</tr>
</tbody>
</table>

To understand the relationship between knowledge of product and customer’s level of involvement to product purchases. | For marketers to better understand the level of purchasing decisions adopted by consumers. | Involvement with purchases leads to searching for more information and to spend more time searching for the right selection (Zaichowsky, 1985). | **H7**: There is a positive correlation between purchase involvement and the levels of information searched |

Table 3.1 Hypotheses Development Summary

The ensuing chapter examines the manner in which data pertaining to the proposed hypotheses will be gathered and measured.
CHAPTER FOUR

METHODOLOGY

4.1 CHAPTER INTRODUCTION

This chapter outlines the research method adopted for the thesis. The chapter initially explains the rationale behind the selection of the survey method, and the choice of sample of respondents. The chapter proceeds to discuss the methodology underlying the administration of the survey and finally, the survey design will be discussed.

4.2 SURVEY METHOD

The survey was conducted in the form of an interviewer-administered face-to-face interview, within an Australian setting. The survey approach was chosen for the following reasons. First, the survey method represents a low cost means of obtaining the input from participants for the study (De Leeuw, 2005). Second, this method allowed the research investigator the flexibility and control in selecting participants that were considered appropriate for the research study (Saunders, Lewis and Thornhill, 2007). These considerations included age, the purchase of motor vehicle within the last four year period and current education. A consistent interpretation of the survey was facilitated via the use of instructions at the beginning of the survey. Furthermore, questions were worded to reduce the effect of inaccurate definitions being presented to respondents. The research study was exploratory in nature as it was a basic study conducted with no previous study carried out to empirically test the Baby Boomer and Generation Y consumers concerning their decision making processes in high ticket purchases.

This study does not place into major consideration the purchase of new or used purchased motor vehicles. The main purpose of this study is to measure the effect of the sampled respondents’ attitude and motivation to the purchase of motor vehicles of a general nature. The key research question for the study was on: The effect of consumer decision making process applied to high involvement products across the cohorts of Baby Boomer and Generation Y.
Data from the surveys were manually entered into the SPSS statistical software program. Survey research data was considered ideally suited to computer analysis because of the considerable amount of sorting data, coding, and statistical calculations which is typically involved in a survey-based research.

Pearson correlation, One sample T-test and Independent samples T-test are the main instruments adopted and utilised in measuring the mentioned hypotheses (Saunders _et al._, 2007). These test types were chosen as it was considered appropriate for use to ascertain the strength and significance of the relationships pertain to the various hypotheses proposed. However due to the small sample size collected for the purpose of the study, reliability testing to measure the Cronbach’s coefficient alpha $\alpha$ (Cronbach, 1951; Cortina, 1993) of the variables pertain from the survey questions was not carried out. Reasons for this are that small sample size reliability testing produces unstable reliability estimates of population reliability, thus causing potentially unreliable measurements in the sample (Morrow and Jackson, 1993). For a summary of the pedagogical sequence of events formulated for the research objectives generated for this study, see Appendix A.

### 4.3 SAMPLE METHODOLOGY

The study was conducted in Melbourne, Australia, on Baby Boomer and Generation Y consumers with samples collected from volunteered participants. Possible participants who were students and staff members at Swinburne University of Technology as well as those who were off campus were approached and invited to answer the survey. Current TAFE students were not asked to participate as the ethics approval obtained for the study did not include current TAFE students. The study utilised a sample of 50 volunteers. In total there were an even quantity of 25 surveys completed by the Baby Boomer participants (aged 45-63) and 25 surveys completed by the Generation Y participants (aged 18-32). In theory, the youngest Generation Y member would be turning 15 years of age in 2009 but for purposes of this thesis, any Generation Y members under the age of 18 were not involved in the study as they were not considered as the appropriate age to be driving and earning a sufficient income to purchase a product that requires a large sum of monetary payment such as a motor vehicle. The survey was pilot tested on friends and colleagues of the research investigator and suggestions for improvement were noted.
4.4 SURVEY INSTRUMENT

The survey was divided into three distinct sections. These sections were followed in the order of perceived purchasing behaviour which asked questions linking to the subsequent stages of the consumer decision making model, and personal details. Accordingly, three items chosen for the first section of the survey were replications from the scale developed by Manning, Bearden and Madden (1995). The next seven items within the first section were derived from various literature in the following areas of information search and preferred shopping experiences (Daniels, 2007; Peterson and Merino, 2003; Bettman et al., 1991; Sproles and Kendall, 1986; Sproles and Sproles, 1990), the consumers’ post-purchase behaviour (Spinks and Lawley, 1997), and high involvement product purchases (Abramson and Desai, 1993). These items were utilised as a means to measure participants’ attitude and motivation to motor vehicle purchases.

The second section on the survey comprised of questions encapsulating participants’ demographic details in relation to gender, age, highest level of educational attainment, income, and amount paid for last motor vehicle purchased. The third section on the survey comprised of a question with five reasons asking participants as to why they had purchased their last motor vehicle. This section was generated to obtain a better understanding in the reason(s) as to why participants purchased the product. These mentioned three sections were generated as an attempt in finding the research objectives to answer the seven mentioned hypotheses proposed. To view a sample of the survey conducted, see Appendix C.

The three page survey, with instructions included in answering the survey and all three sections asked, took no longer than 10 minutes to complete. Since this thesis aims to focus on the information search stage of the consumer decision making model in greater depth than other stages of the model, a majority of the questions (six questions in total) asked in the survey were in relation to consumers’ information search behaviour in the purchase of their last motor vehicle.

The following sub-section highlights the use of instructions and directions of the survey deployment.
4.4.1 Instructions

Respondents were asked three questions to assess whether they were eligible to continue with the survey once they have agreed to participate. The first question asked was if they have purchased a motor vehicle within the last four years. The four year period was chosen for this research as it was considered the sufficient time span in allowing respondents to recall their experiences prior to the purchase of their last motor vehicle to increase the accuracy of the responses identified. If respondents answered ‘no’, then the survey was terminated with no further questions asked. However if they have answered ‘yes’, then the research investigator continued with the second question asking if they belonged in one of the two age groups mentioned (aged 18-32 or 45-63). If respondents answered ‘no’, then the survey was terminated with no further questions asked. However if they have answered ‘yes’ to belonging in either one of the two mentioned age groups then the research investigator continued with the third and final question asking if the respondent is currently a TAFE student. If respondents answered ‘yes’ to this question then the survey was terminated and they were ceased from continuing with the survey. However if respondents answered ‘no’ to this question then they were eligible to proceed with the survey.

An outline of the intentions of the study, Informed Consent statement and instructions were read out to participants prior to answering the questions so as to eliminate any confusion and questions raised about the purpose of the study. Research Information Statements and Informed Consent Form possessing the Swinburne University of Technology logo, and with a statement with the approval on behalf of the Swinburne’s Human Research Ethics Committee (SUHREC) were provided to participants at their request (see Appendix D).

In sections one and three of the survey, respondents were asked to rate their answers to the read out statements referring back to their last motor vehicle purchased on a five point Likert scale, ranging from “1 = Strongly Disagree” to “5 = Strongly Agree”. Respondents were also presented the option of identifying their answers as being not applicable to increase the accuracy of the responses identified.
4.5 CHAPTER SUMMARY

The above chapter outlined the rationale behind the survey conducted as well as the sampling and methodology utilised in collecting and measuring the data to be used in testing the hypotheses proposed. This included the observation of the survey methodology adopted and a discussion of the samples collected for the purpose of this thesis.

The following chapter outlines and analyses the results from the hypotheses proposed and methodology adopted from the above data.
CHAPTER FIVE

DISCUSSION OF FINDINGS AND RESULTS

5.1 CHAPTER INTRODUCTION

The following chapter is divided into two sections. The first section presents some general descriptive statistics from the results pertaining to the sample surveyed for this research. The second section provides inferential statistics derived from various hypotheses proposed.

5.2 DESCRIPTION OF POPULATION SAMPLE

Fifty respondents aged from the youngest being 19 years of age while the oldest being 63 years of age (average age = 38 years), participated in this study. The majority of respondents (12%) who had participated were 22 years of age. Out of those who had participated in the research study, 64% were males and 36% were females. Figure 1.5 provides the breakdown of gender.

Figure 5.1  Gender
Fifty-two percent of respondents had a higher education degree, 7% of respondents had a TAFE diploma, and 17% of respondents indicated to having had completed high school, college or a specialised training institution.

From the results obtained, it was portrayed that the majority of those respondents (34%) had earnings ranging from $41,000 - $60,000, while the next highest group (30%) comprised of income between $20,000 - $40,000. Those participants who had earned an annual income of above $80,000 (20%) had the highest income. Eight percent of the remaining respondents who were surveyed had earnings of less than $20,000 and between $61,000 - $80,000 per annum. The next bar chart (Figure 5.2) provides details on the breakdown of income.

![Annual Income Chart](chart.png)

Figure 5.2 Annual Income

Statistics from the survey concluded that a substantial 32% of respondents had indicated to paying under $15,000 and 26% of respondents indicated to paying between $15,000 - $25,000 for their motor vehicle, while the smallest percentages (10%) of respondents indicated to having paid above $50,000 for their motor vehicle. This is graphically depicted in Figure 5.3.
Among those who had participated in the study, 80% had indicated that the reason as to why they had purchased the motor vehicle was because they needed the motor vehicle for travel purpose. Fifty-eight percent of those participated in the study also indicated that they liked the brand as a reason to purchase the motor vehicle, while 78% had indicated that they had bought the motor vehicle because they liked the design and features that the motor vehicle offered. Finally, in addition to the reasons as to why the participants chose their purchased motor vehicle was because they needed another motor vehicle (52%) and that it was an upgrade (i.e. in terms of design and performance) from their earlier motor vehicle (56%).

5.3 DISCUSSION OF FINDINGS AND RESULTS

The following analyses relates to the results from the sample gathered to the various hypotheses proposed within the study. This involves discussion of the underlying conceptual factors affecting the results derived in determining the status of the hypotheses.
5.3.1 Hypothesis One

\[ H1 - \text{Baby Boomers are more involved with information search than Generation Y.} \]

An Independent samples T-test was carried out to determine the status of Hypothesis 1. The Independent samples T-test result for Hypothesis 1 indicates a p value of 0.805. In this respect, since the value is significantly greater than p = 0.05, there is no significant difference between the Baby Boomer and Generation Y cohorts and their involvement with information search (t = -0.248, p = 0.805). Thus Hypothesis 1 is not supported. The pertained result is depicted in Table 5.1.

<table>
<thead>
<tr>
<th>Group Statistics</th>
<th>Baby Boomer and Gen Y</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Info Availability</td>
<td>1.00 (Baby Boomer)</td>
<td>25</td>
<td>2.92</td>
<td>1.778</td>
<td>.356</td>
</tr>
<tr>
<td></td>
<td>2.00 (Gen Y)</td>
<td>25</td>
<td>3.04</td>
<td>1.645</td>
<td>.329</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Samples Test</th>
<th>Levene’s Test for Equality of Variance</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>Sig.</td>
<td>t</td>
</tr>
<tr>
<td>Info Availability</td>
<td>Equal variances assumed</td>
<td>.689</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>-.248</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5.1 Involvement with Information Search Results

Previous literature proposed that Baby Boomer consumers are considered more likely to go through finding further information about the product and think through their options in more depth before a purchase as compared to Generation Y consumers (Dychtwald and Gable, 1990). The rejection of Hypothesis 1 does not support the above literature but rather, both generations can be observed as equally involved in their information search.

The literature by Dychtwald and Gable (1990) was based upon the discussion resulting from large random sample studies conducted on the Baby Boomer cohort chosen from America. The findings may have differed in the current research which was conducted on a small sample size involving mainly university students, university staff members and
corporate employees situated in Australia. Therefore, due to the differences in the sample size and the location where the sample was chosen, this may have resulted in the different findings depicted between Dychtwald and Gable’s (1990) literature and the research study conducted in this thesis.

5.3.2 Hypothesis Two

\[ H2 - \text{Generation Y uses the Internet as a means of information search more often than Baby Boomers.} \]

The second hypothesis proposes that Generation Y uses the Internet as a means of information search more often than Baby Boomers. Since Generation Y increasingly uses the Internet not only as a major source of general news information but also to search for specific information on a variety of goods and services, they generally feel more comfortable with computer than Baby Boomers (Ratchford et al., 2003). Previous literature theorised that for this reason, Generation Y cohort is more likely to go online surfing the Internet for the latest, greatest information (Leung, 2003).

No support was found for this proposition. Results from the Independent samples T-test reveals that there is no significant differences (p>0.05) between the Baby Boomer and Generation Y cohorts in their search for information on the Internet (t = 0.711, p = 0.481). The mentioned findings are shown in Table 5.2.

<table>
<thead>
<tr>
<th>Group Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baby Boomer and Gen Y</td>
</tr>
<tr>
<td>Online Search</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Samples Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Levene’s Test for Equality of Variance</td>
</tr>
<tr>
<td>F</td>
</tr>
<tr>
<td>Online Search</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Table 5.2 Involvement with Online Search Results</td>
</tr>
</tbody>
</table>
Further results indicate that the Baby Boomer cohort has a higher mean score in searching for information on the Internet (3.60) as compared to the Generation Y cohort (3.20). A few reasons which may have affected the final result of Hypothesis 2 in opposing the above literature can be discussed as follows. First, a majority of those Baby Boomers who were chosen to participate in the study were comprised of full-time academic staff members of Swinburne University of Technology as well as full-time employees employed in various organisations across Melbourne. Since these Baby Boomer participants were currently employed full-time and generally spend most of their time on the computer, it is assumed that they may have potentially spent more time searching for information online for various work requirements as well as personal needs, during their spare time at work. Second, due to the time restraint and a busy lifestyle of these Baby Boomers who were working full-time, they may have found that it was much easier and quicker to find information online as opposed to gathering from print and other forms.

5.3.3 Hypothesis Three

\[
H3 - \text{Generation Y is more likely to seek advice than Baby Boomers.}
\]

The Independent samples T-test result for Hypothesis 3 supports the proposition made in attesting that the Generation Y cohort is more likely to seek advice as compared to the Baby Boomer cohort. The acceptance of Hypothesis 3 appears to concur with the above hypothesis that Generation Y is peer-directed and influenced by parents’ decision whereby they are more likely to make a decision based on the influence of their own peers and input of their parents (Couper, 2006).

Results from the T-test reveals that there is a significant difference (p<0.05) between the Baby Boomer and Generation Y cohorts and their likeliness to seeking advice \( (t = 3.831, p = 0.001) \). Findings depict Generation Y as having a higher mean score on seeking advice (4.52) as compared to Baby Boomer consumers (3.16) when it comes to seeking information and recommendations from friends and family members prior to purchasing a motor vehicle. See Table 5.3 appended below for the full result.
### Group Statistics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Advice</strong></td>
<td>25</td>
<td>4.52</td>
<td>.714</td>
<td>.143</td>
</tr>
<tr>
<td>1.00 (Baby Boomer)</td>
<td>25</td>
<td>3.16</td>
<td>1.625</td>
<td>.325</td>
</tr>
</tbody>
</table>

### Independent Samples Test

<table>
<thead>
<tr>
<th></th>
<th>Levene’s Test for Equality of Variance</th>
<th>(t)-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td><strong>Advice</strong></td>
<td>13.842</td>
<td>.001</td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5.3 Seeking Advice Results

Reasons for the congruence between the literature by Couper (2006) and the results for this thesis may have been due to the inquisitiveness and the constant need to be informed by all Generation Y. This has made them more willing to seek advice from others than Baby Boomers. This notification will potentially be from their friends, colleagues, family members and experts. Since Generation Y is still growing, they lack the knowledge that older generations (i.e. Baby Boomers) have acquired. Therefore in order to fill the gap, the constant need for reassurance through seeking advice from others assists them to make more informed decisions in such areas of product purchases.

### 5.3.4 Hypothesis Four

\[ H4 – Internal\ information\ search\ is\ initially\ used\ before\ external\ information\ search. \]

Previous literature examined that due to the cost of obtaining external information search, consumers more often gather information by drawing upon his or her own prior experiences and/or by scanning long-term memory that is stored in the mind first as opposed to physically collecting information (Bettman et al., 1991). Therefore it was proposed that internal information search is initially used before external information search prior to the purchase of a motor vehicle. The proposition is partially supported. Results from the One sample T-test indicates that while there is a significant difference (\(p<0.05\)) between the sample and their adoption in internal information search (\(t = 4.525, p = 0.000\)), there is apparently no significant difference between the sample and their adoption in external
information search ($t = -1.219, p = 0.229$). Therefore the study reveals that internal information search is initially used, however there needs to be more research carried out for the usage of external information in the consumer decision making process before additional comparisons can be made between internal and external information searches. Refer to Table 5.4 for more details of the test carried out.

<table>
<thead>
<tr>
<th>One-Sample Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>N</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Mean</td>
</tr>
<tr>
<td>Std. Deviation</td>
</tr>
<tr>
<td>Std. Error Mean</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>One-Sample Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Test Value = 3</td>
</tr>
<tr>
<td>95% Confidence Interval of the Difference</td>
</tr>
<tr>
<td>t</td>
</tr>
<tr>
<td>-1.219</td>
</tr>
<tr>
<td>4.525</td>
</tr>
</tbody>
</table>

Table 5.4 Internal versus External Information Search Results

5.3.5 Hypothesis Five

$H5 – Product brand is more important to Baby Boomer consumers than to Generation Y consumers.$

Previous literature examined that Baby Boomers are perceived to be more brand-loyal consumers whereby it was depicted that they favour product brand when deciding to purchase the product (Cole et al., 2008; Miller and Washington, 2009). Therefore it was proposed that brand is more important to Baby Boomer than to Generation Y consumers. Findings from the Independent samples T-test for Hypothesis 5 does not support the proposition. Results revealed that there is a significant difference ($p<0.05$) between the Baby Boomer and Generation Y cohorts and their choice of purchase in relation to product brand ($t = -2.220, p = 0.031$). However, results from the T-test indicate that Generation Y consumers have a higher mean score in favouring product brand (4.24) more so than Baby Boomer consumers (3.36). Refer to Table 5.5 for the full result.
Group Statistics

<table>
<thead>
<tr>
<th></th>
<th>Baby Boomer and Gen Y</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Brand</td>
<td>1.00 (Baby Boomer)</td>
<td>25</td>
<td>3.36</td>
<td>1.497</td>
<td>.299</td>
</tr>
<tr>
<td></td>
<td>2.00 (Gen Y)</td>
<td>25</td>
<td>4.24</td>
<td>1.300</td>
<td>.260</td>
</tr>
</tbody>
</table>

Independent Samples Test

<table>
<thead>
<tr>
<th>Levene’s Test for Equality of Variance</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td>Product brand</td>
<td>Equal variances assumed</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>-2.220</td>
</tr>
</tbody>
</table>

Table 5.5 Product Brand Results

The reason as to why Generation Y consumers within the research sample was depicted as to favouring brand more so than Baby Boomer consumers may be due to the current lifestyle that the Generation Y was brought up and raised into. Being brought up into an environment surrounded by advertisement of the many brands existing through the aid of television, the Internet, magazines, and the radio just to name a few (Neuborne and Kerwin, 1999), this may have encouraged the Generation Y cohort to accept and adopt branding into their everyday lifestyle. This includes certain popular clothing brands, electronic brands, accessory brands, and motor vehicle brands to which Generation Y consumers will easily be influenced due to peer pressure to be perceived as popular by others (i.e. their peers).

5.3.6 Hypothesis Six

H6 - Satisfied Generation Y consumers are more likely to recommend than Baby Boomer consumers.

Hypothesis 6 examined the behavioural intentions linking an individual’s level of satisfaction experienced after purchase to the likelihood of recommending the purchased product to others (Bendall-Lyon and Powers, 2004 cited in Spinks and Lawley, 2005). Previous literature revealed that since Generation Y is more likely to make a decision based on the influence of their own peers’ advice (Couper, 2006); as a result there is a greater possibility that they will recommend upon satisfaction with the purchased product more often than Baby Boomers. The results from the Independent samples T-test supports the
proposition in justifying that satisfied Generation Y consumers are more likely to recommend than Baby Boomer consumers. Results from the T-test reveals that there is a significant difference (p<0.05) between the Baby Boomer and Generation Y cohorts and their likelihood to recommend upon satisfaction with their purchased motor vehicle (t = -2.126, p = 0.039). Furthermore, results reveal that Generation Y consumers have a higher mean score in recommending upon satisfaction with the purchased motor vehicle (4.380) more so than Baby Boomer consumers (3.860). Refer to the pertained Table 5.6 below for the full result.

<table>
<thead>
<tr>
<th>Group Statistics</th>
<th>Baby Boomer and Gen Y</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommended Satisfaction</td>
<td>1.00 (Baby Boomer)</td>
<td>25</td>
<td>3.860</td>
<td>.952</td>
<td>.190</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>2.00 (Gen Y)</td>
<td>25</td>
<td>4.380</td>
<td>.768</td>
<td>.154</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Samples Test</th>
<th>Levene’s Test for Equality of Variance</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td>Recommended Satisfaction</td>
<td>.753</td>
<td>.390</td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5.6 Recommended Satisfaction Results

The rationale for the consensus between previous literature and the results for this thesis can be due to two reasons. First, since Generation Y more than likely tend to make a decision based on the influence and advice from their own peers; they will in addition make recommendations back to their own peers as a result of this. Accordingly there is a greater possibility that they will recommend upon satisfaction with the purchased product by sharing their thoughts with others close to them. Second, Generation Y is a cohort that likes to make suggestions and have inputs into various decision making choices (Raiti, 2008). Therefore this generation is more likely than Baby Boomers to voice their recommendations and advice to others.
5.3.7 Hypothesis Seven

\[ H7 - \text{There is a positive correlation between purchase involvement and the levels of information searched.} \]

The acceptance of Hypothesis 7 appears to concur with Zaichowsky’s (1985) opinion in that the involvement with purchases leads one to search for more information and to spend more time searching for the right selection. It argues that high involvement products require more commitment to information search prior to purchase as compared to low involvement products, which require less commitment to information search prior to purchase (Spinks and Lawley, 2005). Results from the Pearson correlation indicates that there is a significant correlation at the 0.01 level between product involvement and the levels of information search undertaken by Baby Boomer and Generation Y consumers in this study \((p = 0.002)\). Thus the study reveals that the more an individual positions themselves towards the purchase of a product, in this case a motor vehicle, the more intention they have towards searching for more information and spending more time searching for the motor vehicle. Never-the-less, the correlation observed is only moderately associated \((0.434**)\). Refer to Table 5.7 appended below for the full result.

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Time &amp; Effort</th>
<th>Levels of Involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time &amp; Effort Pearson Correlation</td>
<td>.434**</td>
<td>.002</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>50</td>
</tr>
<tr>
<td>Levels of Involvement Pearson Correlation</td>
<td>.434**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.002</td>
<td>N</td>
</tr>
<tr>
<td>N</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed)

Table 5.7 Relationship between Product Involvement and Information Search Results

5.4 CHAPTER SUMMARY

This chapter discussed the results from the One sample T-test, Independent samples T-tests and Pearson correlation test in relations to the hypotheses proposed, and outlined the acceptance or rejection of the stated hypotheses in this thesis. From the results obtained, findings reveal that Hypotheses 3, 6 and 7 were accepted, Hypothesis 4 was partially accepted, and Hypotheses 1, 2 and 5 were not accepted.
The following chapter concludes the thesis and outlines the broader implications of the study. This includes an acknowledgment of the limitations faced within the study and suggestions for research issues to be pursued in future consumer decision making behaviour studies.
6.1 CHAPTER INTRODUCTION

This chapter begins with a brief summary of the implications for studying consumer behaviour with regards to the Baby Boomer and Generation Y cohorts purchasing behaviour presented within this thesis, the findings pertaining to each hypothesis, and the overall contributions of this study. Subsequently, conclusions to the study with the implications to the findings suggested to marketing practitioners are outlined. Finally, limitations of the study are discussed and suggestions for future research are recommended.

6.2 SUMMARY OF THE IMPLICATIONS FOR THE STUDY

This thesis represented an exploratory attempt to examine the relationship between both the Baby Boomer and Generation Y cohorts in relation to the stages of the consumer decision making (CDM) model (Engel et al., 1978 cited in Olshavsky and Granbois, 1979). Due to the manner in which consumers search for, process, and use information being a complex phenomenon that is not completely understood (Peterson and Merino, 2003), the information search stage (second stage) of the CDM model was examined in greater detail. Essentially, no prior research existed that empirically examined these two identified groups of consumers concerning their decision making processes in high ticket purchases, within an Australian setting.

The main purpose of this study was to measure the effect of the sampled respondents’ attitude and motivation to the purchase of motor vehicles of a general nature. The key research question for the study was on: The effect of consumer decision making process applied to high involvement products across the cohorts of Baby Boomer and Generation Y.
6.3 SUMMARY OF FINDINGS

Within the thesis, Hypotheses 3, 6 and 7 were accepted, Hypothesis 4 was partially supported, and Hypotheses 1, 2 and 5 were not accepted. The following table (Table 6.1) summarises the proposed hypotheses, the statistical tests used, and the outcome of the hypotheses.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Statistical Test</th>
<th>p-value (&lt;0.05 = sig)</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H1</strong>: Baby Boomers are more involved with information search than Generation Y</td>
<td>Independent samples T-test</td>
<td>p = 0.805</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H2</strong>: Generation Y uses the Internet as a means of information search more often than Baby Boomers</td>
<td>Independent samples T-test</td>
<td>p = 0.481</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H3</strong>: Generation Y is more likely to seek advice than Baby Boomers</td>
<td>Independent samples T-test</td>
<td>p = 0.001</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H4</strong>: Internal information search is initially used before external information search</td>
<td>One sample T-test</td>
<td>p = 0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td></td>
<td></td>
<td>p = 0.229</td>
<td></td>
</tr>
<tr>
<td><strong>H5</strong>: Product brand is more important to Baby Boomers consumers than to Generation Y consumers</td>
<td>Independent samples T-test</td>
<td>p = 0.031</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H6</strong>: Satisfied Generation Y consumers are more likely to recommend than Baby Boomers consumers</td>
<td>Independent samples T-test</td>
<td>p = 0.039</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H7</strong>: There is a positive correlation between purchase involvement and the levels of information searched</td>
<td>Pearson correlation</td>
<td>p = 0.002</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Table 6.1 Summary of Tests of Hypotheses and Results

6.4 CONTRIBUTION TO RESEARCH

The following table (Table 6.2) summarises the overall academic contributions of this study.
### Table 6.2 Summary of the Overall Contribution of this Study

<table>
<thead>
<tr>
<th>Area of Research</th>
<th>Contribution of the Current Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information search (Lanzetta, 1963 cited in Urbany, Dickson and Wilkie, 1989; Dychtwald and Gable, 1990; Ratchford et al., 2003; Leung, 2003; Couper, 2006).</td>
<td>Both generations are equally involved in their search for information.</td>
</tr>
<tr>
<td></td>
<td>Both generations are equally involved in searching for online information via the Internet.</td>
</tr>
<tr>
<td></td>
<td>Generation Y is more likely to seek advice from friends and family members as a method of information search.</td>
</tr>
<tr>
<td>The adoption of internal and external information searches (Bettman et al., 1991; Peterson and Merino, 2003).</td>
<td>Internal information search is initially used, however there needs to be more research carried out for the usage of external information in the consumer decision making process.</td>
</tr>
<tr>
<td>Decision implementation (Cole et al., 2008; Miller and Washington, 2009).</td>
<td>Product brand is more important to the Generation Y cohort.</td>
</tr>
<tr>
<td>Levels of involvement (Zaichowsky, 1985 cited in Tidwell and Marks, 1994).</td>
<td>The more involved the Baby Boomer and Generation Y cohorts positioned themselves towards the purchase of the motor vehicle, the more they searched for information.</td>
</tr>
</tbody>
</table>

#### 6.5 CONCLUSIONS

Findings from the study concluded that both the Baby Boomer and Generation Y cohorts were equally involved in their search for information on motor vehicles, particularly searching for information on the Internet. This suggests that marketing practitioners should focus on providing rigorous amount of information and advertisements via such media as magazines, televisions, radios, Internet, etc, targeting both the Baby Boomer and Generation Y cohorts. By doing so, this will enable both the Baby Boomer and Generation Y cohorts to collate an abundant amount of information that are both easily available and accessible through minimal amount of costs associated with obtaining the materials.

Results from further tests also revealed that Generation Y is more likely to seek advice from friends and family members, and also recommending the same model of motor vehicle and/or brand to friends and family members. Additionally, findings showed that Generation Y consumers favoured brands more than the Baby Boomer consumers, particularly when choosing motor vehicle brands. In order to attract more Baby Boomer consumers and to retain more Generation Y consumers to branded products, marketing practitioners should use tactics such as loyalty programs to increase likelihood of repeat...
purchase and brand loyalty. Another way that marketing practitioner can in addition attract and retain Baby Boomer and Generation Y consumers to their product would be through building communications based on the needs, wants and perceived relevance as depicted by these consumers. By meeting Baby Boomer and Generation Y consumers’ satisfaction and increasing their loyalty to brands, this will produce favourable word-of-mouth promotions and recommendations of the products to their peers and family members.

Further findings revealed that the more involved the Baby Boomer and Generation Y cohorts positioned themselves towards the purchase of the motor vehicle, the more they searched for information. Thus for this purpose, it is highly recommended that marketing practitioners, especially those marketers selling high involvement products, should ideally focus on aiming to provide additional and easily accessible information to the general public. By providing plenty of information which can be easily obtainable, this will assist consumers with their information search, which in turn assist marketers to attract prospective customers through product advertisements and promotions. Finally, findings from the study revealed that internal information search is initially used, however there needs to be more research carried out for the usage of external information in the consumer decision making process.

6.6 LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

Limitations to the current study and suggested recommendations by which this thesis could be improved for future research studies will be discussed below.

6.6.1 Limitations

Certain limitations of the present study should be noted. First, due to the time constraint and the nature of the research study, the sample size obtained was not large enough for an accurate depiction of the whole population. Therefore may have affected the research project in capturing the true nature of the Baby Boomer and Generation Y cohorts’ behaviour and attitude towards the purchase of their motor vehicle. In addition, due to the small sample size collected for purposes of the study, reliability testing to measure the Cronbach’s coefficient alpha \( \alpha \) (Cronbach, 1951; Cortina, 1993) of the variables pertained
from the survey questions was not carried out. For these reasons, larger sample sizes should be obtained.

Second, although motor vehicles would fall into the high involvement decision making category, finite details of this level of involvement are not elaborated in this study due to the time constraint allocated in completing this thesis. Third, the distinction between the purchases of new or used motor vehicles was not compared or was examined in great details within the thesis. Finally, due to the effect of the slump in the Australian economy during the time that this research study was written (Euromonitor International, 2009), this may have affected the responses relating to the questions on respondents’ involvement to information search, income and amount paid for last motor vehicle.

6.6.2 Future Research

As noted in the limitations section, it would be vitally important that future studies should obtain a larger sample size above 100. This will then better examine the true nature of the Baby Boomer and Generation Y cohorts’ behaviour and attitude towards their motor vehicle purchases. In addition, with large sample sizes, reliability testing can be carried out to measure the Cronbach’s coefficient alpha of the survey items. Second, future research should only select either new or used motor vehicle purchases as a single item scale measurement within the research and not both. By doing so, this will better measure the responses obtained to test the proposed hypotheses. Third, more care will need to be taken when conducting future research in this area, especially if the study directly reflects upon the impact of the changing Australian economy. Finally, consumer decision making in high involvement purchases remains rich in possibility for future research. Given extensive literature written about this topic, there are still many areas that still need exploring (Zaichkowsky, 1985; Sproles and Kendall, 1986; Sproles and Sproles, 1990; Abramson and Desai, 1993; Tidwell and Marks, 1994; Hsu, 2000; Bauer et al., 2006). Possible areas include comparing consumer decision making in high involvement purchases across cultures, across cohort generations and over time periods.
6.7 CHAPTER SUMMARY

This chapter outlined a summary for the implications of the study conducted as well as the summary of the findings and contribution to the literature obtained from the proposed Hypotheses 1-7. In addition, conclusions to the study were discussed in relation to the results obtained linking with suggestions recommended to marketing practitioners. Finally, the limitations of the study and relevant recommendations were suggested as methods by which this thesis could be improved for future research. Certain limitations identified from the above sections were related to the size of the sampling obtained, the selection of a combination of new and used motor vehicle purchases, and finally the impact of the Australian economy affecting the study. The recommendations discussed for future research improvements include obtaining a larger sample size of above 100, selecting new or used motor vehicles purchases as a single item scale measurement, consideration about the impact of the Australian economy upon future studies, and focusing in more depth in areas of consumer decision making process across cohort generations.
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# APPENDIX A: RESEARCH MATRIX

<table>
<thead>
<tr>
<th>Research Objectives</th>
<th>Implications</th>
<th>Literature Review</th>
<th>Hypotheses</th>
<th>Questions from Questionnaire</th>
<th>Scales</th>
<th>Test Types</th>
</tr>
</thead>
<tbody>
<tr>
<td>To determine the difference between age and the level of information sought.</td>
<td>To design promotions and marketing advertisements to better inform consumers about the products.</td>
<td>Baby Boomers are more thoughtful purchasers as compared to Generation Y consumers (Dychtwald &amp; Gable, 1990).</td>
<td><strong>H1:</strong> Baby Boomers are more involved with information search than Generation Y</td>
<td>Q. 11 Age (converted to New Age grouping)</td>
<td>Ratio</td>
<td>Independent samples T-test</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Generation Y feels more comfortable with computers so they are more likely to go online surfing the Internet for the latest, greatest information (Leung, 2003).</td>
<td><strong>H2:</strong> Generation Y uses the Internet as a means of information search more often than Baby Boomers</td>
<td>Q. 11 Age (converted to New Age grouping)</td>
<td>Ratio</td>
<td>Independent samples T-test</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Generation Y is more likely to make a decision based on the influence of their peers and input of their parents (Couper, 2006).</td>
<td><strong>H3:</strong> Generation Y is more likely to seek advice than Baby Boomers</td>
<td>Q. 11 Age (converted to New Age grouping)</td>
<td>Ratio</td>
<td>Independent samples T-test</td>
</tr>
<tr>
<td>To identify the adoption of internal information search as opposed to external information search.</td>
<td>To increase the adoption of sources obtained from external information search.</td>
<td>Consumers more often gather information by drawing upon his or her own prior experiences and/or by scanning long-term memory that is stored in the mind first as opposed to physically collating information (Bettman et al., 1991).</td>
<td><strong>H4:</strong> Internal information search is initially used before external information search</td>
<td>Q. 1 Continuous information</td>
<td>Interval</td>
<td>One sample T-test</td>
</tr>
</tbody>
</table>

Table 7.1 Research Matrix
<table>
<thead>
<tr>
<th>Research Objectives</th>
<th>Implications</th>
<th>Literature Review</th>
<th>Hypotheses</th>
<th>Questions from Questionnaire</th>
<th>Scales</th>
<th>Test Types</th>
</tr>
</thead>
<tbody>
<tr>
<td>To determine the difference between age and a customer’s decision implementation in product purchased.</td>
<td>To increase brand loyalty.</td>
<td>A brand’s reputation carries the most influence, followed by an item’s perceived value and the reputation of the store as perceived by Baby Boomers (Miller &amp; Washington, 2009).</td>
<td><strong>H5:</strong> Product brand is more important to Baby Boomer consumers than to Generation Y consumers</td>
<td><strong>Q. 11 Age (converted to New Age grouping)</strong>&lt;br&gt;<strong>Q. 7 Product brand</strong></td>
<td>Ratio, Interval</td>
<td>Independent samples T-test</td>
</tr>
<tr>
<td>To identify the underlying factors of customer satisfaction.</td>
<td>To increase purchase rates of motor vehicles by implementing changes to the product offerings.</td>
<td>Generation Y consumers are more likely to make a decision based on the influence of their peers’ advice and influences (Couper, 2006); as a result there is a greater possibility that, upon satisfaction with the purchased product, Generation Y will recommend more than other generations.</td>
<td><strong>H6:</strong> Satisfied Generation Y consumers are more likely to recommend than Baby Boomer consumers</td>
<td><strong>Q. 11 Age (converted to New Age grouping)</strong>&lt;br&gt;<strong>Q. 8 Satisfaction</strong>&lt;br&gt;<strong>Q. 9 Recommend</strong></td>
<td>Ratio, Interval</td>
<td>Independent samples T-test</td>
</tr>
<tr>
<td>To understand the relationship between knowledge of product and customer’s level of involvement to product purchases.</td>
<td>For marketers to better understand the level of purchasing decisions adopted by consumers.</td>
<td>Involvement with purchases leads to searching for more information and to spend more time searching for the right selection (Zaichowsky, 1985).</td>
<td><strong>H7:</strong> There is a positive correlation between purchase involvement and the levels of information searched</td>
<td><strong>Q. 5 Time and effort</strong>&lt;br&gt;<strong>Q. 10 Levels of involvement</strong></td>
<td>Interval, Interval</td>
<td>Pearson correlation</td>
</tr>
</tbody>
</table>

Table 7.1 Research Matrix
APPENDIX B:

CHOICE STRATEGIES

The choice strategies surveyed in the study by Tidwell and Marks (1994, p152-153) were:

“1. I compare brands based on the most important attribute. If two brands tie on the most important attribute, then I compare those brands on the second most important attribute. The process continues until the tie is broken.

2. I compare brands based on the most important attribute. Then I use a cut-off (i.e. “must be under $2” or “must be nutritious”) and select the brand that meets the cut-off criteria.

3. I establish cut-offs for each important product attribute. Then I compare brands one at a time, against the set of cut-offs. If a brand meets all cut-offs for all attributes, it is selected.

4. I add the number of time search brand is judged favourably in terms of a set of evaluation criteria. Then, the brand having the largest number of positive attributes is selected.

5. I assign different values (or weights) to each attribute, based on how important it is to me. Then, I determine which brands have each attribute, add the values (or weights) and select the brand with the highest score.

6. I use one of the rules listed above (1-5) to narrow down the alternatives. Then I use another one of the rules listed above to compare a few brands and make my final selection.

7. I retrieve a global evaluation of all brands from memory that is based on previously formed overall evaluation of each brand.”
Good (morning/afternoon). I’m Ngoc, a student studying for a Business Honours degree at Swinburne. For the research component of my degree I am collecting data for a study exploring how people make decisions to purchase a motor vehicle. This survey will take about 10 minutes to complete and you may find that it provides you with some insights about yourself. All information you provide will be aggregated ensuring your privacy and confidentiality. Would you be willing to participate? (IF THE ANSWER IS NO: SAY THANK YOU).

IF THE ANSWER IS YES SAY: FIRST I MUST CHECK THREE THINGS TO SEE IF YOU ARE ELIGIBLE TO PARTICIPATE.

First, have you purchased a motor vehicle in the last four years? (IF THEY SAY NO: SAY THANK YOU, BUT ALL QUESTIONS ARE ABOUT THIS PURCHASE).

IF THEY SAY YES, CONTINUE.

Second, do you fit in either of these age groups: 18-32 or 45-63? (IF THEY SAY NO: SAY THANK YOU, BUT THE STUDY IS TO COMPARE PEOPLE IN THESE TWO AGE GROUPS).

IF THEY SAY YES, ASK WHICH GROUP THEY BELONG TO AND CIRCLE THE AGE GROUP

18-32
45-63

Third, are you currently a TAFE student? (IF THEY SAY YES, SAY THANK YOU, BUT THE ETHICS APPROVAL DOES NOT INCLUDE CURRENT TAFE STUDENTS. IF THEY SAY NO, CONTINUE TO READ THEM THE RESEARCH AND INFORMED CONSENT INFORMATION).

Agreeing to take part in this survey is taken as your Informed Consent. Informed Consent means that you agree that your participation is voluntary and you understand that you are free to stop answering the questions at any time. You will not be asked to give your name ensuring your anonymity, but you will be asked for personal details of a general nature. The aggregate data from this study will be reported in a thesis and may be published in academic, professional or news media.

This study has been approved by or on behalf of Swinburne’s Human Research Ethics Committee in line with the National Statement on Ethical Conduct in Research Involving Humans.

NOW FOR SOME DIRECTIONS ON COMPLETING THE SURVEY.
As I read out some statements concerning the purchase of your last motor vehicle would you please tell me how much you agree or disagree with each statement using a five-point scale.

The scales are to be interpreted as:
0). Not applicable  1). Strongly disagree  2). Disagree  3). Neither agree nor disagree  4). Agree  5). Strongly agree
1. I continually seek product information
2. I take advantage of the first available opportunity to find out about different brands on offer of the same product
3. Prior to purchasing a new product, I prefer to consult a friend that has experience with the product for advice
4. I surf the web for information about the product before deciding to buy
5. I spend a lot of time searching for information about the product prior to purchase
6. I often recall information of prior experiences and/or knowledge of the product from memory
7. I choose the product brand first before deciding on where to buy the product
8. I am satisfied with my purchase
9. I have recommended the product purchased to my friends and family members
10. I think through my decisions very carefully before making my purchase

11. What is your age? ..............years old

12. I will be noting your gender.
   Male       Female

13. What is your highest level of educational attainment?
   Higher Education   TAFE   Other

14. What range is most appropriate for your annual income?
   Less than $20,000   $20,000 - $40,000   $41,000 - $60,000   $61,000 - $80,000   Above $80,000
15. What range is most appropriate for the amount you paid for you last motor vehicle?

- Under $15,000
- $15,000 - $25,000
- $26,000 - $35,000
- $36,000 - $50,000
- Above $50,000

As I read out some statements concerning the reasons for the purchase of your last motor vehicle would you please tell me how much you agree or disagree with each statement using a five-point scale.

The scales are to be interpreted as:
- 0). Not applicable
- 1). Strongly disagree
- 2). Disagree
- 3). Neither agree nor disagree
- 4). Agree
- 5). Strongly agree

16. What was/were the reason(s) for you to purchase your last motor vehicle?

<table>
<thead>
<tr>
<th>Reason</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. I needed the motor vehicle for travel purposes</td>
<td></td>
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<td>b. I liked the brand</td>
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<td>c. I liked the design and features of the motor vehicle</td>
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<tr>
<td>d. I needed another motor vehicle</td>
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<tr>
<td>e. It was an upgrade from my old motor vehicle</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Faculty of Business and Enterprise

Project title: **A comparative study of the purchasing behaviours for motor vehicles between Baby Boomer and Generation Y consumers**

I am currently studying for a Bachelor of Business (Honours) degree in Marketing.

The purpose of this study is to compare Baby Boomer and Generation Y consumer decision making processes in relation to the purchase of a motor vehicle.

By participating in this research you might find that you will learn something about your own consumer decision making process.

Twenty-five Baby Boomers (aged between 45 and 63) and 25 Generation Y (aged between 18 and 32) will be invited to participate.

I will personally administer the questionnaire to both male and female participants. It should take about 10 minutes of your time. Your name will not be put on the questionnaire and only general personal information will be used ensuring your anonymity, confidentially and privacy.

Agreeing to take part in this survey is taken as your Informed Consent. Informed Consent means that you agree that your participation is voluntary and you understand that you are free to stop answering the questions at any time.

All responses will be stored securely, and once the information has been analysed, all data will be securely stored and retained in accordance to the Swinburne Code of Research Practice.

Results from the study will be reported as aggregated data in my Honours thesis, be kept in the library, and may be presented in conferences and published in the scholarly journals.

If you have any other questions regarding this project please contact my supervisor.

Ngoc Tran  Assoc Prof. Siva Muthaly  
BBus (Honours)  Supervisor  
9214 5885  smuthaly@swin.edu.au

This project has been approved by or on behalf of Swinburne’s Human Research Ethics Committee (SUHREC) in line with the National Statement on Ethical Conduct in Research Involving Humans. If you have any concerns or complaints about the conduct of this project, you can contact:

Research Ethics Officer, Office of Swinburne Research (H68), Swinburne University of Technology, P O Box 218, HAWTHORN VIC 3122. Tel (03) 9214 5218 or +61 3 9214 5218 or resethics@swin.edu.au