

The digital generations Z and Alpha in Bulgaria

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ABSTRACT

The topic of generations is important from a marketing point of view, because everyone belongs to a certain generation. Representatives of one generation witness common historical events, are influenced by the same trends in fashion, film and music. All this affects them. But this question must always be considered in the context of a specific country. This stems from the fact that different countries have different political and economic processes, lifestyles and living standards are also different. On the other hand, each country has its own specifics in terms of traditions, way of life and culture, which also have a direct relationship with the formation of the consumer's personality. The article briefly describes the digital generations Z and Alpha in the context of Bulgaria. Due to the lack of research conducted in Bulgaria with the Alpha generation as an object of research, the results of research conducted worldwide are presented, which provide information for a better understanding of the representatives of this youngest generation.

KEYWORDS: digital generation, generation Z, Alpha generation, consumer

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I. INTRODUCTION

According to Cambridge Dictionary the generation is “all the people of about the same age within a society or within a particular family” [1].

The shift of one generation to another should be considered in the marketing strategy. Each generation is different from the others. This is directly related to the era and the historical events and social movements running through it. Generations are shaped to a great extent by the conditions of life offered by the time they are living in. In building them as individuals, generations are influenced by various interrelated factors:

- Culture;
- Social;
- Economically;
- Politically;
- Technological development directly affecting economic development.

Marketers must know what is characteristic and distinctive about each generation in order to know how to reach them.

II. GENERATIONS IN BULGARIA

As of 2024, seven generations coexist in Bulgaria, as can be seen in Table 1. Their classification is based on the work of Strauss and Howe [2]. Each of them fulfills a different social role in society.

Generation	Born between (year)	Age in 2024	Social role
Greatest	1901-1927	97-123	Pensioner
Silent	1928-1946	78-96	Pensioner
Baby Boomers	1947-1964	60-77	Adult working or unemployed Pensioner
X	1965-1980	44-59	Adult working or unemployed
Y	1981-1996	28-43	Adult working or unemployed
Z	1997-2009	15-27	School student, University student, Adult working or

			unemployed
Alpha	2010-2025	1-14	Child in nursery or kindergarten, School student

Table 1. The different generations in Bulgaria [3]

As can be seen from the table, the group of pensioners in Bulgaria is formed by the representatives of the Great, the Silent and part of the Baby Boomers. The labor force in the country is formed by part of the Baby boomers and generation Z and the representatives of generations X and Y. Those studying at University or school are part of the representatives of generation Z and those of Alpha. In this sense, the entire population of learners is formed by these two first digital generations, since it was the first cohort of Generation Z that was born when the Internet became widespread. For this reason, they are also the subject of consideration in this article.

III. DISTRIBUTION OF DIGITAL GENERATIONS IN THE POPULATION OF BULGARIA

In Figure 1 can be seen the percentage distribution of digital generations Z and Alpha in the population of Bulgaria as of 2024 according to NSI data [4]. One of the most serious problems in Bulgaria is the aging population and the negative natural growth, which for 2023 is -6.8%. As of December 2023, the population of Bulgaria is 6,445,481 people. According to NSI forecasts, by 2090 the population of Bulgaria will decrease to 4,915,423, or below 5 million. This is shown by data from the first scenario of the National Statistical Institute, which is defined as realistic and complies with the normative requirements of the European Union for the demographic and socio-economic development of the member countries, according to a reference in NSI [4]. The other two scenarios were developed under the hypotheses that the demographic development will take place during favorable and, respectively, unfavorable socio-economic processes in the country. In the first case, the population of Bulgaria by 2090 will be 5,100,943 people, and in the second case - 4,790,139 people.

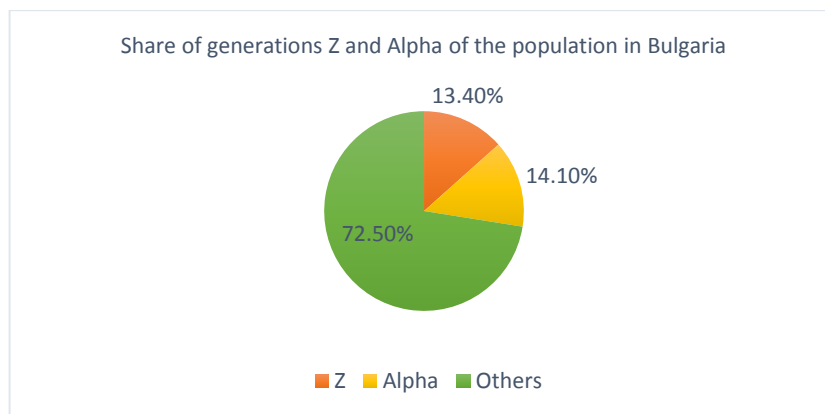


Figure 1. Share of generations Z and Alpha of the population in Bulgaria by 2024

If we position each generation in which stage of the life cycle is in 2024, it would look like this, illustrated in Figure 2.

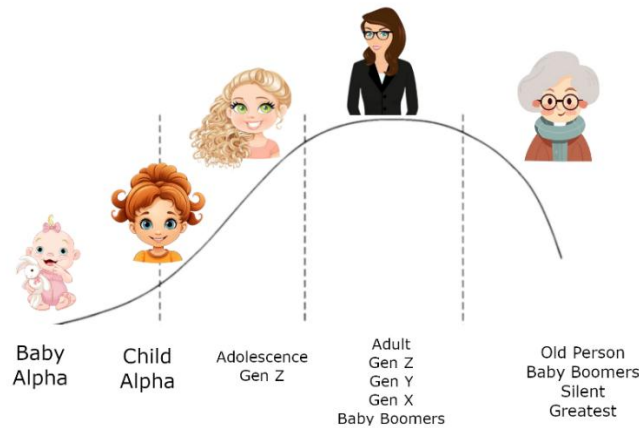


Figure 2. Place of the generations in human lifecycle in 2024 [3]

As can be seen from Figure 2 by 2024, both digital generations are in the first phases of human life. The representatives of the Alpha generation are in their infancy. The later representatives are found in the age of up to 1 year, and the earlier ones are in the childhood age up to 14 years. The earlier representatives of Generation Z are in the working age of up to 27 years, while the earlier ones are in their teens.

Unfortunately, not all people make it through all phases. Life expectancy is different for the different people. Unfortunately, not all babies are born alive at birth. According to the National Center for Public Health and Analysis for 2023, there were 17,863 abortions in the country, of which 5,446 were spontaneous and 12,407 were therapeutic [5]. Of the therapeutic ones, 9,887 are voluntary, and 2,520 for medical reasons

According to NSI the expected average life expectancy for the entire population of Bulgaria, calculated for the period 2020 - 2022, is 71.9 years. For men it is 68.3 years, while for women it is 7.5 years higher - 75.8 years.

IV. THE DIGITAL GENERATIONS

Generation Z

Generation Z includes people born in the period 1997-2009. As of 2024, its representatives are between the ages of 15-27 and form 13.4% of the country's population. Due to the age range in which the representatives of this generation are, it is the only one that fulfills three different social roles in society, namely – student, University student and worker/unemployed.

This is the first generation born in the years of the Republic of Bulgaria, which did not witness the transition to a market economy and did not experience the political crisis in the country in 1996-1997. The challenges it faces in his school and student years are of a different nature. They stem from the global coronavirus pandemic, which has included a period of social isolation. This contributes to increasing the usability of the Internet for online learning and various other activities. As an effect of the impact of pandemic conditions, young people are sinking even more into the digital world.

Parents of this generation are the representatives of Generation X, who face financial uncertainty during the period of entering the labor market, which makes them more cautious and less willing to take risks. In the role of parents, they are also more pragmatic in the desire for their children to realize themselves quickly on the labor market.

Gen Z are digital in nature and used to live with technology from their earliest days, and can also be considered less reluctant to test and use different types of technology. They perceive technology as part of their daily lives and constantly consume online content.

The data on access and use of the Internet by representatives of generation Z in Bulgaria aged 16-24 for 2023 are graphically presented in Figure 3.

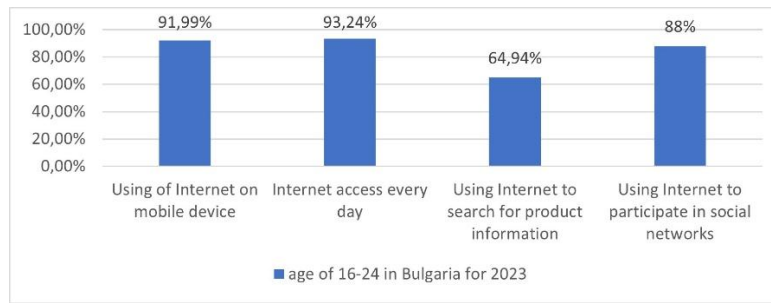


Figure 3. Internet use by young people in Bulgaria aged 16-24 for 2023 [6]

According to Eurostat data for 2023 in Bulgaria 91.99% use the Internet on a mobile phone in the age group 16-24, and 93.24% use the Internet every day [7].

Statistics for 2023 for the same age group indicate that 64.94% of young people in Bulgaria use the Internet to search for product information. In 2023, 88% of 16–24-year-olds use the Internet to participate in social networks.

Globally, the most popular social media are Facebook, YouTube, WhatsApp and Instagram. Their usability among Gen Z puts YouTube in first place, followed by Snapchat, Instagram and TikTok. Generation Z users of these platforms are represented in Figure 4.

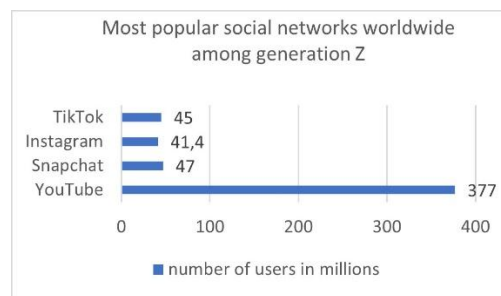


Figure 4. Most popular social networks among Generation Z [8]

Z are used to get information from various online sources, they are influenced by the figure of the online influencer, by the content of podcasts and streaming platforms. As consumers of digital content, centennials need a different type of experience in their consumer journey. Expectations for the emotions they want to experience are high throughout the purchase decision journey.

According to Philip Kotler, Generation Z is the most numerous generation worldwide by 2023 [9]. By 2025, its representatives will form the majority of the workforce and become the most important market segment for the consumption of products and services. This fact testifies to the future great market potential of this generation, which makes it an object of interest for marketers. Studying the behavior and habits of the "first digital" generation will provide a good starting point for the next generations, which are expected to be technology-oriented as well.

Generation Alpha

Generation Alpha is formed by people born in the period 2010-2025. As of 2024, they make up 14.1% of the country's population, which percentage will be updated with the birth of the last cohort of them in 2025. At the time indicated, the representatives of this generation are babies, young children in nurseries or kindergartens and students. This is also the youngest generation in the world as of 2024.

The members of Generation Alpha are the first to be entirely born in the new millennium, as the first four cohorts of Generation Z were born in the past. Like them, Generation Alpha was witness of the spread of the global coronavirus pandemic and its attendant social isolation and online learning.

Generation Alpha parents are Generation Y, who, influenced by their Baby Boomer parents and following their parenting model, are nurturing while striving to meet their children's needs, thanks to the great variety in the market.

It is characteristic of this generation that from an early age they can handle various smart devices such as smart phones and tablets, as well as the Internet. This allows them to search and define the content they want to watch themselves. This testifies to their digital nature and to the fact that they are prone to use different technologies. For that reason, I think they will be more ready and willing to use the Metaverse, augmented reality technology, and virtual reality technology than any previous generation.

There is little research, especially in Bulgaria, concerning the Alpha generation, perhaps because until now they were in their childhood and teenage years. In 2028, however, the first cohort of them will come of age and enter the Universities. This creates good conditions for marketers to shift their focus of attention to them and study their opinion and behavior. These studies are of particular importance because it is the Alpha generation that will form the future consumer segment.

Some of McCrindle's predictions give a good starting point for Generation Alpha [10]:

- 2.8 million Gen Alphas are born globally each week;
- 65% of Gen Alphas will work in jobs that don't exist today;
- Generation Alpha is the most diverse generation in US history;
- Half of Gen Alphas are expected to earn a university degree;
- 66% of Gen Alphas prefer to buy from companies that make a positive difference in the world.

By 2025, there will be more than 2 billion Gen Alphas living in the world. India, China, and Indonesia are the top 3 countries for Gen Alpha births. As per the United Nations' data, within ten years, India would be the world's largest populated country of Alpha kids [11]. Based on these projections, Generation Alpha will be the largest generation in history.

Generation Alpha is set up to be the most highly-educated generation in history. Mark McCrindle predicts that 90% will earn a high school diploma (compared to 80% of Gen Z teenagers) and half will complete their secondary education [10].

According to Thomas, Madiya and Shivani Alpha Generation kids cannot live without mobile phones, tabs and all other gadgets as they are part of their immediate environment [11]. In this generation, there is a considerable change in technology. They are not just dependent on technology but can adapt and learn faster. These kids are more advanced, exposed to growing technology; their media consumption habits are different from the previous generation; they prefer fresh products to get a new experience.

Gen Alpha are the most overwhelmingly mobile-oriented generation yet. If they're online, it's probably through a smartphone. YouTube dominates at this age bracket, mainly due to easy access without a verified account and its dedicated 'YouTube Kids' platform, which supports safer browsing. More social-oriented apps like TikTok and Snapchat have a stronger presence at the upper range of the Alpha range, and it's logical to expect this to grow as the generation ages [12].

One of the large-scale studies conducted in recent years is that of Wunderman Thompson Commerce [13]. The survey was conducted in 2019 and covered 4,000 individuals from the next generation of Alpha users (2,000 in the UK and 2,000 in the US) to learn more about their views on everything from influencers and Amazon, to deliveries and the shop floor.

The most significant findings resulting from this study can be summarized as follows:

➤ Generation Alpha

Generation Alpha are characterized by their strong values, which will influence where and from whom they make their purchases.

The members of this generation want to have their own funds, which will allow them to make independent purchasing decisions

Alphas divide their time between the digital and real worlds, enjoying their time outside, not just in front of a screen

➤ Influencers

The results of the research show that 50% of respondents would buy something if their favorite YouTube or Instagram star used or recommended it.

Influencers have a strong impact on the buying habits of this generation.

14% of the representatives of the Alpha generation who took part in the research would like to see the influencers have their own retail outlets.

Online videos are the channels with the most influence over them.

➤ Brands and Amazon

From an early age, Alphas know brands and recognize them, as well as build relationships with them.

72% of respondents have heard of and like Amazon.

Two thirds of Alphas want to buy from companies that are trying to do good in the world.

➤ Technologies

Although a digital generation, Alpha also likes physical shopping.

50% of respondents communicate with the Alexa voice assistant.

➤ Delivery:

Generation Alpha are less patient, and happy to wait only 2.23 days on average for an online delivery to arrive – much lower than the 2.95 days adults are willing to accept.

Delivery times shape where, and with which retailers Alphas will shop; 20% will never buy from somewhere that can't deliver the next day.

Delivery is an emotional experience for Alphas: 90% feel happy when an online order arrives and 47% share photos of their order once they've received it.

Z and Alpha use mobile devices and the Internet for a different purpose like:

- ❖ Internet surfing;
- ❖ Consumption of video content on YouTube;
- ❖ Following podcasts, blogs, vlogs;
- ❖ Chat via a Messenger-type communication tool;
- ❖ Participation in social networks;
- ❖ Playing games;
- ❖ Search for information;
- ❖ Shopping;
- ❖ Taking pictures;
- ❖ Others.

More research is still to come and it is important to get to know the members of this generation better. My expectations related to their consumer behavior are:

- Alphas will be much more interested in using the Metaverse, augmented reality technology, virtual reality technology, and voice assistants than any previous generation;
- Alphas will be influenced by the figure of the online influencer;
- Alphas will be interested in using streaming services and following podcasts.

V. CONCLUSION

Generation Alpha will undoubtedly shape the future consumer. For this reason, it is of interest for marketers to study and get to know the consumer habits, desires and behavior of the representatives of this generation. Only in this way it will be possible to develop effective marketing strategies to reach them in the best way.

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