

# Segmenting, Targeting, and Positioning (STP) of Generational Cohorts Y, Z and Alpha

Mary Rani Thomas and Ginu George

---

## ABSTRACT

The current paper has aimed to build an STP framework that aids marketers in decision-making and contributes to the theory-building of generation alpha. There is significantly less academic literature present on generation alpha which needs to be addressed scientifically. The current research is organised into three sections; the first section aims to point out the importance of generational cohort analysis from a marketing perspective of Segmenting, Targeting, and Positioning (STP) considering the latest marketing trends with consumer behaviour. The second section is dedicated to studying why generation alpha behaviour is essential to be understood by marketers in the current era. The last section discusses the different STP analysis outcome for the three generational cohorts Y, Z and alpha based on the desk review. A qualitative approach is adopted to analyse texts and contents from various sources to arrive at the findings from the latest trends in the marketing domain. The current paper has developed a conceptual model on the framework of STP addressing the three-generational cohorts from a behavioural perspective which academic scholars can further study. The study also serves as a guideline for future scholars who could test the model empirically.

**Keywords:** Generation alpha, Generation Y, Generation Z, Segmenting, Targeting, and Positioning (STP), Generational cohorts

**JEL Classification:** M30, M31, M37

**Mary Rani Thomas** is an Assistant Professor in School of Commerce, Finance and Accountancy, CHRIST (Deemed to be University) Bengaluru, India. Can be reached at [maryrani.thomas@christuniversity.in](mailto:maryrani.thomas@christuniversity.in)

**Ginu George** is an Assistant Professor in School of Commerce, Finance and Accountancy, CHRIST (Deemed to be University) Bengaluru, India. Can be reached at: [ginu.george@christuniversity.in](mailto:ginu.george@christuniversity.in)

---

## 1. INTRODUCTION

At the beginning of the 18<sup>th</sup> and 19<sup>th</sup> centuries, sellers used to engage in mass production and selling of products commonly referred to as mass marketing. However, slowly, when more companies started entering, competition became inevitable. If a seller had to sustain in the market, his product or service should be able to cater to the actual need and preference of consumers. This led to making products different from

their competitors Tynan & Drayton (1987) based on characteristics of consumers, termed as “Market segmentation”.

The concept of market segmentation was introduced by Smith (1956), who is also called the father of market segmentation who gave emphasis on product differentiation. Segmentation of the market is one of the central concepts in the field of marketing. It is a process of classifying potential customers based on

homogeneous characteristics. These homogeneous groups are referred to as segments who share the same traits such as gender, age, interest, geographic, climate and attitude. The consumer's needs, desires, preferences and behaviours may be similar but not identical (*Kotler, 2001, pp. 5-8*). Thus, it becomes essential to bring in a distinction between the products and services according to their likes and preferences. Hence, market segmentation plays a crucial role in marketing (*Martin, 2011*).

### **1.1 Role of Segmentation, Targeting and Positioning (STP) in Marketing**

Market segmentation has gained a lot of importance both in theory and practical. The concept has attracted the attention of many academic researchers and authors like Smith (1956); Reynolds (1965) are few of the early researchers who have contributed to building the concept. Market segmentations are broadly classified into four; geographic, demographic, behaviour and psychographic segmentation. Geographic segmentation classifies customers based on state, city, district, country and climate. Demographic segmentation classifies based on age, gender, income, education, family size and ethnicity. Behaviour segmentation groups are based on benefits sought, usage rate, occasion, the user status and buyer's readiness stage. Therefore, which segment is essential to concentrate among the four is often the dilemma of the marketer because all segments are equally important.

The first stage of segmentation for the current research addressed is psychographic, and it is a way of describing human traits based on various psychographic related attributes. These attributes comprise an individual's attitude, personality, values, lifestyle and opinions. Studies based on the psychographics of individuals or societies have a valuable contribution to the field of marketing, social science research and opinion-based

research in general. The concept of psychographics has its root way back in the year 1920 but commercialised when it was given importance and coined by Emanuel H. Demby in the year 1960. The word psychographics is the amalgamation of two words psychology and demographics credited to Demby. He saw a bigger picture in segmenting customers based on psychographics more than their demographics and giving significant consideration to personality attributes.

Unlike other segmentation, psychographic segmentation is very dynamic, and many factors influence the personality, attitude and lifestyle of a person. Psychographic helps marketers to understand the reason behind a purchase as it deals with the intrinsic characteristics a person holds. Psychographic helps to understand how an individual thinks and feels about what he is surrounded with. Most of the purchase decisions are influenced by one's personality, opinions and perception, which are, in turn, shaped by their values. There is also an emotional component involved in purchase decisions that is also aligned to an individual's value system. Thus, this kind of segmentation aims at going one level deeper to understand the "Why" factor making it easier for marketers to personalise the product, advertising media, and helps in designing a tailored message. Combining psychographic information with demographic, behaviour and geographic provides the marketers with more reliable data that helps them to understand customers in-depth and also helps in predicting their future behaviour (*Sandy et al., 2013*).

Marketers always find it challenging to get psychographic data, unlike demographic or geographic data. Even if data were available, most marketers are unable to arrive at meaningful inferences from the same and put those data into action. Nevertheless, with the development of technology and the internet, the psychographic related data has become more accessible,

actionable, and essential. Also, these psychographic data have not only helped marketers to design personalised messages and campaigns but have also helped companies to make products and services more specific to customer preferences. The study has highlighted generational cohorts mainly from a psychographic perspective as this groups the markets based on personality, values, attitude and lifestyle supported by (Kim *et al.*, 2019).

Stage two, target marketing involves seeking the desired conversion in order to gain profit based on the segmentation. It is suggested that targeting is a follow-up process branching from segmentation. The ideal targeting aims at tailoring the market mix and aiming either with the differentiated or undifferentiated approach. In the current research, targeting is studied from a differentiated approach aiming at the potential characteristic possessed by these generational cohorts, which often leads to personalised products catered to these cohorts. This argument also is supported by the factors of differentiated approach studied extensively by authors Wedel & Kamakura (2000) who suggest targeting based on behavioral factors of responsiveness, stability and identifiability of the marketed segment. Therefore, our research aims at targeting the generational cohorts from buyer persona viewpoint as buyer persona deals with providing an in-depth summary of the ideal characteristics of the segment targeted in order to increase better customer engagement.

The final and third stage is positioning. Positioning is placing the products in the minds of the consumers. The most challenging task for marketers. This act involves adopting good communication market strategies to the right target market. The insights drawn from segmenting and targeting must enable the marketer to capture the benefits the customers would prefer to seek and strengthen the development of positioning strategy.

## 1.2 Generational Cohorts making a difference

Online marketing is one of the booming sectors, and going forward, most of the physical stores would be taken away by these e-commerce sectors. The marketing strategies also change with the change in the shopping style. Hence, it is essential to realise that it is an era dominated by consumer power; marketers need to be at consumers disposable otherwise, marketers would be disposed of soon. Making marketer's functions more challenging as they need to look at various aspects of a consumer before targeting them. One such factor is to have an in-depth understanding of the usage of online platforms by different generations. Generation segmentation is classified based on age, otherwise the birth year. Currently, there are broadly three types of generation; Generation Y, Generation Z, and Generation Alpha, which are engaged more on online platforms for shopping. Generational cohorts are influenced by early childhood during their formative years and exposure of information (Young and Hinesly, 2012). The three generations selected for the study purpose are well versed with technology and connected with social media; thus, these consumers are acquainted with all the products and services that are available online. However, each generation is different when it comes to their preferences, perception, attitudes and lifestyles. As emphasised by Eastman & Liu (2012) have proposed that generational cohort segmentation is an ideal way to segment consumers rather than focusing on demographics variables alone. Also, under the generational cohort theory, it is believed that each generational segment has similar preferences, characteristics and share a commonality like purchase decisions being from the particular period (Schewe & Noble, 2000; Thomas, 2019). As explained in the Generational Cohort Theory (GCT) by various researchers Ting *et al.* (2018); Cheung *et al.* (2020) suggest behaviours are shaped due to the collective experience, and these cohorts exert experience due to technological backgrounds they come from. Hence it

becomes imperative to understand each generation more in-depth as this would give the marketer an upper hand in dealing with consumers. This valuable information helps marketers to design advertisements, strategies, and products as per the consumer likes and preferences.

Understanding Generation Alpha, it all began when the social researcher McCrindle and his team started thinking about what would come after generation Z and what they would be called? In the year 2005, after conducting a countrywide survey in Australia, the term Generation Alpha was coined, referring to those born globally from 2010-2024. Though there were many suggestions given in the survey like “Regeneration,” “Generation Hope,” “Generation New Age, even few of them proposed to go back to the beginning and call them as Generation A. However, McCrindle and team were not very convinced and felt none of the above-mentioned terms fit well the generation. This generation is born in a technologically immersed world and will be living with Artificial Intelligence (AI). Thus, labelling them as Generation A did not make any sense to the author. McCrindle got inspired by a Greek alphabet and coined the term Generation Alpha which means not going back, but beginning something advanced. This generation is going to be the first generation who will be fully born in the 21<sup>st</sup> Century, unlike Generation Z. At present, the global population of alpha is estimated to be 7.8 billion. Prediction of this generation across the globe by the year 2025 is estimated to be around 2 billion. The youngest alpha will be in their adulthood by the mid of 2030, constituting the largest population in the whole of Asia and fast approaching their teenage years. Hence this generation is soon going to be a target market and future consumers for all products and services.

The role of children in influencing the purchase decisions is a predominant segment and has gained the potential interest of many researchers who study consumer behaviour. The current paper also aims to

study the same from the lenses of the generational alpha cohort as an extension to fill the study gap as it has been found very few academic pieces of literature are undertaken in studying the alpha segment.

## 2. METHODOLOGY

The study was conducted based on grey literature on generation alpha as the topic is nascent and very less academic literature can be obtained. The other secondary sources was collected from website relevant to generational content, blogs of marketing expertise in the field of generational study, data gathered through google search engines, reports and surveys conducted on other generations.

The study was conducted using grey literature for gathering information pertaining mainly to generation alpha, as the topic is nascent and very less academic literature can be obtained. The search strategy involves 1. Grey literature database 2. Website relevant to generational content 3. Blogs of marketing expertise in the field of generational study. 4 Google search engines. 5 Reports and surveys conducted on generations. For other generational cohorts, literature were reviewed from journals related to marketing and psychology.

Through secondary data, the research aimed at explaining the following Research Objectives:

1. To understand the role of the generation alpha in purchase decisions.
2. To develop a STP framework on Gen Y, Gen Z and Gen alpha

## 3. DISCUSSION

### 3.1 Role of Generation Alpha in Purchase decision

#### 3.1.1 Generation Alpha- The power influencer

Generation Alpha also referred to with different other names like Global Gen, Generation Glass, are the

children of the millennials. This generation is bound to use all the latest technologies like iPhone, tablet, and smartphones naturally as they were born along with these. Natalie Franke, Head of Community Honeybook, said that technology and Generation Alpha are not two separate things; instead, it is considered as a continuation of their own consciousness and identity. These little tech titans have already started showing their presence in the market and influencing their parent's purchase decisions. Rayan Gaun, who is an alpha child, started a Youtube channel named Ryan's world formerly known as "Ryan toys review" in 2015 when he was five-year-old. This channel exclusively covers toy reviews, and it is shown that a particular toy review having millions of views affects the sales of that particular toy. Thus, these reviews are influencing children's purchase decisions on toys. Asahd Khaled and Prince George are two other famous alpha children who have already made their digital footprints in various social media platforms before even understanding the meaning of social media. Few big brands have started realising the power of these children in purchasing decisions and have already reached to them to promote their products and services.

The fact is that the influence of these children on purchase decisions is not limited to toys or entertainment-based technology. It goes beyond that, ranging from household products, automobiles, apparel, restaurants to dine, destinations for vacation, and more are decided by them. According to the statistics reported in Commerce (2019), millennial parents have agreed that around 70%-80% of the purchase of household products or services are majorly influenced by gen alpha. This changing trend on gen alpha's influence is due to various reasons. Primarily alpha children are having direct exposure to all kinds of digital platforms thus have access to every piece of information. Also, there is a change in the profile of millennial parents compared to earlier generations, like

baby boomers. Millennial parents believe in democracy and give their children the freedom to voice their opinions in purchase decisions.

Similarly, millennials are better employed than older generations; hence their spending ability is also higher. Lastly, gen alpha pester power has a massive influence on parents' purchase decisions. Thus, it is evident that gen alpha has begun to become one of the dominant influencers in purchase decisions directly or indirectly.

### 3.2 What do marketers need to know?

Marketers need to understand that gen alpha has already started making a powerful impact on purchase decisions. The truth is that many organisations are finding it challenging to develop and implement strategies that will gain the attention of alpha. This is mainly due to the abundance of choices and having an in-depth worldview than any other generation. Gen alpha depends on AI integrated platforms like Alexa, Google Assistant, or SIRI for seeking answers to their doubts or questions. These cohort groups use digital platforms to communicate with their peers from an early age (*Tootell et al., 2014*). Thus, persuasive or aggressive selling may not work with this group due to the power of consumerism. Even billboards and signages are welcomed if they can create visually enticing content. Marketers need to collect technographic information about millennial parents because the underlying assumption is that this generation has embraced technology already and believes in a pull strategy rather than a push strategy. Thus, the focus should be to concoct more on digital-based strategies while targeting gen alpha. Apart from these, marketers need to understand more about the traits, attitudes and lifestyles of gen alpha while creating the consumer profile.

Alpha children have an opinion and influence their parents on almost all purchases like clothing, automobiles, restaurants, food choices, entertainment

choices, vacation spots, toys, and even on other household related products. Famous brands like Harley Davidson, Starbucks, McDonald's, Nike, Firstcry, and brands like Photon, Snapkidz by Snapchat, YouTube Kids, Disney BYJU'S, Disney + Hotstar, Mattel, Hamley's catering only to children are examples of alpha segmentation. Hence, identifying and segmenting the market based on STP factors becomes a vital area for the marketer.

### **3.3 Theoretical Framework**

#### ***3.3.1 Connecting Segmentation and Psychographic strategy***

According to Kotler "Segmentation is the key to good marketing. If you don't segment, you waste time, money, and sales." Market segmentation is a guiding step to target the right kind of consumer. Psychographic segmentation is essential for all products or services as the positioning of the product is decided based on these factors. Psychographics is one such segment which can be segmented along with the other segments and derives a lot of value in understanding the targeted segment. Thus, there is a good reason behind studying the importance of psychographic segmentation concerning consumers. Therefore, the researchers have also felt that it is worth fretting on the psychographic segmentation of generations.

The current study focused on three models measuring psychographic segmentation; First, personality traits, which is referred to as the character or trait of a person. In this study, personality traits are classified based on the Big Five personality by Goldberg (1990). According to him, the traits consist of Openness, Conscientiousness, Extraversion, Agreeableness, and Neuroticism, which is commonly referred to as OCEAN. Though there are different personality trait models, big five personality model has received the most significant degree of acceptance in both academics and industry (*Vazifehdoost et al., 2012*). Also, this

personality model has not been accepted universally but has been widely and extensively used, covering all traits taxonomies as it covers the core personality traits, the current study has decided to consider the Big Five Personality traits model for understanding the generations cohorts Y, Z and Alpha.

Second, attitude means the predisposition of one's behaviour and is divided into Affective, Behavioural, and Cognitive components, according to the ABC model by Ostrom (1969). The underlying assumption is that most of the behaviour is consistent with the attitude of a person. When analysing the consumer purchase behaviour, it postulates that the first activity involves cognition. Here an individual processes the information gathered based upon which a belief is built about the product. This would lead to how a consumer has felt (positive or negative) about the product, which talks about the effect. Further, this would prompt whether to buy or not buy a particular product which explains the behaviour aspect. Hence, they are connected, and thus it is important to study the attitude of the consumers. The Ostrom ABC model has been considered in the current study, and it represents a multidimensional perspective explaining how affect, behaviour and cognition are interlinked, which influences the purchase decision process.

Third, The AIO (Activities, Interest and Opinion) model, which was developed by Wells and Tigert (1971) has been analysed. Activities are the actual behaviour that is exhibited through one's hobbies, work, vacations etc., Interest refers to the area in which maximum attention is given, and finally, opinions explain about the individual responses on an aspect like social issues, education and economics. AIO is one of the most widely used models when marketers want to understand the influence of lifestyle on purchase behaviour (*Hur et al., 2010*). AIO models also help to acquire knowledge about the consumers when marketers need a product and situation-specific

information. Thus, the study has used lifestyle (AIO model) as one of the models of psychographic segmentation.

### 3.3.2 Connecting Targeting strategy

Targeting helps marketers to understand how to divide the broad segment into smaller and relevant segments. By understanding the exact traits of the segment, it makes it easier for the markets to design and sell the products according to the consumer. These days marketers have started considering and evaluating the buyer persona while selling their product. The marketing content and messages can be more customer-oriented when the companies are aware of the needs and interests of the consumers. It is also evident that marketing promotions and campaigns are successful and achieve the desired results only if they have explicit knowledge about the target audience. Hence the present study discusses the targeting strategies based on the consumers persona as a thorough and exhaustive understanding of the same undoubtedly helps companies to earn positive Return on Investment (ROI) on marketing communication.

### 3.3.3 Connecting Positioning strategy

As stated by David Ogilvy, the concept of positioning lacks establishment through a fixed model or a theory. The concept positioning often is closely related to perceived value coming from the customer's evaluation of benefits-also, the ability to influence the perception of customers by marketers (*Finne and Grönroos,*

2017). In the present study, we are aiming at looking at the position from the perspective of user group characteristics which needs to be captured by marketers via Customer-Integrated Marketing Communication (CIMC).

The authors have constructed the theoretical argument with the combination of three predominant models. Psychographic segmentation is captured through OCEAN, ABC and AIO model picking out the essences of the characteristics held by each cohort. The aspect of targeting is an offshoot from the nature of behaviour exhibited based on the segment. Therefore, the concept of buyer persona has been addressed. The final part of positioning is done from the aspect of IMC strategies which is a part of the promotion mix from the larger concept of marketing mix elements. Mainly emphasising on the need of Customer-Integrated Marketing Communication (CIMC). Current generational cohorts are exposed to a variety of digital information and literacy aiming that in mind the current paper aims at theories to be redefined and restructured with a mixture of all the elements proposed in the conceptual framework. As a further gap, the research scholars can also test the model empirically.

## 4. FINDINGS

Alpha children are nurtured as an individual with a unique identity from their childhood. They expect individualised treatment; hence they look for

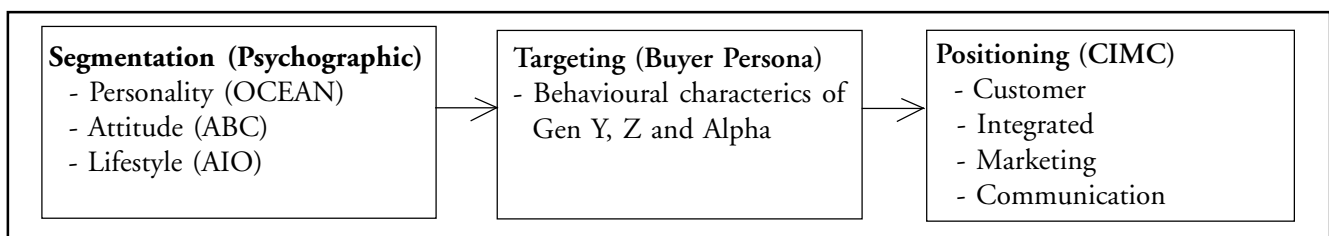


Figure 1: Conceptual framework of STP for Generational Cohorts Y, Z and Alpha

Source: Framework Developed by Authors

personalisation in everything around them. Also, gen alpha uses all types of digital platforms from the time they are babies. Thus, it is not a surprise that they have their own choices and are capable of making their own decisions. Therefore, freedom of choice and personalisation becomes essential for gen alpha. Already certain brands have brought radical changes in their communication style and interaction level to get the attention of gen alpha. This generation expects everything around them to be interactive and

responsive; hence just an advertisement through phones, tablets, or laptops are not effective. Because of these challenges, marketers need to determine and understand the characteristics, taste and preferences of gen alpha before designing any kind of promotions or digital media campaigns.

Also, generation alpha having exposure to all digital media and platforms becomes an effortless and an easy target for marketers. However, when it comes to

**Table 1: STP for Generation Y**

<b>Segmentation</b> (Basis of Psychographic Segmentation)	<b>Targeting</b> (Characteristic exhibited by Generation Y/ Millennials)	<b>Positioning</b> Customer-Integrated Marketing Communication (CIMC)	<b>Contributing authors</b>
<b>Personality trait</b>			
Openness	Highly flexible and inclusive	More of Multi-channel and Omnichannel strategies can be adopted	Smith (2018)
Consciousness	High on consciousness and believe in transparency	Focus on ethical selling of products and services	Williams <i>et al.</i> (2010)
Extroversion	Well-knit with friends and family	Products mainly marketed through family and friends (Multi-level marketing)	Valentine & Powers (2013); Wardlaw (2017)
Agreeableness	Low on agreeableness not convinced easily	Advertisements to aim at giving better and clearer product description	Francis & Hoefel (2018)
Neuroticism	Low on neuroticism	Products experience need to be created with innovation and extension	Lissitsa & Kol (2019)
<b>Attitude</b>			
Affective	Desire for access more than ownership. Uniqueness in consumption	Chatbots can be introduced for shopping related assistance	Mathews (2020)
Behavioural	Rationally oriented consumers	Focus to be given on product and features than brand name	Lissitsa & Kol (2019)
Cognitive	12 seconds is the attention span	Duration of the advertisement needs to be reduced	Shatto & Erwin (2016); Wardlaw (2017)
<b>Lifestyle</b>			
Activities	Shopping regarded as entertainment	Integrated the concept of entertainment while shopping	Lissitsa & Kol (2019)
Interest	Spending time with family	Adopt family-based advertising strategies	Valentine & Powers (2013)
Opinion	Values opinion from others	Marketing mainly done through opinion leaders	Slootweg & Rowson (2018)

Source: Prepared by Authors

**Table 2: STP for Generation Z**

<b>Segmentation</b> (Basis of Psychographic Segmentation)	<b>Targeting</b> (Characteristic exhibited by Generation Z)	<b>Positioning</b> Customer-Integrated Marketing Communication (CIMC)	<b>Contributing authors</b>
<b>Personality trait</b>			
Openness	Interested to explore new things	Innovative and new products	Beall (2017); Van den Bergh and Pallini (2018)
Consciousness	High on Individual Identity	Advertisements to focus on customisation of products and services	Francis and Hoefel (2018); Mathews (2020)
Extroversion	High on social interaction	Advertisements to integrate various social media (Instagram, Facebook)	Williams <i>et al.</i> (2010)
Agreeableness	Low on agreeableness	Keeping Minimalistic strategies of advertising	Beall (2017); Allwork Space-Press (2020)
Neuroticism	High on Self-esteem	Convincing strategies must	Talmon (2019)
<b>Attitude</b>			
Affective	Believe in instant gratification	Interactive platforms in engaging marketing strategies (Virtual Reality and Augmented Reality) Gamification	Williams <i>et al.</i> (2010); Allwork Space-Press (2020)
Behavioural	Brand Engagement	Initiate more brand engagement programs	Ismail <i>et al.</i> (2020)
Cognitive	Processing time shorter	8 seconds is the attention work on 8 seconds framework of advertising strategies	Budac (2015); Shatto & Erwin (2016)
	High on visual social media	Visually appealing content creation on Social media using Emoticons and Memes	Allwork Space-Press (2020)
<b>Lifestyle</b>			
Activities	Trip planned through technology	Introduce more applications based on travel plans. Employing digital assistants or robots	Liberato <i>et al.</i> (2019)
	Environmentally sensitive consumers	Advertisements designed with the focus given more on green marketing	Verma (2017); Su <i>et al.</i> (2019); Allwork Space-Press (2020)
Interest	Preferred online purchase over traditional mode	Engagement more via Internet of Things (IoT) to sell better	Shi (2018) Cheung <i>et al.</i> (2020)
Opinion	Social Advocacy	Word of Mouth (WoM) strategies considered as a viable option	Lau (2018) Allwork Space-Press (2020)
	Value Uniqueness and Authenticity	Marketed goods which are value for money	Artemova (2018); Mathews (2020)

Source: Prepared by Authors

**Table 3: STP for Generation Alpha**

<b>Segmentation</b> (Basis of Psychographic Segmentation)	<b>Targeting</b> (Characteristic exhibited by Generation Alpha)	<b>Positioning</b> Customer-Integrated Marketing Communication (CIMC)	<b>Contributing authors</b>
<b>Personality trait</b>			
Openness	Unconventional ways of learning; Interested to try new things	Need to create new marketing innovations integrating new social media platforms	Berkowitz (2016); Nagy & Kolcsey (2017)
Consciousness	Low on this trait; More of an easy-going and impulsive	Build cross-merchandising; Transaction building strategy	Carter (2019)
Extroversion	Limited social interaction	Focus on online shopping modality; Creating a landing page exclusively for these children	Thomas (2019)
Agreeableness	Less empathetic and low on tolerance (Impatient digital Natives)	Focus on personalised advertisements and promotion strategies	Berkowitz (2016); Wood (2018)
Neuroticism	Low on Emotional context	Develop Ads that connect values, personal and emotional. Emotional Ads may not gain attention	Mirken (2018)
<b>Attitude</b>			
Affective	Low on beliefs	Concentrate on convincing and ethical strategies and advertisements	Patel (2017); Wood (2018)
Behavioural	High on Brand consciousness	Attention on brand specialization	McCrinkle <i>et al.</i> (2014)
Cognitive	Low attention span	Moment Marketing; Attractive offers; Entertaining and engaging Ad content	Williams (2015); Ramadlani & Wibisono (2017)
	High visual appeal	Attention to more picturesquely presentation of content	Carter (2019); Ramadlani & Wibisono (2017)
<b>Lifestyle</b>			
Activities	Connected toys and platform-High interaction with AI platforms like ALEXA, Siri, Google, Photon	Introduce more AI-based products and services; Focus on games based on virtual and augmented reality	Tootell <i>et al.</i> (2014); Mirken (2018)
	The life expectancy of alpha is predicted to be longer	Promotion of fitness, health, wellness, and organic product	Szromek <i>et al.</i> (2019)
Interest	High expectation on varieties	Offer more than 3 to 5 choices under a single brand	Berkowitz (2016)
	Highly Interested in Toys which develop STEM (Science, Technology, Engineering, Maths) Skills	Develop toys based to cater to the STEM needs	Tootell <i>et al.</i> (2014)
	Frequent traveller due to the changing trend in tourism	Focus on virtual tourism and promote theme-based destinations	Szromek <i>et al.</i> (2019)
Opinion	Strong in opinion & activist at home	Concentrate on influencer marketing	Reis (2018)
	High engagement towards environmental concerns	Create more Eco-friendly products	Szromek <i>et al.</i> (2019)

Source: Prepared by Authors

advertisements, this generation expects for a seamless experience making it a herculean task for marketers. Marketers need to ensure that any kind of marketing communication messages should be simple but effective so that it can grab attention and encourage customer loyalty.

Hence it is very evident from the literature that Generation Alpha has a strong influence on their parent's purchase decisions in all products and services. This generation has gained importance in the west but not in other parts of the world. Generation alpha revolves around the Internet of Things (IoT), Artificial Intelligence (AI) and their worldview is shaped by various factors. Therefore it is very evident that their voice is being heard and given importance before making a purchase decision. Gen Y, Gen Z and Gen Alpha STP framework (Table 1,2&3).

## 5. IMPLICATIONS

### 5.1 Future scope of the study from a research perspective

The proposed model can be tested for scientific evidence via data collection. Due to the gaining popularity of mixed methodology, the researcher can either devise a qualitative and quantitative approach. The approach in terms of qualitative study can be done through content analysis methodology and identify themes from a focused group interview conducted for alpha. Qualitative research can be conducted using exploratory factor analysis and confirmatory analysis to confirm the proposed model from perspectives of behavioural and marketing strategies aimed for positioning. Further academic scholars can investigate to find out using the connect using consumer behaviour model to state one such idea would be checking from the perspective of integration of Stimulus–Organism–Response (SOR) model. Figure 2 is to depict on the proposed framework future how it could be extended for empirical investigation.

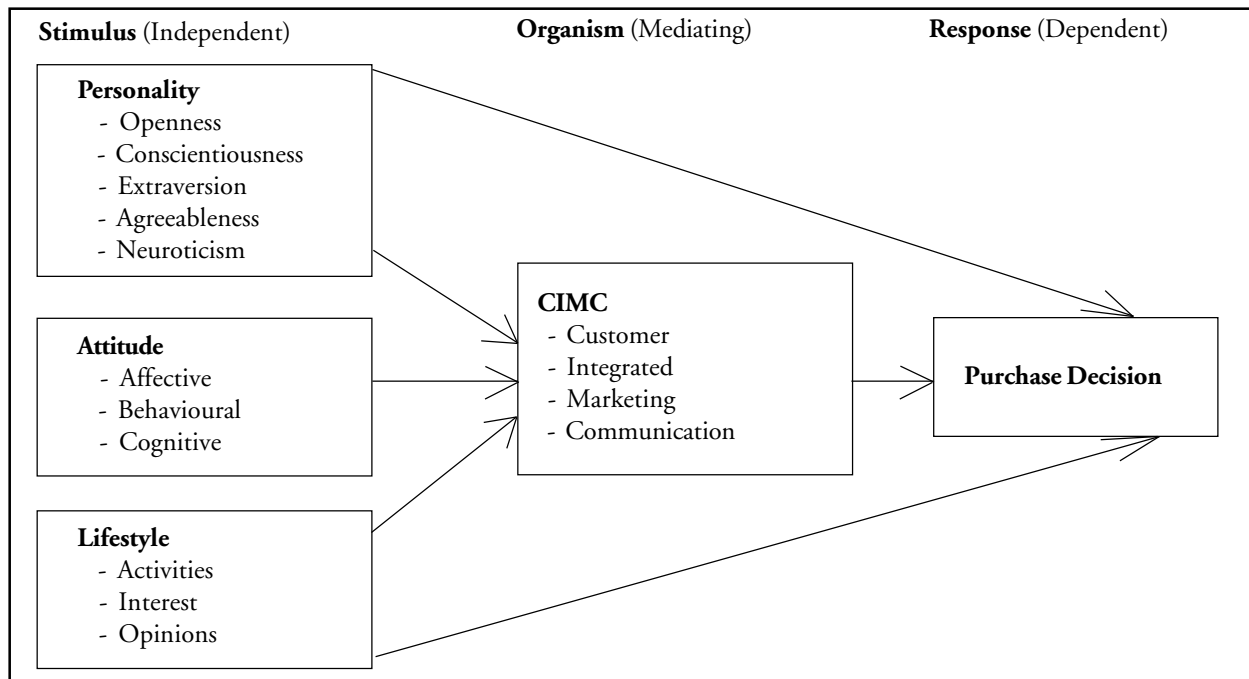
### 5.2 Future scope of the study from a marketing perspective

Generational cohort segmentation is one of the most debated topics among various theorists starting from Strauss–Howe, Karl Mannheim and McCrindle who have been emphasising on the importance of generational based studies. In recent years the marketing psychologist has also understood the importance of segmenting people according to birth year due to significant events and exposure which have brought change in their behaviour.

To quote an example of the ongoing pandemic all have shifted to online modality from shopping to learning. Hence, children and adults are shaping their choices with technology. The paper can give the marketers insight on how each cohort can be targeted or approached for better sales with the ideas picked from literature. The marketers are aiming in the digital era to entice maximum and reap the benefits of technology but must be done from the integration of consumer psychology and technology.

## 6. MANAGERIAL IMPLICATIONS, RESEARCH LIMITATIONS AND THE CONTRIBUTIONS OF THE STUDY

Marketers can devise positional mapping strategies through better-customer integrated marketing communication channels. The study also serves as a guideline for future scholars who could test the model empirically. Literature suggests that a marketer can rarely satisfy the needs of all segments. The STP aspects of generations discussed in this paper will help marketers in designing effective marketing strategies from more of a behavioural approach of each generational segment. There is a dearth of academic literature in the current topic. This paper would form as a basis for scholars to conduct further research. The papers also give a better understanding of the existing academic literature related to generation alpha.



**Figure 2: Proposed framework for further testing empirically based on SOR MODEL**

*Source:* Framework Developed by Authors

The current research has focused less on generation Y and Z due to the availability of academic research, and many marketers have tried to understand these cohorts from the field of consumption. However, the authors have chalked out the STP framework from the available research, which is a gap found in previous research undertaken. As a concluding remark, the authors suggest future scope in two main fields; education & job. Education goes for a more extended period in a person’s life and is pursued by most of them. This service industry has already started picking an upward trend. Marketers have started capturing this industry by introducing various learning applications that improve the child’s critical learning and creative skills. Gen alpha is considered as lifelong learners and

looks for the experience; hence it is crucial to provide experiential learning through virtual platforms. Visual literacy creates a critical aspect of learning, as this generation has a very less attention span. Secondly, when it comes to jobs, this generation gets attracted to challenging and advanced job profiles. As cited in the report of McCrindle (2020) profiles like virtual reality engineers, AI specialist, sleep technician, space tourism agent, life simplifiers and the urban farmers would be their areas of interest. Hence researchers can look into these areas and study more in-depth about the changing trends and their impact on generation alpha. Lastly, empirical research and testing on various products and services can be done based on the STP framework explained in this paper.

## REFERENCES

- Allwork.Space - Press. (2020, December 2). Knoll Research Reveals 5 Key Attributes Of Generation Z. AllWork.Space. <https://allwork.space/2020/12/knoll-research-reveals-5-key-attributes-of-generation-z/>
- Artemova, A. (2018). Engaging Generation Z Through Social Media Marketing Case: Hurja Media Oy. Retrieved from <https://www.theseus.fi/handle/10024/142658>

- Beall, G. (2017, November 6). 8 Key Differences between Gen Z and Millennials. Huffpost. [https://www.huffpost.com/entry/8-key-differences-between\\_b\\_12814200](https://www.huffpost.com/entry/8-key-differences-between_b_12814200)
- Berkowitz., D. (2016, January 28). 13 Things to Know About the Alpha Generation. Ad Age. <https://adage.com/article/digitalnext/13-things-alpha-generation/302366>
- Budac, A. (2015). Next generations of consumers – challenges and opportunities for brands. Bulletin of Taras Shevchenko national university of Kyiv economics, 171, 6–10. <https://doi.org/10.17721/1728-2667.2015/171-6/1>
- Carter, C.M. (2019, February 25). The complete guide to generation alpha, the children of millennials. Forbes. <https://www.forbes.com/sites/christinecarter/2016/12/21/the-complete-guide-to-generation-alpha-the-children-of-millennials/?sh=2a2650f43623>
- Cheung, M.L., Leung, W.K.S., & Chan, H. (2020). Driving healthcare wearable technology adoption for generation Z consumers in Hong Kong. Young Consumers, advance online publication. <https://doi.org/10.1108/yc-04-2020-1123>
- Commerce, W.T. (2019). Generation Alpha 2019 | Wunderman Thompson Commerce. Wunderman Thompson Commerce. <https://insights.wundermanthompsoncommerce.com/generation-alpha-2019>
- Eastman, J.K., & Liu, J. (2012). The impact of generational cohorts on status consumption: an exploratory look at generational cohort and demographics on status consumption. Journal of consumer marketing, 29(2), 93–102. <https://doi.org/10.1108/07363761211206348>
- Finne, Å., & Grönroos, C. (2017). Communication-in-use: customer-integrated marketing communication. European journal of marketing, 51(3), 445–463. <https://doi.org/10.1108/ejm-08-2015-0553>
- Francis, T., & Hoefel, F. (2018). ‘True Gen’: Generation Z and its implications for companies. McKinsey & Company. <https://innovationinsider.com.br/wp-content/uploads/2019/05/Generation-Z-and-its-implication-for-companies.pdf>
- Goldberg, L. (1990). An alternative “description of personality”: The Big-Five factor structure. Journal of personality and social psychology, 59(6), 1216-1229. <https://doi.org/10.1037/0022-3514.59.6.1216>
- Hur, W.-M., Kyung Kim, H. & Park, J. (2010). Food- and situation-specific lifestyle segmentation of kitchen appliance market. British food journal, 112(3), 294-305. <https://doi.org/10.1108/00070701011029165>
- Ismail, A.R., Nguyen, B., Chen, J., Melewar, T.C. & Mohamad, B. (2020). Brand engagement in self-concept (BESC), value consciousness and brand loyalty: a study of generation Z consumers in Malaysia. Young Consumers. Advance online Publication. <https://doi.org/10.1108/YC-07-2019-1017>
- Kim, Y.-K., Ha, S., & Park, S.-H. (2019). Competitive analyses for men’s clothing retailers: segmentation and positioning. International journal of retail & distribution management, 47(12), 1266–1282. <https://doi.org/10.1108/ijrdm-08-2018-0172>
- Kotler, P. (2001). Marketing management. Englewood Cliffs: Prentice-Hall
- Liberato, P., Aires, C., Liberato, D., & Rocha, Á. (2019). Generation Z and the technology use during a trip. Advances in intelligent systems and computing, 77–90. [https://doi.org/10.1007/978-3-030-16181-1\\_8](https://doi.org/10.1007/978-3-030-16181-1_8)
- Lissitsa, S., & Kol, O. (2019). Four generational cohorts and hedonic m-shopping: association between personality traits and purchase intention. Electronic commerce research, 1-26. <https://doi.org/10.1007/s10660-019-09381-4>
- Martin, G. (2011). The importance of marketing segmentation. American journal of business education (AJBE), 4(6), 15-18 <https://doi.org/10.19030/ajbe.v4i6.4359>
- Mathews, W. (2020, January 24). Marketing to millennials and Generation Z: things are changing. Harro Media. <https://harro.com/2020/01/24/marketing-to-millennials-and-generation-z-things-are-changing/>
- McCrinkle, M., Wolfinger, E., Salt, B., & Duffin, B. (2014). The ABC of XYZ. McCrinkle Research Pty Limited.
- McCrinkle, M. (2020, December 8). Gen Z and Gen Alpha Infographic Update. McCrinkle. <https://mccrinkle.com.au/insights/blogarchive/gen-z-and-gen-alpha-infographic-update/>
- Mirken, J. (2018, November 23). Media daily news: Here comes generation alpha. Media post. <https://www.mediapost.com/publications/article/326922/here-comes-generation-alpha.html>

- Nagy, Á., & Kölcsey, A. (2017). Generation alpha: Marketing or science. *Acta technologica dubnicae*, 7(1), 107–115. <https://doi.org/10.1515/atd-2017-0007>
- Ostrom, T. (1969). The relationship between the affective, behavioral, and cognitive components of attitude. *Journal of experimental social psychology*, 5(1), 12-30. [https://doi:10.1016/0022-1031\(69\)90003-1](https://doi:10.1016/0022-1031(69)90003-1)
- Patel, D. (2017, September 22). 8 Ways generation Z will differ from millennials in the workplace. *Forbes*. <https://www.forbes.com/sites/deeppatel/2017/09/21/8-ways-generation-z-will-differ-from-millennials-in-the-workplace/?sh=5c36478376e5>
- Ramadlani, A.K., & Wibisono, M. (2017, October). Visual literacy and character education for alpha generation. In proceedings international seminar on language, education and culture.
- Reis, T.A. (2018). Study on the alpha generation and the reflections of its behavior in the organizational environment. *Journal of research in humanities and social science*, 6(1), 9-19.
- Reynolds, W.H. (1965). more sense about market-segmentation. *Harvard business review*, 43(5), 107-114.
- Sandy, C., Gosling, S., & Durant, J. (2013). Predicting consumer behavior and media preferences: The comparative validity of personality traits and demographic variables. *Psychology & marketing*, 30(11), 937-949. <https://doi:10.1002/mar.20657>
- Schewe, C.D., & Noble, S.M. (2000). Market segmentation by cohorts: The value and validity of cohorts in America and abroad. *Journal of marketing management*, 16(1–3), 129–142. <https://doi.org/10.1362/026725700785100479>
- Shatto, B., & Erwin, K. (2016). Moving on from millennials: preparing for generation Z. *The journal of continuing education in nursing*, 47(6), 253–254. <https://doi.org/10.3928/00220124-20160518-05>
- Shi, H. (2018). Breaking the internet: A study of generation Z & viral marketing (Doctoral dissertation). Retrieved from <https://repositories.lib.utexas.edu/handle/2152/65288>
- Slootweg, E., & Rowson, B. (2018). My generation: A review of marketing strategies on different age groups. *Research in hospitality management*, 8(2), 85-92. <https://doi:10.1080/22243534.2018.1553369>
- Smith, M. (2018). Do generational differences really matter? Retrieved 11 June 2020, from <https://trainingindustry.com/blog/workforce-development/do-generational-differences-really-matter>
- Smith, W. (1956). Product differentiation and market segmentation as alternative marketing strategies. *Journal of marketing*, 21(1), 3. doi: 10.2307/1247695
- Lau, E. (2018, October 5). Generation Z 2025: The final generation. *Sparks & honey*. <https://www.sparksandhoney.com/reports-list/2018/10/5/generation-z-2025-the-final-generation>
- Su, C.H.J., Tsai, C.H.K., Chen, M.H., & Lv, W.Q. (2019). US sustainable food market generation Z consumer segments. *Sustainability*, 11(13), 3607. <https://doi.org/10.3390/su11133607>
- Szromek, A.R., Hysa, B., & Karasek, A. (2019). The Perception of over tourism from the perspective of different generations. *Sustainability*, 11(24), 7151. <https://doi.org/10.3390/su11247151>
- Talmon, G.A. (2019). Generation Z: what's Next?. *Medical science educator*, 29(1), 9-11. <https://doi.org/10.1007/s40670-019-00796-0>
- Thomas, M.R. (2019). Role of online visual merchandising and personality attributes on purchase intention of customers in the apparel industry. Unpublished Thesis. Bangalore: CHRIST (Deemed to be University).
- Ting, H., Lim, T.-Y., de Run, E. C., Koh, H., & Sahdan, M. (2018). Are we baby boomers, gen X and gen Y? A qualitative inquiry into generation cohorts in Malaysia. *Kasetsart journal of Social Sciences*, 39(1), 109–115. <https://doi.org/10.1016/j.kjss.2017.06.004>
- Tootell, H., Freeman, M., & Freeman, A. (2014, January). Generation alpha at the intersection of technology, play and motivation. In *2014 47th Hawaii International Conference on System Sciences* (pp. 82-90). IEEE.
- Tynan, A.C. and Drayton, J. (1987). Market segmentation. *Journal of marketing management*, 2(3): 301–35. <https://doi.org/10.1080/0267257X.1987.9964020>

- Valentine, D.B., & Powers, T.L. (2013). Generation Y values and lifestyle segments. *Journal of consumer marketing*, 30(7), 597–606. <https://doi.10.1108/JCM-07-2013-0650>
- Van den Bergh, J., & Pallini, K. (2018). Marketing to generation Z. *Research World*, 70, 18-23. <https://doi.org/10.1002/rwm3.20660>
- Vazifehdooost, H., Akbari, M., & Charsted, P. (2012). The role of psychological traits in market Mavenism using big five model. *International journal of management and business research*, 2(3), 243–252.
- Verma, S. (2017). Niche level segmentation of green consumers. *South Asian journal of business studies*, 6(3), 274–290. <https://doi.org/10.1108/sajbs-05-2016-0040>
- Wardlaw, A. (2017). Marketing to millennials? Think sensory. *Research world*, 66, 54-55. <https://doi.org/10.1002/rwm3.20578>
- Wedel, M., & Kamakura, W. (2002). Introduction to the special issue on market segmentation. *International journal of research in marketing*, 19(3), 181–183. [https://doi.org/10.1016/s0167-8116\(02\)00075-7](https://doi.org/10.1016/s0167-8116(02)00075-7)
- Wells, W., & Tigert, D. (1971). Activities, interests, and opinions. *Journal of advertising research*, 11(4), 27-35.
- Williams, A. (2015, September 19). *Meet Alpha: The Next 'Next Generation.'* *The New York Times*. <https://www.nytimes.com/2015/09/19/fashion/meet-alpha-the-next-next-generation.html>
- Williams, K.C., Page, R.A., Petrosky, A.R., & Hernandez, E.H. (2010). Multi-generational marketing: Descriptions, characteristics, lifestyles, and attitudes. *The journal of applied business and economics*, 11(2), 21. Retrieved from [https://www.researchgate.net/publication/264877591\\_Multi-generational\\_Marketing\\_Descriptions\\_Characteristics\\_Lifestyles\\_and\\_Attitudes](https://www.researchgate.net/publication/264877591_Multi-generational_Marketing_Descriptions_Characteristics_Lifestyles_and_Attitudes)
- Wood, D. (2018, September 15). *How to grab the attention of Generation Alpha.* IBC. <https://www.ibc.org/trends/how-to-grab-the-attention-of-generation-alpha/3247.article>
- Young, A.M., & Hinesly, M.D. (2012). Identifying millennials' key influencers from early childhood: insights into current consumer preferences. *Journal of consumer marketing*, 29(2), 146–155. <https://doi.org/10.1108/07363761211206393>

**How to cite this article:** Thomas, M.R., & George, G. (2021). Segmenting, targeting, and positioning (STP) of generational cohorts Y, Z and alpha. *IIMS journal of management science*, 12(2), 115-129.