



PERCEPTION OF THE VALUES OF CATERING SERVICES IN REPRESENTATIVES OF GENERATIONS Y AND Z

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ABSTRACT

Background: In the context of turbulence of the external environment, the instability of consumers' value systems, and the rise of digitalization, the generational approach is becoming increasingly relevant in solving the business tasks of companies in various industries. **Objective:** The purpose of the study is to assess the values of catering services for representatives of generations Y and Z. **Methods:** The study employs the Sheth Newman Gross method for assessing consumption values adapted to the market of catering services. The representativeness of the results is ensured by the sample size of 1,500 respondents from generations Y and Z. **Results:** The key results support the hypothesis that different consumer generations vary in their perception of the values of catering services. **Conclusion:** Satisfaction with catering services in generation Z is found to be higher, accompanied by lower service requirements. An advantage of the presented study is the further development of methodology for research into service consumption values and the approbation of this approach as applied to catering services.

Keywords: Catering; Consumer behavior; Generation; Services; Values.



PERCEPÇÃO DOS VALORES DOS SERVIÇOS DE CATERING EM REPRESENTANTES DAS GERAÇÕES Y E Z

RESUMO

Antecedentes: No contexto de turbulência do ambiente externo, a instabilidade dos sistemas de valor dos consumidores e a ascensão da digitalização, a abordagem geracional está se tornando cada vez mais relevante na resolução das tarefas de negócios de empresas de diversos setores. **Objetivo:** O objetivo do estudo é avaliar os valores dos serviços de catering para representantes das gerações Y e Z. **Métodos:** O estudo emprega o método Sheth Newman Gross para avaliar os valores de consumo adaptados ao mercado de serviços de catering. A representatividade dos resultados é assegurada pelo tamanho da amostra de 1.500 respondentes das gerações Y e Z. **Resultados:** Os principais resultados corroboram a hipótese de que diferentes gerações de consumidores variam na percepção dos valores dos serviços de catering. **Conclusão:** A satisfação com os serviços de catering na geração Z é maior, acompanhada de menores exigências de serviço. Uma vantagem do estudo apresentado é o aprofundamento da metodologia de pesquisa dos valores de consumo de serviços e a aprovação desta abordagem aplicada aos serviços de catering.

Palavras-chave: Comportamento do consumidor; Geração; Restauração; Serviços; Valores.

1. INTRODUCTION

In today's world, we are witnessing a change in consumer values. A greater emphasis is placed on the concept of managing consumer behavior in the context of the generational approach. Of special interest are generations Y and Z, whose values are yet developing and are currently understudied. Research into the behavioral characteristics of these generations is particularly promising, as they are active consumers of goods and services. The outlined issues are investigated in the works of D.K. Agrawal (2019), J.K. Eastman and J. Liu (2012), C.-V. Priporas, N. Stylos, and A.K. Fotiadis (2017), and N. Howe and W. Strauss (2007).

The generational approach to segmentation has a number of benefits. N. Pappas asserts that this approach aims at strategic and long-term interaction with consumers (Pappas, 2016). E.M. Okada (2005) believes that a generation as a consumer age group has a stable composition of individuals, in contrast to age groups with constantly changing compositions, which allows a company to strategically focus on the current individuals with



“understandable” needs. S. Atulkar and B. Kesari (2017) note in their research that values as segmentation criteria correspond to modern concepts and approaches in marketing.

M.J. Arnold and K.E. Reynolds (2003) point out that the change of generations has always been linked with changes in living conditions and lifestyles, technological achievements, and the emergence of new value orientations. A hallmark of the present stage of this process is the rate of changes occurring in the sphere of technology, which inevitably affects the dynamic of value orientations in today’s youth.

A point argued by S. Azimi, Y. Andonova, and C. Schewe (2022) and K. Li, Y. Chen and L. Zhang (2020) is that the generational approach serves as an effective mechanism for satisfying the needs of consumers in various spheres. Today’s catering services market is marked by intense competition, which raises the need to use marketing as an efficient instrument of management to achieve competitive advantages. Marketing is the primary concept in running a catering company in a market focused on securing the profitability of financial and economic activities and enhancing the efficiency of catering enterprises through the best possible satisfaction of consumer needs. Given the high competition between catering companies, measures have to be taken to ensure the high quality of services with an orientation of specific generations. This testifies to the relevance of our research topic.

2. METHODS

The goal of the study is to assess the perception of values of catering services by representatives of generations Y and Z. To achieve this goal, a methodological approach is developed based on the Sheth Newman Gross model (Sheth, Newman & Gross, 1991) with consideration of the peculiarities of the catering service market.

Research hypothesis: representatives of generations Y and Z differ in their consumer behavior in the market for catering services.

Under consumer behavior in the market of catering services, we understand consumer behavior in the process of searching for, choosing, and consuming the service and assessing it after consumption.

The focus on generational theory is determined by the fact that different generations act differently in various spheres, including catering. Naturally, there are some deviations from general trends within the generational theory but they are merely exceptions to the rule.

On the whole, purchasing behavior correlates with the individual's age and values characteristic of the given generation (Table 1).

Table 1. Characteristics of generations Y and Z.

Indicator	Generation Y	Generation Z
Year of birth	1985-2000	2001-2004
Key events	Turbulence of the surrounding environment, development of digital technology, mobile phones, and the Internet	Development of the Internet and mobile and digital technologies, increase in the environmental burden on consumers
Characteristics	The first generation of children of liberal parents with their practice of exerting less pressure on children and its positive (respect for individuality) and negative aspects (overprotection)	The generation raised in families that are more diverse in terms of age, nationality, and worldview. Born into the digital world, they are more knowledgeable in its opportunities and limitations

For the purpose of the study, a questionnaire is developed to reflect the values of catering services important to generations Y and Z. These values are considered as part of the Sheth Newman Gross classification of functional, social, emotional, epistemic, and conditional values (Table 2).

Table 2. Characteristics of values of catering services according to the Sheth Newman Gross model.

Service consumption value	Questionnaire items
Functional	Availability of all items on the menu High quality of products offered to customers The company avoids errors and inaccuracies with the execution of the order The consumer feels safe in their relationship with the company
Social	The company is recognized as a quality standard Individual approach to guests Personal participation of the staff in solving the problems of the guest Participation of the enterprise in political, environmental, social events
Emotional	Positive customer reviews An atmosphere of trust and understanding between guests and staff A sense of belonging to the establishment visited Positive associations and thoughts of the visitor related to the establishment
Epistemic	Availability of modern technological and dispensing equipment The use of unique methods of preparing products Original, distinctive customer service Prominent and memorable advertising campaigns
Conditional	Business hours are convenient for all customers Performance of the promised service by the appointed time Convenient location Availability of related products

The questionnaire items are grouped into blocks corresponding to the above types of values of a service, each of which is assessed by the respondents. Each item is evaluated by the parameters of "importance" and "satisfaction" on a 5-point scale (where 1 is the lowest

assessment and 5 is the highest) with each answer option corresponding to the respective number of points.

3. RESULTS AND DISCUSSION

The results obtained are analyzed by two criteria: the importance of a catering service characteristic and consumer satisfaction with it. First, we explore the functional value of the service for representatives of generations Y and Z (Table 3).

Table 3. Distribution of respondents' answers regarding the importance and satisfaction with the characteristics of the functional value of catering services, 2022.

Characteristic of the service value	Importance, mean score		Gap Y-Z , in points	Satisfaction				Gap Y-Z	
	Generation Y	Generation Z		Generation Y		Generation Z		in points	in %
				mean score	%	mean score	%		
High quality of products offered to customers	4.8	4.9	0.1	2.9	60.4	3.7	75.5	0.8	15.1
Availability of all items on the menu	4.5	4.7	0.2	4.4	97.8	3.1	66.0	1.3	31.9
The company avoids errors and inaccuracies with the execution of the order	4.4	3.8	0.6	3.8	86.4	4.5	118.4	0.7	32.0
The consumer feels safe in their relationship with the company	3.9	3.1	0.8	4.3	110.3	4.4	141.9	0.1	31.6

For generations Y and Z alike, the most important characteristic in this block is found to be the quality of products offered (4.8). The difference in the importance of the characteristics of functional value for generations Y and Z is especially noticeable in the sense of security in the relationship with the catering company. For generation Z, this characteristic is the least important. The degree of satisfaction with the most important parameter in generation Y amounts to 60.4% and in generation Z – to 75.5%.

Next, we analyze data relating to the social value of the service (Table 4).

Table 4. Distribution of respondents' answers regarding the importance and satisfaction with the characteristics of the social value of catering services, 2022.

Characteristic of the service value	Importance, mean score		Gap Y-Z , in points	Satisfaction				Gap Y-Z	
	Generation Y	Generation Z		Generation Y		Generation Z		in points	in %
				mean score	%	mean score	%		
The company is recognized as a quality standard	4.8	4.0	0.8	2.9	60.4	3.7	92.5	0.8	32.1
Individual approach to guests	4.7	4.2	0.5	4.4	93.6	3.1	73.8	1.3	19.8
Personal participation of the staff in solving the problems of the guest	4.6	4.1	0.5	3.8	82.6	4.5	109.8	0.7	27.2
Participation of the enterprise in political, environmental, social events	4.3	3.7	0.6	4.2	97.7	4.4	118.9	0.2	21.2

For generation Z, the most important characteristic in this group is an individual approach to solving the client's problems (4.2). Generation Y, in turn, has the greatest appreciation for the fact that the enterprise is recognized as a standard. Generation Z values this parameter less.

Yet the satisfaction of consumers from generation Y with the indicator “the enterprise is recognized as a standard” only reaches 60.4%, and generation Z's satisfaction with their most valued parameter, “individual approach to guests”, equals 73.8%. Differences in satisfaction with social value characteristics between the two generations are especially prominent in such indicators as an individual approach to visitors and the participation of the establishment in political, environmental, and social events.

We proceed to analyze the answers of respondents on the importance of parameters characterizing the emotional value, as well as satisfaction with them. The results are provided in Table 5.

Table 5. Distribution of respondents' answers regarding the importance and satisfaction with the characteristics of the emotional value of catering services, 2022.

Characteristic of the service value	Importance, mean score		Gap Y-Z , in points	Satisfaction				Gap Y-Z	
	Generation Y	Generation Z		Generation Y		Generation Z		in points	in %
				mean score	%	mean score	%		
A sense of belonging to the establishment visited	3.6	4.1	0.5	3.7	102.8	4.7	114.6	1.0	11.8
Positive associations and thoughts of the visitor related to the establishment	4.1	4.8	0.7	4.5	109.8	4.6	95.8	0.1	14.0
An atmosphere of trust and understanding between guests and staff	4.8	4.1	0.7	3.4	70.8	3.9	95.1	0.5	24.3
Positive customer reviews	4.4	4.7	0.3	4.5	102.3	4.1	87.2	0.4	15.1

For generation Y, of the greatest value is an atmosphere of trust and understanding between guests and staff (4.8). The level of satisfaction with this indicator is 70.8%. Respondents from generation Z rate as the most important positive associations and thoughts of the visitor related to the establishment (4.8). The degree of satisfaction with this parameter reaches 95.8%.

The greatest difference between generations Y and Z is discovered in the importance of an atmosphere of trust and understanding between guests and staff (4.8 and 4.1) and the importance of visitors' positive associations and thoughts related to the enterprise (4.1 and 4.8, respectively).

The next indicator analyzed in terms of importance and satisfaction is the epistemic value. The results of the analysis are presented in Table 6.

able 6. Distribution of respondents' answers regarding the importance and satisfaction with the characteristics of the epistemic value of catering services, 2022.

Characteristic of the service value	Importance, mean score		Gap Y-Z , in points	Satisfaction				Gap Y-Z	
	Generation Y	Generation Z		Generation Y		Generation Z		in points	in %
				mean score	%	mean score	%		
Availability of modern technological and dispensing equipment	4.7	4.2	0.3	3.9	83.0	4.7	111.9	0.8	29.0
The use of unique methods of preparing products	4.0	4.3	0.3	2.8	70.0	3.8	88.4	1.0	18.4
Original, distinctive customer service	4.6	4.7	0.1	3.2	69.6	3.0	63.8	0.2	5.7
Prominent and memorable advertising campaigns	3.7	4.7	1.0	3.5	94.6	4.2	89.4	0.7	5.2

Among generation Y, the most important in the block of the epistemic value is the availability of modern technological and dispensing equipment (4.7). Respondents' satisfaction with this aspect is 83.0%. Respondents from generation Z rate as the most valued the parameters of original, distinctive customer service and the company's prominent and memorable advertising campaigns (4.7). Their satisfaction with these items amounts to 69.6% and 94.6%, respectively.

The difference between the two generations is greatest in the importance of prominent and memorable advertising campaigns (3.7 and 4.7, respectively) and satisfaction with the use of unique methods of preparing products (70% and 88.4%, respectively).

The fifth and final value according to the Sheth Newman Gross classification is the conditional value. Data on the importance and satisfaction with the parameters of this value are presented in Table 7.

Table 7. Distribution of respondents' answers regarding the importance and satisfaction with the characteristics of the conditional value of catering services, 2022.

Characteristic of the service value	Importance, mean score		Gap Y-Z , in points	Satisfaction				Gap Y-Z	
	Generation Y	Generation Z		Generation Y		Generation Z		in points	in %
				mean score	%	mean score	%		
Business hours are convenient for all customers	4.1	4.8	0.7	4.8	117.1	3.7	77.1	1.1	40.0
Performance of the promised service by the appointed time	4.9	4.6	0.3	2.8	57.1	3.5	76.1	0.7	19.0
Convenient location	4.2	4.5	0.3	3.9	92.9	4.3	95.6	0.4	2.7
Availability of related products	4	3.1	0.9	3.5	87.5	3.7	119.4	0.2	31.9

The most important indicator in this group for generation Y is the performance of the promised service by the appointed time (4.9). Satisfaction with this parameter, however, is as low as 57.1%. Generation Z attributes the greatest importance to the enterprise's convenient business hours (4.8). With this parameter, respondents from generation Z report full satisfaction. The difference between the responses given by generations Y and Z is the highest in the importance of related products being available (4.0 and 3.1, respectively) and satisfaction with business hours (117.1% and 77.1%, respectively).

When studying the behavior of representatives of different generations, the primary focus has traditionally been on demographic characteristics, which is not entirely reasonable. It is necessary to take into account not only the age characteristics of consumers but also the values of their generation.

In this type of research, under discussion remains the selection of a valid construct, the application of which will affect, among other things, the representativeness of the obtained results. In this study, we offer a range of characteristics of catering services, which enable the respondents to assess the value of services according to the Sheth Newman Gross model.

The conclusions drawn in this paper are of practical significance for catering market operators in enterprises of different formats (cafes, restaurants, bars, fast food, etc.). The obtained results can be used to improve the efficiency of marketing communications in interaction with various groups of consumers from generations Y and Z.

Directions for further research may lie in the expansion of the research toolkit, the juxtaposition of generational values with perceived values of services, and the inclusion of representatives of the alpha generation in the scope of the study.

4. CONCLUSION

The present study:

1. Develops a method for the study of consumer behavior in the market of catering services with consideration of the generational approach. A distinctive feature of the proposed method is the assessment of catering services based on the Sheth Newman Gross model. The construct of the value of services (functional, social, emotional, epistemic, conditional) is adapted to the market under study.

2. Establishes that for representatives of generation Y, the most important characteristics of catering services are the quality of the offered products (functional value of the service), recognition of the enterprise as a quality standard (the social value), an atmosphere of trust and understanding between guests and staff (emotional value), the presence of modern technological and dispensing equipment (epistemic value), and performance of the service in the appointed time (conditional value).

3. Determines that among representatives of generation Z, the most valued characteristics of catering services are the high quality of the products offered (functional value), personal involvement of staff in solving the guest's problem (social value), positive associations and thoughts of the visitor related to the enterprise (emotional value), original customer service and prominent advertising campaigns (epistemic value), and the enterprise's business hours (conditional value).

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