

Gen Z smartphone addiction can boost compulsive buying

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Credit: AI-generated image ([disclaimer](#))

People born between the mid-1990s and early 2010s—so-called [generation Z](#)—face many financial challenges, from [more expensive housing](#) to [lower wages](#). Many are already delaying life plans such as buying a home and saving for [retirement](#) as a result. But recent research on the connection between smartphone addiction and compulsive buying

behavior in this age group shows the potential for even more financial damage.

Gen Z makes up [a third](#) of the global population and is estimated to spend [US\\$143 billion](#) (£124 billion) annually, as well as having a significant influence on [family spending](#). Members of gen Z also often share some unique financial characteristics. For example, they are [financially minded](#), worry about their future prospects and have an [entrepreneurial mindset](#).

Having grown up using the internet and digital technologies, this age group also tends to be online a lot more than others. In fact, some [research shows](#) 55% of gen Z use their smartphones for five or more hours a day and 31% feel uncomfortable if they are without their phone even for 30 minutes or less. Besides being a primary vehicle for [social interaction](#), smartphones are also an [increasingly popular way](#) for this generation to shop.

Such extensive reliance on phones could be interpreted as unhealthy and smartphone [addiction](#) among gen Z has previously been shown to cause various mental health problems such as stress and [anxiety](#), as well as being related to [escapism](#). [New research](#) I conducted with colleagues also shows smartphone addiction among this generation of consumers is strongly related to [compulsive buying](#) behavior.

Compulsive buying is an addiction associated with guilt, harm and a repetitive urge to buy goods that may be inexpensive and useless. These purchases are usually made without considering the financial consequences, which is troubling in normal times but particularly when consumer prices in the UK are expected to rise by [more than 13%](#) this winter.

Mood management

The data for our research was collected via a survey of students aged between 18 and 24 years enrolled in high schools and universities. The [findings suggest](#) there are two factors that enhance the connection between smartphone addiction and compulsive buying behavior in this age group.

First, young people with smartphone addiction may use these devices to manage unpleasant [moods](#) and deal with negative emotions. Second, we found this can lead a person into a "[flow state](#)," which means they are totally absorbed in an activity—in this case, browsing on their phone. They experience pleasant feelings and lose track of time.

Compulsive buyers also experience a short-term improvement in their mood as they make a purchase, which acts as a positive reinforcement and encourages them to continue buying. Further, [online shopping](#) allows people to buy things without using cash and remain hidden from the scrutiny of others. These features may also trigger compulsive buying behavior.

What this all means is that smartphones can be a very easy way for Gen Z's compulsive buyers to satisfy an uncontrollable urge to shop. So what can be done to help them save their money for their financial futures?

Possible solutions

Gen Z customers with compulsive buying behavior need help to kick this habit, particularly in the current economic downturn. This help could take many forms. Public institutions, especially those involved in education, could develop ad hoc programs aimed at educating people about the risks related to smartphone addiction.

As well as compulsive buying, it can affect performance at [work](#) and

[school](#). Proper financial education should also be standard for this generation, not to mention every other age group.

But what about companies themselves? It may seem ridiculous to expect a retail firm to sacrifice a boost in sales from [smartphone](#)-fueled compulsive buying, but this could be an opportunity for socially responsible action.

For example, retailers could develop algorithms to identify Gen Z consumers with compulsive buying behavior, remove them from shopping newsletters or introduce a limit on spendable money in a certain time frame. Such targeted action by online stores and brands could boost these companies in the eyes of consumers that [increasingly value](#) corporate social responsibility.

The cost of living is already a [major concern](#) for Gen Z. Implementing some ethical and socially responsible marketing to reduce the risks of compulsive buying and spread a culture of responsible spending could address some of the economic uncertainty currently faced by members of this generation.

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