

Faculty of Business Studies and Law
Faculty of Information Technology and Engineering
University “Union - Nikola Tesla”, Belgrade

**COVID-19 PANDEMIC
CRISIS MANAGEMENT
A NON - MEDICAL APPROACH**

Second International Thematic Proceedings

Editors

Professor Milan Radosavljević, PhD

Professor Maja Anđelković, PhD

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CONSUMER BEHAVIOR OF GEN Y AND GEN Z DURING THE COVID-19 PANDEMIC

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Abstract: *The paper focuses on different aspect of consumer behavior of Gen Y and Gen Z during the COVID-19 pandemic and also on how this pandemic will influence further behavior both regarding consumers and companies. All indicators so far show that in the coming period, there will be a turnaround in consumer behavior, with new opportunities for businesses (e.g. contactless economy, teleworking, e-commerce and renovated logistics). As a must, marketing activities adapt to the needs and lifestyle of the new generation. Marketing tools that require from companies themselves to have a disruptive way of thinking in order to efficiently and effectively approach new generations are the result of considering and analyzing how the new generations consume products and media. As they themselves grew up in the digital and visual age they expect different forms of marketing. Some of the best ways for companies to follow these needs is creating authentic messages and live content, livestreaming, personalization of content, cooperation with influencers, constant innovation and co-creations.*

Key words: Millennials (Gen Y), Gen Z, behavior, brands, product, digital,

INTRODUCTION

The influence of VUCA (Volatility, Uncertainty, Complexity, Ambiguity) world and COVID-19 pandemic on consumers from one side, and micro, small and medium enterprises (MSMEs) sector from other side, have been significant. Research focused on the problem of doing business in times of crisis of this magnitude became more intensive only with the beginning of the COVID-19 pandemic.

All indicators so far show that in the coming period, and in the VUCA world, there will be a turnaround in consumer behavior, with new opportunities for businesses (contactless economy, teleworking, e-commerce and renovated logistics). (Mamula Nikolić, Perčić & Nećak, 2020) This inevitably entails the readiness and ability of companies to introduce innovation, open and interdisciplinary cooperation (Crowdsourcing), (Von Krogh, Kucukkeles, & Ben-Menahem, 2020), as well as to respond quickly to the needs of end users. As one of the ways of reactions of small producers/providers after the introduction of quarantine and closure of physical shops and markets, e-markets have appeared (e.g. FB market, Small food producers in Serbia on Facebook) - pages on social networks that connect producers and consumers, which are even without intermediaries and their commissions. The lockdown initiated the “shop local” behavior. (Mamula Nikolić, Perčić & Nećak, 2020)

Due to the closure of state borders and constant uncertainty, the priority is to rely on local business, i.e. doing business localization. Learning from forced experimentation and investing in risk reduction technologies can help companies become smarter and more flexible, and to better position themselves by changing their business model in the shortest possible time. (Vlašić et al., 2020, p.14) The crisis has led to drastic changes in the interaction of organizations with consumers - from the transition to digital teaching, through the licensing of Amazon's Just Walk Out technology (Luo, & Galasso, 2020), all the way to cultural institutions that have found the means to create, perform and connect with their audiences through online platforms.

According to research done in April 2020, respondents in Serbia believe that in the next four weeks from the moment of filling in the questionnaire there will be: (Mamula Nikolić, Perčić & Nećak, 2020)

- increase in purchase of:
 - food and non-alcoholic beverages (according to the forecast of 29% of respondents), which is the highest projected percentage regarding

- planned consumption, and can be explained by increased consumer concerns about sufficient food and beverages;
- household chemicals (25%), which is explained by the greater need of consumers for disinfection and keeping homes clean;
- products for personal hygiene and facial care (18%), due to the also greater need to prevent the risk of disease;
- reduction in purchase of:
 - clothing and footwear (51%), because most of the time at the beginning of the crisis was spent at home and due to the expectation of reduced income and giving priority to priorities;
 - fuels (40%);
 - personal care services (39%);
 - technical devices and accessories for technical devices (34%);
 - fast food and food delivery (24%), which is explained by the increased need for healthy food. (Mamula & Ćoso, 2015; Perić, Mamula Nikolić & Delić, 2021)

Learning from forced experiment and investing in risk reduction technologies can help organizations become smarter and more flexible. (Perčić, Mamula Nikolić, 2020) Thus, for example, before the new crisis, companies considered investing time and resources in experiment of working from home too big cost, but crisis of COVID-19 left many without other options. There is massive investing in IT equipment and systems so employees can work from home. It is believed that flexible arrangements of working from home will become permanent policy of many organizations even after the crisis (Luo & Galasso, 2020). Workers who prefer working from home can achieve increased productivity, shorter commuting time and lower rate of job quitting, because they are generally happier (Luo & Galasso, 2020). Similar considerations apply to business travel that has been replaced by videoconferencing.

1. THE NEW GENERATIONS

Being born and raised in a digital world, the Millennial generation is often called “Digital natives”: they “think and process information fundamentally differently from their predecessors” (Prensky, 2001, p. 1), they are “used to receiving information really fast and they like to parallel process and multi-task” (Prensky, 2001, p. 3), they have blended their online life with their offline life (Sullivan, 2015). The development of IT leads to the faster development of generations and each generation represents the characteristics of its period. Each country has a specific

Generation Y, but due to the globalization, social media, influence of the Western culture and the speed of changes worldwide, they have become more similar to each other unlike the older generations. (Stein, 2013; Mamula Nikolić, Popović-Pantić & Muller, 2020) This generation is highly educated and technologically connected comparing to the prior generations, although there are differences in attitude, values, behaviour, lifestyle and ethnic diversity. (Taylor & Keeter, 2010) They are also called “digital natives,” “net geners,” “netizens,” “homo zappiens” as members of the first generation growing up surrounded by digital media. (Prensky 2001, Tapscott 1999, Veen 2006). Their lifestyle differs from “digital immigrants” who learned to “do technology” later in life. (Mamula Nikolić, Sanja Popović-Pantić & Muller, 2020)

Millennials or Generation Y is very curious and eager to gain new knowledge and experiences and to take active part in the world around them. They quickly accept new technologies and the Internet which they use on everyday basis. They are active in social networks and blogs and they use applications and gadgets. Despite the fact that they were born and grew up in the times of crisis in the country, they have become young people with a lot of energy and ideas that are fond of digital way of communication. (Mamula Nikolić, Sanja Popović-Pantić & Muller, 2020)

Millennials advantage is their outstanding knowledge and use of technology, which is why they work considerably faster and more productively than their older colleagues. They also have a better approach to issues and practical solutions, as well as clearly defined goals. The formula of how to address the Millennials indicates that the approach, as well as the content, needs to be entertaining, informative, and educational. (Mamula Nikolić, Sanja Popović-Pantić & Muller, 2020)

The greatest effect is achieved by using personalized and usable messages targeted at resolving imponderable questions and ambiguities which evoke emotions and step out of standard frameworks offering a “broader picture”. (Mamula & Ćoso 2015) All these characteristics encourage and enable Millennials to be much more innovative than previous generations thus creating opportunities for faster development of country. Innovation as one of the main drivers of economic growth initiates competitiveness and brings completely new view and approach to marketing way of thinking. (Mamula Nikolić, Sanja Popović-Pantić & Muller, 2020)

According to the GlobalWebIndex research (2018) top five online activities of GenZ are mostly related to mobile phones, and include the following: visiting/us-ing social network (95%), using a chat or instant mes-saging service (92%), watching a video clip or visiting a video-sharing sites (91%), visiting or using a search engine (90%), visiting an online retail sites or stores (79%). GenZ is becoming more tech-

savvy and more privacy-aware. For instance, 60% say they're concerned about how their personal data is being used by companies and 53% say they prefer to be anonymous when online. (Perić, Mamula Nikolić & Delić, 2021)

Wood (2013) states four trends that characterize GenZ as consumers: a focus on innovation, an insistence on convenience, an underlying desire for security, a tendency toward escapism. Unlike previous generations, GenZ members have always had and will have instant access to a wealth of information on a variety of topics. GenZ quickly shares its opinion with all its virtual friends not only about the experience with brands but also with companies. They usually express themselves very easily about things they don't like through social media. (Perić, Mamula Nikolić & Delić, 2021) There are few things marketers have to have in mind when advertising to GenZ. They want to be communicated with visually and with short, bite-sized content. This is a generation that knows how to search and find exactly what they want, so when expectations aren't met, they don't give a second chance. Their limited attention span means brands can never stop working for their business and, since they don't like being sold to, marketers need to find ways to deliver relevant, engaging and immediately beneficial experiences (Trifecta Research, 2015).

Because they primarily communicate via Instagram and Snapchat, TikTok, most of GenZ communicate and expresses themselves visually, not verbally, they express themselves through emoticons, images and video clips. They easily select and process virtual data and this fact will really help them in their work later, while for employers it will be a great advantage. (Perić, Mamula Nikolić & Delić, 2021)

On one issue, GenZ continues in the foot-steps of GenY: it uses inventive solutions such as „gig economy“, circular economy, „shared economy“ or economy of sharing, e-learning, m-learning, nano- learning (Mamula, Ćoso, 2015; Mamula Nikolić, Sanja Popović-Pantić & Muller, 2020)

2. TRENDS DURING THE COVID 19 PANDEMIC WITH A FOCUS ON BEHAVIOR OF THE NEW GENERATION

During the Covid-19 pandemic, online shopping increased, but shopping will continue to take place in stores. Retailers should review the layout of products on store shelves as well as working hours to make purchases safe and fast. They should also optimize sales space for a different type of customer, especially for those who buy less often and spend less, but buy more, and keep the focus on the assortment because the household need for basic and health products is increasing, and for non-priority

categories is declining. More and more people are buying domestic brands. As consumer preferences change rapidly, consumer-oriented companies should accelerate market feedback by regularly collecting information from consumers and anticipating changing trends. Figures 1 and 2 show the strong frequency of the Internet use in various areas.

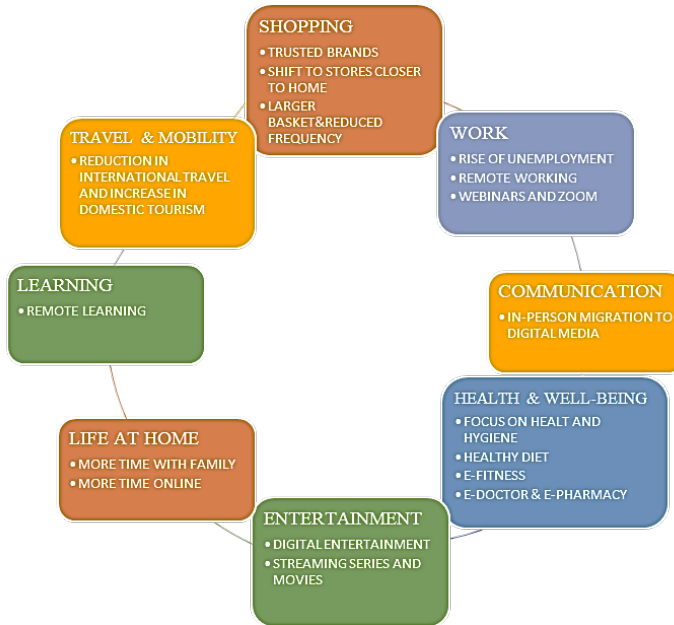


Figure 1: Consumers have seen changes in every aspect of their lives (Source: Fabius, Kohli, Veranen, and Timelin, McKinsey & Company (September 2020))

Some organizations completely reoriented their business to working from home. For example, employees in companies Google, Facebook, Twitter, Siemens, are approved to work from home for indefinite period of time, if that suits them better. All Google employees, both full-time and part-time employees, about 200,000 of them, will work from home at least until July 2021. Main motive for that is to help workers who must take care about children, because functioning of kindergartens and schools around the world is uncertain (Copeland & Grant, 2020). And when it comes to educational institutions, especially primary and secondary schools, they have adapted their work system to working from home, through e-learning. However, many modern higher education institutions in the world have this way of distance learning developed, and they readily met changes caused by pandemic. E-learning development has always been a pursuit for understanding of the way in which

students learn and how to provide them with attractive materials. (Perčić, Mamula Nikolić, 2020) E-learning courses are supposed to be easy to navigate and ready for implementation via exercises, case studies, knowledge checks, scenarios, simulations and interactive games. (Mamula & Ćoso, 2015)

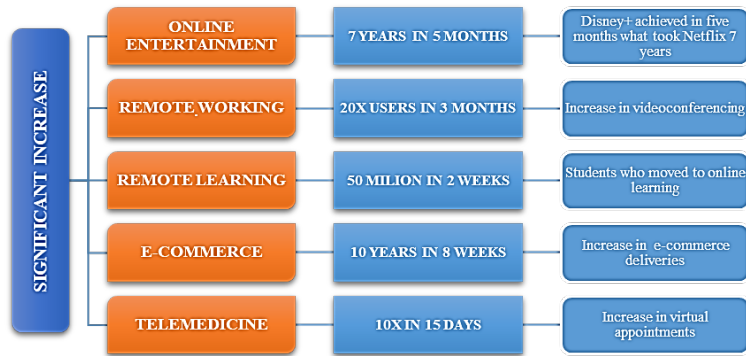


Figure 2. Global COVID-19-driven digital adoption rates have covered decades in days
 Source: Fabius, Kohli, Veranen, and Timelin, McKinsey & Company (September 2020)

Every organization and its culture are distinctive, just as the circumstances of each individual employee. While some enjoyed the new work experience, others could hardly wait to return to the offices. (Perčić, Mamula Nikolić, 2020) "Experimental" work from home has opened up some new options for many organizations, such as: access to new talents with fewer location constraints, adopting innovative processes to increase employees` productivity, creating an even stronger organizational culture, as well as significant reduction of costs of real estate in function of business premises. Various researches confirm that a significant number of employees enjoy working from home, that they feel less stressed, and that they are motivated and more productive. (Perčić, Mamula Nikolić, 2020)

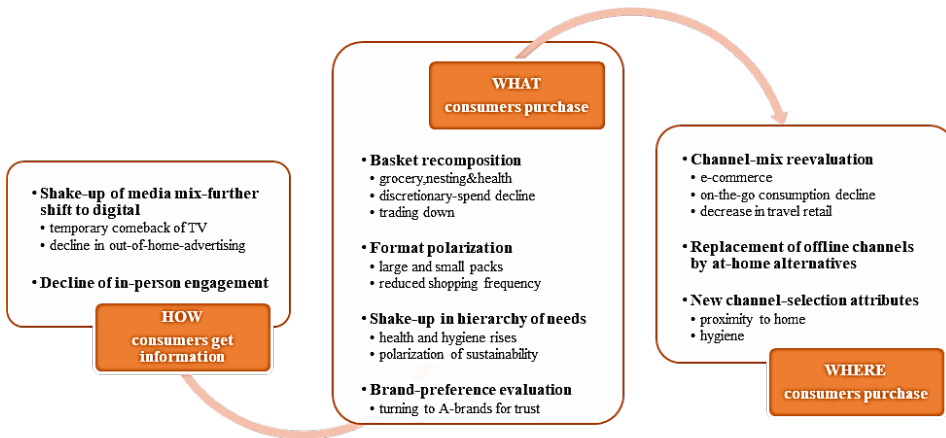


Figure 3: Companies will need to adjust quickly to changing consumer behaviour until COVID-19 is under control

Source: Fabius, Kohli, Veranen, and Timelin, McKinsey & Company (September 2020)

The COVID-19 pandemic has created an even stronger sense of individual responsibility. Nearly three-quarters of surveyed respondents say the pandemic has made them more empathetic to the needs of others and that they intend to take action to make a positive impact on their communities. (Deloitte 2020)

Behaviors driven by personal values, such as sustainability or a desire for personal interaction, can vary in the degree of long-term adoption in different countries and regions, depending on local infrastructure and other conditions.

During the COVID-19 pandemic, behavior of consumers and employees changed and online shopping, distance learning and distance work proved to be a necessity. One of the reasons is that the proponents and actors of these activities are members of the new generation (GenY and GenZ) who have been digitally active since their birth. They feel comfortable in that form of communication and work.

3. RESEARCH METHODOLOGY

The research was conducted on current secondary data and research covering the topic of Behavior of the new generation during the COVID-19 pandemic in the period from April 2020 to January 2021. The target group that most quickly reacted to digital transformation and online shopping during the COVID-19 pandemic is the younger generation (GenY and GenZ), which is why it is the subject of our research.

In the first part, the focus was on researching trends in consumer behavior, and in the second part on the target group of the new generation.

4. BEHAVIOR OF THE NEW GENERATION DURING THE COVID-19 PANDEMIC

As customers, members of the new generation are specific in their consumer and purchasing behavior. Even when it comes to luxury goods GenY has a different approach. (Paunović, Dressler, Mamula Nikolić, Popović-Pantić, 2020) GenY and GenZ build their relationship with a brand on its influence on the environment as much as on its likeability. The social responsibility of companies and brands has a great influence on whether the members of the new generation will show them loyalty or not. In addition, new generations will prefer to stick to those companies that do not ask for too much personal data (Deloitte, 2019). This view also comes from the fact that the new generation tends to buy online, or at least to check before buying the opinion of others about the brand on forums or social networks.

It is not only the work environment that has gone through changes due to the arrival of members of the new generation in the work environment. Digital technologies have changed all aspects of the life of new generation, including their consumer habits. Considering that half of the capable for work population is from this generation, they are shaping the market today with their purchasing decisions. Their preferences regarding what they will put in their consumer basket significantly affect the supply and demand of almost all goods and services.

Members of the new generation have grown up and they are growing up in a society in which the number of available media is constantly increasing. For every piece of information they want to find, there are many sources available to them. A Goldman Sachs study (2015) showed that as many as 57% of them compare prices online while they are still in store. Before they arrive at the checkout, they can compare the price of the same product in several competing retail chains in a few clicks. Based on that, they will decide where it pays off to buy that product. For the first time, consumers do not have only the information that companies provide them. Members of the new generation can easily check, exchange and compare this information. Being informed gives them the bargaining power of consumers that no generation before them has had. Research has shown that members of the new generation are the most relaxed and make decisions most easily when shopping online. It is possible that they are influenced by the paradox of choice, and that they

are calmest when they have enough time behind the screen to think about the next investment.

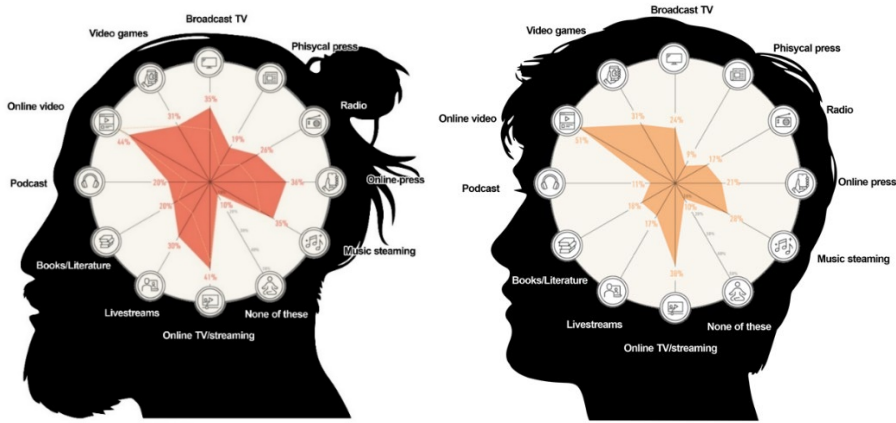


Figure 4: Media consumption during COVID-19 – GenY and GenZ

Source: <https://www.visualcapitalist.com/media-consumption-covid-19/>(18.8.2020)

From the very beginning of the pandemic, research about the moods and habits of young people followed the changes that came along. One of the first and most prominent changes is the increased presence in the digital world. (Girls With Impact, 2020) This change was expected because this is how young people fulfilled their daily free time. Additional free time and quarantine have led to increased viewing of online videos in all forms, listening to music and playing video games. (GWI4, 2020) Many platforms that provide this type of service have gained many new users, the most prominent being YouTube / YouTube Premium, Netflix, Facebook, Instagram, TikTok, Streaming music, Hulu, Amazon Prime, Disney +. (YPulse, Mar 2020) Even though social networking apps like Snapchat and Facebook are enjoying increasing popularity, the interface and algorithms of TikTok and Instagram provide content that is consistent, interesting, and ever-changing, making it much more interesting to new generations. (Wu , 2020)

The most outstanding changes:

- The virtual dimension has become an integral part of their daily work / teaching life, and has led to the improvement of habits such as online entertainment, shopping and food delivery. McKinsey & Company researches show that it is more consumed digital content, digital news coverage (Allas, Chinn, Sjatil & Zimmerman, 2020), young people buy more online (McKinsey & Company, 2020), they find it easier to opt for new

brands and focus on domestic products. (McKinsey & Company, 2020) About 40 to 60% of surveyed consumers, who have adopted new digital solutions, intend to continue to apply them. When it comes to online shopping in the USA, it has been proven that members of GenY and GenZ, and those with higher incomes, have largely switched to this type of shopping. (McKinsey & Company, 2020) This finding suggests the need to adopt e-commerce as an integral part of doing business even after the crisis period has passed. (Diebner, Silliman, Ungerman & Vancauwenberghe, 2020) Customers, especially from the younger generations (GenY and GenZ) are no longer just passive consumers of what is offered - they often buy from those companies that have proven to be socially responsible (64%). (Diebner, Silliman, Ungerman & Vancauwenberghe, 2020) The same elements to which attention is today paid when attracting young talents through creating an employer brand (Mamula Nikolić & Nećak, 2020) influence also the formation of attitudes towards shopping among customers, so focusing on customer experience is a strategy which should be adopted during the period of recession. (Diebner, Silliman, Ungerman & Vancauwenberghe, 2020)

- There is an increased focus on health, well-being and sustainability. They are increasingly inclined to accept a healthy routine and adopt more ethical choices. According to a Deloitte survey (Deloitte, 2020), 39% of them are concerned about mental and physical health. Despite the pandemic, 35% of them are still interested in the natural environment. Moreover, according to a GlobalWebIndex survey (GWI2, 2020), 64% of GenZ and 63% of GenY are willing to pay more for an “environmentally friendly” product. Brands that emphasize health and well-being could prevail among younger consumers.
 - Shopping is more thoughtful by focusing on the most important things. GenZ and GenY pay attention more than ever to what they buy. They limit their costs to the really necessary ones, delaying large investments. They take a more moderate, less impulsive stand and spend money more carefully. As young people will be more cautious in spending, they will increasingly seek greater value in products and services. Brands should review their pricing strategies or find ways to add value to existing products.
 - Young consumers value social and environmental issues highly, and during the pandemic their expectations concerning brands only increased. At the beginning of the COVID-19 pandemic, few brands reacted responsibly and addressed their consumers regarding how to behave with regard to the pandemic, thus gaining or further strengthening trust. From adapting physical facilities to the pandemic and highlighting online stores through

various discounts, to increased Internet activity through campaigns related to the current situation, they would send support in the form of a message that we are all in this together. The Kantar survey, which included 35,000 respondents, showed that 80% of respondents want to see companies and brands think about their employees, 78% of respondents think that companies and brands should help them cope with everyday life in unexpected conditions, 75% of respondents think that companies and brands need to inform consumers about what measures they are taking in a crisis. (Kantar, 2020) Respondents expect from brands explicit evidence of support for consumers, leaders, and organizations active in a pandemic crisis. Adapting the way of advertising brands has met a very positive attitude of young people, where 46% strongly approve and support the coronavirus-focused way of marketing. (GWI4, 2020) They have most strongly supported advertising that contains practical tips and information for easier coping with new circumstances (64%) as well as contacting customers via e-mail to inform them about the measures taken during the pandemic (45%). (GWI-W2, 2020) Respect for the current situation through various activities of the brands encounters positive reactions and attracts the attention of young people who more and more want and seek authentic contact.

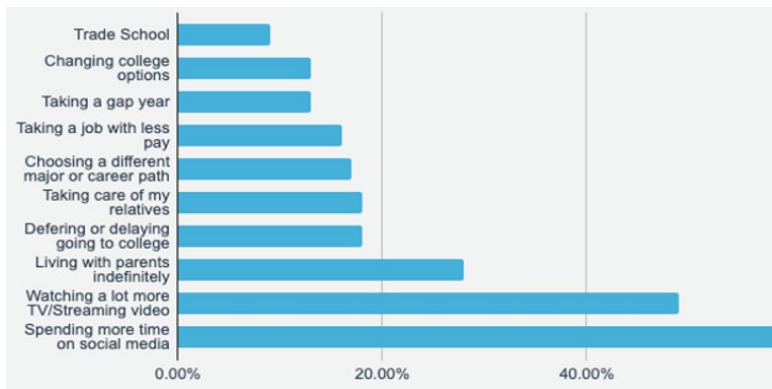


Figure 5. Influence of Covid-19 on GenZ

Source: Girls With Impact,2020

5. CHANGES IN THE AREAS OF EDUCATION AND WORK

Months of living in the new reality have significantly influenced the views of young people on the issue of education and work. The new situation has caused unpleasant changes in everyday life. Many young people strive to lay the foundations of their careers in the rapidly evolving economic, cultural and political fields. Most GenZ are still in the education system while most GenY are in the early stages of their careers. GenZ has struggled with school closures and changes in way of schooling, and GenY is facing the stress of working from home, while caring for its families and trying to educate children at home. Uncertainty, instability and self-doubt were common themes in the lives of young people during 2020, as their education and career plans changed significantly.

For a large number of students, the changes taking place in colleges due to the pandemic have raised important questions about the value of online education. Two-thirds of students believe that schools do not provide good support for starting their careers. The pandemic creates big challenges for students in their professional development. Approximately 1 in 5 current students says that COVID-19 significantly worsened their career research opportunities, and 45% experienced a mild negative impact. (Strada, 2020)

Many students are unsure of the value of their education. Among current students, only half believe that their education will be worth the cost. The value of education and career connections are closely linked. A survey conducted by SimpsonScarborough (SimpsonScarborough, 2020) found that 40% of new freshmen say they are likely / very likely to change their mind about the colleges they chose to attend. Changes in the economy have led many to adjust their decisions regarding future careers.

In June 2020, the Pew Research Center (Kochhar, 2020) found that the USA unemployment rate had risen during three months of a pandemic more than during two years of the Great Recession. At the same time, a study by the University of Tempe, conducted on 38,000 individuals, showed that two out of three students who were employed before the pandemic now feel great economic insecurity. Insecurity stems from job losses, reduced working hours, and wage cuts (The Hope Center, 2020).

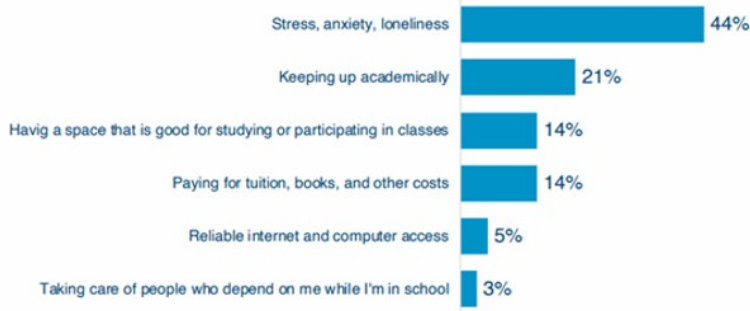


Figure 6. The biggest challenges for young people
 Source: Strada- College Pulse survey, September 2020

6. MENTAL STATE AND SOCIAL ACTIVITIES

Economic difficulties are not the only challenges facing these generations. Switching to virtual reality was not a big problem at the beginning, but it caused significant changes over time. Although GenZ and GenY are known as the first generations to digitally build friendships, the importance of personal communication has become apparent with the shift to longer stays at home. One of the biggest challenges young people face is stress, anxiety, and loneliness (Strada, 2020). Compared to all other generations, GenZ is most concerned about their mental state (GWI8, 2020).

Social media has played an important role in combating undesirable mental states, which intensified during the pandemic. They also carry the most responsibility towards those who are concerned about their mental health (40%) and even lag behind health workers and governments when it comes to providing more support. This could be a result of the fact that social platforms are widely used as sources of news, which unfortunately has to some extent heightened irrational fear.

The purpose and strategy of brand positioning begins with insight of the person, not insight of the category. Brands should connect their purpose with consumer values and human needs. How has COVID-19 changed the emotional imperatives that influence brand choice? It is important to recognize the importance of investing in the community instead in the profit. It is of vital importance for brands to meet customers "where they live". After a short time of adaptation, many activities that moved to the virtual world accelerated and initiated a more active life of young people at the moment when the changes were biggest. One of the most important messages that was supposed to reach them on an emotional level, is that we are all in this new

and insecure world together. Creation of a sense of belonging is very important for GenZ and GenY, because they are young people who need support.

In addition to mental health, the social injustices that have taken place in the world have led to an increase in concerns about justice, values and respect for diversity in society. There has been a significant increase in the number of people concerned about racism due to the #BlackLivesMatter protests and online campaigns. After these events, the activity of young people on networks on issues of various forms of injustice has increased. Acceptance of diversity and inclusion for young people means more than racial or ethnic identities themselves. (Tallo, 2020)

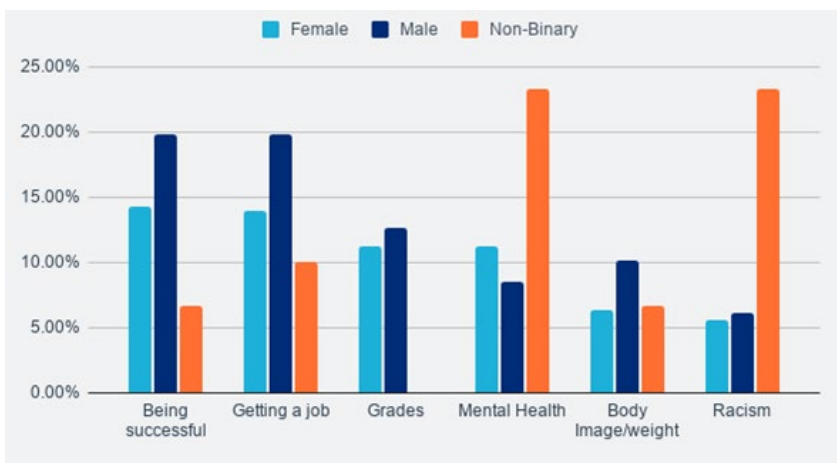


Figure 7. Main Concerns for GenZ
Source: Girls With Impact, 2020

The fierce outrage of younger consumers is contrasted with the views shown by GenX and Boomers. Of these, only 39% prefer brands that officially and clearly oppose racism, compared to 73% of Gen Z and Gen Y. The majority (52%) of Gen Z say the Black Lives Matter movement has had a big impact on their worldview. (Morning Consult, 2020)

Young people spontaneously pursue online activism, changing the way they support ideas and showing that digital activity can make a difference. For years, GenZ and GenY have directly challenged stereotypes that they are apathetic and disinterested, by organizing and participating in big global protests in order to share their beliefs and passions about climate change, gun control, sexual and racial injustice. Also, many demonstrations in the streets, which marked the previous year, were organized by these generations. In the USA, many young people have stated that

live protests and the risk they carry during a pandemic are very important because racism is still "alive and well" in their country. The Ypulse survey (Ypulse 2020) showed that 55% of young people took part in the Black Lives Matter protests or at least spread awareness about the problem, while 72% believe that the hashtag movement has the power to change the world. For young people, coming to the protest speaks as much as supporting it through social networks. GenZ and GenY have completely changed activism, bringing it to where they maybe feel most comfortable, and that is online. They used the power of social networks and digital connections to create serious changes. Although some still believe that digital activism (so-called "slacktivism") is lazy, a survey of trends from 2015 showed that 62% of young people believe that their voice is more effective when it is online and find various ways to implement it. In addition to #BlackLivesMatter, there were online protests with the hashtag #DigitalStrike and #ClimateStrikeOnline, which drew attention to the urgency of climate change. In addition to standard social networks, mass Zoom meetings were organized. Another YPulse study (YPulse, Apr 2020) found that 71% of GenZ and GenY agreed that climate change was an immediate threat. The current state of the pandemic has not changed their position on the urgency of this problem.

These generations also use hashtags to invite brands and pressure them to get involved. Movements such as #15PercentPledge and #PullUpOrShutUp were used to demand certain changes from industries and companies. Millennials in Achieve research showed that they do not trust the government that it will correct injustices in the country. Instead, 70% put more faith in themselves to create the kind of change they want to see, with one-third believing it could have a big impact and another third a moderate one. (Achieve, 2020)

GenZ led numerous demonstrations, such as the protest against arms March for Our Lives and the climate change movement. As many as 62% of the nearly 39,000 respondents said they were willing to be arrested during a peaceful protest in support of racial equality. (Hoffower, 2020) As a result of their views, they sign petitions, volunteer for a purpose, connect to social media platforms and act in their circles as ways to encourage change. Their struggles have a wide range of interests, from issues of education, health and employment, to issues of economics and politics. The situation brought by the pandemic only intensified the activism of the youth even more.

CONCLUSION

New generations get informed about products and services with the help of digital technologies and mostly buy online. All these habits affect how organizations communicate with these generations today. GenY's consumer habits have changed both in Serbia and in the world. Products and services are not the only elements of the sales chain that have had to be adapted. As a must, marketing activities also adapt to the needs and lifestyle of the new generation. Above all, the focus and budget are shifting from offline marketing to online activities.

Marketing tools that require from companies themselves to have a disruptive way of thinking in order to efficiently and effectively approach new generations are the result of considering and analyzing how the new generations consume products and media. As they themselves grew up in the digital and visual age with technological devices, they expect different forms of marketing too. One of the best ways to create authentic messages is to create live content. Some of the interesting ways in which brands can influence this target group are also (Pruit, 2017):

Livestreaming on social networks and similar platforms. Members of this generation have set a new era of live content that changes the way of entertainment, and members of generation Z themselves follow it and create it. According to Ypuls research, most GenZs "live stream" with their friends every day or create live content for the platforms in which they are included, and three out of four said that they for sure watch live content of influencers and brands they follow on social networks for an hour. For them, being live means being authentic and creative, it is the way they manage to keep an interest in the content they want to follow.

Personalization of content – members of new generations do not want to spend a lot of time on searching for interesting content. They want the media they use to offer it based on their searches done in the past. The best example of this is Netflix's recommendation of movies and series based on previously watched content (Because you watched) or Twitch, a platform through which viewers can watch other people play games live - which is one of the newer trends used on domestic YouTube scene in Serbia too. For this reason they don't have on/line security issue.

Strategic marketing with the help of influencers - Influencers in the service of marketing are a lesson already learned that a large number of brands successfully apply. However, with the influence of new social networks, the approach to marketing through influencers will also change. In order to successfully communicate with the new generation, brands will need to look for influencers compatible to them

comparing the age and the most popular social network for consumers of certain age.

Constant innovation - loyalty is not a common behaviour for these generations. As they quickly lose focus and attention unless they are soon offered something new, better than the previous one, they will go to the competitors without thinking. Precisely for that reason, the brands are under pressure to constantly research and innovate.

Collaborations and co-creations - members of this generation expect companies to involve them in their creative processes: research, product development and innovation, as well as marketing in general. Allow them to be part of your team and they will be able to give you in return.

In order for companies and brands to succeed in creating a campaign that will truly secure and attract the attention of members of this generation, they must adhere to several strategic principles in all fields and channels of communication.

The rules we need to follow when creating campaigns that target this generation are (Pruit, 2017):

- Be simple and have "digestible" content;
- Focusing on extensive visual communication with a diverse target group;
- Be userfriendly (especially with control over settings);
- Inspire changes and social endeavors;
- Feed their curiosity and if possible encouraging entrepreneurial spirit;
- Connect them with each other by content and go live as much as possible;
- Be educational and give didactic content.

With changes in consumer behavior, enterprises should adapt to different consumer preferences (health and hygiene are at the top of the priority list) and explore ways in which consumers get their information, what and where they buy and how they experience a product or service and what consumer experience they have (customer experience & journey).

Medium and small enterprises with a strategic marketing orientation, aware of customer needs in a turbulent environment, are more able to be innovative and have more chances to be competitive, to survive and to be successful. Doing business during the pandemic has opened new opportunities for business renewal through e-commerce. Based on the insight into the results of the research, which confirms that consumers' adoption of new technologies is accelerated, it is recommended to improve e-commerce in Serbia. The processes of innovation and digital

transformation as a whole have been significantly accelerated, and they represent a condition for work and opportunity of MSMEs in Serbia, in the future new normal. (Mamula Nikolić, Perčić & Nećak, 2020)

The limitation of the work is that there is no data and analysis of the behavior of the new generation in Serbia, so the recommendation is to do an analysis of the impact of COVID-19 on the behavior of the new generation during 2021.

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