From Limited Means to Rising Affluence: How Income Transition Influence Gen Z's Clothing and Food Purchase Intentions

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Abstract -*This study investigates how income transition influences Generation Z's purchase intentions across two essential consumption categories: clothing and food. Drawing on qualitative data from 218 respondents in North Sulawesi, Indonesia, the research captures how Gen Z's motivations evolve between their current student life with limited resources and their anticipated future as financially independent earners. Using thematic analysis, open-ended responses were categorized into drivers such as price-consciousness, comfort/quality, prestige/brand image, cultural familiarity, and exploration/curiosity. Findings reveal that clothing purchase intentions shift more dramatically than food as income rises. As students, Gen Z predominantly favors local clothing brands due to affordability and comfort, while in the future, their preferences expand toward branded and foreign labels driven by prestige and aspirational motives. In contrast, food purchase intentions display stronger continuity: local foods dominate due to cultural familiarity and taste, though increased income fosters curiosity for foreign cuisines.*

Keywords: Generation Z, purchase intention, income transition, local brands, foreign brands

I. INTRODUCTION

The purchasing behavior of Generation Z has become a focal point in contemporary consumer research, reflecting their growing influence on global markets and unique patterns of decision-making compared to previous cohorts. Existing studies reveal that Gen Z consumers are highly value-conscious, technologically adept, and socially attuned, often balancing affordability with quality considerations in their daily choices. In clothing, prior research has emphasized the interplay between price sensitivity, brand image, and prestige aspirations, while in food, cultural familiarity and convenience have consistently emerged as dominant drivers. Despite these insights, much of the literature examines clothing and food consumption separately, leaving a gap in understanding how these two fundamental categories compare in shaping Gen Z's aspirations, particularly as they transition from student life to becoming financially independent.

This study addresses that gap by investigating how Gen Z's purchase intentions for clothing and food evolve across two life stages: when they are still students and when they anticipate having sufficient income. The research builds on established theories such as the Theory of

Human Motivation by Abraham Maslow, consumer xenocentrism and consumer ethnocentrism to frame this inquiry, while thematically analyzing qualitative rationales to surface underlying motives. The central research problem explored here is how financial readiness influences Gen Z's balance between pragmatic decision-making (price, comfort, cultural familiarity) and aspirational motivations (prestige, lifestyle, exploration). The purpose of this study is to provide a comparative understanding of clothing versus food purchase intentions, thereby contributing both theoretically—by integrating cross-category perspectives—and practically, by offering insights for marketers and policymakers aiming to engage Gen Z consumers in ways that align with their evolving aspirations.

II. LITERATURE REVIEW

Purchase intention can also be understood through Maslow's Hierarchy of Needs, which posits that human behavior is driven by the progressive fulfillment of needs ranging from basic survival to self-actualization (Maslow, 1943). Within this framework, consumer choices reflect the level of need being prioritized at a given stage of life. For Gen Z, limited income during their student years directs attention toward satisfying lower order needs such as affordability, comfort, and practicality. As they transition into higher earning capacity, their consumption patterns shift toward fulfilling higher-order needs, including esteem and self-expression, reflected in the pursuit of branded, foreign, and prestige-oriented products. Thus, Maslow's theory provides a lens to explain how financial progression shapes the motivational drivers behind purchase intentions across life stages.

When it comes to clothing consumption, it involves both utilitarian reason like price and comfort to symbolic reason like status and prestige motives. Evidence suggests that Gen Z is price-sensitive yet quality oriented, demanding affordable options without sacrificing durability or comfort (Dharma, 2023; Capucao et al., 2023). However, as disposable income rises, symbolic dimensions such as brand image, prestige, and uniqueness become more salient (SK Bishnoi et al., 2023). Xiang (2021) notes that as income rises, consumers shift expenditure toward luxury or higher-end goods, framing consumption as a reflection of self-esteem and social status. Research on *masstige* and luxury fashion shows that status-driven motives play a significant role in aspirational consumption among young adults (Diamantopoulos et al., 2019).

While global brands are often associated with prestige, consumer ethnocentrism explains why many consumers continue to prefer domestic products. The CETSCALE framework highlights that ethnocentric individuals perceive purchasing local brands as morally right and economically supportive (Chen et al., 2024). In clothing, this translates into loyalty toward domestic fashion labels when framed as culturally authentic, affordable, and nationally supportive. Ethnocentrism provides an important counterbalance to foreign brand appeal, emphasizing the tension between local pride and global aspiration (Rasyid et al., 2024)

Complementing ethnocentrism, System Justification Theory (SJT) posits that individuals are motivated to defend and rationalize existing social and economic condition even when this entails recognizing the ingroup inferior or lower in status compared to outgroups. When it

applied to consumer behaviour, this manifests as xenocentrism, a bias toward foreign goods perceived as superior compared to the local ones. For Gen Z, xenocentrism often surfaces in fashion choices, where international clothing brands are seen as more reputable, modern, or fashionable, even when local alternatives offer comparable quality (Diamantopoulos et al., 2019; Camacho, 2022). This preference reflects not only prestige signalling but also an internalization of systemic beliefs that equate "foreign" with "better." (Rojas & Kolotylo, 2021)

Unlike clothing, food consumption is strongly rooted in cultural familiarity and everyday habit. Research highlights that taste, tradition, and identity shape food choices, with cultural context playing a decisive role (Reddy, 2020). However, according to Ma et al., (2018) income transition can influence food purchase intention. Furthermore, health, taste, and price remain core criteria in everyday decisions, ensuring that exploration complements rather than replaces cultural food anchors (Kristia et al., 2024).

III.   MATERIALS AND METHODS

Methodology

This study employed a qualitative research design to examine Gen Z's consumption aspirations in the categories of clothing and food. A qualitative approach was selected because the objective was not to measure frequency or statistical associations, but rather to uncover the underlying motivations, rationales, and symbolic meanings that guide purchase intentions. By focusing on open-ended responses, the design allowed for a rich exploration of how financial readiness influences consumer decision-making. The study is descriptive in its attempt to map existing patterns of thought and exploratory in its goal of identifying emergent themes that extend existing theories of consumer behavior.

Participants and Data Sources

The data were derived from **218 Gen Z respondents**, primarily university students, who were asked to articulate their purchase intentions under two conditions: (1) as students with limited financial resources and (2) as future earners with sufficient income. Responses covered two domains—clothing and food—each accompanied by open-text rationales. Participation was voluntary, and responses were anonymized to ensure confidentiality. The target population was representative of the Gen Z demographic, characterized by individuals born between the mid-1990s and early 2010s. Ethical considerations were maintained by protecting respondent identity and ensuring that participation carried no risk or obligation.

Tools and Instruments

Data were collected using a structured survey instrument consisting of open-ended questions designed to elicit reasons behind clothing and food purchase preferences. Responses were stored and analyzed in Microsoft Excel to facilitate organization, coding data cleaning, categorization, and frequency tabulation.

The research proceeded in four stages:

1. Data Collection: Respondents provided qualitative rationales for their current and future purchase intentions across clothing and food categories.

2. Data Preparation: Responses were compiled, cleaned, and exported into Excel for organization. Inconsistent entries, missing data, and ambiguous text (e.g., symbols or single-word placeholders) were flagged and categorized as "unspecified."

3. Coding and Categorization: Using a hybrid approach (keyword-driven classification and interpretive thematic grouping), responses were coded into recurring themes such as *Price-consciousness*, *Comfort/Quality*, *Prestige/Brand Image*, *Cultural Familiarity*, and *Exploration/Curiosity*.

4. Validation and Consolidation: Themes were iteratively reviewed to ensure consistency, with ambiguous or idiosyncratic responses retained under "Unspecified" to maintain transparency.

Analysis Techniques

The data were analyzed using thematic analysis for identifying patterns in qualitative data. The process involved coding, categorization, and frequency tabulation to determine dominant themes in each category and temporal condition. Descriptive statistics (frequency counts and percentages) were computed to highlight the relative weight of each theme. The analysis was interpretive, guided by theoretical frameworks such as the Theory of Planned Behaviour, social identity theory and system justification theory, to situate emergent findings within established consumer behaviour literature.

Questions were given are:

"Currently as a student and if I wanted to buy clothes to hang out with friends (casual clothing), I would buy domestic/foreign brand?"

"For now, please tell us why you bought that brand of clothing? (domestic/foreign)"

"When I have my own better income, the clothes I would buy to hang out (casual clothing) with my friends are"

"When you have enough income, please explain why would you buy clothes from that brand? (domestic/foreign)"

"When it comes to food, I currently would buy foreign/domestic food"

"Currently, what is your reason for choosing that food? (foreign/domestic food)"

"When I have enough income of my own, I would buy foreign/domestic food"

"If you already have an income, what is your reason for choosing that food (foreign/domestic food")

IV.   RESULTS AND DISCUSSION

The analysis of 218 Gen Z respondents yielded distinct patterns in purchase intentions across clothing and food categories, both in their current state as students and projected future as independent earners. Thematic coding revealed clear dominance of price-consciousness and cultural familiarity, with notable shifts toward comfort, quality, and exploratory motives when financial resources increase.
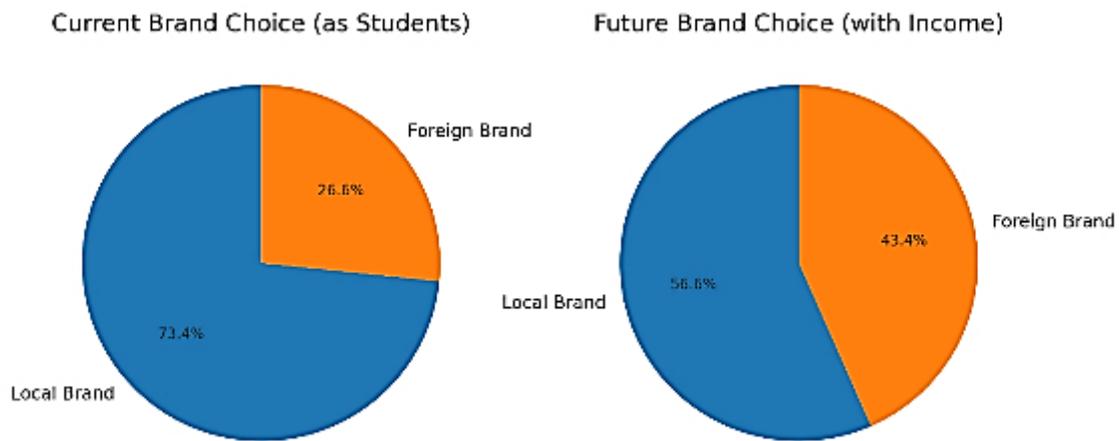

Figure 1. Current VS Future purchase intention for clothing

From the question "Currently as a student and if I wanted to buy clothes to hang out with friends (casual clothing), I would buy domestic/foreign brand?" 73.4% claimed that they would buy local clothing and 26.6% will buy foreign ones with comfort and affordability as the main reasons, and bellow are the details in Table 1:

Table 1. Themes of Current Clothing Purchase Intention (as a student)

Coding	Theme
Comfort / Quality	Functional Value – emphasis on product performance, durability, and user experience.
Price-Consciousness	Economic Value – affordability, cost–benefit trade-offs, and financial prudence.
Local Pride	Identity & Community – socio-cultural loyalty, supporting local products, and collective belonging.
Prestige / Brand Image	Symbolic Value – reputation, aspirational consumption, and social signaling.

The findings reveal that **Comfort and Quality (34.9%)** emerge as the most salient theme, highlighting participants' strong emphasis on functional attributes such as durability, usability, and overall product performance. This underscores that the primary consideration in decision-making is rooted in the assurance of value through tangible benefits.

Closely aligned with this, **Price-Consciousness (33.9%)** accounts for nearly the same weight, reflecting a parallel priority. Respondents demonstrate a pragmatic approach, carefully weighing affordability and perceived value-for-money. Taken together, comfort/quality and price sensitivity dominate the dataset, signifying a consumer orientation strongly anchored in **value-for-money considerations**.

Beyond functional and economic drivers, **Local Pride (11.0%)** surfaces as a meaningful secondary theme. This indicates that a segment of respondents attaches importance to supporting local products and brands, reflecting socio-cultural loyalty and a sense of community identity.

Similarly, **Prestige and Brand Image (10.6%)** also plays a notable but less dominant role. Here, respondents value symbolic benefits such as brand reputation, aspirational appeal, and social signaling. These identity-driven factors, while not as pervasive as functional or price-related concerns, still provide important insights into the symbolic and emotional layers of consumption behavior.

In summary, the thematic distribution illustrates a dual orientation: a **predominant focus on practical and economic considerations**, complemented by **identity-driven motivations** tied to local pride and brand prestige. This balance suggests that while consumers primarily prioritize functionality and affordability, cultural affiliation and symbolic value remain influential secondary drivers

And later on for the question "When I have my own better income, the clothes I would buy to hang out (casual clothing) with my friends" the intention to purchase local brand decreased by 16.8%. Once income increases, prestige and brand image gain traction, while price sensitivity declines and comfort remains consistently important.

Table 2. Themes of Future Clothing Purchase Intention (with more income)

Coding	Themes
Comfort/Quality	Functional Value – emphasis on product performance, durability, and user experience
Prestige/Brand Image	Symbolic Value – reputation, aspirational consumption, and social signalling.
Price-Consciousness	Economic Value – affordability, cost–benefit trade-offs, and financial prudence
Local Pride	Identity & Community – socio-cultural loyalty, supporting local products, and collective belonging
Self-reward, variety, utilitarian use	Self indulgence

The analysis indicates that Comfort and Quality (38.5%) stand out as the most dominant theme. Respondents emphasize durability, usability, and overall performance, showing that functional value remains the primary driver in consumer decision-making.

Following this, Prestige and Brand Image (20.6%) emerges as a significant consideration which was in the fourth or the last reason for purchasing foreign brand. This highlights the importance of aspirational consumption, reputation, and the symbolic power of brands in shaping preferences and identity expression.

At the same time, Price-Consciousness (15.1%) reflects a practical orientation where affordability and value-for-money play an important role, though secondary to quality and prestige. Consumers are mindful of balancing cost with benefits, suggesting an economically rational dimension.

Local Pride (11.9%) also surfaces as a meaningful theme, representing socio-cultural loyalty and the desire to support local products. This illustrates how consumption is partly tied to collective identity and community belonging.

Lastly, Self-reward, variety, and utilitarian use (remaining percentage) capture more personal and individualistic motivations. These include purchasing for indulgence which was

not appear before when they position themselves as students with lesser income, seeking product variety, or prioritizing everyday utility, which add nuance to the overall consumption narrative

And now when it comes to food purchase intentions, it shows that the purchase intention toward local goods is always higher compared to the clothing one despite income transition as shown in figure 2 below. Currently purchase intention toward local food is very high 95.7% while foreign Food: 4.3%, and when they assume the income transition purchase intention toward local food is 72.6% and 27.4% for foreign food.
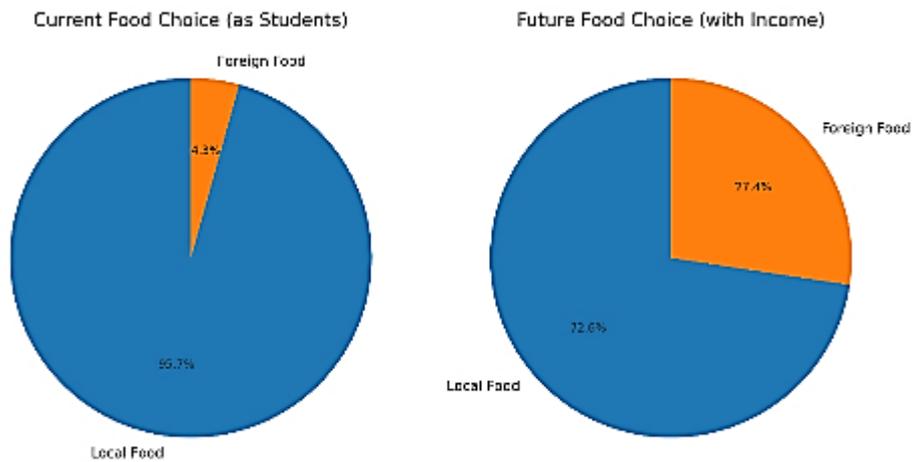

Figure 1. Current VS Future purchase intention for food

For the question ""When it comes to food, I currently would buy foreign/domestic food"

The thematic result is shown in below table:

Table 3. Themes of current Food Purchase Intention (as a student)

Coding	Themes
Cultural Familiarity	Cultural Connection – emphasis on tradition, heritage, and comfort derived from familiar cultural experiences
Flavorful/Quality	Sensory Enjoyment – focus on taste, richness, and overall culinary satisfaction.

Affordability	Economic Value – emphasis on cost-effectiveness, financial prudence, and accessibility through reasonable pricing
Exploration/Curiosity	Novelty Seeking – motivation driven by trying new things, experimentation, and openness to discovery.

The findings reveal that Cultural Familiarity (60.6%) is the most dominant theme, indicating that participants primarily gravitate toward foods and experiences that resonate with their cultural background, traditions, and personal sense of familiarity. This highlights the strong influence of heritage and comfort in shaping preferences.

The second comes Flavorful (27.5%), underscores the importance of taste and sensory satisfaction. Respondents emphasize richness, enjoyment, and culinary appeal as key drivers of choice, demonstrating that flavor remains a vital complement to cultural resonance.

The third is affordability" reflects consumers' concern with balancing price against perceived value, highlighting financial considerations as a key driver in decision-making. It sits within the broader thematic cluster of Value-for-Money Orientation, which is when it comes to food is not as crucial as clothing even with the assumption that the respondents are still student

Lastly, Exploration and Curiosity (2.3%) emerge as a niche theme, pointing to a minority who are motivated by novelty, experimentation, and the desire to try something new beyond their cultural norms

Students overwhelmingly prefer local food due to cultural familiarity, affordability, and taste preferences.

And for the question "If you already have an income, what is your reason for choosing that food (foreign/domestic food)" the result is shown in table 4 below

Table 4. Themes of future Food Purchase Intention (with more income)

Coding	Themes
Cultural Familiarity (50.9%)	Cultural Connection – emphasis on tradition, heritage, and comfort derived from familiar cultural experiences

Exploration/Curiosity (20.6%)	Novelty Seeking – motivation driven by trying new things, experimentation, and openness to discovery.
Flavorful/Quality (10.6%)	Sensory Enjoyment – focus on taste, richness, and overall culinary satisfaction
Convenience/Affordability (6.9%)	Economic Value – emphasis on cost-effectiveness, financial prudence, and accessibility through reasonable pricing
Lifestyle/status (remaining	Symbolic Value – reputation, aspirational consumption, and social signalling.

The findings reveal that Cultural Familiarity (50.9%) is the most prominent theme, indicating that Gen Z students overwhelmingly choose local food that reflects tradition, heritage, and the comfort of familiar flavours. This strong cultural grounding shapes their current consumption habits, with local food representing the majority choice.

The second most significant theme, Exploration and Curiosity (20.6%), points to an openness among young consumers to novelty and experimentation. While tradition dominates their present choices, many envision expanding their diets once financially independent, with a growing interest in foreign and premium food options.

Flavourful/Quality (10.6%) emphasizes the importance of taste and sensory satisfaction. For many, cultural familiarity is reinforced by flavor, but as income grows, quality also becomes a lens through which foreign foods are evaluated.

Convenience and Affordability (6.9%) reflects current financial realities, where cost-effectiveness and ease of access are practical considerations. However, as Gen Z moves into higher income brackets, affordability may play a smaller role relative to curiosity and lifestyle aspirations.

Finally, Lifestyle and Status (remaining percentage) highlights aspirational motivations tied to self-image, prestige, and identity signaling. With rising purchasing power, these factors gain traction, as Gen Z begins to balance cultural loyalty with the allure of foreign cuisines and lifestyle-driven consumption.

The comparative lens reveals different identity dynamics across the two categories. Clothing intentions evolve more dramatically, shifting from price-conscious pragmatism to comfort, quality, and status-oriented motives as income grows (Dharma, 2023). Another study reveals that wealthier individuals display more diverse consumption patterns across different brands and price segments, suggesting income enables expanded taste and brand exploration (He & Tsvetkova (2025).

Food intentions, however, show stronger continuity, with cultural familiarity remaining dominant even as curiosity toward global cuisines increases which is in line with studies done by Chen et al., (2024) and Jang et al., (2024). This aligns with the theoretical distinction between status consumption in symbolic goods like clothing and identity preservation in experiential goods like food (Sahin & Nasir, 2022; Merrell & Ackerman, 2025). Ethnocentrism and SJT together explain how Gen Z navigates local vs. global choices: ethnocentrism reinforces loyalty to domestic goods, while xenocentrism underpinned by system justification fuels aspirations for foreign alternatives (Camacho, 2022; Reddy, 2020).

V. CONCLUSION

This study provides comparative insights into how Gen Z's may become polycentric when it comes to clothes and food, they might like foreign clothing brands and yet still have purchase intention toward local food, and income transition can influence purchase intentions in clothing and food. Gen Z intends to move toward foreign brands as disposable income grows, indicating aspirations for status prestige and quality. However, food choices demonstrate more persistence of cultural familiarity, with incremental openness to global exploration.

From this study, several implications can be derived for local clothing businesses. In short term, maintaining affordability and emphasize practical value is very important. Whereas for the long term, local clothing businesses need to invest in premium local brand positioning to capture aspirational buyers. This includes quality upgrades, storytelling around cultural identity, and strategic collaborations with influencers and brand ambassadors to elevate brand prestige as failure to upgrade could lead to erosion of market share as foreign brands become more desirable with higher income levels. And for the local food businesses continue leveraging affordability, accessibility, and cultural identity as key value drivers. And for the long-term local businesses must innovate menus, elevate branding, and enhance experiential dining to retain relevance among wealthier Gen Z consumers as they expect premium quality upgrades and aspirational positioning once they have more income. This study is limited to the generation Z in North Sulawesi, Indonesia only thus cannot be generalized, future research may apply this in other regions or other area of industries as well.

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