



VANDA MARÁKOVÁ

Jan Kochanowski University of Kielce,
Poland

ORCID iD: 0000-0002-1148-8393

ANNA WOLAK-TUZIMEK

Jan Kochanowski University of Kielce,
Poland

ORCID iD: 0000-0002-2998-909X

KATARZYNA SIERADZKA

Casimir Pulaski Radom University, Poland

ORCID iD: 0000-0002-2903-8219

BUSINESS COMPETITIVENESS FROM THE PERSPECTIVE OF THE “Z GENERATION”

KONKURENCYJNOŚCI PRZEDSIĘBIORSTW Z PERSPEKTYWY „POKOLENIA Z”

ABSTRACT

Objective: This article aims to identify significant factors affecting business competitiveness from the perspective of the Z generation. Two research hypotheses are addressed: H1: corporate social responsibility is a significant factor of business competitiveness, and H2: education and gender do not affect differentiation of the significance of business competitiveness factors in the view of the Z generation. The paper addresses the determinants of business competitiveness and the key elements of competitive advantage.

Material and methods: The theoretical section is based on a comprehensive review of leading specialist literature. The empirical part relies on exploratory factor analysis to identify key business competitiveness factors important to the Z generation. In addition, the Mann-Whitney U test helps to verify dependencies between education and gender and the respondents' answers.

Results: The article presents the results of a survey conducted in June 2024 among Z generation individuals, born in the period 1995-2012. 332 surveys were completed correctly. Exploratory factor analysis served to demonstrate that CSR is a major factor of business competitiveness in the opinion of these young people. Moreover, the respondents' education and gender failed to differentiate their answers.

Conclusions: Our results present managerial implications as a guide to the selection of competitiveness factors. Considering the identified key factors of competitiveness in the view of the Z generation may become a source of competitive advantage for enterprises in the market.

KEYWORDS: competitiveness factors, Z generation, businesses

STRESZCZENIE

Cele: Celem artykułu jest zidentyfikowanie istotnych czynników wpływających na konkurencyjność przedsiębiorstw z perspektywy pokolenia Z. W artykule postawiono także dwie hipotezy badawcze: H1: społeczna odpowiedzialność biznesu jest istotnym czynnikiem konkurencyjności przedsiębiorstwa oraz H2: wykształcenie i płeć nie wpływają na różnicowanie znaczenia czynników konkurencyjności przedsiębiorstw w opinii pokolenia Z. Poruszana problematyka dotyczy zagadnień z zakresu determinantów konkurencyjności przedsiębiorstw i źródeł uzyskania przewagi konkurencyjnej.

Materiały i metody: Część teoretyczna artykułu została napisana po dokładnym przeglądzie wiodącej literatury przedmiotu. W części empirycznej wykorzystano eksploracyjną analizę czynnikową, która umożliwiła identyfikację

głównych czynników konkurencyjności przedsiębiorstw istotnych dla pokolenia Z. Ponadto zastosowanie testu U Manna-Whitney'a, umożliwiło sprawdzenie zależności pomiędzy wykształceniem i płcią a uzyskanymi odpowiedziami respondentów.

Wyniki: *Artykuł zawiera wyniki badań przeprowadzonych w czerwcu 2024 roku wśród osób należących do pokolenia Z, czyli urodzonych w latach 1995-2012. Prawidłowo zostało wypełnionych 332 ankiety. Wykorzystując eksploracyjną analizę czynnikową, wykazano, że CSR jest istotnym czynnikiem konkurencyjności przedsiębiorstw w opinii młodych osób. Ponadto wykształcenie i płeć respondentów nie różnicowały ich odpowiedzi.*

Wnioski: *Uzyskane wyniki badań mogą zostać wykorzystane przez menedżerów przedsiębiorstw. Stanowią dla nich wskazówkę dotyczącą doboru czynników konkurencyjności. Uwzględnienie zidentyfikowanych kluczowych czynników konkurencyjności przedsiębiorstw w opinii pokolenia Z może stanowić źródło uzyskania przewagi konkurencyjnej przedsiębiorstw na rynku.*

SŁOWA KLUCZOWE: *czynniki konkurencyjności, pokolenie Z, przedsiębiorstwa*

INTRODUCTION

In the contemporary economy, the factors of business competitiveness are interactive as they are clusters of interrelated factors that make up a multidimensional space. In their quest for competitive advantage, enterprises take advantage of various factors. It's very important, though, to understand which of these factors are meaningful to consumers.

The Z generation, or people born between 1995 and 2012, perceives business competitiveness quite differently than earlier generations did. Growing up in the world of technology and quick access to information, they place great emphasis on digitalization, quality, and advertising. Young people pay increasing attention to the Corporate Social Responsibility (CSR) activities of businesses. Enterprises committed to environmental protection, social equality, and ethical standards of production are perceived as more trustworthy and attract loyal customers from among this group.

The Z generation regards enterprise competitiveness in multiple dimensions, combining the traditional elements of product and service quality with modern values and expectations that arise in the dynamically shifting

world. Defining competitiveness factors crucial to the young generation and using them by enterprises will contribute to a competitive advantage in the market. The paper aims to identify significant factors affecting enterprise competitiveness from the viewpoint of the Z generation.

A literature review is undertaken, and Exploratory Factor Analysis (EFA) and Mann-Whitney U test are employed. The results are based on a survey of 332 Z generation members using Statistica 13 software.

LITERATURE REVIEW

The concept of competitiveness is closely tied to M. Porter's seminal work (1990) and is considered a multi-tier and multifaceted idea (Chikán et al., 2022). Competitiveness is seen as a qualitative measure of socio-economic development, an elementary economic category serving to describe the development of individual entities, economies, societies, or territorial units (Karman et al., 2022). It must be stressed that competitiveness at any level is a result of multiple internal and external factors of both economic and non-economic nature (social, cultural, political, and environmental). Competitiveness determines the ability to conquer new markets, outplay other actors in the market, attract investment, and grow (Falciola et al., 2020).

Enterprise competitiveness can be defined both as a multidimensional feature arising from internal characteristics and the skill of flexible adjustment to variable environmental conditions. It's described as a system of four interconnected elements (Stankiewicz, 2000, p.79), namely: competitiveness potential (all tangible and intangible resources of an enterprise), competitive advantage (effective use of a configuration of competitiveness potential components), instruments of competition (tools and methods of acquiring customers and goodwill creation), and competitive standing (a result of competition). Competitiveness is the capability of an individual organization to gain competitive advantages over its rivals (Virjan et al., 2023), and its sources can be found both in the external and internal environments of enterprises (Doncheva, 2020).

Classically, the factors of enterprise competitiveness are divided into external and internal (Hardyjańska, Dolata, 2017). The former is a result of the micro-, mezzo – and macroeconomic environment acting on an enterprise's operations (they are independent), while the latter is identified with the strategic resources of an organization (financial standing, tangible assets, intellectual capital, organizational structure, a strategy of development, methods of management, entrepreneurship, innovativeness, and the quality of products/ services) and the skill of using them effectively. The contemporary trends in enterprise theory: resource, competence, and knowledge-oriented stress the weight of internal factors for building competitiveness (Stawasz, 2019).

The price and quality of product/service and the differentiation of a company's offer based on unique characteristics or higher efficiency, as well as terms of payment, are among the most common, classic instruments of competition (Yuleva-Chuchulayna, 2019).

A critical literature review reveals the substantial role of innovation in the growth of enterprise competitiveness. Creating an advantage is ensured by access to resources and having the ability to create distinctive skills in introducing innovations and the dissemination of new solutions (Decyk, 2020). Innovative activity is seen as a direction of activities that increases the probability of the successful functioning of a company. It reflects the measure of the establishment of a company's position in the market and is a basis for increasing its competitiveness level (Zhu, Cheung, 2017). In industry, innovative activity is traditionally linked to the level of implementation of new products and progressive technologies (Gerasimov et al., 2018).

Innovative, agile businesses introduce digital transformation requirements into their strategies to maintain their positions in competitive markets (Liu et al., 2011). Digital transformation is the use of new digital technologies such as social technologies, mobile technologies, analytics, clouds, and the Internet of Things (IoT) to enable major business improvements, including enhanced customer experiences, streamlined operations, or new business models (Kraus et al., 2021). Digital technologies are the accelerators of changes in business, economy, public life, and, in particular, entrepreneurship (Hussein et al., 2024; Głodowska et al., 2023). Digital transformation provides productivity improvements, cost reductions, and innovations (Deep, 2023).

Through the utilization of big data and artificial intelligence technologies, manufacturing companies can accurately forecast and optimize market demand, product quality, and production processes, thus enabling them to better adapt to market changes and enhance product competitiveness. By addressing these various challenges through the application of digital technologies, manufacturing companies are gradually increasing their competitive edge (Xiaoning et al., 2024).

A company's value and its competitive advantage in the market are currently determined by a range of factors, with those based on intellectual capital gaining importance (Mantorska, 2020, Blessing, 2022). Intellectual capital is a compilation of knowledge, practical experience, technology, good customer relations, and any skills that allow an enterprise to win a competitive advantage (Edvinsson, Malone, 2001). Intellectual capital (IC) is generally understood as an important driver of firm competitiveness improvement and value generation in the knowledge economy (Xu, Liu, 2020). Intellectual capital and knowledge management significantly determine innovativeness and competitive advantage. Moreover, innovativeness significantly mediates between intellectual capital, knowledge management, and competitive advantage (Rehman et al. 2021).

Marketing-related activity elements are of considerable importance as well. Marketing strategy emphasizes how businesses can stand out from their competitors, to benefit their clients, which ultimately impacts competitiveness (Ibrachim, Harrison, 2020). Traditional marketing strategies (P4 – product, price, place, and promotion) are a source of competitive advantage (Lahtinen et al., 2020). Marketing concepts specify the extent of actions and means to achieve effective competition and customer satisfaction. They include: the distinctiveness of product range, flexibility, accessibility of products/ services, promotion of an enterprise and its products/ services, prices, and quality of associated services, enterprise image, terms of payment, etc. Customer segmentation is the process of dividing the customer base into groups of similar characteristics, such as demographics, interests, or patterns of behaviour. It's a major marketing tool that helps adjust products/ services and marketing campaigns to specific target groups, which translates into a competitive advantage in a given sector (Abednego et al., 2023).

Such marketing innovations as the development of new services, new price-setting strategies, new advertising promotions, new distribution channels, and marketing information systems are connected with the development of new technologies, including information and communication technologies (Gupta et al., 2016). Digitization, a key driver for marketing innovation, enables new communication methods, branding strategies, offering designs, and transaction settings (Sharon, Volery, 2020).

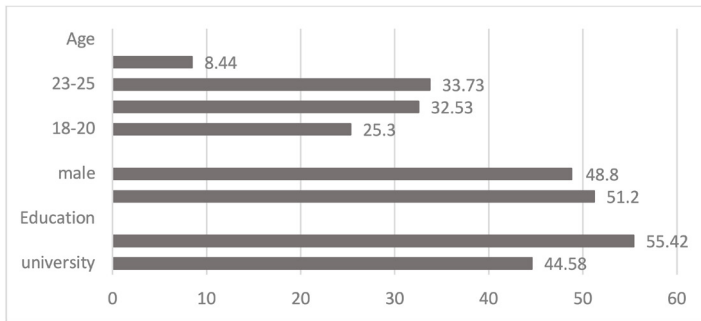
Corporate Social Responsibility (CSR) is a concept involving economic, social, and environmental actions for stakeholders – customers, suppliers, workers, investors, local communities, and other entities connected to an organization. CSR refers to practices that allow an organization to responsibly manage its impact on society and the environment (Kusto, Klepacki, 2024, p. 276). CSR aims to create long-term value. It is not only an opportunity for companies, but also a reflection of the expectations of customers, employees, society, and other stakeholders, by taking advantage of business opportunities and comprehensive risk management linked to new economic, social, and environmental challenges (Núñez-Sánchez, 2024). The concept of CSR is treated as a tool for gaining a competitive advantage in the global market (Marakova et al., 2021). Low employee turnover, a larger pool of available talent, and customer loyalty are all benefits that companies enjoy as a result of their efforts (Ndemena, Qutieshat, 2022). CSR practices can reduce transaction frictions and costs, thereby improving competitive advantage by increasing buyer and seller trust (Zhao et al., 2019). Pro-environmental actions play a great role at present, raising social awareness and helping to realise ‘green’ innovations, positively related to the green competitive advantage of enterprises (Cao et al., 2022). It should be pointed out that the climate and environmental issues are so important that they affect all areas of contemporary life. What’s more, entrepreneurs are interested in whether and how to address them when building their market ranges (Lisowski et al., 2022).

This literature review has enabled to identification of the key factors of business competitiveness from the perspective of the Z generation and to advance the research hypothesis H1: corporate social responsibility is a major factor of business competitiveness.

When making their purchasing decisions, consumers consider the ideas of social responsibility and justice, responsibility for local communities, and sustainable development related to ecology, environmental protection, or growing consumer awareness. They realise their consumer choices have their economic, ecological, and social implications to both individuals and whole societies (Kamińska, Krakowiak-Drzewiecka, 2021; Kushwah et al., 2019, Bojanowska et al., 2023). Young consumers respond to new trends much faster and are more sensitive to the protection of the natural environment (e.g. Joubert et al., 2022; Majhi, 2022). The Z generation members grew up at a time of universal access to digital technology, the internet, and smartphones, therefore, their preferences are more standardised, and personal features do not influence their decisions and opinions. The research hypothesis H2 can be posited: education and gender do not affect the differentiation of the significance of business competitiveness factors in the view of the Z generation.

RESEARCH METHODOLOGY

In June 2024, a survey was conducted among population belonging to Generation Z living in the Mazowieckie Voivodeship. The study employs a diagnostic survey and a proprietary research tool in the form of a questionnaire, which was placed on the Google platform. 332 surveys were filled out correctly. In the introductory part, the respondents were to declare their age, gender, and education, whereas in the empirical section, to determine the significance of the particular factors affecting business competitiveness. The respondents' structure, based on the details collected in the first part, is presented in Figure 1.

Figure 1. *The structure of the research sample*

Source: The authors' research.

Individuals aged from 18 to 30, that is, members of the Z generation, took part in the study. Those aged 21-25 (66.26% of the respondents), women (51.2%), and persons with secondary education (55.42%) prevailed.

In the following part, we addressed the significance of the particular factors affecting business competitiveness on a scale from 1 to 10, where 1 stands for low and 10 for high significance. 20 factors (observable variables) were examined, namely: product brand (V1), publicity/promotion (V2), public relations (V3), enterprise image (V4), product price (V5), quality of product/service (V6), quality of customer service (V7), customer loyalty/trust (V8), customer satisfaction (V9), innovativeness of products (V10), availability of products (V11), attractiveness of product packaging (V12), type of distribution channel (V13), active presence in social media (V14), attractive website (V15), sales using e-commerce (V16), firm's commitment to local community (V17), actions for environment protection (V18), eco-marking of products (V19), and implementation of CSR (V20).

Exploratory factor analysis helped to verify the first research hypothesis H1: corporate social responsibility is a major factor of business competitiveness. It serves to detect an optimum group of main factors by explicating correlations among observable variables. The method enables to reduction of variables, detects a structure and general regularities among variables, verifies the regularities and connections, describes and classifies objects in new, orthogonal spaces defined with new, emergent factors.

The number of factors was determined by means of:

- Cattell's scree diagram (1966) in the form of a linear graph where a point should be found where characteristic values slope mildly. The break-even point of the chart indicates the boundary between the relevant factors and those that are of marginal importance
- Kaiser criterion (1960), according to which only those factors should be used for which characteristic values above 1 correspond. This means that only those factors that contribute more information than a single standardized variable are selected for interpretation.
- Mann-Whitney U test (1947) was utilised to verify the second hypothesis, H2: education and gender have no effect on differentiating the significance of business competitiveness factors in the view of the Z generation. This is a non-parametric test serving to verify hypotheses on the negligibility of differences between the medians of tested variables in two populations (with the variable distributions similar to each other) (Mroczek, Stachyra, 2022, p. 110). The measurement of variables on an ordinal scale and the independence of the model are the conditions for applying the test.

The hypotheses concerning the equality of mean ranks for populations compared are simplified to medians:

$$H_0: \theta_1 = \theta_2,$$

$$H_1: \theta_1 \neq \theta_2,$$

where: θ_1, θ_2 – the distributions of a tested variable in the first and second populations.

The zero hypothesis assumes the equality of mean ranks for both groups, whereas the alternative hypothesis assumes the means are different. p , determined on the basis of test statistics, is compared to the level of significance α :

if $p \leq \alpha \Rightarrow H_0$ is rejected and H_1 is accepted,

if $p > \alpha \Rightarrow$ there are no reasons for rejecting H_0 .

Mann-Whitney U test for the particular variables was verified assuming p equals 0.05.

RESULTS

Following Cattell's scree criterion, four factors were determined situated above the point at which the diagram begins to 'flatten out'. What's more, these factors have characteristic values above zero, which is the Kaiser criterion.

The characteristic values for the four factors chosen for the continuing analysis are in the range $\langle 1.14; 7.25 \rangle$. The accumulated characteristic value for these factors is 12.59. This means the system of factors selected explicates 63.00% of the total variance, and the model formulated below well matches the reality investigated.

Table 1. *The matrix of characteristic values for the factors describing business competitiveness*

Factor	Characteristic value	Percentage of general variance	Accumulated characteristic value	Accumulated percentage
F1	7.25	36.26	7.25	36.26
F2	2.66	13.31	9.91	49.57
F3	1.54	7.72	11.45	57.29
F4	1.14	5.71	12.59	63.00

Source: The authors' research.

To arrive at a simple factor structure, the matrix of factor loads was Varimax rotated to determine the minimum number of variables needed to explicate a given factor. The matrix of factor loads for factors describing enterprise competitiveness, or the correlation between observable variables and factors introduced to the model, is shown in Table 2. The minimum correlation qualifying as significant is assumed to be 0.7.

Table 2. *The matrix of factor loads for factors describing business competitiveness*

Variable	Factor loads (normalized Varimax) Principal components (the loadings are greater than 0.7)			
	F.1	F.2	F.3	F.4
V.1	-0.07	0.19	0.14	0.69
V.2	0.10	0.08	0.40	0.71
V.3	0.45	0.19	0.13	0.52
V.4	0.38	0.37	0.12	0.52
V.5	-0.01	0.66	0.17	0.15
V.6	-0.06	0.84	-0.04	0.18
V.7	0.09	0.75	0.06	0.25
V.8	0.28	0.65	0.13	0.14
V.9	0.09	0.76	0.16	0.06
V.10	0.21	0.48	0.49	-0.09
V.11	0.11	0.68	0.41	-0.03
V.12	0.23	0.16	0.64	0.19
V.13	0.12	0.27	0.75	0.05
V.14	0.23	0.05	0.73	0.27
V.15	0.23	0.14	0.74	0.32
V.16	0.47	0.07	0.55	0.19
V.17	0.73	0.11	0.33	0.06
V.18	0.87	0.06	0.17	0.10
V.19	0.83	0.01	0.22	0.11
V.20	0.84	0.16	0.14	-0.03

Source: The authors' research.

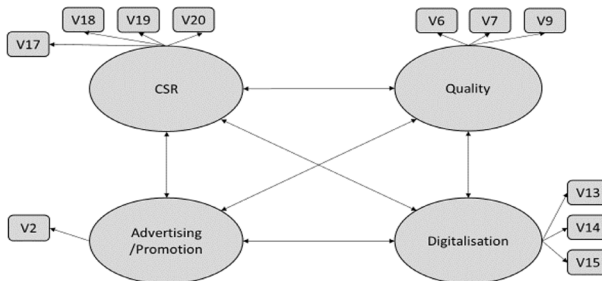
The values above 0.7 and variables loading the particular factors are shown in bold in Table 2. Our analysis implies:

- factor one (F.1) explains 36.26% of the total variance and is represented by four variables: commitment to the local community (V17), actions for environment protection (V18), eco-marking of products (V19), and implementation of CSR (V20);

- factor two (F.2) explains 13.31% of the total variance and is represented by three variables: quality of product/service (V6), quality of customer service (V7), and customer satisfaction (V9);
- factor three (F.3) explains 7.72% of the total variance and is represented by three variables: type of distribution channel (V13), active presence in social media (V14), and attractive website (V15);
- factor four (F.4) explains 5.71% of the total variance and is represented by a single variable: advertising/promotion (V2).

The factor names are based on a feature shared by variables making up a given factor. Thus, the first factor is named ‘CSR’, factor 2 – ‘quality’, factor 3 – ‘digitalization’, and factor 4 – ‘advertising/promotion’. The resulting model of enterprise competitiveness factors in the Z generation’s opinion is shown in Figure 2.

Figure 2. *The factor model of business competitiveness from the viewpoint of the Z generation*



Source: The authors’ research.

The particular observable variables (positions on the scale) are represented with rectangles, and the factors with ovals. The cause-and-effect (regressive) relationships are shown with unilateral arrows and correlation dependences with bilateral arrows.

Exploratory factor analysis implies that four factors affect the level of business competitiveness in the respondents’ opinions, namely, CSR, quality, digitalisation, and advertising/promotion. This system of factors explicates 63% of the total variance, meaning the model well represents the reality studied.

The CSR factor is loaded with four variables: the firm's commitment to the local community, actions for environmental protection, product eco-making, and CSR implementation, and explains 36.26% of the total variance, evidence of its substantial impact on enterprise competitiveness. The results imply that the research hypothesis H1, corporate social responsibility is a major factor of business competitiveness, is confirmed.

Mann-Whitney U test serves to verify hypothesis H2. It is assumed p should be greater than the required significance level $\alpha=0.05$.

Two hypotheses are posited for the variables of education and gender, each:

H0: The distributions of variables affecting the significance of the business competitiveness factors are the same for the variable categories of education/gender.

H1: The distributions of variables affecting the significance of the particular business competitiveness factors are not the same for the variable categories of education/gender

H0 is rejected, and the alternative H1 is accepted for $p \leq \alpha$. Where $p > \alpha$, H0 is accepted. The results of Mann-Whitney U test are presented in Table 3.

Table 3. *The results of Mann-Whitney U test for variables influencing the significance levels of the particular business competitiveness factors in relation to gender and education*

Zero hypothesis for the variable category of education	Significance (p)	Accept/Reject the zero hypothesis	Zero hypothesis for the variable category of gender	Significance (p)	Accept/Reject the zero hypothesis
The distribution of the product brand variable is the same for the variable education	0.01	Reject	The distribution of the product brand variable is the same for the variable gender	0.15	Accept
The distribution of the advertising/ promotion variable is the same as the variable education	0.98	Accept	The distribution of the advertising/ promotion variable is the same for the variable gender	0.35	Accept
The distribution of the public relations variable is the same as the variable of education	0.72	Accept	The distribution of the public relations variable is the same as the variable of gender	0.15	Accept
The distribution of the enterprise image variable is the same for the variable education	0.65	Accept	The distribution of the enterprise image variable is the same for the variable gender	0.11	Accept
The distribution of the product price variable is the same for the variable education	0.40	Accept	The distribution of the product price variable is the same for the variable gender	0.03	Reject

The distribution of the quality of the product/ service variable is the same for the variable education	0.08	Accept	The distribution of the quality of the product/ service variable is the same for the variable gender	0.35	Accept
The distribution of the quality of the customer support variable is the same for the variable education	0.27	Accept	The distribution of the quality of customer support variable is the same for the variable gender	0.74	Accept
The distribution of the customer loyalty/ trust variable is the same for the variable education	0.51	Accept	The distribution of the customer loyalty/ trust variable is the same for the variable gender	0.96	Accept
The distribution of the customer satisfaction variable is the same for the variable education	0.46	Accept	The distribution of the customer satisfaction variable is the same for the variable of gender	0.09	Accept
The distribution of the product innovativeness variable is the same for the variable education	0.60	Accept	The distribution of the product innovativeness variable is the same for the variable gender	0.04	Reject
The distribution of the product availability variable is the same for the variable education	0.74	Accept	The distribution of the product availability variable is the same for the variable gender	0.13	Accept
The distribution of the product packaging attractiveness variable is the same for the variable education	0.37	Accept	The distribution of the product packaging attractiveness variable is the same for the variable gender	0.57	Accept
The distribution of the type of distribution channel variable is the same for the variable education	0.63	Accept	The distribution of the type of distribution channel variable is the same for the variable gender	0.83	Accept
The distribution of active presence in the social media variable is the same for the variable education	0.07	Accept	The distribution of active presence in social media variable is the same for the variable gender	0.75	Accept
The distribution of the attractive website variable is the same for the variable education	0.27	Accept	The distribution of the attractive website variable is the same for the variable gender	0.66	Accept
The distribution of sales using the e-commerce variable is the same for the variable education	0.25	Accept	The distribution of sales using the e-commerce variable is the same for the variable gender	0.43	Accept
The distribution of commitment to the local community variable is the same for the variable education	0.35	Accept	The distribution of commitment to the local community variable is the same for the variable gender	0.17	Accept
The distribution of actions for the environment protection variable is the same for the variable education	0.06	Accept	The distribution of actions for the environment protection variable is the same for the variable gender	0.06	Accept
The distribution of the product eco-marking variable is the same for the variable education	0.33	Accept	The distribution of the product eco-marking variable is the same for the variable gender	0.11	Accept
The distribution of the CSR implementation variable is the same for the variable education	0.87	Accept	The distribution of the CSR implementation variable is the same for the variable gender	0.14	Accept

Source: The authors' research.

The likelihood of the particular boundary values in Table 3 implies that the variables have no effect on the evaluation of the significance of enterprise competitiveness factors regarding education and gender. The results suggest the zero hypothesis needs to be rejected only for brand (the variable category of education) and product price and innovativeness (the variable category of gender). The zero hypothesis is accepted for all the other variables, which means education and gender fail to differentiate the evaluations of the significance of enterprise competitiveness factors, which corroborates the research hypothesis H2.

The results confirm that education and gender do not differentiate the significance of business competitiveness factors for several reasons. The Z generation individuals have comparable work experience and practical skills, which makes their perceptions of business competitiveness more universal. In addition, education systems tend towards standardization, which makes the level and extent of knowledge gained similar concerning genders. As a result, education doesn't differentiate the evaluation of competitiveness factors in any significant manner.

It should also be noted that contemporary businesses increasingly promote equality of opportunities and diversity, reducing the effect of traditional divisions, such as gender and education, on the perceptions of competitiveness. Young people attach more weight to factors like access to technologies, potential for quick development, or ecology, which are independent of gender or education.

DISCUSSION

The outcomes of critical literature review point out that authors focus on the competitiveness factors of manufacturing (e.g. Duda et al., 2021, Marakova et al., 2024) and, to a far lesser extent, service (e.g. Hung et al., 2021) enterprises and address these issues from the clients' perspective (e.g. Qian et al., 2023; Marakova et al., 2023).

Literature and research findings indicate that young consumers from Generation Z should be regarded as a distinct and unique group. They differ significantly from previous generations and are often described as highly

proficient with information and communication technologies. Gen Z is tech-savvy, deeply engaged with social media, which they use for gathering and sharing information, building networks, and making purchasing decisions. These consumers are vocal about their views, eager to express their opinions, and unafraid to highlight the importance of environmental, social, and ethical concerns.

Our survey of 332 Z generation representatives helps to distinguish four key factors of competitiveness: corporate social responsibility, quality, digitalization, and advertising/ promotion. These results reaffirm our conclusions from the literature review.

Research by A. Dewalska-Opitek and O. Witczak (2023) has shown, that Gen Z consumers are willing to engage in relationships with companies having a proactive attitude by showing online group affiliation, providing feedback and positive word-of-mouth recommending brands and companies to other consumers. The results of the research made it possible to identify key relationship dimensions that the surveyed young consumers value most. These include: (a) product-related aspects such as innovativeness, technological advancement, and overall quality; (b) communication and information delivery, which should be tailored and on-demand rather than overwhelming or excessive; (c) brand or company attributes, including commitment, credibility, reliability, and responsiveness to environmental, social, and ethical issues; and (d) peer-related influences, where influencers and members of reference groups significantly shape the attitudes and behaviors of Generation Z.

Y.T. Tan et al. (2023) research among representatives of Generation Z showed that service robots, social media, online advertisements, website experiences, and brand love demonstrated a significant impact on the restaurant industry's competitiveness among Gen Z consumers.

W. Xuetong et al. (2023) on the impact of corporate social responsibility on the stable competitive advantage of businesses have proved that companies that engage in CSR activities are likely to have a better reputation, which in turn enhances their competitive advantage. Similarly, companies that engage in CSR activities and prioritize environmental sustainability benefit both their bottom line and society. A study in Pakistan (Sohail et al., 2020) also points to a significant positive relationship between corporate social responsibility

and competitive advantage in the respondents' opinion. M. M. Raza and D. A. Siddiqui (2024) have published results showing CSR has a significant positive effect on financial performance, intellectual capital, and competitive advantage, whereas financial performance has a negative, insignificant effect on intellectual capital, while it has a positive, significant effect on competitive advantage. Likewise, CSR has a positive significant effect on competitive advantage, while it has a negative insignificant effect on intellectual capital with the mediation of financial performance. It's also noted that investment in eco-friendly technologies and practices would improve a firm's reputation.

Research by M. Majchrzak, M. Klemke-Pitek (2022) has shown a positive dependence between an enterprise's advantage and its environmental protection activities, including the use of renewable energy sources, improvement of energy efficiency of buildings, limiting the use of materials and raw materials in production, and introduction of innovative waste management systems. Gonzales-Rodrigues and Dias-Fernandes (2020) stress that customers' perception of a company's green activities becomes a decisive factor in achieving sustainable competitive advantage.

M. Shehadeh et al. (2023) reveal that digital transformation not only influences competitive advantage but also affects entrepreneurial orientation. Entrepreneurial orientation significantly mediates the relationship between digital transformation and competitive advantage. In addition, innovation capabilities moderate the relationship between digital transformation, competitive advantage, and entrepreneurial orientation. S. Xiaoning et al. (2024) have demonstrated that digital transformation has a positive effect on the competitiveness of manufacturing enterprises, with a 1% rise in the transformation responsible for a 0.015% growth in competitiveness. This is enabled by higher productivity, R&D intensity, and the human capital of companies.

J. Moreno-Gómez et al. (2023) studied the use and impact of marketing strategies on the competitiveness of small and medium-sized Colombian businesses. They have reaffirmed that the adoption of marketing communications strategies and marketing innovations positively impacts SMEs' competitiveness. Results indicate that the better perceptions of the use of unique resources and capabilities, the greater SMEs' competitiveness.

An international study (Marakova et al., 2023) in Poland and Slovakia showed the country (location of research) is a major differentiating factor determining competitiveness from the consumers' perspective. Only the factor 'product quality' is identical for each group investigated. The Slovakian respondents named the following determinants of enterprise competitiveness: advertising, public relations, and matching of product structure to the structure of consumer demand. Meanwhile, the Polish respondents indicated the following factors: product brand, public relations, image of enterprises, product pricing, matching of product structure to the structure of consumer demand, and the implementation of CSR.

(Duralia, 2022) points out that, on a competitive market, the correlation between consumer brand trust and brand market share is direct and strong. The way businesses communicate with present and future customers affects the latter's buying decisions. Competitive position involves multi-channel communication using both offline and online, traditional and unconventional channels. In addition, consumers tend to choose products or brands with which they believe they identify in terms of personality traits, attributing to the brand the same traits as they perceive for themselves.

In 2021, Kožena and Mlázovský surveyed 182 managers of B2B and B2C enterprises on competitiveness in the context of consumer behaviour and sustainable development. The findings stress that neither customer satisfaction nor the application of sustainability is a direct key factor of corporate competitiveness, thus, there is a significant indirect connection. Innovation potential is important for the going concern principle due to the increasing stakeholders' pressure on the inclusion of CSR into common business activities. Furthermore, the innovation potential is also important to satisfying consumer needs, even though these are mainly connected to the functional customer value. Thus, Czech (and mostly all Central European) consumers are focused on saving attributes more than environmental or social attitudes.

Literature offers some research into the effect of demographic and social characteristics on consumers' purchasing decisions (e.g. Slabá, 2019, Wolak-Tuzimek et al., 2023), but few authors concentrate on the consumers' perception of competitiveness factors (including Chan et al., 2021; Le, 2022; Wolak-Tuzimek, 2023).

Research results obtained conform to or are similar to those reported by other authors. They provide a more detailed and contextualized focus on the significance of the particular competitiveness factors for Z-generation consumers.

CONCLUSIONS

Business competitiveness from the perspective of the Z generation arises from a comprehensive approach where traditional factors of success, such as the quality of products and services, must be supplemented with modern values suited to current realities.

Corporate Social Responsibility (CSR) is a factor that distinguishes the perception of competitiveness by younger generations. Firms actively committed to pro-ecological actions, care for work ethics, and social justice not only win customer loyalty but also contribute to their long-term positive image. The Z generation is especially sensitive to environmental protection and social equality issues, therefore, enterprises must adapt their CSR strategies to meet these expectations.

The original authors' research results revealed that Z generation members regard four key factors as crucial to business competitiveness, i.e., corporate social responsibility, quality, digitalization, and promotion. Thus, our research corroborates hypothesis H1 that corporate social responsibility is a major factor in business competitiveness.

Contemporary young people are aware of environmental issues and prefer brands from businesses committed to pro-social and environmental activities. According to the results of Mann-Whitney U test, Z-generation individuals, regardless of their education or gender, perceive business competitiveness factors in the same way, which confirms hypothesis H2: education and gender do not affect the differentiation of the significance of business competitiveness factors in the view of the Z generation.

Research results imply recommendations for business managers on identifying key factors of business competitiveness from the viewpoint of the Z generation. Managers should pay special attention to social and environmental issues in their development strategies since young people place great importance on

sustainable development, ethics, and diversity. Businesses becoming part of this trend gain recognition and are perceived as more competitive.

The presented study has some limitations that should be taken into account when interpreting the results. First of all, the study is of a pilot nature and aims to verify the correct selection of the research tool and requires an increase in the size of the research sample so that the results obtained can better reflect the real relationships and be generalized to the wider population. Therefore, future studies will expand the research sample and the territorial scope of the study, allowing results to be compared between different regions and potential contextual differences to be captured. Such an approach will allow for obtaining a more complexity of the analyzed phenomenon and increase the credibility and managerial implications of the conclusions.

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