Understanding Gen Z's Mobile Plan Preferences: Adoption, Retention, and the Role of Flexibility

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Abstract

The mobile telecommunications market has experienced significant growth over the past decades. This huge growth driven by technological advancement, reflects the market's significance in daily life and impact on society. Generation Z (Gen Z), the generation currently entering or recently having entered adulthood is the first fully digital-native generation. Understanding this generation's behavior is essential for businesses in order to gain a competitive advantage in today's fast-evolving market. This study therefore examines the key factors influencing Gen Z's adoption and retention of flexible mobile plans, focusing on the German telecommunications market.

Using a quantitative research approach, an online survey was conducted to collect primary data. The survey gathered insights into Gen Z's preferences regarding mobile plans as well as customer retention factors. The analysis employed independent samples t-tests as well as regression models to compare Gen Z's preferences with those of preceding generations and identify key determinants of adoption and retention.

The results highlight that price and data volume are the most significant factors driving Gen Z's mobile plan choices**,** with data volume being particularly critical compared to previous generations. Additionally, while Gen Z values flexibility, their adoption of flexible mobile plans is only moderately high, suggesting that other factors play a role in their decision-making. In terms of retention, price is the primary driver of switching intention**,** whereas traditional service quality factors such as network coverage, innovation, and customer care have minimal impact on customer loyalty.

Keywords: Gen Z, mobile telecommunications, (flexible) mobile plans, mobile service providers, consumer preferences, retention, price sensitivity, data volume, switching behavior

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Resumo

O mercado das telecomunicações móveis tem crescido significativamente nas últimas décadas, impulsionado pelos avanços tecnológicos. A GenZ, primeira geração totalmente nativa digital, está agora a entrar na idade adulta, o que a torna um grupo de consumidores único e crucial. Compreender o seu comportamento é fundamental para as empresas que procuram uma vantagem competitiva no mercado atual em rápida evolução.

Este estudo examina os factores que influenciam a adoção e a retenção de planos de telecomunicações móveis flexíveis, por parte da Geração Z, no mercado alemão. Utilizando uma abordagem quantitativa através de um inquérito online, recolheram-se dados sobre as preferências da GenZ relativamente a planos de telecomunicações móveis e aos factores de fidelização. Foram utilizados testes de amostras independentes e modelos de regressão para comparar as preferências da GenZ com as das gerações anteriores e identificar os principais factores determinantes da adoção e da retenção.

As conclusões revelam que o preço e o volume de dados são os factores mais determinantes das escolhas de planos móveis da GenZ, sendo o volume de dados especialmente crítico em comparação com as gerações mais velhas. Embora a GenZ valorize flexibilidade, a sua adoção de planos flexíveis continua a ser apenas moderadamente elevada, sugerindo que outros factores têm influência. No que diz respeito à fidelização, o preço é o principal factor que leva à intenção de mudança, enquanto os factores de qualidade do serviço, como a cobertura de rede, a inovação e o atendimento ao cliente, têm um impacto mínimo na fidelização dos clientes.

Palavras-chave: Geração Z, telecomunicações móveis, planos móveis (flexíveis), fornecedores de serviços móveis, preferências dos consumidores, retenção, sensibilidade ao preço, volume de dados, comportamento de mudança

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1. Introduction

The mobile telecommunications market has become a very important market for modern society, with more than 9.1 billion smartphone mobile network subscriptions recorded worldwide in 2024 (Statista, 2025c). The industry's rapid growth over the past three decades, driven by technological advancements and increasing global connectivity, reflects its growing significance in daily life. Numbers clearly demonstrate the market's huge growth in the last 30 years: While in 1993, mobile subscriptions were a mere 34 million, the market has now grown to over 9.1 billion, even surpassing the global population (Statista, 2025c). This development had a profound impact on society in general, particularly on Generation Z (Gen Z) – the cohort born between the mid-1990s and early 2010s – who grew up in the midst of these technological advancements (Smith, 2019; Pichler et al., 2021). As mobile telecommunications continue to shape global communication and consumer behavior, understanding the factors that drive consumer preferences and retention has become increasingly important for mobile service providers. In particular, Gen Z is emerging as a critical segment for mobile service providers. Gen Z currently represents approximately 17.36% of the European population (around 129 million individuals) (Statista, 2024c), making them a large demographic group, currently entering or recently having entered adulthood. As digital natives, this generation grew up immersed in technological advancements, which have fundamentally shaped their preferences, behaviors, and expectations. Understanding Gen Z's unique consumer behavior is essential for businesses seeking to gain a competitive advantage in today's fast-evolving mobile market (Pichler et al., 2021). The mobile telecommunications landscape has seen a significant shift toward flexible mobile plans, driven by consumers' increasing demand for autonomy and customization in their service options. Previous research indicates that consumers value contract flexibility and are willing to pay a premium for mobile plans that allow them to cancel their contracts with shorter notice (Confraria et al., 2017). As traditional long-term contracts give way to more consumer-friendly options, mobile network providers in Germany have responded by offering more flexible plans through secondary brands such as Fraenk and SIMon mobile, which cater to consumers seeking greater control over their service plans. Despite the growing popularity of flexible plans, the factors that drive Gen Z's adoption and retention of mobile plans remain underexplored in academic literature. While previous research has focused on consumer preferences in general, there is a gap in understanding how flexibility and other key drivers, specifically influence Gen Z's decisions in the mobile telecommunications market

(Pichler et al., 2021) and how this generation differs from preceding ones. Given that customer retention is crucial for long-term profitability in high-technology markets (Farrell & Klemperer, 2007, as cited in Maicas et al., 2009), it is crucial to identify the preferences that not only attract Gen Z consumers to mobile services but also encourage them to remain loyal customers.

1.1 Research Problem and Objectives

This dissertation seeks to address these gaps by investigating the key factors that influence Gen Z's adoption and retention of flexible mobile plans. By focusing on the German telecommunication market, which has its own economic and regulatory environment, this study aims to provide valuable insights for mobile service providers looking to tailor their offerings to meet the evolving expectations of this important consumer segment. Specifically, this research examines whether contract flexibility is a significant factor in Gen Z's decision-making process and explores other preferences that contribute to their adoption and retention as customers. Given the forecasted stagnating growth of mobile subscriptions worldwide (Statista, 2024a), understanding these drivers is essential for service providers seeking to differentiate themselves and maintain a competitive advantage in a rapidly evolving market. Therefore, the problem that this thesis strives to understand, is what the key preferences of Gen Z are, that drive their adoption of (flexible) mobile plans and that lead to longer retention of the generation as loyal customers, and how those differ from preceding generations.

1.2 Research Questions

Based on what was previously said, this thesis aims to provide an answer to the following research questions:

Research Question 1: (How) does (contract) flexibility impact the adoption and retention of mobile plans for Gen Z?

Research Question 2: What other key preferences influence Gen Z's choice of mobile plans (compared to preceding generations)?

Research Question 3: Which factors influence Gen Z's retention of mobile plans?

In order to address these research questions the thesis is structured into six chapters. The next (second) chapter reviews the existing literature about Gen Z as well as consumer preferences concerning mobile plan choice and retention. The third chapter details the methodology employed to conduct the research. The study was a quantitative study, testing hypotheses

previously developed based on the literature review. Chapter four describes the data analysis and presents the results obtained from the conducted survey, testing the hypotheses formulated in chapter two. The fifth chapter answers the research questions, discusses the results and relates them to previous studies, presents academic and managerial implications, as well as the study's limitations and suggestions for future research, and is lastly followed by a brief conclusion.

2. Literature Review

2.1 Gen Z

Parry and Urwin (2011) define a generation as the following: "A set of historical events and related cultural phenomena have impacted in a way that creates a distinct generational group. The identification of a generation requires some form of social 'proximity' to shared events or cultural phenomena." Our society gives different generations different names, suggesting differences between the different age groups. Previous research examining technology adoption decisions could verify, that at least in the case of technology adoption decisions, age does matter (Morris & Venkatesh, 2000).

2.1.1 The First Fully Digital-Native Generation

Generation Z, commonly referred to as Gen Z, represents a unique demographic group in the context of consumer behavior. As the first fully digital-native generation, Gen Z has grown up in an era defined by constant connectivity, smartphones, and the internet, distinguishing them from previous generations. Born roughly between the mid-1990s and 2010, this cohort has been exposed to technology from an early age, and their formative years have been shaped by instant access to information and social media (Smith, 2019; Francis & Hoefel, 2018). While there is no absolute consensus on the precise birth years of Gen Z (Iorgulescu, 2016), the definition used in this study aligns with that of McKinsey, which defines Gen Z as those born from 1995 to 2010 (Francis & Hoefel, 2018).

Gen Z's distinct characteristics can be attributed to the historical events and cultural phenomena they have collectively experienced. According to research, each generation is shaped by defining events in areas such as politics, technology, culture, and economics, which create shared values among its members (Mannheim, 1952, as cited in Pichler et al., 2021). For Gen Z, the rapid technological advancements during their upbringing have profoundly influenced their behavior and values, differentiating them from prior generations (Pichler et al., 2021). The

continuous presence of technology in their lives, from childhood to adulthood, has led to significant shifts in youth behaviors, attitudes and lifestyles (Dimock, 2019).

Compared to preceding generations, who had to adapt to the rise of social media and mobile systems, Gen Z was born into a world where instant connectivity and digital communication were already the norm (Dimock, 2019). This generation therefore has been deeply impacted by the internet and mobile technologies, with digital platforms playing a central role in their daily activities, including communication, entertainment, and learning (Seemiller & Grace, 2016). The omnipresence of technology has led to behavioral differences that distinguish them from earlier generations, with just one example being that Gen Z tends to be more individualistic in their learning and interpersonal interactions, preferring to communicate and socialize through digital means rather than face-to-face (Chicca & Shellenbarger, 2018; Twenge, 2017).

2.1.2 Gen Z as Consumers

Given these insights, it is evident that Generation Z presents a significant challenge for marketing in the future. This generation behaves differently as consumers, prioritizing innovation and displaying distinctive consumption patterns. For example, in the context of retail, the consumers belonging to this generation expect "new devices and electronic processes to be widely available, thus offering consumers more autonomy and faster transactions" (Priporas et al., 2017). Gen Z demonstrates higher levels of openness to change and self-enhancement than previous generations. They exhibit more positive attitudes toward flexible learning environments (Harari et al., 2023), with this desire for flexibility also influencing their expectations in the workplace (Chillakuri, 2020). This generation is particularly concerned about the uncertainty of the future (Azimi et al., 2022), which likely contributes to their preference for flexibility in the form of adaptable services and products. In line with this, Weinberger et al. (2017) highlight that young adults go through a transitory, experimental phase before settling down, characterized by intense variety-seeking.

2.2 Consumer Preferences for Mobile Plan Choice

Understanding consumer preferences when selecting mobile plans is essential for service providers aiming to tailor their offerings to meet customer needs. Prior research highlights several key factors that significantly influence consumer decision-making in the mobile telecommunications market.

2.2.1 Network Factors

One of the most critical features influencing the brand image and customer value of mobile communication services is network quality. This encompasses the network coverage, as well as speed, the clarity of voice reproduction and the reliability of the connection, with customers placing high importance on uninterrupted service without connection breakdowns (Dey et al., 2020; Sree et al., 2024; Gerpott et al., 2001; Confraria et al., 2017). The extensive use of smartphones and the growing number of people subscribing to high-speed data networks indicate a future in which customers will rely increasingly on Internet-mediated services and facilities, indicating that customers will likely place a higher value on other features such as data network coverage and the speed of Internet access (Dey et al., 2020). Considering these findings, as well as current statistics illustrating how the monthly data volume consumption has more than doubled in the years between 2020 until 2023 alone (Statista, 2024b), it becomes evident consumers have to consider mobile data volume as an important factor when making the choice which mobile plan to use. Current statistics show that in Germany, Gen Z leads mobile internet usage with 95% (Statista, 2025a), which suggests that data volume is more critical to them than to previous generations.

Relating these findings to the previous section about Gen Z, we propose the following:

Hypothesis 1a: Good network coverage is an important criterium for Gen Z when choosing a mobile plan.

Hypothesis 1b: Mobile data volume matters more for Gen Z's mobile plan choice, than for preceding generations.

2.2.2 Price

Price is another factor that plays a central role in determining which mobile plans consumers opt for (Alshurideh, 2016). Venkatesh et al. (2012) found that price value, defined as "consumers' cognitive tradeoff between the perceived benefits of the applications and the monetary cost for using them" has a significant impact on behavioral intention. When the price value is positive, meaning the perceived benefits are greater than the monetary cost, consumers' behavioral intention to use a certain technology increases. In line with this concept of price value, it could be found, that consumers are willing to pay a premium to reduce contract commitment periods and gain access to larger network sizes (Confraria et al., 2017), indicating that the benefit consumers derive from those shorter commitment periods and larger networks

is greater, than the price they have to pay for them. However, the increasing complexity of pricing structures in the mobile telecommunications market can lead to choice overload and consumer confusion. The use of multipart tariffs, which involve various price points for different levels of usage, can make it difficult for consumers to identify the best plan for their needs (Friesen & Earl, 2015). As a result, consumers often make suboptimal choices, opting for plans that either do not fully match their usage patterns or are more expensive than necessary. Simpler pricing models are therefore seen as more favorable, particularly for consumers who seek to avoid the stress of navigating complex tariff systems (Earl et al., 2019). Hence, it does not come as a surprise, that academic research points to the increasing demand for simplicity in choosing mobile plans. As competition intensifies in the market, the overwhelming number of options available can create decision fatigue among consumers. Earl et al. (2019) highlight that when faced with choice overload, many consumers find it difficult to select the most appropriate plan. In this context, plans that offer simple and transparent pricing and are easier to understand are more likely to appeal to consumers.

Looking at current reports from the German Federal Employment Agency, it is possible to identify a significantly lower median salary for those under 25 (a large part of Gen Z), who often do not yet have an (academic) degree or many years of work experience (Bundesagentur für Arbeit, 2024), suggesting younger people have less money to dispose of and might therefore care more about the price of their mobile plan. Hence, we hypothesize:

Hypothesis 1c: Price is a more important variable for Gen Z's choice of mobile plan than for preceding generations.

2.2.3 Flexibility

With price being an important factor considered for the choice of mobile plans, Confraria et al.'s (2017) findings that consumers are willing to pay an additional 1.30 € per month in order to reduce the commitment period from one year to six months illustrates that flexibility is highly valued by consumers. This in turn is in line with social sciences literature highlighting the importance of flexibility as being one of the most important factors to achieve distinction in the domains of digital and access-based consumption in the contemporary marketplace (Eckhardt & Bardhi, 2020). According to Mimoun and Bardhi (2022) there is a rise of a marketplace ideology of flexibility and a liquification of society taking place. Eckhardt and Bardhi (2020) define liquid modernity as "the contemporary era of modernity – where social structures are no longer stable or long term", in which flexibility becomes a highly valued and demanded asset

(Bardhi & Eckhardt, 2017; Mimoun & Bardhi, 2022), with stability and commitment feared (Bauman, 2000, as cited in Mimoun & Bardhi, 2022). Based on this idea of a liquid modernity Bardhi and Eckhardt (2017) define the concept of liquid consumption as "ephemeral, access based and dematerialized" and "a consumption orientation around values of flexibility, adaptability, fluidity, lightness, detachment, and speed" with the benefit of this kind of consumption being characterized by use value. Following this classification, it becomes evident how important it is for mobile plans to be flexible and adaptable in terms of what consumers need. Examples of such flexibility could be a contractual break (pausing the contract for a certain amount of time), having the possibility to adapt the amount of available data per month to ones' needs, or eventually cancelling the contract without a long notice period.

One of the defining characteristics of Gen Z is their strong attraction to online purchasing and personalized products (Smith, 2019), which suggests that a mobile plan offering adaptability to personal needs, that can be purchased and managed digitally could be crucial for them. Based on these findings, as well as the previously mentioned findings related to Gen Z's preference for flexibility in several parts of their lives, it seems reasonable to expect members of this generation, who are currently in this transitory, experimental phase, to prefer variety and adaptability in their mobile plans. We expect them to be less inclined to commit to long-term contracts, which could restrict their ability to experience diverse options. We therefore propose the following:

Hypothesis 2a: Gen Z consumers value flexibility more than preceding (older) generations.

Hypothesis 2b: Gen Z's preference for flexibility has a positive impact on the adoption intention of flexible mobile plans.

Hypothesis 2c: Gen Z is more likely to adopt a flexible mobile plan than preceding generations.

2.3 Factors Affecting the Switching Intention/ Retention of Mobile Plans

The telecommunications industry is characterized by intense competition and high churn rates (Ribeiro et al., 2024). Consequently, retention and switching behavior in the mobile telecommunications industry are key concerns for service providers, as maintaining long-term customer relationships is crucial for business success in competitive markets such as the telecommunications market. Once a customer is acquired and connected to a network, keeping them loyal to the provider becomes more important than it might be in other industries (Wilfert,

1999; Gerpott, 1998; Knauer, 1998, as cited in Gerpott et al., 2001). Several studies found a significant influence of customer satisfaction on customer loyalty and retention (Ribeiro et al., 2024; Díaz, 2017; Gerpott et al., 2001), which is why in the following, factors that were identified as having a significant impact on customer satisfaction will also be considered to have an impact on retention.

2.3.1 Switching Costs

A factor often identified for having a significant negative impact on consumers' intention to switch are the switching costs associated with the industry (Ribeiro et al., 2024; Alshurideh, 2016; Dey et al., 2020). In the past, these costs – whether financial or due to inconvenience – have often discouraged consumers from switching providers, even when potentially better options were available (Farrell & Klemperer, 2007, as cited in Confraria et al., 2017). Contrary to many other previous studies, Dey et al. (2020) could not verify switching barriers and costs to have a significant influence on switching intention, a potential explanation for this being consumers these days are substantially more empowered through access to Internet-based and communal networks. Consequently, "they are able to minimize perceived risks and are less likely to have tension and uncertainties regarding opportunity costs, product/price deals, etc." (Dey et al., 2020), which is why switching costs will not be considered as relevant in this study.

2.3.2 Price

Besides switching costs, prior research also identifies price as a factor that plays an important role for customer retention, more precisely the perception that the prices charged by the provider are fair in comparison to other available options (Gerpott et al., 2001). Generally prices are a large determinant of customer satisfaction and thereby customer retention in telecommunication services (Abdullah et al., 2022) and price changes can lead to the consumer to switch (Aslam & Frooghi, 2018). Jin (2022) found out that when consumers do not choose the optimal plan (meaning they have larger or smaller allowance than needed), they try to reduce overspending by switching to a different plan or even a competing operator. A similar finding emerged from Ribeiro et al. (2024)'s research, which states that several studies identified the monthly billing amount as a predictor of churn, in other words "the higher the monthly expenditure, the higher the probability of churn." In line with this finding, customers with discounted tariffs have a lower tendency to cancel their mobile contracts (Gerpott & Meinert, 2018). Second, customers' sense of the personal benefit they receive from mobile services plays a significant role (Gerpott

et al., 2001). Relating these findings to the previously mentioned lower median salary of younger people, we propose the following:

Hypothesis 3a: Price significantly impacts Gen Z's switching intentions.

2.3.3 Network Coverage and Quality

Several previously conducted studies could identify network coverage and quality as having an influence on customers' switching intention or retention (e.g. Dey et al., 2020; Gerpott et al., 2001). Both, the reliability of network coverage, as well as the call and text quality influence customer satisfaction and thereby also customers' switching intention (Dey et al., 2020). Furthermore, Sree et al. (2024) found that a crucial determinant of mobile service satisfaction specifically of Gen Z is network coverage. We therefore state the following hypotheses:

Hypothesis 3b: Network Coverage plays a significant role in retaining Gen Z customers.

Hypothesis 3c: High network quality positively impacts customer retention among Gen Z mobile users.

2.3.4 Speed

Related to network coverage and quality, Dey et al. (2020) identified speed as a significant factor influencing customer satisfaction and switching intention. In 2024, 5G already accounted for 49% of all mobile connections in Germany and is forecast to account for 94% of all mobile data connections in Germany by 2030 (Statista, 2025b), indicating speed is becoming increasingly important to consumers. With this inception of first 4G and now even 5G technology, as well as the rapid proliferation of smartphones, Internet-based voice and video calls, messaging, social media and video streaming are increasingly being utilized, and are projected to become even more significant in the future. Consequently, there will be a even greater demand for and a greater emphasis on speed compared to other features (Dey et al., 2020). Furthermore, with speed being another important factor for the consumer value of "liquid consumption" (Bardhi & Eckhardt, 2017), it becomes evident that the network being stable and fast is of great importance for cell service providers. Keeping in mind that Gen Z leads mobile internet usage, it comes as no surprise, that data speed was identified as a crucial determinant of mobile service satisfaction of Gen Z (Sree et al., 2024). Thus, we hypothesize:

Hypothesis 3d: Internet Speed plays a significant role in the retention of Gen Z.

2.3.5 Innovation

When customers perceive that the service meets their needs effectively – whether that means fast, seamless communication or easy access to information – they are more likely to remain with the provider (Abdullah et al., 2022; Gerpott et al., 2001). This suggests that providers who continually innovate and improve core services can strengthen customer retention.

When customers perceive their provider as innovative, they are less likely to switch, even if they encounter minor issues with service, meaning even when minor service disruptions occur, the promise of new, attractive features can keep customers loyal. Calvo-Porral et al. (2017) identified the availability of attractive alternatives as the main switching barrier. Therefore, providers should switch resources to customer retention through improved service quality (Calvo-Porral et al., 2017), by consistently introducing new technologies, devices, or services in order to reduce customer churn by keeping their offerings fresh and attractive (Malhotra & Kubowicz Malhotra, 2013). Ultimately, innovation – whether in the form of new services, improved functionality, or upgraded phones – acts as a powerful tool for retention. Accordingly, providers who invest in creating new services that resonate with consumers' evolving preferences can sustain their competitive edge in a market where switching barriers are gradually being lowered (Malhotra & Kubowicz Malhotra, 2013). Especially with Gen Z being in the previously mentioned transitory, experimental phase in their lives, it seems reasonable for them to being interested in trying out innovations and we therefore propose:

Hypothesis 3e: Innovation (in the form of new services or improved functionality) has a positive impact on the retention of Gen Z consumers.

2.3.6 Customer Care

Another key driver of customer value in mobile services is customer care (Dey et al., 2020; Díaz, 2017). This refers to the quality of interactions between the service provider and the consumer. Effective customer care includes responsive and informative support for customer inquiries, whether they occur via telephone or other platforms. Moreover, proactive customer service, such as information on plans, service updates, timely invoicing and billing clarity also influences customer satisfaction (Sree et al., 2024; Díaz, 2017). The importance of customer care is tied to the overall perceived benefit that consumers feel they derive from their mobile services, which ultimately shapes their loyalty and retention rates (Gerpott et al., 2001). Related to this Gao et al. (2023) observed that mobile customers affective experience has a positive impact on customer retention. Thus, we hypothesize:

Hypothesis 3f: Customer care quality plays a significant role in retaining Gen Z as customers.

2.3.7 Lock-in

Minimum contract durations, "hard lock-in", are generally found to successfully reduce churn (Becker et al., 2015; Gao et al., 2023), but they can backfire if customers feel trapped by long-term commitments. Instead of fostering loyalty, by "locking them in" for a certain time period, it can do the exact opposite and increase their desire to switch once the contract ends (Malhotra & Kubowicz Malhotra, 2013). In order to convince customers to commit to long-term contracts, companies typically provide certain incentives, which impairs the positive effect of minimum contract durations. Becker et al. (2015) found that a substantial number of customers commit to such a contract, receive the incentives and only stay for the minimum contract duration, canceling the contract as soon as possible. This behavior neither facilitates the development of long-term customer relationships nor does it enhance profitability. Moreover, the positive impact of lock-in is primarily of importance when the customer experience is poor. The effect is significantly reduced when the customer experience is enhanced and reaches an "acceptable level". At this point, the impact of lock-in is rendered inconsequential (Gao et al., 2023). Thus, we hypothesize:

Hypothesis 4a: Contract flexibility negatively influences the switching intention of mobile plan customers within Gen Z.

Relating the findings of Malhotra and Kubowicz Malhotra (2013) that "lock-in" actually can lead to an increased desire to switch provider once the minimum contract duration is over, to the previously mentioned desire of flexibility of Gen Z, it seems reasonable to expect that customers who feel locked in by their current contract are more likely to adopt a flexible mobile plan (without a minimum contract duration) once their current contract ends.

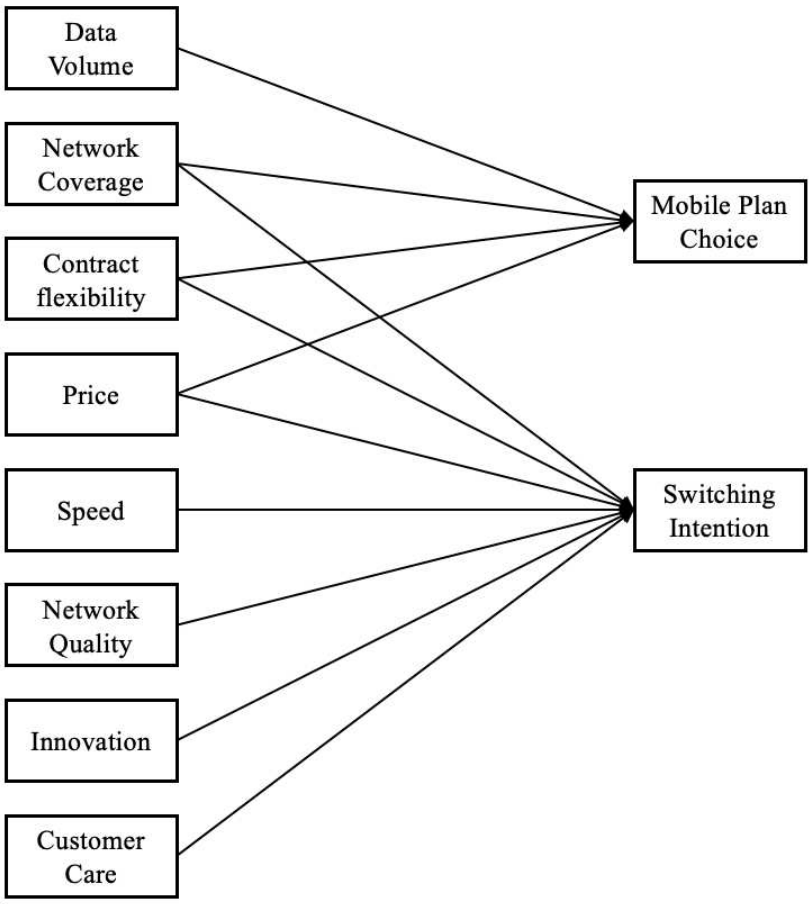
Hypothesis 4b: Contract flexibility negatively influences Gen Z's adoption intention of a flexible mobile plan.

2.3.8 Switching Intentions of Gen Z vs. Preceding Generations

Research by Gao et al. (2022) and Jin (2022) reveals that the likelihood of customer churn decreases with increased seniority. This would lead to the belief, that Gen Z consumers are more likely to switch mobile plans. On the other hand, studies like that of Ribeiro et al. (2024) demonstrate that high monthly data usage reduces churn rates, a result further confirmed by

Gerpott and Meinert (2018). As previously mentioned, Gen Z consumers lead mobile internet usage, which in turn would imply lower churn rates than for preceding generations. Aslam & Frooghi (2018) emphasize the role of inconvenience in young adults' behavior, showing that higher levels of inconvenience significantly increase the likelihood of network switching. They also found that competitor attraction plays a significant role in prompting young adults to switch service providers. Based on these findings as well as those findings presented in the preceding section, we propose:

Hypothesis 5: Switching intention varies significantly between Gen Z and preceding generations.



3. Methodology

This study employed a quantitative approach to investigate Gen Z's preferences concerning flexible mobile plans. Building on the previously conducted literature review in which first

insights were gained and then hypotheses were developed on that basis, the conducted study aimed to characterize both the demographics and mobile plan preferences of this cohort.

3.1 Data Collection

Data was gathered through an online questionnaire which can be found in Appendix 1. It was published via Qualtrics between November 23rd and November 30th 2024. The survey was designed to be concise, with respondents taking on average 7 minutes to complete it, to minimize respondent fatigue and maximize clarity. Additionally, efforts were made to ensure validity by minimizing ambiguous or imprecise language and avoiding assumptions that could skew responses to ensure reliability. The survey involved the collection of key demographic information (age, gender, occupation, income) as well as perceptions of mobile plans through various closed questions, including single-choice items and five-point Likert scales. The Likert scale, which ranged from "totally disagree" (1) to "totally agree" (5), enabled respondents to express varying degrees of agreement. As the choice was forced and there was no “no opinion” option, it carries the risk of participants marking the middle scale position (i.e., respondents might select "neutral" too frequently) (Malhotra et al., 2020). To ensure accessibility and avoid language barriers, respondents could choose whether they wanted to complete the questionnaire in either German or English. Participation was restricted to German residents above 18 years of age who owned a mobile phone, ensuring that only individuals who are of legal age and, therefore can sign contracts, were included. Given the young generation’s familiarity with digital tools, an online survey was deemed the most appropriate method to efficiently capture preferences on flexible mobile plans. Moreover, the online survey was selected due to its time- and cost-effectiveness. The survey was spread via social media platforms like Instagram and WhatsApp first, and later on it was also published on prolific to gain some additional responses. An online format provided direct access to participants and reduced survey costs, although challenges such as lower response rates and limited control over respondent identity were noted. A convenience sampling method was employed, targeting Gen Z population via the mentioned online channels. This nonprobability sampling approach, as explained by Malhotra et al. (2020), is a cost- and time-efficient method, although it may not yield a fully representative sample due to selection bias. While convenience sampling is limited in its representativeness and generalizability, it allowed for the timely and feasible collection of data directly relevant to the research question. We aimed for a sample size of 250 respondents, balancing feasibility with the need for sufficient data to conduct meaningful analyses.

3.2 Data Analysis

For the analysis of the collected data, initial preparation involved checking responses for completeness and consistency, specifically by identifying and excluding any responses with incomplete data as well as outliers through case wise deletion. This ensured that only fully completed questionnaires contributed to the analysis and potential data inconsistencies were minimized, helping to maintain dataset integrity. The data was then analyzed using SPSS.

Several statistical methods were applied to address the research questions and objectives. Independent sample t-tests were conducted to examine any significant differences in contract flexibility preferences between Gen Z and other generations. To investigate the relationships between the independent variables (data volume, network coverage, price, contract flexibility, innovation, network quality, speed, customer service) and the dependent variables adoption intention and switching intention, regression analyses were conducted. This combination of analyses allowed for a comprehensive exploration of the factors influencing Gen Z's mobile plan preferences and to compare Gen Z's preferences and behaviors to those of preceding generations.

3.3 Reliability and Validity Measures

To enhance reliability and validity, the questionnaire was carefully constructed using mostly previously tested scales with high reliability (see Table 1 below). In order to make sure ambiguous or imprecise language was avoided and the survey was designed in a comprehensive way, pretesting was done with five individuals of whom four were part of Gen Z. These measures, alongside the data cleaning, supported the overall reliability and validity of the analysis.

While acknowledging that convenience sampling introduces some limitations, the study's methodological framework nonetheless provides a reliable foundation for understanding the targeted preferences within Gen Z. This approach is expected to yield meaningful insights that reflect the overall trends within this cohort, even if findings cannot be generalized across the entire population.

Table 1

Measures for Operationalizing the Research Dimensions

Construct	**Cronbach's alpha (previous studies)**	**Items/ Measures Description**	**Measures References (adapted from)**
Contract Flexibility (all items used for Adoption Intention, wording of CF5 and CF6 was adapted in the questionnaire)	CI=11.1, VIF <1.3 Cronbach's alpha n/a	CF1: I don't like the idea of committing myself to a provider for a long time. CF2: I like to try different providers and products. CF3: When I have the choice, I would prefer a new product over a product I already know. CF4: I prefer to use a pre-paid cell phone for private use.	Becker et al., 2015
(Items used for Switching Intention)	Cronbach's alpha > 0.9 Cronbach's alpha > 0.9	*CF5: My mobile service provider lets me change/upgrade my service plan easily.* *CF6: My mobile service provider has an unreasonable length of contract.*	Malhotra & Kubowicz Malhotra, 2013 → adapted (mixed several scales from two authors)
Network Coverage (all items used for Switching Intention) ***(Items used for Adoption Intention, wording adapted)***	Cronbach's alpha 0.909	*NC1: I have good network coverage everywhere I go with my current mobile network provider.* *NC2: I have good indoor network coverage with my current mobile network provider.* NC3: I have reliable network coverage with my current mobile network provider.	Dey et al., 2020
Mobile Data Volume (Adoption Intention)	Cronbach's alpha 0.91	WSC1: The mobile plan has an ideal amount (in terms of GB) of mobile data. WSC2: The mobile data volume of the mobile plan are appealing. WSC3: The amount of mobile data of the mobile plan are useful for my purpose.	Udo et al., 2010 → adapted (deleted four items)
Price (Adoption Intention)	Cronbach's alpha n/a Composite reliability 0.8	PR1: The mobile plan is reasonably priced. PR2: The mobile plan offers value for money. PR3: The mobile plan is a good product for the price. PR4: The mobile plan is economical.	Sweeney & Soutar, 2001
Adoption Intention	Cronbach's alpha 0.96 (Sledgianowski & Kulviwat, 2009) 0.83 (Kim et al., 2007)	INT1: I plan to switch to a flexible mobile plan after my current contract ends. INT2: I intend to switch to a flexible mobile plan after my current contract ends.	Sledgianowski & Kulviwat, 2009 Kim et al., 2007
Network Quality (Switching Intention)	Cronbach's alpha 0.843	NQ1: I have good call quality with my current mobile network provider. NQ2: I do not experience dropped calls (i.e. calls that unexpectedly hang up) with my current mobile network provider.	Dey et al., 2020

		NQ3: I do not experience problems sending and receiving text messages with my current mobile network provider.	
Speed (Switching Intention)	Cronbach's alpha 0.925	SP1: I have fast internet browsing speeds (e.g. loading web pages) with my current mobile network provider. SP2: I have fast internet download speeds (e.g. steaming videos or music) with my current mobile network provider. SP3: I have fast internet upload speeds (e.g. how quickly e-mails with attachments send) with my current mobile network provider.	Dey et al., 2020
Price (Switching Intention)	Cronbach's alpha 0.89	PR1: The fee that I have fee to pay for my mobile plan is too high (reversed). PR2: The fee that I have to pay for my mobile plan is reasonable. PR3: I am pleased with the fee that I have to pay for my mobile plan.	Sledgianowski & Kulviwat, 2009
(Quality of) Customer Care (Switching Intention)	Cronbach's alpha > 0.9	CC1: My mobile plan provider allows me to easily check my plan using a website/app. CC2: My mobile plan provider allows me to easily manage my plan using a website/app. CC3: My mobile plan provider has telephone/ e-mail customer service who can resolve billing problems. CC4: My mobile plan provider has helpful telephone/e-mail customer service. CC5: My mobile plan provider has customer service who can solve technical issues. CC6: My mobile plan provider has telephone customer reps who are knowledgeable.	Malhotra & Kubowicz Malhotra, 2013 → adapted (removed several items)
Innovation (Switching Intention)	Cronbach's alpha 0.89	INN1: My mobile services provider offers new services that are not available from other providers. INN2: My mobile services provider is a technical innovator. INN3: My mobile services provider is a cutting edge provider of new services.	Malhotra & Kubowicz Malhotra, 2013 → adapted (deleted one item)
Switching Intention	Cronbach's alpha 0.91	RET1: I do not expect to stay with my current mobile service provider for long. RET2: When my contract with my mobile service provider runs out, I am likely to switch to another provider. RET3: I have often considered changing my current mobile service provider. RET4: I am likely to switch my provider to one that offers better services.	Malhotra & Kubowicz Malhotra, 2013 → adapted (deleted one item)

4. Results

The collected data obtained from the online survey were statistically analysed using IBM SPSS Statistics version 30.0.0.0 for MacOS. A total of 274 responses were obtained. After excluding outliers and incomplete answers, 247 valid responses were analyzed. Besides descriptive statistics (absolute and relative frequencies, means and standard deviations) the analysis also included inferential statistics, specifically independent sample t-tests and linear regressions.

The significance level for rejecting the null hypothesis was set at $\alpha \leq 0.05$, and as all relevant sample sizes were larger than 30, normality was assumed according to the Central Limit Theorem.

4.1 Sample Characterization

4.1.1 Total Sample

Table 2

Demographic Sample Characteristics

Characteristics	n	%
Age		
18 – 29 (Gen Z)	152	61.5
30 - 44	34	13.8
45 - 59	35	14.2
60 or older	26	10.5
Gender		
Female	141	57.1
Male	104	42.1
Prefer not to say	2	0.8
Occupation		
Student	80	32.4
Full-time employed	74	30.0
Part-time employed	44	17.8
Self-employed	18	7.3
Unemployed	8	3.2
Other	23	9.3
Monthly net income		
< 1000 €	54	21.9
1000 – 2000 €	61	24.7
2001 – 3000 €	67	27.1
3001 – 4000 €	25	10.1

> 4000 €	26	10.5
Prefer not to say	14	5.7

Out of the three different types of mobile plans (prepaid, contract with a minimum term and contract without a minimum term), the contract plan with a minimum term was the most used (41.3 % of the sample), followed by contract plans without minimum term (34.8 %) while prepaid plans were the least used (23.9 %). Concerning the price respondents pay for their mobile plans, a t-test revealed a significant price difference between respondents whose plans included hardware and those whose plans did not ($p < .001$). When the mobile plan includes the phone, respondents pay on average 38.12 €, while respondents that have a mobile plan which does not include hardware pay 16.67 € on average (results of the independent samples t-test can be seen in Table 3 and 4 below, as well as in Appendix 2 (confidence intervals omitted in Table 4 for reasons of space)).

Table 3

T-Test Group Statistics

	Cell phone included	N	Mean	Std. Deviation	Std. Error Mean
Price (per month)	Yes	40	38.1235	18.19394	2.87671
	No	113	16.6729	10.03085	.94362

Table 4

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					
						Significance			
		F	Sig.	t	df	One-Sided p	Two-Sided p	Mean Difference	Std. Error Difference
Price (per month)	Equal variances assumed	27.354	<.001	9.214	151	<.001	<.001	21.45058	2.32813
	Equal variances not assumed			7.085	47.652	<.001	<.001	21.45058	3.02752

4.1.2 Gen Z

As this study's focus is on Gen Z and its preferences concerning mobile plans, the responses of the young generation were analyzed in detail to gain a better understanding of their characteristics.

Looking at the demographics of Gen Z respondents, it is clear that the majority (52.0%) are students, followed by 25.7% who are employed full-time. In terms of income, 34.9% earn less than 1000 € per month, while 31.6% have a monthly net income between 1000 € and 2000 €, which does not come as a surprise when taking into account how many of the respondents are still studying. The percentage decreases as income levels increase. For more details, please refer to Table 5 below.

Table 5

Demographic Characteristics of Gen Z Respondents

Characteristics	n	%
Gender		
Female	75	49.3
Male	76	50.0
Prefer not to say	1	0.7
Occupation		
Student	79	52.0
Full-time employed	39	25.7
Part-time employed	13	8.6
Self-employed	8	5.3
Unemployed	8	5.3
Other	5	3.3
Monthly net income		
< 1000 €	53	34.9
1000 – 2000 €	48	31.6
2001 – 3000 €	38	25.0
3001 – 4000 €	8	5.3
> 4000 €	1	0.7
Prefer not to say	4	2.6

Regarding their current mobile plans, 41.4% of Gen Z respondents have a contract with a minimum term, while 32.9% have a contract without a minimum term, and 25.7% use a prepaid plan. Additionally, 63.0% have at least 10 GB of monthly data, with 10–24 GB being the most

common range (38.2%). On average, young respondents pay 19.37 € per month for their mobile plan.

4.2 Results Analysis

4.2.1 Scale Reliability

Even though most of the variables were measured with reliable scales already tested in previous literature, the internal consistency of the dimensions of the constructs being studied in this research was assessed using Cronbach's alpha (see Table 6 below). The internal consistency of the constructs was mostly acceptable, with values greater than the minimum recommended value of 0.7 (Malhotra et al., 2020). The Adoption Intention and the Innovation variables show excellent reliability with a coefficient above 0.9, while most others show good reliability with values between 0.8 and 0.9. The reliabilities for Network Coverage (concerning the Adoption), Data Volume (Adoption) and Network Quality (Retention) are acceptable, with a Cronbach alpha between 0.7 and 0.8. It is important to note that, as the first item measuring Price (Retention) was inverted, it was recoded before the reliability of the scale was computed. The same applies to the second item for Flexibility (Retention).

As the Cronbach's alpha for both flexibility scales (concerning adoption intention and switching intention) is too low and it does not increase significantly if a single item is deleted, the items will be considered independently from each other rather than as a single construct. It is likely that this is because "flexibility" in both cases is too broad of a construct, encompassing multiple sub-dimensions (e.g., commitment aversion and adaptability). Hence, when talking about the construct "flexibility" it will be clarified for each hypothesis which items have been considered independently, depending on what type of flexibility the specific hypothesis is aiming at.

Table 6

Scale Reliability

Variable	Cronbach's alpha	Number of items
Flexibility (Adoption)	0.461	5
Coverage (Adoption)	0.738	2
Price (Adoption)	0.827	4
Data Volume (Adoption)	0.732	3
Adoption Intention	0.909	2
Flexibility (Retention)	0.276	2
Coverage (Retention)	0.871	3
Network Quality (Retention)	0.714	3

Speed (Retention)	0.894	3
Price (Retention)	0.869	3
Customer Care (Retention)	0.843	6
Innovation (Retention)	0.903	3
Retention	0.830	4

4.2.2 Descriptives

Descriptive statistics - the minimum, maximum, mean and standard deviation values for all the variables analysed were computed (see Table 7).

Table 7

Descriptive Statistics of Variables

Variable	Minimum	Maximum	Mean	Standard deviation
Commitment Aversion	1	5	3.26	1.154
Variety-Seeking Behavior	1	5	2.27	1.095
Innovativeness	1	5	2.37	1.007
Prepaid Preference	1	5	2.45	1.436
Adaptability (Adoption)	1	5	4.25	.797
Coverage (Adoption)	3	5	4.50	.576
Price (Adoption)	1	5	4.44	.550
Data Volume (Adoption)	2	5	4.23	.573
Adoption Intention	1	5	2.81	1.041
Length of contract/Lock-in	1	5	2.34	1.215
Adaptability (Retention)	1	5	3.69	1.099
Coverage (Retention)	1	5	3.69	.787
Network Quality	2	5	3.94	.692
Speed	1	5	3.88	.749
Price (Retention)	1	5	3.50	.863
Customer Care (Retention)	2	5	3.78	.613
Innovation	1	5	2.69	.784
Switching Intention (Retention)	1	5	2.50	.913

The intention to adopt a flexible mobile plan was not very high, as the mean is quite close to the scale's midpoint. The same applies to retention (items were formulated reversed, meaning it was asked whether respondents intend to switch), where the mean is 2.50, indicating on average respondents do not intend to change their mobile service provider.

In order to understand the key drivers in Gen Z's decision to adopt a specific mobile plan and what drives them to retain their current mobile plan, vs. what drives them to switch to a different one, as well as to examine the differences between Gen Z and preceding generations, the previously posited hypotheses were separately analyzed.

4.2.3 Gen Z Preferences When Choosing a Mobile Plan

To examine whether network coverage, price and mobile data volume play a significant role in mobile plan choices for Gen Z especially compared to preceding generations, several independent samples t-tests were conducted. The exact results can be seen in Appendix 3.

Hypothesis 1a: Good network coverage is an important criterium for Gen Z when choosing a mobile plan.

Examining the importance of network coverage for the mobile plan choice of Gen Z, it becomes apparent the mean score of network coverage for Gen Z ($M = 4.52$, $SD = 0.577$) is relatively high. The mean is significantly higher than the scales midpoint, suggesting that network coverage plays an important role in the mobile plan choice of Gen Z, confirming Hypothesis 1a.

Hypothesis 1b: Mobile data volume matters more for Gen Z's mobile plan choice, than for preceding generations.

In order to compare the importance of mobile data volume in mobile plan choice between Gen Z and preceding generations, an independent samples t-test was conducted. Levene's test was not significant, meaning equal variances could be assumed. The t-test confirms a highly significant difference ($t(245) = -3.353$, $p < .001$) and comparing the means, Gen Z's mean ($M = 4.33$, $SD = 0.558$) is significantly higher than that of preceding generations ($M = 4.08$, $SD = 0.566$). This suggests that mobile data volume is a more critical factor for Gen Z than for older generations when choosing a mobile plan, confirming Hypothesis 1b.

Hypothesis 1c: Price is a more important variable for Gen Z's choice of mobile plan than for preceding generations.

Levene's test for the variable price was not significant ($F = 0.912$, $p = .341$), so equal variances were assumed. The independent samples t-test for equal variances indicated a statistically significant difference ($t(245) = -2.308$, $p = .022$). When comparing the mean scores, the mean

for Gen Z (M = 4.51, SD = 0.559) is significantly higher than that of the preceding generations (M = 4.34, SD = 0.522). This indicates that price plays a more important role in Gen Z's mobile plan choice compared to preceding generations, confirming Hypothesis 1c.

Consequently, it can be said that all three factors (network coverage, mobile data volume and price) are important for Gen Z's mobile plan choice, with data volume and price being significantly more important to Gen Z than to preceding generations.

4.2.4 Flexibility as a Factor Influencing Gen Z's Mobile Plan Choice

The descriptive statistics (Table 8) for Commitment Aversion and Adaptability indicate that Gen Z moderately dislikes the idea of committing to mobile service providers for a long period of time (mean of 3.29, which is higher than 3 = neutral) and they want the mobile service provider to let them change and upgrade the service plan easily (mean of 4.26). However, even though Gen Z apparently slightly dislikes the idea of committing to a provider for a long time and strongly values adaptability, when looking at the adoption intention of flexible mobile plans, it becomes apparent that Gen Z is neither really inclined nor really reluctant, as the mean of 2.92 is close to 3 = neutral, suggesting other influencing factors.

Table 8

Descriptive Statistics of Flexibility Variables Concerning Adoption for Gen Z

Variable	Minimum	Maximum	Mean	Standard deviation
Commitment Aversion (Adoption)	1	5	3.29	1.154
Adaptability (Adoption)	2	5	4.26	.750
Adoption Intention	1	5	2.92	1.081

As "flexibility" is too broad of a construct (Cronbach's alpha below 0.7), the wording in Hypothesis 2b concerning flexibility was adapted.

Hypothesis 2a: Gen Z consumers value flexibility more than preceding (older) generations.

To determine whether Gen Z consumers value flexibility more than preceding generations independent samples T-Tests were conducted. The analysis examined all five variables related to flexibility. Looking at the results in Appendix 4 it can be seen that the only variables which differ significantly between Gen Z and preceding generations are Variety-Seeking Behavior and Innovativeness.

For Variety-Seeking Behavior, Gen Z (M = 2.53, SD = 1.162) scored significantly higher than preceding generations (M = 1.86, SD = 0.833). The independent samples t-test confirmed this difference as statistically significant ($p < .001$). Since Levene's test for equality of variances was significant ($F = 23.053$, $p < .001$), equal variances were not assumed. This result suggests that Gen Z is significantly more inclined to explore new providers and products compared to older generations, supporting the idea that they value flexibility in their mobile service choices.

Similarly, for Innovativeness, Gen Z (M = 2.55, SD = 1.053) scored significantly higher than preceding generations (M = 2.07, SD = 0.854), with the t-test confirming a statistically significant difference ($p < .001$). As Levene's test was significant once more ($F = 13.651$, $p < .001$), equal variances were not assumed. These results indicate that Gen Z is more likely to adopt new instead of familiar products than preceding generations.

In contrast, the t-tests for Commitment Aversion, Prepaid Preference, and Adaptability did not show any statistically significant differences between Gen Z and preceding generations, suggesting that Gen Z does not differ significantly from older consumers in their attitudes toward long-term commitments, prepaid plans, or adaptability in mobile service usage.

Therefore, Hypothesis 2a is partially confirmed, showing that Gen Z values flexibility more than preceding generations in terms of variety-seeking behavior and innovativeness. However, their preferences for commitment aversion, prepaid plans, and adaptability are not significantly different from older consumers.

Hypothesis 2b: Gen Z's preference for adaptability as well as their commitment aversion have a positive impact on the adoption intention of flexible mobile plans.

In order to examine the impact of the two independent variables Commitment Aversion and Adaptability on the dependent variable Adoption Intention, a linear regression was conducted. Detailed results can be seen in Tables 9, 10 and 11 below (as well as in Appendix 5).

Table 9

Model Summary

Model	R	R Square	Adjusted R Square	Std Error of the Estimate	Durbin-Watson
1	.320	.102	.090	1.031	1.917

Table 10

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.055	2	9.027	8.406	<.001
	Residual	158.325	149	1.063		
	Total	176.380	151			

Table 11

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.052	.527		1.995	.048
	Commitment Aversion	.240	.073	.257	3.302	.001
	Adaptability	.254	.112	.176	2.269	.025

The model explains 10.2% of the variance in the latter variable, being statistically significant, ($F(2, 149) = 8.496$, $p < .001$). Both Commitment Aversion ($B = .240$, $p = .001$) as well as Adaptability ($B = .254$, $p = .025$), proved to be significant predictors of the Adoption Intention of flexible mobile plans.

Both coefficients are positive meaning that, as Commitment Aversion or Adaptability increase, the Adoption Intention also increases. Thus, Hypothesis 2b is confirmed.

Hypothesis 2c: Gen Z is more likely to adopt a flexible mobile plan than preceding generations.

Looking at Appendix 6 it can be seen that, the adoption intention for Gen Z ($M = 2.92$, $SD = 1.081$) was higher than that for older generations ($M = 2.64$, $SD = 0.952$).

Levene's test for equality of variances is not significant ($F = 1.468$, $p = .228$), suggesting equal variances can be assumed. The t-test reveals there is a statistically significant difference between Gen Z and older generations ($t(245) = -2.127$, $p = .034$ (two-tailed)), indicating that Gen Z is significantly more likely to adopt flexible mobile plans than preceding generations. Thus, Hypothesis 2c is confirmed.

4.2.5 Factors Influencing Gen Z's Switching Intention/ Retention

To examine the influence of network coverage, price, Internet speed, network quality, customer care, and innovation on Gen Z's switching intentions (or rather, retention) a multiple linear regression was conducted (detailed results can be found in Appendix 7). The overall regression model is statistically significant ($F(6, 145) = 8.834$, $p < .001$), indicating that at least one of the independent variables has a significant impact on the switching intention. The model has an R^2 value of 0.268, meaning it explains 26.8% of the variance in switching intention, suggesting other unmeasured factors may play an important role concerning switching intention.

Hypothesis 3a: Price significantly impacts Gen Z's switching intentions.

Price ($B = -0.480$, $t = -6.022$, $p < .001$) was a significant negative predictor of switching intentions. This means that higher prices are associated with increased switching intentions among Gen Z customers, confirming Hypothesis 3a.

Hypothesis 3b: Network Coverage plays a significant role in retaining Gen Z customers.

Network coverage ($B = 0.042$, $t = 0.363$, $p = .717$) does not significantly affect switching intentions, suggesting that coverage is not a crucial factor in retaining Gen Z customers. Thus, Hypothesis 3b is rejected.

Hypothesis 3c: High network quality positively impacts customer retention among Gen Z mobile users.

Looking at network quality ($B = 0.008$, $t = 0.082$, $p = .935$), we can see it has no significant effect on switching intentions, suggesting that high network quality does not play a significant role in retaining Gen Z customers. Hence, Hypothesis 3c is also rejected.

Hypothesis 3d: Internet Speed plays a significant role in the retention of Gen Z.

Internet speed ($B = -0.193$, $t = -1.704$, $p = .091$) does not significantly impact switching intentions at the 0.05 significance level, although it does come close. Consequently, we reject Hypothesis 3d but can keep in mind that Gen Z customers may consider speed important although not a decisive factor in switching behavior.

Hypothesis 3e: Innovation (in the form of new services or improved functionality) has a positive impact on the retention of Gen Z consumers.

Lastly, innovation (B = 0.010, t = 0.113, p = .910) is not a significant predictor of switching intentions, suggesting that new services or improved functionality do not significantly impact Gen Z's retention. As a result, Hypothesis 3e is not supported.

Hypothesis 3f: Customer care quality plays a significant role in retaining Gen Z customers.

Likewise, customer care (B = -0.173, t = -1.424, p = .157) does not significantly influence switching intentions, meaning that customer care quality does not play a strong role in retaining Gen Z customers. Hypothesis 3f is rejected as well.

In conclusion, price is the only significant factor influencing Gen Z's switching intentions, meaning higher prices lead to higher switching intentions. Network coverage, network quality, speed, customer service, and innovation, on the other hand, are not significant predictors, meaning these factors do not directly influence Gen Z's retention.

4.2.6 Flexibility's Impact on Switching Intentions of Gen Z

Hypothesis 4a: Contract flexibility negatively influences the switching intention of mobile plan customers within Gen Z.

A multiple linear regression analysis was conducted to assess whether contract flexibility (measured as plan flexibility and unreasonable contract length) influences switching intention among Gen Z mobile plan customers.

The regression model (which can be seen in Appendix 8) is statistically significant ($F(2,149) = 4.840$, $p = .009$), with an R^2 value of 0.061, meaning that only 6.1% of the variance in switching intention is explained by the predictors. Looking at the regression coefficients, plan flexibility (B = -0.146, t = -2.143, p = .034) is a significant predictor. As expected, the coefficient is negative, meaning greater plan flexibility reduces the likelihood of switching. On the other hand, unreasonable contract length (B = 0.111, t = 1.728, p = .086) is not statistically significant, meaning it does not have a strong predictive impact on switching behavior. Consequently, Hypothesis 4a can only be partly confirmed.

Hypothesis 4b: Contract flexibility negatively influences Gen Z's adoption intention of a flexible mobile plan.

A multiple linear regression model with Lock-in and Plan Flexibility as the independent variables and Adoption Intention as the dependent variable explains 6.9 % of the variance in

the latter, being statistically significant, F ((2, 149) = 5.543, p = .005) (results can be seen in Appendix 9). In this case, only Lock-in/ unreasonable contract length proved to be a significant predictor of Adoption Intention (B = .244, p = .001). Plan Flexibility is not a significant predictor of Gen Z's Adoption Intention of flexible mobile plans.

This means that, as Gen Z feels more locked-in to their current contract (due to unreasonable length of contract), their intention to switch to a flexible mobile plan increases significantly. Thus, Hypothesis 4b can be partially confirmed.

4.2.7 Switching Intentions of Gen Z vs. Preceding Generations

Hypothesis 5: Switching intention varies significantly between Gen Z and preceding generations.

Another independent samples t-test was conducted to examine whether switching intention (retention) differs significantly between Gen Z and preceding generations.

The results (which can be seen in Appendix 10) show that Levene's test for equality of variances was not significant (p = .075), meaning equal variances can be assumed. The t-test results (t(245) = -4.108, p < .001) indicate a statistically significant difference between the two groups, with a mean difference of -0.476.

Given the highly significant p-value (< .001), we reject the null hypothesis and conclude that Gen Z exhibits significantly higher switching intentions (M = 2.68, SD = 0.923) than older generations (M = 2.21, SD = 0.820). This finding confirms Hypothesis 5, suggesting that Gen Z is more likely to switch mobile service providers compared to preceding generations.

To enhance clarity, Table 12 summarizes the results of all hypotheses.

Table 12

Hypothesis Testing Summary

Hypothesis	Description	Result
H1a	Good network coverage is an important criterium for Gen Z when choosing a mobile plan.	Confirmed
H1b	Mobile data volume matters more for Gen Z's mobile plan choice, than for preceding generations.	Confirmed
H1c	Price is a more important variable for Gen Z's choice of mobile plan than for preceding generations.	Confirmed

H2a	Gen Z consumers value flexibility more than preceding (older) generations.	Partially confirmed
H2b	Gen Z's preference for adaptability as well as their commitment aversion have a positive impact on the adoption intention of flexible mobile plans.	Confirmed
H2c	Gen Z is more likely to adopt a flexible mobile plan than preceding generations.	Confirmed
H3a	Price significantly impacts Gen Z's switching intentions.	Confirmed
H3b	Network Coverage plays a significant role in retaining Gen Z customers.	Rejected
H3c	High network quality positively impacts customer retention among Gen Z mobile users.	Rejected
H3d	Internet Speed plays a significant role in the retention of Gen Z.	Rejected
H3e	Innovation (in the form of new services or improved functionality) has a positive impact in the retention of Gen Z consumers.	Rejected
H3f	Customer care quality plays a significant role in retaining Gen Z customers.	Rejected
H4a	Contract flexibility negatively influences the switching intention of mobile plan customers within Gen Z.	Partially confirmed
H4b	Contract flexibility negatively influences Gen Z's adoption intention of a flexible mobile plan.	Partially confirmed
H5	Switching intention varies significantly between Gen Z and preceding generations.	Confirmed

5. Discussion

This chapter aims to interpret the findings of the study within the context of existing literature, addressing the research questions posed at the outset. It explores how Gen Z's preferences influence their adoption and retention of flexible mobile plans and how these preferences differ from preceding generations. The implications of these findings, both theoretical and practical, are discussed, along with the study's limitations and recommendations for future research.

5.1 Interpretation of Findings

5.1.1 Research Question 1: (How) does (contract) flexibility impact the adoption and retention of mobile plans for Gen Z?

The study's results indicate that Gen Z's preference for flexibility significantly influences their adoption of flexible mobile plans. Specifically, both commitment aversion and adaptability were found to positively impact the adoption intention of flexible plans. These findings align with both, literature specifically focusing on Gen Z's desire for flexibility in several parts of life (e.g. Harari et al., 2023; Chillakuri, 2020), as well as with literature emphasizing a general rise of a marketplace ideology of flexibility in form of an aversion to long-term commitments

and a preference for adaptable services (Mimoun & Bardhi, 2022). Interestingly, while Gen Z shows slight signs of commitment aversion and a clear desire for adaptability when choosing a mobile plan, their overall adoption intention of flexible mobile plans was moderate, suggesting other unmeasured variables may influence their decision-making. This indicates a potential gap in the existing literature, warranting further exploration. Moreover, when comparing Gen Z to preceding generations, it becomes apparent they do not differ significantly concerning these two factors. While Gen Z does not differ from older generations significantly concerning commitment aversion and adaptability, the young generation significantly differs concerning their variety-seeking behavior and innovativeness, which is in line with Weinberger et al.'s (2017) findings of the transitory, experimental phase in which young adults seek a lot of variety. However, when examining retention, flexibility's role appears more nuanced. While plan flexibility significantly reduces switching intentions of Gen Z, the length of contracts (lock-in) does not significantly increase switching intentions. When checking for the Adoption Intention of a flexible mobile plan after the end of the current contract, it becomes apparent that, if Gen Z feels their current contract has an unreasonable length, they are more likely to adopt a flexible mobile plan once their current contract ends. This suggests that, while Gen Z values flexibility in adoption, its role in retention is less straightforward, partly aligning with findings from Malhotra & Kubowicz Malhotra (2013) on the counterproductive effects of rigid, long-term commitments.

5.1.2 Research Question 2: What other key preferences influence Gen Z's choice of mobile plans (compared to preceding generations)?

The findings reveal that network coverage, mobile data volume, and price are critical factors influencing Gen Z's mobile plan choices. Hypotheses 1b, and 1c were confirmed, indicating that mobile data volume and price are more important factors for Gen Z's mobile plan choice compared to preceding generations. This corroborates prior studies (e.g. Sree et al., 2024; Dey et al., 2020) emphasizing the general increase in the use of internet services leading to a higher value on data network coverage and speed of internet access, as well as the digital nativity of Gen Z and their reliance on high-speed internet and affordable services. It also makes sense that Gen Z is more concerned about price than preceding generations, given previously mentioned current statistics on the lower average income of young people (Bundesagentur für Arbeit, 2024).

5.1.3 Research Question 3: Which factors influence Gen Z's retention of mobile plans?

Among the variables examined, price emerged as the only significant factor influencing Gen Z's switching intentions, confirming Hypothesis 3a. This finding is understandable when taking into account the lower median income levels of younger demographics (Bundesagentur für Arbeit, 2024), making cost a critical determinant in their retention decisions. Contrary to expectations and findings from previous studies (e.g. Dey et al., 2020; Sree et al., 2024; Gerpott et al., 2001; Calvo-Porral et al., 2017), factors like network coverage and quality, internet speed, innovation, and customer care did not significantly impact retention (Hypotheses 3b to 3f were rejected). This deviation from existing literature could be due to the fact that network coverage and quality in Germany is generally satisfactory and mobile service providers generally make innovations (such as 5G, eSIM or WiFi calling in recent years) available to their users in a relatively short period of time. Consequently, consumers might not feel the need to switch providers in order to get access to groundbreaking innovations. Similarly, the limited influence of customer care may stem from the fact that customers typically only contact this department once they encounter problems. As a result, they might be unlikely to think about the quality of customer care unless they have experienced issues with their mobile service plan, and therefore might not view it as a key factor when considering switching providers. Overall, the findings suggest that Gen Z may be influenced more by price sensitivity than by service quality or innovation.

The study's findings align with existing literature on a general preference for flexibility and adaptability in today's consumption landscape (Eckhardt & Bardhi, 2020; Mimoun & Bardhi, 2022). However, contrary to expectations and to some prior research, this desire was not found to be significantly distinct for Gen Z in all dimensions of flexibility compared to older generations. Moreover, the limited impact of service quality factors on retention of the young generation contradicts previous studies that emphasized the role of network quality and innovation in customer retention (e.g. Dey et al., 2020; Malhotra & Kubowicz Malhotra, 2013). These discrepancies may be attributed to Gen Z's unique consumption patterns, where price sensitivity outweighs traditional service quality metrics, or to methodological differences, such as the sample's demographic composition and the specific context of the German telecommunications market.

5.2 Theoretical and Practical Implications

5.2.1 Theoretical Implications

This study contributes to the growing body of literature on generational differences in consumer behavior, particularly in the telecommunications sector. It highlights the importance of flexibility and price sensitivity in Gen Z's mobile plans adoption and retention decisions, offering new insights into the interplay between these factors and traditional service quality metrics. The study also shows that, while Gen Z shares some preferences with preceding generations, they also exhibit distinctive characteristics, namely due to the impact that the rapid technological advances that shaped their childhood and teenage years might have on certain attitudes and behaviors. These insights enrich our understanding of how rapid technological advances influence decision-making processes, specifically when deciding on a mobile plan, highlighting that early technology exposure and instant connectivity may affect consumers choice about where to obtain information and purchase products rather than altering their core service preferences.

5.2.2 Practical Implications

For mobile service providers, these findings underscore the need to offer flexible, but most importantly, affordable plans to attract and retain Gen Z customers (as well as preceding generations). Marketing strategies should therefore emphasize contract flexibility, high data volumes and competitive pricing, in order to gain customers.

Given that traditional service quality factors (e.g., network quality, innovation, and customer care) were not strong predictors of retention for Gen Z, companies might consider reallocating resources toward pricing strategies and flexible contract options to better meet this demographic’s needs.

5.3 Limitations and Future Research

5.3.1 Limitations

The study exhibits several limitations that affect the reliability and generalizability of its findings. First, the use of convenience sampling introduces a sampling bias, limiting the generalizability of the findings to the broader Gen Z population. Additionally, the study's focus on the German telecommunications market may not reflect global trends, and the omission of geographic distinctions, such as whether respondents live in urban, suburban, or rural areas, further complicates the interpretation of the results, as mobile network coverage and quality

tend to be better in cities, potentially leading to different outcomes when comparing urban and rural responses. Furthermore, the operationalization of “flexibility” as a construct proved problematic due to low internal consistency, suggesting that it encompasses multiple sub-dimensions that require further refinement. Lastly, the study's classification of respondents based on birth years raises questions about whether the observed characteristics are truly generational or simply reflective of the transitory phase of young adulthood, where factors like price sensitivity may be more indicative of limited income rather than inherent generational traits.

5.3.2 Future Research Directions

Based on these limitations, several future research directions could be identified. Future studies should include more diverse and most importantly more representative samples from various geographic regions to enhance the generalizability of the findings. Additionally, conducting longitudinal studies to track changes in Gen Z's preferences over time would provide deeper insights into their evolving consumption patterns and could help to determine whether the observed trends are truly generational or whether they merely reflect the transitional phase in young adulthood which they are currently in. Moreover, it may be valuable to study Gen Z's decision-making process when choosing a mobile plan, as it could differ more from previous generations, making it crucial for marketers to consider how and where to advertise mobile plans to this younger demographic. Also, integrating a qualitative approach could deepen the understanding of the decision-making process behind Gen Z’s mobile plan selection and retention behavior, potentially revealing other factors that have not been identified in the literature so far and that might be overlooked by quantitative methods. Finally, refining the operationalization of complex constructs like flexibility could enhance measurement reliability and theoretical clarity.

6. Conclusion

This study sheds light on the key preferences driving Gen Z's adoption and retention of flexible mobile plans. While previous literature identified several key drivers for the adoption and retention of mobile plans, it becomes evident the factors that are decisive for Gen Z concerning both adoption and retention, are price and flexibility. Traditional service quality metrics like network coverage and innovation were found to play a less significant role in the retention of Gen Z. This might be due to the fact that generally most mobile service providers offer network

coverage and quality that is quite similar (as there are only four mobile networks in Germany) and that generally speaking, providers offer innovations to their users within a rather short period of time, making it difficult to differentiate themselves from competition in a highly competitive market.

These insights are critical for mobile service providers aiming to maintain competitive advantage in an increasingly dynamic and price-sensitive market.

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Appendix

Appendix 1: Online Questionnaire

Survey (Flexible) Mobile Plans

Start of Block: Intro

Intro Welcome and thank you for participating in this survey! This survey is part of my Master's thesis at Católica Lisbon School of Business and Economics about consumers' choice of mobile phone tariff and service provider. The questionnaire takes about 7 minutes to complete. All answers will be treated anonymously and will be used solely for academic purposes. There are no right or wrong answers, so please be as honest as possible when answering the questions. By proceeding with this survey, you acknowledge that you have read and understood the information above and consent to participate in this study. If you do not wish to participate, you may close the survey now or withdraw from the study at any time.

- ○ I consent to participate in this study (1)

End of Block: Intro

Start of Block: Filter questions

Intro The following questions help to ensure you are eligible to participate in this survey.

FQ1 Are you German or do you currently live in Germany?

- ○ Yes (1)
- ○ No (2)

Skip To: Prolific screen If Are you German or do you currently live in Germany? = No

FQ2 How old are you?

- ○ Younger than 18 (1)
- ○ 18 – 29 (2)
- ○ 30 – 44 (3)
- ○ 45 – 59 (4)
- ○ 60 or older (5)

Skip To: Prolific screen If How old are you? = Younger than 18

FQ3 Do you own a mobile phone?

- ○ Yes (1)
- ○ No (2)

Skip To: Prolific screen If Do you own a mobile phone? = No

Page Break

Display This Question:

If Are you German or do you currently live in Germany? = No

Or How old are you? = Younger than 18

Or Do you own a mobile phone? = No

Prolific screen In case you came from Prolific, this is your completion code: CWWC9BB4 Please still proceed to the next page to ensure the response is being recorded.

Skip To: End of Survey If In case you came from Prolific, this is your completion code: CWWC9BB4 Please still proceed to th... Displayed

End of Block: Filter questions

Start of Block: Current mobile plan

Intro In the following section we would like to know more about your current mobile plan.

CMP1 What type of mobile phone plan do you currently have?

- ○ Prepaid (1)
- ○ Contract plan with minimum term (e.g. 24 months) (2)
- ○ Contract plan without minimum term (can be cancelled anytime) (3)

Display This Question:

If What type of mobile phone plan do you currently have? = Contract plan with minimum term (e.g. 24 months)

Or What type of mobile phone plan do you currently have? = Contract plan without minimum term (can be cancelled anytime)

CMP2 Is your cell phone (hardware) included in your current contract?

- ○ Yes (1)
- ○ No (2)

Display This Question:

If What type of mobile phone plan do you currently have? = Contract plan with minimum term (e.g. 24 months)

Or What type of mobile phone plan do you currently have? = Contract plan without minimum term (can be cancelled anytime)

CMP3 Does your mobile plan include other things such as TV, fixed phone, Wifi or similar?

- ○ Yes (1)
- ○ No (2)

Display This Question:

If Does your mobile plan include other things such as TV, fixed phone, Wifi or similar? != Yes

CMP4 How much does your current mobile plan cost (per month)? (Only numbers are accepted)

_____

CMP5 What is the included monthly data volume of your mobile phone plan?

- ○ Less than 5 GB (1)
- ○ 5 – 9 GB (2)
- ○ 10 – 24 GB (3)
- ○ 25 – 49 GB (4)
- ○ 50 GB – 99 GB (5)
- ○ 100 GB or more (6)

End of Block: Current mobile plan

Start of Block: Preferences for Adoption

Intro The following questions aim to better understand your preferences **when choosing a mobile phone plan**. Please indicate to what extent you agree or disagree with each of the following statements on a scale of 1 to 5 (with 1 = totally disagree and 5 = totally agree).

Flexibility A Please indicate to what extent you agree or disagree with the following statements.

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
I don't like the idea of committing myself to a mobile service provider for a long time. (1)	○	○	○	○	○
I like to try different providers and products. (2)	○	○	○	○	○
When I have the choice, I would prefer a new product over a product I already know. (3)	○	○	○	○	○
I prefer to use a prepaid cell phone plan for private use. (4)	○	○	○	○	○
I would like my mobile service provider to let me change/upgrade my service plan easily (e.g. in terms of mobile data volume). (5)	○	○	○	○	○

Coverage A When choosing a mobile service provider, it is important for me:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
To have good network coverage everywhere I go. (1)	○	○	○	○	○
To have good indoor network coverage. (2)	○	○	○	○	○

Price A When choosing a mobile plan, it is important for me, that:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
The mobile plan is reasonably priced. (1)	○	○	○	○	○
The mobile plan offers good value for the money. (2)	○	○	○	○	○
The mobile plan is a good product for its price. (3)	○	○	○	○	○
The mobile plan is economical. (4)	○	○	○	○	○

Data Volume A When selecting a mobile plan, it is relevant for me, that:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
The mobile plan has an ideal mobile data volume (in terms of GB). (1)	○	○	○	○	○
The mobile data volume of the mobile plan is appealing. (2)	○	○	○	○	○
The amount of mobile data of the mobile plan is enough for my purposes (3)	○	○	○	○	○

Display This Question:

If What type of mobile phone plan do you currently have? = Contract plan with minimum term (e.g. 24 months)

Or What type of mobile phone plan do you currently have? = Contract plan without minimum term (can be cancelled anytime)

Adoption Contract A "flexible mobile plan" is a mobile contract, that has no minimum contract duration and can be cancelled at any point in time with a 1 month cancellation period, and which allows you to adapt the plan to your personal needs (e.g. in terms of mobile data volume).

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
I plan to switch to a flexible mobile plan after my current contract ends. (1)	○	○	○	○	○
I intend to switch to a flexible mobile plan after my current contract ends. (2)	○	○	○	○	○

Display This Question:

If What type of mobile phone plan do you currently have? = Prepaid

Adoption Prepaid A "flexible mobile plan" is a mobile contract, that has no minimum contract duration and can be cancelled at any point in time with a 1 month cancellation period, and which allows you to adapt the plan to your personal needs (e.g. in terms of mobile data volume).

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
I plan to switch to a flexible mobile plan in the future. (1)	○	○	○	○	○
I intend to switch to a flexible mobile plan in the future. (2)	○	○	○	○	○

End of Block: Preferences for Adoption

Start of Block: Retention

Intro The following questions focus on your **current mobile plan.** Please indicate to what extent you agree or disagree with each of the following statements on a scale of 1 to 5 (with 1 = totally disagree and 5 = totally agree).

Flexibility R My mobile service provider:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
Lets me change/upgrade my service plan easily. (1)	○	○	○	○	○
Has an unreasonable length of contract. (2)	○	○	○	○	○

Coverage R Please indicate to what extent you agree with the following statements:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
I have good network coverage everywhere I go with my current mobile network provider. (1)	○	○	○	○	○
I have good indoor network coverage with my current mobile network provider. (2)	○	○	○	○	○
I have reliable network coverage with my current mobile network provider. (3)	○	○	○	○	○

Network Quality R Please indicate to what extent you agree with the following statements:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
I have good call quality with my current mobile network provider. (1)	○	○	○	○	○
I do not experience dropped calls (i.e. calls that unexpectedly hang up) with my current mobile network provider. (2)	○	○	○	○	○
I do not experience problems sending and receiving text messages with my current mobile network provider. (3)	○	○	○	○	○

Speed R Please indicate to what extent you agree with the following statements:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
I have fast internet browsing speeds (e.g. loading web pages) with my current mobile network provider. (1)	○	○	○	○	○
I have fast internet download speeds (e.g. steaming videos or music) with my current mobile network provider. (2)	○	○	○	○	○
I have fast internet upload speeds (e.g. how quickly e-mails with attachments send) with my current mobile network provider. (3)	○	○	○	○	○

Price R Please indicate to what extent you agree with the following statements:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
The fee I pay for my mobile plan is too high. (1)	○	○	○	○	○
The fee I pay for my mobile plan is reasonable. (2)	○	○	○	○	○
I am pleased with the fee I pay for my mobile plan. (3)	○	○	○	○	○

Customer Care R My mobile service provider:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
Allows me to easily check my plan using a website/app. (1)	○	○	○	○	○
Allows me to easily manage my plan using a website/app. (2)	○	○	○	○	○
Has a customer service that can resolve billing problems. (3)	○	○	○	○	○
Has a helpful customer service. (4)	○	○	○	○	○
Has a customer service that can solve technical issues. (5)	○	○	○	○	○
Has a customer service that is knowledgeable and effective in solving problems. (6)	○	○	○	○	○

Innovation R My mobile service provider:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
Offers new services that are not available from other providers. (1)	○	○	○	○	○
Is a technical innovator. (2)	○	○	○	○	○
Is a cutting edge provider of new services. (3)	○	○	○	○	○

Retention Please indicate to what extent you agree with the following statements:

	totally disagree (1)	disagree (2)	neutral (3)	agree (4)	totally agree (5)
I do not expect to stay with my current mobile service provider for long. (1)	○	○	○	○	○
When my contract with my mobile service provider runs out, I am likely to switch to another provider. (2)	○	○	○	○	○
I have often considered changing my current mobile service provider. (3)	○	○	○	○	○
I am likely to switch my provider to one that offers better services. (4)	○	○	○	○	○

End of Block: Retention

Start of Block: Demographics

Intro You're almost at the end. The only thing missing is some information about you!

D1 Which gender do you identify with?

- ○ Male (1)
- ○ Female (2)
- ○ Non-binary / third gender (3)
- ○ Prefer not to say (4)

D2 What is your current occupational status?

- ○ Student (1)
- ○ Full-time employed (2)
- ○ Part-time employed (3)
- ○ Self-employed (4)
- ○ Unemployed (5)
- ○ Other (please specify): (6) _____

D3 What is your monthly net income?

- Less than 1000 € (1)
- 1000 € - 2000 € (2)
- 2000 € - 3000€ (3)
- 3000 € - 4000 € (4)
- More than 4000 € (5)
- Prefer not to say (6)

Page Break

Prolific full In case you came from Prolific, this is your completion code: C30N4RX7 Please still proceed to the next page to ensure the response is being recorded.

End of Block: Demographics

Appendix 2: Independent Samples T-Test, Price for mobile plan without hardware vs. including hardware

T-Test

Group Statistics

	Is your cell phone (hardware) included in your current contract?	N	Mean	Std. Deviation	Std. Error Mean
How much does your current mobile plan cost (per month)? (Only numbers are accepted)	Yes	40	38.1235	18.19394	2.87671
	No	113	16.6729	10.03085	.94362

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means							
						Significance				95% Confidence Interval of the Difference	
		F	Sig.	t	df	One-Sided p	Two-Sided p	Mean Difference	Std. Error Difference	Lower	Upper
How much does your current mobile plan cost (per month)? (Only numbers are accepted)	Equal variances assumed	27.354	<.001	9.214	151	<.001	<.001	21.45058	2.32813	16.85067	26.05049
	Equal variances not assumed			7.085	47.652	<.001	<.001	21.45058	3.02752	15.36218	27.53897

Appendix 3: Independent Samples T-Tests, Importance of Price and Data Volume when choosing a mobile plan Gen Z vs. preceding generations

T-Test

Group Statistics

	Gen Z	N	Mean	Std. Deviation	Std. Error Mean
Price (Adoption Intention)	Not Selected	95	4.34	.522	.054
	Selected	152	4.51	.559	.045
Data Volume (Adoption Intention)	Not Selected	95	4.08	.566	.058
	Selected	152	4.33	.558	.045

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means							
						Significance				95% Confidence Interval of the Difference	
		F	Sig.	t	df	One-Sided p	Two-Sided p	Mean Difference	Std. Error Difference	Lower	Upper
Price (Adoption Intention)	Equal variances assumed	.912	.341	-2.308	245	.011	.022	-.164	.071	-.305	-.024
	Equal variances not assumed			-2.344	209.753	.010	.020	-.164	.070	-.303	-.026
Data Volume (Adoption Intention)	Equal variances assumed	.023	.879	-3.353	245	<.001	<.001	-.246	.073	-.391	-.101
	Equal variances not assumed			-3.341	197.366	<.001	<.001	-.246	.074	-.391	-.101

Appendix 4: Independent Sample T-Tests Flexibility Gen Z vs. preceding generations

T-Test

Group Statistics

	Gen Z	N	Mean	Std. Deviation	Std. Error Mean
Commitment Aversion	Not Selected	95	3.21	1.157	.119
	Selected	152	3.29	1.154	.094
Variety-Seeking Behavior	Not Selected	95	1.86	.833	.085
	Selected	152	2.53	1.162	.094
Innovativeness	Not Selected	95	2.07	.854	.088
	Selected	152	2.55	1.053	.085
Prepaid Preference	Not Selected	95	2.34	1.478	.152
	Selected	152	2.51	1.409	.114
Adaptability	Not Selected	95	4.24	.872	.089
	Selected	152	4.26	.750	.061

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means							
						Significance				95% Confidence Interval of the Difference	
		F	Sig.	t	df	One-Sided p	Two-Sided p	Mean Difference	Std. Error Difference	Lower	Upper
Commitment Aversion	Equal variances assumed	.265	.607	-.522	245	.301	.602	-.079	.151	-.377	.219
	Equal variances not assumed			-.522	199.365	.301	.602	-.079	.151	-.377	.219
Variety-Seeking Behavior	Equal variances assumed	23.053	<.001	-4.838	245	<.001	<.001	-.663	.137	-.933	-.393
	Equal variances not assumed			-5.212	240.365	<.001	<.001	-.663	.127	-.914	-.413
Innovativeness	Equal variances assumed	13.651	<.001	-3.731	245	<.001	<.001	-.479	.128	-.732	-.226
	Equal variances not assumed			-3.914	228.983	<.001	<.001	-.479	.122	-.720	-.238
Prepaid Preference	Equal variances assumed	.064	.801	-.939	245	.174	.349	-.176	.188	-.546	.194
	Equal variances not assumed			-.929	192.552	.177	.354	-.176	.190	-.551	.198
Adaptability	Equal variances assumed	.234	.629	-.138	245	.445	.890	-.014	.105	-.220	.191
	Equal variances not assumed			-.134	177.498	.447	.894	-.014	.108	-.228	.199

Appendix 5: Linear Regression Hypothesis 2b

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Adaptability, Commitment Aversion[b]	.	Enter

a. Dependent Variable: Adoption Intention

b. All requested variables entered.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.320[a]	.102	.090	1.031	1.917

a. Predictors: (Constant), Adaptability, Commitment Aversion

b. Dependent Variable: Adoption Intention

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.055	2	9.027	8.496	<.001[b]
	Residual	158.325	149	1.063		
	Total	176.380	151			

a. Dependent Variable: Adoption Intention

b. Predictors: (Constant), Adaptability, Commitment Aversion

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.052	.527		1.995	.048
	Commitment Aversion	.240	.073	.257	3.302	.001
	Adaptability	.254	.112	.176	2.269	.025

a. Dependent Variable: Adoption Intention

Appendix 6: Adoption Intention flexible mobile plan Gen Z vs. preceding generations

T-Test

Group Statistics

	Gen Z	N	Mean	Std. Deviation	Std. Error Mean
Adoption Intention	Not Selected	95	2.64	.952	.098
	Selected	152	2.92	1.081	.088

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means							
						Significance				95% Confidence Interval of the Difference	
		F	Sig.	t	df	One-Sided p	Two-Sided p	Mean Difference	Std. Error Difference	Lower	Upper
Adoption Intention	Equal variances assumed	1.463	.228	-2.127	245	.017	.034	-.288	.135	-.554	-.021
	Equal variances not assumed			-2.190	218.244	.015	.030	-.288	.131	-.546	-.029

Appendix 7: Linear Regression Factors Influencing Gen Z's Switching Intention/ Retention

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.517[a]	.268	.237	.806	1.910

a. Predictors: (Constant), Innovation (Retention), Speed (Retention), Price (Retention), Network Quality (Retention), Customer Care (Retention), Coverage (Retention)

b. Dependent Variable: Switching Intention (Retention)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	34.471	6	5.745	8.834	<.001[b]
	Residual	94.303	145	.650		
	Total	128.775	151			

a. Dependent Variable: Switching Intention (Retention)

b. Predictors: (Constant), Innovation (Retention), Speed (Retention), Price (Retention), Network Quality (Retention), Customer Care (Retention), Coverage (Retention)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	5.533	.569		9.723	<.001		
	Coverage (Retention)	.042	.116	.034	.363	.717	.578	1.729
	Network Quality (Retention)	.008	.102	.007	.082	.935	.784	1.275
	Speed (Retention)	-.193	.113	-.161	-1.704	.091	.569	1.758
	Price (Retention)	-.480	.080	-.451	-6.022	<.001	.902	1.109
	Customer Care (Retention)	-.173	.122	-.112	-1.424	.157	.810	1.235
	Innovation (Retention)	.010	.086	.009	.113	.910	.819	1.221

a. Dependent Variable: Switching Intention (Retention)

Appendix 8: Regression Hypothesis 4a

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin–Watson
1	.247[a]	.061	.048	.901	1.686

a. Predictors: (Constant), Unreasonable contract length, Plan flexibility (change/upgrade)

b. Dependent Variable: Switching Intention (Retention)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.856	2	3.928	4.840	.009[b]
	Residual	120.918	149	.812		
	Total	128.775	151			

a. Dependent Variable: Switching Intention (Retention)

b. Predictors: (Constant), Unreasonable contract length, Plan flexibility (change/upgrade)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	2.960	.323		9.157	<.001		
	Plan flexibility (change/upgrade)	-.146	.068	-.174	-2.143	.034	.952	1.051
	Unreasonable contract length	.111	.064	.141	1.728	.086	.952	1.051

a. Dependent Variable: Switching Intention (Retention)

Appendix 9: Regression Hypothesis 4b

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin–Watson
1	.263[a]	.069	.057	1.050	1.743

a. Predictors: (Constant), Unreasonable contract length, Plan flexibility (change/upgrade)

b. Dependent Variable: Adoption Intention

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.215	2	6.107	5.543	.005[b]
	Residual	164.165	149	1.102		
	Total	176.380	151			

a. Dependent Variable: Adoption Intention

b. Predictors: (Constant), Unreasonable contract length, Plan flexibility (change/upgrade)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	2.348	.377		6.233	<.001		
	Plan flexibility (change/upgrade)	.005	.079	.005	.068	.946	.952	1.051
	Unreasonable contract length	.244	.075	.264	3.262	.001	.952	1.051

a. Dependent Variable: Adoption Intention

Appendix 10: Independent Samples T-Test Switching Intentions of Gen Z vs. Preceding Generations

T-Test

Group Statistics

	Gen Z	N	Mean	Std. Deviation	Std. Error Mean
Switching Intention (Retention)	Not Selected	95	2.21	.820	.084
	Selected	152	2.68	.923	.075

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means							
						Significance				95% Confidence Interval of the Difference	
		F	Sig.	t	df	One-Sided p	Two-Sided p	Mean Difference	Std. Error Difference	Lower	Upper
Switching Intention (Retention)	Equal variances assumed	3.204	.075	-4.108	245	<.001	<.001	-.476	.116	-.704	-.248
	Equal variances not assumed			-4.222	217.104	<.001	<.001	-.476	.113	-.698	-.254