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**Politics and Consumer Choices: An Economic
Analysis of the Influence of Political Orientation
on the Purchasing Decisions of the Consumer in
the Context of Contemporary Market Conditions**



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The monograph undertakes an analysis of one of the significant yet still insufficiently explored phenomena of the contemporary economy, namely the influence of political orientation on consumer behaviour and purchasing decisions. This issue is embedded in the broader context of increasing social polarisation, the intensification of political disputes, and the growing importance of non-market factors in economic decision-making processes. As a consequence of dynamic socio-political transformations and changes in market functioning, patterns of consumer behaviour require increasingly complex and interdisciplinary forms of analysis.

The monograph addresses a range of issues related to the identification and interpretation of relationships between political preferences and consumer choices under contemporary market conditions, with particular emphasis on Poland and comparative references to selected European Union countries. The point of departure for the analysis is a critical examination of classical and behavioural economic theories, which provides the foundation for conceptualising politically conditioned consumption as an element of social and ideological identity. Drawing on the achievements of economics, behavioural economics, and the social sciences, as well as on empirical analyses and the Author's own research experience, the monograph outlines the complexity of the mechanisms shaping contemporary consumer behaviour in the context of political tensions, institutional change, and socio-economic differentiation.

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INTRODUCTION

In recent decades, economic sciences have increasingly focused on analyzing non-market factors that significantly influence economic decisions made by individuals and households. Traditional microeconomic models, based on the assumption of fully rational consumers, are unable to fully explain the complexity of contemporary market behaviors. In response to these limitations, behavioral economics has rapidly developed—a discipline that integrates economics with cognitive and social psychology. It provides theoretical frameworks to study decision-making processes under uncertainty, limited information, and the influence of emotional, ideological, and social factors.

This monograph attempts to examine the impact of political preferences on consumer choices, using the Polish market as a case study. This issue gains relevance in the context of growing social polarization, the increasing role of social media as information sources, and the rising importance of ideological identification in everyday life. Contemporary consumption ceases to be merely an economic act and becomes a carrier of attitudes, values, and worldview affiliations. Goods and services increasingly carry symbolic, cultural, and political meaning, influencing their perceived value and evaluation.

The research considers both irrational and rational motives behind consumer behavior, analyzing factors shaping new consumption concepts. Particular attention is given to the political situation in the country as a determinant of purchasing decisions. The main research areas include:

- The influence of political disputes and crises on consumer choices and the dynamics of behavioral changes;
- The significance of traditional economic theories compared with behavioral approaches;
- The relationship between consumption levels and structures and the intensity of political conflicts;
- Analysis of consumption differences across regions and socio-economic groups;
- Assessment of the degree to which consumer needs are satisfied;
- Links between political preferences and economic sentiments as well as brand perception.

The study's hypotheses include:

1. Political preferences are a significant factor influencing purchasing decisions.
2. Strong identification with a political group increases the likelihood of making “politically aligned” market choices.

3. Market segmentation can be based not only on demographic and income criteria but also on ideological divisions.
4. Consumers with strong political views exhibit greater loyalty to brands associated with their ideological identity.

The research methodology combines microeconomic tools (individual choice analysis, preference modeling, opportunity cost analysis) with behavioral economics approaches, considering cognitive mechanisms, heuristics, anchoring effects, information asymmetries, and the role of emotions in decision-making. The study employs case analyses, qualitative research, literature review, and interpretation of empirical data on consumption in Poland.

The study is structured into three main parts:

- Part I – Theoretical justification and literature review, covering the evolution of economic paradigms in consumption analysis and the role of ideology and political identity in market choices.
- Part II – Methodological framework, problem statement, hypotheses, operational definitions, sample segmentation criteria, and research methods.
- Part III – Data analysis on the influence of political conflict on purchasing decisions, including boycotting phenomena, perceptions of national and foreign brands, and consumer responses to political marketing.

The study is interdisciplinary but grounded in economic sciences—primarily microeconomics and behavioral economics. Its contribution lies in empirically confirming the need to expand classical consumer behavior models to include worldview, emotional, and political factors that have become key determinants of market choices in modern democracies.

CHAPTER 1.

SUBSTANTIATION OF THE INFLUENCE OF POLITICAL PREFERENCES ON CONSUMER CHOICE

1.1 Characterization of paradigms of traditional economic theories in the context of consumer behavior in relation to behavioral economics

Currently, the system of economic sciences is very extensive, and modern economic theories occupy a rather important and independent place and play a significant role in the development of world intellectual achievements, as well as in the study of issues relevant to everyone now, regarding the impact of political situations on various economic, social consumer trends.

Traditional economic theories, often rooted in neoclassical and classical economic thought, have long been the foundation for understanding consumer behavior. These theories assume that individuals are rational actors who make decisions based on maximizing utility and optimizing their well-being. However, behavioral economics challenges some of these assumptions and introduces new paradigms to better explain and understand consumer behavior. Let's explore the paradigms of traditional economic theories and how they relate to behavioral economics: Rational Choice Theory (RCT), Expected Utility Theory (EUT), Consumer Surplus, Utility Maximization, Time Discounting.

Economic thoughts of the 21st century highlight a wide range of modern economic concepts, both from the standpoint of researched problems by specialists of various scientific schools of currents and vectors of economic visions. From the standpoint of modern analytical and research tools for their study and analysis methodology, influence on socio-economic processes can influence all areas of development and improvement of the world economy.

Research directions of modern economic theory have significantly enriched due to the fundamental problems of economic science related to globalization, transformation of social relations, and the new stage of scientific and informational transformations is the formation of political influences on the growth of the role of consumers on various segments of market reforms [1].

Many generations of scientists studied the essence of the concept of "consumption", considering it in the context of philosophical directions of research, economic formations of this concept, as well as its impact on an individual consumer in relation to certain segments of the market, social condition, human needs and society as a whole. Table 1.1 presents the gradual development of such teachings in the context of the economic paradigm.

Table 1.1 The evolution of scientific approaches to consumption

Scientist	Research directions, ideas, postulates
Pierre Bourdieu	He introduced the concept of cultural capital, which reflects knowledge, skills, education and other aspects of cultural education that effect on the social status and capabilities of an individual. Formed the concept of social provisions and social capital, which indicates the importance of network connections and social relations in the formation of consumer behavior.
Max Weber	Studied the principles of social activity and individual behavior in the context of social systems. For highlighting principles of behavioral economics, the concepts of "social activity" and "social role" have been analyzed. Studied classes and social stratification, considering the factors that determine the social status and opportunities of individual individuals in society.
John A. Howard	Formed models of consumer behavior in the context of various socio-economic and political environments, as well as identified the processes and factors that shape it.
Herbert A. Simon	Developed the concept of "bounded rationality", which indicates that decision-making by consumers is limited by different levels of access to information and cognitive capabilities. He studied the principles of economic behavior and decision-making in conditions of uncertainty and insufficient resources.
Erwin Hoffman	He believed that the analysis of consumer behavior is based on the principles of social relationships. Considered the system of symbols not from the point of view of the object, but from the point of view of its place in the environment or the reaction to it.
Jean Bordilliard	Analyzed the changes in culture and society resulting from the spread of mass media, globalization and virtual reality. Claims that modern society has moved from the exchange of real goods to the exchange of symbols and signs. He substantiated the principles of modern consumer culture, in which goods become symbols of status and identity.
Daniel Kahneman	Developed key ideas and concepts that became the basis for the modern concept of behavioral economics. I studied the principles according to which individuals make decisions taking into account psychological factors, and not only rationally calculated benefits. Researched the ways in which consumers evaluate and respond to risks, and developed the concepts of "cost of loss" and "cost of benefit."
Russell W. Belk	Researched how consumers interact with goods and services, as well as how consumer preferences are formed taking into account cultural factors. Studied the impact of advertising and marketing strategies on consumers, and analyzed consumer response to advertising. Justified various aspects of consumer needs, including emotional and psychological factors.

Source: compiled by the author [2]

The information content of the above table regarding the study of consumer behavior indicates that his understanding was based on many directions, namely philosophical, economic, social, psychological, hierarchical and even market.

A significant advantage in the research was precisely the "behavioral" approach of the consumer, which is considered from the point of view of the "black box", precisely during the formation of his choice" [3]. The consumer's choice is emphasized precisely in the process of forecasting and planning one's choice, and not in the reaction of experience.

The process of institutionalization of the understanding of "Consumer Behavior" or "Consumer Behavior" began in the United States of America, and already in the first half of the 70s, the Association of Consumer Research (ACR) appeared, and later the publication of the professional journal "Journal consumer research" (Journal of Consumer Research) [2090map]. In the 1960s and 1980s, the scientific debate on consumer behavior became multidisciplinary, and today whole ranges of disciplines contribute to the study of consumer behavior (Table 1.2).

Table 1.2. Subject area of research on consumer behavior

Subject area	Scientific proposals on consumer behavior
Rational and irrational consumer behavior	Analysis of the process of choosing goods and services by consumers, taking into account the factors that influence their decisions. The formation of preferences and interests, including the perception of various types of goods and services, including their status.
Psychology	Understanding the psychological aspects of consumer behavior such as motivation, emotions, beliefs and stereotypes. Analysis of the impact of advertising campaigns, marketing strategies and promotions on consumer choice.
Sociology and demography	Taking into account the influence of the socio-cultural context, such as cultural and social values, as well as demographic characteristics of consumers on their choices and consumption behavior.
Economy	Research on the level of income and expenditure of consumers, their price sensitivity, budgeting and financial planning.
Technologies	Analysis of how technologies such as online shopping, social media, and mobile applications influence consumer behavior.
Ecology and ethics	Study of trends in environmental awareness and consumer practices, as well as the influence of social and ethical aspects on the choice of goods and services.
Media	Analysis of online consumer behavior, including information searches, reviews, online purchases and interactions with online brands.

Source: compiled by the author [5,6]

Subject filling of this concept with various scientific spectrums allows considering approaches to the study of consumer behavior in the context of scientific theories. The main ones are presented in Table 1.3.

Table 1.3. The main areas of consumer behavior research

Direction	Direction characteristics
Psychological aspects of consumer behavior	• Consumer motivation: The study of what motivates consumers to purchase goods and services. • Perception and Perception: The study of how consumers perceive and evaluate products and brands. • Purchase decision: Analysis of the decision-making process by consumers when purchasing a product or service.
Marketing researches	• Market segmentation: Identification of groups of consumers with similar psychological characteristics and needs. • Marketing strategy: Development of sales and advertising strategies. • Brand analysis: Studying the influence of brands on consumer behavior.
Economic aspects:	• Consumer spending: Analysis of consumer spending on goods and services. • Consumer behavior in the markets: Studying the reaction of consumers to changes in prices, incomes and other factors.
Sociological studies:	• Consumer culture: Analysis of the influence of cultural factors on consumer behavior. • Social Influence: Study of the influence of family, friends and social environment on consumer decisions.
Consumer trends and innovations:	• Consumer trends: Analysis of changes in consumer demand and adaptation of business projects to them. • Innovative products and services: Study of acceptance of innovations by consumers.

Source: compiled by the author [7]

Given the multiplicity and multi-paradigm nature of modern economic theory, questions regarding its characteristics require in-depth research in its various contexts.

In this case, the main emphasis is directed to the study of the system of concepts and ideas of this period of development of science, culture and civilization, i.e. modernity, precisely in the context of modern economic theory. Where the result of theoretical progress and critical rethinking of the intellectual achievements of predecessors is considered. This approach makes it possible to see the general trends in the development of modern economic theory and to distinguish attention from small, specific studies that do not significantly affect the state and patterns of its development. At the same time, there is a need to reveal the ambiguous character of the modern state of economic science, which

is characterized by complex analytical changes, the lack of single-vector and straight-line development, sharp discussions about various theoretical problems, rather thin lines in demarcating the interpretation of certain issues, and crisis tendencies. In addition, in connection with this, there are significant changes in the content of certain theories, directions, and currents of economic thought.

As for the concept of "modern economic theory", the scientific literature has not yet formed a clear opinion on its definition, taking into account the speed of transformations in the world economy.

In some scientific sources, the theory is considered modern, starting from the beginning of the 20th century, from the formation of Keynesianism, which supplemented microeconomic analysis of neoclassicism by the study of macroeconomic processes [8].

The opinions of other scientists, in particular T. Gaidai, V. Tarasevich, A. Galchynskiy, under the understanding of "modern economic theory" understand the economic theory of the post-war period of its development.

There is also an opinion that economic theory starting from the 70s of the 20th century should be considered "modern". The problem of criteria for separating modern economic theory from the integral system of economic sciences, as its component, remains debatable in the scientific community today. These criteria include:

- time factor;
- connection with transformational changes in modern social development;
- relevance of economic and political preferences;
- consideration of changes in the methodology of modern analysis;
- level of practical implementation of economic policy, figure 1.1

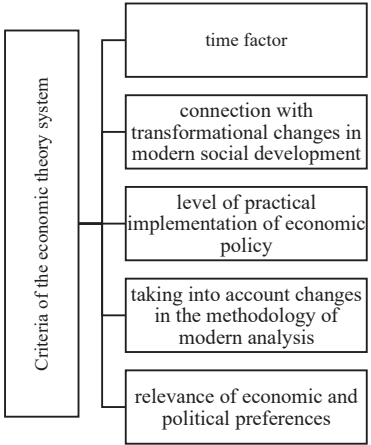


Figure 1.1 Criteria of the system of economic theory

Source: compiled by the author [9]

Thus, the criteria of the modern stage of the economic theory development should be attributed to theories that are formed under the influence of a number of economic and political crises, active globalization processes of the 2000s.

Under the influence of such radical changes, a new, modern stage of the development of the economic theory understanding is being formed, the characteristic features of which are:

- orientation of science to the study of non-equilibrium, non-linear, open systems;
- strengthening the socio-humanistic and ecological focus of economic research;
- actualization of research in the field of transformational economy, global economic space;
- use of civilizational analysis methodology;
- interdisciplinary approach, etc.

Because of such changes, the depth and unpredictability of global upheavals became unpredictable, which became a challenge for modern economic science, which does not keep up with today's highly dynamic development, comprehending the latest processes and phenomena in the system of established categories and concepts.

It is clear that there is a lack of agreement in the scientific community on how to conceptualize change in economic theory, given the extremely high speed, intensity and tension that is developing in the world. And everyone understands the need to develop worldview guidelines for civilizational progress, reorientation to the humanistic dimensions of the cognitive and practical activity of society. That requires a new level of generalizations and unorthodox scientific approaches in understanding the megatrends of modern economic development, which in our opinion can be globalization, financialization, informatization, socialization, intellectualization, which are shown in Figure 1.2, their characteristics are given below [10].

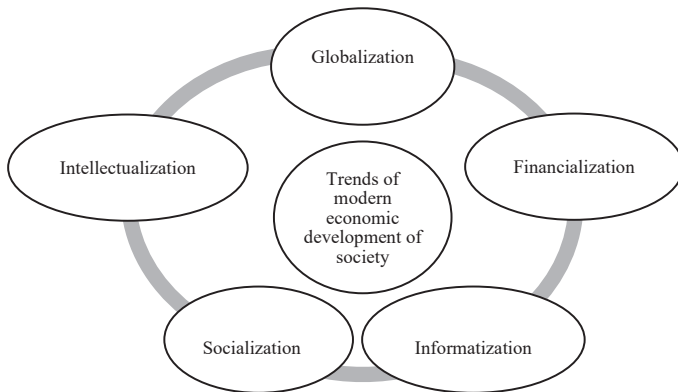


Figure 1.2 Trends in modern economic development of society [11]

Source: compiled by the author

1. Globalization associated with epochal changes unfolding in the direction of adaptation of the world's leading economies to radical natural resource, demographic and technological shifts in human history. The formation of a new geo-economic space controlled by transnational capital and the formation of wandering international reproductive nuclei that transform developed countries into country-systems capable of controlling huge economic territories leads to the formation of new economic boundaries that do not coincide with state-administrative ones. Under these circumstances, national economies seem to "tear apart" into parts that become links of various world cycles within the limits of the global reproductive process [12].

The global financial and economic crisis of the beginning of the 21st century, which clearly demonstrated the growing world-system unity, revealed the insufficiency of our knowledge about the cycles of evolutionary structuring of the world economic system. According to modern researchers, today no one will be able to name the date and cause of another economic crisis. This shows its complexity. Economic problems and contradictions accumulate gradually, but their critical level is unknown in advance. Every time a crisis occurs under a new combination of circumstances" [13]. Under these conditions, complexity, heterogeneity, volatility, uncertainty and nonlinearity, as the most important characteristics of the main factors, relationships and vectors of modern socio-economic development, turn into key categories of scientific research.

At the same time, the perception of the economy, in the context of consumer choice, is a complex and, at the same time, open system, which is far from equilibrium, forming a colossal potential for new constructive ideas in economic science, in particular in economic theory, macroeconomics and finance.

1. Financialization reflects radical changes in the structure of the modern world economy associated with the hypertrophied dominance of the financial sector. According to UN experts, despite the fact that "financialization" brought benefits to some countries, such a change in the vector of world economic development was accompanied by a constant decrease in global growth rates and increased instability of the international environment, especially for developing countries [14].

It should also be taken into account that the international financial and economic aggravation of the 2000s made serious corrections in the assessment of the resource potential of economic development, leading to the shift of scientific research to the plane of the real sector of the economy and fundamental problems of social reproduction. The revival of the reproducible approach to the analysis of the acute problems of our time returns economic science to a deep philosophical understanding of the interrelationships and interdependencies between man and his environment.

2. The defining feature of Informatization is the colossal speed of changes taking place. According to modern researchers, under the influence of comprehensive informatization, processes of devaluation of space, which ceases to be a restraining factor of human activity, and revaluation of

time, the value of which is increasing, are unfolding in the world. Under these circumstances, the speed of thinking and actions of economic consumers appear as the main factors of their mobility, the effect of acceleration is embodied in real economic values and functional advantages that increase the competitiveness of business entities, stimulating them to new acceleration.

4. It is important to take into account that the "virtualization" of the most important components of the information society strengthens the role and importance of the subjective factor, which creates not only new opportunities, but also serious threats to further socio-economic development. We are talking, for example, about situations when the behavior of economic consumers is determined by information of a manipulative nature broadcast by interested players. Under the conditions of compaction of economic space and time, arrhythmicity and spatial turbulence of the global economy, this leads to an increase in the threshold of systemic threats and risks. Their study, adequate assessment and identification of possible alternatives is a serious challenge for modern economic science.

As already mentioned, the main criterion of modern scientific, technological and social progress has become the factor of time. Its growing shortage leads to a constant acceleration of the pace of life, the introduction of the latest means of communication, with the help of which a person acquires the ability to be a participant in events that take place far beyond his actual physical presence. Such spatio-temporal unity of humanity requires an understanding of the role and significance of new communication flows formed in modern network structures, based on the fact that in the modern world "everything that matters is organized around the world wide web of an interactive network" [14].

4. Intellectualization, which progressively increases the role of man in socio-economic development. It is about the systemic subordination of the economy to the self-development of consumers, the formation of a personality and the realization of its creative potential. Consumers are considered as the center of the reproduction process, the source of new ideas and innovations, the most important factor in their perception and distribution. The specified circumstances do not so much specify the subject of economic research as set the vector of their further development, reflecting paradigmatic shifts in modern economic theory. The transformation of information and knowledge into the driving force of innovative development of society exacerbates the problems of stimulation and protection of intellectual property, which become a priority for both individuals and the world community as a whole. In this context, it is important to take into account that the development of intellectual property radically changes the views of scientists on the essence of the institution of property itself. The usual, traditional boundaries of economic analysis become too narrow for him due to the specificity and multifacetedness of intellectual activity, the result of which is the creation of a consumer product.

5. Socialization related to the subordination of economic processes to the interests of the development of consumers and society as a whole. In the world of financial instruments, investment activity increasingly loses in economic return to financial speculation, on the one hand, and on the other, a significant part of humanity is gradually turning into a society of excessive consumers of material goods. Under the conditions when the society of mass consumption faces the limitation of all types of resources, social inequality increases and social tension increases. Under these circumstances, the search for new criteria for socio-economic development and social progress, taking into account its humanistic and ecological component, is becoming more urgent.

In this regard, it is necessary to pay attention to the weakening of the spiritual continuity of generations, which creates the problem of confrontation between the values of the older generation, socialized under the conditions of a clearly regulated order, and the values of the younger generation, which is formed under the conditions of spontaneous socialization. It is generally recognized that modern youth have a three-dimensional perception of the world based on qualitatively new values and motivations that have absorbed the achievements of the information revolution. Under these circumstances, being locked in internal borders means that economic science and education lag behind the global trend of involving individuals in global social networks that interpenetrate each other, covering social reality in various directions. It is impossible to control them, but taking into account these changes significantly changes the vectors of modern economic research.

Therefore, awareness of the vulnerability and limitations of the analytical capabilities of traditional scientific research programs in understanding the megatrends of modern economic development presents economic science with the difficult task of updating its theoretical and methodological arsenal. Not only have the development vectors of further economic research depended on the solution of this difficult task, but also real economic policy, consumer interests, and economic practice.

It is important to emphasize that the search for non-traditional solutions based on new fundamental ideas should take place in interdisciplinary areas, where economics borders on other social and natural sciences. The paradigm of understanding economic is aimed at the development of the latest theoretical-methodological and practical approaches in economic theory.

Such practical new approaches in economic theory are the concept of a startup, which is considered as a recently created innovative business entity and is characterized by the potential of a significant contribution to economic growth, job creation and increasing the level of scientific and technological progress in the country. This definition emphasizes the following key aspects:

1. *Innovation* – Startups are known for their focus on innovation. They represent new ideas, technologies, products, or services that often meet the needs of an emerging market, solve specific problems, or challenge traditional industries.

2. *Stage of Development* – Startups are typically in the early stages of development, which may include pre-profit or early revenue stages. These can be newly founded companies or organizations with limited functions and tasks.

3. *High growth potential* - startups are characterized by their desire for rapid and scalable growth. They seek to rapidly expand and capture significant market share, while taking market leadership positions or undermining existing markets.

4. *Entrepreneurship* – Startups are founded and led by entrepreneurs, who are willing to take risks, exercise vision and creativity, and demonstrate a strong commitment to building and scaling their business.

5. *External Funding* – Most startups seek external sources of capital, such as venture capital, investments or government grants, to finance their operations, research and development, and expansion opportunities.

6. *Job creation* – Startups have the potential to create jobs both directly within their organizations and indirectly through supply chains and supporting industries. They often help reduce unemployment and attract talented young people.

7. *Technological progress* – startups often implement or use advanced technologies and digital solutions, contributing to the development of the country's technology ecosystem and digital infrastructure.

8. *Market Imbalance* – Startups can challenge established industries, business models, or traditional practices, leading to market disruption and changes in consumer behavior or industry norms.

9. *Economic Impact* – Successful startups can significantly influence the national economy by increasing gross domestic product, generating tax revenue and promoting economic diversification.

10. *Innovation ecosystem* – they are part of a wider innovation ecosystem that includes accelerators, research institutions and government support aimed at fostering entrepreneurship and innovative solutions.

It is important to note that the specific criteria of what constitutes a startup in the context of a national economy may differ depending on the socio-economic, political environment and may change over time. However, in many countries startups are generally recognized as the most important drivers of economic development, technological progress and job creation. Hence, governments and stakeholders often support and promote startups through various initiatives and programs [15].

A constant dialogue between interested researchers who solve similar problems in different areas of scientific knowledge will contribute to the return of economic science to its most productive

and intellectually significant foundations, namely: to the paradigm of perceiving the economy as a component of multifaceted dynamic human activity.

Therefore, we can conclude that modern economic theory has its own sphere of new theoretical knowledge and an individual system of finding and interpreting certain objective facts of today's reality, which are formed under the influence of the development process of the world economy, consumer preferences of each individual, etc. Its study penetrates into ever new spheres of social life, and the methodology is significantly enriched (and this process continues) due to the involvement in economic research of various methods, methods, principles, systems of analysis, modeling, where social, economic and political connections should be distinguished

The results of transformations of modern economic theory made a significant contribution to the formulation of modern demand theory. The works of such scientists as P. Samuelson, E. Slutsky, J. Hicks and others reflect the basic methodological provisions regarding consumer choice in conditions of complete certainty and uncertainty of choice in time [16].

The developed model of consumer behavior is the basis of modern courses of economic theory and microeconomics, this approach finds practical application. In particular, it is used to forecast demand in individual markets, analyze the consequences of state economic policy measures for consumers, model the dynamics of domestic investments in the economy, etc.

Understanding the neoclassical model of consumer choice in the above-mentioned areas presupposes an analysis of his behavior in three stages, Figure 1.3.

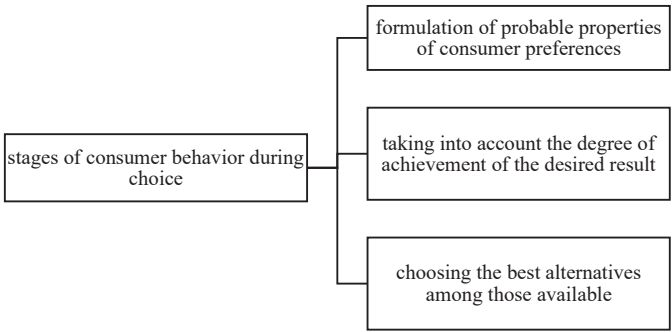


Figure 1.3 Stages of consumer behavior during choice

Source: compiled by the author [17]

This means that the neoclassical model of consumer behavior is mostly normative in nature, as it is based on a number of "logically justified" assumptions about the main aspects of this behavior.

The most important assumptions of the neoclassical consumer model, in our opinion, include the following:

1. Homogeneity of consumer preferences.

2. Consumer sovereignty (preferences are independent of external factors, including the influence of other members of human communities).

3. Rationality of choice (maximization of utility as a goal).

4. Static (absence of changes in consumer behavior over time).

Assuming that these restrictions are appropriate for the desired result, and the hypothesis of rational behavior really characterizes the consumer's consumer behavior, the conclusions from such a model should explain the vast majority of real cases of consumer choice.

Nevertheless, as noted by M. Friedman, if the premises underlying the models are completely inconsistent with reality, this makes it impossible practically verify their veracity [6, p. 29].

Therefore, it is logical that the question is whether it is possible to obtain a model that consistently describes the behavior of a real economic entity from the above premises.

According to supporters of behavioral economic theory, which arose at the junction of economic theory and other social sciences, such as psychology, anthropology, etc., a number of natural sciences - biology, neurology, biochemistry, etc., the assumptions of the neoclassical consumer model are completely unrealistic.

Although, using the example of well-known experiments of Israeli psychologists D. Kahneman and A. Tversky, they showed that the choice of individuals in most cases is not rational in the neoclassical sense, because the assumptions underlying the concept of "rational behavior" of the consumer - in particular, fullness, are not fulfilled transitivity, reflexivity, etc. [1; 2].

In general, one cannot but agree with the main conclusion that follows from the research of psychologists - the behavior of individuals is determined primarily by intuition (reflexes), and not by rational calculation [4, p. 145]. As practice shows, the choice of an individual consumer is influenced by such factors as effect, motivation, interaction with other consumers, and, as has also been proven experimentally, genetic factors [7, p. 20-24]; he is not conditioned by the logically motivated properties of his preferences and budget constraints. This conclusion is supported by numerous studies of economic behaviorists, the results of which provide convincing grounds for statements that have a purely pragmatic meaning. For example, that marketing measures affect consumer choice not through "distortion of his preferences", but through an objective increase in the degree of satisfaction, which he receives from goods properly promoted to the market) [10, p. 392].

The winner of the Nobel Prize in economics, Vernon Smith, who also opposed the normative ("constructivist") approach to rationality, put forward an alternative concept of "ecological rationality". The development of solving approaches occurs "as a result of the trial and error of cultural and biological evolution" [5, p. 755], and not because of conscious logical reasoning.

Therefore, the economic behavior of the consumer, including manifestations of altruism, has deep biological roots and hundreds of thousands of years of evolution. [8]. It cannot be said that

representatives of the neoclassical school did not see the methodological weakness of their approach. Some efforts to make the consumer model more convincing were made by scientists throughout the 20th century. For example, P. Samuelson in his theory of revealed preferences [9] attempted to transfer the analysis of consumer behavior from a normative to a positive plane. However, his scientific development did not lead to the emergence of a new quality of the basic neoclassical model and turned out to be unable to correct its fundamental flaws, since the theory of revealed preferences is based in an implicit form on the same assumptions about consumer behavior, in particular, the rationality of choice.

Another famous economist, H. Leibenstein, in 1950 recognized that certain anomalies of consumer behavior are caused by the interaction of individual preferences. Therefore divided consumer demand into two categories: functional (derived from the traditional concept of the selfish consumer) and non-functional (explained by the influence of other individuals and motives not related to direct consumption, as well as irrationality of behavior) [3, p. 305-306]. However, the basis of the analysis of the consumer's behavior remained his "functional demand".

It should be noted that the problem with the neoclassical theory of consumer choice is that "abnormalities" of economic behavior dominate over "normal" types of behavior. The main difference between the behavioral theories as an alternative to the neoclassical theory, according to D. McFadden, is that the neoclassical theory considers atypical manifestations of consumer behavior, which are expressed in violation of the principle of rationality. The result of the subject's action is limited memory and cognitive capabilities, that is, anomalies that can be realized by the individual and corrected by him in the future. Behavioral theory considers such "wrong" behavior as a product, an objective result of the evolution of consumers, which is quite natural [7, p. 11-12].

Therefore, the behavioral economic theory dealt a significant blow to the theoretical foundations of the formation of classic consumer behavior, showing the inadequacy of the hypotheses and limitations placed in its basis, questioning its internal logic. Therefore, debates constantly arise in scientific schools, whether it is possible to use the results of behavioral economic theory in practice, or whether it is possible to develop a new theory of consumer demand based on its conclusions, devoid of the shortcomings of the neoclassical approach. Is it possible to find ways to overcome the existing essential contradiction between the normative theory of consumer behavior, represented by the work of neoclassicists, and the positive theory, represented by behavioral economic theory, and obtain a synthetic concept that could be used with a pragmatic purpose to predict the economic behavior of consumers. Moreover, so far, there is no satisfactory answer to this question, therefore the task of theoretical economists should be the formation of further scientific research in this field, which should not be limited to experimentation, but also be accompanied by theoretical generalizations aimed at improving the methodology of consumer behavior analysis and achieving on this basis of concrete pragmatic results.

The theory that scientists are researching today is also worthy of attention, it is the theory of "resultative" or "productive" consumption, which is aimed precisely at explaining the behavior of the modern consumer (individual). The research direction of this theory is based because of combining relevant directions regarding "resultative" consumption in the context of economic communications. It should be noted here that the basic methods used at each stage of research in the development of the theory of consumer behavior are comparative analysis, scientific abstraction, rationalization, reproduction of modernity, taking into account the interdisciplinary connections of each direction.

Therefore, "resultative" or "productive" consumption represents simultaneously two aspects: utility and profitability.

Scientific sources distinguish three main forms of such consumption, namely:

- health;
- education;
- food products.

These forms serve basic needs and therefore belong to the category of consumption expenses. That is why the efficiency of human resource efficiency is valued, in the context of "resultative" or "productive" consumption, since the activity is aimed at the result [18].

Given that, the effectiveness of the working capacity of each individual affects the interpretation of the "resultative" consumption of the volume and causes interest in human capital in general.

If we take into account this concept, it is worth noting that we can "productive" consumption aimed at meeting the everyday needs of consumers. Therefore, it is worth pointing out that one of the main statements of the theory of "productive" consumption are:

- 1) the individual is guided by long-term terms and strategies when making decisions;
- 2) consumer behavior of an individual is based on rational motives and features of his personal state (psychological, social, moral) as well as motivational aspects;
- 3) the consumer equates his choice with well-being and achieving a certain level of income in the future;
- 4) consumer communication determines the impact on the realization of everyone's long-term goals, for their realization.

This view of the theory of "productive" consumption is a new vector of research on maximizing the utility of consumers when making their choices. Therefore, here the satisfaction of current personal needs of consumers "relies" on the reality of the present, which determines certain actions during various life situations now of choice.

In trying to get the most out of their choices today, consumers use past experiences, results, and are driven by emotions. Thanks to such components of the individual's character, he can value the purchase of a particular product (service) and perform certain actions depending on the situation,

and the consumer can produce such actions himself or avoid them. Given this situation, a question arises regarding the formation of the initial experience (for the first time) and the next experience, a new experience that arises because of the initial one.

Thus, the initial experience is formed during the consumer's choice for the first time, and when implementing it, the consumer already moves to understanding new needs, which form a new experience of consumer choice.

Therefore, combining the results of the initial and new experience, consumers form their result of receiving satisfaction, which is formed under the influence of certain situations, circumstances and requirements [19].

As a result, the system generalizes the experience of consumer choice in specific situations and contributes to the development of future experience by making a choice regarding a certain activity, well, product, service, etc. Moreover, such activity can already determine a double meaning in relation to:

- increasing the motivational components for making certain decisions or determination with a certain type of activity, including the economic component - on the one hand;
- on the other hand, the current activity of the consumer may distance him from the primary goals that were set at the beginning of the decision, which also includes economic categories.

The economic component (capital) is an essential aspect that affects the results when determining "resultative" or "productive" consumption, and on the other hand, there is the understanding of the consumer in the "present-future" plane.

The consumer's choice becomes productive if, when making a decision about his decision, he hopes to increase his benefits in the future and get the maximum effect from his decision, and as a result, all these actions are aimed at discounting the value of human capital.

Realizing that the pattern of behavior of "productive" or "resultative" consumption can extend to other patterns of consumer behavior. Therefore, the guidelines of manufacturers should be aimed at different behavior patterns, including the understanding that the consumer wants to get maximum satisfaction from his choice and decision.

Therefore, it can be assumed that the study of consumer irrationality has a significant impact on the scientific directions of studying this issue. One of which, in our opinion, is the influence of consumers' political views on their choice, decision-making, etc.

Modern economic theories are aimed at solving this issue, guided by the work of scientists and practical studies of consumer behavior in the context of its irrationality, taking into account:

- 1) understanding of modern economic theories, which are aimed at the exchange of certain information regarding the subject and object of the agreement;
- 2) theories included in socio-economic systems of different levels.

Modern economic theories themselves, being in a certain institutional environment, also form their institutional directions, for example, law, culture, religion, sociology, political science, ethics, etc.

Therefore, it can be considered that the trends of economic theories deepen and expand the choice of each consumer, affecting the knowledge of certain limitations when choosing, thus compensating for the effect of certain prerequisites that affect the behavior of the consumer when making his decision.

Given the fact that modern economic theories are components of a social, political, production, religious, ethical subsystem, each of which has its own characteristics:

in the production subsystem - the interaction of consumers, where technologies and rational economic calculation play the main role;

in exchange subsystems (religion, ethics) - distribution and consumption, the influence of humanistic factors that become more important and influence the consumer's choice;

in the social subsystem - management directions that would ensure social growth and development are considered;

political subsystem - aimed at political awareness of consumers regarding the political situation of the country as a whole.

Therefore, the modern neoclassical economic theory considers directions for the development of offers that would create demand in all spheres of consumers' lives. The theories of "productive", "resultative" consumption are aimed at the fact that each individual can influence production, making the most acceptable decisions for themselves, which means that the formation of the consumer's perception of the desired choice ensures the interaction of people today, and is a tool for building the future.

1.2. Analysis of factors affecting the formation of types and models of consumer behavior in the context of classical economic theory

Economic theory examines the decision-making process of consumers in terms of understanding the steps they go through when they are deciding whether they are approaching a decision to identify certain goods for themselves. Quite a number of different factors that can both bring you closer to a positive decision and affect a sharp change in the haze influences this.

Moreover, most of these factors are quite peculiar, taking into account the specific circumstances of each situation, for example, to what goals you direct your decisions regarding the purchase of services, and for what reason, for what needs, with what thoughts, etc. They are also specific for each individual: features of a person's character, reasons for behavior in a certain period,

economic status, social environment, political views, etc. Since there are no people who have the same opinions, tastes, preferences, it is difficult to predict, predict and simulate the influence of factors on the vacationer, and to draw a conclusion about the final decision regarding the choice of service, products, etc.

From an economic point of view, the study of such factors and their analysis makes it possible to form certain directions of a possible idea of the consumer's consciousness. An important factor is the information field about the circle of consumers, statistical data, sociological surveys, questionnaires, thanks to which you can learn more about what the consumer is guided by and what can influence his decision, then these influencing factors are in your favor.

Although, formally, the decision-making process itself is quite unified, consumers' decisions do not match one hundred percent. Consumers are guided by many principles, ideas and aspirations regarding their behavioral preferences and some of them may be subject to certain control, and some are not, and for the activities of macrologists, political scientists, and sellers, it is still a problem, because they cannot determine certain accents of influence on the consumer. Thus, the interaction of all these factors determines that each consumer is unique in his actions, choices or decisions [20].

Therefore, there are many factors that influence consumer behavior and they are quite complex. Nevertheless, considering the current situation, we can group them into five groups, namely:

- situational factors refer to the level of consumer involvement in the purchase task and available market offers.
- individual - character traits, age categories, economic opportunities, life cycle, etc;
- psychological - related to the consumer's temperament, his thinking, imagination, character abilities;
- social - related to the socio-cultural environment, social status, family.
- political factors refer to values, beliefs, ideology, state order, national culture, state policy, which are shown in Figure 1.4.

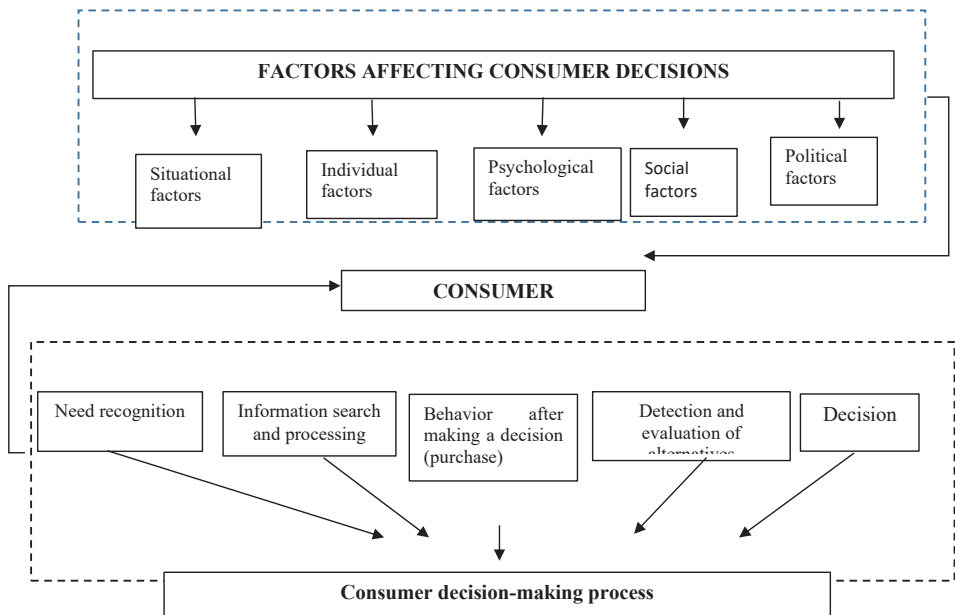


Figure 1.4 Factors influencing consumer behavior

Source: compiled by the author [21]

According to Figure 1.4, we can see that consumer behavior depends on many factors, which in turn are quite versatile, but have an important impact on consumer opinion. We will describe each of these factors in detail.

As for situational factors, it is worth noting that the consumer's attitude to how to solve this or that problem, how much effort is required to make such a decision. The consumer must make certain decisions, which in turn are associated with a large number of certain risks. If the consumer has already had the experience of purchasing similar services and goods before, it is likely that his choice will be simple, and certain risks will not affect his choice. If we assume that the consumer purchased the product after concern, anxiety, and certain experiences and remained satisfied, then this factor (situational) will continue to encourage the individual to purchase this product.

An important point of this factor is the wide availability of market offers for the consumer, which can be another set of means of influencing the consumer's choice and decision-making.

The wider the range of offers and the more accessible it is to the consumer, the more complicated is the process of selection and decision-making. In addition, the more limited the market offers, the easier the process of making a purchase decision will be.

As mentioned earlier, situational factors are quite important when making a decision and choosing, and individual (personal) factors are equally important, which reflect the nature of the consumer, the mood in which he makes a decision, his life cycle at that moment, financial the possibilities of the corresponding period.

No less significant factor is demographic. It is worth pointing out that manufacturers of services and goods use this factor more, since statistical data about the age category of consumers, gender, their income, educational level, marital status, each of them can significantly influence the behavior and choice of consumers [23].

Significant differences can be observed between consumer age groups and related needs. For example, when older consumers direct their attention to advertising messages related to health care, insurance, treatment, then younger consumers direct their attention to, for example, gadgets, cars, recreation, toys, etc. Such age differences of generations also influence their choice. Gender is also a defining characteristic for many consumers. Therefore, the demographic factor, in the context of the economic component, is a powerful factor influencing the choice and decision of the consumer. It is not surprising that consumers with different incomes will tend to focus on different types of products, different payment methods and different quality.

An important component of situational factors is the stage of the consumer's life cycle at which he makes his choice, a special impact is felt if significant events and circumstances occur in the consumer's life, at such moments preferences can change dramatically. These can be both positive and joyful moments, starting a family, buying real estate, having children, as well as negative life moments, and even tragic ones. Moreover, such life events shape the attitude, behavior, choices, and decisions of consumers.

The consumer market includes all segments of the population, starting with preschoolers, teenagers, young people, and the elderly, a separate segment is married couples and single individuals, that is, the market is aimed at all types of consumer needs, regardless of their characteristics.

Studies of foreign sources indicate that consumers experience the marketing component at life stages when the offers correspond to their life events.

The next component is the consumer's lifestyle, which is a new but quite important factor and makes it possible to understand and determine the consumer's behavior. When considering the concept of "style" of life, in the context of modeling the behavior of each individual (client), it is necessary to delve into the inner world of each person, understand his hobbies, habits, values, etc.

Aspects that determine the way of life are quite extensive and quickly modified, in particular: areas of activity, circle of interests, specialized orientation, internal state, etc.

These aspects indicate how the "style" of life changes the consumer's preferences, how they take care of their time, which is necessary to make the "right" decision in their opinion, how they see

themselves when spending money to satisfy their needs, and such individual characteristics significantly influence consumer decisions [24].

As for personality, this understanding serves as a generalization of personality traits, which form the uniqueness of each person. Consumers of me may have all the same characteristics, there may be coincidences only in some, insignificant features, by which there were attempts to classify persons with similar features.

In addition, one of the most famous classifications is the work of Carl Jung, which defines two categories of personalities - introvert and extrovert. However, in recent years, a lot of research has been conducted in this direction, and it was determined that personal traits are also classified according to certain characteristics, namely, individual character traits, in particular: sincerity, gratitude, aggression, kindness, adaptability, confidence, and others.

Psychological factors – they include the individual's mental system and its influence on decision-making. This factor indicates the importance of such things like the mental state of the consumer; the mental activity; what motivates the consumer when making a decision. Motivated individuals are very goal-oriented, and in order to make the right decision about their goals, they are guided by their inner beliefs, pressure or reason. The forces of motivational factors can be external and internal.

In order for motivation to be useful, it is necessary to understand what makes each consumer set goals, what efforts to use to solve them, and what needs will be satisfied as a result.

Motivation begins with dissatisfaction in certain circumstances, as well as the identification of needs and their solutions.

One of the most widespread theories regarding the individual motivation of the consumer is highlighted in the works of A.H. Maslow, and defined as the "hierarchy of needs". He created a model that reveals the main levels of human needs in a hierarchical order, starting from the simplest (elementary) needs to the needs that affirm the consumer at the highest levels of self-esteem and self-realization, which is reflected in Figure 1.5

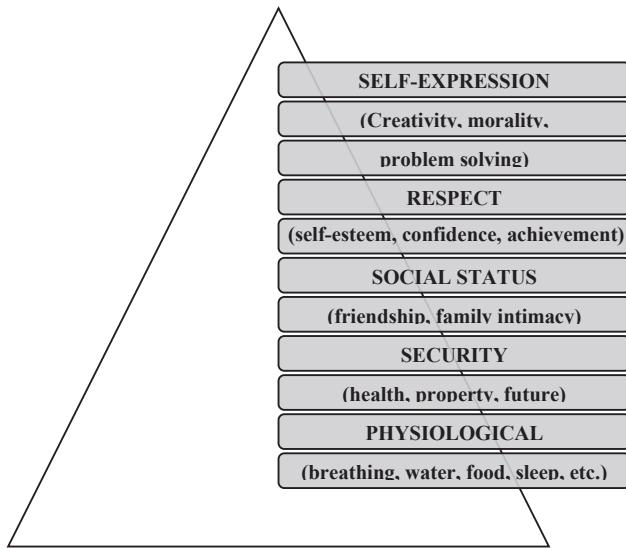


Figure 1.5 Pyramid of needs according to A.H. Maslow

Source: compiled by the author [16]

According to Maslow's pyramid physiological needs are the elementary needs of the existence of each individual, breathing, water, food, sleep. Existence is not possible without these vital needs.

The need for security already reaches a higher level, since health, planning for the future, the desire to own any property, raises the individual to a higher level of opportunities and desires. Health security can also be included here, and it can also be considered in the context of financial security, which in the future could provide for other needs, needs of a higher level.

As for social status, this is already the third hierarchical level according to Maslow's pyramid. Family, society, friendship involves the interaction of people with each other, which makes it possible to feel accepted in social groups.

Respect is the fourth level, this includes self-respect, confidence, and achieving one's goal, which allow you to feel at a higher level, respect and value others, and position yourself as a positive image.

The last level of Maslow's pyramid is self-expression of an individual, his creativity, morality, ability to solve problems. Realization of higher-level needs is different for everyone. Each person's potential is revealed in different periods of life in different ways, and such self-realization brings confidence to each individual.

Maslow's teachings prove that such hierarchical levels of human needs operate at the subconscious and genetic levels. Moreover, considering certain, concrete needs, consumers do not

focus their attention on them, because it has already been decided internally, genetically that it should be so.

Therefore, the satisfaction of elementary needs (needs of lower levels), on which the consumer does not focus his attention on their solution, but directs his attention to higher-level needs and solutions to them. Studying Maslow's works through the prism of economic theory, we can determine the general needs of the consumer, as well as their level.

The next component of situational factors is training and personality development.

As for learning, it is worth noting that the consumer can change his decisions, choosing having previous experience. If we talk about learning from this perspective, then it does not include understanding those elementary reactions and needs, such as the state of fatigue, sleepiness or hunger. Since reactions to these needs of each individual are reflective and laid down by nature.

The process of obtaining a higher level in many ways is experience, practical achievements, failures that can influence consumer decisions.

Some experimental interests may influence the consumer's decision regarding his choice, knowledge that has not been used before. In addition, the consumer cannot explain all the choices, because he was guided by his internal teachings, knowledge that "slept" [17].

Consumers can enrich and strengthen their knowledge, their training thanks to the received benefits, bonuses, as well as comments, which in turn reinforce the understanding that the consumer made the right decision or choice, which in turn forms a model of consumer behavior.

The understanding of the concept of socialization, which includes Maslow's pyramid, represents a set of processes and results that are aimed at reflecting the socio-cultural assets of a person, as a rule, this is a certain experience based on his activity, the possibility of communication, being in society.

Socialization can be considered as a two-way process that includes a purposeful, constant influence on a person, as well as spontaneous, chaotic processes that can have a significant impact on the formation of their opinion.

Socialization of consumer behavior is studied and changes throughout a person's life. It is during socialization that interaction takes place in consumer behavior under different social conditions.

Moreover, consumers model their behavior by exchanging information. Such modeling involves a certain imitation of the behavior of other consumers.

It is also worth mentioning such psychological factors as the attitude, position and beliefs of the consumer. They are consistent in their chain reaction and have a significant impact on the consumer's emotional state and behavior.

Beliefs, position and vision of consumers towards anything can be both positive and negative, as well as neutral, and such determination is based on many factors, which in turn affect consumer behavior.

The political factors that can influence the political views of consumers should include expression in the activities and decision-making of local authorities and the government. It can be state protection of consumer rights, which is considered as:

- Providing the opportunity for free choice;
- Obtaining knowledge and qualifications in the decision-making process;
- Obtaining a certain benefit (goods) in a legal way;

Ensuring protection by executive bodies: the State Committee for the Protection of Consumer Rights, the State Committee for Standardization, Metrology and Certification, State bodies of sanitary supervision, etc.

From the point of view of economic theory on the study of consumer behavior, it is all about analyzing how people deal with scarcity and allocation of limited resources to meet ever-increasing consumption needs, and determining how consumers use available resources, how they evaluate different means of need and how they make decisions for maximum satisfaction.

The behavior of consumers in such situations is not always completely clear. In addition, it is the number of factors mentioned above that affect this behavior, which affects the emergence of various types of consumer behavior. The classification of which is shown in Figure 1.6.

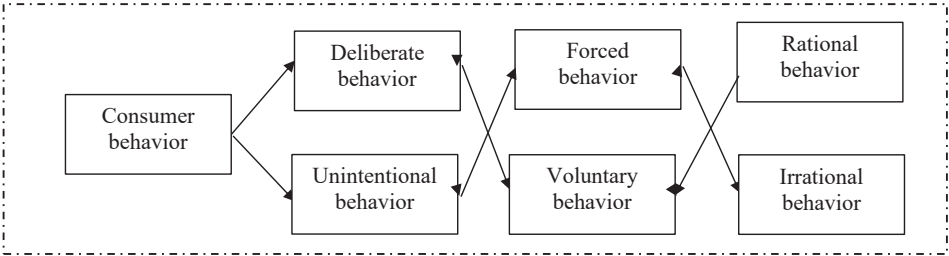


Figure 1.6 Classification and interaction of types of consumer behavior [15]

Source: compiled by the author [2]

Each of the pits of consumer behavior implies its own model of behavior, which can be interpreted as a simplified diagram showing the relationships between various elements that make up

consumer behavior. It consists of a number of interdependent variables that explain the effect of a certain action. Some of them model a specific sequence of actions, from constant variables leading to the awareness of a need, through preparation for decision-making and making a purchase and reaction after the purchase, which allows considering the model of consumer behavior as a sequential chain of action.

Taking into account trends and characteristics of types of consumer behavior, we can single out the following:

- rational or expedient behavior, this is when the consumer chooses the set of certain actions, using which he will get the maximum benefit, while having the least costs;
- irrational or illusory behavior, when the consumer does not adequately assess his expenses, maximizes them, and ignores his future needs and opportunities.

In more detail, behavior can be divided into the following subspecies:

- considered, when the consumer clearly understands the difference between the possible options of his choice;
- unintentional, the decision regarding his choice, the consumer associates with significant risks and still chooses;
- decision-making behavior, when the differences between possible solutions are practically absent or unimportant to the buyer.
- compulsive behavior, when there are quite significant differences in the choice, but he does not show firm determination about the choice and hesitates.

As mentioned above, consumer behavior is a complex phenomenon, so scientists have developed appropriate models for its study.

A model is an imagined or physically implemented certain system that reflects the object of research and can influence it so that its study can form and substantiate new data about it.

Modeling of consumer behavior is carried out using economic, sociological or psychological and political approaches [3].

In the context of the economic approach, the basis of which is obtaining the greatest possible benefit by the consumer guided by rational approaches and minimizing his costs, the influence on consumer behavior is considered by such factors as his income level, price, its operational properties, and the ability to replace one product with another.

If we consider the sociological approach to consumer choice, the basis of which is the assumption of a possible choice, then society plays a significant role. Nevertheless, it is precisely that segment to which the consumer wants to belong.

Internal qualities of the consumer play a role in the formation of a psychological approach, in particular, his psychological state, type, life experience, and inner experiences.

The political approach is based on the political situation in the country and the foreign policy of the state.

This approach has a greater impact on consumption as a whole; as a factor of demonstrative consumption, it acts to a lesser extent, although, of course, the political situation in the country affects all spheres of social life.

According to the scientific literature on this issue, popular models of consumer behavior include:

- a model of the decision-making process f. Kotler,
- model of consumer behavior by A.R. Andreasen,
- the Nicosia decision-making model,
- model of consumer education J.A. Howard and J.N. Sheth,
- model of consumer behavior by J.F. Engle, D.T. Kollat and R.D. Blackwell,
- model of consumer behavior by J. O'Shaughnessy, we will consider some of them in more detail [9].

One of the most common models of consumer behavior is the "Black Box" model by F. Kotler, which is depicted in Figure 1.7.

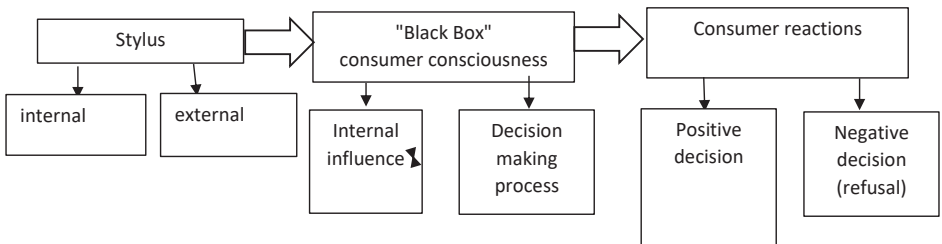


Figure 1.7. The "black box" model of consumer behavior

Source: compiled by the author [9]

This "black box" model is a certain reflection of the consumer's thinking, his reflection of thoughts, and the process of their realization under the influence of many factors (economic, political, personal, social and others).

These processes are so complex and difficult to study, and their research does not stop despite the fact that the costs for this are colossal. Therefore, scientists focus on establishing the relationship between those components that affect the consumer in the process of implementing the "black box", Figure 1.8.

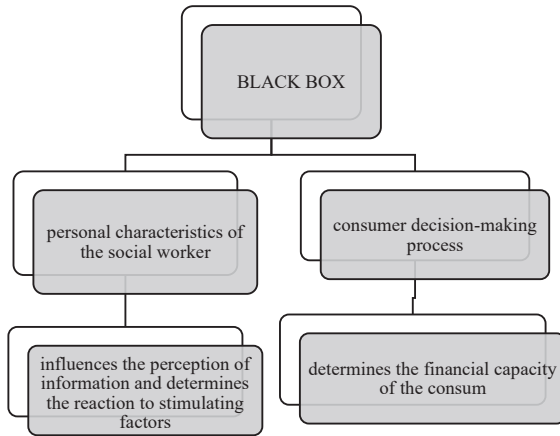


Figure 1.8 Components of the "black box" [6]

Source: compiled by the author

Classical consumer behavior can be conditionally divided into five main stages, Figure 1.9

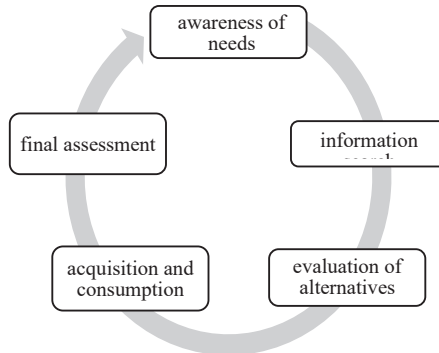


Figure. 1.9 Stages of consumer behavior

Source: compiled by the author

Therefore, the consumer is aware of the presence of certain needs that require satisfaction by purchasing a certain service.

At the second stage, the consumer collects information about specific types of services that can satisfy the need and their producers. Having collected information, the consumer moves to the third stage: evaluation of alternatives among the selected services.

Having made a specific decision regarding his choice, the consumer purchases and consumes the service, i.e. moves to the fourth stage.

At the fifth stage, after the purchase, he makes a final, final assessment regarding the degree of satisfaction of his need.

Therefore, returning to the behavior of consumers according to the "black box" model, we can say that there are different incentives: consumer needs and factors that influence decisions. When leaving the "black box", one can observe the reflexes of consumers, which reflect the adoption of a specific decision in a specific place and time (or in a conscious rejection of it).

In addition, one of the important models of consumer behavior research is the Angel-Collat-Blackwell model [8]. Its main components are shown in Figure 1.10 [16]:

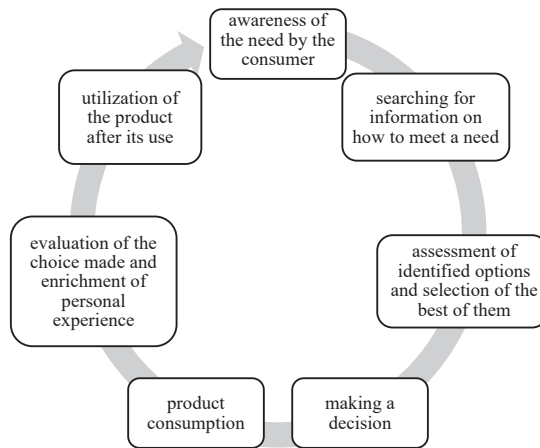


Figure 1.10 Angel-Collat-Blackwell's simplified model of consumer behavior [11]

Source: compiled by the author [11]

Therefore, first, the essence is formed - why is it necessary - the consumer must understand in his inner thoughts the difference between the actual state and the possible future, and decide which decision should be active.

If the fluctuations between such decisions are small, then the completeness of information regarding the necessity of this need will have an advantage, it can be the opinions of friends, information from relatives, marketing research, scientific publications, etc. Understanding that the decision is quite important, we move on to the second step - evaluating all possible options, both positive and negative, and choosing the best of them. Having already certain results, the decision-making process can be activated or deactivated. The next step of this model is the direct consumption

of products, and only then comes the enrichment of personal experience, which can be both negative and positive, considering how satisfied the consumer is with the decision he made. Therefore, this model of decision-making (Angela - Collat - Blackwell) accumulates internal experiences, encouragement, informational attack, external influences on the consumer's choice.

The model presented by Howard-Sheth characterizes the psychological, social and economic aspects of an individual's consumer behavior. Depending on the completeness of information about the product, service, works, decision-making can be considered at three levels:

- presenting the issue to the public for information;
- limitation of the information field about the secondary market;
- typical consumer behavior (hidden).

Such a model focuses attention on the main four incentives that influence consumer decisions, in particular: social, meaningful, symbolic and economic. Each of which forms its influence on the consumer's motive, his intentions and trust regarding his satisfaction of needs. And at the output of "satisfaction", such factors as attention to the choice, its order, attitude and purchase form satisfaction from the result of the decision made, Figure 1.11

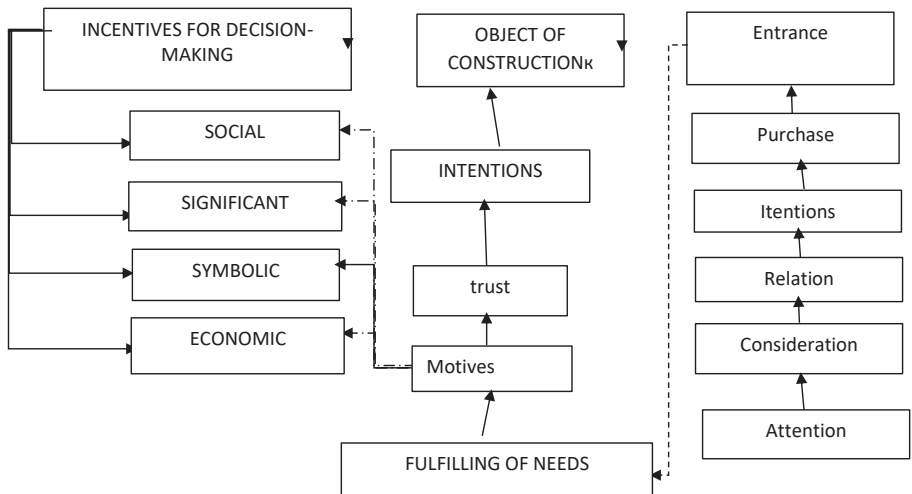


Figure 1.11 Howard-Sheth decision-making model [13]

Source: compiled by the author

In conclusion, it can be noted that all the detailed models of consumer behavior are based on external and internal factors. Almost all of them rely on social, economic, personal, psychological components. Although in our opinion, the political aspect of decision-making by consumers in the modern conditions of the development of society also plays a rather important role.

The study of scientific approaches to understanding consumer behavior showed that the gradual development of leading opinions, starting from the microeconomic level and reaching the views of the present, defines it as a rather complex process, which is characterized by a set of external and internal factors.

That are studied in the context of economic theory, management, psychology, sociology, social psychology, political science, cultural studies, and other areas. Moreover, each of them has its own principles, practices and tools.

The current conditions of the global transformation of human civilization, the increase in the prerequisites of the crisis of the economic system, the aggravation of political problems on a global scale cause significant changes in the scientific paradigms of social science. Economic theory cannot fail to respond to such transformational trends, which so perceptibly permeate all spheres of human life.

Therefore, it is necessary to concentrate on the search for new social paradigms capable not only of resisting negative trends, but also of creating reasons for the survival and social progress of human civilization.

In our opinion, the attention of economic science, in particular economic theory, should be focused on the search for real factors and mechanisms that would contribute to the socio-economic and political development of consumers, which would correspond to the scenario of a harmonious human civilization.

1.3 Theoretical aspects of determining the dependence of the level and methods of consumption on the intensity of the political dispute in the context of the main areas of behavioral economics

The theory of consumer behavior determines the choice of an individual depending on his purchasing power, which in turn depends on the level of income of the consumer. This chain is completed by the general economic and political situation in the country, which sets certain restrictions or a high level of access to benefits. Due to the presence of such budget restrictions or, conversely, opportunities, each individual consumer can purchase only a limited number of certain goods.

Each presented well on the market of goods or services has a certain set price, which is defined as the amount of costs incurred in the production process of this good. Production costs arise because the production of any goods is associated with the costs of the purchased resource. Depending on the general situation in the country with regard to political or economic sentiments, the situation in the

market, production or in relation to the use of certain resources may change due to changes in general consumer choice.

Table 1.4. Postulate theories of consumer behavior and their characteristics

Postulate	Characteristic
Plurality	In the theory of consumer behavior, the term "multiplicity" can indicate a concept related to the choice of alternatives and decision-making. Plurality can include all possible choices that the consumer faces. This concept allows you to analyze how consumers make a choice among various goods or services, taking into account their properties, characteristics, prices and other factors. The "multiplicity" postulate is used to study the decision-making process of consumers, as well as to develop marketing strategies that are aimed at increasing the attractiveness of certain goods or services in the eyes of consumers in comparison with other alternatives.
Sovereignty	Consumer sovereignty implies that each consumer can independently choose the products or services that best suit his needs, interests or beliefs. This concept can be important in understanding what factors influence consumer decisions and how marketers can interact with these factors to create offers that are more attractive. Thus, the consumer's choice can be limited by various factors, such as economic circumstances, lack of information, and the influence of marketing strategies. Thus, the study of consumer sovereignty helps to reveal how consumers make their choices in the marketplace and how this process can be optimized for all stakeholders.
Rationality	In the theory of consumer behavior, the concept of rationality refers to the idea that consumers make purchase and consumption decisions based on maximizing their benefit or satisfaction. This postulate is based on the assumption that consumers choose alternatives that give them the most efficient result, given the constraints they face, such as limited financial resources, time, and other circumstances.

Source: compiled by the author [13]

Research on the impact of political controversies on consumer behavior usually includes many aspects and can have different results depending on the context and research methods; here are some of them.

1. In the study "The Effects of Political Instability on Consumer Trust and Behavior" by Ivan Rosenberg (Ivan Rosenberg) and his co-authors, it was shown that political instability could affect

consumer trust and purchasing behavior. Consumers may become more cautious when shopping and avoid risky spending during periods of political instability.

2. The scientific topic called "The Impact of Political Orientations on Brand Choices" was developed by Gatlin Garner and Jason Patton and includes principles that determine how exactly political orientations affect the choice of brands. Scientists have been able to establish that political identification can influence consumer choice of brands, especially in cases where brands express political positions.

3. Ashley Masisnovski in her study "Political Advertising and Consumer Behavior" analyzed political advertising campaigns and their direct impact on consumer behavior. She found that political advertising could influence consumer attitudes and brand attitudes.

4. In the study "The Effect of Political Events on Consumer Sentiment and Spending", the authors examine political events and their impact on consumer sentiment and spending. The researchers concluded that significant political events can affect consumer confidence and spending, but this effect may be temporary.

These examples demonstrate the diversity of studies and their results. It is important to note that the impact of political controversies on consumer behavior can be complex and dependent on many factors, including cultural, social and individual aspects [5].

Frequent changes in power and political attitudes within one or another country are a mechanism that affects the level of socio-economic development of the population, in particular, the consumer's choice in various spheres of activity, recreation or in the market of goods and services. At the same time, such a concept as "political polarization" of views of citizens on the same issues is being formed due to the different environment in which they are. In the future, the diversity of political views stimulates the activity of consumer choice or, on the contrary, restrains the adoption of certain decisions.

It is worth noting that there is a division into two ideological branches: one of which supports individuality or people-centeredness, and the other is a supporter of established traditions, social systems, or ideological and political currents.

Such diversity and branching occurs in connection with the existence of inequalities between classes and social hierarchy. In this case, views that are more conservative are reflected in inequality and hierarchy due to individual differences in consumer effort and ability. At the same time, the liberal perception of consumer behavior sees the personal characteristics of each individual – hard skills and soft skills.

The differentiation of consumer behavior within the limits of political interests can be caused largely by the existence of internal political conflict, which arises in connection with the difference of opinions and views between different political groups, parties, individuals or other subjects, which arises in connection with different understandings of political issues, values, ideologies or decisions.

There are the internal political situation and the existing political conflicts in the country influence the consumer choice of the population [11].

The unfolding of certain political events, the position of the authorities, economic stability and other aspects of the political environment can affect consumer behavior due to a number of factors, in particular:

1. *Unstable economic situation.* In this case, changes in power, mass discontent or a political crisis in general can lead to economic instability. People can be more careful with their spending, reducing spending on expensive goods and services and preferring economical alternatives.

2. *Consumer attitudes.* Political events have a significant impact on consumer choice and mood. Thus, reforms and political decisions that promote economic growth and the general well-being of the population can increase indicators of public trust and encourage them to spend more. Nevertheless, if there is a spontaneous mechanism of political formation in the country or a democratic regime takes the form of subjecting the public to a certain political position, rather than planning harmonious relations, then the situation acquires a negative mood, which creates a sense of uncertainty and decreases consumer demand.

3. *Tax and regulatory policy.* Changes in taxation and legal regulation of economic relations affect the availability of goods and services for consumers. An increase in taxes, particularly on goods that consumers use widely, can lead to changes in their consumer choices.

4. *Social stability.* Political crisis or conflicts have an impact on the general atmosphere in the social community. If conflicts and tensions increase, consumers may look for ways to maintain security and stability, perhaps by reducing their spending.

5. *The influence of international politics.* Changes in the structural and functional features of the political situation in the country can affect international relations as a whole. The existence due to a number of political reasons of trade restrictions, sanctions and other external factors can affect the availability of goods and services to the consumer due to changes in price market positions, which, accordingly, to changes in consumer choice.

6. *Psychological impact.* Citizens can react differently to political events in the context of their emotional state and general perception of the situation. Political tensions and uncertainty can increase general levels of stress and anxiety, which can affect their consumer choice decisions.

In general, the domestic political situation can play a significant role in determining consumer choice. People can adjust their spending in light of political factors affecting their lives and economic stability.

From a theoretical perspective, political controversies can have a major impact on consumer behavior and social dynamics. Political disputes affect the behavior of the country's consumer sector (Figure 1) in several ways.

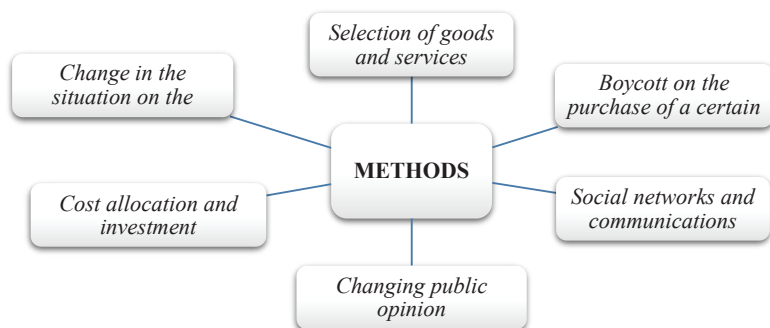


Figure 1.12 Ways in which political controversies affect the behavior of a country's consumer sector

Source: compiled by the author [17]

Analyzing the possible ways of influencing consumer attitudes because of the appearance of a political dispute, it is worth saying (Fig. 1) that depending on political views, consumers can support or avoid goods and services associated with certain companies, countries or ideologies. Thus, individual consumers may choose to support certain brands or products because they align with their political beliefs, while others may be willing to avoid them because of value dissonance.

Political disagreements may call on the consumer to boycott the purchase of a certain category of goods, certain types of services, or cooperation with large companies known for their brands. That is, political positions are formed through which consumers can avoid any interaction with enterprises that promote modern challenges contrary to their beliefs. An important role in the growth of any political conflict is the position occupied by social media in the spaces of communication networks.

After all, political discussions take place on various social platforms, which directly or indirectly influence citizens and potential consumers, changing their point of view or strengthening their beliefs, while changing choices and behavior.

The general political atmosphere has a great influence on the formation of public opinion and, as a result, on the interest of voters during voting. After all, consumers can support or reject political candidates, parties, depending on their position on current issues. The existence of political conflicts is the reason for reforming the tax system or changing the directions of economic policy.

At the same time, there is a direct impact on the financial well-being of consumers, changing their opportunities for spending and investing. If we talk about the market of goods and services, in particular about the role and place of world-famous companies, which may also be involved in political controversies through their actions or statements.

In addition, this can affect their reputation and consumer perception. It is worth noting that, along with well-known companies, new startups and ideas are increasingly gaining ground on the international and national markets, which immediately fall into the consumer's field of vision, and are influenced by the general political and socio-economic situation.

The presence of political controversy can have both direct and indirect effects on startups. The nature and extent of these effects may vary depending on specific circumstances, the political climate in the country and the industry in which the startup operates.

Table 1.5 Characterization of the ways in which political controversies can affect the functioning of startups.

Method	Characteristics
<i>Regulatory changes</i>	Political controversies can lead to changes in government policy and the regulatory framework, which can directly affect startups. In particular, changes in the taxation system will directly affect the startup's cost structure and operational flexibility.
<i>Financing and investments</i>	Political uncertainty can force investors to calculate their moves more carefully, leading to a reduction in the funding available to startups. Thus, investment in sectors that have an uncertain regulatory perspective will decrease.
<i>Market uncertainty</i>	In the event of a political dispute, consumers and enterprises may delay or reduce spending. In such a volatile economic environment, it can be difficult for startups to gain traction or find customers.
<i>International expansion</i>	Startups that want to go international may face problems of a political nature. In particular, there may be trade disputes or changes in immigration policy that may hinder access to new markets and business ideas
<i>HR policy</i>	Political disputes can affect the movement of skilled workers and gifted youth. Changes in immigration policy or the perception of a hostile political climate can affect a startup's ability to attract and retain talent.
<i>Global partnership</i>	Political disputes can worsen international relations and affect partnerships and cooperation. Startups that depend on the mood of international partners may face interruptions in their work.
<i>Exit strategies</i>	Startups often have exit strategies that involve mergers or acquisitions. Political controversies can affect the willingness of large companies to participate in such deals, potentially affecting a startup's exit opportunities.

<i>Market volatility</i>	Political disputes can contribute to economic instability and stock market volatility. These fluctuations can indirectly affect startups, especially those planning to go public or seeking additional funding through an IPO.
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Source: compiled by the author [23]

To overcome the impact of political controversies, startups may need to adapt their strategies, closely monitor regulatory changes, diversify their customer base, and consider contingency plans.

Additionally, engaging with industry associations and advocacy groups can help startups voice their concerns and influence policy decisions that affect their interests. Being informed and flexible is key for startups to weather the uncertainty caused by political controversy.

In general, political disputes can create contradictions in the context of consumer relations. They can influence various aspects of citizens' lives - from the choice of products to interaction with the media and participation in public activities.

As a result, the relationship between the level of consumption and the intensity of the political dispute is formed, which is studied from the point of view of different perspectives, including social, psychological and cultural aspects (table 1.6).

Table 1.6. Characterization of aspects and factors that result from the dependence between the level of consumption and the intensity of the political dispute

Aspects and factors	Characteristic
<i>Social aspect</i>	The intensity of a political dispute can affect the degree of interest of citizens in this dispute and lead to increased activity among the population. Such a position of society is manifested through an increase in the level of news consumption, participation in political discussions, rallies and mass actions.
<i>Psychological aspect</i>	Increasing the level of intensity of a political dispute can contribute to the formation of an emotional connection with political events. This can cause increased interest, fear, indignation, enthusiasm, or even a sense of threat. These emotional reactions can affect the consumption of information and a unique approach to political events.
<i>Polarization of society</i>	A high indicator of the level of intensity of a political dispute leads to a more global polarization of society. Potential consumers may assert their positions more strongly and try to support their team, resulting in increased consumption of information that reflects their views.
<i>The influence of social networks</i>	The appearance of a political dispute usually leads to increased activity in social networks, which in turn increase the impact of video appeals and filter information depending on the political views of users, which can affect the consumption of information in general
<i>The role of the media</i>	The media, particularly news platforms, can use the intensity of a political controversy to gain audience attention. This may affect the amount and type of information consumers receive.
<i>Cultural and historical factors</i>	Cultural and historical features of a society can influence what methods of information consumption and the level of fascination with a political controversy will be popular. For example, some cultures may show a higher interest in public debate, while others may support a more formal approach to political events.

Source: compiled by the author [21]

In general, the relationship between the intensity of political controversy, the level of consumption and the methods of consumption can be very complex and determined by many factors. This relationship may vary depending on the country, cultural characteristics, social context and other factors.

Since the level of consumption directly depends on psychological, social, cognitive and emotional factors, the theoretical foundations of behavioral economics determine the principle of changes in the economic decisions of individuals and institutions and how such changes affect market prices, profitability indicators and the distribution of labor and capital resources.

At the beginning of its development, behavioral (in some cases – psychological) economics determined the principles of irrationality of economic agents. The essence of the theory of behavioral economics is to study the decisions that an individual chooses in a specific environment and conditions of limited rationality, as well as the influence of psychological factors on the final choice.

In the context of a political conflict, the theory of behavioral economics defines exactly how emotions, fundamentally different perception of the situation and certain psychological aspects affect the behavior of a consumer or a group of consumers in the process of political changes. Traditional key concepts of behavioral economics that can be applied to the analysis of political conflicts are:

1. Limited rationality. The general theory of behavioral economics considers the individual as a completely irrational agent, emphasizing this by the fact that a person usually makes mistakes when making various kinds of decisions, distorts information through the cognitive functions of the brain, and makes irrational, ineffective decisions.

2. Information effect. The principle of creating, distorting and perceiving information depending on the method of presentation. In a political context, this can mean that information presented in a certain way can influence perceptions and beliefs about the political situation.

3. Losses and gains. From the point of view of the psychological aspect, a person first calculates costs than counts on potential gains. This position of the majority of citizens, it is worth noting that not everyone affects their political choices and settings for the future, in particular in situations of conflict, where the fear of losing certain values or rights dominates.

4. Social influence. The essence of this principle is that the theory of behavioral economics cannot exist without the study of the influence of public opinion on the decision-making of an individual, in particular, his affiliation to one or another group of opinions. In political conflicts, this can mean that group opinion and social norms can significantly influence conflict attitudes and positions.

5. Hyperbolic consumers. This principle makes it possible to investigate changes in the consumer's choice, which are dynamically contradictory. In some cases, the consumer's choice may be irrational, satisfying current desires, although this may lead to unfavorable consequences in the future. Such a position can have an important influence on political decisions, especially in the context of emotionally charged political conflicts.

CHAPTER 2.

METHODOLOGICAL PRINCIPLES OF FORMING THE CHOICE OF THE RESEARCH OBJECT

2.1 The choice of methodological approaches to characterize the subject area of study

The application of various methods of scientific knowledge provides a structured approach to solving problematic issues, generating knowledge, evaluating hypotheses and justifying the importance of research results. In the modern theory of behavioral economics, methodology plays a crucial role in understanding and explaining exactly how consumers make decisions and why they are irrational and do not conform to traditional economic models.

Scientific research methods in the modern theory of behavioral economics include systematic and detailed processes used to collect, analyze, interpret data and understand consumer behavior from the perspective of an economic context. The formation of these methods is influenced by both the postulates of economic theory and the principles of psychological science, since behavioral economics aims to integrate the ideas of the two fields in order to more accurately explain consumer behavior in the real environment. A wide variety of scientific methods of cognition is used to study the problems of behavioral economics (Fig. 2.1).

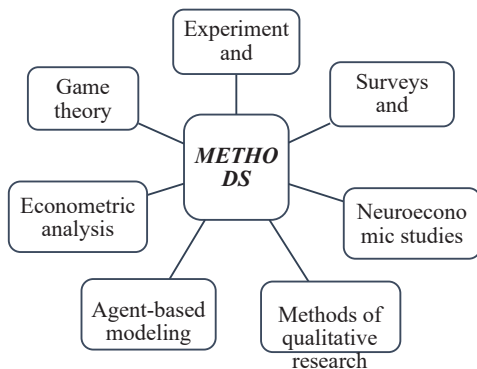


Fig. 2.1 Scientific methods of cognition in the theory of behavioral economics

Source: compiled by the author

In behavioral economics, consumers in controlled conditions often use such a research method as a controlled experiment to determine the basic principles and conditions of economic decision-making. This type of experiment makes it possible to single out behavioral biases and the difference between traditional economic models. The main classification of experimental studies and their key aspects in behavioral economics are shown in Table 2.1.

Table 2.1. Classification of experimental studies in the study of key aspects of the theory of behavioral economics

Classification of methods Key aspects	Classification of methods Key aspects
<i>Controlled experiments</i>	Behavioral economics experiments typically involve carefully controlled conditions to isolate specific variables of consumer interest. Participants are drawn into an experiment and make decisions or choices in an artificial.
<i>Stimulation</i>	To induce potential consumer participants to make decisions that mimic real-life scenarios, researchers use various incentives, such as monetary rewards or penalties that are consistent with the goals of the experiment.
<i>Randomization</i>	To ensure comparability of experimental groups, randomization is often used to allocate participants according to different individual characteristics. This minimizes selection bias and allows researchers to form causal inferences
<i>Laboratory and field experiments</i>	Experimental studies of behavioral economics can be conducted in the laboratory or in the field. Laboratory experiments provide more control but may lack external validity, while field experiments occur in real-world settings but are more difficult to control.
<i>Replication</i>	This method is important in experimental studies to ensure the reliability and generalizability of the results. Reproducing experiments with different models of consumer behavior and in atypical conditions helps to establish the validity of the observed behavior.

Source: compiled by the author

Some well-known experiments in behavioral economics include the ultimatum game and experiments related to prospect theory and the endowment effect. These methods made it possible to determine the peculiarities of decision-making by people, which are not consistent with traditional economic theories.

As with any research involving human subjects, ethical considerations are paramount. Researchers must obtain informed consent from participants and provide them with comfortable conditions throughout the experiment.

Surveys and questionnaires are another important method of scientific knowledge used to collect data on individual preferences, attitudes, and behaviors related to economic choices. This scientific approach makes it possible to understand consumer preferences and perception of information. A number of key factors, which are described in table 2.2, characterizes the use of such a research method as behavioral economics surveys and questionnaires.

Table 2.2. Analysis of key factors that characterize the survey and questionnaire method in the study of behavioral economics

Key factors	Characteristics
Identification of behavioral biases	Surveys and questionnaires can be created to assess the degree of behavioral biases such as loss aversion, overconfidence. Participants may be presented with hypothetical scenarios or real choices and asked to make decisions or provide responses that reveal their biases
Determination of the level of risk perception	Researchers often use surveys to determine consumer attitudes toward potential risk. The questions to the participants are intended to determine the willingness of the latter to take risks in financial decisions, such as investing in stocks or choosing between different lotteries.
Time advantages	Surveys can be used to assess consumers' time preferences, which are related to their willingness to delay certain needs. Researchers can ask questions about the benefits of receiving money immediately or later, which is important for studying discount rates and intertemporal choices.
Social preferences	The theory of behavioral economics is interested in how social factors influence economic decision-making. Surveys can be designed to explore issues related to fairness, reciprocity, and cooperation in economic relationships.
Demographic and socio-economic factors	Surveys are usually the driving force in collecting demographic information (age, income, education) that can be used to analyze how these factors relate to economic decisions and behavioral biases.
Piloting and randomization	Researchers often pilot test their surveys on a small sample to identify any problems with question clarity, response options, or the general flow of the survey. At the same time, the order of questions or answer options can help reduce the effect of order and response bias.

Source: compiled by the author

In particular, when designing questionnaires and surveys for behavioral economics research, it is important to formulate questions to avoid bias and ensure clarity. Ambiguity or leading questions can produce unreliable results. It uses different response scales, such as Likert scales or visual analog scales, to measure attitudes and preferences. The choice of scale can affect the interpretation of the results.

Surveys and questionnaires in behavioral economics complement other research methods, such as laboratory experiments and field studies, by providing insight into the subjective beliefs and preferences of consumers that cannot be directly observed through behavior alone.

An important role in the study of the mechanisms of behavioral economics is played by the interdisciplinary field of neuroeconomics, which combines the knowledge of neuroscience, economics and psychology to study the peculiarities of the functioning of the nervous system of the consumer of nerves that underlie economic decision-making and behavior. Neuroeconomic research in behavioral economics uses various neuroimaging techniques and experimental methods to investigate the neural basis of an individual's economic behavior and seeks to understand how the brain processes information related to economic choices and their positive or negative effects.

Important factors and tools that distinguish neuroeconomic research from other methods of scientific knowledge in the field of behavioral economics are shown in Table 2.3.

Table 2.3 Factors that distinguish neuroeconomic research from other methods of scientific knowledge in the field of behavioral economics

Factors and tools	Characteristics
<i>Neuroimaging</i>	Neuroimaging is used to study brain activity during economic decision-making. Common neuroimaging techniques include functional magnetic resonance imaging, electroencephalography, and magnetoencephalography. These tools allow researchers to monitor brain activity in real time as participants make economic decisions.
<i>Risk and uncertainty</i>	Researchers apply different mechanisms related to risk-taking and probabilistic decision-making to investigate neural responses to different levels of uncertainty.
<i>Making decisions on a social and moral level</i>	Some neuroeconomic studies delve into the neural mechanisms underlying social and moral decision-making in an economic context. At the same time, it is analyzed how exactly the brain processes justice, trust, reciprocity and other social factors that affect economic behavior.
<i>Neural correlates of value</i>	Researchers seek to identify the neural correlates of subjective value, which is central to understanding how people make choices. This involves studying

	how different areas of the brain represent and calculate the value of goods or services provided.
<i>Political consequences</i>	Neuroeconomic findings may have practical applications, including informing policies that target specific neural processes to make better economic decisions.
<i>Individual differences</i>	Neuroeconomics also examines how individual differences in brain structure and function can explain changes in economic behavior and decision-making. This may include differences related to age, personality characteristics and mental health.
<i>Experimental plans</i>	Neuroeconomic experiments are often designed to manipulate specific economic variables and observe corresponding changes in brain activity. This helps establish causal relationships between neural processes and economic decisions.

Source: compiled by the author

The directions and results of neuroeconomic research have made a significant contribution to our understanding of the neural processes underlying economic behavior. The research data made it possible to understand the principles by which consumers often deviate from rational behavior aimed at maximizing utility adopted in traditional economic models. These studies provide a more detailed and interdisciplinary perspective on how the brain shapes economic choices, with implications for fields ranging from economics and psychology to public policy and marketing.

Econometric analysis is a fundamental tool in behavioral economics because it allows researchers to quantify and analyze the relationships between economic behavior and various psychological, social, and cognitive factors. Econometrics involves the application of statistical and mathematical methods to economic data to evaluate and verify economic models. In the context of behavioral economics, econometric analysis helps researchers understand and explain deviations from traditional economic theories by accounting for behavioral factors.

Here are some key aspects of econometric analysis in behavioral economics:

- modeling of behavioral phenomena;
- assessment of behavioral parameters;
- behavioral experiments;
- endogeneity (situations in which variables are correlated with an error in the regression model);
- structural assessment;
- predictive modeling;
- econometric analysis.

Thus, the methodology and scientific methods used in contemporary behavioral economics are diverse and interdisciplinary. They aim to uncover the cognitive biases, emotional factors, and

social influences that shape economic decision-making, offering a more realistic and nuanced understanding of human behavior in economic contexts than traditional neoclassical economics. These methods are essential for the development of the industry and for informing policy and business decisions. It is also important to note that a large number of scientists have studied methodological approaches to characterizing the concept of behavioral economics and the rationality of consumer behavior (table 2.4).

Table 2.4. Scientists and researchers in the field of behavioral economics

Researcher	Achievement
Daniel Kahneman	Winner of the Nobel Prize in Economics, Kahneman is one of the founders of behavioral economics. His work, especially with Amos Tversky, focused on cognitive biases and heuristics. His book "Thinking, Fast and Slow" details the methodology for identifying irrational decision-making.
Richard Thaler	Often considered a pioneer of behavioral economics, Thaler conducted experiments, surveys, and field studies to understand deviations from rationality in economic behavior. His book "Good Behavior" reflects the main research methods in studying the theory of behavioral economics.
Robert Schiller	Shiller, a Nobel laureate in economics, used a combination of historical data, surveys and psychological insights to study asset pricing and market functioning. His work helped to understand in more detail the principle of irrationality of financial markets.
George A. Akerlof	Akerlof's research was the basis for conducting economic experiments and forming theoretical models for a deeper understanding of problems related to information asymmetry and behavioral factors in markets, such as his famous article "The Market for Lemons".
Matthew Rabin	Rabin's research was aimed at analyzing the consequences of behavioral biases in various economic contexts. He used both theoretical models and empirical analysis to understand deviations from rationality, contributing to the methodology of behavioral economics.
Ernst Fehr and Urs Fischbacher	Economists have conducted extensive experimental research to examine issues related to fairness, reciprocity, and social preference. They often use economic games as methodological tools.
Colin Camerer	Kamerer's work in the field of experimental economics and neuroeconomics improved the understanding of decision-making processes and rationality. He developed new experimental methods for studying economic behavior.

Eldar Shafir	Shafir explored the concept of "scarcity" and its impact on decision-making. His research uses a combination of field research and laboratory experiments to understand how cognitive constraints affect rationality.
Dan Ariely	Ariely's research combines experiments and real-world examples to illustrate the limitations of rational decision-making. His books, such as Predictably Irrational, made the principles of behavioral economics accessible to a wider readership.

Source: compiled by the author

It is also worth noting the fact that the choice of methodological approaches is decisive when characterizing the concept of behavioral economics and evaluating the rationality of consumer behavior in various political and socio-economic conditions from a number of important principles:

1. Clarity and precision – different methodological approaches offer different levels of precision in the study of consumer behavior. Choosing appropriate methods ensures that your research accurately reflects the nuances of behavioral economics and rationality.
2. Validity and reliability – choosing the right methods helps to ensure the validity and reliability of conclusions. Validity is about whether your study measures what it purports to measure, and reliability is about the consistency of the results.
3. Understanding the context – consumer behavior depends on the context. The choice of methods should be appropriate to the specific context in which consumer behavior is studied in order to obtain relevant information.
4. Biases and Assumptions – Different methods can introduce biases or assumptions that can affect the results. Understanding these potential biases and properly addressing them is essential to obtaining accurate results.
5. Interdisciplinary nature - behavioral economics draws on psychology, economics, sociology and other disciplines. The choice of methods should reflect this interdisciplinary nature and be able to cover both economic and psychological aspects of behavior.
6. Complexity of Human Behavior – Human behavior is complex and often influenced by many factors, including cognitive biases, emotions, social norms, and external stimuli. The choice of methods should correspond to this complexity.
7. Ethical Considerations – Ethical considerations may vary depending on the research methods used. It is very important to choose methods that meet ethical standards, especially when studying consumer behavior.
8. Resource limitations – availability of resources, including time, funding and access to data or participants may influence the choice of methods. Best practices should be feasible within your resource constraints.

9. Research objectives – the choice of methods should be guided by specific research questions and objectives to be addressed. Some methods may be more suitable for exploratory research, while others may be more suitable for hypothesis testing or policy evaluation.
10. Practical results – depending on the practical results of the study, some methods may be more suitable than others may. For example, if the goal is to inform policy decisions, you may need to choose a method that is more policy-relevant and actionable.
11. Transparency and reproducibility – transparent and reproducible research is essential to advancing knowledge. The choice of methods should ensure transparency of data collection, analysis and reporting so that other researchers can analyze other results of the work.
12. Logical generalizability – if there is a need to generalize findings beyond a specific environment or consumer group, some methods may provide more generalizable results than others may.

Thus, the correct choice of methodological approaches in the study of behavioral economics and consumer behavior is important to ensure the validity, reliability and relevance of research. This allows you to embrace the complexity of human decision-making, address ethical issues, and align research with your specific goals and available resources.

Analyzing consumer behavior in the context of the political situation in the country is a complex task that requires a thoughtful methodological approach. The political situation can have a profound effect on consumer attitudes, preferences, and decisions to purchase goods or provide services. That is why a reliable methodological approach is important in this context (Table 2.5).

Table 2.5 Analysis of the choice of methodological approaches in the study of consumer behavior in the context of the political situation in the country

Methodological approach Characteristics	Methodological approach Characteristics
Contextual understanding	The political situation can significantly affect the economic environment, including the rate of inflation, the level of employment and government policies. A sound methodological approach ensures that researchers take these contextual factors into account when analyzing consumer behavior. This helps to understand how political events affect consumer choices.
Causation versus correlation	A methodological approach helps distinguish causation and correlation. Although changes in political leadership or policy may coincide with changes in consumer behavior, it is important to determine whether these political factors directly cause

	changes in consumer decisions. A careful study design, including control groups and longitudinal data, can help establish causal relationships.
Data collection and analysis	The methodological approach should determine how the data are collected. Surveys, interviews, focus groups and observations are some of the common methods. The choice depends on the research objectives and the sensitivity of the political context. Ethical considerations such as privacy and confidentiality are also paramount.
Longitudinal analysis	Given that the political situation can be dynamic and change over time, longitudinal studies that track consumer behavior over a long period are valuable. This approach allows researchers to observe how consumers adapt to changes in political conditions.
Control variables	Researchers should consider including control variables in their analysis. These variables can help separate the influence of political factors from other potential influences on consumer behavior, such as economic indicators, cultural factors, and individual characteristics.
Qualitative understanding	Qualitative research methods such as in-depth interviews or focus groups can provide valuable insight into the nuances of how political situations influence consumer behavior. These techniques can help uncover hidden motivations and perceptions that quantitative data may not capture.
Political consequences	A sound methodological approach must take into account the political implications of research findings. Understanding how political situations influence consumer behavior can help policymakers, businesses, and advocacy groups develop effective strategies and interventions.
Ethical considerations	Ethical considerations must be kept in mind by researchers analyzing consumer behavior in politically charged contexts. This includes ensuring the confidentiality and anonymity of participants, obtaining informed consent, and avoiding biased or leading questions in survey or interviews.
Interdisciplinary cooperation	Given the multifaceted political and economic influences on consumer behavior, interdisciplinary collaboration can improve the methodological approach. Researchers from economics, political science, psychology, sociology, and other fields can bring a variety of perspectives and experiences to the analysis.

Source: compiled by the author

Thus, a methodological approach is vital when analyzing consumer behavior in the context of the political situation in the country.

This helps researchers navigate the complexities and challenges of studying this topic, ensuring that findings are robust, reliable and relevant to understanding how political factors shape consumer decisions.

In addition, it enables researchers to provide evidence-based information that can inform policy and business strategies in a politically dynamic environment.

2.2 Establishment of the main problems and hypotheses of the study

The formulation of the hypothesis is of primary importance when writing the goal, tasks and main issues of the topic of scientific research. A hypothesis is the basis for research work, guiding the research plan, data collection, analysis and interpretation.

That is why the hypothesis of scientific research must be formulated clearly, qualitatively and correctly. At the same time, the position of the true hypothesis must correspond to certain characteristics (Fig. 2.2)



Fig. 2.2 Characteristics that a true hypothesis must meet

Source: compiled by the author

It is also worth noting the fact that because research projects often have limited resources, including time and funding. A clear hypothesis ensures that resources are allocated efficiently to address specific research questions.

In the field of applied research, a true hypothesis can have practical implications for solving practical, everyday problems or for decision-making in various fields, including economics or public policy.

The hypothesis logically determines how and for what the research will be built, what are the main stages of its implementation, tasks and expected results. The working hypothesis of the dissertation research aims to determine a number of important questions (Fig. 2.3).

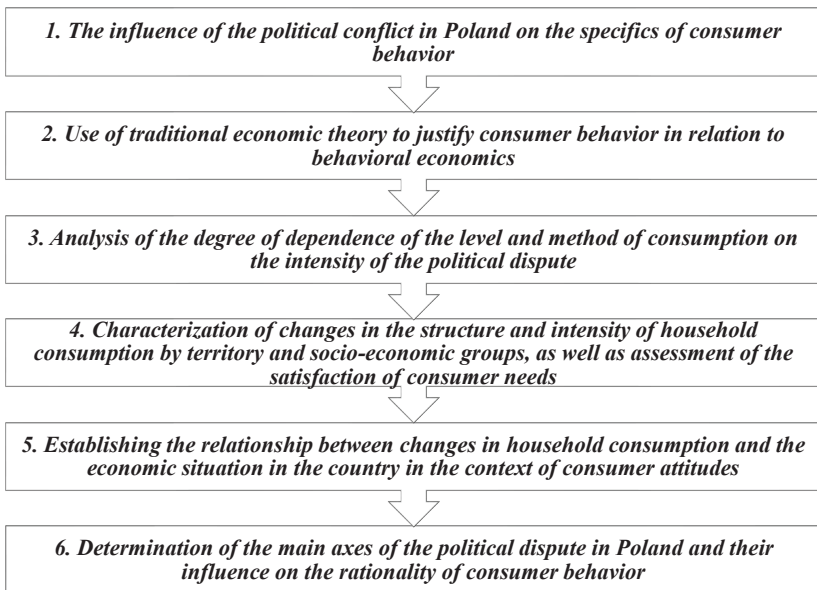


Fig. 2.3 The main questions that are the basis of the working hypothesis of scientific research

Source: compiled by the author

Over the past few years, various political conflicts and discontents have been observed in Poland, which are the cause of changes in the national economic system and have an impact on consumer behavior from the point of view of the socio-economic level of development of the region or a specific household (Table 2.6).

Table 2.6 Overview of contemporary key aspects that characterize political conflicts in Poland from 2021 to 2023:

Aspect	Characteristics
Rule of law and judicial reforms	One of the most visible political conflicts in Poland revolved around the country's judicial system. The ruling Law and Justice party has introduced a series of reforms that critics say undermine the independence of the judiciary. These reforms led to the disruption of balanced economic and political relations with the European Union, which raised concerns about the rule of law in Poland. The conflict includes disputes over the appointment of judges, the powers of the Constitutional Tribunal and the role of the judiciary in Poland's political system.
Freedom of speech of mass media	According to many political critics, for some time the government's actions limited the freedom of the press and editorial independence. Controversial laws related to media ownership and public voice have sparked debates about the state of media pluralism and the role of public media.
The rights of various social minorities	Political and social conflicts arose in Poland regarding the rights of social minorities. Several Polish municipalities and regions have declared themselves "LGBT-free zones," drawing criticism from human rights organizations and the European Union. These events sparked a debate about discrimination and the rights of social minorities, which are distinguished by cultural and physical characteristics in the country.
Migration and national identity	Political debates in Poland have also focused on issues related to migration and national identity. The government has taken a restrictive stance on immigration and refugees, which has drawn both support and criticism domestically and from international organizations.
Economic policy	Disagreements over economic policy, including issues related to taxation, labor market regulation, and social welfare programs, have been part of the political discourse in Poland. These debates often intersected with broader political conflicts.
Election	Political conflicts also arose in the context of elections, including parliamentary, presidential and local elections. Election campaigns, voter turnout and allegations of electoral irregularities have been matters of controversy.

Source: compiled by the author

Political conflict in Poland, as in other countries, can be very complex and depend on numerous factors and axes. Here are some of the main axes of political conflict in Poland and their possible influence on the rationality of consumer behavior:

1. *Split between conservative and progressive forces*: Poland has a history of conservative politics, but in recent years there has been a rise in progressive movements. Differences in views on contemporary issues, such as the rights of minority groups, can lead to conflict.

2. *Cooperation with the European Union*: Conflicts between supporters and opponents of some European Union policies, such as issues of migration or sovereignty, can also affect the political environment.

3. *Economic issues*: Differences in the distribution of economic resources and economic reforms can lead to tension in society.

4. *Economic instability*: Tense political conditions and conflicts lead to economic instability. This can affect consumer confidence and lead to a decrease in the level of consumer activity.

5. *Uncertainty*: Political instability creates uncertainty about the future, which affects consumer spending, investment and other financial decisions.

6. *Changes in the legal environment*: Political changes affect the legal environment, including tax policies and business regulation. This is the reason for changes in business sectors and consumer choices.

It is important to remember that political conflicts in any country are complex and multifaceted, often involving a number of political, social and economic problems. The dynamics of these conflicts may change over time as new events occur.

The leading organization Euromonitor International annually forms a report on new global trends and analytical information. Such studies make it possible to determine how consumer behavior changes and what factors influence such transformations at the current stage of socio-economic and political development. The specialists of Euromonitor International develop strategic plans and forecast consumer behavior for the future, which in particular will be associated with changes in the international market or in the geopolitical situation as a whole.

It is worth noting that such a detailed, independent analysis makes it possible to follow the problems of the main changes in consumer attitudes in various industries, starting from food and ending with the sphere of economy, politics, and sustainable development (table 2.7).

Table 2.7 Characteristics of factors affecting consumer attitudes in Poland

Factors	Characteristics
Views and values	According to the Euromonitor International Voice of the Consumer Lifestyles Survey, in 2022, more than half of Polish consumers said that new emotions and impressions are more important than material goods. The pandemic and quarantine have changed the worldview of citizens and determined the trend of taking care of yourself and your loved ones for many years to come. In particular, the war in Ukraine calls not only Polish citizens, but also the entire population to value life today and now.
Rest and leisure	Specialists of the Euromonitor International Voice of the Consumer Lifestyles Survey noted that in 2022, 33% of Polish citizens voted for the need for harmonization, balancing everyday life and professional growth. This indicator is not high, but according to the Directive of the European Union, such a policy of a balanced, comprehensive life of citizens, which was implemented in Poland in 2022, should be improved and developed. In particular, some Polish companies provide employees with the opportunity to work according to flexible schedules, which allows them to better adapt their work to individual needs. Poland has statutory rules for holidays and rest, and most workers are entitled to paid holidays. In Poland, there are mandatory days off, such as national holidays and other weekends. More companies are giving employees the opportunity to take advantage of corporate wellness programs, psychological support and other services to maintain health and mental well-being.
Financial security	It is important to note that financial security is a complex issue and depends on many factors. The government, business and citizens work together to ensure the stability and security of the Polish financial system. Like many other countries, Poland has witnessed economic recovery. The government has taken various measures to support businesses and citizens, including financial support programs that have contributed to the recovery of labor and increased consumer spending. Poland actively invests in the reconstruction and development of infrastructure, which contributes to the creation of new jobs and increased investments. The war in Ukraine affects financial security in the region. Poland borders Ukraine, has a long border, and actively interacts with international partners to ensure stability and security. The Polish government also provides social programs and assistance to citizens, especially those experiencing financial difficulties.

Trends of spatial development of settlements	Like many other countries, Poland has experienced a rapid development of urban systems as people moved from rural areas to cities to improve their economic opportunities and improve their standard of living. Large cities such as Warsaw, Krakow, Wroclaw and Gdańsk are experiencing significant population growth and urban expansion. As cities expand, there is a trend toward suburbanization with the growth of satellite cities and suburbs around major urban centers. This trend is due to effective spatial planning and improvement of the improvement system of residential quarters. Investments in transport infrastructure such as motorways, railways and public transport systems have played a significant role in shaping the territorial development of Polish households. Such transport connections between regions have facilitated travel between cities and suburbs. Many Polish cities have focused on revitalizing their historic centers to attract businesses, residents and tourists. This trend involves the restoration of old buildings, the development of cultural and entertainment facilities, as well as efforts to make city centers more pedestrian-friendly. Sustainable development and green European Green Deal initiatives are becoming increasingly important in urban planning. Polish cities are implementing policies to reduce carbon dioxide emissions, improve energy efficiency and increase green spaces in cities. The digital transformation of cities continues with the integration of smart technologies to improve public services, transportation and the overall quality of life for residents. This includes the development of smart cities and the use of data-driven solutions in urban planning.
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Source: compiled by the author

Therefore, consumer trends in the Polish market change quite often and are not quite typical, going beyond the traditional concepts of behavioral economics. The modern economic system of the country is not sustainable, stable, and consumers are in constant search, express themselves, buy certain goods or refuse traditional services that currently do not correspond to their values. Companies are perceived as partners who help consumers adapt to new lifestyles, develop and improve mentally and physically.

Such a change in views requires the analysis of traditional economic theories to justify the behavior of consumers in an atypical environment with an irrational decision to purchase a product or service.

It is worth noting that behavioral economics is a field that arose in response to the recognition that traditional economic models are often unable to accurately predict and explain human behavior

in economic contexts. Here are some of the key problems with using only traditional economic theories:

1. Assumptions of Rationality – Traditional economic positions often assume that people are perfectly rational and make decisions that maximize their utility. However, behavioral economics has shown that people do not always make rational choices. They can be influenced by emotions, cognitive biases, and heuristics that lead to suboptimal decisions.

2. Limited Information Processing – Behavioral economics recognizes that people have cognitive limitations and bounded rationality. They cannot process all available information and may rely on simplifications or rules of thumb to make decisions. This can lead to systematic biases and deviations from rational behavior.

3. Emotions and psychological factors – traditional economics tends to reduce the role of emotions and psychological factors in decision-making. Behavioral economics, on the other hand, recognizes that emotions can have a significant influence on choice, often leading to decisions that are not purely utility maximizing.

4. Inconsistent preferences – Behavioral economics has identified phenomena such as time inconsistency and changing preferences when people make choices that are inconsistent and irrational. This behavior challenges the traditional economic assumption of stable and consistent preferences.

5. Social and Cultural Influences – Traditional economics typically views people as isolated decision makers, while behavioral economics recognizes the importance of social and cultural factors in shaping choices.

6. Loss Aversion – Behavioral economics introduced the concept of loss aversion, which suggests that people often fear losses more than they value equivalent gains. This can lead to risk aversion and deviations from rational choice to maximize utility.

7. Non-Monetary Factors Ignored – Traditional economic models often focus exclusively on monetary factors and assume that people make decisions solely based on financial considerations. Behavioral economics emphasizes the role of non-monetary factors such as social recognition, status and equity in influencing choice.

8. Predictive accuracy – Behavioral economics has demonstrated that behavioral analysis and models can often provide more accurate predictions of real-world economic behavior than traditional economic theories.

Thus, relying solely on traditional economic theories to explain consumer behavior can be problematic, as it often ignores the complexities of human decision-making. Behavioral economics provides a more detailed and realistic framework for understanding why people make choices in an economic context, taking into account cognitive biases, emotions, and social influences. As a result,

behavioral economics has gained popularity in recent years due to its ability to offer insights into consumer behavior that traditional economics cannot fully capture.

It is worth noting that on the territory of Poland, along with the consumer attitudes of the average citizen, the consumption of services and goods in the territory of households is important, taking into account the different socio-economic development and the general political situation in the country.

Now, the development of households in Poland faces several challenges in the conditions of the modern political system. Although Poland has made significant progress in economic development and social well-being since the transition to democracy and a market economy, there are still challenges affecting household well-being (table 2.8).

Table 2.8 Systematic analysis of socio-economic and political problems that inhibit the development of households

Problem	Analysis
Income inequality	Despite the fact that the country is characterized by a high level of socio-economic development, there is a gap between households with high and low income, which can lead to inequality in access to education, health care and other basic services.
Unemployment	High youth unemployment and long-term unemployment can hinder household development, limiting incomes and economic opportunities.
Provision of housing	Housing affordability is a problem in cities, especially large cities such as Warsaw, Krakow and Wroclaw. Rising property prices and rents can put a strain on family budgets, making it difficult for many families to access adequate housing.
The policy of "development of the institution of the family"	Although Poland has introduced family-oriented policies, such as the 500+ program, which provides financial support to families with children, there are still challenges related to work-life balance.
Quality of education	Although Poland has improved its education system, there are still concerns about the quality of education, especially in rural areas.
Demographic challenges	Poland faces demographic challenges, including an aging population and a low birth rate. These trends can have long-term consequences for the workforce, social security systems and household welfare.
Ecological problems	Environmental issues, including air pollution and poor waste management, can affect the quality of life of households, especially in cities.
Social integration	Despite progress, there are still challenges related to social integration, especially for minority groups, migrants and various social minorities.

	Discrimination and social exclusion can affect the well-being of individual households.
Political polarization	Political polarization and societal divisions can have a negative impact on social cohesion and the ability to address pressing issues affecting households.
Access to financial services	Access to financial services and financial literacy can be a challenge for some households, especially those living in rural areas.
Economic vulnerability	Many households in Poland may be vulnerable to economic shocks and uncertainty, as a significant portion of the population may have limited savings and financial stability.
Infrastructure development	Although infrastructure has improved in recent years, there are still areas where transport and public services need further development, which can affect the quality of life of households.

Source: compiled by the author

Addressing these challenges requires a comprehensive approach that includes social policy, economic reforms, investment in education and health care, and efforts to promote social inclusion and reduce inequality. The modern political system in Poland plays a crucial role in the formation of policies and initiatives aimed at improving the development of families and general well-being.

However, it is worth noting that consumer behavior in households is extremely important for the overall economic and political system of Poland. In addition, the understanding and analysis of consumer behavior provides valuable information about the overall economic and social dynamic development of the country (Fig. 2.4).

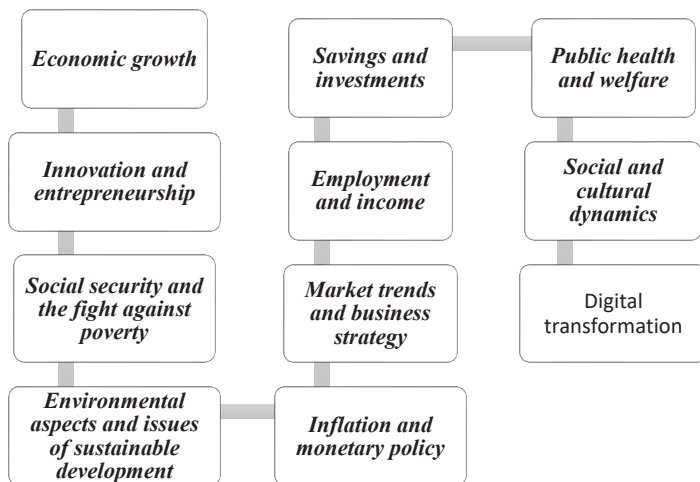


Fig. 2.4 Peculiarities of household development in the context of behavioral economics and general political, socio-economic development of the state

Source: compiled by the author

Consumer spending is the main driver of economic growth. In Poland, as in most countries, consumption in households constitutes a significant part of the gross domestic product. Therefore, understanding how and why consumers make purchasing decisions is critical to assessing the economic outlook and identifying growth opportunities.

Businesses in Poland rely on data about consumer behavior to make informed decisions about product development, pricing, marketing and distribution. Studying consumer preferences and habits helps businesses adapt to changing market conditions and consumer demands.

Consumer spending directly affects the level of employment and income distribution. Strong consumer demand leads to increased production, which in turn creates jobs and income for households. Analyzing consumer behavior helps policymakers understand employment patterns and income distribution in a country.

By studying consumer behavior, entrepreneurs and innovators can identify unmet needs and develop new products and services. It fosters innovation and entrepreneurship, which are vital for economic development and competitiveness.

Consumer behavior affects inflation and, accordingly, monetary policy. Rising consumer demand can lead to inflation if production capacity is constrained. Central banks, including the National Bank of Poland, use data on consumer behavior to shape monetary policy.

Consumer sentiment also drives savings and investment decisions. Understanding how households allocate their savings and investments helps policymakers and financial institutions plan for capital allocation, financial availability and retirement provision.

Data on consumer behavior can be used to estimate the impact of welfare programs on household welfare. This helps policymakers effectively target aid programs to reduce poverty and increase social welfare.

Consumer choices in households play an important role in sustainable development and environmental impact. Studying consumer preferences and behavior helps identify opportunities to promote green practices and reduce household environmental footprints.

Consumer behavior also extends to choices related to health and well-being. Understanding health-related consumption patterns can inform policy and public health initiatives aimed at promoting healthier lifestyles and reducing health care costs.

Consumer behavior is influenced by cultural and social factors. Examining these dynamics provides insight into societal trends, values, and changing norms that can guide policy development and cultural preservation efforts.

The digitization of consumer behavior, including online shopping and digital payments, is influencing the financial sector, data privacy and e-commerce regulation. Understanding digital consumer behavior is vital to modernizing financial services and regulation.

Thus, consumer behavior in households is a multifaceted and influential aspect of the Polish economy and society. It affects economic growth, employment, innovation, social welfare and more. Analysis of consumer behavior helps businesses, politicians and researchers make informed decisions to support the well-being and prosperity of Polish households and the economy as a whole.

2.3 Defining the priority concept and objectives of the study

Forming the concept of research on the problem of the influence of modern political views on consumer choice, it is necessary to highlight the following aspects:

1. Analysis of the impact of political rhetoric on consumer attitudes:

The study of how political statements and decisions affect the emotional state of consumers.

Analysis of the relationship between political events and changes in consumer attitudes.

2. Research on consumer trust in political institutions:

Assessment of the level of consumer trust in political leaders and power structures.

Analysis of the influence of the level of trust on consumer decisions and behavior.

3. Research on the interaction of political beliefs and brand loyalty:

An analysis of how political beliefs influence the choice of brands and products.

Explore how brands can use political views to strengthen their market position.

4. Determination of the impact of political changes on consumer demand:

Analysis of the impact of political reforms, changes in legislation and economic policy on the demand for various goods and services.

Study of changes in consumer demand through the prism of political decisions.

5. Evaluation of the interaction of political views and consumer values:

A study of the extent to which political beliefs reflect consumers' values and outlook on life.

Examining the interaction between values, political beliefs, and product choice.

6. Analysis of the impact of political campaigns on advertising strategies:

A study of how political campaigns affect corporate advertising strategies.

A study of consumer reactions to advertisements that reflect political themes.

In particular, in order to gain a deeper understanding of how political aspects influence consumer choice in the Polish market, and can serve as a basis for developing business and marketing

strategies in conditions of political instability or changes, it is worth investigating the following principles:

- the current political situation in the country, from the point of view of its influence on consumer choice,
- the degree of consumer dependence on the concentration of the political crisis,
- the structure of consumer behavior taking into account the moods and preferences of socio-economic groups,
- the connection between the change in the level of consumption of products by households and the economic situation of the country.

It is worth noting that those "historical" controversies that have developed in the country for a long time "rock" society and occupy a central place in the everyday life of consumers. What significantly affects his opinion, purpose, specificity, sign and final choice.

Having conducted an analysis of the country's party-political system, we can point to the presence of political confrontations and divisions between parties, which does not bring any useful changes either to the political, social, or economic life of the country as a whole, or of each individual consumer.

Here it is worth noting that the consumer, as a person, under the influence of external factors and internal psychological personal dimensions forms the entire choice in three aspects, namely:

- social - which is responsible for creating a choice under certain social conditions;
- political – which is formed under the influence of political processes taking place in the country;
- psychological – internal state of the consumer, psychological attitudes of society.

The current phase of the development of Polish society is characterized by the transformation of social values, changes in ideals, which entail significant, perhaps even radical changes in the relationship of consumers (society) with the state, government, politics, and reassessment of social and political values and interests. Under such conditions, the political preferences of citizens undergo significant transformations and require significant attention from scientists to outline their psychological and social condition.

The study of political orientations, which will focus more on the applied aspects of the study of the political situation, aims at the systematization and operationalization of such events and the formation of separate directions of research in this context. Therefore, the modern trends of the psychological dimension of political orientation were described by the famous political scientist Herman Deligensky, who noted that people's ideas about their respective needs and goals of political activity are the means of achieving these goals [Diligensky G.G. Socio-political psychology. - M.: Novaya Shkola, 1996. - 352 p.]

Political attitudes and conflicts are products of social processes that determine the direction of socio-political behavior of consumers. In this context, Pavlov V.M. characterizes political orientation as "a holistic and motivationally determined system of ideas about the goals of political activity and the means of achieving these goals, the determining direction of political behavior" [Pavlov V.N. Psychological structure of political orientations.

Therefore, not only political orientations shape and influence the consumer's understanding of the goal he sets for himself, psychological and social orientations and preferences are an important factor.

Therefore, political orientation and conscious systems of views, theories, and ideologies have a psychological basis and, at the same time, act as a factor in the formation of consumer choice and their distribution in society.

The political orientation of each individual consumer determines his choice, position, consumer behavior in the context of social and political life. The nature of consumer choice is formed under the influence of certain socio-economic and social conditions or personal psychological orientations, since the consumer's political choice can change quite often, and such sharp changes are discrete.

Scientists distinguish four basic approaches to determining consumer choice under the influence of political factors, fig. 2.5

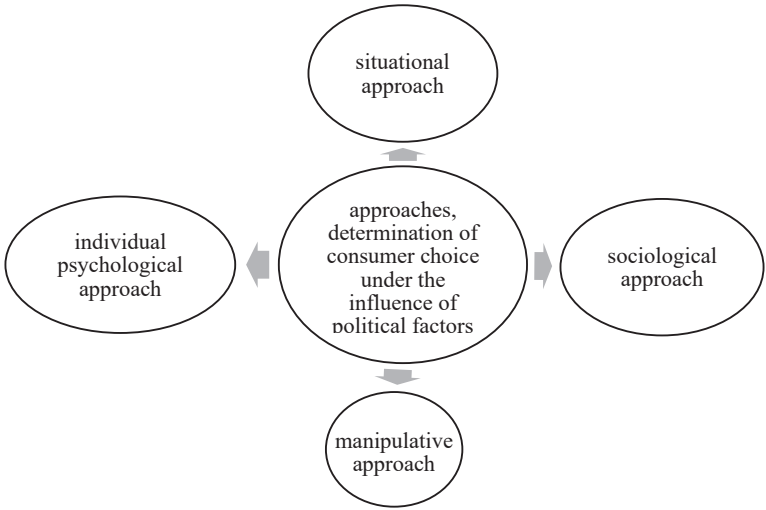


Fig. 2.5 approaches, determination of consumer choice under the influence of political factors

Source: compiled by the author

We will provide a detailed description of these approaches:

- situational approach - based on the understanding that political orientation is an appropriate reaction to a specific social situation in the country;
- sociological approach - based on the analysis of interdependencies between individual and group political preferences in accordance with those socio-political situations that have developed in society, in which specific social groups or individuals are located;
- manipulative approach - characterized by the influence of political manipulations that affect the consumer's choice. This approach plays a significant role in political choice and formation of public opinion in general, and especially in unstable or conflicting political conditions;
- individual-psychological approach - which is based on personal psychological qualities, traits, in relation to political choice.

Such approaches make it possible to form the main factors of those political orientations that influence the consumer's choice, in particular:

- external factors are those descriptions of the political system, peculiarities of life activities of individual social groups, peculiarities of communication in society, social, economic and political situation, influence of mass media;
- internal factors are the psychological features of the consumer, his political orientation, personality type, self-esteem, style, needs, motives, values, and system of political beliefs.

Based on the above-mentioned factors and approaches, we can form a hierarchical structure of political orientations that influence consumer choice, Fig. 2.6

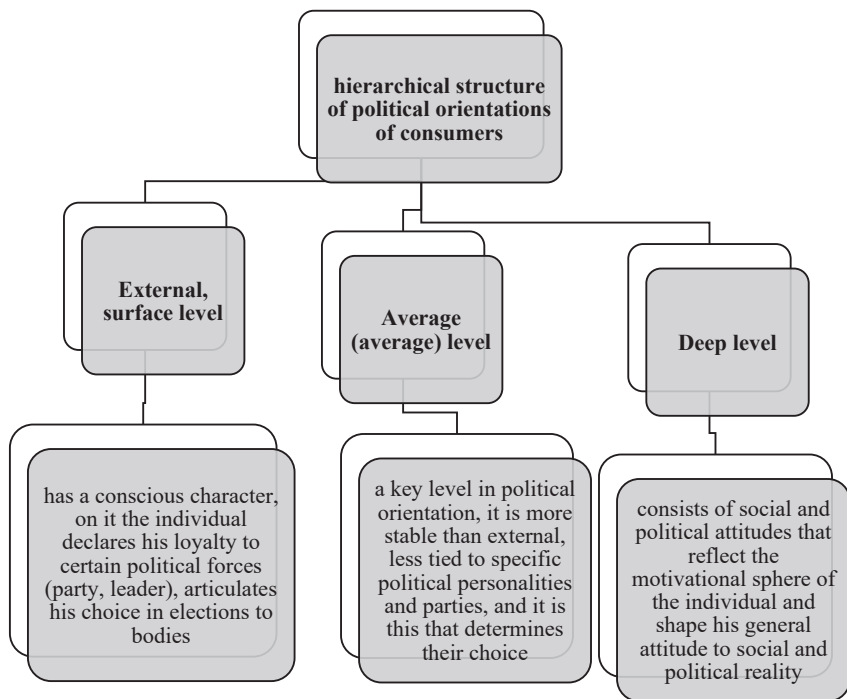


Fig. 2.6 Approximate hierarchical structure of political orientations of consumers

Source: compiled by the author

The above-mentioned approximate structure of political orientations of consumers has two levels: the first level is an external (surface) level with deep power, on which an individual declares his loyalty to certain political forces (party, leader), orients his choice on elections. This level reflects the perception of individuals regarding the modern political system of the state, political leaders, parties, their programs, etc. It is the most flexible and the least permanent, and is formed under the influence of the combined action of external socio-political factors in the structure of political orientations.

The next level is the middle (middle) level, which is key to the formation of the political orientation of individuals. It is more stable than the previous level, and much less tied to political figures and views. This level has a rather complex structure and includes different political views, values, beliefs, etc. Such a system of formation of consumer values is one of the main components of the process of formation of political preferences, orientations and choices of the consumer. The key features of this level play a leading role in shaping the individual's choice, in particular:

- knowledge - acquired by an individual and information that is concentrated as a result of studying certain political events;
- evaluation — comparison of current information with the previous one, and as a result the development of political consciousness;
- belief is an already formed system of views that acts as the subject's worldview.

The formation of such beliefs is primarily based on consumer awareness of the political situation in the country and personal beliefs in the political sphere that influence consumer choices. In addition, such an interaction of behavioral components, which creates symbiosis, and characterizes the consumer as a direct participant in the socio-political process.

Another level is the $\neg$ deep level, which includes both political and social aspects that reflect the motivational component of consumers and form a public attitude to the political situation. This level is represented by rather deep fillings, which are formed during the primary period of socialization, and are basic in relation to political, social, personal preferences and are the basis of political choice and influence. Such deep components of political orientations largely depend on the personal structure of the individual, personal understanding of information about the government

Therefore, based on the above information, we can distinguish the understanding of the concept of the political orientation of consumers, which can be presented as a system of interconnected psychological and social directions of different determination and different levels of awareness, which allow the consumer to make his political choice and behavior. Such a definition will make it possible to single out for study the conscious personal political choice, as well as to form those concepts that will influence the development of political orientations.

It is worth noting that the current conditions of political realities cause a high level of distrust of citizens in political parties. The main reasons for such mistrust are the lack of specific results of politicians' activities after the elections, the lack of satisfaction of the most basic needs of citizens. Party activity is manifested only during election campaigns. Pre-election programs are designed for a certain segment of consumers, whose problems they only activate and do not solve later. Therefore, consumer behavior can change radically; the choice becomes relevant only for a certain moment, and not for a long time.

That is why there is a question of finding those new keys of interaction with society, the consumer, which would contribute to increasing the level of trust in political parties and groups. Moreover, such trust must be formed on the scale that society needs. First, the image brand of the political party must be formed, which can act as a consolidating factor in the development of society. At the same time, the conscious political choice of the consumer is formed, on the one hand, and the development of state alternatives, on the other. In addition, such a party brand can already be studied and researched as a direction of activity of a political party. The brand will be aimed at forming those specific views of social groups that would be able to clearly and formulate structural laws and

methods of practical implementation of their political views. This will help to optimize the functioning of political parties and consumers in general.

Such a party brand can act as the main source of political competition during the electoral struggle for the electorate and will be able to maintain the activity of subjects of political processes.

Therefore, the study of the formation of such a party brand is of interest to scientists, since it will be able to characterize the technological process of the political process itself in the context of consumer choice. Its main tasks include the political process itself, as well as its focus on the activity of political subjects, the formation of the content and its components of such a brand, its main role in the context of the consumer's political choice, etc.

Excellent scientists, in particular, M. G. Anokhin, V. O. Kornienko, D. Easton, J. Manheim, made a significant contribution to the formation and definition of the features of the use of technological approaches in political activity, the study of the structure and technological aspects of political processes. , R. Rich. For example, D. Easton compares the political process with a certain set of political reactions that arise to the factors of the external environment.

Therefore, we can form an understanding of the political process, in the context of consumer choice, as a set of political actions of subjects (consumers) who seek to realize their political views with the help of clearly defined political technologies, time parameters through the prism of the party brand.

Political process reveal the complex mechanism of realization of social possibilities of consumers regarding the implementation of their most pressing issues in a certain time space. Such technologization of political activity will make it possible to rationalize the activities of consumers in their political context, to form and specify the algorithm of their actions, which will be aimed at satisfying the political preferences of consumers. In addition, under such conditions, the spatio-temporal space of decision-making by consumers regarding political preferences is the object of research, but the political space that is formed in this time space is already the subject of research in this time. The functional activity of the political process under conditions of influence on consumer choice can operate based on three main levels, fig. 2.7

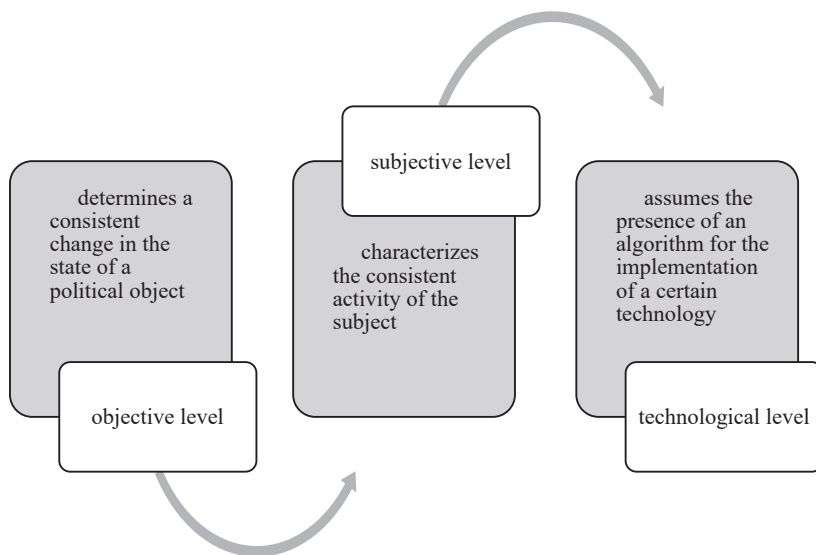


Fig. 2.7 Levels of functioning of the political process under conditions of influence on consumer choice

Source: compiled by the author

In our opinion, the technological level ensures the functioning of the political process to the greatest extent, depends on many factors that determine its significance in the political arena, namely:

- peculiarities of national life and character of consumers;
- socio-economic development of each country;
- foreign economic orientation of the state;
- political regime;
- characteristic features of political groups;
- shaping the success (failure) of the activities of political parties;
- gender, religious, social, national traditions of society;
- individual features of the pace and rhythm of life [Kornienko V. O. Demographic problems

of political development of man and society [Text]].

Therefore, in the conditions of constant competition, political parties of different levels must position themselves from the point of view of scientifically based actions confirmed by practical results, as a set of certain techniques, methods, factors and actions aimed at achieving a political goal in the context of the political choice of the vacationer. It is from this point of view that the party brand can be considered as the main factor in the technologization of the party's political activity, which seeks to implement all available opportunities (resources) to preserve, implement and obtain those powers that would ensure a high level of support from consumers and society as a whole.

Having such a brand, parties will be able to shape their strategic and political directions of development, consider the issue of party unification, resolve the issue of differentiation in the political space, and also increase their opportunities to strengthen communication with consumers based on taking into account their interests and needs, applying these specific political technologies. An approximate model of such a brand is shown in fig. 2.8

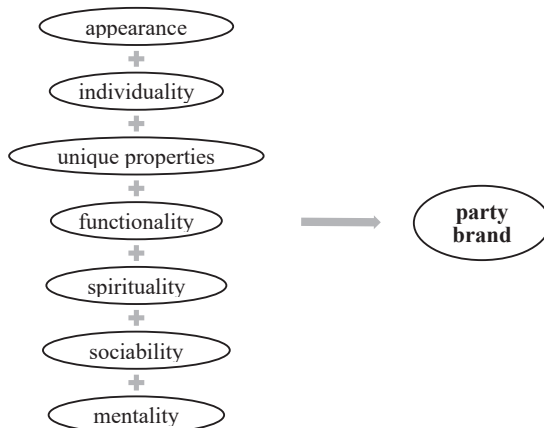


Fig. 2.8 Approximate structure of the party brand

Source: compiled by the author

The presence of certain attributes of such a brand makes it possible to consider it from the point of view of a physical object, which includes:

- appearance (size, main components);
- individuality (advantages of the brand aimed at meeting the specific needs of the consumer);
- uniqueness (values), which in general is a characteristic of the attitude towards consumers);
- functionality (perception of the usefulness of the object associated with the brand);
- social (ability to identify oneself with a certain social group);
- spiritual (spiritual value);
- relevant for both the consumer and the brand);
- mental (determines the level of compliance of the brand with the mentality of the consumer).

Therefore, the formation of such a political party brand in the mass consciousness will contribute to the achievement of certain political goals, which will significantly influence the choice

of consumers in general. If considered at the subjective level (namely at the level of consumers), the actions and choices of a specific segment of consumers are constantly monitored, advantages and disadvantages are investigated, and certain proposals are formed to optimize the political views for this contingent in the decision-making process.

In recent years, some companies and leading organizations have increasingly begun to expand and improve the tools and mechanisms of modern marketing, because changes in the lifestyle of consumers have become quite significant and noticeable. To a certain extent, spending on satisfying own needs has increased, yet to some extent there is a decrease in purchasing power, which is affected by the political situation in the country, because consumers do not have confidence in the future, so they try to have some savings. Moreover, the main reason for such fears is the rather unstable situation both in the country and in the world as a whole, especially against the modern background of the political arena.

And against this background, organizations, enterprises, and retail chains are showing themselves quite actively, which must attract new, modern methodological approaches to the study of consumer behavior in order to interest them, draw attention to their products, services, etc. Some use lending services (through a bank), payment in installments, the demand for purchases via the Internet increases, they add a bonus accumulation system or cashback, etc. Moreover, all this forms a new consumer behavior of the modern consumer, especially taking into account the changes in political life.

Despite the fact, that many scientists devoted their works to the study of consumer behavior and made a significant contribution to the development of methodological and applied aspects of the study of consumer behavior. The modern political situation, which makes adjustments in the lives of consumers, needs further research in this context, as it cannot give unequivocal answers and clarify all possible options for consumer actions.

To meet the needs of society today, the market should be aimed at interaction with the consumer in an economic, psychological, technological and social context, as well as take into account the political changes in the country's situation and, accordingly, sharp changes in consumer demand.

Modern society has already begun to be called a "consumer society", where the main role is assigned to the improvement of the life well-being of various segments of the population. And taking into account this fact, the market, which is supposed to satisfy these needs, is a rather complex structured mechanism, which has to provide an economic, psychological, technological system of relations between producers, consumers, sellers, buyers, and now against the background of political disputes in the country. All participants of such "interaction" have to play their role, both from the point of view of the psychological aspect, and social, and now also in the political aspect.

There are a large number of intermediaries and subcontractors who promote of certain types of goods and services to the market, in addition to the above-mentioned positions in the modern consumer market. Their list includes enterprises, bank charters, insurance companies, political parties, transport organizations, the marketing market, etc. The entire activity of such "companies" is tied to the marketing environment, because every time a consumer turns on the radio, telephone, or television, he is constantly confronted with advertisements for certain services and products. In general, an information attack that provides the consumer's subconscious (memory) with exactly the information to which the consumer's informational interest was directed. Taking into account the current situation, a political information attack or even an assault also forms a set of certain informational opinions in the consumer, which arise when he makes relevant decisions.

Therefore, we mistakenly think that the basis of marketing is the realization of goods or services in the information space, and if we examine this problem in more detail, it is clear that the marketing business is nothing more than one of the methods of influencing consumers of any products, goods, services, as well as information.

Therefore, in this context, it is clearly understood that the formation of opinions and decisions of consumers is influenced to some extent by the marketing system in all its branches, since it is aimed at the correct establishment of communicative relations between the producer and the consumer. The formation of a system of appropriate managerial influence in any organization will not be able to reach its full bloom by ignoring the needs of the modern consumer and studying his behavior. Therefore, understanding this, political parties (groups or organizations) focus their activities on specific groups of consumers, with the aim of meeting their needs more efficiently and qualitatively, as well as fully.

The political situation in the world makes significant adjustments in the lives of all strata of the population, their lifestyle, style, which leads to the fact that consumers are already becoming different; they are becoming more prudent, restrained from the point of view of political and socio-economic aspects. And as a result of such organizational changes, groups are forced to a certain extent to adjust their areas of activity, their information base for the consumer and adapt to today's modern consumers, because there is a significant heterogeneity of consumer opinion in different specific situations. From the above information, we can see that most organizations of companies of political parties influence the behavior of consumers with the help of marketing actions, which are aimed precisely at satisfying those interests of consumers that are less represented by competitors. Only for this reason, having experience in researching consumer behavior, relevant marketing companies build the marketing policy that is interesting to the customer (organization, political party, firm), such as prices, consumer interests, the way to satisfy these interests, etc. The fact that the methodical approaches of companies engaged in marketing activities aimed at consumer orientation became an unexpected innovation for some organizations that remained to support post-Soviet interests and

opinions. The situation that has developed today has made serious corrections for many such firms (organizations, enterprises), which are already considering those questions that would give an answer, how to attract the consumer when there is such an assortment of presented products on the market.

Informational data of understanding or determining consumer behavior make it possible to predict a certain situational act of an individual, and perhaps even a separate group, whose behavior can be predicted. Nevertheless, the more accurate such knowledge about consumer behavior is, the more accurately it is possible to predict the consumer's actions in various specific situations, since the behavior can rarely be repeated. Therefore, under these information conditions, the research singles out the following methodological approaches for modeling consumer behavior, namely, economic, sociological, psychological, Figure. 2.9

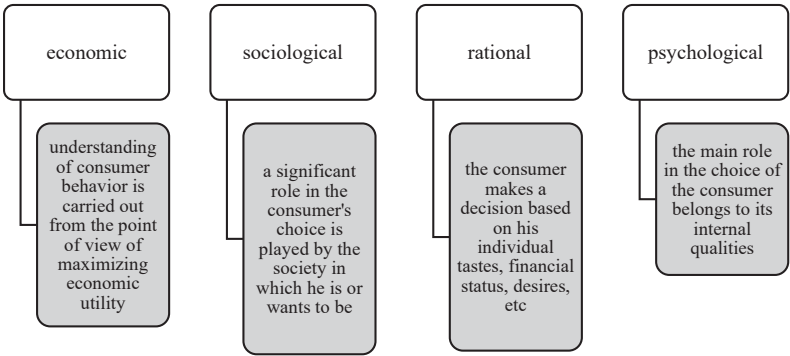


Figure. 2.9 Methodical approaches to modeling consumer behavior

Source: compiled by the author

By studying the preferences of a specific segment of consumers and taking into account the approaches of modeling their behavior, we can predict their choices in the future, and it is obvious that their interest will be easier to determine, their information concept, taking into account the following types of their behavior, which we can display in Figure 2.10

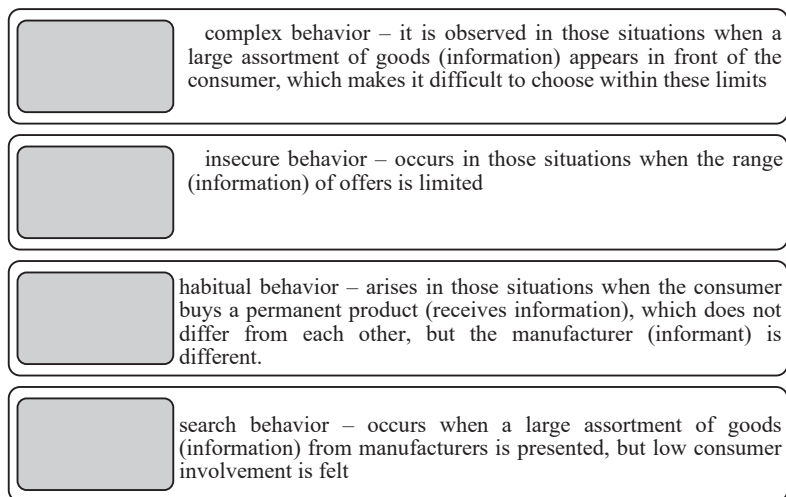


Figure. 2.10 Types of consumer behavior

Source: compiled by the author

Since consumer behavior patterns are considered in the context of the country's political situations, it is worth noting that they are formed under the influence of the informational attack of political parties, groups, and the opposition as well.

Quite often, the opinion is formed that political oppositions are identified with the understanding of criticism, disagreement, and opposition to the current government. Moreover, mass media, as a rule, by quoting or conveying criticism towards the government, accordingly lead ordinary citizens (consumers) to negative conclusions about the functioning of the government. And it is precisely on the shoulders of such political positions that the duties are placed to carry out an "audit" of certain actions of the government and to provide their comments on their professional assessment and to warn society about possible consequences or results that are quite actively perceived by consumers.

In addition, this fact is quite significant for the country as a whole, and especially for the opinion and choice of consumers, since the development of society constantly functions in the conditions of a political regime and the formation of such a political opposition occurs under the influence of several factors:

one-party regime - in such conditions, the opposition does not exist, it can be traced in the form of a minority that rather delicately criticizes the government at meetings;

the two-party system is already an institution that is more significant, despite its moderation, and creates the efficiency and strength of the democratic system.

Considering a multi-party system, the opposition simply cannot exist here, as it is not compatible with such an institutional form. Under such conditions, the boundaries of the opposition must be filtered from the point of view of external and internal opposition, where the minority parties represent the external opposition and the majority parties represent the internal opposition: the nature and form of the opposition, forms its cohesion, quantitative and qualitative structure.

The nature of the opposition is related to the general conditions of the parties' struggle for consumer choice.

In the scientific literature, three main types of struggle between parties are distinguished:

1) a struggle without principles, here political parties do not have precise beliefs and a general principle that can significantly distinguish one party from another, their elections have the character of political courses;

2) struggle on secondary principles - here there are differences between parties that correspond to social division, and thus maintain certain agreements regarding the main principles of the political system;

3) clashes over the principles that relate to the foundations of state management and the essence of its regime. From the point of view of multipartyism, there is an understanding of total parties (communist)

It should be noted that according to this classification, the political struggle in the country can be placed between the first and third types. In addition, under such conditions, the type of political struggle of the leading political parties, which largely can and does influence consumers, can be characterized as a struggle without ideological principles, which are formed around the essence of the political regime.

If we consider the classic criteria that characterize the democratic nature of the political system, then the conditions for the free existence of the political opposition should be singled out, namely

1) freedom of thought and expression, which makes it possible to bring it to the position of the minority and to the knowledge of other citizens, as well as state authorities;

2) to freely participate in the political life of the country;

3) in the event of political conflicts, the possibility of controlling the opinion of the majority of citizens, consumers, and voters;

4) to take part in the discussion of political decisions, justification of their rationality, influence on the formation of consumer opinion regarding the expediency of the proposed guidelines of state authorities;

5) political decisions and their resolution should be aimed at minimizing public outrage;

6) guidelines for a peaceful way of resolving conflicts, including political ones;

7) the issues that infuriate the majority of citizens and for political leaders they should be urgent.

The choice of methodological approaches plays an important role in the formation of the research concept. In the scientific literature, it is proposed to consider the behavior of the consumer as a certain form of social action, which has both a subjective side and an objective side of the formation of consumer choice, and manifests itself as a set of social relations and rights of choice regarding the consumption of one or another product (goods, information) .

Characterizing methodical approaches to consumer behavior, certain classical models of consumer behavior were formed, from the point of view of economic theory, which are shown in fig. 2.11



Fig. 2.11 Classic models of consumer behavior, in the context of methodical approaches

Source: compiled by the author

According to Figure 2.11, we will describe the concepts of the above consumer behavior models:

- socio-economic - characterizes and determines the capabilities of consumers, taking into account the distribution of their social class and their income level;
- economic and psychological - considers the behavior of the consumer, as an economic subject, in the context of psychological standards;
- socio-psychological - examines the behavior of the consumer, his worldview, views, orientations of life principles, etc.

If the model of consumer behavior covers a wider range of their characteristics, then we will be able to distinguish approaches to consumer behavior in more detail by determining the dependence between consumer archetypes and their choices:

- traditional consumers are the category of consumers for whom physical characteristics are the key point of choice. A traditional consumer needs competent consultants, informants, marketers, etc.

- offline consumers are the category that wants to attend rallies and meetings physically, but spends much more time gathering preliminary information using the Internet. Consumers can compare several different models for a long time, read user reviews, information on websites, ask opinions on forums or consult with friends. Therefore, making a decision in this category takes a little more time.

- better information seekers are those who already know what they need, their goal is to find better information about their choices, both online and offline.

- online researchers are a cohort of consumers who are looking for an information base about their specific decision to reduce their risk in making their choice.

- online consumers are those who prefer to find information online and in most cases, almost 60% of all decisions are made online.

Therefore, practice confirms that modern consumers in a complex study and analyze the parameters of choice. Although the fact that many decisions are made instantly, under the influence of emotions and feelings, rather than analyzing the situation for a long time is quite important. Under such conditions, political leaders and marketers need to take care of the emotional and psychological burden on the consumer, expand the possibilities of information flow channels, improve the assortment structure, etc.

Therefore, in today's conditions of high competition and saturation of markets with information products, every organization (institution, party) that aims to achieve success must carefully study the needs and preferences of consumers. Knowledge of consumer behavior becomes an integral part of the activity of every organization (institution, party) focused on building favorable relations with its segment of the electorate. Since there are different classifications of consumers based on different characteristics, there are also different approaches to their behavior, which can be determined taking into account the personal characteristics of the consumer and applying appropriate methodological approaches to direct his choice to the most effective choice.

The stage of making a consumer choice in order to satisfy one's own needs and desires in the context of economic theory distinguishes economic, social and psychological approaches that form those models of consumer behavior. These approaches form the economic capacity of consumers depending on a number of extensive and intensive factors, which include economic, political, socio-behavioral, national-cultural, and intrapersonal characteristics of the consumer as an individual.

In order to influence the consumer choice of market participants, including the political one, it is necessary to take into account the fact that the model of consumer behavior demonstrates certain stages that the consumer goes through on the way to making a decision:

- awareness of the need for this choice,
- search and analysis of consumer information,
- formation reactions to consumer choice.

Analysis of the process of making consumer choices and forming reactions should be based on the understanding that the model of consumer behavior is a constant phenomenon, although it may change depending on the type of consumer himself, the system of factors that influence his choice.

CHAPTER 3.

THE INFLUENCE OF THE POLITICAL DISPUTE IN POLAND ON THE FORMATION OF THE SPECIFICS OF CONSUMER BEHAVIOR

3.1. The concept and conditions of political conflict

Currently, the world is experiencing complex political trends, which are aimed at the informative transformation of the political space. In addition, in such a process of transformation, in the context of a chain reaction, there is the concept of political conflict, which is a component of political action or political result. Which can be manifested in the interaction of several political parties that try to redistribute political resources, certain authorities and spheres of influence.

The study of political conflict, first, should be aimed at studying the political and institutional tools of the conflict, perhaps even its technologies and mechanisms that can be used in the political struggle. Moreover, the rather active informational development of society requires the search for the research of this issue in a new plane. Moreover, this direction can be informational factors that influence and inflame political conflict, especially in the context of such a form of governance, democracy, which promotes that the people are the source of power. In addition, from this point of view, opinions, moods, preferences of consumers (public opinion) are the object of political struggle, and therefore the object of political conflict, and the main factor of the country's political process [1].

If we turn to the historical aspects of the formulation of the theory of political conflict, then K. Marx and A. Tocqueville are identified as the founders of this concept, who defended the point of view, regarding, etc., that within social unions (associations), in any case. There will be conflicts regarding the political conflict, they considered it as a balance between the forces of conflict from the point of view of social partnership.

In this context, it is possible to formulate the definition of political conflict - as a confrontation of different social and political forces, all subjects of the political arena, who realize their interests regarding the redistribution of power at different levels, changes in political status and the prospects for the political development of society in the future.

Therefore, focusing attention on the study of political conflict in the context of the informational nature of society will provide an opportunity to predict the occurrence of such a conflict, the possibility of its prediction and even successful resolution or prevention of its development.

It is worth noting that now in the country it is possible to state a transitional period of political life; isolated conflict-causing confrontations in society constantly appear in the field of vision. In practical implementation, to ensure a possible resolution of political conflicts, the subjects of political disputes (at the intergroup, interstate and individual levels) should first take care of increasing the information space in the field of political patterns, which may take the form of informational aggression.

Such political clashes, first, are formed against the background of economic interests of individuals and communities, and because of social conflicts, political conflicts flare up, and socio-political conflicts are already formed against this background.

Like any process, political conflict has its contingent of participants, from which both conflict subjects and objects are distinguished, Figure 3.1

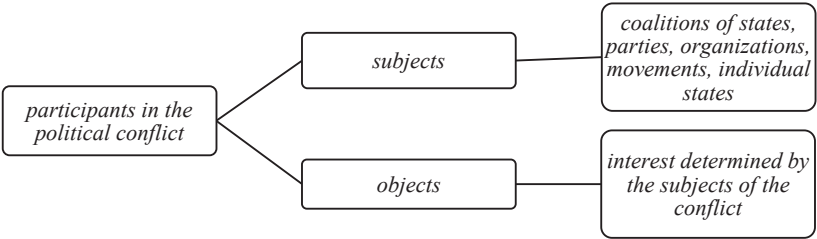


Figure 3.1 Participants in the political conflict [2]

Source: compiled by the author

As for the positions of the subjects of the conflict, they are determined largely by its strength. For example, it can be the state, although such a position is not final, since such a position as the support of other subjects of the conflict can play an important role, it can be other state or party, depending on the level and "status" of the conflict.

An equally important feature of the subject of the conflict is the power that determines the ability of one subject of the conflict to force changes in his direction of activity or to accept those conditions on which he would not have agreed to do so under other conditions.

As for the object of the political conflict, from the point of view of political, economic and social theories, this element of the conflict is the subject of the political conflict, and represents the "interest" that defines the subject.

If we talk about the subjects and objects of conflicts, then an important aspect is their specification as participants in the political conflict, which will be shown in Figure 3.2.

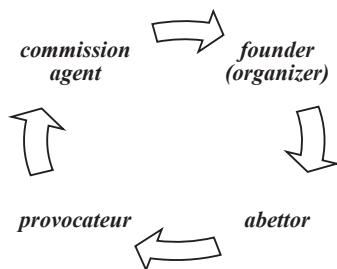


Figure. 3.2 Participants of the political process [3]

Source: compiled by the author

According to fig. 3.2, we will provide a brief description of each of the participants in the conflict, namely:

provocateur – participants in a political conflict who incite the parties (consumers) to the formation of a specific conflict and make maximum efforts to exacerbate it;

funder (organizer) – forms tactics, strategy and stages of conflict development;

accomplice - serves the development of the conflict with certain levers of moral and/or material influence (usually, does not take direct part in the conflict);

commissioner (mediator) - usually takes a neutral side, can help both sides to localize or settle the conflict.

The development of conflict situations is determined by the interaction of the object, as the subject of the manifestation of real disputes, and the subject, as an element of the conflict, and such a system gives rise to the process of a set of confrontations and agreements.

It is worth noting that the main prerequisites for the emergence of a conflict are three main conditions, Figure 3.3.

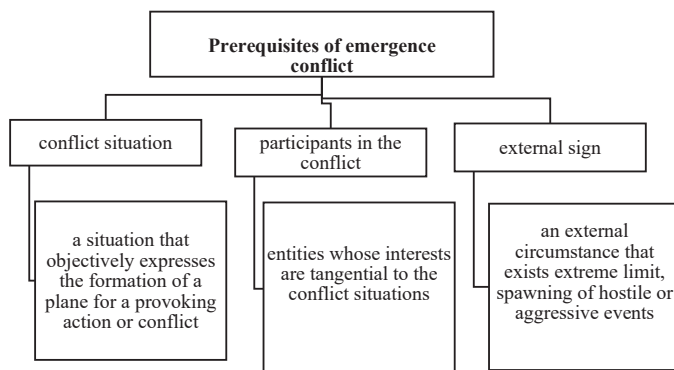


Figure 3.3 Basic prerequisites for conflict [4]

Source: compiled by the author

Therefore, in reality, conflicts arise at the stage of maturation, when factors aimed at aggravating the contradictions of political parties and their electorates are added to the prerequisites for the formation of a conflict, and as a result, clashes become inevitable. At this stage, they understand how incompatible their interests are, and "see" an obstacle on their way to achieving their political opportunities to seize power. Moreover, in a certain period of the existing situation, the parties begin active actions among themselves, which is already directly determined by the political situation.

Each of the conflicts has its own structure and political conflict is no exception. It is a cyclical process, and its main components are shown in figure 3.4

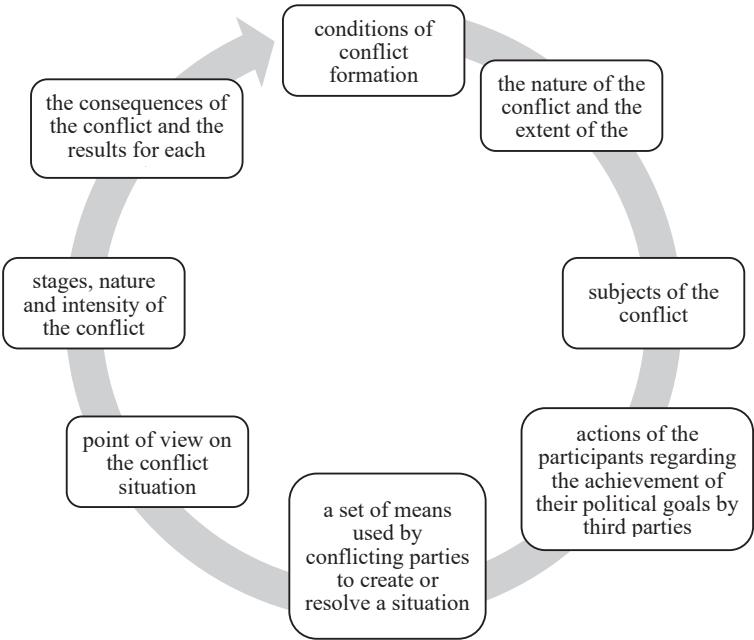


Figure 3.4 The main components of the political conflict structure [5]

Source: compiled by the author

Currently, political disputes in the country have a functional nature of actions, as they signal to society and the authorities about problems and contradictions between citizens with different

political views, and in the context of this, we can formulate the main functions of political conflict, Figure 3.5

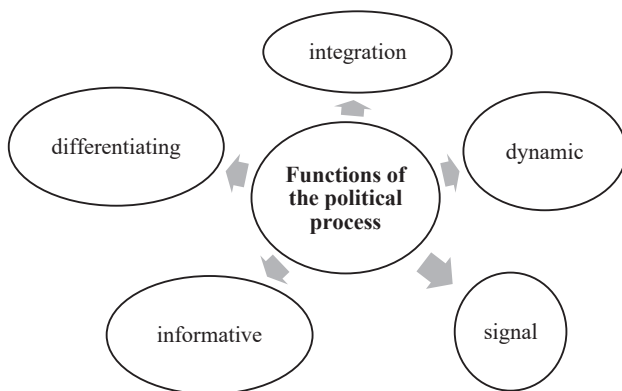


Figure 3.5 Main functions of the political process [6]

Source: compiled by the author

Each of the mentioned functions is quite important for the course of the political conflict, and has both an informative and a regulatory nature, namely:

- signal - outlines the situation in society in a certain (specific) period. Signals (warns) about the brewing of conflict in certain masses of society;

- informative - informs about the unfolding, course, twists and turns of a conflict situation, and also performs an informative action about the reasons that caused it and about the balance of forces in society. This function serves as a means of understanding consumer problems;

- differentiating (distributive) - acts as a method for social differentiation of consumer views regarding political situations that occur under the influence of the conflict. As a rule, it changes the old views about the social structure, and changes to a certain extent some elements of conflicts and forms new patterns of relationship;

- integrative - is revealed precisely in the confrontation with other political groups, but affects the growth of consolidation within the group, thereby increasing the degree of group identification within the group;

- dynamic – reveals the prerequisites for changes in the political environment, motivates to move forward and develops the political system as a whole.

As a rule, any conflict has both positive and negative sides, although most opinions give negative functions to the conflict. As for the negative, it should be noted that existing conflicts, and especially if they are long lasting, are primarily a threat to the liquidation of the existing political

system of the country and undermine the authority of the authorities. It may also threaten life-threatening consequences for the participants in the conflict, for as an example, we can cite clashes that occur during rallies [7].

As for the positive consequences of conflicts, although they are few and not everyone agrees with them, it can be noted that they will lead to the preservation of a certain dynamic of social and political life, namely the creative modernization of the political system. Such a political concept can relieve tension in society, develop internal cohesion of individuals, form groups of like-minded people, allies, and stimulate activity and creativity regarding social changes in the life of the country.

Therefore, the concept of political conflict includes a wide range of theoretical and practical components, the implementation of which requires constant research, especially in conditions of almost constant tension in society. It is also worth noting that a conflict-free society cannot and does not exist, because it contradicts the entire evolution of social relations.

As a summary of the above research results, we will form a logical scheme, a model of the formation and development of political conflict, Figure 3.6.

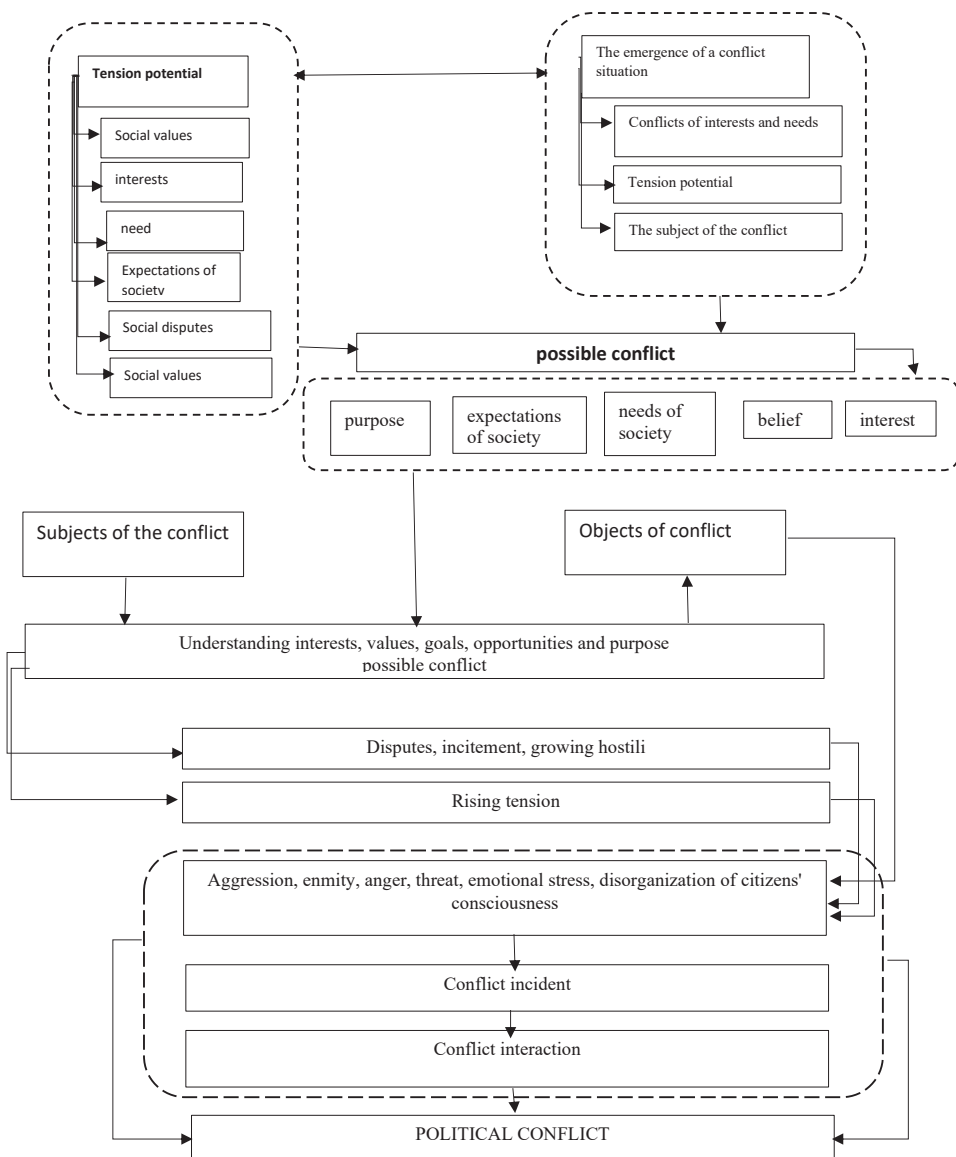


Figure 3.6 Logical scheme-model of formation of political conflict
 Source: compiled by the author

According to the data of the scheme, it can be immediately concluded that, in addition to the fact that, for the conflict to arise, active actions are required on the part of the subjects, and such a situation is formed then, certain groups are aware of the fact of the lack of important vital resources.

It is worth noting that conflict has always been a specific component of political relations, both at the level of states and at the level of social groups and individual individuals. Moreover, the political situations that have engulfed the modern world only spread and multiply political problems and conflicts. And in modern conditions, such conflicts, both in our country and on a global scale, form a tendency to grow into dangerous forms

Quite a lot of both domestic and foreign scientists conducted research on this topic; however, the format of the study of the political situation in the modern period requires careful research, since the situation of opposition between political parties has reached its peak.

Such scientists as V. A. Lektorskiy, V. A. Sosnin, L. Pai, and S. Huntington made an important contribution to the study of this problem.

Most scholars point out that political conflict is a global problem, and such problems must be solved only in relation. After all, they are the basis for the formation of aggressive manifestations against the background of political disobedience, and such manifestations are a problem of both the socio-political sphere and the state as a whole, and a complex problem of the global system of international relations.

And since such political conflicts create a rather favorable environment for the manifestation of political oppression, coup d'états, manifestations of terrorism, political manipulation and wars, and therefore, in our opinion, it is necessary to direct the research of this issue in the direction of transforming them (political conflicts) into more dangerous forms of manifestation of political excesses .

It is worth pointing out that such political conflicts, which are already present in our country, are connected precisely with the strategy and tactics of the redistribution of state power and its power capabilities, which lead to the loosening of socio-economic, political tensions and instability in all strata of society. Against this background, conflicts are formed, which are characterized by:

- decisive transformational processes in society, which can manifest themselves in the context of differentiation of citizens (consumers) by income level and ideological orientation;
- values are changing, examples of other cultures, the cult of power are spreading;
- the field of socio-ethnic tension on the basis of constitutional, territorial and even international contradictions is expanding;
- little experience in understanding the course of the conflict, rejection of dissenters, manifestations of radicalism;

— manifestation of massive violations of Constitutional rights and freedoms, primarily socio-economic, and efforts to obtain truthful information from the authorities. Against this background, some features of the country's political conflict can be identified, namely:

- unfolding of the conflict in the sphere of power itself,
- conflicts that arise in non-political spheres, and which are tangential in one way or another to the existence of this government;
- the state is the arbiter of the conflict.

In accordance with the above-mentioned features, conflicts develop between the legislative and executive branches of power, within the parliament, between parties, and in the state-administrative apparatus.

In such a context, political conflict can be beneficial to political competitors, and with the help of such political rivalry, they will ensure the defense of their interests. And therefore, the study of the activity of the parties to the conflict is an important condition for the course of the conflict, it is necessary to take into account all the points of view and preferences of the parties, this makes it possible to normalize the interaction between the participants and avoid the development of a new conflict.

A rather important condition is the fact that all participants in the conflict were able to reveal all the details of their dissatisfaction and misunderstanding, for discussion and finding consensus. It is also worth paying attention to the conditions for ending the conflict, suppression and termination, which are completely different in terms of their mechanism of action. Suppression is a violent way of conflict resolution. This method of conflict resolution can be applied only in the case of unauthorized gatherings of people, during which they may violate public order, harm the state and destabilize the situation in society. According to this method of conflict resolution, the subjects of political activity (authority) must very professionally manage such an operation, since excessive force participation can lead to an increase in aggression and the scale of confrontation [8].

If the conflict ends, then it is worth monitoring the activities of those political subjects who work in the priority directions of political direction and decision-making, so that their actions do not lead to the repeated development of conflict activity. Therefore, the condition for the end of the political conflict is the stage of the development of the opposition of the participants specifically regarding political influence or a possible solution, which involves the cessation of public attacks, the cessation of harming one's opponents and society as a whole.

Therefore, based on the results of the above material, we can conclude that the relevance of political conflicts in the modern realities of our country is only growing. Politicians resort to the use of "funding" of rallies, decisions, etc., to divert the attention of citizens from more significant political decisions. Political conflicts cover a wide range of participants, factors, preconditions, situations, signs, etc. Moreover, the model of formation of political conflict proves it.

It is also worth noting that the conflict can move from one sphere to another, while it is tangential to political, economic, social, religious, and international life. In addition, such political conflicts, as a rule, affect the interests of the majority of society.

A political conflict is characterized by certain features that may be inherent only to it, namely, it is formed on the basis of contradictions, conflicts of interests, principles and norms; it arises due to the redistribution of power and political influence, covers all strata of society.

3.2 Typification of consumer behavior patterns during political crises

Currently, Poland is in a state of political crisis, which is caused by factors of a different nature, starting with the social component and ending with macroeconomic factors. And in the conditions of a crisis, especially a political one, the behavior of consumers changes quite sharply, as a result of which companies, organizations, political groups must quickly adapt to new realities and adjust their offers to the preferences of consumers.

Politics is a rather specific and independent sphere of life of society, and therefore the conflicts that arise in this sphere have their own characteristics, types, classification, etc. Only a political conflict can cover state, public, political organizations, influence the mechanism of state power, legal institutions, political relations and culture, legal and party systems, be tangential to the political awareness of society.

Political conflict in the system of political relations is a form of political processes, and it is unique because it interacts with subjects to identify and realize the interests of large social groups and society as a whole. Moreover, state power is a tool for protecting such interests, and therefore its possession, possession of political institutions, political statuses, symbols of power and resources, primarily material, and determines the object and subject of such a conflict [9].

That is why, in the world understanding, the concept of political conflict is interpreted as a dynamic structure that functions by uniting and dividing political subjects, has its own differentiation, associations and dissociations. Therefore, its interpretation in the context of institutional political confrontation, which can manifest itself in the form of parliamentary debates, protest actions, opposition incitements, is not final, it should also be considered as symbolic, possibly cultural clashes in the social plane, with the aim of influencing its modifications and transformation. Moreover, each political system has its own structure of a hierarchical political state - some occupy a leadership position, while others are governed. This system lays the foundations of political inequality, which gives rise to disputes and is the primary source of conflicts, which can later develop into an open (large-scale) conflict under the influence of external and internal factors, causes and factors.

As the political conflict matures, it demarcates the differences of political interests at its initial stage, separating the participants of this conflict. In this case, the following main actions should be noted:

- understanding the authority of each of the forces involved in the conflict;
- refutation of conflicting polarities;
- attempts to veil the positions and views of the conflicting subjects;
- groundless, subjective demarcation of conflict participants, unexpected shuffling of conflict-causing opposites, etc.

Depending on the political positions of the subjects (consumers) and the vector of the political conflict, their confrontations can have many different options, usually completely opposite, or a combination of several of them. Therefore, consumer recognition of contradictions and, accordingly, conflict is not a theoretical or ideological problem, but a more practical one, since its solution outlines the strategy, tactics, behavior and actions of consumers. The democratic regime that reigns in the country determines and institutionalizes conflicts in society, and this practice determines the legitimacy of legislative norms and rules, which allows freely discussing conflicts and finding ways to overcome them for the benefit of the majority of citizens (subjects). Political ideology cannot be separated from the ideological views of consumers, in open access or disguised, real conflict is always present, and all communities of the world have confirmed this historically. Only the type and method of consumers' motivational attitudes can differ here.

From the point of view of the nature of ideology, its understanding is formed because of the duality of political phenomena that reflect social interests, but in reality are completely different from them.

Whatever political content the conflict acquires, it is usually grounded conceptually, its subjects (consumers) are fully aware of ideological motives, components that play an organizational role even before the behavior and actions of all participants in the confrontations.

It is worth noting that the ideological nature, essence, motive, personal interests and other signs of the conflict determine its direction of development, dynamics, and directions of resolution and have a significant impact on society as a whole.

In this context, the conservative and progressive content of the ideology of the conflict is considered. If it is conservative, it is aimed at blocking the positive development of the conflict and serves to accumulate negative moments during discussions. It is progressive – considers the development of the conflict and its approach to resolution for the benefit of society.

In order to understand the ideological basis of the political conflict, it is necessary to transform and use the motivation of the brewing conflict in relation to the interests of social groups, political parties, and leaders who would be able to ensure its expediency and activity [10].

The importance of political language deserves special attention, because during the conflict, subjects, participants, consumers of information react to words, names, slogans, which are an important "stake" in the political struggle and reflect the principle of "vision" of conducting a political conflict. And if it is conceptually motivated, institutionally organized, rationally develops and is predicted by its effectiveness, then such a conflict in the public masses is marked by interest and intensity of discussion, and as a result brings its positive result.

Because of the above material, it is worth noting that an important aspect when analyzing a political conflict is the characteristic of its typology, according to which a model of consumer behavior is formed.

The typology of political conflicts is shown in figure 3.7

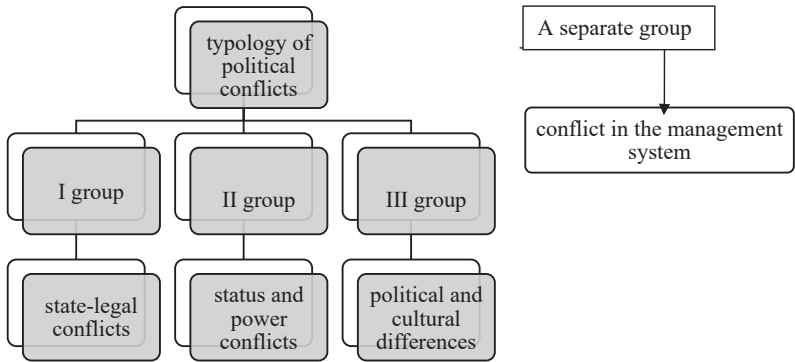


Figure 3.7 Typology of political conflicts

Source: compiled by the author

The first group - state-legal conflicts - includes conflicts that arise directly in the system of state power, and the struggle continues around the already functioning "old" institutions and the formation of new state institutions, their powers, power resources, spheres of influence, etc.

The second group - status-power conflicts - includes conflicts regarding the redistribution of rights, freedoms, levels and forms of participation in the political life of individual consumers and their role in political relations.

The third group - political and cultural differences - the kind of conflicts that are formed because of significant contrasts in political culture. Such conflicts are more focused on contradictions regarding political cultures, political thinking and actions of social groups [11].

A separate type of conflict is the conflict in the state administration system, which includes conflicts that arise because of different interests, political views, and the struggle of different power structures regarding the redistribution of state power and its management. The main feature that distinguishes them from a political conflict is the form of their conduct, since they are in most cases developed in a legal form.

If we talk about the model of consumer behavior during political crises, it should be noted that internal political conflicts also play a significant role and leave an impression on their behavior. Since each, type of such conflict carries its own informational content.

It is the internal political conflicts that reveal the interaction between various subjects of the authorities, both central and local, in particular between the ruling and opposition circles, parties, groups, social groups based on political interests, which reflect the peculiarities of political processes, from which the conflict of interests begins between consumers.

Such conflicts can be classified according to the following characteristics, Figure 3.8

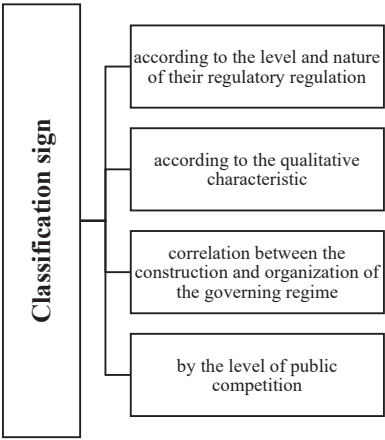


Figure 3.8 Classification features of internal political conflicts

Source: compiled by the author

We will provide a more detailed description of each classification feature, a classification feature - the level and nature of their regulatory regulation - it characterizes institutional and non-institutional conflicts that outline the ability (inability) of consumers (participants) to comply with general political rules.

The sign - qualitative characteristics - reflects the level of involvement of consumers (individuals) in solving the contradictions that have arisen, determines their dynamics in the political process. J. Burton notes that such a tie of conflict can be "deeply" rooted in the consciousness of consumers, and "shallowly", and such "rooting" in the relevant period can form certain patterns of consumer behavior during political crises and conflicts.

Review of the publicity of the parties' competition - reveals the state of closed or open conflict, which are manifested in the interaction of the conflict subjects and shadowy ways of expressing their powers. For example, the state of "open" such a conflict manifests itself in the form of mass actions of citizens (strikes, manifestos, meetings, etc.), while the state of "closed" conflict is a manifestation of conducting hidden processes of political conflict (making "necessary" decisions in the ruling circles of political power).

Regarding the relationship between the construction and organization of the government regime, it is worth distinguishing here the horizontal and vertical organizational levels of power [12].

Vertical - characterized by relationships between different levels of government, including central government, local political elite, and local self-government bodies.

Horizontal - characterize individual subjects of power, representatives of non-ruling parties, and members of political associations.

Therefore, this typification of political conflicts plays a significant role in specific political processes, as it has its own characteristics and can play a constructive, destructive and even destructive role in the unfolding of the political process. An important point is the fact that each of these types of conflict, in turn, influences and forms a pattern of consumer behavior in each individual situation.

Since consumer, behavior can change depending on the quantitative flow of information and possible options for its satisfaction, "organizers" of political conflicts resort to various methods of influencing consumer behavior. These can be various personal interviews, calculation of indices of the current political situation, online surveys, formation of household panels; surveys of consumers about the consequences of influencing their opinions, behavior of crisis political phenomena, various kinds of surveys of experts, regarding directions for solving certain problems in crisis conditions and using new opportunities.

In addition, all these factors and factors form a model of consumer behavior under these conditions, which are described in table 3.2

Table 3.1 Characteristics of different types of consumer behavior

Tim/model of behavior	Terms of use	Characteristic
1. Highly rational behavior	It is used in situations with high risks and the desire of consumers to obtain maximum benefits and satisfaction	The consumer searches for a large amount of information, processes as many information sources as possible
2. Rational-confident behavior	It is used in low-risk situations	The consumer seeks to get the maximum benefit from the decision made
3. Cautious behavior	It is used in conditions when it is difficult to evaluate different options for the course of situations	The consumer actively searches for information, carefully evaluates alternatives and makes a decision.
4. Emotional behavior	Typical for consumers with a high level of profitability	The consumer shows a fairly high level of activity, and at the same time receives emotional satisfaction
5. Showy behavior	Used for demonstrative effect	The consumer focuses on the image, high price, social status, limitation for a certain circle of consumers.
6. Adaptive behavior	It is used by consumers who focus on the social environment and try to be socially active	The consumer focuses on popularity

Source: compiled by the author [13]

Although the majority of consumers no longer expect positive solutions, they now have a model of highly rational and rationally confident behavior.

Their behavior depends not only on external factors, but also on their beliefs, upbringing, character traits, as well as on personal - psychological, socio-cultural, as well as situational factors, marketing tools, etc.

According to the data of the research of the State Statistics Service of Poland [<https://stat.gov.pl/en/>], they show that the dynamics of consumer sentiments of consumers because of the political crisis has decreased quite significantly. The consumer sentiment index of citizens decreased by 6.5 points in May 2022, reaching a maximum of 87.6. Such a drop is due to a decrease in the index of the financial situation of consumers, which continues to decrease, especially with the beginning of the country's political crisis.

It should be noted that in the conditions of the political crisis, consumer demand for those goods, which were less relevant before this period, is increasing, in particular, drugs for the treatment of chronic diseases, sedatives. As for clothes and shoes, this type of product lost its relevance by 15%, children's products lost its relevance by an average of 12%. Such a category as the beauty industry and household goods, on the contrary, have increased in their relevance, and the demand for electronics and household appliances has also increased, as consumers are wary of the devaluation of the monetary equivalent due to the political crises in the country. The recommendations of close people, their opinions and decisions have a significant impact on consumer decisions.

Because of the above information, we can form the circumstances that affect the change in consumer behavior during the political crisis in the country:

- conducting active promotions;
- rejection of certain types of products;
- switching to cheaper products, offers;
- increasing commitment to the domestic producer;
- provision of benefits for goods on credit, etc.

In order to keep the consumer in the conditions of political conflicts and crises, based on the results of the conducted research, we can provide proposals regarding the marketing activities of certain sectors, namely:

- improvement and expansion of communication activities with consumers;
- to expand the assortment of goods, which under the given conditions is the most relevant;
- access to those market segments that were previously unavailable;
- take into account changes in consumer behavior;
- activation of information activities (advertising) in the social sphere.

In order to interest consumers in such a difficult period, it is necessary to develop interesting, exciting content, to ensure the persuasiveness of the relevant nonsense and its confidence in the social masses.

Therefore, the situation that has developed in the country leaves an impression on all groups of consumers and significantly affects their choice and change of behavior. The consequences of political conflicts significantly affect the economic development of the state, and as a result, unemployment rates increase, consumer incomes decrease, taxes increase, consumer behavior changes dramatically, and in the context of a political crisis, these factors are quite significant for the formation of consumer behavior. Those groups of goods that previously did not play a significant role for them become a priority.

3.3. Identification of the main axes of political dispute in Poland and their impact on the rationality of consumer behavior.

Rational consumer behavior in modern Poland, as in any other country, includes several main signs that indicate the validity of consumer decisions. Here are some main signs of rational consumer behavior in modern Poland:

1. *Validity of decision-making*: A rational consumer takes into account various aspects before making a decision to purchase goods or services. He takes into account financial possibilities, needs and the impact of the decision on his budget.

2. *Planning and budgeting*: A rational consumer usually develops a budget, plans his expenses and controls the use of resources. He tries to avoid excessive expenses and maintains economic security.

3. *Search for information*: Rational consumers actively search for information about goods and services before purchasing. They compare prices, quality and other features to make the best choice.

4. *Consumption based on needs*: Rational consumers are guided by their needs and choose goods and services that best satisfy them. They avoid unnecessary purchases and take into account the actual benefit of each purchase.

5. *Efficient use of resources*: Rational consumers seek to make efficient use of their resources, including time, money, and other assets. They choose strategies that allow achieving the maximum result with minimum costs.

6. *Prudence in credit transactions*: Rational consumers reasonably use loans and avoid borrowing funds for inappropriate purposes. They take into account the costs of servicing loans and maintain financial stability.

7. *Consideration of alternatives*: Rational consumers consider various alternatives before making a decision. They determine the possible consequences of each alternative and choose the one that best suits their goals.

8. *Responsible consumption*: Rational consumers can consider social and environmental responsibility in their decisions. They choose products and services that align with their values and beliefs.

9. *Self-control and avoidance of impulse spending*: Rational consumers try to avoid impulse purchases and consider possible consequences before spending.

10. *Saving investments*: Rational consumers consider the possibility of saving and investing funds in order to achieve future goals.

These signs of rational consumer behavior are important for achieving financial stability and satisfying consumer needs in modern Poland and any other country.

The political system of Poland since the 90s of the 20th century was characterized by the dominance of two parties - "Solidarity" (the centrist Civic Platform (PO) and "Law and Justice" (the populist-nationalist party (PiS). Because of the existence of these parties, such a concept as "political polarization" and different approaches to the socio-economic directions of the country's development were formed [14].

PO policy is aimed at the development of the external and internal market, which is an important element of the national economic system and a stimulus for social growth with equal opportunities for citizens. At the same time, the population is the main driving force in the formation of a balanced market system that receives a sufficient number of investment flows. At the same time, the PiS policy is on a course to increase state control over all spheres of public life and create common welfare.

It is also worth noting that the two different parties have opposite visions of post-communist history and the general concept of people's rights. It is implied that PO considers 1989 as a new milestone in the development of the Polish economic system, in particular the transition to a market economy and liberal democracy.

Moreover, PiS emphasizes the existence of a break with the communist past, which was not entirely complete, and the liberal elite directly influenced the lower class of the country. Therefore, PiS calls for the further deprivation of the country and all state institutions of everything characterized by communist ways of being. At the same time, PO policy is aimed at compromise and pluralism in all spheres of population activity.

That is, for quite a long time, two directions governed the Polish political system: the PiS coalition, which for quite a long time had a monopoly on decision-making and draft laws. The other main mass of the parliament is the opposition Porozuminie and Solidarna Polska - and the parliamentary representation of the new right wing and Eurosceptic formation of the Confederation of Freedom and Independence (KON).

The Law and Justice Party (Prawo i Sprawiedliwość, PiS) is a conservative party that has played a key role in the political life of Poland for the past 20 years. The main characteristics and activities of this party include a number of aspects (table 3.2).

Table 3.2 Characteristics and activities of the Polish PiS party

Aspect	Justification
<i>Conservatism</i>	PiS is recognized as a conservative party and puts forward traditional values and conservative views on the formation of the family institution and social relations in general. Party representatives support the role of the church and religion (Catholicism) in Polish society and actively promote legislative initiatives that correspond to these values.
<i>Social programs</i>	The party supports social programs for the most vulnerable sections of the population, including pensioners, orphans and large families. This policy includes increasing the level of pensions and financial support for large families.
<i>Nationalism</i>	PiS puts forward patriotic and nationalist views that emphasize the importance of national identity and sovereignty. The party actively advocates for the protection of Polish interests at the international level and limiting the influence of external institutions on Poland's internal affairs.
<i>A conservative approach to the institution of the family</i>	PiS implements laws and programs aimed at supporting the traditional family, in particular the fight against artificial abortion and comprehensive support for programs to increase the birth rate in the country
<i>Confrontational relations with the European Union</i>	The PiS party has been in conflict with the European Commission and Parliament, particularly in connection with changes in the judicial system and other legislative initiatives. This political conflict has a direct impact on Poland's international economic relations with EU countries. In particular, this situation affects the domestic market and consumer choice
<i>Foreign economic policy</i>	PiS foreign economic relations and international partnership with the United States of America, Germany and other countries of the world, including Ukraine. The North Atlantic Alliance is actively advocating for strengthening the defense capabilities of Poland, which cooperates with NATO.
<i>Economic reforms</i>	The PiS party implemented a number of economic reforms aimed at supporting the Polish economy, in particular at increasing employment rates and increasing investment flows in the development of all elements of the national economic system.

Source: compiled by the author [17]

PiS has gained a lot of support from nationally and socially conservative voters, but has also been criticized for restricting democracy and human rights.

The influence of the "Law and Justice" party on the rationality of consumer behavior lies in the fact that their political programs and decisions can affect the availability of services, the financial situation of citizens, as well as social and cultural beliefs, which directly reflects on the choice of goods and services.

Polish consumers express different dissatisfactions with the ruling PiS party depending on their individual beliefs and specific environment.

It is necessary to single out some general aspects that may cause dissatisfaction among Polish consumers with regard to the current political system and current reforms (table 3.3).

Table 3.3 General aspects that may cause dissatisfaction among Polish consumers regarding the current political system and current reforms

Aspect	Justification
<i>Social reforms and programs</i>	Although PiS has introduced various social programs, including increasing pensions and helping large families, some consumer groups believe that such policies do not fully ensure a sufficient standard of living.
<i>Judicial reform and the rule of law</i>	Controversies over the independence of the judiciary and changes in the legal system cause discontent because they can affect consumer rights.
<i>Media and freedom of speech</i>	Restrictions on press freedom and government influence on the media can be a source of dissatisfaction for those who consider it a restriction of informational freedom and objectivity.
<i>Social intolerance</i>	The expression of PiS's nationalist and conservative views causes resentment among those who see these views as limiting the rights and freedoms of citizens, in particular with regard to equality and the rights of minorities.
<i>Partnership with EU</i>	Poland's conflicts with the European Union can be a source of dissatisfaction for those who believe that such a situation can affect economic and political relations with other countries and organizations.
<i>Environmental issues</i>	Measures to reduce the level of the greenhouse effect and combat climate change can be a source of dissatisfaction for those who believe that the government does not sufficiently protect the environment and does not take the necessary measures in this area.
<i>Corruption component and the principle of transparency</i>	Corruption cases and a lack of transparency in the government system can lead to dissatisfaction among consumers who expect a fair and open political system.

Source: compiled by the author

The tax system, which was introduced by the PiS government, was characterized by such a political logic that preference was given to sections of the population, which the party considered 100% loyal voters. Such population groups are pensioners, low-income households and large families. This problem acquired such a concept as complexity, which prompted the implementation of imperfect directions of tax reform, which was adopted as a key element of the "Polish agreement" in May 2021. In Poland, various political disputes affect the rationality of consumer behavior of the population (table 3.4).

Table 3.4 Analysis of the main directions of political disputes in Poland and their impact on consumer choice

Aspect	Justification
<i>Division into conservatives and liberals</i>	In Poland, there is a concept of political polarization between conservatives and liberals. Conservatives promote traditional and conservative values, while liberals support most progressive and secular ideas. This conflict can affect the rationality of consumer behavior, as people may prefer goods and services that are in line with their political beliefs.
<i>Controversies surrounding human rights</i>	Poland has problems in the field of human rights, in particular, in the field of independence of the judicial system and freedom of the press. These disputes can affect consumer behavior, as people may refuse to support goods and services that are associated with political regimes that violate human rights.
<i>Controversies about economic policy</i>	Poland is also experiencing controversies regarding economic policy, in particular, tax rates, social support and regulation of the economy. These political differences can affect consumer spending and investment decisions, as different political forces offer different economic strategies.
<i>Disputes between Poland and the European Union</i>	Poland has disputes with the EU regarding democracy, the rule of law and other issues. These disputes can affect the rationality of consumer behavior, as there may be restrictions on trade and other types of cooperation with EU countries.

Source: compiled by the author [18]

In general, political disputes in Poland can influence consumer behavior through the choice of goods and services, support or boycott of certain brands and businesses, as well as through changes in investment decisions and financial planning of the population. The division between conservatives and liberals is one of the key areas of political controversy in Poland, and it has a great impact on the rationality of consumer behavior of the population. The main directions of the political dispute and their impact on the rationality of consumer behavior are highlighted (Figure 3.1):

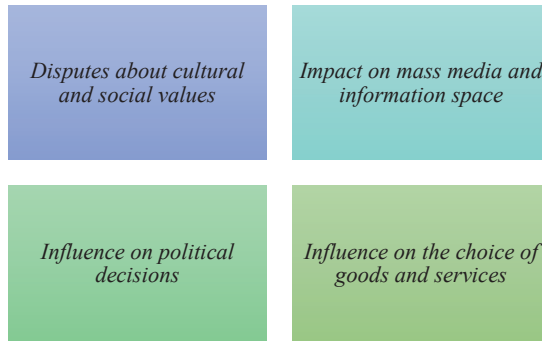


Figure 3.9 Identification of the main directions of the political dispute regarding the division into conservatives and liberals in Poland and their impact on the rationality of consumer behavior

Source: compiled by the author

Conservatives in Poland often support traditional values, religious heritage, and conservative views on family and society. Liberals, on the contrary, promote more progressive and secular ideas. These disputes can affect the choice of cultural and entertainment products, as well as religious practices and attitudes towards family values among the population.

The division between conservatives and liberals is also reflected in mass media and Internet platforms. Depending on political beliefs, people can choose different sources of information, which can lead to the formation of different views on events and issues. This affects the rationality of policy decision-making and consumer behavior.

Political division is also reflected in government policies and legislative decisions. When in power, approaches to such areas as taxes, social support, education, health care and infrastructure change. This can affect financial planning and consumer behavior of citizens, because different political programs can create different financial incentives and restrictions [19].

Depending on political beliefs, people may be supportive of goods and services from businesses that cooperate or do not cooperate with certain political groups. For example, there may be calls to boycott goods from businesses that support the opposite political party.

Thus, the political division into conservatives and liberals in Poland affects the rationality of consumer behavior through its influence on values, information, political decisions and the choice of goods and services. Citizens can respond to this divide by choosing consumer and political strategies that align with their beliefs and values.

In Poland, it is important to note the existence of an internal political conflict regarding human rights, which includes various aspects and issues (Figure 3.10).

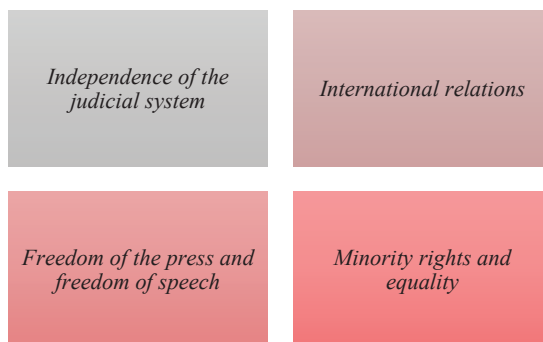


Figure 3.10 The main directions of the political dispute in Poland regarding human rights and its influence on the rationality of consumer behavior

Source: compiled by the author

Controversies regarding the independence of the judicial system in Poland cause serious indignation and opposition from citizens. Systematic changes in the legal order, composition of judicial bodies and procedures lead to situations where citizens may doubt the justice of court decisions. This can affect the rationality of consumer behavior, as citizens may be afraid of legal risks and costs of legal protection.

Violations of the right to freedom of the press and freedom of speech can lead to restrictions on access to objective information for citizens. This can lead to increased exposure to propaganda and misinformation. Citizens may choose goods and services based on distorted or limited data, which may affect their rationality in consumer behavior.

Controversies regarding the rights of minorities, including sexual minorities and national minorities, can influence consumer decisions. There are cases where public campaigns or public reactions to human rights can influence decisions to support or boycott certain brands or companies.

Internal disputes surrounding human rights in Poland may affect the country's relations with international organizations and other countries, in particular with the European Union. This can have consequences for international trade, investment and foreign aid, which can affect the economic rational choice of consumers.

In general, human rights disputes in Poland can affect the rationality of consumer behavior by limiting access to justice, information and choice. Citizens can respond to these controversies by choosing goods and services that align with their values and beliefs, and by making decisions based on the legal and political environment.

There are several main directions of political decisions in Poland that affect the rationality of consumer behavior. Here are some of them:

1. *Economic policy*: Decisions in the field of economics, such as tax rates, the level of consumer inflation, support for enterprises and regulation of the economy, can have a large impact on the financial situation of citizens. Decisions in this area can stimulate or inhibit consumer spending, influencing their rationality in choosing goods and services.

2. *Social policy*: Policies related to consumer support, education, health care, and the housing sector could determine what types of social services are available to citizens and what costs they must bear. This can influence the rationality of their consumer behavior and decisions regarding the purchase of these services.

3. *Consumer rights and legislation*: Legislation related to consumer rights and consumer protection determines the rules by which businesses and producers of goods and services operate. Changes in this area can affect the quality and safety of goods, as well as the level of consumer confidence and the rationality of the choice of goods.

4. *Foreign policy and trade*: Poland, as a member of the European Union, has important foreign relations and agreements with other countries. Political decisions in the field of foreign policy and trade can affect the availability and cost of imported goods and services, which affects the consumer behavior of citizens.

5. *Environmental policy*: Paying attention to the problem of climate change and environmental pollution can lead to the introduction of new environmental safety standards and stimulation of the market for sustainable goods and services.

6. *Migration policy*: Decisions on the admission of migrants and refugees can affect the labor market, social dynamics and cultural diversity, which affects the choice of goods and services by consumers.

7. The rationality of consumer behavior of citizens in Poland is largely determined by political decisions in these areas. Citizens choose goods and services in accordance with new conditions and rules, taking into account their interests and needs. Therefore, politics is important for the formation of rational consumer behavior in society.

The political dispute between Poland and the European Union has several main directions that affect the rationality of consumer behavior. Here are some of them:

1. *The rule of law and the independence of the judiciary*: One of the main conflicts between Poland and the EU concerns the state of the rule of law and the independence of the judiciary in Poland. This may affect the rationality of consumer behavior, as citizens may hesitate to use legal means to protect their interests due to an unfair judicial system.

2. *Freedom of media and information space*: Control over media and freedom of speech is the subject of disputes between Poland and the EU. Restrictions on press freedom and censorship can

affect the information space used by citizens to make decisions about consumer behavior and political beliefs.

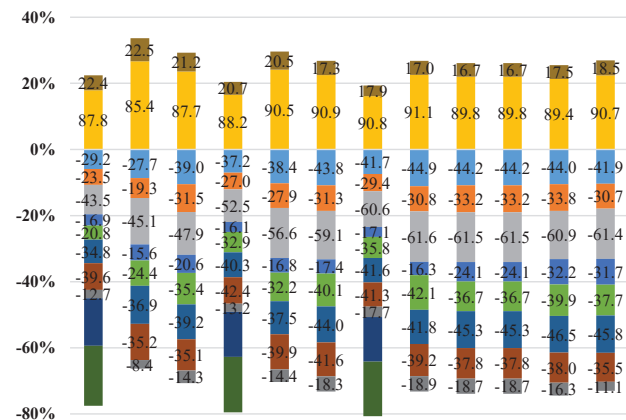
3. Building walls and border controls: Disputes over migration and border controls can affect the movement of people and goods across borders. This can have an impact on the rationality of the choice of goods and services, in particular on the availability and cost of imported goods.

4. Economic relations and financial situation: Conflicts between Poland and the EU may affect economic relations, particularly trade and investment. Decisions on sanctions or other measures can affect the financial condition of citizens, their consumer behavior and investments.

5. International treaties and agreements: Disputes regarding compliance with international treaties and agreements can affect Poland's relations with other countries and international organizations. This can have an impact on trade, foreign policy and other aspects that affect the rationality of consumer behavior.

The rationality of consumer behavior in the context of disputes between Poland and the EU may depend on how citizens perceive these disputes and how they affect their trust in authorities and institutions. Citizens can choose consumption and financial strategies that take into account the political situation and their political beliefs.

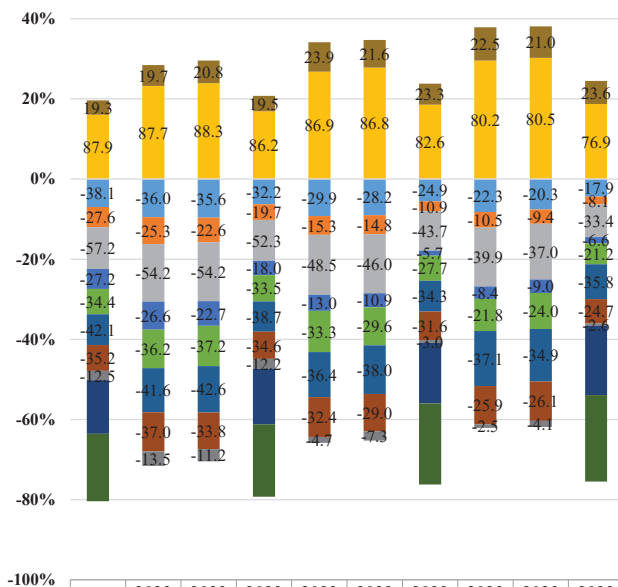
percentage points



	2022 I	2022 II	2022 III	2022 IV	2022 V	2022 VI	2022 VII	2022 VIII	2022 IX	2022 X	2022 XI	2022 XII
■ The planning to buy or build a house (dwelling)	-88.9	0.0	0.0	-89.6	0.0	0.0	-92.8	0.0	0.0	0.0	0.0	0.0
■ The probability of buying a car in the next 12 months	-70.5	0.0	0.0	-72.6	0.0	0.0	-75.7	0.0	0.0	0.0	0.0	0.0
■ Current financial situation of the household	22.4	22.5	21.2	20.7	20.5	17.3	17.9	17.0	16.7	16.7	17.5	18.5
■ Future money saving	-12.7	-8.4	-14.3	-13.2	-14.4	-18.3	-17.7	-18.9	-18.7	-18.7	-16.3	-11.1
■ Current possibility of money saving	-39.6	-35.2	-35.1	-42.4	-39.9	-41.6	-41.3	-39.2	-37.8	-37.8	-38.0	-35.5
■ Future making of important purchases	-34.8	-36.9	-39.2	-40.3	-37.5	-44.0	-41.6	-41.8	-45.3	-45.3	-46.5	-45.8
■ Current making of important purchases	-20.8	-24.4	-35.4	-32.9	-32.2	-40.1	-35.8	-42.1	-36.7	-36.7	-39.9	-37.7
■ Unemployment trends in the next 12 months	-16.9	-15.6	-20.6	-16.1	-16.8	-17.4	-17.1	-16.3	-24.1	-24.1	-32.2	-31.7
■ Price trends in the last 12 months	87.8	85.4	87.7	88.2	90.5	90.9	90.8	91.1	89.8	89.8	89.4	90.7
■ Changes of general economic situation of the country in the last 12 months	-43.5	-45.1	-47.9	-52.5	-56.6	-59.1	-60.6	-61.6	-61.5	-61.5	-60.9	-61.4
■ Leading consumer confidence indicators	-23.5	-19.3	-31.5	-27.0	-27.9	-31.3	-29.4	-30.8	-33.2	-33.2	-33.8	-30.7
■ Current consumer confidence indicators	-29.2	-27.7	-39.0	-37.2	-38.4	-43.8	-41.7	-44.9	-44.2	-44.2	-44.0	-41.9

Figure 3.11 Indicators of consumer trends determined on the basis of consumers' assessment of the socio-economic and financial situation of the country for the period from January to December 2022 (Statistic Poland) [24]

percentage points



	2023 I	2023 II	2023 III	2023 IV	2023 V	2023 VI	2023 VII	2023 VIII	2023 IX	2023 X
■ The planning to buy or build a house (dwelling) in the next 12 months*	-92.0	0.0	0.0	-92.2	0.0	0.0	-90.0	0.0	0.0	-88.6
■ The probability of buying a car in the next 12 months*	-73.3	0.0	0.0	-70.9	0.0	0.0	-67.4	0.0	0.0	-71.0
■ Current financial situation of the household	19.3	19.7	20.8	19.5	23.9	21.6	23.3	22.5	21.0	23.6
■ Future money saving	-12.5	-13.5	-11.2	-12.2	-4.7	-7.3	-3.0	-2.5	-4.1	-2.6
■ Current possibility of money saving	-35.2	-37.0	-33.8	-34.6	-32.4	-29.0	-31.6	-25.9	-26.1	-24.7
■ Future making of important purchases	-42.1	-41.6	-42.6	-38.7	-36.4	-38.0	-34.3	-37.1	-34.9	-35.8
■ Current making of important purchases	-34.4	-36.2	-37.2	-33.5	-33.3	-29.6	-27.7	-21.8	-24.0	-21.2
■ Unemployment trends in the next 12 months	-27.2	-26.6	-22.7	-18.0	-13.0	-10.9	-5.7	-8.4	-9.0	-6.6
■ Price trends in the last 12 months	87.9	87.7	88.3	86.2	86.9	86.8	82.6	80.2	80.5	76.9
■ Changes of general economic situation of the country in the last 12 months	-57.2	-54.2	-54.2	-52.3	-48.5	-46.0	-43.7	-39.9	-37.0	-33.4
■ Leading consumer confidence indicators	-27.6	-25.3	-22.6	-19.7	-15.3	-14.8	-10.9	-10.5	-9.4	-8.1
■ Current consumer confidence indicators	-38.1	-36.0	-35.6	-32.2	-29.9	-28.2	-24.9	-22.3	-20.3	-17.9

Figure 3.12 Indicators of consumer trends determined on the basis of consumers' assessment of the socio-economic and financial situation of the country for the period from January to December 2023 (Statistic Poland) [24]

Characterizing the dynamics of indicators of consumer trends, determined on the basis of consumers' assessment of the socio-economic and financial situation of the country during 2022 and 2023, it should be noted that in 2023, consumers will more actively assess the financial condition of households and the general level of socio-economic development of the country. There was an increase of 4.0 percentage points and 3.6 percentage points.

In particular, in 2023, higher values were recorded regarding the assessment of the possibilities of making important purchases (increase by 2.8 percentage points) and the future economic state of the country (increase by 2.5 percentage points).

If we compare these indicators with October 2022, the value of the above indicators of consumer sentiment increased by 27.6 percentage points.

During 2022-2023, the dynamics of consumer sentiment indicators, which characterize individual consumption trends for the coming months, were analyzed. In October 2023, the leading indicator of consumer sentiment in Poland increased by 27.6 percentage points compared to the corresponding month in 2022.

**3.4. External political influence on the change in consumer interests
depending on the individuality of the social environment**

Social environment is a concept used to describe the interaction and influence of social factors and conditions on people's lives and behavior. It includes various aspects of social life and can be considered at different levels of analysis, from individual to general social.

The social environment in Poland can be classified according to various criteria (table 3.5).

Table 3.5 Characteristics of types of social environment in Poland

A type of social environment	Justification
<i>Social environment by type of interaction</i>	Interpersonal environment - includes family relationships, friendships and other types of communication between individuals within families and communities
	Group environment – covers interaction in different groups such as work teams, sports teams, clubs and community organizations
	Public environment - includes interactions and relationships in public life, such as politics, activism, community associations and other aspects of civil society.

<i>Social environment according to sociocultural characteristics</i>	Ethnic environment – communities of different nationalities, including Polish, Ukrainian, German, Belarusian, etc., with their own culture and traditions.
	The religious environment is a great religious diversity with the main Christian denominations, such as Catholicism, Orthodoxy, and Protestantism.
<i>Social environment by age</i>	Different generations, including youth, middle age and older generations, have their own characteristics and relationships.
<i>Social environment by functional purpose</i>	Educational environment - educational institutions, universities, schools and other institutions where training and upbringing are carried out.
	Economic environment - includes enterprises, businesses, labor markets and economic relations.
	Political environment in Poland - interactions and relationships in the political sphere, including the government, political parties, civil society and voters.

Source: compiled by the author

Various aspects of the life of society and citizens determine these types of social environment in Poland. Understanding these aspects helps to analyze social relations under the influence of the general political and economic situation on consumer behavior in Poland.

The individuality of the social environment in Poland, as in any country, is formed under the influence of various factors, including cultural, historical, socio-economic and political. Key aspects that contribute to the individuality of the social environment are highlighted, in particular:

Historical background: Poland has a rich and complex history that has left a significant mark on its social environment. Historical events such as World War II, the Solidarity movement, and the transition from a communist regime to a democratic one had a profound impact on the collective memory and values of the Polish people.

Cultural diversity: Poland is a cultural country with diverse regional traditions and customs. The individuality of the social environment may differ between the city and the village, as well as between different regions of the country.

Religion: religion plays a significant role in the social environment of Poland, the majority of the population professing Catholicism. This has a direct impact on social values, traditions and moral attitudes.

Economic Factors: Economic conditions and differences in income affect the social environment. Differences in wealth and employment opportunities can lead to differences in lifestyle and access to resources.

Education: Poland has a well-developed education system, and an individual's level of education can greatly influence their values, beliefs and aspirations.

Political climate and foreign economic relations: political events and ideologies in Poland affect the social environment. A change in the political landscape can lead to changes in public discourse and public attitudes. Poland has a multiparty system with several major political parties. At the time of my last update, Law and Justice (PiS), a conservative party, was in power in Poland. Such parties as the Civic Coalition and the Left Alliance represent the opposition. Poland has been a member of the European Union since 2004 and implements European standards and policies. An important part of its economic ties is participation in the European single market and receiving financial support within the framework of various programs. It has active trade relations with many countries of the world. Main partners include Germany, France, Great Britain and other EU countries. Trade with the countries of Eastern and Southern Europe is also important. Poland attracts foreign investment due to its developed economy, low wages and affordable labor force. Many international companies have factories and offices in Poland.

Differences between generations: different generations in Polish society may have different worldviews and attitudes. For example, the experiences of older generations who survived communism may differ from those of younger generations born after political transformation.

Cultural influences: Poland's cultural production, including literature, art and mass media, contributes to the formation of cultural values and social identity.

Globalization: Poland's integration into the world economy and access to global media have exposed society to international influences and trends that can affect individual preferences and lifestyles.

Social values: Poland has its own set of social values, which can cover themes such as family, community and solidarity. These values contribute to the individuality of the social environment.

Social movements: Activism in Poland, such as the Solidarity movement, shaped the social environment and influenced the collective consciousness of the population.

Demographic diversity: Poland is home to various ethnic and cultural minorities, including Kashubians, Silesians, and others. These communities contribute to the diversity of the social environment.

The individuality of the social environment in Poland is dynamic and constantly developing under the influence of historical heritage and modern changes. It is important to recognize that within this diverse social environment, the population of Poland has its own unique backgrounds, experiences and perspectives that contribute to the rich tapestry of Polish society.

Poland is a country with significant class diversity in the population, which is determined by differences in the social and economic status of various groups. It is important to consider that this diversity is caused by various factors, including historical, economic, educational, and geographical.

Table 3.6 Characteristics of aspects of class diversity of the population in Poland

Class	Characteristics
<i>Middle class</i>	This class in Poland is a significant part of the population. These people have stable jobs and access to education and health care. The middle class holds positions in various professions and industries, including teachers, medical workers, and engineers.
<i>Working class</i>	Includes people who work hard in manufacturing and services. Often involving heavy physical labor. This group may have limited access to education and health care, and their incomes may be well below the middle class for example.
<i>Villagers</i>	Rural regions of Poland often have a lower standard of living compared to urban settlements. Residents of villages are often engaged in agriculture and related branches of the agro-industrial complex.
<i>City dwellers</i>	Big cities such as Warsaw, Krakow and Wroclaw have more job opportunities and access to higher education, making them more attractive to young people and high-level professionals. In particular, urban residents have a higher socio-economic status than rural residents do do.
<i>Emigrants</i>	Migration from Poland to other countries of Europe and the world affects the class structure of the population. Many Polish citizens search for better opportunities abroad, which affects the economic and social composition of the population.
<i>Political elite</i>	Poland has a political elite consisting of high-ranking politicians, including the president, prime minister, ministers and members of parliament. These individuals set the political agenda and make key decisions in the country.
<i>Economic elite</i>	The economic elite includes businessmen, investors, owners of large corporations and financial institutions. They have significant financial resources and have a great influence on the country's economy.
<i>Academic and cultural elite</i>	The academic elite includes scientists, teachers and intellectuals who make important contributions to science and education in Poland. The cultural elite includes outstanding artists, writers, directors and other representatives of the sphere of art and culture.
<i>Social and religious elite</i>	Some members of the social and religious elite hold important positions in public life. These can be priests, religious leaders, philanthropists and other persons who have an influence on social and spiritual issues.

Source: compiled by the author

External political conflicts can affect different social versions of the population in Poland according to their status, interests and capabilities. The reaction to such conflicts can be different, and it is often determined by the internal factors and life circumstances of each social group.

In January 2022, Poland had conflicts with the European Union (EU), especially regarding issues of judicial reform and preservation of the rule of law in the country.

According to these events, it is worth considering the possible impact of these conflicts on different social strata of the population in Poland:

1. Elite:

Economic losses: People with higher incomes may feel the impact of the conflict with the EU due to the possibility of restrictions on access to European funds and investments.

Business interests: Business owners and entrepreneurs may experience a negative impact in the field of business interests caused by unfair conditions of competition in the European market.

2. Middle class:

Economic instability: The middle class may feel threatened by increased economic instability, as conflict with the EU could lead to economic turbulence and loss of investor confidence.

Employment opportunities: A conflict with the EU may affect employment opportunities, particularly for those considering employment in other European Union countries.

3. Working classes:

Social Instability: Low incomes and limited opportunities may be more vulnerable to social instability that may arise from conflict with the EU, in particular by giving citizens fewer opportunities to travel and work abroad.

Access to social services: Changes in law and justice can affect access to social services and the right to equality before the law.

4. Young:

Young people may feel more interested in politics and actively participate in protests due to the conflict with the EU, as this may affect their future and employment opportunities in the European Union.

The impact of Poland's conflict with the EU on Polish consumers in different social strata of the population can reveal various circumstances and reactions. It can also change over time and depend on the development of events in Poland and the country's internal political decisions.

The war in Ukraine, which began in 2014 with Russia's annexation of Crimea and the conflict in eastern Ukraine and escalated in February 2022 with a full-scale invasion by Russian troops, has a major impact on Poland, especially ordinary consumers. In particular, important aspects of the impact of the war in Ukraine on the socio-economic and political situation in Poland are:

1. Increase in the number of displaced persons and refugees: military actions in Ukraine have caused a significant wave of displaced persons seeking asylum and safety in Poland. The country has

received a large number of Ukrainian immigrants, which requires the development of programs for their issuance of residence permits and other social services.

2. Humanitarian aid: Poland provides humanitarian aid to Ukraine in the form of medical and humanitarian supplies, including medicine and equipment for soldiers.

3. Business and Economy: Polish companies are affected by the war in Ukraine due to reduced trade and investment opportunities in the region.

4. Security: Poland has increased its security measures due to the conflict in eastern Ukraine and the aggressive behavior of Russia. It has also strengthened cooperation with its NATO allies, strengthened the army, and improved weaponry.

5. Political influence: Poland supports the independence and sovereignty of Ukraine and supports sanctions against Russia. The impact of the conflict on Poland's relations with Russia has extremely detrimental consequences.

6. Cooperation and civil society: Polish public organizations and volunteers help Ukrainian migrants and participants in the conflict in Ukraine, providing humanitarian, psychological assistance and support.

According to the information from Figure 3.13, in October 2023, 20.0% of respondents noted that the military conflict on the territory of Ukraine poses a threat to the independence of Poland and the well-being of citizens. In particular, 49.4% of consumers called the impact of the external political conflict moderate, and 14.8% of respondents noted that such a situation is extremely serious. For 35.8% of Polish consumers, the current situation in Ukraine does not affect the course of political and socio-economic events in Poland.

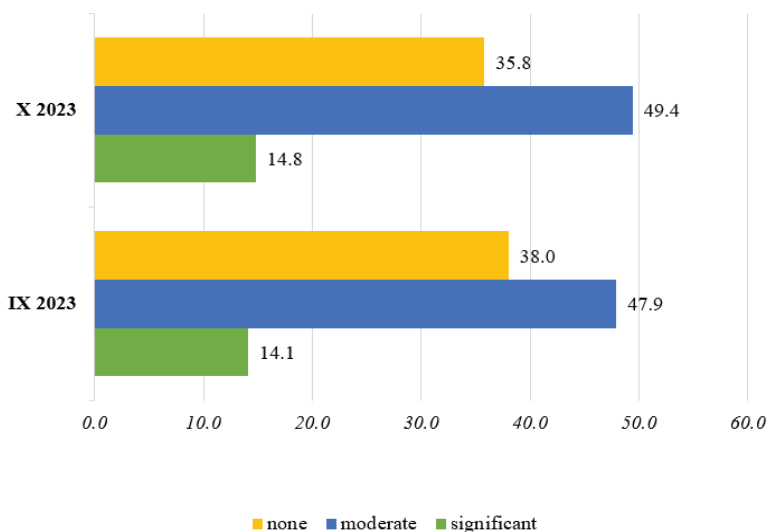


Figure 3.13 The external political influence of the situation on the territory of Ukraine on consumer behavior in Poland - the structure of answers (percentage) (Statistic Poland) [24]

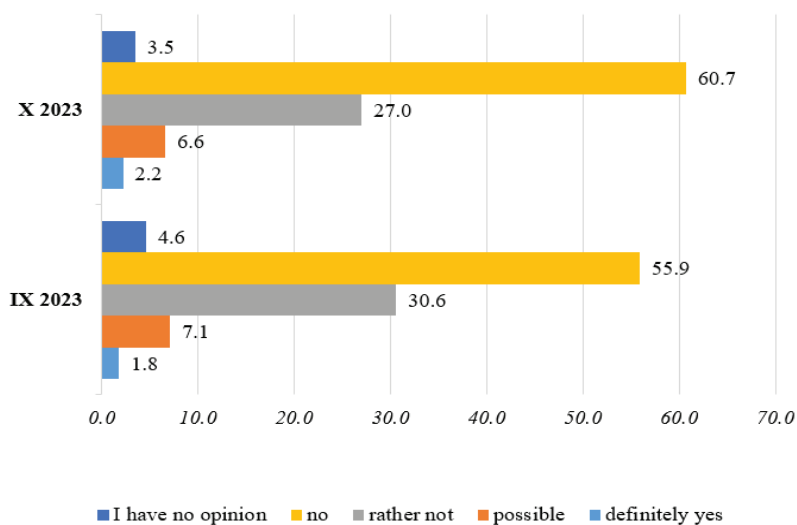


Figure 3.14 Analysis of the concern of Polish citizens about losing their jobs or their own business due to the current situation in Ukraine - the structure of respondents' answers (percentage) (Statistic Poland) [24]

Analyzing the data from Figure 3.14, it should be noted that among 61.1% of working citizens of Poland, 2.2% of respondents noted the fear of losing their job or closing their own business. At the same time, 6.6% and 27.0% had several options for the answers "possible" and "rather not". The percentage of working Polish respondents who are not confident in economic stability and protection of their interests by the state is 60.7%. In particular, 3.5% of the surveyed respondents did not provide any comments.

According to the indicators in Figure 3.15, according to 23.2% of respondents, the state of war in Ukraine and Russian aggression are a great threat to Poland's economy. 44.0% of respondents note a threat to the socio-economic situation of Poland at an average level. Only 26.9% say there is little threat, while 5.9% of respondents say there is no threat. 23.2% of respondents believe that the current situation on the territory of Ukraine is a great threat to Poland's economy.

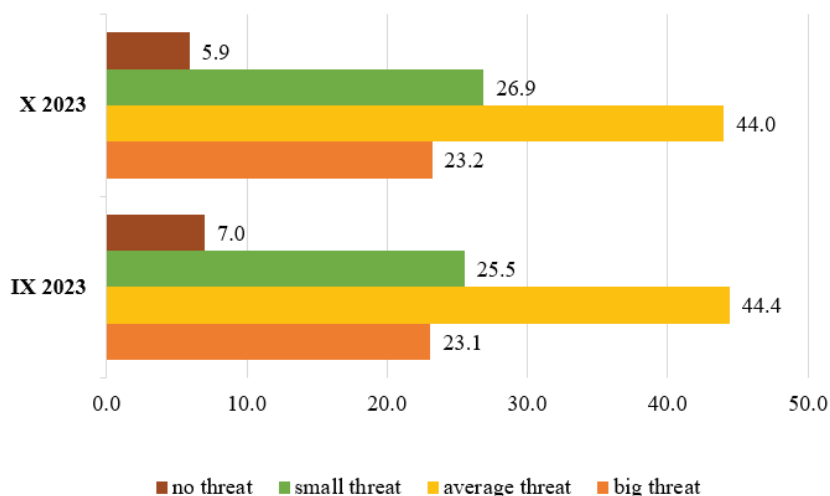


Figure 3.15 Analysis of consumer questionnaires regarding the current situation in Ukraine and its threat to Poland's economy - structure of answers (percentage) (Statistic Poland) [24]

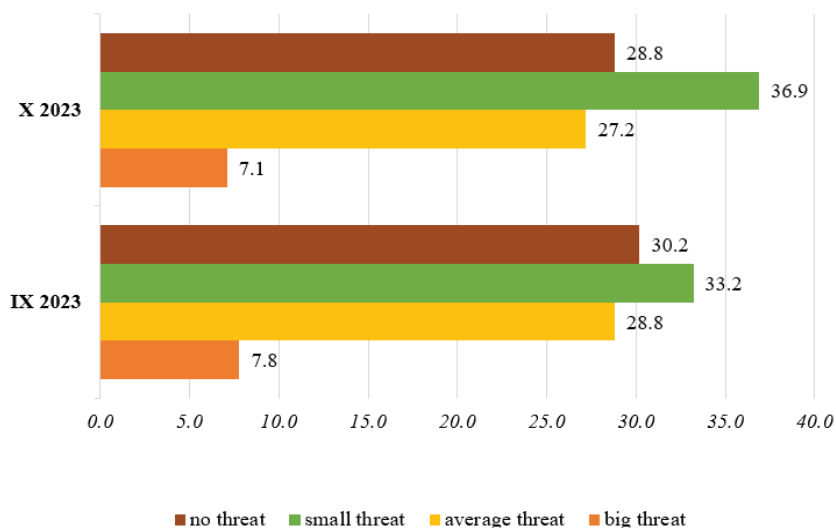


Figure 3.16 Analysis of the survey of respondents regarding the current situation on the territory of Ukraine and its negative impact on the financial situation of the Polish consumer - structure of answers (%) (Statistic Poland) [24]

According to the information from Figure 3.16, for 7.1% of respondents, the current situation on the territory of Ukraine is a great threat to their personal financial situation. 27.2% of those who answered the question about consumer inclination feel an average threat. A slight threat is declared by 36.9%, and the absence of a threat by 28.8% of respondents.

Therefore, regardless of social status or consumer preferences, foreign policy conflicts have a direct impact on the choices of citizens of the Polish market, in particular:

1. *Change in price policy:* war can lead to an increase in the prices of some goods and services, including energy resources, food and other essential goods. This can affect consumer budgets and increase their costs.

2. *Market instability:* Military conflict can lead to shortage of goods and services, extraordinary circumstances that can affect market security and lead to instability in the Polish market.

3. *Political impact:* The war may have an impact on Poland's foreign policy and relations with other countries. Consumers may fear the possible political impact of war on economic decisions and international relations.

4. *Security*: A war near the border can create fears about the security of Polish citizens. There is potential for unforeseen events to affect security and stability in the region.

5. *Humanitarian crisis*: War can lead to humanitarian crises, including refugees and displaced persons in need of humanitarian assistance. Consumers may fear the impact of these crises on society and social services.

CHAPTER 4.

IMPACT OF THE CURRENT POLITICAL SITUATION AND ECONOMIC ENVIRONMENT OF THE COUNTRY ON CONSUMER BEHAVIOR WITHIN POLISH HOUSEHOLDS

4.1 Dynamics of changes in consumer sentiment, taking into account the political situation in the country

A study of the results of four public opinion polls in Poland indicates that the country's accession to the European Union (EU) contributed to the formation of a system of values associated with a democratic approach to the overall political system. Over the period from 2000 to 2022, the percentage of respondents who believe that the democratic system is an effective method of public administration has almost doubled. In particular, at the end of 2020, more than 90% of respondents answered that democracy is a very or good way of governing, while only 8% consider this system unsuitable.

Finding a significant correlation between the beliefs, that democracy is the most appropriate system of government for a country. At the same time, the high level of trust in the EU formed the corresponding directions of consumer interests among Polish citizens, which changed depending on the general economic situation and political disputes.

During the period of Poland's membership in the European Union, the so-called tendency to determine the need for state intervention in the provision of services of general interest was formed. At the same time, one of the requirements of the EU from all its member states has always been freedom of choice in the field of goods and services, but there was a tendency to change these interests depending on the period of their popularization, which reflected political attitudes, socio-economic level and financial capacity of the consumer.

The dynamics of changes in consumer attitudes in Poland during the years of membership in the European Union were accompanied by a crisis in the provision of services of general interest and goods of daily use. This situation arose partly due to the generally difficult economic situation and partly due to the review of the obligations of state bodies in this regard. The infrastructure that provided these services was deteriorating, and spending on general services was being cut in the budget (Figure 4.1).

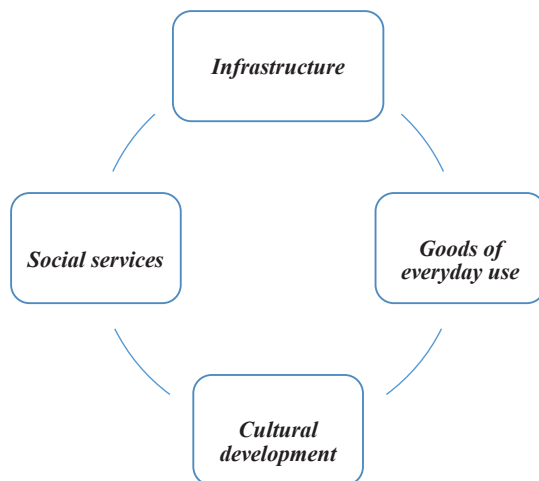


Fig. 4.1 Services and goods that have undergone changes in the context of the general economic, political situation and consumer attitudes

Source: compiled by the author

Thus, during the economic crises that appeared from time to time in Poland, tendencies were observed to support the idea of liberalization of the market of goods and services of general use, which had a direct impact on the dynamics of changes in consumer attitudes.

It is important to note that the transformation of consumer sentiments still depended and depends on European provisions aimed at the domestic market and support of domestic products in all spheres of interest of citizens and competition rules.

For example, in 2004, consumer preferences in the field of mobile communications and related devices were directly influenced by EU development strategies from the point of view of the communications market. At the same time, the European Union worked on the liberalization of this sector, allowing international companies to enter national markets as suppliers, which indicates a not transparent enough procedure for choosing goods and services by consumers.

The positive practice that was formed under the influence of the EU concerned the provision of communication and television services to consumers. At the same time, users who did not use mobile communication services, and accordingly there was no demand for mobile phones during the 2000s, changed their preferences and began to use gadgets more and more. Thus, according to the European Commission report and a large-scale survey conducted by the end of the second decade of the 2000s, only 7% of respondents in Poland had never used a mobile phone (https://www.case-research.eu/files/?id_plik=6336). At the same time, it is important to note that in the EU that acts as a regulator in establishing the rules of interaction of service providers, service standards and relevant

communication products. Poland, acting under EU pressure, gradually implemented these rules into national legislation, which led to improved service for users. Accordingly, there was an increase in indicators of consumer interest in specific products, which dynamically led to a completely new stage in the development of the communication sphere and the television industry in Poland.

A survey of Polish respondents in 2018 (Eurobarometer, 2018) confirmed that there has been a positive transformation in terms of improving consumer sentiment in the communications sector. This survey showed that 37% of the respondents personally and 65% of their acquaintances noted that the new standard of calls, equalization of prices in the EU and national prices significantly improved the quality of telephony services.

Another successful example from the point of view of ensuring consumer needs was the liberalization of the postal services market in Poland. In this case, a significant role was played by the dynamics of consumer interests, which was influenced by the political recognition of the monopoly of the national postal service. The field of courier services played an important role in the formation of opinion. This sector has developed dynamically, becoming competitive and bringing competitive advantages to consumers, such as lower prices and improved quality standards.

However, in the energy sector there were dissatisfactions from users, which were associated with limited access to services of general economic interest. This situation was formed in connection with the significant advantage of monopolistic energy companies, the functioning of which was largely controlled by the state.

The emergence of a large number of standards for the provision of services and goods to Polish consumers took place under the influence of Poland's membership in the EU. Thus, the Polish government did everything possible for significant improvements in the development of the socio-economic sphere. At the same time, there was a problem regarding the lack of sufficient quality assessment in the provision of certain services and goods from the point of view of users, however, in 2014, the initial stage of the project "Monitoring system of public services: the concept of SMPS 2014-2020" was implemented, aimed at solving this issue.

This system of monitoring public services is aimed at ensuring transparency, accountability and effective provision of them. Quality monitoring programs cover various sectors such as health care, education, transport, etc.

Eurobarometer research indicates that some economic services in Poland are highly valued by citizens, such as rail transport and electronic communications. However, the continuation of the program of monitoring the quality of the provision of services and goods will allow improving the quality and efficiency of the level of satisfaction of consumer needs.

The results of the government's activities in recent years have led to a significant decline in consumer sentiment in all areas of the country's economic and social environment. Distrust of citizens

only strengthens the favorable basis of nihilistic perception of the current situation. Which only strengthens the basis for various populist theses, slogans, irresponsible statements, etc.

Most social and economic processes still have the inertial character of previous years, which is largely reflected in the behavior of households. In this context, it is worth noting that the state has not formed a list of systemically important integral indicators that would precede a timely response to negative trends occurring in society.

Increasing pressure from the administrative and tax system on the activities of households reduced their opportunities for systemic transformation. The main obstacle to the strengthening of consumer sentiments was a decrease in state interest in the formation of prerequisites for ensuring the economic and institutional stability of the country as a whole, which was influenced by the situation political races.

Considering the above situation, it is worth noting that consumer behavior can be observed in the dynamics of such indices as

- the index of the current situation (IPS), the components of which are the current personal financial situation of consumers; feasibility of large (significant) purchases for the consumer;
- the index of economic expectations (EEO), which includes expected changes in personal financial situation, expected development of the country's economy during the next year and expected development of the country's economy during the next 5 years;
- the index of the expected dynamics of unemployment, which reveals the unemployment situation in the country;
- the index of inflationary expectations, devaluation, which is shown in figure 4.1

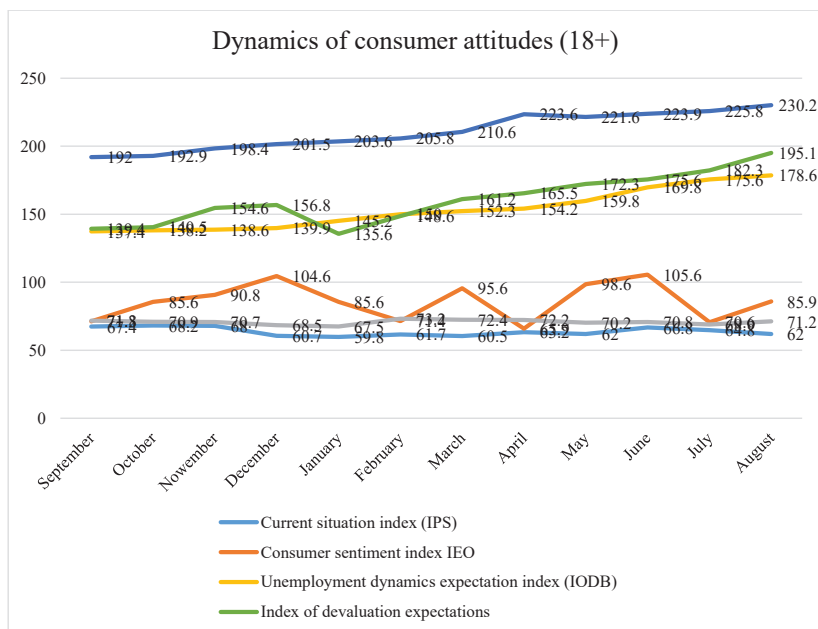


Fig. 4.2 Dynamics of consumer sentiment in terms of the political situation.

Source: compiled by the author according to source data Poland - statistics & facts.
<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

According to the data of this graph, we can see that the most sensitive index is the index of consumer sentiment; its fluctuations are the largest. This index is determined based on a sample survey of the country's households. During the research, 1,000 people over the age of 18 are interviewed. The sample is representative by gender and age, takes into account the urban and rural population and the size of the settlement.

In order to establish the dynamics of the consumer sentiment index, respondents were asked the following questions, for example:

- how the financial situation of your household has changed in the context of the political situation in the country.

- how do you think the financial situation of your household will change in the next six months?

- taking into account the political situation in the country in general, do you think that the next twelve months will be favorable or unfavorable for the country?

- do you think now is a favorable or unfavorable time to make significant (expensive) household purchases?

After each question, the corresponding index is determined:

- the index of personal financial situation of the household (x1);
- the index of possible changes in the personal financial situation of the household (x2);
- the index of the potential development of the country's economy during the nearest period (x3);
- the index of the potential development of the country's economy during the next five years (x4);
- the index of expediency to make significant (expensive) purchases (x5).

The value of the index was calculated as follows: the share of negative responses is subtracted from the share of positive responses and 100 is added to the difference in order to avoid negative values. Based on these five indices, three main indices are defined:

- consumer sentiment index (CIS),
- the index of the current situation (IPS)
- the index of economic expectations (EEO), which is shown in fig. 4.2.

The values of these indices can vary from zero to 250. The value is equal to 250 if all surveyed consumers positively assess the economic situation. The index is equal to 100 when the shares of positive and negative evaluations are the same. An index value of less than 100 indicates that negative evaluations prevail in society.

It is worth noting that a significant number of ratings and indices that exist in world practice only allow to characterize the situation in the country in a general way, which will emphasize both socio-political and socio-economic attitudes of consumers.

Ratings and indices, which are the most informative for consumers, provide an opportunity to characterize the level of transformational processes in the country that are currently taking place, as well as within the defined directions of the state's development, namely the political, economic and political spheres. The formalized relationship of which can be presented in the form of Figure 4.3.

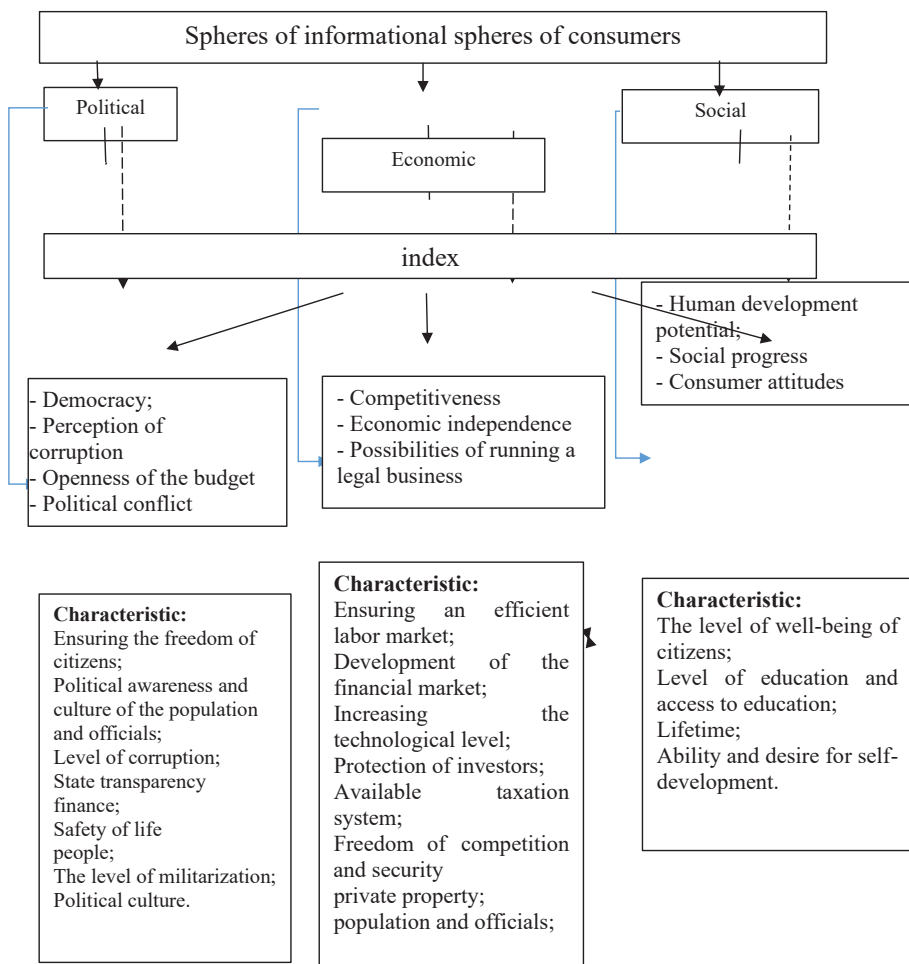


Fig. 4.3 Interrelationship of the political, economic and social spheres in the context of influencing consumer attitudes

Source: compiled by the author

Characterizing the interrelationship of consumption spheres, it is worth noting that the economic level of the country's well-being, as a rule, determines the high level of consumer incomes and the possibility of social satisfaction of the primary needs of life, including the formation of possible savings.

The political transformations that are taking place in the country affect the course of all economic processes in the country, starting from the level of the tax burden on households to the indicators of the monetary policy, as well as the opportunities for investment in its development and functioning.

It is also worth noting that the political and economic situation, under the condition of its stability, has the opportunity to direct funds to social initiatives and projects, which in our case, due to the politically unstable situation in the country, is not being pursued.

When studying the social sphere, the most representative are the human potential development index and the social progress index. These indicators make it possible to finally assess the results of social changes in the context of transformational situations in the country, from the point of view of determining the standard of living of consumers, a sense of social security and development. Regarding the human potential development index, an important fact is that it reveals the value of various components, but equally important in terms of their significance for consumers and households are income, education level and population longevity.

Characterizing the index of social progress, it is worth noting that it is based on statistical indicators of the success of each country separately in a certain field of social direction. A significant number of indicators are considered, which in aggregate form three groups, namely: basic needs of consumers, the basics of well-being and the possibility of development. This index reflects the achievements of consumers depending on the situation in the country. The specified index is measured on a scale from zero to 100 (from the lowest degree to the highest, respectively).

These indices provide an opportunity to study changes in consumer behavior in the social sphere and to conduct an analysis of consumers in Poland among other countries.

Table 4.1. Dynamics of Polish consumers in the ratings that assess their social situation during 2015-2022

Indexes	Year							
	2015	2016	2017	2018	2019	2020	2021	2022
According to the human potential development index	76	85	69	76	83	83	81	84
According to the index of social progress	71	73	74	72	73	71	70	69

Source: compiled by the author according to source data Poland - statistics & facts. <https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

The corresponding data are displayed on the graph, for better visualization of the situation, fig. 4.4

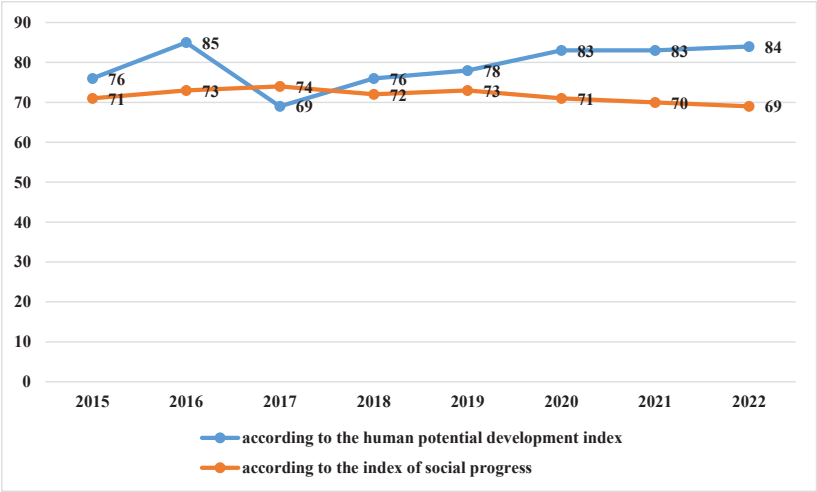


Fig. 4.4 Dynamics of indices that reflect consumer sentiment in the context of the social situation in the country

Source: compiled by the author according to source data Poland - statistics & facts.

<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

According to the data in Table 4.2 and Figure 4.4, we note that consumer attitudes depending on the research index are dynamic in nature, and indicate that, depending on the political situation in the country, the dynamics of changes in consumer attitudes are quite unstable and variable.

Therefore, it would be fair to note that the reforms introduced by the country's leadership do not lead to the improvement of consumers' lives, but to a decrease in social security, their lack of free choice, and political instability in the country as a whole.

As for the economic sphere, which is also complex and important, as mentioned above, its main indicators that reflect consumer sentiment are the competitiveness index, the ease of doing business index, and the economic freedom index. Each of them describes the economic processes in the country and directly reflects the mood of consumers towards these situations.

The competitiveness index includes the macroeconomic situation, health care, the quality of institutions, the efficiency of the market for goods and services, the labor market, the financial market, the domestic market and innovation potential.

This index quite clearly characterizes the economic potential of consumers and the economic situation in the country as a whole, in the context of political transformations.

Its indicators are informative for all households, as its data reflect the level of competition in domestic and foreign markets, and provide an opportunity to enter new markets, taking into account consumer sentiment.

The following two indices, economic independence and legal business opportunities, characterize the level of economic transformation in the country. The index of economic independence characterizes the level of support of the state authorities for economic freedoms in the country. It is also worth pointing out that economic independence includes freedom of free choice, security of private property, freedom of competition, property rights, freedom from corruption, freedom of labor, monetary freedom, investment and financial freedom, etc.

Taking into account the above information, we will form the dynamics of the index rating, which reflect the mood of consumers, fig. 4.4

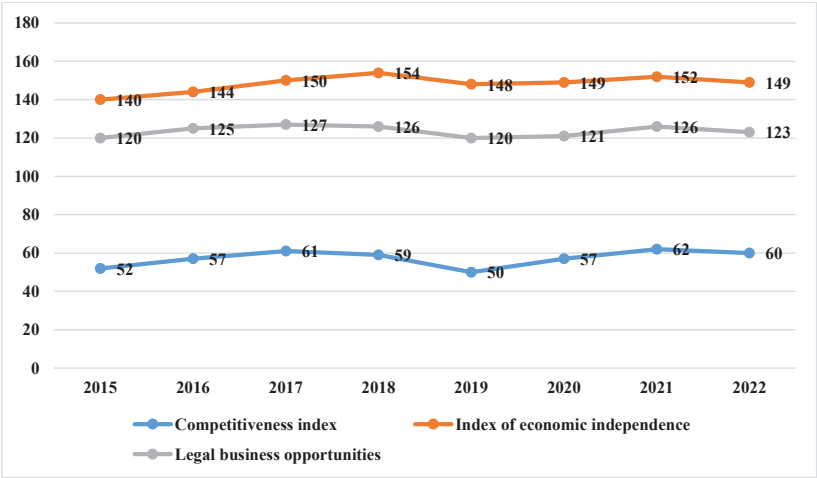


Fig. 4.5 Dynamics of indices that reflect consumer sentiment in the context of the economic situation in the country

Source: compiled by the author according to source data Poland - statistics & facts. <https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

According to the data in Figure 4.5, we can say that the value of the competitiveness index increased by almost 20 values during the specified period, which indicates only one thing - the low

level of competitiveness of the country's economy, which reflects the impact on consumer sentiment and its economic capabilities. As a rule, the basis of such negative factors is a sharp decrease in the volume of production of goods for various social strata, an increase in unemployment, the tax burden, and others. The value of the index of running a legal business indicates that positive trends are possible due to the simplification of the procedure for establishing a business, reducing the stages of the property registration process, as well as the introduction of electronic payment of taxes and reporting.

Although, on the other hand, some issues remained quiet "bureaucratic", in particular, construction permits connection to the electricity grid system, water supply, drainage, business closure issues, etc. As for the index of economic independence, it indicates rather weak indicators regarding the protection of property rights, investment and financial freedom, which determines the low level of economic independence of households as a whole.

Therefore, synthesizing the research of economic indices that reflect the economic sentiments of consumers and the capabilities of households, it is worth noting that the reforms produced by the state leadership were not reflected in the economic sentiments of consumers, and almost all indices indicate that their economic capabilities have decreased. Therefore, in this context of economic instability, the need for research and the third group of indices is revealed, which in turn reveal the political component of the situation in the country and reflect the mood of consumers. In our opinion, as noted in Figure 4.3, the indices of democracy, perception of corruption, openness of the budget and political conflict most fully reflect the political situation. We will describe each of them in more detail.

The index of democracy is one of the most common, which characterizes the system of governance in the state. The formation of this index includes more than 60 indicators, which, according to certain criteria, are combined in the following categories - choice, consumer (citizen) freedoms, government activity, political culture, ideological inclination. The calculated values of this indicator allow countries to be classified according to one of the regime types, namely full democracies, imperfect democracies, hybrid states and authoritarian regimes. In addition, the political awareness of consumers regarding the country's political regime characterizes their mood.

As for the corruption index, a general and most relevant indicator characterizes the political environment in the country as a whole. The concept of corruption is a destructive factor that reduces all processes of development or transformation to zero. Its rating is formed in accordance with the international methodology, which is based on quantitative and qualitative indicators. According to the methodology, the main source of information is the opinions, research and testimony of political experts who professionally study it. This index ranks countries on a scale from zero to 100 (corresponding to the lowest level of corruption to the highest), forming them because of public sector corruption. It is worth noting that this indicator significantly lowers the mood of consumers. After

all, the corruption component, for example, in relation to conducting business, forming deposit investments, encourages a balanced approach to making such decisions and identifying all possible risks.

As for the index of openness of budgets, it is not often used in the study of consumer behavior. However, such an indicator, which can characterize the level of accessibility of consumers to the budget revenue generation system, as well as provide an explanation for budget expenditure items, is quite important and should be included in the main list of consumer behavior formation indices in the context of political transformational changes. The maximum rating of this index is 100 points, which should be formed because of full access to public information about the budget, the ability of public organizations to consider and participate in the discussion of how state resources are accumulated. Having studied the essence of the indices that characterize the mood (behavior) of consumers in the context of the political situation in the country, we will display their dynamics in Figure 4.6.

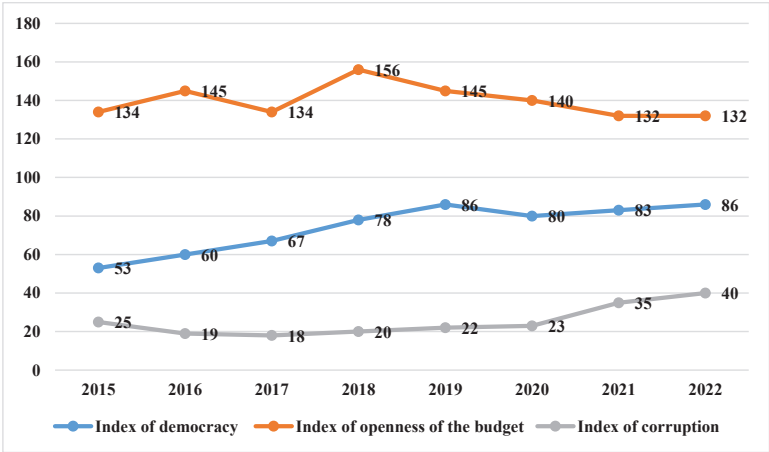


Fig. 4.6 Dynamics of indices that reflect the political attitudes of consumers in the context of the political situation in the country

Source: compiled by the author according to source data Poland - statistics & facts. <https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

According to the figure, we can say that the democracy index reflects a rather imperfect situation with the democratic attitudes of consumers during 2015-2019. In 2020, we can already see the formation of those foundations that reveal all the possibilities for achieving "full" democracy. It is worth noting that the years 2017-2019 were to some extent turning points, which led to the formation of a transitional regime in the country in the following years and accordingly to the formation of consumer attitudes. Such a situation is due to distrust in the functioning of the

government and non-compliance with political culture, as well as significant aggravation of the election procedure.

Regarding the corruption index, it is worth noting positive changes during the studied period, but they are not enough to confirm. That it has been completely overcome. Accordingly, such a situation is reflected in the mood of consumers and the general situation in households.

Regarding the publicity (openness) of the budget in the country, the situation is quite tense; access to such information is somewhat limited, which causes dissatisfaction of certain consumers. Thus, we can say that transformative political processes regarding the openness of information remain only at the level of declaration. Therefore, the inability of politicians to achieve transparency in the sphere of public finances, to form an appropriate legal framework for supporting democratic transformations in the state, causes significant difficulties in the process of achieving economic and social stability

Thus, indices that reflect the dynamics of consumer attitudes, their political, economic and social aspects play an important role in shaping the dynamics of public opinion regarding the development of the country as a whole. These indices are also tools for identifying problematic situations in the political sphere.

These indicators indicate a somewhat low level of development of the opacity of political processes, which negatively affects consumer sentiment and the development of households.

4.2 Substantiation of consumer needs of Polish households from the point of view of behavioral economy on the basis of an objective approach

Changes in the system and main characteristics of households at the international level, including the ratio of the number of men and women, distribution by age, features of the mechanical movement of the population, features of the spatial organization of housing estates and their improvement, significantly affect the socio-economic development and consumer preferences of one or another country.

Analysis of household statistics makes it possible to determine the main trends in the formation of economic decisions and to influence the consumer attitudes of various population groups, which is important for government institutions and enterprises. In addition, the study of the financial situation of households helps in evaluating the use of goods and services, which is of strategic importance for the development of strategies for consumer needs, taking into account the basic principles of behavioral economics.

The consumption of goods and services in the modern world is constantly changing. New directions of consumer needs of households are emerging, in the context of the economic situation

not only of our country, but also of other countries. Taking into account technical, technological, scientific, economic, social development, the needs of households are also changing.

Nowadays, the economic behavior of households is revealed largely through the prism of moral and sociological aspects of their economic activity. Given the political situation, insufficient attention was paid to the financial situation of households.

Although their financial awareness can lead to the formation of certain motivations that would contribute to the improvement of the economic situation of the country as a whole.

Undoubtedly, those households that are financially aware and have knowledge of financial culture can conduct an analysis and assessment of the general economic situation and form the most effective activities, taking into account all external factors, including political ones.

In this aspect, scientists distinguish the four most common strategies of household behavior, fig. 4.7

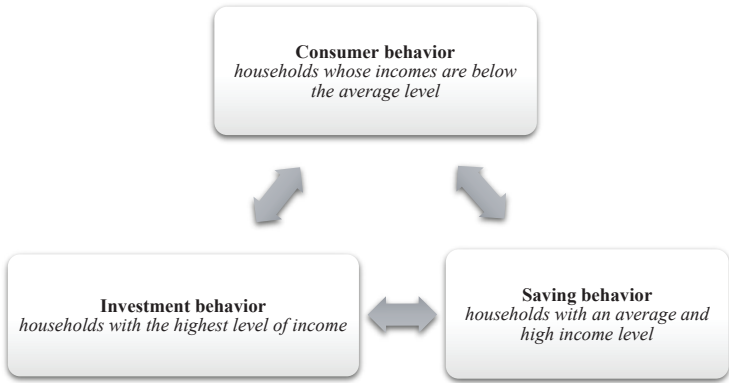


Fig. 4.7 The most common behavioral strategies of households

Source: compiled by the author

According to the figure, we can say that choosing the most rational behavior, households must necessarily adapt to crisis and changing conditions. Moreover, under such conditions, another type of behavior is formed, such as the credit behavior of households, because the use of loans is spreading quite rapidly, because under unstable political conditions, households must "survive" such times. It should be noted here that households do not always have the opportunity to make the right choice, as they do not always have the financial information and financial experience or knowledge. Given that, access to financial information is quite expensive and limited; households do not have the informational base to conduct an independent analysis of processes regarding the use of their possible investment potential in the market in today's context. Therefore, it is worth taking into account the fact that the economic behavior of households is quite diverse, and in order to solve their problems

and satisfy their needs, each of them chooses their strategy of behavior, having in any case their own risks.

Taking into account the material presented above, we can say that in the current conditions of the formation of consumer needs of households, it is the investment potential that is necessary, which is an important indicator of the formation of conditions for improving the welfare of households, increasing their incomes, and creating long-term strategies in their activities. Therefore, it is the investment potential of households that can become one of the reserve sources of internal investments, which could serve as prerequisites for the formation of economic stabilization of the national economy, during difficult and unstable times, both economic and political. Therefore, today the need to build investment opportunities (potential) of households is quite timely. Taking into account relevant studies of economic, political and social content, it is possible to form an understanding of the modern investment potential of a household, which reveal the characteristics of consumer needs of households through political, economic, social, resource and institutional approaches, which we will display in Figure 4.8.

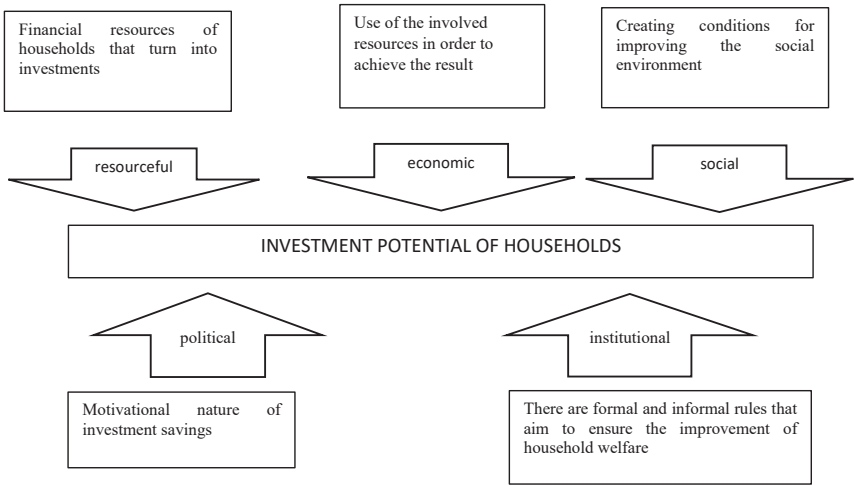


Fig. 4.8 Approaches characterizing the economic content of the investment potential of households
Source: compiled by the author

It is worth noting that the investment opportunities of households in the system of economic circulation are aimed at increasing the level of well-being, the growth of material wealth, as well as the accumulation of financial savings. Therefore, the sources of their formation, which are shown in Fig. 4.9.

Carrying out one's economic activity, entrepreneurial, labor or managing a personal economy and others, working for the result in the form of financial income, which must be transformed into

investments, in order to ensure the stability of households in the future under certain crisis political and economic situations in the country.

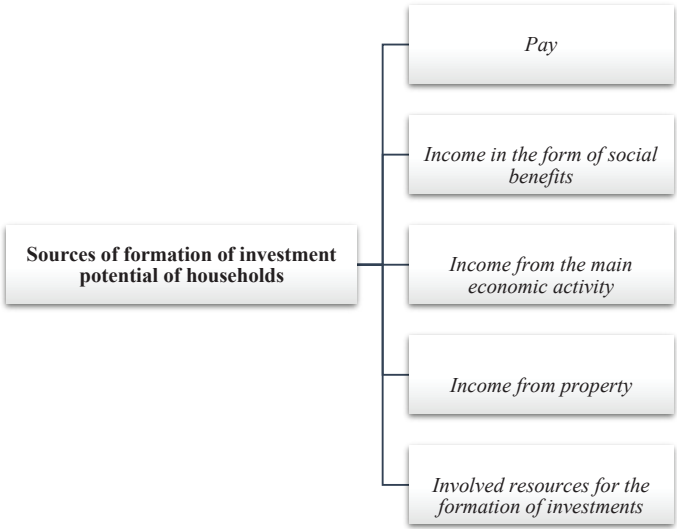


Fig. 4.9 Sources of formation of investment potential of households

Source: compiled by the author

It is worth noting that currently households are characterized by a rather limited formation of investment potential, which is affected by low wages, an irrational structure of household incomes, manifestations of the "shadow" economy, the preservation of financial income in cash, as well as low investment behavior of households.

Therefore, households are quite independent and economically independent entities. Nevertheless, political, economic and market transformations dictate changes in the needs of households, which affect their livelihoods. The development of the investment potential of households today occupies a significant place in their functioning and financial activities. Therefore, it should occupy a leading place, since it is the basis of the functioning of households, and is a necessary condition for managing the economy and accumulating financial resources.

During the period from 2022 to 2027, a moderate increase in the number of households in Poland can be expected, while single-person households will continue to be the main type of household. In 2022, household spending has been heavily impacted by soaring inflation and rising interest rates, with a fifth of annual spending going to real estate.

In the future, a further increase in the indicators of urbanization is expected, and by 2027, Poland will enter the middle third of the countries of Eastern Europe in terms of the level of urban development. The problem of migration remains relevant and will require attention, given its impact on the socio-economic environment of the country.

In the context of behavioral economics, the objective approach is aimed at analyzing and studying people's decisions and behavior, based on objective, factual data and empirical observations. This approach makes it possible to investigate real patterns and factors influencing people's decisions in economic situations. From the point of view of the functioning of households, the information obtained during the application of the objective approach is used to improve econometric models, development strategies in the household system of a specific region, which has its own specific socio-economic and political development.

The application of an objective approach to the study of behavioral economics within households uses a number of methods (Figure 4.10).

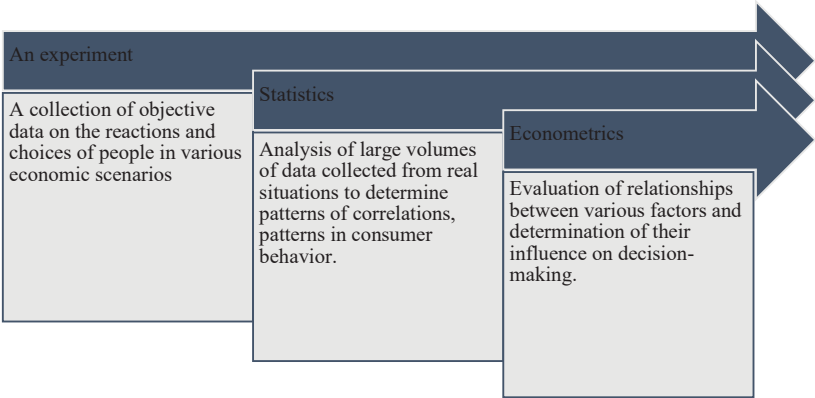


Fig. 4.10 Methods of an objective approach when researching issues of behavioral economics within households

Source: compiled by the author

The objective approach takes into account assumptions about the rational choice of consumers based on their prejudices, knowledge and available information. This helps to understand how consumers evaluate and choose among different alternatives.

Research with an objective approach can be called controlled with defined parameters, factors that can influence consumer behavior. This allows you to separate the influence of various factors and make objective comparisons.

This approach helps reduce the influence of subjective biases and emotions when analyzing consumer behavior, providing more accurate and objective results.

Thus, the substantiation of consumer needs of Polish households from the point of view of behavioral economics can be based on objective factors that influence consumption decisions, taking into account psychological aspects that influence economic behavior and consumer choices.

An objective approach to the assessment of consumer behavior in Polish households is based on the collection and analysis of specific objective data and facts to understand and determine the economic choices and preferences of consumers (table 4.2).

Table 4.2 Principles of application of the objective approach

Principle	Characteristic
Analysis of economic indicators	The use of statistical data on household incomes, the unemployment rate and other economic indicators to assess the economic status of consumers. Analysis of changes in consumer spending and rejection of a number of goods and services in the face of changing economic conditions.
Study of the cost structure	Examining the structure of household spending to determine what consumers spend their money on. Analysis of the dynamics of changes in spending on the main categories of goods and services
A study of consumer attitudes	Application of questionnaires, surveys and other research methods to study consumer preferences. Analysis of changes in consumer preferences in the market, taking into account trends and new trends
Monitoring of prices and inflation	Monitoring changes in prices for basic goods and services to assess the impact of inflation on the consumer basket. Analysis of consumer reaction to price increases or decreases.
Study of influencing factors on consumer decisions	Study of the impact of advertising, marketing campaigns and other factors on consumer decisions. Analysis of factors such as brand, product quality, service and others that influence consumer choice. Taking into account seasonal and cyclical influences
Analysis of seasonality in consumer patterns and spending	Consideration of cyclical economic fluctuations that may affect consumer activity

Objective measurement of socio-economic status	Consideration of socio-economic factors such as education, professional status and regional differences. Collection of statistical data on income distribution and access to social services.
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Source: compiled by the author

Applying these principles allows you to get an objective overview of the economic behavior of consumers in Polish households, helping to more accurately understand their choices and preferences.

Recently, Polish households have seen fluctuations in current account deficit and surplus indicators. For an objective analysis and its relationship with domestic demand in households, several key aspects should be taken into account, in particular:

Foreign trade balance - the current account deficit may increase if the export of goods and services from the country is less than the import. This may be due to a number of reasons, such as an increase in domestic demand for imported goods or a decrease in the competitiveness of export products.

Economic growth – if Poland's economy shows stability or growth in economic indicators, this can lead to an increase in domestic demand. Rising incomes of the population and businesses can boost consumption and investment, as well as increase imports.

Credit policy – central bank policy and credit conditions can affect the level of domestic demand. For example, a high level of credit can contribute to the growth of consumer spending and investment, which affects the external balance.

The volume of investment - an increase in the volume of investment in production and infrastructure may lead to an increase in imports of equipment and raw materials, which also affects the current account deficit.

Export restrictions – Certain circumstances, such as trade restrictions or tariffs, can affect the external balance and domestic demand.

According to data from the International Central Bank and the International Monetary Fund, Poland's current account deficit is projected to widen in the medium term, as domestic demand exceeds growth in trading partners. Preliminary estimates indicate that the expected current account deficit in 2021 (0.3% of GDP) will be modestly higher than projected by medium-term fundamentals and policy preferences. The balance of payments deficit is projected to reach 1% of GDP in the medium term due to the return of the goods trade deficit.

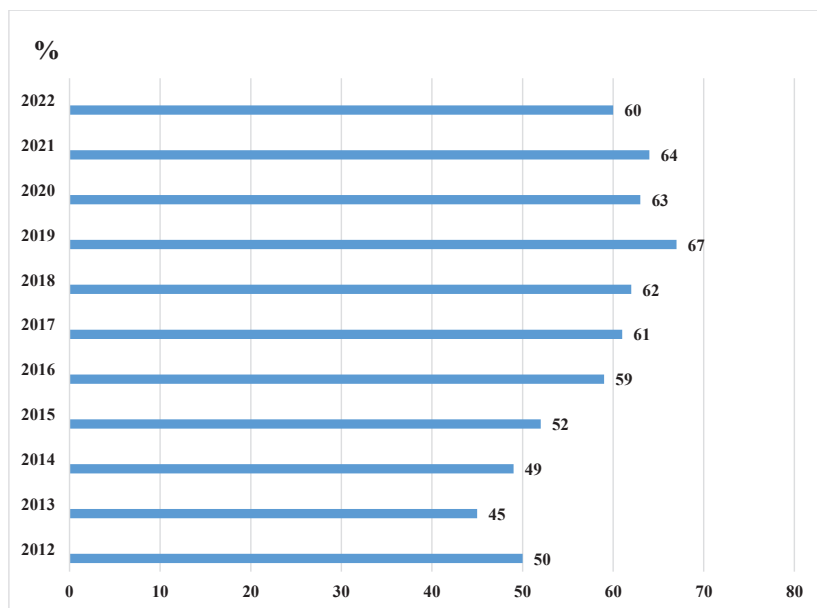


Fig. 4.11 Dynamics of indicators of gross domestic product in Polish households in the period from 2012 to 2022

Source: compiled by the author according to source data Poland - statistics & facts. <https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Possible reasons for the increase in the deficit include economic growth, rising incomes and exchange rate fluctuations. Another important factor is the impact of global trends on the Polish economy. Objective analysis takes into account all these factors to understand the dynamics of the current account deficit and domestic demand in the medium term for the country's households.

In 2023, Poland's GDP grew by only 0.2%, which is a significant slowdown compared to the previous year. A decrease in household consumption by 1% in 2023 is determined by high inflation and rising interest rates. Economic activity is expected to resume in 2024 with a positive impact on domestic demand.

This situation indicates the need for careful analysis of real economic factors in order to form objective conclusions regarding the prospects of deficit and domestic demand in the Polish economy.

Growth rates of final consumption expenditures of households and non-profit organizations for households in Poland are measured in annual percentage.

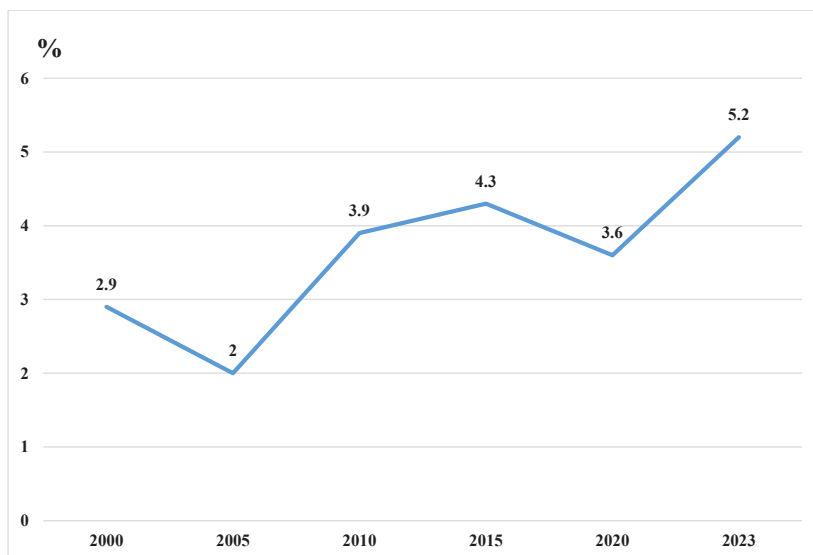


Fig. 4.12 Indicators of expenditure on final consumption of households and NKODG (annual % growth) – Poland

Source: compiled by the author according to source data Poland - statistics & facts. <https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

The data in Figure 4 are based on constant 2015 prices and are expressed in US dollars. They reflect the expenditure of households and non-commercial organizations on final consumption. These costs cover the market value of goods and services, including durable goods such as cars and appliances. It is important to note that these costs do not include the cost of purchasing housing, but take into account the conditional rent for owner-occupied housing.

Also included in these costs are payments and fees sent to governments for obtaining permits and licenses. The indicator covers the expenditure of non-profit institutions serving households, even if these institutions submit their financial statements separately for each country.

The method of aggregation with a weighted average approach is used, which allows taking into account the importance of various cost components in accordance with their value. This contributes to a more accurate reflection of the total costs of final consumption and their impact on the economy. <https://data.worldbank.org/indicator/NE.CON.PRVT.KD.ZG?locations=PL>

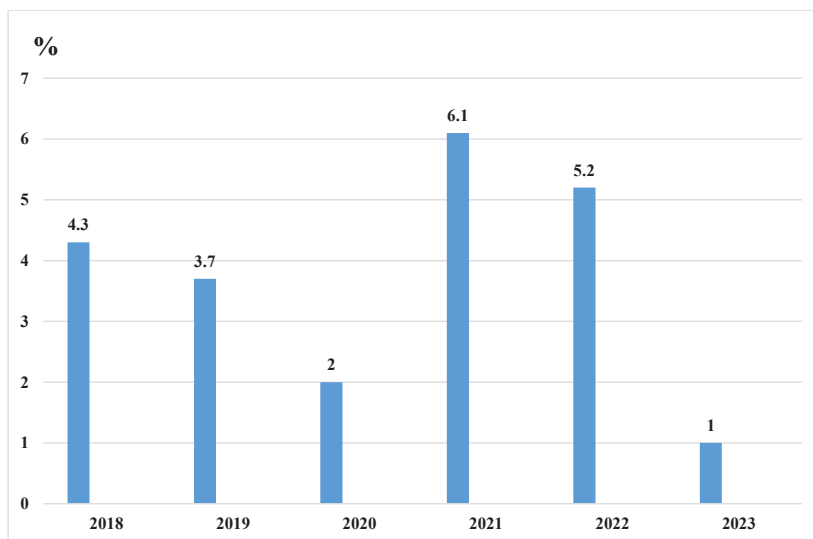


Fig. 4.13 changes in final consumption expenditures of the household sector in Poland from 2018 to 2023

Source: compiled by the author according to source data Poland - statistics & facts.

<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Fluctuations in final consumption expenditures of households in Poland were observed during the studied period (Figure 4).

In 2020, there was a significant decrease in this indicator, by almost four percent, which can be attributed to the impact of the COVID-19 pandemic. The situation during this period created unfavorable conditions for consumption and limited economic activity.

Consumption continued to decline in 2023, down one percent from the previous year. This may be the result of high inflation and rising interest rates, which have led to a reduction in consumer demand.

Therefore, the figure illustrates the dynamics of final consumption expenditures of households in Poland, taking into account the important economic and social changes that occurred during the considered period.

The impact of inflation on the current situation in Polish households is quite significant and varies depending on various factors, such as the structure of expenses, socio-economic conditions and behavioral characteristics of consumers. If the inflation rate exceeds the growth of incomes, this may lead to a decrease in the real purchasing power of households. Consumers may feel pressured on their finances and forced to adapt their spending patterns. Inflation affected the consumer behavior of

Polish consumers and thereby led to a revision of the choice of goods and services. Consumers reoriented their spending to less expensive alternatives.

Behavioral aspects play an important role in the formation of inflationary expectations. If consumers expect prices to rise further, they may make spending, investment, and saving decisions based on those expectations. Inflation affects decisions about large purchases such as real estate or cars. Consumers may be more cautious when considering spending on such large assets under inflationary pressures. If interest rates do not keep pace with inflation, this can reduce savings. Consumers are abandoning bank deposits and looking for alternative ways to save and invest money. Inflation also affects the psychological state of consumers, contributing to a feeling of instability and restlessness. This can have an impact on their willingness to take risks and participate in financial transactions.

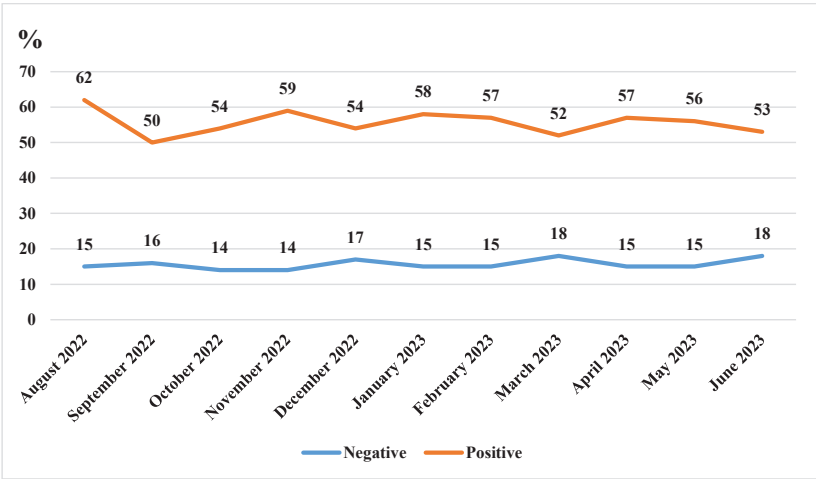


Fig. 4.14 Dynamics of consumers' attitude to the government's efforts to counteract the consequences of inflation

Source: compiled by the author according to source data Poland - statistics & facts.

<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

During the observation period, the majority of respondents in Poland expressed a negative assessment of the government's efforts in combating the consequences of inflation.

In the case of Polish households, the government's actions against inflation take into account not only traditional macroeconomic tools, but also the specifics of consumer behavior, including psychological aspects.

The government can implement an active information policy aimed at increasing citizens' awareness of inflation and its possible consequences. This can influence their expectations and

consumer decisions. However, it is important to understand exactly how citizens evaluate and perceive information.

Price control measures can be taken to limit inflation. However, behavioral aspects such as the "price effect", where consumers react to changes in the price of goods, can affect the effectiveness of pricing policies.

The government takes measures to control the prices of some goods and services to avoid their excessive growth. However, it can also lead to unexpected effects in the form of shortages or poor quality of goods.

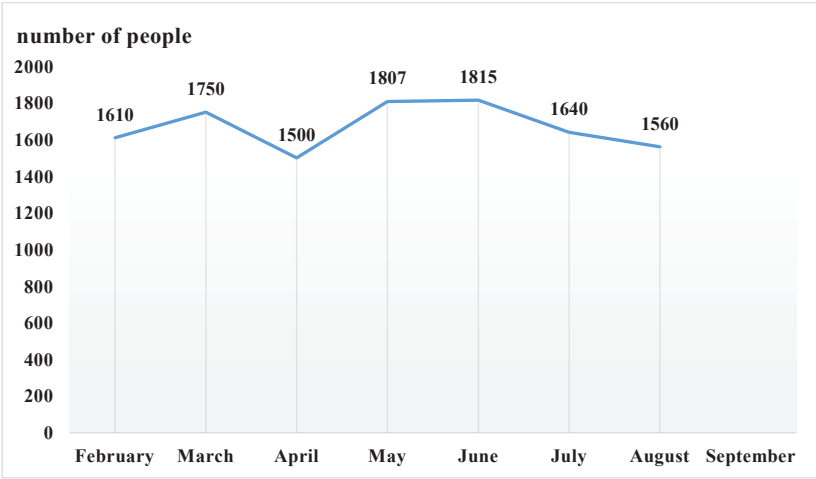


Fig. 4.15 Dynamics of bankruptcy indicators in Polish households for individual locations in 2023

Source: compiled by the author according to source data Poland - statistics & facts.
<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

In September 2023, 1,835 cases of consumer bankruptcy were recorded in Poland, which is a higher figure compared to the previous month. However, it should be noted that in April 2023, the highest number of consumer bankruptcies in history was recorded.

In the case of Poland, the political and socio-economic situation can significantly affect the level of bankruptcy in households. Here are some aspects to consider: Political misunderstandings, crises, social polarization or instability can lead to a general decrease in economic activity and an increase in unemployment, which in turn can lead to an increase in bankruptcies. Changes in tax policy, in particular tax increases or changes in tax conditions, can affect the financial position of

households and their ability to repay debts. An increase in the level of unemployment leads to a decrease in the income of the population, which increases the risk of non-payment of debts.

Overall, economic stability and effective social programs can help reduce the risk of bankruptcy in households, increasing their financial resilience.

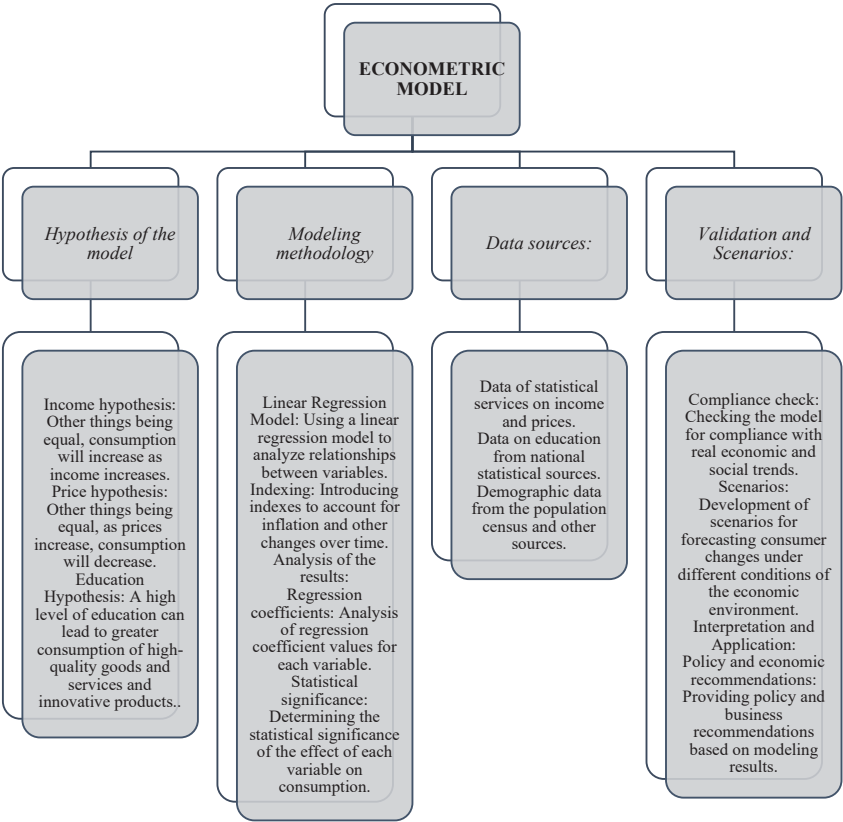


Fig. 4.16 Economic model of consumer needs of Polish households, built on an objective approach

Source: compiled by the author

The economic model shown in Figure 4..16, built on an objective approach, takes into account various factors, such as the level of income, prices of goods and services, level of education and demographic characteristics. This model is based on objective data, which allows studying the influence of various factors on the consumer decisions of Polish households.

By analyzing objective data on population incomes, price changes, education levels, and demographic changes, this model can identify and predict which factors have a determining influence on consumer habits and decisions. For example, it can determine how rising levels of education affect product choices or how economic fluctuations affect consumption patterns.

The use of an objective approach in such a model provides an opportunity to obtain more accurate and justified conclusions regarding the relationship between various factors and consumer decisions. This approach makes the model an effective tool for analyzing and forecasting consumer trends in the Polish economy.

4.3. Principles of mathematical modeling of expenditures and household incomes depending on the level of socio-economic development of the region and political preferences of consumers.

One of the priority tools for researching economic processes and assessing their development is mathematical modeling. Thanks to this, scientists can study economic processes at the macro and micro levels. Characterizing the economic component of mathematical modeling, it is worth noting that it is based on economic and mathematical sciences, which are used to study the functioning of socio-economic and political processes and systems. The use of such models makes it possible to study the maximum amount of information about the situation, which is made up in various spheres of life of the subjects. Therefore, performing mathematical modeling techniques in an economic context, it is necessary to perform the following stages:

- conduct a detailed analysis of the system and its elements;
- to determine the factors that most effectively affect the effectiveness of the functioning of the corresponding system;
- to form an economic content that would allow to describe the real processes taking place;
- practically carry out calculations regarding the real situation of the investigated process;
- Analysis of results obtained during research.

It is worth noting that when applying mathematical modeling, it is necessary to clearly define the range of research tasks, which in turn are divided into five main types, Fig. 4.17.

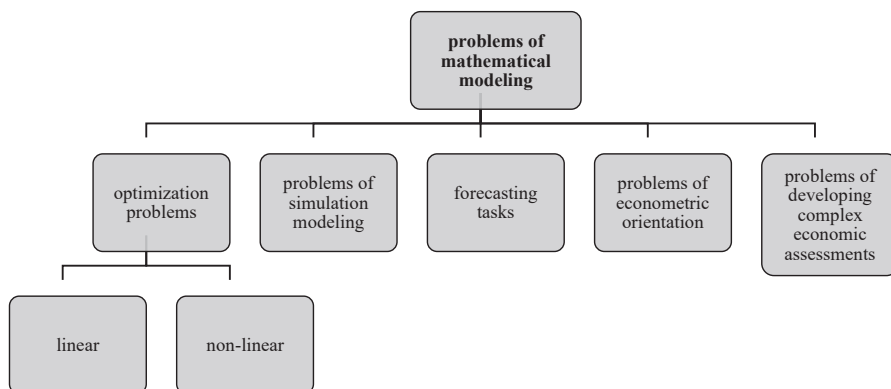


Fig. 4.17 Basic types of mathematical modeling problems

Source: compiled by the author

Optimization problems are divided into linear and non-linear. Such tasks can be solved, for example, transport problems, which are aimed at solving situations with the formation of the best scheme for transporting products to the consumer, taking into account the lowest costs for transportation. Or the problems, with the help of which optimal decisions can be made regarding the conditions of the conflict, the junction of political, economic, social interests, as well as problems related to the distribution of financial resources, the formation of investments. Tasks regarding optimal schedules of household activities are also considered using the construction of graphs, histograms, diagrams, etc.

As for the tasks of simulation modeling, the direction of the studied system is changed to a model that describes the situation quite accurately and allows experiments to be carried out to obtain complete information.

Forecasting tasks are aimed at determining the situation based on past and present information regarding the determination of the situation in the future regarding a specific object of research.

Econometric task orientation is used, as a rule, for conducting socio-economic research. Forming a model description of indicators of the economic and social process in the context of various aspects of a specific situation.

The development of complex economic assessments is an effective tool of mathematical modeling for solving micro- and macro-level problems. That makes it possible to qualitatively evaluate and describe the content of the research and draw conclusions accordingly.

Considering the above material, modeling is a method of researching complex economic systems and a way of expressing theoretical analysis and practical actions. Modeling itself is the basis for studying a real object through the prism of studying a similar object in the context of the factors that characterize it. This vision of modeling makes it possible to determine the main goals of modeling in various situations, namely:

- explanation of the reasons for the object's behavior;
- understanding the situation in which the object is located;
- planning and development of economic plans or schemes;
- optimization of the economic system and its characteristics (employee training as a component of the optimization process).

Mathematical modeling of the costs and incomes of the population depending on the level of socio-economic development of the region and the political preferences of consumers in the territory of different countries and regions is based on a number of principles (table 4.1)

Table 4.3 Justification of the principles of mathematical modeling of the population's expenses and income depending on the level of socio-economic development of the region and political preferences

Principle	Justification
Taking into account economic indicators	Determining costs and revenues may include taking into account key economic indicators such as GDP per capita, unemployment rate, inflation index, etc. Mathematical models can use these indicators to forecast revenues and costs in different regions
Classification of socio-economic regions	To analyze the costs and incomes of the population, it is possible to create a classification of regions according to their level of socio-economic development. Mathematical models can take into account the peculiarities of each class of regions and their influence on consumption patterns.
Differentiation of political preferences	Political preferences can be reconciled with the structure of expenditures and incomes of the population. Models can take into account the impact of different political regimes on economic conditions and fiscal policy
Modeling of consumer behavior	Taking into account consumption patterns and changes in consumer behavior of the population is a key aspect. Mathematical models can use theories of consumer behavior to describe the relationship between income, prices, and other factors.
Regional specification	Mathematical models must take into account regional characteristics, such as the level of industrialization, the sectoral structure of the economy, the availability of jobs and infrastructure.
Analysis of changes in	Mathematical models can include analysis of the impact of social policy on the level of income and expenditure of the population. Changes in social programs, pension systems

social policy	and other social initiatives can be reflected in the models
Approbation on Historical Data	It is important to test and test mathematical models on historical data to confirm their effectiveness and accuracy before applying them to forecasting.

Source: compiled by the author

Taking into account these principles will allow creating more accurate and realistic mathematical models of the population's expenses and incomes, taking into account the socio-economic context and political preferences in the regions of Poland.

The main feature of the models is their meaningfulness, completeness, verifiability and accuracy. Therefore, when modeling the incomes and expenses of the population, it is worth using already existing models and methods. To begin with, it is necessary to review the main models and methods that are intended for modeling the income of the population. Economic processes always progress in time the fastest, so for their modeling it is necessary that all characteristics be reduced to one period. In addition, the mathematical modeling of incomes and expenses of the population should include the following components:

- selection of consumer demand indicator;
- collection of statistical data, evaluation of their data and systematization;
- selection and processing of factors necessary for model development;
- determination of relationships between the amount of income, expenses and factors that affect them;
- determination of necessary parameters and construction of a mathematical model;
- examination (evaluation) of the received model;
- making calculations according to the model;
- carrying out the economic value of the model and developing recommendations for its use by households.

Taking into account the above components, a simplified mathematical model of the population's expenses and income can have the following form:

$$D = f(x_1, x_2, x_3 \dots x_i \dots x_m, t); \quad (4.1)$$

$$V = f(x_1, x_2, x_3 \dots x_i \dots x_m, t); \quad (4.2)$$

where D – is the income of the population;

V – population expenditure;

x_i – a factor affecting the object;

t – period (time).

A more complex mathematical model of expenditure and income within households will include several more factors that are important:

1. Level of socio-economic development (SE): The level of socio-economic development of a region (or country) can be defined as a comprehensive indicator that includes such aspects as GDP per capita, employment rate, availability of education and health care, etc. : $SE=h$ (GDP, employment level, education, health, other factors)

2. Political preferences (P): Political preferences can be taken into account through parameters indicating the degree of conservatism or liberality of consumers, their views on tax policy and social programs:

$$P=\text{conservatism}+\text{views on taxes}+\text{support for social programs}+\dots$$

3. Cost model (C) based on income and other factors: Taking into account income and other factors, the cost model can look like this:

$$C=\alpha_0+\alpha_1\cdot Y+\alpha_2\cdot\text{other factors}+\epsilon, \text{ where } 2\alpha_0, \alpha_1, \alpha_2 \text{ are model parameters, } \epsilon \text{ is model error.}$$

This is just a general description of a possible mathematical model. For a specific situation, it is necessary to consider available data, develop adequate functions and parameters for each factor, and adjust the model according to the results of analysis and calibration.

Considering the fact that the incomes and expenses of the population shape the income of households, their planning and profitability, as well as their expenses, incomes, modeling allows us to more accurately model complex measures and regulate actions to solve a specific problem, and with its help we can allocate tasks, taking into account certain changes regarding the increase in income:

- availability of material and non-material resources;
- availability of relevant information;
- regulation of terms.

Mathematical models for the specified tasks represent a formalistic representation of its elements - the goal, results, means and the connection between them. The formalistic description of performance (income and costs) can be characterized in the form of two sets, namely - set X - alternative elements (from which we choose), set B - productive elements that we receive. Accordingly, we can determine the result with the help of two factors: the choice of an alternative and the state of the environment, which indicates a set of states (C). Therefore, each result (r) is a function of the realization of two arguments:

$$r = F(x, y), \quad (4.3)$$

$x \in X, y \in C$, if there are many different alternatives and states of the environment and are finite, which is expressed as:

$$X = (x_1, x_2, x_3 \dots x_i \dots x_m), \quad (4.4)$$

$$C = (y_1, y_2, y_3 \dots y_i \dots y_n), \quad (4.5)$$

In this case, it will be more convenient to present the function in matrix form:

$$F = |F(x_1 y_1 \dots F(x_1 y_n) : F(x_m y_1 \dots F(x_m y_n) | \quad (4.6)$$

The decision-making task is described as a function under conditions of certainty and risk. In this case, these are the conditions of the socio-economic and political environment.

Regarding cost management modeling, it is worth forecasting the model values. This modeling uses information about the economic status of the population, both individually and in the country as a whole. The following variables can be used in calculations:

- material expenses,
- pay,
- deductions for social events,
- depreciation of fixed assets,
- other operating expenses.

Using the above model and variables that largely characterize expenses in different environments (social, economic, political), we can determine the amount of expenses of the population and households, respectively.

According to research, it is worth forming a conceptual model of the use of expenses and income of the population depending on the environment, which is shown in fig. 4.9

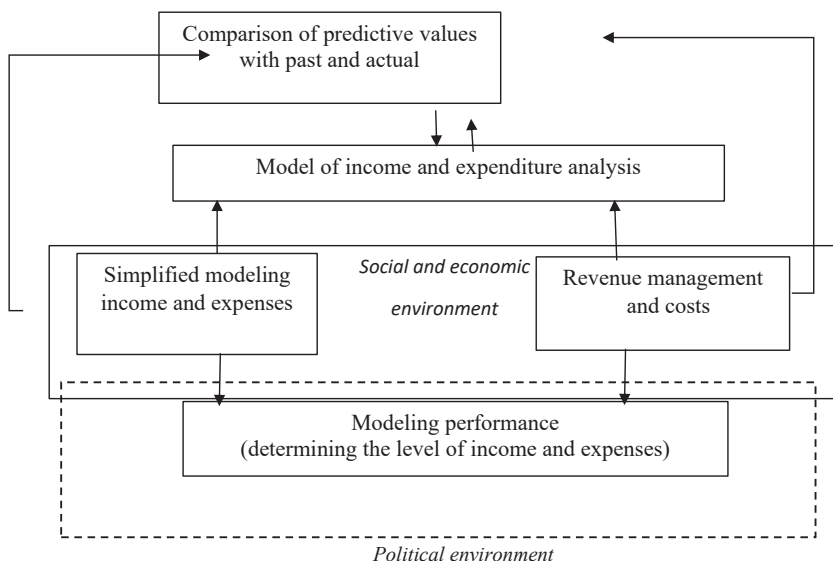


Fig. 4.18 Conceptual model of the use of expenses and income of the population depending on the political environment

Source: compiled by the author

Therefore, mathematical modeling makes it possible to use a wide range of variables that affect the development of income and expenditure of the population in the context of the socio-economic and political environment. With the help of which you can determine and forecast future income and expenses, as well as conduct a comparative analysis of the results of those values that most characterize their use depending on the conditions of modernity, the environment and other factors.

If we note that state policy primarily depends on the ratio of individual elements, which in turn should form the ratio of certain factors of the relevant environment, which directly affect the incomes and expenses of both the population and households, as well as reflect their willingness to invest or save their own funds. We will conduct an analysis of the relationships between individual tools of the political environment and household incomes and expenses based on statistical data in order to determine the most effective tools for regulating financial indicators:

- budgetary policy - characterizes the impact on the level of incomes due to economic transfers, which are necessary for social needs. The initial data on the dynamics of expenses, income and social expenses are shown in Table 4.3 (*source Polish Statistical Service)

Table 4.3 Household incomes and expenses, million zlotys

Indexes	2016	2017	2018	2019	2020	2021	2022
come (total)	1548798	1517865	1772016	2054336	2652082	3248730	3744065
Including							
salary	630735	615027	709690	895326	1209097	1529367	1758577
profit and mixed income	243665	2547302	3235506	368314	477854	572065	678217
operating income	87952	85116	80035	69467	78673	91165	117005
Social expenses - all	546379	572332	658885	699645	886458	1056134	1190252
including							
social assistance	323123	322360	342562	327774	391776	465776	558537
other transfers	58416	55078	79676	91007	112337	144165	193000
social transfers	204840	196884	236645	270564	382345	446193	438715
Spending on savings is all	1548787	1526368	1782017	2051334	2652082	3248730	3744569
including							
purchase of goods and services	1304032	136756	1588173	1845362	2363987	2884971	3356993
property income	23092	23495	18583	15769	22657	29975	39299
current taxes and paid current transfers	107345	14567	154189	182291	249898	302237	360225
Including							
current income taxes	72943	75449	104576	146930	219979	248511	295791
Social Insurance	16273	16608	16856	1986	2417	2915	3854
other ongoing transfers	18129	53682	33387	35020	37507	50811	60580
non-financial assets	5479	2913	-2119	-55481	-32060	-22889	-40335
accumulation of financial assets	120888	27868	33198	18025	61567	54436	27878
Including							
accumulation of cash deposits	104527	-118734	-107306	32539	62186	60951	65720
accumulation of foreign currency	21509	34272	-2976	-63245	11345	32929	35178
Loans	5284	-47115	-82765	-20518	12097	30092	24072
actual income	1215457	1151656	1367601	1582293	2008278	2470325	2905867
income as a percentage of the corresponding period of the previous year	106,1	88,6	79,0	102,0	110,	110,9	109,0

Source: compiled by the author according to source data Poland - statistics & facts. <https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

The dynamics of the ratio of social costs and incomes of households of the constituents are shown in figure 4.10

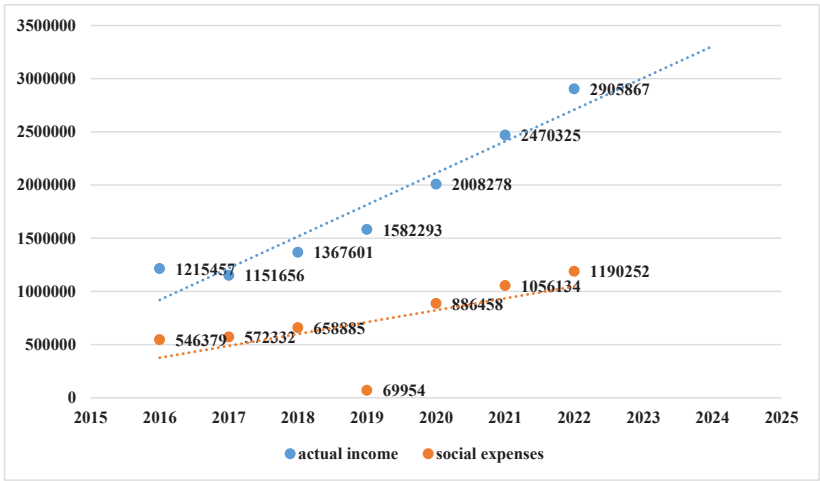


Fig. 4.19 Ratio of social expenses and income of households

Source: compiled by the author according to source data Poland - statistics & facts.
<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

According to the data of figure 4.19, it can be concluded that social security expenses in accordance with incomes are quite low. Elasticity calculations show that, on average, during the analyzed period, social expenditures affected changes in household incomes by about 0.5%.

It is worth pointing out that the total expenses exceed the total income of the population (Fig. 4.20), which as a result does not give the population (households) the opportunity to have savings, and to approach their choice carefully and take into account all possible risks of the situation that has developed in the political environment, economic and social.

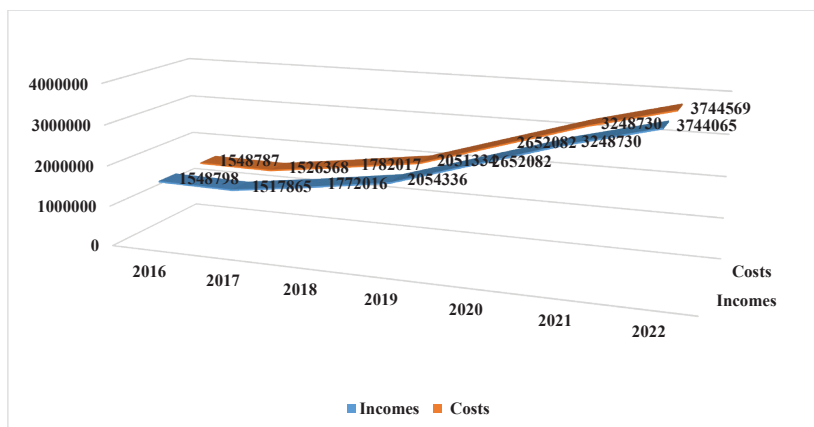


Fig. 4.20 Relationship of expenses and income Poland - statistics & facts.

<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Source: compiled by the author according to source data Poland - statistics & facts.

<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Therefore, the budget policy for increasing the population's income and reducing expenses is somewhat ineffective, so it is necessary to solve these issues in the context of optimizing the system as a whole. Personal income taxes. According to economic theory, an increase in personal income taxes is the result of a decrease in household income. The tax burden on the incomes of the population is growing sharply, table 4.4. Income dynamics remain negative, Fig. 4.12

Table 4.4 Tax burden from personal income taxes

Indexes	2016	2017	2018	2019	2020	2021	2022
Taxes on personal income, mln	107345	145736	154187	182914	239898	302237	360225
Household incomes, million zlotys	1516768	1548733	1772016	2051331	2652085	3248730	3744060
Tax burden, %	6,93	9,61	8,70	8,92	9,05	9,30	9,62

Poland - statistics & facts. <https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Source: compiled by the author according to source data Poland - statistics & facts.

<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

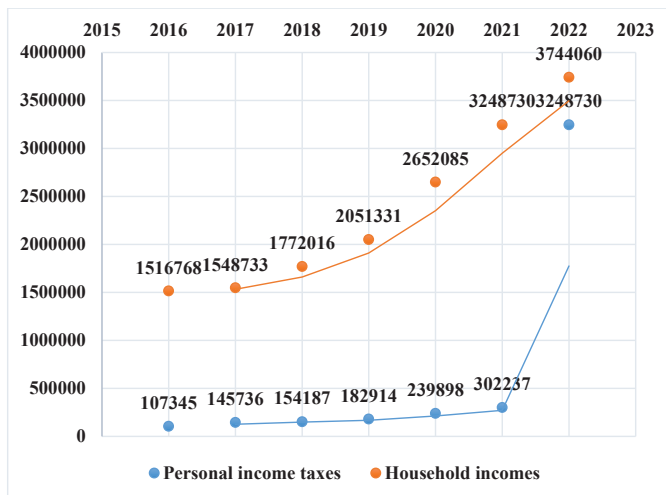


Fig. 4.21 Dynamics between household incomes and tax burden

Poland - statistics & facts. <https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Source: compiled by the author according to source data Poland - statistics & facts.

<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

According to the diagram, we can conclude that the tax burden on the population until a certain period did not have a significant impact on income. Nevertheless, from 2021, it begins to grow rapidly, and the forecast trend line indicates its future growth.

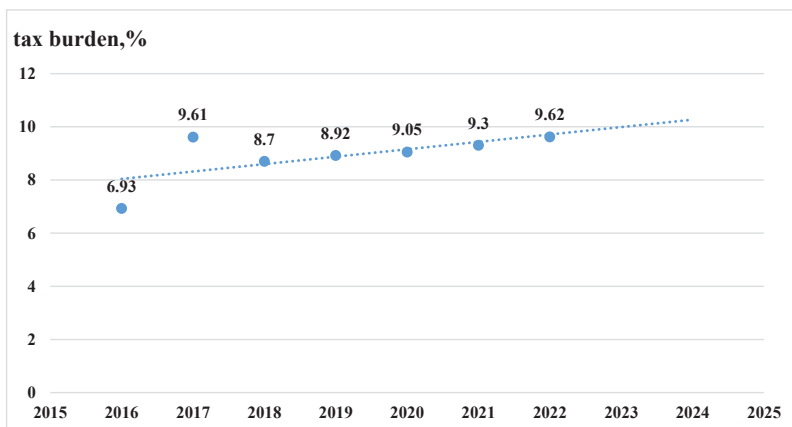


Fig. 4.22 Tax burden on the population in percentage terms

Source: compiled by the author according to source data Poland - statistics & facts.

<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Therefore, the tax burden on the income of the population is constantly increasing.

The next indicator is business taxes, which are indirect taxes paid by households through the corporate sector of the economy. Data for calculation are given in table 4.5.

Table 4.5 Calculation of the tax burden from taxes on the income of the economic sector

Indexes	2016	2017	2018	2019	2020	2021	2022
Household income taxes, million zlotys	281817,0	292309,0	407652,7	511999,9	642572,7	756447,9	794863,4
Products (services) issued, million zlotys	3189558	3354027	4189214	5058294	6255397	7493569	8370824
Tax burden, %	9,28	8,84	8,72	9,73	10,12	10,09	10,27

Source: compiled by the author according to source data Poland - statistics & facts.

<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

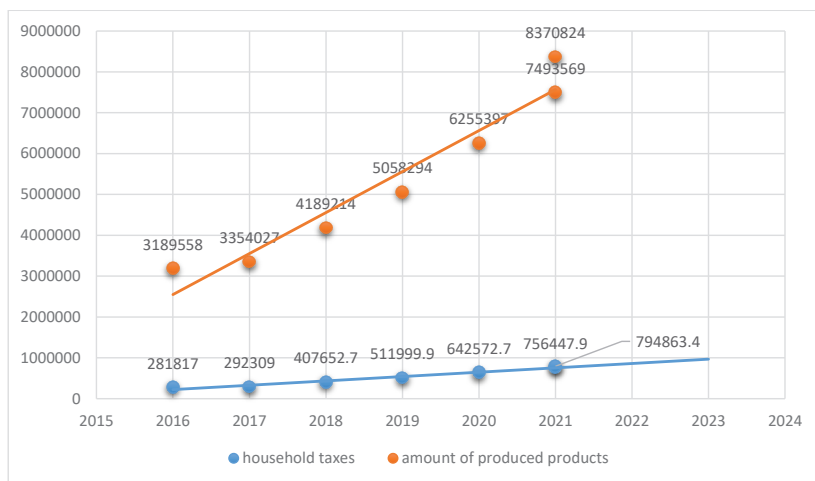


Fig. 4.23 The level of taxation of households and the amount of produced products

Source: compiled by the author according to source data Poland - statistics & facts.

<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Therefore, the taxes of the economic sector form more than 50% of the revenues of the budget policy and are its budget-forming element. Nevertheless, it is worth noting that the tax system is not perfect, given the dynamics of the constant increase in tax rates. Therefore, in our opinion, it is necessary to reform the taxation system, which would allow correlating economic indicators and

developing predictive models. Regarding the social environment (social policy), which also, albeit indirectly, affects the formation of incomes and expenses of both the population and households. Let us determine the expenses of households of a social direction (indicators of social assistance in the structure of household incomes). The initial data are given in table 4.6

Table 4.6 Calculation of household incomes of the social environment

Indexes	2016	2017	2018	2019	2020	2021	2022
Income from social assistance	586379	562325	658885	699340	886458	1056134	1190252
Expenditures on social protection	125307	145063	138005	176326	285762	309364	331787
Income of social funds	441316	424320	482545	441014	600696	746770	868465

Source: compiled by the author according to source data Poland - statistics & facts.
<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Their dynamics are given in the form of a graph, Figure 4.24

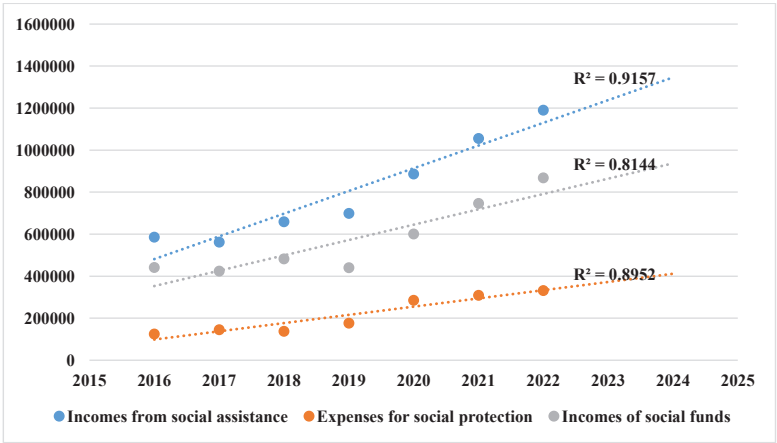


Fig. 4.24 The level of income and expenses of households of the social environment

Source: compiled by the author according to source data Poland - statistics & facts.
<https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Comparing the dynamics of social assistance payments and household incomes, we see a close connection between them; the approximation value is quite high, as shown in the graph. Therefore, it is worth noting that an important issue is the development of social institutions, both in the economic and political environment.

The indicator of communication policy, which is not subject to statistical accounting, is quite important, as it characterizes the use of financial instruments by households to save their own funds. Which indicates a low level of trust in financial institutions and political awareness of the population regarding the possibility of forming the investment potential of households.

To improve the mathematical model of household expenses and income, depending on the level of socio-economic development of the region and the political preferences of consumers, additional factors can be taken into account and relationships that are more complex can be considered:

Taking into account variability – considering the inclusion in the model of more factors that can affect costs and income, such as the level of education, employment, marital status, demographic factors, etc.

Taking into account the impact of inflation is an option to include the inflation factor in the model, as it can affect real income and the cost of goods and services, which affects costs.

Differentiation of political preferences – expansion of the model with indicators of political preferences, taking into account specific aspects, such as party affiliation, relation to specific economic policies or social programs.

The use of non-linear functions – the possibility of using non-linear functions to model the relationships between various factors. For example, using quadratic or logarithmic functions.

Application of machine learning methods - the possibility of using machine-learning methods to build a model. Algorithms such as regression, random forest, or neural networks can automatically detect complex dependencies in data.

Accounting for randomness – introducing an element of randomness (stochasticity) into a model to account for uncertainty and unpredictable changes in the economic environment.

Classification of regions - consideration of the possibility of taking into account categories of regions in the model to better reflect the variation in expenditure and income between different parts of the country.

These improvements make it possible to create a more adaptive and comprehensive model that takes into account a variety of factors affecting the costs and incomes of households.

Therefore, in conclusion, it can be said that mathematical modeling of expenses and incomes of the population and households in the context of dependence on the socio-economic environment of the region and political situations can reveal a wide range of indicators. With the help of modeling,

it is possible to calculate forecast indicators of household activity, to combine the characteristics of the main features of the relevant environment with economic, social or political indicators.

CHAPTER 5.

POLITICAL MOODS IN POLAND AND THEIR IMPACT ON SOCIAL POLARIZATION

5.1. Comparative analysis of political changes in Poland and other countries of the European Union

For many years, right-wing radical parties and movements for political freedoms in the countries of the European Union have influenced the political arena. Including the parties of the Visegrad Group, they established themselves in the political and party environment and began to play a rather important role in the political life of European countries.

According to data as of the beginning of 2023, such parties have their factions in parliaments and actively participate in government activities. Which gives grounds to assert about significant changes in the European party environment.

It should be noted that the party environment is presented as a space that was formed under the influence of political forces and is the result of the interaction of various political factors, including the electorate, the socio-political situation, the electoral system, the demographic situation, etc.

If we take into account negative factors of an external nature, namely financial crises, migration, Euroscepticism, which have become an advantage in political life, so-called "mainstream" parties, then they, in turn, had a significant impact on the formation of the political environment of countries.

Their level of opposition was so intense in some countries that the political changes under their influence were quite unexpected for many political experts, for example in such countries as Ireland, Slovakia, Croatia, Lithuania, Romania and Poland.

It is worth noting that during 2020, parliamentary elections were held in such countries of the European Union as Ireland, Slovakia, Croatia, Romania and Poland in 2023, which, accordingly, bring significant changes to the political, social and economic life of the countries, the results of which we will analyze.

In our opinion, in order to study such changes, it is necessary to analyze the results of the parliamentary elections of the specified countries, to characterize their impact on the composition and structure of party systems; determine the reasons for the electoral advantage in the parliamentary elections. Each political system has its own specific features, which are formed in the process of historical development, socio-demographic culture, democratization, and the economic state of the country. Regarding the parliamentary elections in Ireland, which took place in February 2020, it is

worth noting that they were held in multi-mandate constituencies under the electoral system of a single transferred vote.

The main competitors in the process were "Fin Gael", "Fianna Fáil" and "Sinn Féin", which are the basis of the political system of Ireland. If "Fin Gael" and "Fianna Fáil" are parties with liberal views, then "Sinn Féin" is a nationalist party that votes for the unification of Ireland, although recently it has changed its ideology towards social conservatism. Other participants in the election process were parties with low ratings, namely "Labor Party", "Social Democrats", and «Entu». An important fact for the election is that a record number of women took part in it compared to other elections, namely 162 women out of 531 candidates. Fifteen political parties took part in the elections, and some of them for the first time. According to the results of the elections, seven parties and one electoral coalition received deputy mandates. The three main parties that were mentioned above received almost the same number of votes. Such results were notable for their historicity, as the two-party regime was changed for the first time, Figure 5.1

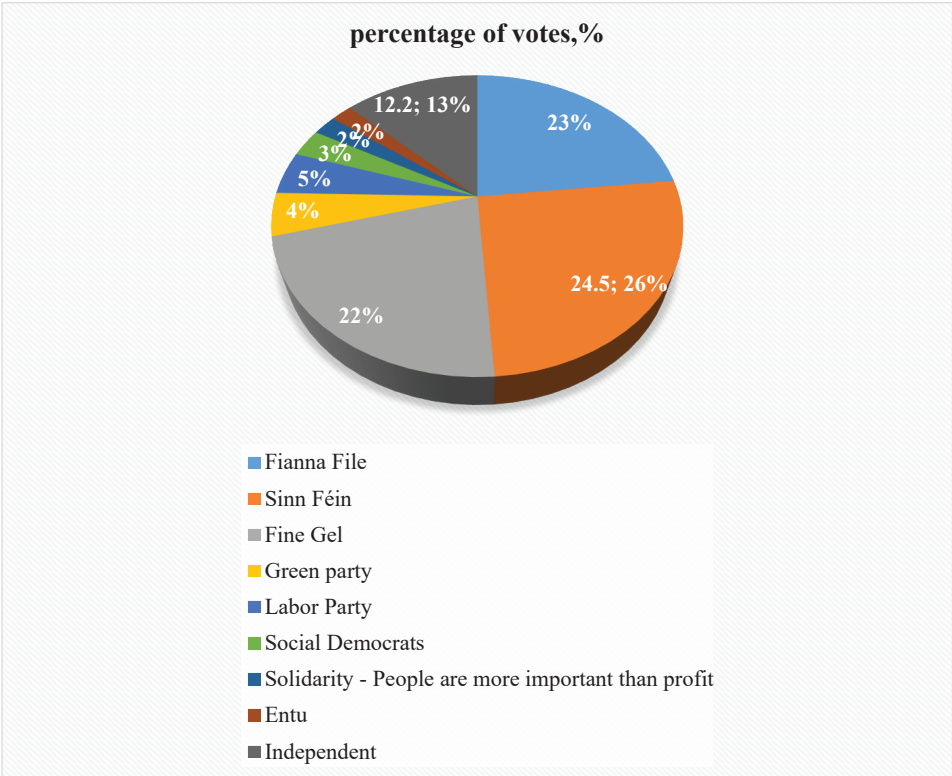


Fig. 5.1 Results of elections to the House of Representatives of the Irish Parliament

Source: compiled by the author according to source – Elections in Ireland

According to the data in the table, we can see that the first three pariahs, who always had the majority of votes, received a rather low number of votes in these races. As you know, the support of at least 80 deputies is necessary to form a government majority. Therefore, the government needs the support of at least two parties or a large group of independent deputies, who would be ideologically close in their political views, in order to vote for confidence and the budget. To understand the motives of their association, we will provide their ideological views in Table 5.1.

Table 5.1 Ideological views of political parties in Ireland

Party name	Ideological views
<i>Fianna File</i>	liberalism, liberal conservatism
<i>Shin Fail</i>	nationalism, left-centrism, social conservatism
<i>Fine Gel</i>	conservatism, Christian democracy
<i>Green party</i>	green policy
<i>Labor Party</i>	social democracy
<i>Social Democrats</i>	social democracy
<i>Electoral coalition "Sociality - People are more important than profit"</i>	-
<i>Etna</i>	left-centrism, social conservatism
<i>Independent</i>	-

Source: compiled by the author according to source – Elections in Ireland

According to the results of the negotiations, in accordance with the ideological views of the parties listed in the table, a government coalition consisting of "Fin Gael", "Fiana Fáil" and the "Green Party" was created.

Slovakia's political changes began with the 2020 elections. The National Council of the Republic, which consists of 150 deputies, who are elected according to the proportional system of nationwide party lists. For political parties, the electoral threshold is 5%, for coalitions - 7%. 24 parties and 1 electoral coalition took part in the elections.

For the first time, 13 political parties, which were formed in the inter-election period, took part in the elections, which indicates the dissatisfaction of the voters with the actions of the parliament.

The turnout at the elections was not very high, and amounted to 65.8%. The main competitors were the parties of the previous political coalition, namely ("Direction - Social Democracy", the Slovak National Party, the Hungarian "Bridge" party) and the newly created party "Ordinary People and Independent Individuals". Politicians call the election "the third revolution". The election results are shown in figure 5.2.

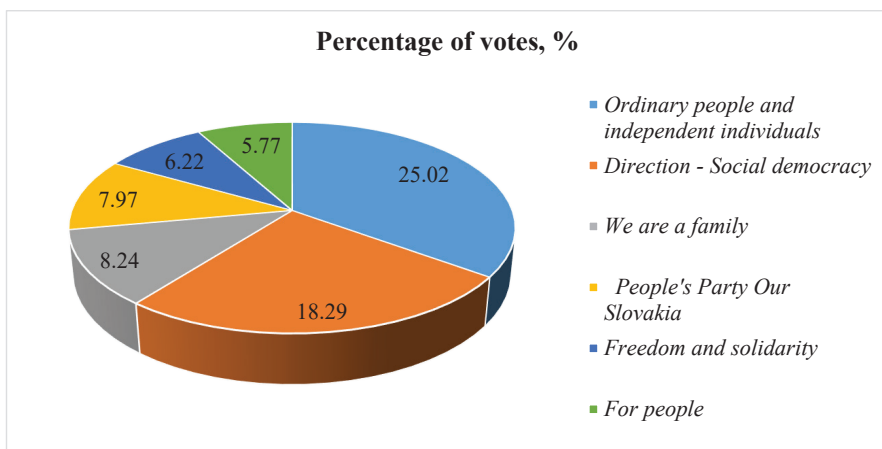


Fig. 5.2 Results of the elections to the National Council of the Slovak Republic

Source: compiled by the author according to source – The Elections to the National Council of the Slovak Republic

The figure shows that the victory in the elections was won by the right-wing political party "Ordinary People and Independent Individuals", which received 25.02% of the vote.

Such a result indicates the demand of the people to restore order in the country, to establish justice and legality for all sections of the population. The political forces that formed the majority in the parliament do not have a clear ideological basis, as evidenced by the data in Table 5.4.

Table 5.3 Ideological views of political parties of the Slovak Republic

Party name	Ideological views
<i>Ordinary people and independent individuals</i>	Right-centrism, conservatism, populism
<i>Direction - Social democracy</i>	Left-centrism, social democracy
<i>We are a family</i>	Social conservatism, right-wing populism
<i>People's Party Our Slovakia</i>	Nationalism, right-wing populism, national conservatism
<i>Freedom and solidarity</i>	Liberalism
<i>For people</i>	Liberal conservatism

Source: compiled by the author according to source – The Elections to the National Council of the Slovak Republic

According to the data in the table, it can be concluded that the orientations of the newly elected parties are aimed at the mass of public opinion, its popularity and trendiness among the masses, as well as non-standard approaches to solving current problems. Some politicians note that such a coalition, "Ordinary people and independent individuals", "We are a family", "Freedom and solidarity", "For the people", is multifaceted and may carry risks regarding its effectiveness and duration of functioning. Among such risks, political experts attribute the lack of experience of coalition partners in cooperation, the lack of practice in state management, and the presence of significant differences of opinion. Consequently, the elections in Slovakia led to a number of changes in the political direction of the country's development, in particular, the role of fragmentation increased, a high level of financial risks was noted, the influence of populist parties increased, and the presence of right-wing extremist representatives in the parliament.

The political system of Croatia is a unicameral parliament that is elected proportionally. The electoral system includes passing the 5 percent barrier and closed lists. Seats are distributed in proportion to the votes received according to the d'Ondt method (a method of distributing mandates under proportional representation). Since the territory of the country is divided into 10 counties, two seats should be given to Croats living abroad. Therefore, for some parties to pass the 5 percent barrier, the best option is to create appropriate electoral coalitions. Given that in 2015, the electoral system underwent changes, namely, voters got the opportunity to vote not only for the regional party list, but also for one candidate on the list. Croatian legislation defines if the share of voters' votes for a candidate should exceed 10%, figure 5.3.

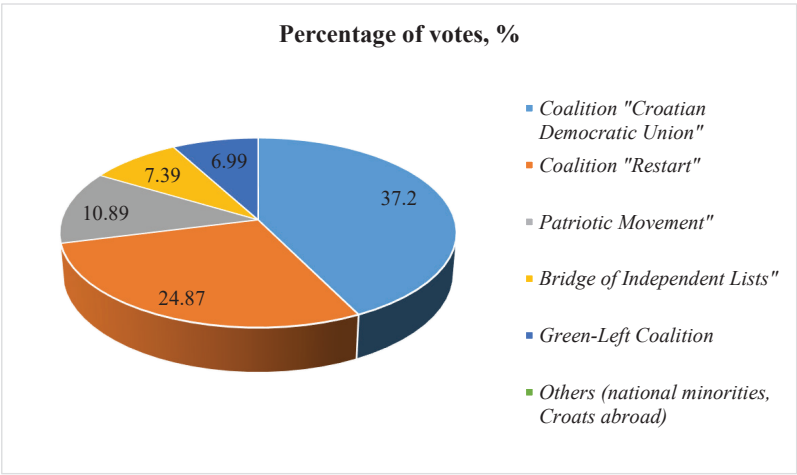


Fig. 5.3 Results of the elections to the Croatian Parliament

Source: compiled by the author according to source – The ruling party wins the parliamentary elections in Croatia

Based on the election results, the party system in Croatia is classified as multi-party with elements of moderate pluralism, including the competition of the 2 main political parties that won the majority of votes ("Croatian Democratic Union" and the Social Democratic Party of Croatia), table 5.4

Table 5.4 Ideological views of political parties in Croatia

Party name	Ideology of political views
<i>The coalition led by the party "Croatian Democratic Union"</i>	right-wing centrism, conservatism, Christian democracy
<i>Coalition "Restart"</i>	Social democracy
<i>Coalition "Patriotic Movement"</i>	Nationalism, right-wing populism
<i>Party "Bridge of Independent Lists"</i>	right-wing centrism, economic liberalism
<i>"Green-Left Coalition"</i>	green policy
<i>Others (national minorities, Croats abroad)</i>	-

Source: compiled by the author according to source – The ruling party wins the parliamentary elections in Croatia

According to the table, we can see that it is simply impossible to form a government in Croatia without one of the indicated parties. Therefore, the left and center-right parties are positioned almost on the same scale. Although the views of the parties differ, it can be said with certainty that they took the market-based economic policy as a basis. Under such conditions of the formation of a political majority, controversial issues arise regarding the regulation of economic processes. When searching for consensus conditions regarding the functioning of the economic space, the space of the cultural and value dimension of the party environment comes into play.

One of the peculiarities of the Croatian party system is the fact that even large parties cannot secure a majority in the government alone. Therefore, they need to unite with other, so-called, third parties, which also cannot form the government, and therefore they cannot form a majority in the parliament without each other. As a rule, large political forces resort to such "associations" to form views of "national unity". Therefore, small parties are not taken into account when characterizing the political environment of the state, and therefore the advantage of two-party system is one of the most significant features of the Croatian party system, although the basis remains a multi-party system. Since the main competitors in the elections were the "Croatian Democratic Union" and the "Social Democratic Party of Croatia". It is clear that they won about 71% of the parliamentary seats. Quite high indicators also mark the new parties of the «new politics». The coalition of right-wing populist parties "Fatherland Movement" and "Green-Left Coalition" won 15.2% of the seats. Although the

composition of the parliament changed its composition and structure, and according to the election results, the party system of Croatia remained unchanged.

In the elections in Lithuania held in October 2020, 141 deputies were elected to the Seimas of the Republic of Lithuania, of which 71 people, under the majoritarian system, the majority, and 70 people, who passed the 5 percent bar, under the proportional system of open lists, were elected for political parties and a threshold of 7% for electoral blocs. At the second stage of the elections, it is necessary to get at least 60% of the votes, otherwise other applicants who did not get the appropriate number of votes in the first stage will be involved in the election process until the 60% barrier to form the government is overcome.

Characterizing the political system of Lithuania, it is worth highlighting two main stages:

- 1 creation of the basis for creating the institutionalization of the political system;
- 2) institutionalization and consolidation of the political system.

More influential parties that function today were formed during the struggle for the country's independence (1980-2000). This stage is the stage of formation of the country's political system and was characterized by social conflict because of the transition from "communism to democracy". Lithuania's accession to the European Union is characterized by the consolidation of the political system. The main parties unite and become pan-European right and left, because of which they nominate their candidates in the number of 758 candidates, but according to the results of the elections, five parties received seats, fig. 5.4

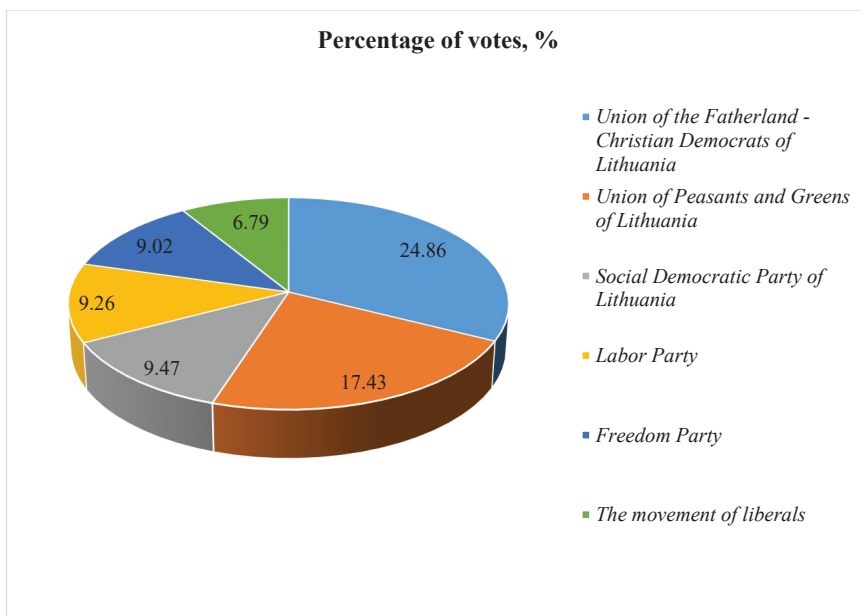


Fig. 5.4 Results of elections to the Seima's of the Republic of Lithuania

Source: compiled by the author according to source – The Seimas of the legislative period of 2020–2024. The Republic of Lithuania.

As mentioned above, 5 parties with slightly different political views entered the Seimas, table 5.5

Table 5.5 Ideological views of political parties of the Republic of Lithuania

Party name	Ideology of political views
<i>"Union of the Fatherland - Christian Democrats of Lithuania"</i>	liberal conservatism, Christian democracy
<i>"Union of Peasants and Greens of Lithuania"</i>	agrarianism, green conservatism
<i>Social Democratic Party of Lithuania</i>	social democracy, social liberalism
<i>Labor Party</i>	social liberalism, centrism, populism
<i>Freedom Party</i>	liberalism, social liberalism
<i>The movement of liberals</i>	conservative liberalism

Source: compiled by the author according to source – The Seimas of the legislative period of 2020–2024. The Republic of Lithuania.

Based on the results of the table, we can conclude that a coalition has been formed

by the three parties "Union of the Fatherland - Christian Democrats", "Liberal Movement" and "Freedom Party", which have common views on the democratic and socialist system of the state. It is also worth noting that the political environment has undergone significant changes, since before the elections the political system was determined by two parties.

The Parliament of Romania consists of the House of Representatives (Lower) and the Senate. The structure of the Romanian party system is close to the structure of Lithuania, representatives to the parliament are elected according to the proportional system of closed lists, and the electoral threshold for political parties is 5%. The results of the elections to the lower house of Romania are shown in figure 5.5.

It is worth noting that for a long time Romania was dominated by a two-party system dominated by center-right or center-left forces.

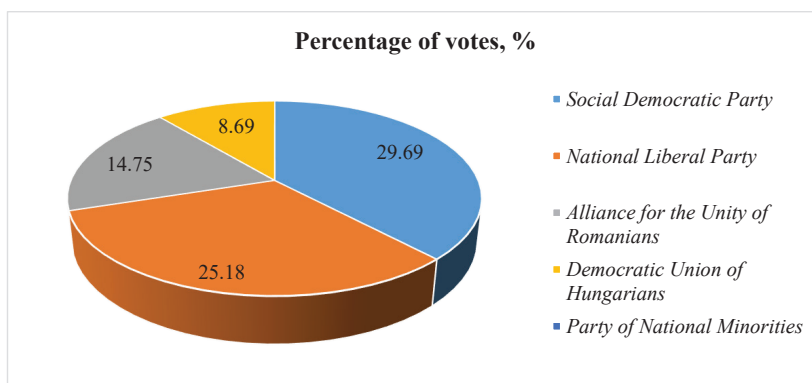


Fig. 5.5 Results of the elections to the lower house of Romania

Source: compiled by the author according to source – [Parliamentary Election in Romania](#)

In total, 41 parties took part in the elections. These tables show that the Social Democratic Party won the election, ahead of the National Liberal Party by 4.51%. That victory was conditional, as it lost a significant number of parliamentary seats (44) and has no opportunity to form a government coalition, having lost its image after the high-profile corruption cases of its leaders.

The results of voting for the new party "Alliance for the Unity of Romanians", whose ideological basis is ethnic nationalism and anti-globalism, also made a significant contribution to the change in political life. Its main idea is faith, will, family and Motherland" implementation of the slogan "Greater Romania", and it advocates Romania's exit from the European Union and NATO. Its high result in the elections is characterized by citizens' dissatisfaction with the internal political and economic situation in the country, as well as well-being and disappointment in the parties that adhered

to liberal and conservative views. The ideological views of the parties that passed the threshold barrier in the elections are shown in Table 5.6. It should also be noted the lowest voter turnout in the entire history of elections, it was about 32%

Table 5.6 Ideological views of political parties in Romania

Party name	Ideology of political views
<i>Social Democratic Party</i>	social democracy, left populism, social conservatism
<i>National Liberal Party</i>	national liberalism, liberal conservatism
<i>Union of the Rescue of Romania - Party of Freedom, Unity and Solidarity</i>	liberalism, populism, centrism
<i>Alliance for the Unity of Romanians</i>	right-wing populism, nationalism, anti-globalism
<i>Democratic Union of Hungarians</i>	protection of the interests of ethnic Hungarians, Christian democracy
<i>Parties of national minorities</i>	protection of the interests of national minorities

Source: compiled by the author according to source – [Parliamentary Election in Romania](#)

The National Liberal Party, the "Salvation Union of Romania - Party of Freedom, Unity and Solidarity" and the Democratic Union of Hungarians in Romania formed a coalition following the negotiations.

Therefore, in conclusion, we can say that the result of the elections in Romania is a significant decrease in support for one of the country's largest parties, the Social Democratic Party, because of citizens' dissatisfaction with its socio-economic policy and inaction in solving urgent socio-economic problems. Taking into account the given material, significant political changes have taken place in the studied countries of the European Union, which are caused by a number of negative factors on the part of the population. We are talking about citizens' dissatisfaction with the politics of "old" parties, which were distinguished by their corruption, distrust of the political views of "mainstream" parties, increased mediatisation of politics in general, and the formation of Eurosceptic and anti-migrant sentiments in society. Therefore, the voters of these countries preferred the "new policy" parties, hoping for positive changes in all spheres of life of the population. The summary results of the elections are given in table 5.7

Table 5.7 Indicators of elections in the countries of the European Union according to the results of the parliamentary elections

Country	The number of votes, parliamentary seats, "new" parties	Share of votes of "new" parties, %; parliamentary seats
Ireland	"Sin Fein"-24.5% (37), "Green Party"-7.1% (12), "Entu"-1.9 (1)	33,5 (50)
Slovakia	"We are a family"-8.2% (17), "People's Party Our Slovakia"-7.9% (17)	41,2 (87)
Croatia	"Patriotic Movement"-10.8 (16), "Green-Left Coalition"-6.9 (7)	17,7 (23)
Lithuania	Labor Party-9.2 (10), Freedom Party-9.0 (11)	18,2 (21)
Romania	"Union for the Salvation of Romania - Party of Freedom, Unity and Solidarity" -14.7% (55), "Alliance for the Unity of Romanians" -8.6% (33)	23,3 (88)

Source: compiled by the author according to source The European Elections Monitor.

Therefore, the electorate of the European Union countries is aimed at changes in political life, choosing "new" parties that have updated views on the political environment of each country, its economic and social condition and future development. Regarding the structure of the Polish Parliament, it consists of two chambers, namely the Senate, which includes 100 seats (the upper chamber) and the Sejm - 460 seats (the lower chamber). As you know, the Sejm has an advantage over the Senate. For example, the Seimas is authorized to express no confidence in the government or a specific minister; to form an investigative commission to solve a specific case, etc.

Senators are elected by universal suffrage in single-mandate constituencies. Deputies to the Seimas are elected proportionally according to party lists. The passing barrier is 5% of voters' votes for political parties and 8% of votes for coalitions.

According to the preliminary election results, the leadership was held by the "Law and Justice" party, which had 235 seats. This is almost 44% of votes. The party espoused the views of center-right Catholic conservatism and held control over government policy and state media.

The elections held on October 15, 2023 in Poland brought significant changes to the distribution of seats in the parliament. The distribution of voters' votes is shown in Figure 5.6

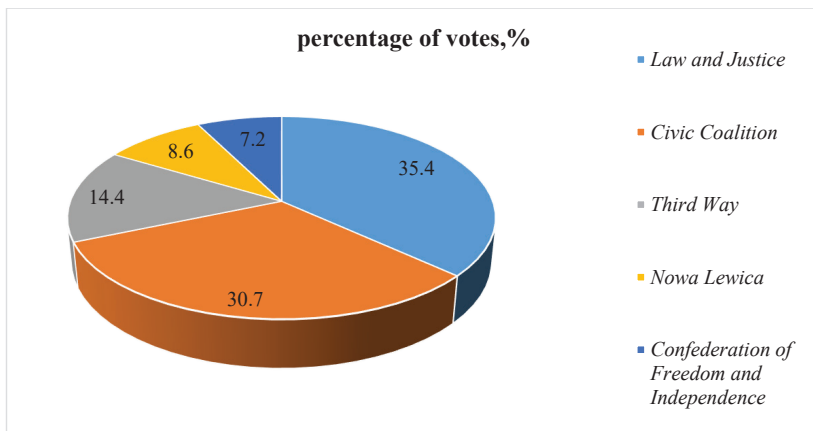


Fig. 5.6 Results of the elections to the lower house of Poland

Source: compiled by the author according to source – [Polish Parliamentary Elections](#)

According to the figure, we can say that the "Law and Justice" party lost its leadership and gained only 35.4%, although in the last elections their figure exceeded 44%. Which shows the voters' disbelief in the ability and desire of this management force to improve the social and economic condition of the population.

It is worth noting that the turnout at the elections was quite high and amounted to 73%.

As for the course of the pre-election campaign, it took place within the strict framework of pro-government political forces. The "ruling party" counted on an advantage in terms of border security and strengthening of the state's defense capabilities, criticizing the European Union as a whole. They also counted on the support of the clergy. Naturally, the opposition criticized the ruling party for subjugating foreign policy and monopolizing power in the country. Moreover, her long stay in power affected all spheres of social and political life, with which certain strata were dissatisfied and demanded changes in the political environment. First, these were women, students, young people, who quite progressively advocated the liberalization of certain spheres of life, education, medicine, etc.

Since, according to the results of the elections, the party "Party and Justice" did not receive a seat in the Diet, the question of forming a coalition arose. And taking into account the difference in the political views of the "leading" party and the opposition, the option of forming a majority is the unification of the "Civic Coalition", "Third Way" and the party of the new "leftists". These parties received 248 seats in the Sejm and influenced to the formation of the future Polish of the government, table 5.7. He will face the issues of judicial reform, media freedom, social and tariff policy.

Table 5.7 Ideological views of political parties in Poland

Party name	Ideology of political views
<i>"Law and justice"</i>	right-wing centrism, Catholic conservatism
<i>"Civil Coalition"</i>	pro-European left- and center-right parties, liberal democratic values
<i>The Third Way Coalition</i>	liberal-democratic direction.
<i>New Left Party "Nowa Lewica"</i>	left-centrism, progressive social reforms
<i>"Confederation of Freedom and Independence"</i>	nationalist views, anti-migrant sentiments and radical Euroscepticism

Source: compiled by the author according to source – [Polish Parliamentary Elections](#)

This course of elections in Poland attracted the attention of the international community and the country's partners. From the point of view of the European community, such results are a prospect for a thorough political dialogue in the context of solving a number of "problematic" issues that arose and escalated between the parties during the previous parliament. Priority issues include judicial reform, positions on migrants, the fight against the consequences of the economic crisis in the EU, issues of "green policy" and others.

Therefore, based on the results of the analysis of the elections in Poland, we can form the main conclusions, namely:

- a slight gap between the "Law and Justice" party and the "Public Coalition", which is the opposition, indicates the polarization of political views, as well as the growing interest in the renewal of both domestic and foreign policy in Polish society;
- the results of voting for the "Law and Justice" party indicate that it is not possible to form a coalition majority. Therefore, most likely, she will join the opposition;
- there is a trend towards the development of political dialogue between Poland and the European Union in order to settle a number of disagreements in the judicial system, migration policy;
- settlement of internal social and economic issues.

5.2. The concept of social polarization in the context of the influence of the political disputes

Over the last decade in Europe, there has been an increase in polarization in the electoral support of radical political forces directed against the traditional political system - the "establishment". This concept includes support for populist, anti-system, protest, radical, and extreme parties. This led to

the growth of differences between political parties and the growth of both ideological and personal differences in the views of voters and consumers.

It is worth noting that such a phenomenon as polarization is dangerous for a democratic political regime. In most cases, this leads to aggravation of conflicts, deepening of social divisions and a decrease in trust in political institutions. In addition, polarization can complicate decision-making processes and contribute to political instability.

Traditional political parties are losing their influence as polarization grows. After all, in this situation, it is extremely difficult to respond to innovative challenges and new values or preferences of society. Weaknesses in management, corruption, alienation from the people push voters to radical alternatives.

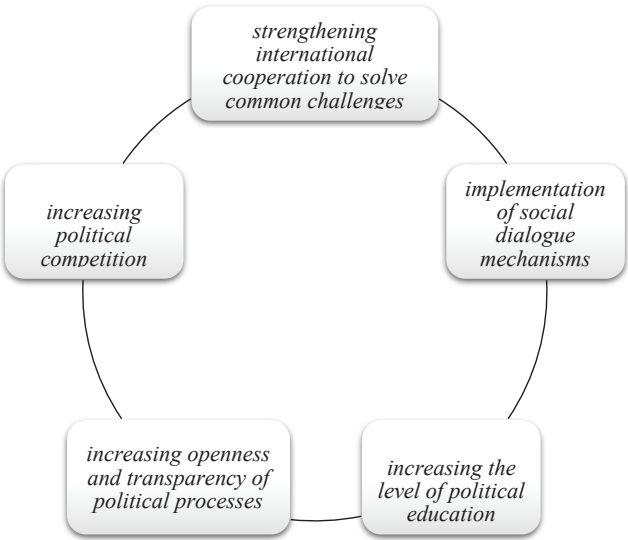


Fig. 5.7 Measures to reduce the likelihood of social polarization
Source: compiled by the author according to source – Casal Bértoa, F., and Rama, J.

Thus, solving the problem of polarization requires a complex and long-term approach that takes into account various aspects of social life and the political process.

It was in the period of post-communist Europe that polarization became a general phenomenon, because after the end of the Cold War, the level of polarization in 19 democratic states increased significantly. This applies not only to those countries that had experience of democracy before that,

such as Estonia and Latvia, but also to those that survived the interwar period. This is especially noticeable in the countries of the Visegrad Group - the Czech Republic, Poland, Slovakia and, in particular, Hungary, which are vivid examples of this phenomenon.

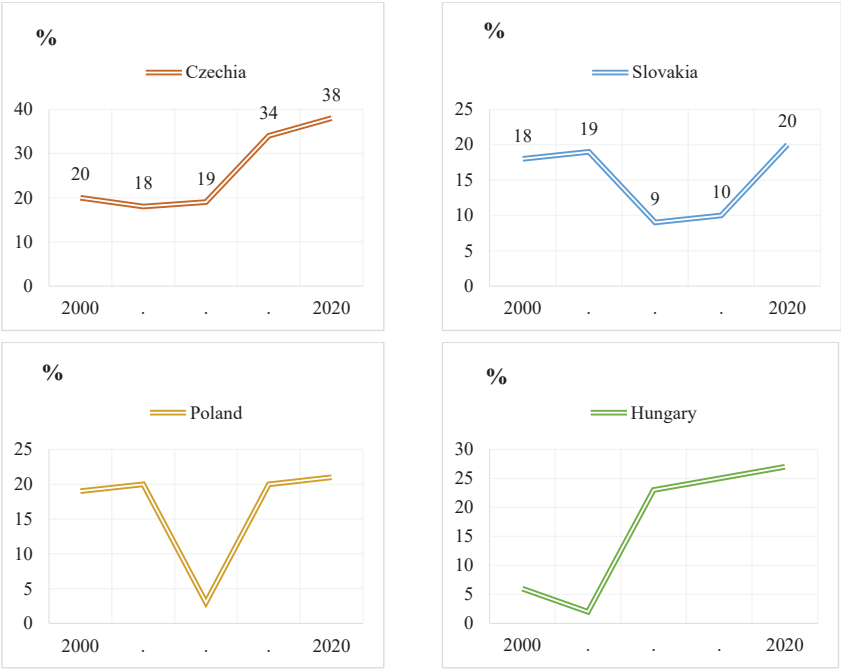


Fig. 5.8 Percentage of support for parties of the anti-political establishment in the countries of the Visegrad Group (APEp)

Source: compiled by the author according to source – Polarization: What Do We Know and What Can We Do About It

Most of the countries of Western Europe from the end of the 19th century to the end of 2019 support the parties of the anti-political establishment, which has an extremely negative effect on the level of turnout in elections. In this case, the overwhelming number of citizens attending elections is an indicator of the healthy functioning of a democratic state.

The basic idea is that the polarization that occurs because of breakdowns in the relationship between parties and voters reduces the desire of citizens to participate in the political process and undermines the legitimacy of the system as a whole.

The impact of social polarization has quite negative consequences for the stability of the government and the relationship between the executive and the legislature. That is, the higher the level of political disagreements between voters and consumers, the more difficult it is to form a stable legislative association for implementing state policy.

Social polarization and political conflict in the countries of the European Union in recent years has been accompanied by an increase in the level of political tension, and is a serious challenge to the stability of democratic institutions.

Table 5.1 shows the main reasons for the manifestation of political differences in the behavior of consumers on the territory of the European Union in the context of the emergence of political conflicts and social stratification.

Table 5.8 Justification of the causes of social polarization in the context of political conflicts
on the territory of Europe

Reason	Characteristic
<i>Economic situation</i>	Differences in income levels, employment and access to resources can lead to social inequality and cause dissatisfaction among different social groups. The authorities to mobilize support by further deepening the political conflict can use these economic differences.
<i>Identity and cultural differences</i>	Different ethnic, cultural and religious groups in Europe may have different interests and views, which can cause tensions and conflicts between them. These cultural differences can become the basis of political conflicts, especially if political parties use them to mobilize support.
<i>Migration flows and asylum of refugees</i>	Disputes over migration policy, the integration of migrants and the fight against attempted extremism can cause political divisions.
<i>Political system and institutions</i>	Weaknesses in the political system and institutions, such as corruption, under-representation, weak regulatory systems, etc., can fuel distrust of government and cause political conflicts.
<i>Media sphere and information technologies</i>	The use of media and social networks to manipulate public opinion, spread fake news and disinformation can increase social polarization and stimulate political conflict

Source: compiled by the author

Social polarization in Poland is the result of several interrelated factors that cause differences between different social groups. One of the main factors is the economic changes that took place after the fall of the Communist Party in 1989. The transformation from a planned to a market economy led to the rapid growth of certain economic sectors and regions, while others began to decline sharply.

This situation has caused significant economic inequalities between urban and rural settlements, as well as between the western and eastern parts of the country.

After 1997, democratic consolidation was observed in Poland, which was supported by the reorganization of the political landscape and the improvement of the economic situation in the country. In 1998, the country began negotiations on joining the European Union, actively working on the introduction of European norms and standards into its legislation. Although the idea of joining the EU found broad support among the population, some critics emphasized the need for more careful attention to national interests and the needs of small farms. The agreement on joining the European Union was officially signed in April 2003, and during the referendum that followed, 77.45% of voters expressed their support for this step. Poland's official accession to the EU took place on May 1, 2004, and since then support for the country's membership in the European Union has been stable at the level of 70-80%. Poland enjoys economic benefits from European structural funds and is actively involved in the formation of European policy. In 2009, Jerzy Buzek became the President of the European Parliament, and from 2014 to 2019, Donald Tusk served as the President of the European Council.

After 2015, when the Law and Justice (PiS) party came to power, social attitudes and preferences became more polarized. The elected party introduced a number of populist measures aimed at social support, but also conservative reforms that divided society. In particular, issues related to the rights of various social minorities, judicial reform, and relations with the European Union caused heated debates and protests.

It is important to note that traditional and religious values are deeply rooted in Polish society, especially in rural areas and the eastern part of the country. In cities, on the other hand, the population tends to hold more liberal and secular views. This difference in beliefs contributes to increasing social polarization.

The increase in foreign workers and openness to global markets has changed the economic landscape, while creating tensions between different population groups through competition for jobs and access to social services.

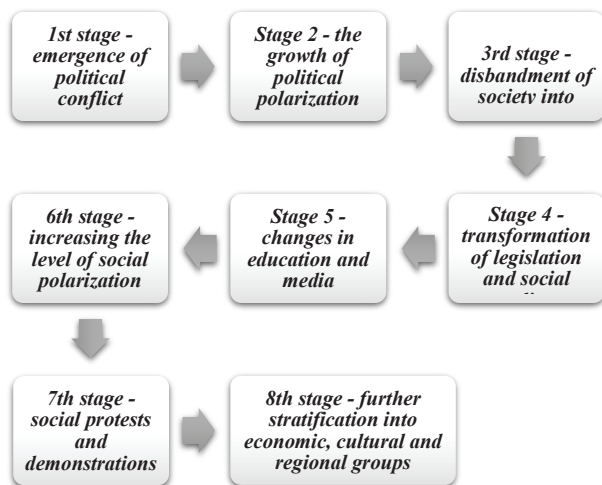


Fig. 5.9 Block diagram illustrating the process of formation of social polarization in Poland caused by political conflicts

Source: compiled by the author

A significant difference in views and preferences between the younger generation of voters in cities, who have obtained higher education, and the older generation in rural settlements, which have a lower level of education, is extremely noticeable. Participation in political parties remains low at around 1%, suggesting that parties are used primarily to promote candidates for office rather than as a means of engaging the public. Voter turnout, which was quite low, increased to 61.74% in the 2019 elections.

Poland's political landscape is characterized by volatility, with the emergence and disappearance of smaller parties around the main forces, such as PiS and PO, on the left, right and center of the political spectrum. For PiS and their allies, clientelism has become a means of securing electoral support by increasing the level of privilege of low-income social strata, thereby turning them into political supporters.

At the end of 2022, despite the leadership of the opposition parties in public opinion polls, they still have not decided on a concrete strategy for the upcoming parliamentary elections, in particular regarding the issue of forming a potential coalition. The country is home to a diverse array of interest groups, from business associations and labor unions to environmental organizations, which, while less visible, are gaining in influence. In particular, the local Fridays for Future branch initiated a series of protests before the pandemic began. Despite the fact that most non-governmental non-profit organizations remain quite small and only a few of them focus on the formation of political initiatives, the Catholic Church remains one of the most influential interest groups, striving to maintain its place

in an increasingly secularized and critical society. At the same time, the religious think tank Ordo Iuris stepped up its activities as a lobbyist, working on pro-life issues and drafting bills.

It is worth noting that approval of democratic norms and procedures is consistently high among the Polish population - Table 5.9-5.10.

Table 5.9 Analysis of political preferences of Polish citizens

Indicator	2022, %
General support for democracy as a political system	68
Belief in the need for change without democracy	62
Satisfaction with the work of democracy in the country	38
Dissatisfaction with the work of democracy in the country	52
They consider the elections to be free and fair	70

Source: compiled by the author according to source – Pew Research Center. Poland.

Table 5.10 Analysis of the choice of the Polish electorate

Supporters of the party	Satisfaction with democracy, %
PiS	83
KO	12
Lewica	18
Polska 2050	16

Source: compiled by the author according to source – Pew Research Center. Poland.

In Poland, public organizations and associations play a significant role in political life, influencing public opinion, legislative initiatives and political dialogue. They represent a wide range of interests and cover various aspects of public life from human rights and the environment to economic development and education.

The Catholic Church is one of the most influential social institutions in Poland, especially in matters of morality and ethics. The Church actively intervenes in political debates, especially on abortion, family values and education.

Ordo Iuris is a conservative legal and analytical center dedicated to the protection of traditional family values, protection of life from the moment of conception and opposition to LGBT+ rights. Ordo Iuris actively develops draft laws and conducts court cases aimed at protecting its positions.

The All-Polish Women's Strike (Ogólnopolski Strajk Kobiet) is a feminist organization that organized mass protests against the ban on abortion in Poland. This group advocates for women's rights, reproductive rights and the fight against discrimination.

Fridays for Future is the local branch of a global movement calling for more action that is aggressive by world governments to combat climate change. They organize protests and campaigns aimed at raising awareness of environmental issues.

Trade unions, in particular Solidarność (Solidarność), play a key role in protecting workers' rights, conducting collective bargaining and organizing strikes to improve working conditions and wages.

These and other organizations shape the political landscape of Poland, giving voice to various social groups and influencing the formation of public policy through active participation in public life, mobilization of public opinion and lobbying of their interests.

It is worth noting that Polish citizens can be characterized as activists from the point of view of public activity (table 5.11).

Table 5.11 Analysis of volunteering, participation in civil society and political activity of Poles according to CBOS data for March 2022 compared to 2020 data

Indicator	2020 year	2022 year
Participation in volunteer activities	43%	40%
Membership in a political party	0,9%	0,5%
Activity in interest groups or protest movements	3,0%	4,2%

Source: compiled by the author according to source – Pew Research Center. Poland.

Now, the level of trust of Polish citizens in certain situations and with specific groups of people was characterized by diversity, but it also shows some positive trends (table 5.12).

Table 5.12 Characteristics of the level of trust among Poles in various groups of people in 2020 and their attitude to the political, economic situation and personal well-being of their families in November 2022

Indicator	2018 year	2020 year	2022 year
<i>Trust in family members</i>		98%	
<i>Trust in friends</i>		95%	
<i>Trust in colleagues</i>		88%	
<i>Trust in neighbors and volunteers</i>			
<i>Trust in strangers</i>	29%	40%	

<i>Perception of the political situation</i>			<i>Bad (54%)</i>
<i>Perception of the economic situation</i>			<i>Bad (52%)</i>
<i>Personal well-being of the family</i>			<i>Fairly good (49%)</i>
<i>Personal well-being of the family (moderate)</i>			<i>Fairly good (43%)</i>

Source: compiled by the author according to source – Pew Research Center. Poland.

Thus, the high level of trust of Poles is mainly aimed at the close environment, such as family, friends and colleagues, as well as the growth of trust in strangers from 2018 to 2020. At the same time, the attitude towards the political and economic situation in the country remains critical in 2022, although many Poles believe that their families live relatively or moderately well.

The issue of the trend of social and political polarization in Polish agricultural farms requires special attention. After all, there is a significant difference between large, technologically equipped farms that have access to European funds and markets, and small family farms with a low level of income.

Households within rural settlements often face social isolation, especially in the context of urbanization and youth migration to cities. This leads to an aging population in rural areas and reduced access to social services and opportunities.

Rural areas tend to be more conservative and support right-wing parties, in contrast to more liberal urban areas. These discrepancies reflect increasing indicators of political polarization in the country.

There is a disconnect between the needs of farms, which may feel constrained by environmental regulations, and the environmental initiatives supported in urban and more liberal circles.

Efforts to modernize agriculture and attract European funds may be perceived positively by one part of the community, but cause resistance on the part of traditional, less technological farms, which acutely feel the growing level of competition.

The current government in Poland uses existing social divisions as a way to appeal to its electoral base, demonstrating its commitment to the interests of its voters. The actions of the government and the adopted legislative initiatives contributed to the further stratification of public attitudes.

However, there is an attempt by the government to mitigate the social isolation of those parts of the population that have not yet experienced positive changes from the country's economic progress, including rural households, pensioners and unemployed youth. In 2022, due to a number of economic and political crises, public discontent increased.

According to CBOS research, support for the PiS party dropped to 26% and opposition to the government reached a record 47% in October 2022. The opposition parties KO and Polska 2050 would have a majority if they could resolve their internal differences and form a coalition.

The conflict surrounding women's rights, in particular the almost complete ban on abortion imposed by the politicized Constitutional Tribunal, has caused significant public protests. The women's strike has turned into a powerful public initiative, demanding opposition parties to define their position on this and other controversial issues.

The government has faced criticism for failing to ensure effective dialogue with civil society and for ignoring an institutionalized form of consultation between trade unions and employers' associations. The COVID-19 pandemic has deepened already strained relations between the government and labor unions. In addition, the government's approach to managing NGOs through the establishment of registries to monitor foreign funding of non-governmental non-profit organizations has also raised concerns.

Poland stands out due to its extensive economy and strong domestic market, which has become especially visible during the pandemic challenges. Its geographical location next to other European states, high educational level of employees and relatively low wages attract foreign investments. The government planned to position the country as a center of pharmaceutical production in Europe and support innovative developments, in particular in the sector of small and medium-sized enterprises, which should strengthen the country's scientific and research potential.

However, for further progress, increased investment in research and development, as well as in adult education, is critical. Poland faces demographic challenges due to low birth rates and rising labor costs, which may affect its competitiveness.

The updating of the educational program, which is carried out for ideological reasons, does not meet the needs of an open society. An important problem remains in the field of health care, where plans to increase budget expenditures have not yet led to significant improvements in the system. At the same time, compliance with the requirements of the European Court and revision of the disputed legislation could open access to European funds for recovery after COVID-19, given that EU funds already provided a significant share of Poland's economic growth.

Reducing the level of political and social polarization in Polish households is possible with the help of an integrated approach that covers economic, social and political aspects. It is important to focus on supporting economic development through the stimulation of small and medium-sized enterprises, which will contribute to the creation of jobs and the reduction of economic inequality.

Investing in housing is important to ensure equal access to quality educational services for all segments of the population, in particular through the development of vocational training and retraining programs for adults.

The concept of social polarization, intensified by political disputes, has a significant impact on modern societies, including the Polish one. Political differences not only reflect existing social differences, but can also exacerbate them, leading to deeper divisions between different population groups.

This, in turn, leads to the division of society into opposing camps, which complicates dialogue and cooperation on the way to overall social progress.

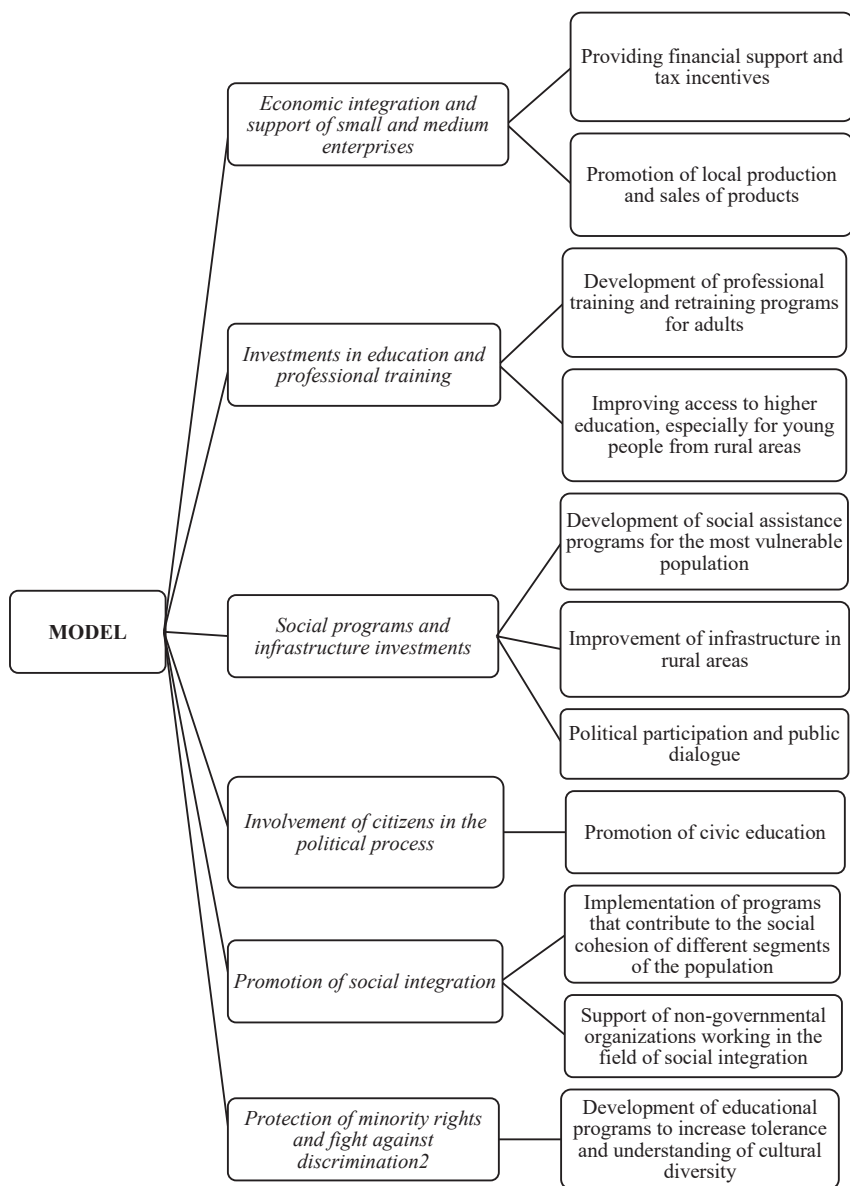


Fig. 5.10 A model for eliminating the negative impact of political conflicts on the level of social polarization

Source: compiled by the author

It is observed that political forces often use controversial issues as a means of mobilizing their own supporters, which not only preserves but also increases the polarization of public opinion. Such an approach can lead to a decrease in trust in state institutions, undermining the foundations of democracy and weakening social cohesion.

However, it is important to note that solving the problem of social polarization requires the efforts of the whole society, including political leaders, civil society, educational institutions and mass media. Promoting dialogue and mutual understanding, finding common values, restoring faith in the principles of democracy and the rule of law, and developing inclusive policies that take into account the interests of all segments of the population can help reduce polarization and build a more harmonious society.

In conclusion, overcoming the social polarization caused by political disputes is a difficult but necessary task to ensure the stability and prosperity of society. Balanced decisions that take into account the interests of different social groups and promote social justice will be the key to reducing divisions and building a stronger democratic state.

5.3. Principles of rational consumer behavior in different social strata of the population formed on the basis of political attitudes in the country

Classical democracy relies on collective efforts to create a prosperous socioeconomic environment for all members of society. In such a system, citizens initiate the formation of the state, striving for the establishment of social institutions and relations that they consider ideal. According to their beliefs about civil rights and responsibilities, as well as the role of government in their lives, different conceptions of a democratic community emerge. These differences, which are rooted in ideological differences, can lead to deep conflicts and divisions between groups.

Recently, there has been a pronounced conflict in Poland between supporters of different ideas about the political community, which causes significant social and political division. The two main opposing concepts - liberalism and communitarianism - have become the main rivals in the Polish socio-political dialogue. Leaders and supporters of these trends rely on the fundamental principles of civil society, while promoting different approaches to the interaction of the state with citizens.

According to the liberal approach, the basis of individuality is believed to be freedom and ethical autonomy, with the priority of personal rights over collective needs. Liberals believe in creating a strong civil society structure that opposes state power over the individual, while allowing people of different ideologies and beliefs to coexist peacefully within the framework of law and mutual respect.

In contrast, communitarianism sees the individual as an integral part of a social group, formed in the process of socialization and not having an existence outside the wider community. The absence of social standards, values and culture would turn the individual into a mere biological existence. Here, the community is primary, because it constitutes personal identity, putting the good of the community above personal interests. Communitarians argue that the authentic freedom of the individual is a reflection of the freedom of the community to which he belongs, based on the authority of laws, customs, and traditions.

Given the need to improve the financial well-being of citizens, strengthen the stability of financial systems and promote sustainable economic growth, many European countries, including Poland, emphasize the importance of increasing the financial literacy of the population. In response to the problem of low financial literacy, government organizations are developing specialized financial education programs and strategies. These programs aim to improve financial management skills among the population, provide a better understanding of financial mechanisms, help in effective management of household budgets, and stimulate the development of long-term savings.

In 2021, Poland celebrated 25 years of membership in the Organization for Economic Co-operation and Development (OECD), confirming its success in transitioning from a centralized, low-income economy to a highly integrated market economy capable of competing internationally. Poland has achieved significant economic progress and increased incomes through a series of reforms: macroeconomic stabilization, privatization, and reorganization of business regulation, tax changes, and initiatives to revitalize the labor market. As a result, Poland achieved one of the highest growth rates among OECD countries, continuing to approach the level of higher income countries.

According to the OECD Better Life Index, Poland performed well in the areas of personal safety and education, but at the same time showed weaker results in the areas of health, income and social security, civic engagement, life satisfaction, employment and income, environmental condition, work-life balance personal life, as well as living conditions.

1. Despite significant progress, Poland faces a number of challenges, including an aging population, a shrinking working-age population, persistent urban-rural income disparities, and the effects of the COVID-19 pandemic. The government's efforts to reform social support and the pension system, together with difficulties in the banking sector, especially with regard to mortgage loans in foreign currency, have undermined the public's trust in government institutions and financial institutions, which are considered too focused on their own profits. As of the beginning of 2022, only 15% of Poles expressed trust in financial institutions in the context of savings and investments, which is a decrease from 6% in 2021.

Since February 2022, Poland has assumed an important role in providing assistance and shelter to refugees from Ukraine fleeing the conflict provoked by Russia. This event, against the backdrop

of an economic shock for the world economy, has the potential to change the economic, financial, social and political landscape of Poland and other European countries.

According to the 2021 report of the National Bank of Poland, the country's financial infrastructure, including the banking sector, is characterized as moderately developed compared to the most developed economies. The banking sector occupies a leading role in the country's financial system. The assessment from the World Bank confirms that the Polish banking system is well capitalized and able to withstand economic fluctuations.

Table. 5.13 The structure and focus of the Polish financial system

Aspect	Details
<i>Banking Sector Overview</i>	Moderately developed compared to economically developed countries. Dominant role in the financial system.
<i>Capitalization & Resilience</i>	Well-capitalized and resilient to shocks according to the World Bank Group assessment.
<i>Composition</i>	- 30 commercial banks - 502 cooperative banks - 36 EU credit institution branches
<i>Ownership</i>	- 13 commercial banks under domestic control - 17 under foreign control
<i>Main Services</i>	Traditional banking services (deposits and loans) primarily by domestic banks.
<i>Focus of Cooperative Banks</i>	Lending to agriculture and SMEs.
<i>Credit Unions</i>	- Represent 0.5% of financial sector assets - Serve 1.76 million members, mainly retirees and employees

Source: compiled by the author according to source data 3. CONSUMER LIFESTYLES IN POLAND. URL. https://www.rvo.nl/files/file/2023-01/Polen%20Consumer_Lifestyles_in_Poland%202017.pdf

Polish banking institutions have traditionally focused on providing basic services such as deposits and lending, according to data provided by the National Bank of Poland and the Financial Supervisory Authority. In Poland, cooperative banks are often engaged in lending to the agricultural sector and small and medium-sized enterprises. Credit unions, which make up a small share of the nation's total financial sector assets but serve more than a million members, mostly retirees and workers, also have a significant role in the financial sector, as reported in 2022.

In Poland, the political context has a significant influence on consumer choices, which depend on different demographic and social groups, including the young, the elderly, urban and rural

residents, as well as people with different incomes and education levels. The influence of politics on consumers is manifested through economic policies, social programs, political stability, etc.

Buying a home in a rural area becomes a status symbol for the middle class, providing an opportunity to escape the hustle and bustle of the city while maintaining access to jobs or educational institutions. However, this is often achieved at the expense of long-term debt, with 45% of the middle class having debt and the same number with no savings. Analyzes by the National Bank of Poland reveal a deep gap between the very rich and the poor, with the ten richest Poles owning the equivalent of seven million of the poorest. A typical middle-class person has an apartment valued at 300,000 zlotys and a car worth 50,000 zlotys, with only minimal savings. A large part of the middle class does not have enough funds to start their own business or invest, depending on loans provided by banks.

Table 5.14 Analysis of features of socio-economic development of representatives of the Polish middle class

Criterion	Data
<i>The size of the middle class</i>	Approximately 12 million people aged 24-65
<i>Education, including:</i>	
Higher	17%,
Average	31.6%,
Primary and vocational	less than 46%
<i>No education</i>	5,4%
<i>Place of residence</i>	61% in cities, 39% in rural areas
<i>Dwelling</i>	Own house in the countryside as a status symbol of the middle class
<i>Credit obligations</i>	45% have loans, 45% have no savings
<i>The gap between the rich and the poor</i>	The 10 richest Poles have assets equal to the achievements of the poorest 7 million
<i>Standard assets</i>	Apartment for 300,000 zlotys, car for 50,000 zlotys, minimum savings
<i>Economic weakness</i>	The lower middle class is economically vulnerable, dependent on bank loans
<i>The future of society</i>	Challenges associated with an aging population, low demographic growth, low incomes and low savings

Source: compiled by the author according to source data 3. CONSUMER LIFESTYLES IN POLAND. URL. https://www.rvo.nl/files/file/2023-01/Polen%20Consumer_Lifestyles_in_Poland%202017.pdf

The lower middle class appears to be economically vulnerable, with differences between elite life and the middle class illusion of the possibility of an elite lifestyle. Many of them are precarious

workers without financial security. The outlook for Polish society is bleak with an aging population, low demographic growth, low incomes and minimal savings, despite major changes over the past 30 years.

Consumers of all age groups in Poland often show a deep commitment to the concept of "economic patriotism", preferring locally produced products that they consider to be of higher quality. According to the results of a survey conducted by the ceneo.pl service. Most buyers are ready to spend more for goods made in Poland: 35% of respondents are ready to pay 10% more, and 33% - 30% more for Polish goods than for similar imported goods. Consumers actively use Internet resources to identify Polish goods.

For example, the website madenewpolsce.pl provides information about local manufacturers, while the Pola app allows you to scan a product's barcode, indicating the manufacturer and place of production. Social networks, blogs and hashtags are also used to promote "Made in Poland" products.

Table 5.15 Analysis of the attitude of Polish consumers to domestic products

Category	Description
<i>Economic patriotism</i>	High commitment to Polish products among consumers who consider them to be of higher quality
<i>The importance of origin</i>	64% of consumers consider the Polish origin of the product to be one of the key factors when choosing.
<i>Willingness to pay more</i>	35% are ready to pay 10% more, 33% - 30% more for Polish goods compared to imported ones.
<i>Use of Internet resources</i>	Websites, mobile applications (eg Pola), social networks and blogs are actively used to identify Polish goods.
<i>Promotion "Made in Poland"</i>	Active use of social networks, blogs and hashtags to promote products made in Poland.

Source: compiled by the author according to source data 3. CONSUMER LIFESTYLES IN POLAND. URL. https://www.rvo.nl/files/file/2023-01/Polen%20Consumer_Lifestyles_in_Poland%202017.pdf

The significant support for domestic products, which is analyzed in Table 5.. in addition, the preference for Polish brands reflects the tendency of economic nationalism, which can be strengthened in conditions of political instability or in periods of defense of national interests. Such consumer behavior may be a response to political calls to support the national economy and create jobs in the country.

The increase in interest in "Made in Poland" products (table 5..) is partly due to political campaigns promoting the idea of self-sufficiency and economic independence of the country. This

may reflect the government's desire to strengthen the domestic market and reduce dependence on imports.

The use of Internet resources, social networks, and mobile applications to identify and promote Polish goods highlights how modern technology and digital communication can be used to support national economic interests. It also shows that political ideas and initiatives can be effectively disseminated through the latest means of communication.

Despite globalization and the openness of world markets, there is strong support for local production, which may reflect attempts to balance globalization challenges with the preservation of national identity and economic sovereignty. It can also be a reaction to globalization processes that cause resistance and encourage the search for ways to preserve national uniqueness.

Consumer loyalty to Polish goods and willingness to pay a premium for them can be a reflection of the success of the government's economic policy, which stimulates domestic production and supports Polish companies. This, in turn, can contribute to the growth of economic patriotism among the population.

The population aged 60 and over in Poland reached 8.8 million, becoming the second largest consumer group in the country (table 5.16).

Table 5.16 Analysis of the adaptation of goods and services to the growing needs of Polish consumers in the category of "elderly people"

Characteristic	Description
<i>Demographic changes</i>	The number of people 60+ will grow from 8.8 million in 2016 to 10.6 million in 2030, accounting for 28.5% of the population.
<i>Impact on the consumer market</i>	The elderly will become the largest consumer segment, increasing demand for modern goods and services.
<i>Changes in behavior</i>	The new generation is expected to be more inclined to use technology and online shopping compared to the current generation.
<i>Demand for goods and services</i>	The growth of this group will lead to an increase in demand for medical products, health services and housing for the elderly.

Source: compiled by the author according to source data 1. Bertelsmann Stiftung, BTI 2024 Country Report — Poland. Gütersloh: Bertelsmann Stiftung, 2024. URL: <https://www.bti-project.org>.

The 60+ generation has been shaped by the conditions of the communist past and economic challenges, while also being influenced by post-1989 economic growth and commercial expansion. By 2030, a new generation of older people is expected to drive demand for modern goods and services, particularly in the areas of travel, leisure and recreation. With greater awareness of technology and the convenience of online shopping, they will also actively use the Internet for

shopping, showing a greater openness to e-commerce than their predecessors will. The expansion of this demographic group will cause an increase in demand for products and services adapted to the needs of older people, including medical products, health services and specialized housing.

From the point of view of the political situation in Poland, it is possible to identify several key aspects that are important for the formation of policies and strategies in the consumer segment in the future, in particular:

1. Demographic changes. The significant aging of the population in Poland affects the political sphere, especially in the context of social policy, pension reforms and the health care system. Increasing the proportion of older people will require the government to adapt existing programs and create new ones to meet the growing needs of this segment.

2. Social services and health care. The increase in the number of elderly people prompts a review of policies in the field of health care and social security. The issue of providing affordable and high-quality medical services, as well as the expansion of infrastructure for the elderly, including specialized housing, will become important.

3. Economic power of the 60+ generation. As an important consumer segment, the elderly can influence market trends and economic policy. Their growing numbers and potential economic power make them a significant group for political parties seeking their support.

4. Pension reforms. The increase in the number of elderly people may make it necessary to reform the pension system in Poland in order to ensure its sustainability and adequacy of pension payments. This can become one of the main challenges for politicians and the government.

5. Technological adaptation and digitalization. Consumer behaviors of seniors are changing due to increasing technological awareness. This requires political leaders and public institutions to pay attention to the digitization of services and to ensure the availability of technological solutions for older people.

It is worth noting that solving the challenges related to the aging of the population will become a key task for ensuring the sustainable development of the country.

Despite the fact that many consumers have become more aware of climate change issues, the use of environmentally safe production technologies, Fairtrade products and animal welfare issues, the cost of goods and services is still for most a decisive criterion in their choice. According to a study conducted by GCT in 2020, 45% of respondents indicated a preference for purchasing products that are environmentally friendly or ethically acceptable. While 70% stated their desire to have a positive impact on the environment, the price factor remained a priority for a large proportion of buyers. In addition, the increase in the number of households installing solar panels is mainly motivated by the desire to save on electricity bills, and there is a growing interest in purchasing energy-efficient household appliances.

Recently, supermarkets and discount stores have begun to offer their customers a more affordable line of "green" food products, responding to the increase in the number of consumers who are willing to spend extra money for products that, in their opinion, are healthier and more environmentally friendly. There is also a growing number of people who, driven by concern for animal welfare, are seeking to reduce the consumption of meat in their diet and are choosing products such as free-range eggs.

In the context of the political situation in Poland and the information given above, several key aspects that influence consumer trends and decisions in the field of environmentally friendly and ethical goods can be identified, namely:

1. Environmental policy and regulations. As a member of the European Union, Poland is obliged to comply with strict environmental standards and targets set by the EU, including reducing CO₂ emissions, increasing the share of renewable energy and improving energy efficiency. This stimulates the growth of environmentally friendly initiatives and can influence consumer attitudes.

2. Energy policy. Poland has traditionally relied on coal as its main source of energy, causing some environmental and political debate in the country. However, the growing interest in solar panels and energy-saving appliances indicates an increased focus on alternative and renewable energy sources, which is also supported by government incentives to reduce dependence on coal.

3. Social awareness and changing consumer priorities. Although price remains the main factor when choosing products, the growing number of Polish consumers who value environmental cleanliness and ethics indicates a change in social attitudes. This may be due to global trends and increased availability of information on environmental and social issues.

4. Impact on the agro-industrial sector. Poland has a strong agricultural sector, so the growing demand for environmentally friendly and ethical products may encourage local producers to adapt their production practices. This could include the production of Fairtrade-compliant food, as well as the transition to more sustainable and responsible farming practices.

5. Political challenges and opportunities. Political support for environmental initiatives and sustainable development can be an important factor in shaping consumer preferences. Government programs and incentives to support "green" technologies, as well as investments in renewable energy and energy efficiency, can have a significant impact on the market.

In general, despite the economic challenges and the existing dependence on traditional energy sources, there is a positive movement in Poland towards more environmentally friendly and ethical consumer choices. Policy initiatives aimed at stimulating these trends can play a key role in the further development of these trends.

Recent years have shown a significant increase in access to the Internet among the population (table 5.17).

Table 5.17 Internet usage trends among Polish consumers

Year	Internet users (%)	Access to broadband Internet (%)	Households with computers (%)	Laptops (%)	Tablets (%)	Smartphones (%)
2017	73	73.6	79	63	17.5	51
2022	90	85	92	80	32	76

Source: compiled by the author according to source data 1. Bertelsmann Stiftung, BTI 2024 Country Report — Poland. Gütersloh: Bertelsmann Stiftung, 2024. URL. <https://www.bti-project.org>.

A survey by the Pew Research Center showed that 78% of adults who use the Internet (especially young people) visit the network daily. The consumer distribution regarding the features of using Internet resources and social networks is shown in tables 5.18.

Table 5.18 Distribution of different types of active operations in Internet sources carried out by Polish consumers

Activity	Respondents (%)
<i>Communication with friends/family</i>	82
<i>Search for political news</i>	66
<i>Searching for health information</i>	64
<i>Search for information about government services</i>	44

Source: compiled by the author according to source data 3. Pew Research Center. Poland. URL. https://reliefweb.int/organization/pew-research-center?gad_source=1&gclid=Cj0KCQjwq86wBhDiARIsAJhuphkG2MHAb5_N5m6BVpYTe6MqxGqcPricjC4O-UD06GuBrmMQSrijmzYsaAqSZEALw_wcB

Table 5.19 Analysis of the use of social networks by Polish consumers

Assertion	Respondents (%)
<i>Have at least one social media account</i>	84
<i>They regularly use social networks</i>	63
<i>Facebook is the most visited</i>	73
<i>Actively support brands</i>	42
<i>They bought products through social networks</i>	32
<i>Information about purchases was shared</i>	60
<i>Share your views on music/movies</i>	51
<i>They share their views on sports</i>	39
<i>They share their views on politics</i>	16

Source: compiled by the author according to source data 3. Pew Research Center. Poland. URL. https://reliefweb.int/organization/pew-research-center?gad_source=1&gclid=Cj0KCQjwq86wBhDiARIsAJhuphkG2MHA5_N5m6BVpYTe6MqxGqcPricjC4O-UD06GuBrmMQSrmzYsaAqSZELw_wcB

Considering the above information from the point of view of the political situation in Poland, several key aspects can be noted that may have an impact on political processes and public opinion in the country, in particular:

1. Increasing access to the Internet and social networks. The significant increase in the use of the Internet and social networks in Poland creates a powerful platform for political mobilization and activism. This allows political parties and movements to more effectively reach their audiences, spread their ideas and mobilize supporters.

2. Using the Internet to search for information. With an increasing proportion of the population actively seeking political news and information about government services online, the importance of online media and social networks as sources of information is increasing. This can influence the formation of public opinion and political attitudes in society.

3. Activity of the population in social networks. The high level of activity on social media, including discussions of music, movies, sports and politics, points to the potential of social media as an arena for political debate and discussion. Political leaders and parties can use these platforms to engage in dialogue with voters and influence public opinion.

4. Electronic commerce through social networks. The rise of buying products through social media also points to the importance of digital literacy and trust in online platforms. For political campaigns, this could mean new opportunities to raise funds and distribute promotional materials.

5. Influence on political campaigns. Election campaigns in Poland can rely heavily on digital strategies, including using social media to spread their messages, attract volunteers and donations. This especially applies to young people, who are the most active on the Internet.

6. Political mobilization. The information through social media can facilitate rapid mobilization of citizens, especially in response to current political events, which may include rallies, demonstrations, and other forms of public activism.

In today's Poland, where the political environment remains dynamic and arouses considerable public interest, the role of the Internet and social networks in political discourse becomes particularly relevant. This creates new opportunities for political participation and influence on political processes, as well as challenges political leaders and organizations to adapt to the digital age.

It is possible to identify several key aspects that influence rational consumer behavior and its index:

1. Influence of the economic situation: High unemployment and economic conditions in the country cause consumers to focus on internal aspects of corporate behavior, such as job stability and decent working conditions, more than on external aspects, such as environmental initiatives.

2. Public expectations of government: There is a clear expectation that central government and local governments should play a key role in promoting responsible corporate behavior, indicating the superiority of regulatory methods over market mechanisms to achieve socially and environmentally responsible business.

3. The need for education and enlightenment: It is indicated that there is a significant need for educational programs that would explain to the public the benefits of responsible corporate behavior, which can stimulate the demand for goods and services of companies that adhere to the principles of CSR.

4. Calculation of the rational consumer behavior index

To calculate the index of rational consumer behavior - IRSP, you can use the following formula, which takes into account the above aspects:

$$IRSP = \frac{Wc \times C + Wg \times G + We \times E}{Wc + Wg + We} \quad (5.1)$$

where: C is the average level of knowledge about CSR among consumers (on a scale from 0 to 1);

G – the level of trust in the government regarding CSR regulation (on a scale from 0 to 1);

E – the level of consumer readiness to change buyer habits in favor of products from companies that adhere to CSR (on a scale from 0 to 1);

Wc, Wg, We are weighting factors for each of the indicators.

Weighting factors can be determined based on their importance to the overall evaluation, for example, through expert surveys or analysis of consumer behavior data.

The IRSP index will allow assessing the level of rationality of consumer behavior in the context of CSR and can be used to compare different social groups or changes over time. It is important to note that for an accurate calculation, it is necessary to have reliable and up-to-date data.

Calculation of indicators of rational consumer behavior in different social strata, based on political attitudes, can be performed using a combination of statistical analysis and econometric models. Here are some steps and methods you can apply:

1. Definition of variables:

- Spending on consumer goods and services (C).
- Savings share of total income (S).
- Share of spending on locally produced products (L).
- Political attitudes (P), coded on a scale of -1 to 1, where -1 means strong left-wing views and 1 means strong right-wing views.

2. Data collection

Collect data for each variable for different social strata. Data can be obtained from sociological surveys, government statistics, financial reports, etc.

3. Statistical analysis

Using statistical methods such as descriptive analysis and correlation analysis, identify major trends and relationships between variables.

4. Econometric model

Build an econometric model for analyzing the influence of political attitudes on consumer behavior. For example, a linear regression model:

$$C = \alpha + \beta_1 S + \beta_2 L + \beta_3 P + \varepsilon \quad (5.2)$$

where, C – spending on consumer goods and services,

S – share of savings,

L – share of spending on local goods,

P – political sentiments,

α – a constant,

β_i – coefficients of influence of the relevant variables,

ε – the error term.

Interpretation of the coefficients of the model will help to understand how political attitudes affect consumer behavior in different social strata.

This approach allows not only to identify dependencies between consumer behavior and political attitudes, but also to quantify these dependencies. It is important to remember that the results will depend on the quality and representativeness of the data collected.

Poland demonstrates a strong and diverse economy with robust domestic consumption, which has helped it effectively face the challenges of the pandemic. Thanks to its strategic location in Europe, skilled workforce and favorable business conditions, the country attracts significant foreign investment, particularly in the field of manufacturing and technology. Government measures aimed at revitalizing the pharmaceutical industry and supporting innovation, particularly among SMEs, promise further development of the research sector.

However, the future of successful development depends on increased investment in research and education. Poland needs to address demographic challenges and rising labor costs to maintain its competitiveness. Criticism from the Ministry of Education regarding curricula and methods that do not meet the needs of modern society, and problems in the field of health care require immediate solutions. A key aspect is also the need to harmonize national legislation with European norms for the restoration of funding from the EU, which is of great importance for the country's economic growth.

On the political front, Poland is experiencing turbulence due to the actions of an illiberal and populist government, which has caused a decline in popular support. Political differences in the government coalition and the need to find alternative political solutions before the upcoming elections highlight the need for a new political discourse.

The situation is complicated by the armed conflict in Ukraine, which affects the security, economic and social situation of Poland, while creating new opportunities for the labor market thanks to the influx of Ukrainian workers.

In this context, political attitudes and consumer preferences in Poland are formed under the influence of economic development, demographic changes, international relations and domestic political challenges. The response to these challenges and the ability to adapt to changing conditions will determine the future socio-economic and political situation of the country.

5.4. Formation econometric model based of approaches of "welfare economy" and "economy of impressions" to meet the needs of different social groups in the context of political disputes

Modern conditions of economic development in which society systematically faces new challenges of economic, political, cultural integration, as well as social changes and market transformations, leads to the study of the "new" economy, in particular "well-being" and

"impressions", which are a broad field of research today , both for economists and for scientists of related fields. Because most of the developed countries of the world strive to create the highest quality conditions for the well-being and life of the population. Therefore, the scientists of the leading countries strive to investigate and develop models, strategies or programs for the development and improvement of the population's well-being in more detail.

Nevertheless, it is worth noting that consumers are characterized by their variability in space and time. Improving the well-being of both the individual consumer and the population as a whole is a rather urgent issue, as issues of an institutional (political) nature are gaining special attention, development and acuteness, especially against the background of political changes in the country, which is largely reflected in the mood and behavior of consumers. Recently, more and more scientists emphasize the importance of the institutional (political) environment in ensuring the well-being of the population. Scientists have also formed the concept of "well-being", which they interpret as a form of existence, restoration of physical strength, satisfaction of personal needs, material and immaterial opportunities, a set of conditions for ensuring the life of the consumer (society), realized needs and standard of living.

Economic well-being and the economy of consumer impressions depend on the level of consumer satisfaction of their needs. Currently, the legislation provides for guarantees to ensure the basic needs of consumers at the level of state standards and regulations. Therefore, the formation of the economy of well-being and the economy of impressions among consumers directly depends on achieving the level of satisfaction of various needs. Moreover, the provision of benefits to meet needs is an important factor in making political decisions regarding certain programs, social projects, events, etc.

Considering the concept of "welfare economy" and "economy of impressions", the words to note are the concept of "quality of life". Under which in modern conditions is understood a rather complex characteristic of the consumer in various social states, which reflect the level of freedom of the consumer, the possibility of his comprehensive development, the ability to implement life plans and abilities.

Therefore, this is the set of social, cultural, material, spiritual values that society provides to each individual to satisfy his needs and interests. We are talking about categories that reveal how satisfied consumers are with the realization of their needs in modern conditions, in the context of social policy and social welfare of society.

It is also worth noting that economic well-being and the impression of the population are closely related. In turn, the increase in the standard of living and income, the improvement of patterns of consumption of goods and services, the diversity of consumer demand, high requirements for the quality of goods and services lead to the elimination of monopoly, increased competition and consumer orientation of higher forms of economic life.

Here we can argue that social, economic and political goals are the mechanism for their achievement. And the living environment, social security, quality of life, creative development are parameters that shape personal values and motives, which emphasizes the symbiosis of the political and economic environment of life in society as a whole.

Thus, modern theoretical concepts of economic well-being and economic impressions are an opportunity to satisfy the needs of households, determine the standard of living in society, and predict the emergence of pronounced social imbalance.

It should be noted that the well-being of consumers is assessed by many indicators used by international organizations and scientists, as well as by normative provisions defined by legislation.

Such indicators include: morbidity, healthy life expectancy; child mortality; the standard of living in society, the distribution of welfare, the purchasing power of consumers, the level of income, prices, the culture of consumption of goods, etc.

An important point in the study of consumer behavior in the context of economic and political aspects is the indicator of GDP (gross domestic product) per consumer and the level of human development (human development index), which is calculated taking into account the size of GDP per consumer.

Therefore, to form an econometric model, it is worth using indicators that characterize "economic well-being" and "economic impressions" - these are indicators of gross domestic product per consumer, and for indicators of an institutional (political) nature, it is advisable to use 15 independent variables.

For modeling, an econometric model is formed using the method of principal components. This model will have the form of a regression equation, since the provision of well-being depends directly proportionally on the intensity of action of independent institutional factors.

$$EM = a_0 + a_1 X_1 + a_2 X_2 + \dots + a_n X_n \quad (5.3)$$

where, EM – welfare of the population (GDP volume per consumer, in dollars);

a_1, a_2, a_n – coefficients of the model;

n – the number of institutional (political) factors;

X_1, X_2, X_3 – institutional (political) factors.

Model development includes the following stages:

- 1) Formation of initial data for a certain period;
- 2) Standardization of indicators according to the following formula:

$$P = \frac{X_i - \bar{X}_i}{\delta_i} \quad (5.4)$$

X_i – the value of the i-th indicator;

$\bar{X}_i$ – average arithmetic value i;

δ_i – standard deviation i.

The average arithmetic value is calculated using the formula:

$$\bar{X}_i = \frac{1}{n} \sum_{i=1}^n X_i \quad (5.5)$$

The standard deviation of the indicator is calculated using the formula:

$$\delta_i = \sqrt{\frac{1}{n} \sum_{i=1}^n (X_i - \bar{X}_i)^2} \quad (5.6)$$

3) Calculation of the correlation matrix R according to the formula:

$$R = \frac{1}{p-1} Y Y^t, \quad (5.7)$$

where, Y^t – matrix transposed to matrix Y. Values equal to 1 are placed along the main diagonal of the correlation matrix R.

Using the correlation matrix R, you can construct the matrices A and L. According to the theorem of factor analysis, the matrix A is calculated according to the following equation:

$$R = A C A^t, \quad (5.8)$$

where, C – a correlation matrix that reflects the relationship between factors. It should be noted that this matrix is single, the factors are orthogonal.

For the matrix C, the following ratio must be fulfilled:

$$\frac{1}{p-1} L L^t = C, \quad (5.9)$$

After which we form orthogonal factors for which:

$$R = A A^t. \quad (5.10)$$

4) Isolation of the main components and calculation of factor loadings.

5) Determination of the main components.

Table 5.21 presents the base of initial data, which included 20 institutional (political) indicators for the years 2000-2022.

Table 5.21. Institutional (political) indicators of consumer welfare

1	Corruption perception index	Characterizes the expected level of corruption in the public sector
2	Control over Corruption index	Characterize the penetration of corruption into various spheres of state administration (a higher indicator means less corruption, and vice versa)
3	Ownership	Characterizes the strength and quality of rights related to ownership, disposal and use of property.
4	Integrity of government	Characterizes the quality of institutions that control corruption risks in the sphere of security and defense
5	Tax burden	Average percentage of taxes per consumer
6	Freedom of business	Reflects the effectiveness of government regulation of business
7	Monetary freedom	Characterizes price stability and the quality of state price control
8	Investment Freedom	Assesses investment restrictions
9	Expenditure on education, % of GDP	Expenditure on education, % of GDP
10	Economic globalization	Combines economic flows and restrictions on trade and capital
11	Political globalization	Characterized by the number of embassies and the presence of higher commissions in the country, the number of international organizations of which the country is a member
12	Social globalization	These are personal contacts, information flows and cultural proximity
13	Health care costs, % of gdp	Health care costs in % of GDP
14	Electoral vote and responsibility	Expresses the possible degree of participation of citizens in the formation of power
15	Political stability and absence of violence or terrorism	Expresses the possibility that a government may be destabilized or overthrown by unconstitutional or violent means
16	Government efficiency	Characterizes the quality of public services, public service, policy-making, policy implementation and trust in the government's commitment to improve these qualities or maintain them at a high level
17	Regulatory quality of government	Captures perceptions of the government's ability to formulate and implement sound policies and regulations that enable and promote consumer welfare
18	The rule of law	Expresses the degree of obedience to the legislation of the country
19	The percentage of unemployment, from total amount	The percentage of unemployed among the economically active population of the country
20	R&D expenses, % of GDP	Expenditure on scientific research in % of GDP

Source: compiled by the author according to source data 1. Bertelsmann Stiftung, BTI 2024 Country Report — Poland. Gütersloh: Bertelsmann Stiftung, 2024. URL. <https://www.bti-project.org>.

The initial information is given in table 5.22.

Table 5.22. Source information for assessing the state of consumer welfare

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
2000	28	-0,95	30	30	64,4	55	0	50	4,45	66,85	87,84	69,04	4,08	0,09	-1,16	-0,36	-0,30	-0,67	7,65	0,51
2001	26	-1,11	30	30	63	55	39,3	50	3,65	66,43	88,08	69,71	3,89	0,02	-1,42	-0,30	-0,26	-0,70	8,89	0,49
2002	15	-1,27	30	28	62,3	55	63	50	4,17	66,01	88,32	70,38	3,70	-0,04	-1,87	-0,41	-0,30	-0,73	11,32	0,47
2003	21	-1,15	30	26	63,8	55	62,3	50	4,69	65,59	88,56	71,05	3,52	0,01	-1,87	-0,46	-0,32	-0,71	11,86	0,45
2004	24	-1,05	30	15	66,1	55	58,2	50	5,44	64,74	88,56	70,91	3,53	0,00	-1,86	-0,57	-0,43	-0,77	11,78	0,48
2005	23	-0,93	30	21	67,1	55	64	30	5,61	62,76	88,23	70,76	3,64	-0,09	-1,96	-0,53	-0,59	-0,82	11,06	0,61
2006	22	-0,93	30	24	67,5	55	74,5	30	5,31	62,15	86,4	71,51	3,69	-0,14	-2,02	-0,41	-0,63	-0,78	10,14	0,65
2007	26	-0,72	30	23	83	55	76,2	30	6,06	62,22	86,57	72,77	3,45	-0,32	-0,78	-0,52	-0,62	-0,80	9,05	0,76
2008	28	-0,75	30	22	90,2	43,1	72,9	30	6,21	62,51	86,45	71,45	3,74	-0,28	-0,78	-0,41	-0,60	-0,78	8,59	0,75
2009	27	-0,80	30	26	83,6	43,6	68,4	30	6,16	61,8	85,85	71,02	3,74	-0,08	-0,09	-0,61	-0,60	-0,82	7,18	0,74
2010	25	-0,84	30	28	79	44,4	69,9	30	6,44	61,64	85,9	67,56	3,45	0,06	-0,07	-0,58	-0,52	-0,81	6,81	0,83
2011	22	-1,04	30	27	77	40,5	68,1	30	7,32	62,08	85,76	65,86	3,69	0,09	0,01	-0,82	-0,57	-0,72	6,35	0,86
2012	24	-1,03	30	25	77,9	38,7	61,2	20	7,40	59,4	86,89	66,62	3,85	-0,06	-0,30	-0,72	-0,53	-0,68	6,36	0,85
2013	23	-1,05	30	22	77,3	47,1	63,2	20	6,16	57,51	85,99	63,72	3,19	0,05	0,04	-0,83	0,43	-0,75	8,84	0,83
2014	26	-1,08	30	24	78,2	46,2	67,7	20	6,69	54,96	84,56	61,56	3,56	-0,29	0,17	-0,72	-0,52	-0,60	8,1	0,95
2015	25	-1,13	30	23	78,2	47,6	71	20	6,67	53,59	83,67	57,2	3,88	-0,67	0,04	-0,67	-0,54	-0,76	7,85	1,03
2016	26	-0,99	30	21,9	79,1	59,8	78,7	20	5,87	52,12	83,58	54,18	3,78	-0,59	-0,29	-0,49	-0,40	-0,76	7,53	1,08
2017	27	-0,98	20	25	78,7	59,3	78,6	20	5,74	52,16	82,55	52,9	3,40	-0,53	-0,47	-0,64	-0,56	-0,78	7,17	1,11
2018	29	-0,81	25	26	78,7	56,8	66,9	15	5,01	53,45	81,26	51,42	3,65	-0,61	-0,36	-0,60	-0,58	-0,81	9,27	1,00
2019	30	-0,78	41,4	29,2	78,6	62,1	47,4	20	5,41	56,95	81,85	51,59	3,07	-0,24	-0,30	-0,58	-0,53	-1,11	9,14	1,02
2020	32	-0,87	41	29	78,6	62,7	60,1	34	5,32	58,86	78,49	49,54	2,88	-0,32	-0,41	-0,63	-0,76	-1,00	9,35	0,97
2021	30	-0,76	43,9	29,6	80,2	66,1	58,6	36	5,44	53,91	75,88	48,56	2,52	-0,41	-0,12	-0,70	-0,42	-0,82	9,51	0,96
2022	33	-0,78	47,5	37,9	81,8	61,3	63	33	5,56	48,24	73,69	48,95	2,22	-0,19	-0,88	-0,08	-0,64	-0,64	8,8	1,07

Source: compiled by the author according to source data 1. Poland - statistics & facts. <https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>

Legend:

(1) - Year, (2) - Corruption perception index, (3) - Control over the corruption index Of GDP, (4) - Ownership, (5) - Integrity of government, (6) - Tax burden, (7) - Freedom of business %, (8) - Monetary freedom, (9) - Investment freedom, (10) - Expenditure on education, % of GDP, (11) - Economic globalization, (12) - Political globalization, (13) - Social globalization, (14) - Expenditure on health care, % of GDP, (15) - Electoral voice and responsibility, (16) - Political stability and absence of violence or terrorism, (17) - Government efficiency, (18) - Regulatory quality of government, (19) - The rule of law, (20) - Unemployment rate, (21) - Expenditure on research and development.

After standardizing indicators according to formula 5.4, the dynamics of changes in GDP per consumer is shown in Figure 5.11

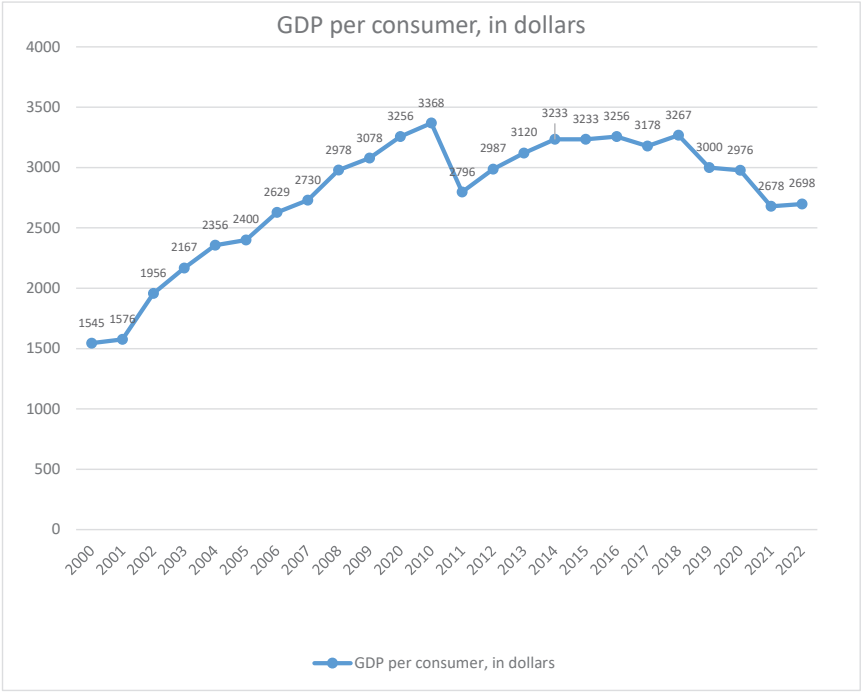


Fig. 5.11. Dynamics of GDP volume per consumer for 2000-2022

Source: compiled by the author

According to Table 5.21, until 2010, the indicator was constantly growing, then it collapsed (2010-2013), in the following years it recovered somewhat, but did not reach the previous level.

Next, the matrix of pair correlations for the selected indicators is formed (table 5.23).

Legend:

(1) - Corruption perception index, (2) Control over the corruption index of GDP, (3) - Ownership, (4) - Integrity of government, (5) - Tax burden, (6) - Freedom of business %, (7) - Monetary freedom, (8) - Investment freedom, (9) - Expenditure on education, % of GDP, (10) - Economic globalization, (11) - Political globalization, (12) - Social globalization, (13) - Expenditure on health care, % of GDP, (14) - Electoral voice and responsibility, (15) - Political stability and absence of violence or terrorism, (16) - Government efficiency, (17) - Regulatory quality of government, (18) - The rule of law, (19) - Unemployment rate, (20) - Expenditure on research and development.

Table 5.23. Matrix of pairwise correlations for 20 factors

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
1	1.00	0.73	0.52	0.42	0.58	0.39	-0.17	-0.23	0.03	0.61	0.40	0.44	0.50	0.39	-0.65	0.50	-0.53	0.81	0.69	0.70
2	0.73	1.00	0.39	0.22	0.67	0.22	0.08	-0.26	0.16	0.22	0.14	0.45	0.31	0.54	-0.34	0.48	-0.28	0.59	0.54	0.68
3	0.52	0.39	1.00	0.58	0.22	0.45	-0.19	0.19	-0.08	0.42	0.44	0.25	0.22	0.27	-0.47	0.30	-0.27	0.54	0.54	0.37
4	0.42	0.22	0.58	1.00	0.05	0.30	-0.36	0.20	-0.29	0.29	0.38	0.03	0.12	-0.06	-0.41	0.43	-0.21	0.29	0.58	0.28
5	0.58	0.67	0.22	0.05	1.00	-0.17	0.47	-0.67	0.64	0.48	0.53	0.77	0.76	0.78	-0.55	0.76	-0.26	0.33	0.04	0.45
6	-0.08	0.39	0.07	-0.24	-0.05	0.00	0.04	0.34	-0.11	-0.63	-0.67	-0.31	-0.58	0.04	0.61	-0.38	0.36	0.10	0.16	0.05
7	0.39	0.22	0.45	0.30	-0.17	1.00	-0.17	0.23	-0.64	0.37	0.21	0.05	-0.03	-0.05	-0.41	-0.12	-0.73	0.68	0.41	0.08
8	-0.17	0.08	-0.14	-0.36	0.45	-0.17	1.00	-0.56	0.50	0.13	0.34	0.65	0.42	0.68	-0.16	0.18	-0.14	-0.15	-0.67	-0.23
9	0.17	0.22	0.04	-0.15	0.67	-0.14	0.71	-0.84	0.70	0.63	0.72	0.92	0.87	0.80	-0.60	0.50	-0.46	0.03	-0.37	0.13
10	-0.23	-0.26	0.19	0.20	-0.67	0.23	-0.56	1.00	-0.69	-0.59	-0.50	-0.77	-0.82	-0.69	0.47	-0.40	0.34	-0.07	0.26	-0.28
11	-0.14	0.45	-0.18	-0.23	0.24	-0.38	0.34	-0.09	0.27	-0.58	-0.48	0.00	-0.23	0.24	0.50	-0.04	0.44	-0.15	-0.09	0.20
12	0.03	0.16	-0.08	-0.29	0.64	-0.64	0.50	-0.69	1.00	0.24	0.30	0.60	0.60	0.68	-0.13	0.37	0.16	-0.19	-0.32	0.26
13	0.61	0.22	0.42	0.29	0.48	0.37	0.13	-0.59	0.24	1.00	0.86	0.72	0.86	0.52	-0.92	0.49	-0.74	0.51	0.20	0.36
14	0.40	0.14	0.42	0.38	0.53	0.21	0.34	-0.50	0.30	0.80	1.00	0.80	0.88	0.57	-0.91	0.68	-0.61	0.24	-0.02	0.14
15	0.44	0.45	0.25	0.03	0.77	0.05	0.65	-0.77	0.60	0.72	0.80	1.00	0.89	0.87	-0.75	0.59	-0.53	0.28	-0.09	0.27
16	0.50	0.31	0.22	0.12	0.76	-0.03	0.42	-0.82	0.60	0.85	0.85	0.89	1.00	0.70	-0.83	0.68	-0.53	0.28	-0.04	0.37
17	0.39	0.54	0.27	-0.06	0.78	-0.05	0.68	-0.69	0.68	0.52	0.57	0.87	0.70	1.00	-0.50	0.48	-0.32	0.26	-0.11	0.31
18	-0.71	-0.50	-0.52	-0.44	-0.64	-0.47	-0.20	0.46	-0.11	-0.85	-0.83	-0.71	-0.77	-0.57	0.93	-0.69	0.74	-0.62	-0.28	-0.40
19	-0.65	-0.34	-0.47	-0.41	-0.55	-0.41	-0.16	0.47	-0.13	-0.93	-0.92	-0.75	-0.83	-0.50	1.00	-0.69	0.78	-0.50	-0.24	-0.35
20	0.68	0.34	0.56	0.43	0.51	0.50	0.16	-0.47	0.15	0.98	0.87	0.74	0.80	0.55	-0.93	0.55	-0.79	0.61	0.28	0.38
21	0.50	0.48	0.30	0.43	0.75	-0.12	0.18	-0.40	0.37	0.49	0.68	0.59	0.68	0.48	-0.69	1.00	-0.27	0.17	0.12	0.44
22	-0.53	-0.28	-0.27	-0.21	-0.26	-0.73	-0.14	0.34	0.16	-0.74	-0.61	-0.53	-0.53	-0.32	0.78	-0.27	1.00	-0.65	-0.23	-0.20
23	0.81	0.59	0.54	0.29	0.33	0.68	-0.15	-0.07	-0.19	0.51	0.24	0.28	0.28	0.28	-0.50	0.17	-0.65	1.00	0.62	0.51
24	0.69	0.54	0.54	0.58	0.04	0.41	-0.67	0.26	-0.32	0.20	-0.02	-0.09	-0.04	-0.11	-0.24	0.12	-0.23	0.62	1.00	0.61
25	0.70	0.68	0.37	0.28	0.45	0.08	-0.23	-0.28	0.26	0.36	0.14	0.27	0.37	0.31	-0.35	0.44	-0.20	0.51	0.61	1.00
26	0.37	0.05	0.03	0.08	0.00	0.63	-0.12	-0.02	-0.48	0.42	0.32	0.15	0.19	-0.11	-0.54	0.08	-0.74	0.44	0.18	-0.08

Source: compiled by the author according to source data 1. Poland - statistics & facts. <https://www.statista.com/topics/10541/inflation-in-poland/#topicOverview>.

According to the data in Table 5.22, it is worth drawing a conclusion about the presence of multicollinearity (the presence of linear dependence between factor (independent) variables in the regression model), which does not allow accurate conclusions to be drawn. Therefore, to eliminate this phenomenon (multicollinearity), those indicators that were equal to 0.85 are excluded from the sample. Figure 5.12 shows a graph of "eigenvalues".

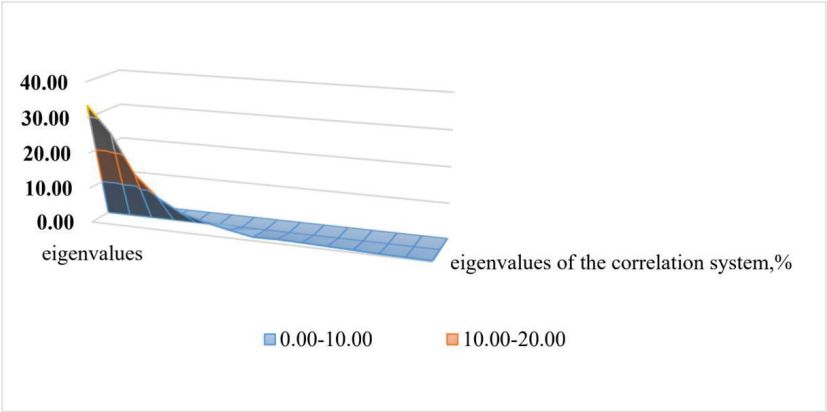


Fig. 5.12 Graphic criteria of indicators

Source: compiled by the author

According to the data of Figure 5.12, the values of the indicators fall rapidly and only 4 of them are greater than one. In addition, this suggests that the number of factors in the model should not be more than 4. Considering this fact, a matrix of factor loadings is formed in table 5.24.

Table 5.24 Matrix of factor loadings before rotation

Indicator code	Indicator	Main components			
		F1	F2	F3	F4
X1	Index of perception of corruption	1,753	0,867	0,650	0,862
X2	Control over the corruption index	1,510	1,020	0,375	-0,155
X3	Ownership	1,384	0,982	-0,335	-0,324
X4	Integrity of government	1,413	0,899	-0,522	0,021
X5	Tax burden	0,951	0,120	-1,182	-0,382
X6	Freedom of business	0,632	-0,410	-1,736	-0,756
X7	Monetary freedom	0,706	-0,270	-1,405	-1,044
X8	Investment freedom	-0,222	-0,785	-0,962	0,366
X9	Expenditure on education, % of GDP	0,090	-0,823	-0,668	0,666
X10	Economic globalization	-0,348	-0,971	-0,591	0,980
X11	Political globalization	-0,249	-1,206	0,038	1,542
X12	Social globalization	-0,259	-1,337	0,246	1,522
X13	Expenditure on health care, % of GDP	0,000	-0,923	1,058	1,097
X14	Electoral voice and responsibility	0,214	-0,697	1,161	0,397
X15	Political stability and absence of violence or terrorism	0,379	-0,988	1,499	-0,743
X16	Government efficiency	0,080	-0,678	1,316	-1,437
X17	Regulatory quality of government	-0,716	-0,082	1,138	-1,664
X18	The rule of law	-0,763	-0,321	0,950	-1,516
X19	Unemployment rate	-1,130	0,314	-0,073	-1,148
X20	Expenditure on research and development, % of GDP	-1,583	0,669	-0,860	-0,641

Source: compiled by the author according to source data 2. SPSS (Statistical Package for the Social Sciences. https://www.spss-tutorials.com/spss-what-is-it/#google_vignette

The formed matrix does not make it possible to find out the clear influence of individual parameters on the specified factors, so it is worth using the "Varimax" rotation method (Fig. 5.13), which is present in the SPSS (Statistical Package for the Social Sciences) software. Because of the component analysis, the input factors after rotation are displayed in Table 5.25

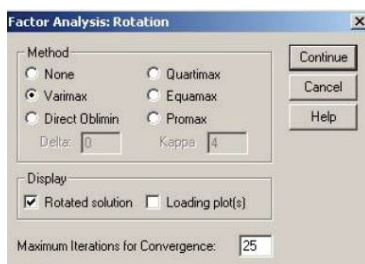


Fig. 5.13 Rotation solution

Source: compiled by the author according to source data 2. SPSS (Statistical Package for the Social Sciences. https://www.spss-tutorials.com/spss-what-is-it/#google_vignette

Table 5.25. Matrix of factor loadings after rotation

Indicator code	Indicator	Main components			
		F1	F2	F3	F4
X1	Index of perception of corruption	0,855	0,312	0,184	0,030
X2	Control over the corruption index	0,736	0,006	0,562	-0,220
X3	Ownership	0,539	0,404	0,226	0,143
X 4	Integrity of government	0,384	0,502	0,091	0,503
X 5	Tax burden	0,780	-0,496	0,153	0,043
X 6	Freedom of business	-0,202	0,014	0,762	-0,558
X 7	Monetary freedom	0,361	0,698	-0,257	-0,467
X 8	Investment freedom	0,193	-0,762	-0,210	-0,408
X 9	Expenditure on education, % of GDP	0,571	-0,685	-0,349	-0,032
X10	Economic globalization	-0,532	0,666	0,236	0,013
X11	Political globalization	-0,085	-0,442	0,735	-0,315
X12	Social globalization	0,278	-0,839	0,127	0,234
X13	Expenditure on health care, % of GDP	0,695	-0,584	0,066	-0,187
X14	Electoral voice and responsibility	-0,909	-0,082	0,290	-0,057
X15	Political stability and absence of violence or terrorism	0,703	-0,226	-0,015	0,464
X16	Government efficiency	-0,681	-0,276	0,522	0,318
X17	Regulatory quality of government	0,712	0,476	0,137	-0,325
X18	The rule of law	0,423	0,691	0,444	0,167
X19	Unemployment rate	0,637	0,093	0,490	0,203
X20	Expenditure on research and development, % of GDP	0,325	0,467	-0,593	-0,289

Source: compiled by the author according to source data 2. SPSS (Statistical Package for the Social Sciences. https://www.spss-tutorials.com/spss-what-is-it/#google_vignette

After analyzing the data in Table 5.25, it should be noted that the main components are the first factor, which covers the largest share of the total variance of all features, and the factors that outline the smallest share - the fourth and fifth. Those features that are a means of interpreting the factors characterize each of the factors.

Factor (F1) loads on the following attributes: corruption perception index, corruption control, tax burden, health care spending, electoral vote and accountability, political stability and absence of violence or terrorism, government effectiveness, regulatory quality of government, unemployment rate, the rule of law

The factor (F2) exerts a load on the following characteristics: monetary freedom, investment freedom, spending on education, % of GDP, economic globalization, social globalization.

Factor (F3) includes the following features: business freedom, political globalization, R&D spending, % of GDP.

Factor (F4) covers only one feature - government integrity.

The contribution of the first component to the total variance of factor values is 33.45%, the second – 26.11%, the third – 15.09%, the fourth – 9.02. In total, four components characterize 83.67% of the total variation, which is a high degree of factorization of features. After these calculations, the equation of the obtained main components is formed, which are calculated because of coefficients, table 5.26. The next step is to display the multiple linear regression model and calculate the model factor.

Table 5.26 Matrix of factor coefficients

Indicator code	Indicator	Main components			
		F1	F2	F3	F4
X1	Index of perception of corruption	0,129	0,062	0,061	0,017
X2	Control over the corruption index	0,112	0,001	0,186	-0,123
X3	Ownership	0,081	0,080	0,075	0,080
X 4	Integrity of government	0,057	0,100	0,030	0,283
X 5	Tax burden	0,117	-0,098	0,051	0,024
X 6	Freedom of business	-0,030	0,003	0,252	-0,312
X 7	Monetary freedom	0,054	0,137	-0,085	-0,261
X 8	Investment freedom	0,029	-0,151	-0,070	-0,228
X 9	Expenditure on education, % of GDP	0,085	-0,136	-0,116	-0,018
X10	Economic globalization	-0,080	0,133	0,078	0,007
X11	Political globalization	-0,014	-0,088	0,244	-0,176
X12	Social globalization	0,042	-0,167	0,043	0,131
X13	Expenditure on health care, % of GDP	0,106	-0,116	0,022	-0,105
X14	Electoral voice and responsibility	-0,138	-0,016	0,096	-0,032
X15	Political stability and absence of violence or terrorism	0,105	-0,045	-0,005	0,259
X16	Government efficiency	-0,102	-0,055	0,173	0,177
X17	Regulatory quality of government	0,107	0,094	0,035	-0,182
X18	The rule of law	0,063	0,137	0,147	0,086
X19	Unemployment rate	0,097	0,019	0,162	0,113
X20	Expenditure on research and development, % of GDP	0,049	0,093	-0,198	-0,167

Source: compiled by the author according to source data 2.SPSS (Statistical Package for the Social Sciences. https://www.spss-tutorials.com/spss-what-is-it/#google_vignette

$$F1 = 0,129X_1 + 0,112X_2 + 0,117X_5 + 0,106X_{13} - 0,138X_{14} + 0,105X_{15} - 0,102X_{16} + 0,107X_{17} + 0,097X_{19}; \quad (5.11)$$

$$F2 = 0,137X_7 - 0,151X_8 - 0,136X_9 + 0,133X_{10} - 0,167X_{12} + 0,137X_{18}$$

$$F3 = 0,252X_6 + 0,244X_{11} - 0,198X_{20} \quad (5.12)$$

$$F4 = 0,283X_4 \quad (5.13)$$

Now we will build a model of the dependence of the welfare economy and impressions on the main components, namely F1, F2, F3, F4, which will be described by an equation in the form:

$$EM = 471,73 + 130,37 F1 - 82,44 F2 - 5,39 F3 - 12,39 F4 \quad (5.15)$$

By substituting the values of the main components F1, F2, F3, F4 into the equations formed above, we will get a model of dependence based on the welfare economy and the economy of impressions on political factors. Which, in our opinion, can describe and predict consumer behavior in the context of political changes in the country.

$$EM = 471,73 + 16,66X_1 + 14,34X_2 + 15,21X_5 + 13,54X_{13} - 17,72X_{14} + 13,71X_{15} - 13,28X_{16} + 13,89X_{17} + 12,42X_{19} - 11,41X_7 + 12,46X_8 + 11,19X_9 - 10,89X_{10} + 13,71X_{12} - 11,29X_{18} - 1,36X_6 - 1,31X_{11} + 1,06X_{20} - 3,48X_4 + 29,05X_3 \quad (5.16)$$

Thus, institutional (political) reforms are aimed at increasing the level of consumer welfare.

The statistical significance of the parameters used to form the model was determined using the Student's test (t). The tabular value:

t-criterion = 2.11, at 0.05;

m = n-k-1=17, m – the number of degrees of freedom;

n – the number of periods during which observation was carried out (22 years);

k – the number of periods of the model (4).

The calculated Student's test (t) for testing the significance of the coefficients:

$$t_0 = 1,46; t_1 = 3,82; t_2 = 7,46; t_3 = -0,87; t_4 = -0,34; t_5 = 3,59 \quad (5.17)$$

So, t_1, t_2, t_5 are statistically significant, t_0, t_3, t_4 - with a certain caveat and caution, which indicates the statistical significance of the model.

The results of modeling the welfare economy and consumer impressions in the context of political changes in the country are presented in Figure 5.14

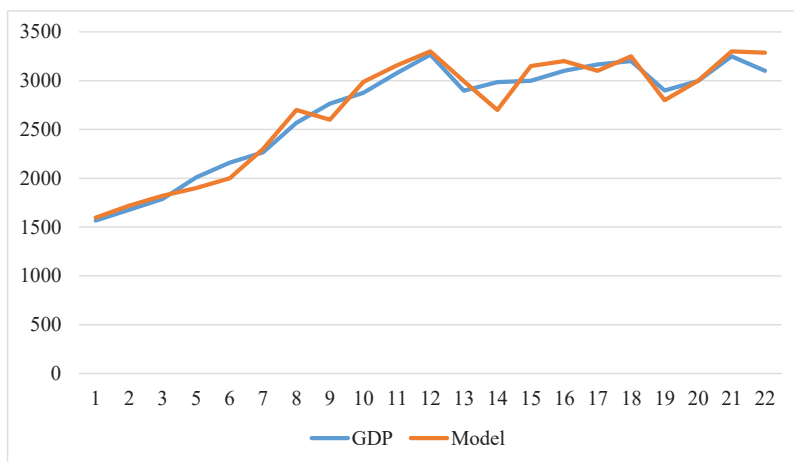


Fig. 5.14 Empirical and theoretical (forecast) volume of GDP per consumer in the context of the formation of the welfare economy and consumer impressions in the plane of political changes in the country

Source: compiled by the author

In the course of working with economic-mathematical modeling, we discovered that the maximum practical value of the developed model is revealed in the ability to predict the state of the situation for the future. Using the forecast values of each factor, we multiply by the values of the model parameters, and as a result, we get the forecast values of the gross domestic product per consumer in the context of political changes, fig. 5.15 Forecasts were made because of simulated data for the last 5 years, table 5.27

Table 5.27. Indicators of model factors in 2019-2023

Year	F ₁	F ₂	F ₃	F ₄
2019	6,81	-12,15	12,73	7,3
2020	6,95	-7,88	14,62	8,2
2021	7,42	-7,72	16,45	8,14
2022	7,38	-6,21	17,39	8,31
2023	7,69	-8,41	17,72	10,64

Source: compiled by the author according to source data

Based on the results of the calculations, the decision to forecast the situation was made taking into account that the last 5 years have seen almost the same trend, according to which to

choose a trend line. Microsoft Excel software was used to forecast indicators. The results of the obtained models are shown in Table 5.28. Note that a polynomial model was chosen for factors F2 and F4, and a model based on the natural logarithm for F1, F3.

Table 5.28 Obtained models and forecasts of factors for 2024-2025.

Factors	Model	2024 year	2025 year
F1	$Y = 0,6387 \cdot \text{LN}(x) + 6,4279$	7,67	7,83
F2	$Y = -0,5924(x^2) + 5,5135x - 19,772$	-13,58	-18,13
F3	$Y = 3,4242 \text{LN}(x) + 11,432$	18,55	18,96
F4	$Y = 0,1308(x^2) - 0,3135 \cdot x + 7,3795$	13,24	15,15

Source: compiled by the author

Based on the results, we can conclude that the trends describe each of the factors quite closely, which confirms the high reliability of the forecasted results.

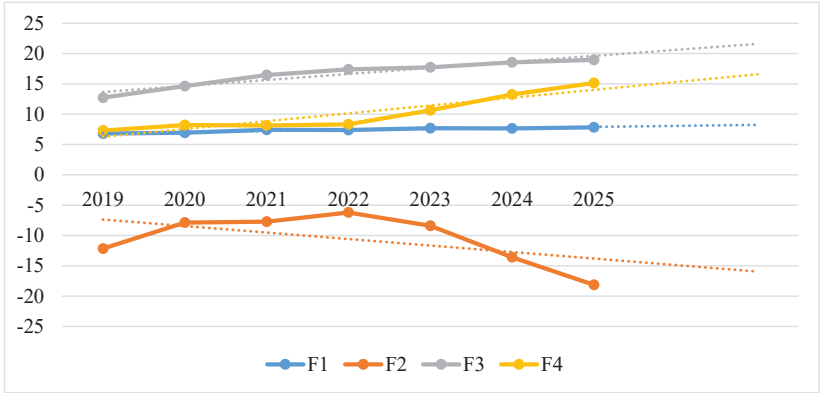


Fig. 5.5. Graphs of factors and their trend lines during 2019-2023 and forecast values for 2024-2025.

Source: compiled by the author

According to the results of the study, almost all factors, except F2, show increasing trends, and F4 is the fastest, F3 is growing somewhat with smaller indicators. The F1 factor has the least rapid changes. In addition, the F2 factor is the only one among all other factors that shows a tendency to a sharp decrease.

As a summary, we can say that the modeling of each specific situation is influenced by a large list of factors and indicators. With the help of which you can simulate the situation in a specific period, as well as predict the behavior of consumers in the future. In particular, to determine which factors can positively and which negatively affect the situation, and in the future to exclude them in order to improve the situation as a whole.

CONCLUSIONS

Behavioral economic theory made a certain scientific breakthrough on the classical principles of economic modeling of consumer behavior. What gave impetus to new research hypotheses, in particular, whether it is possible to use the results of the behavioral economic theory of consumers in practical aspects, whether it is possible to develop (create) new theories of consumer demand based on their results.

Such theories significantly enrich the field of consumer behavior research due to the use of methods and principles of interdisciplinary analysis, a combination of economic and sociological analysis, and methods of economic and mathematical modeling.

The understanding that the basis of all models of consumer behavior, which are considered in our work, is a social, economic, personal and psychological component is substantiated. However, it is worth noting that in modern conditions, the political situation that has developed in the country today is a rather important weighting factor for consumer decision-making. Especially under the modern conditions of the transformation of world civilization, which is characterized by crises in the spheres of management, political and economic life of society. Moreover, consumer behavior cannot fail to respond to such significant transformational changes that pervade all spheres of life. In addition, for such, it is necessary to concentrate attention as much as possible on the search for a new paradigm of social (consumer) behavior, which was able to resist negative trends and form directions for increasing the social progress of human civilization.

The types of consumer behavior are considered through the prism of the political situation in the country, which, in our opinion, has a rather significant influence on the consumer's choice. Moreover, the result (choice, opinion) of the consumer is significantly influenced by the informational attack of political parties, groups, and the opposition. Moreover, the concept of a political brand in public consciousness directly contributes to the achievement of certain political goals by influencing consumer behavior, both at the subjective level and at the level of monitoring actions (sociological surveys, questionnaires, etc.) in a specific segment of society.

The parameters of choice that are guided by consumers when making their decision have been studied. Nevertheless, in today's conditions, most decisions are made instantly, under the influence of emotions, feelings, and not after analyzing the situation for a long time, because not only the political situation in the country is quite unstable, but instability is also observed in the economic and social spheres.

Concepts and conditions of political conflict, the relevance of which is only growing in the modern realities of our country, are highlighted. Politicians who are interested in creating such

conflicts fund rallies to distract citizens from more significant political decisions. Such conflicts cover a wide range of its participants. The model we have built for the formation of a political conflict proves this fact, since the creation of a conflict requires active actions on the part of subjects (coalitions of states, parties, movement organizations, individual states) that are interested in its development.

The main elements of the structure of the political conflict and its main functions are also presented. We note that political disputes in the country have a functional nature of actions, and are a certain signal for society and the authorities regarding problems and contradictions between citizens who have different political views.

A study of the dynamics of changes in consumer attitudes was conducted, taking into account the political situation in the country. The characteristics of the main indices characterizing the behavior of consumers are given, namely: the index of the current situation (IPS), - a characteristic of the current personal financial situation of consumers; index of economic expectations (EEO), - characteristics of expected changes in personal financial situation, the expected result of the development of the country's economy during the next year and the expected development of the country's economy during the next 5 years; the index of expected unemployment dynamics, which reveals the unemployment situation in the country; index of inflation expectations.

It was determined that the index of consumer sentiment is the most sensitive, its fluctuations are the largest.

Such indices are quite important in shaping the dynamics of public opinion regarding the country's development in all its directions, and are tools for identifying problematic situations in the political sphere. The indicators of the indicated indices testify to the low level of development of the opacity of political processes, which negatively affect the mood of consumers and the development of households.

The consumer needs of Polish households are substantiated in the context of behavioral economics. As a result, their behavior strategies were formed.

The most common is the rational behavior of households, which under certain conditions adapts to crisis and changing situations. As a result, another type of behavior is formed - credit behavior of households.

Political instability prompts the rapid use of loans so that households can "survive" politically and economically unstable times.

An understanding of the investment potential of the household has been formed, which can be characterized through a political, economic, social, resource and institutional approach. Which gives the right to indicate not that households are independent and economically independent subjects.

Development of the investment potential of households is an important aspect of financial activity. Therefore, it should occupy a leading place in the modern economic and political sphere, be a priority direction of household management.

The principles of mathematical modeling of expenses and incomes of the population depending on the level of socio-economic status of the region and political preferences of consumers are considered. Such principles make it possible to use a wide range of variables that influence and determine as well as shape the development of incomes and expenses of the population, taking into account the socio-economic and political situation as a whole. Mathematical modeling makes it possible to forecast income and expenses for the future conduct a comparative analysis of the results and provide a description of each situation in terms of the current political, economic and social situation of the consumer and the country as a whole.

It should be noted that economic sector taxes form more than 50% of budget policy revenues and are its budget-forming element. The tax system is not perfect. The main burden is the constant increase in tax rates. Therefore, reforms in this area should be aimed at correlating tax rates.

It has been proven that with the help of mathematical modeling of the costs and incomes of the population, as well as households in the context of dependence on the socio-economic and political situation, it is possible to forecast, plan, calculate the forecast indicators of the activities of households, combine the characteristics of the main features of the relevant environment, their preferences, choices, etc.

A comparative analysis of political changes in Poland and other countries of the European Union was carried out. In particular, Slovakia, Croatia, Ireland, Romania. Regarding the elections in Slovakia, it is worth noting that their results will lead to a number of political transformations in the internal development of the country. The role of fragmentation has increased, a high level of financial risks is being monitored, the influence of populist parties is increasing, and right-wing extremist trends are forming in the parliament.

The peculiarity of the Croatian party system is that the presence of large parties still cannot ensure the majority in the government alone. Therefore, they should find compromises with "third parties", unite and form a majority in the parliament in order to form views of "national unity". This gives a certain advantage to Croatia's two-party political system and is one of the most significant features of the country's party system.

Studies of the election results in Poland provide an understanding that minor gaps between the main parties indicate the polarization of political views, as well as the growing interest in the renewal of both domestic and foreign policy in Polish society. The low result of the vote for the "Law and Justice" party indicates that it is not possible to form a coalition majority. Therefore, it is necessary to join the opposition. The trend of possible negotiations between Poland and the

European Union to settle a number of disagreements in the judicial system, migration policy, and settlement of internal issues of a social and economic nature is being followed.

An econometric model was developed to meet the needs of various social groups in the context of political disputes based on the approaches of "welfare economics" and "economy of impressions".

For its modeling, the method of principal components was used. According to the data of the component, it is determined that the provision of well-being directly proportionally depends on the intensity of action of independent institutional factors.

Model development included several stages, namely:

- ☐ formation of initial data for a certain period of time;
- ☐ standardization of indicators;
- ☐ calculation of the correlation matrix;
- ☐ selection of main components and calculation of factor loads;
- ☐ definition of the main components.

A base of initial data was also formed, which included 20 institutional (political) indicators for the years 2000-2022.

It has been proven that the modeling of each specific situation is influenced by a large list of factors and indicators. The use of which makes it possible to simulate the situation in a certain period and predict the behavior of consumers in the future. Also to determine which factors positively and which negatively can affect the situation, and in the future to exclude them in order to improve the situation as a whole.

It has been established that the welfare of consumers is assessed by many indicators that are used by international organizations and that can be included in models for calculating the influence of modern political views on consumer choice in the context of political, economic and social transformations taking place in the country.

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