

E-shopping: An Extended Technology Revolution- An Investigation of Generation Z in Educational Hub, Pune

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Abstract

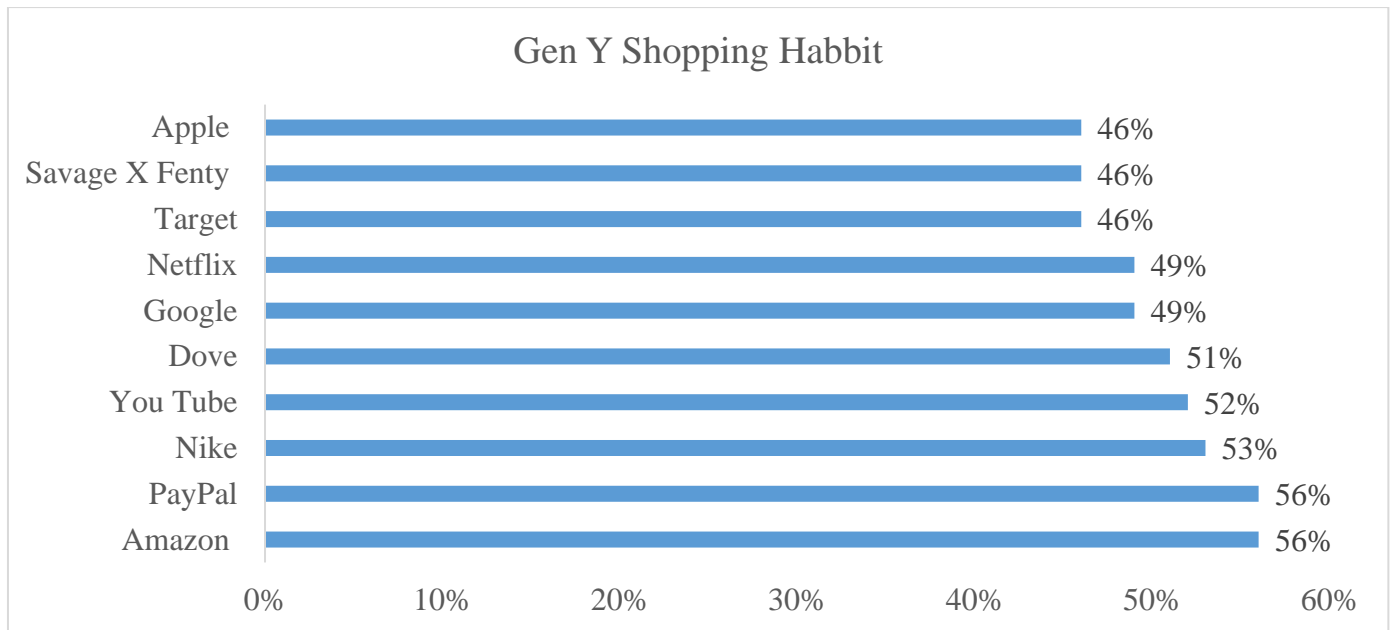
This study attempts to investigate the factors affecting Generation Z consumers' online purchase intentions in India. Understanding the elements that influence young consumers' online purchasing decisions is crucial for businesses and marketers given the explosive expansion of e-commerce and the rise in their use of the internet. Traditional or physical stores are quickly being replaced by online shopping services. Customers' confidence in online purchasing sites has grown significantly over time. On the one hand, the rise in the number of these websites has resulted in severe rivalry, which benefits consumers by resulting in better and more affordable items.

Customers worry about their privacy when shopping online, nevertheless, at the same time. This makes online purchasing a popular research topic. In order to get information from a representative sample of Indian Generation Z consumers, the study uses a quantitative research methodology that involves surveys. The results of this study have ramifications for academic publications as well as for enterprises that cater to the Indian Generation Z market.

Keywords: Online purchase intentions, Generation Z, e-commerce, determinants, India, consumer behavior, technology adoption.

Introduction

The emergence of the internet and e-commerce have revolutionized how customers make purchases. The Generation Z group of consumers, sometimes known as millennials, dominates the digital market among the major consumer demographics. Generation Z customers display distinctive traits and behaviors that affect their intentions to make online purchases because they are digital natives. This study article tries to identify and examine the factors that influence Indian Generation Z consumers' online buying inclinations.



Source- Y Pulse Brand Tracker Data (13-39 Year Olds December 2022)

How Generation Z Are Transforming the Retail Shopping Experience

The first generation to be exposed to the Internet and contemporary technology devices at a young age is the Millennial generation, also known as Generation Z (born between the beginning of the 1980s and the end of the 1990s). Because of this, this generation shops and consumes information differently.

Generation Z's Number One Shopping Habit: Shopping Online

Millennials were the generation that used internet shopping as their main mode of shopping by 2021 (Statista, September 2021). The most recent global poll by ESW Global Voices poll (March 2023) found that Generation Y is more likely to shop online than in-store, which may not come as a surprise to most merchants given the technological advancements of the past ten years and the corona pandemic.

The millennial generation will dominate global e-commerce spending in 2023 and will have a spending capacity of almost \$2.5 trillion, according to 27% of millennials who said they were willing to spend more money than in 2022 as well. Given that these youthful customers have not yet attained their maximum earning capacity; this figure is very encouraging for businesses.

The most expensive categories for Gen Z shoppers are luxury, apparel and footwear, and consumer electronics.

According to predictions, millennials will spend most of their savings in 2023 on the following internet categories:

Generation Z's Number Two Shopping Habit: Most spending on Luxury, Apparel & Footwear, and Consumer Electronics Categories

In terms of spending on health and beauty items, millennials will outpace Gen Z (+50%), Gen X (+42%), and Baby Boomers (+42%). But this year, Baby Boomers are more likely than Gen Z to spend \$2500 or more ("power shoppers").

Gen Z will spend the most money online in the categories of luxury, clothes & footwear, and consumer electronics, particularly in the fashion & footwear sector.

A 2019 Statista survey found that millennials spend an average of 3 hours and 45 minutes each day using their mobile devices to access the internet, which presents a sizable opportunity for online retailers to market their goods and services on digital platforms.

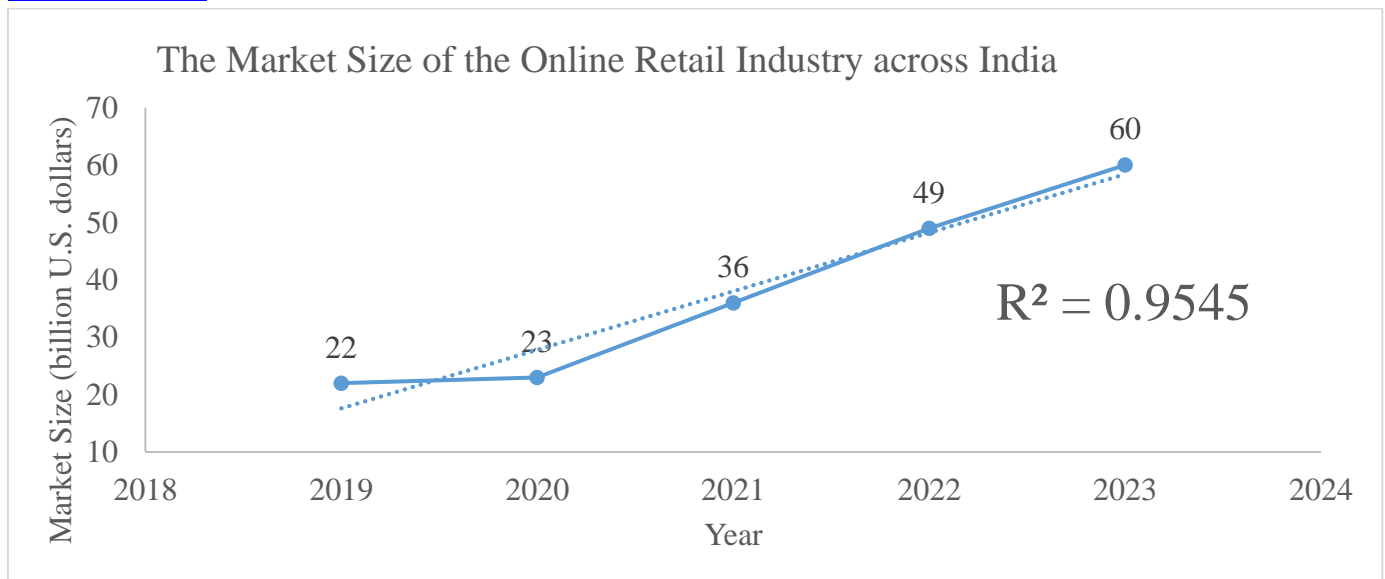
These young adults used Facebook the most in the United States in December 2022, however, Instagram and Moj are also among the most popular social media sites for this age group.

Online retailers should establish a solid Social Commerce strategy by creating social media ad campaigns and interacting with consumers through UGC (user-generated content), as Millennials and Gen Z both exhibit interest in browsing for items and brands on these social platforms.

The market size of the online retail industry across India from the financial year 2019 to 2023(in billion U.S. dollars)

S.N	Year	Market Size (billion U.S. dollars)
1	2019	22
2	2020	23
3	2021	36
4	2022	49
5	2023	60

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According to a Deloitte India estimate, the country's online retail market size may reach USD 325 billion by 2030 compared to USD 70 billion in 2022, mostly due to the rapid expansion of e-commerce in tier-2 and tier-3 cities.

The online purchasing behavior of Gen Z in India

The generation after millennials, known as Generation Z, was born between 1997 and 2012. Brands that want a piece of the opportunity presented by Gen Z's impending rise to the top consumer cohort must comprehend their habits and digital expectations.

1. **A mobile-first strategy:** Gen Z is regarded as the first generation to have grown up entirely in the digital era. For a variety of tasks, including online purchasing, they heavily rely on smartphones. To accommodate this behavior, e-commerce platforms should give top priority to mobile optimization.

2. **Short Attention Spans:** Gen Z is prone to having a shorter attention span because they were reared in a fast-paced digital environment. This calls for online shops to instantly grab their attention with eye-catching graphics and clear product descriptions.
3. **Social commerce:** Gen Z consumers are heavily influenced by social media. They frequently find things on websites like Snapchat, Moj, and Instagram. Integrations for social commerce that enable users to make purchases straight from these platforms can be quite successful.
4. **Authenticity:** Generation Z loves truthfulness and openness. They are more willing to back businesses that share their values and exhibit real social responsibility.
5. **Visual Content:** When marketing to Gen Z, visual content, such as photographs and videos, is essential. They like dynamic, interactive information that presents goods from many perspectives and in varied settings.
6. **User-Generated Content:** Generation Z trusts peer recommendations and UGC. Before making a purchase, they seek reviews, unboxing videos, and recommendations from their friends.
7. **Price-Consciousness:** Gen Z is similarly price-conscious to other generations. They are more prone to search for bargains and compare costs on various sites.
8. **Quick and Free Shipping:** Gen Z values quick and free shipping choices highly. They anticipate a quick and easy delivery process.
9. **Environmental Concern:** Many members of Generation Z are concerned about the environment, and they favor businesses and products that share their ideals.
10. **Limited Brand Loyalty:** When compared to earlier generations, Gen Z appears to have less brand loyalty. They are more willing to test new companies that have interesting items and cater to their interests.
11. **Influencer Impact:** Gen Z is particularly impacted by influencer marketing. Influencer endorsements can affect their purchasing decisions since consumers have a tendency to trust the influencers and content providers they follow.
12. **Convenience:** Gen Z values convenience, much like Millennials do. They favor simple checkout procedures, one-click transactions, and customized shopping suggestions.

Characteristics of Zen Z

People who were born roughly between the mid-1990s and the early 2010s are included in Generation Z, often known as Gen Z. The digital age and this generation's particular upbringing have left this generation with distinct qualities and attributes. Although individual traits can vary, the following are some typical traits frequently connected to Generation Z:

1. **Technology Natives:** Generation Z is the first to have lived exclusively in the digital age. They were introduced to smartphones, social media, and the internet from a very young age, and they are highly at ease with technology.
2. **Digital multitaskers:** Gen Z is adept at multitasking as a result of their exposure to a variety of digital platforms. They are adept at switching between numerous devices and tasks at once.
3. **Short Attention Spans:** Because Gen Z is exposed to quick and simple to understand web content, their attention spans are shorter. They choose information that rapidly captures their interest and is delivered clearly.
4. **Entrepreneurial Spirit:** Gen Z members frequently exhibit a strong sense of initiative. They are more likely to establish their own businesses, produce original content, and discover creative outlets as children.

5. Diversity and Inclusion: Gen Z is renowned for placing a high value on these concepts. They are more tolerant of variations in terms of racial background, gender, sexual preference, and other factors. Brands and causes that advocate inclusivity are likely to receive support from this generation.

6. Pragmatic and practical: Gen Z tends to be pragmatic and practical in their attitude to school, job, and life decisions due to their upbringing in an environment of economic uncertainty and rapid technological development.

7. Financial Responsibility: Gen Z was present when older generations struggled financially, notably in the wake of the 2008 financial crisis. As a result, they are more likely to be financially responsible and start saving early.

8. Socially Aware: Members of Generation Z are frequently socially aware and concerned about universal problems including social injustice, equality, and climate change. They are more inclined to support businesses with a clear social and environmental objective and participate in activism.

9. Individuality: Gen Z is big on being unique and expressing themselves. They are more at ease expressing themselves through their appearance, ideas, and interests and are less likely to adhere to conventional norms.

11. Education and Skill Development: In a job environment that is changing quickly, Gen Z understands the value of education and skill development. They are more inclined to look into other educational options including online programs and career training.

12. Authenticity: Gen Z values genuineness in both people and brands. Businesses that are open and sincere in their relationships have a higher chance of winning their support.

Literature Review

N. RAMAR & DR. C. K. MUTHUKUMARAN (2016) Stated that consumers' attitudes toward internet purchasing have perpetually multiplied well beyond what is reasonable, and there is no place for increased consumer awareness of online shopping. The study shows that consumers today use and prefer online purchasing over traditional shopping, regardless of their age, employment, region, or level of education. It has been discovered that men are more likely than women to purchase goods online. A website user interface, online comparison options, the availability of thorough product information, discounts, and time persuade considerations are among the elements that are thought to have a personal impact on a consumer's decision to shop online.

Upasana Kanchan and Naveen Kumar (2015) The study's findings show that customers' online buying intents are substantially correlated with their gender, education level, age, security concern, technological comfort level, and previous frequency of online purchases. Product type, purchase frequency, and cost all have an impact on consumer purchasing decisions. It has also been discovered that their purchasing choices are influenced by the online retailer's delivery, return, and refund policies. The research's framework helps to better understand the variables influencing customer online purchasing behavior and assists in identifying typical Indian online buyers. It may also assist e-marketers in creating more targeted marketing tactics to boost e-commerce sales.

Shaheen Mansori et al (2012) recommended that the government work to educate the populace about the advantages of online buying in Malaysia in order to increase e-commerce. To raise public knowledge of e-commerce, the government might, for instance, work with well-known Malaysian online retailers like

mudah, lelong, and ebay Malaysia. This would indirectly assist in achieving one of Malaysia's Vision 2020 objectives, namely the transition of the country into a high-technology country. The Malaysian government should impose stricter laws and regulations in order to protect the interests of online shoppers because the perceived danger is one of the main worries of online shoppers.

Mr. Jigar Nagvadia & Dr. Viral Bhatt (2020) Identified in the current investigation with the aid of exploratory have significant ramifications for diverse decision-makers. Perceived rewards, perceived trust, and perceived usefulness are the key factors, according to the report. These elements will aid internet marketers in establishing the technological specifications and infrastructure needed. The decision-makers might ask the subordinates for feedback on the operation of the online platform, the actual experience, and the behavior of different online education participants. They can learn from this how to improve in the many sections of the web platform.

Prof. Pritam P. Kothari & Prof. Shivganga S. Maindargi(2016) found that Due to the revolution in the telecommunications industry, there are more Internet users in India today. Customers utilize the Internet for online shopping, although manual shopping is still the preferred method for the majority of routine transactions. Online retailers must engage in substantial advertising and promotion to draw in clients from all demographic groups in order to grow the number of customers for their services. The majority of customers believe that shipping fees levied by businesses are excessive, hence it is proposed that either shipping fees be reduced or free product delivery be offered. It could be used by businesses as a promotional strategy.

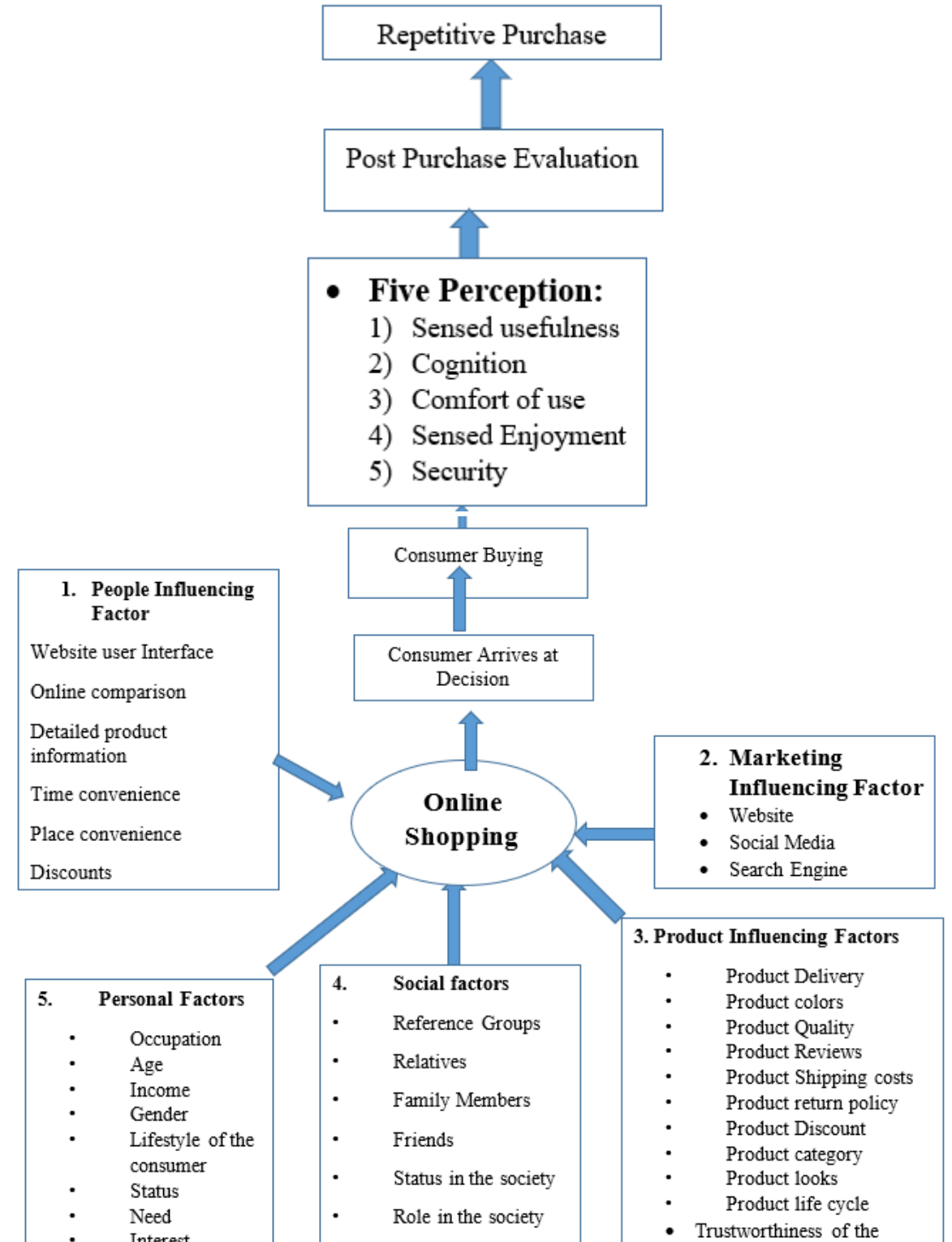
Zahid Ahmed (2017) found that in the current study, domain-specific innovation has a favorable and significant impact on customers' purchasing intentions. As a result, web retailers can leverage the newest features to make their online stores more appealing and user-friendly. Web retailers may send out e-mail updates on product improvements or provide remarkable discounts for a limited time in order to draw in new customers in an effort to increase consumer impulse purchase orientation. Online customers who are brand-oriented can join clubs and take advantage of loyalty programs from web retailers. Web retailers may offer adequate online reports on product quality and product search information to quality-conscious customers in order to attract their business.

Tahir Ahmad Wanidraw(2016)drew attention to the key factors influencing Indian internet buyers' plans to make online purchases. Only four of a wide range of variables that were regarded to be essential in the development of online purchase intentions were deemed to be more significant. The key factors influencing online purchase intentions were discovered to be attitudes regarding e-WOM and prior online buying experiences, with no discernible effects of social influence or brand image

K.A. Asraar Ahmed & A.S. Sathish (2015) This study offers a thorough analysis of the online purchasing literature spanning the years 2001 to 2014 (Inclusive). The 72 pertinent studies, which provide an overview of the constructs researched in the context of online purchasing, are published in 48 journal articles and four conference proceedings. The current literature is inconsistent. The literature assessment also reveals that the current body of research is fragmented, based on several theoretical models, and uses relatively small sample sizes (average N = 290), with participants coming from both industrialized and

developing nations. A study by Bart et al. (2005) used 1680 samples. The TAM Model developed by Davis et al. in 1989 and the Modified TAM Model were the main theories applied in the papers under evaluation to explain online shopping intentions.

Conceptual Model – Online Shopping



Pune is One of the Best Educational Hubs in India

Following the state's renowned capital Mumbai, Pune is the second-largest city in Maharashtra. It is one of India's largest and fastest-growing industrial cities. Pune, which is now a thriving metropolis, was first recorded as a settlement in 847 AD. The city is significant historically and has a rich heritage. During the renowned 'Shivaji Maharaj's' reign, it served as the political hub. The city had an illustrious past during the Peshwa reign, and there are many tales to tell. Pune has earned the distinctions of being the "Cultural Capital of Maharashtra" and the renowned "Oxford of the East" due to its rich cultural heritage and wealth of educational opportunities. This article will teach readers about Pune's status as one of India's top educational centers.

With the fastest-growing IT industry and other sectors like automotive, electronics, and manufacturing, Pune has developed a cosmopolitan reputation. People are gradually moving to Pune for professional or educational reasons from all over the world. Pune is home to a number of educational institutions that provide programs ranging from bachelor's degrees to professional certificates. Pune is also well known for its elementary education system. The city boasts several new schools in addition to its historic old ones, thanks to the annual influx of people seeking employment. The schools in Pune are associated with the International General Certificate of Secondary Education (IGCSE), the Central Board of Secondary Education (CBSE), the Indian Certificate of Secondary Education (ICSE), the Maharashtra State Board of Secondary Education (SSC), and the International Baccalaureate.

Research Methodology

The present research work is descriptive and exploratory in nature. The empirical data was collected with the help of a structured questionnaire. Both close-ended & open-ended questions were asked to understand the online behaviour of Gen Z Students. In order to test frame the hypothesis a survey was conducted. students who are pursuing their graduation and post-graduation. A total number of 25 students were surveyed. Out of 255 respondents only corrected filled questionnaires were considered for final data analysis. The sample was drawn using a simple random method. The sample was collected at College canteens where the probability of student presence is more. Questions were prepared using nominal, ordinal, and Likert scales. Percentage method, Correlation analysis, and Chi-Square test were used for analyzing the responses.

Results & Discussion

Table-1 Gender

Gender		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	126	57.3	57.3	57.3
	Female	94	42.7	42.7	100.0
	Total	220	100.0	100.0	

Table 2. Classification on the basis of Age (No. of respondents)

Age		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 to 20 years	54	24.5	24.5	24.5
	21 to 25 Years	156	70.9	70.9	95.5

	Above 25	10	4.5	4.5	100.0
	Total	220	100.0	100.0	

Table 3. Classification on the basis of education level

Specialization		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Graduate	95	43.2	43.2	43.2
	Post Graduate	125	56.8	56.8	100.0
	Total	220	100.0	100.0	

Table -4

\$Internet Frequencies				
		Responses		Percent of Cases
		N	Percent	
\$Internet ^a	Communication	220	15.8%	100.0%
	Information	220	15.8%	100.0%
	Education	220	15.8%	100.0%
	Shopping	145	10.4%	65.9%
	Entertainment	175	12.6%	79.5%
	Sports	108	7.7%	49.1%
	News	108	7.7%	49.1%
	Jobs	198	14.2%	90.0%
Total		1394	100.0%	633.6%

a. Dichotomy group tabulated at value 1.

Table 5- Reason for Using the Internet

\$Internet*Gender Cross tabulation					
			Gender		Total
			Male	Female	
\$Internet	Communication	Count	126	94	220
	Information	Count	126	94	220
	Education	Count	126	94	220
	Shopping	Count	68	77	145
	Entertainment	Count	100	75	175
	Sports	Count	61	47	108
	News	Count	61	47	108
	Jobs	Count	120	78	198
Total		Count	126	94	220

Percentages and totals are based on respondents.

a. Dichotomy group tabulated at value 1.

Table 6 Popular E-Tailing Websites

			Gender		Total	Percent of Cases
			Male	Female		
E Tailing Websites	Amazon India	Count	96	176	176	80%
	Flipcart	Count	79	154	154	75%
	Nykaa	Count	30	55	55	25%
	Book My Show	Count	36	66	66	30%
	Snapdeal	Count	22	44	44	22%
	Myntra	Count	64	99	99	35%
	Ajio	Count	42	77	77	35%
	Other	Count	10	35	77	25%

Table 7. Popular categories of items purchased online

			Gender		Total	Percent of Cases
			Male	Female		
Items Purchased	Text Books	Count	96	176	176	80%
	Apparels	Count	79	154	154	75%
	Smartphone	Count	30	55	55	25%
	Electronic Items	Count	36	66	66	30%
	Shoes	Count	22	44	44	22%
	Movie Tickets	Count	64	99	99	35%
	Fast Food	Count	42	77	77	35%
	Others	Count	10	35	77	25%

Findings and Implications

The objective of this paper was to assess the impact of Gen Z characteristics on their online shopping intentions. Based on the review of the literature, a total of seven customer-related factors were identified and examined in the study. The major findings of the study and their implications are as follows:

- 95% of respondents are of age between 18 to 25 years
- Both sexes are inclined to buy products or services online, although compared to men, women shop online more frequently.
- As samples collected from higher education institutes 100% of students agreed that they are using smartphones for communication, education, and information purpose. However, 65.9% of students are using smartphones for shopping purposes.
- Amazon and Flipkart are the most popular sites among students. Whereas Myntra is popular amongst female students.

- The most popular items purchased by students over the Internet are textbooks, apparel, and electronic items.
- Earlier research showed that Gen Z likes fast food items. However, instead of ordering online, they like to visit fast food restaurants personally.
- There was little evidence of student worries about safety. In 2023, more security will be offered by apps. Online shopping is not feared by students. Privacy and security weren't found.
- Some cases were discovered in clothing and were later determined to be false. Students are less likely to buy clothes products online since they are unhappy with them.
- The implication is that those with advanced technological understanding are more inclined to conduct online shopping.

The managerial implications of the aforementioned findings are that online marketers must focus their advertising on young, educated consumers who are pursuing higher education. If they are properly exposed to online shopping options and encouraged to place purchases online, educated people are likely to be more internet knowledgeable and can buy more things online. As students are helping their parents in purchasing decisions online for household items. The study's conclusions point out that online marketers should provide high security for clients' personal information and financial transactions in addition to offering a positive online buying experience to encourage repeat business.

Conclusion

A new age in consumer behavior has been ushered in by e-commerce, particularly among members of Generation Z who have grown up with digital technology at their fingertips. This study provides useful information for businesses, marketers, and educators on the online buying preferences of Generation Z in Pune's educational cluster. The study emphasizes the necessity of ongoing technological adaptation in order to meet changing consumer demands in the digital age.

Future Research:

Future studies could broaden their focus by examining the effects of Generation Z's online buying behaviors on traditional retail over the long term or by comparing their patterns across other geographical regions. Additionally, a long-term study tracking changes in Generation Z's online shopping habits as they become older may shed light on how their preferences and thought processes have changed.

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