



DIGITAL MARKETPLACE: REVEALING ONLINE SHOPPING BEHAVIOUR AMONG MILLENNIALS AND ZOOMERS

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Abstract

The present era is the era of global communication and development of internet. The young people have an addiction for mass communication. There is swift connectivity among people globally. Based on the generational concept, individuals are grouped according to their year of birth in this study. The two generations mentioned are Millennials and Zoomers. These generations are important for the emerging markets. They are tech-savvy, and are grown up with technology. Internet due to its rapid evolution plays major role in their lives. They have best education, and are aware of prices, they are conscious of their online attitude. Origination of internet plays the lead role for the development of online shopping businesses. In the recent years traditional mode of business changing very rapidly due to the high growth rate of online shopping platforms. The consumer's strong demand for varieties of products has resulted in availability of various products in the e-commerce platform. This study reflects the online shopping behaviour of Millennials and Zoomers, their preferences and difficulties at times of online shopping through e-commerce platforms.

Keywords: Online shopping, Millennials, Zoomers, Consumer Behaviour.

1.0 Introduction

E-business adoption is a way of strengthening competition. In online shopping it is easy for the customers to compare products and prices, gain information, and share their buying experience. Some of the benefits of online shopping platforms are better efficiency, sales growth, enhanced communication with consumers, and easy penetration on new markets. Though there are benefits in online shopping platforms, it also indicates several barriers to its future development. It comprises of risk of poor product quality, delivery delays, personal information security issues, etc.

Consumer behaviour on the internet is considered as an important factor. It helps in predicting consumer's behaviour on the internet marketers. It is necessary to understand how, where and why consumers behave online. Internet changes the way every consumer buys goods and services. Digital marketing, and digital communication are the aids to e-commerce businesses.

Online shoppers are generally younger. Digital revolution influences the lives of all generations especially Zoomers and Millennials. Millennials are born between 1981 – 1986, they are also called as Generation Y. Whereas Zoomers are between 1997 – 2012 and are also called as Generation Z. Smart devices, internet, social media are the new normal approaches to life, as per the younger generation. Shopping behaviour of the young generation is quite different when compared to the older generation.

2.0 Objectives of the Study

- 1 To gain insights into how demographics, lifestyles of Millennials and Zoomers influence their online shopping behaviour.
- 2 To identify the difficulties faced by Generations Y and Z while shopping online.



- 3 To evaluate the preferred online shopping platforms, devices, and payment methods used by Millennials and Generation Z.
- 4 To determine the factors that influences the purchasing decisions of Millennials and Zoomers when shopping online.
- 5 To provide suggestions and recommendations for improving the online shopping experience of Generations Y and Z.

3.0 Statement of Problem

The evolution of internet and communication technology serves as the backbone of online shopping platforms. Online shopping has set a place ahead of traditional brick and mortar shopping. E-Marketers are providing goods and services at affordable price, good quality, on-time delivery, etc. Absence of physical presence of goods, security, and scams inter-connected with online shopping are some of the major drawbacks. The behaviour, attitude, taste, and preference of consumer may differ from person to person. This paper unveils the demographics, lifestyles, and technology usage of Generation Z and Millennials. It also exhibits the preferred online shopping platforms, devices, payment methods and the factors that influencing the purchasing decisions of these two generations.

4.0 Literature Review

- **Ankur Kumar Rastogi (2010)**, “A Study of Indian Online Consumers & Their Buying Behaviour” - Online shopping has bright future in India. Perception towards online shopping in India is getting better.
- **Dr. M. N. Mohamed Abusali Sheik and E. Mubarak Ali (2013)**, “An Analysis of the Factors Influencing the Buyers of Passenger Cars” – This analysis has concluded that the buyers of passenger cars considered three main factors namely price, technology and comfort before the process of selecting the cars.
- **Dr.K. Nagendrababu, Girisha M. C, Vedamurthy. M. B (2015)**,”Consumer Buying Behaviour Towards Online Shopping” – The study has concluded that the price and quality of the products purchased in online are considered important. Internet plays a major role in connecting the market and the consumers through digital marketing. Social media and virtual marketing are the upgrowing virtual marketing techniques.
- **Dan-Cristian Dabija and Lavinia Lung (2019)**, “Millennials Versus Gen Z: Online Shopping Behaviour in an Emerging Market” - Power of Millennials and Gen Z will increase in the future. Though they are tech-savvy and have grown up with internet, they prefer traditional, bricks and mortar stores shopping. Millennials male purchase more often than Gen Z since they have own income, they have high buying power.
- **Packiaraj Thangavel, Pramod Pathak, Bibhas Chandra (2021)**, “Millennials and Generation Z: A Generational Cohort Analysis of Indian Consumers” - Price, convenience, social desirableness are the most dominant shopping decision-styles that prevail among Indian shoppers. Generation Z are more enthusiastic about online shopping than Millennials.
- **Jamunadevi. C, Deepa. S, Dr. K. T. Kalaiselvi, R. Suguna and A. Dharshini (2021)**, “An Empirical Research on Consumer Online Buying Behaviour During the COVID-19 Pandemic”, has concluded in their study that dissatisfaction remains due to customer care negligence. Free shipping has been preferred by the consumers which in turn affects the purchasing decision of the consumers.



5.0 Research Methodology

- **Type of Research** - This study is exploratory in nature.
- **Approach** - This study is based on both qualitative and quantitative approach.
- **Sampling Technique** - Purposive sampling, a non-probability sampling has been carried since this study focuses on two generations namely, Zoomers and Millennials and their online shopping behaviour.
- **Sample Respondents** - The sample respondents of this study belong to Millennials and Zoomers.
- **Sample Size** - 86 questionnaires were filled up and received correctly at the due time, therefore the sample size of this study is 86.
- **Sources of Data** - This study has been based on primary and secondary data. The primary data has been collected through a well-structured questionnaire. The secondary data of the study has been collected from published data from books, journals, magazines, reports, and websites.
- **Method of Data Collection** - Data has been collected through survey method.
- **Tools for Analysis** - The tools used for analysis is this study are Percentage analysis, Weighted average, Henry Garrett ranking method, Chi-Square test, Analysis of Variance – ANOVA (One-way). Statistical Package for the Social Sciences (SPSS) software package has been used for the analysis of statistical data.

6.0 Area of the Study

With respect to the geographical area, the scope of the study area is limited to Tirunelveli Municipal Corporation.

7.0 Period of the Study

This study is conducted during the four months from January 2023 to April 2023.

8.0 Hypotheses of the Study

- 1) **Null Hypothesis** - There is no association between Generations (Y and Z) and frequency of buying online.
- 2) **Null Hypothesis** – There is no significant difference among the income level and overall satisfaction of the respondents on online shopping.

9.0 Analysis and Discussion

9.1 Frequency of Shopping Online

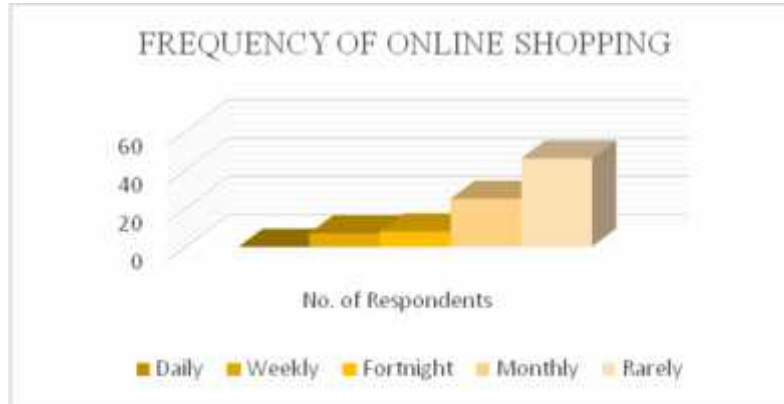
S.No.	Duration	No. of Respondents	Percentage
1	Daily	0	0
2	Weekly	7	8.1
3	Fortnight	8	9.3
4	Monthly	25	29.1
5	Rarely	46	53.5
	TOTAL	86	100

Source: Primary Data

The frequency of shopping online done by the respondents are tabulated in the above given table. 8.1 percent of the respondents use weekly, 9.3 percent use fortnight, 29.1 percent use monthly, and 53.5



percent of the respondents use rarely. Therefore, a majority of 53.5 percent (46) of the respondents shop online rarely.



9.2 Occasion of Shopping Online

S.No.	Occasion	No. of Respondents	Percentage
1	At leisure	4	4.7
2	During offers/discounts	19	22.1
3	On need	44	51.2
4	Festive seasons	7	8.1
5	Mood/desire	10	11.6
6	Regularly	2	2.3
	TOTAL	86	100

Source: Primary Data

The above table shows the different occasions when online shopping is preferred. 4.7 percent of the respondents shop at leisure time, 22.1 percent of them shop during offers/discounts, 51.2 percent shop on need, 8.1 percent on festive seasons, 11.6 percent of the respondents shop based on their mood/desire and 2.3 percent shop regularly. A majority of 51.2 percent (44) respondents shop online only on their need.





9.3 Calculation Of Garrett Rank Of Online Shopping Sites

S.No	Factors	Total score	Garrett Mean score	Mean Rank
1	Amazon	5861	68.15	I
2	Flipkart	5154	59.93	II
3	Reliance Retail	4448	51.72	IV
4	Meesho	4516	52.51	III
5	Myntra	4141	48.15	V
6	Instagram	4094	47.60	VI
7	WhatsApp	3357	39.03	VII
8	Others	2829	32.90	VIII

Source: Primary Data

The above-mentioned table shows the rank of online shopping sites on the point of view of the respondents. Amazon ranked first which was followed by other sites from second to eighth rank as follows Flipkart, Meesho, Reliance Retail, Myntra, through Instagram, through WhatsApp, and other websites. Therefore, with a mean score of 68.15 Amazon ranks first among the different online shopping sites.

9.4 Calculation of Weighted Score – Important Factors in Online Shopping

S.No	Factors	Total Score	Weighted Score	Rank
1	Delivery time	353	4.10	I
2	Reputation of website	329	3.83	VI
3	Guarantees & Warrantees	335	3.90	V
4	Good description of goods	341	3.97	IV
5	Security	352	4.09	II
6	Price	349	4.06	III
7	Free shipping	323	3.76	VII

Source: Primary Data

The above-mentioned table explains the importance of various factors considered while shopping online. Out of the selected factors, delivery time has been preferred as the most important factor while shopping online with a weighted score of 4.10. The other factors with their weighted scores are security (4.09), price (4.06), good description of goods (3.97), guarantees and warrantees (3.90), reputation of website (3.83), and free shipping (3.76) accordingly are considered important.

9.5 Calculation of Weighted Score – Factors Refraining To Shop Online

S.No	Factors	Total Score	Weighted score	Rank
1	Risk of security and loss of privacy	196	2.28	III
2	Difficulty in returning products	197	2.29	II
3	Lack of trustworthiness of vendors	186	2.16	IV
4	Not being able to touch products	202	2.35	I
5	Delivery of wrong products	182	2.12	V
6	More expensive than those sold in retail stores	197	2.29	II

Source: Primary Data



The above-mentioned table shows the factors that refrain to shop online. The factors are risk of security and loss of privacy, difficulty in returning products, lack of trustworthiness of vendors, Not being able to touch products, delivery of wrong products, more expensive than those sold in retail stores with the weighted score of 2.28, 2.29, 2.16, 2.35, 2.12, and 2.29 respectively. Therefore, Intangibility (Not being able to touch products) with a weighted score of 2.35 is the problem faced by majority of the respondents while shopping online.

9.6 Null Hypothesis - There is no association between Generations (Y and Z) and frequency of buying online.

9.6.1observed Frequency

Generation / Frequency of online shopping	Daily	Weekly	Fortnight	Monthly	Rarely	Total
Generation Z (1997 – 2012)	0	4	1	12	36	53
Generation Y (1981 – 1996)	0	3	7	13	10	33
Total	0	7	8	25	46	86

9.6.2EXPECTED FREQUENCY

Generation / Frequency of online shopping	Daily	Weekly	Fortnight	Monthly	Rarely
Generation Z (1997 – 2012)	0	4.31395349	4.93023256	15.4069767	28.3488372
Generation Y (1981 – 1996)	0	2.68604651	3.06976744	9.59302326	17.6511628

9.6.3CALCULATION OF CHI-SQUARE

O	E	O-E	O-E ²	O-E ² /E
0	0	0	0	0
0	0	0	0	0
4	4.31395349	-0.3139535	0.09857	0.02284837
3	2.68604651	0.31395349	0.09857	0.03669586
1	4.93023256	-3.9302326	15.4467	3.13306275
7	3.06976744	3.93023256	15.4467	5.03188866
12	15.4069767	-3.4069767	11.6075	0.75339182
13	9.59302326	3.40697674	11.6075	1.20999295
36	28.3488372	7.6511628	58.5403	2.064998
10	17.6511628	-7.6511628	58.5403	3.31651194
CALCULATED VALUE = 15.5693904				

Source: Primary Data

$$\begin{aligned} \text{Degree of Freedom} &= (r-1) (c-1) \\ &= (2-1) (5-1) \\ &= 1*4 = 4 \end{aligned}$$

4 @ 5% Table value = 9.488

Calculated value = 15.5693904



Table value = 9.488

The calculated value (CV) is greater than the tabulated value (TV), $CV > TV$.

Result:

- Hypothesis is rejected since the calculated value is greater than the tabulated value.
- Therefore, there is association between Generations (Y and Z) and frequency of buying online.

9.7 Null Hypothesis - There is no significant difference among the income level and overall satisfaction of the respondents on online shopping.

9.7.1 Descriptive Statistics

Income Level	Number	Mean	Standard Deviation
Less than Rs.1,00,000	5	2.20	.837
Rs.1,00,001 – Rs.1,50,000	11	1.82	1.079
Rs.1,50,001 – Rs.2,00,000	34	1.82	1.058
More than Rs.2,00,000	36	2.17	1.134
Total	86	1.99	1.079

9.7.2 Anova Table

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.611	3	.870	.740	.531
Within Groups	96.378	82	1.175		
Total	98.988	85			

Source: Computed Primary Data

Result

The above analysis shows that the assumed null hypothesis has been accepted. The calculated value of F is less than the table value at 5% level of significance and the p-value is not less than 0.05. Therefore, it is concluded that there is no significant difference among the income level and overall satisfaction of the respondents on online shopping.

10.0 Findings of the Study

- 1 51.2 percent of the respondents shop online only when a need arises.
- 2 Clothing and accessories ranked first with a Garrett mean score of 62.62 among the nature of products purchased online.
- 3 With a mean score of 68.15, Amazon ranks first among the different online shopping sites.
- 4 Amazon tops the preference chart of the respondents irrespective of nature of products purchased online.
- 5 41.9 percent of the respondents spend Rs.501 – Rs.1,000 on a single online purchase.
- 6 Delivery time of the products has been preferred as the most important factor while shopping online with a weighted score of 4.10.
- 7 Cash on delivery is the convenient and most preferable mode of payment by the respondents with a weighted score of 4.57 in shopping online.
- 8 Intangibility (Not being able to touch products) with a weighted score of 2.35 is the problem faced by majority of the respondents while shopping online.
- 9 The respondents have a good online shopping experience with a weighted mean score of 4.17.



10 39.5 percent of the respondents' in-store shopping behaviour remains unchanged as the impact of online shopping.

Results of Hypotheses

- 1) **Null Hypothesis** - There is no association between Generations (Y and Z) and frequency of buying online.
Hypothesis is rejected since the calculated value (15.5693) is greater than the tabulated value (9.488). Therefore, there is association between Generations (Y and Z) and frequency of buying online.
- 2) **Null Hypothesis** - There is no significant difference among the income level and overall satisfaction of the respondents on online shopping.
Using one-way ANOVA, the calculated value of F is less than the table value at 5% level of significance and the p-value is not less than 0.05. Hypothesis is accepted. Therefore, it is concluded that there is no significant difference among the income level and overall satisfaction of the respondents on online shopping.

11.0 Suggestions

The suggestions depicted below are provided by the respondents.

- **Customer satisfaction** is to be considered as the first preference by the online retailers.
- It is necessary to gain the **faith of the customers** by providing trusted service.
- **Product quality** is an important competitive issue. It helps in retaining the loyalty of the customers.
- It is the responsibility of the marketers to **provide brands preferred by the customers**.
- It is necessary for the retailers to **prioritize the needs of the customers**.

12.0 Conclusion

This study explains that regardless of Zoomers and millennials, majority of respondents use electronic devices and internet for over four years of time. They tend to *shop online only on their needs and requirements and prefer to use smartphones* for shopping. *Amazon has been ranked as the top most preferred online shopping platforms* irrespective of the nature of the products bought by the respondents. The time of delivery of the order placed is the most important factor influencing the purchasing decision whereas the *absence of physical touching ability of the products* bought online is the problem faced by majority of the respondents.

People search and buy online but prefer cash on delivery as their mode of payment rather than other modes of payment. The use of virtual reality and chatbot by the respondents insists the urge and need to adapt to the updating technology. Covid-19 has also been a reason for adopting online shopping platform. The shopping behaviour of the respondents remains unchanged and they are satisfied with their overall online shopping experience. Therefore, this study has concluded that there is relationship between the zoomers and millennials and their shopping behaviour and the *income level of the respondents influences* their shopping behaviour.

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