

# The Antecedents of Purchase Intention of Millennials and Zillennials on Preloved Apps in Indonesia

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## ABSTRACT

For many years recently, the Y generation (millennials) and Z generation (Zillennials) have brought changes to consumer buying behavior, especially for the online market. Customers can migrate from traditional shopping activities to online shopping on e-commerce, which is a handy technique for them. Several parties are providing platforms along the road to improve the shopping experience by increasing the convenience of making a transaction as a customer. Hence, the evidence of digital business creations in past years ought to imply several innovations in business ideas such as preloved apps and so forth. However, there is currently a lack of study in Indonesia, particularly on the characteristics that influence online purchase intention on preloved apps in Indonesia. This study was conducted utilizing the Convenience, Shopping Enjoyment, and Quality theories to investigate Millennials' online purchase intentions on one of the Indonesian preloved apps, especially in Jakarta area. In addition, a multiple regression analysis was created to better understand the impact of three variables as their antecedents on online purchase intention on one of the Indonesian preloved apps. The data for this study was gathered using quantitative data in gathering the data, the questionnaires are distributed to Jakarta residents aged 18 to 37. Convenience was proven to have a beneficial effect on purchase intention. This condition has achieved a satisfying outcome while moving concurrently from the previous study, which said that consumers will discover convenience and delight while shopping online, which will be aided by the time savings they will experience when utilizing the application. On the other hand, it was discovered that Shopping Enjoyment and Quality have no positive effect on their Purchase Intention on one of the Indonesian preloved apps. Based on the findings, e-retailers should consider the customer's shopping process as a practical aspect and a consumer attribute. From a theoretical standpoint, this study adds a better understanding of the elements that influence the purchase intention of millennial customers while shopping online on the Indonesian preloved apps. Furthermore, this study focuses on the three elements that can influence buying intention, instead of focusing on the customers' buying preferences, which is the influence of convenience.

**Keywords:** *Millennials and Zillennials, Convenience, Shopping Enjoyment, Quality, Purchase Intention, Preloved Apps.*

## 1. INTRODUCTION

Nearly 64 percent of Indonesia's population is online, according to Hootsuite's social media management platform study and We Are Social's social marketing agency's "Global Digital Reports 2020." According to Kominfo in Indonesia, there are 150 million Internet users in the region, with a 56 percent

By discussing several platforms that take roles on e-commerce in Indonesia, a well-known preloved app that expands their businesses in Indonesian market. It received \$56 million of funding in its most recent

penetration rate. The difference is negligible when compared to the number of mobile internet users, which stands at 142.8 million individuals with a penetration rate of 53%. [1]. The rapid technological advancement of digitalization in today's condition with the occurrence of online shops. An online shop is a platform that displays goods and services online via an internet connection and attracts visitors [2].

fundraising round, and a merger with Telenor Group's 701 Search late last year, valuing the company at \$850 million. Since its introduction in 2012, the mobile-first

marketplace has amassed over 250 million listings and tens of millions of users across eight markets [3].

Millennials are a generation of young people who are well-versed in using technology in their daily lives, as well as in their values, life experiences, motives, and shopping habits in general. They use the internet to shop for the most recent products or services[4]. Gen Z or *Zillennials*, as one of the most educated generations, is well aware of the cost of any goods they intend to purchase. In comparison to earlier generations, Gen Z will pose the greatest challenge to businesses, since they want to ensure that they select the best products at the lowest possible price and never try to widen their search to include unknown brands[5].

Therefore, Kwek et al [6] stimulates some factors to influence customer to buy online such as impulse purchase orientation, quality orientation, Brand orientation, shopping enjoyment orientation, and convenience orientation. However, from those factors that have been stated earlier on some studies, there are several variables that will be tested in Jakarta with the current situation of pandemic and solely focuses on millennials and zillennilas toward a well-known preloved app in Indonesia; such as to analyze the relationship between shopping enjoyment towards millennials purchase intention, to analyze the relationship between convenience towards millennials online purchase intention, to analyze quality towards millennials online purchase intention.

### ***1.1. Research Objectives.***

1. Does Convenience have a positive and significant effect on Millennials and Zillennials Online Purchase Intention of a preloved app?
2. Does Shopping Enjoyment have a positive and significant effect on Millennials and Zillennials Online Purchase Intention of a preloved app?
3. Does Quality have a positive and significant effect towards on Millennials and Zillennials Online Purchase Intention of a preloved app?

## **2. MATERIALS AND METHODS**

### ***2.1. Convenience and Purchase Intention***

Convenience has been identified as an important determinant why consumers decide to buy or use. Rodriguez Torrico, et al, [7] defines convenience as a consumer's perception of the time and effort saved by using a service. According to Chung et al [8] they found that product information (good information of the product) has more positive impacts on e-satisfaction compared to the comfort of shopping convenience. Ganesh et al, [9] found that customers displaying a high level of convenience when transacting, tend to be more pleased with the service.

### ***2.2. Shopping Enjoyment and Online Purchase Intention***

Shopping enjoyment was decidedly identified with buyers' perspective towards shopping on the web. This finding is upheld in different investigations where demeanor affects shopping enjoyment [10]. Buyer's point of view towards buying on the web was decidedly identified with their expectations to keep on buying on the web. This finding is upheld in different investigations where demeanor affects goals to keep shopping on the web when members as of now have insight into doing such activity [11].

### ***2.3. Quality and Online Purchase Intention***

Saidani and Arifin's [12] mentioned that product quality, service quality and customer enjoyment will affect purchase intention. Service quality is seen as one of the components that need to be realized by the company, because it has an influence to bring in new customers and can reduce the possibility of regular customers to switch to other companies.

### ***2.4. Hypothesis***

1. H1:Convenience has a positive effect on Millennials and Zillennials Online Purchase Intention of a preloved app.
2. H2:Shopping Enjoyment has a positive effect on Millennials and Zillennials Online Purchase Intention of a preloved app.
3. H3:Quality has a positive effect on Millennials and Zillennials Online Purchase Intention of a preloved app.

### ***2.5. Research Method***

This study utilized quantitative research and explanation research. In this study, the population consists of the people who live in the Jakarta area. For this study, the population are millennials and zillennials around Jakarta

and currently live in Jakarta. The average age will be between 18-37 years old. This questionnaire will be distributed via online platform or Google form with the multiple options that were measured with 5 Likert scales. The total target of the number of respondents will be more than 107 respondents. This study is using the purposive probability or non-probability since the target population is specified. Purposive sampling is combined with digital communication system, researchers have effectively engaged large samples who are alternatively difficult to achieve at relatively low cost [13].

Purposive sampling is conducted with certain criteria, which are; Millennials and Zillennials the age range between 18-37; Millennials and Zillennials who love to do online shopping; ; Millennials and Zillennials who come from Generation Y or Millennials with the age range between 18-37who live in the Jakarta area. Hair et al.

[14] proposed that the measure of the test ought to be more than 50 or ideally the sample size ought to be 100 or bigger.

The indicators of the study are confirmed by the previous studies [5][7][8][9]. There are three indicators of convenience, shopping enjoyment (4 indicators), quality (3 indicators) and online purchase intention (3 indicators).

*2.5.1. Method of Analysis*

The descriptive analysis of this research was organized with the purpose to discover the element by acquiring raw data. Therefore, in this part of the study, this study will present the respondent profile based on the data collected from the survey conducted in the form of a questionnaire with several measurements such as gender, age, occupation, domicile, estimation expense when online shopping on an online platform.

[15]. Hence, reliability of tangible testing can be better surveyed by estimating various wellsprings of mistake at the same time as opposed to zeroing in on each source in turn [15].

There are some analysis to be done in prior to hypothesis testing such as linearity test, normality test, heteroscedacity test, Model Feasibility test [15][16][17][18]. To test the hypotheses, the study utilizes multiple regression with SPSS as the analytical tool.

**3. RESULTS**

**3.1. Respondents Profile**

Based on the data that shown above, the respondents that filled the online questionnaire that are likely to use the app application are dominated by female (64 respondents=59.8%). The range of age are 18-22 (49.5%); 23-27 (28%); 28-32 (15.9%); 33-37 (6.5%). For the occupation would be dominated by students (53.3%) and the employees (22.4%); entrepreneurs (15.5%) the rest are unemployment. For the domicile is dominated in South Jakarta (36.4%); East Jakarta (26.2%); West Jakarta (21.5%); North Jakarta (10.3%) and Central Jakarta (5.6%).

For monthly spending for online shopping is less than IDR 1 million (41.1%); 23.4 percent for more than IDR 2 million; range of 1-2 million are 16.8%; and 1;1.5 million are 18.7%. For shopping frequency is dominantly by 1-2 times per month (42.1%). There are 35.5% of 3-4 times, and 22.4% is more than 5 times a month.

**3.2. Prior Tests**

The validity test can be seen below:

**Table 1.** The validity test

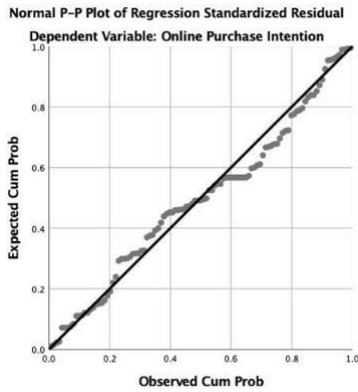
Variables	Indicator	Coefficient Correlation of Average Variables	P-Value (Sig.)
Convenience	C 1	0.746	0.000
	C 2	0.727	0.000
	C 3	0.722	0.000
Shopping Enjoyment	SE 1	0.679	0.000
	SE 2	0.642	0.000
	SE 3	0.679	0.000
	SE 4	0.780	0.000
Quality	Q 1	0.756	0.000
	Q 2	0.726	0.000
	Q 3	0.563	0.000
Online Intention	OPI 1	0.759	0.000
	OPI 2	0.639	0.000
	OPI 3	0.630	0.000

Therefore, validity instruments have the capacity to catch or characterize what the creator needs to know

Based on the analysis from SPSS, the study achieve validity (Table 1) and reliability (Cronnbach Alpha is 0.95). For the linearity, that the significance value of all

Y\*X variable correlation > 0.05 so that it can be concluded that the effect of each independent variable on the dependent variable is linear.

The data is also normally distributed (residual significance value is 0.33 > 5%). Also, the P-Plot test shows the similar argument.



**Figure 1.** Normal P-Plot Regression

Other prior tests such as multicollinearity test has VIF less than 10 for three independent variables present that no overlap independent variables are presented in this study. For the F test, significance value for the effect of X1 (Convenience), X2 (Shopping Enjoyment) and X3 (Quality) simultaneously on Y (Online Purchase Intention) is 0.000 < 0.05 and the F value is 60.381 > F table 2.69 So, based on these results, it can be concluded that there is an positive effect of X1 (Convenience), X2 (Shopping Enjoyment) and X3 (Quality) simultaneously on Y (Online Purchase Intention).

**3.3. Hypothesis Testing and Discussion**

For the partial test, can be seen on the following Table 2. Based on the results of the analysis, the variables have been tested using the Partial Test or T-Test method. It is known that the value of Sig. for the effect of X1 (Convenience) on Y (Online Purchase Intention) is 0.00 < 0.05 and the T Table Value is 6.34 > 1.983. So, based on this analysis, it can be concluded that H1 is accepted and there is a positive effect between X1 (Convenience) on Y (Online Purchase Intention).

Furthermore, based on the table above, it is known that the Sig value for the effect of X2 (Shopping Enjoyment) on Y (Online Purchase Intention) is 0.080 > 0.05 and the calculated T Table Value is 1.766 < 1.983. So, based on this analysis, it can be concluded that H2 is rejected and it can be stated that there is no positive effect between X2 (Shopping Enjoyment) on Y (Online Purchase Intention).

**Table 2.** Partial T-Test

Model	Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
(Constant)	.771		2.708	.008
Convenience	.090	.584	6.340	.000
Shopping Enjoyment	.067	.165	1.766	.080
Quality	.101	.113	1.123	.264

Finally, based on the table above, it is also known that the Sig value for the effect of X3 (Quality) on Y (Online Purchase Intention) is 0.264 > 0.05 and the calculated T Table Value is 1.123 < 1.983. So, based on these results, it can be concluded that H3 is rejected and it can be stated that there is no positive effect between X3 (Quality) on Y (Online Purchase Intention). As mentioned above about the result of the Partial Test for this research, the calculation based on the unstandardized coefficients of the multiple regression is calculated as follows:

$$Y = 2.087 + 0.573 X1 + 0.119 X2 + 0.114 X3 + e.$$

The results also shown that The higher the value of Adjusted-R 2, the higher the independent variable can explain the variation of the variable (Ghozali, 2013). This statement has been stated in chapter 3 by the author. On the other hand, the percentage of 37.3% of Online Purchase Intention are described by the other factors excluded in this study.

Convenience has a positive and significant effect on Online Purchase Intention. This result can be seen with the significant value of (0.00 < 0.05). These results also support previous research [7][8] which states that one of the reasons consumers make online purchases is to find convenience in the process of doing shopping activities themselves. Shopping Enjoyment does not have a positive and significant effect on purchase intention in this study. The significance value (0.080 > 0.05) demonstrates this. This result, on the other hand, contradicts a prior studies [10][11] Shopping pleasure has become a popular idea in the retail industry. The influence of Shopping Enjoyment will contribute to the customer's sensation of enjoyment, pleasure, delight, and other stimuli that may occur when shopping [19][20].

Based on the analysis that has been conducted earlier, in this study the variable of Quality Does not have a positive and significant effect on purchase intention. This is proven by the significance value (0.264 > 0.05). Chou [21] mentioned that the quality of a website as the general perfection or usefulness of a website can be measured while distributing an information or purposive messages to the audience.

#### 4. CONCLUSION

In conclusion, the result analysis of this study has brought us to new understanding about the factors that affect online purchase intention of the millennials and *zillennials*. Among the three predictors, only shopping enjoyment influences online purchases. The results support and rejects some studies earlier.

#### AUTHORS' CONTRIBUTIONS

The preloved app can learn several things from this study that have been described above. The app must also pay attention to the needs of their audience. Because this can be judged from some of the reviews displayed by their users who state some problems that often occur in the Carousell.id application. This can lead to a decrease in the audience's sense of trust in the brand from the app itself. Among them, customers stated that they had been deceived when buying a product on the platform. In addition, there are also those who state that there is a bug in the application itself. Therefore, some of the digital marketing strategies can be applied as well.

Furthermore, from the academic perspective, this study adds new comprehension on the factors that affect the purchase intention of the millennial customer while online shopping on carousell.id application. In addition, this research also focuses on those 3 variables that can affect purchase intention. Which is the effect of convenience instead of focusing on the shopping orientation of the millennials and *zillennials*.

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