Indonesian Millennials' Online Shopping Intention During the New Normal Covid 19

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Abstract. This research investigated the interest in online shopping among Indonesian Millennials during the new normal COVID-19 epidemic. This research contributes to understanding how familiarity with online shopping is mediated by information search could affect the online shopping interests of urban millennials during the new normal COVID-19 pandemic. This study is a sort of quantitative research done on urban millennials interested in online shopping amid the 2022 pandemic caused by the new normal strain of COVID-19. An online survey of urban millennials was conducted using non-probability samples obtained with purposive sampling. There were 200 respondents in the model—SmartPLS-based approaches for data analysis. The research findings show that familiarity with online shopping and information search has a positive and indirect influence on the online purchase intent of Indonesian urban millennials. Search for information serves as the mediator between familiarity with online shopping and online buying intentions. To draw the attention of urban millennials to online shopping, it is essential to evaluate their familiarity with online shopping and where and how they search for information before they're interested in purchasing online.

Keywords: Information search · Millennial consumers · New normal Covid 19 epidemic · Online purchase intention · Online shopping familiarity

1 Introduction

The beginning of the Covid-19 Pandemic in Indonesia occurred in 2020 with the announcement of cases of positive patients infected with the Covid-19 virus in March 2020, until 2021 the Covid-19 pandemic is continuing. During this pandemic, internet usage in Indonesia was increasing, since people are doing activities at home, so it has a very big influence on the escalating numbers in online shopping. There were several changes in people's consumption patterns, especially the millennial generation in online shopping, which led to rapid growth during the pandemic. A study conducted by Kredivo and Katadata Insights Center (KIC) reveals that millennials or those aged 26–35 years are the largest contributors to the proportion of online shopping transactions during the Covid-19 pandemic [1]. It is recorded that there are 48% of e-commerce consumers aged 26–35 years who make transactions in 2021.

Past studies about online behavior across generations by [1, 2], shows the interesting poin that millennials are always aware of the development of the internet and are dubbed digital natives [4]. This is also supported by the theory that people of the same generation share the same attitudes, ideas, values, and beliefs because they all experienced the same major events (such as social, political, and economic ones) when they were "coming of age" [6]. There is no doubt that Millennials are the most technologically adept generation yet [7]. Millennials are those born between 1981 to 1996 [8]. The millennial generation known as Generation Y has become a hot topic of study due to the fundamental differences between Generation Y (Gen Y) and previous generations (Gen X), also, because generation Y is more aware of the use of technology influenced by peers [9]. Generation Y grew up with the internet and mobile phones, which is why generation Y is often referred to as the "Net-Generation" of digital natives", "Millennials, and Generation C" (Connected Generation) [10, 11].Generation Y is harder to figure out than other generations because conventional media do not easily persuade them. Generation Y is more creative and dynamic [12, 13].

Even though there are many studies about millennial online shopping but there aren't as many studies as possible on the Indonesian millennial generation in the new normal covid pandemic, though there are a lot of them (34.45% of the total Indonesian population) and they are heavily populated part of the country. So, this study tries to find out how online shopping familiarity and information search affect millennial consumers' decision to buy products from online shopping in Indonesia. Moreover, [14] states that online shopping is shopping in cyberspace by easily being able to search and dig up information about products, images, prices, and promotions without feeling uncomfortable due to geographical differences. Positive feelings obtained while shopping online can trigger the intention to purchase, and impulsive buying behavior can also increase. The strength of an individual's intention to engage in a behavior is decided by how strongly they want to try it, and the greater the likelihood that the behavior will be carried out [15]. The determination of intention plays a significant role in directing what a person does and is something that can better determine the next behavior [16]. There are so many situational variables that can determine actual shopping behavior [17].

One of the factors that influence intention is online shopping familiarity which is an understanding of a person regarding the online shopping process, making it easier to find and access the information needed before making a purchase, which can affect their intention to buy [4]. Familiarity is an understanding based on interactions, previous experiences, and learning about what, why, where, and when others do what they do [18]. Familiarity has to do with the process of understanding the current activity of another person or an object and is a way to subjectively reduce uncertainty [19]. Furthermore, every customer will seek easy access to information through online websites [20–23]. The availability of information would improve customers' perception of online Web sites. Customers' desire to use online shopping websites is facilitated by ease of use [24]. Emphasize the importance of customers' mindsets, goals, and information-seeking habits in shaping their online purchasing decisions [25].

Notably, the customer's web search behavior has a direct impact on their intention to shop online. The adoption of online shopping is indirectly affected by customers' shopping behaviors and previous online experiences. Considering how someone searches

for something online before deciding to adopt is important. In the search for information, customers can find product-related information and promotions. Product details are available in the online environment. They facilitate the comparison of products and services for the convenience of customers and reduce search costs. Assumedly, providing consumers with detailed product information through an e-commerce platform will entice them to shop more.

2   Methods

This quantitative study involves Indonesian Millenials as a population. The samples covered those who had an interest in doing online shopping after the Covid-19 outbreak. The selection of these samples followed a purposive sampling method with non-probability sampling as an approach. The main characteristics of the participants were the millennial generation who were familiar with the internet and were interested in online shopping during the Covid-19 pandemic's new normal life.

The number of samples was determined by multiplying the number of inner or outer models by ten, with a minimum sample size of 150 respondents [26]. The total sample in this study was 200 respondents. This research was conducted with a survey method through the online questionnaires with a Likert scale on google forms. Data were analyzed using Partial Least Square Structural Equation (PLS-SEM), where the results of the SEM analysis can be used to analyze the efficiency of this study path analysis [27].

3   Result and Discussion

There were 200 respondents who participated by filling out questionnaires online. Respondents were dominated by female millennials (124 people or 62%) of the total number of respondents. Male respondents numbered 76 people or only 38% of the total respondents. According to educational background, most respondents had high school diplomas, namely, 125 people (62.5%), in the second place were respondents with an undergraduate education level (S1) of 50 people (25%) and a Diploma education of 19 people (9.5%). Based on employment, it was dominated by respondents who chose other (other than civil servants, employees, and self-employed) with a total of 109 people (54.5%), such as those who continued their studies to the post-graduate level or had the status of students in higher education, some worked as traders, housewives, employees and with the status of contract or honorary employment. Based on monthly income, most respondents have an income of fewer than one million rupiahs, which is 91 people (45.5%). In the second place are respondents with monthly income reaching Rp1,000,000 - Rp2,500,000, which is 52 people (26%), in the third order is respondents with monthly income of Rp2,500,001 - Rp5,000,000, which is 30 people (15%). Respondents were also asked aboutthe types of items they were interested in shopping online. The categories chosen include fashion, electronic equipment, mobile phones and tablets, computers and laptops, hobby products and toys, and other options. 97 people (48.5%) chose fashion products as the first choice, and respondents who were interested in electronic equipment and others were equally selected by 23 respondents (11.5%).

Only 40 respondents chose two products that were in demand, the types of products that were most in demand were hobby and toy products, namely 15 people (37.5%). While the respondents who chose the three products that were in demand were only 19 people, the types of products that were most in demand were also hobby products and toys.

Further, in analyzing the validity and reliability of the data, there is a general rule that Cronbach's alpha (α) and composite reliability (cr) values must be > 0.7. The PLS analysis results in this study show that the cr and α are > 0.7, so the data is reliable [28]. Comparing cross-loading values is a good way to find indicators. This study's discriminant validity test is therefore declared valid [28]. Therefore, the discriminant validity findings indicate how little the measurements are influenced by other constructs. Low correlations among each measurement demonstrate this, and the squared correlations are compared to the construct's variance [29, 30]. Figure 1 demonstrates that the values of the squared correlation are adequate for distinguishing between each measurement.

Further, R^2 statistic shows how the exogenous variable affects the changes in the endogenous variable. This study's theoretical approach is strongly predicted internet shopping familiarity, information search dan online purchase intention. By value $R^2 = 0,589$ for information search, and $R^2 = 0,689$ for online purchase intention. R^2 value > 0,33 is regarded a strong level [31]. The increased predictive ability demonstrated the value of the additional constructs. Path coefficients show by Table 1.

Based on the findings of path coefficients in Table 1, it can be explained that the online purchase intention of the Millennial generation in Indonesia in the new normal period will increase if they have a level of familiarity in terms of online shopping, information search also triggers their intention to shop online. This means that the more familiar they are with the processes for shopping online, the more their online shopping intentions will increase. The results are consistent with those found in research conducted by [4] which shows that young Australians & American customers are accustomed to the online shopping process. During the new normal period, the effect of online search for information on online buying intention is positive among the millennial generation in Indonesia.
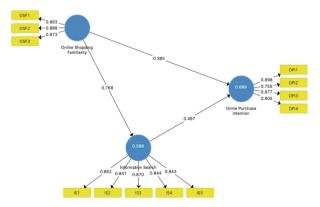

Fig. 1. Result of Path Analysis Model

Table 1. Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation	T Statistic	P Values	Hypothesis
Online shopping familiarity -> Online purchase intention	0,385	0,378	0,093	4,154	0,000	H1 Accepted
Online shopping family -> Information search	0,768	0,770	0,037	21,002	0,000	H2 Accepted
Information research -> Online purchase intention	0,497	0,501	0,089	5,570	0,000	H3 Accepted
Online shopping familiarity -> Information search -> Online purchase intention	0,382	0,387	0,077	4,979	0,000	H4 Accepted

The findings of this study are also consistent with those of [24, 25] that there has a significant and positive impact on the online search for information and online purchase intentions. In addition, [32] information search and browsing were identified as online shopping motivations. It means that the search for information is essential to the customer's decision-making process. Consumers search on the Internet because they want to find information. So, they spend their money, time, and other resources on gaining information to decide to buy [33]. Customers should be able to access information quickly and easily, as well as detailed instructions, from online retailers [34]. A website that integrates adequate product information and pricing encourages customers to stay on the website longer and learn more about the brand [35]. The more time a person spends on a website, the less other things like perceived risk, lack of confidence, and unwillingness to buy will matter [35]. If you spend more time browsing, you'll find additional info, which will lead to more online shopping. A search for information online mediates the interaction between online purchasing motivation and the observed variables. An online information search is a significant mediator between online buying intention and the observed variables [36].

4   Conclusion

This study concludes that online shopping familiarity and information search positively affect Indonesia's millennials' online purchase intentions on the online purchase intention of Indonesia's millennial generation during the new normal post covid 19 period. During the Covid-19 pandemic, online shopping has become an alternative because consumers have experienced changes in behavior, especially in online shopping, which is growing. Information search as a mediation act as a variable that connects online shopping familiarity more conceptually and clearly to online shopping decisions. It means that consumers who are interested in shopping online are curious because they are familiar

with online shopping or are technologically literate because they are used to encouraging online shopping, the interest in online shopping for Indonesia's millennial generation will increase.

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