

Factors Affecting Millennial Generation's *Online* Shopping Interest

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Abstract: This study aims to examine the factors that influence the online shopping interests of the millennial generation. This research uses quantitative methods and collects its data using questionnaires spread through google forms. A total of 150 samples with *purposive sampling* method. The data processing technique uses the SPSS Version 20 program with multiple linear regression analysis. this research shows that attitudes have a significant effect on online shopping interests. Price has a significant effect on online shopping interests. Trust has a significant effect on online shopping interests. Subjective norms have a significant effect on the interest in *online* shopping.

Keywords: Attitude, Price, Trust, Subjective Norms and Interests of *Online* Shopping.

Introduction

Along with the development of technology today the millennial generation dominates all activities in the business world. Millennials are those born between 1980 and 2000. This generation is called millennials because it was born and raised in the digital age. Millennials think that nowadays technology is a lifestyle that is quite difficult to separate. With this technological advancement, it provides many conveniences in human life such as searching for various information on the internet easily in any case (Rohmiyati, 2018).

Based on Internet World Stats user in the top 20 countries as of December 31, 2019, Indonesia is the fourth country with the most internet users in the world, with 171.3 million people or 64.4% of the total 273.5 million people in Indonesia. Meanwhile, according to statistical data on internet users from APJII 2020, internet users increased by 196.7 million users or around 73.7% of the total Population of Indonesia. The convenience provided by the internet can develop a business idea, namely selling shopping *online*.

Shopping *online* allows consumers to purchase products from sellers without having to visit in person, but we can transact through the internet. The high number of internet users in Indonesia, makes great potential for business people selling *online* shopping. The character of the millennial generation is varied according to the region and economic conditions. In general, this generation is characterized by an increase in the use and proximity of communication and digital technologies. With this character, most of them use *e-commerce* as a fulfillment of their needs. According to Kotler & Armstrong (2012) E-commerce is a transaction of either services or goods using information technology using internet technology. The type of *e-commerce* that is currently popular among millennials is a type of *marketplace* where this type of consumer can create an account and choose among the various needs offered. Types of marketplaces in Indonesia include Shopee, Tokopedia, Lazada, Bukalapak and Zalora. The millennial generation has a fairly high interest in online shopping, but the high interest in *online* shopping cannot be a benchmark for spending or not.

According to the concept of Ajzen & Fishbein that a person chooses or defends through *e-commerce* because they have an interest. Interest can be formed by the existence of an attitude, which is a mixture of the possibility of the consumer himself or there are other factors such as price comparison factors, trust factors, subjective norms and attitude factors of the millennial generation.

Based on the previous description, the author is interested in researching the factors that influence the millennial generation's *online* shopping interest with the object of research on Batam State Polytechnic students of the accounting and managerial accounting study program. The formulation of the problem in this study is to test whether factors of attitudes, prices, beliefs, and subjective norms have a significant effect on *online* shopping interests.

Theoretical Studies, Literature and Hypothesis Development

Theory of Planned Behavior

This theory is based on the assumption that people usually act rationally. Consider the available information and consider implicitly or explicitly the consequences of your actions.

According to Ajzen (2015) the theory of planned behavior is the theory that predicts planned behavior. Planned behavior theory tracks perceived behavioral control attitudes and perceived subjective norms underlying the beliefs underlying the behavior. Attitude is the way in which a person's behavior conveys positive or negative reviews. Perceived behavioral control is a person's perception of how easy or difficult it is to perform a desired behavior. A subjective norm is a personal opinion for or against doing something.

Theory of Consumer Behavior

According to Ginting (2007) consumer income is a process that is related to the buying and selling process, while at the same time consumers also carry out activities such as finding, asking, and assessing products or services. Consumer behavior is something that helps consumers in choosing one of the options for spending.

Consumer behavior is the foundation that allows consumers to make spending decisions. When consumers decide to spend on goods and services, many things are considered in advance such as the price of the product, shape, packaging, quality, usefulness of the product, and so on. Therefore, before spending, consumers can determine the choice of one of the products or services that are as expected.

Online Shopping

Online shopping is an interactive and real-time process of searching for consumers directly through internet intermediaries for goods or services offered by merchants (Elissa, 2013).

Online *shopping* allows you to know what products or services to buy on the internet or *online* stores advertised by *sellers*. This *online* shopping activity is a new transaction that not only requires face-to-face transactions but can be done individually for every consumer in the world through a *smartphone*. Despite the fact that advances in Internet technology have made it easier for consumers to make online purchases, there are risks that need to be addressed, especially with regard to trust. According to Kim et al. (2008) in their research found that the trust factor has a large impact in shopping interest which leads to the consumer's spending decisions.

Hypothesis

The Influence of Millennial Generation's Attitude on Online Shopping Interests

Attitude is the way a person thinks, feels, & acts towards several aspects of his environment such as retail stores, television shows, or products (Graham et al., 2008). Consumers' interest in shopping is a desire that is hidden in their minds. Consumer interest in shopping is always hidden from each individual, and no one understands what the consumer wants and needs.

H₁: Attitudes have a positive effect on *the Online Shopping Interests* of millennial generation consumers

The Effect of Price on Online Shopping Interest

Price, of course, can be one of the factors that can determine consumer behavior to make purchases. Research khare et al. (2014) it aims to explore the impact of shopping motives & price perceptions on Indian consumer behavior. The results of the study show that prices have a significant impact on consumer behavior. Vongurai (2021) shows that price is one factor that can significantly affect consumer behavior in counterfeiting luxury brands in Singapore.

H₂: Price has a positive effect on *the Online Shopping Interest* of millennial generation consumers

The Effect of Trust on Online Shopping Interests

It is difficult to imagine that consumers will transact using *online* retail without giving their basic trust to a particular vendor (Kinasih & Albari, 2012). Trust is a crucial factor and as one critical factor in stimulants in *online* transactions. Of course, increased trust can be used as a means to encourage a positive attitude towards consumers and increase their interest in shopping *online*, so increasing trust then the more positive consumer attitudes & increasing shopping interest.

H₃: Trust positively affects the Online Shopping Interest of consumers of the millennial generation

The Influence of Subjective Norms on Online Shopping Interests

Subjective norms are an individual's perception of social pressure to do or not to perform a behavior (Ajzen, 2015). Mas'ud research (2012) subjective norms have a positive effect in determining consumers' shopping desires or interests Findings from the research of Pradipta & Suprapti (2013) with subjective nor ma results positively affecting shopping interests rather than influencing attitudes.

H₄: Subjective norms positively affect *online* shopping interests

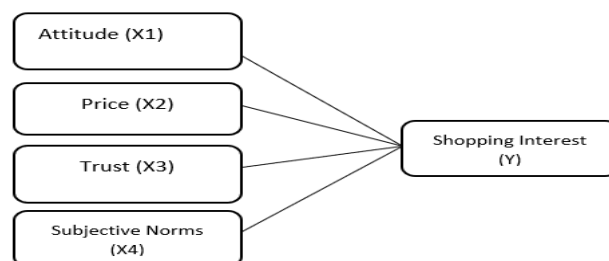


Figure 1. Research Model

Research Methods

Table 1. Variable Operations

No	Variable	Indicator	Scale
1	Attitude (X1)	<i>Cognitive</i> <i>Affective</i> <i>Behavior</i>	Ordinal
2	Price (X2)	Affordability Compatibility with quality Price competitiveness Compliance with benefits	Ordinal
3	Trust (X3)	Ability Policy Integrity	Ordinal
4	Subjective Norms (X4)	<i>Normative belief</i> - Family influence - Influence of friends <i>Motivational to comply</i> - Motivarsi meets family advice - Motivation to meet the advice of friends	Ordinal
5	Shopping interests (Y)	<i>Transactional</i> <i>Referential</i> <i>Preferential</i> <i>Explorative</i>	Ordinal

Source: Self-processed data (2022)

This research uses quantitative methods with two data sources, namely primary data and secondary data. Primary data is data obtained by distributing *online* questionnaires that are shared with students of the Batam State Polytechnic through Google Forms. Secondary data, that is, collected from other parties and obtained indirectly from sources. This technique is

obtained through scientific articles and research journals. Measurement of statements in the questionnaire uses the Likert scale method in order to produce accurate data.

Student of the Accounting and Managerial Accounting Study Program at the Batam State Polytechnic is the population in this research. research uses *purposive sampling* method as sample determination and with *non-probability sampling* technique. Researchers received a total of 240 respondents, but not all respondents were sampled because there were some respondents who did not meet the criteria set by the researcher. So that the number of samples obtained was only 150 respondents who met the criteria.

The criteria related to the sample, namely Active Students of the Batam State Polytechnic with the Accounting and Managerial Accounting Study Program and already have income. The data processing technique in this study used the calculation of the SPSS (*Statistical Product and Service Solution*) program version 20.

Results and Discussion

Validity Test

Validity Test is used to measure whether the data obtained is valid or valid. The validity test results are as follows:

Table 2. Validity Test Results

Variable	Question Item	Calculated r value	Table r value	Information
Attitude (X1)	1	0,927	0,349	Valid
	2	0,902	0,349	Valid
	3	0,747	0,349	Valid
	4	0,917	0,349	Valid
	5	0,802	0,349	Valid
	6	0,860	0,349	Valid
	7	0,898	0,349	Valid
	8	0,906	0,349	Valid
Price (X2)	1	0,891	0,349	Valid
	2	0,929	0,349	Valid
	3	0,904	0,349	Valid
	4	0,920	0,349	Valid
Trust (X3)	1	0,835	0,349	Valid
	2	0,722	0,349	Valid
	3	0,868	0,349	Valid
	4	0,915	0,349	Valid

	5	0,881	0,349	Valid
	6	0,890	0,349	Valid
	7	0,916	0,349	Valid
	8	0,900	0,349	Valid
Subjective Norms (X4)	1	0,792	0,349	Valid
	2	0,918	0,349	Valid
	3	0,587	0,349	Valid
	4	0,894	0,349	Valid
	5	0,918	0,349	Valid
	6	0,942	0,349	Valid
	7	0,894	0,349	Valid
	8	0,944	0,349	Valid
Shopping Interests (AND)	1	0,920	0,349	Valid
	2	0,883	0,349	Valid
	3	0,896	0,349	Valid
	4	0,896	0,349	Valid

Source: SPSS 20 Data Processing Results (2022)

From table 2 above, it states that the value of r counts $>$ of the value of r of the table. Thus, it can be stated that all questions in the questionnaire are declared valid.

Reliability Test

The Reliability Test is used to measure respondents' consistency in answering questionnaire questions. The results of the reliability test are as follows:

Table 3. Reliability Test Results

Variable	Reliability		
	Cronbach's Alpha	N of Items	Information
Attitude	0,971	8	Reliable
Price	0,946	4	Reliable
Belief	0,965	8	Reliable
Subjective norms	0,960	8	Reliable
Shopping interests	0,949	4	Reliable

Source: SPSS 20 Data Processing Results (2022)

Based on the summary of the reliability test results in table 3, it can be seen that *Cronbach's Alpha* > from 0.70. It can be concluded that all indicators in this study are reliable.

Test of Classical Assumptions

Normality Test

The Normality Test is used to check whether a distributed variable is normal. The results of the normality test are as follows:

Table 4. Normality Test Results

		Unstandardized Residual
N		150
Normal Parameters	Mean	,0000000
	Std. Deviation	,02521180
Most Extreme Differences	Absolute	,108
	Positive	,099
	Negative	-,108
Kolmogorov-Smirnov Z		1,327
Asymp. Sig. (2-tailed)		,059

Source: SPSS 20 Data Processing Results (2022)

Based on the results of table 4, this study uses the *Kolmogorov-Smirnov* approach which explains the *Asymp.Sig value of 0.059 > 0.050* it is concluded that independent variables and dependent variables are distributed normally.

Multicollinearity Test

The Multicollinearity test is used to verify whether the regression model finds correlations between independent variables. Here are the results of the multicollinearity test:

Table 5. Multicollinearity Test Results

Variable	Collinearity Statistics	
	Tolerance	Bright
Attitude (X1)	0,337	2,964
Price (X2)	0,354	2,824
Trust (X3)	0,452	2,213
Subjective Norms (X4)	0,362	2,764

Source: SPSS 20 Data Processing Results (2022)

Based on table 5 it is shown that the magnitude of the VIF value < 10 , It can be explained that there is no correlation or multicollinearity between free variables when synchronized with the decision specified in the form of regression.

Heteroscedasticity Test

The Heteroscedasticity Test is used to determine the presence or absence of variable variance or if all observations are the same. The results of the heteroscedasticity test are as follows:

Table 6. Heteroscedasticity Test Results

Variable	ABS_RESIDUAL	
Attitude (X1)	Sig. (1-tailed)	0,207
	N	150
Price (X2)	Sig. (1-tailed)	0,940
	N	150
Trust (X3)	Sig. (1-tailed)	0,992
	N	150
Subjective norms (X4)	Sig. (1-tailed)	0,266
	N	150

Source: SPSS 20 Data Processing Results (2022)

Based on table 6 the results of heteroscedasticity testing show the value of Sig. (1-tailed) from each variable > 0.05 and it can be concluded that the regression model in this study was free of symptoms of heteroskedasticity.

Multiple Linear Regression Analysis

Multiple linear regression analysis is used to test hypotheses about between the relationships of two or more free variables together with one dependent variable. The results of the multiple linear analysis test are as follows:

Table 7. Multiple Linear Regression Analysis Test Results

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	3,955	,567	
Attitude	,087	,030	,209
Price	,126	,053	,167
Belief	,084	,027	,195
Subjective Norms	,174	,029	,413

Source: SPSS 20 Data Processing Results (2022)

The hypothesis of factors influencing millennial generation spending interest in variable attitudes, prices, beliefs, and subjective norms is expressed to be supported. Based on the results of table 7, multiple liner regression equations can be made, namely:

$$Y = 3.955 + 0.087X_1 + 0.126X_2 + 0.084X_3 + 0.174X_4$$

From the regression equation above, it can be known:

1. A constant value of 3,955 means that if the attitude variables (X1), price (X2), trust (X3), and subjective norms (X4) are zero, then the spending interest variable is 3,955.
2. The value of the attitude regression coefficient (X1) of 0.087 indicates that the attitude variable has a positive influence on the shopping interest variable, meaning that every 1% increase of the attitude variable has an effect of 0.087 on the shopping interest variable.
3. The value of the price regression coefficient (X2) of 0.126 indicates that the price variable has a positive influence on the shopping interest variable, meaning that every 1% increase from the price variable has an effect of 0.126 on the shopping interest variable.
4. The value of the confidence regression coefficient (X3) of 0.084 indicates that the trust variable has a positive influence on the shopping interest variable, meaning that every 1% increase of the trust variable has an effect of 0.084 on the shopping interest variable.
5. The value of the subjective norm regression coefficient (X4) of 0.174 indicates that the subjective norm variable has a positive influence on the shopping interest variable, meaning that every 1% increase of the subjective norm variable has an effect of 0.174 on the shopping interest variable.

Coefficient of Determination Analysis

Analysis of the coefficient of determination makes it possible to measure the ability of the model to explain variables. The results of the analysis of the coefficient of determination are as follows:

Table 8. Coefficient of Determination Analysis Results

Model	R Square	Adjusted R Square
1	0,750	0,743

Source: SPSS 20 Data Processing Results (2022)

Based on table 8 above, it is explained that the value of *R Square* in this study is 75% and *Adjusted R Square* is 74.3%. So it can be concluded that attitude factors, prices, beliefs, and subjective norms have an effect of 74.3% on shopping interest and the remaining 25.7% are influenced by other variables or factors that were not considered in this study.

Hypothesis

The results of the hypothesis test using the T test can be seen in table 9.

Table 9. T Test Results

Model	T	Itself.
1 (Constant)	6,979	0,00
Attitude (X1)	2,92	0,00

Price (X2)	2,38	0,01
Trust (X3)	3,15	0,00
Subjective Norms (X4)	5,97	0,00

Source: SPSS 20 Data Processing Results (2022)

Based on table 9 above, it has shown the results of hypothesis testing. First, the attitude factor obtained a significant level of 0.00, meaning that the attitude variable had a significant effect on shopping interest because the value < 0.05 . Second, the price on gains a significant level of 0.01, meaning that the price variable has a significant effect on buying interest. Third, the trust gains a significant level of 0.00, meaning that the confidence variable has a significant effect on buying interest. And finally, on subjective norms gain a significant level of 0.00, the subjective norm variables have a significant effect on shopping interest.

The Influence of Attitudes Towards Shopping Interests

Based on the results of the hypothesis test, H1 is supported which means that attitudes have a positive effect on *online* shopping interests. These results support the research of Arum & Khoirunnisa (2021). The results of this study show that how a person thinks and acts in determining the product or service to be purchased so that it can affect interest online shopping.

Influence of Limited Price p Buy Interest

Based on the results of the hypothesis test, it states that H2 is supported which means that the price has a positive effect on *online* shopping interest. These results support the research of Sarkar et al (2020). The results of this study show that price is one of the factors that can determine consumer behavior. Price also has a significant impact on consumer behavior in determining the product or service to be purchased, for that the more affordable the price set will be more influential to interest in *online* shopping.

The Effect of Trust on Shopping Interests

Based on the results of the hypothesis test, H3 is supported which means that trust has a positive effect on *online* shopping interests. These results support Hana's (2019) research. The results of this study show that trust is a crucial factor in making transactions *online*. Increased trust can be used as a means to encourage a positive attitude towards consumers and increase their interest in shopping *online*. The increase in trust, the more positive consumer attitudes and influence on online buying interest.

The Effect of Subjective Norms on Shopping Interests

Based on the results of the hypothesis test, H4 is supported which means that subjective norms have a positive effect on *online* shopping interests. These results support the research of Mas'ud (2012) and Pradipta (2013). The results of this study show that the perception of the urge to do or not to do *online* shopping both from the influence of friends and family greatly affects shopping interests *online*.

Conclusion

Based on hypothesis tests, the results can be concluded as follows:

1. Attitudes have an influence on millennial *generation's online* buying interest. Buying interest influenced by the attitude of the millennial generation because of the affordable price and is very enthusiastic in doing *online* shopping.
2. Price has an influence on the *online* buying interest of the millennial generation because the prices that are listed on *e-commerce* are very affordable compared to *offline store* prices.
3. Trust has an influence on buying interest because trust is the main factor in making *online* buying and selling transactions. Without the trust of consumers, they will not make buying and selling transactions.
4. Subjective norms have an influence on buying interest. Because, there is an influence of family and friends who influence each other to do *online* shopping.

Suggestion

The researchers gave some suggestions, namely:

1. Furthermore, researchers are expected to be able to expand the range of samples and be able to add other factors, such as promotion factors and product quality.
2. For sellers, it is expected to be able to see factors that can increase buying interest such as at prices where sellers are expected to maintain a more affordable price and with good quality, furthermore, on the trust factor, it is hoped that sellers can increase trust in both product quality and delivery, where it is always become the focus of consumers before buying and selling *online*.
3. The millennial generation is expected to be more active and observant in assessing a product based on existing reviews so that it can cause trust and interest in buying a product.

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