



The Impact of Online Information and Reviews on Purchase Decisions Among Millennials and Generation Z: A Study of E-Commerce Behavior

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Abstract, Purposes - This research aims to examine the influence of accurate online information, customer reviews, and influencer endorsements on the purchasing decisions of Millennials and Generation Z. The study focuses on understanding how these factors contribute to consumer behavior in the e-commerce sector, particularly in the decision-making processes of younger digital natives. **Methodology** - A quantitative research approach was utilized, gathering survey data from 54 respondents within the Millennial and Generation Z demographics. The study applied structural equation modeling (SEM) using SmartPLS 4 to test hypotheses regarding the relationship between product information accuracy, reviews, and purchase decisions. **Findings** - The findings indicated that while there is a positive relationship between the accuracy of product information, customer reviews, and purchase decisions, this influence was not statistically significant. The p-value obtained through bootstrapping was 0.148, and the t-statistic was 1.446, both falling short of the thresholds for statistical significance. **Novelty** - This study challenges existing assumptions in the literature that product information accuracy and online reviews play a decisive role in e-commerce purchasing decisions. The results suggest that these factors alone may not be sufficient to influence consumer behavior among Millennials and Generation Z, indicating the need for further exploration of additional variables. **Research Implications** - The research implies that businesses focusing solely on providing accurate product information and fostering credible reviews may not fully address the drivers of purchase decisions for younger consumers. Future studies should explore other factors, such as emotional brand connections, personalized marketing, and the impact of social media engagement, to better understand consumer behavior in online environments.

Keywords: E-commerce, Millennials, Generation Z, Online Reviews, Product Information, Purchase Decisions, SmartPLS, Consumer Behavior

1. INTRODUCTION

Research Background:

The rapid growth of e-commerce has transformed the way consumers, particularly Millennials and Generation Z, engage with products. These digital natives increasingly rely on online platforms for shopping, driven by convenience, variety, and competitive pricing. However, there are concerns regarding the accuracy of product information and the reliability of customer and influencer reviews, which can significantly impact purchasing decisions. Despite the increasing use of these tools, little is known about how these factors directly influence the buying behavior of younger consumers.

Research Purpose:

The primary objective of this research is to examine the extent to which accurate online information, customer reviews, and influencer endorsements impact the purchasing decisions of Millennials and Generation Z. The study aims to fill the gap in understanding how these factors contribute to or hinder the e-commerce shopping experience for these consumer groups.

Research Benefits:

This research contributes to the body of knowledge in consumer behavior, particularly in the context of online shopping. The findings provide insights for marketers and businesses in optimizing their strategies to enhance consumer trust and satisfaction by improving the accuracy of information and credibility of reviews.

2. LITERATURE REVIEW

Online shopping has become increasingly popular, particularly during the COVID-19 pandemic, where convenience, safety, and access to a wide array of products have driven consumer behavior. According to Octaviani & Sudrajat (2016), e-commerce offers not only a practical alternative to physical shopping but also new challenges related to trust and information reliability. Previous studies (Suharman, 2019; Mujiyana & Elissa, 2013) have highlighted the importance of accurate product information and the influence of customer reviews in shaping purchase decisions. However, as technology evolves, so does the complexity of consumer behavior, particularly among tech-savvy Millennials and Generation Z.

Further, research by Simamora (2003) indicates that pricing remains a central factor in online purchase decisions, while product reviews and influencer endorsements play a pivotal role in reinforcing trust (Khafidatul & Indra, 2020). This study builds on these findings to explore the nuanced relationships between these factors and their effect on younger consumers' purchase decisions.

3. RESEARCH METHODOLOGY

This study adopts a quantitative approach using survey data collected from 54 respondents within the Millennial and Generation Z demographics. The survey included questions measuring the perceived accuracy of product information, the credibility of customer reviews, and the influence of influencer endorsements. Respondents were asked to rate these factors on a Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The collected data were analyzed using SmartPLS 4, a tool for structural equation modeling, which allowed for testing the hypotheses regarding the influence of these factors on purchase decisions. The research framework posited the following hypotheses:

- **H0:** There is no significant influence of product information accuracy, customer reviews, and influencer endorsements on purchase decisions.

- **H1:** There is a significant positive influence of product information accuracy, customer reviews, and influencer endorsements on purchase decisions.

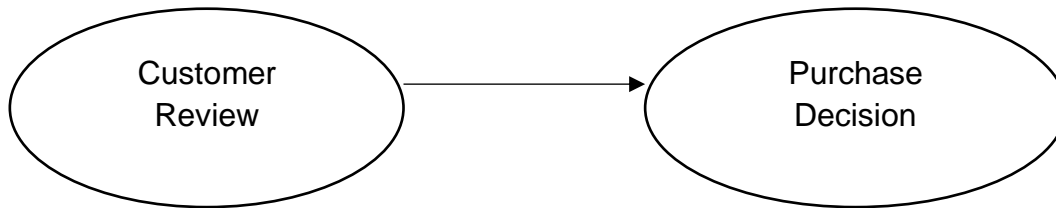


Figure 1 Research Model

4. RESULTS AND DISCUSSION

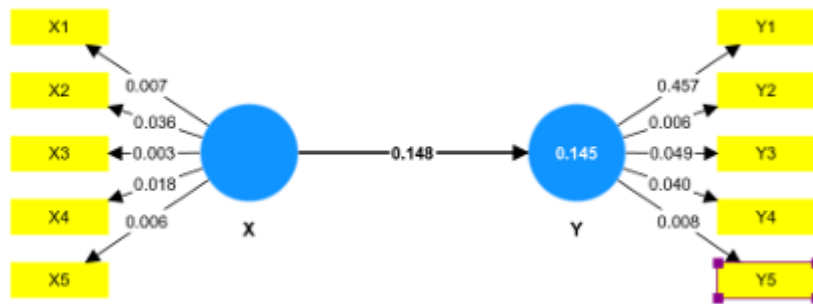


Figure 2 Bootstrapping Result

Path coefficients - Mean, STDEV, T values, p values					
	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
X -> Y	0.381	0.454	0.263	1.446	0.148

Figure 3 Path Coefficient Result

The analysis of the data using SmartPLS 4 revealed mixed results. Although the relationship between product information, reviews, and purchase decisions was positive, it was not statistically significant. The bootstrap results showed a p-value of 0.148, indicating that the influence of product information and reviews on purchase decisions was not substantial enough to reject the null hypothesis.

The t-statistic for the relationship between product information and purchase decisions was 1.446, which is below the threshold of 1.96 needed for significance. This suggests that while consumers value accurate information and reviews, these factors alone do not significantly drive their purchase decisions. Instead, other variables, such as brand loyalty, personal preferences, or social influence, may play a more critical role.

These findings challenge previous studies that emphasized the centrality of information accuracy and reviews in e-commerce. The lack of significance may be attributed to the saturation of online reviews and the increasing skepticism among consumers regarding their authenticity.

5. CONCLUSION

This study provides insights into the factors influencing online purchase decisions among Millennials and Generation Z. Despite the assumed importance of accurate information and credible reviews, the findings suggest that these factors do not significantly drive purchase decisions in isolation. Businesses should consider additional variables, such as personalized marketing and direct engagement, to better cater to the preferences of younger consumers.

Research Implications and Future Recommendations

The results of this study imply that while information and reviews are important, they are not sufficient drivers of purchase decisions. Future research should explore additional factors, such as emotional connections with brands, the role of social media engagement, and the impact of personalized experiences on e-commerce behavior. Further studies with larger sample sizes and more diverse demographics could provide deeper insights into the complexities of online consumer behavior.

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