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# Shopping Decision Millennials and Baby Boomers In Indonesia E-Commerce

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### Research Highlights

Marketing strategy in E-Commerce companies is very important thing because along with the globalization, marketing also changed the way marketing used to be. E-Commerce can reach their consumers widely, so they need to approach their customer more with their strength and benefit especially in privacy concern (Bruseke, 2016). E-Commerce in Indonesia is growing up so fast because Indonesian people have a tendency to find cheaper prices and ease of shopping. E-Commerce business with a good marketing strategy focused on this demography should result in stable returns over the next few decade. Millennials are more dependent on their gadget. So it's very easy for millennial to access application to buy something from the internet (Moreno, 2017). It's also obvious that millennials have a different approach to shopping with the baby boomers (Lissitsa & Kol, 2016). Millennials prefer more affordable price tag and fast shipping (Lissitsa & Kol, 2016). Along with that baby boomers don't really mind about the price.

### Research Objectives

Millennials are more technological than baby boomers (Ordun, 2015). But baby boomers are buying from online shop as much as the millennials, even spending more than the millennials. This is contrary to the popular belief that it is the tech-savvy millennials who is driving such strident ecommerce growth. Therefore this research will provide a new perspective about privacy perceptions on millennials and baby boomers in shopping decision in E-commerce in Indonesia. So the research purpose was to determine whether privacy risk, source risk, transaction risk, cognition based trust and affect based trust has an effect to shopping decision and shopping behavior. Then this research also determine whether privacy risk, source risk, transaction risk, cognition based trust and effect based trust has an effect to shopping decision through shopping behavior has an effect to shopping decision through shopping behavior and also determine whether shopping behavior has an effect to shopping decision comparing between millenial and baby boomers generation in Indonesia. So, this research will provide recommendations for online shopping company in Indonesia to improve company's knowledge about what factor affecting consumer shopping decision through shopping behavior based on privacy perceptions between millenial and baby boomers generation.





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### Methodology

The data obtained through the research is empirical data (observed) that have certain criteria that is valid, reliable, and objective. To gather data, researcher will conduct a survey through questionnaires that will be distributed to E-Commerce / online shopping consumers as respondents. The unit of analysis is individual that are Millennial E-Commerce consumers and Baby Boomers E-Commerce consumers and the time horizon is cross sectional study. The sampling technique used in this research is non-probability sampling with purposive sampling for quantitative research. Total respondents from questionnaire are 179 respondents but in this research only use 155 respondents because of age criteria. Respondents in this study are Baby Boomers and Millennials who has been shopping online through E-Commerce website. The respondents have criteria, Millennials generation born between the 1980s and 1990s (Mangold & Smith, 2012) and Baby Boomers generation born between the 1980s and 1990s (Hughes, 2008). Data collection technique using questionnaire for the primary data. Questionnaire detail was distributed to respondents through Google Form and distributed through social media. The questionnaire was distributed with 27 indicators used for measuring seven variables in this study. The seven variables are privacy risk, source risk, transaction risk, cognition based trust, affect based trust, shopping behavior, and shopping decision.

#### Results

The result from this research show that not all variables mediate shopping decision in both generation. Both age groups are affected by this risk similarly because money is an important issue for both generations. Source risk become the highest negative significant to shopping decision from this research but only to baby boomers generation. This mean source risk will decrease someone purchase decision in online shop. Privacy risk give significant positive to shopping decision on millennials generations but not in baby boomers generation. In baby boomers generation privacy risk only give significant result to shopping behavior. Internet users know about personal measuring data theft, however, they do not understand what is going on their data. But in this in millennials generations give significant positive, this could happen because when customer believes that their privacy is safe then the chances of spending in online shopping are even greater. Cognition based trust is affect positive significant to shopping decision on millennials. This findings could happen because





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millennial tend to be more individual in their life (Grant, 2017). Consumer behavior has significant positive to shopping decision over both generation. The positive behavior is channeling feelings toward objects and influential on positive results as well.

#### **Findings**

Source risk in baby boomers generation give the highest negative significant affect towards shopping decision with and without shopping behavior. E-Commerce companies need to improve their website design and give more information to the customer. For millennial, cognition based trust is affect positive significant to shopping decision on millennials. Company or brands that identify them also define them, this thanks to the authenticity of their ads, the quality of the graphics and that the content is socialized, which also gives a plus to the anchorage that is generated between seller and consumer on this generation.

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