

Investigating the Online Shopping Behaviour of Generation Z in Australia Using Exploratory Factor Analysis

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Abstract

The aftermath of Covid-19 has seen a sharp upsurge in online shopping and the momentum has not waned. Businesses now realize the potential of this market and are adapting their strategies accordingly. Being born and raised in an era of technological advancement, Generation Z are predisposed to the technologies associated with online shopping and are therefore becoming an ideal target for such businesses. Australia has followed the trend and Gen Z in Australia are actively engaged in online shopping. However, studies in e-commerce in Australia, particularly with focus on Gen Z, remain sparse. Drawing on behavioral and technological acceptance theories, this study endeavoured to identify the underlying factors influencing online shopping behavior of Generation Z in Australia. Data were collected utilizing convenience sampling strategy through a self-administered online survey designed in Microsoft Forms. To reveal the underlying constructs, data were analysed using Exploratory Factor Analysis. The result revealed six dominant factors, namely inflation, perceived value and convenience, artificial intelligence, perceived risk, corporate social responsibility and sustainability. Among these factors, inflation was determined as the most influential factor whereas sustainability was determined as the least influential factor affecting online buying behaviour of Gen Z. The outcome of this study holds theoretical and practical significance and provides new understanding about the expectations, concerns and aspirations of Generation Z in Australia, a cohort increasingly engaged in online transactions. This research also provides valuable guidance to e-commerce businesses and digital marketers to formulate effective strategies to enhance the shopping experience of Gen Z in Australia.

Keywords: consumer behaviour; e-commerce; gen z; online buying; online shopping.