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The Impact of Social Media on the Purchase Intention of Generation Z Consumers in China

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Introduction



Introduction



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Social media is becoming significantly essential in all aspects of people's lives, and **Generation Z**, particularly, is more socially involved in those platforms (i.e., TikTok, Weibo, Bilibili, and Little Red Book).

As the world's largest social media market, it is projected to have **close to 1.28 billion** users in mainland China who will access social media in 2026, up from just under 1 billion in 2021 (Statista, 2021). Meanwhile, **Chinese Gen Z internet users** made up over **28% of the total active user base** by November 2020 (Statista, 2022).



Figure 1: Chinese social media platforms

Introduction



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In the consumption sector, increased usage of these social networking sites has changed how consumers purchase goods (Kim & Ko, 2012). It has replaced conventional media as the **primary source of product information** for consumers making purchasing decisions (Chen & Lin, 2019).

As social media is gaining popularity rapidly among **Generation Z (Gen Z)** and relevant marketing strategies are being adopted, the cohort is becoming a critical consumer demographic.



Figure 2: Tik Tok's built-in shopping center



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Purpose of the Study



Purpose of the Study



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This study aims to investigate how the characteristics of information on brands' social media and some factors of Gen Z consumers themselves influence their perception and purchase intention. This study focuses on Chinese Generation Z, who are more socially and cognitively involved in social networking.

The study provides marketers with a reference for understanding the connection between Gen Z consumer behavior and social media features and for better implementation of social media marketing campaigns.





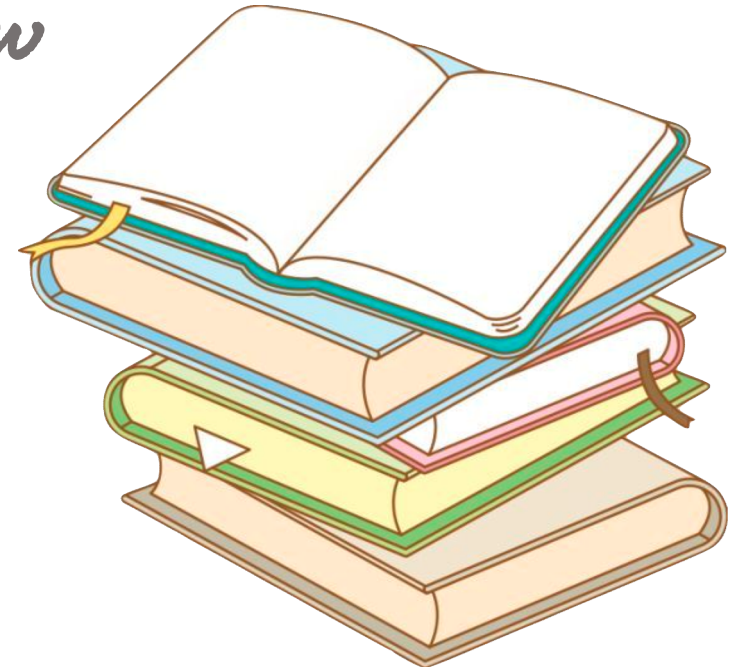
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Literature Review



Literature Review



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Source	Variables	Definition
(Park et al., 2007), (Filieri and McLeay 2014).	Information Quality	Park et al. (2007) defined it from the standpoint of information features, including relevancy, understandability, adequacy, and objectiveness. It significantly impacts how customers evaluate goods and services.
(Wathen and Burkell 2002).	Information trustworthiness	Trustworthiness is one of characteristics that exhibit credible information sources. Information credibility is regarded as the primary component in the persuasion process of consumers, and it is characterized as a source of trustworthiness, which distinguishes reputable information sources.
(Sundaram et al., 1998), (Erkan & Evans, 2016).	Needs of information	It was originally the motivator for participation in word of mouth (WOM). In IACM, this variable was developed to investigate information adoption and future purchase intention on social media platforms.
(Ajzen, 1985).	Attitude toward brands' social media	Attitude toward a particular object is one factor that directly influences one's intention of engagement, which has been proved in the Theory of Reasoned Action (TRA). The IACM model considered attitude as a dependent variable to further investigate how attitude and behavior intention are related on the basis of TRA.

Literature Review



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Source	Variables	Definition
(Wang & Wang, 2010), (Tynan et al., 2010).	Perceived value	It was described as the personal assessment of overall benefits and costs received. It is primarily a psychological assessment that comes from consumers themselves as well as from the ownership of particular goods or services and products.
(Huang et al., 2010).	Involvement in brands' social media	Involvement in brands' social media here refers to the engagement with brands on social media platforms, motivated by demands, beliefs, or hobbies, and especially brand familiarity.



Purchase Intention

Consumers' purchase intention is the indication that a customer intends to purchase specific goods, bands, and services, which is deemed to be the most accurate predictor of actual purchasing behaviors (Farzin et al., 2022; Farzin & Fattahi, 2018).





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Theoretical Framework



Theoretical Framework



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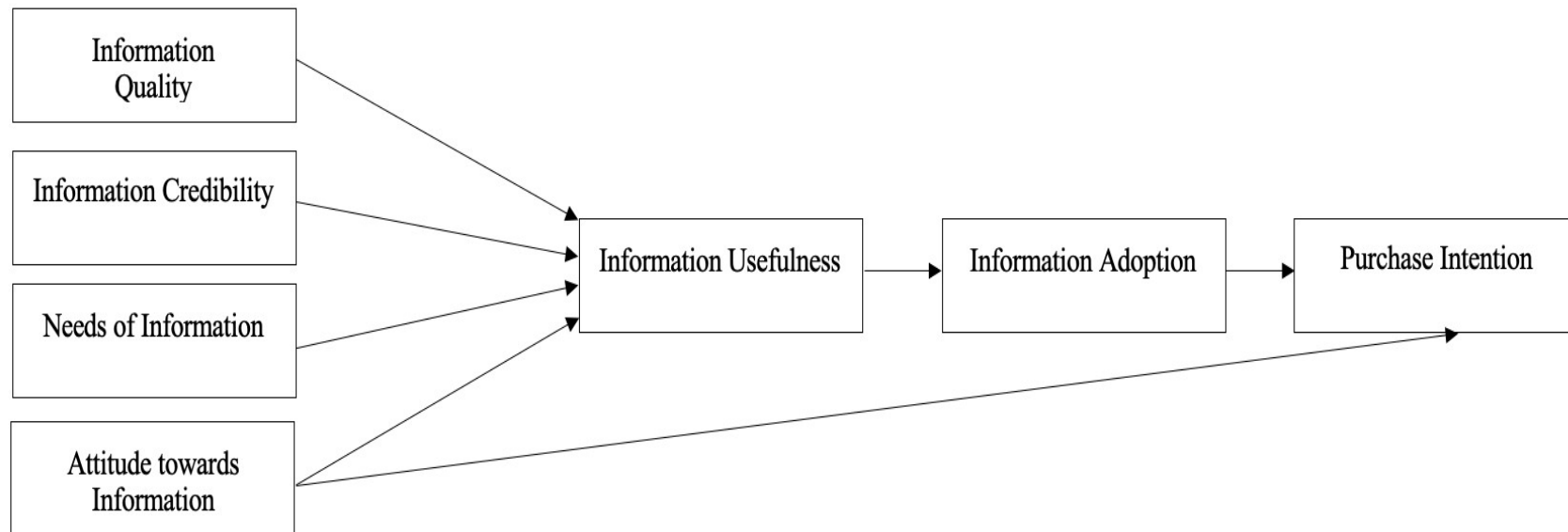


Figure 3: Information Acceptance Model (IACM)
(Erkan and Evan, 2016).

Theoretical Framework



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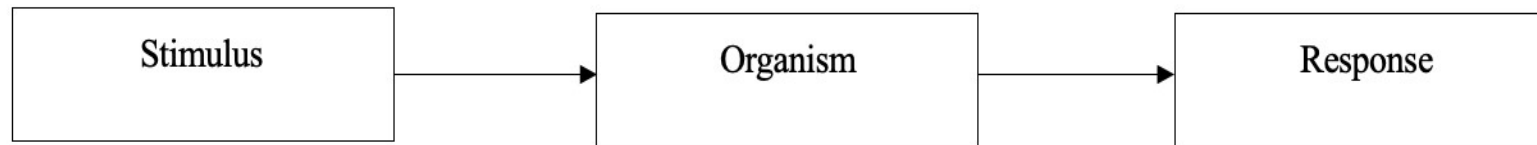


Figure 4: Stimulus-organism-response (S-O-R) model (Woodworth, 1929).



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Conceptual Framework & Hypotheses



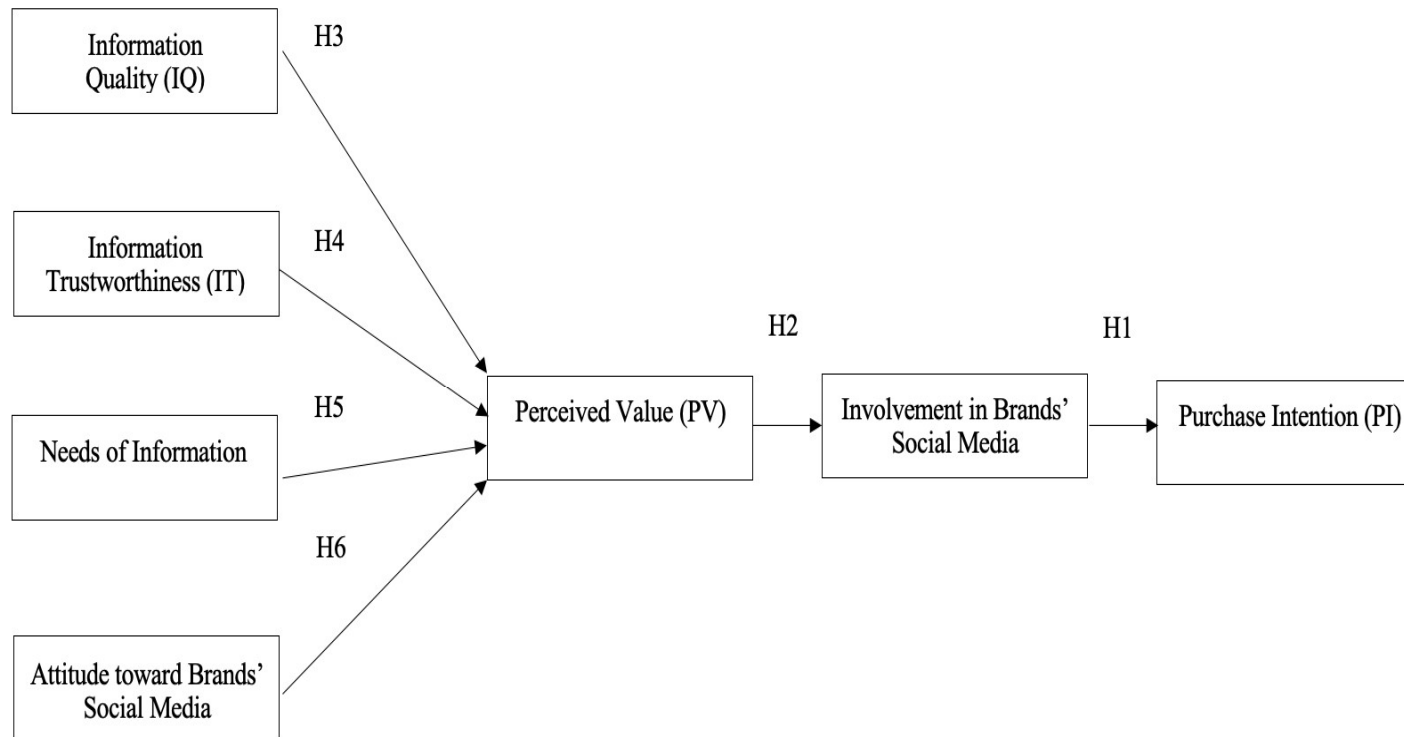
Conceptual Framework



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Methodology



Quantitative Methodology

Using an online survey to obtain quality assessment with 7-Likert scale

Reliability Validity Test

To analyze the validity, an exploratory factor analysis (EFA) with principal component analysis (PCA) extracts and retains items with eigenvalues >1 . In order to optimize the factor loadings in the factor analysis, Varimax rotation was conducted. The KMO meets the minimum required KMO score of 0.50, indicating the sampling is adequate. The Bartlett test is at a significant p-value $< .01$. All standardized factor loading (SFL), Cronbach's alpha (α), composite reliability (CR), and average variance extracted (AVE) meets all requirements.

Statistical Tools



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Correlation Analysis

Used to the correlation between two numerically measured variables

Regression Analysis

Used to examine whether the hypotheses are accepted and well-supported or not based on β , t-value, and p-value

Mediation Analysis

Used to quantify and examine the direct and indirect pathways through which an antecedent variable X transmits its effect on a consequent variable Y through an intermediary M



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Results



Demographic Profile of Respondents



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Demographics	Frequency %
Gender	
Male	48.5
Female	51.5
Age	
14-16	3.7
17-19	25.9
20-22	41.5
23-25	21.5
26-28	7.4
Occupation	
Students	64.8
Unemployed	13
Part-time	18.1
Full-time	4.1
Monthly spending via social media platforms	
< 1500 CNY	37.4
1500-3000 CNY	22.6
3001-4500 CNY	13.7
4501-6000 CNY	14.4
6001-7500 CNY	9.2
> 7500 CNY	2.6

Time spent on social media per day

Less than 1h	3.3
1-2h	34.8
3-4h	41.1
More than 5h	20.7

Brands followed on social media

1-3	13.3
4-6	44.4
7-10	24.4
More than 10	17.8

Purchase frequency through social media per month

1-3 times	30.7
4-6 times	43.7
7-10 times	16.3
More than 10 times	9.3

Mediation Analysis



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Significant

Path	Effect	Coefficient	SE	t value	p-value	LLCI	ULCI
IQ-> PV->Inv-> PI	Total	.7137	.0571	12.4911	.0000**	.6012	.8262
IT-> PV->Inv-> PI	Total	.6134	.0484	12.6795	.0000**	.5182	.7087
NoI-> PV->Inv-> PI	Total	.7123	.0704	10.1159	.0000**	.5737	.8510
Att-> PV->Inv-> PI	Total	.6915	.0595	11.6223	.0000**	.5743	.8086
Indirect effect	Effect	Coefficient	Boot SE	Boot LLCI	Boot ULCL		
IQ-> PV->Inv-> PI	Indirect	.0447	.0268	-.0061	.1000		
IT-> PV->Inv-> PI	Indirect	.0515	.0178	.0190	.0881		
NoI-> PV->Inv-> PI	Indirect	.1995	.0512	.1099	.3115		
Att-> PV->Inv-> PI	Indirect	.0802	.0337	.0192	.1512		

Significant

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Hypothesis Analysis



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Hypotheses	Path	Coefficient	<i>t</i> value	<i>p</i> -value	Significant
H1	Inv→PI	0.635	13.452	0.000**	
H2	PV→Inv	0.528	10.184	0.000**	
H3	IQ→PV	0.357	4.925	0.000**	
H4	IT→PV	-0.028	-0.405	0.686	
H5	NoI→PV	0.219	3.925	0.000**	
H6	Att→PV	0.328	5.057	0.000**	

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Results



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Hypothesis	Results
H1: Involvement in brands' social media (Inv) is positively related to purchase intention (PI).	Supported
H2: Perceived value (PV) is positively related to involvement in brands' social media (Inv).	Supported
H3: Information quality (IQ) is positively related to perceived value (PV).	Supported
H4: Information trustworthiness (IT) is positively related to perceived value (PV).	Rejected
H5: Needs of information (NoI) are positively related to perceived value (PV).	Supported
H6: Attitude toward brands' social media (Att) is positively related to perceived value (PV).	Supported



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Conclusion & Implication



Conclusion



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The results of the research indicated that majority of the hypotheses are supported. The findings reveals that variables including information quality, needs of information, and attitude toward brands' social media has a positive impact on Gen Z consumers' perceived value, while information trustworthiness did not show a significant impact on perceived value.

The study found that consumers' perceived value shows significant positive effects on their involvement in brands' social media. The study also proved that consumers' involvement in brands' social media has a positive impact on further purchase intention.

Theoretical Implication



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Response of respondents helps us to understand consumers' **value perceived** and **further purchase intention**, taking both **information properties** and **consumer behaviors** into consideration. Scholars can develop user-friendly social media experiences for consumers.

In the past few years, **Chinese Generation Z cohort** has become essential consumer group with high consumer potential, but few studies have been carried out on their **consumer behaviors**. This study fills that gap and demonstrates some current status.

02

03

The conceptual model integrated **IACM** and **S-O-R**, which provides a new perspective for **consumer behavior** study. Furthermore, this study provides an overview of the current **Chinese Gen Z consumers' consumption habits in the social media influenced setting**, which will be valuable for future research.

Managerial Implication



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Social media webpage quality and information trustworthiness maintenance could be potential customer relationship maintenance approach. The conclusions drawn from this study will primarily help marketers develop appropriate marketing strategies.

This research focuses on the purchase intention through social media, the results will help marketers to better improve the social network information push of products and promote online sales.

02

03

This study has conveyed the Chinese Gen Z' consumers needs and attitudes for social media-based products' information. Brands can make improvements in social media content based on these conclusions and data to meet consumers' needs better.



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Future Research



Future Research



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01

Future researchers need to verify these variables in a broader population sample.

02

Researchers can explore the impact of specific social media platforms in certain market.

03

More influencing factors can be explored through interviews and other methods for research.

THANK YOU !



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