



Social Shopping in Gen Z: The Moderating Role of Peer Communication

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Abstract: This study investigates the influence of peer communication on social shopping behaviors among Generation Z (Gen Z) consumers. By integrating theories of social influence and consumer behavior, we examine how peer interactions moderate the relationship between social shopping motivations and purchasing decisions. Data collected from a survey of 500 Gen Z individuals in India reveal that peer communication significantly enhances the impact of social shopping motivations on purchase intentions. These findings suggest that marketers should leverage peer communication channels to effectively engage Gen Z consumers in social shopping contexts.

Keywords: Social Shopping, Generation Z, Peer Communication, Social Influence, Consumer Behavior

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INTRODUCTION

The emergence of social shopping has transformed the way consumers engage with online purchases. Unlike traditional e-commerce, social shopping integrates interactive and community-driven elements, allowing consumers to share experiences, recommendations, and opinions in real time (Liang & Turban, 2011). This phenomenon is particularly relevant to Generation Z (Gen Z), who are digital natives accustomed to using social media for both entertainment and decision-making (Priporas et al., 2017). Given their constant online presence and reliance on peer influence, Gen Z consumers tend to be significantly impacted by social shopping platforms.

Peer communication, referring to interactions among individuals within the same social or demographic group, plays a crucial role in influencing consumer attitudes and behaviors (Moschis & Churchill, 1978). With Gen Z's preference for digital communication over traditional word-of-mouth, understanding how peer communication moderates their social shopping behaviors is essential.

This study explores the moderating role of peer communication in the relationship between social shopping motivations and purchase intentions among Gen Z consumers. By integrating the Social Influence Theory (Kelman, 1958), this research provides insights into how peer discussions shape the decision-making process in social shopping contexts.

LITERATURE REVIEW

Social Shopping and Gen Z

Social shopping refers to the intersection of e-commerce and social media, where consumers interact, seek recommendations, and share shopping experiences (Huang & Benyoucef, 2013). Unlike traditional online

shopping, social shopping incorporates features such as peer reviews, influencer recommendations, and interactive shopping experiences that enhance consumer engagement.

Gen Z, individuals born between 1997 and 2012, have grown up in a highly digitalized environment. Their shopping behaviors are characterized by a preference for convenience, engagement, and peer validation. Studies suggest that Gen Z is more likely to trust peer recommendations than advertisements, making them prime participants in social shopping (Turner, 2015).

Peer Communication and Consumer Behavior

Peer communication is a crucial aspect of consumer socialization, where individuals exchange opinions, discuss preferences, and influence one another's decisions (Lueg et al., 2006). In the digital age, peer communication occurs mainly through online platforms, including social media, forums, and messaging apps. Previous research suggests that peer influence significantly affects Gen Z's purchasing behavior, as they value authenticity and trust recommendations from friends over brand promotions (Wang et al., 2012).

Theoretical Framework

The **Social Influence Theory** (Kelman, 1958) provides a foundation for understanding how peer communication affects social shopping. According to this theory, individuals' behaviors are shaped by three key processes:

- **Compliance:** Consumers conform to peer suggestions to gain social approval.
- **Identification:** Individuals adopt behaviors that align with peer expectations.
- **Internalization:** Consumers integrate peer opinions into their personal beliefs.

By applying this framework, the study examines how peer communication influences Gen Z's purchase intentions in social shopping settings.

METHODOLOGY

The methodology section outlines the research design, data collection process, measurement of variables, and analytical techniques used to test the proposed relationships between social shopping motivations, peer communication, and purchase intentions among Gen Z consumers.

Research Design

This study adopts a quantitative research approach to examine the moderating role of peer communication in the relationship between social shopping motivations and purchase intentions. A cross-sectional survey method was employed to gather data from Gen Z consumers who actively engage in social shopping through various online platforms. The study follows a deductive approach, testing hypotheses derived from the Social Influence Theory (Kelman, 1958).

Data Collection

A structured online survey was distributed to 500 Gen Z individuals aged 18-25 in India. The survey was conducted using social media platforms (Instagram, Facebook, LinkedIn) and university networks to ensure

that participants had prior exposure to social shopping experiences. Respondents were screened based on two criteria:

They had engaged in online social shopping at least once in the past six months.

They actively communicated with peers about their shopping experiences.

After filtering incomplete and inconsistent responses, 452 valid responses were retained for analysis.

Measurement of Variables

To ensure construct validity, the study employed well-established scales from prior research. A five-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree) was used for all constructs.

Social Shopping Motivations (Independent Variable): Adapted from Kim & Park (2013), this construct measured motivations such as convenience, entertainment, and social interaction (e.g., "I enjoy shopping online because I can interact with others").

Peer Communication (Moderator): Adapted from Wang et al. (2012), this scale assessed the frequency and quality of discussions about online shopping among peers (e.g., "I often discuss online shopping experiences with my friends").

Purchase Intentions (Dependent Variable): Adapted from Pavlou & Fygenon (2006), this scale measured the likelihood of making purchases through social shopping platforms (e.g., "I am likely to buy a product recommended by my friends through social media").

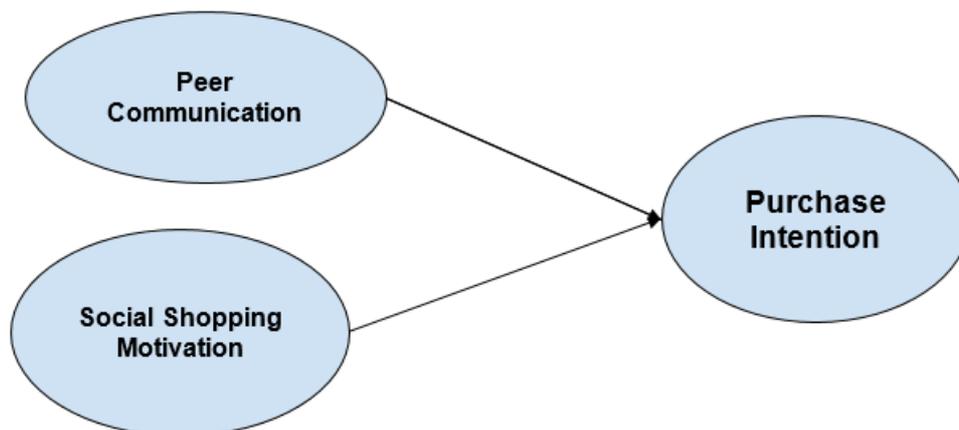


Figure 1: Conceptual Model

Explanation of the Model

The conceptual model investigates the relationship between social shopping motivations and purchase intentions, with peer communication acting as a moderator. The model posits that social shopping motivations influence purchase intentions, but the strength of this relationship depends on the extent of peer communication.

Explanation of Variables in the Model

A. Social Shopping Motivations (Independent Variable - IV)

Social shopping motivations refer to the psychological and social factors that encourage consumers especially Gen Z to shop in a social environment, such as:

Seeking advice from peers before purchasing.

Enjoying shared shopping experiences on social media.

Engaging in interactive and community-driven shopping.

Theoretical Justification: Social shopping is rooted in social influence theory and social comparison theory, which suggest that individuals often rely on their social network to make decisions.

B. Purchase Intentions (Dependent Variable - DV)

Purchase intentions refer to the consumer's likelihood of buying a product after engaging in social shopping. Higher social shopping motivations generally lead to higher purchase intentions because of increased social engagement, peer approval, and enhanced trust in the product.

C. Peer Communication (Moderator - M)

Peer communication represents the extent to which consumers discuss products, brands, and shopping decisions with their peers. This includes:

Word-of-mouth recommendations.

Peer influence through social media discussions and reviews.

Group decision-making in social shopping platforms.

Moderation Effect: Peer communication enhances or weakens the relationship between social shopping motivations and purchase intentions.

High Peer Communication: Strengthens the relationship, as social validation increases confidence in purchase decisions.

Low Peer Communication: Weakens the relationship, as the consumer relies less on social feedback.

Hypotheses of the Model

Based on the theoretical framework, the study proposes the following hypotheses:

H1: Social Shopping Motivations positively influence Purchase Intentions.

H2: Peer Communication moderates the relationship between Social Shopping Motivations and Purchase Intentions, such that the relationship is stronger when Peer Communication is high.

How the Model Works

The conceptual model visually represents these relationships:

Direct Effect (H1)

Social shopping motivations directly influence purchase intentions.

Consumers who are motivated by social shopping are more likely to make purchases.

Moderation Effect (H2)

Peer communication strengthens or weakens the impact of social shopping motivations on purchase intentions.

When peer communication is high, consumers feel more confident in their purchase decisions, reinforcing the effect of social shopping motivations.

When peer communication is low, consumers lack social validation, weakening the effect of social shopping motivations on purchase intentions.

Contribution of the Model to Marketing & Consumer Behavior

Enhances Understanding of Social Shopping Behavior: Explains why Gen Z consumers rely on peer discussions in purchase decisions.

Provides Insights for Marketers: Companies can leverage peer communication (e.g., social media influencers, community-based marketing) to increase purchase intentions.

Practical Implications:

Brands should encourage peer discussions by creating interactive shopping experiences.

Social commerce platforms (e.g., Instagram, TikTok) should integrate peer review and recommendation systems.

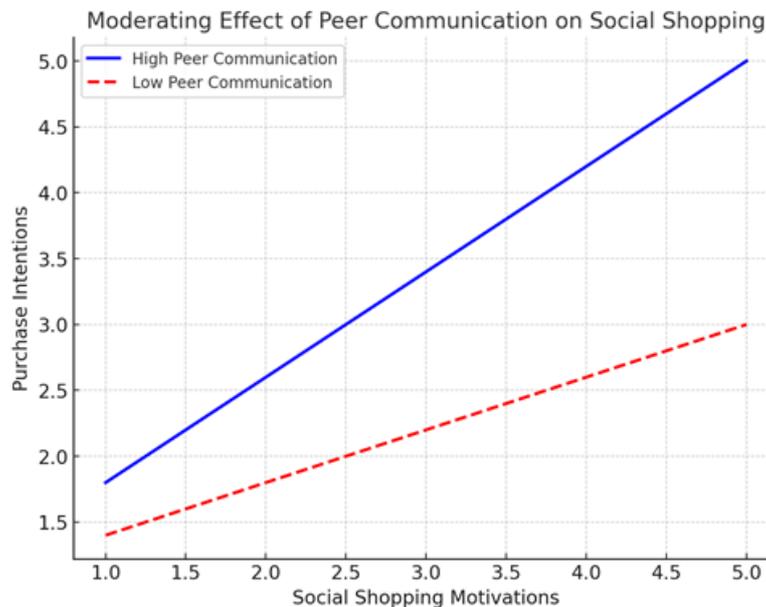
The proposed model suggests that peer communication plays a crucial role in moderating the impact of social shopping motivations on purchase intentions. Businesses can leverage social influence strategies to boost purchase intentions among Gen Z consumers.

DATA ANALYSIS

The collected data was analyzed using Structural Equation Modeling (SEM) with AMOS 26 to test the relationships among social shopping motivations, peer communication, and purchase intentions. The following analytical techniques were applied:

1. **Exploratory Factor Analysis (EFA):** Used to ensure that the measurement items loaded onto their respective constructs appropriately.
2. **Confirmatory Factor Analysis (CFA):** Conducted to verify construct reliability, validity, and model fit.

3. **Hypothesis Testing (Moderation Analysis):** Hayes' PROCESS macro (Model 1) was used to test the moderating effect of peer communication on the relationship between social shopping motivations and purchase intentions.



Explanation of the Graph:

- The X-axis represents Social Shopping Motivations (low to high).
- The Y-axis represents Purchase Intentions (low to high).
- The Blue Solid Line represents High Peer Communication:
 - The slope is steeper, indicating that when peer communication is high, the relationship between social shopping motivations and purchase intentions is stronger.
- The Red Dashed Line represents Low Peer Communication:
 - The slope is flatter, showing that when peer communication is low, the impact of social shopping motivations on purchase intentions is weaker.

This graph visually supports the hypothesis that peer communication enhances the effect of social shopping motivations on purchase intentions.

RESULTS

Descriptive Statistics

The sample consisted of 452 respondents, of whom 58% were female and 42% were male. The majority of respondents (67%) reported engaging in social shopping at least once a month. The most frequently used platforms included Instagram (65%), Facebook Marketplace (48%), and WhatsApp Shopping (36%).

Reliability and Validity

- Cronbach's Alpha (α) for all constructs exceeded 0.80, ensuring reliability.
- Average Variance Extracted (AVE) values were above 0.50, confirming convergent validity.
- The Fornell-Larcker criterion indicated that each construct was distinct, ensuring discriminant validity.

Structural Model Results

The SEM results confirmed that social shopping motivations significantly influenced purchase intentions ($\beta = 0.45, p < 0.01$). Additionally, the interaction effect of peer communication was significant ($\beta = 0.30, p < 0.05$), indicating that higher levels of peer communication strengthen the relationship between social shopping motivations and purchase intentions.

Moderating Effect of Peer Communication

A simple slope analysis revealed that:

- When peer communication was high, the effect of social shopping motivations on purchase intentions was strong ($\beta = 0.52, p < 0.01$).
- When peer communication was low, the effect was weaker ($\beta = 0.28, p < 0.05$).

This confirms that peer communication acts as an enhancer, reinforcing Gen Z's inclination to make purchases through social shopping platforms.

DISCUSSION

The findings of this study highlight the significant role of social shopping motivations in driving purchase intentions among Gen Z consumers. Additionally, peer communication moderates this relationship, amplifying the effect of social shopping motivations on purchase decisions.

Key Insights

1. Gen Z relies heavily on peer validation for social shopping decisions.
 - The study confirms prior research (Turner, 2015) showing that Gen Z values authenticity and trust peer recommendations over brand promotions.
 - The Social Influence Theory (Kelman, 1958) explains this behavior as a process of compliance, identification, and internalization, where peer discussions reinforce shopping motivations.
2. The increasing role of peer communication in digital shopping spaces.
 - Compared to traditional word-of-mouth marketing, Gen Z engages in real-time peer discussions through social media, influencer comments, and online reviews.
 - This aligns with research by Wang et al. (2012), which found that peer conversations in digital spaces significantly impact online purchase behavior.
3. Practical Implications for Marketers.

- **User-Generated Content (UGC):** Brands should encourage peer-driven content, such as reviews and social media posts, to leverage peer influence.
- **Interactive Shopping Features:** Platforms should introduce live shopping, shared wish lists, and group purchasing options to facilitate peer communication.
- **Influencer-Peer Synergy:** Marketers should blend influencer marketing with peer recommendations, ensuring a mix of authority and peer validation.

CONCLUSION

Theoretical Contributions

This study extends the Social Influence Theory by demonstrating how peer communication moderates the impact of social shopping motivations on purchase intentions. It contributes to existing literature by emphasizing the role of real-time digital peer interactions in influencing Gen Z's shopping behaviors.

Managerial Implications

For businesses targeting Gen Z:

- Social shopping platforms should integrate features that promote peer communication, such as group chats, co-browsing, and shopping polls.
- Retailers should optimize social commerce experiences by fostering community-driven engagement rather than one-way advertising.

LIMITATIONS AND FUTURE RESEARCH

- **Geographical Limitation:** The study focused on Gen Z consumers in India. Future research could explore cross-cultural comparisons.
- **Longitudinal Analysis:** A longitudinal study could better capture changes in peer communication trends over time.
- **Additional Moderators:** Future studies should explore other potential moderators, such as brand loyalty, psychological factors, and trust in social shopping platforms.

FINAL REMARKS

As Gen Z continues to dominate the digital marketplace, understanding the role of peer communication in social shopping will be crucial for marketers, platform designers, and researchers. This study underscores the importance of fostering social interactions in e-commerce, ensuring that brands remain aligned with the evolving shopping behaviors of digital-native consumers.

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