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The Determining Factors of Generation Z Purchase Decision for the Local Brand T-Shirt

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ABSTRACT

The study aims to determine the determinants factors on T-shirt purchasing decision for the local brand. The sampling technique used purposive sampling with a total of 310 respondents proportionally male and female each of 155 respondents. Analysis data used exploratory factor analysis technique with Principal component analysis method. Regarding BEKRAF data of the creative economy that has not been spread evenly and supported by the number of Indonesians aged 15-24 years as the target consumers of local brand t-shirts, the objective of this study is to determine the determinant factors of generation Z purchase decision for local brand T-shirts. This study found six determinant factors. They are the trend, digital channel, social media influencer, brand originality, simplicity, and motif. The trend factor has the highest eigenvalues. Independent T-test indicates a different perception between males and females in the decision to buy the local brand t-shirt

INTRODUCTION

Clothing is a basic human need that has changed to become a part of fashion. In the fashion world, clothing plays a role as a communication media which describes the personality, lifestyle, and identity of the person or group who wears it[1]. To meet the need of attire, the consumer has to choose whether to use the local brand product or the global brand. The local brand scattered in a specific geographical area only, while the global brand may obtain in several countries in the world with the same brand name and product category[2]. Consumers perceive the global brand has better quality and intends to buy the global brand rather than the local brand. Consumers believe wearing the global brand product may increase the prestige and social status[3].

It becomes a challenge for the business people as well as for the state regarding the lack of consumer interest in the local fashion product. Badan Ekonomi Kreatif (BEKRAF) explained the role of fashion in increasing economic added value is quite large, indicated by the contribution to national income and export value. Fashion donated 18.01% to Gross Domestic Product (GDP) in 2016, which was the highest second rank of the 16 sub-sectors of the creative economy and contributed 54.54% to the total export of the creative economy 2016[4]. However, the contribution of the creative economy in Indonesia in 2014-2016 not scattered evenly. 48.04% centered only in five provinces like North Sumatera, Daerah Istimewa Yogyakarta, West Java, East Java, Bali, and 51.96% spread in the rest of 29 Provinces.

The most widely used fashion clothing products for all ages are T-shirts. T-shirts are the most favorable and become a choice for high school and college students [5]. T-shirts are shaped like the letter T either plain or pictorial. The different shape of the T-shirt is only on the neck of the T-shirt such as O-neck, U-neck, Y-neck, and Turtleneck. But the O-neck t-shirt is the one most often used in making a graphic or pictorial t-shirt[6].

Badan Perencanaan Pembangunan Nasional (Bappenas) 2013 estimates the population of Indonesia could reach 265 million people in 2018

with the number of 15-24 years are 22,475,800 for men and 21,590,400 for women[7]. Population aged 15-24 years are those in high school and college students who were born between 1995-2012, were being classified as Z generation.

Generation Z was born when most of the human activities were dominated by digital[8]. Their perspective and culture are inseparable from the influence of the internet[9]. Generation Z is fluent in operating technology multitasking[10]. Always connected with social media[11] makes the Z generation feel comfortable to do online shopping, assuming they can get more product variety and time efficiency[12]. While shopping for clothes, generation Z also considers the brand. Popular brands are recognized to have high-grade quality and high prices[13].

Students who are categorized as generation Z could be the target market for local brand T-shirts as seen by their interests and choices of their attire. When buying clothes, students no longer depend on parents' choices they are more independent and tend to follow peers in groups[14].

Regarding BEKRAF data of the creative economy that has not been spread evenly and supported by the number of Indonesians aged 15-24 years as the target consumers of local brand t-shirts, this study aims to determine the determinants generation Z purchase decision for local brand T-shirts. Especially answering the questions: (1) what are the determinant factors of generation Z in buying decisions for local brand T-shirts? (2) What factor contributed the most to the buying decision of a local brand T-shirt? And, (3) are there any different perceptions based on gender in the buying decisions of local brand t-shirts? The results of this study can be used by business people to create the right production and marketing strategies to reach the generation Z as target consumers.

METHODS

The research design used in this study is to use a quantitative qualitative approach with exploratory factor analysis techniques using the principal component analysis method. In-depth interview was conducted with students living in North Sulawesi

who had bought local brand t-shirts. Interview was conducted to obtain new information that will be processed and entered into the questions in the questionnaire. The interview stopped when no more new information was obtained from respondents and in this study the interview stopped at thirteen respondents.

From the results of in-depth interview, there were 26 new information variables and after passing the validity and reliability, the remaining 25 variables were declared valid and reliable as the questions in the questionnaire. The sampling technique in this study used purposive sampling and quota. The questionnaire was distributed to 310 student respondents belonging to the generation Z category, those aged 18-24 years old when the study was conducted. Determining the number of samples based on Tabachnick and Fidell[15], the number of samples 100-200 is acceptable but the number of good samples is 300.

To answer the first and second questions in this study using exploratory factor analysis with the principal component analysis method, while answering the third question is whether there are differences in perceptions based on gender on the determinants factor of Z generation purchasing decisions for local brand t-shirts, then independent t-test.

RESULTS

To get the determinants factor of Z generation purchasing decisions for local brand t-shirts (t-shirts) and to find out what factors contribute the most in purchasing decision of local brand t-shirts? Then the exploratory factor analysis method is used with the technic of principal component analysis using the IBM SPSS Statistics 21 program.

Data exploration is done by looking at the value of the Kaiser-Meyer-Olkin's of Sampling Adequacy (KMO) and Bartlett's Test of Sphericity significance value. The KMO value generated in this study is 0.891 which is greater than the value set 0.6. The value of KMO 0.80-0.89 is categorized as useful and the value of 0.90-1.00 is categorized as very good [16]. The Bartlett's test of Sphericity value is with a significance value of 0.000 <0.05 means that each variable in this study meets the requirements for further factor analysis [15].

Factor extraction using the principal component analysis technique produces six new factors, namely Trend, Digital Channel, Social Media Influencer, Brand Originality, Simplicity, Motif. As shown in Table 1, the Cronbach's Alpha value for every factor ≥ 0.6 shows that all the factors formed have variables that are consistent or measure the same thing, and are suitable to be used as a factor.

Table 1. Cronbach's Alpha

No	Factor	Cronbach's alpha
1	<i>Trend</i>	0.827
2	<i>Digital Channel</i>	0.839
3	<i>Social Media Influencer</i>	0.770
4	<i>Brand Originality</i>	0.691
5	<i>Simplicity</i>	0.622
6	<i>Motif</i>	0.600

Table 2. Showing the six factors that have been formed can explain 60.971% of the total variance of the determinants of generation Z purchasing decisions for local brand t-shirts. 32,083% of all

factors are explained by factor number 1, which is Trend, meaning that Trend factor gives the biggest contribution compared to other factors.

Table 2. Total Variance Explained (%)

Component	1	2	3	4	5	6
Variance	32.08	7.59	6.45	5.51	5.17	4.15
Cummulative	32.08	39.67	46.13	51.64	56.82	60.97

The loading value of each variable in the factor is shown in Table 3. Using Varimax Rotation, variables have been compiled and grouped based on the loading values from the largest to the smallest so that they are simpler to interpret. Variables with a loading value of <0.5 were excluded[17]. Variable "Can be designed on request", variable "Price of local brand shirts is cheaper than foreign brand shirts" and the variable "By buying a local brand shirt shows my love for Indonesia" excluded from the factors that have been formed. Varied color choices (0.697) and T-shirts according to the current trend (0.632) are variables that have the highest loading value in the first factor. Can be purchased through online stores (0.892) and can be purchased through

social media (0.858) has the highest loading value on the second factor. Worn and recommended by celebrities or social media influencers (0.724) and local brands produced by Indonesian artists (0.714) are the variables that have the highest loading value in the third factor. Local brand shirts are authentic (not imitation) (0.764) and the exclusivity of local brand shirts (0.668) has the highest loading value on the fourth factor. A simple T-shirt design (0.756) and a simple pattern (not much picture, writing, or color) (0.668) has the highest loading value in the fifth factor. T-shirt patterns displaying images of world figures (0.816) followed by t-shirts showing creative wisdom words (0.726) having the highest loading value in the fifth factor.

Table 3. Rotated Component Matrix^a

Variable	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Varied color choices	0.697	0.137	0.041	-0.058	0.227	0.05
T-shirt style according to the current trend	0.632	0.109	0.384	0.106	-0.041	-0.009
There are discount promos on certain events	0.627	0.259	0.145	0.384	-0.017	0.238
As souvenirs	0.593	0.145	0.153	0.027	0.178	0.324
The shirt material used gives a cool feeling.	0.542	0.221	-0.018	0.412	0.295	-0.023
Get a discount in the purchase of a certain amount	0.514	0.369	0.134	0.415	0.03	0.094
Can be designed on request*	0.412	0.168	-0.046	0.312	0.33	0.371
Can be purchased via online stores	0.117	0.892	0.107	0.043	0.054	0.1
Can be purchased via social media	0.128	0.858	0.179	0.115	0.044	0.073
T-shirts can be bought at malls or shopping centers	0.264	0.619	0.032	0.245	0.269	0.008
T-shirts can be purchased directly to Distributor Outlets (Distro)	0.196	0.576	0.116	0.275	0.341	0.024
Worn and recommended by celebrities or Social Media Influencers	0.192	0.342	0.724	0.113	0.006	0.005
Local brands produced by Indonesian actor/actress	0.016	-0.073	0.714	0.292	0.128	0.075
Recommended by friends	0.179	0.194	0.622	0.244	0.236	0.165
Worn by other people	-0.082	0.198	0.569	-0.303	0.314	0.162

Shows that I have gone to a tourist place	0.388	0.065	0.538	-	-0.09	0.184
The brand is trending at the time	0.501	0.024	0.512	0.031	0.01	-0.015
Local brand shirts are authentic (not an imitation)	0.002	0.139	0.167	0.329	0.177	0.115
Exclusivity of local brand shirts	0.286	0.306	0.208	0.764	0.1	-0.004
Simple T-shirt design	0.011	0.06	0.128	0.668	0.756	0.012
Simple style (not a lot of pictures, writing, or color)	0.12	0.088	-	0.071	0.668	0.002
Prices of local brand shirts are cheaper than foreign brand shirts *	0.183	0.346	0.186	0.123	0.444	0.011
Buying local brand shirts shows my love for Indonesia *	0.214	0.193	0.279	0.384	0.394	0.241
T-shirt patterns display images of world figures	-0.023	0.043	0.199	0	-	0.816
T-shirt features display creative wisdom words.	0.335	0.059	0.059	0.133	0.095	0.726

Extraction Method: Principal Component Analysis
 Rotation Method: Varimax with Kaiser Normalization

Rotation Converged in 7 iteration

* Nilai Factor Loading < 0.5 removed

As shown in Table 4, factor 1, Trend can be explained by a variety of colors, T-shirts according to the current trend, there are discount promos on certain events, as souvenirs, t-shirts worn giving cool feeling and get a discount in purchasing a certain amount. Factor 2, namely Digital Channel, described by being able to be purchased via an online store, can be purchased via social media, t-shirts can be purchased at malls or shopping centers, and can be purchased directly to Distributor Outlets (Distro). Factor 3, which is Social Media Influencer, can be

explained by being worn and recommended by celebrities or Social Media Influencers, local brands produced by Indonesian actor or actress, recommended by friends, worn by other people, showing that “I have gone to a tourist place”, and the brand is trending at that time. Factor 4, namely Brand Originality can be explained by the local brand shirt that is authentic (not an imitation) and the exclusivity of local brand t-shirts. Factor 5, Simplicity can be explained by a simple t-shirt design and simple style (there are not many images, writings, or colors). Factor 6: Motif can be explained by t-shirt patterns showing images of world figures and displaying creative words of wisdom.

Table 4. New Factors

Factor	Variable
Factor 1 – Trend	Varied color choices
	T-shirt style according to the current trend
	There are discount promos on certain events
	As souvenirs
	The shirt material worn gives a cool feeling.
	Get a discount in the purchase of a certain amount
Factor 2 - Digital Channel	Can be purchased via online stores
	Can be purchased via social media
	T-shirts can be bought at malls or shopping centers

	T-shirts can be purchased directly to Distributor Outlets (Distro)
Factor 3 - Social Media Influencer	Worn and recommended by celebrities or Social Media Influencers
	Local brands produced by Indonesian artists
	Recommended by friends
	Worn by other people
	Shows that I have gone to a tourist place
	The brand is trending at the time
Factor 4 - Brand Originality	Local brand shirts are authentic (not imitation)
	Exclusivity of local brand shirts
Factor 5 - Simplicity	Simple T-shirt design
	Simple style (not a lot of pictures, writing, or color)
Factor 6 - Motif	T-shirt patterns display images of world figures
	T-shirt features display creative wisdom words.

To answer the third question of this study, is there a difference in perceptions based on gender on the determinants of generation Z purchasing decisions for local brand t-shirts, then Table 5. The results of independent samples t-test show a significance value of 0.000 < 0.05 which explains that there are significant differences in perceptions between men and women on the determinants of purchasing a local brand t-shirt. With a mean value of women 4.0872 higher than the mean value of men 3.8390 (table 6).

Table 5. Independent Samples Test (Total)

		Levene's Test for Equality of Variances		t-test for Equality of Means	
		F	Sig.	t	Sig. (2-tailed)
Total	Equal variances assumed	4,936	,027	-4,512	,000
	Equal variances not assumed			-4,512	,000

Table 6. Descriptive Statistics (Total)

Group Statistics					
	Gender	N	Mean	Std. Deviation	Std. Error Mean
Total	Men	155	3,8390	,54503	,04378
	Women	155	4,0872	,41488	,03332

Tabel 7. Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means	
		F	Sig.	t	Sig. (2-tailed)
Trend	Equal variances assumed	4,797	,029	-3,267	,001
	Equal variances not assumed			-3,267	,001
Digital_Channel	Equal variances assumed	3,939	,048	-1,225	,222
	Equal variances not assumed			-1,225	,222
Social_Media_Influencer	Equal variances assumed	11,974	,001	-6,977	,000
	Equal variances not assumed			-6,977	,000
Brand_Originality	Equal variances assumed	11,580	,001	-,320	,749
	Equal variances not assumed			-,320	,749
Simplicity	Equal variances assumed	7,856	,005	-1,361	,174
	Equal variances not assumed			-1,361	,175
Motif	Equal variances assumed	20,919	,000	-4,722	,000
	Equal variances not assumed			-4,722	,000

Tabel 8. Descriptive Statistics (Total)

		Group Statistics			
	Gender	N	Mean	Std. Deviation	Std. Error Mean
Trend	Men	155	4,1355	,69148	,05554
	Women	155	4,3568	,48269	,03877
Digital_Channel	Men	155	4,1310	,74829	,06010
	Women	155	4,2239	,57627	,04629
Social_Media_Influencer	Men	155	3,3716	,70488	,05662
	Women	155	3,8613	,51640	,04148
Brand_Originality	Men	155	4,0677	,90467	,07267
	Women	155	4,0968	,67443	,05417
Simplicity	Men	155	4,0142	,73824	,05930
	Women	155	4,1142	,53989	,04337
Motif	Men	155	3,1194	1,01464	,08150
	Women	155	3,5839	,68571	,05508

CONCLUSION

There are six factors resulting from this research as determinants of generation Z purchasing decisions for local brand t-shirts, namely Trend, Digital Channel, Social Media Influencers, Brand Originality, Simplicity, and Motives. Trend is the most dominant factor among the six factors formed. Consistent with the Theory Consumption of Value, when choosing and buying products, types, or a

certain brand, consumers influenced by Conditional Value, namely consumers will be influenced by the situation that was happening at that time[18].

The second factor is Digital Channel. This factor is in accordance with the research conducted by Simangunsong[12] that Z generation consumers are more comfortable shopping online, they feel that shopping via online stores is effective and efficient.

The third factor is the Social Media influencer. This third factor is in line with previous research which states that the appeal of Social Media Influencers can influence followers to buy products with recommended brands[19].

The fourth factor is Brand Originality. This factor is different from the results of previous research by Santoso[13] that in terms of brands, generation Z chose to buy fashion products with well-known brands and expensive prices. However, it is in line with the research of Hidayat[20], that consumers like to buy local brand t-shirts because consumers know for sure that the design of t-shirts is authentic and original Indonesian products.

The fifth factor is Simplicity. Generation Z consumers want T-shirts that are simple, easy to use, simple patterns that do not contain a lot of images, text or color. Consistent with previous research stating that one of the keys to success for local T-shirt manufacturers in order to compete is that t-shirt design must follow the trends and desires of consumers[21].

The sixth factor is Motif. This factor is in line with previous research by Kusuma and Saputra[22], that image design has a significant influence on purchasing decisions.

In this study also found differences in perceptions based on gender on the determinants of generation Z purchasing decisions for local brand t-shirts. Consistent with previous research which states that there are significant differences between women and men towards the fashion trend where women are higher fashion fan than men and have a positive attitude towards fashion than men[23].

This study is only limited to students as a generation Z sample, it is recommended that the next researcher use non-student respondents as a generation Z sample to see if there are differences in the factors produced. For the manufacturers of local Brand t-shirt that make generation Z as their target customers, may use the results of this study as a reference for building strategies in providing customer-oriented products. T-shirt manufacturers in reaching Z generation consumers must be able to produce t-shirt that are comfortable to wear, simple

in terms of colors and patterns (images or writing) but are designed to follow the current trend.

For local t-shirt retailers it is recommended that they use the Digital Channel effectively as a medium used by Z generation consumers to get products. T-shirts must be available online, both via online stores and via social media. Using the right social media influencer when promoting on social media such as the Instagram story, Facebook, and YouTube. Local T-shirt entrepreneurs must also be able to design the right business strategy if they want to reach the target consumers based on gender, because there are significant differences in perceptions between men and women for trend, social media influencers, and motif.

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