

# **Examining the Impact of Social Media Advertising on Online Shopping Behavior: An Empirical Study on Egyptian Millennials**

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## **Abstract**

This study aims to examine the effect of social media advertising, trust, and electronic word-of-mouth (eWOM) on the online shopping behavior of Egyptian millennials. It also aims to investigate the moderating effect of the demographic characteristics on the examined variables. To fulfill the research aim, both quantitative and qualitative approaches are used. The quantitative approach consists of an online survey that is conducted to collect data on consumers' perceptions toward social media advertising, trust, eWOM, and online shopping behavior. The sample consists of 517 respondents based on convenience sampling. The qualitative approach consists of four interviews with the Store Managers of well-known fashion brands in Egypt to collect data on sellers' perceptions of online shopping behavior. The quantitative analysis shows that social media advertising, eWOM and trust have significant positive effects on online shopping behavior. However, when examining the effect of demographic characteristics (age, gender, educational level, and income level), the results reveal that millennials with varying demographic characteristics show varying effects of social media advertising, trust, and eWOM on online shopping behavior. The qualitative analysis shows that social media advertising affects brand image and positively affects sales. This study contributes to the field of electronic marketing and provides insights to a knowledge of consumer behavior in an online environment, while particularly advancing knowledge on the online shopping behavior of Egyptian millennials.

**Keywords:** Social Media, Electronic Word-of-Mouth (eWOM), Trust, Online Shopping, Millennials

## ملخص البحث باللغة العربية

تهدف هذه الدراسة إلى فحص تأثير الإعلان عبر وسائل التواصل الاجتماعي والثقة والكلام الشفهي الإلكتروني على سلوك التسوق عبر الإنترنت لجيل الألفية المصري. كما يهدف إلى التحقيق في التأثير المعتدل للخصائص الديموغرافية على المتغيرات تحت الدراسة. لتحقيق هدف البحث ، تم استخدام كل من الأساليب الكمية والنوعية. يتألف النهج الكمي من مسح عبر الإنترنت تم إجراؤه لجمع البيانات حول تصورات المستهلكين تجاه الإعلان على وسائل التواصل الاجتماعي ، والثقة ، والكلمة الشفهية الإلكترونية ، وسلوك التسوق عبر الإنترنت. تألفت العينة من ٥١٧ مستجيباً بناء على أخذ العينات الملائمة. تألف النهج النوعي من أربع مقابلات مع مديري متاجر ماركات أزياء معروفة في مصر لجمع بيانات عن تصورات البائعين لسلوك التسوق عبر الإنترنت. أظهر التحليل الكمي أن كلا من إعلانات وسائل التواصل الاجتماعي و الكلمة الشفهية الإلكترونية لها تأثيرات إيجابية كبيرة على سلوك التسوق عبر الإنترنت و الثقة لها تأثير كبير على سلوك التسوق عبر الإنترنت. ومع ذلك ، فعند تخفيف تأثير الخصائص الديموغرافية (العمر والجنس والمستوى التعليمي ومستوى الدخل) التي تم فحصها ، أظهرت النتائج أن جيل الألفية ذو الخصائص الديموغرافية المختلفة أظهر تأثيرات متفاوتة "للإعلان على وسائل التواصل الاجتماعي" و"الثقة" و"الكلمة الشفهية الإلكترونية" على سلوك التسوق عبر الإنترنت. أظهر التحليل النوعي أن إعلانات وسائل التواصل الاجتماعي تؤثر على صورة العلامة التجارية وتؤثر بشكل إيجابي على المبيعات. تساهم هذه الدراسة في مجال التسويق الإلكتروني وتقدم أثارا على معرفة سلوك المستهلك في بيئة الإنترنت ، مع تطوير المعرفة بشكل خاص حول سلوك التسوق عبر الإنترنت لجيل الألفية المصري.

**الكلمات المفتاحية:** وسائل التواصل الاجتماعي ، الكلمة الشفهية الإلكترونية ، الثقة ، التسوق عبر الإنترنت ، جيل الألفية

## 1. Introduction

The integration of automation and digitalization in business operations had already been regarded essential for the business environment, even before the COVID-19 pandemic. However, the outbreak of the pandemic has accelerated the need for businesses to shift towards an online mode of operation. Raised in a digital-saturated world, the millennial generation - more than any other generation - has a high proficiency in using digitally transformed activities, especially after the onset of COVID-19 (Jones et al., 2021). This makes the millennial generation a unique segment of consumers, which represents a great opportunity for marketers from every industry in Egypt to expand their digital involvement. Social media networking plays a major role in today's digital world. The rise of social media networking sites, such as Facebook, Twitter and Instagram, exercise great power in all aspects of life especially among those millennials who use them as their primary source of information (Meiselwitz, 2019). Furthermore, social media provides an exceptional opportunity for marketers to connect directly with consumers, share information, analyze consumer behavior data, and gain a competitive edge (Alaaraj et al., 2018; Elseidi & El-Baz, 2016). Companies are now investing in building relationships and driving new business opportunities through social media (Liang & Turban, 2011), and social media advertising has proven to have a significant impact on online shopping behavior among millennials (Ozkara & Bagozzi, 2021; Park & Lin, 2020). In addition to social media advertising, there is a number of factors affecting online shopping behavior among which are trust and electronic word of mouth (eWOM). Trust is a crucial factor that significantly affects online shopping behavior, especially among millennials (Salim et al., 2019). Building trust with customers is crucial for companies to increase customer loyalty and drive online purchase intention, frequency, and amount of spending (Alalwan et al., 2017). In addition to trust, electronic word-of-mouth (eWOM) also has a significant

positive influence on online shopping behavior, particularly among millennials (Chu et al., 2019; Gummerus et al., 2012). eWOM affects millennials' perceived value, trust, and purchase intention, leading to more active online shopping behavior (Chu et al., 2019).

Although previous studies have examined the effects of social media marketing on online consumer behavior and purchasing, there is a research gap in understanding the specific impact of social media advertising on online shopping behavior of millennials in Egypt especially in the fashion industry. Therefore, this study aims to fill the gaps in the literature by examining the impact of social media advertising on millennials' online shopping behavior in Egypt, the role of trust in this context, and how eWOM can be effectively exploited to gain millennials' trust and enhance their online shopping behavior.

This study contributes to the field of electronic marketing and provides insights to a knowledge of consumer behavior in an online environment, while particularly advancing knowledge on the online shopping behavior of Egyptian millennials. Considering the importance of the online shopping experience for the future of the fashion industry in Egypt, it is crucial to explore ways of enhancing the customer experience and the business practices of companies operating in this industry. Therefore, the findings of this study can provide valuable recommendations to enhance the online shopping experience for both customers and businesses. Such recommendations may include developing user-friendly e-commerce platforms, building trust with customers, providing timely and efficient customer service, and leveraging social media and other digital marketing strategies to enhance online visibility and customer engagement. Overall, this study aims to contribute to the development of better business practices in the Egyptian fashion industry.

## **1.1 Research Problem**

The widespread use of e-commerce has been rapidly increasing, particularly due to the COVID-19 pandemic lockdown. This has led to a surge in social media marketing, particularly targeting millennials with a constant stream of ads for products and services. However, the effectiveness of social media advertising remains variable, and it is essential to study the behavior of the consumer to improve the efficacy of this channel. Understanding the effects of social media advertising, trust, and eWOM on the online shopping behavior of millennials in Egypt is crucial in this context. Although previous studies have examined the effects of social media marketing on online consumer behavior and purchasing, there is a research gap in understanding the specific impact of social media advertising on online shopping behavior of millennials in Egypt. Furthermore, trust has been identified as a critical factor in online purchasing behavior, however research is needed to understand how trust influences millennials' online shopping behavior. The literature suggests that eWOM plays a significant role in influencing consumers' trust in a company and its products, and hence impacts their purchasing decisions. The existing literature shows that eWOM plays a role in positioning companies ahead of their rivals, gathering customer feedback, and better serving their customers. However, further research is required to understand the extent to which eWOM is utilized by companies in their social media advertising strategies and how this impacts millennials' online shopping behavior.

Therefore, this study aims to fill the gaps in the literature by examining the impact of social media advertising on millennials' online shopping behavior in Egypt, with a specific emphasis on the role of trust and eWOM. The findings of this study provide insights for marketers on how to effectively utilize social media advertising strategies to target millennials in Egypt and enhance their online shopping behavior. The study will specifically explore the extent to which social media advertising influences millennials' online

shopping behavior, the role of trust in this context, and how eWOM can be effectively exploited to gain millennials' trust and enhance their online shopping behavior.

## 1.2 Research Questions

The following research questions have been developed to investigate the online shopping behavior of Egyptian millennial consumers and the factors affecting their propensity: Does social media advertising significantly affect the online shopping behavior of Egyptian millennials? Does trust significantly affect the online shopping behavior of millennials in Egypt? Does eWOM significantly affect the online shopping behavior of Egyptian millennials? And do demographic factors play a moderating role in the association between social media advertising, trust, and eWOM, and the online shopping behavior of Egyptian millennials?

## 1.3 Research Objectives

This study is thus an attempt to achieve the following objectives: (RO1) to investigate the effect of social media advertising on the online shopping behavior of millennials in Egypt, (RO2) to examine the role trust plays in the online shopping behavior of Egyptian millennials, and (RO3) to examine the impact of electronic word of mouth (eWOM) on the online shopping behavior of Egyptian millennials.

Thus, the outcomes of this study would be quite beneficial for all marketers who are interested in online businesses in Egypt. Small and medium enterprises would benefit from shifting their campaigns from offline to online, which has been emphasized during the COVID-19 pandemic.

## 1.4 Contribution and Practical Implications

The current study contributes to the field of electronic marketing and provides insights into the knowledge of consumer behavior in an online environment, while advancing the knowledge of the online shopping behavior of Egyptian millennials in particular. The demographic differences considered in this study provide a basis for the segmentation of online

shoppers, reflecting different patterns that can be employed to improve the effectiveness and efficiency of online marketing activities.

Understanding the factors affecting consumers' online purchasing decision process provides businesses with information that would help them direct their efforts and resources toward the most influential factors. This information serves as the basis for planning their social media advertising activities, and for being in alignment with the expectations and needs of consumers. The current study also particularly highlights the characteristics of millennials and aids businesses to cater their social media advertising and factors to help them manage eWOM according to their target consumers' demographic characteristics.

## **2. Literature Review**

In the 1990's era, 'digital marketing' had mainly been referred to as 'advertising', however, with the new technology and modernized cell phones, it expanded by the 2000's (Pollák et al., 2021). This has given e-commerce a boom in the industry with all the products and services aligned together, and the growth of payments made from mobiles among different online sellers, like Amazon, Facebook, Google, Alibaba, etc. Online payment systems have been consolidated in such a way so that the consumers can easily make payments, purchase and transfer easily, meet people online, chat with friends, which have all started social commerce, and allowed people to not leave their space, and buy whatever they want on the internet (Macarthy, 2021).

The COVID-19 pandemic has been a facilitator in accelerating the growth of the industry in the country. Consumers have been forced to look for purchase options in online channels; at the time, it was not their own decision, but they were forced due to the contemporary circumstance. At points of sale, traffic is key. In physical places, companies place stores in congested places where they assume more people to arrive, and, with malls, they seek to interest people in the services they offer, such as parking and



being able to find different opportunities in one place. The same goes for online stores; where you need to have welcoming platforms that show products appealingly. However, during COVID, online sellers have needed to develop online strategies to stir consumers' interest, as they have been unable or reluctant to come on their own.

Virtual stores are not expected to eradicate physical stores. However, companies with a physical presence need to change and implement technology to face the challenges and new wants of users/consumers (Shankar, et al., 2021). The pandemic has facilitated faster digital revolution developments, and companies have had to grow to stay present. However, there is still more to mend to meet consumer demands. Companies that want to venture into online sales should reflect platforms that are responsive and easy to use, including a selection of payment methods, adjusting their business models, finding competent logistics systems that can supply on time, and offering excellent post-sales services.

## **2.1 Impacts Affecting Online Shopping**

Social network websites are some of the many online communities that permit members and companies to produce their reserved profiles, such as Twitter, Facebook, and LinkedIn (Solomon et al., 2017). Social media networks in the marketing world provide a completely new setting for a company's product marketing and communication. They give buyers the ability to form an important interaction with social media networks in the marketing situation. They also provide a new facet for brand marketing message delivery (Tan, et al., 2011). Social media represent a development in marketing practices and provide means of rapid expansion through different channels. Internet users around the world are 2.77 billion people (Mastura et al. 2022). This has redefined new communication and marketing tools for companies to spread around the world, and to cooperate and participate with existing and potential customers (Mastura et al. 2022). Several factors that lead consumers to use online shopping have been

identified in previous studies. These factors are social media advertising, eWOM, and trust.

### **2.1.1 Social Media Advertising**

Social networking sites have become an integral part of modern society, providing a platform for individuals to interact and connect with others. (Kuss et al., 2017) note that the basic functions of social networking sites include creating opportunities for users to establish and maintain contact with others, self-presenting through a user profile, and presenting content. Users can connect with others by creating a profile and identifying individuals they wish to interact with, such as friends, family, or individuals with similar interests. Self-presentation allows users to present themselves to others by providing personal information on their profiles. Additionally, presenting content, such as photos, videos, and status updates, enables users to share their experiences, opinions, and interests with others in their network. Social networking sites have revolutionized the way people communicate and interact, and their impact on social relationships continues to evolve (Kuss et al. 2017). Social media have been described as websites co-authored by the users themselves and a space where they can express themselves and cooperate with others. Social media is not only a tool for communication and content exchange between users, but also an excellent e-consumer management tool. However, comparatively little research efforts have been exerted towards issues associated with the management of e-consumer conduct resulting from marketing communication on the internet. The most widespread social media, such as Facebook, Instagram, or TikTok, offer several e-marketing tools that permit the effective operation of marketing campaigns in a virtual environment (Błachnio et al. 2020).

Previous studies have shown that social media advertising has a significant impact on online shopping behavior. According to a study conducted by (Kim et al. 2012), social media advertising has a positive effect on purchase

intentions, with users being more likely to purchase products they have seen advertised on social media platforms. The study also finds that the impact of social media advertising on purchase intentions is stronger for users that perceive social media as a more credible source of information. Another study reveals that social media advertising positively influences consumers' attitudes toward the advertised product, which, in turn, has a positive effect on purchase intentions (Luo et al., 2019). The study also suggests that social media advertising has a stronger impact on younger consumers and consumers with higher social media engagement.

Social media advertising has also been found to affect various stages of the online shopping process, including information search, evaluation, and purchase. A study made by (Bigne-Alcañiz et al., 2020) confirms that social media advertising positively influences consumers' information search behavior, with users being more likely to use social media to obtain product information and reviews. The study also reveals that social media advertising positively influences consumers' evaluation of the advertised product, with users perceiving the product to be of higher quality when advertised on social media platforms. Additionally, social media advertising positively influences consumers' purchase behavior, with users being more likely to purchase the advertised product when they have been exposed to social media advertising. The study concludes that social media advertising has a stronger impact on impulse purchase behavior.

Brand communication in the social media environment can be achieved by successfully running a profile, fan page, or partner website of the brand. Several paid advertising formats and types can be used to endorse the brand: image ads, video ads, sponsored posts, extraordinary offers, and many others. Brands present in social media, as part of their marketing communication strategy, also collaborate with influencers who share their opinion about the product with other users (Khandaker et al., 2017).

(Khokhar et al., 2019) find that social media significantly affects the impulsive buying behavior of consumers. However, they indicate that most

consumers highly purchase at the point of sale affected by promotional ads. Their findings show that consumers may see ads that are highly customized to their preferences based on their previous choices since social media sites can track their activity. According to (Miah et al., 2022) celebrity endorsements and online reviews are found to have a significant effect on online shopping behavior, while live streaming has no significant effect on online shopping behavior. Their findings indicate that social media has a significant impact on online shopping behavior.

### **2.1.2 Electronic Word-of-Mouth (eWOM)**

Before the development of the internet, the main source for people to obtain product or service information and assessment has been traditional word-of-mouth (Ortiz et al., 2017). Word-of-mouth refers to the words spoken from the mouth and passed on forming an evaluation and opinion of something, thereby shaping its image, and influencing what people say about it. A study defines online word-of-mouth as distinct from traditional ‘Word-of-Mouth’ (WOM) in terms of the amount of information detail, level of information professionalism, and quality. A study by (Wang et al., 2019) believe it is far superior to traditional word-of-mouth in terms of quantity and quality. E-WOM communication is considered stronger due to its speed and ability to reach many people at the same time. Traditional WOM communication lacks this capability as it is based on face-to-face transmission. The authors of this study believe that people pay more attention to negative information, which has a greater influence, than positive information. To increase sales, the goal is to use positive online word-of-mouth marketing. Consumers tend to pay more attention to the timeliness, relevance, and safety of information and the convenience of navigation and search facilities (Wang et al., 2019). According to (Chang et al. 2019), e-shopping satisfaction after purchase affects the consumer's involvement and creates positive WOM. Consumers are frequently relying on informal WOM to find product/service information to make purchase decisions. In general, the positive and negative polarity of

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eWOM has a great reference value. Studies reveal that eWOM significantly positively affects purchase intentions and, accordingly, the sales of businesses (Chen et al., 2022; Kim et al., 2021; Zhou et al., 2021). A study conducted by (Al-Ja'afreh et al. 2020) finds that eWOM affects purchase decisions more significantly than other marketing strategies. According to (Nuseir, 2019), eWOM is the most popular medium for the dissemination of opinions and reviews regarding various products and services on the market. Another study highlights the impact of online reviews on consumers' propensity to purchase goods or services (Kudeshia et al. 2017). The quality of eWOM, which is one of the elements of electronic word-of-mouth communication, is expressed as persuasive, enlightening, and logical comments made in the online environment (Ruiz-Mafe et al., 2020). Since brand image can also significantly affect brand value, eWOM has an important place in the marketing strategies of businesses today. However, eWOM quantity, the number of comments on products and services, can ensure that the products/services commented on are perceived as popular by other consumers in the purchasing decision process (Rahim, et al., 2015). A brand with a positive image can increase the perceived value of customers by reducing the risks perceived by consumers (Wang, et al., 2018).

### 2.1.3 Trust

Trust is a critical factor in influencing online shopping behavior. Consumers are more likely to engage in online shopping when they trust the seller or the website. In a study by (Kim et al. 2013), the authors find that trust has a positive effect on online purchase intention. Consumers who trust the seller or website are more likely to make purchases online. The study also finds that trust has a stronger impact on purchase intention than perceived usefulness or perceived ease of use. This highlights the importance of building trust with online shoppers to encourage purchases (Kim et al., 2013).

Another study by (Seo et al. 2018) explores the impact of trust on consumers' attitudes and behaviors toward online shopping. The authors find that trust positively affects both online shopping attitudes and behaviors. Trust is found to be a critical factor in determining consumers' willingness to return to a website and make future purchases. The study also reveals that trust has a more significant impact on repeat purchase behavior than on initial purchase behavior. This highlights the importance of building long-term trust with customers to encourage repeat business (Seo et al. 2018).

A study by (Huang et al. 2018) focus on the impact of trust on consumers' willingness to share personal information online. The authors suggest that trust has a significant positive impact on consumers' willingness to share personal information, which is necessary for online shopping transactions. The study also reveals that trust mediates the relationship between perceived privacy risk and the willingness to share personal information. This highlights the importance of building trust with online shoppers to encourage them to share personal information necessary for completing transactions (Huang et al. 2018).

## **2.2 Demographic Characteristics and Online Shopping**

To analyze the associations between demographic characteristics and online shopping, Melović, et al. (2021) performed a study on Montenegro using a sample of 813 millennials. The findings of the study indicate that millennials are satisfied with the experience of online shopping. Although they consider online shopping risky, they find it far better than the traditional method. However, the purchase of millennials depends upon demographic characteristics. Although both women and men have made more purchases online during the pandemic, the reasons preventing them

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from going to stores have been markedly different. While men have been more concerned about COVID-related health issues (71%), women have been put off by product unavailability (57%) and long checkout lines (51%). Young women, in particular, express less concern about COVID while shopping in the store, however women did more shopping online as compared to men. Shoppers chose to shop online, not because it offers a better bargain, but because of the ease of ordering and the convenience of home delivery. Seventy percent of online shoppers claim they shopped for convenience and only 36% for cheaper prices. It is observed that the age group driving online retail is millennials, and not Gen Z. While the older age groups (54+) prefer shopping in stores, the 25-44 year age group prefers online shopping. Breaking down the data, the 35-44 year age group prefers to shop online (45%), while the 25-33 years age group uses apps the most (23%) compared to other age groups.

Although consumers of all ages spend more time online and shop more on social media, concern has been expressed about sharing data to enable this personalization. This is especially true among men, who report a greater concern about data privacy (45%) and security (42%) than women. Consumers are increasingly aware that giants, like Google and Facebook, track their lives on the internet and sell them to advertisers to create personalized ads. This has caused an increase in privacy and data security concerns among shoppers. Other problems that can make shopping online a frustrating experience are unclear return policies (34%), failures in digital payment (32%), and difficulty finding the product on the web or app (27%) (Melović, et al., 2021).

Yang & Lee (2019) investigate the relationship between demographic factors and online shopping behavior among consumers in South Korea. They find that gender, age, education level, and income level are significant predictors of online shopping behavior. Women, younger consumers, those with higher education levels, and those with higher income levels are more likely to engage in online shopping.

(Chen et al., 2019) examine the influence of demographic factors on consumers' online purchase intentions in China. They find that age, gender, income level, and education level have a significant impact on online purchase intentions. In specific, younger consumers, females, those with higher income levels, and those with higher education levels are more likely to have a higher intention to purchase online.

Another study investigates the impact of demographic factors on the adoption of mobile shopping apps among consumers in South Korea. It is found that age, gender, income level, and education level are significant predictors of mobile shopping app adoption. Specifically speaking, younger consumers, females, those with higher income levels, and those with higher education levels are more likely to adopt mobile shopping apps (Kwon et al., 2021).

(Al-Motairi et al., 2021) examine the impact of demographic factors on consumers' attitudes toward online shopping in Kuwait. They find that gender, age, income level, and education level have a significant impact on consumers' attitudes toward online shopping. Females, younger consumers, those with higher income levels, and those with higher education levels have specifically more positive attitudes toward online shopping.

Another study investigating the influence of demographic factors on consumers' trust in online shopping platforms in China is the one conducted by (Zhao et al., 2020). They find that age, gender, income level, and education level are significant predictors of trust in online shopping platforms. Younger consumers, females, those with higher income levels, and those with higher education levels have all specific higher levels of trust in online shopping platforms.

Based on this review of the literature, the conceptual model, shown in **خطأ! لم يتم العثور على مصدر المرجع.**, is developed. The current study aims to examine the effect of social media advertising, eWOM, and trust on the online shopping behavior of millennials. Demographic characteristics are then



incorporated to examine their moderating role. These variables are hypothesized to be tested in this study as follows: **(H1)** Social media advertising has a significant positive effect on the online shopping behavior of millennials in Egypt, **(H2)** Trust has a significant positive impact on the online shopping behavior of Egyptian millennials, **(H3)** E-WOM has a significant effect on the online shopping behavior of millennials in Egypt; **(H4)** Demographics have a moderating effect on the relation between social media advertising, trust, and eWOM and the online shopping behavior of Egyptian millennials, **(H4.1)** Age has a moderating effect on the relation between social media advertising, trust, and eWOM and the online shopping behavior of Egyptian millennials, **(H4.2)** Gender has a moderating effect on the relation between social media advertising, trust, and eWOM and the online shopping behavior of Egyptian millennials, **(H4.3)** Educational level has a moderating effect on the relation between social media advertising, trust, and eWOM and the online shopping behavior of Egyptian millennials, and **(H4.4)** Income has a moderating effect on the relation between social media advertising, trust, and eWOM and the online shopping behavior of Egyptian millennials.

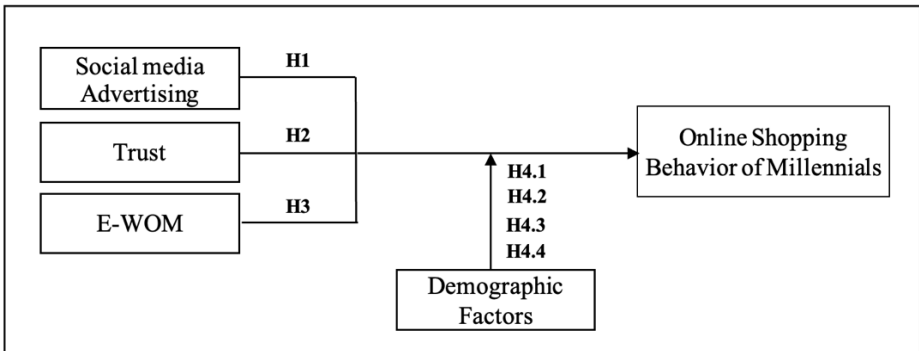


Figure 1- Conceptual Model

### 3. Research Methodology

The purpose of the current study is descriptive, aiming to examine the

influence of social media advertising, eWOM, and trust on the propensity of consumers, specifically millennials in Egypt, to shop online. This provides businesses with insights into consumer online shopping behavior that would help them develop their online sales facets. To generalize results derived from quantitative data, the current study uses a positivistic approach. Since a deductive approach aligns with the positivism paradigm, it is used in this study with the starting point being an extensive review of e-marketing and consumer behavior literature and theories. Based on this review, the conceptual model and hypotheses are developed. To confirm the results deduced from quantitative data, structured interviews are conducted with four Store Managers of well-known fashion brands in Egypt followed by qualitative approach. The purpose of these interviews is to compare findings derived from the survey of consumers with findings from data collected from the industry's perspective.

While the customer survey addresses the consumer perception in terms of social media advertising, trust, eWOM and online shopping behavior, the interviews with the business management come to complement the above findings from the business perspective. Additionally, while the consumer answers a closed-ended questionnaire representing and limited to one's own experience, the management, on the other hand, through open-ended interview questions provides a much larger experience resulting from the years of exposure to the practice of customer management.

Quantitative data in this study was collected through a survey to get the unbiased opinion of consumers. Moreover, survey research focuses on solving the research problem from the experience side by capturing the conditions as close as possible to reality, allowing the researchers to explore the considered science-related issue. Establishing a survey is simple, data analysis is reliable if all questions are answered, and data analysis is

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streamlined thanks to the survey's structure. Due to the nature of the research topic and the greater accessibility of a larger pool of respondents in terms of both the number of respondents and geographic reach, an online survey was chosen as the method of data collection for this study to minimize the possibility of human error.

The target population of the study involves millennials of the Egyptian population whose shopping behaviors are the subject of exploration. The target population of the study was approached through social media platforms. A total of 560 participants were approached out of which a final sample of 517. Incomplete responses and suspicious responses were excluded from the final sample. Non-probability sampling was used to select the sample of the study using the convenience sampling technique. This sampling method was used due to the lack of a sampling frame that consists of all millennials in Egypt. When using this sampling technique generalizability may be affected, however, greater diversity of the sample was ensured to improve the generalizability of the results.

Since the study at hand is based on mixed methods, the researcher uses a questionnaire that is distributed online to collect quantitative data and unstructured interviews to collect qualitative data. The questionnaire is composed of 5 sections. The first section (Demographic Factors) independent variable is composed of 4 questions. The second section (Social Media Advertising) independent variable is composed of 6 questions. The third section (Online Shopping Behavior) dependent variable is composed of 8 questions. The fourth section (Trust) independent variable is composed of 6 questions and the fifth section (eWOM) independent variable is composed of 9 questions. Sections 2, 3, 4, and 5 ask respondents to rate the statements on a 5-point Likert-Scale indicating strongly disagree to strongly agree where 1 indicates 'strongly disagrees' and 5 indicated 'strongly

agree'. Instagram, Facebook, and WhatsApp are used as the main platforms for collecting data on the purchase decision of millennials in Egypt.

## 4. Data Analysis

Descriptive statistics are used to analyze data about respondents' demographics including age, education, gender, and income level. These variables are among the independent variables expected to have an impact on online shopping behavior. Table 1 shows the frequency and percentage of the age groups, genders, educational levels, and income levels that the survey respondents belong to.

**Table 1. Descriptive Statistics of Demographic Variables**

Age Group	Frequency	Percent
24 – 27	187	36.2
28 – 31	168	32.5
32 – 35	129	25.0
36 – 39	33	6.4
Gender	Frequency	Percent
Female	290	56.1
Male	227	43.9
Educational Level	Frequency	Percent
High School	34	6.6
College	224	43.3
Masters	208	40.2
Ph.D.	51	9.9
Income Level	Frequency	Percent
Low Income	87	16.8
Middle Class	261	50.5
Upper-Middle Class	169	32.7

The majority of the respondents belong to the age group from 24 to 27 years. The majority has college degrees, and they are among the middle-class income level. Concerning gender, 56.1% (290) of the respondents are females, and 43.9% (227) of the respondents are males. A composite score

is calculated for the independent variables; Social Media Advertising, Trust, and eWOM, and for the dependent variable; Online shopping behavior. Table 2 shows the descriptive statistics of each of these variables' composite scores.

**Table 2. Descriptive Statistics for Variables' Composite Score**

Variable	N	Mean	Std. Deviation	Minimum	Maximum
Social Media Advertising	517	4.0783	.57177	2.67	5.00
Online Shopping Behavior	517	3.9727	.65036	2.00	5.00
Trust	517	3.9230	.64727	2.33	5.00
EWOM	517	3.9761	.61420	2.44	5.00

The data set is tested for normality to determine whether it can be well-modeled by normal distribution. The one-sample Kolmogorov-Smirnov test results are shown in Table 3.

**Table 3. One-Sample Kolmogorov-Smirnov Test**

		Social Media Advertising	Trust	EWOM	Online Shopping Behavior
		517	517	517	517
Normal Parameters	Mean	4.0783	3.9761	3.9727	3.9727
	Std. Deviation	.57177	.61420	.65036	.65036
Most Extreme Differences	Absolute	.142	.141	.176	.176
	Positive	.081	.060	.073	.073
	Negative	-.142	-.141	-.176	-.176
Kolmogorov-Smirnov Z		3.221	3.427	3.212	4.009
Asymp. Sig. (2-tailed)		.000	.000	.000	.000

Since the Asymptotic Sig. (2-tailed) of social media advertising equals (0.000), trust (0.000), eWOM (0.000), and online shopping behavior (0.000) and they are all less than  $\alpha$  (0.05), the null hypotheses are rejected, and it can be concluded that opinions for all variables are not normally distributed.

Using forward multiple regression, the model representing the effect of social media advertising, trust, and eWOM on online shopping behavior

shows an R square = 0.549, which means that the independent variables (social media advertisement, trust, eWOM) explain 54.9% of the changes in the dependent variable (online shopping behavior) and the remaining 46.1% is attributed to other factors not included in the study. The model shows that Sig. (0.000) is less than  $\alpha$  (0.05), thus  $H_0$  is rejected, and  $H_a$  is accepted, which reflects that the model is significant. Table 4 presents the unstandardized coefficients using Beta.

**Table 4. Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.464	.147		3.161	.002
Social Media Advertising	.437	.048	.384	9.179	.000
Trust	<b>-.086</b>	<b>.045</b>	<b>-.086</b>	<b>-1.926</b>	<b>.055</b>
EWOM	.519	.050	.490	10.379	.000

Since the Sig. of social media advertising = 0.000 <  $\alpha$ ,  $H_0$  is rejected and  $H_a$  is accepted. Social media advertising has a significant positive effect on online shopping behavior. Since the Sig. of Trust = 0.055 >  $\alpha$ ,  $H_0$  is accepted and  $H_a$  is rejected, showing that Trust has a significant effect on online shopping behavior, but further investigation and interpretation is necessary to determine the strength and importance of this relationship. Since the Sig. of eWOM = 0.000 <  $\alpha$ ,  $H_0$  is rejected and  $H_a$  is accepted, showing that eWOM has a significant positive effect on online shopping behavior.

## **4.1 The Moderating Role of Demographic Variables**

To integrate the moderating effect of demographic factors on the relationship between Social Media Advertising, Trust, and eWOM on

Online Shopping Behavior, the effect of the independent variables; Social Media Advertising, Trust, and eWOM, on the dependent variable online shopping behavior is examined.

Regarding the null hypothesis that Age is moderating the impact of Social Media Advertising, Trust, and eWOM on Online Shopping Behavior, a hierarchical multiple regression is used as follows:

**Table 5. Coefficients - with Age**

Variables		Unstandardized Coefficients		T	Sig.	Collinearity Statistics		F
		B	Std. Error			Tolerance	VIF	
Trust	(Constant)	1.969	0.152	12.989	0.000			179.4
	Trust	0.511	0.038	13.395	0.000	1.000	1.000	
	(Constant)	1.980	0.152	13.056	0.000			90.8
	Trust	0.488	0.041	11.834	0.000	0.852	1.173	
	Trust AGE	0.010	0.007	1.419	0.157	0.852	1.173	
Social Media Advertising	(Constant)	0.896	0.154	5.801	0.000			404.3
	Social	0.754	0.038	20.109	0.000	1.000	1.000	
	(Constant)	0.905	0.155	5.842	0.000			202.3
	Social	0.743	0.040	18.503	0.000	0.873	1.145	
	Social AGE	0.005	0.006	0.799	0.425	0.873	1.145	
eWOM	(Constant)	1.072	0.136	7.878	0.000			465.3
	EWOM	0.730	0.034	21.572	0.000	1.000	1.000	
	(Constant)	1.060	0.135	7.843	0.000			240.1
	EWOM	0.700	0.035	19.921	0.000	0.914	1.094	
	EWOMAGE	0.016	0.006	2.885	0.004	0.914	1.094	

Table 5 explains the significance of the model in testing the influence of age as a moderation variable for the independent variables: Social Media Advertising, Trust and eWOM, by using the F-test for the three independent variables. Moreover, the R-square increases for the independent variables

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from 44% to 44.1 %, from 25.8% to 26.1 %, and from 47.4 % to 48.3%, respectively. Moreover, the Variance Inflation Factor (VIF) for each variable is less than (10) and tolerance (T) is greater than (0.1) for each variable. This means that there is no multi-collinearity among the explanatory variables so the researcher can rely on the results of this model. Additionally, the age variable moderates only the impact of eWOM on the Online Shopping Behavior with a regression coefficient of 0.016 at 5% significance level.

Regarding the null hypothesis that the Qualifications (educational level) moderates the impact of Social Media Advertising, Trust, and eWOM on Online Shopping Behavior, the hierarchical multiple regression is used as follows:

**Table 6. Coefficients - with Educational Level**

		Unstandardized Coefficients		T	Sig.	Collinearity Statistics	
		B	Std. Error			Tolerance	VIF
Trust	(Constant)	1.969	0.152	12.989	0.000		
	Trust	0.511	0.038	13.395	0.000	1.000	1.000
	(Constant)	2.016	0.155	13.013	0.000		
	Trust	0.530	0.040	13.146	0.000	0.894	1.118
	TrustQUALI	-0.012	0.009	-1.435	0.152	0.894	1.118
Social Media	(Constant)	0.896	0.154	5.801	0.000		



	<b>Social</b>	0.754	0.038	20.109	0.000	1.000	1.000
	<b>(Constant)</b>	0.950	0.157	6.051	0.000		
	<b>Social</b>	0.773	0.039	19.907	0.000	0.929	1.076
	<b>SocialQUALI</b>	-0.013	0.007	-1.804	0.072	0.929	1.076
<b>EWOM</b>	<b>(Constant)</b>	1.072	0.136	7.878	0.000		
	<b>EWOM</b>	0.730	0.034	21.572	0.000	1.000	1.000
	<b>(Constant)</b>	1.096	0.139	7.872	0.000		
	<b>EWOM</b>	0.738	0.035	20.876	0.000	0.916	1.092
	<b>EWOMQUALI</b>	-0.006	0.007	-0.827	0.409	0.916	1.092

Table 6 explains the significance of the model in testing the influence of qualification (educational level) as a moderation variable for the independent variables: Social Media Advertising, Trust and eWOM, by using the F-test for the three independent variables. Moreover, the R-square increases for the independent variables (Trust and Social Media Advertising) from 25.8% to 26.1 %, and from 44% to 44.3 %, respectively. Moreover, the VIF for each variable is less than (10) and tolerance (T) is greater than (0.1) for each variable. This means that there is no multicollinearity among the explanatory variables, so the researcher can rely on the results of this model. Thus, the variable interactions between the Qualifications (educational level) and all independent variables are not significant.

Regarding the null hypothesis that the Gender factor moderates the impact of Social Media Advertising, Trust, and eWOM on Online Shopping Behavior. The hierarchical multiple regression is used as follows:

Table 7. Coefficients - with Gender

		Unstandardized Coefficients		T	Sig.	Collinearity Statistics		R
		B	Std. Error			Tolerance	VIF	
Trust	(Constant)	1.969	0.152	12.989	0.000			179.
	Trust	0.511	0.038	13.395	0.000	1.000	1.000	
	(Constant)	1.964	0.153	12.831	0.000			89.
	Trust	0.513	0.040	12.934	0.000	0.925	1.081	
	Trust Gender	-0.003	0.013	-0.228	0.820	0.925	1.081	
Social Media Advertising	(Constant)	0.896	0.154	5.801	0.000			404.
	Social	0.754	0.038	20.109	0.000	1.000	1.000	
	(Constant)	0.906	0.155	5.852	0.000			202.
	Social	0.747	0.038	19.555	0.000	0.964	1.038	
	Social Gender	0.010	0.010	0.948	0.343	0.964	1.038	
eWOM	(Constant)	1.072	0.136	7.878	0.000			465.
	EWOM	0.730	0.034	21.572	0.000	1.000	1.000	
	(Constant)	1.057	0.138	7.689	0.000			232.
	EWOM	0.737	0.035	20.941	0.000	0.925	1.081	
	EWOM Gender	-0.008	0.010	-0.739	0.460	0.925	1.081	

Table 7 explains the significance of the model in testing the influence of Gender as a moderation variable for the independent variables: Social media advertising, Trust and eWOM, by using the F-test for the three independent variables. Moreover, the R-square increases for the independent variables from 44% to 44.1 %, from 25.8% to 25.9 %, and from 47.5 % to 47.5 %, respectively. Moreover, the Variance Inflation Factor (VIF) for each

variable is less than (10) and tolerance (T) is greater than (0.1) for each variable. This means = that there is no multi-collinearity among the explanatory variables, so the researcher can rely on the results of this model. On the other hand, the variable interactions between the gender and all independent variables are not significant.

Regarding the null hypothesis that the Income Level class moderates the impact of Social Media Advertising, Trust, and eWOM on Online Shopping Behavior, the hierarchical multiple regression is used as follows:

**Table 8. Coefficients - with Income Level**

Variables		Unstandardized Coefficients		T	Sig.	Collinearity Statistics		F
		B	Std. Error			Tolerance	VIF	
Trust	(Constant)	1.969	0.152	12.989	0.000			179.4
	Trust	0.511	0.038	13.395	0.000	1.000	1.000	
	(Constant)	1.994	0.151	13.209	0.000			94.55
	Trust	0.453	0.043	10.435	0.000	0.762	1.312	
	Trust incomelevel	0.024	0.009	2.727	0.007	0.762	1.312	
Social Media Advertising	(Constant)	0.896	0.154	5.801	0.000			404.3
	Social	0.754	0.038	20.109	0.000	1.000	1.000	
	(Constant)	0.942	0.155	6.074	0.000			206.7
	Social	0.705	0.043	16.458	0.000	0.760	1.316	
	Social incomelevel	0.018	0.007	2.349	0.019	0.760	1.316	
eWOM	(Constant)	1.072	0.136	7.878	0.000			465.3
	EWOM	0.730	0.034	21.572	0.000	1.000	1.000	
	(Constant)	1.085	0.138	7.845	0.000			232.4
	EWOM	0.718	0.041	17.637	0.000	0.692	1.445	
	Ewom incomelevel	0.004	0.008	0.529	0.597	0.692	1.445	

Table 8 explains the significance of the model in testing the influence of Income Level as a moderation variable for the independent variables: Social Media Advertising, Trust and eWOM, by using the F-test for the three independent variables. Moreover, the R-square increases for the independent variables from 44% to 44.6 %, from 25.8% to 26.9 %, and from 47.4 % to 47.5%, respectively. Also, the variance inflation factor (VIF) for each variable is less than (10) and tolerance (T) is greater than (0.1) for each

variable. This means that there is no multi-collinearity among the explanatory variables, so the researcher can rely on the results of this model. Moreover, the income variable moderates only the impact of Social media advertising on the Online Shopping Behavior with a regression coefficient of 0.018 at a 5% significance level. Also, the income level variable moderates the impact of Trust on Online Shopping Behavior with a regression coefficient of 0.024 at a 5% significance level.

## 4.2 Validity and Reliability Analysis

In the first attempt of the principal component analysis, all items are loaded on 7 factors. The results reveal that some items do not meet the loading criteria  $< 0.5$  and do not achieve the full loading selection criterion. The rotated component matrix indicates that the construct loadings that do not meet the cross-loading criteria are eliminated. Therefore, discriminant validity is established. Table 9 represents the rotated component matrix for 4 components.

**Table 9. Rotated Component Matrix<sup>a</sup>**

	Component						
	1	2	3	4	5	6	7
S_M_A_1						.722	
S_M_A_2		.788					
S_M_A_3						.620	
S_M_A_4		.540					.500
S_M_A_5							.799
S_M_A_6		.492			.564		
P_B_1	.663						
P_B_2	.682						
P_B_3	.454	.511					-.431
P_B_4	.782						
P_B_5	.529	.425					
P_B_6	.710				.488		
P_B_7	.797						
P_B_8		.567					
T_1			.810				
T_2		.481		.609			
T_3			.432				.408
T_4			.683	.508			
T_5			.627				
T_6			.633				
EWOM_1	.606			.535			
EWOM_2				.490	.518		
EWOM_3				.635			
EWOM_4					.784		
EWOM_5			.435				
EWOM_6		.462					
EWOM_7						.406	

EWOM_8				.670			
EWOM_9						.441	

**4.2.1 Convergent Validity**

Convergent validity refers to what extent the latent variable indicators correlate positively with other indicators of the same latent variables (Hair, et al., 2016). Before running the factor analysis, the Kaiser–Meyer–Olkin measure of sampling adequacy (KMO) is established to measure how adequate the sample is to result in a reliable factor solution (Kaiser, 1970). Table 10 shows that KMO =.832 is a great value, according to Hutcheson and Sofroniou (1999), indicating that the sample size is adequate to run the factor analysis. Bartlett's test of sphericity  $\chi^2 (406) = 10590.031, p < .001$ , pointing out that the correlation matrix is not the same as the identity matrix. In other words, the correlation between variables is significantly large for the factor analysis.

**Table 10. KMO and Bartlett's Test of Sphericity**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.832
Bartlett's Test of Sphericity	Approx. Chi-Square	10590.031
	df	406
	Sig.	.000

We are now sure that the data is suitable for the factor analysis through KMO and Bartlett Test statistics. Table 11 presents the Total Variance Explained.

Table 11. Total Variance Explained

Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Multiple Correlations	
Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance
11.131	38.384	38.384	11.131	38.384	38.384	4.381	15.107
2.303	7.940	46.325	2.303	7.940	46.325	3.121	10.761
1.835	6.329	52.653	1.835	6.329	52.653	3.098	10.682
1.450	4.999	57.652	1.450	4.999	57.652	3.040	10.482
1.379	4.756	62.408	1.379	4.756	62.408	2.867	9.885
1.195	4.122	66.530	1.195	4.122	66.530	2.167	7.471
1.152	3.974	70.504	1.152	3.974	70.504	1.774	6.116

#### 4.2.2 Reliability Analysis

A reliability analysis is defined as the extent to which the measurement of a certain phenomenon provides stable and consistent results (Carmines and Zeller, 1979). Cronbach's alpha is the most common measure of internal consistency (reliability). Table 12 displays the reliability test using Cronbach's alpha for the scales used to measure Social Media Advertising, Trust, eWOM, and Online Shopping Behavior.

Table 12. Reliability Analysis

Variable	Variable Type	No. of Items	Cronbach's Alpha
Social Media Advertising	Independent	6	0.747
Trust	Independent	6	0.801
EWOM	Independent	9	0.880
Online Shopping Behavior	Dependent	8	0.887

As shown in the above table, Cronbach's alpha is greater than 0.7 for the independent variables: Social Media Advertising (0.747), Trust (0.801), and eWOM (0.880). Thus, the scales used for these variables are highly reliable and accepted. Cronbach's alpha is also greater than 0.7 for the dependent variable Online Shopping Behavior (0.887). Thus, this scale is highly reliable and accepted.



### 4.3 Qualitative Analysis

After the quantitative approach is used and the data obtained from the survey is analyzed, interviews are conducted with four Store Managers of well-known fashion brands in Egypt. The analysis of the data collected from those interviews is presented in the next section.

The interviews are structured based on a set of open-ended questions that aim to capture the viewpoint of the industry regarding online shopping behavior and the effect of social media advertising. The four brands are American Eagle, Massimu Dutti, Zara, and Oysho. Since the purpose here is not a generalization, but merely a confirmation of the quantitative analysis results, non-probability convenience sampling is used. The interviewer emphasizes the confidentiality of the data obtained and assures the interviewees that their responses are to be used only for research purposes and presented anonymously.

The first question addresses the difference between different generations when it comes to the use of online shopping. Responses to this question differ among the four brands. Responses related to the higher-end brand, Massimu Dutti, show that age is not particularly the main driver for online shopping. Instead, younger generations may use online shopping more due to their tendency to be more familiar with and heavily dependent on the internet. Moreover, online shoppers of any age resort to online shopping when they are more familiar with the brand products and their size fitting. Consumers who are not aware of how the brand's sizes fit tend to avoid online shopping to be able to see and try the products. This is consistent with the perspective related to another brand, Oysho, which is also directed toward the influence of brand and size-fitting awareness on the use of online shopping, rather than the age group. Responses from American Eagle and Zara both show that younger generations, such as teenagers and ages between 20 and 25 years, have higher tendencies towards online shopping. Respondents from these two brands relate these tendencies to offers that are

provided online and accommodated to those age groups' budgets. Responses from American Eagle also attribute such tendencies to the higher availability of smaller sizes through online facets.

The second question addresses the main factors which drive consumers toward online shopping. A central observation is that all brands highlight the superiority of online shopping in terms of stock availability. Those brands use their online outlets as a means to offer integrated product stocks with the minimum cost by avoiding expenses for multiple physical stores. Therefore, consumers may find more items and more size varieties in their online outlets than they would in stores. The interviewees also emphasize the convenience offered and the time saved using such online outlets. Other factors mentioned that promote the use of online shopping are geographical location coverage, offers and discounts made specifically online, return policies, and free shipping for purchases of certain amounts. According to Zara's Store Manager, the use of a printable size guide induced more online purchases. Additionally, the brand's strategy uses online shopping to increase sales by making the purchase just one click away, shortening the time between the consumer's view of an advertisement and the actual purchase.

The third question addresses barriers to online shopping. Responses from Massimu Dutti show that the main two barriers to online shopping are the inaccuracy of size guides and the risk perceived by consumers when purchasing multiple items that are considered high-priced compared to those of other brands. This perceived risk is induced by the large sums of money that are involved in such transactions, and hence showing a preference for offline shopping. Consumers' preference towards purchasing in physical stores merely for the enjoyment of the shopping experience is also mentioned. Responses from Oysho show that the preference for offline shopping is mainly attributed to the possibility of product trial offering the consumer the opportunity to see the product material and suitability before

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the purchase, especially since all items are displayed both online and offline. Responses from Zara show that the main barrier to online shopping is that consumers are used to shopping in physical stores, and that it is difficult to change their normal habit of offline shopping. Moreover, according to both Zara and American Eagle Store Managers, consumers find it easier to exchange and return products offline and feel more comfortable trying products before their purchase. It is also mentioned that some offers made by American Eagle are specifically offered in physical stores, driving consumers to choose offline, rather than online, facets. Responses from Oysho, American Eagle, and Zara show that concerns about security and distrust do not exist in the online shopping experience.

The fourth question addresses the problems which face companies in the fashion industry offering online outlets. According to Massimu Dutt Store Manager, the online outlet does not show prices in the local currency and does not display all items. According to Oysho's Store Manager, however, the problem is the mismatch of sizes, which leads to more returns and exchanges. According to Zara's Store Manager, the brand faces several problems with online shopping. Many orders are rejected, meaning that when the products are delivered, some consumers refuse to receive the products, especially with cash-on-delivery orders. Another problem is system errors, especially during sale and promotion periods where mismatches exist between the displayed and actual stock availability. It is also mentioned that consumers sometimes purchase items online based on how they view the product fitting on the model and end up unsatisfied when they try the items on. Problems also occur due to contracting third-party shipping companies that sometimes fail to deliver items to consumers due to poor follow-up. According to American Eagle, online purchases tend to affect in-store sales targets.

The final question addresses the effect of social media advertising on online shopping behavior. It is noted that Massimu Dutt, Oysho, and Zara do not heavily rely on social media advertising as the brands' strategy is directed

towards more effective personal selling. The three brands which belong to the same company aim to maintain a specific brand image that would not be supported through social media advertising. On the other hand, American Eagle heavily depends on social media advertising for both online and offline stores. Its use of influencers and promo codes contributes to higher sales. The brand also offers distinct promotions for online shoppers as compared to shoppers in the store.

## **5. Discussion**

The purpose of the researcher in this study is to investigate the impact of social media advertising, trust, and eWOM on the online shopping behavior of millennials in Egypt, as well as to examine the moderating effect of demographic variables on these relationships. The overall aim is to shed light on the determinants of online shopping behavior among millennials in Egypt and to provide insights that can inform businesses and marketers looking to target this demographic and develop effective strategies to promote growth in the e-commerce sector. By identifying the factors influencing online shopping behavior and how they differ across demographic variables, the researcher hopes to provide a more nuanced understanding of this important consumer group in the Egyptian market.

Based on the regression analysis, it is found that, in general, both social media advertising and eWOM have a significant positive effect on online shopping behavior, and trust has a significant effect on online shopping behavior. But further investigation and interpretation are necessary to determine the strength and importance of this relationship. Based on these results, hypotheses 1, 2 and 3 are accepted.

The results showing that social media advertising has a significant positive effect on online shopping behavior are consistent with the findings of (Khokhar et al., 2019) who find that social media significantly affects impulsive buying behavior. The results are also consistent with the study of (Miah et al., 2022) who find that social media has had a significant impact

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on online shopping behavior during COVID-19. The results showing that eWOM has a significant positive effect on online shopping behavior are consistent with the findings of (Al-Ja'afreh et al. 2020) who find that eWOM affects purchase decisions more significantly than other marketing strategies. The results are also consistent with the findings of (Nuseir, 2019) who find that eWOM is one of the factors that encourage a consumer's purchase interest. Similar results are also found by (Handoko et al., 2021) who find that eWOM influences consumers' purchase interest. These findings are also supported by a study conducted by (Koubova et al., 2017), which indicates that eWOM has a significant correlation with consumer purchasing interest. The results showing that trust has a significant effect on online shopping behavior are consistent with the findings of (Bianchi et al. 2012). The results are also consistent with the findings of recent studies supporting the idea that trust has a significant effect on online shopping behavior. For example, a study by (Li et al., 2021) investigates the role of trust in shaping consumers' attitudes towards cross-border e-commerce. The study, based on a sample of 462 respondents in China, reveals that trust positively affects consumers' perceived value and satisfaction with cross-border e-commerce, which in turn influences their purchase intention. The study also reveals that perceived risk negatively affects consumers' perceived value and satisfaction, but this negative effect is mitigated by trust. These findings suggest that trust plays a crucial role in shaping consumers' attitudes and behavior in the context of cross-border e-commerce (Li et al., 2021).

Another recent study by (Yildirim et al. 2022) examines the effects of trust on consumers' intention to use mobile payment systems in Turkey. The study, based on a sample of 402 respondents, finds that trust had a significant positive effect on consumers' intention to use mobile payment systems. The study also reveals that the relationship between trust and intention to use mobile payment systems is mediated by perceived usefulness and perceived ease of use. These findings suggest that trust is an

essential factor in shaping consumers' intention to use mobile payment systems, and that online retailers should focus on building trust with their customers to increase the adoption of mobile payment systems (Yildirim et al. 2022).

In summary, recent studies have provided further support for the idea that trust has a significant effect on online shopping behavior, both in the context of cross-border e-commerce (Li et al. 2021) and in mobile payment systems (Yildirim et al. 2022). These findings highlight the importance of trust in shaping consumers' attitudes and behavior in the digital marketplace and suggest that online retailers should prioritize building trust with their customers to increase sales and the adoption of new technologies.

The current study aims to investigate the role of social media advertising, trust, and electronic word-of-mouth (eWOM) in the online shopping behavior of millennials in Egypt, while taking into consideration the moderating effects of age, gender, educational level, and income level. The findings show that age is found to moderate the impact of eWOM on online shopping behavior only, whereas gender does not have a moderating effect on the studied variables. Moreover, educational level does not moderate the impact of any of the independent variables, and income level is found to moderate the impact of both trust and social media advertising on online shopping behavior.

The results show that the inclusion of the moderating variables does not significantly affect the explanatory power of the model, as evidenced by the slight increase in the R-squared values for the independent variables. Additionally, the results indicate that there is no issue of multi-collinearity among the explanatory variables, which supports the validity of the results.

The finding suggesting that younger millennials may be more influenced by eWOM compared to older millennials is consistent with the findings of (Hoang et al., 2022). This may be due to younger individuals being more active on social media platforms and more likely to engage in eWOM

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behavior. The lack of significant moderation effects for gender and educational level may suggest that the impact of the independent variables on online shopping behavior is similar across different gender and educational groups. This is consistent with the findings of a study conducted by (Lin et al., 2015) providing support for the idea that the impact of independent variables on online shopping behavior is similar across different gender and educational groups. The study investigates the factors affecting online purchase intentions in Taiwan based on a sample of 467 respondents. The study uses a hierarchical regression analysis to examine the moderating effects of gender and education level on the relationships between independent variables and online purchase intentions.

A study by (Li et al. 2021) finds that the independent variables, including perceived usefulness, perceived ease of use, trust, and perceived risk, all have significant positive effects on online purchase intentions. However, their study does not find any significant moderating effects of gender or education level on these relationships. These findings suggest that the impact of the independent variables on online shopping behavior is similar across different gender and educational groups, and that online retailers should focus on building trust and reducing perceived risk to increase online purchase intentions among all consumers (Li et al. 2021).

The finding proving that income level moderates the impact of trust and social media advertising on online shopping behavior highlights the importance of considering the economic status of consumers when designing marketing strategies. This is consistent with the findings of (Suki, 2016). In Suki's (2016) study, income is found to have a significant moderating effect on the relationship between trust and online purchase intention. The study surveys 206 Malaysian online consumers and finds that trust has a significant positive effect on the online purchase intention for consumers with lower income levels, whereas the effect is not significant for consumers with higher income levels. These findings suggest that the impact of trust on online shopping behavior may differ depending on the

economic status of consumers. This may suggest that individuals with higher income levels may be more likely to trust online reviews and social media advertising, which can lead to increased online shopping behavior. On the other hand, the impact of eWOM on online shopping behavior is not moderated by income level, which suggests that this type of information may be equally influential across different income groups. These results are consistent with the findings of (Chu et al., 2011). In this study, the authors confirm that income level does not moderate the impact of eWOM on online shopping behavior. The study surveys 332 American consumers and finds that eWOM has a significant positive effect on online shopping intention, and that this effect is not moderated by income level. These findings suggest that eWOM can be a powerful tool for marketers to influence online shopping behavior, and that its impact may be similar across different income groups.

Overall, the findings of this study have important implications for marketers and businesses targeting the millennial population in Egypt. By understanding the moderating effects of age and income level on the impact of social media advertising, trust, and eWOM on online shopping behavior, marketers can tailor their strategies to specific consumer segments and maximize the effectiveness of their marketing efforts.

To complement the results from the quantitative analysis, a qualitative approach is followed using four interviews conducted with Store Managers of four well-known fashion brands in Egypt. Responses from the interviews reveal mixed results regarding the age differences of online shoppers. Two respondents indicate that age does not affect online shopping behavior, while the other two respondents indicate that younger generations, such as teenagers and ages between 20 and 25 years, have higher tendencies towards online shopping. They attribute these tendencies to online offers that accommodate those age groups' budgets and the higher availability of smaller sizes through online facets.



Interview responses also highlight several factors that may influence online shopping behavior. These factors are stock availability, convenience, time-saving, geographical location coverage, offers and discounts made specifically online, return policies, and free shipping for purchases of certain amounts. These factors may represent the variance that is not explained by the main variables included in this study, and it is recommended that they are considered in future studies. Responses from the interviews further point out the barriers to online shopping. These barriers are inaccuracy of size guides, perceived risk for transactions involving large sums of money, product trial, the habit of offline shopping, easier exchange and return, and the enjoyment of the shopping experience. Responses from most respondents show that concerns about security and distrust do not exist within the online shopping experience.

Responses from the interviews point out the problems facing companies in the fashion industry offering online outlets. These problems include the mismatch of sizes and styles, which leads to more returns and exchanges, rejected orders, system errors, third-party shipping delivery failure, and negative effects on in-store sales targets. Responses from the interview also show that social media advertising affects brand image and positively affects sales, which is consistent with the results from the quantitative analysis showing that social media advertising has a significant positive effect on online shopping behavior.

## **6. Conclusion**

In summary, the results of this study provide insights into the impact of social media advertising, trust, and eWOM on the online shopping behavior of millennials in Egypt. The findings support the hypotheses that social media advertising, trust and eWOM have positive effects on the online shopping behavior of Egyptian millennials. Additionally, the study reveals that eWOM plays an important role in shaping the purchasing decisions of this group, with age being a significant moderator of this relationship. The

study also finds that gender and educational level do not have a significant moderating effect on the studied variables, whereas the income level moderates the impact of trust and social media advertising on online shopping behavior. The study also highlights the importance of considering demographic variables age and income-level when developing targeted marketing strategies. These results provide important implications for businesses and marketers targeting the millennial population in Egypt, as they can tailor their marketing strategies to specific consumer segments and maximize the effectiveness of their marketing efforts.

Overall, these findings can inform businesses and marketers looking to target the millennial demographic in Egypt and develop effective strategies to promote growth in the e-commerce sector. Social media advertising and eWOM should be the focus of marketing efforts.

## **6.1 Practical and Managerial implications**

This study aims to examine factors that affect online shopping behavior; social media advertising, trust, and eWOM. Understanding the effects of these factors on consumers' online purchasing decision process provides fashion brands in Egypt with information that would help them direct their efforts and resources toward the most influential factors. This information serves as the basis for planning social media advertising activities, and for being in alignment with the expectations and needs of consumers. For example, since social media advertising and eWOM have been found to have significant positive effects on online shopping behavior, businesses may focus their efforts and resources on these two factors. Trust is found to have a significant effect, but further investigation and interpretation is necessary to determine the strength and importance of this relationship.

The current study also particularly highlights the characteristics of millennials, which informs businesses whose target consumers are among this generational group. By showing the moderating effects of demographic variables, the findings aid businesses to cater their social media advertising

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and the factors helping them manage eWOM according to their target consumers' demographic characteristics. The study findings provide marketers with the direction to form new and better online buying avenues to fill the gap between the business and consumer areas. In this way, marketers would be in a better position to compete in the market and increase their business value.

## 6.2 Limitations and Future Studies

Among the limitations of the current study is the self-selection bias resulting from the respondents' voluntary participation in the survey. Therefore, the sample may not be representative of the study's entire population. This is observed in the composition of the study sample, with consumers belonging to the highest age group, the lowest and highest educational levels, and the lowest income groups less represented in the sample, which may be attributed to their lower likelihood to respond to surveys. This results in less generalizability of the results among those groups. This is a limitation particular to most non-probability sampling techniques, such as the convenience sampling used in this study. Another limitation of the current study is cross-sectional data collection which does not take into consideration how the associations examined vary over time. Moreover, the number of seller perspective interviews conducted to supplement data collected through the consumer perspective survey is limited due to the reluctance of Store Managers to participate.

Future studies may offer a great contribution by integrating the current study's results from both the quantitative and qualitative analyses. This may be achieved by taking into consideration factors that arise from the interviews, such as stock availability, convenience, geographical location coverage, offers, discounts, and return policies. Additionally, as the current study establishes that eWOM has a significant positive effect on online shopping behavior, also taking into consideration the moderating role of demographic characteristics, future studies may assess demographic

differences for the specific dimensions of eWOM: eWOM quality, credibility, and quantity. It would be valuable to extend the current study's efforts by performing comparisons between millennials (the focus of the current study) and other generations concerning online shopping behavior.

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