

A Study on Gen Z Consumer Decision-Making: Value-Driven vs. Price-Driven Purchase Behaviour in Urban Bengaluru

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Information of Article

Article history:

Received: 01 July 2026

Presented: 22 August 2026 (INSPIRE-2026, GIBS Bengaluru)

Keywords:

Gen Z consumer behaviour

Value-driven purchasing

Price sensitivity

Consumer decision-making

Urban Bengaluru market

ABSTRACT

In light of their socialized and digitally savvy upbringing Generation Z is influencing consumer behaviour in such a manner that some existing marketing beliefs based on other generations are being challenged. Despite price sensitivity still being a factor in consumer decisions making among a generation know for having little disposable income (Gunawan, 2023), it appears that brand trust value are also becoming consideration for Gen Z are they make purchasing decisions (kaboor & Muthu 2026; Theocharis & Teskouropoulos, 2025). Social media adds yet another dimension to this trend in that peer-based electronic word-of-mouth and value have been identified as factors affecting purchase intention (Eandhizhai, 2025).

In this research, an empirical descriptive approach will be used to evaluate the purchase behaviours of Gen Z consumers in urban Bengaluru Based on the Value-driven and price-driven paradigm. The primary data collection method will be the use of structured questionnaires administered to Gen Z consumer Who fall between the ages of 18 and 27 years within Bengaluru, While the secondary data collection technique will be include relevant literature review on the purchase's behaviour of different generations. The research will seek to identify factors that significantly influence the purchasing behaviour of Gen Z consumers including brand ethics, social media influence, peer influence, product quality, and Price among others. Statistical techniques like correlation and regression analyses will be applied to test for the relationship between value and orientation, price sensitivity, and purchase behaviour

The results of the research will offer evidence-based information on how marketers can develop positioning, pricing, and communications strategies for the Gen Z consumers in urban markets in India. The use of primary data collection techniques in this research, therefore, makes the research an additional contribution of quantifiable information about the values-oriented digital natives to an ever-growing international body of literature (Ridwana et al., 2025).

How to cite: Shasan, Saurav K. Salim & Kanchan G. Rajput (2026). A Study on Gen Z Consumer Decision-Making: Value-Driven vs. Price-Driven Purchase Behaviour in Urban Bengaluru. *Journal of Reproducible Research*, 1(2), Special Issue: INSPIRE-2026, pp. 74–91.

1. Introduction

Generation Z, which refer to people who were born between the middle of the 1990s and the early 2010s, has turned out the among the most extensively researched consumer groups in modern marketing science. This particular group has been brought up in age of digitization; thus, its purchasing behaviour has been influenced by many factors that are not typical of Millennials and people of other generations, including the importance of online influence, transparency, and the necessity to make decisions based on budget limitations (Singh & Singh, 2025). The questions of Whether Generation Z's purchasing behaviour is driven by price considerations or value congruence id becoming increasingly relevant. An emerging trend in the existing research on this topic is the conflict between Gen Z's preference for ethical, credible and authentic brands and their financial constraints due to lack of disposable income for some purchases (gunawam,2023). The former is explained by the view that for this generation, price still remains

the most important factor in decision-making, while both perceived value and promotion play a significant role in forming intentions of repeat purchasing (Kaboor & Muthu, 2026). The latter is supported by the findings stating that brand trust and authenticity matter more than price in cosmopolitan and digitally enabled urban areas, where social influence and electronic word-of-mouth prevail (Theocharis & Tsekouropoulos, 2025; Eandhizhai, 2025).

Another feature of this issue under consideration is that systematic reviews of Gen Z's online shopping behaviour reveal that decision-making among these people is based not on one factor, but on several factors working simultaneously (price, brand trust, social validation and value). As one of the most prominent cosmopolitan and technology-based cities in India, Bengaluru serves as an interesting subject in terms of understanding the dynamics of this phenomenon. Being a city with a considerable number of digitally savvy young people and a variety of retailers ranging from international brands to Indian brands, Bengaluru becomes a perfect representation of the value versus price debate taking place among Gen Z consumers in India (Raghavendra & Ravanan, 2024). Currently, there is not enough academic literature on how consumers in Bengaluru buy things online and make purchase offline. More specifically, most consumer behaviour studies in Bengaluru are concerned with online purchases and brand loyalty in particular categories, such as clothing (Paria, 2026). Therefore, this gap is what the current study intends to fill by exploring how 18- to 27-year-old consumers behave when making their purchase decisions. It would be useful to determine which of the two factors prevails – price-driven purchases or value-driven purchases – across different product categories.

2. Review of Literature

1. Gunawan (2023), in "Generation Z and Price Sensitivity: Dynamic Pricing Strategy as Key to Product Attractiveness", conducted research into how dynamic pricing can influence product desirability for members of Generation Z in Indonesia. It was discovered that Generation Z is very sensitive to dynamic pricing strategies since they directly correlate with low levels of disposable income of this generation. It was found out that dynamic pricing plays an important role in keeping product desirability. This article is an example of evidence supporting price-related dimension of the current research since even though value-based approach becomes more important, the issue of affordability cannot be ignored.
2. Nair & Seshanna (2024), in "Understanding the Buying Behaviour of Generation Z Consumers in India: The Parasocial Mediating Role of Consumption Tendency", conducted a study that examined the parasocial mediating effect of influencers on the purchasing inclination of the Gen Z consumers in India using questionnaires that were filled out by 750 participants ages 12 to 22, where 620 valid responses were considered using regression analysis. Influencer's attractiveness, authenticity, and social validation have been found to influence the perception of product value and purchase intention by functioning through the parasocial relationship. This suggests that the purchasing action influenced by influencers is based on the perception of relationship rather than mere persuasion.
3. Ragavendra & Ravanan (2024), in "A Study on Purchasing Behaviour of Online Buyers with Reference to Bengaluru City, Karnataka", conducted research on the purchasing behaviours of online shoppers in Bengaluru city, Karnataka. The research findings pointed out that convenience, reliability of e-payment systems, and availability of a diverse range of urban shoppers in this geographical area. This paper is one of the very few papers which have directly conducted research in the Bengaluru region and hence validates the geographical scope of the current study, though Gen Z was not separately considered in this research.
4. Cipto (2025), in "Gen Z Consumer Behaviour and Sustainability Identity in Green Marketing", the link between sustainability identity of Generation Z and their receptivity to green marketing claims was also examined in this research. It was discovered that the consumers who had a more pronounced self-perception of sustainability orientation reacted to green marketing claims in a more positive way, but this reaction depends on the level of their environmental literacy. Those consumers who were less environmentally aware were less responsive to sustainability claims made in marketing communications. Therefore, it is not true to assume that Generation Z consumers react in the same way to sustainability claims.

5. Eandhizhai (2025), in “Gen Z Consumers Psychology on Social Media: The Influence of Electronic Word of Mouth (E-WOM) and Perceived Value on Purchase Intention,” examined the psychology of Gen Z consumers using social media and how their purchase intention was influenced by e-WOM and perceived value. Results proved that generated comments are more likely to be influential than brand-generated advertisements.

Perceived value also played a role in acting as mediator between social media use and purchase intention. The research further reiterates that there is growing consensus on the fact that the trust architecture of Gen Z is peer-based and not brand-based.

6. Ridwana et al. (2025), in “Decision-making Behaviour of Generation Z in Online Purchases: A Systematic Literature Review,” A systematic review was carried out concerning Generation Z decision-making in online purchases. The result of synthesis from several publications conducted between 2019 and 2026 suggests that none of these factors exists separately while affecting the decision-making process of Gen Z in online purchases – all of them, such as price, social approval, brand trust, and value are independent and should not be separated. This discovery is of particular importance for the methodology of the current research, as it underlines the necessity of applying the multi-factors approach.
7. Singh & Singh (2025), in “A Comparative Study on the Buying Behaviour of Generation Z and Millennials,” carried out a comparative analysis on the distinctions in the shopping patterns of the two generations. It was observed from their analysis that the Gen Z population is more affected by peer approval, short-form digital content, and instant social proof before making a buying decision, whereas the Millennial generation still holds onto their past influences of brand legacy, loyalty schemes, and brand relations.

This shows that the difference in the decision-making process of these two generations is not only superficial but runs deeper, and therefore Gen Z needs to be studied separately from other generations.

8. Theocharis & Tsekouropoulos (2025), in “Sustainable Consumption and Branding for Gen Z: How Brand Dimensions Influence Consumer Behaviour and Adoption of Newly Launched Technological Products,” conducted research into the role of brand dimensions in shaping the uptake of newly introduced technological products by Generation Z using the sustainability and branding perspective. The results revealed that online brand experience, brand experience, brand image and brand trust have the highest influence on purchase intention, whereas brand awareness played a secondary role in terms of influence and brand engagement had a lower impact on it. Notably, their study revealed that messages about sustainability positively affect purchase intention only when they are viewed as genuine and credible; otherwise, consumers might get disengaged. In other words, sustainability serves as a trust-based value driver for Generation Z.
9. Theocharis et al. (2025), in “Empirical Categorization of Factors Affecting Online Consumer Behaviour of Gen Z Regarding Newly Launched Technological Products and Moderating Impact of Perceived Risk,” studied the determinants of Generation Z’s online consumer behaviour with regard to new technological products, specifically the moderating effect of risk perception. Results showed that risk perception significantly moderates the effects of behavioural determinants on the adoption of technological products, such that the same set of marketing stimuli could lead to different purchase decisions according to the risk perception of each individual consumer. The study has therefore provided significant insight into value-based purchase studies in the sense that risk perception, rather than value congruence alone, act as the gatekeeper for purchase decisions.
10. Bari (2026), in “Impact of Social Media Advertising on Purchase Decisions of Gen Z Consumers,” this study explored the influence of social media advertisements on Gen Z individual’s purchasing decisions in India. It was discovered that there is an influence of social media advertisement on Gen Z individual’s purchasing decisions in India; however, this influence occurs in cases where advertisement is not overly promotional but rather lifestyle-based. The paper is located in the body of literature on digital engagement, based on previous studies about lifestyle and electronics endorsement. This paper is important to this study’s exploration of the intersection between digital marketing channels and value and price-based decision-making among Gen Z individuals in India.

11. Kaboor & Muthu (2026), in "Impact of Price Sensitivity and Value Perception on Gen Z's Repeat Purchase Intention in Branded Fashion Textiles," explored the impact of both price sensitivity and perceived value on repeat purchase intentions among branded fashion textiles. Results revealed that value for money perception was a better determinant of repeat purchase behaviour than price sensitivity on its own, since promotional activities were more of mediating than independent variables. This implies that the Generation Z population does not consider price on its own but takes into account quality and value in the process. The study is pertinent to the current study as it focuses on value versus price issue.
12. Kumar & Tripathi (2026), in "Influence of Socio-Behavioural Approach on Gen Z's Online Purchase Behaviour of Urban and Rural Women Consumers," explored the effect of socio-behavioural factors on the online purchase behaviour of Gen Z differentiating urban and rural female consumers in India. It was observed that there is significant variation based on demographic characteristics, wherein urban consumers found to be more sensitive to digital marketing stimuli, whereas the rural consumers placed more emphasis on community-based social signals in their decision-making process. Thus, this study emphasizes that Gen Z is not a homogenous demographic cohort, which makes it even more necessary to take into consideration the context of the current study, i.e., urban Bengaluru.
13. Paria (2026), in "Brand vs Trend: The Economics of Apparel Consumption among Urban Youth," investigated fashion consumption behaviour amongst urban youth between the ages of 18 and 30 years in Bengaluru, based on primary data generated by interviewing 150 people using structured survey tools. The paper highlights that although brand loyalty is still an important variable, rapid changes in fashion have started competing with, and even superseding, brand loyalty within this segment. The current paper provides empirical evidence of local relevance; however, it is applicable only to the clothing category, and there are open questions about other product categories.
14. Sudrajat et al. (2026), in "A Purchase Decision Behaviour Model by Generation Z: The Mediating Role of Consumer Motivation," conducted research to test the purchase decision behaviour model analysing the mediatory role of consumer motivation for Generation Z. It was found that digital advertising had a significant direct impact on purchase decision making but not affiliate marketing and that consumer motivation had no significant mediatory impact on the association between marketing stimuli and purchase decision making. This implies that the external stimuli could have more impact on Generation Z consumer's decision-making behaviour than their internal motivational factors which could be contrary to what has been assumed before.
15. Vilkaite-Vaitone (2026), in "It's Not Just About Price: What Drives Gen Z to Choose Sustainable Stays?" Gen Z tourist's motivation behind choosing green purchases in the context of touristic accommodation were investigated using quantitative research on the same target group of tourists in Spain, Norway, and Lithuania, analysed via the Partial

Least Squares Structural Equation Modelling approach. The findings indicated that functional value driven by the price factors as well as emotional value had an impact on the formation of attitudes towards the purchase of sustainable accommodation; meanwhile, environmental awareness and subjective knowledge affect green trust, which was influential in purchasing behaviour. It is important to mention that value driven by the price was still significant in the context of sustainability decision making.

16. Wahi & Moid (2026), in their paper titled "A Comparative Study of Brand Loyalty among Gen Z Consumers," they examined brand loyalty among Gen Z consumers based on the information collected from academic journals, industry publications, and online sources. In their analysis, they found out that social media presence, quality of product, pricing approach, use of influencer marketing, and customer experience were the key drivers for brand loyalty among Gen Z consumers. Their focus was that Gen Z consumers highly depend on the technological aspect in their process of building relationships with brand and loyalty is now being created based on constant online interaction. Being a conceptual review, it provides a good basis for identifying the right variables for studying value-driven purchasing behaviour.

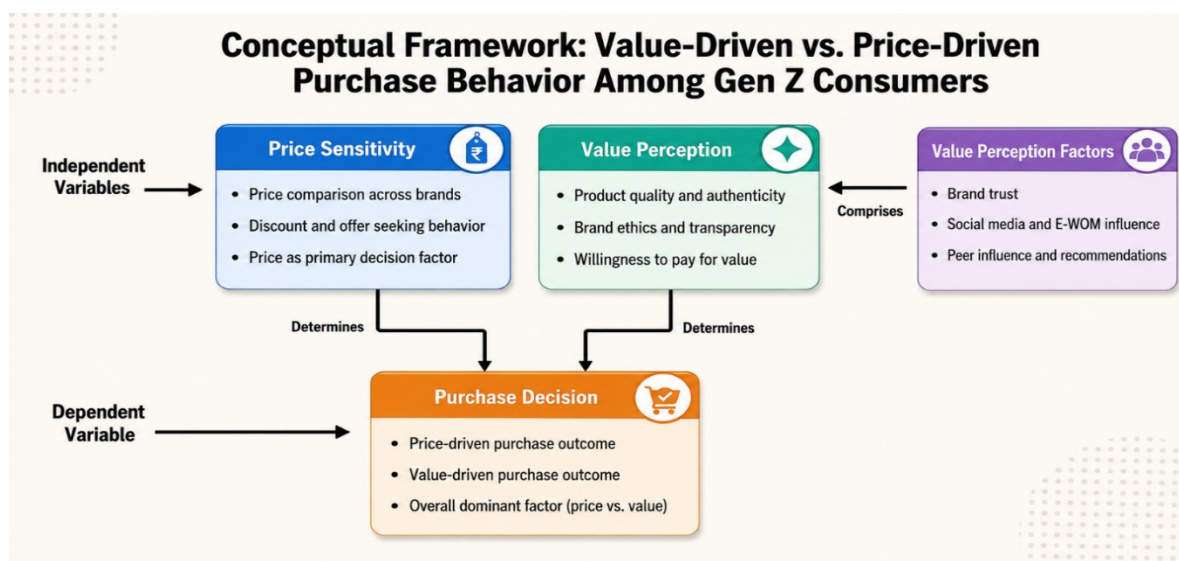
3. Research Gap

Existing literature has examined online shopping behaviour, price sensitivity, and value perception in various contexts, yet very little of this work has focused specifically on Gen Z consumers within Bengaluru. (Raghavendra and Ravanan, 2024), for instance, studied online buyers in Bengaluru as a broad category, without treating Gen Z as a distinct consumer segment worth examining on its own.

Other studies have looked at price sensitivity and perceived value, but usually in isolation from each other, or tied to a single product category such as fashion apparel, technology, or travel. (Gunawan, 2023), demonstrates that price sensitivity plays a meaningful role in Gen Z's purchasing behaviour, yet this work stops of examining how that sensitivity interacts with perceived value – particularly within a Bengaluru-specific context.

This points to a clear need for research that brings price sensitivity and value perception together within a single framework, applied specifically to Gen Z consumers in Bengaluru. Studying both variables jointly, within this particular demographic and geographic setting, is what allows for genuinely focused and locally relevant findings.

4. Conceptual Framework



The above conceptual framework shows how price sensitivity and value perception, which is influenced by brand trust, social media/E-WOM, and peer influence, function as independent variables that influence the purchase decision of Gen Z consumers, which is the dependent variable, in the city of Bengaluru.

4.1 Key Relationships Illustrated

- Price Sensitivity → Purchase Decision** Price sensitivity is measured using price comparisons among brands, being price-sensitive, and making price the main decision-making criteria, and influences purchase decision directly.
- Value Perception → Purchase Decision** Value perception, as perceived by means of product quality, authenticity, brand ethics, and readiness to pay for value, determines the purchase decision outcome independently from price sensitivity.
- Factors Affecting Value Perception → Value Perception** (consists of) The actual value perception is determined by three factors including brand trust, social media and e-WOM effects, and peer effects/influence. They are not individual predictors of purchase decision, but dimensions forming the value perception.

4. Convergence to Purchase Decision Price sensitivity and value perception converge on the purchase decision construct which can be measured based on three dimensions including purchase due to price, purchase due to value, and the dominant factor among the two.

5. Research Methodology

5.1 Objectives of the Study

1. To study the influence of price sensitivity on the purchase of Gen Z consumers in urban Bengaluru.
2. To analyse the influence of value perception – including brand trust, product quality, and social/peer influence – on the purchase decisions of Gen Z consumers in urban Bengaluru.
3. To study whether price-driven or value-driven factors dominate the purchase decision-making of Gen Z consumers in urban Bengaluru.

5.2 Research Design

The study adopted a descriptive/quantitative research design appropriate for determining the comparative influence of price-related and value-related determinants on Gen Z consumer buying behaviour. The cross-sectional research design method was employed using primary data collected in one instance from consumers who were located in Bengaluru city using a structured questionnaire. The secondary data used in the study came from the reviewed literature, which guided the determination of the variables and development of the questionnaire.

5.3 Population and Sampling Frame

The target population included Gen Z consumers who were between the ages of 18 to 27, lived in the city of Bengaluru, and had made one or more discretionary purchase, for example, fashion clothes, electronics, food & beverages, and personal care product, in the recent past. The limitation of the sampling frame to the city of Bengaluru resolves the issue of geography that was pointed out above, while the age range will ensure that only Gen Z members make up the sample.

5.4 Sampling Technique and Sample Size

Non-probability convenience sampling was used, with the survey being disseminated through college contacts, social media platforms popular with Gen Z consumers in Bengaluru. The survey received 102 valid responses from participants who were filtered according to their age and residential city. Although the number of respondents in this case may be small compared to the Gen Z population in Bengaluru, it will be sufficient for the descriptive, correlational, and regression analyses to be conducted and is consistent with other studies in the literature review that focus on Gen Z consumer behaviour.

5.5 Data Collection Method

Primary Data: The collection of primary data was conducted by distributing the questionnaire in a structured manner through Google Forms among Gen Z respondents residing in the city of Bengaluru for a period of three to four weeks.

Secondary Data: Collection of secondary data was carried out by referring to academic peer reviewed journals and research papers, as well as industry reports.

5.6 Scope of the Study

1. Geographical restriction of the research is Gen Z consumer base from Bengaluru city.
2. The research will only cover Generation Z consumers within an age group of 18 to 27 years.
3. Price sensitivity, value perception, and buying decision relationship are analysed in the research without considering a particular product category.

4. Category-neutral approach is followed without considering a particular product category (fashion, technology, food, etc.).
5. Primary and secondary data sources will be used for the research.

5.7 Limitations of the Study

1. This research is limited to Bengaluru, an urban city. Results obtained from the study may not necessarily apply to other consumers in other geographical locations within the Gen Z segment.
2. Non-probability convenience sampling method was employed for data collection. This could lead to biased samples.
3. The sample size used for the research (N = 102) is considered fairly small and may not provide comprehensive results regarding the purchase behaviour of Gen Z segment.
4. Self-reported information was obtained using a structured questionnaire. The responses provided could be prone to bias.
5. The study uses a category-blind research method and therefore ignores the variations of price-value dominance within different product categories

5.8 Variables of the Study

Independent variables: price sensitivity, value perception, brand trust, social media and electronic word of mouth influence, and peer influence.

Dependent variable: purchase decision outcome, triangulated with the single-item measure of the overall dominant factor, which asks respondents directly whether price or value/quality prevails when the two are in conflict.

6. Data Analysis and Interpretation

6.1 Introduction

This chapter presents the analysis and interpretation of primary data collected for the study titled “A Study on Gen Z Consumer Decision-Making: Value-Driven vs. Price-Driven Purchase Behaviour in Urban Bengaluru.” A total of 102 valid responses were collected from Gen Z respondents residing Bengaluru through a structured, self-administrated questionnaire, and all 102 cases were used in every subsequent procedure.

The chapter follows a deliberate analytical sequence rather than presenting statistical outputs on the order they were run in SPSS. Following the structure recommended for survey-based dissertations (Pallant, 2020; Sekaran & Bougie, 2016), the chapter first establishes who the respondents are (sample profile), then establishes whether the measurement instrument is trustworthy (reliability), then describes the overall pattern of responses (descriptive statistics and preliminary correlations), and only after this foundation is in place moves to inferential, objective-wise hypothesis testing (correlation → regression → paired-comparison). This order matters: a regression coefficient means little to a reader who had not first been told whether the scale that produces it was reliable, and a reliability coefficient means little without first knowing the composition of the sample it was computed on.

Data were analysed using SPSS. The techniques used were descriptive statistics, Cronbach’s Alpha reliability analysis, Pearson correlation, simple linear regression, multiple linear regression, and a paired-samples t-test, applied respectively to the three research objectives of the study.

6.2 Demographic Profile of Respondents

Before testing the research objectives, the demographic composition of the 102 respondents is presented. This step is placed first because it frames every result that follows – for instance, the fact that the sample is dominated by students in the 21 – 23 age bracket is relevant context for interpreting price-conscious behaviour later in the chapter.

Table 4.1 Demographic Profile of Respondents (N = 102)

Variable	Category	Frequency	Percent (%)
Age Group	18–20 years	19	18.6
	21–23 years	64	62.7
	24–27 years	19	18.6
Gender	Female	38	37.3
	Male	63	61.8
	Prefer not to say	1	1.0
Occupation	Student	78	76.5
	Working professional	17	16.7
	Both (studying & working)	3	2.9
	Unemployed	4	3.9
Monthly Income (₹)	Below 5,000	57	55.9
	5,001–15,000	20	19.6
	15,001–30,000	14	13.7
	Above 30,000	11	10.8

Interpretation

the sample is concentrated in the 21 – 23 age bracket (62.7%), with the 18 – 20 and 24 – 27 brackets equally represented at the two ends (18.6% each). This gives the sample a slight skew toward the middle of the Gen Z / early-career range rather than an even spread across the full 18 – 27 band.

Male respondents (61.8%) outnumber female respondents (37.3%) by a margin that should be kept in mind when generalizing the findings, and one respondent preferred not to disclose gender.

The sample is heavily student-dominated (76.5%), with working professionals a distant second (16.7%). This is consistent with the income profile: 55.9% of respondents report a monthly income below ₹5,000, and a further 19.6% fall in the ₹5,001–15,000 band – together, together, three-quarters of the sample have limited discretionary income. This concentration of low-income students is directly relevant to Objective 1: it provides a plausible explanation for why price sensitivity is elevated in this sample, and it is boundary condition that should be stated explicitly when the price-consciousness finding is discussed – the result describes a low-income, student-heavy Gen Z sub-segment more precisely than it describes Gen Z in Bengaluru as a whole.

6.3 Reliability Analysis of Research Constructs

With the sample profile established, the next step is to confirm that the multi-item scales used to measure each construct are internally consistent. Cronbach's Alpha was computed for each construct, following the conventional threshold of $\alpha \geq .70$ for "acceptable" reliability (Nunnally, 1978; Hair et al., 2019), while recognising that values in the 60 – 70 range are commonly treated as acceptable for exploratory consumer-behaviour research (Hair et al., 2019).

Table 4.2 Reliability Analysis of Research Constructs

Construct	No. of Items	Cronbach's Alpha	Interpretation
Price Sensitivity	3	0.765	Acceptable
Value/Quality Perception	2	0.727	Acceptable
Brand Trust (revised)	2*	0.652	Acceptable for exploratory research
Social/Peer Influence	4	0.676	Marginal / acceptable for exploratory research

Interpretation

Price Sensitivity ($\alpha = .765$) and Value/Quality Perception ($\alpha = .727$) both meet the conventional .70 threshold and can be treated as reliable without qualification.

Brand Trust required a correction. The original 3-item scale returned a low alpha of .566, which is below acceptable limits. Rather than retaining a weak scale, the low-performing item was removed on the basis of its poor item-total correlation, which raised reliability to .652 for the remaining 2 items – an acceptable level for exploratory work. This revised 2-item measure is the one actually used throughout the rest of the chapter, so the reliability figure reported here now matches the measure being analysed. This is a legitimate and commonly used scale-purification step (Hair et al., 2019), but it should be disclosed in the methodology write-up as a deviation from the originally planned 3-item scale.

Social/Peer Influence ($\alpha = .676$) falls just short of .70. This is treated as acceptable for an exploratory study (Hair et al., 2019) and the full 4-item scale was retained, since no single item's removal offered a meaningful improvement (the highest "alpha-if-deleted" value was

.683 for the Peer Influence item – a negligible gain that does not justify losing a conceptually important item).

Taken together, the reliability analysis confirms that three of the four constructs are sound as measured, and that Brand Trust is sound once corrected to two items. All four constructs are therefore carried forward into the descriptive and inferential analysis below.

6.4 Descriptive Statistics and Preliminary Correlation of Major Constructs

Having confirmed the constructs are reliably measured, their overall distribution is examined next, before any hypothesis testing is attempted. This step checks two things: what the general pattern of responses looks like, and whether the data meet the assumptions of the parametric tests (Pearson correlation, regression, paired t-test) used later in the chapter.

Table 4.3 Descriptive Statistics and Normality Check for Major Research Constructs

Construct	N	Mean	Std. Deviation	Skewness
Price Sensitivity	102	3.57	1.03	-.639
Value/Quality Perception	102	3.91	0.94	-.926
Brand Trust (2-item, revised)	102	3.87	0.89	-.507
Social/Peer Influence	102	3.57	0.80	-.375

Interpretation

All four constructs recorded mean scores above the scale midpoint (3.00 on the five-point Likert scale), and all show mild-to-moderate negative skew – respondents lean toward agreement rather than disagreement, which is a common and expected pattern in attitude scales of this kind.

Using the commonly cited ± 1 guideline for acceptable skewness in social-science survey data (George & Mallery, 2010), three of the four constructs are comfortably within range and Value/Quality Perception ($-.926$) sits just inside it. None of the values indicate a serious departure from normality. Combined with the sample size ($N = 102$, comfortably above the $N > 30$ threshold at which the Central Limited Theorem is generally invoked), this supports the use of Pearson correlation, linear regression, and the paired-samples t-test in the section that follow (Pallant, 2020; Field, 2013).

Value/Quality Perception recorded the highest mean (3.91), followed by Brand Trust (3.87). Price Sensitivity and Social/Peer Influence were tied at 3.57. This early pattern – value and trust scoring above price sensitivity – foreshadows the Objective 3 finding developed later in this chapter.

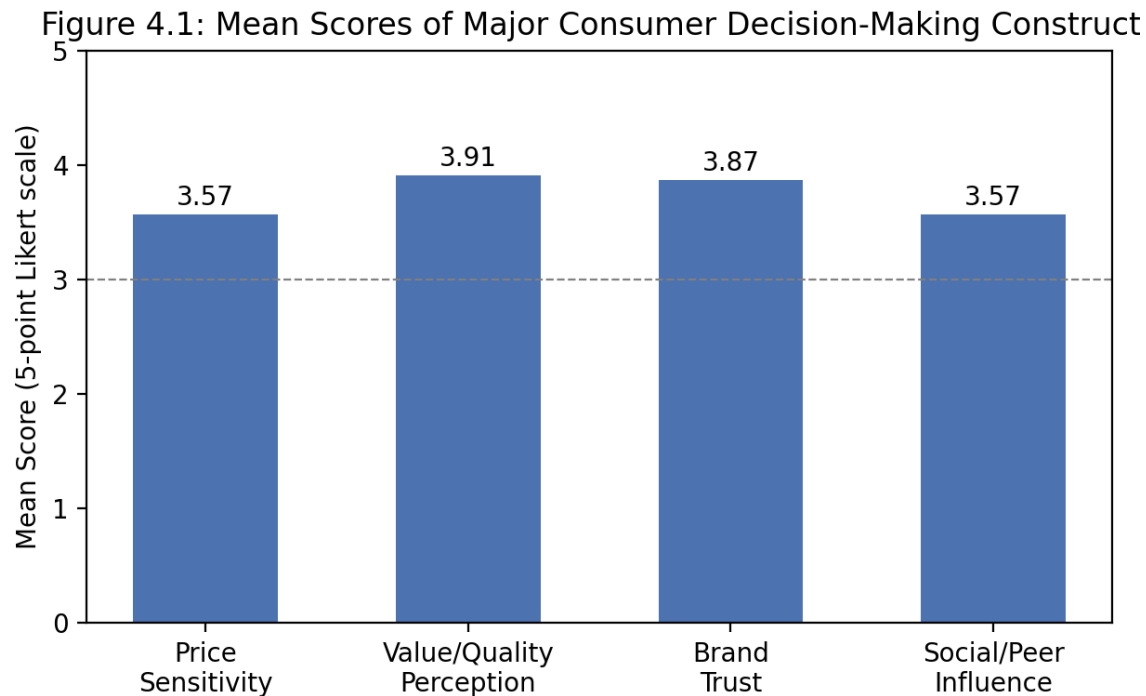


Table 4.4 Inter-Construct Correlation Matrix (Pearson r)

Construct	Price Sensitivity	Value/Quality	Brand Trust	Social/Peer
Price Sensitivity	1	.528**	.456**	.506**
Value/Quality	.528**	1	.626**	.389**
Brand Trust	.456**	.626**	1	.415**
Social/Peer	.506**	.389**	.415**	1

**Correlation is significant at the 0.01 level (2-tailed). $N = 102$ for all pairs.

Interpretation

All six pairwise correlations among the four constructs are positive and significant at $p < .01$, ranging from moderate ($r = .389$, Value/Quality-Social/Peer) to moderately strong ($r = .626$, value/Quality-Brand Trust). This is a useful preliminary check for two reasons. First, it confirms the construct are related in the direction the conceptual framework predicts – respondents who are more price-sensitive also tend to score higher on value, trust, and social influence, rather than these being unrelated or contradictory orientations. Second, none of the correlations approach the .80 - .90 range that would indicate the constructs are statistically indistinguishable from one another; the strongest pair (Value/Quality and Brand Trust, $r = .626$) is high enough to expect some shared variance in the

Objective 2 regression – which is exactly what the VIF check in Section 4.6 will confirm is still within acceptable limits – but not enough to threaten discriminant validity. This groundwork makes the correlation and regression results to threaten discriminant validity. This groundwork makes the correlation and regression results reported under each objective easier to interpret, since the reader already knows the four predictors are related but distinct.

6.5 Objective 1: Influence of Price Sensitivity on Purchase Decisions

Objective 1: To examine the influence of price sensitivity on the purchase decisions of Gen Z consumers in urban Bengaluru.

This objective is addressed in three stages: descriptive analysis of the individual price sensitivity items, Pearson correlation between Price Sensitivity and recent price-driven purchase behaviour, and simple linear regression to establish predictive influence.

6.5.1 Descriptive Analysis of Price Sensitivity

Table 4.5 Individual Price Sensitivity Items

Price-related statement	Mean
I actively compare prices across brands/platforms before making a purchase.	3.78
I wait for sales, discounts, or offers before buying a product I want.	3.49
Price is the most important factor in my final purchase decision.	3.43
Overall Price Sensitivity	3.57

Interpretation

Respondents are clearly price-conscious, with the highest mean (3.78) recorded for actively comparing prices across brands and platforms. However, the item stating that price is the most important factor scored lowest (3.43) – an important distinction; Gen Z respondents monitor and compare prices without necessarily letting price dominate every decision. The overall Price Sensitivity score of 3.57 indicates a moderately high, but not extreme, level of price consciousness.

6.5.2 Pearson Correlation Analysis

Table 4.6 Correlation Between Price Sensitivity and Price-Driven Purchase Behaviour

Variables	Pearson r	Sig. (2-tailed)	N
Price Sensitivity ↔ Recent Price-Driven Purchase	0.542	<0.001	102

Interpretation

There is a moderate, statistically significant positive relationship between Price Sensitivity and Recent Price-Driven Purchase Behaviour ($r = .542$, $p < .100$). Respondents who score higher on price sensitivity report stronger price-driven behaviour in their most recent purchase. Correlation indicated association, not predictive influence, so regression was conducted next.

6.5.3 Simple Linear Regression

Dependent Variable: Recent Price-Driven Purchase | Independent Variable: Price Sensitivity

Table 4.7 Model Summary — Price Sensitivity and Price-Driven Purchase

R R Square Adjusted R Square Std. Error 0.542 0.294 0.287 1.018

Table 4.8 ANOVA — Price Sensitivity Regression Model

Model F Sig. Regression 41.700 <0.001

Table 4.9 Regression Coefficients — Price Sensitivity

Predictor	B	Beta (β)	t	Sig.
Constant	1.013	—	2.767	.007
Price Sensitivity	0.637	0.542	6.458	<0.001

Interpretation

The R^2 of .294 shows Price Sensitivity explains 29.4% of the variance in recent price-driven purchase behaviour, and the model is statistically significant ($F = 41.700$, $p < .001$). Price Sensitivity has a positive, significant effect on Recent Price-Driven Purchase ($\beta = .542$, $t = 6.458$, $p < .001$): a one-unit increase in Price Sensitivity is associated with an estimated 0.637- unit increase in the Recent Price-Driven Purchase score.

6.5.4 Assumption Check

Before accepting this model, its regression assumptions were checked using the SPSS residual and collinearity diagnostics (Field, 2018; Tabachnick & Fidell, 2019). Tolerance/VIF = 1.000 (a single-predictor model cannot have multicollinearity). The standardized residuals range from -2.93 to 2.04 with a mean of 0.00 and SD close to 1, consistent with the normality-of-residuals assumption. Cook's Distance ranged from .000 to .095 – well below the commonly used concern threshold of 1.0 – including no single respondent unduly influenced the model. On this basis, the simple regression result above can be reported with reasonable confidence that it is not an artefact of outliers or a violated assumption.

6.5.5 Conclusion for Objective 1

Objective 1 is supported. Price sensitivity significantly predicts price-driven purchase behaviour among the surveyed respondents. However, as Section 4.2 noted, his sample is heavily weighted toward low-income students, so this price-sensitivity it best read in that context rather than as a generic Gen Z trait. Later sections in this chapter show that this price consciousness does not translate into price dominating overall purchase orientation.

6.6 Objective 2: Influence of Value Perception on Purchase Decisions

Objective 2: To examine the influence of value perception – including brand trust, product quality, and social/peer influence – on the purchase decisions of Gen Z consumers in urban Bengaluru.

The predictors examined are Value/Quality Perception, Brand Trust (revised 2-item measure, per Section 4.3), and Social/Peer Influence; the dependent variable is Recent Value-Driven Purchase Behaviour. The analysis proceeds through descriptive statistics, Pearson correlation and multiple linear regression.

6.6.1 Descriptive Analysis of Value-Driven Factors

Table 4.10 Mean Scores of Value-Driven Factors

Factor	Mean	Interpretation
Value/Quality Perception	3.91	High
Brand Trust	3.87	High
Social/Peer Influence	3.57	Moderately high

Interpretation

Value/Quality perception (3.91) and Brand Trust (3.87) but score notably higher than Social/Peer Influence (3.57), suggesting quality and trust weigh more heavily than social signals in respondent's self-reported value orientation.

6.6.2 Individual Value-Related Items

Table 4.11 Descriptive Results of Value and Brand-Related Statements

Statement	Mean
Willing to pay more for better quality	3.78
Product delivers value beyond just its price	4.03
Prefer brands that are transparent/authentic	3.75
More likely to repurchase a trusted brand even if a cheaper option exists	3.99

Interpretation

The highest mean (4.03) belongs to the belief that a product should deliver value beyond its price – respondents view value as broader than a low-price tag. The mean of 3.99 for repurchasing a trusted brand even when a cheaper alternative exists reinforces this: brand trust can outweigh price at the point of decision. Note that both items retained in the revised Brand Trust measure (transparency/authenticity and repurchase-despite-cheaper-alternative) appear in this table; the dropped online-brand-trust item is intentionally excluded, consistent with 4.3.

6.6.3 Pearson Correlation Analysis

Table 4.12 Correlation Between Value-Related Factors and Recent Value-Driven Purchase

Predictor	Pearson r	Sig.	Interpretation
Value/Quality → Recent Value-Driven Purchase	0.527	<0.001	Moderate positive, significant
Brand Trust → Recent Value-Driven Purchase	0.544	<0.001	Moderate positive, significant
Social/Peer → Recent Value-Driven Purchase	0.292	0.003	Weak positive, significant

Interpretation

All three value-based factors are significantly, positively correlated with recent Value-Driven Purchase. Brand Trust shows the strongest bivariate relationship ($r = .544$), closely followed by Value/Quality ($r = .527$); Social/Peer Influence is weaker but still significant ($r = .292$, $p = .003$). Correlation does not indicate independent contribution, so multiple regression was run next.

6.6.4 Multiple Linear Regression

Dependent Variable; Recent Value-Driven Purchase | Independent Variables: Value/Quality, Brand Trust, Social/Peer Influence

Table 4.13 Model Summary — Value-Driven Purchase Behaviour

R R Square Adjusted R Square Std. Error 0.595 0.354 0.335 0.814

Table 4.14 ANOVA — Multiple Regression Model

Model F Sig. Regression 17.940 <0.001

Table 4.15 Regression Coefficients — Value-Driven Purchase Behaviour

Predictor	B	Beta (β)	t	Sig.	VIF
Constant	1.043	—	2.337	.021	—
Value/Quality	0.319	0.300	2.836	.006	1.700
Brand Trust	0.386	0.343	3.199	.002	1.743
Social/Peer Influence	0.041	0.033	0.363	.717	1.250

Interpretation

The model is significant ($F(3, 98) = 17.940, p < .001$) and explains 35.4% of the variance in Recent Value-Driven Purchase ($R^2 = .354$; adjusted $R^2 = .335$). Value/Quality ($\beta = .300, p = .006$) and Brand Trust ($\beta = .343, p = .002$) are both significant positive predictors, with Brand Trust the strongest independent predictor. Social/Peer Influence is not a significant independent predictor once the other two factors are controlled for ($\beta = .033, p = .717$), despite its significant bivariate correlation in Table 4.12 – its explanatory power is effectively absorbed by Value/Quality and Brand Trust, with which it is moderately correlated (Table 4.4). VIF values range from 1.250 to 1.7434, well below the common threshold of 5 (Hair et al., 2019), so multicollinearity is not a concern for this model.

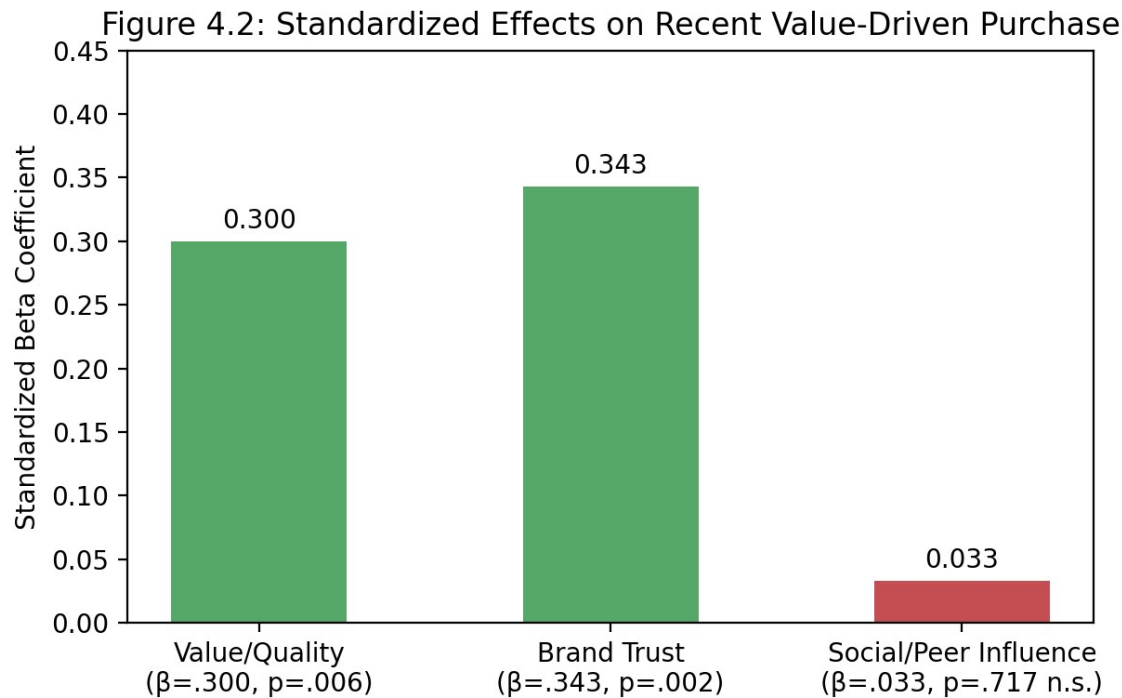


Figure 4.2: Standardized Effects of Value-Related Factors on Recent Value-Driven Purchase Behaviour

6.6.5 Assumption Check

The three-predictor model was similarly checked for regression assumptions (Field, 2018; Tabachnick & Fidell, 2019). VIF values (1.250-1.743) are well below the conservative threshold of 5 used by Hair et al. (2019), so the moderate inter-predictor correlations noted in Table 4.4 (particularly Value/Quality-Brand Trust, $r = .626$) do not distort the coefficient estimates. Cook's Distance and the standardized residual plots did not flag any case as an undue- values, supporting the linearity and homoscedasticity assumptions. The model can therefore be interpreted at face value.

6.6.6 Conclusion for Objective 2

Objective 2 is supported overall, with a more specific conclusion: Value/Quality and Brand Trust significantly predict value-driven purchase behaviour, Brand Trust is the strongest of the three predictors, and Social/Peer influence does not have a significant independent effect once the other two factors are controlled for.

6.7 Objective 3: Price-Driven vs. Value-Driven Dominance

Objective 3: To determine whether price-driven or value-driven factors dominate the purchase decision-making of Gen Z consumers in urban Bengaluru.

Because the same 102 respondents reported both their recent price-driven and value-driven purchase behaviour, the two mean scores are directly comparable within-subject, and a paired-samples t-test was used rather than an independent-samples test.

6.7.1 Descriptive Comparison

Table 4.16 Comparison of Price-Driven and Value-Driven Purchase Behaviour

Purchase Orientation	Mean	Std. Deviation	N
Recent Price-Driven Purchase	3.28	1.205	102
Recent Value-Driven Purchase	3.93	0.998	102
Mean Difference	-.647	1.539	102

Interpretation

Recent Value-Driven Purchase (3.93) is considerably higher than Recent Price-Driven Purchase (3.28), a gap of roughly 0.65 points on the five-point scale, pointing to a stronger value orientation among respondents. Worth noting: the two variables correlate only weakly with each other ($r = .033$, $p = .7433$, from the paired -samples correlation) – respondent's price-driven and value-driven tendencies are largely independent behaviour rather than opposite ends of a single scale, which supports treating them as two separate purchase orientations rather than one bipolar construct.

Figure 4.3: Price-Driven vs Value-Driven Purchase Behaviour

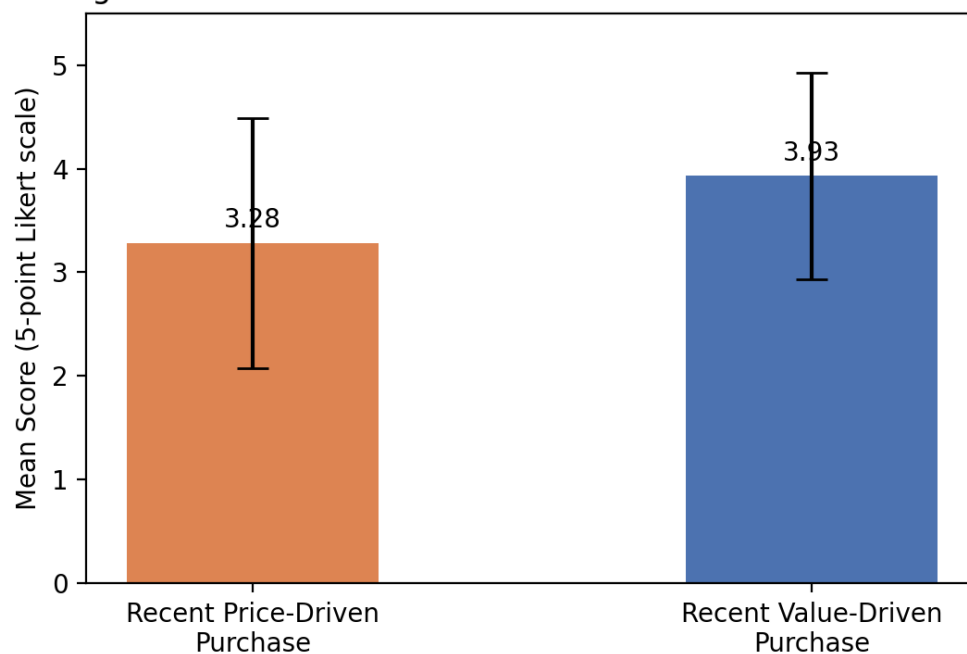


Figure 4.3: Comparison of Price-Driven and Value-Driven Purchase Behaviour

6.7.2 Paired-Samples t-Test

Table 4.17 Paired-Samples t-Test

Comparison Mean Difference t df Sig. (2-tailed) Price-Driven – Value-Driven -.647 -4.246 101 <0.001

95% Confidence Interval of the Difference: -.949 to -.345

Interpretation

The difference between price-driven and value-driven behaviour is statistically significant, $t(101) = -4.246$, $p < .001$. The negative t-value simply reflects SPSS calculating the difference as Price-Driven minus Value-Driven; since the value-driven mean (3.93) exceeds the price-driven mean (3.28), the negative sign confirms that value-driven behaviour is the higher-scoring, dominant orientation.

6.7.3 Conclusion for Objective 3

Objective 3 is supported. Although respondents show a measurable degree of price sensitivity, their reported recent purchase behaviour is significantly more value-driven than price-driven.

6.8 Overall Objective-Wise Statistical Summary

Table 4.18 Summary of Statistical Analysis by Research Objective

Objective	Statistical Technique	Key Result	Conclusion
Objective 1: Price sensitivity and purchase behaviour	Pearson correlation + Simple Linear Regression	$r = .542$; $\beta = .542$; $R^2 = .294$; $p < .001$	Supported
Objective 2: Value/Quality, Brand Trust and Social/Peer influence	Pearson correlation + Multiple Linear Regression	$R^2 = .354$; $p < .001$	Supported overall
Objective 3: Price-driven vs. Value-driven dominance	Descriptive statistics + Paired t-test	Value $M = 3.93$; Price $M = 3.28$; $t(101) = -4.246$; $p < .001$	Value-driven dominates

6.9 Overall Interpretation of the Data

Read together, the three objectives tell a single, coherent story rather than three separate ones. Respondents are not indifferent to price – Objective 1 confirms that price sensitivity is real and predicts price-driven behaviour ($R^2 = .294$) – and this is unsurprising given that three-quarters of the sample are students with a monthly income under ₹15,000 (Section 4.2). But Objective 2 shows that value/quality and, in particular, brand trust independently and more strongly explain value-driven behaviour ($R^2 = .354$), and Objective 3 settles the question the study set out to ask:

value-driven purchase behaviour ($M = 3.93$) is significantly higher than price-driven purchase behaviour ($M = 3.28$), $t(101) = -4.246$, $p < .001$.

A discriminant pattern from the correlation matrix (Table 4.4 and the item-level correlations underlying it) reinforces this reading: Brand Trust correlates strongly with Recent Value-Driven purchase ($r = .544$, $p < .001$) but is essentially unrelated to Recent Price-Driven ($r = .099$, $p = .322$). This is not a marginal result – it indicates Brand Trust behaves as a value-side constructs specifically, not as a general purchase driver, which strengthens the case that price-driven and value-driven behaviour for functioning as genuinely distinct orientations in this sample rather than two labels for the same underlying attitude.

The overall conclusion supported by this chapter's data is that Gen Z respondents in this urban Bengaluru sample are price-conscious but value-driven: they notice and compare prices, but when price and value pull in different directions, value – anchored specifically in product quality and brand trust – is what more consistently wins out in their reported recent purchases. Because the sample skews toward low-income students in the 21 – 23 age bracket (Section 4.2) and relies on convenience sampling, this conclusion is best framed as descriptive of that specific sub-segment rather than generalised to all Gen Z consumers in Bengaluru.

Chapter 5 builds on this summary table to state the study's findings formally against each objective; that chapter is addressed separately.

7. Findings

Objective 1 – Price Sensitivity to Price Driven Purchase

The variable price sensitivity is found to be an important determinant of price driven purchase behaviour ($r = .542$; $\beta = .542$; $R^2 = .294$; $F(1,100) = 41.700$, $p < .001$). The variable explains around 29% of the variance in price driven purchases of late. Objective 1 is established – yet the 75% of the sample being low-income students, it is true of only this sub-segment.

Objective 2 – Perceived Value → Value-Based Purchasing

Perceived Value ($\beta = .300$, $p = .006$) and Brand Trust ($\beta = .343$, $p = .002$) are two statistically significant, independent predictors of value-based purchasing behaviour, accounting for 35.4% of its variance ($R^2 = .354$; $F(3,98) = 17.940$, $p < .001$). The latter emerges as the most powerful single predictor of the construct. Although Social Influence is found to be associated with value-based purchasing behaviour ($r = .292$, $p = .003$), the association becomes insignificant after controlling for the effects of Perceived value and Brand Trust ($\beta = .033$, $p = .717$).

Objective 3 – Dominance of Price vs. Value Orientation

There is a significant difference between the value-driven purchases orientation (Mean = 3.93, Standard Deviation = 0.998) and price-driven purchase orientation (Mean = 3.28, Standard Deviation = 1.205), $t(101) = -4.246$, $p < .001$, 95% CI [-.949, -.345]. The correlation coefficient between the two orientations is very low ($r = .033$, $p = .743$), indicating that the two operate independently of each other.

Trust in Brand exhibits high correlation with value-based purchase ($r = .544$, $p < .001$), while there is practically no correlation between it and price-based purchase ($r = .099$, $p = .322$) – proving that Trust in Brand influences exclusively the value aspect of purchase.

8. Conclusion

This group of Gen Z participants within the Bengaluru sample is sensitive to pricing (Objective 1), but ultimately more oriented towards value than pricing itself, as when price and value are at odds, value wins out (Objectives 2 and 3). Sensitivity to price and value do not lie at opposite ends of the same continuum but are two distinct behaviours, both of which exist and differ in importance, but with value being the greater influencer on the recent purchases made by the participants.

Because of the skewed nature of the sample in terms of the demographic of low-income individuals between the age of 21 and 23 years (convenience sampling, $N = 102$, 76.5% students, 55.9% earning less than ₹5,000 a month), this should be regarded as a description of a particular sub-population.

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