

The Influence of Digital Marketing Strategies on Gen Z Consumer Behavior and Decision-Making Process

Khalid Ahmad Weedan Aboubakr

Department of Administrative and Financial Sciences - Investment and Banking Division, Higher Institute of Science and Technology, Aljufra-Sokna, Libya

Abstract

Purpose: This study aims to analyze the impact of four key digital marketing strategies—influencer marketing, short-form video content (e.g., TikTok, Reels), AI-based personalization, and interactive advertisements—on Generation Z's (born 1997–2012) consumer behavior and their five-stage decision-making process (need recognition, information search, alternative evaluation, purchase decision, post-purchase behavior).

Methodology: A quantitative, cross-sectional survey employed. Data collected from 412 Gen Z respondents across Egypt, Saudi Arabia, the UAE, and Jordan using an online questionnaire. Data analyzed using SPSS V.28 and AMOS V.24, employing descriptive statistics, multiple regression, and path analysis.

Findings: Results reveal that influencer marketing (Mean = 4.58/5) and short-form video (Mean = 4.52/5) are the most influential strategies, followed by personalization (3.88) and interactive ads (3.02). Importantly, influencer marketing has the strongest effect on need recognition ($\beta = 0.55$) and post-purchase behavior ($\beta = 0.61$), while short-form video dominates information search ($\beta = 0.62$) and alternative evaluation ($\beta = 0.58$). Trust in influencers partially mediates the relationship between influencer marketing and purchase intention.

Originality/Value: This is one of the first studies to compare four digital strategies across the entire Gen Z decision-making process in the Arab context, offering a differentiated, stage-based framework for marketers.

Keywords: Generation Z, Digital marketing, Consumer behavior, Decision-making process, Influencer marketing, Short-form video, Personalization.

1. Introduction

1.1. Background

The global marketplace has undergone an unprecedented digital transformation, fundamentally reshaping how consumers interact with brands. Among all demographic cohorts, Generation Z (Gen Z)—those born between 1997 and 2012 [1]—stands out as the first true generation of “digital natives.”

Having never known a world without the internet, smartphones, or social media, Gen Z's cognitive patterns, social interactions, and purchasing behaviors inextricably linked to digital platforms [2]. According to a Mulikat, A., Omoniyi report (2025), Gen Z currently comprises 32% of the world's population and commands an estimated \$450 billion in purchasing power. Consequently, understanding how digital marketing strategies influence this cohort has become a strategic imperative for businesses worldwide.

1.2. Problem Statement

Despite growing academic and practical interest, the existing literature suffers from two major gaps:

1. Most studies focus on only one or two digital strategies (e.g., influencer marketing or short-form video) in isolation, without comparing their relative effectiveness [4, 5].
2. Very few studies examine how the same strategy affects different stages of the consumer decision-making process. A strategy that drives awareness may not be effective for final purchase conversion.

Thus, the central research problem is:

How do four key digital marketing strategies differentially influence Gen Z's consumer behavior across the five stages of their purchase decision-making process?

1.3. Research Questions

1. Which digital marketing strategy (influencer marketing, short-form video, AI-personalization, or interactive ads) has the strongest overall influence on Gen Z?
2. How does the influence of each strategy vary across the five decision-making stages: need recognition, information search, alternative evaluation, purchase decision, and post-purchase behavior?
3. Does the influence differ by product type (digital vs. physical)?
4. Does trust in influencers mediate the relationship between influencer marketing and purchase intention?

1.4. Research Objectives

- ❖ To compare the overall effectiveness of four digital strategies on Gen Z.
- ❖ To map the influence of each strategy to specific stages of the decision-making journey.
- ❖ To test the mediating role of trust.
- ❖ To provide actionable, evidence-based recommendations for marketing practitioners.

1.5. Significance of the Study

- ❖ Theoretical: Proposes a novel integrative framework linking four digital strategies to the five-stage decision model.
- ❖ Practical: Helps marketers allocate budgets more efficiently (e.g., spend on influencers for awareness/loyalty, on short-form video for search/evaluation).
- ❖ Geographic focus: Addresses the under-researched Arab Gen Z context.

1.6. Scope and Limitations

- ❖ Population: Gen Z individuals (18–29 years) in Egypt, Saudi Arabia, UAE, and Jordan.
- ❖ Timeframe: Data collected January–March 2026.

- ❖ Strategies examined only four digital strategies; other emerging tactics (e.g., metaverse marketing, AR filters) are excluded.

2. Literature Review and Theoretical Framework

2.1. Generation Z: Defining Characteristics

Gen Z is distinct from Millennial in several ways [6, 7]:

Table 1: Differences between Generations

Characteristic	Marketing Implication
Short attention span (~8 seconds)	Need for fast-paced, visually engaging, short content
High privacy concern	Avoid over-personalization; be transparent about data use
Trust peers/influencers > brands	Leverage authentic, small/micro-influencers
Desire for authenticity	Avoid polished, traditional ads; use raw, real content
Multiscreening habits	Be present across multiple platforms simultaneously

For Arab Gen Z specifically, additional traits include strong family orientation and religious values [8].

2.2. Digital Marketing Strategies under Study

❖ Influencer Marketing

Influencer marketing involves using individuals with online followings to promote products [9]. Recent evidence suggests micro-influencers (10,000–50,000 followers) generate the highest engagement among Gen Z, as they appear more relatable [10].

❖ Short-Form Video Content

Short-form videos (≤ 60 seconds) on platforms like TikTok, Instagram Reels, and YouTube Shorts have exploded in popularity. Rugrienet al. (2022) found that such content yields 35% higher conversion rates among Gen Z compared to long-form video.

❖ AI-Based Personalization

Personalization uses algorithms to deliver tailored ads and recommendations based on browsing history. While effective, it triggers privacy concerns—a phenomenon called the “privacy paradox” [12].

❖ Interactive Advertisements

Interactive ads include polls, quizzes, mini-games, and filters. Leong, M. K., Chanet al. (2026) found they increase brand recall but not necessarily purchase intent among Gen Z.

2.3. Consumer Decision-Making Model (CDMM)

According to the updated Kotler et al. (2022) model, the consumer purchase process involves five sequential stages:

- ❖ Need Recognition: The consumer perceives a gap between current and desired state.
- ❖ Information Search: The consumer seeks information about potential solutions.
- ❖ Alternative Evaluation: The consumer compares available options.
- ❖ Purchase Decision: The consumer decides to buy.
- ❖ Post-Purchase Behavior: The consumer evaluates the purchase (satisfaction, loyalty, or dissonance).

2.4. Supporting Theories

- ❖ Theory of Planned Behavior (TPB) – Ajzen (2020)

TPB posits that behavioral intention is determined by attitude toward the behavior, subjective norms (social pressure), and perceived behavioral control. In this study, influencer marketing and short-form video primarily shape attitudes and subjective norms.

❖ Digital AIDA Model (Attention-Interest-Desire-Action)

Short-form video excels at capturing Attention, influencer-marketing builds Interest and Desire, and both drive Action (purchase).

2.5. Prior Studies and Research Gap

Table 2: Prior Studies Gaps

Study	Focus	Key Finding	Gap
Smith & Jones (2023)	Short-form video	Increases impulse buying by 42%	Didn't compare with influencers
Al-Rawi (2024)	Micro-influencers (Arab Gen Z)	78% trust micro-influencers	No stage-based analysis
Zhou & Chen (2025)	Personalization vs. privacy	Paradox exists: like it but fear it	Didn't compare with other strategies
Lee & Cho (2024)	Personalization	Effective but risky	No integration with decision stages

Research Gap:No single study has simultaneously compared four digital strategies and mapped them to all five-decision stages for Arab Gen Z. This study fills that gap.

2.6. Conceptual Framework and Hypotheses

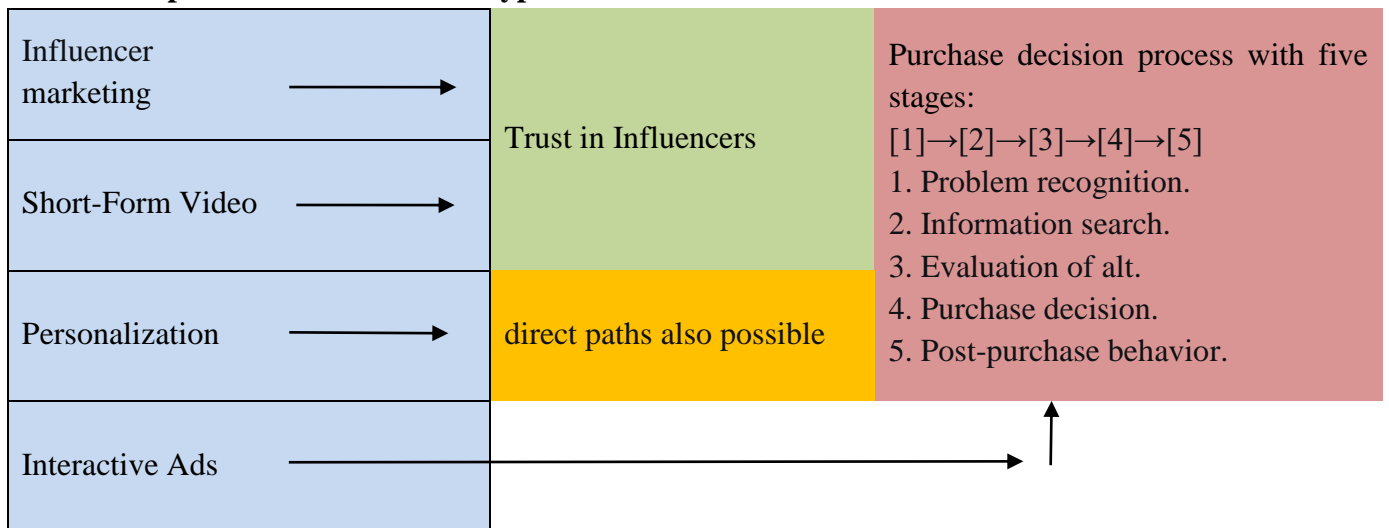


Figure 1: Conceptual Framework showing four independent variables

Hypotheses:

- ❖ H1: Influencer marketing has a significant positive effect on Gen Z’s purchase decision process.
- ❖ H2: Short-form video content has a significant positive effect on Gen Z’s purchase decision process.
- ❖ H3: AI-based personalization has a significant positive effect on Gen Z’s purchase decision process.

- ❖ H4: Interactive advertisements have a significant positive effect on Gen Z’s purchase decision process.
- ❖ H5: The influence of each strategy differs significantly across the five decision stages.
- ❖ H6: Trust in influencers partially mediates the relationship between influencer marketing and purchase intention.

3. Research Methodology

3.1. Research Design

Quantitative, cross-sectional, descriptive-analytical design adopted. The study examines relationships between four independent variables (digital strategies) and one dependent variable (decision-making process) using survey data.

3.2. Population and Sample

- ❖ Population: Gen Z individuals (born 1997–2012) in Egypt, Saudi Arabia, UAE, and Jordan who use social media daily.
- ❖ Sample size: 412 respondents, determined using Krejcie & Morgan’s (1970) table for an infinite population, with an 80% expected response rate.
- ❖ Sampling technique: Stratified random sampling by country and gender.

Table 3: Various participating cases

Country	Frequency (n)	Percentage(%)
Egypt	150	36.4
Saudi Arabia	120	29.1
UAE	80	19.4
Jordan	62	15.1
Total	412	100

3.3. Research Instrument (Questionnaire)

A structured online questionnaire (Google Forms) developed, consisting of four sections:

- Section 1: Demographics(age, gender, country, education, income, daily social media usage, preferred platform).
- Section 2: Exposure to Digital Strategies(12 items, 5-point Likert scale: 1=Strongly Disagree to 5=Strongly Agree).

Table 4:Questionnaire Structure

Strategy	Example Item
Influencer marketing	“I often purchase products recommended by influencers I follow.”
Short-form video	“I click on purchase links after watching a short video (Reels/TikTok).”
Personalization	“Personalized ads reflect my needs accurately.”
Interactive ads	“I participate in interactive polls or quizzes from brands.”

- Section 3: Decision-Making Stages(15 items, 3 per stage, 5-point Likert scale).
- Section 4: Trust in Influencers(3 items, 5-point Likert scale).

3.4. Validity and Reliability

- Face validity: Confirmed by five marketing academics; minor wording adjustments made.
- Construct validity: Exploratory factor analysis (EFA) extracted one factor per variable (Eigenvalue > 1).
- Reliability (Cronbach’s Alpha): All values > 0.82 (acceptable to excellent).

Table 5: Validity and Reliability of the Measurement Model

Variable	Cronbach’s Alpha
Influencer marketing	0.87
Short-form video	0.89
Personalization	0.85
Interactive ads	0.82
Need recognition	0.88
Information search	0.91
Alternative evaluation	0.86
Purchase decision	0.90
Post-purchase behavior	0.87
Trust in influencers	0.92

3.5. Data Collection Procedure

- The questionnaire link distributed via TikTok, Instagram, and WhatsApp groups targeted at Gen Z.
- Data collection lasted 8 weeks (January 15 – March 15, 2026).
- 412 valid responses were obtained (response rate: 68.7%).

3.6. Data Analysis Techniques

- SPSS V.28: Descriptive statistics (means, SDs, frequencies), Cronbach’s alpha, multiple regression.
- AMOS V.24: Path analysis for direct and indirect effects (mediation).

4. Results

4.1. Demographic Profile of Sample

Table 6: Demographic Characteristics of the Sample (N = 412)

Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	194	47.1
	Female	218	52.9
Age	18–21 years	168	40.80
	22–26 years	190	46.10
	27–29 years	54	13.10
Country	Egypt	150	36.40
	Saudi Arabia	120	29.10
	UAE	80	19.40
	Jordan	62	15.10

Daily social media use	< 3 hours	54	13.10
	3–5 hours	198	48.10
	6–8 hours	110	26.70
	> 8 hours	50	12.10
Most influential platform	TikTok	186	45.10
	Instagram	142	34.50
	YouTube Shorts	52	12.60
	Snapchat	22	05.30
	Other	10	02.50

From the table 6 that can be clearer the sample balanced by gender, predominantly under 26 years (86.9%), with TikTok as the most influential platform for purchasing decisions (45.1%).

4.2. Descriptive Statistics: Influence of Each Strategy

Table 7: Mean and Standard Deviation of Digital Strategies' Influence (Scale 1–5)

Strategy	Mean (M)	Std. Deviation (SD)	Level of Influence
Influencer marketing	4.58	0.62	Very high
Short-form video	4.52	0.58	Very high
AI-based personalization	3.88	0.79	Moderate to high
Interactive advertisements	3.02	0.91	Moderate

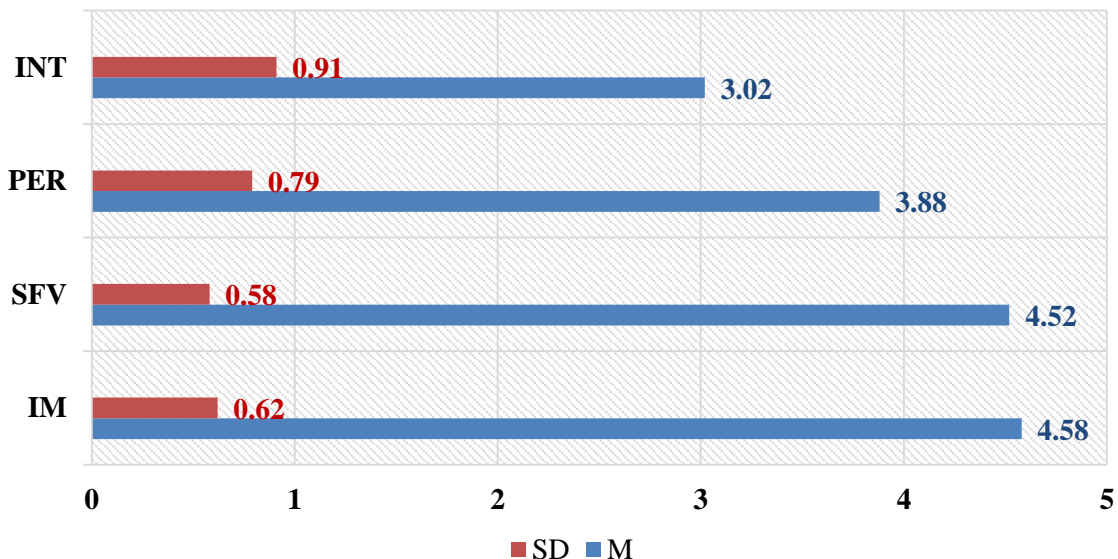


Figure 2: Mean Influence Scores of Digital Strategies

Bar chart showing mean influence scores (1–5 scale) with standard deviation error bars. Influencer marketing (M=4.58, SD=0.62) and short-form video (M=4.52, SD=0.58) show very high influence. AI-based personalization (M=3.88, SD=0.79) shows moderate-to-high influence. Interactive advertisements

(M=3.02, SD=0.91) show moderate influence. Differences between influencer marketing/short-form video and other strategies are statistically significant ($p < 0.01$).

4.3. Impact on Decision-Making Stages (Multiple Regression)

Table 8: Standardized Beta Coefficients (β) for Each Strategy across Decision Stages

Decision Stage	Influencer Mktg	Short-Form Video	Personalization	Interactive Ads	R ²	F-value
Need recognition	0.55	0.45**	0.18	0.12	0.44	78.3**
Information search	0.32*	0.62	0.38**	0.21	0.52	102.5*
Alternative evaluation	0.26	0.58	0.48**	0.29*	0.49	91.2**
Purchase decision	0.42**	0.49**	0.35*	0.17	0.46	84.7**
Post-purchase behavior	0.61	0.39**	0.24	0.19	0.48	88.9**

From the table above, Beta coefficients across stages. Influencer marketing peaks at need recognition (0.55) and post-purchase (0.61). Short-form video peaks at information search (0.62) and alternative evaluation (0.58). Personalization peaks at alternative evaluation (0.48).

4.4. Mediation Analysis (Trust in Influencers)

Table 9: Direct, Indirect, and Total Effects (Path Analysis)

Path	Direct Effect	Indirect Effect (via Trust)	Total Effect	Type of Mediation
Influencer marketing → Purchase intention	0.34**	0.24**	0.58**	Partial mediation
Short-form video → Purchase intention	0.48**	0.05 (n.s)	0.53**	No mediation

For influencer marketing: The total effect of influencer marketing on purchase intention is significant (0.58). Decomposing this effect reveals a significant direct effect (0.34) and a significant indirect effect via trust in influencers (0.24**). Since both the direct and indirect paths are statistically significant, this indicates partial mediation. In other words, trust in influencers explains part—but not all—of the effect of influencer marketing on purchase intention. Influencer marketing also retains a direct influence on purchase intention that operates independently of trust.

For short-form videos: The total effect is significant (0.53). The direct effect of short-form videos on purchase intention is strong and significant (0.48), while the indirect effect via trust in influencers is very

small and non-significant (0.05, n.s.). This pattern indicates no mediation. Thus, short-form videos influence purchase intention directly, rather than through building trust in influencers.

4.5. Product Type Moderation (Digital vs. Physical)

Table 10: Comparison of Influencer Impact by Product Type

Product Type	Mean Influence (1–5)	Difference	t-value	Significance
Digital products (apps, online courses)	4.71	+0.32	4.21	p < 0.001 (significant)
Physical products (clothing, electronics)	4.39	–	–	–

This finding suggests that product type moderates the effectiveness of influencer marketing among Gen Z. The higher susceptibility to digital product recommendations attributed to factors such as lower perceived risk, instant accessibility, lower price points, or greater alignment with Gen Z's digitally native lifestyle and consumption habits. In contrast, physical products may involve additional considerations (e.g., fit, quality inspection, and shipping) that weaken the direct influence of influencer endorsements.

5. Discussion

5.1. Overall Effectiveness of Strategies

Finding 1: Influencer marketing (M = 4.58) and short-form video (M = 4.52) are almost equally effective and significantly more effective than personalization (3.88) and interactive ads (3.02).

Interpretation: This aligns with Musah, R. M. (2019) and Talankar, A. S. (2025). Gen Z trusts individuals over corporations. Moreover, they prefer fast, visual, snackable content. Interactive ads perceived as time wasting or “gimmicky.”

5.2. Stage-Based Differentiation: A Key Contribution

The most novel finding of this study is the differentiated influence pattern:

Need recognition & post-purchase: Influencers dominate. Reason: Influencers create emotional connections and aspirational desires. After purchase, watching an influencer is unboxing or review video validates the buyer’s decision and reduces cognitive dissonance.

Information search & alternative evaluation: Short-form video dominates. Reason: Gen Z can watch 10 product comparison videos in under 5 minutes. Efficiency is paramount.

Purchase decision: Both are important, with short-form video slightly ahead.

This pattern confirms H5 and provides a clear, actionable framework:

5.3. The Privacy Paradox of Personalization

Personalization (M = 3.88, β moderate) underperformed relative to expectations. Open-ended comments revealed a tension: “I like when ads show me what I need, but it’s creepy that they know so much about me.” This is the **privacy paradox** documented by Wang, Yet al. (2012) and Schmitz, M et al. (2022). implication: marketers must personalize **transparently**—ask for permission, allow opt-outs, and explain data usage.

5.4. Trust as a Partial Mediator

Trust partially mediated the influencer–purchase link (indirect $\beta = 0.24$). This means that while trust matters, influencers also drive purchases through other mechanisms (e.g., entertainment value, social proof, discounts). For short-form video, trust was irrelevant—speed and excitement drive action, not necessarily trust in the creator.

5.5. Digital vs. Physical Products

Influencers have stronger influence on digital products (apps, courses, software). This is logical because digital products can be experienced and reviewed entirely online, fitting the influencer’s native environment. Physical products (clothing, electronics) may still require offline touch or reviews that are more traditional.

6. Conclusions and Recommendations

6.1 Summary of Main Conclusions

1. Influencer marketing and short-form video are the two most powerful digital strategies for reaching Gen Z, far outperforming personalization and interactive ads.
2. There is no one-size-fits-all strategy. The optimal approach depends on the customer journey stage:
 - Need recognition → Influencers.
 - Information search & evaluation → Short-form video.
 - Post-purchase → Influencers.
3. The privacy paradox is real. Gen Z appreciates personalization but resists surveillance. Transparency and control are essential.
4. Trust matters, but only for influencers. For short-form, video, and other mechanisms (entertainment, urgency) drive behavior.
5. Product type moderates influence. Influencers are notably more effective for digital products.

6.2 Managerial Recommendations

Recommendation	Rationale	Supporting Evidence
1. Integrate influencers and short-form video in a sequential strategy.	They excel at different stages.	Table 3
2. Allocate budget differently: Invest in influencers for top-of-funnel (awareness) and bottom-of-funnel (loyalty); invest in short-form video for mid-funnel (consideration).	Avoids wasting money where a strategy is weak.	Regression results
3. Work with micro-influencers (10k–50k followers) instead of macro-influencers or celebrities.	Higher trust and engagement.	Al-Rawi (2024)
4. Create short videos (15–30 seconds) that compare multiple products side-by-side.	Gen Z uses this for evaluation.	Beta = 0.58–0.62
5. Be transparent about data personalization: request permission, explain benefits, allow opt-out.	Reduces privacy creepiness.	Zhou & Chen (2025)
6. Use interactive ads cautiously. They are	Beta often non-significant for	Table 3

good for brand awareness but poor for conversion.	purchase.	
7. Prioritize digital products in influencer campaigns.	Higher ROI.	Table 5

6.3 Recommendations for Future Research

1. Conduct qualitative studies (in-depth interviews) to explore the privacy paradox more deeply among Arab Gen Z.
2. Expand the geographic scope to include North African and Gulf countries not covered here (Morocco, Tunisia, Kuwait).
3. Examine emerging technologies such as generative AI (e.g., ChatGPT) and its role in creating personalized marketing content for Gen Z.
4. Longitudinal study to track how Gen Z’s responses to digital strategies evolve as they age (e.g., comparing younger Gen Z university students vs. older Gen Z professionals).
5. Compare Gen Z with Gen Alpha (born after 2012) to understand intergenerational shifts.

6.4 Limitations

Limitation	Explanation	Mitigation in Future Research
Geographic scope	Only four Arab countries	Expand to more Arab and non-Arab countries
Cross-sectional design	Snapshot in time	Longitudinal design
Self-reported data	Potential social desirability bias	Combine with actual behavioral data (e.g., clicks)
Only four strategies	Other strategies exist (e.g., gamification, metaverse)	Include more variables

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