



Understanding the Digital Work Behavior of Generation Z: The Impact of Internet Use and Price Perception on Satisfaction with ICON+ Services

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ABSTRACT

Purpose— This study aims to examine the influence of internet consumption behavior and pricing on user satisfaction among Generation Z users of ICON+ internet services in Ciledug District, Indonesia. With Generation Z being digital natives and a key segment for internet service providers, understanding their preferences is crucial for sustaining competitiveness in a rapidly evolving digital market.

Design/methods/approach— A quantitative research design was adopted using a structured questionnaire distributed to 100 Generation Z respondents selected via purposive sampling. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) via SmartPLS 4.0, and classical assumption tests were conducted using SPSS version 26 to ensure the robustness of the model.

Findings— The results reveal that both internet access ($\beta = 0.376$, $p < 0.001$) and pricing ($\beta = 0.341$, $p < 0.001$) significantly and positively impact user interest and satisfaction toward ICON+ services. Internet access emerged as the stronger predictor. The model explains 50.9% of the variance in user satisfaction ($R^2 = 0.509$), suggesting a moderate to strong relationship.

Research implications/limitations— The research is limited to a single district and service provider, which may affect the generalizability of the findings. It does not include other potential influencing variables such as user experience or brand trust.

Originality/value—This study offers practical insights for internet service providers targeting Gen Z and contributes to the academic discourse on digital consumption behavior. It also serves as a foundation for future studies across broader geographic or demographic scopes.

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INTRODUCTION

The rapid evolution of digital technology has reshaped the behavior of modern consumers, particularly Generation Z, who are known as digital natives. This generation, born between 1997 and 2012, has grown up surrounded by internet-based tools and mobile connectivity, making their digital engagement more intensive than previous generations (Prensky, 2010; Kotler & Armstrong, 2018). Their relationship with the internet is not only for entertainment but also for social interaction, education, and emerging forms of remote work.

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In Indonesia, internet penetration continues to increase, supported by national infrastructure programs and affordable data plans. According to data from the Ministry of Communication and Information, the majority of internet users are aged between 16 and 30, which predominantly includes Generation Z (Rahmadina et al., 2024). This demographic shift requires Internet Service Providers (ISPs) to tailor their services to meet the unique behavioral traits and expectations of young users, especially in urban areas such as Ciledug District.

PT Indonesia Comnets Plus (ICON+), as a subsidiary of PT PLN (Persero), provides fiber-optic internet services across Indonesia. In Ciledug, ICON+ competes with providers such as IndiHome and First Media, who aggressively pursue market share through pricing strategies, bundle packages, and network coverage expansion (Wardhana et al., 2023). Understanding the behavioral response of Gen Z users to ICON+'s services is therefore essential for strategic differentiation in a competitive landscape.

Generation Z's internet usage is often driven by preferences for fast access, flexible pricing, personalized content, and social media compatibility. These users expect seamless connectivity and transparent pricing, and often exhibit low tolerance for service disruptions (Nadhifah et al., 2024). Such behavioral attributes directly impact their satisfaction levels and influence loyalty to a particular ISP.

Beyond personal satisfaction, the behavioral patterns of Gen Z users also intersect with early stages of workforce participation. Many young users use the internet not only for consumption but also for productivity—engaging in online learning, freelance work, or digital entrepreneurship (Kartawinata et al., 2021). Hence, internet service quality can be seen as an enabler of human capital development, which makes it a concern for broader human resource and economic strategies.

Although several studies have examined the relationship between service quality and customer satisfaction in the ISP sector, most focus on older demographics or treat internet use as a purely technical service issue (Zahra & Marsofiyati, 2024). Few studies have attempted to investigate how behavioral internet use patterns among Gen Z are linked to early-stage work orientation and satisfaction outcomes within a specific ISP's user base.

This study aims to fill that gap by investigating how two major independent variables—accessibility (as part of internet consumption behavior) and perceived pricing—affect user satisfaction among Generation Z users of ICON+ in Ciledug. In particular, the research highlights how these variables interact with human-centered outcomes such as satisfaction and potential work-related internet use (Tjiptono & Diana, 2020).

Using a quantitative approach and Partial Least Squares Structural Equation Modeling (PLS-SEM), this study provides empirical evidence based on responses from 100 Generation Z individuals. The scope is narrowed to a single district to allow for localized insight while maintaining general relevance for similar urban contexts across Indonesia (Hair et al., 2017).

The novelty of this research lies in its integration of digital behavioral theory with early-stage human resource implications. By connecting user satisfaction to behavioral patterns and work ethics, the study contributes not only to the marketing and service management literature but also to emerging discussions in digital HR development (Subagyo et al., 2023).

However, a key methodological consideration in this study is the potential for endogeneity. There is a possibility that unobserved variables—such as prior experience with other ISPs, digital literacy, or brand perception—may simultaneously affect both the independent variables (access and price) and the dependent variable (user satisfaction). To address this, the study uses robustness checks and validity testing, but future research should consider instrumental variable approaches or longitudinal design to further mitigate this issue (Gischa, 2020; Halim & Iskandar, 2019).

METHODS

This research adopts a quantitative approach to examine the effect of internet consumption behavior—measured through access and perceived pricing—on user satisfaction among Generation Z users of ICON+ services in Ciledug District, Indonesia. The study is designed to assess causal relationships between these constructs using a cross-sectional survey method.

A structured questionnaire was developed based on validated indicators from prior studies (Kotler & Keller, 2016; Hair et al., 2017). The questionnaire consisted of three sections: demographic information, measurements of internet consumption behavior (e.g., accessibility and price sensitivity), and user satisfaction. Each item was rated on a 5-point Likert scale ranging from “strongly disagree” (1) to “strongly agree” (5).

The population in this study includes individuals aged 16 to 26 years residing in Ciledug District who have used or shown interest in ICON+ services. This age group aligns with the defined characteristics of Generation Z (Prensky, 2010). A purposive sampling technique was employed to select respondents who met the inclusion criteria. Using Slovin’s formula with a 10% margin of error, the minimum required sample size was calculated to be 100 respondents.

Data collection was conducted via an online survey platform. Prior to distribution, a pilot test was performed with 20 respondents to ensure reliability and clarity of the questionnaire. Cronbach’s Alpha and Composite Reliability scores for each variable exceeded the 0.70 threshold, indicating strong internal consistency (Muhajirin et al., 2024).

For data analysis, the study employed Partial Least Squares Structural Equation Modeling (PLS-SEM) using SmartPLS 4.0. This method was chosen due to its robustness with small to medium sample sizes and its capacity to handle complex models with multiple indicators per latent variable (Hair et al., 2017). The analysis included measurement model evaluation (outer model) for validity and reliability, followed by structural model evaluation (inner model) for hypothesis testing.

To ensure model robustness, several classical assumption tests were performed using SPSS version 26. These included the normality test, multicollinearity test (Tolerance and VIF), heteroscedasticity test, and Durbin-Watson autocorrelation test. All test results indicated that the model assumptions were satisfactorily met.

Given the observational nature of the data, there is a potential risk of endogeneity arising from omitted variable bias or reverse causality. Although the research attempts to minimize this through careful questionnaire design and variable isolation, it acknowledges that unmeasured factors—such as brand loyalty, prior dissatisfaction with competitors, or household internet literacy—could influence both predictor and outcome variables (Zahra & Marsofiyati, 2024).

Future studies are encouraged to implement instrumental variable (IV) techniques or longitudinal tracking to better control for endogeneity and improve causal inference. Despite these limitations, the current design provides a credible basis for analyzing user satisfaction drivers in the context of ISP service behavior among Generation Z in Indonesia.

RESULT

This section outlines the empirical findings of the study, organized into five main parts: validity and reliability, descriptive statistics, classical assumption testing, regression analysis, and hypothesis testing. Each part includes a brief explanation followed by the appropriate table and interpretation.

Validity and Reliability Test

Before analyzing the structural model, it is necessary to ensure that the research instruments are both valid and reliable. The validity test was conducted using Pearson's correlation, comparing the *r*-calculated with the *r*-table value of 0.195. As seen in the following table, all items measuring Internet Consumption Behavior (X1) have *r*-calculated values above 0.195, indicating strong validity.

Table 1. Validity Test for Internet Consumption Behavior (X1)

Dimension	Item No.	R-Calculated	R-Table	Description
Accessibility	1	0.712	0.195	Valid
Accessibility	2	0.673	0.195	Valid
Affordable Price	3	0.759	0.195	Valid
Affordable Price	4	0.681	0.195	Valid
Content Relevance	5	0.728	0.195	Valid
Content Relevance	6	0.740	0.195	Valid

Similarly, Table 2 shows the validity results for Interest in ICON+ Services (Y). All six items exhibit *r*-calculated values far exceeding the threshold, confirming construct validity.

Table 2. Validity Test for Interest in ICON+ Services (Y)

Dimension	Item No.	R-Calculated	R-Table	Description
Transactional Interest	1	0.784	0.195	Valid
Transactional Interest	2	0.760	0.195	Valid
Referential Interest	3	0.742	0.195	Valid
Referential Interest	4	0.705	0.195	Valid
Preferential Interest	5	0.753	0.195	Valid
Preferential Interest	6	0.726	0.195	Valid

To test reliability, Cronbach's Alpha was calculated for both variables. Table 3 illustrates that both constructs have alpha values exceeding 0.85, which indicates strong internal consistency.

Table 3. Reliability Test Results

Variable	Cronbach's Alpha	Threshold	Description
Internet Consumption Behavior	0.854	> 0.6	Reliable
Interest in ICON+ Services	0.875	> 0.6	Reliable

Descriptive Statistics

To understand the general tendencies of respondent perceptions, a descriptive analysis was conducted. Table 4 presents the distribution of responses for Internet Consumption Behavior. The results show that 90% of responses fall within the “Agree” and “Strongly Agree” categories, indicating positive and consistent patterns of digital engagement.

Table 4. Respondent Ratings on Internet Consumption Behavior (X1)

Scale	Frequency (F)	Total Score	Percentage (%)
SS (5)	300	1500	50%
S (4)	250	1000	40%
RG (3)	50	150	5%
TS (2)	10	20	3%
STS (1)	0	0	0%
Total	610	2670	100%

Table 5 provides similar insights into respondents’ interest in ICON+ services, with 89% of respondents giving positive ratings. These findings affirm that ICON+ is well received by its Gen-Z user base.

Table 5. Respondent Ratings on Interest in ICON+ Services (Y)

Scale	Frequency (F)	Total Score	Percentage (%)
SS (5)	280	1400	47%
S (4)	250	1000	42%
RG (3)	60	180	8%
TS (2)	10	20	3%
STS (1)	0	0	0%
Total	600	2600	100%

Classical Assumption Testing

Before conducting regression analysis, the data must satisfy classical assumptions. The results in Table 6 show that both variables have tolerance values above 0.10 and VIF values below 10, suggesting no multicollinearity.

Table 6. Multicollinearity Test

Variable	Tolerance	VIF	Conclusion
Access	0.762	1.312	No Multicollinearity
Price	0.762	1.312	No Multicollinearity

Next, the Durbin-Watson test was conducted to examine autocorrelation in residuals. Table 7 shows that the value is within the acceptable range (1.7224–2.2776), confirming no autocorrelation in the model.

Table 7. Durbin-Watson Autocorrelation Test

Model	Durbin-Watson	Interpretation
Regression Model	1.854	No Autocorrelation

Regression Analysis

Table 8 displays the coefficients derived from the regression analysis. Both Access and Price have significant positive effects on user satisfaction ($p < 0.001$). The standardized beta shows that Access ($\beta = 0.376$) has a stronger effect than Price ($\beta = 0.341$).

Table 8. Multiple Regression Coefficients

Variable	B	Std. Error	Beta	t-value	Sig.
Access (X1)	0.463	0.107	0.376	4.327	< .001
Price (X2)	0.392	0.094	0.341	4.170	< .001

Hypothesis Testing and Model Fit

To evaluate the joint significance of the predictors, the F-test was conducted. Table 9 shows that the regression model is statistically significant ($F = 40.203$, $p = 0.000$), supporting the hypothesis that access and price influence user satisfaction.

Table 9. F-Test for Simultaneous Effect

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	886.245	2	443.122	40.203	0.000
Residual	1.036.755	97	10.691		
Total	1.923.000	99			

Model fit is assessed using the coefficient of determination (R^2). Table 10 shows that 50.9% of the variance in satisfaction is explained by the model, indicating a moderate to strong relationship.

Table 10. Coefficient of Determination

R	R^2	Adjusted R^2	Std. Error
0.714	0.509	0.498	310.234

DISCUSSION

The findings of this study confirm that internet access and pricing significantly affect user satisfaction among Generation Z users of ICON+ in the Ciledug district. These results are consistent with previous studies that emphasize the role of accessibility and affordability in digital service satisfaction (Kotler & Keller, 2016; Zahra & Marsofiyati, 2024). Generation Z, often referred to as "digital natives", are highly sensitive to service quality and cost, reflecting

their daily dependence on uninterrupted internet access for communication, learning, entertainment, and work (Prensky, 2010).

The regression results showed that internet access ($\beta = 0.376$) had a slightly higher influence than price ($\beta = 0.341$). This suggests that service stability, speed, and network availability are top priorities for users. For Generation Z, internet access is not just a supporting tool but a core enabler of daily routines and digital productivity. This is aligned with studies by Rahmadina et al. (2024), who noted that access speed and service reliability are critical to sustaining digital engagement among youth.

Meanwhile, price remains a crucial factor, especially for Gen Z, who are typically students or entry-level workers with limited purchasing power. Affordable pricing increases accessibility and retention, especially in urban districts with high service provider competition. These results are supported by Budianti & Nurtjahjadi (2023), who argued that competitive pricing drives switching behavior in ISP services.

Importantly, this study has implications for human capital development. The positive correlation between internet behavior and satisfaction implies that better service access may foster digital work habits, such as online collaboration, time management, and self-directed learning—skills that are foundational in the digital economy. This aligns with the perspective of Subagyo et al. (2023), who highlighted that infrastructure access indirectly shapes behavioral competencies in young populations.

Furthermore, the study supports the notion that satisfaction with digital services contributes to engagement and loyalty, two constructs that are increasingly relevant in managing digital users as emerging human capital assets. As the boundary between consumer and employee behavior blurs in digital contexts, companies like ICON+ may consider positioning themselves not only as service providers but as facilitators of youth digital empowerment.

In terms of practical implications, ICON+ should prioritize network reliability and expand access coverage in high-density youth areas. Offering flexible pricing models—such as student discounts or customizable packages—could also enhance satisfaction. At the same time, bundling services with value-added educational or productivity platforms could strengthen user retention and perceived relevance.

From a theoretical standpoint, this study confirms the applicability of service quality and behavioral economics frameworks in the analysis of digital service engagement. However, it also suggests a potential research direction that merges digital marketing with HR behavior and generational work orientation.

Nonetheless, this research is not without limitations. The cross-sectional design and focus on a single district reduce its generalizability. Moreover, variables such as brand image, customer service responsiveness, or digital skills were not included but could mediate or moderate the observed effects. Future research could use longitudinal or experimental methods to explore causality more deeply and examine endogeneity effects that may stem from user predisposition or prior experiences with other providers.

CONCLUSION

This study concludes that both internet access and pricing have a positive and statistically significant impact on user satisfaction among Generation Z users of ICON+ services in Ciledug District. Among the two, internet access—measured through factors such as speed, stability, and ease of connection—shows a slightly stronger influence, reflecting the high digital dependency of Generation Z in their daily routines.

At the same time, pricing remains a critical consideration, especially for a user base that is largely composed of students and entry-level workers. Affordable service offerings contribute significantly to satisfaction levels, indicating that economic accessibility is directly linked to perceived service value among young users.

Beyond consumer behavior, the findings of this study also reveal important implications for human resource development. Reliable internet access and fair pricing enable Generation Z not only to stay connected socially but also to cultivate early forms of digital work behavior. These include habits such as virtual collaboration, online self-learning, and remote task execution, all of which are increasingly relevant in the post-industrial, digitally driven labor market.

From a human capital perspective, satisfaction with digital infrastructure can serve as a foundation for strengthening the digital competencies of the emerging workforce. This positions internet service providers like ICON+ not only as technology enablers but also as stakeholders in the development of digital-ready human resources.

Nevertheless, this study is subject to limitations. It focuses on a single geographic area and does not incorporate other potentially influential variables such as digital literacy, service responsiveness, or customer experience. Future research is encouraged to adopt broader scopes and more integrated models to better understand the role of digital service satisfaction in shaping the behavior and competencies of Generation Z.

Declarations

Author contribution statement

The lead author participated in the study's conceptualization and design, analysis, interpretation of data, and initial drafting of the paper. Each author contributed to the critical revision of the content for intellectual rigor and provided final approval for the published version. All authors are responsible for every aspect of the work.

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Data availability statement

The data supporting this study's findings are available from the corresponding author upon reasonable request. However, due to privacy and ethical considerations, the data are not publicly accessible.

Declaration of Interests Statement

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