

## STUDY OF ONLINE BUYING INTENTION STUDY OF ONLINE SHOPPING

Rahmi Yuliana<sup>1)</sup>, Muliawan Hamdani<sup>2)</sup>

Sekolah Tinggi Ilmu Ekonomi Bank BPD Jateng

Email: [rahmiyuliana1978@gmail.com](mailto:rahmiyuliana1978@gmail.com)

**Abstract:** *This study is to determine how the influence of online brand image, service standard communication, word of mouth on Brand Commitment on Shopee's online shop site in Semarang City and the influence of Brand Commitment on Online Buying Intention. The sampling technique used in this study was a snowball using the Slovin formula as many as 100 people. The data collection method used was a questionnaire distributed online. In this study, online buying intention, service standard communication, word of mouth are significantly influenced by brand commitment. Brand commitment is the mediation of the influence of online brand image, service standard communication and word of mouth on online buying intentions.*

**Keywords:** *online brand image, service standard communication, word of mouth, brand comitment.*

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### 1. Introduction

The rapid development of digital media which has an impact on changes in the use of communication media, in the end has helped to encourage changes in views, concepts, and orientation in other fields including business and marketing (Kertajaya 2010). If in the past there was a traditional face to face business interaction model, now this interaction model has evolved towards modern electronic-based interactions or e-commerce. E-commerce is the transaction of buying and selling goods or services through the internet or other digital media. One form of business and marketing activities that apply the concepts of e-commerce that are prevalent at this time is the online shopping business or online shopping.

Seeing this great potential, Shopee's shonline site decided to participate in enlivening the online shop market in Indonesia. This is done by the online shop site Shopee to catch up with several companies that have already entered and operated online stores in Indonesia, such as Lazada, Blibli, Tokopedia etc. For information, Shopee is under the auspices of the SEA Group, an internet company in Asia. Shopee was first launched in Singapore, followed by other countries such as Malaysia, Taiwan, Thailand, Vietnam and the Philippines. Shoppe was first present in Indonesia on December 12, 2015. Currently Shopee Indonesia is under the auspices of PT. Shopee International Indonesia.

Especially in the city of Semarang, slowly but surely, Indonesians, especially in the regions, are getting used to online shopping. This is known from the data obtained by Google, showing that Jakarta is no longer the city with the highest online shopping hobby. Based on a survey conducted by Google in collaboration with Gfk, online shopping or e-commerce activities are starting to spread evenly throughout Indonesia. Of the existing cities, Surabaya ranks number one with a percentage reaching 71%, followed by Medan with 68%, Jakarta with 66%, Bodetabek (Bogor, Depok, Tangerang, Bekasi) with 65%, Bandung with 63%, Semarang with 59%, and Makassar at 52%. (<https://beritagar.id/artikel/berita/daerah-makin-bergairah-belanja-online> accessed on 11 July 2019).

Research on the effect of brand image on online buying intentions. Research conducted by (Djamil 2017), (Wang and Tsai 2014) and (Ku 2012) shows that brand image affects online buying intentions. The results of research on the effect of brand image on online buying intentions conducted by (Harsono, Perdana et al. 2018) state that brand image has no effect on online buying intentions. Meanwhile, research conducted by (Djamil 2017) and (Ku 2012) shows the results that brand image affects online buying intentions. While research conducted by (Djamil 2017) and (Ku 2012) is related to the influence of word of mouth on online buying intentions, the three of them stated that word of mouth has an effect on online buying intentions. The

results of the research gap, where there are differences in research results and results in the pre-survey that have been carried out, it is known that the reasons for online buying intentions are caused by several variables such as variables online brand image, service standard communication, and word of mouth on online buying intentions on online shop sites Shopee in Semarang City.

## **2. Literature Review**

### **2.1 Marketing Online**

The development of the internet, many new things that arise from the development of the internet, one of which is the purchase or shopping of goods or services online. The Internet is one of the latest inventions of the globalization era in the field of information technology which greatly benefits all people around the world to share information and communicate, including sharing information on products or services being sold. The internet is currently considered to be a very good marketing solution because it can be accessed by people in unlimited time and can be accessed by other people from anywhere.

Online media marketing can be said to be a promising business for now. The use of the internet today is not only a medium of communication, but is also used as a marketing medium by business people. The lifestyle of today's society has begun to change to become more modern and follow trends because lifestyle, culture, mindset, needs and desires also change. Therefore, many business people use the internet media to market products through the internet or online media because they also follow technological developments and the lifestyle of the wider community that is practical and modern.

### **2.2 Online Buying Intentions**

According to Lin in (Djamal 2017), buying intention or interest in buying online is a situation in a person in the subjective dimension of possibility which includes the relationship between the person himself and several actions. Some actions that companies can take related to online buying intention are to find out what consumers think about whether they want to choose the Shopee online shopping site as a place to shop in the future, to buy Shopee products in the future, to share information in the future. and to use the Shopee online channel as a place to compare products and prices with other online shop sites in the future (Hausman and Siekpe 2009).

### **2.3 Brand Commitment**

Brand commitment is a bond between consumers and brands. The high emotional relevance of customers has been repeatedly proven. Brand commitment as an active relationship between consumers and companies so that consumers are willing and proud to share knowledge about the brand with others. Psychologically, consumers are committed to supporting the brand. Lack of consumer commitment to the brand will result in sending negative messages about the company or failure when providing experiences to others will be determined by brand commitment.

### **2.4 Standard Communication Service**

Service standard communications or service standard communication is assessing the extent to which the organization measures, controls, and communicates service quality standards. Maleyeff in (Ku 2012) states that customers will assess delivery price guidelines, delivery guarantees, and delivery schedules as the delivery of the most important information expected before buying online. Still according to (Ku 2012) these standards when communicated to all employees can maximize the achievement of the company's internal good name, minimize service failures and strengthen the company's ability to recover from failures.

### **2.5 Online Brand Image**

Brand image or online brand image is the overall perception of a brand that reflects all brand associations in the minds of consumers. Consumers use brands as an important tool to find information and streamline decisions in both cyber and traditional markets (Kwon and Lennon 2009). Brand image is a determinant that affects customer perceptions and consequent behavior and is an extrinsic signal when consumers evaluate products or services before buying (Ku 2012).

## **2.6 Word of Mouth**

Word of mouth or mouth to mouth is similar to personal selling in providing information explicitly, a solution tailored to According to Lin et al (2013) in (Widagdo and Saputri 2017) electronic word of mouth is a form of marketing communication that contains positive or negative statements. what potential customers, customers or former customers do about a product or company, which is available to many people or institutions via the internet.

## **2.7. Hypothesis**

The hypothesis proposed in this study are as follows:

H1: Service standard communication has a positive and significant effect on Brand Commitment

H2: Online brand image has a positive and significant effect on Brand commitment.

H3: Word of Mouth has a positive and significant effect on Brand commitment.

H4: Brand commitment has a positive and significant impact on Online Buying Intention.

## **3. Research Methods**

### **3.1 Types of Research**

This research is quantitative explanatory research based on theories or hypotheses to ntest a phenomenon that occurs (Ardian et al (2019)). Primary data collection techniques use questionnaires directly to respondent.

### **3.2 Population**

The population in this study are consumers who have bought products / services more than 2 times on the online shopee shop site in the city of Semarang.

### **3.3 Sampling and Sampling Techniques**

The sampling technique used in this study was snowball using the Slovin formula in sampling (Sugiyono, 2016). To get a representative sample size, this study uses the Slovin formula as follows:

$$n = \frac{N}{1 + Ne^2}$$

Information :

n: number of samples

N: total population

e2: error tolerance, 10%

The results of the sample calculation are 96 respondents to get a good sample, the study rounds the number of samples to 100. Furthermore, for the sampling technique in this study using snowball sampling.

## **4. Results and Discussion**

#### 4.1. Data Frequency

Calculations using the SPSS 26 statistical computer program get the following results:

**Table 1. Results of Calculation of the Regression for Equation 1**

Variabel	B	t	Sig
Service Standar Communication	0,127	2,027	0,045
Online Brand Image	0,239	3,295	0,001
Word of Mouth	0,122	2,013	0,047
Konstanta	2,002		
Nilai F	8,089		
Signifikansi	0,000		
R <sup>2</sup>	0,177		

The regression equation based on the above calculations can be written:

$$Z = 2.002 + 0.127 X_1 + 0.239 X_2 + 0.122 X_3 + e$$

The coefficient of determination is indicated by the R<sup>2</sup> value of 0.177. The coefficient of determination shows that the variation of brand commitment is influenced by variations in standard service communication, online brand image and word of mouth by 17.7%. The 92.3% is influenced by other factors outside the model. The calculations for regression 2 get the following results:

**Table 2. Calculation Results of Equation 2 Regression**

Variabel	B	T	Sig
Service Standar Communication	0,157	1,420	0,159
Online Brand Image	0,253	1,913	0,059
Word of Mouth	0,089	0,834	0,407
Brand Commitment	0,451	2,555	0,012
Konstanta	1,864		
Nilai F	6,094		
Signifikansi	0,000		
R <sup>2</sup>	0,171		

The regression equation based on the above calculations can be written :

$$Y = 1,864 + 0,157 X_1 + 0,253 X_2 + 0,089 X_3 + 0,451 X_4 + e$$

The coefficient of determination is indicated by the R<sup>2</sup> value of 0.171. The coefficient of determination shows that the variation of online buying intention is influenced by variations in standard service communication, online brand image, word of mouth and brand commitment by 17.1%. The 92.9% is influenced by other factors outside the model.

#### 4.2 Discussion

According to Lin in (Djamal 2017), buying intention or interest in buying online is a situation in a person in the subjective dimension of possibility which includes the relationship between the person himself and several actions. Consumer interest in buying online will increase in line with the increased brand commitment to consumers (Djamal 2017).

In this study, online buying intention is significantly influenced by brand commitment (p value = 0.000). The higher the emotional bond of the consumer, the greater the commitment to the brand. Then this commitment will increase interest in buying online. Conversely, a lack of commitment to the brand will reduce consumer interest in buying online. This study obtained results that support the conclusions of Djamal's (2017) study which states that brand commitment affects online buying intention.

Brand commitment to consumers arises from the aspects inherent in the brand, including standard service communication, online brand image and word of mouth. The results of this study found that standard service communication, online brand image and word of mouth had a significant effect on brand commitment (p value = 0.045, 0.001 and 0.047, respectively).

Customers will rate shipping pricing guidelines, delivery guarantees, and delivery schedules as the most important conveyance of information expected before purchasing online. This is what is called a standard communications service. The higher the communication about service standards will increase the emotional bond between consumers and the company so that the brand commitment will increase. Likewise, on the contrary, lower communication about service standards will reduce consumer ties with the company, thereby lowering brand commitment.

Online brand image shows the customer's perception of the online sales company when the customer evaluates a product or service. The higher the customer's perception of the excellence of an online sales company, the higher the emotional bond between consumers and the company, which is shown by high brand commitment as well. On the other hand, the lower the customer's perception of the excellence of online sales companies will reduce the emotional bond between consumers and the company, which is also shown by low brand commitment.

Word of mouth is similar to personal selling in providing information in explicit, consumer-tailored solutions, interactivity and empathetic listening, but has a shorter distance between the source of communication and the recipient, compared to information generated by marketers. The higher the word of mouth will increase the emotional bond between consumers and the company so that the brand commitment increases. Conversely, the lower the word of mouth will reduce the emotional bond between consumers and the company, or in other words, the brand commitment will decrease.

## **5. Conclusions and suggestions**

### **5.1 Conclusion**

The conclusions obtained from the analysis are as follows:

1. Online brand image has a significant effect on brand commitment on the Shopee online shop site in Semarang City.
2. Service standard communication has a significant effect on brand commitment on the Shopee online shop site in Semarang City
3. Word of mouth has a significant effect on brand commitment to the online shop site Shopee in Semarang City.
4. Brand commitment has a significant effect on online buying intention
5. Brand commitment mediates the influence of online brand image, standard service communication and word of mouth on online buying intention

### **5.2 Suggestions**

The conclusions obtained give rise to the following suggestions:

1. Online buying intention can be increased by increasing brand commitment to the community because it is proven to have a significant effect on increasing online buying intention.
2. Increasing brand commitment can be done by increasing online brand image, standard service communication and word of mouth. These three variables have been shown to significantly influence the increase in brand commitment.
3. This study can only explain the factors that affect online buying intention by 17%. Future research should be able to expand the object of research so that the results obtained are better.

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