

THE EFFECT OF ONLINE CONSUMER REVIEW ON CUSTOMER PURCHASE DECISION PROCESS IN THE E-COMMERCE SITE BIBLI.COM

PENGARUH REVIEW KONSUMEN ONLINE TERHADAP PROSES KEPUTUSAN PEMBELIAN PELANGGAN PADA SITUS E-COMMERCE BIBLI.COM

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Abstract

A person's experience with the use of a product or service is an important aspect for a potential customer in deciding to purchase the product he wants to use. Consumers making purchases of a product have a factor, namely the purchase decision. One aspect of marketing that is used for consumers to decide on a purchase is by using electronic word of mouth in the form of online consumer reviews. So blibli.com, which is one of the e-commerce sites in Indonesia, provides an online consumer review feature on its product pages.

This study looks at how much influence online consumer reviews have on the purchasing decision process on the e-commerce site blibli.com by using simple linear regression analysis. This type of using quantitative methods. The sample used is blibli.com users who have seen online consumer reviews on products. Data were collected from 100 respondents, namely, blibli users who had read online reviews, and the questionnaire was distributed using the google form.

Based on the results of the study, it was found that online consumer reviews have a positive and significant effect on the purchasing decision process. Judging from the magnitude of the influence of online consumer reviews, companies should also consider using reviews not only on products but also on almost all aspects related to customers.

Further research can explore and expand the influence of online consumer reviews on other companies with the same line of business and see other variables that can increase online consumer reviews besides the purchasing decision process.

Keywords: Online Consumer Review, Purchase Decision Process, Blibli.

1. Introduction

Globalization is a factor in the rapid technology in Indonesia, especially on the Internet. The development of the internet in Indonesia began in the 1980s. Then with the technology development, finally in 1995 internet access in Indonesia developed until now. Internet users in Indonesia experienced an increase in 2018, growing by 10.12%. As a result, there are 171.17 million people or around 64.8% who have been connected to the internet [1]. Many ICT start-up companies began in Indonesia, one of which was e-commerce. E-commerce refers to using the Internet and other networks (e.g., intranets) to purchase, sell, transport, or trade data, goods, or services [2].

A survey conducted by GLOBALWEBINDEX on Indonesian e-commerce in January 2019 stated that 93% of consumers are searching online before buying a product or service.

Blibli.com as one of the e-commerce marketplaces in Indonesia has an opportunity related to the survey by having a special feature, namely that the goods are confirmed to be original.

About 30% of consumers seek with a traditional way by word of mouth from other people before online purchase, and 27% of consumers read reviews before making an online purchase indicating that customers are looking for information before purchase [3]. Online consumer reviews are information written online about a product by other consumers who have bought and used the product. Online consumer reviews can also contain complaints about the store or seller of the product. Consumer purchasing decisions are no longer based solely on advertising or expert advice but rather on online consumer opinions in the form of online reviews [4].

The blibli website has features that encourage customers to review the items they have purchased from the blibli online shop. For each product displayed on the blibli website, online customer reviews or reviews can be seen in the column provided by blibli.com. In a quote on the blibli.com website "Every product available on blibli.com is an original product with an official warranty." One of the advantages promised by blibli is that the product is guaranteed to be original. The author is interested in conducting a more in-depth analysis of this matter by using the review feature on blibli.com to assess the potential for online consumer reviews in the marketing sector and also guaranteed original factors to influence the consumer purchasing decision process. Online consumer reviews have an influence on purchase decisions through one of the marketplaces in Indonesia [5] who closely related to blibli.com, which is one of the major marketplaces in Indonesia. Based on these facts, the author is interested in seeing how much potential online consumer reviews on the consumer purchase decision process at blibli.com.

2. Literature Review and Research Framework

2.1 Digital Marketing

Digital marketing is an application digital of technology that forms an online channel to the market. It aims to benefit and retain consumers (in multi-channel purchasing processes and customer life cycles) and focused online-based communication and service activities to meet specific customer needs [6].

2.2 Word of Mouth

Word of mouth is a communication process in the form of advising individuals or groups about products or services designed to provide personal information. Word of mouth is one of the communication channels often used by companies that produce goods and services because communication and word of mouth are considered to be very effective in the smooth marketing process and can bring benefits to the company [7].

2.3 Online Consumer Review

Online consumer review is a form of electronic word of mouth (eWOM) which refers to user-generated content posted on online sites and third-party websites. [8]. Furthermore, online consumer review is a medium for other consumers to find and obtain information that will influence purchasing decisions. [9].

2.3.1 Online Consumer Review Indicators

a. Perceived Usefulness

The advantages in question are that users experience the gains immediately by reading online reviews. The advantages that are felt will be in the form of increasing the quality of online shopping, helping to determine the items of interest in online shopping [6].

b. Perceived Enjoyment

Consumers clearly understand the message to be communicated when watching or reading online reviews, and like the show that makes it easy to see and interpret online reviews [6].

c. Perceived Controlling

The influence in question is that the availability of online ratings and customer reviews will improve self-control in buying, gain the knowledge that buyers require when they wish to make a decision, and obtain valuable product information to be bought [6].

2.4 Purchase Decision Process

The purchasing decision process is about consumer decisions preferences for brands that are in a collection of choices, a consumer wants to make a choice he must have a choice. The process of consumer purchasing usually goes through five stages [7], namely:

a. Problem or Need Recognition

Problem or need recognition arises when consumers recognize a significant difference between the level of actual satisfaction of a particular need. The need to obtain some products or services can arise from internal stimuli when consumers have basic needs that increase and turn into wants.

b. Information Search

Information search is the basis for future purchasing decisions where the quantity and accuracy of the information depend on the consumer and the product or service to be purchased.

c. Evaluation of Alternatives

This stage is an evaluation process after information about the product or service has been obtained and the customer uses the source of information to choose the brand choices to be bought.

d. Purchase Decision

Purchase decisions are the buyer's decision about which brand to purchase. The buyer's decision about which brand to purchase [10].

e. Postpurchase Decision

Consumers evaluate the degree to which their buying decisions are successful or not in this process. The solution depends on the relationship between the expectations of consumers and the perceived value of goods

2.5 Research Framework

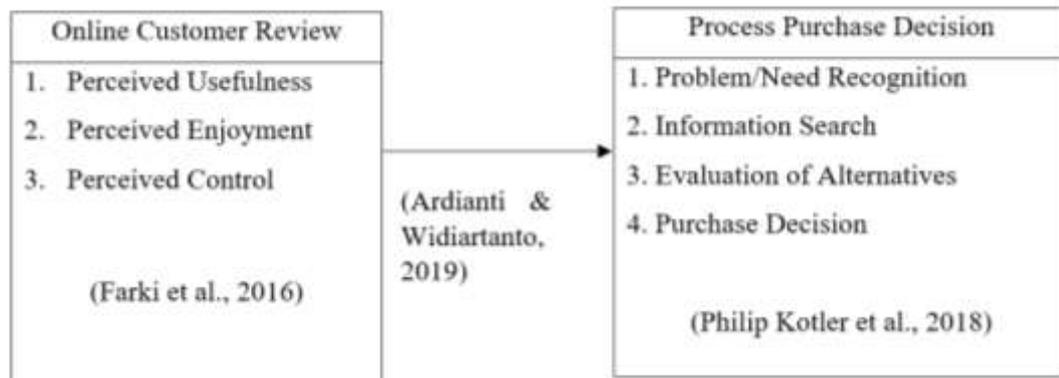


Figure 2.1 Research Framework Model

Online consumer reviews have an influence on purchase decisions through the marketplace [5]. According to the authors, prospective consumers can become more convinced or will answer their curiosity about the things they question about a product. The more positive things that are heard, the greater the confidence of consumers to buy the product [5].

The consumer purchasing decision is the buyer's decision about which brand to purchase [10]. It contains several steps, namely problem or needs recognition, information search, evaluation of alternatives, purchase decision, and post-purchase decision [10]. However, according to the authors, consumers don't always pass through all five stages, they may skip or reverse some [10]. Therefore, the current research will only investigate until the purchase decision stage.

2.6 Research Hypothesis

Based on the framework of thought above and the objectives to be achieved in this study, the hypothesis is proposed and will be verified in the form of this study that "There is an influence between online consumer review on process purchasing decisions on the e-commerce site blibli.com." To be able to fulfill the research hypothesis, online consumer reviews must be able to influence consumer purchasing decisions.

3. Research Methodology

The research method used by the author is quantitative. The population in this study are blibli marketplace users and those who have read online reviews. Analysis of the data used is simple linear regression analysis, with hypothesis testing using t-test and coefficient of determination. The number of respondents was 100 respondents who were obtained through distributing questionnaires to blibli marketplace users. The pre-test was carried out on 30 respondents who used the blibli marketplace to test the statements in the questionnaire by looking at the validity and reliability of the statements themselves. The independent variable (X) is the online consumer review and the dependent variable (Y) is the purchase decision process.

4. Results and Discussion

4.1 Respondents' Characteristics

Based on research that has been done by distributing questionnaires to 100 respondents to blibli users and those who have read online reviews, 64 of them are female with a percentage of 64% and 36 people are male with a percentage of 36%. With an age range of 15-20 years as many as 14 people (14%), 21-25 years as many

as 80 people (80%), 26-30 years as many as 0 people, and 40+ years as many as 1 person (1%).

4.2 Validity and Reliability Test

Data must be processed and be tested for validity and reliability to measure the accuracy and consistency of instruments used before the research data being analyzed further. The questionnaire has been distributed to 100 respondents consisting of 9 questions regarding online consumer review and 12 questions regarding a purchase decision process.

The validity test is used to determine the validity or accuracy of the measuring instrument. A measuring instrument is declared valid if the $r_{count} > r_{table}$ is 0.195.

Tabel 4.1
Validity Test

Variables	Sub-Variables	Item	R-Table	Correlated Item – Total Correlation	Validity
Online Consumer Review (X)	Perceived Usefulness	X1	0.195	0.681	Valid
		X2	0.195	0.615	Valid
		X3	0.195	0.704	Valid
	Perceived Enjoyment	X4	0.195	0.677	Valid
		X5	0.195	0.650	Valid
		X6	0.195	0.682	Valid
	Perceived Controlling	X7	0.195	0.677	Valid
		X8	0.195	0.686	Valid
		X9	0.195	0.668	Valid
Purchase Decision Process (Y)	Product or Need Recognition	Y1	0.195	0.682	Valid
		Y2	0.195	0.670	Valid
		Y3	0.195	0.657	Valid
	Information Search	Y4	0.195	0.569	Valid
		Y5	0.195	0.485	Valid
		Y6	0.195	0.629	Valid
	Evaluation of Alternatives	Y7	0.195	0.605	Valid
		Y8	0.195	0.678	Valid
		Y9	0.195	0.690	Valid
	Purchase Decision	Y10	0.195	0.727	Valid
		Y11	0.195	0.589	Valid
		Y12	0.195	0.636	Valid

(data processed by the author, 2021)

The reliability test aims to measure whether the questionnaire used is consistent or not. In this study, the reliability test used Cronbach's Alpha method. The variable will be said to be reliable if the variable has a Cronbach's Alpha value greater than 0.600.

Tabel 4.2
Reliability Test

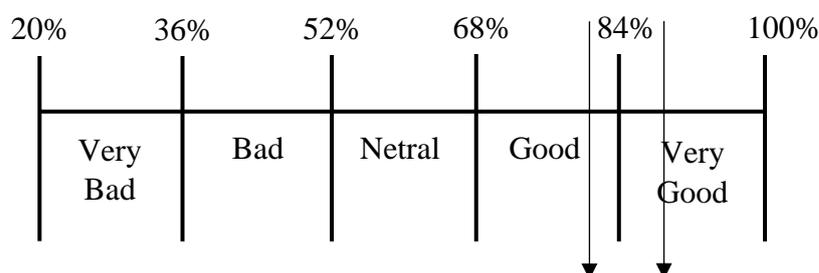
Variables	Sub-Variables	Cronbach's Alpha	Reliability
Online Consumer Review (X)	Perceived Usefulness	0.743	Reliability
	Perceived Enjoyment	0.748	Reliability
	Perceived Controlling	0.766	Reliability
Purchase Decision (Y)	Product or Need Recognition	0.788	Reliability
	Information Search	0.738	Reliability
	Evaluation of Alternatives	0.689	Reliability
	Purchase Decision	0.761	Reliability

Variables	Cronbach's Alpha	Result
Online Consumer Review (X)	0.841	Reliable
Purchase Decision (Y)	0.862	Reliable

The result of all variables is shown in the table above. If Cronbach's alpha is greater than 0.600, the data is known reliable. According to the results of the author's validity and reliability tests. It may be stated that all of the author's variables and questions are valid and reliable.

4.3 Descriptive Analysis

Based on the results of descriptive analysis research conducted by researchers, from 9 statements of consumer online reviews on the blibli marketplace which was surveyed by distributing questionnaires to blibli marketplace users and those who have read online reviews, respondents overall agree with the online consumer reviews used by blibli with a percentage score by 89.6% and included in the very good category. The purchase decision process which has 12 statements after the survey has a percentage of 83.3% and is in a good category. To show both categories refer to the continuum line below.



83.3% (Y) 89.6% (X)

Figure 4.1 Continuum Line Results

4.4 The Classic Assumption Test

4.4.1 Normality Test

The purpose of the normality test is to assess the results from independent variables and indicators of research with or without normal distribution. To determine whether the Kolmogorov Smirnov test was used or not. When the significant value is greater than 0.05, the data will be regular (Kolmogorov-Smirnov $Z > 0.05$)

Tabel 4.4.1
Result Kolmogorov-Smirnov Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	4,56462705
Most Extreme Differences	Absolute	,087
	Positive	,043
	Negative	-,087
Test Statistic		,087
Asymp. Sig. (2-tailed)		,059 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

(Source: Data processed by author)

The normality test instrument used by the author is the Kolmogorov Smirnov test. The residual distribution is normally distributed if the significance value is more than 0.05. From the table above, it can be seen that the significant value is 0.59, which means the data is normally distributed because the value is greater than 0.05.

4.4.2 Multicollinearity Test

To find the presence or absence of multicollinearity in the regression model, it can be seen from the tolerance value and the value of the variance inflation factor (VIF).

Table 4.4.2 Coefficients Table

Model	Coefficients					
	Unstandardized Coefficients		Standardized Coefficients	Collinearity Statistics		
	B	Std. Error	Beta	Tolerance	VIF	
1	(Constant)	11,940	4,782			
	Online Consumer Review	,942	,118	,628	1,000	1,000

a. Dependent Variable: Process Purchase Decision

(Source: Data processed by Author)

In the table above, as a result of the multicollinearity test, the VIF value $1 < 10$ and or the tolerance value $1 > 0.01$, it can be concluded firmly that there is no multicollinearity problem.

4.4.3 Heteroscedascity Test

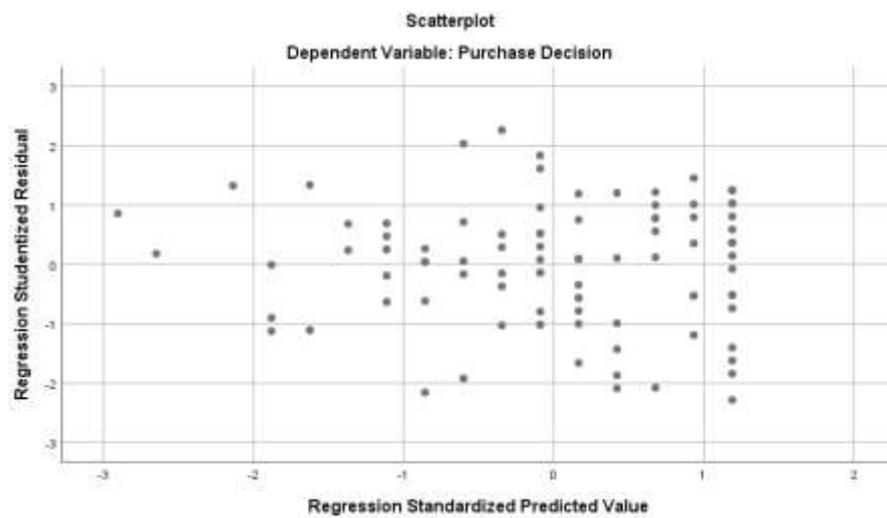


Figure 4.4.3 Heteroscedascity Test
(Source: Data processed by Author)

Based on figure 4.4.3 above, the scatterplot shows the spread data points as follows. According to Imam Ghozali (2005) simple linear regression is free from heteroscedasticity, namely:

- a. No clear pattern.
- b. The dots spread above and below the number 0 on the Y-axis.

From the picture above, it can be seen that the dots spread randomly and spread both above and below the number 0 on the Y-axis.

4.5 Simple Linear Regression Analysis

Table 4.4.4.1 ANOVA Table

ANOVA					
Model	Sum of Squares	df	Mean Square	F	Sig.

1	Regression	1343,094	1	1343,094	63,810	,000 ^b
	Residual	2062,746	98	21,048		
	Total	3405,840	99			

a. Dependent Variable: Process Purchase Decision

b. Predictors: (Constant), Online Consumer Review

(Source: Data processed by Author)

Taking decisions in a simple linear regression test can refer to two things, namely: Compare the significance values with a probability value of 0.05

- If the significance value is less than 0.05, it means that variable X affects variable Y.
- If the significance value is more than 0.05, it means that the variable X does not affect variable Y.

In the table above, the calculated F value = 63.810 with a significance level of $0.000 < 0.05$, then the regression model can be used or there is an influence of the online consumer review variable (X) affecting the purchase decision variable (Y).

Table 4.4.4.2 Coefficients Simple Linear Regression

		Coefficients				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	11,940	4,782		2,497	,014
	Online Consumer Review	,942	,118	,628	7,988	,000

a. Dependent Variable: Purchase Decision Process

(Source: Data processed by Author)

Based on the results of the table above, the simple linear regression equation model in this study is:

$$Y = \alpha + \beta X$$

Information:

Y = Dependent variable (Purchase Decision Process)

X = Independent variable (Online Consumer Review)

α = Constant

β = Coefficient estimate

$$Y = 11.940 + 0.942X$$

So from this equation, it can be interpreted as follows:

- The constant value obtained is 11.940, meaning that the consistent value of the purchase decision process variable is 11.940.
- The regression coefficient obtained is 0.942 which means that for every 1% addition to the value of the online consumer review, the value of the purchase decision process will increase by 0.942. The resulting regression coefficient is positive, so it can be said that the direction of the influence of the variable X (consumer online review) on Y (purchase decision process) is positive.

4.6 Hypothesis Test (T-Test)

Table 4.4.5.1. Coefficients T-Test

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	11,940	4,782		2,497	,014
	Online Consumer Review	,942	,118	,628	7,988	,000

a. Dependent Variable: Purchase Decision Process

(Source: Data processed by Author)

Hypothesis testing of online consumer review variables on the purchasing decision process:

- H_0 = Online Consumer Review (X) has no significant effect on Purchase Decision Process (Y)
- H_1 = Online Consumer Review (X) has a significant effect on Purchase Decision Process (Y)

From the table above, it can be seen from the calculation to get a significance value of 0.000. For hypothesis testing, if the significance value is more than 0.05 then it is rejected and accepted. It is concluded that the online consumer review (X) partially has a significant effect on the purchase decision process (Y).

4.7 Coefficient of Determination

Table 4.7 Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,628 ^a	,394	,388	4,588

a. Predictors: (Constant), Online Consumer Review

(Source: Data processed by Author)

Based on the results of table 4.7, the effect of online consumer reviews on the purchase decision process is indicated by the coefficient of determination using the following formula:

$$\begin{aligned}
 KD &= R^2 \times 100\% \\
 &= 0.394 \times 100\% \\
 &= 39.4\%
 \end{aligned}$$

This figure shows a coefficient of determination of 39.4%. This shows that online consumer review on purchase decision process has an effect of 39.4%, while the remaining 60.6% is influenced by other factors not examined in this study.

4.8 Discussion

The results of the hypothesis testing prove that online consumer review has a significant effect on the process purchase decision. Online consumer review, which is a form of electronic word of mouth (eWOM) or user-generated content posted on online sites and third-party websites [8], has some effect on the purchase decision process [5]. While purchase decision is the buyer's decision about which brand to purchase [10].

This indicates online consumer review of blibli has a significant effect on the purchase decision process of its consumers. Then, they accepted the perceived usefulness as the respondents to get the benefits with the online reviews. Furthermore, respondents accepted the perceived enjoyment, which is respondents in a condition where activities to use a particular system are considered enjoyable in itself, apart from any performance consequences resulting from using the system. And then, respondents accepted the perceived control, which is to improve self-control in the purchase decision and obtain a value of product information to be bought. Therefore, it can be concluded that online consumer review of blibli has a significant effect and positively on a process purchase decision.

This result is not relevant to the findings of the previous research of (Ardianti & Widiartanto, 2019), which found online consumer review has a low influence on a purchase decision. The previous research of coefficient of determination shows that the online customer review variable on the purchasing decision variable is 0.161 or a percentage of 16.1% so that it can be interpreted that the contribution of online customer review influence on purchasing decisions is 16.1% while the other 83.9% is influenced by factors other than online customer reviews. On the other hand, this research suggests that online consumer reviews can only explain purchase decisions by 39.4 %. Therefore, future research should explore other factors that can strengthen purchasing decisions in the e-marketing mix, namely 7p (Product, Price, Place, People, Promotion, Process, and Physical Evidence), and online consumer review is included in the promotion.

5. Conclusion & Suggestions

5.1 Conclusion

Based on the result from the explanation chapter before, based on the study that the author conducts to see the effect of an online consumer review on the purchase decision process in the e-commerce site blibli.com. 100 respondents' data was collected by spreading questionnaires, and the result is from validity and reliability test, descriptive analysis, the classic assumption test, simple regression analysis test, and hypothesis test. The conclusion is as below:

1. Online Consumer Review on Blibli

The percentage score of the online consumer review variable is 89.6% which is considered a very good category because it is located between 84%-100%. Therefore, it can be concluded that online consumer review of blibli is very good.

2. Purchase Decision Process on Blibli

The percentage score of the purchase decision process variable is 83.3% which is considered a good category because it is located between 68%-84%. Therefore, it can be concluded that the purchase decision of blibli is good.

3. The Effect of Online Consumer Review on Purchase Decision Process in The E-Commerce Site Blibli

From the results of hypothesis testing with a significance value of more than 0.05 and the results of simple linear regression, namely 0.00 less than 0.05. It can be concluded that online consumer reviews have a significant effect on the purchasing decision process.

5.2 Suggestions

5.2.1 Suggestions For Company

1. Judging from the magnitude of the influence of the online consumer review, the company should also consider using reviews not only on products but also on almost all aspects related to customers. For example online chat, customer service, and others.
2. The author suggests blibli should pay more attention to perceived usefulness because even though it receives a good score, the score is the lowest among all elements. One of the ways to increase the score is by making the rating section becomes more attractive with larger picture reviews and giving a bonus (ex: coins/credit) to encourage customers in writing a review.
3. Based on the results of the hypothesis testing, it is known that consumer online reviews have a significant effect on the purchasing decision process, meaning that blibli must further improve the quality and benefits of consumer online reviews to improve the purchasing decision process for blibli consumers. Blibli should make online consumer reviews one of the spearheads in carrying out its marketing management to increase consumer purchases to increase revenue for blibli itself.
4. Because the results obtained from online consumer reviews affect the purchasing decision process, indicating that reviews should be used as a reference in determining purchases in the online marketplace, therefore it is necessary to increase the credibility of the review. Blibli should not only give a name to someone who buys a product, it can also be added such as the percentage level of users actively buying products on Blibli. Then you can give profiles of people who provide reviews, whether they are people who have bought or are guest accounts. In addition, online marketplaces also need to implement rules that prevent dummy accounts or seller accounts from providing reviews on their products to further increase the credibility of the reviews themselves.

5.2.2 Suggestions For Future Research

1. Future research can also consider adding new variables to the current model, outside the perceived usefulness, perceived enjoyment, and perceived controlling to make various perspectives into the online consumer review variable. There are several variables such as trustworthy, honest, professional, useful, likable, interesting, and likely to buy from this website [11].
2. This study uses variable X, namely consumer online review, for further research the researcher hopes to add an online rating variable considering that there is a relationship between online rating and online review.
3. Future research should explore other factors that can strengthen purchasing decisions in the e-marketing mix, namely 7p (Product, Price, Place, People, Promotion, Process, and Physical Evidence), and online consumer review is included in the promotion.

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