Empirical Study of Intention to Redeem Mobile Coupons; Evidence the Influence of Socializing, Economic Benefit, And Trust Variable

Mutafaqottun Fauziah[1], Siti Zulaikha Wulandari[2], Nur Choirul Afif[3]

[1,2,3]Faculty of Economics and Business, universitas Jenderal Soedirman, Indonesia

Abstract. One of the effects of digital development in the business world is that digital marketing strategies are widely used by business actors. Nowadays, almost all methods of promotion is done with digital marketing. The promotion used is the distribution of coupons through smartphones or Mobile coupon known as m-coupon that are usually sent to cellphones via Short Message Service (SMS) or applications that provide promotions at discounted prices. In the previous study, the influence of an intention to redeem the mobile coupons is by considering benefits and risks. This study using quantitative research that focuses on the influence of the Indonesian population towards the intention to redeem mobile coupons in Indonesia by using variables: socializing, economic benefits, and trust. The analytical tool used in this study is multiple regression using SPSS.

Keywords: 1 Sosializing · 2 Economic benefit · 3 Trust

1. INTRODUCTION

Indonesia is a consumptive country where people prefer to shop both traditional and online (Nielsen Global Survey, 2014). Indonesia's population reaches 250 million people, more than 100 million are active smartphones user. With such a large number, Indonesia is the fourth smart mobile-active country after China,India and America (Kominfo, 2018). Digital marketing in Indonesia has been used by many business actors to promote their products, has causing curiosity to the society. Delivery of the coupons to customers via MMS, SMS, and the Internet to provide product offerings and market products with lower price, so that prospective buyers know about the existence of new products (Franciscus Amonia, 2018).

Digital coupons in Indonesia have been widely used by businesses such as CFC, Starbucks, Excelso or through applications. Thus there is a decisive influence on consumer behavior in exchanging M-coupons that have been received, that consumers will intend to redeem m-coupons because of socializing (Lambe et al., 2001, Jin et al., 2010 and Cheung et al., 2012), and individuals will consider benefits with perceived value (Qing Tang et al., 2018) as well as their trust is a dimension that creates a sense of community or loyalty and participation in virtual communication (Zhao et al, 2012).

2. LITERATURE REVIEW AND HYPOTHESIS FORMULATION

2.1 Socialization

Social exchange theory shows that interaction between individuals is based on the exchange of materialized and non-manifested resources (Lambe et al, 2001) that socialization can make users who have good relationships with others tend to share interesting and valuable information. According to (Qing Tang, 2016) socialization and reciprocal influence on the intentions of m-coupon share is higher because they can connect with friends and share m-coupons and users can interact with others and gain experience of m-coupon redeemed. Results of the study (Qing Tang, 2016) entitled "The effect of intrinsic and extrinsic motivation on mobile coupon sharing in social network sites" by using a variable sense of self-esteem, socializing, economic benefits, reciprocity

International Conference on Rural Development and Enterpreneurship 2019 : Enhancing Small Busniness and Rural Development Toward Industrial Revolution 4.0

Vol. 5 No. 1
ISBN: 978-623-7144-28-1

has a positive effect, the effect of a sense of self-esteem, the influence of socialization, the reciprocal influence of the economy, the reciprocal influence on the intention to share mobile coupons, the results of the study state that socialization has a positive effect against the intention to redeem m-coupons.

Research results (Xuefeng, 2016) entitled "Social capital, motivation, and mobile coupon sharing by using variables of sense of self-esteem, socialization, social relations, trust, perceived similarity to the intention to share mobile coupons on social networks, the results stated that socialization has a positive influence on the intention to redeem m-coupons.

H1: Socialization has a positive influence on the intention to redeem mobile coupons

2.2 Economic Benefits
Economic benefits must be provided to increase user intention to arise reciprocally, as in the research of (Chiu et at., 2006), capital of relation in social media raises reciprocity that can determine the cognition of various user behaviors. According to research by (Banerjee and Yancey, 2010) and (Zha, et., 2016) that the economic benefits positively influence the intention to redeem the m-coupon which refers to the economic benefits and economic savings discounts obtained from m-coupons. According to (Henning-Thurau et al., 2004) the perceived economic benefits has positive effect on the redemption intention of m-coupon, that there is an economic reward in the exchange relationship between the coupon provider and the coupon recipient. This results in the value perceived by the consumer, consumer perceived value as an evaluation of the sale between benefits of a product or service with the sacrifices that have been made (Wang et al., 2004) (Dodds et al., 1991; Naumann and Jackson, 1999 ; Zeithaml, 1988). Results of the study by (Fen Liu, 2014), entitled "Risk of perceived value and individual differences in acceptance of mobile coupon applications" by using variables; perceived value, savings, convenience, perceived enjoyment, perceived costs, privacy risk, technology adoption, coupon-prone areas of behavioral intentions to adopt mobile coupons, it is stated that the economic benefits have a positive effect on the intention to redeem the m-coupon.

The results of the study (Qing Tang, 2018) entitled "Consumers' redemption of the behavior of the recommended mobile coupons in social network sites" by using variables; economic benefit, pleasure, risk, redemption efforts, recommendations of trust in the intention to redeem mobile coupons recommended by social networks, the results of the study state that economic benefits has positive influence on the intention to redeem mobile coupons.

H2: Economic benefits have a positive influence on the intention to redeem mobile coupons

2.3 Trust
Trust is a mental condition based on a person's situation and social context. When someone makes a decision, he will prefer decisions based on choices from people who are more trustworthy than those less trusted (Moorman, 1993). According to research by (Hsiao et al., 2010) Trust recommendations have a positive influence on the intention to redeem mobile coupons, that rule-based trust increases consumer trust in online sites and convenience affect purchase intentions. The result of the research by (Xuefeng, 2016) entitled "Social capital, motivations, and mobile coupon sharing" by using variables; self-esteem, socializing, social bonds, trust, perceived similarity, positive bonding effect on oneself, social bonds to oneself, social bonds to individuals, perceived similarities in sense self-esteem, perceived similarity in motivation to socialize on the intention to share mobile coupons, state that trust has a positive influence on the intention to redeem.

The results of the study by (Qing Tang, 2018) entitled "Consumers' redemption of the recommended mobile coupons behavior in social network sites". By using economic benefit variables; pleasure, risk, redemption efforts, recommendations of trust in intention to redeem mobile coupons recommended by social networks. The results stated that economic trust has a positive influence on the intention to redeem m-coupons.

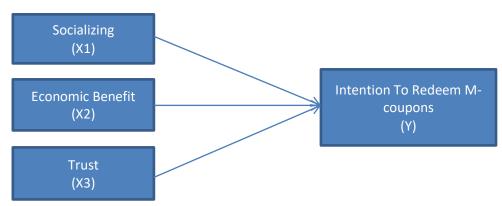H3: Trust has a positive influence on the intention to redeem mobile coupons

Figure 1. Concept of Research Model

3. RESEARCH METHOD
3.1 Data Collection Technique
This research was conducted by survey method by collecting data using questionnaires. Respondents in this study were male and female population of Purwokerto aged 16-35 years who received and used mobile coupons through social networks. The sample selection model in this study was conducted on a non-probability basis with a purposive sampling technique. The determination of this sample using the Slovin formula of the population in the Purwokerto.

3.2 Data Analysis Technique
Data analysis techniques used in this study is multiple regression analysis tools. Instruments for measuring the accuracy and speed of questionnaires using validity and reliability tests (Sugiono, 2013), the measurement scale used in this study is the Likert's 7 point scale. Likert's scale is used to measure a person's responses or respondents about social objects (Suliyanto, 2011). Before conducting a regression analysis, the classic assumption test is carried out first so that the research model gives the best results that consisting of: Normality Test, Multicollinearity Test, Heteroscedasticity Test, Linearity Test (Suliyanto, 2011). The accuracy of the sample regression function in estimating the actual value can be measured from Goodnes of fit which can be statistically measured from the coefficient of determination (R^2), significance value (F test), and partial test value (statistical test t).

4. RESULTS AND DISCUSSION
4.1 Validity Test Results and Questionnaire Reliability
Based on the output of the validity test, it can be seen the value of product moment correlation of all questions from the socialization variable (X1), economic benefits (X2), trust (X3) and the rvalue of the product moment correlation of the intention to exchange mobile coupons (Y) greater than the critical value (rtable).

Thus, all the items of questions variables in this study proved to be valid and can be used as a data collection tool. Furthermore, referring to the reliability test output, it can be seen that the reliability coefficient (rtotal) , the socialization variable (X1), economic benefits (X2), trust (X3) and reliability coefficient (rtotal) intention to redeem mobile coupons variable (Y) each have greater value than of the value rtablel so that all items of questions for each variable in this study proved to be reliable and can be used as a data collection tool.

4.2 Classical Assumption Test Results
Based on the test output normality is obtained value of *asymp. sig. (2-tailed)* from the Kolmogorov-Smirnov Z test, S*tandardized residual variable* is 0,387 greater than the value of α (0,05), so that it can be concluded that the data used is normally distributed. The multicollinearity test output shows that the Variance Inflation Factor (VIF) value of the socialization variable (X1), the economic benefit variable (X2) and the VIF value of the trust variable (X3) are each smaller than 10, so that it can be concluded that there is no multicollinearity in the regression model. From the heteroscedasticity test output, it can be seen that the significance value of the socialization variable t test (X1), the economic benefit variable (X2) and the significance value of the trust variable t test (X3) are greater than the value of α (0.05). Based on this evidence, it can be concluded that there is no heteroscedasticity in the regression model. Furthermore, based on the linearity test output using Mackinnin-White-Davidson (MWD) test it can be seen that the significance value of the t test of the ZMWD variable is 0.146 greater than the value of α (0.05). Thus, it can be stated that the model of the causal relationship between the independent variables and the dependent variable in this study is linear.

4.3 Results of Multiple Regression Analysis
Based on the output of multiple regression analysis using SPSS, the results of the calculations can be summarized as shown in Table 1.

Table 1. Summary of the Results of Multiple Regression Analysis

No.	independent variable	Regression Coefficient	t_{count}		t_{table} (one-tail)
1	Socialization (X$_1$)	0,218	2,589	>	1,661
2	Economic Benefit (X$_2$)	0,461	4,258	>	1,661
4	trust (X$_3$)	0,254	2,703	>	1,661

Constanta = 0,687
Coef. Determination = 0,517
F_{count} = 34,257

Based on the data in Table 1, the following multiple regression equations can be made as follows:

$$Y = 0,687 + 0,218X_1 + 0,461X_2 + 0,254X_3$$

Summary of the results of multiple regression analysis in Table 1 above shows the coefficient of determination (R^2) of 0.517, which means that 51.70 percent of the variation changes in intention to redeem the mobile coupons variables can be explained by socialization, economic benefits and variable trust, while 48.30 percent can be explained by other variables that are not included in the regression model.

The summary of the results of multiple regression analysis in Table 1 also shows that the Fcount value of 34.257 is greater than the value of Ftable with df = (k - 1) and (n - k) of 2.68. The results of the F test show evidence that the variable socialization, economic

International Conference on Rural Development and Enterpreneurship 2019 : Enhancing Small Busniness and Rural Development Toward Industrial Revolution 4.0

Vol. 5 No. 1
ISBN: 978-623-7144-28-1

benefits and trust variables simultaneously have a significant influence on the intention to redeem mobile coupons, it can be said that the multiple regression model is appropriate or suitable with the research data (goodness of fit).

Significance testing the effect of socialization, economic benefits and trust variables on the intention to redeem mobile coupons partially is done using the t test. Based on the error level (α) = 0.05 and a degree of freedom (n - k), where n = 100 and k = 4, then it can be determined the value of ttable for one-sided testing (one tailed) is 1.661. The summary of the results of multiple regression analysis in Table 1 above shows that the value of the socialization variable (X1) is 2.589, the value of the economic benefit variable is 4.258 (X2) and the t-count variable trust (X3) is 2.703.

4.4 Hypothesis Testing
The summary of the results of multiple analysis in Table 1 shows that the value of the socialization variable (2.589) is greater than the value of t table (1.661). The statistical test results prove that socialization has a positive and significant effect on the intention to redeem a mobile coupon. Thus, the first hypothesis which states that socialization has positive influence on the intention to redeem the mobile coupons, **accepted**. Referring to the summary of the results of the regression analysis, it can be seen that the value of the variable economic benefit variable (4,258) is also greater than the value of t table (1,661). The results of the statistical tests show evidence that economic benefits have a positive and significant effect on the intention to exchange mobile coupons. Thus, the second hypothesis which states that the positive effect on the economic benefits of an intention to redeem the mobile coupons**, accepted.** Next, the summary of multiple regression analysis result in Table shows that the value of t count the trust variable (2.703) is greater than the value of t table (1.661). The test results prove that trust also has a positive and significant influence on the intention to exchange mobile coupons. Thus, the third hypothesis which states that trust has a positive effect on the intention to redeem mobile coupons, is **accepted**.

4.5 Discussion of Research Results
The results of this study prove that socializing has a positive influence on the intention to redeem mobile coupons. The findings of this study show evidence that the better the perceptions of respondents regarding the socialization of mobile coupons, the stronger the intention to redeem mobile coupons. The results of this study are in line with social exchange theory which suggests that interactions between individuals are based on the exchange of resources that are materialized and non-manifested. With socialization, users who have good relationships with others tend to share interesting and valuable information (Lambe et al, 2001). Empirically, the results of this study are consistent with the findings of a previous study conducted by Xuefeng (2016) who also found evidence that socialization had a positive influence on the intention to redeem m-coupons.

The results of this study find evidence that economic benefits have a positive influence on the intention to redeem mobile coupons. The causal relationship proves that the better the respondent's perception of the economic benefits of the mobile coupon, the stronger the intention to redeem mobile coupons. The findings of this study are corresponds with the results of previous study conducted by Fen Liu (2014) that economic benefits have a positive influence on the intention to redeem m-coupons. Furthermore, the results of this study are also corresponds with the findings of the study conducted by Qing Tang (2018) which also proves that economic benefits have a positive influence on the intention to redeem mobile coupons.

The results of this study also show evidence that trust has a positive influence on the intention to exchange mobile coupons. The causal relationship provides evidence that the

higher the level of confidence of respondents regarding mobile coupons, the stronger their intention to redeem mobile coupons. Theoretically, the findings of this study are in line with the opinion of Moorman (1993) which states that trust is a mental condition based on a person's situation and social context. When a person takes a decision, he would prefer a decision based on the choice of the people he can trust more than the less believed. Empirically, the results of this study are consistent with the findings of the study Xuefeng (2016), which prove that the trust has a positive influence on the intention to redeem a mobile coupon. Furthermore, the results of this study are also consistent with the findings of a study conducted by Tang Qing (2018) which also showed evidence that the trust has a positive influence on the intention to redeem the m-coupon.

5. CONCLUSIONS AND IMPLICATIONS

5.1 Conclusions
1. Socializing has a positive influence on the intention to redeem mobile coupons.
2. Economic benefits have a positive influence on the intention to redeem mobile coupons.
3. Trust has a positive influence on the intention to redeem mobile coupons.

5.2 Implications
In an effort to strengthen the intention of social media users to redeem mobile coupons, marketing management that offers mobile coupons needs to pay attention to various factors related to socializing, economic benefits and consumer trust. The ways that can be done include building a community of social media users based on age, occupation, education level, income and product categories purchased, disseminating positive information related to the experiences and testimonials of mobile coupon users on various social media, offers attractive and valuable economic benefits to consumers who are willing to exchange mobile coupons, provide more options about expiring mobile coupons so that customers do not hesitate to redeem them, provide an easily accessible website to find relevant information about the mobile coupons offered, provide information accurately and easily understood by the consumer associated with mobile coupons are offered, to minimize the risks that may be faced by consumers related to security and their privacy in the process of use of mobile coupons and always follow up on consumer complaints related to problems encountered in the process of exchange mobile coupons quickly and precisely.

REFERENCES

Banerjee, S. and Yancey, S. (2010), "Enhancing mobile coupon redemption in fast food campaigns", Journal of Research in Interactive Marketing, Vol. 4 No. 2, pp. 97-110.

Barwise, P. and Strong, C. (2002), "Permission-based mobile advertising", Journal of Interactive Marketing, Vol. 16 No. 1, pp. 14-24.

Chiu, C.M., Hsu, M.H. and Wang, E.T.G. (2006), "Understanding knowledge sharing in virtual communities: an integration of social capital and social cognitive theories", Decision Support Systems, Vol. 42 No. 3, pp. 1872-1888.

Cheung, C.M.K. and Lee, M.K.O. (2012), "What drives consumers to spread electronic word of mouth in online consumer-opinion platforms", Decision Support Systems,

International Conference on Rural Development and Enterpreneurship 2019 : Enhancing Small Busniness and Rural Development Toward Industrial Revolution 4.0

Vol. 5 No. 1
ISBN: 978-623-7144-28-1

Vol. 53 No. 1, pp. 218-225.

Chow, W.S. and Chan, L.S. (2008), "Social network, social trust and shared goals in organizational knowledge sharing", Information & Management, Vol. 45 No. 7, pp. 458-465.

Deighton, J. and Kornfeld, L. (2009), "Interactivity's unanticipated consequences from marketers and marketing", Journal of Interactive Marketing, Vol. 23 No. 1, pp. 4-10.

Dickinger, A. and Kleijnen, M. (2008), "Coupons going wireless: determinants of consumer intentions to redeem mobile coupons", Journal of Interactive Marketing, Vol. 22 No. 3, pp. 23-39.

Friedrich, R., Grone, F., Holbling, K. and Peterson, M. (2009), "The march of mobile marketing: new chances for consumer companies, new opportunities for mobile operators", Journal of Advertising Research, Vol. 49 No. 1, pp. 54-61.

Hennig-Thurau, T., Gwinner, K.P., Walsh, G. and Gremler, D.D. (2004), "Electronic word-of-mouth via consumer-opinion platforms: what motivates consumers to articulate themselves on the Internet?", Journal of Interactive Marketing, Vol. 18 No. 1, pp. 38-52.

Ghozali, Imam. 2009. *Aplikasi Analisis Multivariate dengan Program SPSS* .Semarang : UNDIP.

Hsiao, C.C. and Chiou, J.S. (2012), "The effect of social capital on community loyalty in a virtual community: test of a tripartite-process model" Decision Support Systems, Vol. 54 No. 1, pp. 750-757.

Ministry of Communication and Information, 2018. News. Indonesia

Kotler dan Keller. 2009. *Marketing Management*. Penerjemah Bob Sabran.Edisi Ketiga belas. Erlangga. Jakarta

Lambe, C.J., Wittmann, C.M. and Spekman, R.E. (2001), "Social exchange theory and research on business-to-business relational exchange", Journal of Business-to-Business Marketing, Vol. 8 No. 3, pp. 1-36.

Leclerc, F. and Little, J. (1997), "Can advertising copy make FSI coupons more effective?", Journal of Marketing Research, Vol. 34 No. 4, pp. 473-84.

Lee, C.S. and Ma, L. (2012), "News sharing in social media: the effect of gratifications and prior experience", Computers in Human Behavior, Vol. 28 No. 2, pp. 331-339.

Keller, E. (2007), "Unleashing the power of word of mouth: creating brand advocacy to drive growth", Journal of Advertising Research, Vol. 47, pp. 448-52.

Kotler, Philip, Alih Bahasa Benyamin Molan, 2005, *Manajemen Pemasaran*, Eleventh Edition, Vol. 1, Jakarta: PT Indeks Kelompok Gramedia.

Kotler dan Keller. 2009. Manajemen Pemasaran. Vol I. 13th Edition. Jakarta: Erlangga

Katherine Taken Smith, (2012) "Longitudinal study of digital marketing strategies

targeting Millennials", Journal of Consumer Marketing, Vol. 29 Issue: 2, pp.86-92

Swa Magazine 15th Edition year 2015 date 9-22 Juli 2015.

Niehoff, B. P., & Moorman, R. H. (1993). 'Justice as a mediator of the relationship between methods of monitoring and organizational citizenship behavior. Academy of Management Journal, 36, 527-556.

Rebecca K. Trump , (2016),"Harm in price promotions: when coupons elicit reactance", Journal of Consumer Marketing, Vol. 33 Iss 4 pp. 302 – 310

Siagian, Hotlan., Cahyono, Hotlan., 2014, Analisis Website Quality, Trust, dan Loyalty Pelanggan Online Shop, Jurnal Manajemen Pemasaran Vol 8 No 2.

Suliyanto. 2011. *Ekonometrika Terapan: Teori dan Aplikasi dengan SPSS*. CV. Andi Offeset.

Qing Tang Xuefeng Zhao Shan Liu , (2016),"The effect of intrinsic and extrinsic motivations on mobile coupon sharing in social network sites", Internet Research, Vol. 26 Iss 1 pp. 101 – 119

Qing Tang, Fen Liu, Shan Liu, Yunfeng Ma, (2018) "Consumers' redemption behavior of recommended mobile coupons in social network sites", Management Decision

Todd J. Bacile Ronald E. Goldsmith, (2011),"A services perspective for text message coupon customization", Journal of Research in Interactive Marketing, Vol. 5 Iss 4 pp. 244 – 257

Winarno, Wing Wahyu. 2009. *Analisis ekonometrika dan statistika dengan eviews*. Edisi kedua. UPP STIM YKPN. Yogyakarta.

Xuefeng Zhao Qing Tang Shan Liu Fen Liu , (2016),"Social capital, motivations, and mobile coupon sharing", Industrial Management & Data Systems, Vol. 116 Iss 1 pp. 188 - 206