

The Effect of Website Quality and Brand Image on Consumer Purchase Decisions with Trust as an Intervening Variable (Case Study at Bukalapak.com)

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Abstract

This study aims to analyze the effect of Website Quality and Brand Image on Consumer Purchase Decision with Trust as Intervening Variable (Case Study on Bukalapak.com). The object of research used is Bukalapak.Com customer as many as 100 respondents. While the determination of the sample using purposive random sampling technique. The analytical technique used is Structural Equation Modeling (SEM). The result of analysis in this research shows that (1) website quality has positif and significant effect on purchasing decision, (2) Brand Image has positif and significant effect on purchase decision, (3) Trust has a positif and significant effect on purchase decision, (4) website quality has positif and significant effect on trust, and (5) Brand image has positif and significant effect on trust.

Keywords: E-Commerce, website quality, brand image, trust, purchase decision.

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1. INTRODUCTION

1.1. Research Background

The communication, media and informatics technology that is growing rapidly nowadays coupled with the expanding development of global information infrastructure, brings influence, ways and patterns of business activities in the trade industry, social and political governance (Ardyanto, et. al, 2015). This is possible because the presence of the internet makes people able to connect without any space and time limits.

One sector that has been directly affected by the development of the internet is business activity (online business). Online business is an electronic commerce (e-commerce) activity where activities sell and buy products or services through the internet. (Hausman and Siekpe, 2009). Jusoh and Ling (2012) define online shopping as a process where a customer makes payments through the internet for goods and services that he buys. The internet has changed the flow of trade in the world of conventional business to become all digital. Today's business mechanism is built into a networked community. Slowly but surely, internet penetration has changed consumer purchasing behavior in meeting their needs (Pratiwi, 2012).

One of the e-commerce that we know today in Indonesia is Bukalapak.com which was officially established on January 10, 2011. The company was created with the aim of empowering Indonesian small and medium enterprises by providing a forum for SMEs to sell their products. Bukalapak.com provides a means of selling from consumers to consumers (C2C) anywhere. Anyone who can open an online store then prepares prospective buyers from all over Indonesia, both units and in large quantities. Individual users or companies can buy and sell products, both new and used, such as bicycles, cellphones, baby equipment, gadgets, accessories, computers, household appliances, clothing, electronics, and others.

Filter berdasarkan: Bisnis Model Tipe Toko Asal Toko Pilih Data per Kuartal Q1-2018

Diverifikasi oleh Toko Online
Pemenang Penghargaan IEMA

Toko Online	Visitor Per Bulan	Ranking AppStore	Ranking PlayStore	Twitter	Instagram	Facebook	Jumlah Karyawan
1 Lazada	117,572,100	#4	#3	345,100	556,200	22,768,300	1,479
2 Tokopedia	117,297,000	#2	#2	161,600	391,500	5,080,900	1,611
3 Bukalapak	93,589,900	#3	#4	131,200	258,100	2,020,800	1,233
4 Blibli	45,940,100	#6	#5	470,200	167,600	7,344,000	797
5 Shopee	34,510,800	#1	#1	29,000	712,700	9,022,400	1,129
6 JD ID	13,211,700	#5	#6	15,300	183,500	741,400	466
7 Bhinneka	7,373,900	#23	#17	104,900	19,600	1,045,300	454

Source: ipriceinsights

Figure 1.1 Indonesian e-commerce data for 2018

Based on Figure 1.1 above, it is known that Bukalapak.com has an average number of visitors per month that is still lower than that of Tokopedia and Lazada. The low number of visitors shows that Bukalapak.com is not the first choice for consumers to shop online. In addition, it is known that applications owned by Bukalapak.com have ordinary ratings when compared to applications owned by other e-commerce companies. This shows that the quality of the Bukalapak.com website needs to be further evaluated

Trust has an important role. If observed, the complexity of trust in the online world is classified as higher, because let alone on online transactions, only face-to-face transactions still hear many cases of fraud. This is also one of the factors that causes the opportunity to be able to create trust in the online shopping system to be less than selling conventional ways (Ananda, 2017).

According to Sarwono and Prihartono (2012), a company website must present about the company in a virtual company so that customers trust and conduct online transactions through the company's website. The quality of a good website will make internet service users more interested in searching for information and websites more often (Sujana and Ni Wayan, 2016).

Mustikarillah (2011), the better the brand image of the product being sold then it will increase on consumer purchasing decisions. Brand image can be used as a guideline for consumers to be bought online at an e-commerce company (Herwin and Dion, 2016). This is because consumers cannot use the product physically. Brand image that has an impact on trust. This explains that brand image perceived by consumers influences the emergence of consumer trust. Brand images that are perceived by consumers such as views about quality, service, companies that can make consumers believe. (Cindy, 2014).

1.2. Research Objective and Questions

The objective of this research is to develop a model to measure the purchase decision in Indonesian e-commerce related to website quality, brand image, and trust. This study includes the following theoretical objectives:

1. To introduce a model to the purchase decision in Indonesian e-commerce
2. To find the relationships between website quality, brand image, and trust related to the purchase decision in Indonesian e-commerce.

Based on explanation set fifth above, the research questions can be defined and formulated as follows:

1. *How is the relationship between website quality and purchase decision in Indonesian e-commerce?*
2. *How is the relationship between brand image and purchase decision in Indonesian e-commerce?*
3. *How is the relationship between website quality and trust?*
4. *How is the relationship between brand image and trust?*
5. *How is the relationship between trust and purchase decision?*

2. THEORETICAL FRAMEWORK AND HYPOTHESES

2.1. Website Quality

According to Laudon and Laudon (2012) a website is a system with universally accepted standards for storing, retrieving, and displaying information in a network environment. He said that two kinds of functions were given by a website: First, information sources that can provide various kinds of information needed by users. This information can be catalogs, databases, archives, bulletins and so on and second, interactive service that can serve activities between users and servers. Suryani (2013) stated that a quality website is one that in its design facilitates interaction with consumers. According to Chaffey and Smith (2013), the dimensions of website quality are arranged based on 3 (three) areas, namely usability, information quality and service interaction quality. Shalini and Hemamalini (2015) in their research state that website quality has a significant effect on purchasing decisions.

Brata, Shilvana and Hapzi (2017) also stated that product quality, price, promotion and location simultaneously have a positive and significant effect on purchasing decision variable meanwhile Hasanov and Haliyana (2015) and Piarna R (2011) in the study showed that the quality of the website had no significant effect on purchasing decisions. Website quality also has relationship to trust. Chang et al. (2014), Ganguly and Satya (2010) also show the same thing in their research, namely the quality of the website influences trust.

2.2. Brand image

Kotler and Keller (2012) define brand image as a name, term, sign, symbol, design, or a combination of all that is intended to identify an item or service from a seller or group of sellers and to distinguish it from other competitors. Zulastari and Aditya (2016) in the results of his research show that brand image has a significant effect on consumer purchasing decisions. The same results are also shown in Shah et al. (2012) which shown that brand image has a significant effect on consumer purchasing decisions. Brand image also has relationship to trust. Fianto et al. (2014) stated in his research showed that brand Image has a significant effect on trust. Sitorus and Roni 2015 state the same thing, namely that brand image has a significant effect on customer trust.

2.3 Trust

Trust is the belief that one will find what is desired on the exchange partner. Trusts involve a person of willingness to behave in a certain way because of the belief that his partner will give what he or she hopes for and has that the words of someone else's promise or assertion can be trusted by Barnes and Vidgen (2001). According to Elrado, (2014: 48) trust is the willingness of individuals to depend on others involved in exchange because the individual has confidence to the other party. According to Mowen and Minor (2012) consumer trust is all knowledge held by consumers and all conclusions made by consumers about objects, attributes and benefits. Consumer trust or consumer knowledge concerns the belief that a product has various attributes, and benefits from various attributes (Sumarwan, 2011). Al-Ekam et.al 2012 states that the results of the study showed that Trust has a significant effect on consumer purchasing decisions. Ardyanto et al. (2015) and Mahkota et al. (2014) showed the same results of research, namely that trust has a significant effect on consumer purchasing decisions.

2.4. Purchase Decision

According to Peter and Olson (2006), the purchase decision is an integration process that combines knowledge to evaluate two or more alternative behaviours and choose one of them. According to Tjijptono (2015), the purchasing decision process can be broadly categorized into three main stages: pre-purchase, consumption and post-purchase evaluation. According to Schiffman and Kanuk (2008) the purchasing decision is a selection of two or more alternative choices. In other words, alternative choices must be available to someone when making a decision. The purchase decision making process requires searching or receiving different information. According to Kotler and Armstrong (2012), the purchase decision process for new products has only 5 stages, namely awareness, interest, evaluation, trying and adoption. Lovelock and Wirtz (2011) states that the decision making process is awareness of needs, information seeking, evaluating alternatives, and purchasing decision making. According to Kotler and Amrstrong (2008), that the purchase decision process consists of problem recognition, information search, alternative evaluation, purchasing decision and behavior after purchase

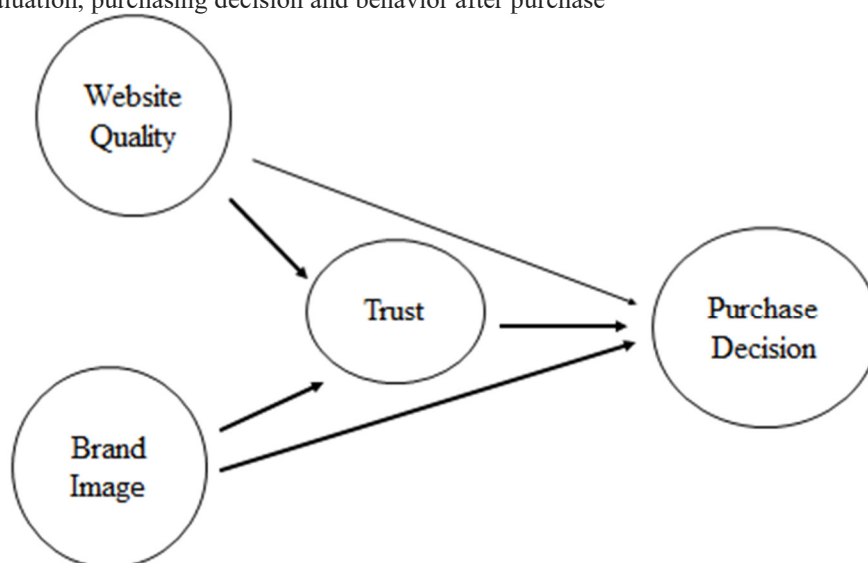


Figure 2.1. Research Model

3. RESEARCH METHODS

The type of research used for this study is to use analytic descriptive research. This study uses 100 samples that represent the population at visitors to Bukalapak.com. Data obtained using quantitative data that are structured, using a Likert scale 1-5, from very agree to disagree. The data in this study were obtained through questionnaires, therefore the research instrument needs to be tested to find out the data quality test which includes reliability test and validity test where data collection is done using the Structural Equation Modeling (SEM) approach using SmartPLS software version 3.2.7. PLS is a structural equation model (SEM) based on variance or component.

4. RESULTS AND DISCUSSIONS

This research was conducted on 100 people from Bukalapak.com customers, but only 96 data can be processed, due to completeness of filling. The majority of respondents are female with the majority aged 21-30 years with the majority of spending every month 2-5 million rupiah.

The results of processing using the SmartPLS above initially did not meet convergence validity because there are still quite a number of indicators that have a value of loading factors below 0.50 so that it needs to be eliminated

Table 1. Outer Loading (Measurement Model)

Website Quality	Before Eliminate	Eliminate 1	After Eliminate
WQ1	.961	.961	.961
WQ2	.963	.963	.963
WQ3	.964	.964	.964
Brand Image	Before Eliminate	Eliminate 1	After Eliminate
BI1	.981	.981	.981
BI2	.984	.984	.984
BI3	.979	.979	.979
Trust	Before Eliminate	Eliminate 1	After Eliminate
T1	-.100	-.100	-
T2	.972	.972	.972
T3	.966	.966	.966
T4	.973	.973	.973
Purchase Decision	Before Eliminate	Eliminate 1	After Eliminate
PD1	.715	.715	.715
PD2	.093	.093	-
PD3	.958	.958	.958
PD4	.953	.953	.953
PD5	.950	.950	.950

Source: Data Processing by PLS 2018

Table 2. Average Variance Extracted (AVE)

Variable	AVE	Validity
Website Quality (WQ)	.927	Valid
Brand Image (BI)	.963	Valid
Trust (T)	.942	Valid
Purchase Decision (PD)	.810	Valid

Table 3. Composite Reliability

Variable	Composite Reliability	Reliability
Website Quality (WQ)	.974	Reliable
Brand Image (BI)	.987	Reliable
Trust (T)	.980	Reliable
Purchase Decision (PD)	.944	Reliable

Table 4. Result for Inner Weight

	Original Sample Estimate	Mean of Subsamples	Standard Deviation	T-Statistics
KW → KP	.105	.193	.066	2.913
BI → KP	.685	.769	.079	9.717
K → KP	.216	.210	.092	2.242
KW → K	.391	.391	.091	4.276
BI → K	.375	.376	.072	5.180

Source: Data Processing by PLS 2018

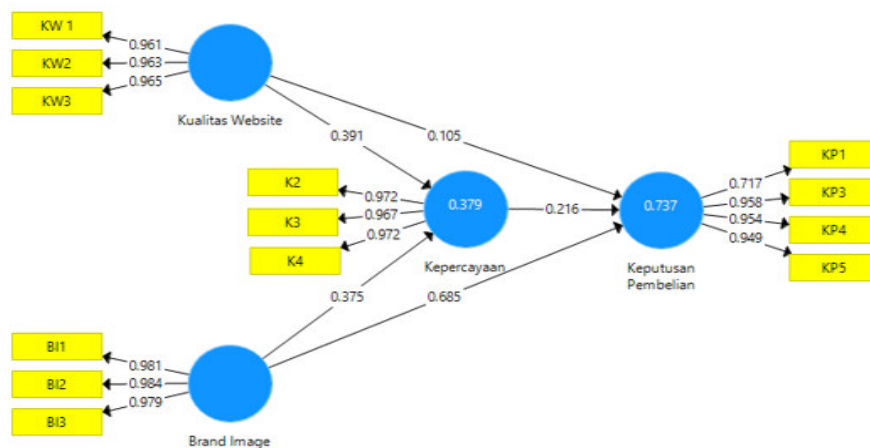


Figure.3.1. PLS Results

It was seen in Table 4 that the influence of website quality (KW) with positive purchasing decision (KP) was 0.105 and was significant at $2.913 > 1.96$. The effect of brand image (BI) with positive purchasing decision (KP) is 0.685 and is significant at $9.717 > 1.96$. The effect of trust (K) with positive purchasing decision (KP) is 0.216 and is significant at $2.224 > 1.96$. The effect of website quality (KW) with positive trust (K) is 0.391 and is significant at $4.276 > 1.96$. The influence of brand image (BI) with positive trust (K) is 0.375 and is significant at $5.180 > 1.96$.

5. CONCLUSIONS AND RECOMMENDATIONS

5.1. Practical implications

In improving the purchase decision, we recommend that the online company consider brand image, website quality, and trust because these three variables have a significant influence on purchasing decision. Therefore, the online shop should analyse overtime the brand image, website quality and trust such that all that three variables can be adjusted.

5.2. Theoretical contributions

Brand image has a positive and significant influence on the purchasing decision. This finding supports the previous research by Zulastari and Aditya (2016) in the results of his research show that brand image has a significant effect on consumer purchasing decisions. The same results are also shown in Shah et al. (2012) which shown that brand image has a significant effect on consumer purchasing decisions. Website quality has a positive and significant effect on purchasing decisions. This research was supported by Shalini and Hemamalini (2015) in their research stated that website quality has a significant effect on purchasing decisions. Trust has a positive and significant effect on the purchase decision. This research was supported by Al-Ekam et.al 2012 stated that the results of the study showed that trust has a significant effect on consumer purchasing decisions. Ardyanto et al. (2015) and Mahkota et al. (2014) showed the same results of research, namely that trust has a significant effect on consumer purchasing decisions.

5.3 Limitations of research

This study did not explore other variables that also affect purchasing decision such as customer satisfaction, customer value and consumer commitment. This study was conducted at only one online shop and therefore cannot be generalised to online shop in different shop in Indonesia. The most important restriction of this research is the cross-sectional nature of the study. It is therefore recommended that causal interpretations of the results be undertaken with caution. As the measurement occurred at a single point in time, whether the conclusions still apply

to the long-term cannot be determined. A longitudinal study may provide a decisive answer to the question of whether the conclusions of this research still apply in the long-term.

5.4 Future research direction

Additional research should expand the object of the research to more than one online shop such that the results can be generalised to all online shop in Indonesia. As previously noted, this study was conducted at a single point in time. Longitudinal research will have more moments of measurement over time.

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