

The Effect of Electronic Word of Mouth (E-WOM), Online Consumer Review (OCR), and Trustworthiness on Consumer Purchasing Decisions Through The Shopee Marketplace

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Article Information		Abstract
Submission date	06 December 2023	<p>Research aim: This study aims to test and analyze the effects of Electronic Word of Mouth (E-WOM), Online Consumer Review (OCR), and Trustworthiness on Consumer Purchasing Decisions through the Shopee Marketplace.</p> <p>Design/Method/Approach: This research is a type of quantitative descriptive research. The population of this study is students of the Management Study Program of Universitas Nusantara PGRI Kediri, with a sample of 40 respondents. This research was conducted by survey method on Management Study Program Students of Universitas Nusantara PGRI Kediri who had made transactions through the shopee marketplace. The sampling technique uses data analysis techniques using multiple linear regression tests. Data processing is carried out using SPSS 23.</p> <p>Research Finding: The results of this study prove that Electronic Word of Mouth (E-WOM), Online Consumer Review (OCR), and Trustworthiness simultaneously have a significant effect on Consumer Purchasing Decisions through the Shopee Marketplace for Management Study Program Students of Universitas Nusantara PGRI Kediri.</p> <p>Keywords: E-WOM, OCR, Trustworthiness, Purchase Results</p>
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1. Introduction

Technological developments are currently experiencing very rapid growth, and significant impacts and changes have occurred in almost all sectors, including in the realm of trade. One aspect of technological development that has a major influence, especially for the people of Indonesia, is the internet network. Internet usage continues to experience a significant increase over time. According to the results of a survey conducted by APJII (Indonesian Internet Services Association), the development of internet networks in Indonesia has begun since 1998, with the number of internet users reaching 500 thousand people. Table 1.1, explained that the number continues to increase, in 2017 there were 142 million internet users in Indonesia, with a penetration of 54.68% of the total 262 million people in Indonesia, in 2018 there were 171.17 million internet users with a penetration of 64.80%, in 2019-2020 (Q2) the number of internet users experienced a very significant increase, which is 196.71 million people out of a total of 266.91 million Indonesian population with 73.7% penetration, in 2021-2022 (Q2) there are 210.03 million internet users with 77.02% penetration, and in 2023 there are 215.63 internet users with 78.19% internet penetration.

Table 1. Growth of Internet Usage in Indonesia

Year	Internet Users	User Penetration
2017	142	54,68%
2018	171,17	64,80%
2019 – 2020 (Q2)	196,71	73,70%
2021 – 2022 (Q2)	210,03	77,02%
2023	215,63	78,19%

Source : APJII, (2023)

Internet connectivity is now an essential necessity for all business people. According to an analysis conducted by Deloitte in a report titled "*The Economic Impact and Disruptions to Internet Connectivity*," it is stated that the availability of internet in a country has a positive correlation with the value of Gross Domestic Product (GDP). According to information compiled from BPS (Central Statistics Agency), the information and communication sector (infokom) recorded the most significant increase in growth in 2023. This phenomenon is caused by the transformation of the internet into a primary need in supporting various daily activities, especially in the midst of a pandemic like now. This development happened quickly. The rapid development of the internet has also brought changes to the mindset of consumers (*customers*), namely a shift from *offline* to *online* systems [1].

With the continuous increase in the number of internet users in Indonesia, the country has become a very attractive target for the *e-commerce* market. According to data from Bank Indonesia (BI), the value of electronic commerce transactions (*e-commerce*) reached Rp180.74 trillion in September 2020. The statement was reinforced by Purwoko, a Principal Economist and PMO Blue Print of BI's Payment System, who revealed that "the number of *e-commerce* transactions has almost doubled amid the coronavirus pandemic. The number of these transactions increased from 80 million in 2019 to 140 million as of August 2020." This significant growth should be utilized optimally by business people.

The striking increase in the growth of e-commerce business illustrates the high public interest in e-commerce in Indonesia. Currently, there are 9 e-commerce applications originating from within and outside the country, such as Tokopedia, Shopee, Bukalapak, Lazada, Blibli, Bhinneka, Orami, Ralali, and JD.ID. Based on the survey results, the Shopee application is the most downloaded, both through the Android (Play Store) and iOS (App Store) platforms.

Table 2. Marketplace Competition in Indonesia in 2022

Online Store	Monthly Web Visitors	Rangking AppStore	Rangking PlayStore	Twitter	Instagram	Facebook
Tokopedia	158.346.667	#2	#5	1.000.000	5.263.104	6.517.950
Shopee	131.296.667	#1	#1	842.900	8.727.742	25.778.184
Bukalapak	21.303.333	#7	#6	252.500	2.110.525	2.505.675
Lazada	26.640.000	#3	#2	475.900	3.156.231	32.137.440
Blibli	19.736.667	#5	#3	613.700	2.258.064	8.689.266
Bhinneka	1.370.000	#20	#16	65.800	42.138	1.025.652
Orami	16.176.667	#NA	#NA	5.685	20.085	350.042
Ralali	10.830.000	#24	#NA	3.736	50.778	90.396

Online Store	Monthly Web Visitors	Rangking AppStore	Rangking PlayStore	Twitter	Instagram	Facebook
JD.ID	2.343.333	#9	#9	62.100	649.824	1.036.192

Source : (IPPRICE, 2022)

Shopee is an electronic commerce platform that was first introduced in Singapore in 2015 with the concept of *consumer to consumer* (C2C). Shopee has grown into one of the major players in the *e-commerce* industry and simultaneously launched in seven countries, including Singapore, Indonesia, Malaysia, Taiwan, Vietnam, Thailand, and the Philippines. Since its initial launch in 2015, Shopee, especially in Indonesia, has experienced a very significant increase from year to year. In 2020, Shopee recorded a GMV (Gross Merchandise Value) of US\$ 40.1 billion or equivalent to Rp 573 trillion, and managed to dominate the market in Indonesia with a market share of 37% [2].

Finding information about the desired product is a very crucial step before making a purchase, either directly or through an online platform. This information is a very important foundation for potential customers so that the products they choose match their expectations. Information acts as a basis that facilitates marketing communication between consumers and companies. One of the online marketing communication strategies that can be used by consumers to access information is through Electronic Word Of Mouth (e-WOM), Online Consumer Review (OCR), and Trustworthiness.

Electronic word of mouth (e-WOM) has a significant impact on purchasing decisions on the Shopee marketplace. Consumers tend to trust opinions and reviews from other consumers, which can influence their decision to make a purchase. Positive or negative opinions and reviews on blogs through e-WOM and exposure to advertisements can also affect consumer interest in shopping at Shopee. Electronic word of mouth (e-Wom) is marketing using the internet to create a word-of-mouth effect to support marketing efforts and goals [3]. Electronic word of mouth (E-WOM) refers to statements regarding products or companies that come from prospective customers, current customers, or previous customers. This statement is accessible to various individuals and institutions via the internet[4]. Electronic word of mouth, is the latest approach in the context of word of mouth that emerged due to the rapid advancement of the internet. Through online platforms, there is an exchange of information from positive to negative, showing that the concept of WOM is not something new in the world of marketing [5].

Not only the importance of electronic word of mouth (e-wom) before shopping online to get information about the desired product, but also can browse the views of consumers who have made previous purchases through Online Consumer Review (OCR). One that influences purchasing decisions when shopping at the marketplace is Online Consumer Review (OCR) or customer ratings of a product, or an assessment of the services provided by sellers [1]. Online Consumer Review (OCR) is an aspect and attribute of a product that aims to achieve implied purchase satisfaction. In the Shopee platform, we can find electronic word of mouth (e-WOM) through the online consumer review (OCR) function [6]. Online Consumer Review (OCR) includes an evaluation of product quality provided by consumers who have made a purchase through an online seller [7].

In the e-commerce environment, trust is a very important factor. Consumers are often faced with uncertainty regarding product quality, seller reliability, and security issues in online transactions. Trustworthiness or trust is considered a crucial element in all market transactions. Market sustainability cannot be thought of without a social framework that rests on community norms, including trust [8]. Trustworthiness is a cognitive part of psychological factors, trust related to beliefs about the truth or falsity of something based on evidence, advice, authority, experience, and intuition [9]. Trustworthiness refers to consumer trust in the brand of the product. Consumers have their own standards and expectations for products that need to be met [10].

This interesting phenomenon is the main impetus for research. This research will investigate the impact of electronic word of mouth (e-wom), online consumer review (OCR), and trustworthiness on purchasing decisions on Shopee's mobile marketplace platform. Given that there are still some consumers who feel hesitant to make online transactions because they are worried about product discrepancies displayed by sellers, information from electronic word of mouth (e-WOM), online consumer review (OCR), and trustworthiness can be additional that helps convince these consumers.

Based on the description of the problem described above, the author feels interested to know more about: "The Effects of Electronic Word of Mouth (E-WOM), Online Consumer Review (OCR), and Trustworthiness on Consumer Purchasing Decisions through the Shopee Marketplace (Study on Management Study Program Students of Universitas Nusantara PGRI Kediri)".

1.1. Statement of Problem

Based on the background in the previous description, it can be seen that the problem statement in this study is that there is a possibility of fake or manipulated reviews that can be made by interested parties. This can hurt consumers who rely on reviews to make purchasing decisions. Consumers may not always be able to verify the source of a review, and reviews may be influenced by interested parties, including competitors or those paying for positive reviews. Although consumer trust in the Shopee marketplace is explained as a key factor, it is not explained in depth how this level of trust can be maintained or improved, especially amid the rapid competition in the e-commerce industry.

1.2. Research Objectives

Based on the problems formulated, the purpose to be achieved in this study is to examine and analyze whether the variables Electronic Word of Mouth (E-WOM), Online Consumer Review (OCR), and Trustworthiness are perial and simultaneously have a significant effect on consumer purchasing decisions through the shopee marketplace.

2. Method

This research uses a type of quantitative research, because quantitative research obtains data in the form of numbers. The data sources of this study are primary data and secondary data. The object of research used is the University of Nusantara PGRI Kediri located on Jl. KH. Ahmad Dahlan No.76, Mojoroto, Kediri City. While the sample unit used is a student of the Management Study Program, Universitas Nusantara PGRI Kediri, a user of the Shopee market place. The population in this study is active students of Universitas Nusantara PGRI Kediri Management Study Program batch of 2020. In determining the sample, the technique used in sampling is based on the Non-probability sampling technique. Techniques that do not provide

equal opportunities or opportunities for every element or member of the population to be selected into a sample [11]. This sampling using the Non Probability Sampling method, then the number of samples in this study was 40 respondents. This data collection technique is carried out by providing written statements to respondents about their opinions regarding the influence of electronic word of mouth (e-WOM), online consumer review (OCR), and trustworthiness on consumer purchasing decisions through the Shopee marketplace for students and students of Universitas Nusantara PGRI Kediri. In this study, the analytical methods used are Descriptive Analysis and Multiple linear Analysis.

3. Results and Discussion

The results of the questionnaire distribution showed that out of 40 expected samples had been filled in. Data collection methods in this study include the use of primary data and secondary data. Researchers will use a variety of data collection tools, such as questionnaires, observations, and document studies.

Reliability Test

Table 3. Reliability Test Results

No.	Variables	Cronbach's alpha	Alpha Kritis	Information
1.	Electronic Word Of Mouth (X1)	0,807	0,6	Reliable
2.	Online Consumer Review (X2)	0,795	0,6	Reliable
3.	Trustworthiness (X3)	0,745	0,6	Reliable
4.	Purchase Results (Y)	0,803	0,6	Reliabel

Source : SPSS output from primary data that has been processed in 2023

Based on table 3 above, it can be seen that the Electronic Word Of Mouth variable (E-WOM), Online Consumer Review (OCR), Trustworthiness, and Purchase Decision have a greater value than Cronbach's Alpha coefficient. With this statement, questionnaires about these variables are declared reliable.

Validity Test

Table 4. Validity Test Results

Variable	Item Number	r Calculate	r Table	Information
Electronic Word Of Mouth (E-WOM) (X1)	1	0,854	0,312	Valid
	2	0,809	0,312	Valid
	3	0,843	0,312	Valid
	4	0,668	0,312	Valid
Online Consumer Review (OCR) (X2)	1	0,830	0,312	Valid
	2	0,787	0,312	Valid
	3	0,657	0,312	Valid
	4	0,736	0,312	Valid
Trustworthiness (X3)	1	0,821	0,312	Valid
	2	0,880	0,312	Valid
	3	0,838	0,312	Valid
Purchase Results (Y)	1	0,592	0,312	Valid
	2	0,625	0,312	Valid
	3	0,832	0,312	Valid
	4	0,749	0,312	Valid

Variable	Item Number	r Calculate	r Table	Information
	5	0,531	0,312	Valid

Source : SPSS output from primary data that has been processed in 2023

Based on table 3.2 above, it can be seen that of all items showing greater than r-table. Therefore, it can be concluded that the question items in the questionnaire are significantly correlated with total scores or can be said to be valid.

Multiple Linear Regression Analysis

Table 5. Multiple Linear Regression Analysis

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	19.082	2.486		7.677	.000
	X1_1	-1.184	.174	-1.019	-6.813	.000
	X2	.746	.222	.566	3.361	.002
	X3	.935	.212	.674	4.411	.000

a. Dependent Variable: Y

Source : SPSS processed in 2023

From the results of the multiple linear regression analysis table above, the regression analysis equation can be written as follows:

$$Y = X1 + X2 + X3$$

$$19,082 = -1,184 + 0,746 + 0,935$$

The value of constants X1, X2, X3 = 19.082. If the value of the constant X1 decreases by 1 unit then the value of Y decreases by -1.184, indicating that the Electronic Word Of Mouth (E-WOM) variable has a positive influence on the Purchase Decision which means that every decrease of 1 unit of the Electronic Word Of Mouth (E-WOM) variable will affect the Purchase Decision by -1.184. If the value of the constant X2 increases by 1 unit then the value of Y increases by 0.746, indicating that the Online Consumer Review (OCR) variable has a positive influence on Purchasing Decisions which means that every increase of 1 unit of the Online Consumer Review (OCR) variable will affect the Purchase Decision by 0.746. And if the value of the constant X3 increases by 1 unit then the value of Y increases by 0.935, indicating that the Trustworthiness variable has a positive influence on the Purchase Decision which means that every increase of 1 unit of the Trustworthiness variable will affect the Purchase Decision by 0.935.

T Test

Table 6. Hypothesis Test (T Test)

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	19.082	2.486		7.677	.000
	X1_1	-1.184	.174	-1.019	-6.813	.000
	X2	.746	.222	.566	3.361	.002
	X3	.935	.212	.674	4.411	.000

a. Dependent Variable: Y

Source : SPSS processed in 2023

Based on the results of Table 6, namely the t-test (partial) shows that the results of the analysis on the variable X₁ obtained a calculated T value of -6.813, in this case the calculated T value is absolute to 6.813 and the table T is 0.681000. It can be concluded that T count more than T table means Ho is rejected and Ha1 is accepted with a signification level of 0.000 less than 0.05 which means that the Electronic Word Of Mouth (E-WOM) variable (X₁) partially has a significant effect on the Purchase Decision variable (Y).

The result of table 6, namely the t-test (partial), shows that the variable X₂ obtained T count of 3.361 and T table of 3.319. It can be concluded that T count is greater than T table then Ho is rejected, Ha2 is accepted with a signification level of 0.002 less than 0.05 meaning that the Online Consumer Review (OCR) variable (X₂) partially has a significant effect on the Purchase Decision variable (Y).

The results of table 6, namely the t-test (partial), show that the variable X₃ obtained a calculated T of 4.411 and a table T of 3.319. It can be concluded that T count is greater than T table then Ho is rejected, Ha2 is accepted with a signification level of 0.000 less than 0.05 meaning that the Trustworthiness variable (X₃) partially has a significant effect on the Purchase Decision variable (Y).

Model Testing (Test F)

Table 7. Simultaneous Test (F Test)

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	112.064	3	37.355	21.775	.000 ^b
	Residual	44.603	26	1.715		
	Total	156.667	29			

a. Dependent Variable: Y

b. Predictors: (Constant), X₃, X_{1_1}, X₂

Source : SPSS processed in 2023

From the results of statistical calculations using SPSS, an F value of 21,775 is obtained with a significant level of 0.000 if the value of the F significance level is obtained that the F significance value is smaller than 0.005. This means that the variables Electronic Word Of Mouth (E-WOM), Online Consumer Review (OCR), and Trustworthiness simultaneously or together have a significant effect on Purchasing Decisions.

Coefficient of Determination

Table 8. Coefficient of Determination

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.846 ^a	.715	.682	1.30977	

a. Predictors: (Constant), X3, X1_1, X2

b. Dependent Variable: Y

Source : SPSS processed in 2023

Based on Table 3.6, the coefficient of determination has an adjusted R square of 0.682. This translates to 68.2% of Purchase Decisions (Y) that can be explained by independent variables namely Electronic Word Of Mouth (E-WOM) (X3), Online Consumer Review (OCR) (X2), and Trustworthiness (X3). While the rest (100% - 68.2%) = 31.8% was explained by other variables outside the model that were not explained in this study.

4. Conclusion

This study aims to investigate the impact of Electronic Word of Mouth (E-WOM), Online Consumer Review (OCR), and Trustworthiness on purchasing decisions on the Shopee mobile marketplace platform. Based on research findings, Electronic Word Of Mouth (E-WOM), Online Consumer Review (OCR), and Trustworthiness variables together have a significant effect on consumer purchasing decisions. The results of regression analysis show that Electronic Word Of Mouth (E-WOM), Online Consumer Review (OCR) and Trustworthiness variables have a positive effect on purchasing decisions.

The contribution of this research lies in a deep understanding of the factors that influence consumer purchasing decisions on the Shopee platform. This research provides new insights in the context of online marketing and e-commerce, by highlighting the role of Electronic Word of Mouth (E-WOM), Online Consumer Review (OCR), and Trustworthiness in influencing consumer preferences. These findings provide a basis for businesses and governments to develop marketing strategies that are more effective in responding to changes in consumer behavior in the digital age.

Although this study made a significant contribution, there are limitations that need to be noted. One of the main limitations is the focus on Management students of Universitas Nusantara PGRI Kediri as a research sample. Therefore, generalizing the results of this study needs to be done carefully. In addition, changes in the dynamic online business environment can affect research results. Therefore, continuous research and regular data updates can increase the validity of findings. As a further step, further research can involve more representative samples from various walks of life and industry. In addition, further exploration

of other factors that might influence consumer purchasing decisions in the digital age could be an interesting research agenda. Thus, further research is expected to provide a more comprehensive and relevant understanding of the dynamics of online marketing in the future.

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