THE INFLUENCE OF PERCEIVED VALUE AND TRUST ON REPURCHASE INTENTION IN SHOPEE ONLINE SHOPPING

PENGARUH DARI NILAI YANG DITERIMA DAN KEPERCAYAAN DALAM INTENSI PEMBELIAN KEMBALI DI PERBELANJAAN ONLINE SHOPEE

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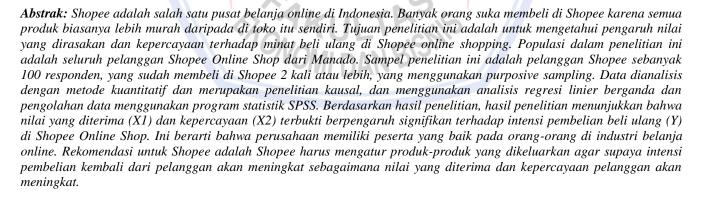
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Abstract: Shopee is one of many online shopping center in Indonesia. Many people like to buy in Shopee because all the products are usually cheaper than at the stores itself. The purpose of this research is to find out the influence of perceived value and trust on repurchase intention in Shopee online shopping. The population of this research is all the customers of Shopee Online Shop from Manado. The sample of this research is customers of Shopee as many as 100 respondents, who already bought in Shopee 2 times or more, which are using purposive sampling. The data is analyzed by quantitative method and it is a causal research, and was using multiple linear regression analysis and processing of data using SPSS statistical program. Based on the results, research findings show that perceived value (X1) and trust (X2) proved significantly influence on repurchase intention (Y) in Shopee Online Shop. This means that the company has a good participant on people in online shopping industry. Recommendation for Shopee itself that Shopee should maintain their products so the customers repurchase intention could be increased as the perceived value and trust of the customer also increased.

Keywords: perceived value, trust, repurchase intention



Kata Kunci: nilai yang diterima, kepercayaan, intensi pembelian kembali

INTRODUCTION

Research Background

Nowadays, internet is become one of the important needs for most of the people in the world, whether youth or adult, whether for work, business, study, and anything else. Internet also can be accessed easily because everyone has their own smartphones and a Subscriber Identity Module (SIM) card. People need internet to help their activities such as communication, studying, getting new information, and even for playing. Most people use the internet for some business and one of those businesses is online shop. Online shopping is a form of electronic commerce which allows customers to directly buy goods or services from a seller over the internet using a web browser and an application. Online shops are usually available 24 hours a day and many customers in the world have internet access at work, at home, and even at everywhere.

There are 3 factors that influence online shopping in this research which are perceived value, trust, and repurchase intention. Perceived value becomes one of the factors that have influence on repurchase intention in online shopping. In online shopping, there are several factors that will support perceived value from the shop and there are so many ways to keep the good perceived value. Perceived value has an important and positive effects on customer repurchase intention in the future. According to Kotler (2008) customer perceived value is the difference between the perspective customer's evaluation of all benefits and all the costs of an offering and the perceived alternatives. Perceived value becomes one of the factors that have influence on repurchase intention in online shopping. In online shopping, there are several factors that will support perceived value from the shop and there are so many ways to keep the good perceived value. The first is fulfilling the customer's desire. The second one is making the price tag affordable according to the product's quality. The third is keeping the good reputation of the online shop.

For the assessment of a product, it takes a good reputation and also known as a good review so the people's interest to shop is higher and buys more the products. Perceived value has an important and positive effects on customer repurchase intention in the future. If company can increase the consumer/customer perceived value of the product, automatically the customer repurchase intention on the products will be increased.

Trust is one major factor that makes a big influence on the repurchase intention. Therefore, a given trust must be used well and do not make the customers get angry or disappointed because of the seller's attitude itself. According to Peha and Khamitov (2004) trust has developed the long term impact in customer's mind by satisfying customer need by meeting expectation, fulfilling customer's desire, and building a long term association. Same like satisfy that be given to the customer, the owner or the seller must has a good and friendly attitude to the customer so that the trust for the online shop itself is higher than before. This research will also discuss about repurchase intention in online shopping. Repurchase intention is the intention to buy again or buy more about a product in the same online shop. Intention to buy again a product in the same online shop can be easy, but if a customer felt bad with the product's quality or anything else that can inhibit, intention from the customer to buying again can be so decreased.

If the product's quality in an online shop is good or even better along with the owner has some ways to make a good relation with the customers, the online shop itself can make a big profit and with the period of time the online shop would be a successful business. If everything run well and the customers happy, then the customers will intentionally recommend the online shop to the family, friends, and relations. So, the online shop can be known by many people and more people will have the intentions to buy a product for the online shop itself. Therefore the number of customers will greatly increase and also the profit by the period of time.

A quality of the product in an online shop is very important to get customers' intention for buying back in that online shop. The owner also will feel satisfied by their selves if they can give their best for their lovely customers and Shopee will be the research's object for this research.

Shopee is one of many online shopping centers in Indonesia that have a good reputation. To be a trusted online shop, Shopee make some innovative that keep the customers' loyalty. One of the key to the success of Shopee online shop in Indonesia is the company is a pioneer in mobile shopping activity and has consistently focused its business on delivering mobile phone shopping experience to users. Many people like to buy in Shopee because all the products are usually cheaper than at the stores itself. People can also sell products through this online shop. In Shopee, there are so many products that have been sold and many customers like to re-buy or make a repurchase for the same product because the value and the quality of the product are good.

Research Objective

The research aims to analyze the influence of:

- 1. Perceived Value and Trust On Repurchase Intention In Shopee Online Shopping simultaneously.
- 2. Perceived Value On Repurchase Intention In Shopee Online Shopping partially.
- 3. Trust On Repurchase Intention In Shopee Online Shopping partially.

THEORETICAL REVIEW

Marketing

In general, marketing appear as the concepts of management, productions, and promotions of products and services to meet customers' unsatisfied needs and wants. According to Kotler and Keller (2009) explain marketing as the social process and managerial process by which individuals and groups obtained what they need and want through creating and exchanging product and services value to customer and for managing customer relationship in ways that benefit the organization and the stakeholders. A broader definition of marketing has been developed by Dibb et al (2012) where marketing consists of individual and organizational activities that facilitate and expedite satisfying exchanges relationship in dynamic activities through creation, distribution, promotion and pricing of goods, services, and ideas.

Perceived Value

Perceived value is a multidimensional concept and has a dynamic structure. Perceived value can be identified as the value of a product that is determined by customer's opinion about its value. Customer's perceived value can be defined from the perspective of money, quality, benefit, and social psychology. According to Hellier et al (2003) perceived value defined the customer's overall appraisal of the net worth of the service, based on the customer's assessment of what is receive (benefits provided by the service), and what is given (costs or sacrifice in acquiring and utilizing the service). According to Hossain (2006) perceived value may be used by consumers to "bundle" various aspects of the product relative to competitive offerings. That is, perceived value can be viewed as a relative measure of the costs and other monetary aspects of the product in comparison to competition.

Trust

Streams of research on trust can be found in the fields of philosophy, sociology, physiology, management, marketing, and e-commerce. For online trust, generally, the technology is a proper object of trust. According to Youzafzai, Pallister and Foxall (2003), trust defines as the stated of an activity of adventure that includes a monetary deal that results a lower risk and positive interest in purchasing products and services. Trust known can increase the consumers' intention to participate into internet shopping than, automatically will decrease risk perception and indirectly demonstrates as positive effects on online shopping (Celick and Yilmaz in Aren et al 2013). When people think about having a long-term relation with something we need to make sure that it is can give benefit and also can be trusted, because nobody wants to be fooled. Trust is also considered as a key element in establishing long-term relationships with customers and in maintaining a company's market share by Urban, Sultan and Qualls (2000).

Repurchase Intention

As of today there is a limited study that has been focused on repurchase intention. One factor that makes a big effect to the business like online shop is repurchasing intention. Customer repurchase intention depends on value obtained in their previous transaction. According to Hellier et al (2003), mentioned repurchase intention is the process in which a person intends to repurchase the similar goods or services based on the previous purchase experience. Further, according to Hossain (2006) a repurchase intention can be subsumed under the more general concept of "behavior intention" which includes intentions other than those related to repurchases, e.g. intention to purchase a product for the first time, word-of-mouth intentions, and complaint intentions. Still others have considered the predictive validity of repurchase intention for subsequent repurchase behavior (Mittal and Kamakura, 2001).

Previous Research

The first article is The Influence of Perceived Value on Repurchase Intention: A Leading 3C Retailer In Taiwan As An Example by Huang (2015). This study showed a survey is conducted on the front-desk employees of different branches of a leading 3C retailer in Taiwan via stratified random sampling. Stratified random sampling is a method of sampling that involves the division of a population into smaller groups known as strata. This study conducts the Sobel test on the coefficient path of latent variables (non-observable) by using Maximum Likelihood Estimation (MLE), in order to verify whether the direct effects, mediating effects, and total effects are statistically significant. This research finding suggests that perceived value has significant and direct effects on repurchase intention. Customer satisfaction also serves a certain degree of mediating effects. This research finding can provide a reference to the strategic planning of the management of the leading 3C retailer concerned so as to enhance the repurchase intention of customers.

Second article is From Customer Perceived Value to Repurchase Intention in Textile Sector of Bangladesh: A Correlation Study by Ahmed (2014). The study reveals that there is a positive correlation among the variables perceived value, customer satisfaction, brand preference and repurchase intention. However company has to take right initiatives to motivate customer to make re-buy through offering bundle of benefits that satisfy their survival in this competitive business world.

The third article is The Effect of Customer Trust on Customer Loyalty and Repurchase Intention: The Moderating Influence of Perceived CSR by Upamannyu et al (2015). This study tested the effects of Customer Trust on Customer Loyalty and Repurchase Intention with perceived CSR as a moderating effect. This study was resulted number of findings in different situation and was intended about the reader of newspaper. This study showed that the relationship between customer trust and repurchase intention which was found to be positive influence on repurchase intention and relationship between customer loyalty and repurchase intention which resulted positively effect and positively impact on repurchase intention. The data were collected from various demographic populations in India through self-made and modified questionnaire.

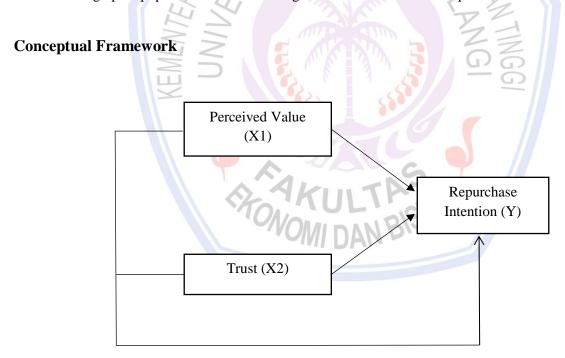


Figure 1. Conceptual Framework

RESEARCH METHODOLOGY

Type of Research

This research used quantitative methodology and causal research that determines and investigates the influence of perceived value and trust on repurchase intention in Shopee online shopping.

Place and Time of Research

This research is conducted in Manado with the period of time from December 2017 to January 2018.

Population and Sample

Population in this research is the people that have experienced shopping in Shopee Online Shop from Manado. The sampling technique of this research is Purposive Sampling that is a technique to determine the sample of a research with some specific considerations that aims to obtain data to be more representative. The sample size of this research is 100 respondents.

Source of Data

Primary data in this research is the results of a questionnaire on repurchase intention in Shopee Online Shopping. Secondary data in this research is about the various theories and related data. The data is taken from books, journals, and relevant literature from library and internet.

Data Analysis Method

Validity and Reliability Test

Validity test relates to the accuracy of the use the indicators of variables to examine the questions that being studied to get the data is valid. The instrument considered as a valid if the correlation coefficient between the score of each questions and the total score of all questions is positive that more than 0.3 ($r \ge 0.3$).

The reliability of the data is checked through Cronbach's Alpha which is overall 0.6. Cronbach's Alpha is a reliable coefficient that can indicate how good items in asset have positive correlation one another. If Alpha less than 0.6 means the data is unreliable.

Multiple Regression Analysis

Multiple regressions are the extension of simple linear regression. This analysis model is a useful technique to find out the value and influence of more than one independent variable (X) on its dependent variable (Y) value. (Sekaran, 2005).

The equation model of multiple regression analysis use in this research can be formulated as shown below:

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \epsilon$$

Description:

Y = Repurchase Intention (dependent variable)

 α = Constant

 $\beta 1 \beta 2$ = the regression coefficient of each variable

*X*1 = Perceived Value (independent variable)

X2 = Trust (independent variable)

e = Error

RESULT AND DISCUSSION

Validity Test

Table 1. Validity Test

•	X1	X2	Total XY
Perceived Value	1	.781**	.913**

Trust	.781**	1	.917**
Repurchase Intention	.736**	.733**	.909**

Source: Data Processed (2018)

Based on the table 1, it shows that the value of correlation index for relationship among the independent variables (Perceived Value and Trust) with the dependent variable (Repurchase Intention) is greater than 0.3 and below the significant level of 5% (0.05). The correlation between Perceived Value (0.913), Trust (0.917), and Repurchase Intention (0.909). All the variables show a positive relationship. Therefore, the data is considered as valid.

Reliability Test Table 2. Reliability Test

Cronbach's Alpha	N of Items
.898	3

Source: Data Processed (2018)

Based on the data in table 2, it shows that the value of Cronbach's Alpha of 3 items used in this research is 0.898. The data is considered as reliable since the value of Cronbach's Alpha is 0.8, which is acceptable. >0.8 indicates that the data is acceptable.

Multiple Regression Analysis Table 3. Multiple Regression Analysis

		Unstandardized Coefficients		Standardized Coefficients			
Model		В	Std. Error	Beta	t	Sig.	
1	(Constant)	.853	.902		.946	.347	
	Perceived Value	.478	.117	.418	4.087	.000	
	Trust	.439	.110	.407	3.986	.000	

a. Dependent Variable: Repurchase Intention

Source: Data Processed (2018)

As has been pointed out in the previous section that the objectives of this research are to analyze whether there is a relationship between the independent variable which are perceived value (X1) and trust (X2) on dependent variable which is repurchase intention (Y). In order to get the result, a quantitative analysis with linear regression.

The equation is as follow:

$$Y = 0.853 + 0.478\chi_1 + 0.439\chi_2 + e$$

The interpretation of the question is:

- 1. The value of constant in B table has value of 0.853 which means all of the independent variables are Perceived Value (X1) and Trust (X2) accepted, which means every one scale added to all independent variables influence on the increasing value of Repurchase Intention of 0.853.
- 2. Perceived Value (X1) shows the coefficient value of 0.478, which means every one scale added on Perceived Value will increase 0.478 the value of Repurchase Intention.

3. Trust (X2) shows the coefficient value of 0.439, which means if trust value increase by one scale or one unit will influence on the increasing value of Repurchase Intention at 0.439.

Coefficient of Correlation R and Determination of R^2 Table 4. Table R and R^2

Model Summary ^b					
Model	R	R Square	Adjusted R Square		
1	.778 ^a	.606	.598		

a. Predictors: (Constant), Trust, Perceived value

b. Dependent Variable: Repurchase Intention

Source: Data Processed (2018)

Based on the analysis of correlation R is equal to 0.778 indicating that the Correlation of the influence of X1 and X2 on Y has a substantial positive association relationship.

To determine the distribution of the influence of X1 and X2 on Y can be seen that the Determinant of the Coefficient R^2 in the table above. R^2 value of 0.606 in this study may imply that the contribution of the independent variables on dependent variable of 60.6% while the remaining 39.4% is affected by other variables not examined in this research.

Hypothesis Testing

The result is intended to determine the influence of Perceived Value (X1) and Trust (X2) as independent variable to Repurchase Intention (Y) as dependent variable simultaneously and partially. The F-Test used to determine the partial effect of each independent variable to dependent variable.

Tabel 5. Simultaneous Test (F-Test Output)

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	389.111	2	194.555	74.495	.000 ^b
1	Residual	253.329	97	2.612		
	Total	642.440	99			

a. Dependent Variable: Repurchase Intention

b. Predictors: (Constant), Trust, Perceived Value

Source: Data Processed (2018)

In the table 5, the degree of freedom 1 (numerator) is 2 and degree of freedom 2 (denumerator) is 97 with the level of significance is 0.05 (α = 0.05) and the level of confidence is 95% then Ftable is 2.31. The result is Fcount (74.495) > Ftable (2.31). Since Fcount is greater than Ftable so H0 is rejected and H1 is accepted. This means the independent variables simultaneously influence the dependent variable. Therefore, hypothesis 1 is accepted.

Table 6. Partial Test (T-test Output)						
Variables	$\mathbf{T}_{\mathbf{count}}$	$\mathbf{T_{table}}$	Description			
Perceived Value (X1)	4.087	1.660	Accepted			
Trust (X2)	3.986	1.660	Accepted			

Source: Data Processed (2018)

Based on the table 6, the results are:

- 1. Perceived Value (X1) and Repurchase Intention (Y)
 Tount for each independent variable, which is for Perceived Value (X1) Tount=4.087 and Ttable=1.660 which Tcount>Ttable. Therefore, H0 is rejected and H1 is accepted, which means Perceived Value (X1) significantly influences on Repurchase Intention (Y).
- 2. Trust (X2) and Repurchase Intention (Y)
 Tount for each variable, which is for Trust (X2) Tount=3.986 and Ttable=1.660 which Tount>Ttable.
 Therefore, H0 is rejected and H1 is accepted, which means Trust (X2) significantly influences on Repurchase Intention (Y).

Discussion

These days, the availability of internet has shown vital role on supporting any activities of people. Meanwhile, the development function of internet has also shows its influence in shopping industry in the use of internet availability as a facility to sell and buy of much kind of goods that able to purchase through online that called online shopping.

This research was conducted in Manado, North Sulawesi and was spreading via social media using the Google Forms. The sample that was taken is 100 respondents who ever bought in Shopee Online Shop. The result of this research shows that the independent variables which are Perceived Value and Trust have influence on Repurchase Intention as the dependent variable. The influence is good enough based on the results Perceived Value and Trust have positive effects on Repurchase Intention.

In shopping industry most of people usually have their needs and wants of themselves. Each shop has a product that every people want to buy of. To buy some products, people actually think about their needs and wants. Online shop itself also needs a good reputation. Then the customers would like to buy again because of the reputation is good and the customers would not hesitate to buy more of their products. To trust about one company, customers will make sure the service performance is good, so the intention to repurchase will increase too. One of the important things is trustworthy. The company should make a good relation with the customers.

CONCLUSION AND RECOMMENDATION

Comclusion

Based on the analysis and discussion, there are several conclusions after examining the findings and discussing the result based on this research can be concluded as follow:

- 1. The independent variables which are Perceived Value and Trust have simultaneously effects on Repurchase Intention as the dependent variable.
- 2. Perceived Value as one of the independent variable shows that there is significantly effect on Repurchase Intention in Shopee Online Shopping partially.
- 3. Trust as one of the independent variable shows that there is significantly effect on Repurchase Intention in Shopee Online Shopping partially.
- 4. There are 3 indicators that make Perceived Value significantly effect on Repurchase Intention, which are fulfilling people's desire, good price tag, and a good reputation.
- 5. There are also 3 indicators that make Trust significantly effect on Repurchase Intention, which are privacy protection, a good service performance, and trustworthy.

Recommendation

- Based on the results and conclusions, there are several recommendations that can be listed as follows:
- 1. Online shop such as Shopee should maintain their products so the customers repurchase intention could be increased as the perceived value of the customer also increased.
- 2. Each company especially Shopee, should build more trust towards the customers based on the ability and integrity to sustain the customers intention to repurchase.
- 3. As one of the biggest online shop, Shopee should be aware about customer's perception so the relationship between the online shop or the seller and the customers would be good.

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