

THE INFLUENCE OF E-COMMERCE TO STUDENT ONLINE DECISION AT SAM RATULANGI UNIVERSITY

PENGARUH E-COMMERCE TERHADAP KEPUTUSAN ONLINE MAHASISWA DI UNIVERSITAS SAM RATULANGI

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Abstract: This study objectives are to analysis the influence of convinience, e-word of mouth communication, trust also promotion on consumer online decision partially and simultaneously for students at Faculty Economics and Business Sam Ratulangi University. This research use university students as respondents. Sample of this research are 100 respondents. Data analysis using multiple regression analysis. This research finds:the research model consisting of: convinience, e-word of mouth communication, trust and promotion has a positive and significant influence on consumer online decision. Results of hypothesis testing found that convinience, e-word of mouth communication, trust and promotion partially has significant and positive impact on consumer online decision in this research. E-word of mouth communication has the highest impact variable that influence consumer online decision comparing to other variable. Suggestions: E-commerce corporation in this research must pay attention to this research finding. E-commerce organization in this research must improve variables that correlated to consumer online decision especially in university students.

Keywords: *convinience, e-word of mouth communication, trust, promotion, e-commerce, consumer online decision*

Abstrak : Tujuan penelitian ini adalah untuk menganalisis pengaruh kenyamanan, komunikasi e-word of mouth, kepercayaan dan promosi terhadap keputusan online konsumen secara parsial dan simultan untuk mahasiswa di Fakultas Ekonomi dan Bisnis Universitas Sam Ratulangi. Penelitian ini menggunakan mahasiswa sebagai responden. Sampel penelitian ini adalah 100 responden. Analisis data menggunakan analisis regresi berganda. Penelitian ini menemukan: model penelitian yang terdiri dari: kenyamanan, komunikasi e-word, kepercayaan dan promosi memiliki pengaruh positif dan signifikan terhadap keputusan online konsumen. Hasil pengujian hipotesis menemukan bahwa kenyamanan, komunikasi e-word, kepercayaan dan promosi secara parsial memiliki dampak signifikan dan positif terhadap keputusan online konsumen dalam penelitian ini. Komunikasi E-word of mouth memiliki variabel dampak tertinggi yang mempengaruhi keputusan konsumen online dibandingkan dengan variabel lainnya. Sebaiknya perusahaan e-commerce harus meningkatkan jumlah promosi dan meningkatkan system manajemen pemasaran untuk meningkatkan pembelian secara online terutama pada mahasiswa.

Kata kunci : *kenyamanan, e-word of mouth, kepercayaan, promosi, e-commerce, keputusan konsumen online*

INTRODUCTION**Research Background**

The internet has played a significant role in our daily life in that people can talk through the internet to one who is actually on the other side of the Earth, can send email around the clock, can search information, can play game with others, and even can buy things online. Bourlakis (2008) Internet shopping has been widely accepted as a way of purchasing products and services It has become a more popular means in the Internet world.

Kearney (2015) Retail e-commerce has grown nearly to US\$840 billions in 2014 surpassing the sales of US\$695 billions in year 2013 and it was estimated to increase to US\$1506 billions in 2018. The continuous sales increment indicated that e-commerce has enormous market potential. The operation and success of powerhouses such as Alibaba, Tencent, Amazon and Groupon etc have set as a example for corporates to shift the model of their business from brick-and-mortar to brick-and-click. Regardless of the flourishing e-commerce on a global scale, Malaysia had dropped out from the 30th position in Top 30th Global Retail E-Commerce ranking.

Lindsay (2002) E- business is sometimes used as another term for the same process. More often, though, it is used to define a broader process of how the Internet is changing the way companies do business, of the way they relate to their customers and suppliers, and of the way they think about such functions as marketing and logistics. For the purpose of this study e-commerce is taken to mean doing business electronically.

Cuneyt and Gautam (2004) Online shopping allows consumers to buy faster, more alternatives and can order products and services with comparative lowest price.

With its large population, increasing affordability of the internet and usage of mobile devices, Indonesia has the highest percentage of internet users compared to other Southeast Asian countries. As of 2013, there were a total of 74.6 million users in Indonesia with the next country, the Philippines, with about half the number of users (34.8 million).

In Indonesia E-commerce as a one of activity in economics pattern that supported by internet infrastructure has a wide segmentation and implementation. Outlined by Indonesia Ministry of Communication and Information Technology (2012), activity of e-commerce will be maximize implemented in Indonesia when supported by the infrastructure, connectivity, tendency of changing in people behavior and the ease of using e-commerce facilitated by enterprise.

Veritrans and Daily Social Research (2012) about E-commerce Survey in Indonesia. The research found the 2011 data which counted \$0.9 billion total of Indonesia E-commerce market share, this amount is only 0.7% of the retail industry market share (\$137 billion).

Tumiwa (2015) Indonesia has huge opportunity as one giant in e-commerce industry that derived global development. Indonesian digital buyers is just 2% from the population, in Thailand it counted around 21%, in Malaysia it counted around 53% and in Singapore it counted around 58%. The other fact that considering in is about the trends and behaviors of online customers in Indonesia.

Based on the previous problem it is important to conduct research about the impact of e-commerce to student online decision, this research was conducted on case study at Faculty Economics and Business Sam Ratulangi University.

Research Objectives

Based on research problem, the objectives of this research is to find out a significant effect of:

1. Convinience, E-Word of Mouth Communication, Trust and Promotion on Consumer Online Decision for Students at Sam Ratulangi University.
2. Convinience on Consumer Online Decision for Students at Sam Ratulangi University.
3. E-Word of Mouth Communication on Consumer Online Decision for Students at Sam Ratulangi University
4. Trust on Consumer Online Decision for Students at Sam Ratulangi University.
5. Promotion on Consumer Online Decision for Students at Sam Ratulangi University.

THEORETICAL REVIEW

Marketing

Ddegjust, (2013) Marketing is the business function that identifies unfulfilled needs and wants, define and measures their magnitude, determines which target market the organization can best serve, decides on appropriate products, services and programs to serve these markets, and calls upon everyone in the organization to think and serve the customer. Marketing is the force that harnesses a nation's industrial capacity to meet the society's material wants. It uplifts the standard of living of people in society.

Consumer Online Decision

Engel, Blackwell, and Miniard (1995) Consumer make decisions by allocating their scarce income across all possible goods in order to obtain the greatest satisfaction. Formally, we say that consumers maximize their utility subject to budget constraint. Utility is defined as the satisfaction that a consumer derives from the consumption of a good., the final decision-making process on the continuum applicable to initial purchases is limited decision-making.

E-Commerce

Nanehkaran, (2013) E-commerce define as interaction between communication systems, data management systems and security, which because of them exchange commercial information in relation to the sale products or services, will be available, so the definition, the main components of electronic commerce are: communication systems, data management systems and security.

Previous Research

Indriani, (2016) The factors influence the buying decision on online shopping clothing for consumer in Manado using Factor Analysis for data reduction that summarizes the observed factors. The finding resulted all factors are qualified, and the three most dominant factors. The results of the research showed that in Manado Available products is the most dominant factor that influences consumer buying decision on online.

Akbar and James (2002) In this study, researcher use 9 factors that influencing online decision and the strongest influence from highest to lowest were *Price, Refund, Convenience, Auction websites, Security, Brand, Search engines, Promotion and Online shopping malls*. According to independent t-test analysis for gender, there was significant different means between males and females for convenience purchase by online shopping. The means of female significant higher than male for these factor.

Saerang *et al* (2018) with title Trust and Past Experience on Intention to Purchase in E-Commerce. This paper specified three factors Trust, Past Experience, and Social Presence that have strong relationship with the intention to purchase online. Trust and Past experience of consumers were found influential factors that affect the decision of buyers online. The empirical literature on trust and other two factors in e-commerce systems was conducted the various factors that have been empirically found to influence consumer trust increase the decision to purchase online.

Conceptual Framework

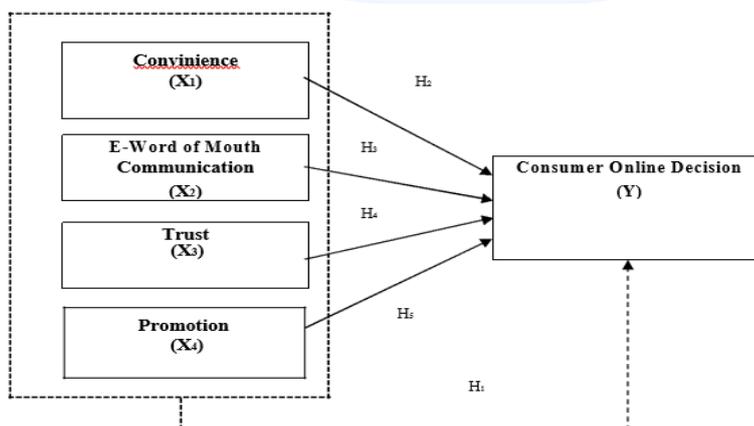


Figure 1. Conceptual framework
 Source: Theoretical Framework, 2018

Research Hypothesis

- H0 : There is no influence of convenience, e-word of mouth communication, trust, also promotion on consumer online decision.
- H1 : There are influence of convenience, e-word of mouth communication, trust also promotion on consumer online decision simultaneously.
- H2 : There is an influence of convenience on consumer online decision partially.
- H3 : There is an influence of e-word of mouth communication on consumer online decision partially.
- H4 : There is an influence of trust on consumer online decision partially.
- H5 : There is an influence of promotion on consumer online decision partially.

Type of Research

This research is quantitative research. Type of research is an exploratory research. Which is the investigation of (research into) cause-and-effect relationships. Research method based on positivism paradigm that used to investigate specific population or samples.

Place and Time of Research

The research was conducted by distributing questionnaires to Faculty of Economics and Business Management Student. Data collection and processing will take place in May to June 2018.

Data Collection Method

Data collection technique use in this study is the data that collected from the questionnaire of respondent by direct survey, go to the field an spread the questionnaire.

Operational Definition and Measurement of Research Variables**Independent variables**

Independent variables are the variables that affect or the cause of change or the emergence of the dependent variable. Convenience (X1), E-WOM Communication (X2), Trust (X3), Promotion (X4)

Dependent variable

Dependent variable is variable that influenced or which become result, because existence of independent variable. In this research, Consumer Online Decision (Y) become its dependent variable.

Operational Definition of Research Variables**Table 1. Operational Definition of Research Variables**

Variable	Definition	Measurement
Convenience	The state of product of being able to proceed with something with little effort or difficulty.	Likert Scale 5
E-word of mouth communication	Person-to-person communications regarding a shop, brand, product or service between a receiver and a communicator who is perceived as independent of any economical effects.	Likert Scale 5
Trust	Guarantee the completeness and availability of products and services from the company.	Likert Scale 5
Promotion	Tool that used by the retailers or manufacturer to invite consumers and purchase more or tries a service or product.	Likert Scale 5
Consumer online decision	Process and decision a customer takes to purchase a service or product over the internet.	Likert Scale 5

Source: Data Processed, 2018.

Data Analysis Method**Validity and Reliability**

Sekaran and Bougie (2010), reliability is a test of how consistently a measuring instrument measures whatever concept is measuring. Validity is the extent to which a test measures what it is supposed to measure.

Multiple Linear Regression Analysis

The analysis used in this study is the multiple linear regression analysis. Multiple linear regression analysis regresses where the dependent variable (Y) relates to more than the variable. Analysis regression is used to find a dependency of grades from one variable our use to draw a conclusion on the effect from the independent variables to the dependent variables. The shape of the regression equation is as follows:

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \dots + e$$

RESULT AND DISCUSSION**Result****Table 2. Validity Test**

Variabel	Correlation (r)			
	Indicators	R	Sig	Explanation
<i>Convinience</i> (X ₁)	X _{1,1}	0,902	0.000	Valid
	X _{1,2}	0,976	0.000	Valid
	X _{1,3}	0,965	0.000	Valid
<i>E-Word of Mouth Communication</i> X ₂)	X _{2,1}	0,721	0.000	Valid
	X _{2,2}	0,896	0.000	Valid
	X _{2,3}	0,866	0.000	Valid
<i>Trust</i> (X ₃)	X _{3,1}	0,865	0.000	Valid
	X _{3,2}	0,967	0.000	Valid
	X _{3,3}	0,895	0.000	Valid
<i>Promotion</i> (X ₄)	X _{4,1}	0,855	0.000	Valid
	X _{4,2}	0,926	0.000	Valid
	X _{4,3}	0,896	0.000	Valid
Consumer Online Decision (Y)	Y _{1,1}	0.945	0.000	Valid
	Y _{1,2}	0.952	0.000	Valid
	Y _{1,3}	0.965	0.000	Valid

Source: Data Processed, 2018.

Based on the table 2, shows the whole items of questions for the variable. variables, the value of R is higher than 0,232, as well as the value of critical value (> CR) which is 0,30. The indicator it is valid.

Reliability Test**Table 3. Reliability Test Result**

Variables	Coefficient	
	Alpha Cronbach	Explanation
Convinience (X1)	0,973	Reliable
E-Word of Mouth Communication (X2)	0.831	Reliable
Trust (X3)	0,950	Reliable
Promotion (X4)	0,925	Reliable
Consumer Online Decision (Y)	0.970	Reliable

Source:Data Processed, 2018.

According to reliability test results shown in Table 3, all variables in this study measure a reliable value. This is shown in Cronbach Alpha value is generated each variable is above the critical value. The value must above 0.60 that indicates reliable test for research instrument.

Table 4. Result Multiple Linear Regression Analysis.

Model	Unstandardized Coefficients (B)	Std. Error (SE)	t count	Sig. t
Convenience (X1)	,396	,100	3,969	,000
E-Word of Mouth	,383	,096	4,004	,000
Communication (X2)				
Trust (X3)	,178	,083	2,937	,001
Promotion (X4)	,277	,108	2,564	,012
Constant (a)	= 12,548		t table =	1,664
Multiple R (r)	= 0,555		F count =	10,592
R Square	= 0,308		F table =	2,718
N	= 100		Sig. F =	0,000

Source: Data Processed (2018)

Table 4 shows the result of multiple linear regression analysis. Based on the analysis result, the equation of multiple regression model in this research is shown as follows:

$$Y = 12,548 + 0,396 (X1) + 0,383 (X2) + 0,178 (X3) + 0,277 (X4)$$

X1 = Convenience

X3 = Trust

X2 = E-Word Of Mouth Communication X4 = Promotion Y = Consumer Online Decision

Correlation Coefficient and Determination Coefficient Test Results

The correlation of convenience, e-word of mouth communication, trust, and promotion to consumer online decision can be seen via the correlation coefficient. If the correlation coefficient R (multiple R) is 0,555 which means that convenience, e-word of mouth communication, trust, and promotion have strong positive effect to consumer online decision. Coefficient of Determination results, or R square (r^2) is 0,308 which means that consumer online decision influenced by convenience, e-word of mouth communication, trust, and promotion with value 30,8% or 0.308, and 69,2% or 0,692 influenced by other variables or causes outside this model of this research.

Multicollinearity

Table 5. Multicollinearity Test

	Model	Collinearity Statistics	
		Tolerance	VIF
	(Constant)		
1	Convenience	.947	1.055
	E-Word Of Mouth Communication	.949	1.054
	Trust	.931	1.074
	Promotion	.950	1.052

Source : Data Processed, 2018.

Shows that there are no symptoms of multicollinearity if the VIF value is <10. The results of the calculation produce values below number 1, it can be concluded that there are no symptoms of multicollinearity in the regression model.

Heteroscedasticity

**Scatteplot
Dependent Variable:**

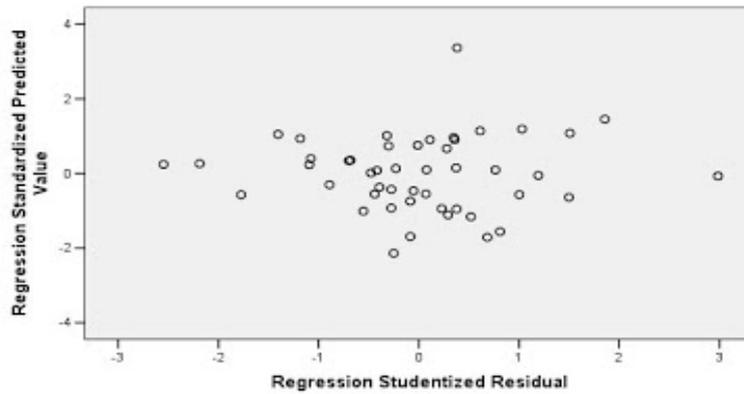


Figure 2. Heteroscedasticity Test Output
Source: Data processed, 2018

Figure 2 shows that heteroscedasticity test shows dots that spread randomly and no clear pattern is formed and in spreading those points spread below and above number 0 on the Y axis. This identifies the absence of heteroscedasticity in the regression model, so that the data worthy of use.

Normality Test

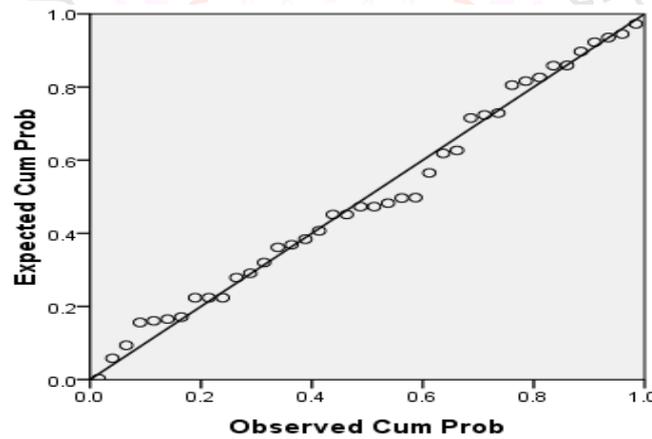


Figure 3. Normal P- P Plot of Regression Standardized Residual
Source: Data Processed, 2018.

Figure 3 shows that the in the normality test based on the graph above shows the coordinate points observed values with the data following the diagonal line, so it can be concluded that the data has data that is normally distributed.

Hypothesis Test**Table 6. F and T Hypotheses Test**

<i>Model</i>	Uji t		Uji F	
	T	Sig	F	Sig
<i>Constant</i>				
<i>Convenience</i>	3.969	.000		
<i>E-WoM Communication</i>	4.004	.000	2.718	.000 ^b
<i>Trust</i>	2.937	.001		
<i>Promotion</i>	2.564	.012		

Source: Data Processed, 2018.

Table 6 can be seen that the test results for the overall regression model variables indicate the value of F count = 10,592 with 0.000 significance value. By using the 0.05 limit (5%). The results found that the significance value less than 0.05 (<5 per cent). With the direction of the positive coefficients, thus found that the hypothesis that the variable convenience, e-word of mouth communication, trust, and promotion simultaneously have a significant effect on consumer online decision is accepted or proven.

Discussion**Convenience to Consumer Online Decision**

Based on the results of the study, it was found that convenience correlated with the increase in consumer online decisions. This variable has significant influence partially on consumer online decision for students in Faculty of Economics and Business Sam Ratulangi University. Consumer makes decision to purchase by online shop to avoid crowds. They don't need to line up with another customer when paying or jostling one another when they choosing items. When consumer purchase by online they can easily choose product or service everywhere and anytime even when they are break at working, on their way to everywhere, or consumer can buy from their home.

E-Word of Mouth Communication to Consumer Online Decision

Based on the results of the study it was found that e-word of mouth communication correlated to the increase in consumer online decisions. This variable is the highest variable that influences the consumer online decision for students in Faculty of Economics and Business Sam Ratulangi University. The reason E-WOM become the highest variable because consumers more interested buying goods or services. They are relying on information about trusted online shops review from other people. This research has shown that such comments and reviews are important factors that help consumers to making purchase decisions.

Trust to Consumer Online Decision

Based on the results of the study it was found that trust correlates to the increase in consumer online decisions. This variable also has influence the consumer online decision for students in Faculty of Economics and Business Unsrat. Consumer makes a decision to purchased by online shop with brands that have been trusted for the quality and purchase process. When they are asured to get satisfying goods or services without hesitation on the online shop site, there will be a decision to buy. Consumer trusted to buy is also related with past experience, which consumers have bought at online shop or consumer relations experience who had bought goods or service in online shop, trust is indirectly related to E-WOM.

Promotion to Consumer Online Decision

Based on the results of the study it was found that promotion correlated to an increase in consumer online decisions. This variable also has influence the consumer online decision for students in Faculty of Economics and Business Sam Ratulangi University. Promotion has made consumers for purchase more or tried service or product. Promotion is closely related to E-WOM because promotion from other people can influence consumers buying decision. Consumer buying by online shop because they have seen promotions through endorsement on social media. There is a sense of curiosity and begins to look at the online shop and desire to buy so that appeared purchase decision.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

There are constructive findings that can be concluded from the overall result in this research, which are listed as follow:

1. Based on the results of hypothesis testing in particular the model of the research found that the research model consisting of: Convience, E-word of mouth communication, Trust and Promotion has a positive and significant influence on consumer online decision for student in Faculty of Economics and Business Unsrat. This model applies in this research.
2. Based on the results of hypothesis testing found that Convience has significant and positive impact on consumer online decision in this research. Convience has the second high impact variable that influence consumer online decision for student in Faculty of Economics and Business Unsrat comparing to other variable.
3. Based on the results of hypothesis testing found that E-word of mouth communication has significant and positive impact on consumer online decision in this research. E-word of mouth communication has the highest impact variable that influence consumer online decision for student in Faculty of Economics and Business Unsrat comparing to other variable.
4. Based on the results of hypothesis testing found that trust has significant and positive impact on consumer online decision in this research. Trust has the fourth impact variable that influence consumer online decision for student in Faculty of Economics and Business Unsrat comparing to other variable.
5. Based on the results of hypothesis testing found that promotion has significant and positive impact on consumer online decision in this research. Promotion has the third impact variable that influence consumer online for student in Faculty of Economics and Business Unsrat decision comparing to other variable.

Recommendations

There are practicals recommendations that can be concluded from the overall result in this research, which are listed as follow:

1. E-commerce industries must pay attention and maintain the quality of goods and services that provided because consumers are very concerned about reviews from previous buyers.
2. E-commerce seller have to give more promotions to make consumers interested and maybe the online store has offered goods and services insurance, there are makes consumer trust increase for purchase by online.
3. The results of this research can help e-commerce seller to improve marketing management system and increase knowledge how about to attract consumers.
- 4.

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