

THE IMPACT OF CONSUMER REVIEW ON PURCHASE INTENTION OF INTERNET / TELEPHONE SERVICE PROVIDER IN MANADO

DAMPAK DARI ULASAN KONSUMEN TERHADAP MINAT BELI PENYEDIA LAYANAN INTERNET / TELEPON DI MANADO

By

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Abstract: At this time, internet / telephone service providers have an important role in all aspects of everyone's life, when every activity such as work and education must be carried out from home because of the Covid-19 disease, internet / telephone services become a priority need today. Internet / telephone service providers provide a lot of convenience to communicate for each user, and provide quality connection stability which greatly affects every consumer in their purchase intention. The objectives of this research is to know the impact of consumer review on purchase intention of internet / telephone service provider in Manado. The population in this research refers to the general consumer of internet / telephone service provider in Manado. Finding of this research shows that the consumer reviews have an impact on purchase intention of internet / telephone service provider products, indeed not all consumers prioritize reviews from other consumers before making a purchase, but most of them tend to look at the reviews from other consumers when they want to purchase internet / telephone service provider products.

Keywords: Consumer Review, Purchase Intention

Abstrak: Disaat ini, penyedia layanan internet / telepon merupakan hal yang penting dalam berbagai aspek kehidupan setiap orang, ketika semua aktivitas baik pekerjaan maupun pendidikan harus dilakukan dari rumah karena adanya wabah Covid-19, layanan internet / telepon menjadi salah satu kebutuhan prioritas saat ini. Tujuan dari penelitian ini adalah untuk mengetahui dampak dari ulasan konsumen terhadap minat beli produk layanan internet / telepon di Manado. Total populasi dalam penelitian ini adalah seluruh pengguna internet / telepon yang ada di Manado. Hasil dari penelitian ini menunjukkan bahwa ulasan konsumen memiliki dampak terhadap minat beli produk penyedia layanan internet / telepon, meskipun tidak semua konsumen memprioritaskan ulasan dari konsumen lain sebelum melakukan pembelian, tapi beberapa dari mereka memilih melihat ulasan dari konsumen lain ketika mereka hendak melakukan pembelian produk penyedia layanan internet.

Kata Kunci: Ulasan Konsumen, Minat Beli

INTRODUCTION

Research Background

Internet Service Provider is a company that offers a service to people so that it can be connected to the internet. Current developments in technology right now are going rapidly, all aspects of life today cannot be separated from the technology itself, especially in the field of telecommunication in which internet / telephone service providers. In 2020 the role of internet service providers is one of the many important needs of consumers.

Figure 1.1

List of Internet / Telephone Service Providers in Indonesia – Manado

Name of ISP For Mobile Phone	Name of ISP / Telephone for Home
Telkomsel	First Media
Indosat	MyRepublik
Tri	Biznet Home
Axis	MNC Play
Smartfren	Indihome Fiber

Source: PT Cloud Hosting Indonesia (2016)

There are several types of Internet Service Provider in Indonesia especially in Manado which is: Telkomsel, Indosat, Tri, Smartfren, XL, Axis and Indihome Fiber. Telephone / Internet service providers offer various facilities that can be easily accessed by anyone who uses Telephone / Internet service providers. Based on the situation and conditions that occurred in 2020 where Indonesia and even especially Manado City faced with a pandemic COVID-19 causes in all activities both work and education institutions must be carried out through online services or work from home. This research is important to study on because the researcher wants to know the impact of consumer reviews on purchase intention of internet / telephone service providers in Manado. It is important for internet service providers to understand the contents of consumer reviews that provide an information about the product itself. A good reviews from online consumers can be very influential in order to create more buying intentions. This research will also contribute academically in enriching e WOM studies related to purchase intentions especially in the internet / telephone service provider industry, also in the future it can be a reference for anyone who will use later an internet / telephone service provider, which informs about the quality of a product not only based on winning advertisements or displays in terms of relatively cheap prices but in fact the quality is not as expected. It is very important for consumers to know the advantages and disadvantages that might be felt when using one of several types of internet service provider products and then consumers will know what factors influence each person to make repeated purchases of internet / telephone service providers also the impact that may cause when consumers decide to buy internet / telephone service provider.

Research Problem

What is the impact of consumer review on purchase intention of internet / telephone service provider in Manado?

Research Objectives

To know the impact of consumer review on purchase intention of internet / telephone service provider in Manado.

THEORETICAL REVIEW

Marketing

Philip Kotler (2017) states marketing is about identifying and meeting human and social needs. One of the shortest definitions of marketing is meeting needs profitably.

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners, and society at large. Marketing is a continuous process of discovering and translating consumer wants into appropriate products and services,

creating demand for these products through pricing and promotion under keen competition, and serving the demand through transport and storage with the help of channels of distribution, such as wholesalers and retailers. Marketing refers to activities a company undertakes to promote the buying or selling of a product or service.

Consumer Behavior

Blackwell et al. (2016) defines consumer behavior is the process and activity when a person deals with the search, selection, purchase, use, and evaluation of products and service to meet needs and wants. Consumer behavior is the basis of consumer interest in determining purchasing decisions. Consumer behavior involves services and ideas as well as tangible products. In this process the consumer evaluates a purchase depicted by the need recognition realization of the difference between desired situations that serves as a trigger for the entire consumption process.

Purchase Intention

Purchase intention is the willingness to buy a particular product or services. Morinez et al. (2017) defines purchase intention as a situation where consumer tends to buy a certain product in certain condition. Purchase intention is the preference of consumer to buy the product or service. In another words, purchase intention has another aspect that the consumer will purchase a product after evaluation. Purchase intentions are used to measure consumer demand for new products using concept and product tests. Marketing managers use purchase intentions as a leading indicator of future demand for their product and to assess how their marketing actions will impact those future sales.

The Process of Purchase Intention

The process of purchase intention is part of the decision making process, therefore understanding the process of purchase intention needs to be observed in advance how the decision making process occurs (Kotler: 2018). There are several factors are interest on consumer purchase intention which is; customer needs, customer knowledge, brand image, product quality, trust, perceived value and promotion.

Consumer Buying Decision

Kotler and Keller (2012) stated these basic psychological processes play an important role in understanding how consumers actually make their buying decision provides list of some key consumer behavior question in terms of who, what, when, where, how and why. Buying decision process consist of five stages: the introduction needs, information search, alternative evaluation, purchase decision and behavior after purchase. Purchase decision consumer is the decision making process and physical activity individuals engage in when evaluating, acquiring, using or disposing of goods and service.

Consumer Satisfaction

Consumer satisfaction is a crucial antecedent in having consumer retention (Gill, 2016) as it can influences considerably to consumer's attitude to remain a relationship with business. Most companies realize that the higher level of consumer satisfaction, the higher profit they will gain. Because when the level of consumer's satisfaction increasing, it means they are more likely to continue using product and services offered and they are more loyal with that business.

Consumer Satisfaction in Internet / Telephone Service Industry

J. Willard Marriott (2016) states consumer satisfaction can be defined as a marketing term that measures how products or services supplied by a company meet or surpass a customer's expectation. In context of Internet / Telephone Service Provider, when internet users are satisfied with quality of Internet / Telephone Service or have positive perception with received values from service, they are likely to continue using more regularly. There are several factors which influence customer satisfaction of internet / telephone service provider such as network quality, price, perceived value and trust.

Consumer Review

A consumer review is a review of a product or service made by a customer who has purchased and used, or had experience with, the product or service (Lee et al.,2011). Consumer reviews are a form of consumer

feedback on electronic commerce and online shopping sites. Consumer review has divided into two types such as positive consumer review and negative consumer review. Positive or negative reviews can significantly impact your sales because consumers will look for feedback before making a purchase decision. Consumer review is important because it has an influence on purchase intentions of consumers or potential customers in the context of buying a company's products.

Word Of Mouth

Definition of word of mouth according to Kotler & Keller (2009: 512) word of mouth is a marketing activity through the intermediary of people to people either verbally, in writing, or electronic communication tools related to the experience of purchasing services or experience using products or services.

Electronic Word of Mouth

Henning – Thurau et al. (2009) said e – WOM is a negative or positive statement made by an actual, potential or previous consumer about a product or company where this information is available to people or institutions via internet media also consumers consider e – WOM negative information to be more help rather than positive information in differentiating high quality products and low quality products.

Influence of Online Consumer Reviews on Purchase Intention

According to Zainal et al. (2018) online reviews become a source of information for consumers to assist them in buying products or services. Based on the explanation above, it can be concluded that consumer reviews can be an important factor when consumers want to decide to make a repeat purchase of a product. Reviews are part of the electronic word of mouth, which is a direct suggestion from someone and not an advertisement. Reviews are one of several factors that determine a person's buying decision. By displaying reviews, people can choose and view these reviews as indicators of product popularity or value of an item products that will increase the willingness to buy the product. Online reviews can be a powerful promotional tool for marketing communication. The company get benefit from customer reviews to influence the purchase intention of potential consumer.

Previous research

Article by Penjuree Kanthawongs (2018) focused on the influence of online reviews on trust in social networking sites. This research finds the more volumes of comments, either positive or negative in online communities could create and increases the product awareness and attract the potential customers.

Article by Paramaporn Thaicon, Thu Nguyen Quach and Antonio Lobo (2015) focused on factors Influencing brand Loyalty of internet service provider. This research finds the consumers will be satisfied with the brand if the brand can fulfill it promises and expectation that the consumer have of its brand and products in return, high consumer satisfaction will augment the level of brand trust and brand value, eventually affecting brand loyalty.

Article by Jamal M.M. Joudeh and Ala O. Dandis (2015) focused on service quality, customer satisfaction and loyalty in an internet service provider. This research finds the result recommended to enhance the level of service quality awareness is the best approach to customer satisfaction. The study also reached the result that good and well – built service quality may lead to customer satisfaction which in its turn can lead to a better level of customer loyalty.

RESEARCH METHOD

Type of Research

This research approach is a qualitative approach, in which the researcher tries to explain the relationship between the variable of this research including consumer review and purchase intention.

Place and Time of Research

This research was conduct from August – September 2020.

Population and Sample

The population in this research is the users of internet / telephone service provider in Manado especially

in Sario region and the total sample is 20 informant as the general consumer of internet / telephone service provider in Manado.

Data Collection Method

Data collection method from this research is secondary data as the main sources.

Operational Definition of Research Variable

Table 1.

Operation Definition of Variables

Variable	Sub Dimension	Definition	Indicators
Consumer Purchase Intention	Likely	The consumer purchasing plan of internet/telephone service provider product.	- Customer Knowledge - Perceived Value
	Definitely Would	The consumer preference to the certainty of internet/telephone service provider product.	- Brand Ambassador - Celebrity Endorsement/ Advertising
	Probable	The actions of consumers who consider the decision to buy internet/telephone internet service product or not.	Product Packaging of internet/telephone service provider for mobile phone
Consumer Review	Technical Quality	This dimension will measure customer satisfaction regarding overall service quality and the products used, including the professionalism and skills of a company in serving customers.	- Review Quality - Review Quantity - Review Valence
	Functional Quality	Functional quality will give an idea of how this will affect customer perception of the service received, whether it can meet customer expectations or not.	- Source Credibility

Source: Data Processed (2020)

Data Analysis Method

Data analysis method that used in this study are Qualitative method.

RESULT AND DISCUSSION

Consumer review is have an impact on purchase intention of internet / telephone service provider in Manado. Indeed, not all consumers feel influenced by reviews from other consumers, whether positive or negative, but most of them are based on research data collection, some of them prioritizing good or positive reviews to be used as a reference in making decisions about buying products internet / telephone service providers in Manado. The scope of consumer review based on journal from Park, Lee, & Han (2007) is source credibility, review quality, review quantity and review valence. The scope of purchase intention based on journal Satish and Peter (2004) is customer knowledge, product packaging, perceived value and celebrity endorsement.

CONCLUSION AND RECOMMENDATION

Conclusion

Based on the result and discussion from the previous chapter, it can be concluded that consumer reviews have an impact on purchase intentions of internet / telephone service providers, as explained in the indicators

below:

1. Source Credibility

Based on the discussion with the informants, the factor of reviews listed as an experience that is conveyed indirectly from other consumers who have previously used the internet / telephone service provider product. Because each consumer has different characteristics from one to another. The positive reviews have a good impact on the sales level of internet / telephone service providers in Manado. However, negative reviews affect consumer trust in the quality of the product, which leads to disinterest in buying the product itself.

2. Review Quality

Based on the discussion with the informants, the factor of recommendations from friends/ relatives regarding the quality of internet / telephone service provider products is one of the factors that influence consumer purchase intentions. Each informants often use product quality reviews as a reference before purchasing products from internet / telephone service provider. The clear information will help the informants to evaluate the product which may continue in creating the purchase intention.

3. Review Quantity

Based on the discussion with the informants, some of informants consider whether the product is popular or not is bases on the amount of review. The level of purchase intention will increase along with the number of online consumer review. The informants tends to see the amount of review of internet / telephone service provider product to know whether the product is popular and valuable or not.

4. Review Valence

Based on the discussion with the informants, review valence gives a contribution in influencing consumer purchase intention. Review valence is considered as persuasive effect because consumer purchasing decision depends on the type of information provided whether the review of internet / telephone service provider product is a positive review or negative review.

5. Customer Knowledge

Based on the discussion with the informants, the factors of ease of communicating with relatives, friends and family using social media accounts that can only be accessed if the user has a good internet connection and the network is fast, makes the informants realize that if they have a good knowledge about those product, it easier to find out what's product that is fit with their needs. Because if a customer has knowledge about the product and know about its features it's obviously increase its purchase intention.

6. Product Packaging

Based on the discussion with the informants, the factor of product packaging of internet/telephone service provider product especially for mobile phone sim card with affordable prices, and then the products that are easily found on the market, giving various bonuses to each user is like an internet quota bonus or telephone package bonus, makes some of the informants think that if the packaging is good it is certain that the product is good.

7. Perceived Value

Based on the discussion with the informants, all the informants gets the benefit when using internet / telephone service providers.

8. Celebrity Endorsement

Based on the discussion with the informants, the factor of promotion using advertising, brand ambassador and celebrity endorsement is having an influence consumer purchase intention of internet / telephone service provider product in Manado.

Recommendation

Based on the conclusion that have been put forward, there are several recommendation that can be concluded from the overall result in this research, which are listed as follow:

1. Product Packaging

The internet / telephone service provider should increase their performance, it would be better if the provider set a standard price for the product and improve their service through the stable connection especially when bad weather happened. So, the users will not be disappointed with the service from provider.

2. Perceived Value

The informants is hope that all the internet/telephone service provider in Manado will always improve their service from times to times through a stable connection for each user, so that even though we still in this Covid 19 pandemic but we can do our job well.

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