

## THE ROLES OF BRAND TRUST AND E-WOM (ELECTRONIC WORD OF MOUTH) ON SHOPEE'S CUSTOMER LOYALTY IN MANADO

### PERAN DARI KEPERCAYAAN MEREK DAN E-WOM PADA KESETIAAN PELANGGAN SHOPEE DI MANADO

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**Abstract:** The purpose of this study is to explore the roles of brand and E-WOM on Customer loyalty, Study the case of customers of Shopee in Manado. This research is qualitative research using a case study approach. Primary data was gathered from an in-depth interview of 20 informants that used Shopee with 2 years of minimum use as the sample chosen using purposive. The data was analyzed through qualitative data analysis. The results show that brand trust has an important role in Customer loyalty, especially among Shopee customers in Manado. The indicators of brand trust namely: Perceived quality, Perceived ease-of-use, customer commitment, customer satisfaction, and product quality are the factors of brand trust to keep the customer stay loyal to the Shopee Brand. The findings for E-WOM that using the coding method also has an important role in Shopee customer loyalty which refers to the affirmation of the customers that perceive E-WOM as a reliable, helpful, adequate, and trustworthy non-commercial informational source. This study suggests that Shopee management or online shop owners keep their quality control over products so that the old customer would be easy to retain and there will be lessened critics over the problem of product quality and time prediction on products' arrival. Thus, the overall benefits can be felt by all parties involved.

**Keywords:** brand trust, E-WOM, customer loyalty, perceived quality, repurchase, quality control

**Abstrak:** Tujuan dari penelitian ini adalah untuk mengeksplorasi peran merek dan E-WOM terhadap loyalitas pelanggan, Studi kasus pelanggan Shopee di Manado. Penelitian ini merupakan penelitian kualitatif dengan menggunakan pendekatan studi kasus. Data primer diperoleh dari wawancara mendalam terhadap 20 informan yang menggunakan Shopee dengan minimal penggunaan selama 2 tahun sebagai sampel yang dipilih secara purposive. Data dianalisis melalui analisis data kualitatif. Hasil menunjukkan bahwa kepercayaan merek memiliki peran penting dalam loyalitas Pelanggan, khususnya di kalangan pelanggan Shopee di Manado. Indikator kepercayaan merek yaitu: Kualitas yang dirasakan, Persepsi kemudahan penggunaan, komitmen pelanggan, kepuasan pelanggan, dan kualitas produk merupakan faktor kepercayaan merek untuk menjaga pelanggan tetap setia pada Merek Shopee. Temuan untuk E-WOM bahwa menggunakan metode pengkodean juga memiliki peran penting dalam loyalitas pelanggan Shopee yang mengacu pada penegasan pelanggan yang menganggap E-WOM sebagai sumber informasi non-komersial yang andal, membantu, memadai, dan dapat dipercaya. Penelitian ini menyarankan agar pihak manajemen Shopee atau pemilik toko online tetap menjaga kontrol kualitas produk agar pelanggan lama mudah untuk mempertahankannya dan kritik terhadap masalah kualitas produk dan prediksi waktu kedatangan produk akan berkurang. dengan demikian, manfaat secara keseluruhan dapat dirasakan oleh semua pihak yang terlibat.

**Kata Kunci:** kepercayaan merek, E-WOM, loyalitas pelanggan, kualitas yang dirasakan, pembelian ulang, kontrol kualitas

## INTRODUCTION

### Research Background

Since the covid went viral worldwide at the end of 2019, this deadly virus has indeed affected every sector of the country, one example in Indonesia included is the sector of economic. The economic growth drastically

pushed to shift into the e-commerce world massively, for the regulation of the Indonesian government prohibited going outside or even making a crowd, all businesses are more or less, the meeting been held virtually, and the activity of essentials transaction has become hard those days. As a result, the interactions between people, which usually run the wheels of economy and commerce, are greatly reduced. E-commerce then became the logistics for society. E-commerce is a term used for shopping activities accessed through an online-based internet network. Where the transactions are indulged within the web or can be accessed through a single use of a smartphone that connects to the internet. Technological advances can be felt in various fields ranging transportation, electronic communications even in cyberspace (Limpo and Meryana, 2015). Internet creates whole new industries and increases the opportunity by its ability to improve the innovation, spread knowledge, empower consumers, build up the network and organize social interactions over the globe (Imansyah, 2018).

Shopee in this case is a company that moves into the e-commerce field with the main office in Singapore and has entered Indonesia since last 2015 on December 1st. Shopee is an electronic trading platform for buying and selling online that comes in the form of a mobile application and offers the kind of products in form of a variety of goods and services ranging from clothing, cosmetics, mobile devices, and all kinds of other goods. In addition, Shopee can also be used to purchase pulses, electricity tokens, meal vouchers, and others. According to Global Data's 2021 Financial Services Consumer Survey, alternative payment tools collectively accounted for 46.7% share of the total e-commerce value in Indonesia, up from 30.9% in 2020, showing that e-commerce has quite a big contribution to the economic sectors of Indonesia. In another survey from Ipsos, a global market research firm in Indonesia, in 2021, Shopee is the e-commerce most often used by consumers in Indonesia. The percentage was recorded at 54%. As many as 27% of respondents stated that they shop online at Tokopedia. Then, there are 12% of respondents shop at Lazada and 2% from Bukalapak then the rest at others. The advance in the market especially in the e-market is not all happy and easy. A greater risk of scams can be faced by any possible customer. Coming up with these facts, up until now there are still customer complaints about shop owner services at Shopee, things in between are less responsive feedback by the seller, the delay of the product arrival, a bad review from the customers finally leaving a bad trace mark on the seller or Shopee's shop EWOM which then produced dissatisfied customers.

Kotler and Keller (2012) argue that after consumers buy these products consumers can be satisfied or dissatisfied and engage in post-purchase behavior. It shall be a different story when we go back to the conventional market when we tend to communicate directly what we're looking for to the seller and can directly get responses from the shop owners and finally it is easy to meet our own needs. The conventional market is a physical location where buyers and sellers gather to exchange their goods and services (Kotler and Keller, 2012). After 3 years of the pandemic shall society go back to the convenience store, leaving the good performance of e-commerce within the past few years because of the platform not being able to do the "homework" given to them? The E-WOM in this case is defined as either a positive or a negative statement made by potential, current, and former customers about a product or company, which is intentionally made to be heard or seen by a lot of people and institutions through the internet media (Hennig-Thurau et al., 2004). Although E-WOM is an informal source of information in e-commerce however the power it holds could drive up the behavior of the possible customer in buying the product and services in the e-market.

The E-WOM of Shopee is located on the review walls of the online shop sellers left by the previous buyers, containing descriptive testimony of products that the customer receives, the form of videos they upload, and the rating that the customers give after purchasing the product. Continuously receiving bad reviews are afraid to evict customers to buy or even repurchase the same product at the same e-commerce brand. It will also reduce the brand trust in the eyes of customers; last, the customer's loyalty is hard to retain. Observing the facts, the writer intends to scrutinize a study with the title of research: "The Roles of Brand Trust and E-WOM (Electronic Word of Mouth) on Shopee's customer loyalty."

### Research Objective

In accordance with the research background and problem statement, the purpose of this research is:

1. To analyze the Customer Loyalty of Shopee based on Brand Trust Roles in Manado.
2. To analyze the Customer Loyalty of Shopee based on E-WOM roles in Manado.

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**THEORETICAL FRAMEWORK****Marketing**

In the digital era now appears innovation in marketing activities that is with the Internet or commonly known as e-commerce or e-marketing, Internet marketing or e-marketing is all the efforts undertaken to do marketing a product or service using the internet media. The word e in e-marketing means electronic (electronic) which means that the marketing activity in question is carried out electronically via the Internet or cyber network. According to Kotler (2009), marketing is all about the entity's goods, services, experiences, events, people, places, properties, organizations, information, and ideas. With the advent of Internet technology in recent years marketing is the activity, set of institutions, and the process of creating, communicating, delivering, and exchanging valuable offers for customers, clients, partners, and the public.

**Customer Loyalty**

Generally, loyalty has been defined as the repeat purchasing frequency or the relative volume of same brand purchasing. Oliver (1997) defines customer loyalty as a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same brand or same brand set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior. In e-commerce, loyal customers are considered extremely valuable. Loyal customers not only require more information themselves, but they serve as an information source for other customers. Building customer loyalty is one of the biggest challenges for B2C e-commerce. Several antecedents of customer loyalty have been proposed. Customer satisfaction and trust have been brought forward as a precondition for patronage behavior (Pavlou, 2003) and the development of long-term customer relationships (Papadopoulou, Andreou, Kanellis, and Martakos, 2001).

**Brand Trust**

Trust is a state of expectation about a particular subject, situation, or person (Lewicki and Wiethoff, 2000). Customers rely on the brand that it promises which makes customers feel safe during interaction with brands (Ballester, Munuera-Alemán, and Yagüe, 2003). Brand trust makes the customer believes that the brand is sufficient to meet his/her needs and wishes (Morgan and Hunt, 1994). Brand trust creates a guarantee for the customer and provides information about the product. To sum up, brand trust affects buying behavior and accelerates decision-making in buying behavior (Chaudhuri and Holbrook, 2002). There is no standard definition regarding brand trust. The common feature of the definitions is to create a positive feeling for the customer (Lassoued and Hobbs, 2015).

**E-WOM (Electronic Word of Mouth)**

WOM communication is widely acknowledged as a non-commercial and trustworthy source of information that has a massive influence on consumer attitude formation and purchase behavior. With the rapid growth of the internet, E-WOM has emerged as a way for consumers to engage in non-commercial advertising and share and discuss direct experiences about a specific product and brand (Chevalier and Mayzlin, 2006). E-WOM is defined as any statements made by future, present or former customers about a product or enterprise, either positive or negative, and is accessible by anyone online (Hennig-Thurau et al., 2004). Goldsmith (2008) defined EWOM as every internet-based communication about the usage or characteristics of something (products, services, or a company). The arrival and expansion of the internet have extended consumer comments posted on the internet and have provided consumers opportunities to offer their consumption-related advice by engaging in electronic word-of-mouth (EWOM). Hennig-Thurau et al. (2004) explained EWOM by using six dimensions. The dimension consists of positive self-enhancement, social benefits, helping the company, advice seeking, concern for another consumer, and venting negative feelings.

**Previous Research (Empirical Study)**

Lie et al. (2019) aimed to test the influence of services quality, price, and consumer trust in the consumer loyalty of user-based transport applications (Go-Jek), case studies on students of STIE Sultan Agung Pematangsiantar with consumer's satisfaction as mediation variables. The number of samples in this study was as many as 322 students acquired through non-probability sampling techniques by the purposive sampling method. The instrument used is an online questionnaire that is shared through social media and chat apps in the form of links. The test tool uses SEM analysis with the help of AMOS software. The results of the research and the

hypothesis test show that variable price and consumer trust have a positive and significant impact on consumer loyalty. Furthermore, service quality variables are negatively influential and insignificant towards consumer loyalty. Consumer satisfaction variables are a variable of mediation between service quality relationships and consumer trust in consumer loyalty. Furthermore, consumer satisfaction is not able to do the price relationship to customer loyalty.

Sari, Fauzi, and Rini (2021) surveyed using an associative quantitative approach aimed at determining the effect of E-WOM and brand image on repurchase intention moderated by brand trust. The population of the study included all customers of Garuda Indonesia airline who have used the airline in the past year, especially the Garuda Indonesia Medan, which amounted to 36,000 during 2019. The sampling method used a sample formula with certain criteria so that were 100 samples. The data collection method used a questionnaire. Data analysis used path analysis. The results of the the study showm that E-WOM has a significant effect on Brand Trust. Brand Image has a significant influence on Brand Trust. Brand Trust has a significant positive effect on the Repurchase Intention variable. E-WOM has a significant positive effect on variable Repurchase Intention. Brand Image has a significant effect on the Repurchase Intention variable through Brand Trust. E-WOM has a significant positive effect on variable Repurchase Intention through Brand Trust. Brand Image has a significant effect on the Repurchase Intention. In other words, Brand Trust is proven to moderate the influence of Brand Trust on Repurchase Intention.

Hasan, Al-Dmour, and Al-Dmour (2020) examined how the electronic word of mouth (eWOM) influences customer e-loyalty in the context of online banking and the role of e-satisfaction as a mediator factor. For these purposes, research hypotheses based on the content analysis of the previous studies were developed and tested using 352 mobile customers banking services in Jordan. Using multiple regression analysis, the empirical results suggested that e-WOM has a positive and significant on e-loyalty. Also, e-satisfaction is partially mediating the relationship between e-WOM and e-loyalty.

## RESEARCH METHOD

### Research Approach

This research is qualitative method. The qualitative research approach refers to all non-numeric data or data that have not been quantified and can be a product of all research strategies (Saunders, Lewis, and Thornhill, 2009). This study aims to understand the Roles of Brand Trust and E-WOM on Shopee Customer Loyalty with a study case area in Manado.

### Population, Sample Size, and Sampling Technique

Sugiyono (2007) stated that in qualitative research does not use form population but instead uses the term "social situation" which consists of three elements: place, actors, and activity. The population used in this study is the Shopee user in Manado. According to Sekaran and Bougie (2010), Population is the entire group of people, events, or things that a researcher desire to research. The population used in this study is the Shopee user in Manado. In this research sampling technique, the researcher used purposive sampling, According to Sugiyono (1997) Purposive sampling is a technique to collect a sample of data sources with some considerations like people who are considered to understand the matter, can be trusted or people who have authority that will make it easier to the researcher to explore the certain Object or social situation. The researcher intended that there will be 20 informants to be examined about the roles of brand trust and E-WOM (electronic word of mouth) on Shopee customer loyalty in Manado. The sample used will be taken from Shopee users with the range minimum time of using 2 years likewise the users to be examined are in the age range of 23-45 years old.

### Data Collection Technique

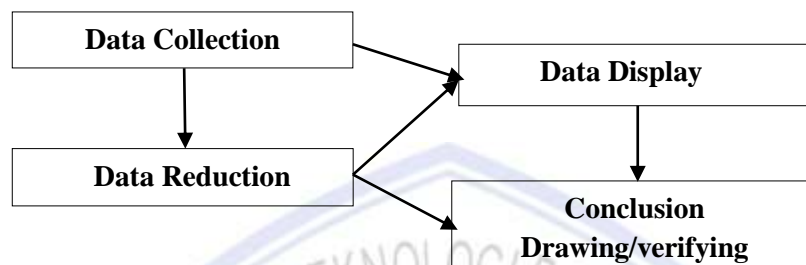
Collecting data used in this study using an in-depth interview. An in-depth interview is an unstructured one-to-one discussion between a trained interviewer and a respondent (Hair, Bush, and Ortinau, 2006). In this research, the interviews were held face-to-face to receive the data that has been collected from first-hand experience is known as primary data. According to Hair, Bush, and Ortinau (2006:64), Primary Data are the result of conducting some type of data needed for this research. Another way of data collection method was also from literature research, namely research conducted by reading and studying related books, and Observational research, namely data collection carried out by observing and systematically recording the symptoms being investigated.

### Data Analysis Method

In the analysis of qualitative data, Sugiyono (2007) states: "Data analysis is the process of systematically finding and arranging interview transcripts, field notes, and other materials that you accumulate to improve your own understanding of them and to allow you to present what you've discovered to others."

### Qualitative Data Analysis

Qualitative data analysis is done when the empirical data obtained is qualitative data in the form of a collection of tangible words and not a series of numbers and cannot be arranged in categories - classification/structure classification. Data can be collected in various ways (observation, interview, essence of documents).



**Figure 1. Qualitative Data Analysis**

*Source: Essentials of Business Research Model*

According to Hair et al. (2015), there are several steps in qualitative data analysis, which are:

- Data Collection is the process where the researcher finds information or data from any form of sources such as books, or internet website, and gather deeper, information from the informant.
- Data Reduction involves selecting, simplifying, and transforming the data to make it more manageable and understandable through coding and categorizing. Coding is the analytic process through which the qualitative data gathered are reduced, rearranged, and integrated to form a theory. The data reduction is utilized to summarize the main point of the data received from the informants to help the research in categorizing the data.
- Data Display helps qualitative researchers to organize information and view it in a way that enables them to identify linkages and develop explanations that relate their findings to existing theories.
- Drawing conclusions involves deciding what the identified themes and patterns are and how they help to answer the research questions whereas verifying involves checking and re-checking the data to ensure the initial conclusion is realistic, supportable, and valid.

### Reliability and Validity Test

To ensure the reliability and validity of qualitative research, it is helpful to use triangulation, according to O'Donoghue and Punch (2003), triangulation is a method of cross-checking data from multiple sources to search for regularities in the research data. The point is data triangulation requires collecting data from different several sources at different times and comparing each of the results. The data were gathered from different informants, and Shopee users in different interviews and at different times. After the data are collected, the researcher starts to compare different data to make sure the data are reliable and consistent data also ensuring the validity or the accuracy of an assessment, in this research reliability and validity are used to ensure the consistency of the result gained. The validity even became more crucial than reliability because if the data are valid, they are almost always reliable.

## RESULT AND DISCUSSION

### Result

This research uses the qualitative method which is an in-depth interview as the tool to gain information from the respondent. The population of this research is all the respondent who has been used Shopee as an online shop platform with using range is 2 years minimum and the sample took all 20 respondents.

**Interview Result**

Informant 1 is a loyal customer of Shopee; she used the application for about 3.5 years or more, according to her, shopping online is something hard to not be tempted to do, she usually back on the app 3 times a week and finds it joy when she opens the package that arrived. Reviewing the product quality, she also finds it good because she surveys the E-WOM before buying and it is helpful for her. He she also still interested in making a future purchase with Shopee.

After 2 years of using and shopping at Shopee, Informant 2 may not have as frequently as informant number 1 on shop on the apps, but as a matter of fact, he tends to buy products that cost much more expensive for at least once a month range of shopping from 500.000 IDR up to 1.000.000 IDR and tends to really assure for the brand to deliver his products save and complete to his house. Even though he said that the product was still late from the estimation time predicted by the apps, he still finds the quality of the product best at its best price. Reviewing from E-WOM sections, he reveals that E-WOM is reliable for him to predict the product that to arrive in a good shape because the E-WOM provides more video reviews from the previous customers and leaves it behind in the E-WOM Section, which makes it so important for him to check before purchasing the product or services. Same with informant number 1, He also still interested in making future transactions with the brand, Shopee.

The private employee does need Shopee for her beauty products requirements and for home appliances too. According to Informant 3, shopping online does help her find the most suitable product she's looking for when the product usually has not been distributed or sold in the Manado area yet. Entering the estimated and predicted time of the product arrival often went late in her case, the case does not just stop there, she also found less of the actual amount of product she paid than what meets her count. She struggles to re-check it and press the extra-days option from not receiving full of products yet. From the E-WOM point of view, she stated that it is trustworthy for her to decide to repurchase the same product on Shopee, that one held a bad review of time delivery and usually skipped it and tend to search for another shop. Still doesn't close any possibility she will still online shopping with Shopee in the future later.

Informant 4 explains that he really is an old user of the Shopee app even before the pandemic hit, and his favorite search bar often fills with clothes or new fashion trends and accessories, He then said he could spend 500.000 IDR up to 1.000.000 IDR per month in Shopee. He also said that a few times he found the product is in less quantity and broken. That is why he said that E-WOM plays an important role for him it is helpful to shop at Shopee because he can see the product itself based on the reviews and experiences from videos by previous customers who purchased the product beforehand. Yes, is also the answer from this third respondent to continue hoping on shopping through the application when it is needed.

As a woman herself, Informant 5 thought that women never feel complete without the word *shopping* because besides shopping for groceries she can explore all the products available inside the house on Shopee before deciding to buy them later. In 3 years of using it, she mostly shops for beauty products clothes, and any other that she said is useful for home appliances too. She assumed that when shopping in Shopee is far cheaper rather than the rest online application shops. According to her, E-WOM is trustworthy for her to gain the confidence to buy the items she needed in Shopee. In his experiences of online shopping now it is hard not to do online shopping again in this era, so she confidently said that will continue to repurchase on Shopee brand as her favorite E-commerce than the rest.

According to informant number 6, he has used the app for about 3 years. His shop basket at Shopee is usually for home appliances and he said that he can get a cheaper price than the conventional store for the same quality of products in Shopee. In his opinion, the E-WOM of Shopee is adequate to gain information. The features of the application are also good and easy to use. He then said still going to continue to shop in the application in the future later.

As a man, Informant 7 is quite interested in the field of car components and accessories that have been provided online because he can look up the price itself before buying. He then said that he can shop in Shopee and spend millions once a week because that's what he is usually interested in or needs to fulfill. For this informant number 7 that used the application for 2 years, he perceives that the quality of the product is always based on the price itself, especially if the goods have limitations in being viewed directly before being purchased. From an estimation time of product arrival, he testifies that it always went a few times behind time when arrived, and the product on some occasions appeared in less than what have been ordered before. From the E-WOM point of view, he admits that it is not the standard if the product is concluded as good quality or if the packaging is wrapped in a proper way. minimizing the problems, he had previously encountered is the reason why he tends to pay extra

for the bubble wrap on the product he purchases in order to keep the quality of the product from breaking or subtracting the value of the product. He also said that he still going to continue to shop in Shopee if he needs anything that is within Shopee's application.

As for informants' number 8, she then clarifies that the Shopee app becomes a place to shop for clothes that she finds more fashionable than what she can meet the eyes in the conventional store. She said that she's happy that the product's quality is far more than good because not a few of the products that Shopee provides are from other countries, such as Bangkok, China, and Singapore. From an estimated time of arrival, the products she said are still on time but sometimes she receives the product less than what she ordered. She hopes that the Shopee management can make the solution to the problem. From an E-WOM point of view, she admitted that it is reliable for choosing to purchase or not on the online shop because she testifies if the product disappoints the previous customer, it's not impossible that it will also disappoint her. Nevertheless, she still said yes on choose to purchase in the Shopee application in the future later.

As a private employee, Informant 9 usually needs stuff, especially electronic devices, and components for office tools and accessories, he said that he tends to shop at Shopee once a month. For more than 3 years of using the application, he is really assured at shopping on Shopee, even though he said that the arrival of the product is not uncommon for delays to occur. From an E-WOM point of view is reliable, he said that it is good to be the benchmark for the quality of the goods that will be ordered later. He admits that won't hold himself back to shop again on the application to buy something new.

As for Informant 10, shopping at Shopee has become a lifestyle, she said that Shopee E-Commerce has a great innovation for people on how to shop comfortably at home without walking outside the door house. She also stated that she can spend 500.000 IDR up to 1.000.000 IDR per week just to shop at Shopee. In her experience with the E-WOM point of view, it is indeed helpful. The product quality is also good and never seems to have delays in the product's arrival. Following her level of confidence in the brand for 2 years long, she said yes on willing to conduct future transactions with the Shopee application.

As for informants' number 11, he said that shopping at Shopee the choice is always varied, the features are easy to use, and in his opinion that the quality is based on the price. So, it's a good place to shop. He also reveals his spending for the App can reach 50.000 IDR up to 500.000 IDR per month. From an estimated time of product arrival, he said that it is often late and the product some are less to arrive. He hopes that the Company of the shop can make quality control over the product so that the stability and quality of the product are always maintained, and the customer's time won't be wasted any further. Nonetheless, he said yes to shop again through the Shopee Application. From the E-WOM point of view, the role of it in filling the product information section containing positive and negative feedback from prior customers is adequate. In the question of the interview about the future transaction, he also said yes, and will always look for the promotion and extra free shipping from the Shopee.

As for the civil officer himself, Informant 12 is interested in shopping for electronic devices, especially cameras, and others; aligning with the various options of products that the Shopee application offers then he chooses to buy. He said that he also finds the E-WOM of the online shop inside Shopee helps him a lot to gain the trust to keep buying in the Shopee application. From the estimated arrival time, he explains that some are late and never has he found the product in less shape or quantity. He just hopes for more promotions and free shipping to be held on Shopee.

Informant 13 has used Shopee for 3 years, said he shops for authentic stuff, like books and electronic devices to help him in a career as a lawyer. For him there a lot of stuff is easy to find in the capital city but not in our Manado city, especially for a product that originated from a foreign country. For the product quality review, he said it is according to the price, and sometimes it is worth it because the other shops provide the same mid-end product but at a more expensive price they sell. Even though he said that He really assures at shopping in Shopee but a few of the products that arrive showed up less than what he ordered and when the product was re-send to his place the second time, he suffered for lost a lot of time waiting for the product to arrive. Entering the E-WOM section he confirms that that is helpful for him to search for the time review by the prior customer so that he can predict the products arrives on time at his place. He also stated he's nonetheless interested to shop in Shopee's at the next opportunity.

For informant number 14 and a private employee herself, she claims that she's 3 years long of using Shopee as the platform to shop online since the pandemic hit. Until now she tends to buy clothes, fashion, and laptop accessories there at least twice a month. Entering from the Point of E-WOM views, it is a must-do behavior before purchasing the product from the online shop. Because there are still a lot of online shops she tells, selling

the same product only at farther away points of the product to be delivered but still manages to keep the quality control of the products. The E-WOM according to her is trustworthy. She also confirms that she still suffers from the product that arrives sometimes came late and the product is also less than what is on the first agreement. She said that hopefully, the problem gets a solution as soon as possible. Nevertheless, she still believes in the brand of its product and will continue purchasing from Shopee in the future.

As for a private employee herself, Informant 15 explains that she uses Shopee to fulfill her daily needs and clothes and also for beauty products like skin care products, it is really some help for her to shop there because she confirms that the product is cheaper, especially with free shipping on some occasions like Shopee's free shipping 11.11 (means that free shipping occurs only on the day of November 11<sup>th</sup>). However, she said that some of the products didn't being delivered in the proper number of items. She also said suffers for the time waste if the product is re-deliver for the 2<sup>nd</sup> time to her house for the ship from the capital city to Manado city for some period of transactions. From the E-WOM point of view, she testifies it is helpful. She also occasionally wrote a review there to leave information for a future possible customer. According to her, she already become used to the application, so there's a big chance she is going to make a purchase in the future later.

As an entrepreneur himself, Informant 16 said that it is quite beneficial on shopping in Shopee. Further explains that he usually looks for clothes, essential stuff for his business components, and electronic devices. As for his spending reaches 1.000.000 IDR up to 2.500.000 per month. Entering the E-WOM sections he then said sometimes he read it and sometimes he is not. Still, he perceives that the existence of E-WOM is adequate. The quality of the product is also guaranteed and doesn't show any worries to shop again in Shopee.

As for this young-adult woman, Informant 17 clarifies that she tends to buy at Shopee clothes and fashion. For 3 years of using the app, she usually found that the product that arrives tends to come behind schedule. Sometimes the worst case is the product never arrives. And she must make double crosscheck again with the owner of the shops and the courier delivery. Entering the E-WOM point of view respondent number 17, stated that it is reliable since there are a lot of recent reviews describing the product condition being sent to their houses. Yet she does not consider uninstalling the application, for she is afraid that she will still need the application to shop later.

As a user of Shopee more than 4 years, Informant 18 explains that shopping in Shopee she can shop for about once a month spendings 50.000 IDR up to 500.000 IDR, and still manages to meet some unique situations when the product arrives; it varies from the previous informants it is not late, it also not less but it is a different product than what product she paid. She expects that the Shopee management would put more consideration on quality control. E-WOM in her point of view said that it is trustworthy. For her answers stated that every customer gets a spot to give feedback, and the results in the reviews are facts and not *sugarcoated*. "Yes" is what she answers when the researcher asks the last question if she still going to shop in Shopee in the future later.

As a person that uses Shopee for 4 years and once a business partner with Shopee, Informant 19 explains that she receives a lot of benefits from buying the products and re-sells them again to Manado customers. She then reveals that the platform does provide a lot of choices and cheaper price that's why she then sees a business chance between the gaps. Besides that, she also informs us about the estimated time of arrival there are times that the product late and some are also come earlier than what shows on the app. From E-WOM she affirms that it is reliable to understand the product based on the reviews of the prior customer of the online shop of Shopee. She also said she will still shop in Shopee.

As a housewife herself, and a mother of 2 children, Informant 20 usually finds it hard to go shopping outside even though the social distancing program from the government did not become as strict as 3 years ago, she then explains that shopping in Shopee is what comes in mind when there are free times. Later, she clarifies that she already using Shopee for about 3 years and just shopped last week for baby clothes. The estimated arrival time, she reveals that she suffers from the product because the estimated arrival time is so late. From an E-WOM point of view, she said it is a must before buying the product so that she can calculate the product with what's needed, so it is quite helpful. She also said that going to keep online shopping through the Shopee application.

## Discussion

Retaining customer loyalty in online shopping faces a greater risk and challenges, especially in the era of the post-Pandemic transition. When customers encounter an increased psychological, high level of uncertainty or social risk with respect to a purchase they tend to search for a credible source of information. In these results of the study, the researcher intends to explain how Brand Trust and E-WOM have important roles in the Customer Loyalty of Shopee in Manado



**Customer Loyalty of Shopee Based On Brand Trust Roles in Manado****Table 1. Interview Coding: Brand Trust**

Indicators	Description	Respondents
Perceived Quality	He/she felt that Shopee is the best application to shop for based on their experiences before and still hopes to shop in the future if they need something that requires the application's products and services.	75%
Perceived Ease Of Use	There are not a few of them who agreed of the features of the Shopee Application are easy to use and easy to shop from anywhere and everywhere.	65%
Customer Commitment	It is the dedication they gave to the brand Shopee E-commerce.	85%
Customer Satisfaction	The emotion they felt after purchasing at Shopee where some products are normally arrived, and some are not or even less in quantity to arrive.	40%
Product Quality	Outrageous, lot of choices, best, according to the cost the consumer spent.	90%

Source: Primary data processed 2023

Based on the research, the findings of the customer who shop in Shopee with 2 years minimum of use show that there are 5 indicators for brand trust, namely: Perceived Quality, Perceived ease of use, Customer satisfaction, and Product quality. Coding is done to get the best explanation of Shopee's Customers that have been loyal in the past few years. The perceived quality from the interviewees reaches as much as 75% of them who agreed that Shopee can fulfill their needs and satisfy their expectations from the brand. It is aligning with the research from Morgan and Hunt (1994) Stated that brand trust makes the customer believes that the brand is sufficient to meet his/her needs and wishes.

### Perceived Quality

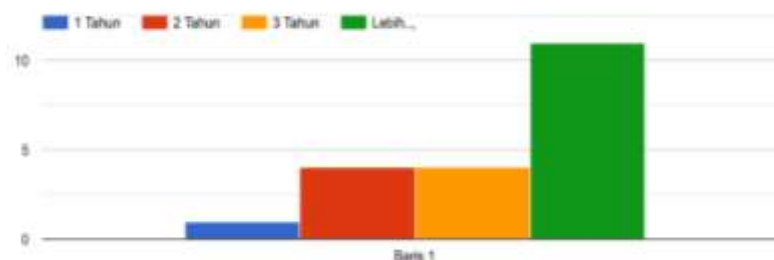
The result from the 20 samples describes that 75% of them showed that they still Shop at Shopee because Shopee can maintain the integrity and reliability of the brand's great services in e-commerce sectors. The higher consumer confidence in a brand, the higher the loyalty will be. Therefore, it is necessary for product owners to maintain integrity, be reliable, and not disappoint their customers.

### Perceived Ease of Use

The ease of use that the customer felt when using the application varies from the others, it is not being in doubt that the brand originated in Singapore, and the application's easiness to *surf* is undeniably engaging and easy to understand from product review to completing a transaction. The percentage indicated by the interviews also stands at 65% which means that more than half agreed that Shopee is above average in terms of ease of use.

### Customer Commitment on Shopee

Figure 2 is showing the customer commitment to Shopee for the past few years that there is 1 interviewee from the 20 respondents that used the application for 1 year, 4 interviewees that used the application for 2 years, 4 interviewees that uses it for 3 years, 11 interviewees that used Shopee beyond 3 years. Oliver (1997), defines customer loyalty as a deeply held commitment to re-buy or re-patronize a preferred product and service consistently in the future.



**Figure 2. Customer Commitment on Shopee**

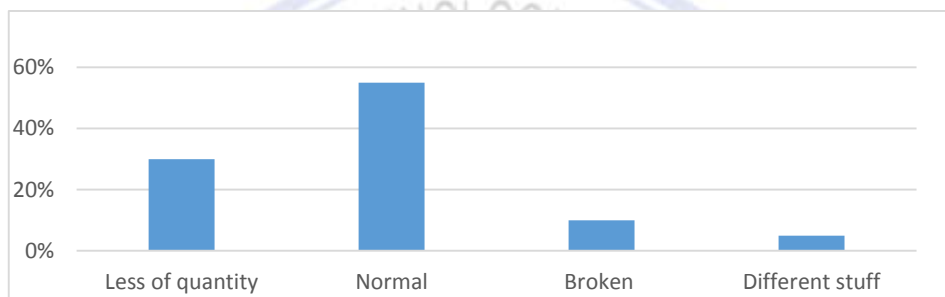
Source: Primary data processed 2023

**Customer Satisfaction**

There are 40% of all the respondents felt satisfied and happy with Shopee’s product. The increase in customer satisfaction with the Shopee brand, the higher the brand trust perceived by the customer. But entering in this study the researcher found that Shopee still has *homework* on the main product of quality control. Following the fact that anybody that downloaded the Shopee application can become an online seller of Shopee opens a big chance that the credentials of the products are being wondered, not on just the quality control of the product but also on the estimation of time arrival that increases the hopes of the consumers to receive the goods on time but many time still being disappointed by arriving behind schedule and also the product which also broken, less and also different is sufficient to snatch a lot of consumer times on waiting for the product to be re-send or other case went to the money being transferred back on the customer e-wallet or Shopee pay account.

**Product Quality**

Product quality is the one main reason why customers choose Shopee as their online platform to shop, 90% of them agreed that Shopee can provide the substantial-quality product they need. As a matter of fact, there are 55% of them assume Shopee is competent to supply their needs. As many as 30% of them also confess that the product arrived in less quantity, 10% of them received the products broken, and 5% receives the product in different shape.

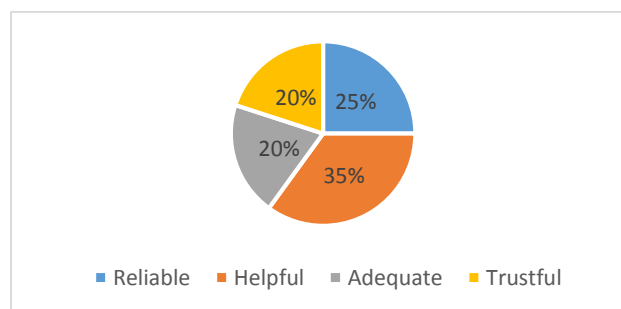


**Figure 3. Shopee’s Product Quality Received**

*Source: Primary data proceed in 2023*

**Customer Loyalty of Shopee based on E-WOM (Electronic Word of Mouth) Roles in Manado**

The loyalty shown by the chosen interviewees comes from their commitment to the brand, the values that the brand provides, the way of promotion, and how they decide to repurchase at Shopee for a long period of time. Oliver (1997) stated that customer loyalty is as a deeply held commitment to re-buy or re-patronize a preferred product and service consistently in the future. Therefore, E-WOM was proven to have important roles since the response by the respondent that has been using Shopee for more than 2 years confessed E-WOM is a reliable, helpful, adequate, and trustworthy source of information on repurchasing the same product on the same brand of e-commerce, Shopee. Referring on the conducted research of 20 loyal customers of Shopee that have been using Shopee for 2 years and more, it shows that E-WOM has become a tool for them to make a repurchase behavior on Shopee. The feedback from them affirms that (figure 4.2.2), 35% stated E-WOM is helpful, 25% of them stated E-WOM is reliable, 20% stated that E-WOM is adequate, and 20% of them stated that E-WOM is a trustworthy non-formal informational source.



**Figure 4. What Shopee Customers Perceive Of E-WOM Roles in Manado**

*Source: Primary data processed 2023*

This research is in line with the findings of previous studies where Word of Mouth influences customer loyalty (Oni Huda and Nugroho, 2020) that there is an influence between Word of Mouth on Oppo Smartphone Customer Loyalty. Information from conversations, recommendations, and encouragement of Oppo users will be able to increase user loyalty to the Oppo brand. In Shopee if the old user comes back again at Shopee they tend to review the recently uploaded video of E-WOM by the prior customer so that it will retain him/her on continuing re-purchasing in Shopee.

**Table 2. Coding Categorization: E-WOM**

Indicators	Description	Informant	Number	Percentage
Reliable	It is important for them to predict and expect that the product will arrive in a good shape and according to the testimony within the E-WOM	R2, R8, R9, R17, R19	5	25%
	Reviews from the E-WOM sections aimed to efficiently calculate the needs of the exact products they are looking for.	R1, R4, R10, R12, R13, R15, R20	7	35%
Helpful	It does not become the benchmark of the quality of the product to arrive. It is simple enough to complete as a task of E-Commerce where there is not a lot of communication if compared to the conventional market.	R6, R7, R16, R11	4	20%
Adequate	The fewer bad review from the E-WOM, the more trusted the Shopee online shop platform will be.	R3, R5, R14, R18	4	20%
Trustworthy				

Source: Primary data 2023

From the table 2, we can see that there are 5 respondents: R2, R8, R9, R17, and R19 that stated that E-WOM is reliable in their reference to expect that the product will arrive with the predicted condition of goods basically to minimize the risk of receiving broken products. There are 7 respondents: R1, R4, R10, R12, R13, R15, and R20 claimed E-WOM is helpful in terms of efficiently calculating the needs of the exact products they are looking for, for they believe the facts that being told by E-WOM for the product condition is better than what the marketers are trying to advertise. Word of adequate is one key indicator of E-WOM that 4 respondents of them namely: R6, R7, R16, and R1 perceived that E-WOM is adequate which means it does not become the benchmark of the quality of the product to arrive. It simply means that E-WOM is enough to complete features as a task of E-Commerce where there is not a lot of communication if compared to the conventional market. The fewer bad review from the E-WOM, the more trusted the Shopee online shop platform will be. This is felt by the respondent from R3, R5, R14, R18, who stated believes that E-WOM is a non-commercial yet trustworthy source of information that has a massive influence on consumer attitude formation and purchase behavior.

## CONCLUSION AND RECOMMENDATION

### Conclusion

This research is conducted to analyze the roles of brand trust and E-WOM on Shopee's customer loyalty in Manado. After the result and the discussion in the previous chapter, it can be concluded that Brand Trust and E-WOM have important roles in customer loyalty at Shopee with the study case in Manado.

### Recommendation

This research has been conducted to explore the consumer perspectives on brand Trust and E-WOM roles on Shopee Customer Loyalty. Recommendations were formulated based on the findings of this research, for the company, consumers, and further researchers:

- Shopee E-commerce managers should concern that quality control is important to maintain because few samples admitted that the product has arrived, and the quality and packaging are different. Also, time management or estimated arrival time displayed to those who make transactions on Shopee also often experience late arrivals.

- Future researchers that are interested in conducting a similar study is recommended to do so with a wider population, in a quantitative method.

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