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INCREASING ONLINE SALES FOR SHOPPING NEEDS THROUGH MARKETPLACE IN INDONESIA: GENERATION Z SURVEY ON INDONESIAN MARKET ONLINE

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ABSTRACT

Information technology in the field of online marketing has succeeded in encouraging the growth of new and old entrepreneurs by taking advantage of the convenience of online marketing, both small and large UMKM (is MSME/Micro, Small and Medium Enterprises) industries, as well as the growth of resellers and dropship. These conditions encourage intense competition among marketplace entrepreneurs in the Indonesian online market. They are competing to get sellers to join the marketplace they manage, they are also competing to get online customers, both in Indonesian and foreign marketplaces in the Indonesian online market. This competition makes marketplaces compete each other to be market leaders or get to the top 5 marketshare marketplaces so that various efforts are made to get closer to customers, with the hope that the marketplace will always be the customer's choice. This study aims to measure the influence of customer e-satisfaction, e-wom and individual personality on repurchase intention of marketplace customers in the Indonesian online market. The population of this study consists of marketplace customers in the online market in Indonesia, with non-probability sampling technique, the sampling uses a purposive sampling method with the criteria that customers have made online purchases at the marketplace at least three times in the last six months, it takes a sample of 304 respondents. The analytical tool used is quantitative path analysis that is used to test the hypothesis. The results of this study indicate that the order of the greatest influence of the variables that form customer e-satisfaction in the marketplace that sells shopping products in the Indonesian online market is customer lifestyle, website service quality and trust. Customer e-satisfaction affects the electronic-wom and repurchase intention directly or even when it is moderated by the electronic-wom. The practical implication of this research is a strategy to increase the repurchases intention for online shops, e-commerce, UMKM marketplaces that sell shopping products that can develop the marketing communications through customer life style designs, supported by communicative service quality websites that encourages trust which encourages positive electronic-wom that will eventually encourage the repurchases intention of online shops, e-commerce, UMKM marketplaces in the Indonesian online market.

KEY WORDS

Customer E-satisfaction, E-WOM, individual personality, repurchase intention.

Information technology in the field of online marketing has succeeded in encouraging the growth of new and old entrepreneurs by taking advantage of the convenience of online marketing, both small and large industries, as well as the growth of resellers and dropships to join the marketplace they manage, they are also competing to get online customers, both marketplaces from Indonesia and foreign marketplaces in the Indonesian online market. This competition makes the marketplaces compete each other to be market leaders or get to the top 5 marketshare marketplaces so that various efforts are made to get closer to customers, with the hope that the marketplace will always be the customer's choice.

Indonesia is the fifth country with the highest number of startups based on startupranking.com, a startup rating agency, Indonesia is the fifth country with the highest number of startups in the world. Indonesia's position is below US, India, Canada and the UK (CNN Indonesia.com 2022). It shows that the rapid growth of online shops in Indonesia has resulted in a high level of competition, both in terms of the number of online shops and also



in marketplace, e-commerce and marketplace application providers, and the emergence of various applications that can be used for marketing in communicating products or services via online. Entrepreneurs are free to choose and design the website of the online shop (Chaffey et al, 2016) in accordance with the wishes of each entrepreneur and the internal capabilities of each online shop entrepreneur. According to the daily jogja.com, in 2020 there are 150 million people in Indonesia who have e-commerce accounts. According to the source, the people of Yogyakarta and Sleman are in the list of the most online purchases (news.harianjogja.com, 2020). The number of choices makes the variety of websites that customers can use to conduct online transactions. There are 49 marketplaces in Indonesia (Iprice, 2022), the number of online shops that use e-commerce is greater as well as the marketplace provided from various applications for businesses that have simpler features than marketplaces and e-commerce, all of which are presented in the online business world. Consumers and customers will feel the difference in the Online Convenience site from an online shop. Many choices of online shop websites have affected the online shop consumer and customers' satisfaction, besides that it will also have an influence on consumers and customers to be encouraged to submit e-WOM and repurchase intentions.

The era of digital marketing 4.0 has resulted in customers for being very easy to switch for not making repeat purchases on the same marketplace. It's easy for customers to switch to the other marketplaces because it's easy to find information via the internet in the grip of a customer's cellphone (Karyono et al, 2020). It is the same as what Pahlavi says (2017) as time goes by, the form and number of e-commerce is increasing which results in fierce competition.

The purpose of this study is to measure the size of the influence of the factors that affect Customer E-satisfaction from the point of view of Self - Efficacy and Customer Lifestyle, by measuring the magnitude of the influence of Website Service Quality, and Technology Acceptance Factors to increase Customer E-Satisfaction mediated by E-WOM and Individual Personality towards Repurchase Intention on the marketplace customers in the online market in Indonesia, so that a strategic business concept can be obtained in the marketplace environment in the online market in Indonesia.

LITERATURE REVIEW

Online purchase intention reflects the customer's willingness to buy via internet (Chen et al., 2010, p. 1008) and is defined as the condition in which the customer intends to buy from the online market (Pavlou, 2003). Repurchase intention is a subjective probability of the customer's experience for continuing to buy products from the same online seller" (Chuang et al., 2017,), or buy products/services again from the same industry (Hellier et al., 2003). The desire to repurchase is different from the desire to buy the first time; therefore, it has been observed in advance by customers of different sizes in the catalog.

Web Service Quality is a customer's expectation in getting quality service from a website when making an online purchase (Law and Cheung, 2006). It shows that maintaining the quality of the website is very important for retaining customers and their return visits which in turn will increase the e-repurchase intention of online store customers. Because the advancement of information technology is very rapid and the dramatic development in the number of Internet users is also increasing rapidly, many studies have examined the quality of web services as the key to successful customer repurchase.

Consumers generally try to find a suitable and easy way to use the website which includes data search, internet subscriptions, payments, and so on (Lin and Sun, 2009). The unified theory of acceptance and use of technology theory is developed to explain the customer's attitude in accepting or rejecting a technology (Tandon et al., 2018; Williams, Rana, and Dwivedi, 2015).

Self-efficacy is a belief in one's ability to control and carry out internet activities or online shopping (Pappas et al., 2014). It reflects people's beliefs about what they can do with their skills (Torres et al., 2015). Greater self-efficacy leads to positive behavior towards online shopping (Yang, 2012) and is greater for experienced users, so that online customers



who often tend to be more confident in their online shopping skills are more satisfied with online shopping procedures (Pappas et al., 2014; Hernández, Jiménez, and Martín, 2010).

Consumers' trust in the reliability and credibility of online shopping websites will fulfill their expectations of value exchange (Shareef et al., 2018). The lack of online consumer confidence is a major barrier to online consumer engagement (Wang et al., 2018; Shin et al., 2013). Customer confidence in e-vendors is from long-term ties and creates online customer repurchase intentions regardless of the customer's last experience (Zheng et al., 2017; Pappas et al., 2014). Previous research has clarified beliefs that greater satisfaction and transactional outcomes increase, and can predict customer satisfaction (Singh, 2017; Pappas et al., 2014).

Lifestyle in the online shopping area refers to a person's character measure that influences his behavior in the virtual world and shows how a person lives, allocates time and spends money (Mohamed et al., 2014). It is a mixture of ascertaining the intangible or tangible aspects. The intangible aspect is more related to the psychological aspect and the tangible factor is related to the demographic aspect of a person (Kahle and Close, 2011). Many researchers report that online customer lifestyle will have a positive effect on their e-satisfaction (Hassan, Thurasamy, and Loi, 2017; Mohamed et al., 2014).

Customer satisfaction is conceptualized as a transaction-specific construct because it results from the post-purchase responses (Oliver, 1993). Customer satisfaction with electronic websites is often referred to the e-customer satisfaction. Electronic satisfaction is the key to success in the highly competitive world of e-commerce and also results in E-WOM and repurchase intentions.

Hennig Thureau, et al., 2004 explains that e-WOM is a positive or negative statement made by customers for certain products or industries that are made universally on the internet. Word of mouth in the online area can affect more people in a short time. So, e-WOM is very important in e-commerce to get commercial success.

Character is defined as a set of attitudes, cognitions, and emotional patterns that grow from environmental and biological aspects (Rice and Markey, 2009). The 5-aspect model is a taxonomy for character identity which includes experience, extraversion, understanding, emotional stability, and friendliness (Picazo Vela et al, 2010). Extraversion refers to large activities and social attitude tendencies and is inversely related to the internet use and is related to the desire to engage in online activities (Picazo-Vela et al., 2010). Because there is no intervention from marketers and crowds, introverts are more likely to shop online (Mohamed et al., 2014; Rice and Markey, 2009). Mohamed et al., 2014 investigates the effect of 2 character measures, emotional stability and extroversion as moderators between customer satisfaction and repurchase intention; it notes that extroversion has a positive impact on repurchase intentions.

FRAMEWORK OF RESEARCH

This research framework refers to Shouvik Sanyala, et al, 2021. This study analyzes the magnitude of the influence of the marketplace selling shopping products in the Indonesian online market.

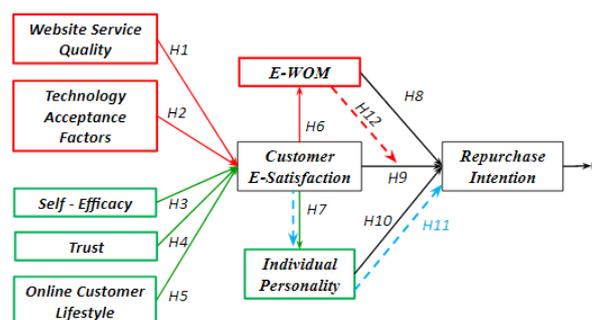


Figure 1 – Framework for research



METHODS OF RESEARCH

The population and sample in this study are marketplace customers who sell shopping products in the online market in Indonesia. The sampling technique used in this study is a non-probability sampling technique, the sampling uses a purposive sampling method (Sugiyono. 2017) with a sample size of 304 respondents. This study uses a quantitative analysis to test the hypothesis, namely whether or not there is an influence measuring the influence of Customer E-satisfaction from the point of view of Self - Efficacy and Customer Lifestyle, by measuring the magnitude of the influence of Website Service Quality, and Technology Acceptance Factors to increase the Customer E-Satisfaction mediated by E-WOM and Individual Personality on Repurchase Intention to the marketplace customers in the online market in Indonesia.

RESULTS AND DISCUSSION

The results of the study is processed using SPSS (Ghozali, 2018), the H 1-5 test is accepted.

Table 1 – Coefficients website service quality, technology acceptance factor, self-efficacy, trust and Online Customer Lifestyle on customer e-satisfaction

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.699	.217		3.215	.001
	WSQ.X1	.363	.061	.309	5.933	.000
	TAF.X2	.023	.048	.022	.476	.635
	SE.X3	-.181	.060	-.144	-3.009	.003
	TRST.X4	.256	.046	.293	5.582	.000
	CL.X5	.421	.050	.416	8.366	.000

a. Dependent Variable: CES.Z1.

The results of statistical tests for hypotheses 1 to 5 show the coefficient of determination of the 5 variables affect the customer electronic satisfaction by 65.1% or 0.651 which shows the magnitude of the influence of the five variables above on the customer electronic satisfaction, show the magnitude of the influence of each of these independent variables. There is one variable that is not significant, namely technology acceptance factor (TAF.X2), meaning that one variable does not give any meaning to the influence of forming customer e-satisfaction, the order of greatest influence is customer lifestyle, website service quality and trust, while self-efficacy has a small and negative effect. It means that the effect of the self-efficacy variable is inversely proportional to the customer e-satisfaction.

The result of the H6 customer e-satisfaction test on electronic-wom is accepted.

Table 2 – Customer e-satisfaction on electronic-wom

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.108	.178		6.214	.000
	CES.Z1	.715	.040	.718	17.913	.000

a. Dependent Variable: EWM.Z2.

The results of statistical tests for hypothesis 6 show that the coefficient of determination of these variables affects the electronic-wom by 51.5% or 0.515, Customer e-satisfaction has a positive and significant effect on electronic-wom.

The result of the H7 customer e-satisfaction test on individual personality is accepted.



Table 3 – Coefficients customer e-satisfaction (M2) on repurchase intention moderated by electronic-wom

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.107	.274		4.034	.000
	CES.Z1	.615	.061	.499	10.012	.000

a. Dependent Variable: IP10.Z3.

The results of statistical tests for hypothesis 7 show that the coefficient of determination of these variables affects the electronic-wom by 24.9% or 0.249 customer e-satisfaction has a positive and significant effect on individual personality.

The results of the H8 electronic-wom test, H9 customer e-satisfaction and H10 individual personality are accepted.

Table 4 – Coefficients electronic-wom, individual personality, and customer e-satisfaction on repurchase intention

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.499	.189		2.632	.009
	CES.Z1	.457	.059	.430	7.765	.000
	EWM.Z2	.312	.058	.293	5.419	.000
	IP10.Z3	.137	.037	.159	3.658	.000

a. Dependent Variable: RI.Y.

The results of statistical tests for hypotheses 8 to 10 show the coefficient of determination of the 3 variables that affect repurchase intention by 58.7% or 0.587 which shows the magnitude of the influence of the three variables above on repurchase intention. coefficient above, the order of the greatest influence of customer e-satisfaction and electronic-wom and individual personality.

The results of the path analysis test for the hypothesis H11 customer e-satisfaction on repurchases intention through individual personality, the analysis of the H11 hypothesis test using P1, P2 and P3.

Path influence test results (P1):

Table 5 – Customer e-satisfaction on individual personality

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.107	.274		4.034	.000
	CES.Z1	.615	.061	.499	10.012	.000

a. Dependent Variable: IP10.Z3.

Path P1 test results have a significant positive effect.

The results of the test of the influence of path P2 and path P3:

Table 6 – Customer e-satisfaction and individual personality on repurchase intention

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.806	.189		4.266	.000
	CES.Z1	.659	.048	.620	13.847	.000
	IP10.Z3	.172	.039	.199	4.445	.000

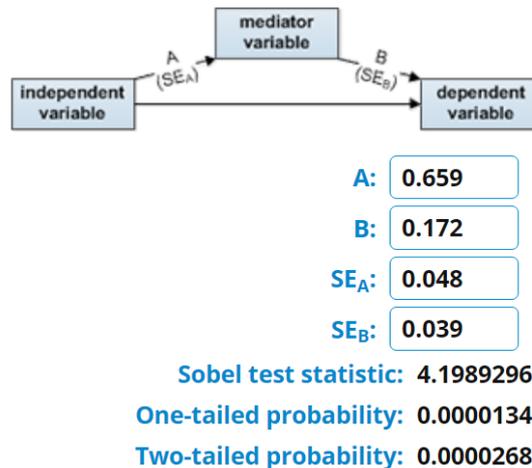
a. Dependent Variable: RI.Y.

The results of the test of the influence of path P2 and path P3 show the coefficient of determination of these variables affecting electronic-wom by 54.7% or 0.547 which indicates



the magnitude of the influence of the above variables on Repurchase Intention; the magnitude of the significant positive influence of each of these independent variables in detail can be seen in table 4.4. the coefficient above; customer e-satisfaction 0.659 has a large positive effect, while individual personality has a positive effect of 0.172 on online repurchase intention for shopping products through the marketplace in the Indonesian online market.

The results of the P1-P3 mediation significance test against Y; Hypothesis 11 is accepted, the analysis uses the Sobel Test: (<https://www.danielsoper.com>, 2022).



The results of the Sobel test above show that the t-count value of 4.19892968 is greater than the t table with a significance level of 0.05 or a significance level of 1.96. It can be concluded that the coefficient has a mediating effect. Analysis of the strategy that builds the repurchases intention from the results of hypothesis testing H11 recommends builds the repurchases intention through the individual personality hypothesis.

Test results H12 Moderation: customer e-satisfaction (M2) on repurchase intention moderated electronic-wom (M1) is accepted.

Table 7 Coefficients of customer e-satisfaction (M2) on repurchase intention moderated by electronic-wom

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1						
	(Constant)	1.952	.239		8.176	.000
	CES.Z1	.225	.098	.212	2.308	.022
	Interaksi	.075	.012	.557	6.068	.000

a. *Dependent Variable: RI.Y.*

Hasil output SPSS terlihat jelas bahwa variabel interaksi memberikan koefisien 0,075 dan signifikan pada 0,000 yang berarti variabel EWM.Z1 adalah pure murni moderator.

The SPSS output results clearly show that the interaction variable gives a coefficient of 0.075 and is significant at 0.000 which means that the EWM.Z1 variable is a pure moderator.

CONCLUSION

The results of this study indicate that the order of the greatest influence of the variables that form customer e-satisfaction in the marketplace that sells shopping products in the Indonesian online market is customer lifesty, website service quality and trust. Customer e-satisfaction affects electronic-wom and repurchase intention directly or moderated by electronic-wom.

The practical implications of this research for marketplaces that sell shopping goods in a strategy to increase repurchases intention for online shops, e-commerce, UMKM



marketplaces that sell shopping products can develop marketing communications through customer lifestyle designs, supported by a communicative service quality website that encourages trust that encourages positive electronic-wom eventually encourages repurchase intentions for online shops, e-commerce, UMKM marketplaces in the Indonesian online market.

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