CONSUMER TRUST OF ONLINE SHOPPING AT SOCIAL NETWORK IN DEPOK SLEMAN YOGYAKARTA

A RESEARCH JOURNAL

Presented as a Partial Fulfillment of the Requirements to Obtain the Bachelor Degree in Accounting Department



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Abstract

This research is about analysis of direct effects from consumer behavior and subjective norms towards attitudes to purchase products online through social network. The hypotheses of this research are: (1) to know whether consumer behavior affects towards purchase intention in social network online shopping. (2) to know whether subjective norms affects towards purchase intention in social media online shopping. Research sample used for the examination of the hypotheses are 100 respondents from Depok Sleman Yogyakarta. The tool to analyze the data used in this research is multiple regression analysis. The conclusions of this research are (1) Consumer attitudes give positive effect significantly towards consumer intention to buy a product in social media in Depok Yogyakarta. (2) Subjective norm gives positive effect significantly towards consumer intention to buy product in social media in Depok Yogyakarta.

Abstraksi

Penelitian ini menganalisa efek langsung dari perilaku konsumen dan norma subjektif terhadap sikap untuk membeli produk secara online melalui sosial media. Hipotesis penelitian ini adalah: (1) untuk mengetahui apakah perilaku konsumen berpengaruh terhadap niat membeli di toko online sosial media. (2) untuk mengetahui apakah norma subjektif berpengaruh terhadap niat membeli di toko online sosial media. Sampel penelitian yang digunakan untuk penelitian hipotesis adalah 100 responden dari Depok Sleman Yogyakarta. Alat yang digunakan untuk menganalisa data di penelitian ini adalah metode regresi berganda. Kesimpulan dari penelitian ini

adalah (1) tingkah laku konsumen memberikan dampak positif secara signifikan terhadap niat beli konsumen di sosial media di Depok Yogyakarta. (2) Norma subjektif memberikan dampak positif secara signifikan terhadap niat konsumen untuk membeli produk di sosial media di Depok Yogyakarta.

Background

Technology advance in the world now affects the trading system, transaction, and other economic events directly and non-directly. In the past, transaction is done by direct face-to-face transaction between buyers and sellers to make the agreement until the deal of the transaction is done. However, nowadays, with computer technology and internet all barrier such as means, distance, and time different can be easily solved. Internet provides a channel to link the consumers and businesses tot enable consumers in making purchases and carrying out their financial transactions over the World Wide Web (WWW) (Kim & Prabhakar, 2004). This easiness becomes the main factor that cause e-commerce or e-business growth. This e-commerce is becoming more important with the advancement in the rapid growth of telecommunication and computer network (Purbo & Wahyudi, 2001).

The appearance of this e-commerce or e-business must be able to be handled well. Small and medium companies in Indonesia are supposed to be the target of e-commerce training program. According to (Purbo & Wahyudi, 2001) companies which are using e-commerce will have several advantages such as new revenue stream which could not be get by traditional transaction, the increase of market exposure, less operating cost, enhance global reach, improving customer loyalty,

improving supplier management, improving (shortening) production time, and improving value chain.

Many researches discuss problems of e-commerce or e-business. (Fitra Dharma, 2006) states that structural assurance and perceived reputation affect trust significantly. This statement supports the research of (Gefen, et al., 2003), (McKnight et al., 2002), and (Jarvenpaa & Tractinsky, 1999) which was done in Australia, Israel, and Finland respectfully. In this research, researcher will measure the effect from store page characteristic, consumer characteristic, and the trust of consumer's behavior towards e-business system.

Problem Formulation

Since we use the internet as a commercial instrument, most offline retailers have set up online retail stores directly or by third-parties to increase revenues. Nowadays, we can find that lots of online retailers have begun to connect their websites with social networking sites, such as Facebook and Twitter. Based on study background, the problem identification will focus on what factors affects customer to trust and purchase decision to a social network.

Consumer Behavior

Companies that oriented on consumers focus on consumer needs represented by the consumer behavior. By observing consumer behavior, company able to fulfill

their customer's needs and achieve company objective. The behavior of consumer can be defined as follows:

Consumer behavior is any activities of an individual who are directly involved in obtaining and using goods and services, including the process of decision making towards the planning and determination of those activities (Dharmaesta, 1997, p.9).

Consumer Behavior Model

To be able to analyze consumer behavior, it is a must to understand the variable and interaction between the variable in a process of decision making which finally result on consumer‘s decision to choose or use certain goods or services. The understandings of consumer behaviors also including these questions who buying, where buying, and why buying.

Intention

Fishbein purchase intention model or the expansion from previous model, Fishbein's attitude model. Theory of reasoned action depict the union of all attitudes component in a structure which is designed to direct prediction and explanation which is better than behavior (Schiffman & Kanuk, 2000, p.206; Sigit, 2006, p.83). This model views someone behavior as a function from his intention to behave in certain way and other intervening variable. That someone intention to buy a product (BI) is influenced by his attitudes towards behavior or action of the purchase (AB) and subjective norm (SN) whereas someone perceive other people which are

important to him will react to that behavior. As a function, that model can be stated as followings:

$$\mathbf{BI = AB, SN}$$

Fishbein and Ajzen theory states that both behavior and subjective norms will determine the intention of purchasing towards a product (Dharmmesta, 1998). This relation can be explained by following equation:

$$\mathbf{B \sim BI = (AB)\ W_1 + (SN)\ W_2}$$

Where:

B = Someone actual behavior which is serve as BI (purchase intention)

BI = Behavioral Intention (Intention to do purchase)

AB = One's attitude toward performing the behavior

W = Empirically derived weight

SN = One's Subjective norm related to performing the behavior

Meanwhile one's behavior toward specific behavior attitudes (Ab) stated as:

$$\mathbf{AB = \sum b\ .\ oe}$$

Where:

AB = Individual behavior toward performing the behavior

b = Believes that a specific action will result on specific consequence

oe = Evaluation towards consequence which will be accepted

Subjective norms component can be stated as following:

$$\mathbf{SN = \sum nb\ .\ mc}$$

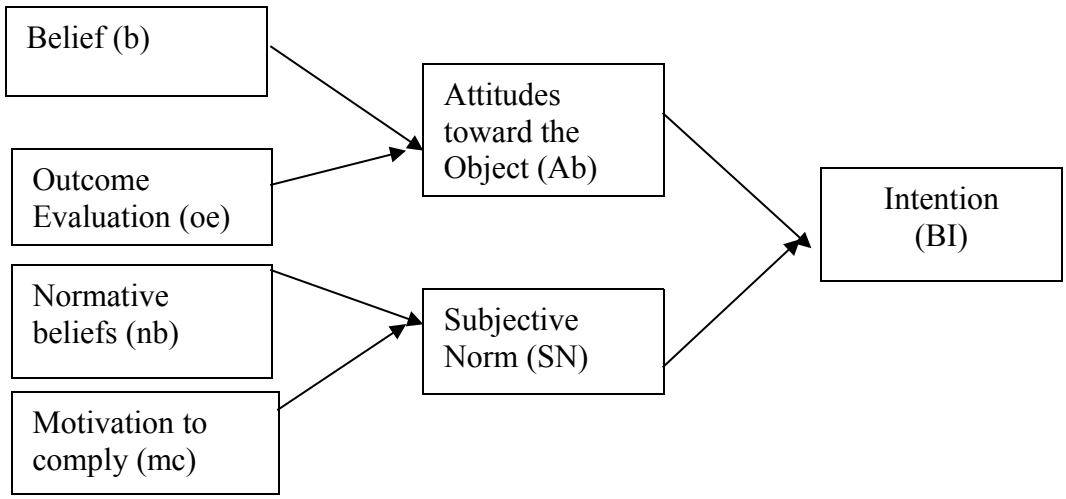
Where:

SN = One's subjective norms which have relation with specific behavior

nb = Normative beliefs

mc = motivation to comply

Research Model



ANALYSIS AND DISCUSSION

Data Collection

The data collection method that has been explained before in chapter III used questionnaire. In the research, Population in this research is a potential costumer which already know and have bought in social media, in which the total of population is cannot be known. The sample is part of population which is investigated in a research with the amount of 100. Sample must be able to represent and symbolize the majority of student and society which lived in Depok Sleman Yogyakarta.

Questionnaire Table Result

Information	Number of respondent	%
Questionnaire spread	100	100,00%
Questionnaire returned	100	100%
Unreturned questionnaire	0	0%
Proper questionnaire	100	100%

Source : Primary data processed

Test of Multiple Regression Analysis

From Table 3.2, it can be known that for X1, X2, X3, and X4 has significance value less than 0,05 ($\alpha = 5\%$). It means that the data is available to be used.

Validity Table Result

	Alpha Value	**Critical Value**	**Information**
Outcome Evaluation	0,676	0,5	Valid
Belief	0,677	0,5	Valid
Normative Belief	0,802	0,5	Valid
Motivation to Comply	0,878	0,5	Valid

Source: Primary data processed

Regression Model

From Table 3.3, it can be formed formula of regression model like this:

$$Y = 3{,}615 + 0.0029\ X_1 + 0.0155\ X_2 + e$$

Regression Model Result

Indicator	Unstandardized coefficient B
(Constant)	3,615
Attitudes	0.0029
Subjective Norm	0.0155

*Source: Primary data processed

Research Discussion

From the analysis based on regression and classic assumption, there are can be conclude the result. The conclusion will be explained as illustrated at Table 3.4.

Regression Analysis Result

Information	B	t	Sig
Constant	3,615	1,025	0,000
Attitudes	0,0029	3,4275	0,000
Subjective Norm	0,0155	4,256	0,000
R : 0,912		Sig F : 0.028	
R square : 0,8317		Df : 99	
F : 4,273			

Source: Processed Primary Data

In result analysis it can be known that t count for every factor is as followings:

t_{count} (X_1) (3.4275) > t_{table} (1.980), H_1 is accepted, which means there is a significant effect between attitudes towards buying intention if the significant is lower than 0.05.

t_{count} (X_2) (4.256) > t_{table} (1.980), H_2 is accepted, which means there is a significant effect between subjective norm toward buying intention if the significant is lower than 0.05.

CONCLUSION AND RECOMMENDATION

Conclusion

Based on the result of the research and the discussion there are two conclusions which are:

1. Consumer attitudes (Ao) gives positive effect towards consumer intention (BI) to buy a product in social media in Depok Yogyakarta
2. Subjective Norm (SN) gives positive effect towards consumer intention (BI) to buy product in social media in Depok Yogyakarta.

Recommendation

By referencing towards the result of the research, it can be suggested that:

Consumer attitudes and subjective norm affects positively toward consumer buying intention. Therefore, it is suggested that the products sale in social media to keep giving a competitive price to keep the customers, increasing the product quality, and keep innovating in designing the product .It is because it can affect consumer attitudes more significantly, which is finally expected to increase consumer buying intention.

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