

The Impact of Online Consumer Reviews on Purchase Intention on Lazada Online Shopping Sites through Trust as an Intervening Variable

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Abstract

The goal of this research is to examine the impact of online consumer reviews on purchase intention on the Lazada online shopping site on Malikussaleh University students. In this study, quantitative research techniques were utilized. Primary data of study was collected through a self-administered Likert type online survey. In total, 115 volunteer participants familiar with Lazada online shopping site filed the study. The research model of the study was analyzed with the help of Partial Least Squares Structural Equation Modeling (PLS-SEM) techniques. According to the findings of this research, perceived usefulness, perceived ease of use, perceived enjoyment and perceived control from online consumer reviews (OCRs) influenced consumers in trusting the Lazada online shopping sites, but perceived effectiveness from OCRs does not affect consumer trust. Trust has a high significant on consumer purchase intention. Another finding of this research is perceived ease of use, perceived effectiveness, perceived enjoyment of OCRs influenced consumers on online purchase intention, but perceived usefulness and perceived control does not influenced consumer to shop online. However, trust was found to have mediator with insignificantly on perceived usefulness, perceived ease of use, perceived effectiveness, perceived enjoyment, and perceived control of OCRs on online consumer purchase intention at Lazada.

Keywords: Online Consumer Reviews, Purchase Intention, Trust, Online Shopping

Introduction

Nowadays, online shopping behaviour is a popular activity in all types of consumer circles including students. Before deciding on a product choice, consumers will conduct product

research through consumer reviews or previous consumer shopping experiences. Online consumer reviews are part of electronic word of mouth (eWOM) which is defined as opinions given by customers regarding product evaluations from various aspects that can be posted on online shopping sites. Through online consumer reviews, customers can later obtain the desired product quality from experiences and reviews written by other customers, helping consumers identify products that best suited to their needs. The goal of this study is to examine the impact of online consumer reviews (perceived usefulness, perceived ease of use, perceived effectiveness, perceived enjoyment, perceived control) on university students' purchase intention on the Lazada online shopping site and how trust has an indirect mediation impact on their online shopping behaviour at Lazada

An examination by Dhahak and Huseynof (2020), present that OCRs assume a significant role, influencing customers' trust and intention. The attributes of OCRs as being useful, easy to understand, clear, pleasant and enjoyable are key drives for developing customer trust and making the decision to purchase on online shopping sites (Elwalda et al., 2016)

Materials and Methods

Literature Review

Technology Acceptance Model (TAM) and Theory of Planned Behaviour (TPB)

The purpose of the theoretical model is to explain the processes underlying technology acceptance, to predict behavior and provide a theoretical explanation for successful technology implementation (Davis, 1989). Meanwhile, TPB is a theory used to investigate consumer behavior (Fatmawati, Nuryakin, Suyanto 2024; Lopez et al., 2024). TPB is a refinement of the TRA with its main focus on individual intentions to perform certain behaviors (Ajzen, 2005; Conner & Armitage 1998; Sentosa & Mat 2012; Liao, Chen & Yen, 2000).

Purchase Intention

Purchase Intention, which can be defined as part of consumers' thoughts about their reasons for buying a product (Chang, Wildt, 1994, Morwitz, Steckel, Gupta, 2007). If the goods or services to be purchased are considered to have benefits that will be felt and enjoyed by consumers, they will make a purchase (Wang and Tsai, 2014, Salisbury, Pearson, Miller, 2001).

Trust

Trust is generally defined as a belief (Yoon, 2002). Trust plays an important role in influencing customer actions towards a website (Hampton-Sosa and Koufaris, 2005, Baidoun, Salem, 2023; Sahai, Gupta, Hungund, 2024)

Perceived Usefulness

According to the Davis theory (1989), perceived usefulness is where the use of a technology can be believed to bring benefits to its users (Chidambaram, Rana & Parayitam, 2024; Miranda, Tiago, Tu, 2024)

Perceived Ease of Use

Perceived ease of use is the extent to which consumers understand that using a technology will be free of effort (Venkatesh, 2000; Xi et al., 2024, Badion, Salem, 2024).

Perceived Effectiveness

Perceived effectiveness is a consumer's assessment of the usefulness, value, and social benefits (Badion, 2024, Dogra, Adil, 2024) offered by online intermediaries and products purchased through online purchases based on other consumers' experiences (Xinping and Ziqi, 2017).

Perceived Enjoyment

Perceived enjoyment is individuals feels in using a system, where the use of features on online shopping websites is considered fun and entertaining (Chidambaram, Rana & Parayitam, 2024; Yu et al.,2024). Pleasure can be caused by interactions with other customers (Van Dolen et al., 2007).

Perceived Control

In the theory of planned behavior, according to Ajzen (1991) this perception of behavioral control refers to a person's perception of whether or not it is difficult to carry out a desired action, related to beliefs about whether or not the sources and opportunities needed to realize certain behaviors are available (Badion & Salem, 2024; Sun, Li & Sun, 2024).

Methods

Subject and Research Location

The subject and location in this study are Universitas Malikussaleh students' as consumers who make purchase on the Lazada

Population and Sample

The population were all active Lazada consumers at Universitas Malikussaleh with a total sample size of 115, the sampling technique used non-probability sampling techniques with convenience and purposive sample methods.

Technique for Collecting Data

Primary data collected using a survey through a questionnaire distributed via Google Forms.

Statistical Techniques

The statistical technique used in this research is Confirmatory Factor Analysis (CFA) to test the validity of the data and Structural Equational Model (SEM) based on Partial Least Square (PLS) as a method for analyzing data. WarpPLS version 7.0 statistical software were used to analyze this research.

Results and Discussion

Results

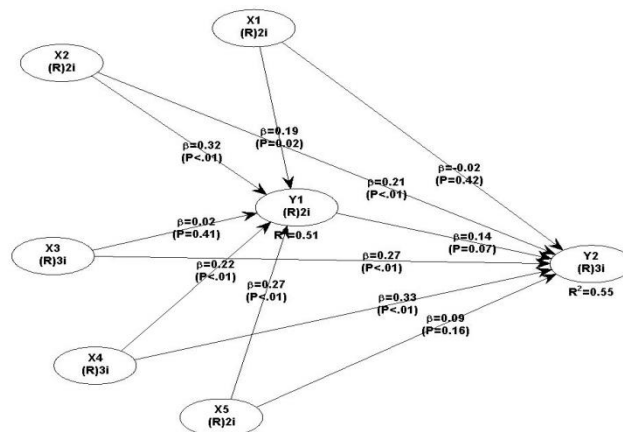


Figure 2. Hypothesis Test Results

Discussion

Table 2

Direct Effect Test

Influence Between Variables (Exogenous → Endogenous Variables)		Path Coefficient	P-Value	Description
X1	Y1	0.186	0.019	Significant
X2	Y1	0.315	<0.001	Significant
X3	Y1	0.022	0.407	Not Significant
X4	Y1	0.221	0.007	Significant
X5	Y1	0.266	0.001	Significant
Y1	Y2	0.135	0.068	Significant
X1	Y2	-0.019	0.418	Not Significant
X2	Y2	0.212	0.009	Significant
X3	Y2	0.273	0.001	Significant
X4	Y2	0.334	<0.001	Significant
X5	Y2	0.090	0.164	Not Significant

Reference: (Processed primary data, 2023)

Table 2

Indirect Effect Test

Eksogenous Variable	Mediator Variable	Endogenous Variable	Indirect Path Coefficient	Effect P-Value	Description
X1	Y1	Y2	0.025	0.351	Mediator Insignificantly
X2	Y1	Y2	0.043	0.257	Mediator Insignificantly
X3	Y1	Y2	0.003	0.482	Mediator Insignificantly
X4	Y1	Y2	0.030	0.324	Mediator Insignificantly
X5	Y1	Y2	0.036	0.291	Mediator Insignificantly

Reference: (Processed primary data, 2023)

Conclusion

The findings from this study suggest some meaningful implications for companies that be able to improve the relationship and communication between online shopping sites and customers, build trust and increase sales. However, the impact of OCRs features for consumers will vary according culture and behavior

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