

THE INFLUENCE OF ONLINE REVIEWS, EASE OF TRANSACTION, CONSUMER INCOME ON FASHION PRODUCT PURCHASES ON SHOPEE (CASE STUDY OF STIESIA STUDENTS IN 2019)

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Abstract: This study aims to examine the influence of online reviews, ease of transaction, and consumer income on fashion product purchases on the Shopee online platform. This study is a quantitative study using multiple linear regression analysis methods. The population of this study was 958 students of STIESIA Surabaya class of 2019. The sampling technique used purposive sampling so that 90 students were obtained. The results of the study showed that the variables (1) Online review variables were proven to have a positive influence on purchasing decisions. The objectivity of online reviews seen from the images and comments given in the review column by consumers increases the confidence of prospective buyers, thereby increasing purchasing decisions. (2) The Ease of Transaction variable was proven to have a positive influence on purchasing decisions. Consumers who find it easy to use the application have an impact on increasing purchasing decisions. (3) The consumer income variable was proven to have a positive influence on purchasing decisions. The higher the income of consumers, the higher the consumer's ability to make purchasing decisions.

Keywords: Online Reviews, Ease of Transaction, Consumer Income, Purchase Decisions Purchase.

1. Introduction

In the ever-evolving digital era, changes in consumer behavior in the shopping process are increasingly visible, especially in the fashion industry. Technological advances have brought about a significant shift in consumer preferences. E-commerce platforms such as Shopee have become the center of attention for consumers looking for a variety of fashion products. The increasingly easy accessibility of fashion products online opens up opportunities for consumers to choose from a variety of brands and styles offered by Shopee. The phenomenon of online shopping is becoming a trend in society because it allows purchases anytime and anywhere without having to visit a physical store. Rapid technological advances are one of the drivers of increasing interest in online shopping businesses from both sellers and consumers. Shopee has become the e-commerce site in the marketplace category with the most visitors in Indonesia. In September 2023, Shopee's site visits reached 237 million, showing an increase of 38% compared to early 2023. Shopee's visitor growth significantly outperformed its main competitors, including Tokopedia, Lazada, Blibli, and Bukalapak. Head of Government Relations Shopee Indonesia, said that fashion product transactions dominate the top category on Shopee, reaching 70 percent compared to other categories such as household needs in 2023. The ease and convenience factor in online transactions is the main driver for people to prefer virtual shopping online rather than in traditional markets. The 2023 Southeast Asian e-commerce report from Momentum Works states that Shopee is an e-commerce company with the highest Gross Merchandise Value (GMV) in 2022, reaching IDR 718 trillion. Lazada is in second place with a GMV of IDR 301 trillion. Tokopedia, Bukalapak, and TikTok are in last place. GMV is the total value of products sold by exchanging between customers during a certain period of time. Simply put, GMV reflects the company's income based on the accumulation of user spending. In addition, the GMV value also reflects the volume of transactions generated by each e-commerce throughout the year. The higher the GMV value, the greater the number of buying and selling transactions generated by the company.

2. Literature Review

The Influence of Online Reviews on Product Purchases

These reviews reflect the reality of product quality, revealing aspects such as color issues, specification inconsistencies, usage difficulties, high quality levels, and positive experiences. (Amelia, 2021). Online reviews have a significant impact on purchasing decisions, which is caused by several factors. Things like other consumers' views in product reviews, the relevance of product information to consumer knowledge, the suitability of reviews to fellow consumers' experiences, product evaluations after purchase, and consideration of recent consumer reviews are factors that influence online purchasing decisions. This is because product reviews can describe the quality of the product that has been sold so that it leaves a trail in the form of comments made online or commonly called online reviews. With good online reviews, it will increase a person's interest in buying based on confidence in the product. Good online reviews provide confidence to prospective buyers, of course, having an impact on increasing purchasing decisions. Likewise, if an online review of a product gets bad reviews, it will decrease purchasing interest because prospective buyers feel doubtful about the product.

This is supported by research The Greatest (2018) which has a significant influence on product purchases, while research conducted by Nurrokhim and Widyastuti (2021) shows that online reviews have no effect on product purchases.

H1: Online reviews have a significant influence on product purchasing decisions

The Effect of Ease of Transactions on Product Purchases

This perception of ease has a direct impact on behavior, where the higher a person's perception of the ease of use of a system, the greater the level of utilization of information technology. This is crucial, especially for consumers with busy schedules who find it difficult to find free time to go to shopping places or shopping centers. By utilizing online shopping applications, consumers only need to wait for the goods to arrive at home, sent by a courier, without having to sacrifice time to travel or shop at a physical place. Ease of transaction is the most dominant variable influencing purchasing decisions. With easy transactions, consumers are faster and more efficient in making a purchase transaction so that ease of transaction can increase purchasing decisions.

This is in accordance with previous research conducted by Nagayo et al., (2022) which has a significant influence on product purchasing decisions, while research on Prasetya and Suwito (2022) shows that ease of transactions has no effect on product purchasing decisions.

H2: Ease of transaction has a significant influence on product purchasing decisions.

The Influence of Consumer Income on Product Purchases

Aswad et al. (2022) Income is a key parameter in assessing consumer welfare in everyday life. The higher the consumer's income, the higher the level of prosperity they can enjoy. Conversely, if the income is low, then everyday life can be difficult. Considering this aspect, consumers with high incomes have a greater ability to buy the products they want compared to consumers with low incomes. Income provides motivation that comes in various forms, including financial incentives, product promotions, or positive experiences with certain products or brands. By providing appropriate motivation, companies can stimulate consumer interest and encourage them to choose certain products or services in the market. The higher the consumer's income, the freer the purchasing decisions they make. Conversely, if the consumer's income is low, then the consumer will be less in making purchasing decisions.

Especially for fashion products, with adequate income, a consumer can flexibly have a variety of fashion choices so that it will increase purchasing decisions for fashion products.

Previous research The Lion King (2020) income has a significant influence on product purchasing decisions, whereas Mardiono and Azazi (2022) states that consumer income is not significant to product purchasing decisions.

H3: Consumer income has a significant influence on product purchasing decisions.

3. Method

This research is a quantitative research that tests the cause and effect relationship between dependent variables and independent variables. In this research, the product purchasing decision is the dependent variable. The product purchasing decision is defined as The final decision of consumers in purchasing fashion products on Shopee. The measurement of purchasing decisions uses indicators developed by Muzdalifah and Syafi'i (2020) namely problem recognition; information search; alternative evaluation; purchasing decisions and post-purchase behavior. In this study, the dependent variables are (i) online reviews which are defined as information provided by consumers to online stores on Shopee after making a purchase transaction for a product. The indicators used in measuring online reviews are based on Princess and Wandebori (2016) namely Perceived usefulness, source credibility, argument quality, valence, volume of review (ii) ease of transaction defined as the ease felt by consumers in making fashion purchase transactions on Shopee. The indicators used are based on Davis (2019) namely easy to use, easy to learn, clear and understandable, controllable, easy to become skillful, flexible (iii) consumer income defined as the income owned by consumers used for shopping on Shopee. The indicators used in this study are based on Fitroh (2019) namely Income received per month, occupation, family burdens borne.

In this study, the research sample was the 2019 STIESIA Surabaya Management undergraduate students who had and had purchased products on Shopee. The non-probability sampling method used in this study was the purposive sampling method with a sample size of 90 respondents. Data were obtained by distributing questionnaires to respondents.

Data analysis was performed using multiple linear regression using SPSS. Before the questionnaire was given to respondents, validity and reliability tests were carried out. In this data analysis, the resulting model must meet the classical assumption test and model feasibility test. The classical assumption test is carried out with the normality test, multicollinearity test and heteroscedasticity test. The model feasibility test is carried out with the F test and the R square test. Knowing the relationship between independent variables and dependent variables is done with the t test.

The models in this study are as follows:

$$KP = \alpha + b_1UO + b_2KT + b_3PK + e$$

Where KP is the purchase decision, α is a constant, b_1 - b_2 are the regression coefficients of each variable; UO is online reviews, KT is ease of transaction, PK is consumer income, and e is the standard error.

4. Results and Discussion

Analysis Results

Model Feasibility Test

a. F Test

The F test is conducted to test whether the model in this study is said to be feasible. The following are the results of the F test processed using the SPSS program:

Table 1
F Test Results

Model		<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
1	Regression	74,911	3	24,970	22,015	.000b
	Residual	97,545	86	1.134		
	Total	172,456	89			

a. Dependent Variable: Purchase Decision

b. Predictors: (Constant), Online Reviews, Ease of Transaction, and Consumer Income

Source: SPSS Output

Based on the results of the F test, the multiple linear regression analysis shows that the calculated F is 22,015 with a significance value of $0.000 < 0.05$, it was decided that the research model was feasible.

Coefficient of Determination (R²)

Table 2
Results of Determination Coefficient Test
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.859a	.734	.715	1.06501

a. Predictors: (Constant), PK, UO, KT

b. Dependent Variable: KP

Source: SPSS Output

The coefficient of determination (R Square) value is 0.734, this shows that online reviews, ease of transactions, and consumer income are able to explain their influence on the independent variable by 73.4%. While the remaining 26.6% is a contribution from other factors.

Classical Assumption Test

In the classical assumption test of multicollinearity, the research model has a VIF value of less than < 10 and tolerance value > 0.1 then this means that in the regression equation there is no correlation between independent variables or multicollinearity, so that all independent variables can be used in the study. The heteroscedasticity test was carried out using the Glejster test, it is known that sig. in each variable is more than 0.05 and it can be said that this indicates that there is no heteroscedasticity in the regression model in this study. and the independent variables can be stated not to experience heteroscedasticity. In the normality test carried out using the Kosmolgrov Smirnov test, it was found that Asymp. Sig. (2-tailed) was 0.200. This means that the data is normally distributed more than 0.05. Thus it can be concluded that the distribution of data in the regression model meets the assumption of normality.

Regression Results

Regression analysis was developed to test the previously proposed hypothesis. The following is a regression model as follows.

Table 3
Regression Model

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	4.372	1,377	
	Online Reviews	.286	.044	.543
	Ease of Transaction	.140	.043	.270
	Consumer Income	.260	.110	.239

a. Dependent Variable: Purchase Decision

Source: SPSS Output

The first regression model from the table above can be interpreted as follows:

$$KP = 4.372 + 0.286UO + 0.140KT + 0.260PK$$

So from the results of the equation above it can be detailed as follows:

- The constant value is 4.372 which means that the purchasing decision will be valuable.,372if each independent variable is zero.
- Online reviews have a regression coefficient of 0.286which means that if online reviews increase by one unit assuming other variables are constant, then the purchasing decision will also increase by 0.286 units.
- Ease of transaction has a regression coefficient of 0,140which means that if the ease of transaction increases by one unit assuming other variables are constant, then the purchasing decision will also increase by 0.,140unit.
- Consumer income has a regression coefficient of 0.260, which means that if consumer income increases by one unit, assuming other variables are constant, then purchasing decisions will also increase by 0.260 units.

Significance Test

Hypothesis testing is used to test whether there is an influence of independent variables on dependent variables. It can be seen by using the SPSS 24 program application in the following hypothesis test:

Table 4
t-Test Results

Model		t	Sig. Description
1	(Constant)	3.176	.002
	Online Reviews	6.514	.000 Significant
	Ease of Transaction	3.231	.002 Significant
	Consumer Income	2.179	.033 Significant

a. Dependent Variable: Purchase Decision

Source: SPSS Output

It is known that the t-test of the online review variable has a significance value of $0.000 < 0.05$, so it was decided to accept H1. Thus, it can be concluded that online reviews have a significant effect on purchasing fashion products on Shopee, so H1 is accepted.

It is known that the t-test of the ease of transaction variable has a significance value of $0.002 < 0.05$, so it was decided to accept H2. Thus, it can be concluded that ease of transaction has a significant effect on purchasing fashion products on Shopee, so H2 is accepted.

It is known that the t-test of the consumer income variable has a significance value of $0.033 < 0.05$, so it was decided to accept H3. Thus, it can be concluded that consumer income has a significant effect on the purchase of fashion products on Shopee, so H3 is accepted.

Discussion

The Effect of Online Reviews on Product Purchases.

Based on the t-test with a significance value of 0.000, the significance value obtained is smaller than the significance level of 0.05, so it can be concluded that. The Online Review variable is proven to have a significant positive effect on Fashion Product Purchases on Shopee. In online reviews, there is an assessment of a product that reflects how individuals measure its quality. Based on the general definition, it can be defined that a product review is a writing made by consumers in the columns provided by the e-commerce platform. The review reflects the reality of product quality, revealing aspects such as color problems, specification inconsistencies, usage constraints, high quality levels, and significant experiences (Amelia, 2021). Online reviews have a significant influence on purchasing decisions, This is due to several factors. These factors play an important role in the consumer decision-making process, including when they consider purchasing a product. Things like other consumers' views in product reviews, the relevance of product information to consumer knowledge, the suitability of reviews to fellow consumers' experiences, product evaluations after purchase, and consideration of recent consumer reviews are factors in online purchasing decisions. This is because product reviews can describe the quality of the product that has been sold so that it leaves a trail in the form of comments made online or commonly called online reviews. The objectivity of online reviews is the highest factor as evidenced by the highest mean in the statement "I feel that the online reviews given are very objective". The objectivity of online reviews on Shopee can be seen from the uploaded photos and written descriptions containing reviews

Objective reviews provide increased trust in the minds of consumers, thereby increasing purchasing decisions. The more consumers believe in the objectivity of existing reviews, the higher the consumer's purchasing decision. This is supported by research conducted by Hidayati (2018) which has a significant effect on product purchases, while research conducted by Nurrokhim and Widyastuti (2021) shows that online reviews do not affect product purchases.

The influence of ease of transaction on product purchases.

Based on the t-test with a significance value of 0.002, the significance value is smaller than the significance level of 0.05, it can be concluded that the Ease of Transaction variable is proven to have a significant positive effect on Fashion Product Purchases on Shopee. This perception of ease has a direct impact on behavior, where the higher a person's perception of the ease of use of a system, the greater the level of utilization of information technology. So the higher the ease of transaction, the higher the consumer's decision when purchasing a product. This is crucial, especially for consumers who are busy and find it difficult to find free time to go shopping or to a shopping center. By utilizing online shopping applications, consumers only need to wait for the goods to arrive at home, sent by a courier, without having to sacrifice time to travel or shop at a physical place. Ease of transaction is the most dominant variable influencing purchasing decisions. With the ease of transaction, consumers are faster and more efficient in making a purchase transaction so that the ease of transaction can increase purchasing decisions. This is in accordance with previous research conducted by Nagayo et al., (2022) which had a significant influence on product purchasing decisions, while research by

Prasetya and Suwitho (2022) showed that ease of transactions had no effect on product purchasing decisions.

The Influence of Consumer Income on Product Purchases.

Based on the t-test with a significance value of 0.033, the significance value is smaller than the significance level of 0.05, it can be concluded that the Consumer Income variable is proven to have a significant positive effect on Fashion Product Purchases on Shopee. Income is the main parameter in assessing consumer welfare in everyday life. The greater the consumer's income, the greater the level of prosperity that can be enjoyed. Conversely, if income is low, then everyday life can be difficult. By considering these aspects, consumers who have high incomes have a greater ability to buy the products they want compared to consumers with low incomes. Income provides motivation that comes in various forms, including financial incentives, product promotions, or significant experiences with a particular product or brand. By providing the right motivation, companies can stimulate consumer interest and encourage them to choose a particular product or service in the market. The higher the consumer's income, the higher their product purchases. This is supported by previous research by Singarimbun (2020) where consumer income has a significant influence on product purchasing decisions, while Mardiono and Azazi (2022) stated that consumer income is not significant on product purchasing decisions.

5. Conclusion

Of the several variables that have been studied, there are several variables that have the lowest mean. Online reviews are not assessed by consumers from their quantity, this can be used as a reference by sellers to pay attention to the quality and authenticity of online reviews. In terms of ease of transaction, the Shopee online application is not considered flexible by consumers, this is an evaluation for the Shopee online platform where users still have difficulty accessing the application on an unstable internet network so that shopping using Shopee in certain areas with minimal network conditions will experience difficulty accessing. 81 Then consumer income is not directly related to consumer needs. Finally, in the purchasing decision variable, consumers give the lowest mean on the ease of shopping at Shopee, this is an evaluation for the Shopee online platform.

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