

The Impact of *Trust, Risk Perception, and Perceive Site Quality* on Online Shopping Behavior in Instagram User

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Abstract

In the era of globalization and digital today, the development of the Internet is increasingly widespread and rapid. This development can also have an impact on the economy so it has. This study aims to see the influence of Trust, Risk Perceptions, and Perceive Site Quality on Online Shopping Behavior on Instagram users. Researchers chose Instagram because it is unique compared to web based online shop. The number of respondents in this study is 210 people and using purposive sampling technique. From multiple regression analysis conducted by using SPSS, found Trust (sig = 0,00) and Perceive Site Quality (sig = 0,00) have an effect to Behavior of Online Shopping. While Risk Perception (sig = 0.566) does not give a significant effect on the behavior of online shopping.

Key Words: *Trust, Risk Perception, Perceive Site Quality, Online Shopping Behavior*

BACKGROUND

Human needs are quite diverse, such as food, clothes, electronic goods and others. These needs must be sufficient to achieve balance. These needs can be obtained in markets, stores, or outlets selling these products. Human demanded quickly to meet these needs so as to optimize the time they have. In the modern and digital era, the use of the Internet is growing rapidly as it is today, so the demands can be met in a relatively short time.

Due to the rapid growth of Internet users, emerging new things that make it easier for people to make purchases. Nowadays, in the last five years there have been various online-based commercial systems for example, Tokopedia, Blibli, Lazada, Shopee, Open Lapak and others. In addition, there are several online store accounts that open on Instagram, Facebook, and Twitter.

In Indonesia awareness in internet use has increased considerably. That is 82 million

users. Of these, about 40 million children and teens have used the internet (unicef.org, 2014). While the number of online transactions also increased by Rp130 trillion in 2013 and potentially rise along with the progress of smartphones. So it can be said online shopping behavior has become a lifestyle for some people in Indonesia. Online shopping behavior is the process of purchasing products or services via the Internet. The process contains five stages similar to the traditional buying behavior of problem recognition, search for information, evaluation of alternatives, choice, and outcome evaluation (Liang and Lai, 2000). Online shopping behavior provides more information for consumers to compare prices and prices, more choices.

Before making a transaction, the individual is likely to seek information about the security, ease and benefits offered from the online commerce site needed to build trust of the individual, so that if the trust of an online store has been obtained, the expected transaction or buying behavior occurs. Trust is the key to online shopping behavior. According to Jarvenpaa et al (2000) trust is a critical factor in relationships where the trustor has no direct control over the actions

of the trustee. When a person has a belief in a web where individuals will buy and be accompanied by previous experiences, make a purchase on the web.

Trust, as expressed by Gommans (in Uzun and Poturak, 2014), is an important thing in online shopping behavior. Trust is related to security. Consumers can not see the product when an individual orders the item and can not see the seller when promoting his wares. So it's important for an online commerce store to build trust in its customers in order to avoid uncertainty. Trust and brand loyalty, in general can help in overcoming and defeating some of the Internet losses.

In this study, researchers are interested to take the case of online commerce transactions conducted in Instagram. This is because Instagram is one of the most widely used social media in Indonesia today by reaching the number 22 million. Then also researchers choose Instagram because the seller in Instagram quite varied. How many individuals are willing to make a purchase depends on how much the commercial account's trust in Instagram is. Unlike official online selling sites like Blibli, Lazada, Tokopedia and others that provide

proven security and warranties. So it can be concluded, that although both offer products online, but the risk of security and fraud on Instagram is greater than the store on the online commerce site. But uniquely, despite knowing the risks, why are there still individuals who keep making transactions or purchases online from accounts on Instagram?

The proliferation of online shop business in the globalization era has many negative and positive impacts. One positive impact that is felt is to open opportunities for anyone and anywhere to plunge into the business world. Therefore, online shop business today is very developed, especially in today's sophisticated era where everything can be accessed easily and quickly. However, behind the success of online businesses, there are many obstacles, or common problems struck, for example the constraint is a fraud. Therefore, the online shop should be able to build trust among consumers with satisfactory service and products sold in accordance with the expectations of the consumers. Trust of the consumers is one key to the success of a product to sell.

One of the factors that can shape trust is the perception of risk. Anderson and Srinivasan (2003) predicted that risk perceptions relate to consumer fears about losing several online transactions. Risks associated with online shopping include financial risks, product risks and risk of goods not being delivered.

Perceived site quality is a consumer-owned opinion of a product (brand, store, site, or account) to meet its expectations, and may have nothing to do with the true advantage of the expected product, since it is based solely on public imagery like other consumer experiences. Corbitt, Thanasankit, & Han Yi (2003) describe three dimensions of perceived site quality: usefulness, timeliness, and advance.

The account owner must maintain the quality of his account posting, so that it can compete with other accounts that have similar merchandise to attract the attention of potential buyers. The quality of what is posted on the account is a reflection of the owner of the account. Whether or not the account provides clear or detailed information on each post, or uses a good quality image, has a large number of

followers, provides a clear contact number, and provides a comment column for potential buyers asking are some things that may affect candidates buyers to trust and make transactions with the account owner. Another positive point that can add value is easy access for potential buyers to see testimony of other buyers who have already made transactions with the account owner (eg using a specific "hashtag" #testimonibajuku ") and a quick response account owner with a potential buyer question . View post should be clear and not confusing

Dodds, Monroe, & Grewal (1991) are traditionally prospective buyers in a store using store quality (in this study account can be mentioned) as extrinsic effects are vital about the quality of products sold. The same thing is delivered by Hanson (in Yoo and Donthu, 2001) high quality websites will attract more attention, contacts and visits from consumers by implying that their products are of high quality.

Hypothesis in this research is as follows:

Hypothesis 1. Trust has an influence on the online shopping behavior of Instagram users.

Hypothesis 2. Risk Perception has an influence on the online shopping behavior of Instagram users

Hypothesis 3. Site Quality Perception has an influence on the online shopping behavior of Instagram users.

Hypothesis 4. Trust, perception of risk, and perception of site quality together have an influence on the online shopping behavior of Instagram users

RESEARCH METHODS

Respondents in this study amounted to 210 participants. Adapaun characteristics used in this study is Instagram users who have made purchases online transactions in Instagram and aged 18-40 years. Hypothesis testing is done by using multiple regression analysis through SPSS ver.22. The sampling technique used in this research is purposive sampling.

Online Shopping Behavior. OSB is the process of purchasing products or services via the Internet. In this study the total value of respondents measured through Online Shopping Behavior scale adapted Javadi et al (2012) from several scale Online Shopping Behavior. With reliability of

0.824. This scale contains 17 items that use five response options ranging from Strongly Agree to Strongly Disagree. One example of the item is, "I shop online because it provides more product choices."

Trust. Trust is a critical factor in relationships where the trustor has no direct control over the actions of the trustee. The Trust's operational definition in this study is the total value of the respondents as measured by Percieve Trust scale from Corbitt et al (2003) based on Trust dimensions, namely Competence, Predictability, Goodwill, with reliability of 0.818. This scale contains 10 items that use five response options ranging from Strongly Agree to Strongly Disagree. One example of the item is, "I believe that the Instagram account where I shop has an appeal so buyers want to shop"

Risk Perception. Risk Perception is an individual perception of the uncertainty and consequences faced when using the online merchant facilities. In this study the total value of respondents measured through the Risk Perception scale of Corbitt et al (2003) based on the dimensions of Risk Perception, namely Performance Risk, Financial Risk,

Social Risk, Psychoogical Risk, Time Risk, with reliability of 0.805. This scale contains 7 items that use five response options ranging from Strongly Agree to Strongly Disagree. One example of the item is, "I believe that online purchases are risky because the products / services delivered may be of low quality."

Perceive Site Quality. Perceive Site Quality is an opinion that consumers have of an Instagram account to meet their expectations. In this study the total value of respondents measured through Perceive Site Quality scale from Corbitt et al (2003) based on the dimensions of Perceive Site Quality, namely Timeliness, Usefulness and Advance, with reliability of 0.776. This scale contains 8 items that use five response options ranging from Strongly Agree to Strongly Disagree. One example of the item is, "Instagram account where I shop provides various ways to make payments."

RESEARCH RESULT

The data to be presented is the result of data processing obtained from the respondents about the relationship between one dependent variable and 3 independent variables that are online shopping behavior

as dependent and trust variables, risk perception, perceive site quality as independent variables.

Trust, Risk Perception, Perceive Site Quality – OSB

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.520 ^a	.270	.260	5.721

a. Predictors: (Constant), RP, TRUST, PSQ

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	2499.786	3	833.262	25.460	.000 ^b
2 Residual	6742.138	206	32.729		
3 Total	9241.924	209			

a. Dependent Variable: OSB

b. Predictors: (Constant), RP, TRUST, PSQ

DISCUSSION

From the overall data processing, although Risk Perception does not have a significant relationship to online shopping behavior, but together the three independent variables are trust, risk perception, perceive site quality has an influence on online shopping behavior. In this study, respondents are familiar with online shopping activities through Instagram account at least 1 to 5 times shopping within a period of one month. This shows that the level of perception on the risk of respondents is low and increase the confidence of respondents to Instagram account, so they make a transaction.

From the results of data processing, obtained the value of $F = 68.259$, $R \text{ Square} = 0.270$ and the significance value of 0.000 ($p < 0.5$), then hypothesis 1 proposed by the researcher that states that Trust has an influence on online shopping behavior Instagram users accepted. This is in line with research conducted by Corbitt, Thanasanki and Yi (2003). Trust is the key to online shopping behavior. When someone has a belief in a web where individuals will buy and be

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	22.142	3.899		5.680	.000
PSQ	.312	.138	.183	2.268	.024
TRUST	.664	.140	.380	4.728	.000
RP	-.130	.095	-.082	-1.375	.171

a. Dependent Variable: OSB

accompanied by previous experience, then the more likely someone will make a purchase on the web. Similarly, this also happens in this study. When someone has a pleasant experience or is satisfied with the goods purchased previously, then they will tend to re-make purchases online through instagram accounts that are trusted by the individual.

Trust grows not only through personal experience, but also through the experience of others or by reading existing testimonies. Trust can also grow through offline activities, such as seeing e-commerce web ads in newspapers, listening on radio, or viewing on TV (Jarvenpaa et al., 2000). In this search, users may be able to grow their confidence to make online purchases on an instagram account because they have seen

the endorse photo publication of an artist using the product that the individual wants to buy.

From result of data processing, obtained value of F equal to 0,330 with significance value 0,5556 ($p > 0.5$), hence hypothesis 2 which proposed by researcher that stated that risk perception have influence to behavior of online shop user Instagram rejected. The results of this study are supported by research conducted by Prihandy and Hatammimi (2015). Young and Dan (Shibhghatalloh, 2011) state that trusts have a negative relationship to risk perception. According to Gefen (2003), trust is mediated by risk and directly increases the intention of purchasing behavior. When trust is high it will decrease the level of risk perception or vice versa, when trust decreases then it means high risk perception rate. This happens in this study. If the individual has trusted an Instagram account, the individual will still make an online transaction on Instagram without having to think about the risks that may be faced by the individual. Individuals can trust a particular Instagram account because they have previously made a purchase and get a satisfactory service. In addition, it could also

be due to testimonials given by certain people and friends who have previously been doing transactions in the Instagram account in question. So the individual is not thinking about the risk of making an online purchase.

From the results of data processing, obtained F value of 47.076 with a significance value of 0.000 ($p < 0.5$), then the hypothesis 3 proposed by the researcher who stated that the *percepsikualitas* site has an influence on the online shopping behavior of users received Instagram. This is in accordance with some studies that have been done. The dimension of usefulness on the perception of an online shopping site affects the intentions of consumer purchases (Chairprasit, 2013), the intentions of this purchase are indirectly influenced by the quality of sites that will generate trust (Chang, Kuo, Hsu, & Chen, 2014), usefulness dimensions and advance that is fulfilled on a site will end up in buying behavior by consumers (Liao, Palvia, & Lin, 2006). The appearance of this online shopping site replaces the role of sales in front of consumers who can influence consumer buying decisions (Corbitt, Thanasankit, & Han Yi, 2003)

The results of research conducted by Chairprasit (2013) describes the perception of an online shopping site affect the behavior of online shopping, because it is considered to have usefulness for consumers. Usefulness is one of the dimensions described in the perception of an online shopping site. Subjects taken in this study were women, researchers felt women were the most dominant gender in online shopping, 78% of women shop online (in Chairprasit, 2013).

The results of Corbitt, Thanasankit, & Han Yi (2003) research, site quality is the most important thing to do the competition and to attract consumers. The quality of this site is analogous to a salesperson trying to sell his goods to consumers. If the site has a good quality then many consumers will try to get involved further by asking and most likely making a purchase transaction, but if the site has a low quality then it is less likely for consumers to visit and make a purchase transaction.

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