Turnitin FACTORS AFFECTING ONLINE

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FACTORS AFFECTING ONLINE BUYING BEHAVIOR FOR MILLENIAL

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ABSTRACT

The rapid development of information technology including the internet had a great impact on all aspects including the development of business and marketing. This study aims to determine the effect of *price perceptions*, *brand image* and *website quality* on *customer satisfaction* and the impact to *customer loyalty* in Shopee's online shopping which revolves around millennial communities in Jabodetabek area. The purpose of this research is to see the effect of *price perception*, *brand image*, *website quality* that has been given by Shopee in influencing customer satisfaction and loyalty. Respondents in this study were consumers who had purchased products at Shopee, and the researcher used the *Structural Equation Model (SEM)* method in processing the data obtained from the 200 respondents. From the results of the hypothesis, it shows that *price perception*, *website quality*, and *brand image* don't have positive effect on *customer satisfaction*. Other results also suggest that customer satisfaction do have positive effect on customer loyalty.

Keywords : *brand image*, *price*, *website quality*, *customer satisfaction, customer loyalty*

INTRODUCTION

Information technology has rapidly developed, especially the World Wide Web. At first the internet is solely used for certain military, academic and corporate activities. However, as time goes by, the public interest in the internet began to appear and gradually increases. With the existence of the internet, people's lives become more practical and easy. Additionally, the internet is not only used by people to communicate and academic course nowadays, but also used as a medium for shopping and trading.

According to Kementrian Komunikasi dan Informatika Republik Indonesia (2014), Senior e-Marketer analyst Monica Peart said that developing countries such as Indonesia and India will have room for growth in the number of internet users who can reach hundred of millions every year. Above Indonesia, currently the top five internet-user countries in the world are occupied by China, the United States, India, Brazil and Japan, regardless of the current number of internet users in Indonesia which reaches 123 million users (Hidayat, 2014). A survey held by Indonesian Internet Service Providers Association (in Indonesian: *Asosiasi Penyelenggara Jaringan Internet Indonesia* abbreviated APJII) in 2016 also revealed that more than a half of Indonesian citizens, which is around 132.7 million people, have connected to the internet. With such a great number of population and internet users, Indonesia's becoming a great target market for e-commerce industry. Furthermore, according to a global research by Bloomberg, by 2020, more than half of Indonesian citizens will get involved in e- commerce activities.

Online shopping is in the third place of the highest usability of the internet while the first and second place is web surfing and email surfing (Yörüket al. 2011). Currently, one of the fastest growing e-commerce in Indonesia is Shopee (Freischlad, 2017). Shopee is a shopping online platform that provides a wide range of products ranging from electronics, household appliances, clothing, and accessories to fashion. It achieved the fifth place in the e-commerce search category in the Top 10 e-commerce that are most demanded by users, with a total of 39,100,000 visitors each month (ASEAN Up Empowering business in Southeast Asia,2018).

As a result of the large number of Shopee users, Shopee is exposed to a larger possibility that the service they provided may fail to comply with the expectation of the customer, such as several arising issues regarding userswho don't receive goods they ordered in the first place, the item does not reach the

destinatedaddress, or even refunds that are not processed by theseller. Regardless, there are also customers who have pleasant experiences, like the feeling of content from the free shipping and lots of interesting promotions.

From the list of the 10 best online retailersin Indonesia, five of their growth averages most unique visitors reaches 289 percent. Shopee, on the other hand, achieves a growth rate of 763 percent in half a year, which is a major contributing factor (Wolinsky, 2018). Shopee also managed to lead for the average duration per view, which is 16minutes.

Table 1: Top Performing Online Consumer Goods Retails in Indonesia

No	Online Shop	Total Digital Population (000)	Mobile (000)	Desktop (000)	Total Minutes	Total Views	Avg. Minutes per View
1	Lazada.co.id	21,235	15,864	8,107	526	552	1
2	Blibli.com	15,556	13,837	2,651	635	422	1,5
3	Tokopedia.com	14,401	13,006	2,217	1,548	326	4,7
4	Elevenia.co.id	12,872	9,535	5,130	438	285	1,5
5	MatahariMall.com	12,520	11,516	1,879	410	516	0,8
6	Shopee.co.id	11,301	10,872	763	2,169	136	16
7	Bukalapak.com	10,407	8,971	2,203	459	193	2,4
8	Zalora.co.id	9,052	8,636	813	396	493	0,8
9	Qoo10.co.id	7,689	7,641	123	76	91	0,8
10	Blanja.com	5,823	5,673	327	81	88	0,9

Sumber : http://www.ilmuonedata.com

Furthermore, price perception, brand image, and website quality greatly affects customer satisfaction in Shopee's online shopping in the millennial community. This makes Shopee required to understand the growing and dynamic behavior ofthe. Shopee offers a more affordable price compared to other applications, which includes free shipping throughout Indonesia with a minimum purchase of 90,000 Rupiah (Nathania, 2017). Currently, Shopee achieves the title of an online application with the lowest price which also provides free shipping. However, there are still complaints that are heard regarding the price perception, website quality and brand image of the Shopee application, as the customers feel uncomfortable in the quality of services provided by Shopee, such as items not delivered within the estimated time, items ordered being different with the picture, lack of seller's response towards consumers' message, and items or de redisnot delivered to the consumers. This makes some consumers disappointed with the application at Shopee. In fact, from the survey conducted by Kaspersky Lab in twenty-six countries, Indonesia is one of the country with the biggest number of online fraud victim. 26% of the consumers have experienced getting fraud during their online shopping (Iskandar, 2017). Furthermore, according to a survey by (Jarvis, 2014), most of Indonesians still have a hesitation in purchasing from an e-commerce website, not only because of the security, but also because of the doubtful credibility or the reputation of the merchant.

The initial factor that increases customer intentions in making repeat orders is customer satisfaction, as satisfaction is the response of fulfillment from customers (Kotler, 2009). At this era of competition, customers take a very important role to be maintained by the company, which makes the satisfaction of a customer is the main point for business continuity. By making customers content and satisfied during the

delivering process, the company will be able to increase sales and profitability.

Therefore, this research is needed to analyze price perception, brand image, and website quality provided by Shopee, and whether it influences customer satisfaction and loyalty in accordance with what has been hypothesized. The results from this research are expected to be able to help Shopee to improve service quality in accordance with the results of research, to increase customer loyalty.

THEORETICAL BACKGROUND
Price Perception

Price is the value given to everything that is valued and in this topic price is measured by money. The price determinations of each product abased on the pricing strategy of each producer that pays attention toprice elasticity, competitors, product cost, etc., and in accordance to get a particular goods or services, buyer have to pay a price that is state.

Price perception is one of the many marketing strategy that's used to increase total sales. The success of this strategy also depends on the consumer's psychology, while the price should contain the message that convinces the customer that expensive items are not overpriced and is as useful as the price, or even more that than they pay (Das, 2017). In accordance with the market research that's done by the Economist Intelligence Unit which researches about consumer buying behavior in the Sainsbury's in Hatch Warren, Basingstoke, south-west of London, states that price is one of critical factor that affects customer buying decision (The Economist,2008).

The influence of prices on customer satisfaction has been done by Violita (2017) to her customers in her restaurant in Surabaya, and the result shows a positive influence, with price indicators that consumers pay according to the quality obtained. This means that prices have a positive effect on customer satisfaction, and as the price set is more affordable and align with the consumer expectations; consumer satisfaction will also then increase (Violita, 2017).

H1 : Price Perception has positive effect to Customer satisfaction

Website Quality

A website quality can be specified by several factors, starting from how easy the user learn in operating the website or how the website provide usefulness, easy navigation and readable information (Abdeldayem, 2010). The importance of well-organized contents, friendly website layout, and how easy the navigation is have also been emphasized by Zhang and Von Dranin their research about User Experience Online Buying. Website interfaces is a dominant component of the general satisfaction of the web user, and that physical aesthetic properties or design of the website can be compared with atmospheric features of traditional shopping stores. Previous studies have identified website quality have effect on customer satisfaction (Zhang & Dran, 2002).

Customers those are satisfied with a good website quality became the goal of many web designers. Satisfied users will spend a longer time in browsing the website and more likely to visit the same website again when they need to search something. (Noronha & Rao, 2017) in their research about Effect of Website Quality on Customer Satisfaction in Online Travel

Ticket Booking Websites mentioned that there is a a correlation towards customer satisfaction that is resulted by the purchase intention. They also stated that the website quality plays a significant role in pleasing the customer, since it develops a future relationship and interest for the customers, before they even buy the products. Customers judge the information obtained from the website before buying the product since the products are not presence. Therefore, the competence to develop an effective marketing website is a necessary requirement to survive in the industry, considering that the online shopping does not provide a direct interaction with the customers, as they cannot touch or feel the products directly (Noronha &Rao, 2017).

H2: Website quality has positive effect to Customer satisfaction

Brand Image

In 2019, we are entering arena where technology facilitates us in purchasing products, goods or even services through internet. In the era off recompetition, this condition creates many brands alternatives. Therefore, companies constantly look for way so they can connect emotionally with their buyers and have a good and strong relation to their customer. Companies that have a strong brand will make the company more visible than the other companies in a similar industry (Wheeler, 2009) . Brand image is something that is tangible and appeals to the senses. Therefore, the brand itself can be seen, touched, held and watched moving. Brand image will give the company fully recognition and gives them a distinct color from other companies.

Salomon Thimoty, Forbes Agency Council stated that Brand image is not just a logo, but also serves four functions (Thimothy, 2016), which are Brand Image can make impression, second Brand Image creates recognition, third Brand Images how show put-together you are, fourth Brand Image builds credibility and equity.

Brand image is a concept that is occur by the buyers due to person a reasons and their emotions, which is also referred as the customer's perception of either the reason or rational basis through more emotions towards a specific, but that can create a strong brand name are saliency, the ability of distinction (differentiability), liance (intensity) and trust that were associated with the brand (Fianto, Hadiwidjojo, &Aisjah, 2014). A positive brand image will encourage interesting marketing program sthatisable to produce unique associations to the brand that always exist in customer retention. There are research about Brand Image which concluded that there is a strong relationship between Brand Image and Customer Satisfaction (Upamannyu & Sankpal, 2014)

H3: Brand Image has positive effect to Customer satisfaction

Customer Satisfaction

One of the key that leads to customer loyalty or customer purchase intention is Customer Satisfaction itself. Customer Satisfaction can become a very crucial thing in a business, as retaining an old customer and make great impression to new customer will create a continuous association between product/service with the buyers (Sah, Kiran, &Tandon, 2017). Furthermore, by maximizing Customer Satisfaction, it will bring a positive impact on the company profits because of the repetition in buying in the same company affected by Customer expectation, Actual Performance and gap between Expectation performance and perceived performance in the same company (Salam, M., Y., & Nahas, 2013). Customers that are satisfied by the company may tell to their friends about what they experience, where it also goes the same with dissatisfied customer, which will also spread the word to others regarding their bad experience. There is a comparison where bad experience customers will tell until 10 people while satisfied customer will tell to 5 of their friends (UKESSAYS, 2013).

There are researches about customer loyalty that is affected by Customer satisfaction resulting the intention to switch in the Banking Sector of Pakistan, resulting in the customer that are already satisfied and loyal in one company, tend to not switch to another company by staying as a loyal customer (Mohsan, S., Khan, & Nawaz, 2011). There are research about relationship between Customer Satisfaction, on Customer Satisfaction toward Customer Loyalty in Banking Sector in Botswana (Africa) found that Customer Satisfaction leads to positive impact to Customer Loyalty and stated that the elders tend to be more loyal than people in younger ages (Chiguvi & Guruwo, 2017).

H4: Customer Satisfaction has positive effect to Customer Loyalty
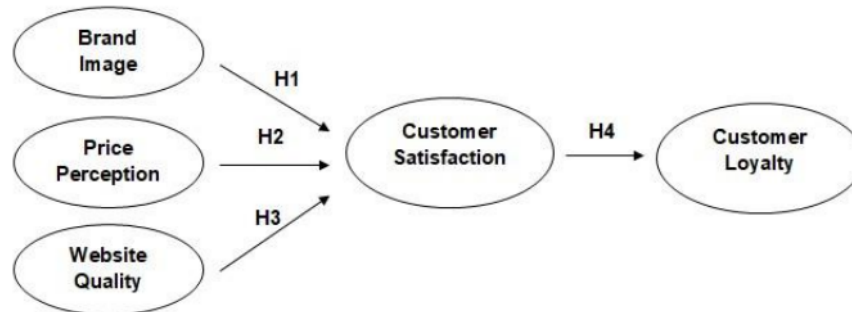
Customer Loyalty

Loyalty has been identified by repeated purchases on a brand, a particular product or service that is described as a constant repetitive action by the buyer. The buyer will tend to give more value to a product that he already believes than trying new products (IŠORAITÉ, 2016). Maintaining customer loyalty is the main goal forever business, as having customers who have been loyal to our company and makes regular purchases, results in a steady cash flow, for the very reason that building a loyal customer base is the key to a company's growth, such as by paying attention to customer satisfaction, trust, growth, price, service quality, etc. (Royler, 2017).

Former Ford vice president, Basil Coughlan estimate that every percentage point of loyalty is worth 100 million dollars profit percentage point for his company Del Monte. Harley Davidson motorcycles and General Motors spend a large amount of money to encourage Consumer loyalty to their brands (Abd & Ishak, 2016). Therefore, loyalty is at the heart of a company's success, and the advantages delighted in by a brand with solid and steady loyal client is the capacity to keep up the premium price.

Based on research a telecommunication company about the relationship between customer satisfaction that's described by service quality, pricing and brand image as the variables have a significance relation toward the Customer Loyalty. This research found out that even the company that has already served an efficient service sometimes will still lose their customer base (Karunanithy&Rasanayagam, 2013).

Research Model

Figure 1: Research Model

Source: Processed by Researcher

RESEARCH METHOD

This table will measure indicator of each variable about *Brand Image*, *Price Perception*, *Website Quality*, *Customer Satisfaction*, and *Customer Loyalty*. All the observed variables can be seen in Table2.

Table 2: Observed Variables

Variable	Definition	Indicator	Source
Brand Image	names, terms, signs, symbols, or designs, or a combination of all of them, intended to identify the seller's goods or services or groups of sellers and to differentiate them from other products or services designed to satisfy the same needs *(Kotler, 2005)*.	1. Symbol and logo easy to be remembered 2. Popularity 3. Reliable brand	(MARGIYANTO, 2013)
Website Quality	Website Quality is one of the methods or techniques in measuring the website quality based on the perceptions of end users. The quality of a website can be seen as an attribute of a website that contributes to its usefulness to consumers *(Hermana, 2014)*	1. Practical information 2. Ease to use 3. Comfortable	(Andika, 2016)
Price Perception	Price Perception is one of the marketing strategy that is used to increase total sales which contain the message in convincing the customer that the price of the item is not overpriced but is as compatible with the price *(Das, 2017)*	1. Affordability of prices 2. Price compatibility with production quality 3. Price discount 4. Product payment method	(Denny Kristian, 2016)
Customer Satisfaction	A person's feeling of the pleasure or Disappointment arising from comparing products' perceived performance in relation to expectation *(Sukanya Kundu, 2013)*.	11. Meet the expectation 12. Excellence service quality 13. Repurchase 14. Customer Loyalty	(KESAWASID HI, 2017) & (ISMAIL, 2017)
Customer Loyalty	Customer Loyalty will drive the buyer to give more value to a product that he already believes rather than trying new products. household or a company *(IŠORAITĖ, 2016)*	15. Makes regular repeat purchase 16. Purchases across product and service	(KESAWASID HI, 2017) & (Darman, 2012)

		17. Refers to others customers willingly recommend the company to friends and colleagues

Source: Processed by Researcher

Population for this study are Shopee users in Jabodetabek area and the sample are people with the age of 22-37 years old who lives in the Jabodetabek area and have access to the internet to shop at Shopee. This research is using *non-probability* sampling as the sampling method and *convenience sampling* as the technique. The data used in this study is primary data that was obtained by distributing online questionnaires using Google Spreadsheets to Shopee users ranging from the age of 22-37 years old that live in Jabodetabek area. Data Collection method for this research are questionnaires with liker scale. Therefore, the respondents just fill the questions by choosing from the provided answers.

By using SEM analysis as Data Analysis Technique, this study runs using quantitative research. Before the research was conducted, pre-test were held with the aim of checking the reliability and validity of each question using SPSS 25.0 software, which will be distributed amongst 30 respondents. Descriptive analysis was used in this research to measure each construct. According to Arikunto (2010), the interpretations of reliability scales are: 0.00 - 0.20 Not Reliable, 0.20 - 0.40 Less Reliable, 0.40 - 0.60 Moderate Reliable, 0.60 - 0.80 Reliable, 0.80 - 1.00 Very Reliable.

This research measured each indicators by using a five point liker scale following previous research also to enable respondents chosen trials their option. With a score of 1 as '*Strongly Disagree*', 2 as '*Disagree*', 3 as '*Neutral*', 4 as '*Agree*', and 5 as '*Strongly Agree*'.

This scale enable respondents to represent their degrees of agreeing or disagreeing towards each indicator.

Table 3: Reliability and Validity Pre-Test Results

Variable	Indicator	Corrected Item-Total Correlation	Cronbach's Alpha	Action
Website Quality	WQ2	,483	,780	Continue
	WQ3	,522		Continue
	WQ4	,690		Continue
	WQ5	,683		Continue
Brand Image	BI1	,686	,851	Continue
	BI2	,699		Continue
	BI3	,473		Continue
	BI4	,783		Continue
	BI5	,706		Continue
Price Perception	P1	,589	,827	Continue
	P2	,623		Continue
	P3	,603		Continue
	P4	,657		Continue

	P5	,674		Continue
Customer Satisfaction	CS1	,400	,706	Continue
	CS2	,630		Continue
	CS3	,535		Continue
	CS4	,404		Continue
	CS5	,373		Continue
Customer Loyalty	CL1	,648	,824	Continue
	CL2	,543		Continue
	CL3	,801		Continue
	CL4	,719		Continue
	CL5	,475		Continue

Source: Output SPSS 25.0 Processed by Researcher

Before doing data processing, pretest is done to find out there liability and validity of using SPSS 25.0 software. An indicator can be declare valid if the corrected item value -total correlation ≥ 0.361 (Joseph F. Hair Jr., Multivariate Data Analis, 2010). According to Malhotra, et al., (2013) the result of *Cronbach's Alpha* should above .68. While, the value of *Corrected Item-Total Correlation* from each question that is generated should be above .36. The results above show that all variable were reliable and can be used in this study.

RESULT AND DISCUSSION

Table 4: Profile Respondents

Category	Sub-Category	Frequency	Percentage
Gender	Male	68	34%
	Female	132	66%
Age	Under 21 y.o	26	13%
	22-27 y.o	138	69%
	28-33 y.o	26	13%
	Above 33	10	5%
Occupation	Student	24	12%
	Entrepreneur	34	17%
	Employee	136	68%
	Others	6	3%
Frequency shop online in a month	Once	24	12%
	2-3 times	68	34%
	4-5 times	26	13%
	≥ 6 times	82	41%
Expenses Range in a month	≤ 2 mio	28	14%
	2-5 mio	86	43%
	5-8 mio	74	37%
	≥ 8 mio	12	6%

Source: Processed by Researcher

Survey was conducted by distributing questionnaires online and is spread through social media (personal chat, Instagram, and Facebook) to Shopee users using Google Spreadsheets. The Pre-test and

screening stages are then followed to the questionnaire distribution stage in achieving the 200 people minimum requirement as a sample in this research. The targets for this study itself are millennia are ranging from the age 22-33 years across the Jabodetabek area. In this study, the profiles of the respondents are location, gender, age, occupation, frequency of shopping online during a month, and expenses range in a month. The details of each profile of respondents are shown in Table4.

As we can see from the table above the majority respondents in this research are *Female* representing 66% of the sample population, aged *22-27 years old* reaches out 69% with occupation as *Employee* being 68%. The frequency of them shopping online is *more than 6 times* in a month with expenses ranges between *2-5 mio* in a month.

Table 5: Convergent Validity

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑Error	CR	(SLF)²	∑(SLF)²	∑Error	VE
WQ2	0.56	0.68					0.31			
WQ3	0.61	0.63					0.37			
WQ4	0.70	0.51	2.47	6.10	2.46	0.71	0.49	1.53	2.46	0.38
WQ5	0.60	0.64					0.36			
BI1	0.63	0.60					0.39			
BI2	0.52	0.73					0.27			
BI3	0.60	0.64	2.94	8.64	3.24	0.72	0.36	1.72	3.24	0.34
BI4	0.63	0.60					0.39			
BI5	0.56	0.67					0.31			
P1	0.57	0.66					0.32			
P2	0.65	0.57					0.42			
P3	0.65	0.56	3.15	9.92	2.98	0.76	0.42	1.97	2.98	0.39
P4	0.62	0.62					0.38			
P5	0.66	0.57					0.43			
CS1	0.81	0.34					0.65			
CS2	0.83	0.31					0.68			
CS3	0.76	0.43	3.50	12.25	2.47	0.83	0.57	2.51	2.47	0.50
CS4	0.50	0.75					0.25			
CS5	0.60	0.64					0.36			
CL1	0.59	0.65					0.34			
CL2	0.53	0.71					0.28			
CL3	0.61	0.63	2.91	8.46	3.28	0.72	0.37	1.68	3.28	0.33
CL4	0.62	0.61					0.38			
CL5	0.56	0.68					0.31			

Source: Output LISREL 88 Processed by Researcher

According to Sabri (2016), the reliability of the model is deemed to be good enough if the Construct Reliability ≥ 0.60 and validity of the model is competent if the Variance Extracted is ≥ 0.50. The standardized loading factor of the variables observed in the model that met good standards is, if the value of *standardized loading factor* is ≥ 0.50 (Joseph F. Hair Jr., 2010). If the standardized loading factor is below than 0. 50, the variable indicator had to be removed. The reliability and validity of this research were done by calculating the *construct reliability* and *variance extracted* from the values of standardized loading factors and error variance.

Goodness of Fit Measurement Models

The Goodness of Fit is done by checking whether the values of Chi-Square and p-value, RMSEA, Standardized RMR, GFI, AGFI, NFI, NNFI, CFI, IFI, RFI which are located in the output meet various sizes that indicate a good match or not.

Table 6: Goodness of Fit
Compatibility Test

GOF Size	Result	Standard Value for Good Fit	Model Compatibility with Data
P-Value	0.0		Marginal Fit
RMSEA	0.09		Good Fit
NFI	0.89		Good Fit
NNFI	0.92		Good Fit
CFI	0.93		Good Fit
IFI	0.93		Good Fit
RFI	0.88		Good Fit
GFI	0.77		Marginal Fit
AGFI	0.71		Marginal Fit

Source: Output LISREL 88,
Processed by Researcher

Figure 2: T-value Diagram
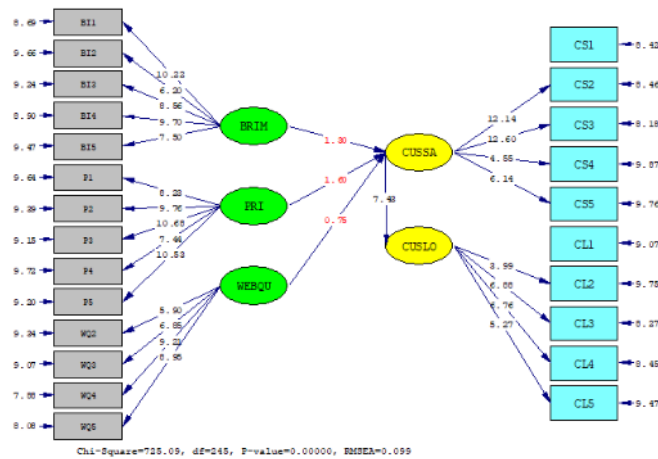
Source: Output LISREL 88,
Processed by Researcher

From the structural model that researcher obtained from the LISREL output, the result will show the positive influence of one latent variable with the other latent variables by looking at the value of t (t-value).When t-value ≥ 1.96, the latent variable gives a positive influence to the other latent variables. Otherwise, when t-value ≤ 1.96, the latent variable does not have a significant positive influence to the other latent variables. In the Figure 2 below show the results regarding the value of t in the structural model that has been processed by the researcher.

Table 7: Hypothesis Analysis

Hypothesis	Hypothesis Statement	T-value	Explanation
H1	Price Perception has positive effect to Customer satisfaction	1.30	Data does not support the hypothesis
H2	Website quality has positive effect to Customer satisfaction	1.60	Data does not support the hypothesis
H3	Brand Image has positive effect to Customer satisfaction	0.75	Data does not support the hypothesis
H4	Customer Satisfaction has positive effect to Customer Loyalty	7.43	Data support the hypothesis

Source: Output LISREL 88, Processed by Researcher

Hypothesis Analysis

There are four hypotheses in this research. Analysis of hypothesis testing was carried out with a 5% significance level to produce a crisis value t ± 1.96. The hypothesizes accepted if the *t-value* obtained is ≥ 1.96, while the hypothesis is not supported if the t-value obtained is≤
1.96. The previous table is a summary of the hypothesis test to see if the proposed model is supported by data, as shown below:

H1: Based on Table 7 above, it can be explained that *Price Perception* doesn't have positive effect to *Customer satisfaction* because as we can see from the result it does not meet the statistical requirements which is 1.30 where the value should be ≥ 1.96. From this result it was found that *Price Perception* was considered as not capable in giving positive effect to *customer satisfaction* of Shopee users. This result is not supported by the previous research that was conducted by The Economist (2008) and Violita (2017) who stated that Price Perception has a positive effect to customer satisfaction, and the more affordable and aligning with the customer expectations, customer satisfaction will also increase. This finding is in line with previous researches by Tangguh W., Pangestuti & Nuralam (2018) and Bilgies (2017) who stated that Price Perception doesn't affect Customer satisfaction positively.

Researcher assume it's because Shopee user in particular found that product value correlates to the price that Shopee offers to the customer, especially from this research the majority

respondents are female who are known to be very thorough to the details and are experienced in online shopping, judging from their online shopping frequency which could number in more than 6 times in a month, which makes them comparable between one to another.

H2: Based on Table 7 above, t-values shows 1.60 which means the variable *Website quality* Doesn't have a positive impact towards *Customer satisfaction* where the value should be≥
1.96. From this result it was found that *Website quality* was not considered capable of giving positive effect to *customer satisfaction* of Shopee users. This is also not supported by the previous research that conduct by Ajay Kaushik Noronha (2017) and pin Zhang (2002) who stated that Website quality has a positive effect to customer satisfaction, satisfied user will spend longer time to looking at the website.

Researcher assumes that it is resulted for the very reason that the majority respondents are

females who already knew what they wanted to buy and does not really concern to the website as long as the website is easy to use and understand. There was an arising issue several months ago, where Shopee's newly launched and was very trending as it gives out numerous promotion, they customers often experience a downtime from Shopee's server.

H3: Based on Table 7 above, Brand Image doesn't have positive effect towards Customer satisfaction. From the table above it shows t-values for thistestingis0.75wherethevalueshould be ≥ 1.96. So t-values from this hypothesis testing don't meet the statistical requirements. From this result it was found that *Brand Image* was considered incapable in giving positive effect to *customer satisfaction* of Shopee users. This is also not supported the previous research that was conducted by Thimoty(2016)and Achmad Yanu Alif Fianto (2014) who stated that Brand image has a positive effect to customer satisfaction, Brand image can builds credibility and equity. This finding is in line with previous research who stated that Brand Image doesn't affect Customer Satisfaction positively (Tangguh W., Pangestuti, &Nuralam, 2018).

Researcher assume it is because of Shopee is included as a new competitor with majority respondents ranging from the age 22-27 years old who just try which e-commerce gave them the most advantages, so they'll use it without really considering what the company's brand image wants to deliver.

H4: Based on Table 7 above,t-valuesshows7.43thatmeansCustomerSatisfactionhas positive effect to Customer Loyalty. So this hypothesis testing meets the statistical requirements where the value should be ≥ 1.96. From this result it was found that *Customer satisfaction* was considered capable giving positive effect to *customer loyalty* of Shopee users. This is supported by previous research that conducted by ISORATE (2016), Reader (2017) which states that *Customer satisfaction* has a positive effect on *Customer loyalty*, because the buyer will tend to give more value to a product that heal ready believes than trying new products.

Researcher assume it is because of the frequency of shopping of the respondents are more than 6 times, so they have already experience and discover which one fits them best. Additionally, the majority respondents are female that has an occupation as an employee so they want everything to be as simple as just to shop, recalling from their experience. Those way, become loyal to the company.

CONCLUSION

This research has Brand Image, Price Perception, Website Quality, and Customer Satisfaction as an independent variables and Customer Loyalty as a dependent variable. From the Result and Discussion that had been done by the researcher it shows that Brand Image with t-values 0.75, Price Perception with t-values 1.30, and Website quality with t-values 1.60 don't have positive effect to customer satisfaction because the t-values does not meet the statistical requirements which is should be more than 1.96butcustomersatisfactionstillhas positive influence to customer loyalty because t-values shows 7.43 which means data supports hypothesis. With the result it is proven that only Customer Satisfaction has positive effect to customer loyalty because data supported by the hypothesis. However, the researcher attempted to figure it out why this actually happened and different from the previous research. This could be happened because the respondents are different. The majority respondents in this research are *Female* representing 66% of the

sample population, aged *22-27 years old* reaches out 69% with occupation as *Employee* being 68%. The frequency of them shopping online is *more than 6 times* in a month with expenses ranges between *2-5 mio*in amonth.

Managerial Implication

After conducting the research, the future expectations of Shopee is they can still run all of their promotions because it gave positive influence to customer. Their website quality for now is good for the customer, but they can actually improve further so the server won't experience downtime anymore when customer wants to visit the website. This can be achieved by actually hiring competent people who really knows about it, and make sure the customer service runs well. Therefore, if there are any complaints, it can be solved faster. How Shopee initially built their brand image is very amusing. However, now they have the responsibility to maintain it well, for the very reason that currently there are many competitors, and Shopee should be able to handle it by making something unique that others didn't have. For example, they can make report card to spread it to the customer just like when students receive their report cards. It will make customer happy by knowing how often they shop at Shopee, how patient they are by didn't have any complaint, etc. So by doing this maybe we can predict how loyal and how satisfied Shopee's customers. The results of this study can be used as a reference for future researchers to develop new research models, while also considering other variables outside the variables already used in this study, for example price perception, brand image, website quality and others.

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A

**PPENDICES   APPENDIX A –
QUESTIONNAIRE FORM**
Pre-Test Question
Hi! My name is KerenhapukhDevi MentariUtomo, I'm a student majoring inMarketing
Management from President University. I am currently doing my research about
FACTORS AFFECTING ONLINE BUYING BEHAVIOR FOR MILLENIAL
to pursue mydegree.
Please fill out the questionnaire down below, all answersyou provide will be kept strict
confidentially and will be used for research purpose only. Thank for yourparticipation.

SECTION A

1. Gender:

   a. Male

   b. Female

2. Ages:

   a. Under 21y.o

   b. 22-27y.o

   c. 28-33y.o

   d. Above 33 y.o

3. Occupation   :

   a. Student

   b. Entrepreneur

   c. Employee

   d. Others_____

4. How often do you shop online in a month:

   a. 1times
   b. 2-3times
   c. 4-5times
   d. More than 6times

5. How much your expenses range in amonth :

   a. Less than2Mio
   b. 2-5Mio

    c. 5-8 Mio

    d. More than 8 Mio

SECTION B

Website Quality

NO	PERNYATAAN	STS	TS	N	S	SS
1	Sayatidakakanberbelanjadari website yang sulitdioperasikan					
2	Sayaakanmengurungkanniatsayauntukberbelanja di website tersebutjikasayatidakbisamenemukanproduk yang sayainginkandenganmudah					
3	Sayamengharapkan website e-commerce menyediakantatacara pemesanan yang mudahdimengerti					
4	Temawarnadanjenistulisan di website mempengaruhikeinginan sayauntukberbelanja					
5	Sayaberbelanjamelalui website tersebutkarenatampilan website tersebutmenariksecara visual					

Brand Image

NO	PERNYATAAN	STS	TS	N	S	SS
1	Shopeemerupakan E-commerce terpercaya					
2	Shopeememilikicirikhas yang mudah di ingat					
3	Shopeemenanggapikomplainpelanggandengancepat					
4	Shopeemerupakan E-commerce yang aman					
5	Shopeeselalumemiliki promo menarikuntukpelanggan					

Price Perception

NO	PERNYATAAN	STS	TS	N	S	SS
1	Hargayang ditawarkanShopeesesuaidenganmanfaatprodukyang diperoleholehpelanggan					
2	Shopee menjual produk berkualitas dengan harga yang terjangkau					
3	Shopeememilikiperbandinganhargayang mampubersaingdengantokoonlinelain					
4	Shopee selalu memberikan promosi berupa Gratis ongkir kepada para pelanggannya					
5	Shopeememberikanhargaproduk yanglebihmurahdaritoko online lainnya					

Customer Satisfaction

NO	PERNYATAAN	STS	TS	N	S	SS
1	Pengalamansayaberbelanjamelaluiwebsite sesuaidenganharapansaya					
2	Sayatelahmenerimaseluruhpesanansayamelaluiwebsite secaracepat					
3	Sayaberencanauntukberbelanjadi website yang samadi kemudianhari					
4	Sayatidaktertarikuntukberbelanja di e-commerce lain selain ditempatsayapernahberbelanja					
5	Sayaakanterusberbelanjamelalui website e-commerce					

Customer Loyalty

NO	PERNYATAAN	STS	TS	N	S	SS
1	Sayabersediaberbelanja di Shopee di kemudianhari					
2	Sayabersediamembelilebihdarisatuproduk di Shopee					
3	SayaakanmerekomendasikanShopeekepadateman-teman saya					
4	Saya akanmerekomendasikanShopeekepadaorang-orang terdekatsaya					
5	Shopeeadalah E-commerce terbaik					

Actual Questionnaire

A Study Of Factors affecting Online Buying Behavior for Millenial in Jabodetabek Area

Dear Respected Respondent,
My name is Kerenhapukh Devi Mentari Utomo from President University Batch 2015 Majoring in Management and Concentrating in Marketing. I am currently conducting an undergraduate research about A STUDY OF FACTORS AFFECTING ONLINE BUYING BEHAVIOR FOR MILLENIAL IN JABODETABEK AREA to pursue my Bachelor Degree.
Please fill out the questionnaire down below, all answers you provide will be kept strict confidentially and will be used for research purpose only. Thank for your participation.

Kepada Responden Yang Terhormat,
Nama saya Kerenhapukh Devi Mentari Utomo dari President University Angkatan 2015 Jurusan Management dan berkonsentrasi di Marketing. Sekarang ini saya sedang melakukan penelitian sarjana sebagai syarat untuk mencapai Gelar Sarjana saya. Kuisioner ini adalah bagian dari penelitian saya yang berjudul FAKTOR YANG MEMPENGARUHI PERILAKU PEMBELIAN ONLINE GENERASI MILLENIAL DI AREA JABODETABEK.
Silakan isi kuesioner di bawah ini, semua jawaban yang Anda berikan akan dijaga kerahasiaannya dan hanya akan digunakan untuk tujuan penelitian saja. Terima kasih atas partisipasi Anda.

* Required

SECTION A

BAGIAN A

Gender (Jenis Kelamin) *

○ Male (Laki-Laki)

○ Female (Perempuan)

Ages (Usia) *

○ Under 21 y.o (Dibawah 21th)

○ 22-27 y.o (22-27th)

○ 28-33 y.o (28-33th)

○ Above 33 y.o (Diatas 33th)

Occupation (Pekerjaan) *

○ Student (Pelajar)

○ Entrepreneur (Wiraswasta)

○ Employee (Karyawan)

○ Other: _____

How often do you shop online in a month (Seberapa sering kamu berbelanja online dalam sebulan) *

○ 1

○ 2-3 times (2-3 kali)

○ 4-5 times (4-5 kali)

○ More than 6 times (Lebih dari 6 kali)

How much your expenses range in a month (Kisaran Pengeluaran per bulan) *

○ < 2Mio IDR (< Rp 2jt)

○ 2-5Mio IDR (Rp 2-5jt)

○ 5-8 Mio IDR (Rp 5-8jt)

○ >8 Mio IDR (>Rp 8jt)

[NEXT]

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SECTION B

BAGIAN B

Website Quality

Kualitas Website

I will delay my intention to shop on the website if I cannot find the product I want easily. (Saya akan mengurungkan niat saya untuk berbelanja di website tersebut jika saya tidak bisa menemukan produk yang saya inginkan dengan mudah) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

I expect e-commerce websites to provide easy-to-understand ordering procedures. (Saya mengharapkan website e-commerce menyediakan tata cara pemesanan yang mudah dimengerti) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

The color themes and types of writing on the website affect my desire to shop. (Tema warna dan jenis tulisan di website mempengaruhi keinginan saya untuk berbelanja) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

I shop through the website because the appearance of the website is visually attractive. (Saya berbelanja melalui website tersebut karena tampilan website tersebut menarik secara visual) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Brand Image

Citra Merk

Shopee is a trusted E-commerce. (Shopee merupakan E-commerce terpercaya) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Shopee has a characteristic that is easy to remember. (Shopee memiliki ciri khas yang mudah di ingat) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Shopee responds to customer complaints quickly. (Shopee menanggapi komplain pelanggan dengan cepat) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Shopee is safe E-commerce. (Shopee merupakan E-commerce yang aman) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Shopee always has attractive promos for customers. (Shopee selalu memiliki promo menarik untuk pelanggan) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Price Perception

Persepsi Harga

The price offered by Shopee is in accordance with the benefits of the product obtained by the customer. (Harga yang ditawarkan Shopee sesuai dengan manfaat produk yang diperoleh oleh pelanggan) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Shopee sells quality products at affordable prices. (Shopee menjual produk berkualitas dengan harga yang terjangkau) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Shopee has a price comparison that can compete with other online stores. (Shopee memiliki perbandingan harga yang mampu bersaing dengan toko online lain) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Shopee always provides promotions in the form of free delivery to its customers. (Shopee selalu memberikan promosi berupa Gratis ongkir kepada para pelanggannya) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Shopee provides cheaper product prices from other online stores. (Shopee memberikan harga produk yang lebih murah dari toko online lainnya) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Customer Satisfaction

Kepuasan Pelanggan

My experience of shopping through the website is in accordance with my expectations. (Pengalaman saya berbelanja melalui website sesuai dengan harapan saya) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

I have received all my orders through the website quickly. (Saya telah menerima seluruh pesanan saya melalui website secara cepat) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

I plan to shop on the same website in the future. (Saya berencana untuk berbelanja di website yang sama di kemudian hari) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

I am not interested in shopping on e-commerce other than where I have been shopping. (Saya tidak tertarik untuk berbelanja di e-commerce lain selain ditempat saya pernah berbelanja) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

I will continue shopping through Shopee. (Saya akan terus berbelanja melalui Shopee) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Customer Loyalty

Kesetiaan Pelanggan

I am willing to shop at Shopee in the future. (Saya bersedia berbelanja di Shopee di kemudian hari) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

I am willing to buy more than one product at Shopee. (Saya bersedia membeli lebih dari satu produk di Shopee) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

I will recommend Shopee to my friends. (Saya akan merekomendasikan Shopee kepada teman-teman saya) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

I will recommend Shopee to the people closest to me. (Saya akan merekomendasikan Shopee kepada orang-orang terdekat saya) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

Shopee is the best E-commerce. (Shopee adalah E-commerce terbaik) *

	1	2	3	4	5	
Strongly Disagree	○	○	○	○	○	Strongly Agree

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