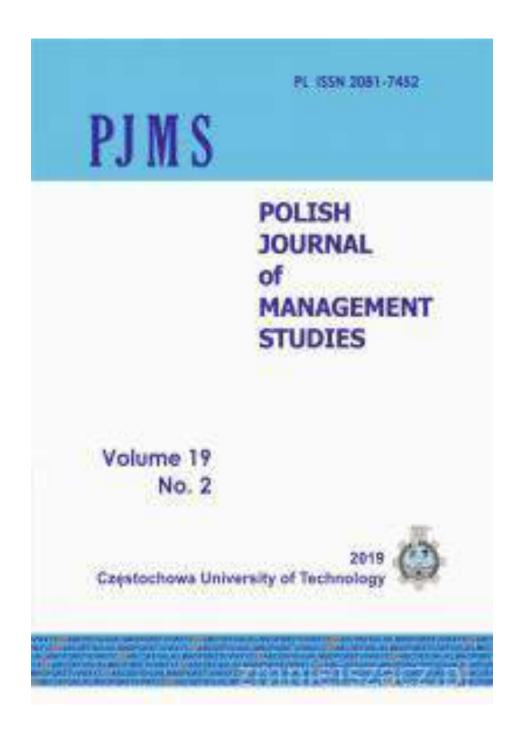
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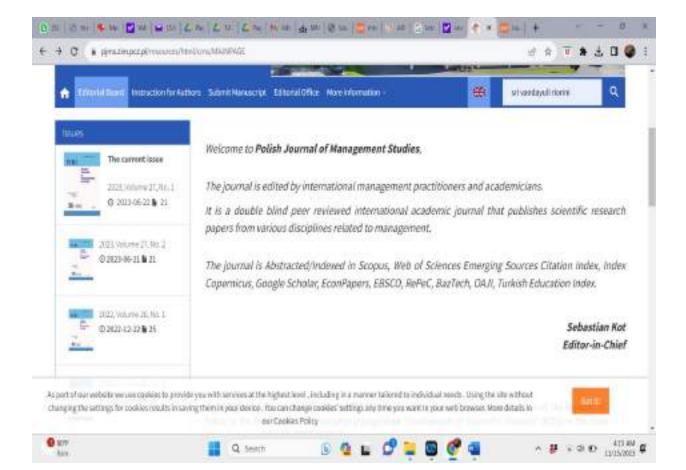
# Increasing Purchase Intention Through Creating Online Shopping Value

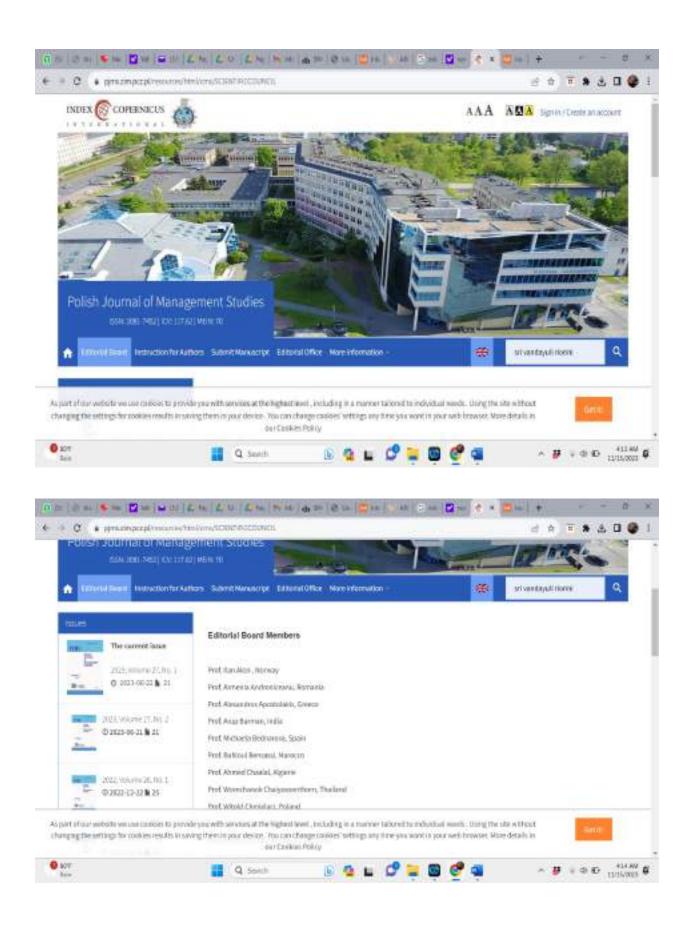
# Sri Vandayuli Riorini; Hermanto Yaputra; Christina Catur Widayati

Polish Journal of Management Studies; Vol. 19. No.2, pp. 319-330, **2019**. ISSN: 2081-7452. Publisher Czestochowa University of Technology.

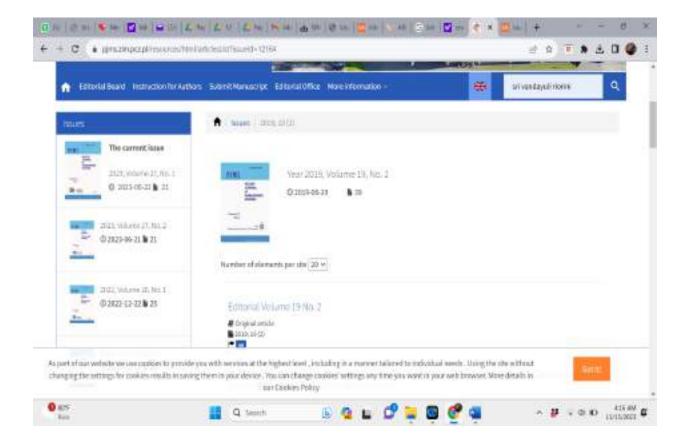


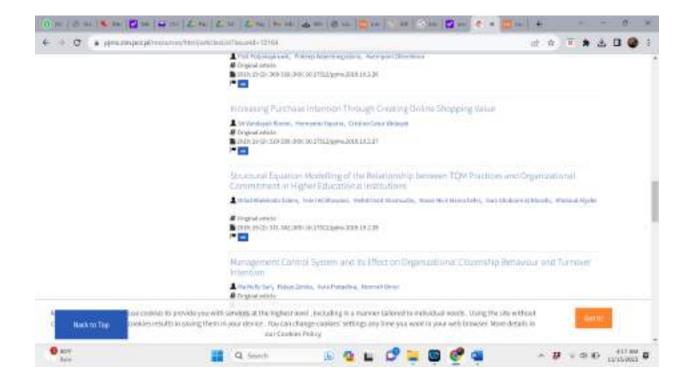
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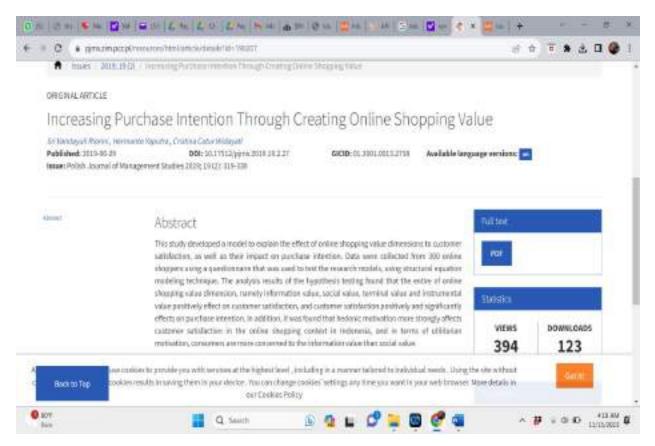




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# INCREASING PURCHASE INTENTION THROUGH CREATING ONLINE SHOPPING VALUE

# Riorini S.V., Yaputra H., Widayati C.C.\*

**Abstract**: This study developed a model to explain the effect of online shopping value dimensions to customer satisfaction, as well as their impact on purchase intention. Data were collected from 300 online shoppers using a questionnaire that was used to test the research models, using structural equation modeling technique. The analysis results of the hypothesis testing found that the entire of online shopping value dimension, namely information value, social value, terminal value and instrumental value positively effect on customer satisfaction, and customer satisfaction positively and significantly effects on purchase intention. In addition, it was found that hedonic motivation more strongly affects customer satisfaction in the online shopping context in Indonesia, and in terms of utilitarian motivation, consumers are more concerned to the information value than social value.

Keywords: shopping motivation, online shopping value, customer satisfaction, purchase intention

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# Introduction

In this modern world, people becomes challenged to always look for ways to enable them to meet the needs and desires. The use of technology in shopping answered the challenge, where almost everyone is now conducting business transactions electronically/e-commerce. E-commerce world sales in 2012 reached USD 1.058 trillion, and is predicted to have increased every year, reaching USD 1.771 trillion in 2015 and USD 2.05 trillion in 2016. Indonesia is one country with the largest e-commerce market in the world. Ministry of Communication and Information of the Republic of Indonesia, explained that the value of e-commerce transactions in the country in 2016 stood at US \$24 billion, and expected to grow by US \$ 130 billion in 2020 (CNN Indonesia, 2017). With a predicted increase in sales, e-commerce industry could be one which greatly contributes to the country's economy.

The Nielsen Global Survey of e-commerce, in 2017 released the results of a survey based on the behavior of respondents with online access in Indonesia, where the Indonesian digital consumers enjoy online shopping along with the growth of device connections ownership, especially to see the products, read reviews and find

h\_yaputra@yahoo.com; christinewijaya73@yahoo.co.id



<sup>\*</sup> Dr. Sri Vandayuli Riorini, MM., Dr. Hermanto Yaputra, MM, Cristina Catur Widayati, SE, MM., Faculty of Economic and Business, Trisakti University, Jakarta, Indonesia; Faculty of Economic and Business, Mercubuana University, Jakarta, Indonesia Corresponding author: rini\_keloko@yahoo.co.id

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information about products and services online before they make a purchase online or offline, because it will reduce the risk of purchasing a product (Nielsen, 2017). Empirical studies also support that consumers prefer to search for information through the internet when purchasing products online (Shanthi and Kannaiah, 2015; Gisore and Jepchumba, 2017). Online shoppers stated that they can test a wide selection of products through online shopping compared to offline shopping (Katawetawaraks and Wang, 2011; Nazal, 2017). However, through online shopping, in addition to a positive impact, it can also provide a threat to consumers. Several emerging threats (Nielsen, 2017; Eketu, 2018), such as: (1) distrust of consumers to provide information of credit card by online, (2) the product delivery costs charged in online shopping, (3) the knowledge limitation for shopping through websites, and (4) consumer never thought to shop using the internet. Besides those reasons, the threat of cyber crime particularly fraud is often taken into consideration by consumers to make online purchasing. From the number of incoming cases and handled by Indonesian Police Cyber Crime Unit, approximately 40% reports are online frauds, 30% is defamation, while the rest is data theft and other online crimes cases (Tempo, 2017). Pollsters of Kaspersky Lab (2016) saw an increasingly diverse and growing number of online financial threats. From the 26 countries surveyed, 26% is Indonesian consumers and ranks first as the target of online fraud that resulted in the loss of consumers money; the next sequence is Vietnam by 25%, and third place is India at 24% (Indonesia-Investments, 2016). It explains that the number of online fraud cases in Indonesia is very high, which will decrease the purchase intention to do online shopping.

The researcher used a purchase intention as an important indicator to predict consumer behavior in the future, and aimed to predict the level of product sales to old and new consumers (Morwitz et al., 2007; Eze, 2018). When consumers have a positive purchase intention, it will establish a positive brand trust, which can encourage consumers to take an act of purchasing (Becerra and Badrinarayanan, 2013). Purchase intention is the impact of the customer satisfaction (Alshibly, 2015). Satisfaction is a function of the perception or impression of the performance and expectations. If performance is below expectations, the customer is not satisfied, however, if performance exceeds expectations, the customer will feel very satisfied or pleased. Consumers who are satisfied tend to reconsider manufacturer could satisfy them to re-purchase its products or services (Saleem et al., 2015). Consumer satisfaction has been considered to be part of the profits of companies (Terblance and Boshoff, 2010). Based on the research results Fornell et al., (2006), the company that can create customer satisfaction will increase: customer loyalty, usage behavior, positive word of mouth, as well as reduced: the cost of future transactions, costs related to warranties, complaints, defective goods and field service.

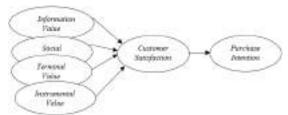
# **Literature Review**

The most important marketing strategy in the 21<sup>st</sup> century is to provide value to the consumer (McFarlane, 2013). This is also supported by Danciu (2013) which states that creating customer value is the success key for any company to succeed in the tough competition nowadays for creating business sustainability. Consumers in selecting goods and services to be consumed guided by value (Khan et al., 2011). The perception of the value form an expectation. Expectations of consumers on a product that will be in its consumption will form attitude (Katawetawaraks and Wang, 2011). If the consumer expectations of high value, the more positive consumer attitudes, so that will encourage consumers to buy a product. After the purchase, consumers will feel happy, if the perceived performance of the product in accordance with expectations, or in other words, customer satisfaction is achieved (Alshibly, 2015; Fengyang, 2018). Research carried propose and contribute to the online shopping value by developing the four dimensions of value, namely information value, social value, instrumental value, and the terminal value. Satisfaction in shopping online is influenced by utilitarian shopping value and hedonic shopping value. Utilitarian value applies when consumers focus on tangible benefits when shopping. Tangible attribute is the result of cognitive stimulation on consumers who then influence on consumer behavior in the selection of products according to the needs of the consumers themselves. According to Yen (2013), information and social value is a utilitarian value for users of e-commerce. Cho and Jang (2008), said that the information could be for information purposes only, but the information is deemed valuable if the information affects the receiver to make a decision to act. An information would be worth if it has characteristics such as relevance, timing and accuracy or timeliness. Ilaw (2014) states that social is a way of how individuals are related. The better way of relating one to the others, it is deemed more valuable and will be able to improve the social self-concept of the person. Associated with the above, then online shopping can add social value for its users, because it refers to the use of services that can be shared with others. Alshibly (2015) explains that the social value serves to encourage and guide consumers to act. Empirical studies find information value influence to the satisfaction and social value to the satisfaction (Alshibly, 2015; Hu et al., 2015). Furthermore, hedonic value derived from affective stimulation of consumers when shopping. Hedonic shopping value is an entertainment and emotionally perceived through the shopping activities. Set of values that are grouped in hedonic shopping in this research is the terminal value and instrumental value. Terminal values is an emotional response that is driven from within the individual (intrinsic), while the value of instrument is driven from outside the individual (extrinsic). Empirical studies proves that customer emotion plays a role in creating customer satisfaction (Biscaia et al., 2012). Based on the description above, hypothesis developed and will be tested in this study are:  $H_1$ : There is a positive influence of information value to the customer satisfaction.

 $H_2$ : There is a positive influence of social value to the customer satisfaction.

 $H_3$ : There is a positive influence of terminal value to the customer satisfaction.  $H_4$ : There is a positive influence of instrumental value to the customer satisfaction. Nowadays, knowing customer perceived value becomes important in business, since the higher understanding of customer perceived value causes higher consumer satisfaction, stronger company competitive position, and ultimately higher company market share (McFarlane, 2013). Alshibly (2015) states that the customer perceived value is a key driver for developing and maintaining loyal customers, because customer perceived value have an important role in customer acquisition and retention. Aghamirian and Aghamirian (2015), argues that companies that provide customer perceived value can gain a competitive advantage. Study to measure value by using one-dimensional construct and multidimensional construct, in particular to evaluate the service which has been done, but the measure of value to online is still rare (Alshibly, 2015). Measurement of customer perceived value in online shopping by using information value and social value (Alshibly, 2015). Research conducted adding instrumental/extrinsic value and terminal/intrinsic value, as the measurement online shopping value. The ongoing research will develop an online shopping value model which will be tested on online shopping value consequences namely customer satisfaction and purchase intention.

Online shopping value



**Figure 1. Conceptual Framework** 

Satisfaction is the focus of today's marketing objectives, describe the emotional response of consumers who could determine consumer attitudes and behavior. Consumers will have the intention to purchase if they are satisfied or gain experience in product consume more than they expected. Consumers who are satisfied tend to reconsider manufacturers capable of satisfying them to buy the product (Gérard and Oumbé, 2018). Deng et al., (2010), said that the use of technology will drive customer satisfaction in the shop. Modern consumers are more satisfied doing online shopping, because they are looking for comfort, speed and the availability of quality information. According to Hasanov and Khalid (2015), the frequency of online shopping is a picture of customer satisfaction. The positive influence of customer satisfaction on purchase intention has been found in some studies (Li, 2016). Based on theories and previous studies, the hypothesis put forth in this study is:

 $H_5$ : There is a positive influence of customer satisfaction to the purchase intention.

# Methodology

Studies conducted adapt the measuring instrument used to measure the construct is based on previous relevant studies in the context of online shopping. Items used to measure the value of online shopping constructs developed and adapted from Yen (2013); Alshibly (2015), while the items for customer satisfaction adapted from Alshibly (2015); and items for purchase intention adapted from Mahmoudzade et al., (2014) and Zarrad and Debabi (2012). Furthermore, a five-point Likers-type is used to get the responder of the entire item statement, which point 1 states strongly disagree, up to 5 to answer strongly agree. The research instrument was a questionnaire as a data collection tool performed a pretest to get a measuring instrument valid and reliable. During pretesting conducted, 100 experienced online shoppers were asked to answer the statement item, which will be the basis for revisions the construct measures if the result is unreliable through conducting construct validity and reliability testing. The outcome of validity and reliability tests can be concluded that: (1) construct information value (measured by 3) indicators), social value (measured with 4 indicators), terminal value (measured by 18 indicators) and instrumental value (measured by 17 indicators), which is used to measure the value of online shopping, have a factor loading values obtained from 0.58 up to 0.77; it can be concluded that the respective values of the loading factor  $\geq$  0.55. Therefore, all indicators are able to describe and define each construct, or in other words any indicators to measure each construct in question is valid. Furthermore, Cronbach's coefficient value of  $\alpha$  for each construct, namely 0.85; 0.82; 0.86; and 0.81 have fulfilled the Cronbach's coefficient  $\alpha$  required that is  $\geq$ 0.60, so it can be said that the respondents' answers to the statements that are used in research to measure each construct information value, social value, terminal value, and instrumental value dependable/reliable/consistent. (2) construct of customer satisfaction as measured by 5 indicators, have a factor loading values obtained from 0.60 up to 0.69. Therefore, it can be concluded that any indicators to measure customer satisfaction construct is valid. Furthermore, value of Cronbach's coefficient  $\alpha$  to construct customer satisfaction, which is equal to 0.86; so it can be said that the respondents' answers to the statements used in research to measure customer satisfaction construct are dependable/reliable/consistent. (3) construct purchase intention is measured by four indicators, have a factor loading values obtained from 0.66 up to 0.75; and the value of Cronbach's coefficient  $\alpha$  of 0.83. Therefore, it can be concluded that all indicators are capable/valid and dependable; and reliable/consistent to explain and define the construct of purchase intention.

In this study, which will be analyzed is the best online store sites and popular in Indonesia in 2018 based on the number of merchant highest, highest number of registered members, and the largest number of products sold (Tekno Liputan6, 2018), namely: (1) Lazada Indonesia, (2) Tokopedia, (3) Bukalapak, (4) Blibli, and (5) Shopee. A total of 300 questionnaires as samples distributed to workers/entrepreneurs in Jakarta, Indonesia during August and September 2018. Sampling using purposive sampling technique, namely with certain criteria. The

criteria for a selected sample of internet users who do online transaction processing/online shopping at least 1 times in the last 1 month. From all the data collected and processed, it can be concluded that out of 300 respondents, the majority were female (61.7% or n=185), and aged 25-35 years (45.7% or n=137). Furthermore, of the 64 employees work dominated by the private sector (21.3%), approximately 35.7% purchase it from online fashion (n=107), and 67.7% do online shopping as much as > 18 times in the last year (n=203). While a minority of respondents were men (38.3% or n=115), aged over 50 years (12.7%; n=38), working as servants (12% or n=36), purchase it from an online gadget (8.3% or n=25), and do online shopping as much as 2-5 times in the last year (5% or n=15). The model proposed in Figure 1 was analyzed using SEM/Structural Equation Model and supported by AMOS 24 software.

# **Results and Discussion**

# Measurement Model

Assessment of measurement model using CFA. Measurement models were used to assess validity and reliability construct. The assessment results as shown in Table 1 earlier, explained that all measuring instruments used is valid (factor loading > 0.55) and indicated an acceptable items convergence.

Furthermore, discriminant validity of the measures also showed a valid result, where the correlation between constructs ranged from 0.08 to 0.56, where no pairwise correlations were measured exceed the required criteria  $\geq 0.9$  (Hair et al., 2010). Results of discriminant validity of the measures is shown in Table 1.

	1	2	3	4	5	6
Information value	1.0					
Social value	0.23	0				
Terminal value	0.16	0.25	1.0			
Instrumental value	0.08	0.54	0.46	1.0		
Customer satisfaction	0.35	0.44	0.26	0.15	1.0	
Purchase intention	0.56	0.36	0.18	0.46	0.39	1.0

 Table 1. Construct Correlations

To measure, the used reliability construct is used to measure each construct dependable/reliable/consistent with results as required (Cronbach's coefficient  $\alpha \ge 0.60$ ).

# Structural model

Research hypotheses models tested with structural models. Before testing the hypothesis, first testing the suitability of the model (goodness of fit model) on the proposed model. Conformance model test or goodness of fit that aims to find out whether the model used feasible and appropriate for use in research. Testing is done by looking at the model conformity measurement criteria/cut-off value (Hooper et al., 2008).

Table 2. Comorninty Level Research Wodel					
Type Measurement	Goodness of Fit Index	Result	Cut-off	Decision	
Absolute Fit	RMSEA	0.03	< 0.07	Goodness fit	
Measures	GFI	0.98	> 0.95	Goodnessfit	
wieasures	AGFI	0.96	> 0.95	Goodness fit	
Incremental Fit	TLI	0.96	> 0.95	Goodness fit	
Measures	CFI	0.97	> 0.95	Goodness fit	
Notes: RMSEA=Root Mean Square Error of Approximation; GFI=Goodness-of-Fit-statistic; AGFI=Adjusted Goodness-of-fit statistic; TLI=Tucker-Lewis Index; CFI=Comparative Fit Index					
AGFI=Adjusted Goo	aness-of-fit statistic; TLI=Tucker-	Lewis Index;	CFI=Compara	tive Fit Index	

Table 2 Conformity Level Research Model

Based on the results of processing the data in Table 2, all models are built to be accepted, all the measurement criteria have goodness of fit index with a value that can be received on the expected value, and thus indicating that the model displayed well fitted the data. Having obtained the fit model, the hypothesis testing can be proceeded. Results of structural estimates and hypothesis parameter testing can be seen in Table 3.

Path to	Path from	Hypothesis	Structural coefficient	p-value	Conclusion		
Customer satisfaction	Information value	$H_1$	0.52	0.000	H <sub>0</sub> Rejected		
	Social value	H <sub>2</sub>	0.38	0.000	H <sub>0</sub> Rejected		
	Terminal value	$H_3$	0.56	0.000	H <sub>0</sub> Rejected		
	Instrumental value	$H_4$	0.42	0.000	H <sub>0</sub> Rejected		
Purchase intention	Customer satisfaction	H <sub>5</sub>	0.62	0.000	H <sub>0</sub> Rejected		
Notes: p-value	Notes: p-value < 0.05 ; Ho rejected						

**Table 3. Results of Estimation Structural Model** 

These study analyze the hypothesis about the influence of the dimensions of online shopping to customer satisfaction and purchase intention in the online shopping context. Results of hypothesis testing found the positive effects of each information value ( $\beta$ =0.52; p-value=0.000), social value ( $\beta$ =0.38; p-value=0.000), terminal value ( $\beta$ =0.56; p-value=0.000) and instrumental value ( $\beta$ =0.42; p-value=0.000) on customer satisfaction; in other words the whole of H<sub>1</sub>, H<sub>2</sub>, H<sub>3</sub>, and H<sub>4</sub> are supported. Furthermore, customer satisfaction significantly and positively affects purchase intention ( $\beta$ =0.62; p-value=0.000), which means H<sub>5</sub> supported.

# Discussion

This study proposes online shopping value specifically, and develop dimensions, seen from the side utilitarian and hedonic motivations in the context of online shopping. These dimensions are the information value, social value, terminal value,

and instrumental value. Furthermore, this study developed a model to explain the consequences of online shopping value in Indonesia. The results of the analysis of the hypothesis that have been tested are discussed below.

First, the results of the analysis found a positive effect of information value to the customer satisfaction on the online shoppers. These results are consistent with research by Alshibly (2015), who found the information value is strong determinant of customer satisfaction. The majority of online shoppers in the study are consistent with Alshibly (2015) that is in a young age (25-35 years). Younger adults are more interested in adopting new technologies to find new products and relevant information, assess and compare the various alternatives before making a decision. In addition, younger adults more often searching information via the internet to get a lot of information that will become their input before making a purchase.

Second, the study found a positive effect of the social value to customer satisfaction of online shoppers, and supports research by Alshibly (2015). The social value refers to the use of services that can be shared with others. The process involves the introduction of service innovation opportunities and environmental opportunities of rapidly changing technology. The majority of consumers in research conducted in line with the research Alshibly (2015), namely young adults. According Bolton et al., (2013), the Y generation is the generation that is eager to use technology to get better service and share with others. Y generation has the characteristics as the instrumented generation (since the consumers prefer instant information access), the interconnected generation (because they use technology to interact with others), and the intelligent generation (because they know what they want).

Third, hypothesis test results found positive influences of terminal value and instrumental value to the customer satisfaction. Terminal value and instrumental value is the new dimension in this study are derived from hedonic motivation. Research carried out in line with empirical research on hedonic shopping value which has an influence to the customer satisfaction. In a study conducted, the majority who do online shopping is women. Tifferet and Herstein (2012) says that women are more likely hedonic than men. In addition, it was found that the majority of consumers in shopping online purchase fashion products, which Kinley et al., (2010) says that shopping is more to follow fashion trends, fashion, brand and quality so that consumers with high involvement fashion allows the impulse buying. According to Haq and Abbasi (2016), impulse buying is the impact of consumer desire to seek hedonic consumption.

Fourth, the study also found a positive effect of customer satisfaction on purchase intention, which is consistent with research by Mahmoudzade et al., (2014). The influence of customer satisfaction on purchase intention can be different depending on the customer characteristic (Jiradilok et al., 2014). Fashion is a part of people's lifestyles and can reflect the personality. The nature of teens are confident in order to show their existence recognized by the environment by trying to be a part of that

environment. The need for acceptance and recognition of the teenager by other people or peers cause teenagers try to follow a variety of attributes currently in trend. Therefore, teens would use the branded fashion products that are essentially the product in accordance with the fashion or trend in, including fashion from the outside.

Finally, the study also found that hedonic motivation more strongly affects customer satisfaction in the online context in Indonesia. The motivation that comes from outside or terminal value more strongly to encourage consumers to shop online. However, in terms of utilitarian motivation, consumers are more concerned with the information value than to social value.

# Conclusions

This study contributes to the existing literature by proposing a new conceptual model for online shopping value and develops new dimensions of online shopping value, namely information value, social value, instrumental value, and the terminal value. As a major conclusion, the study finds positive influences of online shopping values dimensions on customer satisfaction, and significant influence of satisfaction on the purchase intention.

Advice can be given to the practitioners, particularly marketing e-commerce are: First, the information on the website has an important meaning for the customer, therefore it is recommended that online stores to design its website in accordance with their target market so that the content of the information provided is also appropriate, because consumers require information that is easily accessible, useful, and easier for them to purchase items needed. In addition, consumers are also very concerned with the threat of information given, such as the threat of fraud. Therefore, it is recommended that the online store design its website containing information online shop which ensures that they can be trusted. Second, online shop, especially fashion online shop gain knowledge that hedonic motivation is the key to customer shopping. Therefore, it is suggested to increase consumers' emotional quality that will affect consumers in shopping online. This is a consumer-perceived quality due to the influence of the brand online shop that will create brand customer experience with online stores. To improve the emotional quality that is by strengthening the personal relationship between customers with online stores or other online shoppers. Online stores manager should be able to treat consumers with great empathy, so that consumers will benefit from a close relationship like this, and they will say that online stores have provided a high value beyond the product and service quality that the brand feel. Third, to improve customer purchase intention, it is suggested that online stores regularly conduct online surveys on customer satisfaction. Information obtained from the survey online can be used to develop online marketing strategies of their stores, so the expectations and desires of consumers are met and consumer online stores willing to recommend them to their friends. It also will eventually have an impact on the increase in online stores' profit.

This study has several limitations, namely: First, the research sample are only employees and entrepreneurs, making it less representative of the population of online shoppers in general. Besides that, the generalization of the results of this research will become limited. Second, the type of online store studied are online stores that sell all kinds of goods/less specific. Future studies are recommended to be applied to online specialty stores, such as online bookstores or online convenience goods stores, which possibly could generate different results. Third, this study only analyzes online consumer purchasing behavior at local stores, which may be different from the response of the foreign online stores. Furthermore, it is advisable to examine the purchase intention of consumers at international stores online. Fourth, sampling in this study is only in Indonesia. Purchase behaviors in various countries may differ due to cultural differences. This research can be applied in different countries to gain a thorough understanding of consumer purchasing behavior in the online shopping context. Finally, this research is just to develop a four-dimensional online shopping values based on utilitarian and hedonic shopping motivation. Future studies are recommended to add the antecedents of customer satisfaction, namely price (and dimensions: emotional price, monetary price, and behavioral price) and reputation, as proposed by Raji and Zainal (2016).

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#### ZWIĘKSZENIE INTENCJI ZAKUPU POPRZEZ TWORZENIE WARTOŚCI ZAKUPÓW ONLINE

**Streszczenie**: W tym artykule opracowano model wyjaśniający relacji wymiarów wartości zakupów online na satysfakcję klienta, a także ich wpływ na zamiar zakupu. Dane zebrano od 300 kupujących online za pomocą kwestionariusza, który został użyty do przetestowania modeli badawczych, przy użyciu techniki modelowania równania strukturalnego. Wyniki analizy testu hipotezy wykazały, że cały wymiar wartości zakupów online, a mianowicie wartość informacyjna, wartość społeczna, wartość końcowa i wartość instrumentalna, pozytywnie wpływają na zadowolenie klienta, a zadowolenie klienta ma pozytywny i znaczący wpływ na zamiar zakupu. Ponadto stwierdzono, że motywacja hedonistycznej silniej wpływa na zadowolenie klientów w kontekście zakupów online w Indonezji, a pod względem motywacji utylitarnej konsumenci są bardziej zainteresowani wartością informacyjną niż wartością społeczną.

Slowa kluczowe: motywacja zakupowa, wartość zakupów online, zadowolenie klienta, zamiar zakupu.

# 通过创造在线购物价值增加购买意向

**摘要**:本研究建立了一个模型来解释网络购物价值维度对顾客满意度的影响,以及它们 对购买意愿的影响。使用结构方程建模技术,使用用于测试研究模型的问卷从300名在线 购物者收集数据。假设检验的分析结果发现,整个网络购物价值维度,即信息价值,社 会价值,终端价值和工具价值对客户满意度产生积极影响,客户满意度对购买意愿产生 积极而显着的影响。此外,人们发现,享乐动机更强烈地影响了印尼在线购物环境中的 顾客满意度,而在功利性动机方面,消费者更关注的是信息价值而非社会价值。 关键词:购物动机,网络购物价值,顾客满意度,购买意愿。

# INCREASING PURCHASE INTENTION THROUGH CREATING ONLINE SHOPPING VALUE

by Sri Vandayuli Riorini

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# INCREASING PURCHASE INTENTION THROUGH CREATING ONLINE SHOPPING VALUE

#### Riorini S.V., Yaputra H., Widayati C.C.\*

Abstract: This shudy developed a model to explain the effect of online shopping value dimensions to customer satisfaction, as well as their impact on purchase intention. Data were collected from 300 online shoppers using a questionnaire that was used to test the research models, using structural equation modaling technique. The analysis results of the hypothesis testing found that the entire of online shopping value dimension, namely information value, social value, terminal value and instrumental value positively effect on customer satisfaction, and customer satisfaction positively and significantly effects on parchase intention. In addition, it was found that hedonic motivation more strongly affects customer satisfaction in the online shopping context in Indonesia, and in terms of utilitarian motivation, consumers are more concerned to the information value than social value.

Keywords: shopping motivation, online shopping value, customer satisfaction, purchase intention

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#### Introduction

In this modern world, people becomes challenged to always look for ways to enable them to meet the needs and desires. The use of technology in shopping answered the challenge, where almost everyone is now conducting business transactions electronically/e-commerce. E-commerce world sales in 2012 reached USD 1.058 trillion, and is predicted to have increased every year, reaching USD 1.771 trillion in 2015 and USD 2.05 trillion in 2016. Indonesia is one country with the largest e-commerce market in the world. Ministry of Communication and Information of the Republic of Indonesia, explained that the value of e-commerce transactions in the country in 2016 stood at US \$24 billion, and expected to grow by US \$130 billion in 2020 (CNN Indonesia, 2017). With a predicted increase in sales, e-commerce industry could be one which greatly contributes to the country's economy.

The Nielsen Global Survey of e-commerce, in 2017 released the results of a survey based on the behavior of respondents with online access in Indonesia, where the Indonesian digital consumers enjoy online shopping along with the growth of device connections ownership, especially to see the products, read reviews and find

<sup>&</sup>lt;sup>\*</sup> Dr. Sri Vandayuli Riorini, MM., Dr. Hermanto Yaputra, MM, Cristina Catur Widayati, SE, MM., Faculty of Economic and Business, Trisakti University, Jakarta, Indonesia; Faculty of Economic and Business, Mercubuana University, Jakarta, Indonesia Corresponding author: rini\_keloko@yahoo.co.id

h\_yaputra@yahoo.com; christinewijaya73@yahoo.co.id

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information about products and services online before they make a purchase online or offline, because it will reduce the risk of purchasing a product (Nielsen, 2017). Empirical studies also support that consumers prefer to search for information through the internet when purchasing products online (Shanthi and Kannaiah, 2015; Gisore and Jepchumba, 2017). Online shoppers stated that they can test a wide selection of products through online shopping compared to offline shopping (Katawetawaraks and Wang, 2011; Nazal, 2017). However, through online shopping, in addition to a positive impact, it can also provide a threat to consumers. Several emerging threats (Nielsen, 2017; Eketu, 2018), such as: (1) distrust of consumers to provide information of credit card by online, (2) the product delivery costs charged in online shopping, (3) the knowledge limitation for shopping through websites, and (4) consumer never thought to shop using the internet. Besides those reasons, the threat of cyber crime particularly fraud is often taken into consideration by consumers to make online purchasing. From the number of incoming cases and handled by Indonesian Police Cyber Crime Unit, approximately 40% reports are online frauds, 30% is defamation, while the rest is data theft and other online crimes cases (Tempo, 2017). Pollsters of Kaspersky Lab (2016) saw an increasingly diverse and growing number of online financial threats. From the 26 countries surveyed, 26% is Indonesian consumers and ranks first as the target of online fraud that resulted in the loss of consumers money; the next sequence is Vietnam by 25%, and third place is India at 24% (Indonesia-Investments, 2016). It explains that the number of online fraud cases in Indonesia is very high, which will decrease the purchase intention to do online shopping. The researcher used a purchase intention as an important indicator to predict

consumer behavior in the future, and aimed to predict the level of product sales to old and new consumers (Morwitz et al., 2007; Eze, 2018). When consumers have a positive purchase intention, it will establish a positive brand trust, which can encourage consumers to take an act of purchasing (Becerra and Badrinarayanan, 2013). Purchase intention is the impact of the customer satisfaction (Alshibly, 2015). Satisfaction is a function of the perception or impression of the performance and expectations. If performance is below expectations, the customer is not satisfied, however, if performance exceeds expectations, the customer will feel very satisfied or pleased. Consumers who are satisfied tend to reconsider manufacturer could satisfy them to re-purchase its products or services (Saleem et al., 2015). Consumer satisfaction has been considered to be part of the profits of companies (Terblance and Boshoff, 2010). Based on the research results Fornell et al., (2006), the company that can create customer satisfaction will increase: customer loyalty, usage behavior, positive word of mouth, as well as reduced: the cost of future transactions, costs related to warranties, complaints, defective goods and field service.

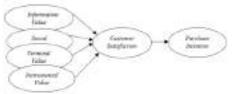
#### Literature Review

The most important marketing strategy in the 21" century is to provide value to the consumer (McFarlane, 2013). This is also supported by Dancia (2013) which states that creating customer value is the success key for any company to succeed in the tough competition nowadays for creating business sustainability. Consumers in selecting goods and services to be consumed guided by value (Khan et al., 2011). The perception of the value form an expectation. Expectations of consumers on a product that will be in its consumption will form attitude (Katawetawaraks and Wang, 2011). If the consumer expectations of high value, the more positive consumer attitudes, so that will encourage consumers to buy a product. After the purchase, consumers will feel happy, if the perceived performance of the product in accordance with expectations, or in other words, customer satisfaction is achieved (Alshibly, 2015; Fengyang, 2018). Research carried propose and contribute to the online shopping value by developing the four dimensions of value, namely information value, social value, instrumental value, and the terminal value. Satisfaction in shopping online is influenced by utilitarian shopping value and hedonic shopping value. Utilitarian value applies when consumers focus on tangible benefits when shopping. Tangible attribute is the result of cognitive stimulation on consumers who then influence on consumer behavior in the selection of products according to the needs of the consumers themselves. According to Yen (2013), information and social value is a utilitarian value for users of e-commerce. Cho and Jang (2008), said that the information could be for information purposes only, but the information is deemed valuable if the information affects the receiver to make a decision to act. An information would be worth if it has characteristics such as relevance, timing and accuracy or timeliness. llaw (2014) states that social is a way of how individuals are related. The better way of relating one to the others, it is deemed more valuable and will be able to improve the social self-concept of the person. Associated with the above, then online shopping can add social value for its users, because it refers to the use of services that can be shared with others. Alshibly (2015) explains that the social value serves to encourage and guide consumers to act. Empirical studies find information value influence to the satisfaction and social value to the satisfaction (Alshibly, 2015; Hu et al., 2015) Furthermore, hedonic value derived from affective stimulation of consumers when shopping. Hedonic shopping value is an entertainment and emotionally perceived through the shopping activities. Set of values that are grouped in hedonic shopping in this research is the terminal value and instrumental value. Terminal values is an emotional response that is driven from within the individual (intrinsic), while the value of instrument is driven from outside the individual (extrinsic). Empirical studies proves that customer emotion plays a role in creating customer satisfaction (Biscaia et al., 2012). Based on the description above, hypothesis developed and will be tested in this study are: H.: There is a positive influence of information value to the customer satisfaction. H<sub>2</sub>: There is a positive influence of social value to the customer satisfaction.

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H<sub>3</sub>: There is a positive influence of terminal value to the customer satisfaction. H4: There is a positive influence of instrumental value to the customer satisfaction. Nowadays, knowing customer perceived value becomes important in business, since the higher understanding of customer perceived value causes higher consumer satisfaction, stronger company competitive position, and ultimately higher company market share (McFarlane, 2013). Alshibly (2015) states that the customer perceived value is a key driver for developing and maintaining loyal customers, because customer perceived value have an important role in customer acquisition and retention. Aghamirian and Aghamirian (2015), argues that companies that provide customer perceived value can gain a competitive advantage. Study to measure value by using one-dimensional construct and multidimensional construct, in particular to evaluate the service which has been done, but the measure of value to online is still rare (Alshibly, 2015). Measurement of customer perceived value in online shopping by using information value and social value (Alshibly, 2015). Research conducted adding instrumental/extrinsic value and terminal/intrinsic value, as the measurement online shopping value. The ongoing research will develop an online shopping value model which will be tested on online shopping value consequences namely customer satisfaction and purchase intention.

Online shopping value



#### Figure 1. Conceptual Framework

Satisfaction is the focus of today's marketing objectives, describe the emotional response of consumers who could determine consumer attitudes and behavior. Consumers will have the intention to purchase if they are satisfied or gain experience in product consume more than they expected. Consumers who are satisfied tend to reconsider manufacturers capable of satisfying them to buy the product (Gérard and Oumbé, 2018). Deng et al., (2010), said that the use of technology will drive customer satisfaction in the shop. Modern consumers are more satisfied doing online shopping, because they are looking for comfort, speed and the availability of quality information. According to Hasanov and Khalid (2015), the frequency of online shopping is a picture of customer satisfaction. The positive influence of customer satisfaction on purchase intention has been found in some studies (Li, 2016). Based on theories and previous studies, the hypothesis put forth in this study is:

H<sub>3</sub>: There is a positive influence of customer satisfaction to the purchase intention.

#### Methodology

Studies conducted adapt the measuring instrument used to measure the construct is based on previous relevant studies in the context of online shopping, Items used to measure the value of online shopping constructs developed and adapted from Yen (2013): Alshibly (2015), while the items for customer satisfaction adapted from Alshibly (2015); and items for purchase intention adapted from Mahmoudzade et al., (2014) and Zarrad and Debabi (2012). Furthermore, a five-point Likers-type is used to get the responder of the entire item statement, which point 1 states strongly disagree, up to 5 to answer strongly agree. The research instrument was a questionnaire as a data collection tool performed a pretest to get a measuring instrument valid and reliable. During pretesting conducted, 100 experienced online shoppers were asked to answer the statement item, which will be the basis for revisions the construct measures if the result is unreliable through conducting construct validity and reliability testing. The outcome of validity and reliability tests can be concluded that: (1) construct information value (measured by 3 indicators), social value (measured with 4 indicators), terminal value (measured by 18 indicators) and instrumental value (measured by 17 indicators), which is used to measure the value of online shopping, have a factor loading values obtained from 0.58 up to 0.77; it can be concluded that the respective values of the loading factor ≥ 0.55. Therefore, all indicators are able to describe and define each construct, or in other words any indicators to measure each constract in question is valid, Furthermore, Cronbach's coefficient value of a for each construct, namely 0.85; 0.82; 0.86; and 0.81 have fulfilled the Cronbuch's coefficient  $\alpha$  required that is  $\geq$ 0.60, so it can be said that the respondents' answers to the statements that are used in research to measure each construct information value, social value, terminal value, and instrumental value dependable/reliable/consistent. (2) construct of customer satisfaction as measured by 5 indicators, have a factor loading values obtained from 0.60 up to 0.69. Therefore, it can be concluded that any indicators to measure customer satisfaction construct is valid. Furthermore, value of Cronbach's coefficient a to construct customer satisfaction, which is equal to 0.86; so it can be said that the respondents' answers to the statements used in research to measure customer satisfaction construct are dependable/reliable/consistent. (3) construct purchase intention is measured by four indicators, have a factor loading values obtained from 0.66 up to 0.75; and the value of Cronbach's coefficient a of 0.83. Therefore, it can be concluded that all indicators are capable/valid and dependable; and reliable/consistent to explain and define the construct of purchase intention.

In this study, which will be analyzed is the best online store sites and popular in Indonesia in 2018 based on the number of merchant highest, highest number of registered members, and the largest number of products sold (Tekno Liputan6, 2018), namely: (1) Lazada Indonesia, (2) Tokopedia, (3) Bukalapak, (4) Blibli, and (5) Shopee. A total of 300 questionnaires as samples distributed to workers/entrepredeurs in Jakarta, Indonesia during August and September 2018, Sampling using purposive sampling technique, namely with certain criteria. The

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criteria for a selected sample of internet users who do online transaction processing/online shopping at least 1 times in the last 1 month. From all the data collected and processed, it can be concluded that out of 300 respondents, the majority were female (61.7% or n=185), and aged 25-35 years (45.7% or n=137). Furthermore, of the 64 employees work dominated by the private sector (21.3%), approximately 35.7% purchase it from online fashion (n=107), and 67.7% do online shopping as much as > 18 times in the last year (n=203). While a minority of respondents were men (38.3% or n=115), aged over 50 years (12.7%; n=38), working as servants (12% or n=36), purchase it from an online gadget (8.3% or n=25), and do online shopping as much as 2-5 times in the last year (5% or n=15). The model proposed in Figure 1 was analyzed using SEM/Structural Equation Model and supported by AMOS 24 software.

#### **Results and Discussion**

#### Measurement Model

Assessment of measurement model using CFA. Measurement models were used to assess validity and reliability construct. The assessment results as shown in Table 1 earlier, explained that all measuring instruments used is valid (factor loading > 0.55) and indicated an acceptable items convergence.

Furthermore discriminant validity of the measures also showed a valid result, where the correlation between constructs ranged from 0.08 to 0.56, where no pairwise correlations were measured exceed the required criteria  $\geq$  0.9 (Hair et al., 2010). Results of discriminant validity of the measures is shown in Table 1.

In the second	1	2	3	4	5	6
Information value	1.0	1 2 1	0.000			1.00
Social value	0.23	0				
Terminal value	0.16	0.25	1.0			
Instrumental value	0.08	0,54	0.46	1.0		
Costomer satisfaction	0.35	0.44	0.26	0.15	1.0	Ivers
Purchase intention	0.56	0.36	0.18	0.46	0.39	1.0

#### Table 1. Construct Correlations

To measure, the used reliability construct is used to measure each construct dependable/reliable/consistent with results as required (Cronbach's coefficient  $\alpha \ge 0.60$ ).

## Structural model

Research hypotheses models tested with structural models. Before testing the hypothesis, first testing the suitability of the model (goodness of fit model) on the proposed model. Conformance model test or goodness of fit that aims to find out whether the model used feasible and appropriate for use in research. Testing is done by looking at the model conformity measurement criteria/cut-off value (Hooper et al., 2008).

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Type Measurement	Goodness of Fit Index	Result	Cut-off	Decision
Absolute Fit Measures	RMSEA	0.03	<0.07	Goodness fit
	GFI	0.98	>0.95	Goodnessfit
	AGEI	0.96	>0.95	Goodness fit
Incremental Fit	TLI	0.96	>0.95	Goodness fit
Measures	CFI	0.97	>0.95	Goodness fit

# Table 2. Conformity Level Research Model

Based on the results of processing the data in Table 2, all models are built to be accepted, all the measurement criteria have goodness of fit index with a value that can be received on the expected value, and thus indicating that the model displayed well fitted the data. Having obtained the fit model, the hypothesis testing can be proceeded. Results of structural estimates and hypothesis parameter testing can be seen in Table 3.

Path from	Hypothesis	Structural coefficient	p-value	Conclusion
Information value	Hi	0.52	0.000	H <sub>a</sub> Rejected
Social value	H <sub>2</sub>	0,58	0.000	H <sub>o</sub> Rejected
Terminal value	H <sub>3</sub>	0.56	0.000	H <sub>0</sub> Rejected
Instrumental value	H,	0,42	0.000	H <sub>0</sub> Rejected
Customer satisfaction	Н,	0.62	0.000	H <sub>o</sub> Rejected
	Information value Social value Terminal value Instrumental value Customer	Information H <sub>1</sub> Social value H <sub>2</sub> Terminal H <sub>3</sub> Instrumental H <sub>4</sub> Customer H <sub>4</sub>	Path from         Hypothesis         coefficient           Information value         H1         0.52           Social value         H2         0.58           Terminal value         H3         0.56           Instrumental value         H4         0.42           Customer         H6         0.62	Path from         Hypothesis         coefficient         p-value           Information value         H1         0.52         0.000           Social value         H2         0.38         0.000           Terminal value         H3         0.56         0.000           Instrumental value         H4         0.42         0.000

Table 3. Results of Estimation Structural Model

These study analyze the hypothesis about the influence of the dimensions of online shopping to customer satisfaction and purchase intention in the online shopping context. Results of hypothesis testing found the positive effects of each information value ( $\beta$ =0.52; p-value=0.000), social value ( $\beta$ =0.38; p-value=0.000), terminal value ( $\beta$ =0.56; p-value=0.000) and instrumental value ( $\beta$ =0.42; p-value=0.000) on customer satisfaction; in other words the whole of H<sub>1</sub>, H<sub>2</sub>, H<sub>3</sub>, and H<sub>4</sub> are supported. Furthermore, customer satisfaction significantly and positively affects purchase intention ( $\beta$ =0.62; p-value=0.000), which means H<sub>5</sub> supported.

# Discussion

This study proposes online shopping value specifically, and develop dimensions, seen from the side utilitarian and hedonic motivations in the context of online shopping. These dimensions are the information value, social value, terminal value,

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and instrumental value. Furthermore, this study developed a model to explain the consequences of online shopping value in Indonesia. The results of the analysis of the hypothesis that have been tested are discussed below.

First, the results of the analysis found a positive effect of information value to the customer satisfaction on the online shoppers. These results are consistent with research by Alshibly (2015), who found the information value is strong determinant of customer satisfaction. The majority of online shoppers in the study are consistent with Alshibly (2015) that is in a young age (25-35 years). Younger adults are more interested in adopting new technologies to find new products and relevant information, assess and compare the various alternatives before making a decision. In addition, younger adults more often searching information via the internet to get a lot of information that will become their input before making a purchase.

Second, the study found a positive effect of the social value to customer satisfaction of online shoppers, and supports research by Alshibly (2015). The social value refers to the use of services that can be shared with others. The process involves the introduction of service innovation opportunities and environmental opportunities of rapidly changing technology. The majority of consumers in research conducted in line with the research Alshibly (2015), namely young adults. According Bolton et al. (2013), the Y generation is the generation that is eager to use technology to get better service and share with others. Y generation has the characteristics as the instrumented generation (since the consumers prefer instant information access), the interconnected generation (because they use technology to interact with others), and the intelligent generation (because they know what they want).

Third, hypothesis test results found positive influences of terminal value and instrumental value to the customer satisfaction. Terminal value and instrumental value is the new dimension in this study are derived from hedonic motivation. Research carried out in line with empirical research on hedonic shopping value which has an influence to the customer satisfaction. In a study conducted, the majority who do online shopping is women. Tifferet and Herstein (2012) says that women are more likely bedonic than men. In addition, it was found that the majority of consumers in shopping online purchase fashion products, which Kinley et al., (2010) says that shopping is more to follow fashion trends, fashion, brand and quality so that consumers with high involvement fashion allows the impulse buying. According to Haq and Abbasi (2016), impulse buying is the impact of consumer desire to seek hedonic consumption.

Fourth, the study also found a positive effect of customer satisfaction on purchase intention, which is consistent with research by Mahmoudzade et al., (2014). The influence of customer satisfaction on purchase intention can be different depending on the customer characteristic (Jiradilok et al., 2014). Fashion is a part of people's lifestyles and can reflect the personality. The nature of teens are confident in order to show their existence recognized by the environment by trying to be a part of that

environment. The need for acceptance and recognition of the teenager by other people or peers cause teenagers try to follow a variety of attributes currently in trend. Therefore, teens would use the branded fashion products that are essentially the product in accordance with the fashion or trend in, including fashion from the outside.

Finally, the study also found that bedonic motivation more strongly affects customer satisfaction in the online context in Indonesia. The motivation that comes from outside or terminal value more strongly to encourage consumers to shop online. However, in terms of utilitarian motivation, consumers are more concerned with the information value than to social value.

#### Conclusions

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This study contributes to the existing literature by proposing a new conceptual model for online shopping value and develops new dimensions of online shopping value, namely information value, social value, instrumental value, and the terminal value. As a major conclusion, the study finds positive influences of online shopping values dimensions on customer satisfaction, and significant influence of satisfaction on the purchase intention.

Advice can be given to the practitioners, particularly marketing e-commerce are: First, the information on the website has an important meaning for the customer, therefore it is recommended that online stores to design its website in accordance with their target market so that the content of the information provided is also appropriate, because consumers require information that is easily accessible, useful, and easier for them to purchase items needed. In addition, consumers are also very concerned with the threat of information given, such as the threat of fraud. Therefore, it is recommended that the online store design its website containing information online shop which ensures that they can be trasted. Second, online shop, especially fashion online shop gain knowledge that hedonic motivation is the key to customer shopping. Therefore, it is suggested to increase consumers' emotional quality that will affect consumers in shopping online. This is a consumer-perceived quality due to the influence of the brand online shop that will create brand customer experience with online stores. To improve the emotional quality that is by strengthening the personal relationship between customers with online stores or other online shoppers. Online stores manager should be able to treat consumers with great empathy, so that consumers will benefit from a close relationship like this, and they will say that online stores have provided a high value beyond the product and service quality that the brand feel. Third, to improve customer purchase intention, it is suggested that online stores regularly conduct online surveys on customer satisfaction. Information obtained from the survey online can be used to develop online marketing strategies of their stores, so the expectations and desires of consumers are met and consumer online stores willing to recommend them to their friends. It also will eventually have an impact on the increase in online stores' profit.

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This study has several limitations, namely: First, the research sample are only employees and entrepreneurs, making it less representative of the population of online shoppers in general. Besides that, the generalization of the results of this research will become limited. Second, the type of online store studied are online stores that sell all kinds of goods/less specific. Future studies are recommended to be applied to online specialty stores, such as online bookstores or online convenience goods stores, which possibly could generate different results. Third, this study only analyzes online consumer purchasing behavior at local stores, which may be different from the response of the foreign online stores. Furthermore, it is advisable to examine the purchase intention of consumers at international stores online. Fourth, sampling in this study is only in Indonesia. Purchase behaviors in various countries may differ due to cultural differences. This research can be applied in different countries to gain a thorough understanding of consumer purchasing behavior in the online shopping context. Finally, this research is just to develop a four-dimensional online shopping values based on utilitarian and hedonic shopping motivation. Future studies are recommended to add the antecedents of customer satisfaction, namely price (and dimensions: emotional price, monetary price, and behavioral price) and reputation, as proposed by Raji and Zainal (2016).

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#### ZWIĘKSZENIE INTENCJI ZAKUPU POPRZEZ TWORZENIE WARTOŚCI ZAKUPÓW ONLINE

Stresaczenie: W tym artykule opracowano model wyjaśniający relacji wymiarów wartości zakupów online na satysfakcję klienta, a także ich wpływ na zamiar zakupu. Dane zebrano od 300 kupujących online za pomocą kwestionariusza, który został użyty do przetestowania modeli badawczych, przy użyciu techniki modelowania równania strukturalnego. Wyniki analizy kesta hipotezy wykazały, że cały wymiar wartości zakupów online, a mianowicie wartość informacyjna, wartość społeczna, wartość koścowa i wartość instrumentalna, pozytywnie wpływają na zadowolenie klienta, a zadowolenie klienta ma pozytywny i zaaczący wpływ na zamiar zakupu. Ponacto stwierdzono, że motywacja hedonistycznej siłniej wpływa na zadowolenie klientów w kontekście zakupów online w ladonezji, a pod względem motywacji utylitarnej konsumenci są bardziej zainteresowani wartością informacyjną niż wartością społeczną.

Słowa kłuczowe: motywacja zakupowa, wartość zakupów online, zudowolenie klienta, zamiar zakupu.

#### 通过创造在线购物价值增加购买意向

精要:本研究建立了一个模型系解每网络制物价值准度对顾客满意度的影响,以及它们 对购买兼要的影响,使用结构方程建模技术,使用用于测试研究模型的问着从300名在线 制物券收集股据, 假设检验的分析结果发现,整个网络购物价值维度,即信息价值,社 会价值,终端价值和工具价值对客户清意度产生积极影响,客户满意度对购买意思产生 积极而呈着的影响,此外,人们发现,享乐动机更强烈地影响了印尼在线购物环境中的 颜客满度度,而在动利性动机方面,消费者更关注的是信息价值而非社会价值。 关键词:影响动机,网络购物价值,顾客清意度,购买意愿。

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