AN ANALYSIS OF PERCEIVED TRUST, RISK, USEFULNESS AND WEBSITE QUALITY AFFECTING ON INDONESIAN CONSUMER'S ONLINE BUYING DECISION FOR SMARTPHONE

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ABSTRACT

This research conducted to study and analyze the consumer's behavior towards online buying decision of the smartphone in Indonesia. The researcher focused on the four variables tested including perceived trust, risk, usefulness and website quality. The quantitative methodology was implemented in this study to explain the phenomenon or indications that appeared by using numerical data. The statistical instrument was used for the data interpretation and analysis included the reliability of the test applied Cronbach's alpha coefficient, mean, standard deviation and multiple regression analysis. Likert's scale of 1-5 applied to construct the research instrument for measuring the statements of each questions.

This research was conducted in two major cities in Indonesia, Jakarta and Medan and collected 330 research samples targeting on Indonesian who had experience to purchase the smartphones via online channel by using convenience and purposive sampling. From the total of 330 respondents who participated in this study, the majority of respondents were women with 18-30 years of age. Most of them completed a bachelor's degree, worked as employees, and earned an average income below Rp.

3,000,000 per month. In terms of the period of using online shopping, most of respondents have been using online shopping for 1-2 years. In addition, 153 respondents of this study stated not sure whether they do online shopping or not per month. Clothes and accessories were the most frequently product purchased by Indonesian, where Lazada was the most visited shop for online shopping. In term of payment method, most of them preferred the money transfer via ATM.

According to the finding of the study, it revealed that perceived usefulness had the strongest weighs of relative contribution towards buying decision with the value of ß = .485, followed by perceived website quality (ß = .246) and perceived trust (ß = .161). These three variables had positive effect towards online buying decision of smartphone in Indonesia. In contrast, that perceived risk (X2) had negative effect toward buying decision of smartphone via online in Indonesia with the value of ß = -.116.

Keywords: Online Shopping, Perceived Trust, Perceived Risk, Perceived usefulness, Perceived Website Quality, Buying Decision

Approved:---------------------------------------
Signature of Advisor

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CHAPTER 1

INTRODUCTION

1. 1 Background of the Research

Today the development of internet technology has been a major influence on several sectors including public policies, commercial affairs, and the investment sector. One of the internet technologies that could be applied to support business is electronic commerce or often referred as e-commerce. Internet is the technology that could not be denied and is one of the best communication tools to support marketing. Besides the fact that the internet could be accessed anytime and anywhere, internet technology is a cheap and fast communication tool. Nowadays, almost everyone needs internet technology in daily life (Karina, 2013).

In the past, when people wanted to buy goods or services, consumers have to go to the market and meet with the seller. Meeting face to face with the seller and bargaining before each transaction. Frequently, the conventional buying and selling process is very limiting of time and space. However, the rapid development of technology has resulted in a shift in shopping activities. The shifting from conventional shopping systems to online shopping was more practical and effective (Laohapensang, 2009).

In addition to provide the convenience for sellers, online shopping system also give the benefits to the consumers. In this case, consumers could save time and money by comparison the prices and not having to struggle with traffic, parking and walking from one shop to another to get the desired goods. Customers only need to search for the products that would be purchased through electronic devices without meeting face to face with the seller (Lutfiana, 2014).

The rapid development of online shopping in Indonesia could not be separated from the penetration of internet users in Indonesia. Every year, the growth rate of internet users in Indonesia continues to increase. Digital technology in Indonesia has become an important part of daily life. In terms of its population, Indonesia is a huge digital society. With the current population of Indonesia reaching 262 million people. More than 50 percent or 143 million people have connected to the internet network throughout 2017. Currently, Indonesia is one of the global countries that has the youngest demographic as well as most digital literacy (APJII, 2017).

Regarding all internet users in Indonesia, the 72.41% was approximately from the urban community. While the use of internet technology was more than just a tool to communicate, but also to buy goods, order transportation, to do business and work (Kompas.com, 2017). Geographically, internet users in several regions in Indonesia are very diverse. Java Island as the island with the densest population in Indonesia, dominated internet users of 57.70%. Furthermore, the island of Sumatera 19.09%, Kalimantan 7.97%, Sulawesi 6.73%, Bali-Nusa 5.63 %, and Maluku-Papua 2.49% (APJII, Hasil Survei Penetrasi dan Perilaku Pengguna Internet Indonesia 2017, 2017).

According to APJII (2017), in terms of demography there were several groups of internet users in Indonesia:

1. Age of 19 to 34 was 49.52%. This internet user group was the most active internet users in Indonesia and used internet technology as the medium to create new professions, for instance, Selebgram (celebrity Instagram),

YouTubers (creators of videos on YouTube) and other new business based on internet.

2. Ages of 34 to 54 was as much as 29.55%. This group is a productive age group that is easier to adapt to technological changes.
3. Teenagers of 13 to 18 years were 16.68%. This third group is a group of students, where the use of internet technology is still limited to searching for information, communication, social media and online games.
4. Elderly, over 54 years old was 4.24%. This is the smallest group of internet users in Indonesia, where the use of the internet is still very limited on communication and information search.

According to the central bureau of statistics (2017), most internet users in Indonesia use the internet to receive and send electronic mail (95.75%), search the latest news (78.49%), search for information on goods or service they need (77.81%), to access social media about (61.23%), and access the information of government agencies (65.07%). According to the survey conducted by APJII (2017), only 32.19% of the internet users in Indonesia use internet technology to purchase goods and services via online channels.

Currently, the Indonesian government is focusing on digital growth. Since 2015, the Indonesian government has launched the 2020 Go Digital Vision campaign to boost the country's digital economy. The key target is to help a million farmers and fishermen go digital, creating 1000 digital-based startups with a total value of $10 billion and making Indonesia the largest digital economy in Southeast Asia by 2020 (Jakarta Post, 2017).

A joint study conducted by Google and Temasek (2017), Southeast Asia's digital economy growth (In various segments including e-commerce, online gaming and online advertising) will jump to US $200 billion by 2025. Of the total market for this region, it is estimated that the digital marketing in Indonesia would contribute 40.5 percent or equivalent to US $81 billion. Estimated, that US $46 billion comes from the e-commerce sector of Indonesia. This indicates that the development of digital marketing in Indonesia is the fastest in Southeast Asia region.

The rapid development of digital marketing in Indonesia is due to the demographic composition. Indonesia has a huge young generation, which is half of the population. Where the young generation plays an important role in the circulation of digital marketing. Several factors that affect to the rapid growth of digital marketing in Indonesia are (1) demographic composition, (2) rapid growth of smartphone penetration, (3) internet usage growth, and (4) GDP per capita expansion (Google and Temasek, 2017).

Indonesian’s behaviours toward online shopping were slightly diverse. Based on research conducted by iPrice (2017), there were interesting findings on Indonesian’s habits to use online shopping, those are (1) Indonesians preferred to use smartphone; (2) Indonesians search for information of goods and services on the smartphone, make purchases on desktop; (3) Indonesian consumers spent about Rp. 481,000 (US $36) on average; (4) Indonesian consumers preferred to shop during weekdays; and (5) banking transfer was the preferred payment method. The more interesting findings of Indonesian behaviour toward online shopping was about 42% of women and 40.7% of men would buy goods online after seeing the goods directly at stores (ShopBack Indonesia, 2017).

Another interesting fact about online shopping in Indonesia, it was found that online sales was increasing during holy month of Ramadan. As the largest Muslim population in the world, Indonesian would spend more money during Ramadan. Lazada Indonesia reported that the tradition of buying new clothes during Ramadan led to a significant increase of sales in the category of clothing as well as health and beauty products every year. Based on the survey conducted by Deloitte (2017), there were three main reasons why Indonesian decided to buy goods or services via online. Those were (1) practicality: the availability of goods, home delivery and availability of information are the most cited reason for referring to shop online; (2) product choices: product choice is much wider and better; and (3) promotion: discount, rewards, loyalty points and bonus.

Based on the trend, the items most often purchased via online from year to year did not experience a significant change. Fashion products are still in the first position as goods most purchased by Indonesian, 62%. Followed by electronic devises including smartphones 39%, and traveling tickets 28%. Meanwhile around 25% of products sold online were beauty/health products and 24% were household products (DailySocial, 2017).

With population over 260 million, Indonesia is huge market for the smartphone. In general, the penetration of smartphone users in Indonesia has increased by 8 percent in 2018 from the previous year, equivalent to 143, 26 million of smartphone users. The increasing of smartphone user numbers continuously, makes Indonesia as the fourth largest smartphone active user in the world after China, India, and the United States (APJII, 2017). In addition of the huge population that could increase the smartphone sales, Indonesians would buy a new smartphone within certain period. According to the research conducted by eMarketer (2017), more than 56% of respondents said they would change their smartphone every two years to get the latest model and better features.

In terms of age composition, young age from 16 to 35 years still dominate the purchase of smartphones in Indonesia. Given the age of under 16 years, only 1.49% purchase of smartphone, age 16 to 19 years of 12.07%, age 20 to 25 as the largest age group to buy smartphone of 36.84%, followed by age 26 to 29 years of 22.99%, age 30 to 35 years as much as 16.63%, age 36-39 years of 5.61%, age 40-45 years as much as 2.83% and the last is the age group above 45 years buying smartphone was 1.54 % (DailySocial, 2017).

According to the market research conducted by IDC (2017), the number of smartphone shipments in Indonesia reached 30.4 million units throughout the year 2017. Samsung dominated at 31.8% of smartphone market share in Indonesia in 2017 increased 3% from its 28.8% market share recorded in 2016. Meanwhile, second-placed Oppo also increased in market share in Indonesia, from 16.6% in 2016 to 22.9% in 2017, or grow about 6.3%. In third position, there was a local brand Advan with 7.7% market share which also increased from 6.8% in 2016. Asus 6.5% market share, and the last one was Vivo with 6% market share. For more detailed information about the market share of smartphone in Indonesia between 2016 and 2017, could be seen in the following table:

Table 1.1: Market Share of Smartphone Brands in Indonesia Between 2016 and 2017

2017 Top 5 Smartphone brand		2016 Top 5 Smartphone brand	
Brand	Market Share	Brand	Market Share
Samsung	31.8 %	Samsung	28.8 %
Oppo	22.9 %	Oppo	16.6 %
Advan	7.7 %	Asus	10.5 %
Asus	6.5 %	Advan	6.8 %
Vivo	6.0 %	Lenovo	5.6 %
Others	25.1 %	Others	31.6 %
Total (in millions)	30.4	Total (in millions)	30.3

Source: IDC. (2017, june) *Indonesia: 4Q17 Smartphone Shipments Fall to 9%.* Retrieved from https: www.idc.com/getdoc.jsp?containerId=prAP43712418.

High smartphone penetration in Indonesia made e-commerce players to smartphone exclusively. In addition, many smartphone distributors who had established a physical store began to explore online business by creating their own e-commerce sites. Although the smartphone sales via online in Indonesia was not as big as fashion products, however the sales experienced to increase every year (Kompas.com, 2017).

There were several interesting reasons why Indonesians decide to buy the smartphone via online, including the guarantee of quality of the smartphone and official warranty, affordable postage and good packaging, trusted marketplace with good reputation, and the number of promotions and discounts provided on online store (Liputan6, 2015). In summary, Indonesians buy smartphone via online due to the trust factor of the online shopping system, also the convenience and number of promotions gained while purchasing smartphone via online channel.

According to Liputan.6 (2018), the five of the most visited online stores to purchase smartphones online in Indonesia were Lazada.co.id at 22%, Tokopedia 20%, Bukalapak 17%, Blibli.com 13% and Mataharimall 10%. For detailed information about the top 5 most visited online stores to buy smartphones in Indonesia, could be seen in the following table:

Table 1.2: Top 5 Online Shop for Smartphone in Indonesia

Online Shop	Description	Source
1. Lazada.co.Id	- the largest C2C shopping platform in Indonesia. - Product options offered numerous and unique. - The discount offered was quite a lot - Website easy to use. - Fast and reliable delivery of goods - Good packaging. - Fast and reliable	Yogaswara (2017)

(Continued)

Table 1.2 (Continued): Top 5 Online Shop for Smartphone in Indonesia

Online Shop	Description	Source
2. Tokopedia	- Product marketed was very varied. - The Website was simple and easy to use. - Provide customer security in making payment transaction. - Guarantee the quality of products marketed. - Provided various payment options.	Yogaswara (2017)
3. Bukalapak	- Bukalapak was the largest retailer in Indonesia for selling local products. - The goods sold are quite numerous and varied. - Good packaging. - Delivery of goods was reliable. - Website easy to use.	Syukra (2017)

(Continued)

Table 1.2 (Continued): Top 5 online shop for smartphone in Indonesia

Online shop	Description	Source
4. Blibli.com	- Provided many product choices. - Free cost of delivery goods. - Marketing reaches all provinces in Indonesia - Easy payment.	Blibli.com (2017)
5. MatahariMall	- MatahariMall.com was an e-commerce player that introduces online to offline (O2O). - Offering varied and attractive products. - Offering attractive discount. - The website easy to use.	Syukra (2017)

Source: Liputan (2018). *Top 5 E-commerce in Indonesia*. Retrieved from https://www.liputan6.com/tekno/read/3585699/ini-5-e-commerce-paling-top-di-indonesia-versi-iprice-siapa-saja.

1.2 The Research Problem

Online shopping is an activity to purchase products and services through the internet and it appears to be one of the most popular channels. Online shopping system allows people to search for an item they want with a price which is relatively cheap compared to the prices at the store. Online shopping has been widely accepted as a way of purchasing products and services, this has become a more popular way in the internet era (Bourlakis, Papagiannidis, & Fox, 2008). However, according to Sonja and Ewald (2003) stated that online shopping has its own uniqueness compared to conventional shopping which were the uncertainty, anonym, lack of control, and decision-making potential. Assael (2001) defined that consumer decision making was the process of evaluating the brand information, considering how the brand would meet consumer needs and decide on the brand. In addition, Engel, Blackwell and Miniard (1995) said that the buying decision process refers to consistent and prudent actions that were undertaken to meet the needs.

Pavlou and Geffen (2004) explained that one factor that could affect buying decision on online shopping was perceived trust. Only customers who had trust on product or service demonstrated on website would decide to buy those goods or services through the internet media. Trust was the foundation of online business, due to online transactions buyers and sellers did not meet each other or knew each other (Rousseau et al., 1998). Previous researches revealed that trust was a very significant factor on online buying decisions (Doney, Cannon, & Mullen, 2003). Furthermore, Rachmawati, Wahyudi, and Hariri (2016), Hardiawan (2013), and Mahkota, et al. (2015) found that perceived trust had a positive and significant affect towards online purchasing decisions.

Perceived risk was one of the important factor that affect consumer decision to purchase online or not. According to Oglethorpe and Monroe (2008), perceived risk was related to uncertain and possibly negative consequences of a product or service purchased. Forsythe, Liu, Shannon, and Gradner (2006) explained that consumers highly felt the risk when making purchase on online shopping compared to the conventional store. The risk of buying via online was considered higher than buying conventionally due to the limited physical contact of consumers to the product, so consumers could not monitor product performance before making a purchase (Harris & Goode , 2004). Based on the study conducted by Ariwibowo and Nugroho (2013) said that the higher of the perceived risk it caused the consumers afraid to make a purchase via online. In theory, online shopping system does have a lot of risks. Turban, Kind, Lee, & Viehland (2004) said at least there were five risks in online shopping, which included: (1) mismatch of the ordered product with the displayed image; (2) damaged goods due to the delivery as well due to defects in production; (3) errors in packing that brought up the error order either in the form of color, number or type of goods; (4) goods not sent to the customer due to goods lost or late; and (5) scams or fraud through internet.

Assael (2001) said that the high perceptions of risk that arise in the minds of consumers could be a barrier to making online purchases. Based on the result of a study conducted by Adnan (2014), risk perceptions had a negative and significant effect on online buying behavior. Furthermore, Masoud (2013) explained that risk perception, including financial risk, product risk and delivery risk had negative and significant effect on online purchases as well. On the other hand, Khan, Liang and Shazad (2015) found that product risk had a positive and significant influence with online buying behavior while financial risk had a positive result but not significant. However, Hasan and Rahim (2004) explained that risk tendency had negative but insignificant effect on online buying behavior.

Others factors affecting consumer behavior to make a purchase via online is perceived usefulness. According to Kim, Fiore, and Lee (2007), perceived usefulness was customer expectation to get better, easier and more practical by making a purchase via online on a particular website. Karayanni (2003) explained that if the customer believed that he or she would get greater profit when buying online than buying through a conventional store, then he/she certainly preferred this shopping option in fulfillment of his/her needs. The perceived usefulness was the effectiveness and efficiency in shopping such as finding timely information, comparing reasonable prices, ordering products more easily, making easy payments, saving time, convenience and reducing costs to the consumers have high willingness to buy the products via online channels (Zhou, Dai, & Zhang, 2007). Based on the research conducted by Forsythe, et al. (2006) found a positive and significant relationship between the perception of purchasing usefulness over the internet with the frequency of purchase and spend time to search goods by online. Farag, et al. (2007) found that perceived usefulness had a positive effect on shopping frequency and online purchases. However, Oentario, Harianto, and Irawati (2017) found that the perceived usefulness had a positive but insignificant relationship with online purchase intention.

Additionally, perceived website quality is one of the factor affecting online buying behavior. According to Harris and Goode (2010), some website designers observed that the use of website background of typography was a significant factor for the overall look and originality of pages and sites. Website quality was an important stimulation to create a positive online experience for consumers. Hausman and Siekpe (2009) said that additional features such as attractive graphic and design could attract consumers and encourage them to make online purchases. The existing features would make it easier for consumers to understand the layout, provide guidance and search online.

Website quality is a very important factor in online marketing and could affect consumers in making online purchase decisions. Consumers would purchase goods or services via online if the company has a good website quality (Bavarsad, Rahimi, & Mennatyan, 2013). While, Shim, Shin, and Nottingham (2002) explained that one of the important factors could affect the consumer to decide on an online purchase depend on the availability of information, the attractiveness of website design and easy to use.

Furthermore, Iqbal, and Hunjra (2012) found that website quality had positive and significant effect to make online purchases. Similar to the study conducted by Bai, Law, and Wen (2008) shown that the quality of the website had a positive and significant relationship towards purchase intention. Adnan (2014) pointed that attractive website design had a positive and insignificant relationship with online purchasing intention.

Regarding the online business, it is very interesting for the present research to study about perceived trust, perceived risk, perceived usefulness and perceived website quality since these factors relate to the development of the online business operation. The study would be essential for establishing the online strategies of consumer’s buying decision. Therefore, it is important to understand how the perceived trust, perceived risk, perceived usefulness and perceived website quality affect the online buying decision.

As mentioned, the researcher would like to study perceived trust, perceived risk, perceived usefulness and perceived website quality affecting Indonesian customer's buying decision for smartphone via online. Consequently, the researcher could understand the relationships among perceived trust, risk, usefulness and website quality towards Indonesian customer's buying decision for smartphone via online channel. Moreover, the research findings are also contributed to the online smartphone business for establishing its competitive strategies to generate the customer's purchase decision eventually. In addition, the company has to learn the cause of unreliability, how to eliminate it and what function have to be improved and maintained in order to attract consumer. This finding would allow organizations to understand the existing internet shopping situation and the consumers' purchasing decision.

1.3 The Summary of Research Problems

On online shopping system, there are several factors that influence customers to make purchasing decision including perceived trust, perceived risk, perceived usefulness and perceived website quality. Based on the background mentioned and the gap of previous research, this study focusing on the following issues:

1. How does the perceived trust effect on Indonesian consumers online buying decision for smartphone?
2. How does the perceived risk effect on Indonesian consumers online buying decision for smartphone?

3. How does the perceived usefulness effect on Indonesian consumers online buying decision for smartphone?
4. How does the perceived website quality effect on Indonesian consumers online buying decision for smartphone?

1.4 The Scope of the Research

This research focuses on Indonesian's decision to buy smartphone via online. The target respondents include both men and women over 18 years old who had experience to purchase smartphone via online channel. The quantitative research was applied and the questionnaire as tool for collecting data. The research variables were classified into independent variables including perceived trust, perceived risk, perceived usefulness and perceived website quality and the dependent variable, online buying decision. The effect of independent variables towards dependent variable was measured by using statistical technique which was multiple regression analysis. The description statistics including mean, standard deviation, frequency and percentage were also applied.

1.5 The Purposes of the Study

The purpose of study is to understand what are the determine factors that affect Indonesians decide to purchase smartphone via online. This study has been conducted under these following objectives:

1. To investigate the perceived trust affecting Indonesian consumer's online buying decision for smartphone.

2. To investigate the perceived risk affecting Indonesian consumer's online buying decision for smartphone.
3. To investigate the perceived usefulness affecting Indonesian consumer's online buying decision for smartphone.
4. To investigate perceived website quality affecting Indonesian consumer's online buying decision for smartphone.

1.6 The Contribution of the Study

The study conducted to understand the customer's behavior towards the buying decision of smartphone via online channels in Indonesia. So, the findings of this study could be contributed to the individuals and society in Indonesia and to the related organization in terms of academic performance and business managerial implications as follows:

1. According to academic concern, it is expected that the research would contribute to complement the theory of consumer's behavior especially on online shopping.
2. According to the academic performance, the findings of this research could enhance the knowledge about new factors that affect Indonesians buying decision of smartphone via online.
3. For other researchers, this research is expected to be applied as a reference for further research. So, it would help to compliment and accelerate for future research when necessary.
4. According to business activities, the result of the research could help business persons to understand what exactly consumers need in online shopping.

This research could contribute to online sellers to know consumer behavior as well as motivation in deciding the purchase via online system. So, the results of this study could be utilized to develop strategies needed to increase sales.

1.7 Schematic of the Research

To simplify the process of writing on this study, the researcher divides the papers into five chapters, as follows:

Chapter 1: Background of the study

In this chapter, researcher would describe the introduction and background of the research. In addition, in chapter one would also explain about the problem, purpose, and contribution of the research conducted.

Chapter 2: Literature review

Chapter two explains all the literatures related to the topic of this research, "An analysis of perceived trust, risk, usefulness and website quality affecting Indonesian consumer's online buying decision for smartphone", including consumer behavior, online shopping, e-commerce, buying decision, perceived trust, perceived risk, perceived usefulness, and perceived website quality.

Chapter 3: Methodology of the research

Chapter three describes about the methodology, the structure and design of the research, as well as how the data collection process conducted.

Chapter 4: Findings of the research

Chapter four contains the results of the research, where the finding of this research would be analyzed and evaluated to test the hypotheses of the study.

Chapter 5: Summary of the research

This chapter contains the conclusion of the research. In this chapter, researcher would provide research suggestions that might useful for those who would conduct next research in related scope and managerial implications for business sectors.

CHAPTER 2

LITERATURE REVIEW

2.1 Online Shopping

The term of electronic commerce or e-commerce could be defined as an electronic environment where the buyers and sellers connected to exchange products, services and information (Adnan, 2014). According to Sultan and Wong (2013), electronic commerce was the process of buying, selling and marketing goods and services through an electronic system. Meanwhile, according to Anang (2010) said that online shopping was a new form of communication that did not require meeting in person. Communication between the seller and the buyer could be done separately from any part of the world through notebook, computer or smartphone devices connected to the internet service. So, it could be concluded that e-commerce is the process of buying and selling that could be done through the internet where a website used as a place for the buying and selling transaction.

According to Andrianto (2016), the definition of e-commerce could be classified into four perspectives:

1. Communication perspective, e-commerce was a process of sending goods, services, information or payment through computers or other electronic devices connected to the internet.
2. Business process perspective, e-commerce was an application of a technology towards automation of business transactions and work flow.

3. Service perspective, e-commerce was a tool that meets the desires of companies, management and consumers to reduce service costs when improving the quality of goods and increasing the speed of delivery services.
4. Online perspective, e-commerce provided the ability to buy and sell products or goods and information through internet services and other online tools.

According to Hidayat (2008), there were several standard components that must be owned by e-commerce systems, included:

1. Products

   There were many types of products that could be sold through the internet including computers (hardware, software and accessories), books (printed editions or e-books), music, clothes, children's toys, tickets and so on.
2. A place to sell

   Using the internet to create an online store or website where the merchandise or services could be sold.
3. How to place an order

   Online purchase orders could be made directly by e-mail, telephone, SMS and others.
4. Payment method

   Payment systems on online shopping usually had many options such as cash on delivery, bank transfer, credit card, internet payment and others.
5. Shipping method

   Delivery of ordered products on online shopping system could be done through package delivery services or download if the products sold were e-products such as software, e-music and e-books.

6. Customer service

   To accommodate consumer satisfaction services could be done through e-mail, live chat, telephone and others.

Many benefits gained by online shopping, because it could be done anywhere and anytime 24 hours, 7 days a week. No need to leave the comfort of home to buy items needed. E-shopping provided product and price comparisons and also helped consumers make an informed decision on which to buy. Online shopping was more convenient, more diverse products, faster completion of sale, consumer privacy was protected and could save the time, effort and costs (Kotler & Amstrong, 2008).

According to Nugroho and Wihandono (2009), the benefits of using online shopping could be classified into 3 categories, as follows:

1. The profit for the company
   a. The company could expand its market share, the range of products and services, and marketing was not limited by the geographical area, but could extend worldwide.
   b. Companies could be more accessible to the consumers.
   c. The ease of expanding business partnerships through networks.
2. The profit for consumers were explained in this category, as follows:
   a. Effectiveness: the consumers could get information about the products or services they need and could interact quickly and cheaply through internet technology.
   b. Convenience: provided comfort to the consumers in shopping process. Where consumers did not need to go to the store directly or face to face with the seller.

c. Flexibility: the consumers could shop anywhere and anytime, because online shopping was available 24 hours.

3. The benefits for people in general were included as to:
   a. Opened new business and job opportunities.
   b. Improved the quality of human resources.
   c. Reduced environmental pollution.

Although online shopping provides a lot of convenience to consumers, online shopping has a considerable risk. Considering that the purchase of these goods or services is carried out through internet technology, not face to face between buyers and sellers, the possibility of the goods received are not as expected was the most common risk in online shopping. According to Turban, et al. (2004) said at least there were five risks in online shopping, as follow as:

1. Mismatched of the ordered product with the displayed image. This generally happened because the image was edited or displayed specifically with more attractive color display.
2. Damaged items, which might be attributed to the process of shipping the goods or defects in production.
3. Errors in packing that could result in shipping the wrong product, in either the form of color, number or type of goods.
4. Goods not received by the consumers due to the goods getting lost in transit or arriving too late.
5. Scams or fraud through internet.

According to Turban, et al. (2012), e-commerce could be classified into several categories depending on the type of e-commerce transaction. Types of e-commerce could be explained as follows:

1. Business to business (B2B)

   This e-commerce involved companies or organizations that could act as re-sellers or buyers. Business to Business had these characteristics:

   a. Trading partners who have known each other and have established long-standing relationships. The information held was only exchanged between the partners.

   b. Data exchange could be done continuously and periodically in accordance to the data format has been agreed upon by both parties.

   c. One party did not have to wait for their business partner to send data.

   d. The model used was peer to peer.

2. Collaborative e-commerce

   In this type of e-commerce business partners collaborated as sellers or buyers in supplying merchandise electronically.

3. Business to consumer (B2C)

   In B2C model, the seller was a company and the buyer was an individual. B2C was also called e-tailing. B2C had the following characteristics:

   a. Open to the public, where information could be accessed freely.

   b. The service could be used by everyone.

   c. The services used was based on the consumer request. Provider or company must be ready to provide response according to consumer demand.

d. Used a client-server approach.

4. Consumer to consumer (C2C)

   This type of e-commerce, consumers could sell goods or services directly to other customers.

5. Consumer to business (C2B)

   In this type of e-commerce, individuals could sell goods or services through the internet to companies or organizations that act as buyers.

2.2 Buying Decision

Each consumer purchasing decision was basically different, depending on the type of product or service to be purchased. Complex and expensive purchases would require more factors to be considered and more people involved in making such a decision. On the contrary, simple product purchases would make buying decisions easier (Morissan, 2010).

According to Tjiptono (2008), the buying decision was a process where consumers recognized the problem, found the information about a particular product or brand, and evaluated how appropriate each alternative was, which then leads to a buying decision. Purchasing decisions were part of consumer behavior when deciding to buy. Consumer behavior was a complex psychological response, which arisen in the form of typical action behaviors that were directly involved in the business of obtaining and using products, as well as determined the decision-making process in purchasing products, including in repurchasing (Hasan, 2010). Meanwhile, according to Sarwono and Prihantono (2012), buying decision was related to activities where consumers decided to search a product or service they wanted. This desire started from the needs felt urgently for these consumers.

Kotler (2008) stated that consumer buying decision was buying the most preferred brand, but there were two factors could be between buying interest and purchasing decision. Morissan (2010) explained that there were two factors that influenced buying decisions, namely:

1. Attitude of others

   The extent to which other people's attitudes could influence the preferred alternative. For instance, someone's choice to buy a brand would increase if someone that close to them also like the same brand. On the contrary, buying decisions would be complicated when some people close to the consumers had the opposite opinion.

2. Unanticipated situation

   That was a situation that could influence the buying decision of the consumer. For instance, consumers may lose their jobs, which caused them to have to buy other products that ware more important.

According to Mowen and Minor (2002), consumer decision making processes included identifying problems, finding solutions, evaluating alternatives and choosing their purchasing choices. In making online buying decisions, information retrieval was mostly done through internet media such as using a search engine or online store. The information sought could be in the form of opinions from people who have made purchases online. In other words, the process of making online buying decision started from finding information, comparing existing alternatives, and making decisions (Mujiyana & Ingge, 2013).

According to Assael (2001) and supported by Kotler and Armstrong (2009) described the process of making a buying decision consisted of five phases, as follows:

1. Needs recognition

   The buying process began with the needs recognition, where the buyer recognized a problem or need. The buyer felt the difference between the real and the desired situation. Needs can be triggered by internal stimulation when one needs arisen at a high enough level, this could be a drive for someone to get their needs. A need can also be triggered by external stimuli such as hobbies.

2. Information search

   A consumer who knew what he/she need, he/she would search more information. If the motivation was so strong and a satisfying product was within reach, consumers would most likely buy it. Otherwise, consumers may store their needs in memory or search for information related to those needs. Consumers could get information from several sources, included:

   a. Personal sources: family, friends, neighbors and acquaintances.
   b. Commercial sources: advertising, salespeople, dealers, packaging and display.
   c. Public sources: mass media and customer appraisal organizations.
   d. Source of experience: handle, check and used products.

3. Evaluate various alternatives

   How consumers evaluated alternative purchases depends on individual consumers and certain purchasing situations. In some cases, consumers used careful calculation and logical thinking. On the other hand, the same consumers evaluated little or even buy only on the basis of temporary motivation and depended on intuition. Sometimes consumers made their own purchasing decisions sometimes they ask friends, consumers, or salespeople for purchasing advice. Alternative evaluation was a stage in the buyer decision-making process where consumers used information to evaluate alternative brands in a choice structure.

4. Buying decision

   After going through evaluation with careful consideration, consumers would make decisions. There were two factors that influenced purchase goals and decisions, namely the attitude of others and situational factors that could not be predicted. The influence and attitude of others depended on their negative attitude towards alternative choices and the degree of motivation of consumers who would buy to follow others. While, unpredicted circumstances were situational factors that caused consumers to change the purpose of the purchase or purchase decision. All of these processes were inseparable from consumer psychological factors and experience of the product or service to be purchased.

5. Post-purchase behavior

   Stages in the buyer's decision-making process where consumers took further action after buying based on satisfaction or dissatisfaction they feel was post-purchase behavior. After buying, consumers would evaluate their decisions and actions in buying. The satisfaction and dissatisfaction experienced by consumers would affect the next behavior. If the customer was satisfied, then he or she would show a positive attitude and behavior towards the product or service he or she bought. The possibility of consumers will buy again, loyal or even not hesitate to recommend to others. on the contrary, if consumers were disappointed then they tend to be negative, stop the next purchase or tell unpleasant things about the product or service they bought to other consumers.

While according to Kotler (2005) stated that there were several components in the process of making purchasing decisions were as follows:

1. Initiator

   The person who was first aware of an unfulfilled desire and proposed an idea to buy goods or services.

2. Influencer

   The person who gave views, advices, or opinions so that it could assist in the process of purchasing decisions.

3. Decider

   The person who decide what products or services to buy and also to decide how, when and where to buy the desired products and services.

4. Buyer

   That was the person who actually buys the goods or services.

5. User

   Anyone who consumed or used goods or services that have been purchased.

Suharnan (2005) stated that in determining purchase decisions there were two approaches used, included:

a. Normative approach, which focused on what must be done by the decision maker so that it could produce rational decisions.

b. Descriptive approach, which emphasized what has been done by the decision maker without considering whether the outcome of the decision was rational or not.

2.3 Perceived Trust

According to Pavlou and Geffen (2014) said that a very important factor that could influenced purchase interest and triggered online purchasing decisions by consumers was the trust factor. The trust factor was a key factor in every online shopping transaction. Only customers who had trust would do transactions via internet. According to Jogiyanto (2007), trust had a profound impact on behavior. Through actions and learning processes, people would have gained trust and attitudes which then influenced buying behavior.

Trust was a statement of mental or verbal that reflected a person's specific knowledge and judgment about several ideas or things (Sciffman & Kanuk, 2000). Every consumer had a different level of trust, some had a higher and some had lower level of trust. This was due to consumer confidence regarding the belief that a product had various attributes and benefits of various attributes. Consumer trust in a product, product attributes and benefits illustrated consumer perceptions. Transaction online had certainty and information that had no guarantee. Therefore, there must been mutual trust between sellers and buyers (Gefen, 2002).

Lack of trust would have made consumers reason for not related to e-commerce sites (Pavlou, 2003). Pavlou conducted a research by developed and validated empirical models to predicted intentions to transact by integrating trust in e-commerce with the Technology Acceptance Model (TAM). The study validated TAM outside the workplace, showed that by entering trust in the EC it could extended to online consumer behavior.

According to Mayer, et al. (1995), the factors that made up the trust one to another were three: ability, benevolence, and integrity. These three factors could be explained as follows:

1. Ability, referred to the ability of sellers to provided, served and convinced transaction security to customers from interference from other parties. In other words, consumers got comfort guarantees during online transactions. Kim, et al. (2008) said that abilities included competencies, experiences, institutional validation and skills in science knowledge.
2. Benevolence was the willingness of sellers to provided mutually beneficial satisfaction between themselves and consumers. The seller was not solely pursuing maximum profit, but also had great attention in realizing consumer satisfaction. Benevolence included attention, empathy, confidence, and acceptance (Kim et al., 2008).
3. Integrity related to the behavior or habit of sellers in running their business. The information provided to consumers was accordance to the facts or not of the goods or services offered. The quality of the product sold was trustworthy or not. According to Kim, et al. (2008), the integrity could be viewed based on a point of view fairness, fulfillment, loyalty, honestly, dependability and reliability.

2.3.1 Indicator of perceived trust

There were several indicators used to measure the level of consumer trust. Indicators in measuring the level of trust were as follows (Rahadi, 2013):

1. Consumer trust towards the information provided by online stores related to the marketed products. Detailed, accurate and trustworthy information would be an important key to increasing consumer trust in the online store.
2. Trust in all online business agreements. An online business must be able to kept promises to its customers. Because then, the ability to keep promises would have a positive influence on customer satisfaction.
3. Trust on the products offered. The trust of consumer on products sold involved advertising the product through online stores. If the product received by the consumer as well as what has been advertised on the website, it would increase the consumer trust of an online store.
4. Trust on the delivery system of products purchased through online stores. Delivery of goods or services to consumers on time would increase customer satisfaction.
5. Consumers buy products continuously. One form of consumer trust in an online business was consumer loyalty, where consumers would repurchase products at an online store in the future.

2.3.2 Dimension of perceived Trust

According to Ling, et al. (2010), the dimensions of trust included security, privacy and reliability. These three factors could be explained as follows:

1. Security defined as the extent to which customers believe that buying or selling online was safe for them to send sensitive information to business transactions. Security played an important role in influencing towards attitudes and interests to buy because it was considered had the risk of transmitting information such as credit card numbers and others.

2. Privacy defined as maintaining all consumer behavior during transactions which was then related to the performance of online stores.
3. Company reliability could be affected consumer confidence. In online shopping activities, most consumers considered that large companies had better ability to increased their online trust. It also proposed that a company with a positive reputation that increased consumer confidence.

Consumer trust can be created by providing good service and conveying the specifications of a product according to the quality of the goods marketed on the company's website. So, when consumers received goods or services that are in accordance with the company's advertising on the website, it would lead to a sense of consumer trust in the company. Consumer trust could also be created with the honesty of producers or marketers in conveying the characteristics of products or services marketed in detail to consumers. In addition, the provision of guarantees from companies or marketers (such as: exchange or replacement of goods due to damage, servicing of damaged products after use) to consumers would also contributed to the level of consumer trust (Rahadi, 2013).

2.3.3 The effect of perceived trust toward buying decision

Trust was an important factor in every transaction on online shopping. With the trust, consumer would make a purchase due to online purchasing was very different from traditional transaction (Baskara & Hariyadi, 2014). Consumer’s trust to the seller could be obtained related to how the seller could convinced the buyer by guaranteeing security when the transaction was being processed. This expertise was related to the existence of online sellers. Therefore, trust was a very important factor when conducting online shopping transactions (Hardiawan, 2015). According to the research conducted by Ardyanto, Susilo, and Riyadi (2015) stated that the first thing consumers considered when shopping by online was the trust towards sellers and websites that provided information.

On online transactions, a strong pillar of trust needed to be built which consisted of abilities, benevolence and integrity (Meyer, 1995). A lack of trust on online transactions and vendors would be a major obstacle on e-shopping (Corbitt, Thanasankit & Yi, 2003). The difference between online trust and off-line trust according to Yoon (2002) was the real physical distance, where buyers and sellers were not face to face when dealing with transactions, and there was a separation between buyers and products. Consumer's trust of the use of personal data and laws that would protect them, this was a major factor that also influenced their level of trust on a website. However, Kaasinen (2005) stated that online trust was a way of using a website by users, where users could rely on information and services provided and also the confidentiality of the use of their personal data. And developed by Jones and Lori (2007) said that trust in C2C on e-commerce was influenced by two factors, internal and external. Internal factors consisted of natural propensity to trust and perception of website quality, while external factors consisted of other trust of buyer or seller and third party recognition.

Research conducted by Zulfa (2018), Hardiawan (2013), and Mohmed, et al. (2013) found that perceived trust had a significant effect on consumers towards online purchasing decision. Furthermore, the results of empirical research conducted by Kim, Ferrin, and Rao (2007) showed that consumer's trust had a positive effect that directly influenced online purchasing decisions. Giantri, et al. (2013) mentioned that perceived trust was an initial behavior that triggered the intention to buy from consumers which leaded to the buying decision, where the result of the research was that perceived trust had significant effect on buying intention.

Research conducted by Yusnidar, et al. (2014) said that perceived trust had a positive influence on the buying decision via online. Similarly, Jia (2008) found that trust had a significant positive affect on purchasing a product via online channels. The result of studies conducted by Ling, et al. (2010), Ganguly, et al. (2010), and Dabholkar and Sheng (2015) also stated that there was a positive and significant relationship between trust and purchasing decisions.

According to explanation of the theories and previous researches above, it could be concluded that perceived trust could be made as an independent variable on this present research that need to retest. Therefore, the hypothesis related to this issue was:

H1: Perceived trust had a positive effect on Indonesian consumer's online buying decision for smartphone.

2.4 Perceived Risk

According to Forsythe, et al. (2006) stated that consumers have seen bigger risk when made purchases in online shopping formats compared to conventional shopping formats. Where in the online purchase process, consumers did not meet face to face with seller and the item ordered was only based on information and images displayed on online stores. Therefore, perceived risk was one of the factors that considered enough by consumers before make a purchase decision online. Due to the high perceived risk felt by consumers, the higher the tendency of consumers to found additional information on a product that was marketed and would also influenced online purchasing decisions (Manoppo, 2008).

Schiffman and Kanuk (2004) defined that perception of risk was uncertainty or negative consequences that might be received by consumers when they make a decision to purchase a product or service. According Suryani (2013) said that perceived risk was as the uncertainty that would be faced by consumers when they were not able to see the possibilities that would be occurred due to decisions taken.

Meanwhile Assael (2001) explained that risk perception was one of the important components in information processing carried out by consumers. Consumers were increasingly encouraged to seek additional information when faced with the purchase of high-risk products. Perceived risk was higher when:

1. The limited of information was available about the product being marketed.
2. The products were new product.
3. The product had complex characteristics.
4. The consumer's confidence was quite low to evaluated the brand.
5. High product prices were offered.
6. The product was important to consumers.

2.4.1 Indicator of perceived risk

According to Hillson and Webster (2005), there were three factors that had an important role in influencing perceived risk. Where these perceptions would affect attitude towards risk that determined the quality of decision making that was made under uncertain situations. These three factors explained as follow:

a. Consciousness, factors were based on characteristics that can be seen and measured from the situation in which the decision was made. This factor included situational and rational assessment.

b. Subconsciousness, this factor included a subconscious mental in taking a decision and other cognitive. Where, sometimes this factor would make the situation complex and unreasonable.

c. Affectivness, referred to a response based on emotional instinct or feeling rather than rational assessment.

According to Pavlou (2010), perceptions of risk was measured by the following indicators:

1. There was a certain risk in online shopping, namely the risk gained by online shopping consumers.
2. There were perceived losses after online shopping, consumers experienced loss after purchase goods or services via online.
3. The thought of online shopping was risky, consumers thought of a risk that had not occurred when going to buy and sell transactions through online shopping.

2.4.2 Dimension of perceived risk

According to Schiffman and Kanuk (2010), there were several risks in online purchasing process follows:

1. Financial risk was the risk of financial lost on the purchase of products or services through online. Grable (2000) defined financial risk as a sense of consumer uncertainty when into financial transactions.

2. Physical risk was the risk that related to goods or services that were sometimes not as expected. Jarvenpaa and Noam (1999) said that the internet was a non-store shopping that made it difficult to recognize the physical form of a product and consumers must be aware of the limited information and images printed on a computer screen.
3. Time-loss risk was the risk of time being wasted due to the products or services purchasing process. Ko et, al. (2004) said that time risk was a consumer's view of time wasted to replaced damaged goods in online shopping.
4. Performance risk was the risk related with the reality of the performance of the product or service purchased not as expected.
5. Psychological risk was the risk of the emergence of negative emotions that affected a person's mental state over the purchase of a product or service. This psychological risk was related to the consumer satisfaction of goods and services purchased.
6. Social risk was the risk due to the purchase of products that were considered bad by the consumer's social environment, thus threatened the social position of consumers.

According to the explanations above, it could be concluded that several dimensions of perceived risk included financial risk, physical risk, Time-loss risk, performance risk, psychological risk and social risk.

2.4.3 The effect of perceived risk toward buying decision

In a survey conducted by US Verisign (2004) stated that crime through the internet in various forms increased, especially on online shopping. It could be concluded that shopping online had a fairly high risk. Perceived risk was one of the reasons why people were reluctant to do online shopping. Due to the process of online shopping which did not meet directly between buyers and sellers, e-commerce raised different risk perceptions. Losing of money, late delivery of goods and also security and privacy factors (Detiknet, 2012). Peter and Olson (2013) explained that perceived risk was unexpected consequences that consumers wanted to avoid when buying products or services via online channels.

Consumers had a higher risk perception when making purchases online, compared to making purchases through a store. This problem certainly greatly affected consumers in making purchasing decisions online (Suresh & Shashikala, 2011).

Schiffman and Kanuk (2010) and supported by Hoyer, et al. (2013), it could be concluded that the types of risk were as follows: Physical risk, performance risk, psychological risk, financial risk, time-loss risk and social risk. According to Greenstein and Vasarhelyi (2003), consumers would have only made decisions to buy products or services if the level of consumer's trust was higher than perceived risk. In the contrary, consumers intended to look for other alternatives. Wahyuningtyas and Widiastuti (2015) said that high risk would cause a lack of consumer's trust on online sellers, this could be affected the online buying decision. Supported by previous research which said that a high level of risk would cause the level of purchases by consumers to be low (D'Alessandro et al., 2012)

According to Lui and Jamieson (2003) stated that the level of risk on online shopping depended on consumer perceptions in estimating the high and low risks that would be experienced when using the internet to do online shopping. Previous research conducted by Suhir, et al. (2014), Murwatinigsih and Apriliani (2013) found that perceived risk had negative effect on online buying decisions. While the research conducted by Sukma (2012), Gunawan et al. (2017), Daryadi et al., (2017) and Aeini & Purwanti (2017) stated that perceived risk had a significant negative effect on the buying decision online.

According to the theories and some previous studies above, the hypothesis related to this variable would be as follow:

H2: Perceived risk had a negative effect on Indonesian consumer’s online buying decision for smartphone.

2.5 Perceived Usefulness

Jogiyanto (2008) said that perceived usefulness was the perception as the extent to which individuals believe that using a technology would improve their job performance. If an individual felt that media information was useful then they would use it. On the contrary, if an individual thought that information media was less useful then they would not use it. Lui and Jamieson (2003), defined that perceived usefulness identified various benefits that consumers received by using the internet to conducted transactions. Irmadhani (2012) defined that perceived usefulness was a person's level of belief that using a particular technology would improve their performance.

Ling, et al. (2010) stated that "the degree to which a person believes that using a particular system would be free of effort." (p. 38). This opinion explained that perceived usefulness was a person's level of trust that the use of the system would facilitated various jobs so that work could be done more quickly.

Whereas, According to Wibowo (2008) said that perceived usefulness was a measure where the use of a technology was believed to be beneficial for people who use it. According to Wen, et al. (2011) defined that the perceived usefulness as a consumer assessment of the benefits of product information needed and felt when shopping at web-based stores.

The concept of the word of usefulness referred to the extent to which an innovation was considered better to replaced existing ideas (Rogers, 1995). For example, the benefits of direct shopping through the website reflected consumer recognition that this new shopping method provided certain benefits as an alternative shopping format. Karayanni (2003) said that if the customers believed that consumers would get greater profits when shopping online instead of shopping through conventional stores, then they certainly preferred to purchase good or service through online channel.

Forsythe, et al. (2006) summarized the findings of several previous studies on the motives which were the main reason consumers purchased products or services by online:

1. Shopping convenience (Bhatnagar & Ghose, 2004; Eastlick & Feinberg, 1999).
2. The selection of goods offered were very large (Eastlick & Feinberg, 1999).
3. The goods offered were unique (Januz, 1983).
4. The price on online shopping was cheaper (Korgaonkar, 1984)
5. Obtained information of the product (Bloch & Richins, 1983).
6. Time efficiency (Soopramanien & Robertson, 2007).

2.5.1 Indicator of perceived usefulness

In the research conducted by Adnan (2014), he used three indicators to measured perceived usefulness when make online shopping as follows:

1. Easiness

   According to Schaupp and Bélanger (2005), e-commerce made consumers easy to find the goods and services needed. Ease of shopping according to Forsythe, et al. (2006) was the perceived easiness to use by consumers because it could avoid physical or emotional disturbances that might occur when online shopping.

2. Convenience

   Chen, et al. (2011) suggested that the convenience of online shopping could reduce the time and effort of consumers in the purchasing process. This convenience could not be obtained when consumers buy in a conventional store. Shopping convenience according to Forsythe, et al. (2006) was the convenience that consumers felt when they could purchase goods and services anytime and anywhere.

3. Availability

   Forsythe, et al. (2006) said that availability included the availability and information of goods and services marketed, which was considered by consumers before purchase goods or services by online. Availability also included facilities in the form of purchases within 24 hours (Karayanni, 2003).

According to Nassuora (2013) there were several indicators that could be used to measure the perceived usefulness, as follows:

1. Speed in conducting online transaction activities
2. Ease in conducting online transaction activities
3. Effectiveness in online transaction services
4. Efficiency in online transaction services

2.5.2 Dimension of perceived usefulness

Jusmaliani and Nasution (2009) explained that perceived usefulness with one factor estimation that made job easier, useful, increased productivity, enhanced effectiveness, and improved job performance. Where these dimensions were grouped into two major factors as follows:

1. Usefulness, where the dimensions contained in this factor were made job easier, useful, and increased productivity.
2. Effectiveness, the dimensions in this factor were: enhanced effectiveness and improved job performance.

2.5.3 The effect of perceived usefulness toward buying decision

According to Davis (1989) and Hanafizadeh, et al. (2013) explained that the perceived usefulness as a form of belief on benefits, where users believed that using a technology or system would enhance work performance. While according to Kim, et al. (2008) said that perceived usefulness was a consideration for consumers to get benefits when using a technology or system. Indicators of perceived usefulness included ease to learn, controllable, clear and understandable, flexible, ease to become skillful and ease to use (Davis, 1989). Monissa (2012), the perceived usefulness was always related to easy to use, easy to learn, easy to understand, clear and flexible in the use of technology.

Perceived usefulness would affect buying decision if a technology gives benefit to the consumer. The higher perceived usefulness on the use of technology or system, would increase online buying decision by consumers (Tjini & Zaki, 2012). According to Suhir, et al. (2014), the higher the perceived usefulness towards purchases, the higher the online buying decisions would be made. The connection with online purchasing decisions was saving time, which was an important perception in online shopping activities. Time saving was one of the important factors why consumers preferred to do shopping online (Kim et al., 2008).

Several previous studies showed that perceived usefulness was the main factor that influenced the use of online shopping (Wen et al., 2011; Trisnawati et al., 2012; Athchariyachanvanich et al., 2006). According to the research conducted by Hanafizadeh, et al. (2013), perceived usefulness was the most influential factor on online buying decision. This was related to more practical shopping innovations.

Another researches conducted by Wahyuningtyas and Widiastuti (2015) as well as Nassuora (2013) stated that perceived usefulness had a positive and significant effect on online purchasing decision.

According to explanation and some previous studies above, the hypothesis of perceived usefulness can be defined as follows:

H3: Perceived usefulness had a positive effect on Indonesian consumer's online buying decision for smartphone.

2.6 Perceived Website Quality

The World Wide Web was a service provided by the internet, which uses standards which has been accepted internationally to store, access, manage format, and display information contained on the internet (Loudon & Bitta, 1993). Due to online shopping activities through the internet, the website quality was an important factor to be considered. The ease of use of the website as well as the quality of information offered on the website was quite influential on consumer purchasing decisions. Harris and Goode (2010) said that some site designers observed that the use of attractive website backgrounds and the appearance of words (typography) were significant factors for the overall appearance and originality of the page and site. The appearance of online store sites could be a special attraction for potential customers to visit.

Flavian, et al. (2006) said the quality of a website (assessed in terms of site structure, simplicity, ease of navigation, speed, etc.) could influence a person's buying intention online. Bavarsad, et al. (2013) explained that a good website had operational quality that allowed buyers to carry out their e-shopping activities easily and efficiently. Some dimensions of website quality have been ascertained and mentioned in various studies. Wan (2000) identified four attributes of website quality, namely information, friendliness, responsiveness and reliability. Whereas Parasuraman, et al. (2005) identified five dimensions of service quality, namely reliability, responsiveness, assurance, empathy, and physical evidence. However, in general, what is highlighted in the quality of the website was the quality of its services.

WebQual was an approach to assess the quality of a website based on end users (Barnes & Vidgen, 2003). Development of research instruments in this

WebQual approach based on quality function deployment. The WebQual approach has been developed since 1998 and continues to experience changes as the latest version emerges. Barnes and Vidgen (2003) explained that WebQual version 1.0 was used to assess the website quality, the results showed that in WebQual version 1.0 it was too emphasized on the dimensions of the information quality, but there was still a lack of interaction service quality. Whereas, in WebQual version 2.0, which was designed to evaluate B2B websites, it suppressed the interaction services quality but had weaknesses in the information quality compared to the previous version, WebQual version 1.0. In WebQual version 3.0, Barnes and Vidgen classified in 3 categories, namely website quality, information quality and interaction service quality. Then, testing the latest version of WebQual and WebQual 4.0 emphasized on the information quality, service interaction quality and usability (Barnes & Vidgen, 2003).

2.6.1 Indicator of perceived website quality

In this current study, the approach used was WebQual 4.0. As previously explained, WebQual 4.0 was emphasized based on three main categories, namely information quality, interaction quality and usability. Barnes and Vidgen (2003) defined it as follows:

1. Information quality included accurate information, reliable information, up-to-date information, information in accordance with the topic, ease to understand, detailed information and information presented in an appropriate design format.
2. Interaction service quality included the ability to provide a sense of security during a transaction, possess a good reputation, facilitate communication,

create a more personal emotional feeling, has confidence in providing personal information, able to create a specific community, gives confidence that the promise delivered would be kept.

3. Usability included ease of website to learn, ease of understanding, ease of browsing, ease of use, attracting websites, pleasant interface, good competence and providing a pleasant new experience.

The following table was a measurement question for WebQual 4.0 which included information quality, interaction quality and usability quality according to Barnes and Vidgen (2003).

Table 2.1: Measurement of WebQual 4.0

No	Category	WebQual 4.0 questions
1	Usability	I find the site easy to learn to operate My interaction with the site is clear and understandable I find the website easy to navigate I fine the website easy to use The site has an attractive appearance The design is appropriate to the type of site The site conveys a sense of competency The site creates a positive experience for me
2	Information quality	Provides accurate information Provides believable information Provides timely information Provides relevant information

(Continued)

Table 2.1 (Continued): Measurement of WebQual 4.0 (Barnes & Vidgen, 2003).

No	Category	WebQual 4.0 questions
2	Information quality	Provides easy to understand information Provides information at the right level of detail Presents the information in appropriate format
3	Service interaction	Has good reputation It feels safe to complete transaction My personal information feels secure Creates a sense of personalization Conveys a sense of community Makes it easy to communicate with the organization

2.6.2 Dimension of perceived website quality

According to Bavarsad, et al. (2013) the success of an e-commerce website design influenced by four dimensions, namely appearance of the website, navigation, content and shopping process. Where these dimensions could be explained as follows:

1. Appearance:
    a. The appearance of attractive website pages was important to gain consumer confidence to do online shopping. So, that the credibility of the company's website was not in doubt. Where the dimensions to get an attractive appearance on a website included images, graphics, icons, animations and colors.

b. The website display should provide a balance between the aesthetics of the web page's appearance and the ease of use of the website.

2. Navigation:
   a. Website page was easy to use and access.
   b. Allowed users to control website navigation in search of content.
3. Content:
   a. Provided good quality of information and content to consumers. Including providing updated, relevant and easy-to-understand information.
   b. Managed and controlled website content clearly, so that the website would provide convenience to consumers in the process of information searching.
4. Shopping process:
   a. Offered an efficient and easy shopping process.
   b. Provided information about the quality of products and services offered in the online purchase process.
   c. Ensured the privacy and security of consumers in the online purchase process.

2.6.3 The effect of perceived website quality towards buying decision

According to Marakas and O'Brien (2010), the website was a platform that provided chat room facilities, e-mail and instant messages where users could visit the site pages by using a browser to be able to access various types of information, entertainment and for business purposes. Website quality was an evaluation of quality on a web page in several things such as navigation, aesthetics on website appearance, function and other things that affected website performance (Olsina, 2006).

Zeithaml et al., (2006) said that the technique for measures website quality was Webqual. Where, the Webqual adopted the perception of the last user. Webqual was a new methodology that was developed from the SERQUAL method. Webqual 4.0's theory was structured based on four main areas included information quality, interaction quality, usability and overall impressions (Barnes & Vidgen, 2003).

According to Sam and Tahir (2010) said that website design on online stores with a combination of navigation and aesthetics that were balanced would give a positive perception to consumers, which would affect consumers to make online purchasing decisions.

In a journal of internet banking and commerce entitled Antecedents and effect of commitment on impulse buying by the internet, Moez (2013) said that the impetus for consumers to purchase goods or services was influenced by the attributes of the website. These attributes included visual appearance, navigation, and a customized preview. Based on previous research conducted by Hackbarth (2001) and Wen, et al. (2011), both said that website quality stimulated consumers to make purchases online. And reinforced by the theory of Suryani (2013) who said that a good website was the website that designed to attract and make easier to use for consumers to do interaction on online shopping that would affect online trust and buying decision.

The study entitled "The influence of experience, website quality and trust in online repurchase intention on OLX Indonesia site" conducted by Adinata (2015), the finding indicated that the website quality had positive effect on online buying decision. As well as research conducted by Hasanah et al., (2015), Marsela (2017), Sidauruk (2018), Nazirah and Utami (2017) and Ghafiki and Setyorini (2017) stated that the website quality had a significant effect for consumers on online buying decision.

Based on the theory and previous researches explained above, the hypothesis of website quality as follow as:

H4: Perceived website quality had a positive effect on Indonesian consumer's online buying decision for smartphone.

2.7 Conceptual Framework

According to Kerlinger (1990), concepts could express abstractions formed by generalizations of special things. The construct was a concept with an added understanding that was created or used with intentional and full awareness for scientific research purposes that referring to the background of the problem and literature review that described earlier.

The conceptual framework of this study as follow:

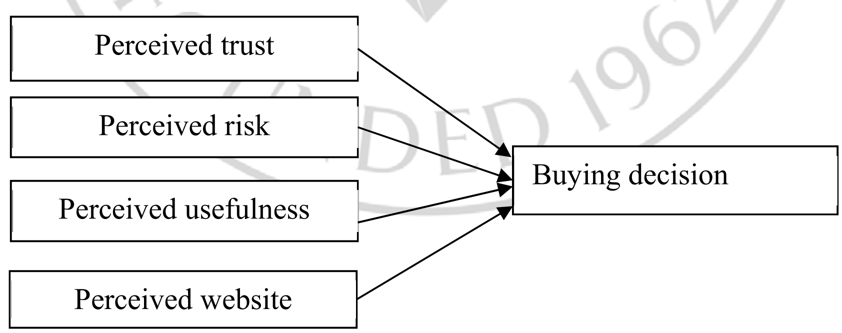

Figure 2.1: The Conceptual Framework

The conceptual framework of this study illustrated the relationship between independent variables including perceived trust, perceived risk, perceived usefulness and perceived website quality affecting dependent variable of buying decision.

2.8 Summaries of Hypothesis

From the documentary reviews including the theories and related previous researches, the summary of hypothesis of this research could be concluded as follow:

H1: Perceived trust had a positive effect on Indonesian consumer's online buying decision for smartphone.

H2: Perceived risk had a negative effect on Indonesian consumer's online buying decision for smartphone.

H3: Perceived usefulness had a positive effect on Indonesian consumer's online buying decision for smartphone.

H4: Perceived website quality had a positive effect on Indonesian consumer's online buying decision for smartphone.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Research Design

The quantitative method was implemented in this study. It was aimed to explain the phenomenon or indications that appear by using numerical data. The statistical instrument was used for the data interpretation and analysis (Suharsaputra, 2014). The relevant theories and related research findings were applied to propose the hypothesis of the study. Based on the previous researches, there were many findings about factors that affected consumer shopping behavior via online. Factors that tested in this research were perceived trust, risk, usefulness and website quality. Basically, the hypothesis was tested to explain the nature of a particular relationship and could build a difference on each factor in the same condition (Sekaran & Bougie, 2013).

The primary source of data and information in this study was gathered from the survey questionnaire and other reliable secondary sources such as relevant journals, articles and online database. In the process of primary data collection, the researcher used the method of cross-sectional study, where the process of collecting data only once in a certain time to answer the questionnaire given by the researcher (Sekaran & Bougie, 2013). The questionnaire used as the research instrument, was constructed by applying the related theories that relevant to the research topic. And the questionnaire has been approved by some experts who had relevant knowledge in this research topic.

3.2 Research Instrument

According to the evidence of related theories and findings from the previous researches, the questionnaire was designed as a research instrument in this study. A closed-type questionnaire, which was the questionnaire prepared by providing a complete answer option so that respondents could only choose one of the answers that had been provided, was designed and implemented in this study. The components of the questionnaire were as follows:

Part 1: General demographic data

The close-ended demographic contained about demographic questions in general, included gender, age, education background, monthly income, occupation and information of how long a respondent has been using internet technology to purchase product or service via online.

Table 3.1: The Questions of Demographic Data

Variable	Scale of Measurement	Level of Measurement
1. What is your gender?	Nominal Scale	Male Female
2. What is your age? (Years)	Ordinal Scale	18 - 30 31 - 40 41 - 50 Over 50
3. Education level	Nominal Scale	High school / below Diploma

(Continued)

Table 3.1 (Continued): The Questions of Demographic Data

Variable	Scale of Measurement	Level of Measurement
3. Education level	Nominal Scale	Bachelor's degree Master's degree or higher Other
4. Monthly income	Ordinal Scale	Under Rp.3000.000 Rp.3.100.000 - 4.000.000 Rp.4.100.000 - 5.000.000 Over Rp.5.000.000
5. Occupation	Nominal Scale	Student Employee Self-employee Retired Housewife Others (Please specify)
6. The period of using online shopping	Ordinal Scale	Less than 3 months 3 – 6 months 7 – 11 months 1 – 2 years 3 – 5 years More than 5 years

Part 2: Indonesian online shopping behavior

Part 2 was the follow-up questions of demographic information about Indonesian behaviors towards online shopping, frequency of making online purchases in a month, products purchased via online channels and online stores frequently visited for online purchases and the last, preferred payment method for each purchase transactions.

Table 3.2: The Questions of Indonesian Behaviors Towards Online Shopping

Variable	Scale of Measurement	Level of Measurement
1. How often to purchase goods or services online per month?	Nominal Scale	Not sure 1 – 3 times per month 4 – 10 times per month More than 10 times
2. What product often to purchase on internet? (Multiple answer)	Nominal Scale	Clothes and accessories Book and magazines Food and groceries Smartphone Electronic devices Health and beauty products Household appliances Ticket and Hotel

(Continued)

Table 3.2 (Continued): The Questions of Indonesian Behaviors Towards Online Shopping

Variable	Scale of Measurement	Level of Measurement
3. What online shop you visit for online shopping? (Multiple answer)	Nominal Scale	Bukalapak Lazada Zalora OLX.co.id Traveloka Blibli.com Tokopedia Elevenia Berniaga.com Kaskus MatahariMall Others
4. What is your preferred payment method on online shopping? (Multiple answer)	Nominal Scale	COD (Cash on delivery) ATM transfer Credit card Third party payment Bank transfer SMS banking

(Continued)

Table 3.2 (Continued): The Questions of Indonesian Behaviors Towards Online Shopping

Variable	Scale of Measurement	Level of Measurement
4. What is your preferred payment method on online shopping? (Multiple answer)	Nominal Scale	Debit card Others

Part 3: Independent and dependent variables

In part 3, it contained questions related to the research variables being tested. The research variables were basically determined by the researcher so that the information would be obtained from these variables and then could be drawn a conclusion (Sugiyono, 2013). The research variables were divided into two parts, independent and dependent variables. Furthermore, each variables of this study would be labeled with letter X and Y. Independent variables of this study were perceived trust (X1), perceived risk (X2), perceived usefulness (X3) and perceived website quality (X4), while dependent variable was buying decision depicting as (Y).

a. Independent variable (X)

   Independent variables were the variables that influenced the dependent variable either the influence of positive or negative (Ferdinand, 2006). In this study, independent variables consisted of the following:

   1. Perceived trust (X1) was very significant factor in online shopping. Because, only customers who had trust on product or service

demonstrated on website would decide to buy those goods or services through the internet media. Trust was the foundation of online business, due to on online transactions buyers and sellers did not meet each other and or knew each other (Rosseau et al., 1998).

2. Perceived risk (X2) was another important factor on online shopping. Online purchases occur depends on the risks that exist in online shopping. If the risk was too big then consumer reluctant to make purchases via online. On the contrary, consumer would make online purchase if the risk on online shopping was small (Harris & Goode, 2010).
3. Perceived usefulness (X3) was customer's expectation to get better, easier and more practical by making purchase via online on a particular website (Kim et al., 2007)
4. Perceived website quality (X4), According to Harris and Goode (2010), if the e-commerce website was designed properly then it could be a special attraction for potential customers to visit. Website quality was an important stimulation to create a positive online experience for consumers.

b. Dependent variable (Y)

Dependent variable was the variable that there was an effect on the dependent variable due to other variables (Ferdinand, 2006). In this study, the dependent variable was buying decision. Buying decision was the choice of two or more alternative options for making a purchase decision. In other words, a person could make purchasing decisions of two or more of the option available (Schiffman & Kanuk, 2004).

Each question of variables of this study was created and developed through the steps of literature study from the books and also previous related researches. For more detailed questions of each variable on this study, could be seen in the following table:

Table 3.3: The Questions of Each Variable Tested

Variables	Questions
Perceived trust (X1) Forsythe et al., (2006), Karayanni (2003), Swinyard and Smith (2003), and Liang and Huang (1998)	In general, online stores that selling the smartphone can be trusted.
	The quality of the smartphone on online store is as expected
	The specification of the smartphone on online store is as advertised
	The advertising messages of the smartphone on online store can be trusted.
	Delivery system of purchasing the smartphone via online is always on time.
	Payment transfer of purchasing the smartphone via online is safe.

(Continued)

Table 3.3 (Continued): The Questions of Each Variable Tested

Variables	Questions
Perceived risk (X2) Swinyard & Smith (2003), Forsythe et al., (2006), and Lewis (2011)	I may not receive the smartphone that I purchased via online due to scam.
	I may receive the quality/size of the smartphone that I purchased via online is not as expected.
	I may receive the smartphone that I purchased via online is damage during delivery process.
	Price of the smartphone can be more expensive than if I buy from offline store.
	The smartphone that I purchased via online may not work properly as advertised on website.
	The smartphone that I purchased via online may not durable enough as expected.
Perceived usefulness (X3) Kim, Fiore, and Lee (2004)	Purchase the smartphone via online is saving my time
	Purchase the smartphone via online is more convenience and easier.

(Continued)

Table 3.3 (Continued): The Questions of Each Variable Tested

Variables	Questions
Perceived usefulness (X3) Kim, Fiore, and Lee (2004)	I purchase the smartphone via online because it is available anytime.
	Purchase the smartphone via online is to reduce of transportation expenses.
	I purchase the smartphone via online because I can compare the price.
	I purchase the smartphone via online because it is easy of payment.
Perceived website quality (X4) Plavo and Geffen (2003), and Ganapathi (2015)	I purchase smartphone via online if it easy to find the product information on the website.
	I purchase smartphone via online if the messages on the website are very clear and cover all product information.
	I purchase smartphone if the product presentation on the website is interesting.

(Continued)

Table 3.3 (Continued): The Questions of Each Variable Tested

Variables	Questions
Perceived website quality (X4) Plavo and Geffen (2003), and Ganapathi (2015)	I purchase smartphone via online if the content of website is well-prepared and presented consecutively.
	I purchase smartphone via online if the messages on website are accurate and concise.
	I purchase smartphone via online if the website provides useful suggestion for making decision to buy smartphone by online.
Buying decision (Y) Schiffman and Kanuk (2004), and Ferdinan (2006)	I buy the smartphone via online because can save my time of shopping around.
	I buy the smartphone via online if the price is cheaper.
	I buy the smartphone via online because it is very convenient and easier.
	I buy the smartphone via online because it is available anytime.

(Continue)

Table 3.3 (Continued): The Questions of Each Variable Tested

Variables	Questions
Buying decision (Y) Schiffman and Kanuk (2004), and Ferdinan (2006)	I buy the smartphone via online if the quality is as I expected.
	I buy the smartphone via online if I can have a refund according to the smartphone damage as advertised.
	I buy the smartphone according to my satisfaction experience to buy online.
	I buy the smartphone via online because of the good review from other customers.

The researcher also used Likert's scale of 1-5 for measuring the statements of each question. According to Simamora (2002), Likert scale, also called summated ratings scale, was the most widely used for attitude measurement techniques in marketing research. This scale allowed respondents to express the intensity of their feelings. The Likert scale provided the same answer alternative to every statement in the questionnaire by using a score.

Regarding to part 3, the all statement in the questionnaire were rated by respondents on 5-point Likert-type scale for measuring the statistical mean range. Where the mean interpretation as follows:

Strongly Agree	5 points
Agree	4 points
Neutral	3 points
Disagree	2 points
Strongly Disagree	1 point

$$\text{Range} = \frac{\text{Maximum} - \text{Minimum}}{\text{scale level}}$$

$$= \frac{5-1}{5} = 0.80$$

Table 3.4: The Range of Mean Interpretation (Likert Scale)

Scale	Range of scale	Interpretation
5	4.21 – 5.00	Strongly agree
4	3.41 – 4.20	Agree
3	2.61 – 3.40	Neutral
2	1.81 – 2.60	Disagree
1	1.00 – 1.80	Strongly disagree

3.3 Measurement Instrument

There are two important measurement in questionnaire as instrumental of the research which are content validity and reliability to guarantee that respondents have a common realizing of questionnaire and they can response based on fact in addition to statistical reliability of the questionnaire.

3.3.1 Content validity

According to Sekaran and Bougie (2006), validity was defined as evidence that an instrument, technique, or process was commonly used for measure a concept and measure the concept correctly. Validity testing in this study was conducted to determine the accuracy of the measuring instrument used. The right measuring instrument aims to achieve the measurement of an instrument that could provide good research results. Validity test in this research has done by using the method of index of item-objective congruence (IOC) proposed by Rovinelli and Hambleton (1977).

An evaluation using the index of item-objective congruence (Rovinelli & Hambleton, 1977) is a process where content experts rate individual items on the degree to which they do or do not measure specific objectives listed by the test developer. More specifically, a content expert would evaluate each item by giving the item a rating of 1 (for clearly measuring), -1 (clearly not measuring), or 0 (degree to which it measures the content area is unclear) for each objective. The experts were not told which constructs the individual items were intended to measure, thus they remain independent and unbiased evaluators (Berk, 1984).The equation of index of item-objective congruence (IOC) proposed by Rovinelli and Hambleton could be seen as follow:

$$IOC = \frac{\sum \mathrm{R}}{\mathrm{N}}$$

Where:

IOC = Consistency between questions and objectives or object and content.

$\sum R$ = Total assessment points given from the all qualified experts.

N = The number of qualified experts.

The questionnaire in this study has been reviewed and approved by three experts in field of business administration and also worked as lecturers of Bangkok University. The detailed information of them could be found in Appendix C, letters to experts for questionnaire reviews. The three experts were:

1. Dr. Krairoek Pinkaeo – Dean, School of Business Administration, Bangkok University.
2. Dr. Lokweetpun Suprawan – Assistant Professor, Director of MBA Program, Graduate School, Bangkok University.
3. Dr. Saranyapong Thiangtam – Assistant Professor, Faculty member, School of Business Administration, Bangkok University.

Based on the calculations of validity test from the three experts above, the value of IOC was 0.98 (>0.70) and stated that the questionnaire was valid to be distributed (Rovinelli & Hambleton, 1977).

3.3.2 Reliability

Reliability showed the consistency and stability of a score (measurement scale). Reliability focused on the consistency and accuracy the issues (Kuncoro, 2003). Measurement results could be trusted in several times the implementation of measurement against the same group of subjects obtained relatively similar results, as long as the measured aspect was unchanged. Measurement of reliability instrument was performed by using coefficient value of Cronbach alpha close to 1, which indicates reliability with high consistency. A variable was reliable if Cronbach value was alpha > 0.70 (Nunnaly, 1994).

The researcher conducted a pilot test for this study by using 40 qualified people who were not in the group of sample in this study. The table 3.5 illustrated each part of questionnaire had accepted the value of Cronbach's alpha coefficient where the value of Cronbach's alpha coefficients of each variable tested was greater than 0.7.

Table 3.5: The Reliability Value of Each Part of the Questionnaire

Variables	n = 40	n = 330	Conclusion
Perceived trust (X1)	0.912	0.857	Reliable
Perceived risk (X2)	0.849	0.784	Reliable
Perceived usefulness (X3)	0.908	0.852	Reliable
Perceived web quality (X4)	0.856	0.828	Reliable
Buying decision (Y)	0.923	0.854	Reliable

The results of the reliability test showed that all statement items from the five variables studied were reliable due to the Cronbach value of each variable was > 0.70. That means all variables and statements in this study were declared reliable and could be used for the further research.

Furthermore, the researcher also did a component analysis of all questions of each variable tested. The analysis aimed about which measures varied in explaining the highest percentage of the variance in the dataset (Straub, 1989). All statement items on each variable were grouped together, with loading factors above 0.5. It shows that the indicator was unit of measurement that measures the same construct and could predict what should be predicted (Chung et al., 2008, & Kline, 2014).

Table 3.6: Factor Analysis

Questions	X1	X2	X3	X4	Y
X1a	.804				
X1b	.822				
X1c	.878				
X1d	.904				
X1e	.906				
X1f	.906				
X2a		.609			
X2b		.719			
X2c		.760			
X2d		.764			
X2e		.796			
X2f		.734			
X3a			.826		
X3b			.874		
X3c			.913		
X3d			.888		
X3e			.852		
X3f			.922		
X4a				.866	
X4b				.870	
X4c				.878	

(Continued)

Table 3.6 (Continued): Factor Analysis

Questions	X1	X2	X3	X4	Y
X4d				.869	
X4e				.907	
X4f				.899	
Y1					.878
Y2					.893
Y3					.917
Y4					.898
Y5					.886
Y6					.887
Y7					.869
Y8					.882

Based on the results of the factor analysis, the content validity and the reliability test of the questionnaire were accepted and adopted.

3.4 Population and Sample

3.4.1 Target population

The population in the research was referred to the whole group of people who used to purchase a smartphone via online that researcher wanted to investigate (Sekaran & Bougie, 2006). Meanwhile, according to Sugiyono (2013), population was a generalization region consisting of objects or subjects that had certain qualities and characteristics set up by researchers to be studied and then drawn a conclusion.

Due to the limitation that researcher had during the research, population from this present research was selected in two cities in Indonesia, Medan and Jakarta. The selection of Medan and Jakarta for the data collection in this study was because Medan and Jakarta were two of five cities that had high smartphone penetration and were the main source of online shopping activities including smartphones in Indonesia (Tribun, 2018). However, the researcher did not know how much the population in each selected city in this study, that why the researcher applied random and purposive sampling where these two methodology technics were more suitable for this recent study (Sekaran & Bougie, 2013).

Random sampling was a sampling which permit every single item from the universe to have an equal chance of presence in the sample (Sarwoko, 2007). Random sampling was used to determine the location of the research. Where the purposive sampling was limited to the specific types of people who could provide the desired information either because they met some of the criteria set by the researchers and make sure that every element of the population did not have same opportunity to be selected as research subjects (Sekaran & Bougie, 2013). Purposive sampling technic was used to define the right target of the sample on this study by using screening question. The screening question being asked to get targeted respondents on this study were Indonesians over 18 years old who had experienced in purchasing smartphones via online channel. In conclusion, for any Indonesian who never had experiences of smartphone online they could not be part on this research.

3.4.2 Sample size

The sample was a sub-group or part of the population. By studying the sample, the researcher would be able to draw conclusions that could be generalized to the research population (Sekaran & Bougie, 2006). The sample size of the study was calculated by using G*Power version 3.1.9.2 (Cohen, 1977) with the power (1- β) of 0.95, alpha (α) of 0.05, number of test predictor of 4, effect size of 0.1251407. The total sample size of 106 was gained for the field survey. However, for more reliable results the 330 samples were determined for data collection in this study.

3.4.3 Data collection

The data collection process done by handed out the questionnaires to everyone who was available in the research location and willing to be part of the research. In order to get the right target of this study, every potential respondent was given the screening question (Sekaran & Bougie, 2013). After the questionnaire being answered, the researcher collected the questionnaire on the spot from each location has been set up in this study. Data collection carried out from 10 July to 20 August 2018.

The data collection process in this study was conducted in 5 different locations from 2 major cities in Indonesia. For Jakarta city, data collection located in two locations, Ambassador shopping mall and Mercu Buana university. The selection of Ambassador shopping mall as the first location in this study was because the Ambassador mall was one of the largest electronic shopping centers in Jakarta with an average of 3000 visitors per day (MalAmbassador, 2018). While the reason of choosing Mercu Buana University as the second location in the city of Jakarta, was because Mercu Buana University has a large number of students reaching 27,923 from 22 majors (Ayokuliah.Id, 2018). Meanwhile, data collection process in Medan city was set up on three different locations, which were University of North Sumatera, Institute of Technology Harapan and Plaza Medan fair. University of North Sumatera and Institute of Technology Harapan were chosen as research locations in Medan because both were the largest universities in Medan in terms of the number of students, which were 46,193 and 3,232 active students respectively (Ayokuliah.Id, 2018). Whereas the selection of Plaza Medan Fair as the third location in Medan city because it was the largest shopping center in Medan city with approximately 4000 visits per day (Tribun, 2018). The detailed information of the areas of field survey were depicted in the table bellows:

Table 3.7: The Locations of Data Collection

City	Location	Number of sample
Jakarta	Ambassador shopping mall, Jakarta	63
	Mercu Buana University, Jakarta	74
Medan	University of North Sumatera, Medan	63
	Institute of Technology Harapan, Medan	59
	Plaza Medan fair	71
Total		330

3.4.4 Data collection procedure

The following steps were followed in gathering data for this study:

1. Screening question to every potential respondent.
2. The questionnaires were distributed to the targeted respondents.
3. The questionnaires were retrieved from the targeted respondents.
4. Data gathered were encoded for statistical analysis

3.5 Data Analysis

3.5.1 Descriptive analysis

According to Sugiyono (2013), the descriptive statistic was used to analyze data by describing the data that had been collected as it was without intending to make general conclusions for the use absolute. The descriptive statistic applied on this research were as follows:

1. Frequency and percentage used to explain respondent demographic data (gender, age, education level, monthly income, occupation, period of using online shopping) and Indonesians consumer behavior on online shopping (frequency of purchase goods or service via internet, products often purchased via online shop, the website of online shop, and preferred payment method) was analyzed also by using frequency and percentage. The equation of percentage as follow:

   $$P = F/N \times 100$$

   P = percentage

   F = percentage frequency

   N = frequency

2. Mean and standard deviation were used to explain the respondent's attitude towards dependent variable and independent variables on this study. The equation of Mean as follow:

   $$\bar{x} = (\Sigma x_i) / n$$

   $\bar{x}$ = mean

   Σx_i = total group score

   n = number group of score

Standard deviation:

$$S.D = \sqrt{\frac{\Sigma(x - \bar{x})^2}{n - 1}}$$

S.D = standard deviation

Table 3.8: Summary of Descriptive Statistic for Data Analysis

Variables	Types	Descriptive statistic
Demographic data	-	Percentage/frequency
Perceived trust	Independent	Mean and standard deviation
Perceived risk	Independent	Mean and standard deviation
Perceived usefulness	Independent	Mean and standard deviation
Perceived website quality	Independent	Mean and standard deviation
Buying decision	Dependent	Mean and standard deviation

3.5.2 Inferential Statistic

The multiple regression analysis (MRA) was applied to analyze the influence of variable X, which was perceived trust, perceived risk, perceived usefulness and perceived website quality towards variable Y, buying decision (Ghozali, 2001). In addition, multicollinearity was applied also in this study. Multicollinearity test aimed to test whether there is a correlation between independent variables in a regression or not. A good regression should not have a correlation between independent variables. Multicollinearity could be seen from the value of Tolerance and Variance Inflation

Factor (VIF). If the Tolerance value was ≥ 0.1 and VIF ≤ 10 then there was no multicollinearity (Ghozali, 2011).

The formula for multiple regression was indicated as below:

$$\acute{Y} = \alpha + b1X1 + b2X2 + \cdots + bkXk + e$$

Where:

$\acute{Y}$	: Predicted dependent variable
α	: Value of Y when all of the independent variables are equal to zero
b1,...bk	: Estimated regression coefficients
X1,…Xk	: Predictor variables
e	: Standard error

CHAPTER 4

RESEARCH FINDINGS

In this chapter the researcher presented the empirical study of the research along with an analysis of the empirical study. The data was collected directly from 330 respondents through survey questionnaire.

4.1 Descriptive Analysis

The purpose of descriptive analysis was to find out the frequency of demographic data in this study, which consisted of gender, age, education background, income per month, occupation, the period of using online shopping, the frequency of online shopping per month, products most often purchased online, the preferred website of online shop and the preferred payment methods on online purchase process. The detailed information of demographics data and Indonesian consumer's behaviour on online shopping were presented as follow:

Table 4.1: Demographic Data (Gender)

Description	Component	Frequency	Percentage
Gender	Male	112	33.9
	Female	218	66.1

According to the table 4.1, the majority of the respondents were female with the total number of 218 people (66.1%), while male respondents took second portion with total number of 112 people or equivalent to 33.9%. In conclusion, women in Indonesia more interested to purchase smartphone via online channels.

Table 4.2: Demographic Data (Age)

Description	Component	Frequency	Percentage
Age	18 - 30 Years old	153	46.4
	31 – 40 Years old	102	30.8
	41 – 50 Years old	56	17
	Over 50 Years old	19	5.8

Based on the data shown in the table 4.2, the respondents classified into the group of age. In this category, most of respondent that participated in this study were from the 18 - 30 years old group which accounted for 153 respondents or equivalent to 46.4%, followed by 31 - 40 years old with the total number of 102 respondents (30.8%) and 41 - 50 years old (17%) consecutively. And it found that the age over 50 years old as the lowest group in this category with the total number of 19 respondents or equivalent to 5.8%. This data shown that online purchase for smartphone in Indonesia dominated by youth.

Table 4.3: Demographic Data (Education)

Description	Component	Frequency	Percentage
Education	High school / below	93	28.2
	Diploma	55	16.6

(Continued)

Table 4.3(Continued): Demographic Data (Education)

Description	Component	Frequency	Percentage
Education	Bachelor’s Degree	140	42.4
	Master Degree / Doctoral	23	7
	Others	19	5.8

In terms of education background, most of the respondent have completed bachelor degree with the total number of 140 respondents and accounted for 42.4% of the total respondents, followed by high school or below total number of 93 respondents (28.2%), diploma was 55 respondents (16.6%), master's degree with the total number of 23 (7%) and others accounted for 5.8% or only 19 respondents consecutively.

Table 4.4: Demographic Data (Monthly income)

Description	Component	Frequency	Percentage
Monthly income	Under Rp.3.000.000	122	37
	Rp.3.100.000 – 4.000.000	101	30.6
	Rp.4.100.000 – 5.000.000	74	22.4
	Over than Rp.5.000.000	33	10

The monthly income group was divided into 4 groups. Interestingly, the respondents with the smallest income (under Rp.3.000.000) was dominated in this study with the total number of 122 respondents or equivalent to 37% from the total respondents. While the respondents with the income of Rp.3.000.000 - Rp.4.000.000

was in the second place with the total number was 101 respondents (30.6%) and followed by income of Rp.4.100.000 - Rp.5.000.000 accounted for 22.4%. In contrary, the biggest income (over Rp.5.000.000) was the smallest group in this category, with the total number of 33 respondents and accounted only 10% from the total of respondents.

Table 4.5: Demographic Data (Occupation)

Description	Component	Frequency	Percentage
Occupation	Student	55	16.7
	Employee	157	47.6
	Self-employee	76	23
	Retired	9	2.7
	Housewife	24	7.3
	Others (please specify)	9	2.7

In terms of occupation, the highest ratio belonged to the employee group with the total number of 157 respondents or equivalent to 47.6%, followed by self-employee as much as 76 respondents (23%), students with the total number of 55 respondents (16.7%) and housewife accounted for 7.3% with the total number was 24 respondents. While retired and others were the smallest groups in this category, both accounted for 2.7% with the total number of 9 respondents respectively. Based on the data shown in the table 4.5, it could be concluded that the smartphone purchases in Indonesia online was dominated by employee.

Table 4.6: Demographic Data (Period of using online shopping)

Description	Component	Frequency	Percentage
The period of using internet for online shopping?	Less than 3 months	41	12.4
	3 – 6 months	56	17
	7 – 11 months	64	19.4
	1 – 2 years	105	31.8
	3 – 5 years	36	10.9
	More than 5 years	28	8.5

Regarding of the period of using online shopping, most of the respondents have been using online shopping for 1 to 2 years (31.8%), followed by 7 to 11 months (19.4%), 3 to 6 months (17%), less than 3 months (12.4%) and 3 to 5 years (10.9%). Meanwhile, the respondents that have been using online shopping for more than 5 years was only accounted for 8.5 % from the total respondents on this study.

Table 4.7: Indonesian's Behaviour on Online Shopping (Frequency of shopping per month)

Description	Component	Frequency	Percentage
Frequency of shopping per month	Not sure	153	46.6
	1 to 3 times per month	126	38.2
	4 to 10 times per month	45	13.6
	More than 10 times	6	1.8

According to the data shown in the table 4.7, it found that most of Indonesian not sure whether they do online shopping or not every month with the total number of 153 respondents and accounted for 46.6%. while respondent who do online shopping for 1 to 3 times per month was in the second place with the total number of 126 respondents or 38,2%, followed by respondents who do online shopping for 4 to 10 times per month was 45 respondents or 13.6%. Lastly, the respondents who make online shopping more than 10 times per month was the smallest group in this category was only 6 people out of the total respondent and accounted for 1.8%.

Table 4.8: Indonesian's Behaviour on Online Shopping (Products most often purchased online)

Description	Component	Frequency	Percentage
Products most often purchased online	Clothes and accessories	231/330	21.4
	Book/magazine	76/330	7.1
	Food and groceries	102/330	9.5
	Smartphone	120/330	11.1
	Electronic devices	184/330	17.1
	Health and beauty product	136/330	12.6
	Household	101/330	9.4
	Ticket and hotel	128/330	11.8

In terms of the products most often purchased online, clothes and accessories were the most frequently purchased product via online in Indonesia accounted for 21.4% with the total number of 231 people out of 330 respondents. Electronic devices chosen by Indonesian as the second most purchased product online with the total number of 184 people out of 330 respondents or equivalent to 17.1%, followed by health and beauty products (12.6%), ticket and hotel (11.8%), smartphone (11.1%), food (9.5%) and household products (9.4%). The last product as the products most often purchased online in Indonesia was book, only accounted 7.1% with the total number of 76 people out of 330 respondents.

Table 4.9: Indonesian's Behaviour on Online Shopping (Preferred website for online shopping)

Description	Component	Frequency	Percentage
Preferred website for online shopping	Bukalapak	190/330	13.8
	Lazada	209/330	15.2
	Zalora	89/330	6.5
	OLX	152/330	11.1
	Traveloka	152/330	11.1
	Blibli	118/330	8.6
	Tokopedia	127/330	9.2
	Elevenia	64/330	4.7
	Berniaga.com	70/330	5.1
	Kaskus	57/330	4.2
	Matahari mall	65/330	4.7
	Others	80/330	5.8

Lazada became the most visited online shop in Indonesia accounted for 15.2% with the total number of 209 people out of 330 respondents and Bukalapak in the second place with the total number of 190 respondents (13%). OLX and Traveloka were in third place for the most visited online shop category, accounted for 11.1 % with the total number of 152 people out of 330 respondents respectively. Followed by Tokopedia 127 respondents (9.2%), Blibli.com 118 respondents (8.6%), Zalora 89 respondents (6.5%), others with the total number of 80 respondents (5.8%), Berniaga 70 respondents (5.1%), Mataharimall 65 respondents (4.7 %) and Elevenia 64 respondents (4.7%). Only 57 respondents or equivalent to 4.2% of respondents visited Kaskus for online shopping.

Table 4.10: Indonesian's Behaviour on Online Shopping (Preferred payment method)

Description	Component	Frequency	Percentage
Preferred payment method	COD (Cash on Delivery)	189/330	23.2
	Transfer via ATM	208/330	25.6
	Credit cards	115/330	14.1
	Third payment	70/330	8.6
	Bank	150/330	18.5
	SMS banking	25/330	3.1
	Debit card	36/330	4.4
	Others	20/330	2.5

ATM was chosen as the preferred payment method by Indonesians with the total number of 208 people out of 330 respondents or equivalent to 25.6%. Cash on

Delivery (COD) was the second payment method chosen by Indonesians, 23.2 %. Followed by transfers through bank accounts (18.5%), credit card (14.1%), third party payment (8.6%), debit card (4.4%) and SMS banking (3.1%). Meanwhile, others payment method was only accounted for 2.5%.

4.2 The Analysis of Consumer's Attitude Toward Online Buying Decision.

All variables in this study including perceived trust, perceived risk, perceived usefulness, perceived website quality and online buying decision were measured according to scale of Likert, by given point 1 to 5 as the agreed level. The total means scores could be grouped as follow:

Average range of 1.00 – 1.80 refers to strongly disagree

Average range of 1.81 – 2.60 refers to disagree

Average range of 2.61 – 3.40 refers to neutral

Average range of 3.41 – 4.20 refers to agree

Average range of 4.21 – 5.00 refers to strongly agree

All substances are related by respondents on 5-point Likert-type scale. Each question scaled from Number 1 with the statement "Strongly Disagree" to number 5 with the statement "Strongly Agree". The weight (score) are set in each level that is presented in chapter (3) as follow:

Strongly disagree	= 1 point
Disagree	= 2 points
Neutral	= 3 points
Agree	= 4 points
Strongly agree	= 5 points

The discussion of mean and standard deviation of each variable was divided into several parts as follow:

1. Perceived trust (X1)

Table 4.11: Mean and Standard Deviation of Perceived Trust (X1)

Statement	$\overline{x}$	S.D.	Interpretation
Online stores that sell the smartphone can be trusted	3.97	0.79	Agree
The quality of the smartphone as expected.	3.80	0.71	Agree
The specification of the Smartphone as advertised.	3.76	0.73	Agree
The advertising messages of the smartphone can be trusted.	3.67	0.76	Agree
Delivery system is always on time.	3.64	0.75	Agree
Payment transfer is safe.	3.69	0.74	Agree

Regarding to the data in the table 4.11, in general the respondents agreed that they felt secure to purchase smartphone via online channel. The statement of online stores who sell the smartphone could be trusted had the strongest weight of the relative contribution on online buying decision for smartphone in Indonesia ($\overline{x}$ = 3.97, S.D. = 0.79), followed by the quality of the smartphone as expected ($\overline{x}$ = 3.80, S.D. = 0.71), the specification of the smartphone as advertised ($\overline{x}$ = 3.76, S.D. = 0.73), payment transfer is safe ($\overline{x}$ = 3.69, S.D. = 0.74), the advertising of smartphone could be trusted ($\overline{x}$ = 3.67, S.D. = 0.76) and delivery system is always on time ($\overline{x}$ = 3.64, S.D. = 0.75) respectively.

2. Perceived risk (X2)

Table 4.12: Mean and Standard Deviation of Perceived Risk (X2)

Statement	$\overline{x}$	S.D.	Interpretation
Not receive the smartphone.	2.70	0.74	Neutral
The quality/size of the smartphone is not as expected.	2.70	0.74	Neutral
The smartphone damage during delivery process.	2.73	0.72	Neutral
The smartphone is more expensive	2.59	0.86	Disagree
The smartphone does not work properly as advertised.	2.74	0.74	Neutral
The smartphone not durable enough as expected.	2.75	0.73	Neutral

Based on the table 4.12, over all the Indonesians had neutral view towards the perceived risk of purchasing smartphone via online channels. Sequentially, the statement of the smartphone not durable enough as expected had the highest mean score ($\overline{x}$ = 2.75, S.D. = 0.73), followed by the statement of the smartphone does not work properly as advertised ($\overline{x}$ = 2.74, S.D. = 0.74), the damage of smartphone during delivery process ($\overline{x}$ = 2.73, S.D. = 0.72), not receive the smartphone ($\overline{x}$ = 2.70, S.D. = 0.74), the quality/size of the smartphone is not as expected ($\overline{x}$ = 2.70, S.D. = 0.74) respectively. However, it found that Indonesian disagree on the statement of the smartphone is more expensive than offline stores ($\overline{x}$ = 2.59, S.D. = 0.86).

3. Perceived usefulness (X3)

Table 4.13: Mean and Standard Deviation of Perceived Usefulness (X3)

Statement	$\overline{x}$	S.D.	Interpretation
Could saving the time.	4.06	0.77	Agree
More convenient and easier.	3.85	0.74	Agree
Anytime availability.	3.66	0.79	Agree
Cheaper transportation expenses.	3.78	0.90	Agree
Price comparison.	3.88	0.83	Agree
Easy of payment.	3.78	0.78	Agree

The table 4.13 showed the level of agreement of the respondents regarding perceived usefulness. In general, most of Indonesian agreed in terms of perceived usefulness toward online buying decision for smartphone. Sorted according to the highest mean score, time saving was the statement with the strongest weight of relative contribution on online buying decision for smartphone in Indonesia ($\overline{x}$ = 4.06, S.D. = 0.77), followed by the statement of price comparing ($\overline{x}$ = 3.88, S.D. = 0.83), more convenient and easier ($\overline{x}$ = 3.85, S.D. = 0.74), cheaper transportation expenses ($\overline{x}$ = 3.78, S.D. = 0.90), easy of payment ($\overline{x}$ = 3.78, S.D. = 0.78) and the availability ($\overline{x}$ = 3.66, S.D. = 0.79) respectively.

4. Perceived website quality (X4)

Table 4.14: Mean and Standard Deviation of Perceived Website Quality (X4)

Statement	$\overline{x}$	S.D.	Interpretation
Easy to find the product information.	3.71	0.77	Agree
Complete message on website.	3.77	0.76	Agree
Interesting product information.	3.65	0.75	Agree
Well-prepared and consecutive content of the website.	3.62	0.77	Agree
Accurate and concise the messages.	3.62	0.78	Agree
Provision of useful suggestion.	3.67	0.76	Agree

Table 4.14 showed the level of agreement of the respondents regarding perceived website quality. In general, most of Indonesians agreed that website quality had influence and positive relationship towards online buying decision for smartphone. Among of the six items of perceived website quality, the highest mean score was the statement of complete messages on the website ($\overline{x}$ = 3.77, S.D. = 0.76), followed by the statement of easy to find product information ($\overline{x}$ = 3.71, S.D. = 0.77), providing useful suggestions ($\overline{x}$ = 3.67, S.D. = 0.76), interesting product information ($\overline{x}$ = 3.65, S.D. = 0.75), well-prepared and sequential website content ($\overline{x}$ = 3.62, S.D. = 0.77) and accurate and concise messages ($\overline{x}$ = 3.62, S.D. = 0.78) respectively.

5. Buying decision (Y)

Table 4.15: Mean and Standard Deviation of Buying Decision (Y)

Statement	$\overline{x}$	S.D.	Interpretation
Saving time of shopping around.	4.13	0.76	Agree
Cheaper price.	4.00	0.73	Agree
Convenience and easiness.	3.80	0.75	Agree
Anytime availability.	3.76	0.77	Agree
The quality of the Smartphone as expected.	3.85	0.79	Agree
Refund for damage.	3.80	0.80	Agree
Self-experience.	3.80	0.77	Agree
Other consumer's good reviews.	3.79	0.82	Agree

The data presented on the table 4.15 showed the level of agreement of the respondents regarding buying decision of smartphone via online channels. The average mean score of buying decision of each statement was ranged from the highest mean score. Sequentially, saving time of shopping around had the highest mean score ($\overline{x}$ = 4.13, S.D. = 0.76), followed by cheaper price ($\overline{x}$ = 4.00, S.D. = 0.73), the quality of smartphone as expected ($\overline{x}$ = 3.85, S.D. = 0.79), convenience and easiness ($\overline{x}$ = 3.80, S.D. = 0.75), refund for damage ($\overline{x}$ = 3.80, S.D. = 0.80), self-experience ($\overline{x}$ = 3.80, S.D. = 0.77), other customer's good reviews ($\overline{x}$ = 3.79, S.D. = 0.82) and anytime availability ($\overline{x}$ = 3.76, S.D. = 0.77) respectively.

4.3 Multiple Regression Analysis

This part was about the research finding that emphasize the relationship of the level degree of the perceived trust, perceived risk, perceived usefulness and perceived website quality affected on Indonesian consumer's online buying decision for smartphone. The results of multiple linear regression analysis in this study were processed using the computer programing, SPSS 17. The results of multiple linear regression of each independent variable towards the dependent variable were presented in the table below:

Table 4.16: The Result of Multiple Regression Analysis

Variables	B	Beta	T	Sig
Constanta	7.430	-	5.204	.000*
Perceived trust	.210	.161	3.749	.000*
Perceived risk	-.135	-.095	-2.398	.017*
Perceived usefulness	.594	.485	10.775	.000*
Perceived website quality	.326	.246	5.381	.000*

R-square = .504, F = 82.669, *P<.05

According to table 4.16, it showed that perceived trust (X1), perceived usefulness (X3) and perceived website quality (X4) had a positive effect on Indonesian consumer's online buying decision for smartphone. While the perceived risk (X2) had negative risk effect on Indonesian consumer's online buying decision for smartphone at .05 level of statistical significance. The coefficients (B) predicted how much each of the 4 predictor variables should increase online buying decision for smartphone (Y). Additionally, the regression coefficients (β) parameters could be viewed to see which of the predictor variables had the most relative influence on the dependent variable (Miles & Shevlin, 2001).

The research result also revealed that the perceived usefulness (X3) had the strongest weighs of relative contribution on Indonesian consumer's online buying decision for smartphone where the β was .485 and coefficient value of .594 at .05 level of statistical significance. Hence, it could be interpreted that perceived usefulness increased online buying decision for smartphone of 59.4% (Miles & Shevlin, 2001). The perceived website quality (X4) also accounted big contribution on online buying decision for smartphone in Indonesia, whereas the value of β = .246 and coefficient was .326. It could be interpreted that perceived website quality affected positively on Indonesian consumer's online buying decision for smartphone of 32.6% (Miles & Shevlin, 2001). Meanwhile, the perceived trust (X1) had positive effect on online buying decision for smartphone in Indonesia of 21%. In contrary, perceived risk (X2) had a negative effect on Indonesian consumer's online buying decision for smartphone at .05 level of statistical significance. Based on the result of this study, the coefficient value of perceived risk (X2) was -.135 and β = -.095. In conclusion, perceived risk affected Indonesian consumer not to purchase smartphone via online cannel by 13.5% (Miles & Shevlin, 2001).

The value of R-squared of the finding in this research was .504 and $P<.05$, it could be concluded that online buying decision for smartphone in Indonesia was influence by the perceived trust, perceived risk, perceived usefulness and perceived website quality by 50.4%. Where the remains of 49.6% influenced by other factor who was not covered in this study (Miles & Shevlin, 2001).

Table 4.17: The Result of Multicollinearity Test

Variable	Tolerance	VIF	Explanation
Perceived trust	0.830	1.205	There is no Multicollinearity
Perceived risk	0.971	1.030	There is no Multicollinearity
Perceived usefulness	0.752	1.330	There is no Multicollinearity
Perceived website quality	0.732	1.366	There is no Multicollinearity

Finally, Variance Inflation Factor (VIF) and Tolerance was used for detecting the multicollinearity problem. Multicollinearity was the method for determining multiple correlations among independent variables and uncorrelated assumption of independent variables. It occurred when independent variables in a regression model are correlated. Tolerance value must greater than 0.1 while VIF value must less than 10 (Ghozali, 2011). According to table 4.17, the VIF values of this study were 1.030 - 1.366 which were less than 10 and the Tolerance values ranged between 0.732 - 0.971. Hence, there was no multicollinearity in this research.

According to the data of multiple linear presented in table 4.16, the equation of this study as follow:

$$Y = 7.430 + 0.161*X1 - 0.095*X2 + 0.485*X3 + 0.246*X4$$

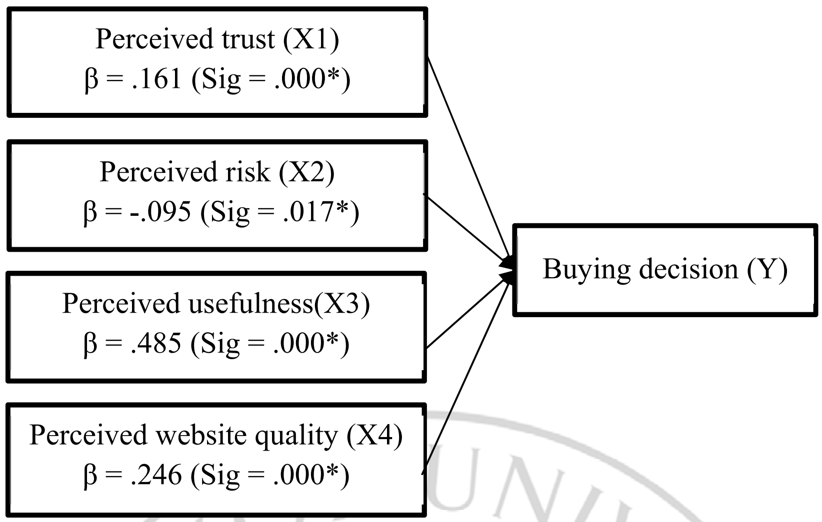

Figure 4.1: Summary of Hypothesis Testing Results

4.4 Hypothesis Testing Summary

Based on the inferential statistics analysis, the summarized of hypothesis of this study as follows:

Table 4.18: The Summarized of Hypothesis Testing

Hypothesis	Result
H1: Perceived trust had a positive effect on Indonesian consumer's online buying decision for smartphone.	Supported
H2: Perceived risk had a negative effect on Indonesian consumer's online buying decision for smartphone.	Supported
H3: Perceived usefulness had a positive effect on Indonesian consumer's online buying decision for smartphone.	Supported
H4: Perceived website quality had a positive effect on Indonesian consumer's online buying decision for smartphone.	Supported

CHAPTER 5

CONCLUSION AND DISCUSSION

The study of ‘An Analysis of Perceived Trust, Risk, Usefulness and Website Quality Affecting on Indonesian Consumer’s Online Buying Decision for Smartphone’ is a survey research conducted for beneficial purposes to examines relationship and identifies contributing elements between perceived trust, perceived risk, perceived usefulness and perceived website quality toward online buying decision for smartphone in Indonesia. It expected that the result of this study could be used by company or business person who sell smartphone online to improve their smartphone sale online.

The quantitative methodology was applied in this study to find out the influence of the perceived trust, perceived risk, perceived usefulness and perceived website quality towards online buying decision. The close-ended questionnaire was designed as the research instrument to get the desired data and then draw a conclusion of the research after being processed on SPSS statistic version 17. The researcher managed to collect 330 respondents randomly from two major cities in Indonesia, Medan and Jakarta. Data collection carried out from 10 July to 20 August 2018. The Simple Regression and Multiple Regression Analysis (RMA) were applied to analyze the data. Moreover, percentage, frequency, mean and standard deviation as the descriptive statistics were also applied to analyze the demographic data and the samples’ altitudes toward the independent and dependent variables.

5.1 Conclusion

From the demographic data analysis, it could be concluded that from the total of 330 respondents who participated in this study, the majority of respondents were women with 18-30 years of age. Most of them have completed a bachelor's degree, worked as employees, and earned an average income below Rp. 3,000,000 per month. In terms of the period of using online shopping, most of respondents have been using online shopping for 1-2 years.

In terms of the Indonesian consumer's behaviour toward online shopping, 153 respondents of this study stated not sure whether they do online shopping or not per month. In addition, clothes and accessories were the most frequently product purchased by Indonesian, where Lazada was the most visited shop for online shopping and ATM as the most preferred payment method chosen by Indonesians.

Based on the result of multiple regression analysis and hypothesis test, all independent variables tested of this study including perceived trust (X1), perceived risk (X2), perceived usefulness (X3) and perceived website quality (X4) had effect on online buying decision for smartphone in Indonesia with the significance level at .05. Hence, all hypothesis proposed on this study were supported. The findings also revealed that perceived usefulness (X3) had the strongest positive relationship on Indonesian consumer's online buying decision for smartphone, followed by perceived website quality (X4) and perceived trust (X1). Meanwhile, perceived risk had negative relationship towards online buying decision, however not significant.

In additions, it found that R-squared value was .504 and it could be interpreted that the purchasing of smartphone via online in Indonesia were influenced by the perceived trust (X1), perceived risk (X2), perceived usefulness (X3) and perceived website quality (X4) of 50.4%. While the other 49.6% affected by other factors was not include in this study.

5.2 Discussion

The purpose of this research was to find out the factors that influence on Indonesian consumer's online buying decision for smartphone. The independent variables tested of this study were perceived trust (X1), perceived risk (X2), perceived usefulness (X3) and perceived website quality (X4) toward online buying decision (Y) as dependent variable. From the exposure of the research findings in the chapter 4, the discussion of all hypothesis proposed of this study as follow:

1. Hypothesis 1: Perceived trust had a positive effect on Indonesian consumer's online buying decision for smartphone.

   The result of multiple regression analysis of perceived trust (X1) was $\beta = .161$ and sig .000 at .05 level of significance. Hence, it stated that the perceived trust had a positive effect on Indonesian consumer's online buying decision for smartphone. In addition, it found that the coefficient of perceived trust was B = .210, which meant the perceived trust contributed 21% on online buying decision for smartphone in Indonesia (Miles & Shevlin, 2001).

   In conclusion, Indonesian consumers agreed that trust was one of the factor need to be considered before purchasing smartphone via online channels (Pavlou, 2003). However, based on the findings of the research it shown that the perceived trust was not the most determined factor on Indonesians consumer online buying decision for smartphone. The findings of this study indicated that most of Indonesian consumers already had confidence and believe that online shops who sell smartphone were trustworthy (Hardiawan, 2013). Moreover, since past 10 years, the Indonesian government has been applying the regulation of online shopping system under the law of electronic information and transaction (UU ITE) to facilitate and guarantee the right between seller and consumer (fastnto, 2014).

The finding of this study was direct proportion with the previous studies including Zulfa (2018), Hardiawan (2013) and Mohmed et al. (2013) stated that perceived trust had a positive effect on online buying decision. Therefore, the hypothesis of Perceived trust had a positive effect on Indonesian consumer's online buying decision for smartphone is supported.

2. Hypothesis 2**:** Perceived risk had a negative effect on Indonesian consumer's online buying decision for smartphone.

Referring to the result of the study, the perceived risk stated had a negative effect toward online buying decision, where the result of multiple regression analysis of perceived risk (X2) was β = -.095 and sig .017. In addition, the result of multiple regression analysis found that the coefficient of perceived risk was -.135, which meant the perceived risk has influenced Indonesian consumers not to purchase smartphone via online channels at 13.5% (Miles & Shevlin, 2001).

Based on the result, it could be interpreted that some of Indonesian consumers were still afraid to purchase smartphone online (Peter & Olson, 2013). The Indonesians consumers still felt the negative consequences of buying smartphone via online channel, including losing of money, the damage of smartphone during delivery process and the qualification of smartphone is not as expected (Pavlou, 2010). In other word, if the perceived risk was high, the consumers reluctant, hesitant and tend not to purchase smartphone via online (Schiffman & Kanuk, 2010).

In conclusion, the hypothesis of perceived risk had a negative effect on Indonesian consumer's online buying decision for smartphone is supported. These results research were consistent with the previous researches conducted by Sukma (2012), Gunawan et al. (2017), Daryadi et al., (2017), and Anissa (2017) found that perceived risk had a negative effect towards online buying decision.

3. <u>Hypothesis 3**:** Perceived usefulness had a positive effect on Indonesian consumer's online buying decision for smartphone.</u>

Based on the findings of the study, it revealed that perceived usefulness (X3) had the strongest weighs of relative contribution among the other independent variables tested toward online buying decision. Where the Beta Coefficient value of perceived usefulness was .485. In addition, the coefficient value of perceived usefulness was .594, which meant perceived usefulness increased significantly the sales of smartphone online in Indonesia by 59.4% (Miles & Shevlin, 2001).

The implication of perceived usefulness on online shopping system obviously related to the benefits that consumers get by purchasing smartphone online which they did not get by shopping conventionally (Karayanni, 2003). The result of this study indicated that most of Indonesian consumers believe that so many benefits they gained by purchasing smartphone via online channel instead of go to the shopping mall or go to the offline store to find the smartphone they want, including saving time of shopping around, shopping convenience, complete product options, price comparison, the easiness of payment process and clear product information (Nassuora, 2013).

The findings of this study were in line with the previous researches conducted by Wen et al., (2011), Trisnawati et al., (2012), Athchariyachanvanich et al., (2006), Wahyuningtyas and Widiastuti (2015) and Nassuora (2013) found that the perceived usefulness had a positive effect towards buying decision. Moreover, the research conducted by Hanafizadeh et al., (2014) stated that perceived usefulness was the most influential factor on online buying decision. Therefore, the hypothesis that stated perceived usefulness had a positive effect Indonesian consumer's buying decision for smartphone via online is supported.

4. <u>Hypothesis 4**:** Perceived website quality had a positive effect on Indonesian consumer's online buying decision for smartphone.</u>

According to findings of this study, it showed that perceived trust affected positively on Indonesian consumer online buying decision for smartphone. And it revealed that perceived website quality (X4) was the second independent variable with strongest weight of relative contribution toward online buying decision (Y) after perceived usefulness (X3). Where, the value of β was .246 and sig .000 at .05 level of significance.

The findings of the study also found that the coefficient value of perceived website quality was .326, in other word the result of study indicated that the attractive and dynamic interface of the website influenced the Indonesian consumers on online buying decision for smartphone by 32.6%

(Miles & Shevlin, 2001). Moreover, the result study conducted by Sam and Tahir (2009) stated that the complex and unstructured of a website would make the consumers leave the website without any transactions, it proved that the website quality was one of the key factor on online shopping system (Harris & Goode, 2010).

The findings of this study were in line from the previous studies conducted by Hasanah et al. (2015), Marsela (2017), Sidauruk (2018), Sylvia (2015), Nazirah and Utami (2017) and Ghafiki (2017) explained that the website quality had a positive effect for consumers on online buying decision. Therefore, the hypothesis of this study is supported.

5.3 Recommendation

It was expected that the findings of this study could contribute to the individuals and society in Indonesia and to the related organization in terms of academic performance and business managerial implications. The recommendations of this study as follows:

5.3.1 Recommendation for managerial implications

The results from this present research showed that all independent variables including perceived trust, perceived risk, perceived usefulness and perceived website quality have affected on online buying decision for smartphone in Indonesia.

In order to set up the smartphone online business in Indonesia, the company or business person should focus on the two most influential factors in this study, which are perceived usefulness and perceived website quality.

In terms of perceived usefulness, its necessary for the company or business person who selling smartphone online in Indonesia to focus and concern on the benefits that consumers gain by purchasing a smartphone via online channels. In this case, the company or business person in Indonesia must emphasize on the services offered in order to increase the perception of usefulness of consumers by purchasing smartphone online. For instance, provide the complete product information and the flexibility of the payment method. By providing complete information of the product specification, prices and the smartphones option, it would affect Indonesian consumers on online buying decisions for smartphones (Widodo, 2016). While providing flexibility in making online transaction payments for smartphone purchases aims to reach a wider target market, considering that some of Indonesian consumers still do not have bank account and credit card, COD (Cash on Delivery) and third party payment could be the best way to reach all the levels of Indonesian consumers (Julianto, 2017). Therefore, by facilitating the shopping convenience on the all levels of society, it would affect on online buying decision for smartphone in Indonesia (Forsythe et al., 2006).

In terms of website quality, to trigger Indonesian consumers to purchase smartphones via online channel, companies or business person must focus on the quality of the website itself by considering to build a unique website with attractive interface and easy to use. Visually, the use of appropriate colors and typography and structured content on the website could influence online buying decisions for smartphone in Indonesia (Harris & Goode, 2010). In addition, the most important thing need to be considered by company or business person in the process to build the website is the easiness and flexibility of the use itself. The complex website and not easy to use will cause potential buyers to leave the website without making any transactions, (Sam & Tahir, 2009). Referring to the flexibility of the website, the website should be easy to be navigated either via a smartphone or computer, considering nowadays most of Indonesians more often use smartphone instead of computer for online shopping purposes (iPrice, 2017). By paying attention to the all aspects relate to the website quality, it would influence Indonesian consumers on deciding to purchase smartphone online.

Without ignoring the other factors, even though the influence of the perceived trust and risk may not as significant as the perceived usefulness and website quality, companies or business person still need to consider of these two factors in order to trigger Indonesian consumers to purchase smartphone via online channel. Where the all independent variables tested in this study contribute cumulatively of 50.4% on online buying decision for smartphone in Indonesia.

Regarding to perceived trust, companies or business person who selling smartphone online should always provide actual information in accordance with the conditions of the smartphones offered and always guarantee the privacy of customer data in every online transaction.

In terms of perceived risk, the company or business person guarantees an exchange or refund if the smartphone is not as expected or the smartphone is damaged during the shipping process.

5.3.2 Recommendation for future research

In the process of the study, the researcher was aware that there are still many aspects that could be explored for the perfection in further research for the benefit of companies who related to this topic as well as academic purpose.

Since the title of this study was to cover on online buying decision of smartphone in Indonesia, the researcher highly recommended for the future research to disperse the location of data collection instead of just two main cities, Jakarta and Medan. Therefore, the finding of the research would be more representative to describe the actual situation of online buying decision for smartphone in Indonesia.

Considering that the independent variables tested in this study only had 50.4% of contributions toward buying decision, the researcher realized there was another 49.6% that still have huge influences on online buying decision for smartphone in Indonesia. Therefore, researcher encourages for the future researchers to study more of the other factors that could affect the Indonesians on deciding to purchase smartphone online, including the effect of price, promotion, brand and consumer's review. In addition, researcher also recommended to study from the psychological perspective for instance, lifestyle and the effect of social environmental to find out the extent to which psychology could affect Indonesian consumers toward online buying decision for smartphone.

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APPENDIX A:

English Survey Questionnaire

QUESTIONNAIRE:

AN ANALYSIS OF PERCEIVED TRUST, RISK, USEFULNESS AND WEBSITE QUALITY AFFECTING ON INDONESIAN ONLINE CONSUMER'S BUYING DECISION FOR SMARTPHONE

This survey research was aimed to comprehend the analysis of Indonesian behavior towards purchasing smartphone via online. This research is a part of program study: Thesis, Graduate School of Bangkok University. I would really appreciate if you could contribute any fact and useful information truthfully by filling out the questionnaire. The information provided will be treated highly confidential and will be used solely for the purpose of academic resources.

Thank you for your kind cooperation.

MBA Student, Bangkok University

<u>Screening Question</u>: Have you ever made online smartphone purchasing before?

❑ Yes (please continue answering the questions)

❑ No (please stop answering the questions)

Part 1: General Information

Explanation: Please mark ✓ into ❑ that mostly matches to your information.

1. Gender

❑ Male ❑ Female

2. Age

❑ 18 - 30 years old ❑ 31- 40 years old

❑ 41- 50 years old ❑ over 50 years old

3. Education level

❑ High school or below ❑ Diploma

❑ Bachelor’s degree ❑ Master’s degree or higher

❑ Other

4. Monthly income

❑ Under Rp. 3.000.000 ❑ Rp. 3.100.000 - Rp. 4.000.000

❑ Rp. 4.100.000 - Rp. 5.000.000 ❑ Over Rp. 5.000.000

5. Occupation

❑ Student ❑ Retired

❑ Employed ❑ Housewife

❑ Self-employed ❑ Others (please specify)

6. How long you have been using internet to do online purchasing?

❑ Less than 3 months ❑ 3 - 6 months

❑ 7 - 11 months ❑ 1- 2 years

❑ 3 - 5 years ❑ More than 5 years

Part 2: Indonesians online shopping behaviors

Explanation: Please mark ✓ into ❑ that mostly matches your information.

7. How often you buy goods or service through internet per month?

❑ Not sure ❑ 1 to 3 times per month

❑ 4 to 10 times per month ❑ More than 10 times per month

8. What products do you often to buy on internet? (Can tick multiple)

❑ Clothes and accessories ❑ Electronic devices

- ❑ Books and Magazines
- ❑ Health and beauty products
- ❑ Food and groceries
- ❑ Household appliances
- ❑ Smartphone
- ❑ Ticket and hotel

9. Which online shop site you prefer to buy goods or service via online? (Can tick multiple)

- ❑ Bukalapak
- ❑ Tokopedia
- ❑ Lazada
- ❑ Elevenia
- ❑ Zalora
- ❑ Berniaga.com
- ❑ Olx.co.id
- ❑ Kaskus
- ❑ Traveloka
- ❑ MatahariMall
- ❑ Blibli.com
- ❑ Others

10. What is your preferred payment method on online shopping? (Can tick multiple)

- ❑ COD (Cash on Delivery)
- ❑ Bank transfer
- ❑ ATM transfer
- ❑ SMS banking
- ❑ Credit card
- ❑ Debit card
- ❑ Third party payment
- ❑ Others

Part 3: Perceived trust, risk, usefulness, website quality towards buying decision on Indonesian online purchasing of smartphone.

Explanation: Please mark ✓ the choices that correspond to your opinions. Indication of your opinion: 5 = strongly agree, 4 = agree, 3 = neutral, 2 = disagree, and 1 = strongly disagree.

Perceived trust on Indonesian online purchasing of smartphone.	Level of opinions Strongly agree ⟷ Strongly disagree				
11. In general, online stores that selling the smartphone can be trusted.	(5)	(4)	(3)	(2)	(1)
12. The quality of the smartphone on online store is as expected	(5)	(4)	(3)	(2)	(1)
13. The specification of the smartphone on online store is as advertised	(5)	(4)	(3)	(2)	(1)
14. The advertising messages of the smartphone on online store can be trusted.	(5)	(4)	(3)	(2)	(1)
15. Delivery system of purchasing the smartphone via online is always on time.	(5)	(4)	(3)	(2)	(1)
16. Payment transfer of purchasing the smartphone via online is safe.	(5)	(4)	(3)	(2)	(1)

Perceived risk on Indonesian online purchasing of smartphone.	Level of opinions Strongly agree ⟷ Strongly disagree				
17. I may not receive the smartphone that I purchased via online due to scam.	(5)	(4)	(3)	(2)	(1)
18. I may receive the quality/size of the smartphone that I purchased via online is not as expected.	(5)	(4)	(3)	(2)	(1)
19. I may receive the smartphone that I purchased via online is damage during delivery process.	(5)	(4)	(3)	(2)	(1)
20. Price of the smartphone can be more expensive than if I buy from offline store.	(5)	(4)	(3)	(2)	(1)
21. The smartphone that I purchased via online may not work properly as advertised on website.	(5)	(4)	(3)	(2)	(1)
22. The smartphone that I purchased via online may not durable enough as expected.	(5)	(4)	(3)	(2)	(1)

Perceived usefulness on Indonesian online purchasing of smartphone.	Level of opinions				
	Strongly agree ⟷ Strongly disagree				
23. Purchase the smartphone via online is saving my time.	(5)	(4)	(3)	(2)	(1)
24. Purchase the smartphone via online is more convenience and easier.	(5)	(4)	(3)	(2)	(1)
25. I purchase the smartphone via online because it is available anytime.	(5)	(4)	(3)	(2)	(1)
26. Purchase the smartphone via online is to reduce of transportation expenses.	(5)	(4)	(3)	(2)	(1)
27. I purchase the smartphone via online because I can compare the price.	(5)	(4)	(3)	(2)	(1)
28. I purchase the smartphone via online because it is easy of payment.	(5)	(4)	(3)	(2)	(1)

Perceived website quality on Indonesian online purchasing of smartphone.	Level of opinions				
	Strongly agree ⟷ Strongly disagree				
29. I purchase smartphone via online if it easy to find the product information on the website.	(5)	(4)	(3)	(2)	(1)
30. I purchase smartphone via online if the messages on the website are very clear and cover all product information.	(5)	(4)	(3)	(2)	(1)
31. I purchase smartphone if the product presentation on the website is interesting.	(5)	(4)	(3)	(2)	(1)
32. I purchase smartphone via online if the content of website is well-prepared and presented consecutively.	(5)	(4)	(3)	(2)	(1)
33. I purchase smartphone via online if the messages on website are accurate and concise.	(5)	(4)	(3)	(2)	(1)
34. I purchase smartphone via online if the website provides useful suggestion for making decision to buy smartphone by online.	(5)	(4)	(3)	(2)	(1)

Buying decision on Indonesian online purchasing of smartphone.	Level of opinions Strongly agree ⟷ Strongly disagree				
35. I buy the smartphone via online because can save my time of shopping around.	(5)	(4)	(3)	(2)	(1)
36. I buy the smartphone via online if the price is cheaper.	(5)	(4)	(3)	(2)	(1)
37. I buy the smartphone via online because it is very convenient and easier.	(5)	(4)	(3)	(2)	(1)
38. I buy the smartphone via online because it is available anytime.	(5)	(4)	(3)	(2)	(1)
39. I buy the smartphone via online if the quality is as I expected.	(5)	(4)	(3)	(2)	(1)
40. I buy the smartphone via online if I can have a refund according to the smartphone damage as advertised.	(5)	(4)	(3)	(2)	(1)
41. I buy the smartphone according to my satisfaction experience to buy online.	(5)	(4)	(3)	(2)	(1)
42. I buy the smartphone via online because of the good review from other customers.	(5)	(4)	(3)	(2)	(1)

*** End of the questionnaire ***

APPENDIX B:

Bahasa Indonesia Survey Questionnaire

KUESIONER:

SEBUAH ANALISA PERSEFSI KEPERCAYAAN, RESIKO, KEGUNAAN DAN KUALITAS WEBSITE YANG MEMPENGARUHI KONSUMER INDONESIA TERHADAP KEPUTUSAN MEMBELI SMARTPHONE VIA ONLINE

Survei penelitian ini bertujuan untuk menganalisa perilaku masyarakat Indonesia terhadap pembelian smartphone melalui online. Penelitian ini merupakan bagian dari program studi: Thesis, Pascasarjana Universitas Bangkok. Saya sangat menghargai jika anda dapat menyumbangkan fakta dan informasi berguna apa pun dengan mengisi kuesioner ini. Informasi yang diberikan akan diperlakukan sangat rahasia dan akan digunakan semata-mata untuk tujuan sumber daya akademik semata. Terima kasih atas kerja sama anda.

Mahasiswa MBA, Universitas Bangkok

Pertanyaan saringan: Pernahkah anda melakukan pembelian smartphone secara online sebelumnya?

❑ Ya (silahkan lanjutkan untuk menjawab pertanyaan)

❑ Tidak (berhenti menjawab pertanyaan)

Bagian 1: Informasi umum

Penjelasan: Silahkan tandai ✓ kedalam ❑ sesuai dengan informasi yang paling cocok dengan anda.

1. Jenis kelamin

   ❑ Pria ❑ Wanita

2. Usia

   ❑ 18 - 30 tahun ❑ 31 - 40 tahun

   ❑ 41 - 50 tahun ❑ Diatas 50 tahun

3. Pendidikan

❑Sekolah menengah / kebawah ❑ Diploma

❑ Sarjana ❑ Pascasarjana atau Doctoral

❑ Lainnya

4. Pendapatan perbulan

❑ Dibawah Rp. 3.000.000 ❑ Rp. 3.100.000 - Rp. 4.000.000

❑ Rp. 4.100.000 - Rp. 5.000.000 ❑ Diatas Rp. 5.000.000

5. Pekerjaan

❑ Pelajar / Mahasiswa ❑ Pensiun

❑ Karyawan ❑ Ibu rumah tangga

❑ Wiraswasta ❑ Lainnya (mohon sebutkan)

6. Sudah berapa lama anda menggunakan teknologi internet untuk keperluan belanja secara online?

❑ Kurang dari 3 bulan ❑ 3 - 6 bulan

❑ 7 - 11 bulan ❑ 1 - 2 tahun

❑ 3 - 5 tahun ❑ Lebih dari 5 tahun

Bagian 2: Perilaku orang Indonesia terhadap belanja secara online

<u>Penjelasan:</u> Silahkan tandai ✓ kedalam ❑ sesuai dengan informasi yang paling cocok dengan anda.

7. Seberapa sering anda membeli barang atau jasa melalui internet setiap bulan.

❑ Tidak yakin ❑ 1 sampai 3 kali per bulan

❑ 4 sampai 10 kali per bulan ❑ Lebih dari 10 kali per bulan

8. Produk apa saja yang sering anda beli melalui internet? (Dapat mencentang beberapa)

❑ Pakaian dan aksesoris ❑ Peralatan elektronik

- ❑ Buku dan majalah
- ❑ Produk kecantikan dan kesehatan
- ❑ Makanan atau bahan makanan
- ❑ Peralatan rumah tangga
- ❑ Smartphone
- ❑ Ticket and hotel

9. Toko online apa saja yang anda sukai untuk membeli barang atau jasa melalui internet? (Dapat mencentang beberapa)

- ❑ Bukalapak
- ❑ Tokopedia
- ❑ Lazada
- ❑ Elevenia
- ❑ Zalora
- ❑ Berniaga.com
- ❑ Olx.co.id
- ❑ Kaskus
- ❑ Traveloka
- ❑ MatahariMall
- ❑ Blibli.com
- ❑ Lainnya

10. Cara pembayaran seperti apa yang lebih anda suka dalam berbelanja online? (Dapat mencentang beberapa)

- ❑ COD (Cash on Delivery)
- ❑ Transfer Bank
- ❑ Transfer ATM
- ❑ SMS perbankan
- ❑ Kartu kredit
- ❑ Kartu debit
- ❑ Pembayaran pihak ketiga
- ❑ Lainnya

Bagian 3: Persepsi kepercayaan, resiko, kegunaan, kualitas situs website terhadap keputusan pembelian orang Indonesia pada pembelian smartphone melalui online.

<u>Penjelasan:</u> Silahkan tandai ✓ pada pilihan yang sesuai dengan pendapat Anda.

Indikasi pendapat Anda: 5 = sangat setuju, 4 = setuju, 3 = netral, 2 = tidak setuju, dan 1 = sangat tidak setuju.

Persepsi Kepercayaan masyarakat Indonesia terhadap pembelian smartphone melalui online.	Tingkatan pendapat				
	Sangat setuju ⟷ Sangat tidak setuju				
11. Secara umum, toko online yang menjual smartphone dapat dipercaya.	(5)	(4)	(3)	(2)	(1)
12. Kualitas smartphone yang dijual melalui toko online sama seperti yang di harapkan.	(5)	(4)	(3)	(2)	(1)
13. Spesifikasi smartphone pada toko online sama persis seperti yang di iklankan.	(5)	(4)	(3)	(2)	(1)
14. Iklan smartphone pada toko online dapat di percaya.	(5)	(4)	(3)	(2)	(1)
15. Sistem pengiriman pembelian smartphone secara online selalu tepat waktu.	(5)	(4)	(3)	(2)	(1)
16. Transfer pembayaran pada pembelian smartphone secara online sangat aman.	(5)	(4)	(3)	(2)	(1)
Persepsi Resiko masyarakat Indonesia terhadap pembelian smartphone melalui online.	Tingkatan pendapat				
	Sangat setuju ⟷ Sangat tidak setuju				
17. Saya kemungkinan tidak menerima smartphone yang saya beli melalui online dikarenakan penipuan.	(5)	(4)	(3)	(2)	(1)
18. Kemungkinan saya menerima kualitas atau ukuran smartphone yang saya beli melalui online tidak sesuai seperti yang di harapkan.	(5)	(4)	(3)	(2)	(1)
19. Kemungkinan saya menerima smartphone yang saya beli melalui online rusak akibat proses pengiriman.	(5)	(4)	(3)	(2)	(1)
20. Harga sebuah smartphone online bisa lebih mahal dari pada membeli melalui toko biasa.	(5)	(4)	(3)	(2)	(1)
21. Smartphone yang saya beli secara online mungkin tidak berfungsi sebagaimana yang di iklankan pada	(5)	(4)	(3)	(2)	(1)

situs web.					
22. Smartphone yang saya beli secara online mungkin tidak cukup tahan lama seperti yang diharapkan	(5)	(4)	(3)	(2)	(1)

Persepsi Kegunaan masyarakat Indonesia terhadap pembelian smartphone melalui online.	Tingkatan pendapat				
	Sangat setuju ⟷ Sangat tidak setuju				
23. Membeli smartphone melalui online menghemat waktu saya.	(5)	(4)	(3)	(2)	(1)
24. Membeli smartphone melalui online nyaman dan lebih mudah.	(5)	(4)	(3)	(2)	(1)
25. Saya membeli smartphone melalui online karena tersedia kapan saja.	(5)	(4)	(3)	(2)	(1)
26. Membeli smartphone melalui online untuk mengurangi biaya transportasi.	(5)	(4)	(3)	(2)	(1)
27. Saya membeli smartphone melalui online karena dapat membandingkan harga.	(5)	(4)	(3)	(2)	(1)
28. Saya membeli smartphone melalui online karena sistem pembayaran yang mudah.	(5)	(4)	(3)	(2)	(1)

Persepsi kualitas situs website masyarakat Indonesia terhadap pembelian smartphone melalui online.	Tingkatan pendapat				
	Sangat setuju ⟷ Sangat tidak setuju				
29. Saya membeli smartphone melalui online apabila mudah menemukan informasi produk pada situs website.	(5)	(4)	(3)	(2)	(1)
30. Saya membeli smartphone melalui online apabila pesan pada situs website sangat jelas dan meliputi semua informasi produk.	(5)	(4)	(3)	(2)	(1)
31. Saya membeli smartphone melalui online jika tampilan produk pada situs website menarik.	(5)	(4)	(3)	(2)	(1)
32. Saya membeli smartphone melalui online jika konten situs website dipersiapkan dengan baik dan disajikan secara berurutan.	(5)	(4)	(3)	(2)	(1)
33. Saya membeli smartphone melalui online jika pesan di situs website akurat dan ringkas.	(5)	(4)	(3)	(2)	(1)
34. Saya membeli smartphone melalui online jika situs website memberikan saran yang berguna untuk mengambil keputusan membeli smartphone secara online.	(5)	(4)	(3)	(2)	(1)

Keputusan membeli masyarakat Indonesia pada pembelian smartphone secara online.	Tingkatan pendapat				
	Sangat setuju ⟷ Sangat tidak setuju				
35. Saya membeli smartphone melalui online karena menghemat waktu saya berbelanja keliling.	(5)	(4)	(3)	(2)	(1)
36. Saya membeli smartphone melalui online apabila harganya lebih murah.	(5)	(4)	(3)	(2)	(1)
37. Saya membeli smartphone melalui online karena sangat nyaman dan lebih mudah.	(5)	(4)	(3)	(2)	(1)
38. Saya membeli smartphone melalui online karena tersedia kapan saja.	(5)	(4)	(3)	(2)	(1)
39. Saya membeli smartphone melalui online apabila kualitasnya seperti yang saya harapkan.	(5)	(4)	(3)	(2)	(1)
40. Saya membeli smartphone melalui online apabila saya dapat memperoleh pengembalian uang sesuai dengan kerusakan smartphone seperti yang di iklankan.	(5)	(4)	(3)	(2)	(1)
41. Saya membeli smartphone melalui online berdasarkan pengalaman atas kepuasan saya belanja secara online.	(5)	(4)	(3)	(2)	(1)
42. Saya membeli smartphone melalui online karena ulasan yang baik dari pelanggan lain.	(5)	(4)	(3)	(2)	(1)

*** Akhir kuesioner ***

APPENDIX C:

Letters to Experts

BIODATA

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