Analysis of The Influence of Technology Perceived Quality, Digital Advertising and Technology Digital Experiential Marketing on Customers Intention to Purchase at Marketplace Platform Tokopedia

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Abstract

The study's goal is to examine how advertising, perceived quality, and experiential marketing affect consumers' decisions to buy. The judgment sampling approach is the sample technique employed in this study. Based on the assumption that respondents had shopped online, samples were chosen. One hundred samples will be collected for this study. In this study, the author employed two different types of data: primary and secondary. Using Cronbach's alpha, researchers assess a variable's dependability in this test. Multiple linear regression analyses are used in the examination of research data. Experience marketing, perceived quality, and advertising are found to have a major impact on the purchasing decisions of customers who actively use e-commerce platforms, according to the research findings. The p-value of 13.4 shows the buyer's decision value when there is no influence from the experiential marketing, perceived quality, or advertising variables. The regression coefficients b1, b2, and b3 each show that a one-unit increase in the experiential marketing, perceived quality, and advertising variables will result in an increase in purchasing decisions by 0.24, 0.2, and 0.24 respectively.

Keywords: Experiential Marketing, Perceived Quality, Advertising, Buyer Decisions, E-Commerce.

1. Introduction

In the era of globalization, both in domestic (national) markets and international markets, business competition is becoming increasingly tight. The dynamic and competitive development of the business world requires companies to position their companies in ways to release and maintain their products, attract consumers, and face competitors [1]. Attracting and keeping consumers is one of the most crucial things that any business must accomplish and concentrate on. A lot of businesses are considering going into, or perhaps abandoning, the electronic commerce (often known as “e-commerce”) market, which is the purchasing and selling of goods and services using the internet [2]. These days, all it takes to purchase and sell is a click on a gadget that is linked to the internet. In Indonesia, a number of e-commerce platforms are presently in development, including Elevenia, Blibli, Lazada, Shopee, Tokopedia, and many more [3]. According to people looking for goods or consumers, 72% are in the Jabodetabek area [4]. Then, 81% of unique sellers or unique sales still occur in that area. Currently, most electronic commerce or e-commerce transactions are still based in the Jakarta, Bogor, Depok, Tangerang, and Bekasi (Jabodetabek) areas. Many online shopping companies are making innovations considering the intense competition between companies [5]. One sign that Indonesia is a potential market for e-commerce owners can be seen from the increasing variety of advertisements appearing in the mass media. In increasingly tight market competition [6]. E-commerce in Indonesia for the first quarter of 2020, which shows that Tokopedia is the most downloaded application with the 2nd most active users in Indonesia. However, its position is not higher than that of Shopee, which has succeeded in becoming the most downloaded e-commerce application with the most monthly active users in Indonesia [7]. From these results, it can be inferred that consumer interest in buying and selling online via Tokopedia is still below Shopee, even though Tokopedia's advertising spending in 2020 was higher than other e-commerce. However, this does not guarantee that Tokopedia will become the most downloaded application and have the most monthly active users in Indonesia [8]. Apart from advertising, there are also other factors that influence buyers' decisions, one of which is the quality of service in the e-commerce or electronic commerce industry in Indonesia, which continues to experience rapid development. and causes competition between business
people in cyberspace. Therefore, providing the best service is an online business site's effort to create customer satisfaction [9]. The quality of consumer service can conventionally be measured by providing the quality of service that buyers can feel when purchasing goods or services directly. This is different from the quality of service in e-commerce [10]. The quality of electronic services can be measured through the services that e-commerce companies can provide via websites or internet media. E-commerce, which develops websites and buying and selling applications, can carry out two-way interactions with its users or consumers so that it can find out what its users or consumers want [11]. The quality of the website or buying and selling application can have an impact on the success of e-commerce [12]. Trying to determine the right marketing communications strategy for the company. Advertising has become a big hope for e-commerce so that it sticks in the hearts of users or consumers. So that advertisements can be made as attractive as possible [13]. This is an effective way to reach consumers in large numbers. E-commerce players can use advertising media to inform consumers about the superiority of the products and services they offer and attract consumers' buying interest [14]. Reliability is the most important element in Tokopedia's service quality. Tokopedia is a company that develops online businesses in the service sector, which means something that is abstract and really depends on consumer trust in running its business. In other words, when consumers believe in and trust e-commerce, they will feel confident in shopping [15]. And this consumer trust encourages repeat purchases, which will become assets for the Tokopedia company and then become part of personal relationships through customer relationship management (CRM). The activity of validating payment options is the most important part of the reliability element, which greatly influences online purchasing decisions [16]. This is because digital technology continues to develop, making digital fraud vulnerable. In this case, e-commerce and its sales digital partners are able to prove that their existence can be trusted by consumers so as to avoid fictitious sellers and fraudulent methods, especially when making payment transactions [17]. Apart from that, sales partners always offer products that consumers need, which indicates that, apart from the element of reliability, empathy also influences online purchasing decisions. This indicates that the sales partner has been able to meet consumer expectations for the products needed in accordance with the theory, which states that one of the purchasing decision processes is recognizing needs and has been able to do so. The activity of recommending products on the application after purchasing seeing the many positive reviews is an element of e-word of mouth, which turns out to have a big influence on online purchasing decisions [18]. This can be interpreted as saying that consumers buying products after seeing positive reviews is the most important thing in increasing online purchasing decisions. And recommending a product on the application after purchasing influences other people to do the same, namely buy the product after seeing positive reviews, so that e-word of mouth in the intensity and value of opinion elements is a very influential consideration in maximizing purchasing decisions [18]. Consumer decisions are influenced by a variety of factors. Customers' level of personal interest and stimulation has a significant impact on how much they participate in the purchasing process. Put another way, one's sense of involvement or lack thereof in the decision-making process. Customer appeal, satisfaction, and emotional response all increase with purchase propensity. can acquire a sizable market share to rival rivals [19]. The company uses the experience marketing idea as one of its initiatives. By using this idea, businesses hope to draw customers in by appealing to their emotions and feelings and inspiring them to take action, think, or create a community. If these five components are successfully implemented, the brand will become more deeply ingrained in the minds of the target audience. Through experiential marketing, businesses may increase innovation, establish a brand identity, convince consumers to test their products, and cultivate a devoted customer base. In addition to putting experiential marketing into practice, building and sustaining a brand also depends on how well people perceive quality [20]. Only goods that are highly regarded for their quality will be able to compete, take over, and rule the market. Customer perception of a product or service's overall quality or superiority over expectations is known as perceived quality. Building brand trust through perceived quality is essential to acquiring new leads and keeping clients from moving to another business. In order to meet consumer requirements and aspirations and win their loyalty, new products must compete with the market and work to increase perceived quality. Advertising and other forms of promotional media are another factor that influences consumer decisions [21]. The advertisement, or promotional mix, is one of the primary tools. One of the promotional techniques that businesses employ to persuade the public and potential customers is advertising. In order for advertising to effectively deliver information and change the characteristics of target audiences, it must be well planned. This will help the audiences be more likely to pay attention, stay interested, feel motivated, and take action. The advertisement, or promotional mix, is one of the primary tools [18]. One of the promotional techniques used by the industry to target the public and potential customers with persuasive messaging is advertising. In order to accomplish its primary goals of disseminating information and molding the attitudes of the intended audience, advertisements must be skillfully crafted in order to draw in viewers, hold their interest, pique their desire, and motivate action. People's lifestyles have changed as a result of the globalization that has permeated every aspect of peoples' lives. One of the big changes is in people's shopping styles [19]. Where previously they shopped
traditionally by going to shopping places, now many people, especially urban residents, have shifted to online shopping [20]. This matter also cannot be separated from technological advances, which continue to be rapid, so that almost all levels of society have used technology, especially mobile technology, which has led to changes in people's shopping styles. Making a purchasing decision on something on the marketplace is not an easy thing because many people still think that shopping on the marketplace is more dangerous than shopping in person. This happens because the seller cannot see or feel the goods or services being sold directly, so it is difficult to understand. percieved effects or perceived risks in decision-making [20]. The emergence of crime problems such as credit card hacking, illegal transfer of information from account cards, and account data fraud also strengthens consumers' assumptions about the effects of shopping online. Apart from risk perception, online consumer reviews deserve to be studied further in relation to their influence on purchasing decisions in the marketplace because online consumer reviews are a promotional medium that is considered the most honest opinion of a consumer conducted online. With online consumer reviews, consumer curiosity will increase [21]. Products or services offered on the marketplace can be answered, so they can help consumers make decisions by using online consumer reviews. Consumers can directly share information about a product from a variety of perspectives, starting with the product delivery process and continuing until consumers consume the product by looking at it [22]. The phenomenon presented in this research aims to test the influence of perceived risk and online customer reviews on online purchasing decisions. Purchasing decisions are defined as selecting from two or more alternative purchasing decision options. with another meaning: that consumers who want to make a decision to purchase goods or services must first determine their choice through the existing alternatives [23]. The considerations made by consumers have two or more alternative choices, so that purchasing decisions can be interpreted as determining choices by consumers to meet their needs.

2. Research Methods

The term “population” describes the entire group of individuals being watched. A population is a collection of individuals or items that share one or more characteristics and serve as the focal point of a particular research effort. Prior to conducting the study, the population to be examined needs to be precisely specified. The sample, meanwhile, is a representation of the population in small size. The judgment sampling approach is the sample technique employed in this study. Based on the assumption that respondents had shopped online, samples were chosen. One hundred samples will be collected for this study. In this study, the author employed two different types of data: primary and secondary. Primary data are those that come directly from the first source of data, which could include individual responses to questionnaires or interviews. Primary data that has undergone additional processing and been provided by third parties for instance, in the form of tables or diagrams is referred to as secondary data. The author read literature, books, papers, journals, and data from the internet to get the information needed for this study. A questionnaire's validity is evaluated using the validity test. If a questionnaire's assertions or questions may provide insight into the subject matter it is intended to measure, then the questionnaire is considered legitimate. Using Cronbach's alpha, researchers assess a variable's dependability in this test. Multiple linear regression analysis is used in research data analysis.

3. Results and Discussion

Three factors were analyzed using multiple linear regression analysis: buyer decisions (Y), experiential marketing (X1), and advertising (X3). When the three independent variables have no value or have not influenced the buyer's selection, the constant value an of 13.4 displays the prediction of the buyer's choice. Concurrently, the regression coefficients b1, b2, and b3 show how advertising, perceived quality, and experience marketing all positively impact consumer decisions. Assuming other factors remain constant, in this context, a one-unit increase in experiential marketing, perceived quality, and advertising is linked to a 0.24, 0.2, and 0.24 rise in buyer decisions, respectively. These results attest to the three independent variables' substantial impact on purchasing decisions. But it's crucial to keep in mind that the interpretation of each variable's impact on the buyer's choice needs to be done so holistically and with the presumption that no other variables were examined. A thorough comprehension of the interplay and cumulative impact of advertising, perceived quality, and experiential marketing on consumer decisions is necessary for accurate interpretation. Drawing conclusions also needs to consider the possibility of other external factors not considered in this research, such as price perceptions, service quality, or other psychological factors that can also influence consumer purchasing decisions. Thus, the results of this regression analysis underscore the importance of considering the complexity of variable interactions in consumer decision-making as well as the need for rigorous testing to gain a more comprehensive understanding of the factors that contribute to purchasing decisions. From the coefficient of determination (R2) value of 0.12 obtained, it can be concluded that around 12% of the variation in purchasing decisions can be explained by the independent variables included in the regression model (experiential marketing, perceived quality, and advertising). However, it should be noted that most of the
variability, approximately 89%, in purchasing decisions cannot be explained by the variables examined in this study. This shows that there are other factors that are not included in the analysis model, such as price perceptions, service quality, product quality, and other factors that have been proven to have a significant influence on purchasing decisions based on theory and previous research results. While advertising, perceived quality, and experiential marketing accounted for 12.5% of the variation in purchasing decisions, the majority of the variability indicates that other factors, which were not considered in this analysis, may also have a significant impact. In order to have a fuller and more accurate picture of the elements influencing consumer purchase behavior, it is crucial to take into account additional aspects that might be significant in explaining purchasing decisions overall, as indicated by the results of this coefficient of determination test.

Statistical analysis shows several things related to the influence of experiential marketing variables on purchasing decisions on marketplace platforms. From the comparison results, the t-count value is 1.96. This shows that the regression coefficient for the experiential marketing variable is not statistically significant. Furthermore, Ha is rejected while Ho is approved since the significance value is 0.6. This suggests that the experiential marketing regression coefficient may not have a substantial impact on purchasing decisions when considered in isolation. However, it is important to note that these findings should not be used as the sole basis for concluding that experiential marketing has no influence at all on purchasing decisions. These results need to be reconsidered carefully, considering that statistical analysis methods have certain limitations and there are other aspects that may not have been considered in the model. Experiential marketing aims to attract consumer attention, create a deep impression, and influence purchasing decisions through memorable interactions with the products offered. Therefore, although the results of the statistical analysis show no significance, the theory emphasizes the importance of experiential marketing in influencing purchasing decisions by creating a strong experience for consumers. In this context, there is a need for further in-depth research or more detailed consideration of experiential marketing elements that may not be covered in statistical analysis to understand the true role of this variable in purchasing decisions.

The statistical analysis's findings provide crucial insight into how the perceived quality variable affects consumers' decisions to buy products on the Tokopedia marketplace. Based on the comparison findings, 0.12 is the t-count value. This demonstrates that there is no statistically significant regression coefficient for the perceived quality variable. Furthermore, Ho is approved while Ha is refused since the significance value is 0.9. This indicates that the regression coefficient of the perceived quality variable does not substantially affect purchase decisions, at least not on an individual basis. These results show that, within the analytical framework used, the perceived quality variable has no significant impact on purchasing decisions. Perceived quality refers to customers' perceptions of the superiority or quality of goods or services that meet their expectations. It is crucial to remember that these conclusions are only applicable within the parameters and bounds of the statistical analysis that was carried out. In actuality, consumer perceptions of quality have a significant impact on what they decide to buy. There might be more elements at work that the analytical model did not take into consideration, even though the statistical analysis was unable to find significance. Therefore, to fully grasp the true influence of the perceived quality variable on purchase decisions, it is advised to carry out additional, in-depth research or take into account additional factors that may not have been taken into account in this analysis.

Important findings about the impact of advertising variables on purchase decisions are revealed by statistical analysis. The comparison indicates a t-count value of 2.3. This suggests that there is statistical significance in the regression coefficient for the advertisement variable. Aside from that, Ha is accepted while Ho is refused since the significance value is 0.03. This suggests that purchasing decisions are significantly influenced by the advertisement variable's regression coefficient, at least in part. Regarding advertising, which is defined as non-personal, commercial communication about a company and its goods that is disseminated through mass media, these results validate that the advertising variable significantly influences consumer decisions. Public transportation, billboards, newspapers, magazines, radio, television, and direct mail are just a few examples of the media that can spread messages that impact consumer behavior and encourage the purchase of goods. It is crucial to keep in mind, nevertheless, that factors other than those included in the statistical analysis model might also have an impact on consumers' decisions to buy. Therefore, these findings can be used as an initial guide and show the importance of advertising in influencing purchasing behavior, but more in-depth follow-up research is needed to fully understand the role of advertising variables in the consumer purchasing decision process.

The findings of the anova analysis demonstrate that, in market-based businesses, the independent variables experience marketing, perceived quality, and advertising have a large combined impact on the dependent variable, purchase decisions. The significant link between these variables in explaining variations in purchase decisions is indicated by the f-count value of 5.25. The significance level value is 0.000 aside from that. This demonstrates that experiential marketing, perceived quality, and advertising collectively have a statistically significant impact on consumers' decisions to buy on the marketplace platform. This conclusion confirms that the three independent variables, namely experiential marketing, perceived quality, and advertising, not only have an individual influence but also play a simultaneous role in influencing product purchasing decisions. Thus, the analysis results confirm...
the importance of considering the interaction and joint contribution of these variables in designing effective marketing strategies in the online market environment. Based on the results of the processed data analysis, there are several aspects that stand out in each dimension of experiential marketing, perceived quality, and advertising. In experiential marketing, lifestyle stands out as the main indicator, allowing the company to portray itself through various promotional media such as advertisements on Instagram, Facebook, television, and so on. Furthermore, in improving perceived quality, customer service becomes an important focus by providing communication channels such as WhatsApp and telephone to handle customer complaints. This will make it easier for customers to convey their problems or complaints. On the other hand, in the advertising dimension, consumer actions as users stand out as the main indicator, showing that consumers who are not yet convinced by the existence of e-commerce applications tend to shop on other platforms. Therefore, it is recommended for companies to involve experts or experienced individuals in an effort to convince consumers to have more confidence in shopping on e-commerce, preventing switching to other platforms. The use of rapidly developing technology is also an important strategy for expanding promotional media such as advertising, print media, and online promotions via the internet.

4. Conclusion

The findings of the study indicate that customers who actively use the program are greatly influenced by advertising, perceived quality, and experience marketing when making judgments about what to buy. The buyer's decision value when perceived quality, advertising, and experiential marketing have no effect is shown by the "a" value of 13.4. In the event that no other factors are examined, the regression coefficients b1, b2, and b3 each show that a one-unit increase in the experiential marketing, perceived quality, and advertising variables will lead to an increase in purchasing decisions by 0.24, 0.2, and 0.24, respectively, in this study. According to the analysis's findings, e-commerce is a platform that significantly contributes to Indonesians' ability to purchase conveniently online. This application's use of experiential marketing, perceived quality, and advertising has been shown to significantly improve consumer purchasing decisions, enhancing its standing as a highly dependable e-commerce platform for fulfilling people's needs for online shopping. However, this research has a number of shortcomings and limitations, including the use of questionnaires as a data collection tool, which allows responses that are less serious or less understood by respondents. Therefore, it is recommended that future research adopt open interviews to gain a deeper understanding. In addition, the study only used three variables that influence purchasing decisions, while previous research shows that there are many other variables that are relevant. It is recommended to add or replace several independent variables, such as television advertising, celebrity endorsers, product quality, brand image, price, service quality, distribution, word of mouth, and other variables that also influence purchasing decisions.

References


