THE INFLUENCE OF TRUST AND PERCEIVED OF RISK ON PURCHASE DECISIONS IN E-COMMERCE SHOPEE AT STUDENTS OF THE FACULTY OF ECONOMICS AND BUSINESS, MAKASSAR STATE UNIVERSITY

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Abstract

The purpose of this study was to determine the effect of trust and perceived risk on purchasing decisions at E-commerce Shopee partially and simultaneously. The sample used was 100 students of the Faculty of Economics and Business who had been selected based on predetermined criteria. Data collection techniques were carried out using questionnaires and literature study. Data analysis techniques consist of validity test, reliability test, classic assumption test consisting of normality test, multicollinearity test, and heteroscedasticity test, multiple linear analysis test, hypothesis test, test of the coefficient of determination

The Trust variable has a positive and significant influence on purchasing decisions, the Perceived Of Risk variable has a positive and significant influence on purchasing decisions. the dependent variable of purchasing decisions can be explained by variables consisting of Trust and Perceived Of Risk, the rest is explained by other variables that were not examined in this study

Keywords: *Trusts*, *Perceived of Risk, Purchasing Decisions*

1. INTRODUCTION

During the pandemic, people's lifestyles underwent changes, they tended to be more careful in carrying out every social interaction, one of which was buying and selling transactions which resulted in a decline in the economy resulting from social restrictions, the development of e-commerce today is increasingly rapid, coupled with the pandemic conditions. E-commerce is a solution for transactions carried out in buying and selling and other transactions.

In 2019, in Indonesia the number of internet users is estimated to reach 175 million, which is around 65.3% of the total population of 268 million in Indonesia. (Beritasatu.com.id.2019). Internet users actively use it to complete buying and selling transactions, which encourages the creation of electronic commerce. In addition, the internet

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can have a positive impact on various parts of the media needed in terms of marketing and has great potential to advance the field of information technology.

The growth of global e-commerce in Indonesia has not only received public attention, but has also increased the number of entrepreneurs and small and medium enterprises (MSMEs). Due to the high share of the e-commerce market, people are increasingly aware of the need for technology that can be done anytime, anywhere, such as buying and selling online. The evolution of e-commerce was assisted by the emergence of various brands such as Tokopedia, Lazada, Bukalapak, Blibli.com, Jd.id, Shopee, and others. One of the most widely used e-commerce business models is C2C e-commerce or commonly called a marketplace, the following is e-commerce user data in 2022 in the second quarter:

| Ecommerce Name	Number of visitors
Tokopedia	158.3 million
Shopee	131.3 million
Lazada	26.6 million
Bukalapak	21.3 million
Blibli	19.7 million
JD.ID	2.3 million

Tokopedia dominates the e-commerce market in Indonesia. Based on data on iPrice, Tokopedia averaged 158.3 million website visits per month in the 2nd quarter of 2022, the highest among its competitors. Tokopedia's performance has also increased from the first quarter of 2022 with an average of 157.2 million website visitors per month. Shopee ranks second with an average of 131.2 million website visitors per month in the second quarter of 2022. This number has decreased from the previous quarter to 132.7 million visitors per month. The following order is Lazada, Bukalapak, Blibli, JD.ID, with the number of website visitors as shown in the table above.

Researchers take Shopee as an object in this research where Shopee is a C2C e-commerce platform originating from Singapore. At the end of May 2015, Shopee began entering the Indonesian market and began operating at the end of June 2015. The advantages of Shopee compared to other e-commerce are that there are many attractive and profitable programs for sellers and buyers, such as the use of Shopee Pay in transactions, has its own delivery service, features live steaming in the application and many other unique advantages of Shopee have attracted a lot of attention from sellers and buyers in online transactions, and the following is Shopee usage data from 2020 to 2022;

Year	Total
Q1-2020	71.6 Million
Q2-2020	93.4 Million
Q3-2020	96.5 Million
Q4-2020	129.3 Million

Q1-2021	127.4 Million
Q2-2021	127 Million
Q3-2021	134.4 Million
Q4-2021	138.78 million
Q1-2022	421, Million

From the data above, it can be seen that Shopee e-commerce users in 2020-2022 increased significantly to 71.6 million users in the first quarter of 2020 and had decreased slightly in the second quarter of 2021 with a total of 127 million users then increased to 421 million. users in the first quarter of 2022.
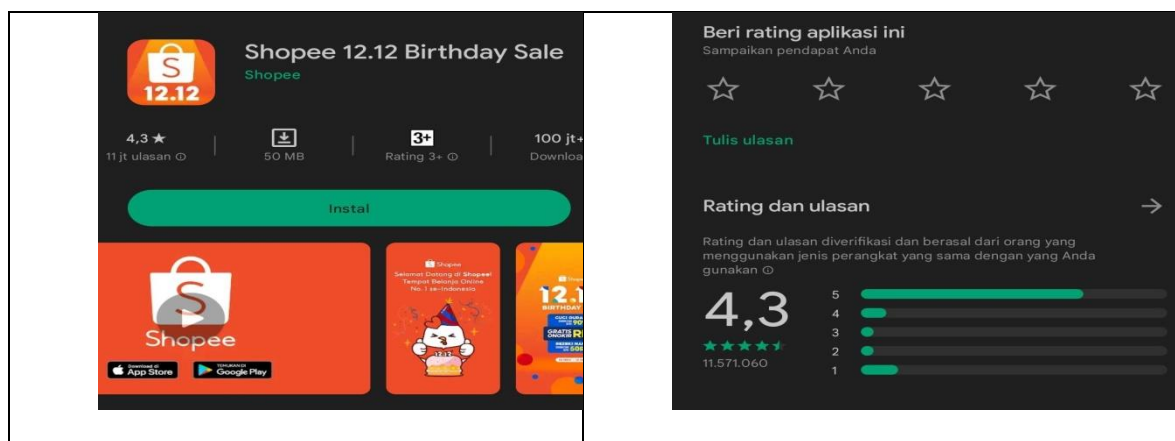
In the picture above, Shopee's reviews and ratings on the Play Store are very good. From 11 million reviews, it shows that Shopee gets an average of 4.3 stars and also good reviews about using the application. This shows that the level of trust and perceived risk is very important in the use or purchase decision of an application.

With the convenience brought by the Shopee application, it is hoped that it will increase the volume of purchases by the community as a whole. Sistaningrum (2002) says that advertising with social commerce is an action taken by companies to make current and potential customers want to buy the products offered by the company, now and in the future. Actual consumers are consumers who immediately buy a product offered by a company or immediately after the company starts advertising the product, while potential consumers are consumers who are interested in buying products offered by a company in the future, after consumers find out about the new product. product, consumers want to be influenced and persuaded to be ready to make purchasing decisions (Sistaningrum 2002).

According to Kotler (2002), purchasing decisions refer to consumer actions in choosing or not choosing a product. Assael (2001) explains that consumer decision making is a process in which consumers understand and evaluate brand information, consider the needs that must be met by alternative brands, and finally choose the right brand. Engel (1995) also states that purchasing decisions are made consistently and based on information to meet

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needs. Purchase decisions include product selection, number of products purchased, place of purchase, time of purchase, and method of purchase (Loudon & Bitta, 1993).

Kusumastuti (2011) revealed that a consumer's purchase decision is related to consumer confidence in a product so that it can generate confidence in the correctness of the actions taken. Customer trust in purchasing decisions represents the degree of customer confidence in product selection decisions (Kusumastuti, 2011).

Perception of risk also influences purchasing behavior through Shopee. Iswara (2016) shows that the higher the perceived risk, the higher the fear of consumers in making online transactions. In contrast, different concerns regarding e-commerce transactions can be psychological, logical, or economic in nature, such as fear of being scammed, dissatisfaction with products, confusing ordering experiences, and delayed delivery. Psychological problems such as doubts about the correctness of data and information because they have never met, as well as legal problems such as guaranteeing the authenticity of data can also affect consumer trust (Suherman, 2005).

Another risk when wanting to shop online at the Shopee application is that many sellers market their products on the Shopee application, making it difficult for customers to identify trusted sellers they can trust. In addition, there is a discrepancy between the original goods and the marketer's catalog of goods in the Shopee application when the goods arrive. This omission becomes a record for consumers when making purchases through the Shopee application. Xian et al. (2012) argues that in online shopping, risks arise because there is no direct interaction between sellers and buyers, so buyers tend to speculate about the credibility of sellers or the quality of the products they offer.

Wahyuningtyas (2015) conducted research to analyze the impact of perceived risk, convenience and benefits on online purchasing decisions (a case study of consumers of fashion products on Facebook) found that perceived risk has a significant and positive effect on online purchasing decisions. whereas Andriyani's research (2014) on the impact of safety factors, internet technology knowledge, service quality and perceived risk on purchasing decisions through social networks says that perceived risk has a negative impact on purchasing decisions through social networks.

Based on some of the explanations and data above, the researcher is interested in conducting research entitled "The Influence of Trust and Perceived Of Risk on Purchase Decisions at E-Commerce Shopee in Students of the Faculty of Economics and Business, Makassar State University".

The formulation of the problem as follows:
1. Does Trust affect purchasing decisions on E-commerce Shopee among students of the Faculty of Economics and Business, Makassar State University?

2. Does Perceived Of Risk affect purchasing decisions on E-commerce Shopee at the Faculty of Economics and Business, Makassar State University?
3. Do Trust and Perceived Of Risk affect purchasing decisions on E-commerce Shopee at the Faculty of Economics and Business, Makassar State University?

2. RESEARCH METHOD

A. Types of research

This research is a quantitative descriptive research, namely a method that aims to create an objective picture or description of a situation using numbers, starting from data collection, interpretation of the data as well as the appearance and results of Arikunto (2006).

B. Population and sample

In this study, the population was students of the Faculty of Economics and Business, Makassar State University, totaling 4637 people

As for determining the number of samples using the slovin formula so as to get a result of 97.88 which is rounded up to 100 respondents, then stratified sampling is carried out so that the number of respondents can be equally divided in each study program, then purposive sampling is carried outnamely the selection of samples based on predetermined criteria, while the criteria are as follows:

- Respondents who are active and registered students at the Faculty of Economics and Business, Makassar State University
- Respondents who use Shopee e-commerce from 2020 until now

C. Data collection technique

There are two data collection techniques used in this study, namely

- Questionnaire, Questionnaire is a data collection technique by giving a set of questions or written statements to respondents to answer them According to Sugiyono (2010).
- Library Studies, To apply the library method, researchers look for written objects such as books, journals and articles.

D. Data analysis techniques

a. Validity test

Validity test is used to measure the validity or validity of a questionnaire.

b. Reliability Test

To find out whether the questionnaire is reliable or not, it will check the reliability of the questionnaire using the SPSS computer program

c. Classic assumption test

- Multicollinearity Test

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This test is used to determine whether or not there is a correlation between the independent (independent) variables.

- Heteroscedasticity Test

    This test was conducted to analyze whether in the regression model there is an inequality of variance between the residuals from one observation to another.

- Normality test

    This test serves to check whether in the regression model, the dependent variable, independent variable or both are normally distributed.

- Multiple Linear Regression Analysis

    This analysis is used to determine how much influence the independent variables have, namely: Trust (X1), Perceived of risk (X2), on the dependent variable, namely purchasing decisions (Y)

d. Hypothesis testing

- T test (partial)

    The t-test serves to show how far the influence of one independent variable individually explains the variation of the independent variables Ghozali (2005).

- Simultaneous F Test

    The F-test is used to determine whether the independent variable affects the dependent variable at the same time.

- Coefficient of determination (R^2)

    intended to determine the best degree of accuracy in a regression analysis, which is expressed by the magnitude of the coefficient of determination (R^2) between 0 (zero) and 1 (one).

3. RESULTS AND DISCUSSION

A. Validity test

Trusts

No items	RCount	RTable	Information
1	0.780	0.196	Valid
2	0.634	0.196	Valid
3	0.744	0.196	Valid
4	0.871	0.196	Valid
5	0.737	0.196	Valid
6	0.748	0.196	Valid

Perceived of risk

No items	RCount	RTable	Information
1	0.769	0.196	Valid
2	0.851	0.196	Valid
3	0.821	0.196	Valid
4	0.819	0.196	Valid
5	0.852	0.196	Valid
6	0.863	0.196	Valid

Buying decision

No items	RCount	RTable	Information
1	0.555	0.196	Valid
2	0.814	0.196	Valid
3	0.767	0.196	Valid
4	0.797	0.196	Valid
5	0.785	0.196	Valid
6	0.742	0.196	Valid
7	0.745	0.196	Valid
8	0.729	0.196	Valid
9	0.732	0.196	Valid
1	0.724	0.196	Valid

All variables are declared valid because the Rcount obtained is greater than the Rtable

B. Reliability Test

Variable	*Chronbach's alpha*	Information
Trust (X1)	0.848	Reliable
Perceived of risk(X2)	0.906	Reliable
Purchase Decision (Y)	0.908	Reliable

Based on the table above, it can be said that all variables are reliable, this is because the value of Chronbach's alpha is greater than 0.6

## C. Classic assumption test
a. Multicollinearity Test

variable	*Chronbach's alpha*	Information
	tolerance	VIF
Trust (X1)	0.441	2,268
Perceived Of Risk (X2)	0.441	2,268

It can be seen that the tolerance for variables above its value exceeds 0.10. Meanwhile, the VIF value is less than 10.00. So according to the basis of the multicollinearity test decision it can be concluded that in the multicollinearity free regression model / there are no symptoms of multicollinearity.

b. Heteroscedasticity Test
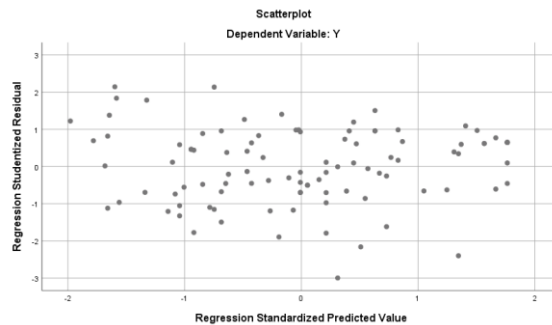
Based on the figure above, it can be seen that the dots do not form a particular pattern (wavy, widen and then narrow) then spread above and below the number 0 on the Y axis, so that in the regression model there is no heteroscedasticity.

c. Normality test
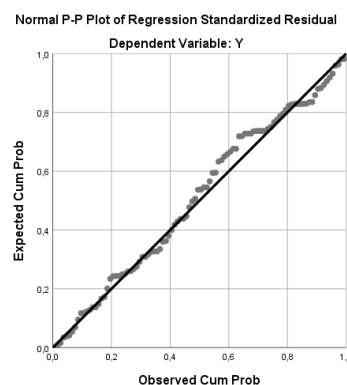
From the picture above it can be concluded that the research data is normally distributed in the regression model. This is because it can be read from the distribution (points) around the regression line (diagonal) and the distribution of data points in the same direction along the diagonal.

d. Multiple linear Regression Analysis

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	12,287	2,752		4,465	,000
	Trusts	,450	, 167	,258	2,691	,008
	Perceived Of Risk	,729	,123	,568	5,924	,000

a. Dependent Variable: Purchase Decision

- A constant of 12.287 if there is no quality of Trust, Perceived of risk, then the purchase decision variable has a fixed value of 12.287.
- b1 = regression coefficient X1 of 0.450, so each additional value of 1% can increase the value of the purchase decision by 0.450 assuming X2 has a fixed value.
- b2 = regression coefficient X2 of 0.729, so each additional value of 1% can increase the value of the purchase decision by 0.729 assuming X1 is a fixed value.

D. Hypothesis testing
a. Partial T test

Coefficientsa

Model		Unstandardized Coefficients B	Unstandardized Coefficients std. Error	Standardized Coefficients Betas	t	Sig.
1	(Constant)	12,287	2,752		4,465	,000
	Trusts	,450	, 167	,258	2,691	,008
	Perceived Of Risk	,729	,123	,568	5,924	,000

a. Dependent Variable: Purchase Decision

- X1 Trust has a significant value of 0.008 less than 0.05 and the direction of the regression coefficient is positive which means that X1 has a positive and significant influence on purchasing decisions
- X2 Perceived of risk has a significant value of 0.000 less than 0.05 and the direction of the regression coefficient is positive which means that X2 has a positive and significant influence on purchasing decisions.

b. Simultaneous F Test

ANOVAa

Model		Sum of Squares	df	MeanSquare	F	Sig.
1	Regression	2056,770	2	1028,385	75,058	,000b
	residual	1329,020	97	13,701		
	Total	3385,790	99			

a. Dependent Variable: Y
b. Predictors: (Constant), X2, X1

The table above shows a significant probability of 0.000, where the value is less than 0.05 so that the independent variables, namely Trust and perceived risk, have a significant effect on purchasing decisions

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a. Coefficient of determination (R2)

Summary modelb

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	, 779a	,607	,599	3,702

a. Predictors: (Constant), X2, X1
b. Dependent Variable: Y

Based on the table above, it can be seen that the Adjusted R Square result obtained is 0.599, which means that the ability of the Trust and Perceived of risk variables in explaining purchasing decisions is 59.9%, while the remaining 40.1% is explained by other variables not examined in this study. This.

E. Discussion

The Trust variable (X1) has a T count of 2.691 and a significant value obtained is 0.008 <0.05. So it can be said that the Trust variable has a positive and significant influence on purchasing decisions (Y). this indicates that the higher the Trust offered, the level of purchasing decisions also increases, one of the factors that can influence this is the large selection of product types and also the features offered by Shopee.

Perceived variable of risk (X2) has a T count of 5,924 and the significant value obtained is 0.000 <0.05. So it can be said that the Trust variable has a positive and significant influence on purchasing decisions (Y). this indicates that the higher the Trust offered, the level of purchasing decisions also increases, one of the factors that can influence this is the large selection of product types and also the features offered by Shopee. Based on the results of data analysis in this study, it can be seen that the variables Trust and perceived of risk simultaneously have an influence and are significant on this purchase decision.

4. CONCLUSION

- *Trusts* partially and significantly influence purchasing decisions on E-commerce Shopee in students of the Faculty of Economics and Business, Makassar State University, this indicates that the higher the Trust offered by Shopee, the level of purchasing decisions also increases, one of the factors that can influence this yes, there are many types of products or goods and also the features offered by Shopee.

- *Perceived Of Risk* partially and significantly influence purchasing decisions on E-commerce Shopee in students of the Faculty of Economics and Business, Makassar State University, this indicates that the lower the Perceived Of Risk for E-commerce Shopee, the level of purchasing decisions also increases, one of the factors that can influencing this are the many types of products or goods and also the features offered by Shopee.

- *Trusts* and Perceived Of Risk simultaneously and significantly affect purchasing decisions on E-commerce Shopee for students of the Faculty of Economics and Business, Makassar State University.

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