



The Influence of Service Quality, Promotion, and Secure Transaction Towards Purchase Decision (Study Case on Tokopedia.com)

Maria Rosita Purwaningrum¹, Lamhot Henry Pasaribu²

^{1,2} Department of Magister Management, Faculty of Economics and Business, Pelita Harapan University Jl. Jend. Sudirman No.50, RT.1/RW.4, Karet Semanggi, Setiabudi, South Jakarta, Jakarta 12930, Indonesia

ARTICLE INFO

Keywords:

Service Quality,
Promotion,
Secure Transaction,
Purchase Decision

ABSTRACT

In the current digital era, shopping through the e-commerce will be more convenient and efficient. Many online shops appear in social media where the security is not guaranteed. This study aims to see how much is the influence of quality service, promotion and secure transaction towards purchase decision at Tokopedia. The numbers of visitors that have been decreasing throughout 2020 was the main reason to have this research, where one of its competitors finally defeated Tokopedia. The research model is a modification and a novelty of previous research, which in previous studies only used variables of service quality, promotion and purchase decision. The addition or novelty of this research is to add a secure transaction variable as the dependent variable. This research is an explanatory research with non-probability sampling that uses a snowball system to distribute the questionnaire. This research was conducted towards specific respondents, which is a graduate college student in the Jabodetabek area. Promotion and secure transaction are proven to have a positive and significant influence on purchase decision at Tokopedia. The variable of service quality, it is not proven to have an influence on purchase decision at Tokopedia, especially among postgraduate students in the Jabodetabek area.

E-mail:

maria.purwaningrum@hotmail.com

Copyright © 2021 Enrichment : Journal of Management.
All rights reserved.

1. Introduction

Nowadays, the technology developments give a major impact in our lifestyle. The rapid development of the internet network makes everyone get easy access to the internet. According to Harjono (2009) the internet is a collection of several computer devices and reach millions of computer devices around the world that are integrated and connected from one computer to another using a medium such as a cable or optical fiber. [12] In addition, the media used may also through satellite or a telephone network. The use of the internet has also developed a lot. The internet is not only used through computer devices, but can be accessed via gadgets and smartphones. Previously the use of the internet was more for email, data search, gaming and chatting. But now the internet is also used for trade, advertising, promotion, online learning, watching news or movies and others. There are so many benefits of the internet that can be enjoyed by all parties. Transactions of buying and selling through the internet are often referred to as e-commerce.

In Indonesia there are many marketplaces that serve buying and selling transactions. According to Strauss & Raymond (2001), marketplace is the use of applications and electronic data for a design and implementation of the concept, then proceed with the distribution and value or price of an idea, service or goods to create exchanges between individuals and organizations that can satisfy their goals. [31] Basically the marketplace has a concept like a traditional market, where buying and selling transactions are carried out electronically. Like a market, the marketplace only provides an electronic space where sellers can sell merchandise through the market. Marketplace is not responsible for the goods sold, both in terms of price, quality and type of the goods sold. However, the marketplace may prevent a consumer fraud, for example a marketplace will pay the seller if the buyer has confirmed that the purchased goods have been received, in good condition and so on. If there is something that is not good, the consumer may inform the marketplace so that the payment to the seller will be postpone until the issues has cleared both side.

There are more than 40 sites in Indonesia that provide an online trade platform for both individual and corporate sellers. In the Q3 2019, Tokopedia ranked in the first place as the most visited marketplace. [14] Tokopedia was having the highest number of visitors, amounting to 66 million visitors. Shopee ranked second after Tokopedia where Shopee has 56 million visitors. [14]

In Q2 2020 Shopee has become the first, which was then followed by Tokopedia in second place. [30] Tokopedia's visitor has been declined from 137.2 million visitors to 85 million in Q3 2020. The number of Tokopedia's visitors began to decrease in Q3 2019 and finally Tokopedia was defeated by Shopee since Q4 2019. The number of Tokopedia visitors has been slightly increased per quarter since Q1



2020, however the number has not been able to compete the increasing number of Shopee's visitors as shown in the Table 1. [13] The phenomenon gap in this research is Tokopedia's has been shifted from the first to the second rank, replaced by Shopee which has managed to rise into the first rank. This significant changes on the visitor number is the main reason to do this research.

Table 1.

Tokopedia VS Shopee

Year		Shopee	Tokopedia
2019	Q1	74.995.300	137.200.900
2019	Q2	90.705.300	140.414.500
2019	Q3	55.964.700	65.953.400
2019	Q4	72.973.300	67.900.000
2020	Q1	71.533.300	69.800.000
2020	Q2	93.440.300	86.103.300
2020	Q3	96.532.300	84.997.100
2020	Q4	129.320.800	114.655.600

Tokopedia is an Indonesian technology company that has a mission to achieve economic equality digitally. The presence of Tokopedia opens up great opportunities for traders to penetrate markets throughout Indonesia and also create jobs from Aceh to Papua. Tokopedia's superiority in penetrating the Indonesian market from Aceh to Papua has not been able to beat Shopee's ranking which is currently in ranked one. Shopee has a strength that Tokopedia does not have where Shopee is able to capture markets in the ASEAN region, while Tokopedia is still focused only Indonesian market. Another advantage that Shopee has is that Shopee has a digital payment platform called Shopee Pay that can be used in various places/stores (not only for the Shopee application) such as at malls, restaurants and other places. Payment with Shopee Pay will give you more advantages such as a discount or cashback directly to the user account. Shopee also have a live streaming shopping that Tokopedia doesn't have. Shopee Mall shows products based on their brands which easier for customer to shop. Meanwhile Tokopedia do not have this kind of service, however, Tokopedia have many official stores from many brands as well.

Tokopedia has millions of seller and partners which provide our needs such as fashion, electronic, hobbies, and other. Tokopedia has also a financial feature service for insurance, credit card, mutual funds and gold savings. Tokopedia has given an easy access to every user to fulfil their needs. This research will discuss more about Tokopedia where the service quality, promotion and secure transaction may influence buyer's purchase decision at Tokopedia.

2. Literature Review and Hypothesis

2.1 Service Quality

Kotler and Keller (2009) define service as an invisible act offered by one party to another that does not lead to ownership of anything, the production of which can be linked or not to a physical product. [19] Wijaya (2011) stated that service quality is a measure of how well the level of service provided can match customer expectations. [37] Quality is something that is decided by the customer. According to Kotler and Keller (2016) wrote that there are 10 essential things to increase service quality in many service industries; such as listening, reliability, basic service, service design, recovery, surprising customer, fair play, teamwork, employee research and servant leadership. [20] Service quality model describe gap between marketing and consumer. [20] The service quality model identified few gaps that may hinder a good service such as gap between consumer expectation and management perception, gap between management perception and service quality specification, gap between service quality specification and service delivery, gap between service delivery and external communication, and the last gap between perceived and expected service. Based on these five service quality models, there are five determinant of service quality such as reliability, responsiveness, assurance, empathy and tangible. Each of these service quality models has its own SERVQUAL attribute to describe each factor.

2.2 Promotion

Promotions carried out by a company to provide attractiveness, information and present their products to the public. Sales promotion is a key element in marketing campaigns, which designed to stimulate faster or larger product purchases by both customers and merchants (Kotler & Keller, 2016).



[20] The promotional mix is a specific blend of advertising, public relations, sales promotion, direct marketing and personal selling tools used by a company to communicate value to customers persuasively.

In the implementation of a service-based business, the 7P marketing mix will be more suitable for the business. Referring to previous research journals, according to Darmawan and Rodhiyah (2016), that the marketing mix in the services business consists of 7 (seven) aspects, which are product, price, place, promotion, physical evidence, people and process.[5]

2.3 Secure Transaction

Everyone want to make his or her payments and their bank transaction in a safe way. A secure payment system will make buyers feel comfortable during shopping. Nowadays, many consumers make payments to online stores, especially when they shop through e-commerce. According to Rahayu H., Sismanto, A., and Arianto, T. (2020), there are three (3) transaction security factors, which are security guarantees, data confidentiality and product conformity guarantees. [25]

2.4 Purchase Decision

Kotler and Armstrong (2014) state that the purchase decision is a stage in a decision-making process by the buyer where the consumer actually buys the desired goods/services. [18] Kotler and Keller (2016) stated if consumers have evaluated a product or a brand, there are two (2) factors in the middle between buying intentions and purchasing decisions as shown on Fig 1 below. [20] They are attitudes of other and unanticipated situational factors. A person's buying decision can be influenced by the views of others on the buyer's choice and things that happen unexpectedly or unanticipated when they want to make a purchase decision.



Fig 1. Purchase Decision Making

2.5 Hypothesis

Based on above literature review and previous research, this research focused on variables that have influence towards purchase decision, such as service quality, promotions and secure transaction. The research model is propose as shown on below Fig.

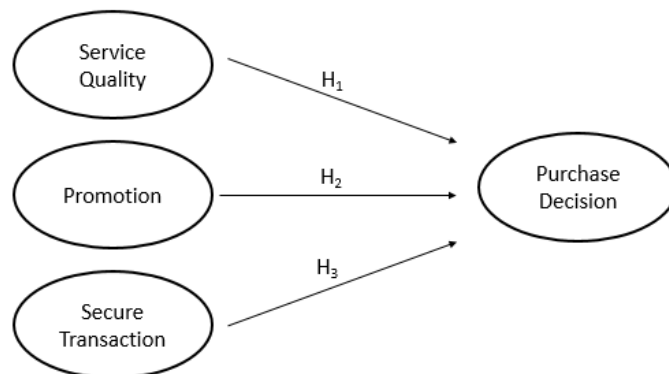


Fig 2. Research Model



Based on above research model, literature review and previous research, there are three (3) hypotheses that proposed on this research:

H₁: There is positive influence of service quality towards purchase decision on Tokopedia.

H₂: There is positive influence of promotion towards purchase decision on Tokopedia.

H₃: There is positive influence of secure transaction towards purchase decision on Tokopedia.

3. Research Methods

Unit analysis in this research was the postgraduate student at Jabodetabek area that has been using Tokopedia as their e-commerce platform. This research is an explanatory research and looked for the greatest relation between independent variables towards dependent variable. The questionnaire used a 7-points likert scale and spreaded to the postgradures students with snowball sampling technique. There were 139 respondents that have been responded to the quistionnaire and only 46 questionnaires that were qualified to be analyzed. The other 93 respondents were not qualified due to invalid answers and have never been using Tokopedia. These 46 qualified data were analysed using Smart PLS Software with PLS-SEM approach.

4. Result, Analysis and Discussion

Research data analysis was conducted to determine whether the research variables and their indicators were valid, reliable and able to prove whether the hypothesis was acceptable or not. The analysis will be looking at the results of the measurement model (outer model) and structural model (inner model). The measurement model will show each outer loadings value, cronbach alpha, composite reliability and AVE. This measurement model has to be analyzed first to see if each variables and their outer loadings are valid and reliable.

Tabel 2
Construct and Indicator Evaluation

Construct	Code	Indicator	Outer Loadings	Cronbach's Alpha	Composite Reliability	AVE
Service Quality	S4	Service serving Tokopedia's	0,889	0,758	0,892	0,805
	S5	website/application design	0,906			
Promotion	P1	Discount	0,678	0,893	0,919	0,655
	P2	Promotion creativity	0,853			
	P3	Promotion differentiation	0,839			
	P4	Marketing campaign	0,895			
	P5	Promotion media	0,798			
	P6	Promotion advertising	0,776			
Secure Transaction	T1	Protect customer data	0,881	0,897	0,928	0,763
	T3	Secure guarantee	0,871			
	T4	Fraud prevention	0,884			
	T5	Feel safe during transaction	0,858			
Purchase Decision	D3	Product interest	0,708	0,707	0,815	0,528
	D5	Stimulation to buy a product	0,831			
	D6	Product alternate	0,747			
	D7	Desire to try	0,601			

This research were using 31 indicators, however, there were 15 indicators that has been eliminated during the process and leaving 16 indicators that are acceptable for the test. Based on Table 2, all variables and their indicators (outer loadings), Cronbach's Alpha and Composite Reliability are valued more than 0,7. This means that all variables and their indicators are accepted and reliable. The AVE test shows that all variables valued more than 0,5 which indicates that these variables are valid. The acceptable AVE value is 0.5 or higher indicates that each construct explains at least 50% of the variance



Enrichment: Journal of Management

journal homepage: www.enrichment.iocspublisher.org



of the items/indicator used. Another test has been carried out as well to check discriminant validity by looking at the Fornell-Larcker metric and the HTMT (Heterotrait-Monotrait) criterion that shows on Table 3 below.

Table 3
Discriminant Validity

Fornell-Larcker Criterion				
	Promotion	Purchase Decision	Secure Transaction	Service Quality
Promotion	0,81			
Purchase Decision	0,49	0,73		
Secure Transaction	0,47	0,63	0,87	
Service Quality	0,19	0,37	0,37	0,90
Heterotrait-Monotrait Ratio (HTMT)				
	Promotion	Purchase Decision	Secure Transaction	Service Quality
Promotion				
Purchase Decision	0,56			
Secure Transaction	0,52	0,74		
Service Quality	0,22	0,49	0,44	

Table 3 shows discriminant validity on each construct that indicates all construct are autonomous and each construct stands on its own. This means that each construct is valid.

The evaluations in the structural model or inner model can be carried out if the test results of the measurement model has showed good result, especially on reliability and validity test. In the structural model test, it can show the path coefficient value or relationship between independent variables and dependent variable. The structural model determine how significant is the influence between independent and dependent variable. The value of coefficient of determination or commonly known as R² (R Square) is used to measure the variance in each endogenous construct and can be used as the predictive power. By looking at the value of R square, it will show how much is the influence of the independent variables have on the dependent variable.

Table 4
R Square (R²)

Variable Dependent	R Square (R ²)
Purchase Decision	0,47

Based on the R² value on the dependent variable (purchase decision), it shows that this variable is influenced by the independent variables for 0.47 or 47%, which are the service quality, promotion and secure transaction. Meanwhile, the other 53% is influenced by other factors beyond this research variables.

Table 5
Path Coefficient

Path & Hypothesis	Original Sample (O)	T-Statistics (O/STDEV)	P-Values	Significant	Hypothesis Supported / Not Supported
Path: Service Quality -> Purchase Decision H1: There is positive influence of service quality towards purchase decision on Tokopedia	0,15 (2,25%)	0,96	0,17	No	Not Supported
Path: Promotion -> Purchase Decision H2: There is positive influence of promotion towards purchase decision on Tokopedia	0,25 (6,25%)	1,99	0,02	Yes	Supported



Path & Hypothesis	Original Sample (O)	T-Statistics (O/STDEV)	P-Values	Significant	Hypothesis Supported / Not Supported
Path: Secure Transaction -> Purchase Decision					
H3: There is positive influence of secure transaction towards purchase decision on Tokopedia	0,46 (21,16%)	3,36	0,00	Yes	Supported

Based on above table, there is a positive influence of service quality towards purchase decisions for 2,25%. However, the hypothesis is not supported and the influence of service quality towards purchase decision is not significant as the Tstatistics value is smaller than Ttable ($0,96 < 1,645$) and the P-value is greater than 0,05 ($>0,05$). Therefore the hypothesis H_1 is not supported and not in-line with the previous research. [5]

The relationship between promotion towards purchase decision have a positive influence for 6.25% and the Tstatistic $1,99 > Ttable 1,64$ which mean that promotion has a significant influence on purchase decision. The relationship between promotion and purchase decisions has a P-values for 0,02 which indicates the hypothesis H_2 is supported and in-line with the previous. [5][6]

Secure transaction has a positive influence for 21,16% on the purchase decision and the P-value is 0,00. Secure transaction has is most significant influence among other variables, where the value of the Tstatistics $3,36 > Ttable 1,645$. This means that the hypothesis H_3 is supported and in-line with the previous research. [25][32]

5. Conclusion

Based on the test result and its discussion in this research, it can be concluded that the service quality has not been proven to have a positive influence on purchase decisions at Tokopedia. Promotion has been proven to have a positive and significant effect on purchase decision variables at Tokopedia. Transaction security has been proven to have a positive and most significant influence on purchase decisions at Tokopedia. The difference between respondents in this research and previous research gave a different results where the service quality did not affect purchase decisions at Tokopedia, especially for postgraduate students in the Jabodetabek area.

6. References

- [1] Ahman, A. (2020). Penyebab Shopee Bisa Salip Tokopedia di Indonesia. Retrieved from Urbanasia: <https://www.urbanasia.com/penyebab-shopee-bisa-salip-tokopedia-di-indonesia-U6634>
- [2] Aldo Fenalosa, I. L. (2019). Highlight Belanja Online Indonesia. iPrice Group.
- [3] Anggriawan, M. O., Tarigan, R. P., & Yuriki. (2021). Pengaruh Dari Celebrity Endorsement Terhadap Intention To Purchasing Online Yang Dimediasi Oleh Attitude Towards Advertising Serta Attitude Towards Online Store Image Dengan Pemoderasi Hedonic Motivation (Studi Kasus Pada Tokopedia Dengan Endorser BTS)
- [4] Aristo, S. F. (2016). Pengaruh Produk, Harga, Dan Promosi Terhadap Keputusan Pembelian Konsumen Woless Chips. Performa: Jurnal Manajemen dan Start-Up Bisnis.
- [5] Darmawan, W. I., & Rodhiyah. (2016). Pengaruh Kualitas Layanan Dan Promosi Terhadap Keputusan Pembelian Pada E-Commerce Tokopedia Di Kota Semarang.
- [6] Fahrevi, S. R., & Satrio, B. (2018). Pengaruh Harga, Promosi, Dan Kualitas Pelayanan Terhadap Keputusan Pembelian Online Di Shopee.Co.Id. Jurnal Ilmu dan Riset Manajemen Volume 7, Nomor 3, Maret 2018.
- [7] Firdausy, C. M., & Idawati, R. (2017). Effects of Service Quality, Price and Promotion on Customers' Purchase Decision of Traveloka Online Airline Tickets in Jakarta, Indonesia. International Journal of Management Science and Business Administration, Volume 3, Issue 2, January 2017. DOI: 10.18775/ijmsba.
- [8] Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). Multivariate Data Analysis. Pearson.
- [9] Hair, J. F., Hult, G. T., Ringle, C. M., & Sarstedt, M. (2013). A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM). Los Angeles: SAGE Publications, Inc.
- [10] Hair, J. F., Hult, G. T., Ringle, C. M., & Sarstedt, M. (2017). A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM). Los Angeles: SAGE Publications, Inc.



- [11] Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*. Vol. 31 No. 1, pp. 2-24. <https://doi.org/10.1108/EBR-11-2018-0203>.
- [12] Harjono. (2019). *E-comemerce*. Jakarta: PT Gramedia Pustaka Utama.
- [13] iPrice.(n.d.). iPrice. Retrieved from Peta E-Commerce Indonesia: <https://iprice.co.id/insights/mapofecommerce/>
- [14] Jayani, D. H. (2019, Oktober 22). Databoks. Retrieved from 10 E-Commerce dengan Pengunjung Terbesar Kuartal III-2019: <https://databoks.katadata.co.id/datapublish/2019/10/22/inilah-10-e-commerce-dengan-pengunjung-terbesar>
- [15] Jayani, D. H. (2020, November 24). Databoks. Retrieved from Pengunjung Situs Tokopedia Menurun Jadi 85 Juta Pada Kuartal III 2020: <https://databoks.katadata.co.id/datapublish/2020/11/24/pengunjung-situs-tokopedia-menurun-jadi-85-juta-pada-kuartal-iii-2020>
- [16] Kotler, P. (2000). *Manajemen Pemasaran*. Jakarta: Prehalindo.
- [17] Kotler, P., & Armstrong, G. (2014). *Principles of Marketin*, 12th Edition. Jakarta: Erlangga.
- [18] Kotler, P., & Armstrong, G. (2014). *Principles of Marketing*, 12th Edition. Jakarta: Erlangga.
- [19] Kotler, P., & Keller, K. L. (2009). *Manajemen Pemasaran*. Jakarta: PT Index.
- [20] Kotler, P., & Keller, K. L. (2016). *Marketing Management 15th Edition*. Pearson.
- [21] Lupioyadi, R. (2016). *Manajemen Pemasaran Jasa Berbasis Kompetensi*. Jakarta: Salemba Empat.
- [22] Mufarrohah, L., Hufron, M., & Rahman, F. (2020). Pengaruh Kepercayaan, Keamanan dan Kualitas pelayanan terhadap keputusan pembelian online (Study Pada Pengguna Situs lazadaMahasiswa Kos di Kecamatan Lowokwaru Kelurahan Merjosari). *e – Jurnal Riset Manajemen*.
- [23] Muliani, & Wardhani, F. I. (2020). Pengaruh Promosi Di Instagram Dan Kualitas Pelayanan Terhadap Keputusan Pembelian Nasi Penggoda Secara Online Melalui Ojek Online (Ojol) Pada Masa Karantina Covid-19 Di Kota Pontianak. *Integra Volume 10 No. 2, Juni 2020*.
- [24] Purwati, V. D., & Hidayati, L. L. (2018). The Effect Of Relationship Marketing, Security Of Transactions, Trust And Service Quality On Online Purchase Decisions (Empirical Study at Muhammadiyah University Magelang). *Prosiding Business and Economics Conference In Utilizing of Modern Technology*, 1-14.
- [25] Rahayu, H., Sismanto, A., & Arianto, T. (2020). The Effect Of Prices, Product Reviews, Ease Of Use, And Security Of Transactions On Purchasing Decisions Online In Shopee. *Bima Journal: Bussines Managemet and Accounting*.
- [26] Samosir, C. B., & Prayoga, A. B. (2015). *Jurnal Pengaruh Persepsi Harga Dan Promosi Terhadap Keputusan Pembelian Konsumen Produk Enervon-C*. *Jurnal Ilmiah Manajemen dan Bisnis Volume 1, Nomor 3, November 2015*.
- [27] Sekaran, U. (2003). *Research Methods For Business A Skill-Building Approach*. John Wiley & Sons, Inc.
- [28] Setyowati, D. (2020, September). 'Senjata' Shopee Geser Posisi Tokopedia saat Pandemi Corona. Retrieved from Katadata: <https://katadata.co.id/desysetyowati/digital/5f63494f10287/senjata-shopee-geser-posisi-tokopedia-saat-pandemi-corona>
- [29] Simmamora, B. (2004). *Riset Pemasaran*. Gramedia Utama.
- [30] Statista. (2020). Retrieved from Indonesia Top 10 E-commerce Sites: <https://www.statista.com/statistics/869700/indonesia-top-10-e-commerce-sites/>
- [31] Strauss, J., & Raymond, F. (2001). *E-Marketing 2nd Edition*. New Jersey: Prentice Hall.
- [32] Sudjatmika, F. V. (2017). Pengaruh Harga, Ulasan Produk, Kemudahan, Dan Keamanan Terhadap Keputusan Pembelian Secara Online Di Tokopedia.Com. *Agora Vol. 5, No. 1*.
- [33] Sugiyono. (2019). *Metode Penelitian Kuantitatif*. Bandung: Alfabeta.
- [34] Swastha, B. (2020). *Manajemen Pemasaran Modern Edisi Kedelapan*. Yogyakarta: Liberty.
- [35] Talenta, A. M., Mardinsyah, A., & Raharjo, R. H. (2020). Antecedent Dari Customer Trust, Satisfaction Dan Flow Experience Serta Dampaknya Pada Customer Loyalty Music Streaming (Studi Kasus Layanan Langit Musik).
- [36] Tokopedia. (2021). Tokopedia. Retrieved from About Tokopedia: <https://www.tokopedia.com/about/>
- [37] Wijaya, T. (2011). *Manajemen Kualitas Jasa*. Jakarta: PT Index.