

Consumer Independence Against the Decisions to Buy Online Products

Meiliyah Ariani*

Fakultas Ekonomi dan Bisnis
Universitas Prof. Dr. Moestopo (Beragama)
Jakarta, Indonesia
*meiliyah_ariani@dsn.moestopo.ac.id

Zulhawati Zulhawati

Fakultas Bisnis, Psikologi dan Komunikasi
Universitas Teknologi Yogyakarta
Yogyakarta, Indonesia
zulhawati@uty.ac.id

Panji Putranto

Fakultas Ekonomi dan Bisnis
Universitas Mercubuana
Jakarta, Indonesia
panji.putranto@mercubuana.ac.id

Abstract—The aim of this study was to examine the effects of public policy, technical standards and organizational systems of e-commerce to online purchasing decisions. Public policy of e-commerce is measured by law / taxes & privacy issues, speech-free and domain names. The technical standards of e-commerce are measured by documents, security / network protocols and payment systems. The organization's system of e-commerce is measured with partners, competitors and associations & government services. Online purchasing decisions are measured by problem identification, information search, alternative evaluation, purchasing decisions and post purchase behavior. The analysis model used in hypothesis testing is multiple regression analysis with the help of SPSS version 20 program. This analysis is based on valid questionnaires from 120 respondents collected from e-commerce consumers in South Jakarta. The results of this study indicate that public policy, technical standards and organizational systems of e-commerce have a positive and significant effect on online purchasing decisions.

Keywords: *independence, public policy, technical standards, organizational systems, e-commerce, online purchasing decisions*

I. INTRODUCTION

The process of globalization which is very fast accompanied by the development of information and communication technology has brought significant changes to human life. In the process of globalization is the limited boundaries and barriers, exchange of information and communication can be easily and quickly obtained by each individual wherever and whenever. The development of modern technology has implications for changes in performance for human life, and technology that is a winner and is growing rapidly is a technology that serves and

accommodates humans as a whole rather than just sophisticated technology created for sophistication itself [1].

One embodiment of the development of information and communication technology is the internet network. Internet technology has given a large enough role to the business, so that business and economic development is often a major concern. This development which then creates opportunities for creative economic actors to see new business opportunities. Where the current economic transactions are no longer carried out directly, but rather indirectly. From the development of information and communication technology, new ways are formed to access new markets through electronic commerce or what is commonly called *e-commerce*.

In the past 5 years, *e-commerce* in Indonesia has proven its glory. Even Indonesia's *e-commerce* market has the potential to be the largest in Southeast Asia, because it is considered as the country with the strongest mobile penetration [2]. But in reality, until now there are still often threats and problems related to *e-commerce*. This crime refers to *cybercrime*, for example, a case of piracy on an *e-commerce* site, an online ticket that was recently revealed, then several cases of fraud that occurred on the Lazada ID site. The case of account hijacking caused burglary credit cards belonging to consumers for transactions that were not carried out by consumers, it turns out cases like this have happened to several consumers and again occur at Lazada ID.

The Objectives Advanced Research are (1) to identify and explain the effect of public policy of *e-commerce* on purchasing decisions *online*; (2) to find out and explain the effect of *e-commerce* technical standards on *online* purchasing decisions; (3) to know and explain the influence of *e-commerce* organization systems on *online* purchasing decisions.

II. LITERATURE REVIEW

A. E-Commerce

E-commerce is part of e-business, where the scope of e-business is broader, not only for business but also includes collaborating with business partners, customer service, job vacancies and others. In addition to the www network technology, e-commerce also requires database or database technology, e-mail and other forms of non-computer technology such as goods delivery systems and payment tools for e-commerce

Electronic commerce or commonly abbreviated as e-commerce is electronic commerce that includes the process of buying, selling, transferring, exchanging products, services or information through a computer network [3].

B. Online Purchase Decision (Y)

Purchasing decision is a selection of two or more alternative choices that result in a decision to buy or not buy, this means that alternative choices must be available when consumers will make a decision. In other words, consumers who want to make choices must make choices from various alternatives. If alternative choices do not exist, then actions taken without these choices cannot be said to make a decision [4].

C. E-Commerce Public Policy (X1)

Public policy as a series of actions proposed by a person, group or government in a particular environment, with the threats and opportunities that exist [5]. The proposed policy is intended to exploit the potential while overcoming existing obstacles in order to achieve certain goals. The pillars of public policy on e-commerce consist of tax, legal and privacy issues, free speech and domain names [6].

D. E-Commerce Technical Standards (X2)

Special technical standards of e-business, where e-commerce is part of e-business, is to facilitate the exchange of data between one company with another company [7]. This can mean that the technical standards that exist in e-commerce function as a facilitator to handle the data exchange process between consumers and e-commerce parties. Technical standards are considered to be one of the four main areas as a pillar supporting e-commerce, where the technical standard pillars consist of documents, security and network protocols, and payment systems [6].

E. E-Commerce Organization System (X3)

E-Commerce Organization System an organization is a social unit of a group of people who interact with each other according to a certain pattern so that each member of the organization has their respective functions and duties, as a unit that has certain goals and has limits clear boundaries, so they can be separated [8].

E-commerce if viewed from the perspective of collaboration is a facilitator that can be used to enable the collaboration process in an organization both between

organizations and between organizations [9]. This can be interpreted that e-commerce is considered as a forum between organizations in forming business collaboration. E-commerce must work with several related organizations such as the bank in handling payments, and the logistics in handling the delivery of goods. Good cooperation between organizations will build trust and comfort for consumers to transaction online.

III. METHODS

A. Hypothesis Development

This section presents hypothesis development.

H1: Public policies of e-commerce influence on online purchasing decisions.

H2: E-commerce technical standards influence online purchasing decisions.

H3: The e-commerce organization system influences online purchasing decisions.

H4: Public policies, technical standards and e-commerce organization systems influence online purchasing decisions.

B. Model and Research Design

Model and design of this research were to obtain data on the variables that influence public policy, technical standards and the organizational system of e-commerce on purchasing decisions online. This type of research used in this research is descriptive research with a quantitative approach.

Research quantitatively based on the philosophy of positivism, is used to examine the population or a particular sample, data collection using research instruments, quantitative data analysis / statistics, with the aim to test the hypothesis that has been set [10].

The population in this research is the people who live in South Jakarta. The size or number of samples that will be used in this study is 120 respondents. The sampling technique used in this study is the quota sampling method.

C. Research Variables

The variables used in this study consist of 2 (two) variables:

- Independent variables are used in this research to include public policies, technical standards, and organizational systems.
- Dependent variable is used in this study to include online purchasing decisions.

D. Data Analysis Method

Data analysis methods used in this study are:

- 1) *Descriptive statistics test* [11].
- 2) *Data quality test, consisting of:* (1) Validity test and (2) Reliability Test [12].
- 3) *Classic assumption test, consisting of:* (1) Normality test, (2) Multicollinearity test and (3) heteroscedasticity
- 4) *Hypothesis test:*

- Multiple Regression Analysis:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

- Statistical Test F (Simultaneous Test)
- T Statistical Test (Partial Test)

5) Determination coefficient test

IV. RESULTS AND DISCUSSION

A. Descriptive Statistics Results

From the descriptive statistical analysis, the results are obtained as presented in the following table:

TABLE I. DESCRIPTIVE STATISTICS

	N	Min	Max	Sum	The mean	Std. Deviation	Variance
E-Commerce Public Policy (X ₁)	120	10:00 PM	42.00	4002.00	33.3500	3.92503	15,406
E-Commerce Technical Standards (X ₂)	120	27.00	52.00	4972.00	41,4333	4.15808	17290
E-Commerce Organizational System (X ₃)	120	24.00	44.00	4327.00	36.0583	3.40858	11,618
Online Purchase Decision (Y)	120	48.00	80.00	8130.00	67,7500	5.69424	32424
Valid N (listwise)	120						

Based on Statistical analysis descriptive shown in Table 1, the value of the standard deviation of the overall variable figures show that I ore smaller than

the average value, it shows good results, because the standard deviation which is a deviation of the data is smaller than the average.

B. Multiple Regression Analysis

The results of the multiple regression analysis in this study are presented in the following table:

TABLE II. DOUBLE REGRESSION RESULTS

Model	Unstandardized Coefficients	
	B	Std. Error
(Constant)	17,270	4,059
E-Commerce Public Policy	.469	.119
E-Commerce Technical Standards	.486	.117
E-Commerce Organization System	.408	.113

According to the table 2 at the top, then the regression equation can be obtained as follows:

$$Y \text{ (Purchasing Decisions Online)} = 17.270 \text{ (constants)} + 0.469 \text{ (Public Policy)} + 0.486 \text{ (Technical Standard)} + 0.408 \text{ (Organization System)} + \text{error.}$$

C. F Statistical Test Results (Simultaneous Test)

TABLE III. ANOVA VARIANS ANALYSIS RESULTS

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	2301,683	3	767,228	57,167	.000 ^b
Residual	1556,817	116	13,421		
Total	3858,500	119			

a. Dependent Variable: Decision to Buy Online

b. Predictors: (Constant), e-Commerce Organization System, e-Commerce Public Policy, e-Commerce Technical Standards

Based on f analysis test in table 3 above, it is known that the regression coefficient on each independent variable is positive, so it can be interpreted that the variables X 1, X 2 and X 3 together have a positive effect on Y.

D. T Statistical Test Results (Partial Test)

TABLE IV. STATIC TEST RESULTS T (PARTIAL TEST)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	17,270	4,059		4,255	.000
(X1)	.469	.119	.324	3,930	.000
(X2)	.486	.117	.355	4,157	.000
(X3)	.408	.113	.244	3,604	.000

a. Dependent Variable: Decision to Buy Online

Based on t analysis test in table 4 above, it is known that the coefficients of the variables X 1 (B) is equal to 0.469, X2 (B) is equal to 0.486 and X3 is equal to 0.408 there results a positive value so that it can be said that X 1, X2 and X3 positive effect to Y.

E. Determination Coefficient Test Results

Determination Coefficient

Summary Model ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.772 ^a	.597	.586	3,66345

Predictors: (Constant), e-Commerce System Organization, e-Commerce Public Policy, e-Commerce Technical Standards

b. Dependent Variable: Online Purchasing Decisions

Based on the test results of coefficient determination in Table 5 above, the value of the coefficient of determination (R 2) of 0.597 means that the relative contribution given by a combination of variables X 1, X 2 and X 3 to Y is equal to 59.7%, while the rest influenced by other variables not examined in this study.

F. Discussion of Results Analysis

1) Effect of e-Commerce public policy on online purchasing decisions: Based on the analysis on policy variable public policy e-commerce measured by: the legal / tax and the issue of privacy, free speech, as well as the domain name, stated that there are positive and significant influences impact on the decision to buy online products.

This is due to the fact that the majority of respondents are private employees who are used to privacy rules so that the majority of respondents agree that e-commerce must be able to safeguard their personal data safely so that it affects their decisions in online purchases. In addition, the respondents in this study were the majority of women and aged between 18 and 25 years, so paying attention to how an e-commerce facilitated communication between sellers and buyers, so this might influence their choices for online purchasing decisions. Because of the policy public is a part of a decision to do or not do something.

2) *Effect of e-Commerce technical standards on online purchasing decisions*: Based on the analysis of the E-Commerce Technical Standard variables measured by; documents, security and network protocols, as well as payment systems, state that there is a positive and significant influence on Online Purchasing Decisions.

This is due to the respondents in this study are private employees, with full time in the office, causing the majority of respondents to lead to good e-commerce standards, including security and ease of non-cash transactions through banks, namely e-commerce that can provide security and convenience in the payment system. In addition, the majority of respondents are women and aged between 18 and 25 years are accustomed to the transaction process that is not complicated so that this affects the choice of respondents deciding to purchase online.

3) *Effect of E-Commerce organization systems on online purchasing decisions*: Based on the results of the analysis of the E-Commerce Organization System variables measured by; partners, competitors, and government associations and services, state that there is a positive and significant influence on Online Purchasing Decisions.

This is because that e-commerce if viewed from the perspective of collaboration is a facilitator that can be used to enable the implementation of the process of cooperation i between organizations / companies both inter-organizational and inter-organizational. EC e-commerce is a forum for organizations to form business relationships. Good cooperation between organizations will build trust for consumers to transact and decide to purchase online.

The results of respondent data in this study is the work of employees or privately nearly every day used to work together in terms of employment, so that it causes the majority of respondents led to the organization system of e-commerce that is either of them is a partner in e-commerce is e-commerce that

cooperating with parties such as banks and reliable logistics services.

V. CONCLUSIONS

The conclusions in the study are as follows:

- E-Commerce Public Policy has a positive and significant effect on Online Purchasing Decisions.
- E-Commerce Technical Standards have a positive and significant effect on Online Purchasing Decisions.
- E-Commerce Organization System has a positive and significant influence on Online Purchasing Decisions.

ACKNOWLEDGMENT

This research is supported by Universitas Prof. Dr. Moestopo (Beragama) Jakarta, Universitas Teknologi Yogyakarta and Universitas Mercubuana, Jakarta.

REFERENCES

- [1] H. Kartajaya, Positioning, Differentiation, and Brand. Jakarta: PT. Gramedia Main Library, 2004.
- [2] Youngsters.id, Indonesia's E-Commerce Market Has the Largest Potential in Southeast Asia. [online]. Retrieved from <http://youngsters.id/>. 2017.
- [3] E. Turban, J. Outland, D. King, J.K. Lee, T.P. Liang, and D.C. Turban, Electronic commerce 2018: a managerial and social networks perspective. Springer, 2017.
- [4] Schiffman and Kanuk, Consumer Behavior Edition 7. Jakarta: Index, 2008.
- [5] L. Agustino, Fundamentals of Public Policy. Bandung: Alfabeta, 2008.
- [6] M. Suyanto, Advertising Strategies in E-Commerce of the World's Top Companies. Yogyakarta: Andi, 2003.
- [7] C. Ahmadi, and D. Hermawan, E-Business & E-Commerce. Denpasar: Andi, 2013.
- [8] E. Rernawan, Organization Culture, Organizational Culture in Economic and Business Perspectives. Bandung: Alfabeta, 2011.
- [9] E. Turban, D. King, J. Lee, and D. Viehland, Electronic commerce: A managerial perspective 2002. Prentice Hall, 2002.
- [10] Sugiyono, Qualitative Quantitative Research Methods and R&D Edition 13. Bandung: Alfabeta, 2011.
- [11] C. Trihendradi, Easy Steps to Perform Statistical Analysis Using SPSS 19. Yogyakarta: Andi, 2011.
- [12] I. Ghozali, Analysis With SPSS Advanced Multivariate first edition. Semarang: BP UNDIP, 2006.