The Effect of Consumer Motivation (Social and Empowerment) on Online-Purchase Intention Mediated by the Trust Towards Retailers on Social Media

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ABSTRACT

Nowadays, retail business is experiencing a problem due to the advancement of technology. In order to run the operation, retail business has to follow the current technological development, such as starting using the social media to enhance its business scale. This research aimed to reveal the effect of consumer motivation (social and empowerment) on online-purchase intention mediated by the trust towarretailer on social media. This research took 100 customers of online-retail products by using the convenience-sampling method. Data was collected by distributing the questionnaire through *Google Form*. As data analysis technique, we used the Structural Equation Modeling (SEM) with the *Smart PLS* software. This research results show that: 1) Social Motivation positively and significantly affects the Trust toward Retailers; 2) Social Motivation positively and significantly affects Online-Purchase Intention; and 3) Empowerment Motivation positively and significantly affects the Trust toward Retailers; 4) The effect of Empowerment Motivation on Online-Purchase Intention is not significant; 5) The Trust toward Retailers positively and significantly affects the Online-Purchase Intention; 6) Social Motivation positively and significantly affects the Online-Purchase Intention; and 7) The Trust toward Retailers positively and significantly mediates the effect of Empowerment Motivation on Online-Purchase Intention.

Keywords: Social-Media Marketing, Trust, Motivation, Online-Purchase Intentions

1. INTRODUCTION

The rapid growth of social media has changed the daily lives of human beings significantly. Consumers have the ease to access information easily and timely of their wanted products prior to purchasing them (Lee & Watkins, 2016) [1]. The retail industry has been experiencing a rapidly-growing revolutionary era. The existence of a new digital channel such as social media has changed the dynamic structure in the retail environment (Verhoef, Kennan, & Inman, 2015) [2]. Almost all business lines use the power of social media to promote their products and services (VanMeter, 2015) [3] and as a platform to conduct the exchange electronically (Han, H., & Chen, 2018) [4].

However, in the online-retail environment, there are many competitors with amazing innovation and creativity, making the sellers difficult to attract the consumers' attention and to focus their marketing activities to consumers in order to influence their online-purchase intention (Bebber & Willems, 2017) [5]. Many problems exist in the online-retail business, especially through the social media. One of them is about trust, which is viewed as a kind of important investment. Studying about the factors influencing consumers' trust toward the retailer on social media becomes an urgent necessity. The importance of trust is expressed many marketing literatures, but there only a few research exploring the role of trust in the context of marketing on social media (Lien & Cao, 2014) [6]. Prior research regarding the trust in social-media environment was only limited to the vendors' characteristics (Yahia, 2018) [7].

Marketing through social media can be defined as the use of social media to design, communicate, deliver, and market the products (Tuten & Solomon, 2017) [8]. The experiences of gratification will be different depending on the use of social media by the users (Hostench, Saumell, Coll, & Matute, 2019) [9]. The Uses and Gratifications Theory (UGT) is an approach to comprehend why consumers actively seek the media that especially can fulfil the consumer needs. In the study conducted by (Cheung, Chiu, & Lee, 2011) [10], UGT explains the reason why community use certain media as a communication channel. Previous study has tested UGT to observe the effect of the types of consumer motivation on the differences of behaviors, such as consumer intention (Muk, Chung, & Kim, 2014) [11], and the involvement of behavior in liking,

commenting, and sharing the contents on social media (Dolan, Conduit, Fahy, & Goodman, 2016) [12]. Besides of the UGT theory, there is also the Theory of Reasoned Action (TRA) to support this study. This theory has been used to comprehend the consumers' decision-making process (Troudi & Bouyoucef, 2020) [13]. This theory also explains that consumer intention to involve in certain behavior is influenced by behavioral belief, such as trust (Ha, John, John, & Y.K., 2016) [14] (Kim & Park, 2012) [15]. According to (Kim & Park, 2012) [15], TRA can be used in the research related to Trust, because it can influence the Purchase Intention. Therefore, this study used the UGT and TRA to explain how Motivation and Trust can affect the Online-Purchase Intention.

2. THEORETICAL REVIEW

2.1. The Relationship among Social Motivation, the Trust toward Retailers, and Online-Purchase Intention

The existence of social media enables the relational connection and to establish the relationship with colleagues or individuals thinking about the same goals, and this has become a reality on social media. Therefore, recently individuals can easily seek the trace on product information and share it to social media on the internet, so even the foreigners can obtain such information (Hilverda & Giebels, 2017) [16]. The effect of communication among consumers through social media can build the trust and consumers' purchase intention (Muralidharan & Men, 2015) [17]. Hence, the research hypothesis could be developed as follow:

H_{1a}: Social Motivation positively affects the Trust toward Retailers on social media.

H_{1b}: Social Motivation positively affects Online-Purchase Intention.

2.2. The Relationship among Empowerment Motivation, the Trust toward Retailers, and Online-Purchase Intention

Empowerment motivation roams around individuals to utilize the online media as an influencer from one individual to another in building the trust to purchase in online way (Vale & Fernandes, 2018) [18]. The advancement of internet technology affects the empowerment motivation that eventually increase the online-purchase intention (Cambra-Fierro & Javier Sese, 2019) [19]. This phenomenon is important to retailers when considering the suggestions from their consumers regarding the products and services offered, in order to increase the trust and online-purchase intention. Thus, the next hypothesis could be developed as follow:

H_{2a}: Empowerment Motivation positively affects the Trust toward Retailers on social media.

H_{2b}: Empowerment Motivation positively affects Online-Purchase Intention.

2.3. The Relationship between the Trust toward Retailers and Online-Purchase Intention

Trust is important in conducting the transactions involving social media, because there are many people participating in social media frequently giving opinions in form of the review of products and services provided (Nadeem, Andreini, & Laukkanen, 2015) [20]. It is reasonable if trust is assumed as an important determinant in conducting online purchase (Escobar & Bonson, 2017) [21]. Trust in social-media marketing results a substansial interest to ease the consumers in considering about the product purchase. Thus, the next hypothesis could be developed as follow:

H_3: The Trust toward Retailers positively affects Online-Purchase Intention.

2.4. The Trust toward Retailers Mediates the Relationship between Social Motivation and Online-Purchase Intention

In several previous research, trust became the most important mediating variable (Wang, Law, Guillet, Hung, & Fong, 2015) [22]. Consumers' trust can result in purchase intention when the consumers' necessities are fulfilled (Mikalef, Giannakos, & Pappas, 2017) [23]. Trust can also reduce the hesitate feeling in purchase intention (Wang, Law, Guillet, Hung, & Fong, 2015) [22]. Therefore, it can be assumed that trust can mediate between social motivation and purchase intention.

H_4: Social Motivation positively affects Online-Purchase Intention mediated by the Trust toward Retailers.

2.5. The Trust toward Retailers Mediates the Relationship between Empowerment Motivation and Online-Purchase Intention

In online condition, trust has a role as replacement of experience toward a product (Vohra & Bhardwaj, 2019) [24]. Trust is needed in developing the relationship in a workplace, in order to help consumers make their-own decisions (Hashim & Tan, 2015) [25]. By possessing the empowerment motivation, consumers will generate higher intention to provide the feedback, such as the intention to purchase (Mostafa, 2021) [26]. Hence, based on this explanation, it can be assumed that trust can mediate between empowerment motivation and purchase intention.

H_5: Empowerment Motivation positively affects Online-Purchase Intention mediated by the Trust toward Retailers.

3. RESEARCH METHODOLOGY

The population in this study is all customers of online retail-shop. This study used the convenience sampling technique, with the sample size as many as 100 respondents. We used 6 indicators in measuring Social Motivation, 5 indicators in measuring Empowerment Motivation, 5 indicators in measuring the Trust toward Retailers, and 5 indicators in measuring Online-Purchase Intention. Research data was acquired by distributing the questionnaire through *Google Form*. Data was analysed using the Structural Equation Modeling (SEM) with Smart PLS software. The specification of PLS model that would be estimated in this study, is as follow:
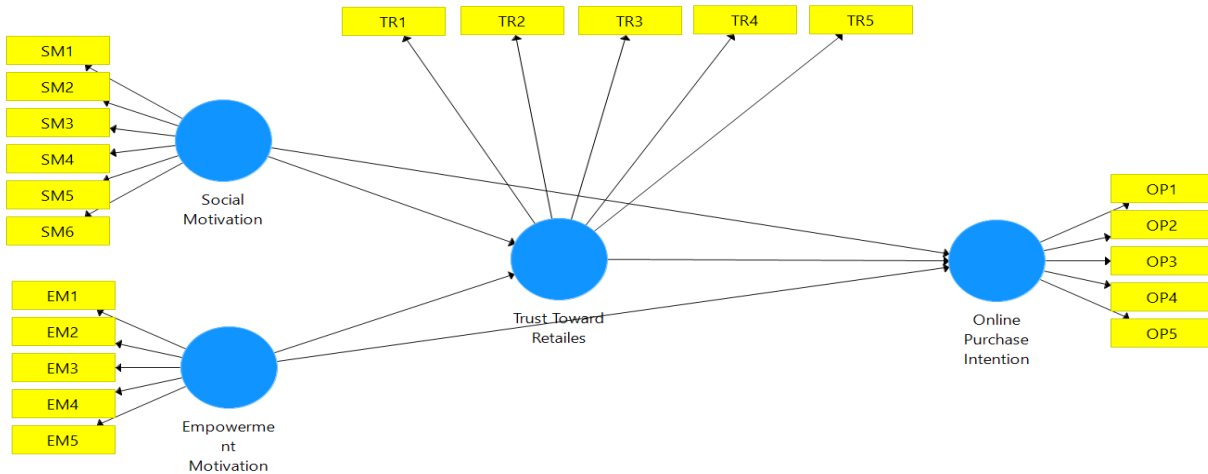

Figure 1 PLS-Model Specification

4. RESULTS

4.1. Respondents' Profile

Among 100 respondents used in this study, the majority is: Female (58%), Aged between 30-40 years old (55%), and having undergraduate-degree of education level (50%).

4.2. Data Analysis

Research data was analysed using the Smart PLS software, which consists of two types: Outer Model and Inner Model.

4.2.1. Outer Model

Based on the results of Outer-Model Analysis, all indicators are valid dan reliable, thus they can represent the research variables.

4.2.1.1. Convergent Validity

Table 1 The Results of AVE Value

Variable / Dimension	Average Variance Extracted
Empowerment Motivation	0.785
Online-Purchase Intention	0.707
Social Motivation	0.600
Trust Toward Retailers	0.752

Source: Data Analysis using the Smart PLS Software

According to Table 1, the AVE value of each variable is greater than 0.5, in which this condition has met the criteria of convergent validity.

4.2.1.2. Discriminant Validity

Table 2 Discriminant Validity

	Empowerment Motivation	Online- Purchase Intention	Social Motivation	Trust toward Retailers
Empowerment Motivation	**0.824**	-	-	-
Online-Purchase Intention	-0.050	**0.807**	-	-
Social Motivation	0.559	0.075	**1.000**	-
Trust toward Retailers	0.694	0.088	0.456	**0.882**

Source: Data Analysis using the Smart PLS Software

According to Table 2, the value of *Heteroit-Monotrait Ration* in each variable is less than 0.90, thus this condition has met the criteria of discriminant validity.

4.2.1.3. Composite-Reliability Test

Sekaran and dan Bougie (2013) [27] stated that the reliability of a measurement indicates that such indicators are consistent to be used from time to time. The reliability test can be performed by observing the value of composite reliability and Cronbach's Alpha. If each indicator used to measure a variable has the composite reliability greater than 0.60, then the variable can be said reliable (Malhotra, 2020) [28].

Table 3 Cronbach's Alpha and Composite Reliability

	Cronbach's Alpha	Composite Reliability
Empowerment Motivation	0.726	0.880
Online Purchase Intention	0.604	0.827
Social Motivation	0.780	0.856
Trust Toward Retailers	0.834	0.901

Source: Data Analysis using the Smart PLS Software

Based on Table 3, the value of Cronbach's Alpha and Composite Reliability of each variable is higher than 0.60, thus all indicators in each variable have met the criteria of reliability.

4.2.2. Inner Model

4.2.2.1. Coefficient of Determination (R^2)

The value of R-Square (R^2) or coefficient of determination is used to measure the level of variation caused by the independent variables to the dependent variable. The value of R-Square has 3 criteria, which are as follows: 1) The value between 0.75 and 1 indicates strong effect; 2) The value between 0.5 and 0.74 indicates moderate effect; and 3) The value between 0.25 and 0.49 indicates weak effect.

Table 4 Coefficient of Determination (R-Square)

	R-Square
Online-Purchase Intention	0.534
Trust Toward Retailers	0.153

Based on the Coefficient-of-Determination (R^2) test as displayed in Table 5, the R-Square of Online-Purchase Intention variable is 0.534, which means that as much as 53.4% of variation in the Online-Purchase Intention variable can be explained by all the variables in this study, while the remaining 46.6% of variation can be explained by other variables not included in this study.

4.2.2.2. Boostrapping

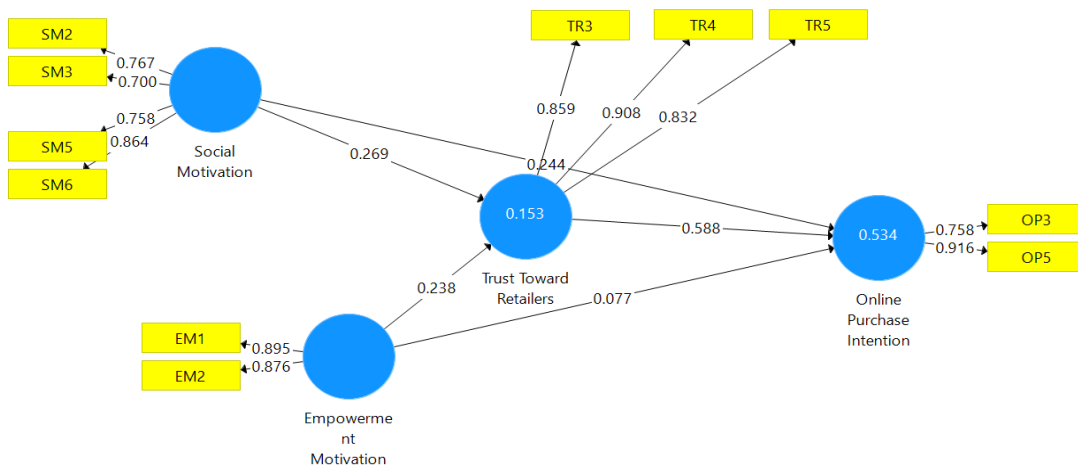The result of boostrapping is as follow:

Figure 2 The Result of Boostrapping Test

The results of bootstrapping test are summarized in Table 5 below to ease the explanation process.

Table 5 The Results of Significance Test (Direct and Indirect Effect)

	Original Sample	t-Statistics	p-Values
Social Motivation → Trust Toward Retailers	0.269	2.243	0.025
Social Motivation → Online-Purchase Intention	0.244	3.398	0.001
Empowerment Motivation → Trust Toward Retailers	0.238	2.249	0.025
Empowerment Motivation → Online-Purchase Intention	0.077	0.858	0.391
Trust Toward Retailers → Online-Purchase Intention	0.588	7.929	0.000
Social Motivation → Trust Toward Retailers → Online-Purchase Intention	0.158	2.169	0.030
Empowerment Motivation → Trust Toward Retailers → Online-Purchase Intention	0.140	2.130	0.033

Based on Table 5, the results of hypotheses tests can be explained as follows:

1. In the path showing the effect of Social Motivation on the Trust toward Retailers, the p-value is 0.025 (less than 0.05), with the t-statistics of 2.243 (higher than 1.96) and the path coefficient of 0.269. This means that H_{1a} was supported, mentioning that Social Motivation positively and significantly affects the Trust toward Retailers.
2. In the path showing the effect of Social Motivation on Online-Purchase Intentions, the p-value is 0.001 (less than 0.05), with the t-statistics of 3.398 (higher than 1.96) and the path coefficient of 0.244. This means that H_{1b} was supported, mentioning that Social Motivation positively and significantly affects the Online-Purchase Intention.
3. In the path showing the effect of Empowerment Motivation on the Trust toward Retailers, the p-value is 0.025 (less than 0.05), with the t-statistics of 2.249 (higher than 1.96) and the path coefficient of 0.238. This means that H_{2a} was supported, mentioning that Empowerment Motivation positively and significantly affects the Trust toward Retailers.
4. In the path showing the effect of Empowerment Motivation on Online-Purchase Intention, the p-value is 0.391 (greater than 0.05) with the t-statistics of 0.858 (less than 1.96) and the path coefficient of 0.077. This means that Empowerment Motivation positively but not significantly affects the Online-Purchase Intention. Thus, the hypothesis of H_{2b} was not supported.
5. In the path showing the effect of the Trust toward Retailers on Online-Purchase Intention, the p-value is 0.000 (less than 0.05), with the t-statistics of 7.929 (higher than 1.96) and the path coefficient of 0.588. Therefore, H_3 was supported, mentioning that the Trust toward Retailers positively and significantly affects the Online-Purchase Intention.
6. In the path showing the mediation effect of the Trust toward Retailers in the relationship between Social Motivation and Online-Purchase Intention, the p-value is 0.030 (less than 0.05), with the t-statistics of 2.169

(higher than 1.96) and the path coefficient of 0.158. Thus, H_4 was supported, mentioning that the Trust toward Retailers significantly mediates the effect of Social Motivation on Online-Purchase Intention.
7. In the path showing the mediation effect of the Trust toward Retailers in the relationship between Empowerment Motivation and Online-Purchase Intention, the p-value is 0.033 (less than 0.05), with the t-statistics of 2.130 (higher than 1.96) and the path coefficient of 0.140. Thus, H_5 was supported, mentioning that the Trust toward Retailers significantly mediates the effect of Empowerment Motivation on Online-Purchase Intention.

5. DISCUSSIONS

Regarding the effect of social motivation on the trust toward retailers and online-purchase intention, this study supports the result of previous study concluding that the communication among consumers through social media can build consumer trust and purchase intention (Muralidharan & Men, 2015) [17]. Mishra (2018) [29] also expressed the result of her study, mentioning that when a consumer receives a positive review on a product from the previous buyers on social media, this can help the consumer build the trust with those buyers and can significantly increase the consumer's online-purchase intention. This could happen because the majority respondents in the study was the millennial generation, which tends to provide the communication / review in online way, whereas the millenial consumers frequently visit the digital-media platform to seek the opinions of their peers in order to build the trust and purchase intention toward the online shop.

Regarding the effect of empowerment motivation on the trust toward retailers, the result of this study is in line with that of previous study, concluding that the empowerment motivation among individuals to utilize online media acts as an influencer to other individuals or organizations in building the trust among consumers (Vale & Fernandes,

2018) [18]. Regarding the insignificant effect of empowerment motivation on online-purchase intention, the result of this study is in the opposite to the result of previous study mentioning that the advancement of internet technology provides the freedom, which finally create the online-purchase intention (Cambra-Fierro & Javier Sese, 2019) [19].

Regarding the significant effect of the trust toward retailers on online-purchase intention, the result of this study is in line with that of previous study concluding that trust becomes the most important thing in conducting the online purchase (Escobar & Bonson, 2017) [21]. Consumers having good information in this contemporary era, are not only viewed as the target of marketers, but also considered about their influence in forming the marketing efforts, which needs a special attention (Obeidat & Nicholson, 2017) [30]. The rapid advancement of internet technology has enhanced the ease in acquiring information and the freedom to reach more consumers.

The trust toward retailers significantly mediates the effect of social motivation on online-purchase intention and the effect of empowerment motivation on online-purchase intention. This result is in line with the result of previous study, mentioning that trust becomes the most important mediating variable (Wang, Law, Guillet, Hung, & Fong, 2015) [22]. Trust becomes the strongest determinant of purchase intention (Yen, 2020) [31]. The trust in conducting online purchase can build the trust toward the online shop (Kaur & Quareshi, 2015) [32]. Consumer trust can develop purchase intention when his / her needs are fulfilled (Mikalef, Giannakos, & Pappas, 2017) [23]. Trust can also reduce the hesitate feeling in purchase intention (Wang, Law, Guillet, Hung, & Fong, 2015) [22]. Hence, it can be assumed that trust can mediate the relationship between social motivation and purchase intention.

6. CONCLUSIONS

The conclusions of this study can be summarized as follows:
a. Social Motivation positively and significantly affects the Trust toward Retailers.
b. Social Motivation positively and significantly affects the Online-Purchase Intention.
c. Empowerment Motivation positively and significantly affects the Trust toward Retailers.
d. Empowerment Motivation positively but not significantly affects the Online-Purchase Intention.
e. The Trust toward Retailers positively and significantly affects the Online-Purchase Intention.
f. The Trust toward Retailers significantly mediates the effect of Social Motivation on Online-Purchase Intention.
g. The Trust toward Retailers significantly mediates the effect of Empowerment Motivation on Online-Purchase Intention.

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