

The Relationship between Website Quality, Electronic Word-of-Mouth and Purchasing Decision through Trust as Intervening Variable in Megabangunkontruksi.com Website



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ABSTRACT: This research aims to determine the influence of website quality and electronic word of mouth on purchasing decisions through trust in the megabangunbangun.com website. The population used in this research were all consumers who made product purchase transactions provided on the megabangunbangun.com website during the research. The method used to take samples is a probability sampling method, which provides an equal chance for the population of each study to become the sample. The sampling technique uses simple random sampling carried out randomly according to known population characteristics. The number of participants in this study was 125. Model and data collection using questionnaires. The analysis method used is the SEM-PLS approach.

The research results found that (1) website quality does not have a significant and positive effect on purchasing decisions, (2) electronic word of mouth does not have a significant and positive effect on purchasing decisions, (3) website quality has a significant and positive effect on trust, (4) electronic word of mouth has a significant and positive effect on trust, (5) trust has a significant and positive effect on purchasing decisions, (6) website quality has a significant and positive effect on purchasing decisions through trust, (7) electronic word of mouth has a significant and positive effect on decisions purchasing through trust, (8) website quality is the variable that has the most dominant influence in this research.

KEYWORDS: Website quality, electronic word of mouth, trust, and purchasing decisions.

I. INTRODUCTION

Internet accessibility is considered necessary for most people around the world. As technology advances, the Internet is utilized for various purposes, such as commerce, communication, and leisure. Hence, there is unlimited access to knowledge. One of the practical ways to have transactions nowadays is online. Customers can order without visiting the store online; customers can choose the products online on the website. An increasing number of personnel transactions can be completed online, allowing buyers and sellers to see each other directly on their computer screens (Kotler, 2007).

Many millennial entrepreneurs establish online companies because of their efficiency and ease of achieving their goals. This online company is especially loved by many people worldwide, including Indonesia. Various online companies use social media, online selling applications, and websites to attract more customers. Hence, the target customer base is broader than that of offline companies. Even though online businesses use imagination and creativity to develop the company, traditional ideas are still applicable, such as building customer trust to influence purchasing decisions.

Peter and Olson (2013) define a purchasing decision as a process where customers synthesize all of the information they learn as a consideration when choosing two or more products. Setiadi (2010) stated that a process in purchasing involves the integration of information for some alternative selection and choosing one. Hence, customer purchasing decisions are influenced by some elements, such as website quality and the impact of electronic word-of-mouth on customer trust.

On the other side, the customer always put their guard on buying products or services, especially on online websites. Customers need to confirm whether the information they know is valid, helping them choose or not, and the necessary information to help them fulfill their needs. Rosdiana (2019) said customers tend to do online transactions when the company offers excellent trust.

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According to Al-debit et al. (2015), website performance is measured by design, ease of use, and effectiveness. A good website quality includes many functional features that ease the customer and allow customers to complete their online shopping, according to Bavarsad et al. (2013). Cognitive stimulation and information are needed to increase customer interest in online shopping. Wiranda (2021) found that the quality of the website positively and significantly influences purchasing decisions. In this case, many customers get recommendations from their relatives about online website shopping before visiting it online.

Electronic word-of-mouth, according to Fahmi (2018), is a way for the customer to give their review about product or service to another customer or potential customers through online media. A business that uses electronic word-of-mouth (e-WOM) as its marketing tool can increase its sales and attract many customers. According to Haekal et al. (2016), electronic word-of-mouth have a quite big positive impact on the purchasing decisions.

Since 2015, Megabangun has been established in the construction industry. Megabangun's headquarters is at Surabaya. First, they run construction companies offline, covering East Java. In 2020, Megabangun developed a second branch location in Malang after encountering a big successful story in Surabaya. Simultaneously, with opening a new branch, Megabangun also developed a new approach using an online platform to advertise Megabangun products and services, including installing light steel, renovating and constructing houses, making kitchen sets, etc. The goal is to increase "Megabangun" as a construction brand after a decline in sales because of the COVID-19 pandemic. In this new approach, customers can buy products and services they want online without going to the offline store. Also, for promotion, this website offers free shipping around Malang. Based on the introduction, this research has hypotheses, such as (H1) Website quality significantly and positively influences purchasing decision, (H2) e-WOM significantly and positively influences purchasing decision, (H3) Website quality significantly and positively influences trust, (H4) e-WOM significantly and positively influence purchasing decision, (H5) Trust significantly and positively influence purchasing decision, (H6) Website quality significantly and positively influence purchasing decision through trust, (H7) e-WOM significantly and positively influence purchasing decision through trust.

II. METHODS

This research is explanatory using quantitative methods. The research sample is 125 respondents using probability methods, which provides an equal chance for the population of each study to be included in the sample. The sampling technique uses simple random sampling for the customers who do transactions from megabangunkontruksi.com. Data analysis using SmartPLS 3.0 as a tool for descriptive and verificative analysis. The PLS model approach is used for validity, reliability, and r-square tests and estimates for path coefficients.

III. RESULTS

A. Respondent Characteristics

The questionnaire was distributed to 125 respondents who did transactions in megabangunkontruksi.com from 20 January 2024-28 January 2024. Furthermore, the characteristics explained in Table 1

Table 1: Respondent Characteristics

Characteristics	Category	N	Percentage
Gender	Female	51	41%
	Male	74	59%
Age	23-29	34	27%
	30-36	58	46%
	37-43	25	20%
	44-50	8	7%
Occupation	Teacher/Lecturer	21	17%
	Manager/Admin	21	17%
	Healthcare professional	7	5%
	IT Specialist/Designer	25	20%
	Entrepreneur	16	13%
	Others	35	28%

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Education	High School/Vocational High School	8	6%
	D2 (Diploma)	1	1%
	S1 (Bachelor)	106	85%
	S2 (Post Graduate)	10	8%
Marital Status	Married	98	78%
	Single	27	22%

Table 1 indicates that most of the respondents are male, 30-36 years old, the occupation is various, and the education is mostly bachelor degree, last the marital status are mostly married.

B. Validity and Reliability

This research uses smartPLS 3.0 to determine convergent validity, discriminant validity, and composite reliability. First, the convergent validity test result is that the majority of the question items are valid, besides question item numbers Y1.1 and Z1.1, which have loading factor < 0.7 , so the question item is issued from the research. For the discriminant validity test, it was found that all the construct latent values are greater than other indicators, so all of the indicators are valid. As for the composite reliability, all indicators have a value > 0.7 , so they are reliable and can be used for the research. The reliability in Cronbach's Alpha method also found that all indicators have values > 0.6 , so all indicators are reliable.

C. Hypothesis Test

The bootstrap technique is used in this research to test the sample, bootstrap is also used to reduce the abnormality in the data research. The result of bootstrap analysis using smartPLS is explained in Table 2

Table 2. Hypothesis Test

	Original Sample (O)	T Statistics (O/STDEV)	P Values
Website Quality (X ₁) -> Purchasing Decision (Z)	0.211	1.223	0.222
e-WOM (X ₂) -> Purchasing Decision (Z)	0.118	1.117	0.265
Website Quality (X ₁) -> Trust (Y)	0.398	3.059	0.002
e-WOM (X ₂) -> Trust (Y)	0.535	4.312	0.000
Trust (Y) -> Purchasing Decision (Z)	0.611	3.780	0.000
Website Quality (X ₁) -> Trust (Y) -> Purchasing Decision (Z)	0.243	3.240	0.001
e-WOM (X ₂) -> Trust (Y) -> Purchasing Decision (Z)	0.327	2.369	0.018

Table 2 found that Website Quality does not significantly influence Purchasing Decisions because the p-value is bigger than 0.05, so hypothesis 1 is declined. Next, e-WOM also does not significantly influence Purchasing Decision because the p-value is bigger than 0.05, and hypothesis 2 is declined. Next, Website Quality significantly and positively influences Trust, so hypothesis 3 is accepted. Electronic Word-of-Mouth significantly and positively influences Trust. Therefore, hypothesis 4 is accepted. Trust significantly and positively influences Purchasing decisions, so hypothesis 5 is accepted. As for the indirect effect, Website Quality significantly and positively influences Purchasing Decisions through Trust with a p-value smaller than 0.05. Therefore, hypothesis 6 is accepted. Last, e-WOM also significantly and positively influences Purchasing Decisions through Trust; therefore, hypothesis 7 is accepted.

D. DISCUSSION

1) The relationship of Website Quality and Purchasing Decision

It is found that in Table 2, website quality does not significantly and positively influence purchasing decisions. Website quality doesn't work on the customer's purchasing decision, but website quality can build a first impression for the customer. Besides, some customers are interested in the advantages or features instead of just the website design. Megabangunkontruksi.com offers the best information for every customer. Because one of the best features of communication with the customer is the fast reply. Therefore, increasing the quality of customer experiences, the website function, and good communication were not

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enough to influence the purchasing decision. This is aligned with research by Ardhi and Wijaksana (2020), who found no positive influence between website quality and purchasing decisions.

2) The relationship of e-WOM and Purchasing Decision

Table 2 found that the changes in e-WOM did not significantly and positively influence customer Purchasing Decisions. The customer needed to be more easily convinced by the information they found online. Because they feel like the information can be fabricated and uncertain about the review, the effect of e-WOM can be decreased. Customers choose the information that comes directly from the sources that they know, such as their friends or family; if the review comes from strangers, it is unlikely it will influence their purchasing decision. It has become a challenge for megabangunkontruksi.com to enhance its review section to be more convincing for the customer. Kasakeyan (2021) also found that e-WOM didn't significantly affect purchasing decisions.

3) The relationship of Website Quality and Trust

Based on Table 2, website quality significantly and positively influences trust. The quality of a website, especially a business website, plays an important role in building customer trust because it shows the company's dedication and professionalism in customer service. A good quality website makes it easier for customers to access new information. Therefore, a great ambiance can increase customer trust in the company. This research raises the level of trust affected by the authenticity and accuracy of the data in the megabangunkontruksi.com website. Meanwhile, fastness and sensibility in answering customer questions can be a measurement of the website's quality. Piarna (2016) also found that website quality and trust have a positive and significant effect that supports this research.

4) The relationship of e-WOM and Trust

This research found that electronic word-of-mouth significantly and positively influences trust. Customers can express their opinions about products or services on the internet, whether they have a good or bad experience. On the other side, other customers can read about that opinion. A good understanding and review can lead to customer trust. Hence, customers can depend on other customer experiences to help them trust the company and feel assured after reading the review. In this case, a review constantly posted on the megabangunkontruksi.com website can be an excellent way to reassure the expectant customer. It aligns with Yulianto & Soesanto (2019), who supported that trust can influence electronic word of mouth.

5) The relationship of Trust and Purchasing Decision

Trust was found to significantly and positively influence purchasing decisions. In this research, trust plays an important role in customers' decisions to buy products from the megabangunkontruksi.com website. When purchasing building materials, it is important to trust the company or vendor related to the quality of the materials; in this case, trust must be strong for the customer. Moreover, trust can build an eternal relationship between customers and the company, decrease transaction risk, and create customer loyalty. This research interpretation found that purchasing decisions automatically follow customer trust in megabangunkontruksi.com. Integrity in the form of honesty and frankness can build customer trust, followed by the purchasing decision. A good transaction with a good intention can build customer trust. A solid and long bond with the customer can be built by affection in business dealings, because mostly the customer chooses to buy from a trusted company and they already have a good relationship with the company, therefore they can feel confident in the transaction.

6) The relationship of Website Quality to Purchasing Decision through Trust.

The purchasing decisions were found to be significantly and positively influenced by website quality through trust. Customers tend to expect a good website quality when trusting a company. If the website quality is good enough, customers put enough trust in the company and automatically purchase the products or services. Meanwhile, attracting more trusted customers can increase the number of visitors and good feedback for the website. Hence, in this research, website quality didn't directly influence purchasing decisions, but if it's through trust, then the relationship becomes significant. Trust successfully mediates the relationship and becomes an important variable. This is in line with Purnomo et al. (2019), who found that trust also becomes a mediator between website quality and purchasing decisions in the online buyers.

7) The relationship of electronic word-of-mouth to Purchasing Decision through Trust.

E-WOM through trust can significantly influence purchasing decisions. This research found that customers tend to purchase if they trust megabangunkontruksi.com easily. One of the ways the customer can build confidence in the website is through e-WOM activity. A positive review can increase customer trust and have a positive correlation. In this case, e-WOM does not significantly influence purchasing decisions directly. Meanwhile, if it's through e-WOM, it becomes significant.

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E. CONCLUSION

Based on the result of the research on the relationship between website quality and electronic word-of-mouth towards purchasing decisions through trust, the following conclusions are drawn:

- 1) Website quality does not significantly influence purchasing decisions. Information quality, interaction quality, and usability do not affect purchasing decisions.
- 2) E-WOM does not significantly influence purchasing decisions. Hence, the purchasing decision is not affected by the depth of information or the available content.
- 3) Website quality significantly influences trust.
- 4) Electronic word-of-mouth significantly influences trust.
- 5) Trust significantly influences purchasing decisions. Integrity, honesty, and competency of the company influence the purchasing decision.
- 6) Website quality through trust significantly and positively influences purchasing decisions.
- 7) Electronic word-of-mouth through trust significantly and positively influences purchasing decisions.

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