

CHAPTER I

INTRODUCTION

1.1 Research Background

In this situation e-commerce in Indonesia is very much needed because people only stay at home, they don't need to buy goods offline, with e-commerce people only need to be at home and then wait for the online shipment to arrive at their home address. All can be done in just a few steps. With this convenience in mind, the demand of online shopping is growing rapidly. In the last several years, e-commerce in Indonesia has skyrocketed. According to a latest survey, Shopee is Indonesia's most popular e-commerce site. Shopee was able to overcome Tokopedia to become the most frequented e-commerce site even in Q3 2020, according to data from iPrice (2020). Shopee exceeded Tokopedia in Q4 2019 with 72,973,300 monthly visitors, then declined in Q1 2020 with 71,533,300 monthly visits, before increasing significantly in Q2 2020 with 93,440,300 monthly visits.

Website quality is the overall consumer perception of the function and appearance of a website (Lowry et al., 2008). Consumers who visit a website with a quality design and easily accessible content are more likely to make a purchase (Law & Bai, 2008). The Shopee site often experiences errors or down on the day of the event, caused by too many users are going to buy goods and

compete to get existing promotion such as discount, cashback, free delivery etc. where it makes the items sold or the voucher has reached the limit of use, this make a lot of user dissatisfied (kompas.com, 2020).

Many experts suggest that trust is a requirement for e-commerce success. This is because consumers are unwilling to make a transaction unless they are trust the company (Pavlou and Gefen, 2002). There's an issues where hackers can hack a user's Shopee account, where the hacker hacked by taking the money through shopeepaylater on behalf of the user, unbeknownst of the user. Where the billing will still billed to the user (kompasiana.com, 2021).

According to Tjiptono (2008), promotion is a type of marketing communication used to share information, influence, convince, or increase objectives for firms and goods so that people would accept and be loyal to the company's products. According to Khan, Syedm and Fahad (2012), achieving promotion can improves customer satisfaction and builds customer loyalty. Shopee has a very good promotion they try a lot of promotion such has having a Brand Ambassador, ads, concert, always follow the trends, vouchers etc. but there's one issues where not everyone can use the vouchers, that you can only use it on the special day and with a lot of terms and conditions where make people feel too complicated to use it. Shopee CEO Chris Feng said Shopee's consumer base in Indonesia is dominated by the 15–25 year age group. Not only consumers, but merchant partners on the platform are also generally in

the 25-30 year age group (bisnis.com, 2018). Thus makes Shopee advertises on promotion through certain age group which focuses on millennial age group users.

Kotler, et al. (2011: 165) states that customer satisfaction is one of the crucial part that help to build profitable relationships with consumers to nurture and grow consumers and reap the lifetime value of their customers. Customer satisfaction in other words can be described as a excitement or disappointment a person experiences as a result of comparing a product's perceived performance (or outcome) to expectations. The consumer is disappointed if the service does not meet his or her expectations. The consumer is happy if it meets their expectations. The consumer is exceedingly happy or delighted if it exceeds expectations (Kotler & Keller 2011).

In 2015 Shopee was created by the Sea Group or formerly well known as Gardena. Shopee Pte Ltd is a Singapore-based worldwide technology company that focuses in e-commerce. Not only in Singapore, Shopee also expanding their business to Malaysia, Thailand, Taiwan, Indonesia, Vietnam, the Philippines, Brazil, Mexico, Chile, and Colombia have all joined since then. It is also offered in mainland China, Hong Kong, Japan, and South Korea for seller centres.

Pengunjung Web Bulanan (Kuartal I-2020)

Sumber : iPrice, Kuartal I 2020

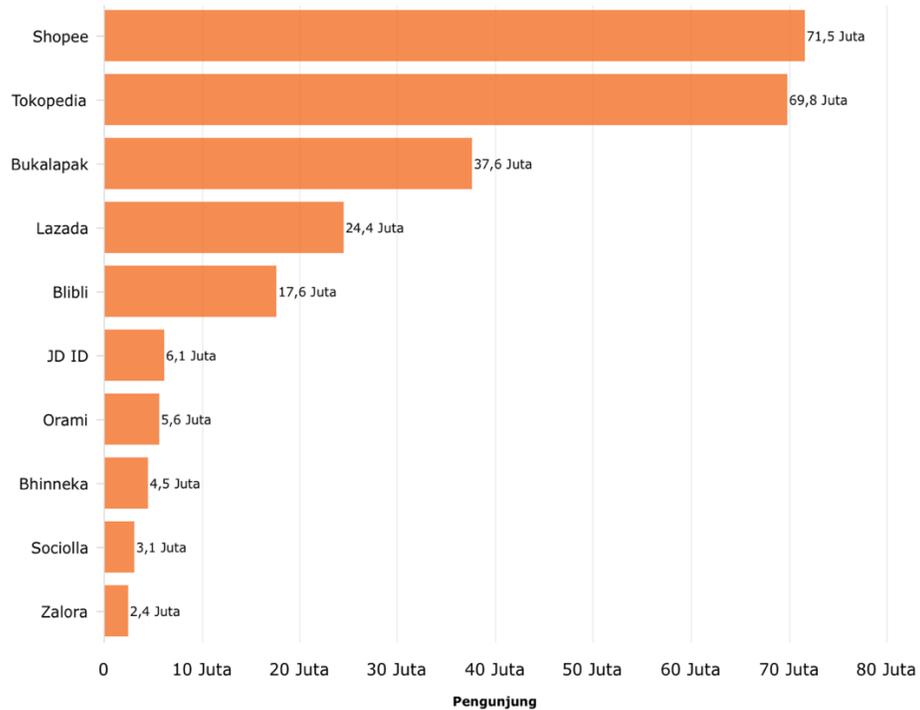


Figure 1.1 monthly web visitors (Q 1 – 2020)

Shopee is the Indonesian e-commerce site with the most monthly website visits. According to iPrice statistics, 71.5 million people visited this marketplace in the first quarter of 2020. With 69.8 million and 37.6 million visitors, Tokopedia and Bukalapak came in second and third, respectively. (Read: Online Shopping's Best-Selling Products During the Pandemic.) The average site visits were utilized by iPrice in their data collection technique, which was taken from SimilarWeb. The most recent statistics for Quarter I-2020 was updated on April 30, 2020.

Shopee is not the only marketplace in Indonesia. With the increasing number of emerging marketplaces, it leads companies to think about competitive strategies so that they can survive and grow in the market. One way that can be done is to increase customer satisfaction. Based on the background that have been discussed, the authors are interested in conducting a study entitled “The Influence of Website Quality, Trust and Promotion on Customer Satisfaction Shopee Indonesia”. The research purposes is to help in finding solution as well as improvement and determine the effect of Website Quality, Trust and Promotion on customer satisfaction who shopped online at shopee.com site in Indonesia.

1.2 Research Problem

The following is the formulation for the research problem, which is based on the background described above:

1. Does website quality have an influence on customer satisfaction Shopee Indonesia?
2. Does Trust have an influence on customer satisfaction Shopee Indonesia?
3. Does Promotion have an influence on consumer satisfaction Shopee Indonesia?
4. Does Age as moderator have an influence on customer satisfaction Shopee Indonesia?

1.3 Research Purposes

The following is the formulation for the research purposes, which is based on the background described above:

1. To examine whether Website quality is directly and positively related to Customer Satisfaction Shopee Indonesia.
2. To examine whether Trust is directly and positively related to Customer Satisfaction Shopee Indonesia.
3. To examine whether Promotion is directly and positively related to Customer Satisfaction Shopee Indonesia.
4. To examine whether Age as moderator has positive relationship between Promotion and Customer Satisfaction Shopee Indonesia.

1.4 Benefits of Research

The following is the formulation for the benefits of research, which is based on the background described above:

1.4.1 Practical Benefits

- A. With this research, we can help the Shopee Indonesia to know the importance of website quality, trust and promotion on customer satisfaction and get the solution to solve the problem.
- B. To make buyer feel satisfied shopped at Shopee Indonesia.

1.4.2 Theoretical Benefits

With this research, we expect to give more insight and new information for the research who have the same topic in the future in order to improve one's ability.

1.5 Writing Systematics

The Thesis consists of 5 chapters and several sub-chapter with the following writing systematics:

CHAPTER 1: Introduction

This chapter consist o and explains the background of the problem, problem formulation, research objectives, benefits of research and writing systematics.

CHAPTER 2: Literature Review

This chapter consist of a number of theories that are used as a basis and support in analyzing the problem in research, the relationship between variables, hypothesis, research model and previous research.

CHAPTER 3: Research Methods

This chapter consist of research paradigm, research object, unit analysis, type of research, questionnaire making techniques, sample design, data collection method, data analysis method, model evaluate and research implementation tools.

CHAPTER 4: Results and Discussions

This chapter consist of data analysis and research problem solving that have been collected from the questionnaire in which the data is statistically tested on variables. Which include respondent profile, preliminary test study result, descriptive statistic, inferential statistic and discussion.

CHAPTER 5: Conclusion and discussion.

This chapter consist of the conclusion from the result of discussion, managerial and theoretical implication, limitations of research and advice for further research.

