

# The Effect of Product Quality, Trust, and Electronic Word of Mouth (E-Wom) on Purchase Intention and Purchase Decisions for Fashion Products on the Shopee Marketplace.

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**Abstract :** Fashion products in Indonesia are now growing with the flow of modernization. This development makes society a selective society in determining their lifestyle. Lifestyle is closely related to fashion, because fashion will support a person's appearance to be more attractive and become a trend center in society. Purchase decisions are the most important component for customers so that sales strategies must be implemented appropriately through the components of Product Quality, Trust, and Electronic Word Of Mouth through Purchase Intention Fashion products on the Shopee marketplace. However, several things show the success and strength of fashion products in the Shopee market, trying to measure Purchase Intention as an intervention. Determining the quality of this product can improve the customer's purchasing decision, fashion products will be higher than other products marketed. The power of customer purchasing decisions is currently expected to be used by the e-commerce company Shopee on fashion products as a tool to win the competition in the e-commerce market in Indonesia.

**Keywords:** Product Quality, Trust, Electronic Word Of Mouth, Purchase Intention, Purchase Decision

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## I. Introduction

Fashion products in Indonesia are now growing with the flow of modernization. This development makes society a selective society in determining their lifestyle. Lifestyle is closely related to fashion, because fashion will support a person's appearance to be more attractive and become a trend center in society. Revenue from e-commerce in the fashion industry is in the millions of US dollars, with apparel having the highest revenue of under million US dollars. A recent survey found that fashion items such as clothes, shoes, bags, and other accessories are the items that Indonesian shoppers buy the most online.

Since the Covid-19 pandemic has had an impact on everyday life, one of which can be seen from changes in fashion trends. The COVID-19 pandemic situation has brought significant changes to various sectors, one of which is the development of the homeland fashion industry which is marked by the emergence of various fashion trends that are popular with the public. Adi Rahardja, Director, Business Growth of Shopee Indonesia, quoted from the lifestyle.bisnis.com news portal, said that during the pandemic, orders for the fashion category increased up to 2.5 times at Shopee, so that we get shopee's commitment to meet increasing fashion needs by providing easy access to a wide variety of selected fashion products. According to MarkPlus research results regarding e-commerce in Indonesia during the COVID-19 pandemic, it was concluded that the products most purchased by consumers during 2020 were clothing or fashion products, where fashion or clothing products at Shopee were 59%, while for fashion accessories products. such as bags, shoes, and others on Shopee by 84%. There are the best-selling products on shopee in 2021 semester 1 which are quoted from the news portal trenasia.com, saying that the best-selling fashion and accessories throughout semester I-2021. Fashion and accessories (62%), care and beauty products (53%), and hygiene and health products (37%).

The empirical in this study is that during the pandemic online shopping became very popular, especially fashion products, large e-commerce such as shopee continued to try to win the hearts of customers with various strategies that have been carried out. The demand for fashion products has increased two to two point five times during the pandemic compared to before. Shopping online at shopee is a type of e-commerce that is very popular in Indonesia.

**II. Literatur Review**

One of the important factors that can influence consumer purchasing decisions is the product quality factor. According to Kotler and Armstrong (2015:224) product quality is how the product has a value that can satisfy consumers both physically and psychologically which shows the attributes or properties contained in an item or result. According to Assauri (2015:211) product quality is a statement of the level of ability of a particular brand or product in carrying out the expected function. According to Kotler and Keller (2016: 347) Product quality is the ability of a product to perform its functions, these capabilities include durability, reliability, accuracy produced by the product as a whole.

Customer trust is the willingness of consumers to rely on a particular product or brand. Trust depends on a number of interpersonal and inter-organizational factors. Such as corporate competence, integrity, honesty and kindness (Kotler & Keller, 2016: 225). Meanwhile, according to Priansa (2017: 116), consumer trust can be understood as the willingness of one party to accept the risk of the actions of another party based on the expectation that the other party will take important actions for the party who believes in it, regardless of the ability to monitor and control the actions of the trusted party. Meanwhile, in research conducted by Ventre and Kolbe (2020), it is stated that trust is an important component in activities that are realized online.

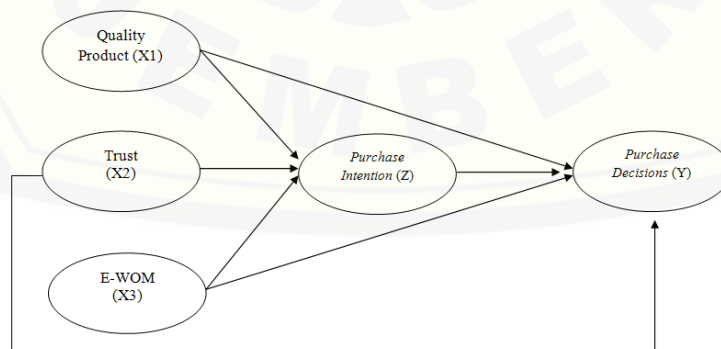
Communication by word of mouth (Word of Mouth) usually occurs when consumers or customers talk about services, brands, and the quality of products that have been used to other people. According to Priansa (2017: 339) word of mouth is a marketing activity in providing information on a product or service from one consumer to another to discuss, promote and sell a brand to others. In Sulthana and Vasantha's research (2019), Online/Electronic word-of-mouth (eWOM) is the sharing of information about products and services among people who interact with each other in the virtual world of social media. Social media is full of user generated content creation/sharing, reviews, referrals and recommendations. eWOM has complete support for product information shared and posted on Web 2.0.

Purchase intention (willingness to buy) is part of the behavioral component in the attitude of consuming. According to Tjiptono (2015: 140) states that consumer Purchase Intention reflects the desire and desire of consumers to buy a product. Meanwhile, according to Kotler and Keller (2016: 181), Purchase Intention is how likely it is for consumers to buy a brand and service or how likely it is for consumers to switch from one brand to another. If the benefits are greater than the sacrifice to get it, the impulse to buy is higher. According to Kotler and Armstrong (2014:106) Purchase Intention is something that arises after receiving a stimulus from the product he sees, then the desire to buy and own it arises.

Kotler and Keller (2016: 21) state that consumer purchase decisions are consumer behavior, namely the study of how individuals, groups, and organizations choose, use, and how goods, services, ideas, or experiences to satisfy their needs and desires. Tjiptono (2016: 21) defines consumer purchase decisions as a process where consumers recognize the problem, seek information about certain products or brands.

**III. Conceptual Model**

The conceptual framework of this study aims to determine the relationship between the independent variables Product Quality, Trust, and Electronic Word Of Mouth, the intervening variable of Purchase Intention, and the dependent variable of Purchase Decision. So, based on the background description above which explains the effect of Product Quality, Trust, and Electronic Word Of Mouth on Purchase Intention and Purchase Decision, the conceptual framework of this research can be described as follows:



**1.1 Conceptual Model**

**HIPOTESIS**

The Effect of Product Quality on Purchase Intention

According to Kotler and Armstrong (2015:224) product quality is how the product has a value that can satisfy consumers both physically and psychologically which shows the attributes or properties contained in an item or

result. Product quality is an important thing in determining the selection of a product by consumers. The product offered must be a product that is really well tested for its quality. Because for consumers the priority is the quality of the product itself. This explanation is supported by several studies which state that product quality affects Purchase Intention. Febrianti & Respati (2020), Sudaryanto et al (2022), which also stated that product quality affects Purchase Intention. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows:

H1 : Product Quality (X1) has a significant effect on Purchase Intention (Z) of fashion products in the Shopee marketplace.

### *The Effect of Trust on Purchase Intention*

According to Kotler and Keller (2016: 225) customer trust is the willingness of consumers to rely on a particular product or brand. Trust depends on a number of interpersonal and inter-organizational factors. Such as corporate competence, integrity, honesty and kindness. This explanation is supported by several studies which state that trust has an effect on purchasing decisions. Ventre and Kolbe (2020), Solihin (2020), Sudaryanto et al (2022), stated that trust has an effect on purchasing decisions. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows:

H2: Trust (X2) has a significant effect on Purchase Intention (Z) of fashion products in the Shopee market place.

### *The Effect of Electronic Word Of Mouth on Purchase Intention*

Viral marketing or also known as electronic word of mouth (eWOM) according to Kotler and Keller (2016) is marketing using the internet to create the effect of word of mouth to support business and marketing goals. This explanation is supported by several studies which state that electronic word of mouth has an effect on Purchase Intention. Kajtazi & Zeqiri (2020) stated that e-WOM had a significant effect on Purchase Intention, Ramadhan and Purwanto (2022) stated that electronic word of mouth had an effect on Purchase Intention, and Sosanuy et al. (2021) Electronic word of mouth (e-WOM) has a significant effect on Purchase Intention. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows:

H3 : Electronic Word Of Mouth (X3) has a significant effect on Purchase Intention (Z) of fashion products in the Shopee market place.

### *The Effect of Product Quality on Purchase Decision*

According to Kotler and Keller (2016: 347) Product quality is the ability of a product to perform its functions, these capabilities include durability, reliability, accuracy produced by the product as a whole. Therefore, companies are competing to develop products with better quality than the quality of competing products to increase consumer Purchase Intention. This explanation is supported by several studies which state that product quality influences purchasing decisions. Pandey et al, (2020) product quality affects purchasing decisions, Saputri & Guritno (2021) show product quality has a significant positive effect on purchasing decisions. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows:

H4 : Product quality (X1) has a significant effect on purchasing decisions (Y) for fashion products in the Shopee marketplace.

### *The Effect of Trust on Purchase Decisions*

Ventre and Kolbe (2020), stated that trust is an important component in activities that are realized online. Consumer trust is consumer knowledge about an object, its attributes, and benefits. This explanation is supported by several studies which state that trust has an effect on purchasing decisions. Vonguria et al. (2018) trust has a significant effect on purchasing decisions, this is also reinforced by the research of Daswan et al, (2020) Trust has a significant positive effect on purchasing decisions. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows:

H5 : Trust (X2) has a significant effect on purchasing decisions (Y) for fashion products in the Shopee marketplace.

### *The Effect of Electronic Word Of Mouth on Purchase Decisions*

According to Priansa (2017: 339) word of mouth is a marketing activity in providing information on a product or service from one consumer to another to discuss, promote and sell a brand to others. This explanation is supported by several studies which state that electronic word of mouth has an effect on purchasing decisions. Vonguria et al.(2018) Electronic Word of Mouth has a significant effect on purchasing decisions, research by Asnawati et al, (2022) electronic word of mouth has a positive impact on purchasing decisions, Based on the theory and empirical evidence above, the research hypothesis is proposed as following:

H6 : Electronic Word Of Mouth (X3) has a significant effect on the Purchase Decision (Y) of fashion products in the Shopee marketplace.



The Effect of *Purchase Intention* on Purchase Decisions

Kotler and Keller (2016: 181) Purchase Intention is how likely consumers are to buy a brand and service or how likely consumers are to switch from one brand to another. This explanation is supported by several studies which state that Purchase Intention has an effect on purchasing decisions. Daswan et al (2020) and Solihin (2020) state that Purchase Intention has an effect on purchasing decisions. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows:

H7 : Purchase Intention (Z) has a significant effect on Purchase Decisions (Y) for fashion products in the Shopee marketplace.

#### IV. Conclusion

Intense competition in the Shopee e-commerce industry in Indonesia makes companies have to be more competitive in presenting products that meet customer expectations. One of the changes that occur in the era of increasingly fierce competition is a decrease in purchasing decisions. The superiority of product quality has such a big impact. The development of product quality also affects the purchasing decisions of fashion products, this shows that the concept of purchasing decisions has become a necessity to show the performance of the company entity. Strategic planning and complex utilization in the company are needed as a solution to face the uncertain changes that occur in the era of increasingly fierce competition.

the era of increasingly fierce competition, Shopee e-commerce companies need the concept of an effective and efficient product sales strategy. With increasingly fierce competition, the concept of product sales strategy becomes the main subject in overcoming threats and opportunities. For this reason, further research is needed to determine the effect of Product Quality, Trust, and Electronic Word Of Mouth through *Purchase Intention* on the Purchase Decision of fashion products on the Shopee marketplace.

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