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# **Determinants Of Purchase Decision Local Culinary On ShopeeFood**

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Abstract: There are some risks when making an online purchase, so customers should seek information about the product to make a purchase decision. This research aimed to identify the factors that influenced the purchase decision local culinary on shopeefood. These used factors were online customer rating and online customer review. This research can be categorized as associative research with a practical application of quantitative approach. The target population for this study consists of individuals who are users of the ShopeeFood application. 96 respondents were determined as a sample using a purposive sampling technique. Data processing is assisted by the Microsoft Excel application and SPSSVersion27software. The study findings indicate that both Online Customer Rating and Online Customer Review have a positive and significant impact on Purchase Decisions, as observed through partial analysis. Simultaneously, it shows that Online Customer Rating and Online Customer Review have a positive and significant effect on Purchase Decisions.

Keywords: Online Customer Rating; Online Customer Review; Purchase Decision

## INTRODUCTION

Internet and technology developments are very rapid today in advanced and developing countries such as Indonesia, where the internet is increasing every year APJII[1]. Improvements in technology and the Internet provide a host of benefits for all aspects of life, one of which is that it will be easier to deal with everyday needs. The business world is changing because of advances in technology and internet through the buying and selling process Ghoni and Soliha [2]. The Internet enables a wider range of commercial activities to be carried out over the internet, making it more convenient for both sellers and buyers. Apart from the convenience of online shopping, there are also other aspects where consumers are worried about shopping online[2]. These concerns include risk issues that are usually related to payment security, fears of fraud, or substandard product qualityMufidah and Istiqomah[3].

ShopeeFood, a food delivery service provider, was established during the pandemic when people were concerned about the spread of the virus Mufidah and Istiqomah [3]. During that time, individuals utilized the ShopeeFood service to fulfill their food needs. Similar to other food delivery applications, ShopeeFood collaborates with merchants selling local and nonlocal menus. To enhance consumer trust in online food purchases, ShopeeFood incorporates Online Customer Rating and Online Customer Review features into its application. These features serve as valuable sources of customer information that can significantly influence purchasing decisions Latief and Ayustira[4].

Before deciding to buy, prospective customers typically seek information regarding the product they intend to purchase, when shopping online prospective consumers can look for information through ratings and reviews given by previous consumers who have made purchases, such as product quality and service quality provided by merchants. Rating and review system that gives consumers the freedom to give opinions about products, as a result consumers have abundant information before choosing the product to buy, on the other hand it will cause confusion to potential consumers when making a purchase decision online[5].

Based on the description above, this study seeks to find out whether online customer rating and online customer review influence the local culinary purchasing decisions of ShopeeFood customers.

#### LITERATURE REVIEW

## **Online Customer Rating**

Rating may be interpreted as an opportunity for consumers to give feedback to sellers. Rating is one of many types of opinion that people express, it gives buyers an average value for their opinions and represents the views of consumers as a whole Sianipar[5]. The rating not only assesses the quality of the product but also evaluates the service offered by the merchant. A shop's reputation in online shopping is based on a consumer rating, and more stars received by the shop would affect other consumers' purchasing decisions [7].

There are 3 indicators of Online Customer Rating according to Engler[6]:

- 1) Quality of information, with a rating can show the quality of a product.
- 2) Trust, trust the ratings given by other consumers.
- 3) Customer satisfaction, the rating feature helps consumers shop online.

## **Online Customer Review**

Reviews are one of the factors that go into making a purchasing decision, and it has been said that the quantity of reviews can be used to gauge a product's value or popularity, which may affect a consumer's desire to purchase Lestari[7]. Online customer reviews are surveys that evaluate products based on feedback from customers who have purchased items online, the quality of an online product can be better gauged through the reviews and experiences of individuals who have purchased it Ningsih[8]. New customers will be attracted to more positive reviews which will thus influence their purchasing decisions. According to Lackermair[9]there are several indicators of Online Customer Review: Consciousness, Frequency, Comparability, and Effects [12].

## **Purchase Decision**

A decision to purchase is a process by which consumers are aware of the problem, look for information on an existing product or brand and assess how well each of these options can solve it, leading to their purchasing decisions Fadhilah et al.,[10]. According to Wardhana et al.,[11] In determining the various alternative choices of products or services that consumers buy or use, purchasing decisions are a series of stages for customers to go through. Purchasing decision indicators used are: 1) the standart of a product, 2) the way of buying a product, 3) Giving referrals to others., and 4) Repurchasing [15].

#### **METHOD**

#### Research design

The study uses a quantitative approach with associative research methods. Associative research is used to analyze the relationship or influence between two variables Suliyanto[12], in this study to

determine the connection between purchasing decisions, online customer rating, and online customer review.

# Population, Sample, Sampling

The population in this study consisted of users of the ShopeeFood application, the population in this study was not clearly known. The sampling technique used in this study was purposive sampling technique with the criteria that Shopeefood users in Tangerang and had bought local culinary through Shopeefood. Because the population in this study is not clearly known, an alternative formula is used and the sampling technique uses the Lemeshow formula so that 96 respondents are obtained.

#### **Instrument**

This study uses data collection techniques with questionnaire distribution techniques. The measurement scale for respondents' answers in this study uses a Likert scale with a value weight of 1 (strongly disagree) - 5 (strongly agree). Multiple linear regression is utilized as a tool of data analysis. Data processing is assisted by the Microsoft Excel application and SPSSVersion 27 software.

## RESULTS AND DISCUSSION

## Validity test

Table 1. Pearson Correlation test

Variable	Statement	R count	R table	Status
	OCRT.1	0.493	0.361	Valid
	0CRT.2	0.502	0.361	Valid
	OCRT.3	0.398	0.361	Valid
Online Customer Rating	OCRT.4	0.539	0.361	Valid
(OCRT)	OCRT.5	0.481	0.361	Valid
	OCRT.6	0.441	0.361	Valid
	OCRT.7	0.489	0.361	Valid
	OCRT.8	0550	0.361	Valid
	OCRT.9	0.436	0.361	Valid
	OCRT.10	0.815	0.361	Valid
	OCRV.1	0.650	0.361	Valid
	OCRV.2	0.511	0.361	Valid
	OCRV.3	0.571	0.361	Valid
Online	OCRV.4	0.414	0.361	Valid
Customer	OCRV.5	0.416	0.361	Valid
Review	OCRV.6	0.533	0.361	Valid
(OCRV)	OCRV.7	0.568	0.361	Valid
	OCRV.8	0.426	0.361	Valid
	OCRV.9	0.439	0.361	Valid
	OCRV.10	0.484	0.361	Valid
	PD.1	0.849	0.361	Valid
	PD.2	0.363	0.361	Valid
	PD.3	0.468	0.361	Valid
Purchase	PD.4	0.514	0.361	Valid
Decision	PD.5	0.608	0.361	Valid
(PD)	PD.6	0.487	0.361	Valid
	PD.7	0.402	0.361	Valid
	PD.8	0.485	0.361	Valid
	PD.9	0.410	0.361	Valid
	PD.10	0.882	0.361	Valid

Source: Processed Data (2023)

Based on Table 1 Pearson Correlation test results, all statement from 30 responders deemed valid based on the validity test findings for the variables rating, review and purchase decision which have rount > rtable (0.361).

## **Reliability Test**

Table 2. Cronbach's Alpha Test

Variable	Cronbach's Alpha	Status
OCRT	0.651	Reliable
OCRV	0.649	Reliable
PD	0.727	Reliable

Source: Processed Data (2023)

The reliability value (Cronbach's Alpha) of each variable is displayed in Table 2. The Cronbach's Alpha value for the Online Customer Rating, Online Customer Review and Purchase Decision variables is 0.651, 0.649, and 0.727, respectively. Each variables value has a Cronbach's Alpha value > 0.60, and as a result, it is deemed Reliable.

## **Multiple Regression Test**

Table 3. Multiple Regression Test

Coefficients <sup>a</sup>							
		Unstandardized Coefficients		Standardized Coefficients			
Model		В	std. Error	Betas	t	Sig.	
1	(Constant)	5,117	3,921		1.305	,195	
	OCRT	,332	,115	,272	2,878	,005	
	OCRV	,550	,098	,532	5,621	,000	
a Dependent Variable: Purchase Decision							

Source: Processed Data (2023)

Based on Table 3 The multiple regression equation is determined as follows:

$$Y = 5.117 + 0.332 X1 + 0.550 X2 + e$$

The constant value (a) = the positive value is 5.117. Positive evidence indicates that the independent variable and its dependent variable are influencing one another. In other words, if all of the independent variables are 0% or unchanged, the purchase decision value is 5.117.

The coefficient value  $\beta1$ = because it has a value of 0.332 Online customer rating has a favorable impact on purchase decisions. Assuming all other factors remain constant, if the online customer rating up by one unit, the purchasing decision will alter or rise by 0.332.

The coefficient value  $\beta 2=$  because it has a value of 0.550 online customer review has a favorable impact on purchase decisions. Assuming all other factors remain constant, if the effect of online customer reviews up by one unit, the purchasing decisions will alter or rise by 0.550.

#### **Determination Coefficient Test**

**Table 4.** Coefficient of determination

Summary Model <sup>b</sup>					
Model	R	R Square	Adjusted R Square	std. Error of the Estimate	
1	,745 a	,555	,545	1,661	
a. Predicte	a. Predictors: (Constant), OCRT, OCRV				
b. Depend	b. Dependent Variable: Purchase Decision				

Source: Processed Data (2023)

Can be seen in Table 4. The coefficient of determination represented by 0.545. This demonstrates that 0.545 (54.5%) of purchasing decisions are influenced by online customer rating and review, 45.5% may be influenced by other factors that were not specifically examined in this study.

#### T test

Based on the findings of the t test presented in Table 3, it is possible to draw the conclusion that either the online customer rating variable or online customer review have a positive and significant impact on consumer purchase decisions. As proven by the tount values for the online customer rating of 2.878 > ttable 1.661, these results are consistent with the studies by Paujiah et al.,[13] stated that a higher product rating can serve as a motivating factor for consumers to make purchasing decisions. T-count for online customer review is 5.621 > ttable 1.661, in line with Nuraeni[14] stated that online customer reviews play a significant role in simplifying the process for prospective customers to gather comprehensive product information based on the experiences shared by previous consumers who have purchased the product.

#### F test

Table 5. F test

	ANOVA a								
	Model	Sum of Squares	df	MeanSquare	F	Sig.			
1	Regression	319,900	2	159,950	57,943	,000 b			
	residual	256,725	93	2,760					
	Total	576,625	95						
a.	a. Dependent Variable: Purchase Decision								
b.	b. Predictors: (Constant), OCRT, OCRV								

Source: Processed Data (2023)

The F test results indicate that there is a significant impact of online customer rating and review on purchasing decisions, as evidenced by the computed F value of 57.943 with a F table of 3.09; as a result, the Fcount is greater than the F table. These results are consistent with the studies of Arbaini[15]stated that the more positive online consumer ratings and reviews sellers receive on the marketplace, the greater the likelihood of influencing purchasing decisions. These features serve as valuable sources of customer information that can significantly influence purchasing decisions.

## **CONCLUSION**

The data analysis findings reveal a positive and significant impact of online customer ratings and reviews on purchasing decisions, both independently and simultaneously. These results are consistent with previous research, highlighting the crucial role of ratings and reviews in shaping purchasing choices. The R2 data analysis indicates that online customer ratings and reviews exert a concurrent influence on purchasing decisions, explaining approximately 54% of their overall impact. However, it also suggests the presence of other factors affecting local culinary purchasing decisions on ShopeeFood.

To obtain favorable online customer ratings from existing consumers, merchants must demonstrate a commitment to maintaining the quality of their products and services. This includes using real photos for sales, providing prompt responses, offering discount promotions, and consistently delivering high-quality products. In handling unfavorable online customer ratings, merchants should be responsive and proactive in addressing issues. For instance, they can evaluate the product and work towards rectifying any existing deficiencies.

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