

## **CHAPTER 1**

### **Introduction**

#### **1.1 Background of Study**

In general, people will always choose items or anything that offer a multitude of advantages and convenience for them to perform all of their tasks. More particularly in this digital age where practically every industry is vying for access to renewable technologies. The internet is one example of advanced technology that people turn to in this day and age when they need information. With one of the highest rates of mobile penetration worldwide is Indonesia. This high mobile penetration has also fueled the growth of online shopping, including the purchase of cosmetic products. The convenience provided by e-commerce platforms allows users to browse and buy cosmetics from anywhere, offering detailed product information, user reviews, and a seamless purchasing experience. This ease of access has led to an increased interest among internet users in shopping for cosmetics online, making it a booming segment in the e-commerce landscape. With the unmatched convenience of these websites, users can finish tasks and maintain connections while on the road. An analysis from [statista.com](https://www.statista.com) indicates that the number of Indonesian internet users reached 271 million in 2023, up 0.8% over the previous year. This phenomenon suggests that Indonesians are already aware of the importance or utility of technology. The Indonesian people have started to exploit technological advancements as a platform for their own personal interests or commercial demands. The business world is highly competitive in the contemporary globalisation period. Businesses are fighting to keep their doors open in order to survive the competition. Businesses that started out doing business offline are

now beginning to branch out into the internet market. A business can now more easily acquire new clients and hold onto existing ones because to the advancement of information and technology, particularly the internet, which has a very broad reach. Many businesses that initially operated solely offline are now expanding into the online market to maintain their competitive edge. The advancement of information and technology—particularly the internet, with its extensive reach—has facilitated this shift. E-commerce allows individuals, small businesses, and large brands to conduct transactions online, creating a seamless platform for buying and selling.

In the cosmetic industry, this competition is even more pronounced. The rapid growth of e-commerce has transformed how cosmetic brands interact with consumers. Brands that once relied solely on in-store experiences are now harnessing digital platforms to reach a wider audience and provide a comprehensive shopping experience. However, this shift also means that consumers often find it difficult to directly engage with product producers due to the online nature of these transactions. For vendors, e-commerce has unified a previously fragmented global market, enabling them to compete on a broader scale. This has made it essential for cosmetic brands to innovate continually and adapt to new trends to attract and retain customers in this highly competitive landscape. E-commerce enables people, small businesses, and brands to transact business using internet media for purchases and sales. Customers find it challenging to get in touch with the product producer directly because all transactions happen online. For vendors, e-commerce made it possible to combine a very dispersed global market into a single, cohesive one.

E-commerce reduced time and distance barriers for consumers by enabling them to purchase anything with a single click. Only the products' photographs and information listed on the website will influence a consumer's decision to purchase. As a result, the perception and trust of customers, or e-trust from website administrators and manufacturers, determines the purchase in its entirety. Specifically, e-commerce is recognised as a channel for Business-to-Consumer (B2C) direct sales of products and services to customers. Digitalization has completely change the trade industry by bringing conveniences and changing consumer's purchasing behaviours (Banjarnahoret et al, 2023). Even though internet shopping is unquestionably convenient, customers may find it difficult to make an informed decision about a product's suitability or quality based only on information they see online.

Customer discontent and increased return rates may result from this. Innovative solutions are being implemented by e-commerce enterprises to address these concerns. Product images of the highest calibre, thorough product descriptions, and insightful customer evaluations help close the gap between online and instore buying. Furthermore, strong return guidelines and first-rate customer support promote confidence and repeat business.

In Indonesia itself, there are already several e-commerce sites that can be accessed by the Indonesian people. As can be seen from the figure below, cumulatively in 2023

Shopee reached 2.3 billion visits, Tokopedia got 1.25 billion visits, Lazada got 762.4 million visits, Blibli got 337.4 million visits, and BukaLapak got 168.2 million visits.

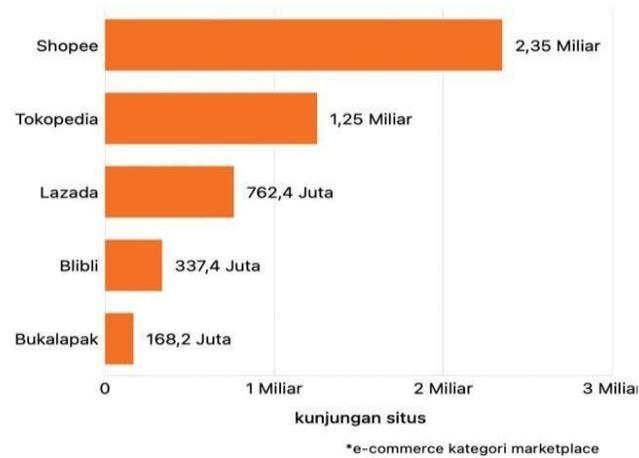


Figure 1.1 E-commerce with the most visitor in Indonesia (2023)

Source: databooks.katadata.co.id



Figure 1.2 E-commerce with the most visitor in Indonesia (2022)

Source: databooks.katadata.co.id

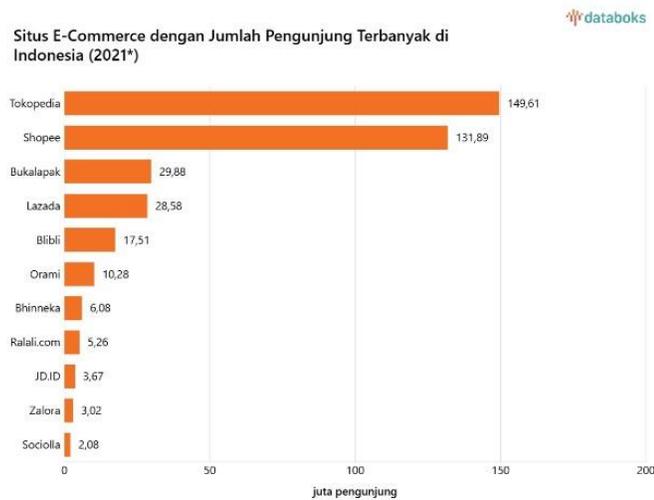


Figure 1.2 E-commerce with the most visitor in Indonesia (2021)

Source: databooks.katadata.co.id

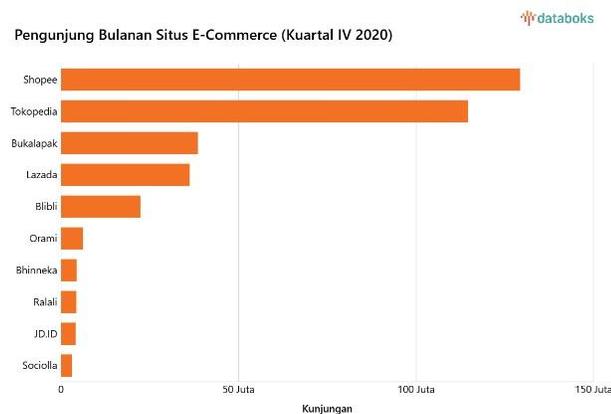


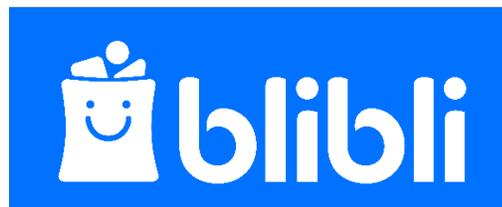
Figure 1.3 E-commerce with the most visitor in Indonesia (2020)

Source: databooks.katadata.co.id

Analyzing the data above, Blibli has experienced significant fluctuations in its visitor numbers over the past few years. In 2020, Blibli attracted 22.41 million visitors, showcasing strong engagement. However, in 2021, this number declined to 17.51 million, representing a noticeable drop in traffic. The downward trend continued into 2022, with the platform receiving 16.3 million visitors. This decline is particularly notable given that Blibli operates as a niche e-commerce website, positioning itself to

compete with larger platforms that also cater to the demand for cosmetic and lifestyle products.

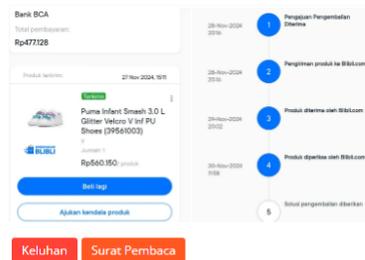
The adoption of e-commerce in Indonesia was further expedited by the COVID19 epidemic. A startling finding from an Ipsos SEA Ahead study conducted in June 2021 was that 75% of Indonesians said they had shopped online significantly more than they had before the outbreak. This demonstrates how ecommerce platforms are becoming more and more significant in Indonesian retail. That being said, there is a hierarchy in this thriving sector. The "big two" e-commerce behemoths in Indonesia, Shopee and Tokopedia, have come to dominate the market. They have a sizable market share thanks to their wide range of products, affordable prices, and intuitive user interfaces.



*Figure 1.4 Company's Logo*

On the contrary, BliBli.com offers a special substitute in which they create their own niche rather than going up against the "big two" directly. BliBli is an online shopping experience that has been carefully selected by PT Global Digital Niaga (GDP), a subsidiary of Djarum, the top cigarette maker in Indonesia. This can put them in a position to serve a particular market niche. BliBli may concentrate on a more upscale or niche product variety, drawing clients looking for a more targeted purchasing experience, in contrast to the enormous and rather bewildering assortment provided by Shopee and Tokopedia.

Since its first introduction on July 25, 2011, Blibli.com has worked with toptier technology companies, logistics partners, banking partners, and merchant partners who adhere to particular standards in order to satisfy the demands of its users. Blibli's goal is to become Indonesia's leading e-commerce platform by offering a convenient, safe, easy, and enjoyable online purchasing experience anytime, anywhere. The tagline of Blibli.com is "Big Choices, Big Deals". It is the R.E.S.P.E.C.T values that direct staff in their work at Blibli.com. Offering a wide range of items, Blibli.com prioritises client satisfaction above all else by offering round-the-clock, seven-day customer care. Priorities at Blibli.com include high-quality items that are assured to be 100% original, free shipping, safe online payment methods, credit card-free instalments plans, prompt delivery, and 15-day returns for returned merchandise. With this Blibli is currently growing in an effort to meet every need of its customers but is no exception to the decline in performance felt by Blibli users.



[Keluhan](#) [Surat Pembaca](#)

### Kecewa dengan Refund Bilibli yang Tidak Kunjung Selesai

📅 10 Desember 2024 👤 agung 🗨️ 3 Komentar 🛒 Belanja

Online, Bilibli, Bilibli.com, Customer complaint handling, Customer Service, Deskripsi produk, e-Commerce, Kebijakan pengembalian barang, Kondisi produk tidak sesuai informasi, Marketplace, Pengembalian dana, Refund, Retur barang, SLA, SOP, Standard Operating Procedures, Syarat dan Ketentuan

Sebelum pembelian dilakukan, saya sudah melakukan konfirmasi ukuran yang ada di deskripsi produk dengan pihak Bilibli, melalui live chat. Namun,

*Figure 1.5 Customer's Complaints on Mediakonsumen.com*

According to Mediakonsumen.com, they claims that they launched a platform where Bilibli users may voice their grievances about anything from payment problems to cancellation problems to warranty problems and more. Reported complaints have the potential to negatively impact current and future Bilibli users' experiences.

Repurchase intention can be defined as the probability that a consumer will choose to buy products or use services from the same retailer after their initial purchase. This intention plays a critical role in understanding consumer behavior and is essential for developing effective strategies to enhance customer retention and engagement. By analyzing repurchase intention, retailers can gain valuable insights into their customers' preferences and satisfaction levels, enabling them to tailor their website and services to better meet consumer needs and foster long-term loyalty. Key factors influencing repurchase intentions are perceived value and consumer happiness.

According to Choi and Kim (2013), Candan et al. (2013), and Conin et al. (2014), a customer's intention to repurchase is impacted by how satisfied he was with his prior purchase. In an online store, customer satisfaction is created by giving users a positive and fulfilling experience when utilising the application. The ability of a product or service to meet or beyond customer satisfaction is referred to as customer satisfaction. They will respond more favourably the more the advantages and value (perceived value) that are felt relative to the sacrifices made (Payne and Holt in Rahab et al., 2015). Although outstanding quality and service can satisfy customers, going above and beyond their expectations increases customer satisfaction and increases the possibility that they will make additional purchases (Kelejan et al., 2022; Lebo & Mandagi, 2023). Meeting or exceeding customer expectations is crucial since disgruntled consumers are likely to switch to competitors (Mandagi et al., 2023). This is why this study is aiming to deepen the findings of the factors that could affect customer repurchase intention, help e-commerce to design strategies to strengthen the willingness of the customer to buy again or simply loyalty. To analyze whether customer satisfaction will directly influence customer repurchase intention for greater loyalty. Based on the background, the researcher has decided to choose the title for this study “**The Effect of Perceived Value and E-Trust Towards Customer Repurchase Intentions With E-Satisfaction as Intervening Variables on Blibli E-Commerce User**”

## **1.2 Research Problem**

Based on the background above, the formulation of the problem can be elaborated as follows:

1. To what extent does E-Trust influence the E-Satisfaction of Blibli users in Jakarta?
2. To what extent does Perceived Value influence the E-Satisfaction of Blibli users in Jakarta?
3. Does Perceived Value have a direct influence on the Repurchase intention of Blibli users in Jakarta?
4. Does E-Trust has direct influence to Repurchase intention of Blibli users in Jakarta?
5. Does E-Satisfaction have Direct Influence to Repurchase Intention of Blibli users in Jakarta? a Does Perceived Value significantly affect Repurchase Intention through E- Satisfaction to Customer Repurchase Intention of Blibli users in Jakarta?
6. Does E-Trust significantly affect Repurchase Intention through E-Satisfaction to Customer Repurchase Intention of Blibli users in Jakarta?

### **1.3 Objectives of The Research**

Based on the background above, the formulation of the problem can be described as follows:

1. To find E-Trust influence the E-Satisfaction on Decision Process of Blibli users in Jakarta
2. To determine the extent of the influence Perceived Value, influence the E-

Satisfaction of Blibli users in Jakarta

3. To determine the extent of the influence of Perceived Value has direct influence to Repurchase intention of Blibli users in Jakarta
4. To determine the extent of the Influence of E-Trust on Customer Repurchase Intention of Blibli users in Jakarta
5. To determine the extent of the influence E-Satisfaction has Direct Influence to Repurchase Intention of Blibli users in Jakarta
6. To determine the extent of the influence Perceived Value significantly affect Repurchase Intention through E-Satisfaction to Customer Repurchase Intention of Blibli users in Jakarta
7. To determine the extent of the influence E-Trust significantly affect Repurchase Intention through E-Satisfaction to Customer Repurchase Intention of Blibli users in Jakarta

#### **1.4 The Advantage of Research**

1. Theoretical Aspect : By exploring the relationship between E-Trust, Perceived Value, E-Satisfaction as mediation variable on Blibli user purchasing decisions, the research contributes to a better understanding of consumer behaviour in the context of purchasing process on e-marketplace. It adds to the existing body of theoretical knowledge in marketing and consumer psychology.

2. Practical Aspect: The findings of the research can provide valuable insights to Blibli and other e-commerce operating in Jakarta on how to effectively manage their strategies to attract and retain customers.

## **1.5 Theoretical Framework**

### **1.5.1 Customer Behaviour**

Consumer behaviour was a notably new field of study in the late 1960s, several marketing theorists had embraced few other concepts in other studies such as psychology, sociology, anthropology and economics, and list goes on. Using economic theory as the focus point regarding consumer behaviour, it could be seen that consumer behaviour is indeed influenced by the benefits or value that they expected when buying or purchasing products or services. Not only that, later research argued that emotion, mood, and situation does influence consumers to impulsively buy a product or service. According to Shiffman and Manuk (2013), they insisted that there's a simplified model to understand consumer decision making divided into three stages. The first stage, the input stage, is where consumers become aware of a need for a product. Two main factors influence this stage. First, there are the marketing efforts undertaken by the company itself. This includes everything from the product's design and price to how it's advertised and where it's sold. Essentially, it's everything a company does to get their product in front of consumers and convince them it fulfills a need. The second factor influencing the input stage is external sociological influences. This encompasses the social environment that surrounds a consumer, including their family, friends ,

social class, cultural background, and even the broader societal norms they live by. All of these factors play a role in shaping what a consumer perceives as a need and how they might go about fulfilling it. Once a need is recognized, the process stage kicks in. This stage focuses on how consumers make decisions after identifying that need. Here, psychological factors come into play. A consumer's motivation, perception, learning experiences, personality, and attitudes all influence how they interpret the information they received in the input stage.

These factors will determine how they search for additional information, evaluate available options, and ultimately make a purchase decision. The final stage, the output stage, deals with the actions consumers take after making a decision. This stage has two parts. The first is purchase behavior, which simply refers to the act of buying the product. For lowercost, non-durable goods, like a new lipstick, a marketing campaign with a discount or promotion might heavily influence this behavior. The initial purchase might even be a trial to see if the consumer likes the product. If they do, they're more likely to repeat the purchase, signifying they've adopted the product into their routine

### **1.5.2 Perceived Value**

According to Hellier et al. (2003), perceived value is a customer's judgement of how good a service is overall. This judgement is based on what the customer gets out of the service (benefits) compared to what they put in (money, time, effort). Basically, it's about whether the customer feels they're getting their money's worth. Perceived value,

according to Yarmen (2017), is the difference amongst perceived substitutes and the total costs and advantages of a product. It summarises the expected financial, time, energy, and psychological benefits as well as the functional and economic features of goods, services, and brands, and compares them against the predicted costs. Zeithaml (2002) discovered that customers' intentions to make additional purchases and their perceptions of product quality and pricing were all related to perceived value.

### **1.5.3 E-Trust**

Various disciplines, including economics, special psychology, sociology, management, marketing, and information science, have given their own unique definitions to the idea of trust (Bloomvist, 1997; Garbarino and Lee, 2003). According to the Theory of Planned Behavior proposed by Ajzen (1991), an individual's intention to perform a behavior is influenced by their attitudes, subjective norms, and perceived behavioral control. In the context of e-commerce, e-trust acts as a significant antecedent to customer attitudes toward a brand or platform. When customers trust an online retailer, they are more likely to perceive their shopping experience positively, which can lead to a greater intention to repurchase. This positive perception may stem from a belief that their personal and financial information is safe and that the products or services they receive will meet their expectations. Businesses that actively cultivate e-trust can benefit from customer loyalty and advocacy. By ensuring transparency, providing excellent customer service, and maintaining consistent communication, companies can reinforce their customers' trust. This, in turn, can lead to increased repurchase intention

as consumers feel more assured in their buying decisions. The cycle of trust and loyalty thus becomes self-reinforcing, where a trustworthy reputation leads to higher repurchase rates, which further solidifies that reputation.

#### **1.5.4 E-Satisfaction**

The business makes a constant effort to satisfy its client's needs. Customer satisfaction will eventually increase only if their expectations and the outcomes that customers receive are in those lines. Client satisfaction, according to Kottler and Armstrong (2007), is the degree to which a client is satisfied or dissatisfied with a product after comparing its performance or outcomes to what they had anticipated. Anderson and Srinivasan (2003) provides the clearest understanding of what it means. In the domains of information systems and market research, e-commerce research has placed significant emphasis on evaluating consumer satisfaction with online buying. Even on online buying platforms, the influence of consumer happiness and its outcomes are still debatable (Evanschitzky et al, 2004).

#### **1.5.5 Customer Repurchase Intention**

According to Javed and Wu (2020), e-repurchase intention refers to the consumer's intention to make another refers to the consumer's intention to make another buy from the same retailer in the future. Quan et al (2020), defined it as the likelihood that customers will make repeat purchases of goods and services from the same retailer. In the realm of internet commerce, loyalty refers to a customer's intention to make another

purchase from the same business. Through Hair et al (2010), repurchase intention represents the level of commitment, determination, and effort that consumers are willing to invest in performing a specific behavior. It encompasses both the mental resolve to act and the physical or emotional energy dedicated to achieving the desired outcome. This includes how strongly they prioritize the behavior and the extent to which they persist in overcoming challenges or obstacles to accomplish it.

## **1.6 Relationship Between Variables**

### **1.6.1 The influence of perceived value to e-satisfaction**

Customer satisfaction will benefit from perceived value for social enterprise products, as demonstrated by Choi and Kim (2013). Purchase satisfaction will increase with a higher perception of the functional value, emotional value, and social value of social enterprise products. For example, if the price of products that is proved on Blibli is lower, then it is likely that consumers will be more likely to buy the product. Conversely, if the price products provide is too high, then it is likely that consumers will be reluctant to buy it. According to the previous research done by Ananda, et al (2020), stated that indeed perceived value significantly affecting repurchase intention. Furthermore, there is another research done by Miao Miao, et al (2021), through the similar lenses study proved that perceived value significantly influences customer repurchase intention.

H1: It is suspected that perceived value has an effect e-customer satisfaction of Blibli users in Jakarta

H3: It is suspected that e-satisfaction mediates perceived value and customer repurchase intention

### **1.6.2 The influence of E-trust to E-satisfaction**

According to a study by Churchill (1999), there is a strong positive correlation between customer behavioural intentions and trust, which promotes both initial and repurchase intentions as well as favourable word of mouth recommendations. Commitment and trust have a major influence on behavioural intention to purchase. Customers who have faith in a specific online commerce often tell others about it. Thus it is quite possible to identify a positive relationship between word of mouth, commitment, and trust. Customers will eventually feel more at ease making purchases from a specific ecommerce if they have favourable faith in it. Based on researched done by Ananda on 2020, they proved that e-trust has significant effect on e-satisfaction to customer repurchase intention. Trust also proven by Purwoko and Muhammad (2024) to have effect on repurchase intention.

H2: It is suspected that e-trust has an effect customer satisfaction of Blibli users in Jakarta.

H4: It is suspected that e-satisfaction mediates e-trust and customer repurchase intention

### **1.6.3 The Influence of E-Satisfaction to Customer Repurchase Intention**

Previously it was discovered by Ali Abumalloh et al. (2020) that customer satisfaction encourages online purchase intention. As a results, they think that effective online management fosters favourable social expectations, which in turn encourages online purchasing intention. According to Miao et al. (2019), There is a favourable correlation between success, customer satisfaction, and customer loyalty. With this, the author believes that customer satisfaction is important to look forward for any business to maintain their sales and the will to buy from their marketplace once again. According to the research done by Lukman et al (2023), they initiated that customer satisfaction has a significant influence on repurchase intention. Moreover, other results proven by Aditya et al (2022), they stated that with better e-service quality initially influence esatisfaction that consumer perceived to make another purchase.

H5: It is suspected that e-satisfaction has an effect customer satisfaction of Blibli users in Jakarta.

H6: It is suspected that perceived value has an effect on customer repurchase intention through e-satisfaction

H7: It is suspected that e-trust has a influence on customer repurchase intention through e-satisfaction

## 1.7 Previous Research

In order to determine whether or not this study is supported by prior research with a comparable emphasis or aims, prior research is indeed required. The following are the prior studies that have been compiled into a table:

**Table 1-1. Previous Research**

No	Researcher	Title	Similar Variable	Results
1.	Miao Miao, Tariq Jalees, Syed Imran Zaman, Sherbaz Khan (2021)	The Influence of e-Customer Satisfaction, e-Trust, and Perceived Value on Customer Repurchase Intention in B2C e-Commerce Segment	Perceived Value (Z), Purchase Intention (Y), E-Satisfaction (Z)	The results find that <b>none</b> of the mediating variables were successfully supported, but prior online experiences had <b>moderated</b> the perceived value and repurchase intention
2.	Trivedi, Yadav (2018)	Predicting online repurchases intentions with e-satisfaction as mediator: a study on Gen Y	E-Satisfaction (Z), Intention to Purchase (Y)	The findings of this study are security, trust, ease of use, and privacy concern have a <b>positive relationship</b> with repurchase intention.

3.	Elsa, Anton (2022)	<i>Pengaruh E-Satisfaction, E-Trust, Dan Perceived Value Terhadap Repurchase Intention Pada E-Commerce</i>	E- satisfaction (X1), Perceived Value (X2), Repurchase Intention (Y)	This study found that e-Satisfaction and perceived value have <b>positive impact</b> on the y variable which is repurchase intention meanwhile e-Trust do not.
4.	Ananda, Arlin (202)	The Effect Of Perceived Value, E-Trust And E-Lifestyle On Repurchase Intention With Customer Satisfaction As Intervening Variable (Study On Tokopedia Customers In. Jakarta)	Perceived value (X1), E-Trust (X2), Repurchase Intention (Y)	The Results of this study stated that there was a <b>positive effect</b> on perceived value, etrust, on customer repurchase intention.
5.	Muhammad Rizali, Pusvita Yuana (2024)	<i>Pengaruh Perceived Trust, Perceived Value, dan Brand Image terhadap Repurchase Intention</i>	Perceived Value (X2), Repurchase Intention (Y)	The results of this study indicate that green perceived value <b>has significant impact</b> on repurchase intention

6.	Lorenzo, Meta (2013)	<i>Perceived Value dan Repurchase Intention pada Online Marketplace</i>	Perceived Value (X2), and Trust (X3)	This study found that perceived value <b>does not</b> support repurchase intention.
7.	Rizki Oktiviani (2024)	Investigating the Impact of Perceived Value and Customer Satisfaction on Repurchase Intentions Among Female E-Commerce Customers	Perceived Value (X1), and Purchase Intention (Y)	The study indicates that perceived value has <b>significant influence</b> on repurchase intentions.

8.	Meliyana Prasetyo Tejo, Damelina B. Tambunan (2021)	The Effect Of Perceived Value On Customer Retention With Trust As Mediation Variable In Company X	Perceived Value (X1), Trust (Z1), and Customer Retention (Y1)	The results of the analysis in this study are perceived value have significant effect on trust, perceived value doesn't <b>have significant effect</b> on customer retention in Company. Trust has <b>a positive and significant effect</b> on customer retention in Company X; Trust fully mediates perceived value To customer retention in Company X.
9.	Haslinda Hasan, Teo Poh Kiong, Raja Azimah Raja Omar Ainuddin (2014)	Effects Of Perceived Value And Trust On Customer Loyalty Towards Foreign Banks	Perceived Value (X1), Trust (X2), Customer Satisfaction (Z)	The analyses showed The <b>positive and significant</b> effects of perceived value and trust on customer loyalty towards the foreign banks

10.	Purwoko, Muhammad Ali Fikri (2024)	<i>Repurchase Intention: Peran Brand Image, Brand Trust, Perceived Value, and Satisfaction</i>	Perceived Value (X3), Satisfaction (X4), Repurchase Intention (Y)	This study prove that brand image is <b>not significant</b> toward repurchase intention, same goes with brand trust and satisfaction. This study only approved that brand trust has significant effect on repurchase intention
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Source: Data Processed

### 1.8 Hypothesis / Research Model

Based on the background and theoretical studies that have been described, the model proposed in this study are as follows:

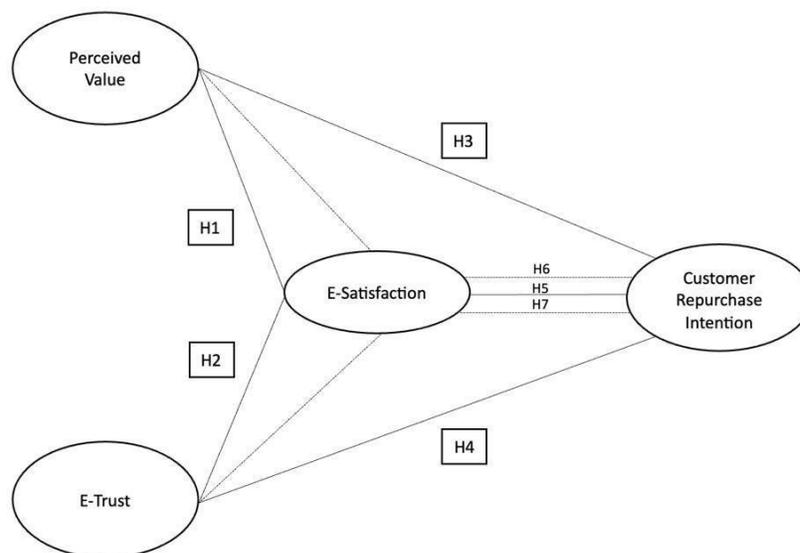


Figure 1.6 Hypothesis Model

## 1.9 Operationalization of The Concept

### 1.9.1 Independent Variables

#### a. Perceived Value

Perceived value is the benefit or advantage customers receive relative to the total costs incurred (McDougall and Levesque, 2000). Simply put, perceived value represents the difference between the benefits received by customers and the costs they bear. In operational terms, perceived value can be quantified by assessing both the tangible and intangible benefits customers experience (e.g., product performance, emotional satisfaction, and social enhancement) and comparing these to the total costs, which can include financial costs, time, and effort. The indicator in this dimension by Tjiptono (2014), in here follows:

**1. Emotional Value:** This represents the utility derived from positive feelings or emotional satisfaction experienced when consuming a product. It operationalizes as the degree of pleasure or positive affect that the product evokes in the consumer, contributing to a sense of emotional well-being.

**2. Social Value:** This is the utility obtained from a product's ability to enhance the consumer's social self-concept. Operationally, it can be measured by how well the product improves social image, supports social interactions, or aligns with societal norms valued by the consumer's peer group.

**3. Quality/Performance Value:** This utility is based on the perception of the product's quality and its performance against expectations. It is typically

measured by the consumer's assessment of the product's reliability, durability, and efficacy in meeting functional needs.

**4. Price/Value for Money:** This represents the utility gained from the product's cost-effectiveness, encompassing both short-term and long-term cost savings. Operationally, it is measured by the consumer's perception of the product as a good investment relative to its price, including consideration of potential future savings or reduced replacement costs.

**b. E-Trust**

In the study conducted by Sativa et al. (2016), *e-trust* or users' trust in online shopping sites is measured through three main indicators:

- 1. Site Reputation:** Users believe that the site has a good reputation and is widely recognized as a reliable platform. A good reputation can be built through positive reviews, previous user experiences, and endorsements from credible third-party institutions.
- 2. Transaction Security:** The site ensures security in every transaction, such as protecting personal data, encrypting financial information, and implementing security systems that prevent unauthorized access. This is crucial because users are typically more likely to trust sites that safeguard their privacy and data during transactions.
- 3. Assurance of Assistance in Case of Breach or Fraud**

Users believe that the site will provide support and assistance if any issues arise, such as breaches or fraud. This can include responsive customer service, refund policies, and clear claims procedures. The confidence in receiving assistance reinforces users' trust in the site, as they feel safe and supported in every transaction they make.

These indicators reflect how e-trust relies not only on the technical quality of the site but also on user experience and the guarantees provided throughout the online transaction process

### c. **E-Satisfaction**

According to (Fahira, 2022) there are five dimensions that significantly affecting E-satisfaction, which are:

1. **Convenience:** The ability to shop online enables both buyers and sellers to easily obtain what they need, streamlining the process and saving time for all parties involved.
2. **Merchandising:** Richer information, with a wider and higher quality selection, is available online to enhance customer satisfaction and achieve higher levels of e-satisfaction. The factors influencing this include the number of offerings and the variety of products available.
3. **Site Design:** A good website design focuses on effective organization and easy navigation. This includes a clean, uncluttered layout, straightforward search paths, and quick loading times. Key factors include

a well-structured navigation system, intuitive design interface, fast performance, and up-to-date content.

4. **Security:** Key aspects include strong authentication measures, secure data transmission, and protection against common threats like hacking or malware. Using encryption protocols, regularly updating software, and applying security patches are essential to maintaining a safe browsing environment. By prioritizing security, a website not only safeguards user information but also reinforces confidence in the platform.

5. **Serviceability:** Electronic satisfaction is defined as an evaluation of the experience of using the internet compared to traditional methods of interacting with customers.

### **1.9.2 Dependent Variable**

Hair et al. (2010) describe several indicators of repurchase intention, which are outlined as follows:

#### **1. An Individual's Tendency to Repurchase a product**

This indicator reflects the likelihood of a consumer repeatedly purchasing a product they have already bought in the past. It is influenced by factors such as satisfaction with the product and the value derived from its use. A strong tendency to repurchase often indicates customer trust and confidence in the product's ability to meet their needs consistently.

## **2. Looking for Information About a Product He is Interested in**

This indicator refers to the consumer's proactive behavior in seeking out details about a product they are considering purchasing. This can involve activities such as reading reviews, comparing specifications, researching pricing, or seeking expert opinions. The depth and extent of the information search often correlate with the consumer's level of interest, perceived risk, and the importance of the purchase decision.

## **3. Main Preferences About Products**

This indicator captures the core criteria or attributes that a consumer prioritizes when selecting a product. These preferences can include factors like price, quality, brand reputation, functionality, sustainability, or design. Understanding a consumer's main preferences helps businesses tailor their offerings to better align with the target audience's expectations and needs.

## **4. Referring to Others**

This indicator describes the consumer's behavior of sharing information or opinions about a product with others, either through personal recommendations, reviews, or discussions. It highlights the role of word-of-mouth communication and social influence in shaping purchasing decisions. Referring to others can also reflect the consumer's level of satisfaction and their willingness to advocate for a product.

### 1.9.3 Operational Variables

These are the variables that are used to measure or quantify the concepts being studied.

**Table 2-1. Operational Variable**

No	Variables Used	Variables Definition	Indicators	Scale
1	Perceived Value <b>(Tjiptono,2014)</b>	Customer perceived value is the difference between the perspective customer's evaluation of all benefits and all the cost of an offering and alternatives.	<ol style="list-style-type: none"> <li>1. Emotional Value</li> <li>2. Social Value</li> <li>3. Quality/Performance</li> <li>4. Price/Value of Money</li> </ol>	Likert
2	E-trust <b>Sativa et al (2016)</b>	Trust can be defined as an organization's readiness to rely on its business partners.	<ol style="list-style-type: none"> <li>1. Site Reputation</li> <li>2. Transaction and Security</li> <li>3. Assurance of Assistance in Case of Fraud</li> </ol>	Likert
3.	E-satisfaction <b>Irawan (2003:16),</b>	E-satisfaction that customer happiness is the outcome of the accumulation of users' experiences with the good or service they have purchased.	<ol style="list-style-type: none"> <li>1. Convenience</li> <li>2. Merchandising</li> <li>3. Site Design</li> <li>4. Security</li> <li>5. Serviceability</li> </ol>	Likert

4.	Customer Repurchase Intention <b>Hair et Al. (2010)</b>	According to Javed and Wu (2020), repurchase intention refers to the consumer's intention to make another purchase. Hair et al. (2010) refers to the consumer's intention to make another buy from the same retailer in the future.	<ol style="list-style-type: none"> <li>1. An individual's tendency to repurchase a product</li> <li>2. Looking for information about a product they are interested in</li> <li>3. Main preferences about products</li> <li>4. Referring to others</li> </ol>	Likert
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*Source: Data Processed*

### **1.10 Data Type**

Quantitative data refers to a type of data used in research that is based on positivism and focuses on analyzing specific populations or samples. In order to examine links between variables, determine if a variable is related with other factors or not, or determine whether a variable causes or is influenced by other variables, this study employs a quantitative technique and an explanatory research type (Mulyadi, 2011). In this type of research, the sample is selected using a nonprobability sampling technique, where the researcher sets specific criteria and selects individuals from the population. The data collection process is under the control of the researcher (Sugiyono (2011:7).

#### **1.10.1 Data Source**

In this study, secondary data is utilized as a foundational resource to support the research objectives. Secondary data refers to information that has been collected

by other researchers or organizations and is subsequently repurposed for new research inquiries (Sugiyono, 2013). This approach is particularly advantageous as it allows researchers to leverage existing datasets, which can save time, reduce costs, and provide access to large-scale or longitudinal data that may otherwise be unattainable. For the purposes of this research, secondary data is employed to analyze trends, validate hypotheses, and draw meaningful conclusions without the need for primary data collection. As Smith and colleagues (2017) emphasize, "The use of secondary data enables researchers to build upon prior knowledge, validate findings, and explore new hypotheses without the constraints of primary data collection." By integrating secondary data from reputable sources, this study ensures a robust and evidence-based foundation for analysis, while also contributing to the broader academic discourse by contextualizing findings within existing literature. The decision to use secondary data aligns with the research goals, as it provides a comprehensive and efficient means of addressing the research questions while maintaining scientific rigor.

### **1.11 Data Collection Technique**

According to Sanusi (2011), data collection can be done in several ways, such as surveys, interviews, questionnaires, and observations. According to Sugiyono (2016), data collection can be done in various settings, sources, and methods. In terms of setting, data can be collected in natural settings and others. In terms of data sources,

data collection can use primary and secondary sources. Furthermore, in terms of data collection methods, it can be done through interviews, questionnaires, observations, or a combination of all three. The purpose of data collection is to obtain data related to the research. The data collection methods used in this study are:

### **1.11.1 Questionnaire**

According to Sugiyono (2016;142), a questionnaire is a data collection technique that is done by providing a set of written questions to respondents for them to answer. Questionnaires are the most efficient data collection technique if the researcher knows exactly which variables to measure and what can be expected from respondents.

### **1.11.2 Interview**

According to Esterberg in Sugiyono (2013;231), an interview is a meeting between two individuals to exchange information and ideas through dialogue, in order to construct meanings on a specific topic. According to Sugiyono (2016;138), data collection through interviews can be structured or unstructured and can be conducted face-to-face or over the phone.

## **1.12 Population and Sample**

### **1.12.1 Population**

Population is a group of objects or subjects that have specific qualities and characteristics as determined by the researcher. It serves as the basis for drawing conclusions in a study (Sugiyono, 2017;117). Population in this research will be:

1. Consumers in Jakarta who make purchases at least twice on Blibli
2. Consumer who in the age range from 17-50

### **1.12.2 Sample**

Sample is a portion of objects taken from the entire objects being studied and is considered to represent the entire population (Notoatmojo, 2003). According to Cooper and Emory (1998) in their book *Business Research Methods*, in determining the sample, there is a consideration of sample size, where “the basic formula for determining sample size in non-probability sampling assumes that the population is unlimited”. Hence, a sample size of 100 out of 5000 roughly has the same accuracy as estimating from 100 samples out of a population of 200 million. In order to simplify the data collection process, the sample size is rounded up to 100 respondents from the entire population, which are the Blibli users in the city of Jakarta.

### **1.12.3 Sampling Technique**

Sampling is the process of selecting a number of elements from a population so that by studying the sample, it is possible to generalize the characteristics of the population elements. In this study, the sampling technique used is purposive sampling and

nonprobability sampling. The sample is selected based on specific objectives and considerations. Additionally, an accidental sampling approach is also employed, where the sample is determined based on chance encounters. If a respondent who meets the criteria is found, they can be included in the study. For this research, the criteria considered are individuals residing in Jakarta city who have used Blibli application at least twice and are willing to fill out the questionnaire.

### **1.13 Data Analysis**

Structural Equation Modeling using Partial Least Squares (SEM-PLS) is a widely used method for analyzing complex relationships between variables, particularly when dealing with latent constructs. Unlike covariance-based SEM (CB-SEM), which focuses on model fit and parameter estimation, SEM-PLS prioritizes variance explanation and prediction, making it suitable for exploratory research and studies with smaller sample sizes.

In SEM-PLS, data analysis is divided into two key components: the measurement model (outer model) and the structural model (inner model). The measurement model assesses the reliability and validity of constructs, ensuring that indicators appropriately measure their respective latent variables. The structural model examines the relationships between constructs, assessing predictive accuracy and effect sizes. This section elaborates on key evaluation criteria in SEM-PLS analysis.

### 1.13.1 Outer Model Analysis

Outer code evaluation is an evaluation of the tools used to collect research data. This evaluation is used to determine the validity and reliability of data collection tools (measurement). The model's validity and reliability are evaluated using the measurement model, also known as the outer model. To find out if the research instrument can measure what it should measure, validity tests are conducted. Abdillah (2008). There are several calculations in this analysis:

a. Indicator Reliability – Outer Loading

Indicator reliability is measured through outer loadings, which represent the correlation between an indicator and its associated latent variable. A high outer loading indicates that the indicator is strongly related to its construct, ensuring reliable measurement. According to Hair et al. (2017), an outer loading of 0.70 or higher is considered ideal, as it confirms that over 50% of the variance in the indicator is explained by the latent variable. However, for exploratory research, outer loadings between 0.60 and 0.70 may still be acceptable. Indicators with outer loadings below 0.40 should be removed unless strong theoretical justification exists. If an indicator's loading falls between 0.40 and 0.60, its removal should be considered if doing so increases the composite reliability and Average Variance Extracted (AVE).

b. Convergent validity

Convergent validity refers to the extent to which multiple indicators of the same construct share a high proportion of variance. This is assessed using the Average

Variance Extracted (AVE), which quantifies the average amount of variance captured by a construct's indicators relative to measurement error. A construct achieves acceptable convergent validity if its AVE is greater than 0.50 (Fornell & Larcker, 1981). This means that the construct explains at least 50% of the variance in its indicators. If the AVE is below this threshold, it suggests that the indicators may not adequately represent the construct, and modifications to the model may be required, such as removing weak indicators or re-evaluating construct definitions. A cross-loading value of factors is helpful in determining whether a construct has sufficient discriminants, which is known as discriminant validity. Comparing the targeted construct's value—which needs to be higher than the other construct's value—is how you accomplish this.

#### c. Discriminant validity

Discriminant validity ensures that a construct is distinct from other constructs in the model. It is evaluated using two key methods: the Fornell-Larcker criterion and cross-loading analysis. The Fornell-Larcker criterion compares the square root of the AVE for each construct with its correlations with other constructs. If the square root of AVE is greater than the highest correlation of the construct with any other construct, discriminant validity is confirmed. This means that a construct shares more variance with its indicators than with other constructs, ensuring that it is uniquely measured.

Another approach to assessing discriminant validity is through cross-loading analysis, which examines whether each indicator loads more strongly on its

assigned construct than on other constructs. If an indicator's loading on its own construct is significantly higher than its loadings on other constructs, then discriminant validity is established. If cross-loadings are too high, it may indicate issues with construct overlap or misspecification, requiring further refinement of indicators. The average variance that is at least 0.5 is called Average Variance Extracted (AVE).

### **1.13.2 Inner Model Analysis**

The relationship between latent variables is described by an inner model, which is the definition of relationships between latent variables (structural model), also known as inner relations. This model is founded on substantive research theory. In order to eliminate the location parameters (constant parameters) from the model, it is assumed that the latent variables and their indicators, or manifest variables, are on a zero means scale and the unit variance is equal to one, without losing its generality (Jaya, 2008).

#### **a. R-Square(R<sup>2</sup>)**

The R-squares value for each endogenous variable value is the first step in the structural assessment process since it indicates the structural model's prediction ability. The impact of some external latent factors on whether endogenous latent variables have a meaningful influence can be explained by changes in the R-squares (R<sup>2</sup>) value. According to Hair et al. in Ghozali and Latan (2015), the model can be classified as strong, moderate, or weak based on R-square values of

0.75, 0.50, and 0.25. PLS R-square findings show how much of the construct's variance the model can account for (Ghozali and Latan, 2015). The suggested prediction model and research model are better the higher the R<sup>2</sup> score.

#### b. F-Square ( $f^2$ ) – Effect Size

To assess the impact of individual predictors on the dependent variable, the  $f^2$  effect size is calculated. It measures how much the R<sup>2</sup> value changes when a specific predictor is included or removed. Cohen (1988) provides the following guidelines for interpreting  $f^2$  values:

- $\geq 0.35$  → Large effect
- 0.15 – 0.34 → Medium effect
- 0.02 – 0.14 → Small effect
- $< 0.02$  → Negligible effect

A large effect size indicates that a predictor has a strong influence on the dependent variable, while a small effect size suggests minimal impact. If effect sizes are consistently low, researchers may need to re-evaluate the model or consider adding relevant predictors.

#### c. Hypothesis testing in SEM-PLS

Hypothesis Testing – Path Coefficients and Statistical Significance is conducted using bootstrapping, a resampling technique that estimates the stability of path coefficients. The significance of relationships is assessed using t-statistics and p-values. For a hypothesis to be supported, the following criteria must be met:

- $p\text{-value} < 0.05 \rightarrow$  Statistically significant at the 5% level
- $t\text{-statistic} > 1.96 \rightarrow$  Significant at the 5% level

A significant path coefficient indicates that an independent variable has a meaningful effect on the dependent variable, supporting the proposed hypothesis.

### **1.13.3 Hypothesis Analysis**

To determine the importance of the influence between variables, a bootstrapping approach must be used. The full original sample is used for resampling in the bootstrap process. Henseler et al. (2009) and Hair et al. (2011) recommend 5,000 bootstrap samples, emphasising that the number of samples should exceed the initial sample. Nonetheless, according to some research (Chin, 2003; 2010a), it only takes a few hundred to a thousand bootstrap samples to adjust the PLS estimate's standard error (Ghozali and Latan, 2015). The significance values (two-tailed) t-values utilised in the bootstrap resampling procedure are 1.65 (significance level = 10%), 1.96 (significance level = 5%), and 2.58 (significance level = 1%)