

CHAPTER I

INTRODUCTION

1.1 Overview of Research Objects



Figure 1.1 Blibli.com Logo

Blibli.com is an e-commerce platform founded by PT Global Digital Niaga (GDN) on July 25, 2011, with an online shopping mall model. PT Global Digital Niaga (GDN) is the PT Global Digital Prima (GDP) subsidiary owned by Martin Hartono, son of Budi Hartono, the owner of the Djarum Company. Not only does blibli.com function as an online store selling premium goods with official guarantees, but it also offers content on its website in the form of posts. Blibli.com gives a concise overview of the items being sold and the buying process with the tagline “Big Choices, Big Deals”. PT Global Digital Niaga official website is www.blibli.com and an application that can be downloaded from a smartphone is named blibli.com.

1.2 Research Background

Globalization is a factor in the rapid technology in Indonesia, especially on the Internet. The development of the internet in Indonesia began in the 1980s. Then with the technology development, finally in 1995 internet access in Indonesia developed until now. Internet users in Indonesia experienced an increase in 2018, growing by 10.12%. As a result, there are 171.17 million people or around 64.8% who have been connected to the internet (Asosiasi Penyelenggara Jasa Internet Indonesia, 2017).

Many ICT start-up companies began in Indonesia, one of which was e-commerce. E-commerce refers to using the Internet and other networks (e.g., intranets) to purchase, sell, transport, or trade data, goods, or services (Turban et al., 2017).



Figure 1.2 E-Commerce Activities
(Source : GLOBALWEBINDEX)

A survey conducted by GLOBALWEBINDEX on Indonesian e-commerce in January 2019 stated that 93% of consumers are searching online before buying a product or service. Blibli.com as one of the e-commerce marketplaces in Indonesia has an opportunity related to the survey by having a special feature, namely that the goods are confirmed to be original.

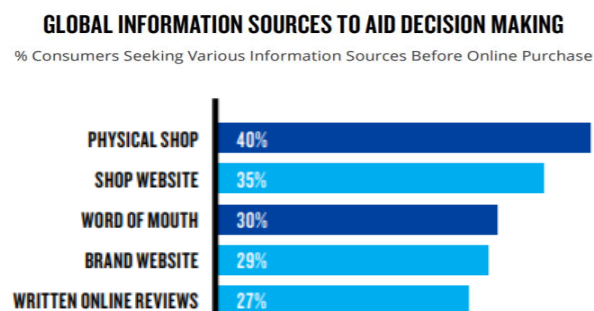


Figure 1.3 Global Information Sources To Aid Decision Making
(Source : Nielsen Connected Commerce Global Survey 2018)

According to Nielsen (2018: 12), about 30% of consumers seek with a traditional way by word of mouth from other people before online purchase, and

27% of consumers read reviews before making an online purchase indicating that customers are looking for information before purchase. Online consumer reviews are information written online about a product by other consumers who have bought and used the product. Online consumer reviews can also contain complaints about the store or seller of the product. Consumer purchasing decisions are no longer based solely on advertising or expert advice but rather on online consumer opinions in the form of online reviews. (Holleschovsky, 2015).







						
More product selection	6.5%	14.6%	5.2%	11.3%	13.0%	16.8%
Authentic products	13.9%	3.9%	19.5%	7.2%	4.2%	4.3%

Figure 1.4 Marketplace Comparison

(Source : dailysocial.id)

According to Dailysocial.id, in the "more product selection" category, blibli is ranked 5th out of 6 other marketplaces with a percentage of 6.5%. Then, in the "authentic product" category, blibli is in second place after jd.id with a percentage of 13.9%. The data above relates to the purchasing decision process which is about consumer decisions preferences for brands that are in a collection of choices, a consumer wants to make a choice he must have a choice (Phillip Kotler & Keller, 2013).

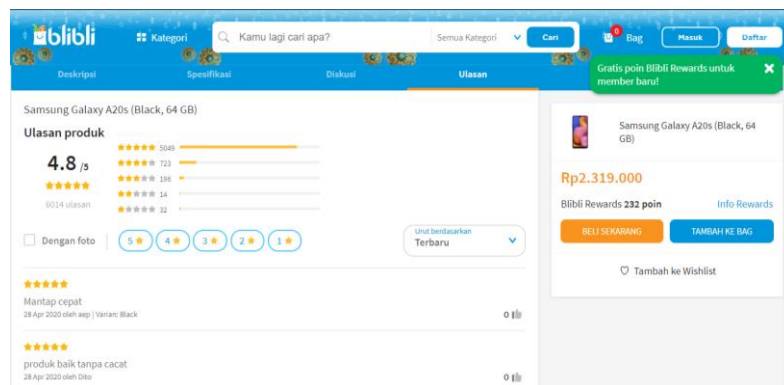


Figure 1.5 Blibli.com Product Review Page

(Source : Blibli.com)

The blibli website has features that encourage customers to review the items they have purchased from the blibli online shop. For each product displayed on the blibli website, online customer reviews or reviews can be seen in the column provided by blibli.com. With the data in figure 1.3, the lack of product selection makes online consumer reviews an important part of the consumer purchasing decision process. In a quote on the blibli.com website "Every product available on blibli.com is an original product with an official warranty." One of the advantages promised by blibli is that the product is guaranteed to be original.

The author is interested in conducting a more in-depth analysis of this matter by using the review feature on blibli.com to assess the potential for online consumer reviews in the marketing sector and also guaranteed original factors to influence the consumer purchasing decision process. Online consumer reviews have an influence on purchase decisions through one of the marketplaces in Indonesia (Ardianti & Widiartanto, 2019) who closely related to blibli.com, which is one of the major marketplaces in Indonesia. Based on these facts, the author is interested in seeing how much potential online consumer reviews on the consumer purchase decision process at blibli.com.

Based on the description that has been explained above, it is necessary to research whether there is a connection between the online consumer review and purchasing decisions on the blibli.com e-commerce site with the title **“The Effect Of Online Consumer Review On Customer Purchase Decision Process In The E-Commerce Site Blibli.Com”**.

1.3 Problem Formulation

Based on the above background, the authors formulate the problems to be studied as follows:

1. How does consumer's online reviews in the marketplace Blibli?
2. How does consumer's purchase decision process in the marketplace Blibli?

3. Do online consumer reviews on the blibli marketplace have an effect on the purchasing decision process?

1.4 Research Purposes

Based on the problem formulation above, the objectives of the study are as follows:

1. To know consumer online reviews in the marketplace Blibli.
2. To know consumer purchase decision process in the marketplace Blibli.
3. To know the effect of an online consumer review on their purchasing decision process.

1.5 Research Benefits

This research is expected to contribute both theoretically and practically as follows:

1. Academic use, namely for the development of science, be it economics, business management and especially management marketing. Because this research makes it possible to support the old theory put forward by the experts.

2. Practical use is useful for e-commerce services on Online Consumer Reviews which influence consumer decisions in using online shopping services at Blibli.com.

3. Usefulness for further research is expected that this research can be used as information material and material for further research development.

1.6 Final Project Writing Systematics

To make it easier to understand this research below is a systematics final project writing:

CHAPTER 1: INTRODUCTION

This chapter contains an explanation of the overview of the research object, research background, problem formulation, research purposes, research benefits and writing systematics.

CHAPTER 2: LITERATURE REVIEW

This chapter contains the results of literature reviews related to research topics and variables and is used as a basis or reference when preparing to think about and propose a framework for research hypotheses. This chapter details several things, namely the literature reviews and purchasing decisions of Online Consumer Review.

CHAPTER 3: RESEARCH METHODS

This chapter explains the methods, methods and techniques used to collect and analyze data.

CHAPTER 4: RESEARCH RESULTS AND DISCUSSION

This chapter describes the results of research and discussion, which must be described systematically according to the determination of the problem and the research objectives.

CHAPTER 5: CONCLUSION

This chapter contains conclusions from the results of research and suggestions or input to business people, decision-makers and suggestions to readers and subsequent researchers.