

Shopee Marketplace Ratings And Reviews

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Abstract

The aim of this research is to determine how reviews and ratings on the Shopee marketplace affect consumer buying interests. The population of this study is the consumer marketplace Shopee in Jakarta. Purposive sampling is used in conjunction with a non-probability sampling strategy. A sample of 85 respondents who made purchases on the Shopee marketplace the purpose of the data analysis process used in this study is to evaluate the hypothesis. PLS (partial least squares) software was used in this study. According to research findings, reviews have a greater impact on buying decisions than rankings. Buy interest is influenced by reviews and ratings of 59%.

Keywords: Online customer reviews, online customer ratings, Buy interests

1. INTRODUCTION

The COVID-19 pandemic has had a significant impact on the e-commerce industry and marketplaces around the world. One of the measures to prevent the spread of COVID-19 is the restriction of travel and the closure of physical stores. This forces many consumers to look for alternatives to online shopping, and the marketplace becomes a convenient choice (Fahrani et al., 2021). During the pandemic, many people felt safer shopping from home than going to a risky physical store. The marketplace provides a safe and convenient way to buy a variety of products. In lockdown and working from home situations, many people experience increased demand for household products such as electronics, furniture, food, and sports supplies (Ayu et al., 2023). The marketplace provides easy access to these products. A pandemic has triggered an increase in the demand for health products like facial masks, hand sanitizers, and vitamins. Better and faster delivery services, including delivery in a very short time, have made online shopping more and more attractive for many people. (Yusuf et al., 2023). Even before the pandemic, there was an increasing trend toward online shopping.

Pandemics only accelerated this transition as many people tried online shopping for the first time during the lockdown period. (Yusuf et al., 2023). More and more people are becoming skilled in using technology and mobile applications, which makes them more comfortable shopping online (Fahrani et al., 2021). Awareness of the importance of maintaining health and avoiding crowds of people in physical stores became a factor driving more people to shop online (Ayu et al., 2021). All these factors together created a very favorable environment for the marketplace during the COVID-19 pandemic. Many of these changes are also likely to continue after the pandemic, as more and more people are getting used to shopping online and finding the benefits.

Based on the chart of the number of Shopee visitors, it is known that the pandemic affected the number of Shopee visits, which experienced an increase of 89.6%. Online consumers have differences in behavior from offline consumers. When consumers buy directly, they can easily see and compare both in terms of product quality, quantity of product, and size of product to be purchased, while if they want to make an online purchase, they should read in detail the description already provided by the store. Therefore, online consumers also need to know the details of the product, both product quality and the quality of the shop itself, through the ratings and reviews of consumers who have already carried out sales transactions in the marketplace. By looking at the ratings and reviews, prospective consumers can know how many consumers are online in the store, how quality the store that sells the product is required, and how product quality matches the description given by the store. Based on the phenomenon, the author is interested in researching the influence of reviews and ratings on buying interest through the Shopee marketplace.

Marketplace

The marketplace connects the seller with the buyer. Candidate consumers who plan to make purchases in the marketplace like Shopee will consider reviews from the customer of the store.

E-word of mouth

E-word of mouth is something that is felt by consumers after making a purchase of goods or services. When what consumers feel is a satisfaction, then it is expected that consumers can make a positive statement about the goods and services they have received. The positive statement from consumers who have previously purchased such products or services becomes a reference for potential consumers to know how the quality of the product or services they will be purchased. In addition, potential buyers can also know how services and delivery speed from the reviews that have been given consumers before.

The results of a consumer's statement or review relating to product quality information, the service he has received can be used as an information for the prospective consumer to know how the quality of the product he is going to buy (Yusuf et.al., 2022) states that the rating of the consumer is part of a customer review understood in the form of a star symbol.

- Ha₁: Online customer reviews have a positive and significant influence on Buy Interests through Shopee marketplace
- H0₁: Online customer review has no positive and significant influence on Buy Interest through Shopee marketplace
- Ha₂: Online customer ratings have a positive and significant influence on Buy Interest through Shopee marketplace
- H0₂: Online customer ratings have no positive and significant influence on Buy Interest through Shopee marketplace

2. RESEARCH METHOD

The demographics of this research consist of Shopee marketplace consumers in Jakarta. Respondents were selected using a non-probability sampling method with a purposive sampling approach, with the condition that consumers have made at least 3 purchases through the Shopee online marketplace. Based on the formula Kurhayadiin Kushendar (2022)

$$n = \frac{ZZ^2}{4(moe)}$$

Then the total number of respondents who have made purchases through the marketplace is 85. Information for the survey was taken from Google Forms, books, and websites found online. Testing the hypothesis is the primary motivation for the data analysis approach taken in this study PLS (partial least squares) is a statistical tool used in this study.

3. RESULT AND DISCUSSION

Latent Variable Correlation

Table 1. Latent VariableCorrelation				
	Online Customer Reviews (X1)	Online Customer Ratings (X2)	Purchase Interest (Y)	
Online Customer Reviews (X1)	1,000	0.788	0.762	
Online Customer Ratings (X2)	0.788	1,000	0.737	
Purchase Interest (Y)	0.762	0.737	1,000	

Source: Processed data, 2023

Based on table 1, it is known that all latent variables have a relationship of more than 70%.

Path Coefficient

	Online Customer Reviews (X1)	Online Customer Ratings (X2)	Purchase Interest (Y)
Online Customer Reviews (X1)			0.477
Online Customer Ratings (X2)			0.362
Purchase Interest (Y)			

Table 2. Path Coefficient

Source: Processed data, 2023

Table 2 shows that reviews and online customer ratings have an impact on consumers' propensity to make a purchase (reviews 47.7%, rating 36.2%)

	Cronbach 's Alpha	rho_A	Composi te Reliabilit y	Average Variance Extracted (AVE)
Online Customer Reviews (X1)	0.938	0.942	0.945	0.571
Online Customer Ratings (X2)	0.898	0.911	0.920	0.623
Purchase Interest (Y)	0.941	0.943	0.948	0.606

Source: Processed data, 2023

Table 3 shows that the average value in the three variables is 0.5. Validity*discriminant*high because the average latent variable can explain more than 50% of all latent variables. The table above also reveals that the indicators in this study have high composite reliability for assessing these three variables, with value of 0.7. All variables have been deemed credible, and research tools can now be used.

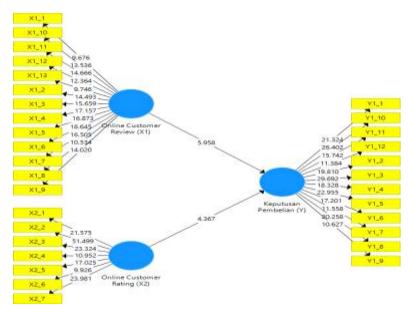
Coefficient of Determination (R2)

Table 4. R Square

	R Square	R Square Adjusted	
Purchase Interest (Y)	0.590		0.622

Source: Processed data, 2023

Based on table 4, it is known that online customer reviews and online customer ratings have a simultaneous influence of 59% on Purchase Interest, while 37% is influenced by other factors not researched.



Lane Coefficient Test ResultsStructural Model

Figure 2. Bootstrapping output Source: Processed data, 2023 Hypothesis Test Results Table 5. Total Effects (Mean, STDEV, T-Values)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Online Customer Review (X1) - > Decision Purchases (Y)	0.477	0.483	0.080	5,958	0,000
Online Customer Rating (X2) -> Purchase Interest (Y)	0.362	0.364	0.083	4,367	0,000

Source: Processed data, 2023

Based on Table 5, it can be known that:

 The t statistic of 5.958 is greater than the t table of 1.985, indicating a favorable relationship between online customer reviews and final purchases. In other words, the more favorable evaluations people offer, the more likely they are to make a purchase. The direction of the relationship between online customer reviews and purchasing choices is positive. With this logic, Ha1 is generally recognized. 2) The t statistic of 4.367 is greater than the t table of 1.985, indicating a strong relationship between online customer ratings and final purchases. As a result, the higher the rating given by a customer, the more likely they are to make a purchase. This shows that the direction of the relationship between online customer ratings and purchasing choices is positive. Therefore, Ha2 is generally recognized.

4. CONCLUSION

Based on the analysis and discussion that has been described, it can be concluded that online customer reviews have a greater influence on purchase interest compared to online customer ratings. This means that positive reviews will influence potential buyers to make a purchase. Simultaneously online customer reviews and online customer ratings have an effect on Purchase Interest by 59%. This means, if the review given is positive and if you have a high rating, potential buyers will have more confidence in buying products at that shop.

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