



The Effect Of E-Service Quality And E-trust On Repurchase Intention Through E-Word of Mouth (E-WOM) as a Intervening E-commerce Shopee on the Y Generation in Makassar City

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Abstract

The main keys to success in running the e-commerce industry are the ability of sellers or manufacturers to offer online services related to quality, trust, and security for consumers in making online repurchase transactions. Repurchase intention by consumers is influenced by several factors including e-service quality, e-trust, e-WOM, and repurchase intention. This study aims to analyze The Effect Of E-Service Quality And E-trust On Repurchase Intention Through E-Word of Mouth (E-WOM) as an Intervening E-commerce Shopee on the Y Generation in Makassar City. This research is quantitative research with a survey method. The population of this study were all users of the Shopee e-commerce application media from generation Y in the city of Makassar and had made at least two transactions on the Shopee e-commerce application media. This research is not known the number of existing populations so the sampling method used is non-probability sampling with a type of sampling that is purposive sampling with a total sample of 384 respondents. The data collection technique uses a questionnaire that has been tested for validity and reliability. The data analysis technique in this study is Structural Equation Modeling (SEM) using Smart PLS to process the data. The results of the study show that e-service quality has an effect on e-WOM and repurchase intention. E-trust influences e-WOM and repurchase intention. E-WOM influences repurchase intention. After that, e-service quality has an influence on repurchase intention through e-WOM, and also e-trust has an influence on repurchase intention through e-WOM

Keywords: *e-service quality, e-trust, e-WOM, repurchase intention, e-commerce*

1. INTRODUCTION

The existence of Industry 4.0 makes current industrial developments inseparable from technological developments. The development of the industrial sector that goes hand in hand with advances in technology can clearly have a positive impact on a country, one of which is the development of digital technology enabling countries to move their economies into a digital economy (Van Ark, Erumban, Corrado, & Levanon, 2016).

Today the digital economy is growing rapidly in Indonesia. Various other factors that currently exist are also capable of driving the development of the digital economy in Indonesia. One of them is influenced by the growing trend of e-commerce and digital payments. This matter is due to the increasing relationship between internet usage in Indonesia. The results of the We Are Social survey in Lidwina (2021) state that as many as 88.1 percent of internet users in Indonesia have used e-commerce services to buy certain products.

E-commerce in Indonesia is increasingly promising. Buying and selling transactions that were originally carried out through direct seller-buyer meetings are now starting to change. The process of buying and selling goods and services can already be done in the grip of fingers based on electronic networks. This is called e-commerce or electronic commerce. The use of e-commerce applications is not limited by anything. Anyone who uses an electronic device connected to the internet can make buyer transactions online on e-commerce application media (Anantasiska et al., 2021). The presence of e-commerce makes it very easy for people to buy a product (Central Bureau of Statistics, 2020). The Ministry of Communication and Informatics of the Republic of Indonesia (2021) quoted the statement of the Governor of Bank Indonesia, Perry Warjiyo, in a virtual discussion saying " e-commerce business in Indonesia in 2020 Rp. 253 trillion, an increase from Rp. 205.5 trillion in 2019. In 2021 it increased significantly to Rp. 337 trillion. The e-commerce business especially the marketplace, is extraordinary, it can even grow 33.2 percent."

The results of a consumer survey research conducted by Putri and Roni (2020) regarding the mapping data of the largest e-commerce in Indonesia show that the top five e-commerce platforms as the largest digital marketplace platforms in Indonesia until the current 2020 period include Shopee, Tokopedia, Lazada, Bukalapak, and Zalora. The results of this study can be seen in Table 1.

Tabel 1. The Results of E-commerce Application Media Usage Survey in 2020

No	<i>E-commerce Application</i>	<i>Percentage of E-commerce Application Usage</i>
1	Shopee	77%
2	Tokopedia	15.4%
3	Bukalapak	3%
4	Lazada	2,6%
5	Zalora	0,6%

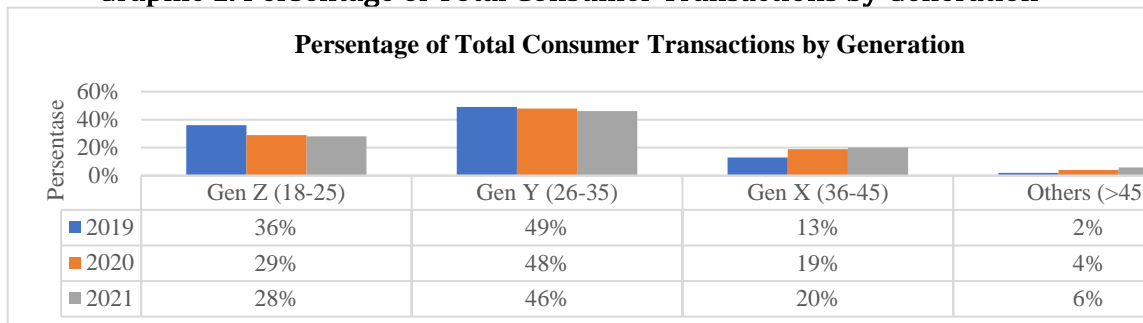
Source: Putri dan Roni (2020)

The highest percentage of the digital marketplace platform is Shopee with a total percentage of 77%. Shopee application is the most popular application because the application has the most downloads, but there are several obstacles experienced by users when using the Shopee application. Based on the reviews provided on the Shopee application page on the Google Play Store throughout 2021, some of the top obstacles that are often complained about include: (1) there are errors in the application, (2) there are additional fees at checkout, and (3) difficulties in choosing a courier delivery (at checkout). Prasetya's findings (2022) state that the increasing number of Shopee users also has an impact on the length of time delivery of goods to consumers. Many consumers complain that their goods are received late because the delivery time for goods is quite long than promised

Based on the main findings report data issued by Katadata Kredivo (2020) regarding reports on Indonesian *e-commerce* consumer behavior during 2019-2020 it is known that consumer transactions using the highest *e-commerce* media still

come from generation Y or the millennial generation. Data on Indonesian *e-commerce* consumer behavior reports for 2019-2020 can be seen in Graph 1.

Graphic 1. Percentage of Total Consumer Transactions by Generation



(Source: Katadata and Kredivo 2020-2022)

Graph 1 shows data that the percentage of the number of consumer transactions throughout 2019-2021 is dominated by generation Y. However, generation Y, which dominates purchase transactions on e-commerce application media, has experienced a decrease in the percentage of the number of transactions over the past three years. This is a challenge for businesses in e-commerce media to always create and improve capabilities in offering online so as to be able to maintain repurchase intention in e-commerce application media..

Repurchase intention online by consumers is influenced by several factors including e-service quality, e- trust, and e-WOM. Research related to the use of e-commerce has become an important part of consumer behavior research today. Consumer interest in repurchasing can be considered as one of the factors in customer retention. This is supported by the findings of Chiu and Cho (2019) stating that consumer repurchasing is a form of consumer loyalty to e-commerce application media to generate repurchasing behavior. Novita et al., (2022) also mentioned that repurchase intention is important for businesses because one of their most important assets is consumers who are willing to buy back from the business. Therefore, it is important for companies engaged in the e-commerce business to ensure that consumers will return to buying goods and products from the company in the future.

Previous research only discussed the influence of e-WOM on repurchase intentions in e-commerce application media, but did not make e-service quality, e-trust factors a trigger factor and respondents used in the general public (Erkan and Evans, 2016; Lee and Shin, 2014; Zhu et al., 2016). In addition, previous research by Meybiani et al., (2019) found that the e-WOM variable had no significant effect on consumer repurchase intentions, while on the other hand, Retnowati's research (2017) also stated that the e-WOM factor had an effect on repurchase intention in the media e-commerce for generation Y consumers. Research by Emeraldal, et al (2020) discussed that there was an effect of e-service quality, e-trust, e WOM, on online purchasing decision, but the respondents were used only in general, not based on generation.

Research related to repurchase intention in online application media needs to involve consumers based on generations (Nuzulita, 2018). This research makes Y generation or millennial generation as respondents and is a novelty in a study and considering this is something new and is developing rapidly in adulthood, so the authors want to know more about the influence of e-service quality and e -trust on repurchase intention through e-word of mouth (e-WOM) as an intervening variable

in the Shopee e-commerce application media for generation Y consumers, especially in the city of Makassar.

2. LITERATURE REVIEW

Electronic Service Quality (E-service quality)

E-service quality is the newest term for service quality. E-service quality is also called e-ServQual. E-ServQual is designed to evaluate the services offered over the internet network. E-service quality is the efficiency of website facilities in providing services the effectiveness of shopping, buying and selling and delivery of both electronic-based products and services (Fandy and Gregorius, 2016). The aim of e-service quality is to make it easier for consumers to shop on digital marketplace platforms. Online shopping with a well-designed and easily accessible website can attract consumers to buy and convert them into customers by comparing the quality of each e-commerce application medium.

Referring to Ladhari's research (2010), the indicators of the e-service quality variable in this study are (1) usability/ ease of use, namely the customer's ability to access the website, search for the desired product and information related to the product, and leave the site concerned. with minimal effort. (2) Fulfillment, namely agreements made by e-commerce to consumers and fulfillment of promises in the form of taking, managing, packaging, and shipping goods. (3) System availability, namely the technical function of a service provider application and the performance provided and how it will be displayed. (4) Security (privacy), namely the services and forms of protection provided by the marketplace as a guarantee to its consumers, and as the security of user or consumer information data. (5) Responsiveness, namely the form of handling and response from marketplace service providers in dealing with problems or requests. (6) information quality, namely the provision of adequacy and accuracy of information obtained by users when visiting e-commerce application media.

Electronic Trust (E-trust)

E-trust is defined as consumer confidence that consumer expectations for online businesses are fulfilled. Customer expectations include that e-commerce is willing and able to act based on consumer interests, be honest in transactions, for example maintain the security of consumer personal information, and deliver ordered goods as promised. E-trust can be built by storing consumers' personal data securely, providing a clear location, and supporting delivery. With the availability of this information, consumers will make repeated purchases through e-commerce application media (Putra, et al., 2021). E-trust is very important to build long-term relationships with consumers. Customers transact in e-commerce they believe in quality and what the company has to offer.

Indicators of customer trust according to Mayer, Davis, & Schoorman in Tataningtyas and Endang (2022) consist of (1) ability, ability refers to the competence and characteristics of the seller/organization in influencing and authorizing certain areas. In this case, how can sellers provide, serve, and secure transactions from interference from other parties. (2) Integrity, integrity is related to how the behavior or habits of the seller in carrying out his business. The information provided to consumers is true according to facts or not. (3) virtue, kindness is the seller's willingness to provide mutually beneficial satisfaction between himself and the consumer.

Electronic Word of Mouth (E-WOM)

Consumer reviews can be found in product reviews and can become positive word of mouth. In the electronic context, we talk about electronic word-of-mouth (E-WOM). E-WOM is a positive and negative statement made by previous consumers about a product or company where this fact is available to consumers or institutions in e-commerce application media.

According to Goyette et al., (2010), measuring the impact of e-WOM consists of three dimensions including (1) intensity, the intensity of e-WOM is the number of opinions or comments written by consumers on a social media. The frequency of accessing information from social networking sites, the frequency of interactions with users of social networking sites, and the number of reviews written by users of e-commerce application media are indicators of intensity (2) valance of opinion, namely consumer opinions, both positive and negative, about products, services , as well as brands. The indicators of valance of opinion are positive recommendations from consumers, recommendations from e-commerce application media users, as well as complaints from users of social networking sites (3) content, is the information content of an e-commerce application media related to using products and services. Product information, product quality information, and information about the price offered are indicators of content.

Repurchase Intention

Consumer repurchase intention is a situation where customers are ready and willing to return to online transactions. The commitment that arises after experiencing the benefits and enjoyment of a product influences repurchasing. Furthermore, Chiu and Cho (2019) describe repurchase intention as the intention or desire that consumers have after buying a product and having a positive experience.

Kotler and Keller (2009) suggest that repurchase intention is measured through the following dimensions (1) transactional intention; the intention of someone who always wants to re-buy the product he has consumed. (2) Referential intention; an intention that describes someone who tends to recommend the product he has bought to others. (3) Preferential intention; intention that describes the behavior of a person who always has the primary choice of the product he has consumed. (4) Explorative intention: intention that describes the behavior of someone who will seek information from a product that he intends to support product trust from products that have become customers.

The indicators related to repurchase intention used in this study include (1) will repurchase (2) consume products again (3) refer to products that have been purchased (4) share experiences after buying products (5) products that have been purchased as the main preference (6) preferences can be replaced if the product is not available (7) always looking for information related to the product that is the preference (8) looking for information to support the positive characteristics of the products they subscribe to. Repurchase intention is important for companies because consumers who are willing to buy back at the company are one of the important assets, so it is important for every company engaged in the e-commerce business, to ensure that consumers will return to buy goods or products from the company in the future (Gefen and Straub, 2004; and Zhou et al., 2009).

Effect of E-service quality on E-WOM

Findings from previous research by Puspita et al., (2022) state that e-service quality has a positive and significant influence on e-word of mouth (e-WOM). That

is, the higher the e-service quality provided by e-commerce, the higher the positive e-WOM obtained. If consumers are happy with the service experience provided by e-commerce, then they will voluntarily provide statements about the services or products they use. The information contained in E-WOM can be used by other people as a reference in evaluating an e-service quality (Jalilvand and Samiei, 2012). Previous research by Rizal et al., (2018) also found that e-service quality has a significant effect on e-WOM.

H1: E-service quality has a positive and significant effect on e-word of mouth (e-WOM).

Effect of E-Trust on E-WOM

Findings from previous research by Muchlis, dkk., (2021) stated that trust in online purchases (e-trust) is the key to electronic communication (e-word of mouth). Customers tend to recommend people after customers trust e-commerce. The higher the trust, the more likely a customer will recommend others through a positive review. This is also supported by previous research by Sichtmann (2007) who found that customer trust is an important factor and influences word-of-mouth behavior for online purchases. The findings of this study are supported by research by Chung and Shin (2010) who examined online shopping relationships and found that e-trust influences e-WOM.

H2: E-trust has a positive and significant effect on e-word of mouth (e-WOM).

Effect of E-service quality on Repurchase Intention

Previous studies have revealed the relationship between e-service quality and repurchase intention. The research results of Yunus et al., (2021) reveal that e-service quality has a positive and significant effect on repurchase intention in e-commerce, with good or bad e-service quality will have a significant effect on repurchase intention of consumers in a media ecommerce application. Novita et al., (2022), Nusjirwan et al., (2020), Saodin et al., (2019), Romdonny and Rosmadi (2019) revealed similar findings, where e-service quality has a positive and significant effect on repurchase decisions. Improved e-service quality is available according to consumer needs in an e-commerce application media, consumers can easily carry out repeat purchase transaction activities on the e-commerce application media.

H3: E-service quality has a positive and significant effect on repurchase intention

Effect of E-trust on Repurchase Intention

Repurchase intention is also influenced by e-trust. E-trust is very important because the issue of trust in e-commerce is one of the problems for users of e-commerce application media. This variable has a major influence on the effectiveness and efficiency of relational marketing. The results of previous research by Iswara (2016) found that trust can positively and significantly affect media users of e-commerce applications.

The influence that occurs is expressed in the form of a purchase decision, with higher trust equaling greater repeat purchase opportunities. This is in line with research by Hongjoyo et al., (2020), Mahkota et al., (2014), Manurung and Pins (2016) also stated that when customers have high trust in a product or in this case e-commerce application media, customers purchasing decisions will ultimately go well and facilitate repurchasing by customers

H4: E-trust has a positive and significant effect on repurchase intention

Effect of E-WOM on Repurchase Intention

The results of previous research revealed that there is a relationship between e-WOM and repurchase decisions. In today's digital era, e-WOM can be a digital marketing communication method, because information or reviews contained in e-commerce application media can be used as a source of e-WOM. Previous research by Hidayati (2021) stated that e-WOM has an important role in repurchase intention. The results of data analysis from Putra and Tiksnayana's research (2022) also show that it has a positive and significant effect on consumer repurchase decisions. E-WOM spreads through business, social and community networks that are considered highly influential. Yuhui (2021) says that E-WOM or better reviews on e-commerce application media influence consumer purchasing decisions again.

H5: E-WOM has a positive and significant effect on repurchase intention.

Effect of E-service quality on Repurchase Intention Through E-WOM as an Intervening Variable

Puspita et al., (2022) in their research stated that there was a positive and significant influence between e-service quality on repurchase intention mediated by e-WOM. This research supports previous research by Putri and Sumaryono (2021) and Pasumathy (2015). The results of this study indicate that information circulating through e-WOM on social media plays a role in influencing or strengthening consumer intentions to repurchase a product. through an e-commerce application so that it will increase e-customer loyalty which has an impact on repurchase intention.

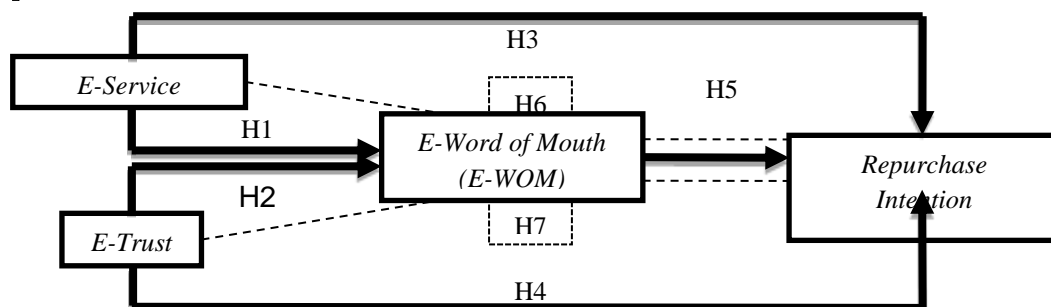
H6: *E-service quality has a positive and significant effect on repurchase intention through e WOM as an intervening variable*

Effect of E-trust on Repurchase Intention Through E-WOM as an Intervening Variable

Research conducted by Muchlis et al., (2021) stated that this research found that e-trust has a positive and significant effect on repurchase intention through e-word of mouth. The same thing was stated in research conducted by Agustine (2022) that e-trust has a positive and significant effect on repurchase intention mediated by e-WOM.

H7: *E-service quality has a positive and significant effect on repurchase intention through e WOM as an intervening variable*

Conceptual Framework



Picture 1. Conceptual Framework

3. RESEARCH METHODS

Place, Time, and Research Design

The design of research method used is a quantitative method with an explanatory research approach. This research was conducted through social media platforms in distributing and collecting questionnaires through Google Forms and

disseminated through social media such as Instagram and WhatsApp. The research conducted for the writing of this thesis took place from June 2022 to November 2022.

Population dan Sample

The population in this study is generation Y (born 1981-1996) who have made transactions at Shopee e-commerce with a minimum of twice shopping on the Shopee e-commerce application. The sample size to be taken in this study is 384 respondents using the formula of Rao Purba (2006).

Data Collection Methods

This research uses survey data collection methods. This research collects primary data that is directly produced by researchers to answer research problems. Primary data collection is conducting a survey through the distribution of structured questionnaires. Meanwhile, secondary data was obtained from literature studies that are in accordance with the theories and concepts of this research, as well as literature studies from several previous studies

Data Analysis Method

Descriptive Analysis

In making a decision on the interpretation of the descriptive mean of each variable studied, the authors use the guidelines from Ghozali (2012) as follows:

Table 2. Assessment of the Mean Interpretation of Research

Average Intervals	Category
1,00 - 1,80	Strongly Disagree
1,81 - 2,60	Low Disagree
2,61 - 3,40	Netural
3,41 - 4,20	Moderately Agree
4,21 - 5,00	Highly Agree

Source: Ghozali (2012)

SEM analysis with Smart PLS

In this study using the SEM-PLS analysis method with SmartPls version 3. Hypothesis testing uses the Partial Least Square (PLS) analysis technique.

4. RESULTS

Descriptive Analysis of Respondent Characteristics

This section will describe descriptively the distribution of respondent background data consisting of various different characteristics. The characteristics of the respondents discussed in this study include gender, last education, occupation and number of shopping experiences. The classification of the characteristics of the respondents can be seen in Table 3.

Table 3. Characteristics of Respondents

Characteristics of Respondents	Description	Amount	Percentage (%)
Gender	Man	142	37
	Woman	242	63
Education	SMA	27	7
	D3	127	33
	S1	184	48
Work	S2	46	12
	Government Employees	65	17
	BUMN Employees	46	12
	Private Sector Employees	188	49
	Self-Employed	50	13
	Student	35	9

Total Experience Shop	2 times	104	27
	3-10 times	142	37
	> 10 times	138	36

Source: Primary Data (2022)

Based on Table 5, it can be concluded that there were 384 respondents who used Shopee e-commerce users from generation Y, dominated by 63% women while 37% were men. Judging from their last education, they were dominated by bachelor's degrees at 48% while the lowest respondent was from high school education at 7%. Judging from work, it is dominated by private employees as much as 49% and the lowest respondent is 9% from students. The results of the study also concluded that Generation Y e-commerce Shopee users had the highest shopping experience of 3-10 times or 37%, shopping experience > 10 times of 36% and 27% who had shopping experience 2 times.

Descriptive Analysis of Research Variables

The following table 4 is a complete summary of the results of distributing the questionnaires to the variable indicators used in this study.

Table 4. Descriptive Table of Research Variables

Variable	Indicator Value	Category
<i>E-service quality</i>	1622	Very good
<i>E-trust</i>	1636	Very good
<i>E-WOM (Word of Mouth)</i>	1573	Good
<i>Repurchase Intention</i>	1598	Good

Source: Primary Data (2022)

Data Analysis

In this study, hypothesis testing used the Partial Least Square (PLS) analysis technique with the smartPLS 3 program.