# CASE STUDY OF FASHION PRODUCT TO PURCHASE ON TWITTER: EFFECT OF PERCEIVED EASE OF USE, PERCEIVED USEFULNESS, AND PERCEIVED RISK ON PURCHASE DECISION

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**Abstract** - This research aims to examine and analyze the effect of perceived ease of use, perceived usefulness, and perceived risk on purchase decision (a case study of fashion product to purchase on Twitter). The population in this research was a customer on Twitter with the criteria that have been purchased fashion product on Twitter. The sample size was taken by 150 respondents, by non-probability sampling. Data collection is done through questionnaires. An analytical technique used is the method of analysis PLS (Partial Least Square). The results showed that the ease of use variable had a positive effect on purchase decision, and the usefulness variable had a positive effect on purchase decision. And, simultaneously there is a positive effect of risk on purchase decision.

Keywords: Ease of Use; Usefulness; Risk; Purchase Decision; Fashion; Twitter.

# **INTRODUCTION**

Nowadays the internet is not just social networking, but also as a transaction tool for consumers in the global market. Internet users have grown rapidly over the past few years and have become a common means of sending and trading information, services and, goods (Albarq, 2006). Technology is increasingly changing the face of shopping. The consumer purchase experience has been transformed not only by the Web, but also by new advances in smart and connected devices (Martins, Costa, Oliveira, Gonçalves, & Branco, 2019).

Online shopping is one of the commonly used media for convenient shopping. It is, in fact, a popular means of shopping among the internet community (Bourlakis, Papagiannidis, & Fox, 2008). No matter clothes, electrics, and others, online shopping trend is becoming more popular with each passing day. Hundreds of websites or social networking and applications are being created and deployed every year to

cater to this rising dema



Figure 1. The amount of internet users in Indonesia Source: Hootsuite Inc. (2019)

Based on data released by Hootsuite Inc. the number of internet users in Indonesia increased by 17 million over the year to January 2019, up 13% compared to the period 2018. As a result, the total internet

users in the country currently reach 130 million, or 56% of the total population reaching 268.2 million. The internet is an important discovery, nowadays human life is mostly influenced by it, starting from the use of social media such as Twitter, Facebook, Instagram, and others. Twitter is another social media tool used by most people nowadays. It has become a place where companies conduct e-commerce, send information to customers, and create communities with the customers and to sell goods and services for individuals.

According to research initiated by *Asosiasi E-commerce Indonesia* (idEA), fashion products still dominated the online market as the most frequently purchased product.

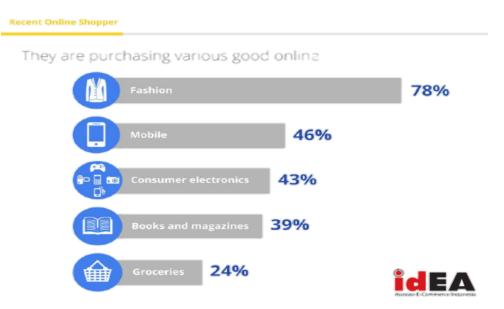


Figure 2. The market value of Indonesian e-commerce in 2016 Source: idEA (Asosiasi E-Commerce Indonesia 2016).

According to respondents who claimed to buy online in the past month, 78% of them claimed to have bought fashion products online. This fact makes fashion products as expected to be the topmost often purchased online. Trends for clothing these days are moving at an unpredictable pace. The wearing of clothing is cannot be separated into a human being because it is a basic need of nearly all human societies.

Based on the data above this study aims to analyse the effect of Ease of Use on purchase decisions on fashion products at Twitter, the effect of Usefulness on purchase decisions on fashion products at Twitter, and the effect of Risk on purchase decisions on fashion products at Twitter.

# LITERATURE RIVIEW

# **Perceived Ease of Use**

The ease of use perceived in the identification of information and transactions carried out must allow a favourable and convincing individual experience (Aboelmaged & Gebba, 2013) and improve utility (Liébana-Cabanillas, Ramos de Luna, & Montoro-Ríos, 2015). According to (Maia, Lunardi, Longaray, & Munhoz, 2018) the dimensions of ease of use as follows:

- The individual interaction with the system is clear and understandable.
- Interacting with the system does not require a lot of mental effort.
- The system to be easy to use.
- It easy to operate the system to do what individuals want it to do.

It can be concluded that ease of use is where consumers feel that shopping on the web-based store will increase spending as well as the extent to which consumers feel the ease of interaction with the website can receive information about the required product.

# Perceived Usefulness

Perceived usefulness is the extent to which a person believes by using information technology will improve the workability of the users (Turner, Kitchenham, Brereton, Charters, & Budgen, 2010). (Hajli, 2012), divide the dimensions of usefulness as follows:

- Making work easier.
- Useful.
- Increase productivity.
- Enhancing effectiveness.
- Develop work performance.

It can be concluded that usefulness as the degree to which the person finds it useful to use the technology applicant. If consumers have the ability to use technology applications that they feel can help and make it easier to find the desired product or service.

#### Perceived Risk

The perceived risk perception by consumers is the uncertainty felt by consumers in online shopping when consumers cannot predict what consequences and losses will be experienced from their purchase decisions. (Schiffman & Wisenblit, 2015). Perceived risk is defined by (Almousa, 2014) as consumer perceptions of uncertainty and the adverse consequences of buying products or services. According to (Almousa, 2014) the dimensions of risk perception are as follows:

- Financial Risk- Risks related to concerns will face difficulties in terms of funds.
- Functional Risk-Risks about functions are related to the negative impacts that will arise if consumers know and understand that many of the products to be purchased contain a number of badness if purchased and consumed.
- Physical Risk-This risk is related to consumer concerns that a product can cause a certain physical hazard.
- Psychological Risk-This risk is related to the occurrence of a negative impact that will be attached to someone if buys and consumes the item.
- Social Risk-This risk is related to the negative impact that comes from the environment if someone buys and consumes the item.
- Time risk-The risk that a decision will take a lot of time.

It can be concluded that perceptions of risk are consumer perceptions of uncertainty and negative consequences that might be accepted for the purchase of a product or service.

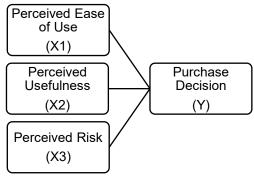
# **Purchase Decision**

According to (Kottler & Armstrong, 2008) state, the purchase decision is "some steps done by customers before deciding on a product". The consumer purchase decision process are the decision-making processes begin by the consumer to buy the goods or services in exchange of money in the market before, during and after the purchase of goods or service (Lumen 2019). According to (Kotler & Armstrong, 2012), the process of purchase decision is explained as follows:

- Need Recognition-The recognition of the particular problem or need and here the buyer has a need to satisfy or a problem that needs solving, and this is the beginning of the buyer decision process.
- Search for Information-Buyers here begin to look around to find out what's out there in terms of choice and they start to work out what might be the best product or service for solving the problem or satisfying any need.
- Evaluation of Alternatives-The evaluation of the available alternatives whereby the buyer decides upon a set of criteria by which to assess each alternative.

- Purchase Decision-We buy or select a product/service/supplier at stage four. Individuals or teams of buyers make the final choice of what to buy and from whom to buy it.
- Post-Purchase Evaluation-The process continues even when the product or service is being consumed by the individual or business.

It can be concluded that purchasing decisions are the set of consumer choices made before making a purchase when they have a desire to buy. And consumer purchasing processes may also be affected by circumstances, times and, locations.



**Figure 3. Conceptual Framework** 

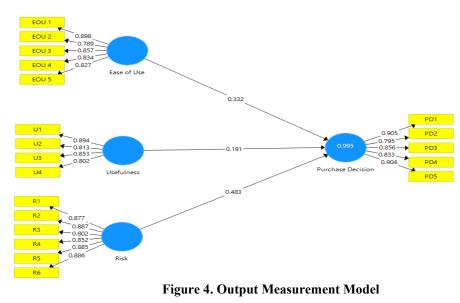
Based on the conceptual framework above, the hypothesis conclusions can be drawn as follows:

- H1: Perceived Ease of Use positively affect toward Purchase Decision.
- H2: Perceived Usefulness positively affect toward Purchase Decision.
- H3: Perceived Risk positively affect toward Purchase Decision.

#### **METHODS**

The type of data used is quantitative data with primary data and sources obtained from the distribution of questionnaires using a Likert scale given to 150 customers on Twitter with the criteria have been purchased fashion product on Twitter. The sampling taken in this research is a non-probability sampling technique. According to (Hair, Anderson, Babin, & Black, 2010) suggests the number of research samples must be multiplied 5 times until 10 times with the question indicators. There are 4 variables in this research with 24 indicators. The research received to round to 30, and it becomes multiply 5 x 30 = 150 respondents for this research sample. Data processing in this research uses a method with Partial Least Square (PLS) using the software smartPLS version 3.0.

# **RESULT AND DISCUSSION**



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Based on the path diagram in the figure above, all instruments in the ease of use, usefulness, risk,
and purchase decision variables are said to be valid, where the indicators are considered capable of
measuring the variables in the research.

Table 1 Convergent Validity Test with Loading Factor						
Variable	Indicator	Loading Factor	Description			
Ease of use	EOU 1	0.898	Valid			
	EOU 2	0.789	Valid			
	EOU 3	0.857	Valid			
	EOU 4	0.834	Valid			
	EOU 5	0.827	Valid			
Usefulness	U 1	0.894	Valid			
	U 2	0.813	Valid			
	U 3	0.853	Valid			
	U 4	0.802	Valid			
Risk	R 1	0.877	Valid			
	R 2	0.887	Valid			
	R 3	0.802	Valid			
	R 4	0.852	Valid			
	R 5	0.885	Valid			
	R 6	0.886	Valid			
Purchase Decision	PD 1	0.905	Valid			
	PD 2	0.795	Valid			
	PD 3	0.856	Valid			
	PD 4	0.833	Valid			
	PD 5	0.904	Valid			

Based on table 1 the resulting loading factor value can be seen that all indicators of each variable have a loading factor value greater than 0.7. Thus the indicator can be declared valid as a measure of its latent variable.

Variable	AVE	√AVE	Description
Ease of Use	0.708	0.841	Valid
Usefulness	0.708	0.841	Valid
Risk	0.749	0.865	Valid
Purchase Decision	0.739	0.859	Valid

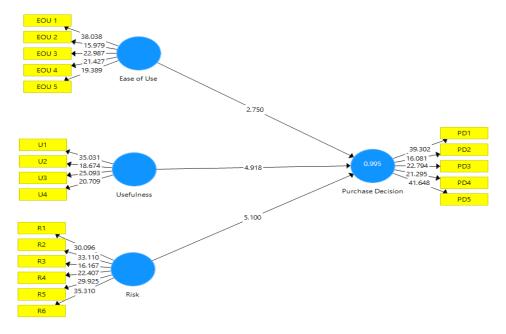
Table 2 Discriminant Validity Test with AVE and  $\sqrt{AVE}$ 

The results of  $\sqrt{AVE}$  in table 2 above, can be seen that all of each variable has a value greater than 0.5. Thus the variables with these indicators can be declared valid as measuring other variables.

Table 3 Reliability	y Test <sup>.</sup>	with (	Com	posite	Reli	ability	and	Cronb	ach Alp	ha

Variable	Composite Reliability	Cronbach alpha	Description
Ease of Use	0.924	0.896	Reliable
Usefulness	0.906	0.862	Reliable
Risk	0.947	0.933	Reliable
Purchase Decision	0.934	0.911	Reliable

Based on table 3 it can be seen that the composite reliability value on the four latent variables is above 0.7 and the results of the Cronbach alpha evaluation are above 0.7. This shows the reliability of the measuring instrument which is high, i.e. the gauges of each construct are highly correlated.



# **Figure 5. Output Structural Model**

After the inspection of the measurement model is fulfilled, then the next is the examination of the structural model. This examination includes the significance of the path relationship and the value of R Square ( $R^2$ ) to see the results of the structural model evaluation. The value of  $R^2$  aims to find out how much the independent variable influences the dependent variable. The value of  $R^2$  can be seen in table 4.

Table 4	4. R <sup>2</sup> Value
Variable	R-Square
Purchase Decision	0.995

Table 4 shows that the construct R-square value is 99.5%. This means that Ease of Use, Usefulness, and Risk can explain the Purchase Decision of 99.5% while the rest is explained by other variables.

	Та	able 5 Path Coef	ficient Test Result	ts		
Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic ( O/STDEV )	P Values	
Ease of Use -> Purchase Decision	0.332	0.338	0.121	2.750	0.006	
Usefulness -> Purchase Decision	0.191	0.186	0.039	4.918	0.000	
Risk -> Purchase Decision	0.483	0.482	0.095	5.100	0.000	

In table 5, it can be seen that of the three measurement variables are significant or accepted. Variable Ease of Use on Purchase Decision of fashion products on Twitter has a positive and significant effect with a value of 0.332. This can be seen from the t-statistic value which is above 1.96 which is equal

to 2.750. Thus, the first hypothesis in this research was accepted. So the higher the ease of use, the higher the decision to purchase fashion products on Twitter. Variable Usefulness on Purchase Decision of fashion products on Twitter has a positive and significant effect with a value of 0.191. This can be seen from the t-statistic value which is above 1.96 which is equal to 4.918. Thus, the second hypothesis in this research was accepted. So the higher usefulness, the higher the decision to purchase fashion products on Twitter. Variable Risk on Purchase Decision of fashion products on Twitter has a positive and significant effect with a value of 0.483. This can be seen from the t-statistic value which is above 1.96 which is equal to 5.100. Thus, the third hypothesis in this research was accepted. So the higher the decision to purchase fashion products on Twitter has a positive and significant effect with a value of 0.483. This can be seen from the t-statistic value which is above 1.96 which is equal to 5.100. Thus, the third hypothesis in this research was accepted. So the higher risk, the higher the decision to purchase fashion products on Twitter.

#### Discussion

The ease of use variable is proven to have a positive and significant effect on the purchase decision. This means that the higher the convenience obtained by consumers, the higher the level of consumer purchasing decisions. This research proves that shopping for fashion products via Twitter makes it easy for consumers so consumers do not find it difficult to shop or transaction. Online shoppers believe that the social networking site Twitter is easy to understand, flexible, and easy to operate as a characteristic of ease of use. The services also provide information and convenience in how to transact so there is no need to go to the shopping area. This supported by the results of research (Artanti, 2019; Suhir, 2014) that ease of use has a positive influence in making purchase decisions.

The usefulness variable is proven to have a positive and significant effect on purchasing decisions. This means that the higher the benefits obtained by consumers, the higher the level of consumer purchasing decisions. This research proves that the use of social networking Twitter is beneficial for consumers in shopping and making transactions. The perception of benefits is the level of trust in someone against the use of a particular object that can provide benefits for online shoppers who use it. This is supported by the results of research (Cho & Sagynov, 2015; Suhir, 2014) that usefulness has a positive effect on purchasing decisions.

The variable risk is proven to have a positive and significant effect on purchasing decisions. Based on the responses of respondents, it is known that the majority of respondents said they would continue to make transactions or purchase fashion products through the Twitter social network despite various risks. Where when consumers make a purchase for the first time and feel satisfied, then a repeat buyer will occur. When consumers re-buy and they still feel satisfied and do not find problems that are meaningful to consumers. Understanding the perception of risk is needed, especially when making online purchases because this purchase is not like the process of buying in a store that is face to face between the seller and buyer. So consumers are required to be better prepared with the consequences where consumers can not anticipate with a definite estimate. This is supported by the results of research (Juniwati, 2014; Jain & Bhutani, 2014) that usefulness has a positive effect on purchasing decisions.

#### CONCLUSION

There is a positive influence of ease of use, usefulness, and risk toward purchase decisions on Twitter. Therefore, the higher ease of use of Twitter, usefulness of Twitter, and the risk, then the higher the purchase decision via Twitter. For businesses people that sell fashion products through the medium of Twitter to optimize the use of Twitter as a medium for their marketing, because consumers feel their ease, benefits and risks of the use of Twitter as a medium for them to shop the online store are on Twitter As for suggestions that can be applied for further research to maximize the process, which should be able to develop the variables and the number of samples more, different places and adjusted to the research object selected. For the sample to be research, it can be adjusted to the number of respondents who will be taken to be used as further research material. Researchers must also be more careful and observant in determining which variables will be chosen to be researched.

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