

**THE EFFECT OF CONSUMER CONFUSION PRONENESS ON WORD  
OF MOUTH, TRUST, AND CUSTOMER SATISFACTION**

**A Thesis**

**Presented as Partial Fulfillment of the Requirements for the Degree of  
Sarjana Ekonomi (S1) in International Business Management Program**

**Faculty of Economics University of Atma Jaya Yogyakarta**



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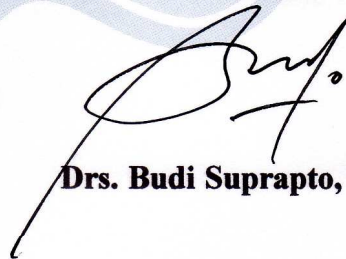
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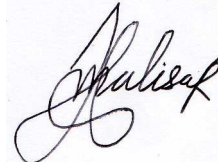
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## **AUTHENTICITY ACKNOWLEDGEMENT**

I, the writer of this thesis, hereby declare that I compiled this thesis by myself. I fully knowledge that my writings does not contain others' or part(s) of others' writings, except for those that have been cited and mentioned in the references.

Yogyakarta, 12 February 2012

Stated by

A handwritten signature in black ink, appearing to read 'Malisa Rosadi', written in a cursive style.

**Malisa Rosadi**

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**Abstract**

Smartphone is highly popular device in Indonesia. However, development of smartphone technology and fierce competition among smartphone manufactures, it leads consumers find difficulty to make purchase decision and they are stuck in the confusion. This situation can be happened because in the competitive environment there is decreasing inter-brands different so that it is hard for the consumers to differentiate among products. Moreover, consumers experience over choices products that leads too much and unclear information about the products. These conditions are known as consumer confusion phenomenon. The consumer confusion becomes a problem that should be dealt with both consumers and marketers.

This present research was conducted to examine consumers' general tendency to become confused and its effect on word of mouth, trust and consumer

satisfaction. Moreover this present research involved 150 university students as respondents who had experience in using or buying smartphone. Then, nine hypotheses were tested using multiple regression analyses. So from the result, it indicates that two of the three consumer confusion dimensions (i.e. similarity and overload confusion) have significant negative impact on word of mouth, trust and consumer satisfaction. Mean while, the rest dimension (ambiguity confusion) has insignificant impact on three dependent variables. The findings have implication for management in order to use the confusion dimension to assess their customer and to make good decisions regarding the customer's perception towards their products.

Key Words: Smartphone, consumer confusion, word of mouth, trust and consumer satisfaction.