CHAPTER 1

INTRODUCTION

1.1 Background

Back in the day, the internet was not like what we know today. According to article from Media Indonesia, internet was created in the 1960s with the purpose of connecting various computer in the US military for defense purposes. In the 1990s, with higher adoption of user outside of the military, it started to become widely adopted to public. Adoption rate skyrocketed in the late 1990s, both in the US and later into the early 2000s worldwide.

The internet usage grows rapidly throughout 2000s and forward. According to Google, the internet users of the entire world is estimated over than 4.57 billion people. This number will continually grow in parallel with the grow of the world population. With the growing number of populations, come the various usage of the internet.

In the last two decades, the internet has been used for various purposes. Some people use it to sell goods and or services, some people use it for advertising purposes, some people use it to make administration both private and public easier, and some people use it for negative purposes. However, using the internet to search for handbags, make a hotel reservation, buying mobile phones, social media is much more common.

Due to the massive growth of the internet, people find new ways to use the internet. Consumers use it to search for information about the products and or the services online before making a purchase, Zhu and Zhang (2010); King et al. (2014); Teng et al. (2014). E-commerce, as the online version of traditional commerce, provides consumers with a huge variety of reviews from other consumers who had made the purchase of goods and or services. Therefore, e-commerce such as Shopee also allows consumers to share reviews with other consumers Hennig-Thurau et al. (2004); Kim and Park (2013).

According to Kompas.com, IndoNet was one of the pioneers of the internet service as Indonesia's first Internet Service Provider (ISP) more than 20 years ago. With the easy access of the internet, leads to bigger chance to grow both locally and even internationally. The Internet provides access to information for various information from across the world within seconds to the hand of the people through their gadget whether it would be a mobile phone, a tablet, a computer, and other devices.

In Indonesia, one of the first online forums is kaskus.com. Kaskus originally created to serve as translated news portal for Indonesian student who attend school in USA about Indonesian news. Later, Kaskus transform to online forum for Indonesian people. In fact, Kaskus.com considered as the pioneer of online forum in Indonesia in early 2000s.

As for e-commerce itself, tokobagus.com was considered as the first e-commerce after previously being used to selling goods from online forums in early 2000s through late 2000s. In 2021, there are so many e-commerce companies in Indonesia. Some of these companies such as Shopee, Tokopedia, Bukalapak, OLX Indonesia, and many more.

In this case, researchers use Shopee as the object of the research. The reason is Shopee is one of the biggest and the most influential e-commerce ever operating in Indonesia and one of the most use e-commerce in Indonesia. In this research, researcher uses the hypothesis from a journal about the influence of EWOM characteristic on online repurchase intention as mediating role of trust and perceived usefulness.

1.2   Research Question

1. Does EWOM quantity influence online Repurchase Intention?
2. Does EWOM credibility influence online Repurchase Intention?
3. Does EWOM quality influence online Repurchase Intention?
4. Does Trust in the online vendor mediate the effect of EWOM Quantity towards online Repurchase Intention?

5. Does Trust in the online vendor mediate the effect of EWOM Credibility towards online Repurchase Intention?

6. Does Trust in the online vendor mediate the effect of EWOM Quality towards online Repurchase Intention?

7. Does Perceived Usefulness in the online vendor mediate the effect of EWOM Quantity towards online Repurchase Intention?

8. Does Perceived Usefulness in the online vendor mediate the effect of EWOM Credibility towards online Repurchase Intention?

9. Does Perceived Usefulness in the online vendor mediate the effect of EWOM Quality towards online Repurchase Intention?

1.3   Research Objective

1. To analyze the influence of EWOM quantity to online Repurchase Intention?

2. To analyze the influence of EWOM credibility to online Repurchase Intention?

3. To analyze the influence of EWOM quality to online Repurchase Intention?

4. To analyze the affect between EWOM quantity and online Repurchase Intention is mediated by trust in the online vendor?

5. To analyze the affect between EWOM credibility and online Repurchase Intention is mediated by trust in the online vendor?

6. To analyze the affect between EWOM quality and online Repurchase Intention is mediated by trust in the online vendor?

7. To analyze the affect between EWOM quantity and online Repurchase Intention is mediated by Perceived Usefulness of the website?

8. To analyze the affect between EWOM credibility and online Repurchase Intention is mediated by Perceived Usefulness of the website?

9. To analyze the affect between EWOM quality and online Repurchase Intention is mediated by Perceived Usefulness of the website?

1.4   Scope of Research

Any people from any age who had purchase goods and or services from Shopee, regardless the platform used both mobile phone, tablet, pc and other device. Price and type of products and or services are not important.

1.5   Benefit of Research

1. To seller: to better create a more compelling product and or services for the consumer.
2. To consumer: to have a better decision choosing a product and or services they prefer and needed

1.6   Research Systematic

CHAPTER I: INTRODUCTION

This chapter consists of background, research questions, research objective, scope of the research, benefit of the research and research systematic.

CHAPTER II: LITERATURE REVIEW

This chapter consists of literature review, hypothesis development including theories used in the research, conceptual framework and previous reserach.

CHAPTER III: RESEARCH METHODOLOGY

This chapter consists of research location, data collection, variable, measuring instrument and data analysis method.

CHAPTER IV: RESULT AND ANALYSIS

This chapter consists of the result of this research as well as the discussion related to the result.

CHAPTER V: CONCLUSION

This chapter consists of the conclusion of this research, limitations as well as suggestions.