

The Influence of Online Customer Reviews and Online Customer Ratings on Purchasing Decisions with Purchase Intention as a Mediating Variable (Case Study of Shopee Marketplace Users in Semarang Regency)

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ABSTRACT

This research aims to analyze the influence of online customer reviews and online customer ratings on purchasing decisions with purchase interest as a mediating variable among Shopee marketplace users in Semarang Regency. The population in this research is shopee users in Semarang Regency. The number of samples used was 120 respondents. The sampling technique is non-probability sampling. Data collection methods using questionnaires and quantitative methods. Data analysis used descriptive analysis with SmartPLS 4 software. The results showed that a) online customer reviews had an effect on purchase interest, b) online customer ratings had an effect on purchase interest, c) purchase interest had an effect on purchasing decisions, d) online customer reviews had an effect on purchasing decisions, e) online customer ratings influence purchasing decisions.

Keywords: online customer review, online customer rating, purchase interest, purchase decision.

INTRODUCTION

Information and communication technology in today's era has formed a new lifestyle phenomenon among people in using and utilizing the internet. In Liu and Tsai's (2010) research explanation regarding lifestyle changes that occur in consumers due to technological advances originating from the internet. The internet has now become a basic need for everyone and is not only limited to searching for information from media which is then disseminated widely, but can be used as a means of communication, entertainment, shopping and online transactions. The increase in the e-commerce market is caused by changes in the lifestyle of the Indonesian people, namely changing the way they shop from going directly to the shop to online shopping through the marketplace by accessing sites providing online buying and selling. A marketplace is a place where a seller sells his products online via the internet. Many companies are switching to selling their products via e-commerce in order to keep up with technological developments, such as Shopee, which is one of the marketplaces that utilizes the existence of a mobile marketplace with applications to make transactions easier and serve customers.

The Shopee application makes it easier for consumers to search for products based on categories and price filter options as well as complete reputation information for the products being sold, making it easier for consumers to compare and choose products. According to Marsyita (2018), consumer purchasing interest is a consideration and needs to be paid attention to in the business world because consumers make decisions based on purchasing interest which arises as encouragement and enables consumers to purchase products. The value of a product that is previously evaluated influences buying interest. If the previous benefit has a positive impact then it also has a high impact on the urge to make a purchase, but if it has no impact then there will be little benefit, in other words consumers will choose to evaluate other products. Purchase interest is influenced by a number of factors including purchasing decisions, Online Customer Ratings and Reviews.

Online customer reviews are feedback or evaluations from customers after they buy an item, sellers who provide insight into other customers' experiences can be used to help potential buyers make decisions. With information from other customers, potential buyers will find it easy to find out information regarding the quality of the product they are looking for. Consumer reviews represent responses from customers to the services they use, include experiences that can be used as references and the number of reviews can give an idea of how popular a product is, increase trust and can be attractive. Online customer rating is an assessment or rating in the form of one to five stars, where the number of stars indicates the extent to which consumers are satisfied with the product. A rating with five stars usually indicates high satisfaction and can be said to be a good marketplace and meets consumer expectations. On the other hand, if the star symbol is lower, consumers will think that the condition and quality of the product does not meet expectations. Purchasing decisions are a process carried out by customers in determining and identifying needs, evaluating them, and finally making a decision. Buyers' purchasing decisions are often influenced by a number of factors such as personal preferences, previous experiences, and the influence of the surrounding environment which can have an influence on the purchasing decision process (Munandar, 2001).

The results of research from Agung Waluyo and Yudha Trishananto (2023) prove that online customer reviews positively influence purchasing decision variables in online shop Shopee which are mediated by buying interest, in line with research by Pratiwi Arbaini, et al (2020) who succeeded in obtaining evidence that this is positive. There is an influence between rating and purchasing decision variables which is mediated by

purchasing interest. Another thing that consumers need to pay attention to and consider is the number of people who have provided reviews and ratings on the quality of the product because the way it works cannot be controlled by business people because it is considered honest and there is a big possibility that consumers will be disappointed with bad reviews and ratings. Evan (2010) believes that potential consumers can learn from information that has been conveyed by customers who have purchased a product before determining or making a decision to purchase a product, because it is obtained from volunteerism in providing honest assessments and is accessible to everyone and has a wide reach. Purchasing decisions themselves can strengthen the relationship between consumers and sellers, especially if the experience provides satisfaction to potential buyers in fulfilling the needs and desires that are considered most appropriate.

LITERATURE REVIEW

Online Customer Review

The feedback that consumers give is based on their experience when using a product and can influence potential new consumers to increase their intention to purchase similar products, namely the meaning of online consumer reviews (Syakira and Moeliono, 2019). Consumers will express their feelings after buying and using the products they buy. This feeling is conveyed through the review feature available on the e-commerce platform where potential buyers will obtain information from the e-commerce platform. Due to the information shared, potential buyers feel helped when choosing the product they want to buy. So the hypothesis created is:

H1: Online Customer Reviews Influence Purchase Interest

Ovaliana and Mahfudz (2022) stated that online reviews are the opinions of online buyers regarding the services and products they have experienced. In research conducted by Agung Waluyo et al (2022), it was concluded that online reviews have an influence on purchasing decisions. For this reason, the following hypothesis can be formulated:

H4: Online Customer Reviews Influence Purchasing Decisions

Online Customer Ratings

Guo et al (2014) argue that online customer ratings are customer reviews of company performance, high ratings indicate good product quality, evaluations like this are given to online sellers as feedback. The influence of online ratings on buying interest is usually provided by online entrepreneurs from consumers who have purchased online and have given ratings and published them on the seller's website. So the hypothesis created is:

H2: Online Customer Rating Influences Purchase Intention

Ratings can play an influence in influencing potential buyers in choosing a product. In research by Donny Indra et al (2022) which states that online ratings can influence purchasing decisions. So the hypothesis created is:

H5: Online Customer Ratings Influence Purchasing Decisions

Purchase Interest

Kotler and Keller (2014) argue that buying interest is a buyer's habit of a product that shows a desire to buy. Purchase interest is the intention that arises from within the heart to own a product. This was confirmed by Doni Suwandoyo, et al (2023) in his research with the results that purchasing interest can mediate and have a positive effect on purchasing decisions. So the hypothesis created is:

H3: Purchase Interest Influences Purchase Decisions

Buying decision

Purchasing decisions are a person's decision to get the desired product. Before making a purchase, consumers will look at various reviews given by other consumers before

deciding to buy, starting from the price, number of buyers and the quality of the product. Consumers' decisions to buy arise because of a sense of ownership, looking at the information provided by other consumers and seeing the benefits of purchasing the product. Purchasing decisions are said to be a way for consumers to evaluate before they choose a product that can fulfill their wants and needs (Ummat and Hayuningtias, 2022).

Febriyanti (2016), consumer buying interest is a feeling that arises when seeing a product, so that interest and intention to make a purchase arises, after the consumer is interested in existing reviews of the product they want and decides to buy. This is in accordance with research conducted by Agung Waluyo and Yudha Trishananto (2022) where purchasing interest can mediate online customer reviews on purchasing decisions. For this reason, the hypothesis can be formulated as follows:

H6: Purchase Intention Can Mediate the Relationship Between Online Customer

Reviews and Purchase Decisions

Effectiveness and efficiency in product marketing will generate a consumer's buying interest with the consumer's consideration of making a purchasing decision. The role of ratings contained in the Shopee feature can be used as a reference for consumers to decide on potential purchases (Fileri 2014). In research conducted by Firda Ayu Aldilla (2021) stated that buying interest can mediate online customer rating variables on purchasing decision variables. So the hypothesis created is:

H7: Purchase Intention Can Mediate the Relationship Between Online Customer Ratings and Purchase Decisions

RESEARCH METHOD

This research uses a quantitative approach, which aims to test hypotheses and analyze relationships between variables. The research variables consist of independent variables, namely online customer review (X1) and online customer rating (X2). The dependent variable (Y) is the purchasing decision. The intervening or connecting variable (Z) in this research is purchase interest. Population is used to refer to the number of Shopee marketplace users in Semarang Regency. The sampling process to obtain respondents according to the required quality is non-probability sampling, namely through the purposive sampling method, with a sample size of 120 respondents based on an unlimited population calculation.

In this research, the primary data that the author will use is a questionnaire. Reference books, previous researchers and thesis reviews become secondary data. Data analysis uses descriptive analysis with SmartPLS 4 software. Data quality testing stages include measurement (outer) model testing, structural (inner) model testing, and hypothesis testing.

RESULTS

Respondent Description

Table 1. Respondent data

Information		Frequency	Total Percentage (%)
Gender	Man	38	100
	Woman	82	
Age	< 17 years	46	100
	18-25 years	57	

26-35 years	12
> 36 years	5

Source: Processed Primary Data, 2024

Test Measurement (outer) model

The following table will present the results of the validity and reliability tests in this research:

Table 2. Convergent Validity Test Results

	Purchase Interest	Buying decision	Rating	Review
X11				0.739
X12				0.824
X13				0.834
X14				0.761
X15				0.813
X21			0.801	
X22			0.815	
X23			0.832	
X24			0.844	
X25			0.882	
Y1		0.872		
Y2		0.830		
Y3		0.800		
Y4		0.852		
Y5		0.801		
Z1	0.872			
Z2	0.824			
Z3	0.785			
Z4	0.851			
Z5	0.843			

Source: Processed Primary Data, 2024

Based on table 2, the outer loading value is > 0.70, which means that all indicators for each research variable are declared valid. Next, the Average Variance Extrated (AVE) value for each indicator is as follows:

Table 3. Average Variance Extracted (AVE) Results

Variable	AVE
Online customer review	0.632
Online customer rating	0.697
Buying decision	0.691
Purchase Interest	0.698

Source: Processed Primary Data, 2024

In table 3, as expected, all indicators have an AVE value greater than 0.5. Therefore, all variables meet the validity assumptions. Next, the results of the discriminant validity test are as follows:

Table 4. Discriminant Validity Test Results

	Purchase Interest	Buying decision	Rating	Review
X11	0.518	0.559	0.450	0.739
X12	0.588	0.668	0.520	0.824
X13	0.601	0.595	0.536	0.834
X14	0.566	0.636	0.592	0.761
X15	0.592	0.604	0.452	0.813
X21	0.556	0.489	0.801	0.451
X22	0.550	0.520	0.815	0.520
X23	0.562	0.612	0.832	0.552
X24	0.556	0.558	0.844	0.568
X25	0.570	0.594	0.882	0.585
Y1	0.651	0.872	0.622	0.612
Y2	0.579	0.830	0.540	0.614
Y3	0.600	0.800	0.549	0.559
Y4	0.639	0.852	0.564	0.562
Y5	0.669	0.801	0.504	0.648
Z1	0.872	0.683	0.530	0.639
Z2	0.824	0.627	0.577	0.655
Z3	0.785	0.590	0.552	0.633
Z4	0.851	0.572	0.564	0.633
Z5	0.843	0.679	0.562	0.663

Source: Processed Primary Data, 2024

Referring to the Rule of thumb in measuring discriminant validity > 0.7 on one variable, seen in table 4 there is a variable value that is > 0.7 , this means that discriminant validity is met. Next are the results of the reliability test as follows:

Table 5. Hasil Uji Reliabilitas

Variable	Composite Reliability	Cronbach's Alpha
Online Customer Review	0.896	0.854
Online Customer Rating	0.92	0.891
Buying decision	0.918	0.888
Purchase Interest	0.92	0.892

Source: Processed Primary Data, 2024

In table 5, the Composite Reliability value for each variable is all > 0.70 , so it can be concluded that the construct is reliable, and the Cronbach's Alpha value for all variables is > 0.70 , so it can be concluded that all variables meet the reliability requirements.

Structural (Inner) Model Test

Below we will present the R-Square output and Predictive Relevance output in this research:

Table 6 . Results of the r-square and predictive relevance tests

Variable	R-Square Value	Q ² Predict value
Buying decision	0.647	0.563
Purchase Interest	0.645	0.635

Source: Processed Primary Data, 2024

Table 6 shows that the Buying decision has an R-Square of 0.647 and a Purchase Interest of 0.645. This value indicates that online consumer ratings and online consumer reviews influence buying decisions by 64.7% and purchase interest by 64.5%. This figure is in the good category. Meanwhile, the Q² predict value for the two variables respectively for the Buying decision and Purchase Interest variables (0.563 and 0.635) > 0.5. It can be concluded that the model's prediction accuracy is at a high level.

Hypothesis testing

Below we will present a table of data on the results of hypothesis testing in this research as follows:

Table 7. Hypothesis test results

Items	Path Coefficient	Sample mean (M)	Standard deviation	T statistics	P values
Review → Purchase Interest	0.585	0.585	0.070	8.355	0.000
Rating → Purchase Interest	0.29	0.288	0.075	3.880	0.000
Purchase Interest → Buying decision	0.394	0.387	0.117	3.361	0.001
Review → Buying decision	0.267	0.277	0.113	2.350	0.019
Rating → Buying decision	0.235	0.234	0.106	2.221	0.026
Review → Purchase Interest → Buying decision	0.231	0.225	0.071	3.232	0.001
Rating → Purchase Interest → Buying decision	0.114	0.114	0.051	2.231	0.026

Source: Processed Primary Data, 2024

In table 7, all variables produce a value of <0.05 and the t-statistic which means it shows that all variables are accepted.

DISCUSSION

Hypothesis I: Relationship between Online Customer Reviews and Purchase Interest Based on table 7, it shows that Online Customer Reviews have a positive and significant influence on consumer Purchase Interest. These results are strengthened by the t-statistic value (3.880) > 1.96 and the p-value (0.000) < 0.05. This means that the higher the value of Online Customer Reviews, the consumer Purchase Interest will also increase. So, the first hypothesis is "Online Customer Reviews have a significant positive influence on Purchase Interest" (accepted).

Hypothesis II: Relationship between Online Customer Rating and Purchase Interest Based on table 7, it shows that Online Customer Rating has a significantly positive influence on consumer Purchase Interest. These results are strengthened by the t-statistic value (8.355) > 1.96 and the p-value (0.000) < 0.05. This means that the higher the Online Customer Rating value, the consumer Purchase Interest will also increase. So, the second hypothesis is "Online Customer Rating has a significant positive influence on Purchase Interest" (accepted).

Hypothesis III: Relationship between Purchase Interest and Buying Decision Based on table 7, it shows that Purchase Interest has a significantly positive influence on product buying decisions. These results are strengthened by the t-statistic value (3.361) > 1.96 and the p-value (0.001) < 0.05. This indicates that consumer purchasing interest is high,

so consumers' decision to make purchases will also increase. So, the third hypothesis is "Purchase Interest has a significant positive influence on Buying decisions" (accepted).

Hypothesis IV: Relationship between online customer reviews and buying decisions Based on table 7, it shows that Online Customer Reviews have a positive and significant influence on product buying decisions. These results are strengthened by the t-statistic value (2.350) > 1.96 and the p-value (0.019) < 0.05. This indicates that the high value of Online Customer Reviews means that consumers' decision to make purchases will also increase. So, the fourth hypothesis is "Online Customer Reviews have a significant positive influence on Buying decisions" (accepted).

Hypothesis V: Relationship between Online Customer Rating and Buying decision Based on table 7, it shows that Online Customer Rating has a positive and significant influence on product buying decisions. These results are strengthened where the t-statistic value (2.221) is > 1.96 and the p-value (0.026) is < 0.05. This indicates that the value of the Online Customer Rating is high, so consumers deciding to make a purchase will also increase. So, the fifth hypothesis is "Online Customer Rating has a significant positive influence on Buying decisions" (accepted).

Hypothesis VI: Purchase Interest mediates the relationship between online customer reviews and buying decision. Based on table 7, it shows that there is a positive and significant influence on the Purchase Interest variable which mediates between Online Customer Review and Purchase Interest where the t-statistic is 3.232, which is >1.96 and the p-value (0.001) is <0.05. Signaling high levels of trust in good Online Customer Reviews can make consumers make purchases (accepted).

Hypothesis VII: Purchase Interest mediates the relationship between online customer ratings and purchasing decisions Based on table 7, it shows that there is a significantly positive influence on the Purchase Interest variable which mediates between Online Customer Rating and Purchase Interest where the t-statistic is 2.231 > 1.96 and the p-value is (0.026) < 0.05. Indicating high levels of trust in a good Online Customer Rating can make consumers make purchases (accepted).

CONCLUSION

The online customer review variable (X1) influences the Purchase Interest variable (Z). This means that the better the review given, the Purchase Interest of potential consumers. The online customer rating variable (X2) influences the Purchase Interest variable (Z). This means that the higher the rating given, the higher the Purchase Interest will be. The Purchase Interest variable (Z) influences the Buying decision variable (Y). This means that the more sellers can fulfill consumers' desires and needs, the higher the Purchase Interest of potential consumers who will decide to buy. The online customer review variable (X1) has an influence on the Buying decision variable (Y). This means that if there are more and more good reviews, potential consumers will decide to make a purchase. The online customer rating variable (X2) has an influence on the Buying decision variable (Y). This means that the number of ratings given by consumers will influence potential consumers who will decide to make a purchase. Purchase Interest (Z) can mediate online customer reviews (X1) and online customer ratings (X2) on Buying decisions (Y). This means that the better the reviews and ratings, the more interested potential consumers will be and will make a buying decision. The suggestions that researchers can give include:

1. For Companies

Can provide input and suggestions for companies to plan strategies for utilizing review and rating features as supporting factors and as a marketing tool to improve the company's reputation, in order to attract consumers' interest in shopping.

2. For Academics

It can be used as a reference and archive in lecture materials so that it becomes an insight into knowledge, as well as being used as a reference for future

researchers to further develop it using many variables so that it will be more relevant to the results of this research and different from current conditions, and the need for research on a larger scale.

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