

EFFECT OF ONLINE MARKETING COMMUNICATIONS, CONSUMER PREFERENCES, CONSUMER NEEDS ON PURCHASE BEHAVIOR AND THEIR IMPACT ON PURCHASE DECISIONS (Survey on the Tokopedia and Shopee Online Shop consumers in Bandung)

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ABSTRACT

The aim of this research is to study the effect of Online Marketing Communication, Consumer Preferences, and Consumer Need as mediated by Purchase Behavior on Purchase Decision. As many as 100 Tokopedia and Shoppe consumers in Bandung are chosen as the respondents using the purposive method. This research employs quantitative approach by using survey method. The data is analyzed using the mediation analysis technique from the Process Andrew Hayes Software. Research findings are: first, Direct and indirect effect of Online Marketing Communication, Consumer Preferences, and Consumer Need as mediated by Purchase Behavior on Purchase Decision falls into moderate category; second, The determinant factors of Purchase Decision as mediated by Purchase Behavior are affected by 1) Consumer Need; 2) Consumer Preferences and 3) Online Marketing Communication; third, Online Marketing Communication affects significantly on Purchase Decision as mediated by Purchase Behavior. Fourth, Consumer Preferences affect significantly on Purchase Decision as mediated by Purchase Behavior; and fifth, Consumer Need affects significantly on Purchase Decision as mediated by Purchase Behavior.

Keywords: Online Marketing Communication, Consumer Preferences, Consumer Need Purchase Behavior and Purchase Decision

ABSTRAK

Penelitian ini bertujuan untuk mengetahui pengaruh Komunikasi Pemasaran Online, Preferensi Konsumen, dan Kebutuhan Konsumen yang dimediasi oleh Perilaku Pembelian terhadap Keputusan Pembelian. Sebanyak 100 konsumen Tokopedia dan Shoppe di Bandung dipilih sebagai responden dengan menggunakan metode purposive. Penelitian ini menggunakan pendekatan kuantitatif dengan menggunakan metode survei. Data dianalisis dengan menggunakan teknik analisis mediasi dari Software Process Andrew Hayes. Temuan penelitian adalah: pertama, Pengaruh langsung dan tidak langsung Komunikasi Pemasaran Online, Preferensi Konsumen, dan Kebutuhan Konsumen yang dimediasi oleh Perilaku Pembelian terhadap Keputusan Pembelian termasuk dalam kategori sedang; kedua, Faktor-faktor penentu Keputusan Pembelian yang dimediasi oleh Perilaku Pembelian dipengaruhi oleh 1) Kebutuhan Konsumen; 2) Preferensi Konsumen, dan 3) Komunikasi Pemasaran Online; ketiga, Komunikasi Pemasaran Online berpengaruh secara signifikan

terhadap Keputusan Pembelian yang dimediasi oleh Perilaku Pembelian. Keempat, Preferensi Konsumen berpengaruh signifikan terhadap Keputusan Pembelian yang dimediasi oleh Perilaku Pembelian; dan kelima, Kebutuhan Konsumen berpengaruh signifikan terhadap Keputusan Pembelian yang dimediasi oleh Perilaku Pembelian.

Kata Kunci: *Komunikasi Pemasaran Online, Preferensi Konsumen, Kebutuhan Konsumen, Perilaku Pembelian dan Keputusan Pembelian*

INTRODUCTION

Online marketing communication becomes more and more aggressive currently. This is due to the more and more advanced information and telecommunication technology that has changed totally purchase behavior for the Indonesian consumers. As it is stated by Kompas in 2021 as much as 87.1% of the Internet users have conduct the online shopping on two outstanding online shops, namely Tokopedia and Shopee. This happens because those two online shops have been successfully in making the online marketing campaign.

Tokopedia online store is a market place employing technology to connect and grow ecosystems, from reaching the unbanked population, to providing added value to producers.. Tokopedia provides a wide selection of products in Indonesia and has worked with more than eleven million sellers and various official stores. Moreover, Tokopedia is one of the largest contributors to the economy in Indonesia by generating more than 1% of the total economy in Indonesia. Tokopedia sells more than 550 million products with various types, starting from fashion, mother and child, beauty care, food and health, electronics, automotive, hobbies, household and mobile phones and other products. Tokopedia has a monthly number of visits that reach one hundred million people every month and this is supported by the presence of Tokopedia in almost 99% of sub-districts in Indonesia (Tokopedia, 2021)

Shopee is one of the e-commerce industries engaged in e-commerce applications via smartphones. Shopee is an industry under Sea Limited that was founded by Forrest Li. Shopee was first launched in Singapore in 2015. Shopee industry was initially launched as a consumer-to-consumer marketplace, but with the company's current development, Shopee has launched as a well-known brand.

On the other side, does this phenomenon conform to the consumer preferences and need in finding products that they really want to buy? In relation to that, does this will affect the way the consumer to buy something? In return, will this affect the consumer buying decision? As a matter of fact, there are several factors that can become determinant factors of the consumer buying decision that can be viewed from both sides, namely the consumers as the buyers and the sellers as the entity that makes the marketing campaign.

From those background, the writer decides the problem statements in this study are as follows: Does Online Marketing Communication affect significantly on Purchase Decision as mediated by Consumer Purchase Behavior? Do Consumer Preferences affect significantly on Purchase Decision as mediated by Consumer Purchase Behavior? Does Consumer Needs affects significantly on Purchase Decision as mediated by Consumer Purchase Behavior?

THEORETICAL BACKGROUND

Online marketing communication is the method used by the online companies to conduct communication with consumers in order to generate their products' brand awareness. Integrated marketing communications as defined by Armstrong & Kotler (2011) is "coordinating and integrating several company communication channels to convey clear, consistent and attractive messages about the company and the products it sells." Another definition presented by Fill & Jamieson (2006) says "Marketing communications is a management process in which an organization engages with various audiences. By understanding the audience's communication environment; then the organization seeks to develop and present messages to the stakeholder groups they have identified; before evaluating and acting on their responses. By conveying significant messages, they encourage audiences to respond attitudinally and behaviorally." Furthermore, Digital marketing communications function as an effective leading way to offer new features in order to reach, inform, engage, offer, and sell products as well as services to customers (Kim, Juran, et.al., 2019)

Consumer preferences are based on the reviews and ratings that point consumers to the products and services they propose based on the facts about the quality, price, goods and good staff. There is a need for suppliers to produce and propose to the market (studysmarter.co.uk). Moreover, the consumer preferences function as a means to maximize their satisfaction towards their needs. Consumer preferences are also defined as the subjective tastes of the consumers which is, measured by satisfaction using the products after they have bought them.

Consumer's needs are based on the motivation underlying the consumer's decision-making process. The consumer's desire is to buy a product and choose that product which is different. Companies study the needs of their consumers to provide them with better products, marketing strategies and customer services.

Purchase Behavior is the way consumers behave when they buy something , such as what they consumers buy, where and when they buy and how much they spend their money. (Cambridge Dictionary)

Purchase Decision is a process referring to the consumer buying activities, such as product, brand and distribution careful selection, the time of the buying action, and the payment method that are conducted by the consumers. Moreover, purchase decision is not merely affected by the consumer behavior but there is another moderate factor (Kotler and Keller, 2012).

Considering on the theory discussed above, the following is the variable relationship model.

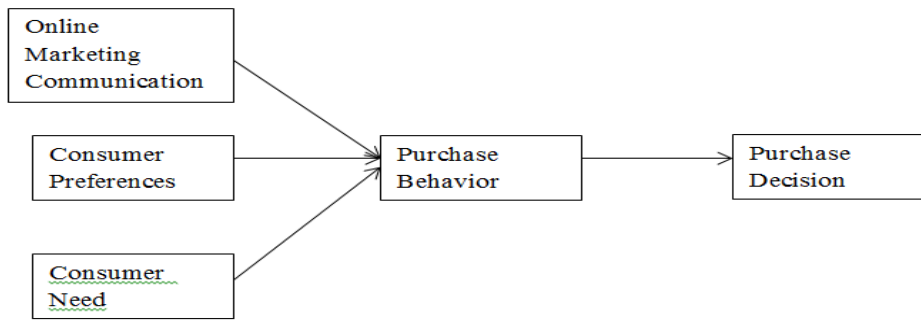


Figure Variable Relationship Model

Based on the above variable relationship model, the research hypotheses are:

First: Online Marketing Communication affects significantly on Purchase Decision as mediated by Employee Satisfaction

Second: Consumer Preferences affects significantly on Purchase Decision as mediated by Employee Satisfaction

Third: Consumer Needs affects significantly on Purchase Decision as mediated by Employee Satisfaction

METHOD

Quantitative research by means of survey is used in this research. The questionnaire is used to collect the data. Path analysis mediation model is employed with the aid of Process Andrew F. Hayes Software. By using this method, the indirect effect can be calculated automatically based on the variable model, namely mediation relationship. The data is taken from 100 consumers who conduct transaction from two prominent online shops, namely Tokopedia and Shopee in Bandung selected using the purposive method.

RESULT OF THE RESEARCH AND DISCUSSION

Result of the Research

The First R Square' Value of the Simultaneous Effect: X1, X2 and X3 affect Z

Model	R	R Square	Adjusted R Square
1	.525 ^a	.276	.253

The first R² value is as much as meaning that the amount of effect of Online Marketing Communication, Consumer Preferences, and Consumer Need on Purchase Behavior is as much as 0.276 (28%).

The Second R Square' Value of the Mediation Effect: X1, X2 and X3 affect Y through Z

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OUTCOME VARIABLE:
  Y

Model Summary
      R      R-sq      MSE      F      df1      df2      p
    .4898    .2399    .1963    1.5148    5.0000    24.0000    .2225

Model
      coeff      se      t      p      LLCI      ULCI
constant  -11.8452    11.3792   -1.0410   .3083   -35.3317    11.6412
x1         2.8237     2.8033    1.0073   .3238   -2.9622     8.6096
z         2.6522     2.9286    .9056   .3741   -3.3924     8.6968
Int_1     -.6499     .7257   -.8956   .3793   -2.1477     .8478
x2         .2567     .3523    .7285   .4734   -.4705     .9839
x3         .8333     .4167    1.9998   .0570   -.0267     1.6933

Product terms key:
  Int_1      :      x1      x      z

Test(s) of highest order unconditional interaction(s):
      R2-chng      F      df1      df2      p
X*W      .0254      .8022    1.0000    24.0000    .3793

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The Second R Square' Value of the Mediation Effect: X1, X2 and X3 affect Y through Z

The second R² value is as much as meaning that the amount of effect of Online Marketing Communication, Consumer Preferences, and Consumer Need on Purchase Decision as mediated by Purchase Behavior is as much as 0.239 (24%)

Thus the total R square is 28% + 24% which is equal to 52%. This means that the direct and indirect effect of Online Marketing Communication, Consumer Preferences, and Consumer Need as well as Purchase Behavior on Purchase Decision as much as 52%.

Hypothesis 1: Relationship between Online Marketing Communication and Purchase Decision as mediated by Purchase Behavior

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OUTCOME VARIABLE:
  Y

Model Summary
      R      R-sq      MSE      F      df1      df2      p
    .2318    .0537    .1292    6.3571    3.0000    336.0000    .0003

Model
      coeff      se      t      p      LLCI      ULCI
constant  1.0586     2.5062    .4224   .6730   -3.8712     5.9884
x1         .5644     .6254    .9025   .0367   -.6657     1.7945
z         .6527     .6551    .9964   .3198   -.6358     1.9413
Int_1     -.1160     .1633   -.7105   .4779   -.4371     .2051

Product terms key:
  Int_1      :      x1      x      z

Test(s) of highest order unconditional interaction(s):
      R2-chng      F      df1      df2      p
X*W      .0014      .5047    1.0000    336.0000    .4779

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The value of R square from Online Marketing Communication on Purchase Decision as mediated by Purchase Behavior is as much as 0.0537 (5.4%). This means that the effect of Online Marketing Communication on Purchase Decision as mediated by Purchase Behavior is as much as 5.4%.

Hypothesis

H0: Online Marketing Communication does not affect significantly on Purchase Decision as mediated by Purchase Behavior

H1: Online Marketing Communication affects significantly on Purchase Decision as mediated by Purchase Behavior

Hypothesis testing criteria:

Reject H0 and accept H1, when the value of significance observation (Sig_o) < 0.05;

Accept H0 and reject H1, when the value of significance observation (Sig_o) > 0.05;

Decision:

From calculation the value of the significance obtained as much as 0.003 < 0.05. Thus reject H0 and accept H1. This means that Online Marketing Communication affects significantly on Purchase Decision as mediated by Purchase Behavior. The amount of effect is as much as 0.564. This value means when the value of Online Marketing Communication has one unit increase; the value of the Purchase Decision will increase as much as 0.564 as mediated by Purchase Behavior.

Hypothesis 2: Relationship between Consumer Preferences and Purchase Decision as mediated by Purchase Behavior

OUTCOME VARIABLE:

y

Model Summary

R	R-sq	MSE	F	df1	df2	p
.2472	.0611	.1282	7.2870	3.0000	336.0000	.0001

Model

	coeff	se	t	p	LLCI	ULCI
constant	-3.4492	2.7213	-1.2675	.2059	-8.8021	1.9037
x2	1.6785	.6779	2.4762	.0138	.3451	3.0118
z	1.8333	.7023	2.6104	.0094	.4518	3.2148
Int_1	-.4079	.1750	-2.3310	.0203	-.7522	-.0637

Product terms key:

Int_1 : x2 x z

Test(s) of highest order unconditional interaction(s):

	R2-chng	F	df1	df2	p
x*w	.0152	5.4336	1.0000	336.0000	.0203

The value of R square from Consumer Preferences on Purchase Decision as mediated by Purchase Behavior is as much as 0.0611 (6.1%). This means that the effect of Consumer Preferences on Purchase Decision as mediated by Purchase Behavior is as much as 6.1%.

Hypothesis

H0: Consumer Preferences does not affect significantly on Purchase Decision as mediated by Purchase Behavior

H1: Consumer Preferences affects significantly on Purchase Decision as mediated by Purchase Behavior

Hypothesis testing criteria:

Reject H0 and accept H1, when the value of significance observation (Sig_o) < 0.05;

Accept H0 and reject H1, when the value of significance observation (Sig_o) > 0.05;

Decision:

From calculation the value of the significance obtained as much as $0.0001 < 0.05$. Thus reject H0 and accept H1. This means that Consumer Preferences affects significantly on Purchase Decision as mediated by Purchase Behavior. The amount of effect is as much as 1.678. This value means when the value of Consumer Preferences has one unit increase; the value of the Purchase Decision will increase as much as 1.678 as mediated by Purchase

Behavior

Hypothesis 3: Relationship between Consumer Need and Purchase Decision as mediated by Purchase Behavior

OUTCOME VARIABLE:

y

Model Summary

R	R-sq	MSE	F	df1	df2	P
.4233	.1792	.1121	24.4460	3.0000	336.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	9.9246	3.4862	2.8469	.0047	3.0671	16.7821
x3	-1.5457	.8831	-1.7504	.0100	-3.2827	.1913
z	-2.1643	.8970	-2.4129	.0164	-3.9286	-.3999
Int_1	.5606	.2263	2.4779	.0137	.1156	1.0057

Product terms key:

Int_1 : x3 x z

Test(s) of highest order unconditional interaction(s):

	R2-chng	F	df1	df2	P
X*W	.0150	6.1398	1.0000	336.0000	.0137

Focal predict: x3 (X)
Mod var: z (W)

The value of R square from Consumer Need on Purchase Decision as mediated by Purchase Behavior is as much as 0.1792 (18%). This means that the effect of Consumer Need on Purchase Decision as mediated by Purchase Behavior is as much as 18%.

Hypothesis

H0: Consumer Need does not affect significantly on Purchase Decision as mediated by Purchase Behavior

H1: Consumer Need affects significantly on Purchase Decision as mediated by Purchase Behavior

Hypothesis testing criteria:

Reject H0 and accept H1, when the value of significance observation (Sig_o) < 0.05;

Accept H0 and reject H1, when the value of significance observation (Sig_o) > 0.05;

Decision:

From calculation the value of the significance obtained as much as $0.0000 < 0.05$. Thus reject H0 and accept H1. This means that Consumer Need affects significantly on Purchase Decision as mediated by Purchase Behavior. The amount of effect is as much as 1.678. This value means when the value of Consumer Need has one unit increase; the value of the Purchase Decision will increase as much as 1.678 as mediated by Purchase Behavior

DISCUSSION

Direct and indirect effect of Online Marketing Communication, Consumer Preferences, and Consumer Need as mediated by Purchase Behavior on Purchase Decision as much as 52% which falls into moderate category. Based on the Kompas report there has been significant changes in consumer behavior in Indonesia today due to the increasing sophistication of information and communication technology. Accordingly, consumers prefer to conduct the online transaction rather than face to face transaction. As many as 74.5% of consumers currently choose to shop online (Kompas.com, 2021). In general, the majority of the consumers shop at the main online stores in Indonesia, namely Shopee and Tokopedia, Online marketing communication also affects buying decision among the Shopee customers (Cahyani, Putri, Dwi, et.al., 2022). Consumer purchase behavior among the Tokopedia consumers in Jakarta contributes significantly on purchase decision as it has been studied by Hirzy, H & Dellyana, D., (2023). Moreover, the online marketing communication as one of the online marketing strategies has proved to be effective in the success of Tokopedia and Shopee in obtaining many customers that conduct the online transaction in these two e-commerce shops (Mardiani, Eri., et.al., 2023).

The determinant factors of Purchase Decision as mediated by Purchase Behavior are affected by

First, Consumer Need as much as 18%. Second, Consumer Preferences as much as 6.1%. Third, Online Marketing Communication as much as 5.4%. The online marketing communication using social media that has been conducted by Shopee positively and significantly among the customers (Mulyadi, et.al., 2022). Another study shows that purchase behavior is affected by purchase intention in e-commerce (Lim, Yi, Jin., et.al., 2016).

Online Marketing Communication affects significantly on Purchase Decision as mediated by Purchase Behavior. This finding is strengthened by the similar research showing that online marketing communication interests the consumers and gives an impact to use the service offered by the seller (Krizanova, Anna., et.al., 2019). Furthermore, online marketing communication can be used as a means of advertisement. In connection to that, advertisement can affect consumer purchase behavior that will lead into purchasing (Thuy, Nguyen Van, 2022). Another study has proved that the digital communication significantly and positively impacts online purchasing behavior among the millennial customers in Indonesia by using the Tokopedia ecommerce platform (Panigoro, Erwin, et.al., 2023).

Consumer Preferences affect significantly on Purchase Decision as mediated by Purchase Behavior. Consumer preferences is useful to identify the prices and customization of the products they want to buy (Hentschke, Cynthia De Santos, et.al, 2020). By knowing customer preferences, it can increase the customer relationship management from which the demand or need of the customers to buy something (Sun, Qindong, et.al., 2022). Consumer preferences in relation to the purchase behavior shows that Shopee has becomes

one of the most favorite e-commerce platform that has been visited by 100 millions consumers per month (Kalalo, Indah., et.al., 2022).

Consumer Need affects significantly on Purchase Decision as mediated by Purchase Behavior. This finding is supported by the following information: In 2022 data on the number of visitors per month for the Tokopedia Online Store is 157.23 million and Shopee 132.78 million. While in 2023 data on the number of visitors per month for the Tokopedia Online Store is 117 million and Shopee 158 million. From the data above, it can be concluded that online service users who shop at online stores in Indonesia are increasing significantly from year to year. Behind the increasing number of consumers who make purchases online, there are several things that become obstacles in the smooth process of online purchase transactions (Sarwono, Jonathan, 2023). In relation to that e-shopping has already become more convenient and reliable options for the customers in order to obtain specific needs. This because there is benefit from the online shopping that makes consumers to conduct the online transaction by the assistance the Internet and the cellular phone (Ghazalle, M.S. & Lasi, M.A., 2021) .

CONCLUSION

The conclusions of this research are as follows: First, Direct and indirect effect of Online Marketing Communication, Consumer Preferences, and Consumer Need as mediated by Purchase Behavior on Purchase Decision falls into moderate category. Second, The determinant factors of Purchase Decision as mediated by Purchase Behavior are affected by 1) Consumer Need; 2) Consumer Preferences and 3) Online Marketing Communication among the Tokopedia and Shopee customers in Bandung. Third, Online Marketing Communication affects significantly on Purchase Decision as mediated by Purchase Behavior. Fourth, Consumer Preferences affect significantly on Purchase Decision as mediated by Purchase Behavior. Fifth, Consumer Need affects significantly on Purchase Decision as mediated by Purchase Behavior.

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