

Product Originality and Buying Culture on Purchase Decisions Through Brand Advocacy on JD.ID E-Commerce

Sungguh Ponten Pranata

Fakultas Ilmu Sosial/Program Studi Bisnis Digital/Universitas Mahkota Tricom Unggul

ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received April 21, 2023 Revised May 27, 2023 Accepted June 09, 2023</p> <p>Keywords:</p> <p>Product Originality; Buying Culture; Brand Advocacy; JD.ID E-Commerce.</p>	<p>The main objective of this research is to analyze the effect of product orientation and buying culture on purchasing decisions through brand advocacy in JD.ID E-Commerce. The approach used in this research is associative and quantitative by using path analysis. The population in this study are friends, family and all those related to social media Facebook and the researcher's TikTok. The time of the research was conducted from April 2023 to May 2023. Where the sample in this study was 119 respondents. The results showed that the color of the product on the purchasing decision of the t test results was $0.749 < t_{table} 1.196$ and the original sample was 0.471, the P-Value was 0.015. For buying culture on buying decisions, the results of the t test from this study were $1.764 > t_{table} 1.196$ and the initial sample was 0.167 with a P-Value of 0.004. To differentiate products through brand advocacy on purchasing decisions, the t test is $0.925 < t_{table} 1.196$ and the original sample is 0.332 with a P-Value of 0.012. And for the buying culture variable through brand advocacy on purchasing decisions. of $3.765 > t_{table} 1.196$ and the original sample is 0.351 with a P-Value of 0.005</p> <p><i>This is an open access article under the CC BY-NC license.</i></p>



Corresponding Author:

Sungguh Ponten Pranata,
Fakultas Ilmu Sosial/Program Studi Bisnis Digital,
Universitas Mahkota Tricom Unggul,
Jl. Pematang Pasir, Tj. Mulia Hilir No.14, North Sumatra 20241, Indonesia.
Email: sungguh.ponten.aritonang@gmail.com

1. INTRODUCTION

In the world of trade, every producer must be able to respond quickly to consumer demands to accommodate consumer mobility. Transactions that connect producers and consumers through internet media are now present to solve previous problems. E-business and e-commerce are terms that are more commonly used for online business transactions. Everyone on this planet has the same opportunity to compete and run an online business thanks to e-commerce.

E-commerce is a way of doing business where people buy and sell goods online through the internet media. This can help sellers spread the word about their products without having to rent a building to open a shop. Here, business actors and buyers involved in buying and selling can view and order. As this kind of business is increasingly in demand worldwide, there are many e-commerce websites in various parts of the world, including Indonesia (Iqbal & Sallatu, 2022).

In recent years, Indonesia's e-commerce industry has continued to grow, even though its current economic value has exceeded pre-pandemic levels (Moore, 2017). The economic value of Indonesia's e-commerce sector will reach US\$59 billion in 2022, according to research conducted by Google, Temasek, and Bain & Company. This figure represents 76.62 percent of Indonesia's total digital economy value of US\$77 billion and Indonesia's E-commerce development is expected to reach US\$95 billion by 2025, according to projections made by Google, Temasek, and Bain & Company (Databoks.katadata.co.id, 2022). The survey results show that the number of e-commerce businesses in Indonesia in 2021 is 2,868,178 businesses.

Meanwhile, in the previous year, namely 2020, e-commerce businesses in Indonesia totaled 2,361,423 businesses (Brier & lia dwi jayanti, 2022) (Brier & lia dwi jayanti, 2022). Social media such as Tiktok, Facebook, and Instagram have also been used as e-commerce by their users, so it does not limit them to large platforms such as Tokopedia, Lazada, and JD. ID (Purba et al., 2021).

Along with the increasing public interest in trading in e-commerce, it raises various new problems. They entice potential customers to shop online indirectly by all the advantages offered by the platform. e-commerce is a virtual trading activity, and it prevents business people and potential customers from meeting in person (Zahara et al., 2021) (Habib & Hamadneh, 2021). Because of this, many potential customers doubt the credibility of trustworthy business people. They also doubt the reliability of sellers when responding to complaints. In addition, since potential buyers cannot see or feel the product in person, they will doubt its authenticity.

Along with the increasing public interest in trading in e-commerce, it raises various new problems. They entice potential customers to shop online indirectly by all the advantages offered by the platform. e-commerce is a virtual trading activity, and it prevents business people and potential customers from meeting in person (Zahara et al., 2021) (Habib & Hamadneh, 2021). Because of this, many potential customers doubt the credibility of trustworthy business people. They also doubt the reliability of sellers when responding to complaints. In addition, since potential buyers cannot see or feel the product in person, they will doubt its authenticity.

The impact arising from the existence of e-commerce activity itself is online reseller activity. A business actor takes advantage of the opportunity to sell goods at relatively high prices without maintaining the quality of the goods or product's authenticity. In short, because of this, many customers feel disappointed with e-commerce platforms, where often legal responsibility for business actors will actually be complicated for disadvantaged consumers.

Therefore, it is necessary to have a description explaining aspects related to e-commerce from the perspective of business law in Indonesia as well as issues related to reseller licensing activities in Indonesia (Marthavira & Sukihana, 2019). In addition, there are latent problems in e-commerce transactions, which are often caused by a lack of in-depth understanding of the legal terms of sale and purchase agreements and the various risks that will be faced. In addition, the public is not aware of the potential dangers associated with buying and selling based on online media (Marthavira & Sukihana, 2019).

Most customers want good quality goods at low prices (Abdellaoui, Mehditzilu, 2021). The price value associated with the benefits of having or using a product or service known as perceived price does not appear to apply (Espahbodi et al., 1991). Where the author sees if someone has ever bought a product in e-commerce, whether or not at a normal price, then that person feels that we will consider the same quality. This resulted in an increasing number of counterfeit goods being sold in e-commerce. The sale of counterfeit goods on marketplace platforms is not without drawbacks from electronic transactions, including fraud and goods not arriving.

The high circulation of counterfeit goods has resulted in increased demand from consumers to buy counterfeit goods to fulfill their individual lifestyles, which have become a buying culture for consumers. Low consumer income is also an obstacle for consumers to get original goods at higher prices. Counterfeiting of goods refers not only to cases of infringement of rights to trademark, but in practice, counterfeiting also includes the act of making an item where the physical form is deliberately made very similar to the original item. Consistent with each other's lifestyle which is increasing due to the rampant circulation of counterfeit goods and the inability of consumers to buy genuine goods at higher prices is another obstacle. In practice, counterfeiting in e-commerce also includes the act of making an item whose physical form is very similar to the original item. Meanwhile, counterfeiting of goods only refers to cases of infringement of trademark rights, but also includes acts of making goods (Arteja & Kansil, 2020).

JD.ID is a Jakarta-based e-commerce business, which is a subsidiary of JD.com. According to the number of transactions, JD.com is one of the largest online B2C stores in China, rivaling Alibaba. Since October 2015, JD. ID has been operating in Indonesia (Adirineko et al., 2021). The good taste of the Indonesian people influenced JD.com's decision to enter the Indonesian e-commerce market. Indonesia has a large population, so it has a lot of digital economic potential in the future as technology and social media develop. One of JD. ID's strategies is to boldly issue the tagline "#guaranteed ori" (Batubara, 2021).

JD. ID carried this campaign out because they believe that many e-commerce sites still offer products that are not original. Shoes, clothes, bags, and even electronic goods are also often

imitated. In addition, JD.ID is relatively new to the Indonesian e-commerce market, trying to create the need for brand recognition (Widyastuti & Nugroho, 2019)(Liu et al., 2019)

2. RESEARCH METHOD

This study proves that there is a direct and indirect effect between the independent variables on the dependent variable. The approach in this study uses associative and quantitative. Approach by using path analysis. This research was conducted on the social media platforms Facebook and TikTok by using the Google form as a data collection medium. They conducted the time of the research from April 2023 to May 2023. The population in this study were friends, family and all those associated with the researchers' social media Facebook and TikTok (Castillo-Abdul et al., 2022). The sampling technique is quota sampling. Where the sample in this study amounted to 119 respondents. Data collection techniques used questionnaires which were distributed to all samples. The questionnaire measurement scale uses a Likert scale (Martin, 2018). The variables in this study are, Product Originality, Buying Culture, and Brand Advocacy are called independent or independent variables. Purchasing decision is referred to as the dependent variable, known as the dependent variable. The t test aims to determine the influence of each independent variable partially (one unit) on the dependent variable (Meredith & Kruschke, 2021). We carried the test results out on the Smart PLS output in the coefficient table. The test results of the tests are, Criteria for decision making, namely, If the significant value is > 0.05 , then there is no effect. If the significant value is < 0.05 , then it is stated that there is an influence. The coefficient of determination shows the magnitude of the contribution of the independent variable (X) to the dependent variable (Y). The greater the value of determination, the better the ability of the independent variable to explain the dependent variable. If the coefficient of determination (D) is greater (close to one), we can say that the influence of the independent variable is large on the dependent variable. This means that the model used is stronger to explain the effect of the independent variables studied on the dependent variable. Conversely, if the determination (D) is smaller (close to zero) (Castillo-Abdul et al., 2022), we can say that the effect of the independent variable on the dependent variable is getting smaller. This means that the model used is not strong enough to explain the independent variable to the dependent variable.

3. RESULTS AND DISCUSSIONS

Table 1. Reliability Test Reabilitas Value Result X1 Product Originality 0.759 Reliable

	Reabilitas Value	Result
X1 Product Originality	0.759	Reliable
X2 Buying Culture	0.729	Reliable
Z Brand Advocacy	0.878	Reliable
Y Purchase Decisions	0.978	Reliable

Cronbach's alpha value for each based on the data table above is research > 0.70 . Thus, it can be concluded that the variables used in this study are declared reliable. t-test (Bootstrap) In this study, hypothesis testing is a test of direct and indirect effects. Based on the data processing that has been done using the smart PLS 4.0 program, the results can be seen in the table below. t-test (Bootstrap).

Table 2. T Test

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	t Statistics ((O/STDEV))	P Values
X1_ Product_Originality -> Y_ Purchase Decisions	-0.471	0.199	0.095	0.749	0.015
X2_ Buying Culture -> Y_ Purchase Decisions	0.167	0.212	0.140	1.764	0.004
X1_ Product_Originality -> Z_ Brand Advocacy -> Y_ Purchase Decisions	-0.332	0.314	0.097	0.925	0.012
X2_ Budaya Beli -> Z_ Brand Advocacy -> Y_ Purchase Decisions	0.351	0.312	0.064	3.765	0.005

Influence of Original Product Purchasing Decision

The test results above show product originality in JD. ID e-commerce does not directly have a positive and significant effect on purchasing decisions because there is a -0.471 original sample with a P-Value of 0.015 and t-test results of $0.749 < t_{table} 1.196$. Previous research also supported this result and the many previous reviews of original products which state that original products are in JD. ID e-commerce is not attractive to customers (NIA, 2020) (Dewi, 2023) (Wahyudi, 2019).

The Influence of Buying Culture on Purchasing Decisions

From the results, it can be concluded that buying culture directly influences purchasing decisions in e-commerce JD. ID has an original sample of 0.167 with a P-Value of 0.004 and the results of the t-test are $1.764 > t_{table} 1.196$. This shows the buying culture of the Indonesian people who are JD. ID customers have a positive and significant influence on purchasing decisions. However, because the buying culture of the Indonesian people is not based on needs and quality but is still as 'status purchase', the tendency of buyers to buy on JD.ID e-commerce is not significant. Several narratives also supported this result, which state that the buying culture of Indonesian people does not care about quality products (Dewi, 2023)(Wijaya & Teguh, 2012)(kumparan.com, 2023).

The Effect of Product Originality Through Brand Advocacy on Purchasing Decisions

Based on the results, the results of testing the effect of product originality through brand advocacy on purchasing decisions showed an original sample of 0.332 with a P-Value of 0.012 and a t-test result of $0.925 < t_{table} 1.196$. This shows that product originality through brand advocacy does not have a significant influence on purchasing decisions in JD.ID e-commerce. The buyer's decision to buy original goods, even though they have been recommended, has no effect. Respondents buy goods that are much cheaper regardless of the originality of a product. But they want to appear with luxury and branded attributes (Dewi, 2023) (Merdeka.com, 2019)(Choi et al., 2021).

The Effect of Buying Culture Through Brand Advocacy on Purchasing Decisions

From the results, we can conclude that buying culture on purchasing decisions in JD. ID e-commerce has an original sample of 0.351 with a P-Value of 0.005 and the results of the t-test are $3.765 > t_{table} 1.196$. This shows that the buying culture through Brand Advocacy on purchasing decisions at JD. ID e-commerce has a positive and significant influence on purchasing decisions. However, from the observations of the researchers, it was found that most buyers at JD. ID did not buy, but only to compare prices between the prices of original goods and similar goods but not the intended manufacturer's output or commonly referred to as "KW" goods. So that the flow of sales at JD. ID is considered very low. The announcement of the closure of JD. ID reinforced this in Indonesia on March 31, 2023 (Tempo.com, 2023).

4. CONCLUSION

The conclusions that researchers can draw from the results of the study are. Product originality only has a t-test result of $0.749 < t_{table}$ of 1.196 and an original sample of 0.471, a P-Value of 0.015. So it directly does not have a significant influence on purchasing decisions at JD. ID. For the buying culture variable, the results of the t test from this study were $1.764 > t_{table} 1.196$ and the original sample was 0.167 with a P-Value of 0.004. Which means it directly has a significant influence on purchasing decisions at JD. ID, even though it may be small. The results of the t-test of this study also show that the variable product originality through brand advocacy on purchasing decisions is $0.925 < t_{table} 1.196$ and the original sample is 0.332 with a P-Value of 0.012. This shows that there is no significant influence on product originality through brand advocacy on purchasing decisions. While the results of the t test for the buying culture variable through brand advocacy on purchasing decisions are $3.765 > t_{table} 1.196$ and the original sample is 0.351 with a P-Value of 0.005 so there is a significant influence between buying culture through brand advocacy on purchasing decisions.

REFERENCES

- Abdellaoui, Mehdi, M. (2021). *Buy now pay later: overview of the international active services and of the key trends*.
- Adirineksa, G. P., Purba, J. T., Budiono, S., & Rajaguguk, W. (2021). The Influence of Brand Image, Perception of Trust, Perceived Convenience and Security Transactions on JD. ID Customer Purchase Decision during the Pandemic Covid 19. *1st Indian International Conference on Industrial Engineering and Operations Management, IEOM 2021*, 365–376.
- Arteja, H., & Kansil, C. S. T. (2020). Analisis pengawasan penyelenggara perdagangan melalui sistem elektronik (PPMSE) dalam mengawasi fenomena barang palsu di platform marketplace (studi perbandingan di Indonesia dan Amerika Serikat). *Jurnal Hukum Adigama*, 3(2), 777–800.
- Batubara, G. M. S. (2021). *Pengaruh Tagline Dijamin Ori Jd. id Terhadap Keputusan Pembelian Mahasiswa Fakultas Ekonomi dan Bisnis Universitas Medan Area*. Universitas Sumatera Utara.

- Brier, J., & lia dwi jayanti. (2022). *Statistik E-Commerce 2022* (Vol. 21, Issue 1). <http://journal.um-surabaya.ac.id/index.php/JKM/article/view/2203>
- Castillo-Abdul, B., Ortega Fernandez, E., & Romero-Rodriguez, L. M. (2022). Corporate social responsibility communication of male luxury fashion brands: analysis on Instagram, Facebook and TikTok. *Management Decision*.
- Choi, Y., Kroff, M. W., & Kim, J. (2021). Developing brand advocacy through brand activities on Facebook. *Journal of Consumer Marketing*, 38(3), 328–338.
- Databoks.katadata.co.id. (2022). *Google Prediksi E-commerce Indonesia Terus Menguat sampai 2025*.
- Dewi, I. R. (2023). *JD.ID Tutup, Bukti Warga RI Tak Peduli Produk Ori?* <https://www.cnbcindonesia.com/tech/20230202085907-37-410283/jdid-tutup-bukti-warga-ri-tak-peduli-produk-ori>
- Espahbodi, H., Strock, E., & Tehranian, H. (1991). Impact on equity prices of pronouncements related to nonpension postretirement benefits. *Journal of Accounting and Economics*, 14(4), 323–346.
- Habib, S., & Hamadneh, N. N. (2021). Impact of perceived risk on consumers technology acceptance in online grocery adoption amid covid-19 pandemic. *Sustainability*, 13(18), 10221.
- Iqbal, M., & Sallatu, M. A. (2022). Dampak Ekspansi Alibaba Group Terhadap Perkembangan E-Commerce Di Indonesia. *Hasanuddin Journal of International Affairs*, 2(1), 68–91.
- kumparan.com. (2023). *Fenomena Belanja Online Sebagai Budaya Populer di Kalangan Masyarakat*. <https://kumparan.com/deva-rahmawati-1665647501655203969/fenomena-belanja-online-sebagai-budaya-populer-di-kalangan-masyarakat-1zZcXQocvQT>
- Liu, J., Zhou, Y., Jiang, X., & Zhang, W. (2019). *Patients' satisfaction factors mining and sentiment analysis of B2C mail-order pharmacy reviews*.
- Marthavira, I. G. A. A. P., & Sukihana, I. A. (2019). Eksistensi Tindakan Reseller Berbasis Online Shop Dalam Transaksi Perdagangan Melalui E-Commerce Di Indonesia. *Kertha Semaya: Journal Ilmu Hukum*, 4(17), 1–16.
- Martin, N. (2018). Pengaruh Lingkungan Kerja Dan Insentif Terhadap Kinerja Pegawai. *Seminar Nasional Royal (SENAR) 2018*, 423–428.
- Merdeka.com. (2019). *Mungkinkah Produk yang Dijual di Indonesia tidak Ada Merek?* <https://ekonomi.republika.co.id/berita/pv77j6383/mungkinkah-produk-yang-dijual-di-indonesia-tidak-ada-merek>
- Meredith, M., & Kruschke, J. (2021). *Bayesian Estimation Supersedes the t-test*.
- Moore, B. (2017). 14 A recent history of the Indonesian e-commerce industry: an insider's account. *Digital Indonesia: Connectivity Divergence*, 256.
- NIA, A. (2020). *IDENTIFIKASI POLA PEMBELIAN KONSUMEN MENGGUNAKAN PENDEKATAN ASSOCIATION RULE DENGAN ALGORITMA FP-GROWTH (Studi Kasus: produk JD. ID)*. Universitas Mercu Buana Jakarta.
- Purba, M., Simanjutak, D., Malau, Y., Sholihat, W., & Ahmadi, E. (2021). The effect of digital marketing and e-commerce on financial performance and business sustainability of MSMEs during COVID-19 pandemic in Indonesia. *International Journal of Data and Network Science*, 5(3), 275–282.
- Tempo.com. (2023). *Terungkap! Ini Penyebab JD.ID PHK Sampai Tutup Permanen*. <https://www.cnbcindonesia.com/tech/20230130124820-37-409283/terungkap-ini-penyebab-jdid-phk-sampai-tutup-permanen>
- Wahyudi, A. D. K. T. A. (2019). Pengaruh Citra Merek, Persepsi Kualitas Produk Dan Persepsi Harga Pada Kepuasan Pelanggan Serta Dampaknya Terhadap Loyalitas Pelanggan. *Jurnal Manajemen Strategi Dan Aplikasi Bisnis*, 2(2), 117–126. <https://doi.org/10.36407/jmsab.v2i2.74>
- Widyastuti, D. A., & Nugroho, M. R. (2019). Efektivitas Tagline# DijaminOri terhadap Brand Awareness E-Commerce JD. ID. *Journal of Entrepreneurship, Management and Industry (JEMI)*, 1(4), 211–225.
- Wijaya, P. S. M., & Teguh, C. (2012). Faktor-faktor yang mempengaruhi minat beli di online shop spesialis guess. *Jurnal Riset Manajemen Dan Bisnis*, 7(2), 147–160.
- Zahara, A. N., Rini, E. S., & Sembiring, B. K. F. (2021). The Influence of Seller Reputation and Online Customer Reviews towards Purchase Decisions through Consumer Trust from C2C E-Commerce Platform Users in Medan, North Sumatera, Indonesia. *International Journal of Research and Review*, 8(2), 422–438.