THE EFFECTIVENESS OF VIRAL MARKETING ON PURCHASE DECISIONS THROUGH CUSTOMER TRUST ON THE TOKOPEDIA PLATFORM

Diky Angga Hendrawan¹ Faculty of Economic and Business, Nahdlatul Ulama Lampung University, Lampung, Indonesia

dikianggahendrawan@gmail.com

Harto² Faculty of Economic and Business, Nahdlatul Ulama Lampung University, Lampung, Indonesia hrt.ilma@gmail.com

Anisah Nabilah³ Faculty of Computer Science, PGRI Jombang University, East Java, Indonesia <u>anisah.nabilah@upjb.ac.id</u>

Ahmad Yahya Hamiduddin⁴

Faculty of Economic and Business, PGRI Jombang University, East Java, Indonesia <u>ahmad.yahya@upjb.ac.id</u>

Abstract

Viral Marketing is a type of marketing that is low-cost because it relies on social media to spread information. The phenomenon of online shopping is increasingly becoming the choice of many people, because shopping online can save time without having to go to a physical location to shop. There are several factors that consumers need to consider before making a purchasing decision, such as trust, where in making online transactions it is important to have certainty, ease in finding the desired product, and clear information about the product and how to buy. This study was conducted using descriptive and verification methods, which then produced conclusions and suggestions. Samples were collected using the Incidental Sampling method, with a total of 205 respondents. Based on the analysis that has been done, this study proves that Viral Marketing has a significant influence on Purchasing Decisions. In addition, Viral Marketing has a significant influence on Purchasing Decisions.

Keywords: Customer Trust, Purchase Decision, Viral Marketing, Tokopedia

JEL Classification: M0, M2, M3

INTRODUCTION

Business development today is influenced bv aspects that follow developments that occur in the surrounding area (Hardianti et al., 2023). Tight business competition requires business people to think more in carrying out business that is starting to be influenced by globalization and one of the biggest influences in business and marketing is the sophistication that facilitates technological performance and the number of technology users among producers and consumers (Tanuwijaya & Mulyandi, 2021). Business competition today is a challenge for companies to stay in this competition. Competition that continues to be strong requires a strategy that can keep the business growing (Hardianti & Arifianto, 2023).

The penetration rate of ecommerce in Indonesia is expected to continue to increase every year (Praditya & Purwanto, 2024). E-commerce in Indonesia is currently experiencing very rapid development. The development of ecommerce in Indonesia makes it easier for marketers to open their online stores. The convenience for customers to order products online can be obtained through smartphones that allow customers to order products online anytime and anywhere (Hosseinikhah Choshaly & Mirabolghasemi, 2022). E-commerce competitors are competing to pamper their customers with various shopping offers filled with promos, discounts and cashback. These sales are believed to be able to attract a dense number of transactions (Hosseinikhah Choshaly & Mirabolghasemi, 2022).

Based on the e-commerce Map released by databoks.katadata.co.id, Tokopedia has successfully maintained its first position as the top e-commerce in a row based on the ranking of the top 10 ecommerce with the most visitors in Indonesia in the second guarter of 2022. Tokopedia is a market place that uses technology connect to and grow ecosystems, from reaching the unbanked population, to providing added value to producers such as farmers and servants. 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 such as fashion, mother and child, beauty care, food and health, automotive, electronics, hobbies, household and mobile phones. Tokopedia has a monthly number of visits reaching one hundred million people every month and this is supported by Tokopedia's presence in almost 99% of sub-districts in Indonesia.

Based on iPrice, Tokopedia is able to attract an average of 158.3 million site visitors per month. Cumulatively, during the period from the third guarter of 2019 to the second guarter of 2022, the number of visitors to the Tokopedia site has grown by 140%. Tokopedia is a new e-commerce company, but there are already guite a lot of people shopping on the Tokopedia site. There are several factors that consumers can consider before deciding to buy, including trust, making in online transactions there must be certainty, easy to find the desired product or the one you want to buy, product information and how to buy the product clearly.

Customer trust is one of the factors that guides the formation of long-term relationships based on trust, that the factors that form the basis for creating trust in a company are the perception of competence and honesty in the company (Septhi & Hidayat, 2021). Not only positive reviews, Tokopedia also received many negative reviews from consumers regarding distrust in buying goods at Tokopedia and consumer complaints that reduced the level of consumer trust in shopping at Tokopedia. Viral marketing is a marketing strategy that aims to spread information or promotional content quickly and widely through various platforms. Viral Marketing has an influence on Customer Trust and can be accepted (Mardiana & Haryanto, 2022). And Customer Trust influences Purchasing Decisions can be accepted. Viral marketing also has a significant influence on Purchasing Decisions.

LITERATURE REVIEW

A. Viral Marketing

Viral marketing in general is a method and process and distribution of electronic messages as a channel to communicate information about a product to the wider community and develop. The key to viral marketing is getting website visitors and recommending it to those who will later be considered interested (Taufik et al., 2022). They will connect the message to potential consumers who will use the goods or services offered and recommend them to other consumers (Andrivanti & Farida, 2022). Loyal internet users will be easier to deal with than regular browsers. This is because they are more likely to provide feedback such as providing additional information or suggestions (Malodia et al., 2022).

B. Purchase Decision

Purchasing decision is a selection of two or more alternative choices, in other words. choices/alternatives must be available to someone when making a decision (Hanaysha et al., 2021) Conversely, if consumers do not have alternatives to choose from and are really forced to make a purchase, then this situation is not a decision (Al-Azzam & Al-Mizeed, 2021). Purchasing decision is a process in which consumers recognize their problems, seek information about certain products or brands (Anwar & Andrean, 2021). Purchasing decision is an action from consumers to buy or not buy a product. Based on the explanation above, it can be concluded that purchasing decision is an action taken by consumers to make a purchase of a desired product or service. Therefore, purchasing decision is a process of selecting from several alternative solutions to problems with real follow-up (Hanaysha, 2022). After that, consumers can make choices and then determine the attitude that will be taken next (Hardianti et al., n.d.).

C. Customer Trust

Trust is the willingness of a company to rely on a business partner (Alam et al., 2021). Trust depends on a number of interpersonal and interorganizational factors. such company's as the competence, integrity, honesty and benevolence (Han & Lee, 2021). Consumer trust is all the knowledge that consumers have and all the conclusions that consumers make about an object, its attributes, and its benefits. Trust is generally viewed as a fundamental element for the success of a relationship. Without trust, a relationship will not last in the long term (Venkatakrishnan et al., 2023). Trust is defined as the willingness to rely on a trusted business partner.

METHOD, DATA, AND ANALYSIS

This study uses a quantitative method that is path analysis. The population in this study is an infinite population, namely a population that has a data source that cannot be determined quantitatively. The population in this study is Tokopedia users in East Lampung who have made purchases.

RESULT AND DISCUSSION

Validity testing is a measure that shows the level of validity of an instrument in research. In table 1 we can see that all research variables have r count > r table, so it can be said that the whole research is valid to be used as an instrument in research and the statements submitted can be used to measure what should be measured.

Variabel					
Viral Marketing (X1)	R Critical	R Count	Information		
1	0,3	,628	Valid		
2 3	0,3	,662	Valid		
	0,3	,701	Valid		
4	0,3	,660	Valid		
5	0,3	,596	Valid		
6	0,3	,584	Valid		
7	0,3	,565	Valid		
8	0,3	,557	Valid		
Customer Trust (Y)					
1	0,3	,699	Valid		
2 3	0,3	,691	Valid		
3	0,3	,626	Valid		
4	0,3	,721	Valid		
5	0,3	,707	Valid		
6	0,3	,624	Valid		
7	0,3	,679	Valid		
8	0,3	,655	Valid		
9	0,3	,702	Valid		
Purchase Decision (Z)					
1	0,3	,553	Valid		
2	0,3	,607	Valid		
3	0,3	,665	Valid		
4	0,3	,579	Valid		
5	0,3	,652	Valid		
6	0,3	,674	Valid		
7	0,3	,376	Valid		
8	0,3	,644	Valid		
9	0,3	,591	Valid		
Source: Processed data 2024					

Table 1. Validity Test Results

Source: Processed data, 2024

Table 2 shows that the results of the reliability test state that rCount>rCritical. Therefore, it can be concluded that all statement items in the questionnaire are reliable. Instrument reliability testing is needed to obtain data in accordance with measurement objectives.

Table 2. Reliability Test Results

Variable	R Critical	R Count	Criteria
variable	R Chucai	RCount	Criteria
Viral			
Marketing	,764	0,6	Relaible
(X)			
Customer	.851	0,6	Relaible
Trust (Y)	,051	0,0	Retaible
Purchase	74 5	0.6	Relaible
Decision (Z)	,765	0,6	Relaible

Source: Processed data, 2024

Path analysis is used to analyze the pattern of relationships between variables with the aim of determining the direct and indirect influence of a set of independent variables (exogenous) on the dependent variable (endogenous).

The Influence of Viral Marketing (X) on Customer Trust (Y)

The path coefficient for the Viral Marketing variable (X) to Customer Trust (Y) is 0.502. This shows that the path coefficient of Viral Marketing (X) to Customer Trust (Y) is 0.502.

Influence of Customer Trust) on Purchasing Decisions (Z)

The path coefficient for the variable Customer Trust (Y) to Purchase Decision (Z) is 0.608. This shows that the path coefficient of Customer Trust (Y) to Purchase Decision (Z) is 0.608.

The Influence of Viral Marketing (X) on Purchasing Decisions (Z)

The path coefficient for the Viral Marketing variable (X) to the Purchase Decision (Z) is 0.659. This shows that the path coefficient of Viral Marketing (X) to the Purchase Decision (Z) is 0.659.

In the hypothesis of the Influence of Viral Marketing Variable (X) on Customer Trust Variable (Y), the Sig. value is obtained. (0.000) < α (0.05) and the t-value (8.266) > t-table (1.652). Thus, it can be concluded that Viral Marketing has a significant effect on Customer Trust on the Tokopedia Platform. The Sig. value is obtained. (0.000) < α (0.05) and the f-value (68.325) > ft-table (3.04). Thus, it can be concluded that Viral Marketing has a significant effect on Customer Trust on the Tokopedia Platform.

In the Hypothesis of the Influence of Customer Trust Variable (Y) on Purchasing Decisions (Z), the Sig. value is obtained. (0.000) $<\alpha$ (0.05) and the t-value so Ho is (10.897)> t-table (1.652), rejected. Thus, it can be concluded that Customer Trust has a significant effect on Purchasing Decisions on the Tokopedia Platform. The Sig. value is obtained. $<\alpha$ (0.05) and the f-value (0.000)(118.743)> ft-table (3.04), so Ho is rejected. Thus, it can be concluded that Customer Trust has a significant effect on Purchasing Decisions on the Tokopedia Platform.

In the Hypothesis of the Influence of Viral Marketing Variable (X) on Purchasing Decisions (Z)

The Sig. value is obtained. (0.000) < α (0.05) and the t-value (12.476)> t-table (1.652), then Ho is rejected. Thus it can be concluded that Viral Marketing has a significant influence on Purchasing Decisions on the Tokopedia Platform.

obtained Sig. value. $(0.000) < \alpha$ (0.05) and the f-value (155.654) > ft-table (3.04), then Ho is rejected. Thus it can be concluded that Viral Marketing has a significant influence on Purchasing Decisions on the Tokopedia Platform.

The Influence of Viral Marketing on Customer Trust

This study shows that the total influence of Viral Marketing on Customer Trust is 0.453 or 45.3%. This means that Trust is a very important source for customers, one of which is trust in the information obtained. Viral marketing information is one of them, Viral Marketing works like a virus that spreads quickly from one person to another in other words recommending to others or to friends is the key. While this study shows that Viral Marketing has a significant effect on Customer Trust. When Viral Marketing occurs, trust becomes the most important factor in the development of information. Developing Viral Marketing properly will increase customer trust. Viral Marketing which starts from one person voluntarily spreading a message, its nature is to spread quickly to others.

The Influence of Customer Trust on Purchasing Decisions

This study shows that the total influence of Customer Trust (Y) on Purchasing Decisions (Z) is 0.571 or 57.1%. This means that Customer Trust increases customer trust and when customers make payment transactions by sending transaction information and other personal data.

The Influence of Viral Marketing on Purchasing Decisions

This study shows that the total influence of Viral Marketing (X) on Purchasing Decisions (Z) is 0.635 or 63.5%. This means that making a purchasing decision for an item/product usually has a reason. The reason someone buys is either because of their own desires or the desires of others to suggest products/items that are trending in society. The trend that is happening in society is a form of success of Viral Marketing. The key to Viral Marketing's work is like a virus making a product something that is highly sought after. Viral Marketing can influence the Purchasing Decision of a product/item by means of the product/item that has been successfully viral and then spread so that customers are curious and decide to make a purchase. Meanwhile, this study shows that Viral Marketing has a significant influence on Purchasing Decisions.

CONCLUSION

Viral Marketing on the Tokopedia Platform is in the agreed criteria, this shows that Viral Marketing created by Tokopedia is generally considered to be able to attract and always interact and provide product service information to consumers. The highest indicator in this variable is the interesting indicator, Tokopedia is widely discussed by people because it always has an interesting concept every month. However, there are also indicators that are still considered less good by Tokopedia customers, namely the recommendation indicator.

Customer Trust in the Tokopedia Platform is in the agree criteria, this shows that Customer Trust is generated from the form of customer belief in a promise given by the company regarding a product. The highest indicator in this variable is the security indicator in transactions, Tokopedia has been able to provide services to customers that buying goods/products safe making is in transactions on Tokopedia and far from fraud. However, there are also indicators that are still considered less good by Tokopedia customers, namely the Honesty indicator.

Purchase Decisions on the Tokopedia Platform are in the agreed criteria, this shows that the decision that has been taken by consumers to buy a product on Tokopedia is a collection of decisions that are right. The highest indicator in this variable is the payment method indicator used, Tokopedia has been able to provide an easy payment method for customers who will make payments. However, there are also indicators that are still considered less good by Tokopedia customers, namely the product availability indicator.

There is an Influence of Viral Marketing on Customer Trust with an influence of 45.3%, while 54.7% is influenced by other variables not studied. Thus, it can be concluded that Viral Marketing (X) has a significant influence on Customer Trust (Y).

There is an Influence of Customer Trust on Purchasing Decisions with an influence of 57.1%, while 42.9% is influenced by other variables that were not studied. Thus, it can be concluded that Customer Trust (Y) has a significant influence on Purchasing Decisions (Z).

There is an Influence of Viral Marketing on Purchasing Decisions with an influence of 63.5%, while 36.5% is influenced by other variables not studied. Thus, it can be concluded that Viral Marketing (X) has a significant influence on Purchasing Decisions (Z).

Recommendation is an indicator that gets the lowest value of all indicators in the Viral Marketing variable, so it is necessary to add trusted people and voluntarily recommend a product/goods to create satisfaction with the product.

Honesty is an indicator that gets the lowest value of all indicators in the Customer Trust variable, so Tokopedia needs to provide new provisions regarding the requirements for sellers in selling their products/goods on Tokopedia such as original photos or testimonials to increase trust and honesty to convince buyers that the products they will buy will not disappoint because they are trusted. Product availability is an indicator that gets the lowest value of all indicators in Purchase Decision the variable, SO Tokopedia must be able to appeal or make provisions for sellers to provide more of their products or increase stock in the warehouse to make it easier for customers to buy in large quantities or make purchases regularly.

Viral Marketing has an influence on Customer Trust, therefore Tokopedia is expected to be able to improve its promotional strategy through better viral marketing because it can increase customer trust. One way is to interact frequently with customers on social media, must get a lot of awards, and be responsive in handling/responding to complaints so that customers trust to make purchases on Customer Trust has Tokopedia. an influence on Purchasing Decisions. therefore to increase customer trust, Shopee needs to provide new provisions regarding the requirements for sellers in selling their products/goods on Tokopedia such as original photos or testimonials to increase customer trust in making purchasing decisions.

Viral Marketing has an influence on Purchasing Decisions, therefore to improve the viral marketing strategy, it is expected that the company will be able to pay attention to products that will increase customers in deciding to buy the product. One of them is good product quality, product diversity, product availability, so that a decision will arise for customers to buy the product.

REFERENCE

- Al-Azzam, A. F., & Al-Mizeed, K. (2021). The effect of digital marketing on purchasing decisions: A case study in Jordan. The Journal of Asian Finance, Economics and Business, 8(5), 455-463.
- Alam, M. M. D., Karim, R. Al, & Habiba,
 W. (2021). The relationship between CRM and customer loyalty: The moderating role of customer trust. *International Journal of Bank Marketing*, 39(7), 1248-1272.
- Andriyanti, E., & Farida, S. N. (2022). Pengaruh Viral Marketing Shopee Affiliate, Kualitas Produk, Dan Harga Terhadap Minat Beli Konsumen Shopee Indonesia (Studi Pada Generasi Z Pengguna Tiktok Di Sidoarjo). Forbiswira Forum Bisnis Dan Kewirausahaan, 11(2), 228-241.
- Anwar, M., & Andrean, D. (2021). The effect of perceived quality, brand image, and price perception on purchase decision. 4th International Conference on Sustainable Innovation 2020-Accounting and Management (ICoSIAMS 2020), 78-82.
- Han, S.-L., & Lee, J. W. (2021). Does corporate social responsibility matter

even in the B2B market?: Effect of B2B CSR on customer trust. *Industrial Marketing Management*, 93, 115-123.

- Hanaysha, J. R. (2022). Impact of social media marketing features on consumer's purchase decision in the fast-food industry: Brand trust as a mediator. International Journal of Information Management Data Insights, 2(2), 100102.
- Hanaysha, J. R., Al Shaikh, M. E., & Alzoubi, H. M. (2021). Importance of marketing mix elements in determining consumer purchase decision in the retail market. International Journal of Service Science, Management, Engineering, and Technology (IJSSMET), 12(6), 56-72.
- Hardianti, A. R., & Arifianto, A. S. (2023). Application of Financial Technology and Increasing Literacy Finance for MSME Business Strengthening Strategy. 4th Borobudur International Symposium on Humanities and Social Science 2022 (BIS-HSS 2022), 1619-1626.
- Hardianti, A. R., Daroini, A., Subagyo, S., & Ernestivita, G. (2023). Creative Industry Development Strategy for Innovation in East Java Province. *RSF Conference Series: Business, Management and Social Sciences,* 3(3), 569-577.
- Hardianti, A. R., Wiyanto, M. S., & Putro, D. R. (n.d.). The Role of Sustainable Digital Marketing in the Development of Tourism Villages in Kediri Regency.
- Hosseinikhah Choshaly, S., & Mirabolghasemi, M. (2022). The role of viral marketing strategies in predicting purchasing intention of eco-labelled products. *Journal of Islamic Marketing*, *13*(5), 997-1015.
- Malodia, S., Dhir, A., Bilgihan, A., Sinha, P., & Tikoo, T. (2022). Meme marketing: How can marketers drive better engagement using viral memes? *Psychology & Marketing*, 39(9), 1775-1801.
- Mardiana, A. P., & Haryanto, B. (2022).

Purchasing decisions in the new normal period: implementation of digital marketing, brand awareness, and viral marketing at shopee ecommerce on the use of spaylater. *Economics and Business Quarterly Reviews*, 5(3).

- Praditya, R. A., & Purwanto, A. (2024). The Role of Viral Marketing, Brand Image and Brand Awareness on Purchasing Decisions. *PROFESOR: Professional Education Studies and Operations Research*, 1(01), 11-15.
- Septhi, A., & Hidayat, R. (2021). Analysis of Viral Marketing and Customer Experience Influence on Purchasing Decisions through E-Commerce Shopee. Proceedings of the 2nd Internasional Conference on Applied and Social Science, Icaess 2020, 36-43.
- Tanuwijaya, J., & Mulyandi, R. (2021). Pengaruh Viral Marketing dan Turbo Marketing Terhadap Keputusan Pembelian Skincare Somethinc. Jurnal Sosial Dan Sains, 1(5), 368-373.
- Taufik, E. R., Hasan, S., Titin, T., Singagerda, F. S., & Sinambela, E. A. (2022). Hospitals Visit Intention and Visit Decision: How the Role of Viral and Word of Mouth Marketing? *Frontiers in Public Health*, 10, 948554.
- Venkatakrishnan, J., Alagiriswamy, R., & Parayitam, S. (2023). Web design and trust as moderators in the relationship between e-service quality, customer satisfaction and customer loyalty. *The TQM Journal*, 35(8), 2455-2484.