ABSTRACT

More and more people are turning to online shopping and e-commerce rather than traditional means of purchasing products and services. This is particularly true in Indonesia where there is a huge population and a large amount of the population has electronic gadgets such as smartphones and laptops. That is why marketers in Indonesia have to pay more attention to the factors that leads a potential customer into an actual revenue generating customer. The main factors for customer purchase intention that online shops should explore are Brand Orientation, Impulse Purchase Orientation, Online Trust, Prior Online Purchase Experience, and Perceived Ease of Use. By adjusting their marketing strategies and tactics to be tailored to the factors that affect customer purchase intention, companies will be able to generate more revenue as they will be able to turn more people into paying customers.

The purpose of this study is to examine the effect of the 5 factors mentioned above, Brand Orientation, Impulse Purchase Orientation, Online Trust, Prior Online Purchase Experience, and Perceived Ease of Use, and their effect on Customers’ Online Purchase Intention. This study looks particularly are the online shop Tokopedia which is the most popular online shop in Indonesia and the 9th in the Alexa rankings for most visited website in Indonesia. The research for this study will be conducted through questionnaires that will be handed to people between the age of 15 and 60 in public places such as malls in Surabaya. The respondents will have to have made a prior purchase with Tokopedia to ensure they know what the topic of the questionnaire is. To find the relationship between the variables, Structural Equation Model was used. The results of the survey indicated that the hypothesis was supported and Brand Orientation, Impulse Purchase Orientation, Online Trust, Prior Online Purchase Experience, and Perceived Ease of Use have a significant positive effect on Customer Online Purchase Intention.

The recommendation for future researchers is to add more or change the existing variables to explore the study from a different perspective and gain new insights. For Tokopedia, this research can be used for evaluation purposes to improve their business strategies and learn more about their consumer’s behavior.