

The Effect of Cash on Delivery and Online Customer Reviews on Purchase Decisions of Lazada Consumers in Majalengka Regency

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ABSTRACT

Communication is developing very rapidly. One of the greatest discoveries in the field of information and communication technology is the discovery of the internet. Currently, the majority of people tend to use technology to support their needs, one of which is that the internet can be used to do various things, including the development of digital technology and business competition which continues to innovate both in services. features and promotions to maintain its existence. The aim and objective of this research is to determine the influence of cash on delivery and online customer reviews on purchase decisions of Lazada consumers in Majalengka regency. The method used in this research is a descriptive and verification approach. The population of this research is Lazada consumers in Majalengka Regency whose exact number is not known. The sample was taken using a purposive sampling technique of 100 respondents. The data collection technique was carried out by filling out a questionnaire using Google Form which was distributed via the WhatsApp application. The data analysis technique uses multiple linear regression analysis accompanied by classical assumption tests, coefficient of determination tests, model feasibility tests (f tests), and t test hypothesis tests. The analysis results show that Cash on delivery and Online customer review have a significant influence on purchasing decisions.

Keywords: Cash on delivery; online customer review; purchase decision

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INTRODUCTION

As globalization progresses, one of the most significant innovations in the field of information and communication technology is the internet, information and communication technology is growing rapidly. Indonesian society is now increasingly intelligent and open to technological advances, the majority of people use technology to meet their needs. The internet can be used for various purposes, from long-distance communication to online shopping and transactions. In the development of digital technology and increasing business competition, in order to stay relevant, companies must move faster than ever in business competition and continue to innovate in services, features, and promotions. According to Nathasya (2019) in Depari & Ginting (2024: 4) states that e-commerce is an online shopping platform that provides facilities to carry out the buying and selling process from a wide selection of shops available using a web site or application. Indonesia has many e-commerce platforms, so customers can choose a platform that makes online shopping easier and more convenient, which can have a big impact on their purchasing decisions. Customer online purchasing decisions will certainly increase customer satisfaction and also have an impact on the purchasing process in the future. Researchers took lazada e-commerce as the object of research. Currently, there are more and more foreign and local e-commerce that continues to experience development, it can be seen in the results of the e-commerce image with the most visitors in the first quarter of 2023 as follows:

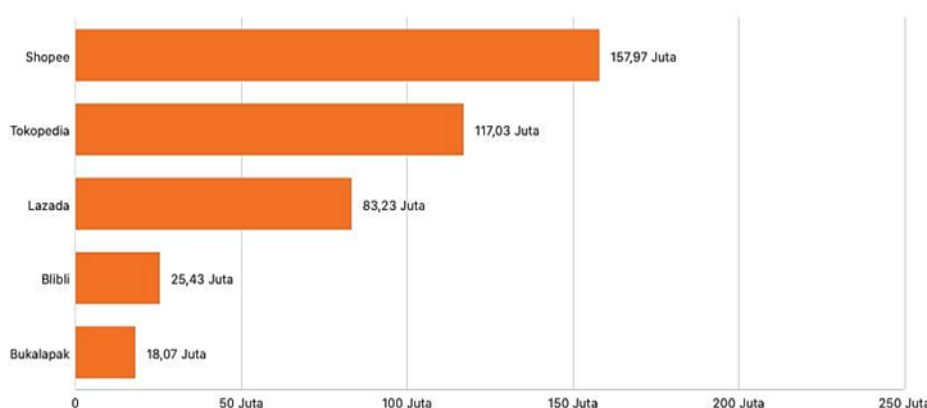


Figure 1. E-commerce with the most visitors in Indonesia, 2023

Based on figure 1 above quoted from Similarweb (databoks) Lazada is in third place with 83.23 million visitors, this figure tends to be a significant decline compared to the previous year. Lazada is a shopping website on the internet that sells a wide variety of goods, including books, electronics, books for children, fashion, and gadgets. (Priangga & Munawar, 2021). A number of customer complaints that appear on the online customer review feature on lazada are one of the reasons for the decline in the graph on the marketplace. Negative feedback that customers leave as a result of their dissatisfaction and non-conformity with the products or services they receive, such as complaints about fraud, slow response, and ineffective refunds (Depari & Ginting, 2022). The number of people visiting lazada will decrease if there are many negative reviews, otherwise if there are good reviews it will increase the number of visitors. In addition, the cause of the decline in the number of visitors to Lazada is caused by a payment system that shows that it is not good by respondents, because the payment method in Lazada is difficult to understand and learn by some people who are unfamiliar with technology, and for some locations it cannot be used, especially in remote areas. Based on the phenomena that occur, therefore the authors are interested in investigating this in more detail by using the research title of the influence of Cash on delivery and Online customer reviews on Purchasing Decisions (Study on Lazada Consumers in Majalengka Regency).

LITERATURE REVIEW, FRAMEWORK AND HYPOTHESIS

Consumer Behavior

Consumer behavior is defined as actions that are directly related to the acquisition, consumption, and use of products or services, including decisions that precede these actions (Nugraha, 2019: 2).

Cash on Delivery

According to Widodo (2020: 48) Customers can pay for their orders in cash when they bring them to the address they provided when they ordered this is often referred to as cash on delivery.

Online Customer Review

Online customer reviews are defined as online customer reviews written by customers to help them evaluate products from various perspectives. With the help of this information, customers can assess product quality based on customer reviews and their own personal experience with previous online sales (Yofina, 2020: 12).

Purchase Decision

According to Tjiptono in Imelda Manfilani (2023: 36) customers initiate interactions that drive purchasing choices by contemplating problems, searching for data about specific items or brands, and choosing items or brands considering how well each decision solves the problem.

Based on the study above, the conceptual framework in this research can be described as a research paradigm as follows:

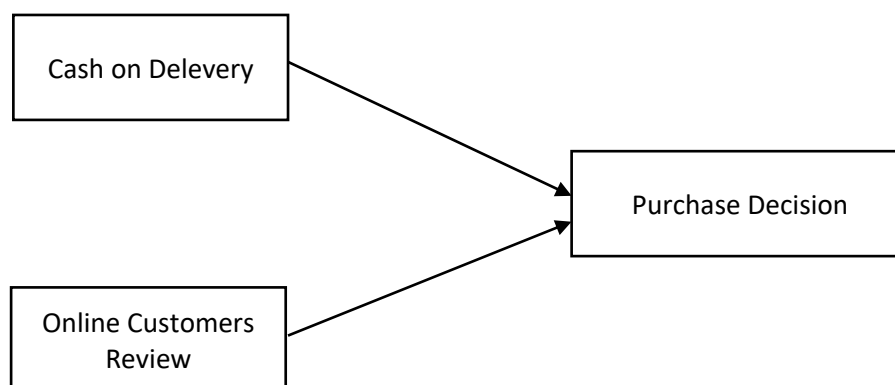


Figure 2. Research Paradigm

Research Hypothesis

Based on the framework above, the research hypothesis can be formulated as follows:

H1: Cash on delivery has an effect on purchasing decisions

H2: Online customer review has an effect on purchasing decisions

METHODS

This research uses a quantitative approach through the use of descriptive and verification analysis techniques. The object of this examination is Lazada customers with residents in the Majalengka area and 100 samples using purposive testing procedures. Online questionnaire distribution is the data collection method. Data analysis was carried out using SPSS version 25 software, including classical assumption testing, multiple linear regression analysis, coefficient of determination analysis, model feasibility test (F test), and partial hypothesis testing (t test).

RESULTS AND DISCUSSION

Normality Test

The normality test aims to test whether in the regression model, the confounding or residual variables have a normal distribution or not. The normality test in this study used the SPSS version 25 application, using the Kolmogorov-Smirnov (K-S) test.

Table 1. Result of Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	3.45792924
Most Extreme Differences	Absolute	.051
	Positive	.051
	Negative	-.051
Test Statistic		.051
Asymp. Sig. (2-tailed)		.200 ^{c,d}
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source: SPSS 25 output, 2024.

Based on table 1 above, it is known that the Kolmogorov-Smirnov value obtained is equal to the probability or Asymp. Sig (2-tailed) is $0.200 > 0.05$. So it can be concluded that the residual value is normally distributed or the normality test is fulfilled.

Multiple Regression Analysis

Multiple linear regression analysis is used to estimate the value of variable Y based on the value of variable X and estimate the change in variable Y for each unit change in variable X.

Table 2. Result of Multiple Regression Analysis

Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients
Model		B	Std. Error	Beta
1	(Constant)	7.205	2.159	
	Cash on delivery	.481	.119	.340
	Online customer review	.432	.074	.489

a. Dependent Variable: Keputusan pembelian

Source: SPSS 25 output, 2024

Based on the results of the analysis in table 4 above, it can be seen that the multiple regression equation in this study is as follows:

$$Y = a + b_1 + X_1 + b_2 X_2 + e$$

$$Y = 7,205 + 0,481X_1 + 0,432X_2 + e$$

Based on table 2, the results show that the constant (a) is found with a value of 7,205 and is positive. This indicates that the purchase decision remains 7.205 even in the absence of cash on delivery and online customer reviews. The cash on delivery regression coefficient is found to be 0.481 and positive. This means that if cash on delivery is getting better, cash on delivery is getting better. The online customer review regression coefficient is found to be 0.432 and positive. This means that if the online customer review is getting better, the online customer review is getting better. Finally, the residual value e means disturbance factors or other factors that are not in the research model.

Coefficient of Determination Analysis

This test is to determine how much the percentage of the influence of cash on delivery and online customer reviews on purchasing decisions partially.

Table 3. Coefficient of Determination Analysis Result

Coefficients ^a									
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	7.205	2.159		3.337	.001			
	Cash on delivery	.481	.119	.340	4.043	.000	.628	.380	.275
	Online customer review	.432	.074	.489	5.813	.000	.690	.508	.395

a. Dependent Variable: Keputusan pembelian

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Source: SPSS 25 output, 2024

Based on table 3 above, the results show that the zero-order value of the cash on delivery variable is 0.628 and calculated using the $KD = r^2 \times 100\%$ formula, obtained cash on delivery affects on purchase decisions by 39.43%. For the zero value of the online customer review variable of 0.690, it is obtained that online customer review influences purchasing decisions by 47.61%.

Model Fit Test

The model fit test in this study determines whether the independent variables (cash on delivery and online customer reviews) can explain the contribution to the dependent variable (purchase decision).

Table 4. Model Fit Test Result

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1454.132	2	727.066	59.577	.000 ^b
	Residual	1183.770	97	12.204		
	Total	2637.902	99			

a. Dependent Variable: Keputusan pembelian

b. Predictors: (Constant), Online customer review, Cash on delivery

Source: SPSS 25 output, 2024

Based on the table 4 above, it shows that the $F_{\text{statistic}}$ value is 59.577 with a sig profitability value of 0.000 and a significance level of 5%. $(df) = n - k - 1 = 100 - 2 - 1 = 97$. For the F_{table} value for $df = 97$ is 3.09. so the $F_{\text{statistic}}$ value is $59.577 > F_{\text{table}} 3.09$. Draw the conclusion that the model used in this study can accurately predict purchasing decisions among Lazada customers in Majalengka district.

Hypothesis Test (t test)

Hypothesis testing in this study is a partial test using the t-test. The t-test is used to compare the partial impact of online customer reviews and cash on delivery on purchasing decisions.

Table 5. t-Test Result

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	7.205	2.159		3.337
	Cash on delivery	.481	.119	.340	4.043
	Online customer review	.432	.074	.489	5.813

a. Dependent Variable: Keputusan pembelian

Source: SPSS 25 output, 2024

Based on table 5 above, it can be explained as follows:

The effect of Cash on delivery on purchase Decisions

The t-statistic value of 4.043 at the 5% significance level shows that the Cash on delivery variable is positive. Based on the distribution table, the t-statistic value is 1.984 with degrees of freedom = 98. Because $t\text{-statistic } 4.043 > 1.984$ with a significance level of $0.000 < 0.05$, H_1 is accepted. This shows that purchasing decisions are significantly influenced by cash on delivery.

This research is supported by previous research conducted by Hana Yoflike Mokodompit, S.L.H.V. Joyce Lapien and Ferdy Roring (2022) cash on delivery significantly influences purchasing decisions. This means that when it comes to online shopping payment systems, cash on delivery for good products is one of the drivers of purchasing decisions, and purchasing decisions are also higher. Cash on delivery has a very big influence on purchasing decisions.

The influence of online customer reviews on purchase decisions

The t-statistic value of 5.813 at a significant level of 5% shows that the online customer review variable is positive. Based on the distribution table, the t-table value is 1.984 with degrees of freedom = 98. Because the t-statistic is $5.813 > 1.984$ with a significance level of $0.000 < 0.05$, H_2 is accepted. This shows that purchasing decisions are significantly influenced by online customer reviews.

This research is supported by previous research conducted by Febrina Palullangan, Agus S.soegoto, Mirah H. Rogi (2023) which states that purchasing decisions are significantly influenced by online customer reviews. This means that online customer reviews have a significant influence on purchasing decisions and are proven to be true, online customer reviews are one of the driving forces of purchasing decisions, and the better the online customer service, the higher the purchasing decision.

CONCLUSION

Based on the results of research and discussion regarding the effect of cash on delivery and online customer reviews on purchasing decisions of Lazada consumers in Majalengka, it is concluded that partially cash on delivery and online customer reviews have a positive effect on purchasing decisions. This

means that Lazada consumers in Majalengka are more likely to make purchases when the Cash on Delivery option is available and always read online customer reviews before making a purchase.

The results of this study contribute to the company in improving purchasing decisions. Therefore, to increase online shopping visits at Lazada in cash on delivery, researchers suggest that sellers in the Lazada application must ensure that consumers' personal data related to Cash on delivery transactions are safe and well protected by using strong encryption technology when transmitting data and storing it securely can help reduce the potential risk of data leakage. In addition, on online customer reviews, researchers suggest that when online customer ratings are low, sellers in Lazada market need to act quickly to improve online customer ratings. For example, they should evaluate the products and services provided and try to fix deficiencies in existing services and products. Lazada sellers provide good communication options to consumers who use Lazada, so that any obstacles or problems faced by consumers can be resolved before they leave a review.

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