Effect of Influencer Marketing and Online Customer Review On Online Purchasing Decisions (Case study on Generation Z as Shopee Users in Karawang Regency)

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ABSTRAK

The purpose of this study is to ascertain whether online customer reviews and influencer marketing have an impact on the online buying decisions of Generation Z Shopee customers in Karawang Regency. The research uses Nonprobability Sampling and purposive sampling methods, focusing on all population members with specific relevant criteria. A sample of 100 respondents was selected, and data processing was conducted using SPSS version 25. Multiple Linear Regression Analysis is the method used for data analysis in this article. The results of the questionnaires used for data collection were the main source of information used to evaluate the influence of online customer reviews and influencer marketing on the online buying decisions of Generation Z Shopee users in Karawang Regency. The study's conclusions show that Generation Z Shopee customers in Karawang Regency are heavily influenced by influencer marketing as well as online customer reviews when making selections about what to buy online. These findings underscore the significance of social media personalities in the decision-making process and suggest that influencer marketing is a key factor in influencing the purchasing behavior of young customers. Similarly, online customer reviews provide valuable peer feedback that Generation Z heavily relies on when making online purchases. The research underscores the significance of these factors in the digital marketing landscape, offering insights for businesses aiming to target and engage Generation Z effectively. Through comprehension of the effects of influencer marketing and online customer evaluations, marketers may create more focused approaches to appeal to this socially conscious and tech-savvy audience.

Kata kunci: Influencer Marketing, Online Customer Review, Purchase Decision.

INTRODUCTION

Nowadays, all life activities have become easier thanks to technological innovation. The advancement of technology makes functions that were once considered difficult simple and effective, prioritizing speed and accuracy of use. Social media is commonly employed as a tool in information technology to boost the quality of information. Thus, the use of technology in the business world, especially as a sophisticated sales promotion medium, allows information to be conveyed to consumers in a more attractive and modern way. Competitors use various methods to promote their products, but the most widely used way is to collaborate with influencers. This is because Gen Z, a generation born between 1997 and 2012, is more active on social media than on television. Generation Z grew up surrounded by advanced digital technologies like computers, cell phones, internet networks, and social media. With the social web as a central part of their upbringing, digital technology is integral to their identity (Singh & Dangmei, 2016). Consequently, Gen Z increasingly accesses social media, spending substantial time enjoying compelling content from influencers. This has led to a growing trend of using influencers for product promotion. Influencers have also become an economically effective tool for small budget companies to reach the general public (Byrne et al., 2017). Currently, many companies use influencer marketing as one of their product promotion strategies. Influencer marketing involves individuals who have a high influence in a group or market, especially those who can harness social media platforms like Instagram, YouTube, and many others to promote business products and services. This allows them to reach and attract potential buyers. The rapidly growing phenomenon of influencer marketing is a quite effective marketing strategy in influencing consumer behavior in making product purchasing decisions. Furthermore, when purchasing online, consumers must exercise increased caution and thoroughness in selecting products due to the inability to inspect or touch them directly. Many factors can impact the purchasing decisions of potential buyers, and online customer reviews are among the influential factors.

In the modern age of rapid technological advancements, societal norms are being shaped by the prevalence of online shopping, transforming consumer behavior from traditional, physical retail experiences to digital, internet-based transactions. This change in behavior can be seen in the shopping habits of the public, especially Generation Z. In addition to saving costs, online shopping also makes it easier for consumers to enjoy the products offered by companies. This has increased the number of marketplaces in Indonesia and their visitors every year. One of the most widely used marketplace applications, particularly popular among Generation Z, is Shopee. According to a UMN Consulting survey, Shopee is ranked as the most popular marketplace for Generation Z with 71.46 percent (UMN Consulting, n.d.). The reason Shopee is so popular with Generation Z is that it feels more complete compared to other marketplaces. Shopee is a platform that offers a variety of products online, ranging from electronic equipment, fashion products, beauty products, and more. Additionally, Shopee provides an easy solution for consumers who want to buy products online by increasing consumer trust and potential consumers through online customer reviews.

To lessen any possible negative effects, customers should actively seek out more information on the things they plan to buy when buying online. Information plays a critical role in shaping decision-making during online shopping, where consumers gather and compare useful information before deciding. An easy way to get this information is by looking at reviews or online customer reviews on the marketplace. Online customer reviews are evaluations from consumers

who have purchased products from online sellers, providing insights from various perspectives (Nuraeni & Irawati, 2021). This information helps consumers obtain the desired product quality based on the experiences of others. So with online customer reviews we can see comments from customers who have carried out purchasing activities or used the service, both positive and negative (Haniscara & Saino, 2021). Reviews from previous buyers give prospective buyers confidence in their purchasing decisions, making them an important factor when deciding to buy a product online. However, only comments and valuable opinions that will influence consumer decision making (Kamila, 2019).

Influencer marketing and online customer reviews play significant roles in shaping consumers' decisions when making purchases online. These elements become crucial once customers have decided they want to or want to purchase anything (Rohmah & Lubis, 2018). Following a product's evaluation, shoppers decide which item to buy. Kotler & Keller, (2012) say that consumers choose to buy the brand they like the most from several options. However, two aspects that can influence purchase intention and decision are the behavior of others and circumstances. As a result, consumer preferences and intentions to purchase do not always result in actual transactions. A decision usually balances two or more existing preferences. In certain situations, the Shopee Marketplace allows consumers to purchase various products online. Customers frequently take influencer marketing and online customer reviews into account when deciding which product to purchase. Wahyudi & Mulyati, (2023) found that online customer reviews and influencer marketing have a significant influence on the decisions that consumers make when making purchases. On the other hand, research by Sonie & Primasatria, (2022) suggests that influencer marketing has little effect on consumer decisions. The authors are interested in undertaking a study named Given the backdrop that was previously mentioned, titled "The Influence of Influencer Marketing and Online Customer Reviews on Online Purchasing Decisions (Case Study on Generation Z as Shopee Users in Karawang Regency)".

Research Hypothesis

This study aims to investigate how online customer reviews and influencer marketing affect consumers' decisions to buy. Formulating a hypothesis involves taking the following activity as a first guess:

Ha: Influencer marketing and online customer reviews influence purchasing decisions.

H0: Influencer marketing and online customer reviews have no effect on purchasing decisions.
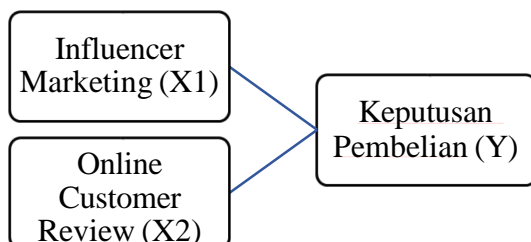
Picture 1. Hypothesis Research

METHOD

The research conducted utilized quantitative methods with a descriptive approach. Where in this study the population is generation Z Shopee users in Karawang Regency. In the following research, samples were taken by Nonprobability Sampling and Purposive Sampling methods which included all members of the population with specific relevant criteria. The sample size is determined using the Solvin formula. We know that a sample of 100 respondents was chosen with a margin of error of 10%, and data analysis was performed using SPSS version 25. Multiple Linear Regression Analysis was used as the analysis technique. Regarding the dependent variable, which is purchase decisions, the independent variables in this study are influencer marketing and online customer reviews.

The primary data source for this data source is the distribution of Likert scale surveys to responders using Google Forms. A questionnaire was used as the data collection tool. The questionnaire consists of a set of inquiries with response options pertaining to the research variables and the subject of the investigation. The questions in this questionnaire are based on the indicators contained in the theoretical basis that has been written by the researcher. To ascertain if influencer marketing and online customer reviews significantly affect Generation Z consumers' online purchase decisions on Shopee in Karawang Regency, particularly, the answers of this questionnaire will be used as a data source.

RESULT

Research Instrument Testing

Validity Test

The questionnaire test makes use of the correlation between each question's score and the item's overall score. The research instrument is declared valid when rcount> rtable and if sig (0.05) < α then the item is said to be valid. The SPSS 25 program was used to analyze the data.

Table 1. Influencer Marketing Data Validity Test Results (X1)

Item	rcount	$r$tabel	Sig	Criteria rcount > $r$tabel	Criteria Sig Value (0.05)
P1	0,691	0,279	0,000	Valid	Valid
P2	0,578	0,279	0,000	Valid	Valid
P3	0,674	0,279	0,000	Valid	Valid
P4	0,597	0,279	0,000	Valid	Valid
P5	0,751	0,279	0,000	Valid	Valid

Source: Primary data processed, 2024

Table 2. Online Customer Review Data Validity Test Results (X2)

Item	rcount	^{r}tabel	Sig	Criteria rcount > ^{r}tabel	Criteria Sig Value (0.05)
P6	0,623	0,279	0,000	Valid	Valid
P7	0,637	0,279	0,000	Valid	Valid
P8	0,623	0,279	0,000	Valid	Valid
P9	0,546	0,279	0,000	Valid	Valid
P10	0,651	0,279	0,000	Valid	Valid
P11	0,785	0,279	0,000	Valid	Valid

Source: Primary data processed, 2024

Table 3. Purchasing Decision Data Validity Test Results (Y)

Item	rcount	^{r}tabel	Sig	Criteria rcount > ^{r}tabel	Criteria Sig Value (0.05)
P12	0,584	0,279	0,000	Valid	Valid
P13	0,600	0,279	0,000	Valid	Valid
P14	0,590	0,279	0,000	Valid	Valid
P15	0,546	0,279	0,000	Valid	Valid
P16	0,654	0,279	0,000	Valid	Valid
P17	0,543	0,279	0,000	Valid	Valid

Source: Primary data processed, 2024

It is known that all of these tables with all questions on influencer marketing variables, online customer reviews, and purchasing decisions are said to be valid. Where it is known that the value of rcount> rtabel , and in the sig value criterion, the sig value is 0.000> 0.05 and is said to be valid. So he conclusion is that to measure research variables, you can use all of these questions.

Reliability Test

This test is to understand that the instrument can be trusted or reliable which is like a data collection tool. This research in the calculation uses the Cronbach Alpha technique. Where it can be considered reliable if the number of Alpha Cronbach > 0.6.

Reliability Statistics

| Cronbach's Alpha	N of Items
,676	5

Source: Primary data processed, 2024

According to the table, every research variable yields a Cronbach Alpha value greater than 0.60. The three variables used in the study are deemed dependable.

Classical Assumption Test

1. **Normality Test**

We can determine whether or not the data collected on the variables is regularly distributed by using this test. Normally distributed data is an even distribution of data, so that it represents the population. Research testing is using the Normal P-P Plot graph.
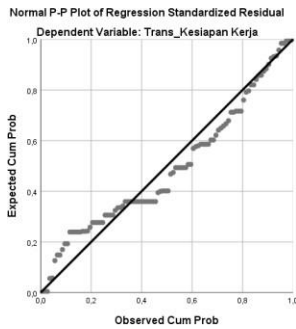
Source: Primary data processed, 2024

The points in the image above follow and disperse around the diagonal line, as can be seen from the findings. The research data is generally distributed, according to the conclusion.

2. **Mulicollinearity Test**

The study's independent variables are tested for correlations using a multicollinearity test. Tolerance > 0.10 and the number of VIF < 0.10 are standard parameters used to determine the existence or absence of multicollinearity in the regression model.

Table 4. Multicollinearity Test Results

Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Influencer Marketing	,563	1,775
	Online Customer Review	,563	1,775

a. Dependent Variable: Purchase Decision
Source: Primary data processed, 2024

The table indicates that the online customer review and influencer marketing variables have a tolerance value of 0.563. Which means both values > 0.10. In addition, the VIF value table on the two variables is 1.775, which means less than 10.0. With that, the conclusion is that the two independent variables used do not have multicollinearity symptoms for this study.

3. Heteroscedasticity Test

This test is run to see if the regression model's residuals and variance differ from one another. when examining the Glejser test, which is where heteroscedasticity symptoms are present.

Table 5. Heteroscedasticity Test Results

Coefficients^a

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	,846	,871		,971	,334
	Influencer Marketing	,005	,055	,013	,094	,925
	Online Customer Review	,004	,052	,010	,071	,944

a. Dependent Variable: Purchase Decision
Source: Primary data processed, 2024

The table suggests that the online customer review and influencer marketing important variables have a significant value greater than 0.05. Therefore, the study's conclusion is that there are no signs of Heteroscedasticity.

Multiple Regression Analysis

The impact of independent variables like influencer marketing (X1) and online customer reviews (X2) on the dependent variable, purchasing decisions (Y), is examined using multiple linear regression analysis.

Table 6. Multiple Linear Regression Results

Coefficients^a

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	,708	1,351		,524	,601
	Influencer Marketing	,512	,086	,441	5,974	,000
	Online Customer Review	,523	,081	,478	6,474	,000

a. Dependent Variable: Purchase Decision
Source: Primary data processed, 2024

The constant value (value a) is 0.708, influencer marketing (value $\beta 1$) is 0.512, and online customer reviews (value $\beta 2$) is 0.523, as can be observed in the coefficients table. After that, the following multiple linear regression equation may be found:

$Y = \alpha + \beta 1 X1 + \beta 2 X2 + \varepsilon$
$Y = 0.708 + 0.512 X1 + 0.523 X2 + \varepsilon$

Hypothesis Test

F Test (Simultaneous)

The F-test is used to determine whether all of the independent factors together have a substantial impact on the dependent variable. In most cases, this significance is shown when the p-value (sig) is less than 0.05.

Table 7. F Test Results of Multiple Regression Models

ANOVAᵃ

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	416,088	2	208,044	114,225	,000ᵇ
	Residuals	176,672	97	1,821		
	Total	592,760	99			

a. Dependent Variable: Purchase Decision

b. Predictors: (Constant), Online Customer Review, Influencer Marketing

Source: Primary data processed, 2024

According to the anova table, the proper value for Fcount is 0.000, 0.000 < 0.05, and the value is 114.225> Ftable 3.09. Thus, H0 is disregarded. The study concludes that the dependent variable, purchasing decisions, is simultaneously influenced by the independent variables, influencer marketing and online customer reviews.

T Test (Partial)

The effect of each independent variable (independent) on the dependent variable (dependent) is visible in the t test. Whereas Ha is accepted when the significance is less than 0.05 and H0 is rejected when the significance is greater than 0.05.

Table 8. Multiple Regression Model t Test Results

Coefficientsᵃ

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	,708	1,351		,524	,601
	Influencer Marketing	,512	,086	,441	5,974	,000
	Online Customer Review	,523	,081	,478	6,474	,000

a. Dependent Variable: Purchase Decision

Source: Primary data processed, 2024

Since all independent variables, including influencer marketing and online customer reviews, have been shown to have significance levels less than 0.05, it can be concluded that they all have an impact on the dependent variable, which is purchasing decisions.

Determination Coefficient Test

The purpose of the coefficient of determination test is to determine whether multiple linear regression exists and how much of an impact the independent variable has on the dependent variable. Where the corrected R2 Square value is used to determine the coefficient of determination test results.

Table 9. Test Results of the Coefficient of Determination

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,838^a	,702	,696	1,350

a. Predictors: (Constant), Online Customer Review, Influencer Marketing

b. Dependent Variable: Purchase Decision

Source: Primary data processed, 2024

The model summary table's R Square value of 0.702 indicates that the independent variables, that is influencer marketing and online customer reviews, explain the impact on the dependent variable, which is purchasing decisions. Of these, 0.702, or 70.2% and 29.8%, are controlled by variables not included in the analysis model that follows.

DISCUSSION

The null hypothesis (H0) is concluded to be rejected based on the findings of the hypothesis test, notably the F-test in the ANOVA table, where the computed F-value of 114.225 exceeds the crucial F-value of 3.09 at a significance level of 0.05, with a p-value of 0.000 (less than 0.05). This shows that the dependent variable, purchase decisions, is jointly influenced by the two independent variables, influencer marketing and online customer reviews. The results of the hypothesis test show that influencer marketing (X1) and online customer reviews (X2) have significant values of 0.00 according to the t-tests in the Coefficients table. This shows that both independent variables, that is, influencer marketing and online customer reviews, have a substantial effect on the dependent variable, purchasing decisions, with a significance level below 0.05.

The coefficient of determination (R Square), as determined by the determination test, is 0.702. Wherein the dependent variable, purchase decisions, particularly those made by members of generation Z, is influenced by the independent variables, influencer marketing and online customer reviews. Thus, it can be said that online shoppers and influencer marketing have a 70.2% influence on purchase decisions. The research test findings show that the use of influencers to promote a product affects consumer behavior in making online purchasing decisions for generation Z in Karawang Regency. Where because currently generation Z continues to access interesting content from influencers from various social media. According to generation Z, the selection of influencers to promote products is done quite well and appropriately in accordance with the image and characteristics of the product. Where the influencers chosen explore the product they promote (Nufus & Handayani, 2022). Furthermore, the selected influencer possesses a charming demeanor. Additionally, buyers who prefer to shop online are pickier and more meticulous about the goods they purchase. When it comes to influencing generation Z consumers' online shopping decisions,

one of the aspects at play is online customer reviews. The shopee marketplace, which is highly well-liked by Generation Z, is one of the marketplace programs that can persuade customers to make online purchases based on their experiences purchasing products through the online customer review function (Kamisa et al., 2022). Generation Z Shopee user consumers always look for information first through consumer reviews in the online customer review feature regarding the desired product before deciding on an online purchase. With that, consumers can find out information on the advantages and disadvantages of the product. Where according to Shopee generation Z users, a larger number of positive reviews can influence opinions about the product and show the popularity of the product. Therefore, giving a good impression of a product will encourage potential consumers to buy. Shopee should sell goods with quality products, so that buyers feel satisfied and give a positive response to the products sold by Shopee which can increase the intention of other potential buyers. In addition, good online customer reviews can also support a shopee store or seller to improve its reputation and expand its marketing. Customers consider online reviews and influencer marketing to be very important when making selections about what to buy online. Whereas earlier studies by (Wahyudi & Mulyati, 2023) also indicate that online customer reviews and influencer marketing have a big influence on consumers' decisions to buy. This is consistent with the study's findings and supports the notion that generation Z in Karawang Regency makes online purchase decisions influenced by influencer marketing and online customer reviews. This is also an effort to increase sales through e-commerce for a successful digital marketing strategy.

CONCLUSION

The results showed that Generation Z users in Karawang Regency make online purchase decisions influenced by influencer marketing and online customer reviews. Whereas 29.8% are influenced by other factors, 70.2% of the variables pertaining to online customer reviews and influencer marketing impact purchasing decision variables. The researcher has come to the realization that there are still gaps in the literature and research on the study's conclusions. Where in the distribution of questionnaire data is done online so that it takes a long time to fill in. In addition, sometimes the information and answers provided by respondents tend to be original in filling out their questionnaires due to the respondents' doubts when filling out the questions contained in the questionnaire. Additionally, the study did not investigate particular types of influencers, offering a broad perspective on the influence of influencer marketing. Future research is anticipated to serve as a reference for further exploration in this field. So suggestions for future researchers are desirable to be able to expand the factors that influence online purchasing decisions.

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