

The Analysis of Perceived Risk on Purchase Intentions on the Tokopedia Application Users

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Abstract:- Online shopping application is facing a great competition these days. Every shopping applications needs to create and serve an innovative and creative features in their online application. These days people purchasing behavior style shifts to online with the development of internet and technology. The aim of this study is to investigate the perceived of risk about internet has an impact on the interest to make online purchase with the use of online application by Tokopedia. Thirty respondents who were the people who have owned and downloaded the online application participated in the survey. The data collection was conducted by in depth interviews and data analysis method using a content analysis. The conclusion from this research was that perceived of risk becomes one of the factors in affecting the interest in purchasing through the online application.

Keywords:- Risk, Perceived Risk, Purchase Intentions, Online Applications, Product Informations, Products Delivery.

I. INTRODUCTION

Based on the results of a survey in 2017 conducted by the Indonesian Internet Service Providers Association, the number of internet users in Indonesia has increased from year to year (Figure 1).

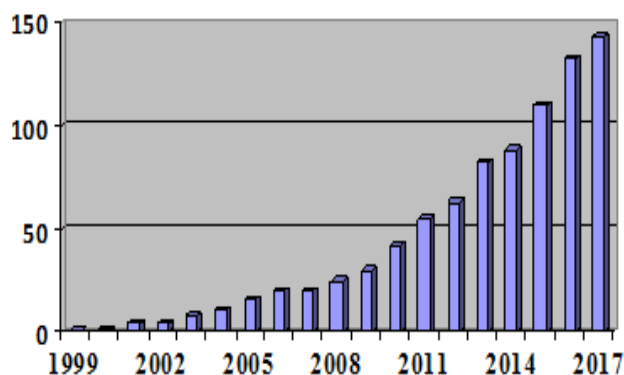


Fig 1:- Number of Internet Users in Indonesia (Millions)

The number of internet users is seen as a potential market for companies that process buying and selling via the internet. Still based on the 2017 APJI survey, 32.19% of internet users use the internet to shop online.

The news published in Liputan 6 states that online shopping is not a trend of buying and selling that just emerged, but eBay and Amazon have enlivened the business market through the internet since 1990, whereas online businesses in Indonesia began to bust 10 years later. But with the innovation of application-based online stores proven to be very effective, it can be seen with an increase in the number of purchases of goods and services through e-commerce in Indonesia.

In a press release in February 2018, according to Google & Temasek data in 2017, product purchases via e-Commerce in Indonesia reached US \$ 10.9 billion or around Rp. 146.7 trillion, skyrocketing 41 percent from US \$ 5.5 billion or around Rp. 74 trillion in 2015.

The behavior of internet users in shopping through the internet is very interesting to learn and study, there are many factors that influence the online purchase intention. Based on the results of a survey of 30 respondents, showing that one of the factors that influence online purchase intention is the perceived risk when shopping online.

Based on data on the growth of the number of internet users, the potential of the online business market in Indonesia, and surveys of factors that most influence online purchase intention, a study will be conducted on the effect of perceived risk factors on online purchase intention on the Tokopedia application.

II. LITERATURE REVIEW

There are so many advantages to shopping online, such as time savings, fast information, and convenience. However, there are some people who still have certain concerns that keep them away from online shopping. They have a high perceived risk in terms of online shopping. They prefer to make hotel and ticket bookings via telephone or come directly.

According to Hong and Li Yi (2012), some people feel more risk when they shop online rather than going to supermarkets because they cannot see directly and are worried about the quality of after-sales service. Whereas according to Fortes and Rita (2016), perceived risk based on technology is the extent to which consumers believe that if they make purchases online they will experience losses caused by the internet and technological infrastructure such as delay downloads, weak security, or problems in terms of search.

Risks regarding the perception of goods are one of the risks that consumers believe when they make purchases online, so they will receive losses from the goods obtained. These losses can be caused by a lack of information available from the website, dubious product quality, and the purchase of a product that is not in accordance with consumer expectations.

According to Dimitriadi and Kyrezis in Ramos, et.al (2018) states that interest in purchasing is a probability that occurs in the consumer's personal about online purchases in a certain period of time. The greater the perceived risk of the consumer, the greater their barriers to making purchases through online. intention to purchase through online media is an important thing to do before prospective customers turn into consumers.

According to Al-Jabri's research (2015), an increase in consumer risk perceptions will negatively affect their interest in using mobile banking. Risks can come from various sources such as losing cell phones, theft of personal data, and distrust of banking infrastructure. Kusumah (2015) found that perceptions of risk influenced the online shop purchase decision on Instagram.

III. RESEARCH METHOD

This study in depth conducted in-depth interviews to examine the influence of risk in the Tokopedia application. This research is a descriptive study which explains problems based on data.

➤ *Research Population and Samples*

The population is a collection of people who are consumers who are chosen as the object of research. The population of this study is consumers from Jakarta residents who have registered and purchased transactions from the application.

Purposive sampling is the technique used for the sampling method in this research. The purposive sampling method is also known as consideration sampling. The population criteria in this study are as follows:

- Residing in Jakarta.
- Register at the application.
- Has made a sale and purchase transaction through the application

➤ *Data Collection Method*

According to Sugiyono in Kusumah (2015), the type of data from how to obtain it is divided into two. First, primary data is data collected and obtained by researchers directly from respondents. Primary data in this study are the results of interviews and observations obtained from respondents.

Interviews are techniques of collecting data in survey methods that use questions verbally to respondents. Observation is a process of direct observation to respondents conducted by researchers (Usman and Purnomo. 2008). Second, secondary data is data obtained

from other trusted parties. Secondary data in this study are data on internet users and various related theories and results of previous studies.

➤ *Data Presentation Method*

Qualitative data analysis is a form of analysis which is based on the data presented in a description. These qualitative data are the data which can only be measured directly. The process of qualitative data analysis is conducted on stages as the followings:

• *Scoring*

The questionnaire was made using a Likert scale (10 scales). There was also the highest score was 10 with the response of "strongly agree and the smallest score was with the response of "strongly disagree".

• *Editing*

Editing is using the needed data and removes the unnecessary ones to make it easier for hypothesis testing.

• *Coding*

Coding is a process of giving certain codes on various answers from the questionnaires grouped in the same category.

• *Tabulation*

Tabulation is an activity of grouping on the answers conducted meticulously and organized, then the data were then calculated and summed up until realized in the form of a beneficial table, and this table was also used to generate the correlation between the existing variables.

IV. DISCUSSION AND RESULTS

A. *General description of respondents*

Before conducting further research, researchers first identify the demographic data of respondents who can be categorized as sources of information. The researcher used the purposive sampling method, where the selection of respondents was based on the researchers' judgment and was considered to be in accordance with the criteria that had installed the Tokopedia application. All respondents in this study came from Jakarta because most of the activities of the researchers were conducted in Jakarta. The difference in residential area is not a big influence because researchers are only expected to see responses to consumer interest in buying through online applications made by Tokopedia.

B. *Perceived of Risk in Online Application*

Based on the results of the interviews that have been conducted, 73.3% of the 30 respondents said that the perception of risk is an important thing that affects their interest in shopping online. Meanwhile, 26.7% said that risk perception was not their main factor in determining interest in shopping through the application.

➤ *Suitability of goods ordered*

Respondents in this study were those who had made transactions through the Tokopedia application. Suitability

of goods ordered is one of the risks received by buyers who make transactions online. 95% of respondents stated that the suitability of goods ordered is the main factor when making online purchase transactions. While the other 5% stated that this was not a factor that affected risk.

➤ *Timeliness of Delivery*

Delay in delivery time is one of the risks that might be accepted every time you make transactions online. The time of delivery of goods that are informed when making a purchase transaction is an influencing factor, it is seen that as many as 88% of respondents stated this. Then the rest, as much as 12% ignores the delivery time of goods ordered.

C. Intention in Purchasing

Testimonials about goods, completeness of information, and variety displayed through applications and websites are factors that influence interest in buying. Overall respondents stated that testimonials from previous customers were considered important in determining purchase intention. Then, the information of goods displayed is one of the other determining factors in determining purchase intention. Finally, the variety of items makes respondents more interested in making purchases.

D. Correlation Analysis between Variables

Variable of Perceived of Risk (X)	Variable of Purchase Intention (Y)
Suitability of goods ordered	Review from previous buyers
Timeliness of delivery	Information on products
	Range on products

Table 1:- Description of Variable’s dimension

Based on table 1 dimensions of each variable can be seen almost all respondents stated that the suitability of goods ordered and the timeliness of delivery is part of the risks received when making purchases online, wherein it is influenced by the testimonials of previous buyers, the goods information displayed and the variety of goods as an alternative choice. In this explanation, the researcher can see the relationship between each variable and the perceived risk influences purchase intention.

V. CONCLUSION

Based on the results of interviews and risk analysis as mentioned above, it can be concluded that:

➤ The use of Tokopedia online applications can be declared effective if viewed from several aspects, including the suitability of goods with ordered. Some respondents have had experience that goods ordered do not match the items received. Therefore, Tokopedia always guarantees prospective buyers that the items they display on the website match the items that will arrive.

- Besides the suitability of goods with ordered, another factor that affects purchase intention is the timeliness of delivery. Timeliness of delivery is one important thing in the world of online shopping, based on the promised delivery time through the application when the buyer makes a transaction. The faster and timely delivery of goods purchased, it will reduce the risk of late items being purchased.
- Overall, respondents stated that before buying or transacting on Tokopedia, they considered several things as follows:
 - Reviews have given by previous buyers related to experience in buying these items.
 - Information on goods sold also influences purchase intention. The more informative the goods are given, the greater the intention of prospective buyers in choosing.
 - The variety of items offered by Tokopedia makes it easier for consumers to make choices according to their needs.
 - Overall the variable risk dimension is influenced by previous buyers' testimonials, information displayed and the variety of goods as an alternative choice. The researcher looked at the relationship of each dimension and the risk received affecting purchase intention.

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