PERCEIVED USEFULNESS, PERCEIVED EASE OF USE AND E-WOM TO INTENTION TO THE USE OF SHOPEE MOBILE APPLICATION

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ABSTRACT

The high use of internet on smartphones opens opportunities for companies to use technology in order to compete with other companies. One of the most competitive industries in Indonesia is e-commerce industry. Mobile application is part of e-commerce used to conduct business activities by using mobile device. Consumers become highly dependent with all the ease of technological sophistication such as smartphones. Mobile application makes it easy for consumers to shop online by simply tapping the application on the smartphone screen without having to enter the website through the browser. Shopee, as a marketplace, first choose to focus on mobile application to compete in the e-commerce industry before moving the desktop (website) as well. The purpose of this study is to determine the effect of perceived usefulness, perceived ease of use, against the intention to use mobile application through attitude to use mobile application and trust in mobile application shopee. The Shopee app is one of the most popular e-commerce community. However, many factors affect consumers using new mobile applications to fulfill their desire to shop. Therefore the company needs to know the factors that influence consumers mostin using mobile application, in order to improve the facilities and provide more values for consumers. As a result Shopee can be able to compete with other mobile applications. Multiple analysis is used in this research, for this research has more than one independent variable to the dependent variable. The results show that perceived usefulness, perceived ease of use, and e-WOM have a positive effect on intention to use Shopeemobile application.

Keywords:
Perceived usefulness, Perceived ease of use, e-WOM, intention to use, mobile application.

INTRODUCTION

Today, online store is the most competing industry. They use mobile application to compete each other and attract mobile users for spending their money for their company and it will certainly generate revenue for the company. Shopee comes as an online shopping alternative that focuses on mobile applications. Shopee becomes one of the best online store in Indonesia. This journal will discuss the effect of perceived ease of use and e-WOM for using Mobile Application Shopee. In Indonesia, the use of the internet is not only for communication, but also for buying and selling activities. The number of consumers who have been shopping through smartphones has grown from 46.7 percent in 2013 to 54.9 percent in 2014 (Primadhyta, 2015).

Mobile commerce (henceforth called m-commerce) provides some advantages of accessing information anywhere, anytime. The m-commerce opportunity is reflected from the growth of smart phone (Chong, Chan, and Ooi, 2012). Perceived usefulness shows how m-commerce can help users to achieve job-related goals, such as effectiveness and efficiency (Ho and Kwok, 2003 in Wei et al, 2009). Perceived ease of use can contribute to increasing productivity, performance, and effectiveness that is equivalent to usefulness (Davis 1993 in Li and Huang, 2009). Reviews are some statements made by app users about the application. e-WOM can help application users to make rational and efficient decisions in getting the application which is suitable for their needs on the application store (Song et al., 2014). Tsai (2010) suggests that intention reflects an individual's willingness to engage in certain behaviors.

Shopee comes as an online shopping alternative that focuses on mobile applications. Shopee has been downloaded by more than 10 milion users. Chief Executive Officer Shopee, Chris Feng,
states that Shopee is an online shopping that takes social concept where the users do not only focus in transactions but they also can interact with other users via instant direct message feature. Through this messaging feature, buyers can directly contact the sellers to bargain the price of goods before the product is purchased, the presence of this feature is very consumer-friendly (Jeko, 2015). Analyzing the features provided by the shopee whether its features make consumer easier in transaction or not. Particularly, this research is to analyze the influence of Perceived Usefulness, Perceived ease of use and E-wom to Intention to use mobile apps shopee. Also, it will identify factors needed to be improved by the Shopee app based on users’ reviews. The hypotheses of this research are H1: perceived usefulness positively affects the intention to use mobile app. H2: perceived ease of use positively affects the intention to use mobile app. H3: e-WOM (review) has a positively affects the Intention to Use Mobile app

This research will generally examine the factors that influence consumers’ desire to use Shopee mobile application and analyze if the reviews influence consumer in using Shopee mobile, things that have good and bad rate reviews made by the consumers related with the mobile application. Shopee is an online shopping that takes social concept where the users do not only focus in transactions but they are also possible to interact with other users via instant direct message feature. Shopee manages to provide their platform with the best service in order to give convenience for the customers in using the application.

**Theory**

Consumers can enjoy online transaction activity anywhere and anytime without limit (Turban, 2012; Chong et al., 2012). Turban et al. (2012) also states that m-commerce is an extension of e-commerce devices, many e-commerce applications also apply to m-commerce, such as online shopping, internet banking, e-stock trading, e-entertainment, and online gambling, all of these facilities are accessible via wireless. M-commerce provides benefits to access information anywhere and anytime. The opportunity of m-commerce is reflected in the growth of smartphone (Chong, Chan, & Ooi, 2012). As the technology penetration increases, it is facilitating consumers in conducting various online transactions.

Perceived usefulness as the level of individual trust in the use of m-commerce will improve the performance of his work and daily activities (Wei et al., 2009; Lee, 2008; Li and Huang, 2009). Perceived usefulness as the level of individual trust in the use of m-commerce will improve the performance of its work and daily activities (Wei et al., 2009). This concept shows how m-commerce can help users to achieve job-related goals, such as effectiveness and efficiency (Ho and Kwok, 2003 in Wei et al., 2009). Perceived usefulness reflects a person's belief that stands out in the use of technology and will greatly assist in improving performance (Lee, 2008). Perceived usefulness means that the user thinks that by using technology, it will be something useful in completing his/her work (Li & Huang, 2009). Based on the description, the definition of perceived usefulness in this research is the benefit gained in using m-commerce (in this case is the use of the application) so it can improve the performance of customer's work in certain contexts, then make consumers will be interested to use the mobile application.

It is stated that there is no need to spend hard effort in the use of technology (Lee, 2008; Li & Huang 2009; Chiu et al., 2009; Chen and Teng, 2013). Lee (2008) states that Perceived ease of use reflects one's outstanding belief that in the use of technology, it will be free from effort. Li & Huang (2009) suggests that perceived ease of use is how users feel the ease of using technology. Perceived ease of use can contribute to increase the productivity, performance, and effectiveness which is equivalent to usefulness (Davis, 1993 in Li and Huang, 2009). Perceived ease of use refers to the extent in which consumers believe that doing online activities will be free of effort (Chiu et al., 2009). The easier the system is used, the more minimum amount of effort that is required to learn a system the user is required (Chen & Teng, 2013). Based on the above description, Perceive of Use in this study is the user finds easy and does not take long to learn to use the application.

E-wom is an online communication that gives a positive or negative opinion to something (Litvinet et al., 2008; Mauri and Minazzi, 2013; Song et al., 2014). Litvinet et al. (2008) define e-WOM as all informal communications both positive and negative from the consumer through internet technology related to the use or characteristics of goods and services to the seller. E-WOM messages can be shared through reviews, mailbags, discussion forums, electronic mailing lists, Personalmail, discussion rooms, instant messaging (Mauri and Minazzi, 2013). Reviews are respond for the experience during using the product which created by app users about the app. E-WOM can help application users to rationally and efficiently make decisions to get appropriate applications in the application store (Song et al., 2014). E-WOM overcomes the users’ application dilemma as it can provide application-related information that can meet Individual desire to perform certain activities (Lee, 2008; Schiffman and Kanuk, 2010; Tsai, 2010). The actual behavior of a person in performing a particular action is directly influenced by behavioral intent. Intention is a measure of the strength of willingness to exert effort while performing certain behaviors (Lee, 2008). Schiffman & Kanuk (2010) show that intention to assess the likelihood that consumers will take action in a future manner or behavior in a certain way such as buying a product and recommending it to colleagues. Tsai (2010) states that intention reflects an individual’s desire to engage in certain behaviors. In short, intention to use mobile application is the individual willingness to perform certain behaviors such as using an application.

**METHOD**

The descriptive method is used in this study. This research used data collection method in cross-sectional design that is collecting information one time from sample (respondent) in one particular time (Malhotra, 2012). This research questionnaire is a structured question given to a sample of the population and designed to obtain information from respondents. Data collection techniques with questionnaires distributed to obtain primary data. This research use Likert scale measurement 1 to 7. Questionnaires will be distributed to respondents who will answer questions on a Likert scale 1 to 7. The score 1 shows the respondents strongly disagree and the

score 7 indicates the respondents strongly agree with the statement. This study is supported by studying existing libraries such as books, journals and articles to obtain secondary data. The population in this study was the Shopee application users who download after reading other previous user reviews. The sample in this research consists of respondents.

The purpose of this study is to examine the hypotheses and the relationship among variables. This research generally examines the factors that influence consumers' intention to use mobile application Shopee. Statistical analysis of the research used is multiple linear regression analysis. This analysis was used to determine the relationship of two or more variables by using SPSS application version 24. The regression equation used is $Y = a + b1X1 + b2X2 + b3X3 + b4X4 + e$. This study uses statistical analysis, that is multiple linear regression analysis which is used to determine the effect of perceived usefulness, perceived ease of use, e-wom and intention to use mobile application. We can know the variables that have a significant influence from the test results on multiple regression analysis.

**FINDINGS & DISCUSSION**

Measurement of validity test is by using SPSS with factor analysis, with some kinds of validity measure i.e. Kaiser Meyer-Olkin (KMO) Measure of Sampling Adequacy, Bartlett’s Test of Sphericity, Anti Image Matrices, and Factor Loading of Component Matrix. The reliability test in this research used the coefficient of Alpha Cronbach. This research is multivariate, hence this research uses multiple regression analysis test.

**Table 1 Validity Test**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>KMO</th>
<th>Sig</th>
<th>MSA</th>
<th>Component Matrix</th>
<th>Valid</th>
</tr>
</thead>
<tbody>
<tr>
<td>PU1</td>
<td>0.770</td>
<td>0.00</td>
<td>0.754</td>
<td>0.946</td>
<td>Valid</td>
</tr>
<tr>
<td>PU2</td>
<td>0.769</td>
<td>0.00</td>
<td>0.785</td>
<td>0.943</td>
<td>Valid</td>
</tr>
<tr>
<td>PE1</td>
<td>0.690</td>
<td>0.00</td>
<td>0.605</td>
<td>0.954</td>
<td>Valid</td>
</tr>
<tr>
<td>PE2</td>
<td>0.699</td>
<td>0.00</td>
<td>0.690</td>
<td>0.961</td>
<td>Valid</td>
</tr>
<tr>
<td>PE3</td>
<td>0.728</td>
<td>0.00</td>
<td>0.728</td>
<td>0.966</td>
<td>Valid</td>
</tr>
<tr>
<td>REV1</td>
<td>0.735</td>
<td>0.00</td>
<td>0.735</td>
<td>0.983</td>
<td>Valid</td>
</tr>
<tr>
<td>REV2</td>
<td>0.720</td>
<td>0.00</td>
<td>0.728</td>
<td>0.982</td>
<td>Valid</td>
</tr>
<tr>
<td>REV3</td>
<td>0.735</td>
<td>0.00</td>
<td>0.735</td>
<td>0.977</td>
<td>Valid</td>
</tr>
<tr>
<td>INT1</td>
<td>0.664</td>
<td>0.00</td>
<td>0.738</td>
<td>0.963</td>
<td>Valid</td>
</tr>
<tr>
<td>INT2</td>
<td>0.748</td>
<td>0.00</td>
<td>0.748</td>
<td>0.916</td>
<td>Valid</td>
</tr>
<tr>
<td>INT3</td>
<td>0.807</td>
<td>0.00</td>
<td>0.807</td>
<td>0.921</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Based on the validity test results, all indicators are declared valid because they meet the requirements of KMO (Kaiser-Meyer-Olkin) $\geq 0.50$, Sig. $\leq 0.05$, MSA (Measures of Sampling Adequacy) $\geq 0.50$, and Factor Loading $\geq 0.50$ (Malhotra, 2010). Thus, all KMOs $\geq 0.50$ indicate that the analysis factor is adequate, Sig. $\leq 0.05$ indicates a significant relationship between the variables and the expected value, MSA $\geq 0.50$ indicates the variable can still be predicted and further analyzed. Component matrix $\geq 0.50$ is an indicator said to form a valid factor. All indicators used in the study can really measure what should be measured (have good validity) research can proceed.

**Table 2 Reliability Test**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach’s Alpha</th>
<th>Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Usefulness</td>
<td>0.918</td>
<td>Reliabile</td>
</tr>
<tr>
<td>Perceived Ease of Use</td>
<td>0.841</td>
<td>Reliabile</td>
</tr>
<tr>
<td>E-WOM</td>
<td>0.861</td>
<td>Reliabile</td>
</tr>
<tr>
<td>Intention to Use</td>
<td>0.934</td>
<td>Reliabile</td>
</tr>
</tbody>
</table>

Based on Table 4:11, all the variables are declared reliable because the reliability coefficient or shown by the value of cronbach’s alpha shows the number $\geq 0.6$ (Malhotra, 2010). Therefore, this study deserves to be continued. All indicators have a good value of validity and reliability, so it can perform multiple regression tests.

**Table 3 Regression**

Based on the validity test results, all indicators are declared valid because they meet the requirements of KMO (Kaiser-Meyer-Olkin) $\geq 0.50$, Sig. $\leq 0.05$, MSA (Measures of Sampling Adequacy) $\geq 0.50$, and Factor Loading $\geq 0.50$ (Malhotra, 2010). Thus, all KMOs $\geq 0.50$ indicate that the analysis factor is adequate, Sig. $\leq 0.05$ indicates a significant relationship between the variables and the expected value, MSA $\geq 0.50$ indicates the variable can still be predicted and further analyzed. Component matrix $\geq 0.50$ is an indicator said to form a valid factor. All indicators used in the study can really measure what should be measured (have good validity) research can proceed.

**Table 4 Regression**

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Model R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.794</td>
<td>0.631</td>
<td>0.593</td>
<td>2.542</td>
</tr>
</tbody>
</table>

Based on table 4 above the R square which is obtained (coefficient of determination) is 0.0631. This shows the effect of independent variables to dependent variable of 63.1%, while the remaining of 36.1% is influenced by other variables not included in the study.
CONCLUSION
Based on the results of the research from three independent variables, it is only one independent variable which has a positive influence on the dependent variable. Independent variable that has influence is perceived usefulness which have significant influence to dependent variable, which is intention to use mobile application Shopee. This is in accordance with the research conducted by the Akturan & Tezcan (2012) which states that perceived usefulness has a positive influence on attitude to use mobile application. The benefit of the shopee application is one of the things that encourage consumers to use the application. Shopee needs to introduce more in the benefits of using the application, such as features that come up in Shopee through video impressions on Instagram or other social media, adding official Shopee mall by collaborating with familiar brands in the community, adding price comparison facilities for sellers. Currently the community is likely familiar with technology, all things related to technology can be learned easily and quickly. It is the same with Shopee, there is no exception for Shopee applications. Most people prefer to use applications for online shopping because it is more practical than online shopping using websites. In addition, the perceived ease of use variable has no effect. People are still happier to listen to the users’ opinion directly than by reading reviews on the internet, anyone can write reviews on the internet, while the information on the internet is difficult to verify its truth. It can be concluded that this is one of the reasons of e-WOM has no effect on intention to use mobile application. Further research expected to be able to investigate more about other factors that can affect the intention to use mobile applications.

References

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