THE INFLUENCE OF ONLINE CUSTOMER REVIEW AND ONLINE CUSTOMER RATING ON PURCHASE DECISIONS THROUGH CONSUMER TRUST IN FORE COFFEE PRODUCTS AT SUN PLAZA MEDAN

Erwin Sahat Mora Pardede[1], Paham Ginting[2], Endang Sulistya Rini[3]

[1,2,3]Faculty of Economics and Business, University of North Sumatra
Corresponding E-mail:erwinsahatpardede@gmail.com

Abstract

This research aims to analyze the phenomenon of the problem in the form of applying different promotions and product tastes at each Fore Coffee outlet causing low consumer purchasing decisions for Fore Coffee products. This is an associative type of research. The population in this research is consumers who have purchased online and offline from Fore Coffee Sun Plaza Medan and the sample is 135 respondents. The sample is withdrawn by a non-probability sampling using the purposive sampling method. The data using are primary data and secondary data are obtained through a list of statements and documentation studies. The data analysis technique employs structural equation modeling (SEM) with the analytical tools of Smart PLS. The research results directly show that online customer reviews and online customer ratings have a positive and significant effect on purchasing decisions, online customer reviews and online customer ratings have a positive and significant effect on consumer confidence, consumer confidence has a positive and significant effect to the purchase decision. Then the test results which are carried out indirectly show that consumers trust are able to mediate online customer review correlation with purchasing decisions and are able to mediate online customer rating correlation with purchase decisions.

Keywords:*Online Customer Reviews, Online Customer Ratings, Trust And Purchase Decisions*

1.INTRODUCTION

One of the abundant resources for the food industry in Indonesia is coffee. The chronological series of history at the end of the 20th century is a strong basis that places Indonesia at this time in an international world position through the production of coffee commodities. Indonesia is listed as the world's fourth largest coffee producer after Brazil, Vietnam and Colombia. When compared with other plantation commodities, coffee is the fourth largest foreign exchange earner for Indonesia after palm oil, rubber and cocoa. During the 2021 harvest, Indonesia's total coffee production will reach 765,415 tons. Indonesia is known for its various types of coffee, quoted from CNN Indonesia (2019) tThere are five types of the best coffee from Indonesia, starting from Aceh Gayo Coffee, Toraja Coffee, Papua Wamena Coffee, Bali Kintamani Coffee, and Flores Bajawa Coffee.

In addition, the domestic food and beverage industry is capable of making breakthroughs in product innovation. This effort is to meet the tastes of consumers and foreign countries. In addition, the application of industry 4.0 using the latest technology is considered capable of producing quality and competitive products. The use of technology will really help the food and beverage industry, especially in internet technology, which already has many users in Indonesia. Smartphones are the main devices used to access the Internet every day, followed by laptops, desktops and tablets. In using smartphone devices, users usually carry out many activities that are supported by applications and features from the smartphone itself. Many applications are made specifically for smartphone users and make it easy to assist users in their activities (Lestari, 2020).

The results obtained were that 52% of consumers said they were not sure about buying Fore Coffee products, and as many as 60% of consumers said they did not choose to buy coffee at

THE INFLUENCE OF ONLINE CUSTOMER REVIEW AND ONLINE CUSTOMER RATING ON PURCHASE DECISIONS THROUGH CONSUMER TRUST IN FORE COFFEE PRODUCTS AT SUN PLAZA MEDAN

Erwin Sahat Mora Pardede, Paham Ginting, Endang Sulistya Rini

Fore Coffee rather than at other cafes. This of course greatly influences purchasing decisions for consumers who buy and see reviews and low ratings. Another factor that is no less important in influencing purchasing decisions is consumer trust. According to Dang, Nguyen, and Pervan define consumer trust as the belief that the person they trust will fulfill all their obligations properly and as expected and the willingness of one party to trust the other party (Ginting, 2023).

2. LITERATURE REVIEW
2.1. Buying decision
Purchasing decision is a decision that is influenced by various factors that will make consumers actually consider everything and in the end consumers buy the product they like the most. Purchasing decisions are the tendency to buy a brand and are generally based on the suitability between purchase motives and the attributes or characteristics of the brand being considered. The second category is the final decision which may depend on promotions such as price discounts, special displays and others (Lestari, 2020). Purchasing decisions are processes where customers analyze problems for their needs, find solutions, evaluate alternatives and make decisions to determine the product to be purchased. When interest arises a person will have a very strong psychological urge to carry out an activity. In relation to marketing, consumer interest in a product has a major influence on purchasing decisions to be made, therefore purchase intention can be used to predict real buying behavior (Rizwan, 2014).

2.2. Consumer Trust
Consumer trust is the belief that the people they trust will fulfill all their obligations properly and as expected. Belief is a complex multidimensional structure, which differs from different belief stimuli (Venkatesh, 2015). Consumer trust is consumer understanding of an object, its attributes, and benefits. It is not easy to build consumer trust, there are many processes to go through, consumers will believe whether a product or service meets the expectations and needs of consumers, and they will be satisfied with the product. When consumers feel dissatisfied in consuming certain brand products or using certain product brands, then trust in consumers will increase (Minor, 2017).

2.3 *Online Customer Reviews*
Online customer reviews are important for consumers in making online purchases. According to Filieri, online customer reviews are a form of word of mouth communication in online sales, where prospective buyers get information about products from consumers who have benefited from these products. When shopping online, consumers face many choices, on the other hand consumers have little direct information about products because consumers cannot touch or feel products (Farki, 2016). Online customer reviews for today's consumers are not only a consideration option in buying a product, but are also able to describe an expectation of a product.

2.4 *Online Customer Ratings*
Online customer rating is part of the review, but the opinion given by consumers in the form of a specified scale is usually the rating applied by online stores, namely in the form of stars where more stars indicate a better value. Online customer rating is the same thing as a review, but opinions are given by consumers in the form of a specified scale, usually the rating applied by online stores is in the form where more stars show a better value (Wahyudi, 2018).

3. *RESEARCH METHOD*
This research is a quantitative research that emphasizes measurable data through several hypothesis testing, classical assumption testing, analyzing the relationship between variables and

drawing conclusions. The nature of this research is included in correlational research, namely research that has the aim of seeing whether there is a relationship between two or more variables and seeing how big the relationship is between the observed variables. This research was conducted at Fore Coffee Sun Plaza LG Level, Jalan KH. Zainul Arifin Number 7, Upper Madras, Medan Polonia, North Sumatra Province. The time of this research starts from August 2022 to December 2022. In this study, data analysis uses the Partial Least Square (PLS) approach. PLS is a component- or variant-based Structural Equation Modeling (SEM) model.

4. RESULTS AND DISCUSSION

Table 1. Descriptive Statistics

Item No	SS	S	KS	TS
	f	%	f	%
OCRa1	43	31.8	42	31,1
OCRa2	61	45,1	57	42,2
OCRa3	29	21,4	45	33,3
OCRa4	59	43,7	66	48,8

Source:Research results, processed data (2022)

Table 1 explains that the experience gained was as expected, the majority of respondents felt that they had the experience as expected (62.9%), but some stated that they did not agree with this (37.1%). Meanwhile, the average respondent's answers stated that they strongly agree that consumers get the experience as expected. Fore Coffee has a consistent taste in every outlet, the majority of respondents strongly agree that Fore Coffee has a consistent taste in every outlet (87.3%), but some say they disagree with this (12.7%). Meanwhile, the average respondent's answers stated that they strongly agreed that Fore Coffee had a consistent taste in every outlet. the services provided are as I expected, the majority of respondents felt very much in agreement with the services provided (54.7%), but some said they did not agree with this (45.3%). Meanwhile, the average of the respondents' answers stated that they strongly agreed that the services provided were as expected. Fore Coffee products will provide benefits to support daily activities (92.5%), but some say they disagree with this (7.5%). While the respondents' answers stated that they agreed that the Fore Coffee product would provide benefits to support daily activities. Fore Coffee has an attractive design, the majority of respondents agree that Fore Coffee has an attractive design (91.8%), but some say they disagree with this (8.2%). While the respondents' answers stated that Fore Coffee has an attractive design. Fore Coffee provides an online application to buy coffee products, the majority of respondents feel that Fore Coffee provides an online application to buy coffee products (73.2%), but some say they are less loyal to this (26.8%). Meanwhile, the average respondent's answers stated that they strongly agreed that Fore Coffee provides an online application to buy coffee products.

THE INFLUENCE OF ONLINE CUSTOMER REVIEW AND ONLINE CUSTOMER RATING ON PURCHASE DECISIONS THROUGH CONSUMER TRUST IN FORE COFFEE PRODUCTS AT SUN PLAZA MEDAN

Erwin Sahat Mora Pardede, Paham Ginting, Endang Sulistya Rini

Table 2. Path Coefficient

	Original Sample (O)	Sample Means (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Online Customer Review-> Purchase Decision	0.046	0.057	0.102	0.452	0.006
Online Customer Rating -> Purchase Decision	0.828	0.833	0.106	7,828	0.000
Online Customer Review-> Consumer Trust	0.195	0.171	0.207	4,946	0.001
Online Customer Rating-> Consumer Trust	0.505	0.512	0.190	2,652	0.008
Consumer Confidence -> Purchase Decision	0.169	0.165	0.057	2,955	0.003

Source:PLS output (2022)

Table 2 explains thatonline customer review (X1) has a positive effect on purchasing decisions (Y) with a path coefficient value of 0.046 and is significant with a p value of 0.006 <0.05. Online customer rating (X2) has a positive effect on purchasing decisions (Y) with a path coefficient value of 0.828 and is significant with a p value of 0.000 <0.05. Online customer review (X1) has a positive effect on consumer confidence (Z) with a coefficient value of 0.195 and is significant with a p value of 0.001 <0.05. Online customer rating (X2) has a positive effect on consumer confidence (Z) with a coefficient value of 0.505 and is significant with a p value of 0.008 <0.05. Consumer confidence (Z) has a positive effect on purchasing decisions (Y) with a coefficient value of 0.169 and is significant with a p value of 0.003 <0.05.

Table 3. Indirect Effects

	Original sample (O)	sample Mean(M)	StandardDeviation (STDEV)	Q Statistics (|O/STDEV|)	P Values
Online customer review-> Trust-> Purchase Decision	0.033	0.028	0.036	0.929	0.003
Online customer rating-> Trust-> Purchase Decision	0.085	0.086	0.048	1,777	0.007

Source: Processed Data, 2023

Table 3 explains thatonline customer review (X1) indirectly has a positive effect with a path coefficient value of 0.033 and is not significant with a p value of 0.003 on purchasing decisions (Y) through consumer trust (Z). In other words, consumer trust (Z) is able to mediate the relationship between online customer reviews (X1) and purchasing decisions (Y). Online customer rating (X2) indirectly has a positive effect with a path coefficient value of 0.085 and is significant with a p value of 0.007 on purchasing decisions (Y) through trust (Z). In other words, consumer trust (Z) is able to mediate the relationship between online customer ratings (X2) and purchasing decisions (Y).

DISCUSSION

The results of the analysis show that online customer reviews are related to online purchasing decisions because reviews are one of several factors that determine the emergence of online purchasing decisions. With online customer reviews, consumers will consider shopping more at the online marketplace because it will bring up beliefs, attitudes and most importantly the will or interest in buying. Online customer ratings, which are always present on every product sold in the marketplace, are also considered to have an influence on the purchasing decisions of potential new buyers. If the review uses narrative sentences to explain the condition of the product, then the rating is used as a reference for the value of a product. If the value is good, the opportunity for potential consumers to buy the product will be higher, and vice versa. To anticipate a low rating, sellers need to pay attention to service as well as anticipating bad reviews. It is necessary to make strategies so that consumers do not give low ratings such as providing low prices, giving discounts and providing compensation if there are no items ordered so that consumers do not give low ratings.

In an online customer review, promotion should include who, what, when and where business makers can fulfill all people's wishes and not all companies have unlimited funds for promotion purposes, so promotions must be directed to the target market. Online customer reviews are something that can be trusted because online customer reviews are made by consumers who are not seen as trying to manipulate. In addition, consumers provide feedback by providing an honest evaluation of the advantages and disadvantages of a product. Promotion is an activity that communicates the benefits of a product and persuades target consumers to buy the product. One that supports sales success is promotion used by the company to introduce products to the wider community so that awareness of the company's products will increase. When someone is shopping online, the main thing that becomes a buyer's consideration is whether the web or application that provides online sellers on the website can be trusted.

The influence of online customer reviews on trust has a negative effect and the effect of trust on consumer buying interest has a positive effect. Marketing strategy is a marketing mindset that is used to achieve goals. Wherein there is a detailed strategy regarding the target market, positioning, marketing mix and budget for marketing. Consumer trust in buying interest has a significant positive effect, so consumer trust needs to be increased again because consumer trust is still relatively minimal, sometimes consumers don't have interest in buying because of the lack of consumer trust.

5. CONCLUSION

Based on the results of the research above, it can be concluded that online customer reviews have a positive and significant effect on purchasing decisions at Fore Coffee Sun Plaza. Online customer rating has a positive and significant effect on purchasing decisions at Fore Coffee Sun Plaza. Online customer reviews have a positive and significant effect on consumer confidence at Fore Coffee Sun Plaza. Online customer rating has a positive and significant effect on consumer confidence at Fore Coffee Sun Plaza. Consumer trust has a positive and significant effect on purchasing decisions at Fore Coffee Sun Plaza. Online customer reviews have a positive and significant effect on purchasing decisions through consumer trust at Fore Coffee Sun Plaza.

THE INFLUENCE OF ONLINE CUSTOMER REVIEW AND ONLINE CUSTOMER RATING ON PURCHASE DECISIONS THROUGH CONSUMER TRUST IN FORE COFFEE PRODUCTS AT SUN PLAZA MEDAN

Erwin Sahat Mora Pardede, Paham Ginting, Endang Sulistya Rini

REFERENCES

Dang, V.T., Nguyen, N. and Pervan, S. (2020) *'Retailer corporate social responsibility and consumer citizenship behavior: The mediating roles of perceived consumer effectiveness and consumer trust'*, Journal of Retailing and Consumer Services, 55, p. 102082.

Farki, A., Baihaqi, I., Wibawa, B. M. (2016). *Pengaruh Online Customer Review dan Rating Terhadap Kepercayaan dan Minat Pembelian pada Online Marketplace di Indonesia*. Jurnal Teknik ITS, 5(2), 2337-3539.

Fauzi, P. A. (2021). *Pengaruh Online Customer Review Dan Online Customer Rating Terhadap Keputusan Pembelian Online Di E-Commerce Pada Mahasiswa Umsu*. Skripsi.

Ginting, P., Sabrina, N. N., Silalahi, A. S. (2023). *The Effect Of Customer Value, Customer Experience And Customer Trust On Customer Satisfaction (Ace Hardware Medan Customer)*. Jurnal Universitas Darmawangsa, 17(2),718-732.

Lestari, R., Elwisam dan Molina. (2020). *Determinant Citra Merek dan Dampaknya pada Keputusan Pembelian Sabun Mandi*. Jurnal Manajemen Strategi dan Aplikasi Bisnis, 3(2).

Venkatesh, V. 2015. *Determinants of Perceived Ease of Use: Integrating Control, Intrinsic Motivation, and Emotion into the Technology Acceptance Model*. Information Systems Research, 11(4), 342–365.

Wahyudi, T. (2018). *Pengaruh Online Customer Review dan Online Customer Rating terhadap Keputusan Pembelian Remaja Kota Mataram pada Pembelian Produk Fashion Shopee Online Shop*. Surakarta: Universitas Muhammadiyah Surakarta.