# The Influence of Internet Advertising and e-WOM on Perception and Purchase Intention of B2C E-Commerce Costumers in Indonesia

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#### Abstract

This study presents a theoretical link between internet advertising and the practice of electronic word-ofmouth (eWOM) to customer's perception and purchase intention in e-Commerce B2C. A quantitive study was carried out and data were obtained through a systematic questionnaire that distributed to 252 respondents in Indonesia. The SEM (Structural Equation Model) with AMOS program was used to solve the hypotheses developed in this study. The results obtained from this study indicate that internet advertising and EWOM (eWOM) have a positive effect on customer's perceived value and perceived risk of shopping in e-commerce B2C sites. A significant relationship also emerges between internet advertising and eWOM.

Keywords: Internet advertising, Electronic word-of-mouth, Perceived Value, Perceived Risk, Purchase Intention

# Introduction

In this 21st century, technology is an important part of human life. Starting from small things to complicated things done by humans with the help of technology. Therefore, it is undeniable that technology is a vital tool and also very useful in human daily life with more advanced and sophisticated technology, it is then used by many parties as a business opportunity. Today, internet technology has developed rapidly and the industrial revolution 4.0 has begun to be carried out and is rife in Indonesia. Many e-commerce businesses are doing various kinds of online advertising for their products. The changes and also the progress of this technology then transforms online business practices to produce new market space. Increasingly sophisticated technology and incessant producers in utilizing internet technology in line with consumer consumption patterns. Many product transactions are carried out online, producers are starting to aggressively create online stores to increase their market.

e-Commerce is a business activity that is carried out online through various media and platforms that are integrated with the internet. The increasing internet users in Indonesia and the rapid growth of consumption levels of Indonesian people makes e-commerce a mainstream transaction activity among the Indonesian business market. Based on data from *Google research* quoted from the *bisnis.tempo.co*, the value of e-commerce transactions in Indonesia in 2018 is US\$ 12.2 billion and is predicted to increase to US\$ 53 billion in 2025. This fact is evidence of how big is the potential of e-commerce business in Indonesia. With the increasing e-commerce business, the competition to get a high market share is also getting tougher. Therefore e-commerce companies must have an appropriate and effective strategy. One important strategy is promotion. A form of promotion that is carried out directly through information exchange from mouth to mouth is called word of mouth (WOM).

In e-commerce business, word-of-mouth promotion is not carried out through direct conversation but through online reviews on specific forums. This type of promotion through online reviews is called electronic word-of-mouth (eWOM). Electronic word-of-mouth (eWOM) is a form of marketing that is focused on contact between individuals through the internet. EWOM itself is a more "modernized" form of word of mouth, which is a marketing technique

related to the social relations of individuals in an market environment. The parties involved in eWOM generally are not commercially motivated so that the communication is done not in favor of certain parties (bias factor), pure and honest. EWOM can be done through several online platforms such as Twitter, Facebook, Instagram, Pinterest, Foursquare, Blog and others.

From the eWOM, a product advertising activity for internet users indirectly appears, called an internet advertisement. Internet advertising is a way carried out by commercial parties in utilizing the internet to post an advertising and also to propaganda the market, or in other words internet base advertising using digital technology as a production and publication tool (Eighmey and Farnall, 2000). eWOM is a very powerful/efficient marketing technique, this is partly due to many e-commerce users who often share information with others through various platforms. The high intensity of sharing information is one of the psychological habits of the individual's need to connect and be accepted as an individual in the right connection. Although eWOM offers all the advantage and supports the market on the internet, the interaction between individuals who usually doesn't know each other making eWOM a form of marketing that somehow has a low level of credibility. This can be seen in the study of consumers behavior that shows there are concern will affect on their behaviors, intentions and decision making on doing online transactions. In order to know the effect of internet advertising and eWOM on purchase intentions on B2C e-commerce sites, this research was conducted.

# Literature Review

#### **Internet Advertising**

Internet advertising is a marketing strategy that involves the use of the internet as a medium for generating website traffic, targeting and delivering marketing messages through the distribution of information to the right consumers (Emery, 1996). In internet advertising, consumers have control over the distribution of the value of a product. Consumers can choose how, when and what advertisements they want to see. Therefore, consumers can "push" the content on internet advertisements.

The using of the right internet advertising approach can help companies get the attention and interest of online consumers, increase their awareness of certain online products or services and then increase the perceived value of consumers and reduce the risk that they will received. According to signaling theory, IA involves publication through the media that offers signals of profits and expectations to consumers to encourage them to buy the products advertised. Specifically, a seller is involved in sending "signals" of pre-purchase information on the internet advertising process about a product or service to help consumers form an idea about the value and risk they can expect from shopping online.

In a study showed that ads that are done repetitively tend to have more impact on the word-of-mouth process. A market study reports that an offline store environment shows that as much as 22% of word-of-mouth in the United States is stimulated or supported by paid advertising. Thus the relationship between advertising and word-of-mouth is not empirically tested in the online business environment. This adds to the findings of previous researchers by empirically testing the relationship between internet advertising (IA) and electronic word-of-mouth (eWOM). Based on this description, a hypothesis is proposed:

H1: Internet advertising has a significant influence on the consumers perceived value.

H2: Internet advertising has a significant influence on the consumers perceived risk.

H5: Internet advertising has a significant influence on electronic word-of-mouth (eWOM).

#### Electronic Word-of-Mouth (eWOM)

Electronic Word-of-Mouth (eWOM) is a positive/negative statement or comment made by a former/actual buyer about a product or company that is available to many people and institutions via the internet (Henning-Thurau T., Gwinner, Walsh, & Gremler, 2004). In the

customer's decision making process, it is natural that they seek the opinions of others first. Digital technology and the internet have increased opportunities for consumers to access various types of eWOM provided by different people (Choi, Seo, & Yoon, 2017). In general, an eWOM message can be spread by individuals through several different social environments. Someone can spread eWOM messages to other individuals who have strong relationships with them (e.g. family, relatives, etc.) and also an individual can spread eWOM messages to others who have weak relationships with themselves (e g: as acquaintances, distant friends, etc.) In commercial situations, eWOM involves the activity of spreading perceptions, opinions about companies, products or services with others in the online business environment. Information from eWOM is often accepted as reliable and relevant information, therefore eWOM tends to cause empathy from consumers. Although the dissemination of information through eWOM is not as "personal" as information disclosure through face to face, but eWOM can be more influential in shaping consumer perceptions because the scope of information dissemination through eWOM is wolder. Electronic word-of-mouth through social media and the internet is a popular channel for internet advertising where many consumers communicate with one another.

In addition, consumers can ensure the value proposition of a product described by producers by accessing reviews posted by other consumers in the online shopping community, where consumers can find and ask for answers to the uncertainties they have. It also aims to minimize the risks consumers can get when shopping online. According to Breazele (2009), negative electronic word-of-mouth is more powerful than negative word-of-mouth because consumer dissatisfaction perceived by consumers is easier to spread through the internet than word-of-mouth through faceto-face, therefore eWOM have more important role in providing information about the risks contained in a product. Based on this description, a hypothesis is proposed:

H3: Electronic word-of-mouth (eWOM) has a significant effect on the value obtained by consumers (perceived value).

H4: Electronic word-of-mouth (eWOM) has a significant effect on the risk that is obtained by consumers (perceived risk).

#### **Perceived Value**

Perceived value is a global evaluation of consumers regarding the use of products based on perceptions of what consumers get from the exchange of material they provide (Zeithami, 1988). The value received by consumers is an important concept in marketing. The value received by consumers is a multidimensional concept that represents the exchange between the benefits derived from the sacrifice made by consumers in shopping online. The benefits gained by consumers from shopping online are a combination from extrinsic and intrinsic advantages such as efficiency, etc. Value and risk obtained by consumers can affect consumer purchase intentions. In obtaining value, consumers evaluate the advantages and disadvantages that arise when buying a particular product with their subjective perception.

The main priority for all businesses is to create value for consumers and also simultaneously increase value for their business. Perceived value (PV) is a fundamental basis for various e-commerce business activities and is considered important for business success because of the significant impact generated on brand loyalty (Garcia-Fernandez, et al., 2018). PV have been conceptualized as unidimensional and multi-dimensional ideas (Yeh, Wang, & Yieh, 2016). According to Sweeney and Soutar's scale-development study (2001), PV is often conceptualized through several dimensions, such as utilitarian which contains the quality, price, emotional and social value of a product. Thus, PV can be obtained through two broad dimensions, namely; utilitarian and hedonic (Im, Bhat, & Lee, 2015). In the context of products in B2C e-commerce, Kim and Han (2011) argue that utilitarian value has a close relationship with the effectiveness and efficiency resulting from the use of certain products in meeting daily needs, because of this utilitarian values are considered very instrumental in business e-commerce. On the other hand, hedonic values are non-instrumental, experimental and effective values. This value is generated from consumer satisfaction and pleasure obtained when using a certain product (Kim & Han,

2011). Together, both values provide a strong conceptual to be able to see and understand consumer behavior and perceptions.

H6: Perceived value has a significant effect on purchase intentions on e-commerce sites.

#### **Perceived Risk**

Perceived risk (PR) refers to a negative consequence arising from the purchase of a product or service (Karjaluoto, Tolltnen, Pirttinient, & Jayawardhena, 2014). According to Cunningham (1967), perceived risk is a consumer's feelings about a possibility of unpleasant consequences in the decision making process. Components or factors of perceived risk include uncertainty, consequences, security, the amount of risk at stake, the possibility of loss in financial, psychosocial, time, physical, etc. In the context of acceptance of eWOM in e-commerce, risk can affect consumers' confidence in their shopping intentions and behavior. PR can arise when there is uncertainty about product information. This uncertainty will grow when the probability of a product's outcome is unknown (Im, Yongheun, & Han, 2008). One form of risk that is obtained by consumers when shopping online is provide their personal information to other parties online.

Consumers will get risks when they are faced with uncertainty resulting from buying a product online. The possibility of a decrease in purchase intention occurs when consumers see the many risks associated with a product or service. Thakur and Srivastava (2014) say that there are three dimensions to perceived risk (security, privacy and financial risk) that affect online transactions. The negative influence of perceived risk can have an impact on perceived value and consumer purchase intentions. In a survey previously conducted by Chiu et al. (2014) found that the higher level of risk can weaken the impact of utilitarian value on consumers' intention to buy back the same product and strengthen the effect of hedonic values.

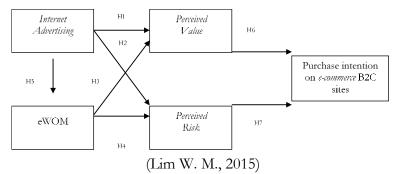
H7: Perceived risk have a significant effect on purchase intentions on e-commerce sites.

#### **Purchase Intention on e-Commerce Sites**

Purchase intention is the desire of consumers to buy certain products that affect several factors, such as; expectations, recommendations, aspirational value. Consumer's purchase intention on ecommerce sites are influenced by information about the products they get. The more information they get, the easier it is for consumers to make decisions in buying a product online. Therefore, online reviews are very important for e-commerce businesses because consumers will usually depend on these reviews before making a decision to buy a product. For example, Levy et al. (2013) found that half of e-commerce consumers use product reviews on a number of different websites before buying a particular product. Therefore, e-commerce businesses that are able to manage eWOM can maximize their income. To improve eWOM, e-commerce businesses can take two approaches, namely reactive and proactive.

In e-commerce, various kinds of consumer requests and reviews are combined in a forum, then in this process a group of online consumers joins and interacts with one another. In this process eWOM becomes an important aspect of behavior on e-commerce sites. From the process of eWOM, consumer confidence will emerge which can influence their decision to buy a product.

#### **Research Framework**



# **Research Method**

### **Operational Definitions of Research Variables**

The variables to be analyzed in this study are internet advertising and electronic word-of-mouth (eWOM) as independent variables. Then perceived value & perceived risk as a mediating variables. And for the dependent variable is the purchase intention on an e-commerce site.

- a) Internet advertising is a marketing strategy that involves the use of the internet as a medium for generating website traffic and targeting and delivering marketing messages through the distribution of information to the right consumers. Indicators on internet advertising include:
  - Trust
  - Information dissemination
  - Understanding
  - Certainty
  - Accuracy of information
- b) Electronic Word-of-Mouth (eWOM) is a positive/negative statement/comment made by a former/actual buyer about a product or company that is available to many people and institutions via the internet. Indicators on eWOM include:
  - Product details
  - Involvement of other consumers
  - Discussion of a product with other consumers
  - Participation in eWOM.
  - Buying decisions based on information obtained.
- c) Perceived Value is a global evaluation of consumers regarding the use of products based on the perception of what consumers get from the exchange of material they provide. Indicators on perceived value include:
  - Value for money
  - Wide choice of products or services
  - Ease of shopping
- d) Perceived risk is consumers' feelings about a possibility of unpleasant consequences in the decision-making process. Components or factors of perceived risk include; uncertainty, consequences, security, the amount of risk that is at stake, the possibility of loss in financial, psychosocial, time, physical etc. Indicators on perceived risk include:
  - Security
  - Protection of personal information
  - Privacy protection
  - Protection of product purchase transactions
  - Product delivery protection
- e) Purchase intention is the desire of consumers to buy certain products that effected by several factors, such as expectations, recommendations and aspirational values. Indicators on purchase intention include:
  - The intention to shop at B2C e-commerce sites in the future
  - Frequently shop at B2C e-commerce sites
  - Loyalty using B2C e-commerce sites
  - Recommendations on B2C e-commerce sites

#### **P**opulations and Samples

Samples were collected using the Non-Probability Sampling technique, by convenience sampling which is calculated based on the available formula. Determination of the number of samples that can represent the results of the study depends on the number of indicators multiplied by 5 to 10 (Hair et al, 1995). Thus the number of samples is  $22 \times 10 = 220$ . But from the results of the

distribution of questionnaires obtained 252 valid respondents. One of the things that can affect the quality of research is the accuracy and number of samples taken (Sekaran, 2003).

#### Data Collection Method

The data used in this research study are primary data. In this research study, researchers collected primary data by distributing questionnaires online on forums and social media using Google forms. Questionnaires distributed to respondents were measured using a Likert scale. This study uses a six-point Likert scale.

# **Result and Discussion**

#### **Profile of Respondents**

In this study, the characteristics of respondents (shown in Table 1 and Table 2) majority were aged 19-25 years with a percentage of 38.6% of the total respondents distributed throughout Indonesia. The majority of respondents came from Yogyakarta with a percentage of 50%. In terms of employment, the majority of respondents work as civil servants and students with a percentage of both at 33.7%.

Age	Frequency	Percentage
< 18	3	1.2
19 - 25	97	38,6
26 - 35	55	21,8
36 - 45	47	18,7
>45	50	19,8
Total	252	100

Table 1. Respondents Ag	ge
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Source: Primary Data, 2019

Employment	Frequency	Percentage
Stay-at-home mom	9	3,6
Civil Servants	85	33,7
Private Employees	37	14,7
Students	85	33,7
Entrepreneur	17	6,7
Others	25	9,9
Total	252	100,0

Table 2. Respondents Employment

Source: Primary Data, 2019

#### Analysis of Respondents' Perception

The results of perception analysis on each variable have different values where this value indicates the average of respondents' perceptions.

N.	Indicator	Average	Description
Inte	rnet Advertising	4,40	Agree
1.	Information dissemination	4,46	Agree
2.	Understanding	4,58	Agree
3.	Certainty	4,25	Agree
4.	Accuracy of information	4,40	Agree
5.	Trust	4,17	Agree

Table 3. Respondents' perception on Internet Advertising

Source: Primary Data, 2019

Based on the data in Table 3, it appears that the average respondent agrees to internet advertising, this means that respondents understand the importance of internet advertising. Likewise, respondents' perceptions of eWOM, as shown in Table 4, show that the average respondent agreed with the role of eWOM.

Ν	Indicator	Average	Description
Elec	tronic Word-of-Mouth (eWOM)	4,34	Agree
1.	Product details	5	Very Agree
2.	Involvement of other customers	4,10	Agree
3.	Discussion of product with other customers	4,10	Agree
4.	Participation in eWOM	3,83	Disagree
5.	Purchase decision based on information obtained	4,69	Agree

Table 4. Respondents' perception on eWOM

Source: Primary Data, 2019

As for perceived value and perceive risk, the average respondent agreed with the perceived value when shopping through B2C e-commerce (Table 5). On the other hand respondents also consider the existence of perceveid risk (Table 6).

	Table 5. Respondents'	perception o	n Perceived Value	
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Ν	Indicator	Average	Description
Perce	eived Value (PV)	4,83	Agree
1.	Value for money	4,57	Agree
2.	Wide choice of products or services	4,92	Slightly Agree
3.	Ease of shopping	5	Very Agree
0	D . 0010		

Source: Primary Data, 2019

Table 6. Respondents'	perception of	on Perceived Risk
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Ν	Indicator	Average	Description
Perc	eived Risk( PR)	4,54	Agree
1.	Security	4,51	Agree
2.	Protection of personal information	4,48	Agree
3.	Privacy protection	4,58	Agree
4.	Protection of product purchase transactions	4,65	Agree
5.	Product delivery protection	4,66	Agree

Source: Primary Data, 2019

Table 7. Persepsi Respondents	s' perception on Purchase intention e-commerce B2C
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Ν	Indicator	Average	Description
purc	hase intention on <i>e-commerce</i> B2C sites (PI)	4,44	Agree
1.	The intention to shop at B2C e-commerce sites in the future	4,66	Agree
2.	Frequently shop at B2C e-commerce sites	4,21	Agree
3.	Loyalty using B2C e-commerce sites	4,39	Agree
4.	Recommendations on B2C e-commerce sites	4,49	Agree

Source: Primary Data, 2019

Based on data Table 7 shows that respondents have positive intentions in shopping through B2C e-commerce sites.

#### Validity and Reliability Test of the Data

Test of the data in this study include the test of validity and reliability, using as many as 252 respondents. The results of the validity test show that all items of variables get r count values greater than r tables, this means that all data are valid, as well as the Cronbach's alpha values indicate values greater than 0.7, then all items are reliable (Ghozali, 2014). Therefore, all sample data can be further analyzed. The results of validity and reliability are shown in Tables 8a and 8b.

Item	<b>R-Table</b>	<b>R-Count</b>	Description
Internet Adve	rtising (IA)		-
IA1	0,334	1	Valid
IA2	0,334	0,750	Valid
IA3	O,334	0,493	Valid
IA4	0,334	0,549	Valid
IA5	0,334	0,450	Valid
Electronic Wo	ord-of-Mouth (eWON	(Iv	
EWOM1	0,334	1	Valid
EWOM2	0,334	0,485	Valid
EWOM3	0,334	0,451	Valid
EWOM4	0,334	0,460	Valid
EWOM5	0,334	0,357	Valid
Purchase Vali	ie (PV)		
PV1	0,334	1	Valid
PV2	0,334	0,604	Valid
PV3	0,334	0,647	Valid
Purchase Risk	e (PR)		
PR1	0,334	1	Valid
PR2	0,334	0,861	Valid
PR3	0,334	0,793	Valid
PR4	0,334	0,779	Valid
PR5	0,334	0,634	Valid
<b>Purchase Inte</b>	ntion on B2C e-Con	nmerce (PI)	
PI1	0,334	1	Valid
PI2	0,334	0,592	Valid
PI3	0,334	0,682	Valid
PI4	0,334	0,612	Valid

Table 8a. Result Of Validity Test

Source: Primary Data, 2019

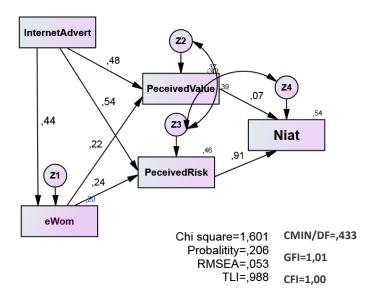
#### Table 8b. Reliability Test

Variable	Number of Item	Cronbach's Alpha	Deskripsi
Internet Advertising (IA)	5	0,804	Reliable
Electronic Word-of-Mouth (eWOM)	5	0,792	Reliable
Perceived Value (PV)	3	0,856	Reliable
Perceived Risk (PR)	5	0,825	Reliable
Purchase Intention on B2C e-Commerce sites (PI)	4	0,832	Reliable

Source: Primary Data, 2019

#### Model Fit Test

Model fit test aims to test the suitability of the hypothesis based on theory with research data based on sample data. The illustration of model testing is shown in Table 9.



Picture 2. Model Fit Framework

Parameter	Value	Standard Value	Description
2	1,601	>0,05	Good
RMSEA	0,53	<0,05	Good/Medium
TLI	0,988	<u>&gt;</u> 0,90	Good
GFI	1,01	>0,95	Good
CFI	1,00	<u>&gt;</u> 0,95	Good
CMIN/DF	0,433	<2	Good
Probability	0,206	<u>≥</u> 0,05	Good

Source: Primary Data, 2019

Based on the estimation of the suitability of the model shown in Table 9, the values of all parameters are stated as good, so the output of the model can be used as a hypothesis test.

# **Hypothesis Testing**

Hypothesis testing is done to bring up the answers to the research hypothesis. The hypothesized data analyzed can be seen from the standardized regression weight which shows the influence coefficient between variables, as shown in Table 10.

Regression Path	Coefficient Regression (CR)	Standard Error (SE)	Probabilitas (P)	Hipotesis
IA→PV	0,289	0,037	0,000	Supported
IA→PR	0,637	0,064	0,000	Supported
$eWOM \rightarrow PV$	0,138	0,038	0,000	Supported
$EWOM \rightarrow PR$	0,293	0,063	0,047	Supported
IA→EWOM	0,433	0,060	0,000	Supported
PV →PI	0,105	0,133	0,078	Supported
PR→PI	0,654	0,092	0,430	Not Supported

Source: Primary Data, 2019

#### Correlation of Internet Advertising to Perceived Value

Estimated value of C.R is 0.289, this shows that the relationship between internet advertising and perceived value is positive, which also indicates that there is a significant relationship between internet advertising and perceived risk. When information distributed through internet advertising becomes clearer and in accordance with the description of the product offered, it can increase the value that will be obtained by consumers (perceived value). Correlation testing between the two variables shows a probability value of 0,000 (<0.05), which means H1 is supported and can be stated to have a direct influence on the correlation between internet advertising and perceived value.

### Correlation of Internet Advertising to Perceived Risk

From Table 10, shows an estimated C.R of 0.637, this shows that the correlation between internet advertising and perceived risk is positive. The existence of a positive relationship between the two variables indicates that if the information distributed through internet advertising is not clear and does not fit the description of the product offered, it can increase the risk that will be obtained by consumers (perceived risk). Correlation testing between the two variables shows the probability value of 0,000 (<0.05), which means H2 is supported and can be stated to have a direct influence on the correlation between internet advertising and perceived risk.

#### Correlation of eWOM to Perceived Value

The correlation between eWOM and perceived value is positive because it has an estimated value of C.R of 0.138. This indicates that the better the information distributed through eWOM, the better the value that will be obtained by consumers (perceived value). Correlation testing between the two variables shows the probability value of 0,000 (<0.05), which means that H3 is supported and can be stated to have a direct influence on the correlation between eWOM and perceived value.

#### Correlation of eWOM to Perceived Risk

Estimated value of C.R is 0.293, this shows that the correlation between eWOM and positive perceived risk. Correlation testing between the two variables shows a probability value of 0,000 (<0.05), which means that H4 is supported and can be stated to have a direct influence on the correlation between eWOM and perceived risk.

#### Correlation of Internet Advertising to eWOM

Estimated value of C.R is 0.433, this shows that the correlation between internet advertising to eWOM is positive. This indicates that the better internet advertising conducted by the company, the better the eWOM practices carried out by consumers in online forums (such as: positive online reviews). Correlation testing between the two variables shows the probability value of 0,000 (<0.05), which means that H5 is supported and can be stated to have a direct influence on the correlation between internet advertising and eWOM.

#### **Correlation of Perceived Value to Purchase Intention**

Based on Table 10, the correlation between perceived value and purchase intentions on B2C ecommerce sites is positive. That is because the estimated value of C.R on the correlation between the two variables is 0.105. This means that the greater the value obtained by consumers when shopping at B2C e-commerce sites, it can affect their intention to shop at these sites. Correlation testing between the two variables shows the probability value of 0,000 (<0.05), which means that H6 is supported and can be stated to have a direct influence on the correlation between perceived value and shopping intentions on B2C e-commerce sites.

#### Correlation of Perceived Risk to Purchase Intention

Estimated value of C.R is 0.654, this shows that the correlation of perceived risk to shopping intentions on B2C e-commerce sites is positive. This indicates that there is a significant relationship between perceived risk and shopping intentions on B2C e-commerce sites. However, based on correlation testing between the two variables shows a probability value of 0.430 (> 0.05), which means that H7 is not supported and cannot be stated to have a direct effect on the relationship between perceived value and shopping intentions on B2C e-commerce sites.

# Conclusion

The results showed that internet advertising and eWOM had a positive effect on consumer perception (which can produce both perceived value and perceived risk) when shopping at B2C e-commerce sites. Consumer satisfaction which obtained from achieved expectation value is expected to affect the way consumers deliver messages when doing electronic word-of-mouth (eWOM). Expectations of product value come from information disseminated by marketers through internet advertising. When information about products delivered through internet advertising is clear, reliable and can represent the true value of the product or service offered, the risk obtained by consumers (perceived value) can affect their purchase intentions on B2C e-commerce sites. However, in this study it was also found that the risk obtained by consumers (perceived value) can affect their shopping intentions on e-commerce sites B2C commerce, this contrasts with research by Lim WM (2015).

Differences in the results of these studies can be caused by differences in the research countries conducted, each country has a different culture, behavior and lifestyle. There is a probability that this factor can be the main reason why this researcher has a slightly different result from the research of Lim W.M (2015).

#### Suggestion

There are a number of suggestions that B2C e-commerce companies can implement. B2C ecommerce companies need to be involved in internet advertising to provide consumers with more information about the products and services offered. Information created by sellers must have target to improve consumer understanding of products or services and provide answers to uncertainties that consumers have. In addition, B2C e-commerce sites need to position their internet advertisement as best they can in the right market segment because consumers tend to view internet advertising as a professional and reliable source of information.

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