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Antecedents of Online Experience on E-Commerce Platform in Indonesia

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Abstract. The developments of online technology in Indonesia had transformed how businesses approach Indonesian customers, leading to the rise of e-commerce. This research was conducted by distributing questionnaires to 196 respondents who are a leading e-commerce platform in Indonesia. ⁶Multiple regression analysis had been used to test the hypotheses. The study found that perceived usability, perceived enjoyment, and online social interaction had a significant positive effect on the online experience. This study helps online shopping platforms to understand the opportunity to enhance the online experience of their customers.

Keywords: perceived usability, perceived enjoyment, online social interaction, online experience

Abstrak. Perkembangan teknologi *online* di Indonesia telah mengubah cara bisnis dalam memikat pelanggan, yang mengarah pada lahirnya *e-commerce*. Penelitian ini dilakukan dengan mendistribusikan angket penelitian kepada 196 responden dari salah satu *platform e-commerce* terkemuka di Indonesia. Analisis regresi berganda digunakan untuk menguji hipotesis penelitian. Hasil penelitian ini menunjukkan bahwa *perceived usability*, *perceived enjoyment*, dan *online social interaction* memiliki pengaruh positif terhadap *online*

experience. Hasil penelitian ini membantu *platform online shopping* untuk memahami kesempatan dalam meningkatkan pengalaman berbelanja *online* bagi para pelanggan.

Keywords: perceived usability, perceived enjoyment, online social interaction, online experience

Introduction

The development of online technology in the business world has changed many existing patterns that have been established for years. The development of web 2.0 have enabled companies to socially interact with their customer, it also helps customer to interact with each other on a large scale. It leads to the rise of e-commerce platforms that enable the business owner to control not only logistic but also financial traffic. Every business entity needs to adapt to this change as this monopolistic pattern might become a threat. On the other hand, it provides an easier and faster platform for both merchants and customers. However, it is important to note that only humans can make another human feel valued while the computer cannot (Bilgihan *et al.*, 2016). Thus, the online experience felt by customers plays an important role in the success of an e-commerce or online shopping platform.

The online experience is the online shopping experience that is enjoyable, safe, easy, and with the quality associated with the service of the e-commerce platform (Rose *et al.*, 2012). The online experience of the customer includes every point of contact such as social media, website, and other applications that the customers use to interact with the company, therefore, the contemporary social web or online social network has provided the opportunity to gain access to a variety of customer perspectives and ideas for companies to drive innovation (Nambisan & Watt, 2011). From the customer's perspective, things that can make customers

comfortable in an e-commerce platform are a good reputation, good service quality or customer service, and an easy return policy.

One of the factors that can influence online experience is perceived usability. Perceived usability refers to customers' perception of how technology can assist the service performance of the business (Alcántara-Pilar *et al.*, 2018). In e-commerce, perceived usability relates to how the functional feature of the technology is easily used by customers (Chung *et al.*, 2015). The ability of the platform to help customers to obtain products that are more desirable based on information such as product variations will shape the customer's perception of its usefulness (Bilgihan *et al.*, 2016). Customers who receive the benefit that exceeds their expectations during the transactional activities will have a good online experience (Minge & Thüring, 2018).

Another factor that can influence online experience is perceived enjoyment. Perceived enjoyment is defined as subjective perception regarding comfort, enjoyment, and happiness to learn and use an online site (Suki & Suki, 2007). Platforms with quality and design that make the customer feel enjoyment can contribute to making the customer return to the platform (Nambisan & Watt, 2011). The online experience is influenced by the emotional relationship between e-commerce as the provider with customers where the psychological impact provided is in the form of enjoyment of accessing various conveniences (García *et al.*, 2018) and enjoyment in experiencing online activities (Nambisan & Watt, 2011).

The online experience can also be affected by online social interaction. Online social interaction is a tool for the customer to interact with other customers, groups, or companies (Elmashhara & Soares, 2019). Various things can be used to improve online social interaction such as using images in communication or service and providing customer care programs to make sure that customers can enjoy their online shopping experience (Klaus, 2013). Online social interaction can improve the online experience as it allows the customer to get

information from other customers' opinions that help them to make their choice (Xia *et al.*, 2018).

Literature Review and Hypothesis Development

Previous research from Alcántara-Pilar *et al.* (2018) highlighted the importance of perceived usability towards the online experience. According to research by Bilgihan *et al.* (2016) which is also supported by Suki and Suki (2007), perceived enjoyment is also an antecedent of online experience. Bilgihan *et al.* (2016) also found that online social interaction has a positive influence on the online experience, Xia *et al.* (2018) also found similar results. However, other researchers have found conflicting results. Jaiswal and Singh found that website usability and customer awareness through online interaction did not have a significant impact on satisfying online shopping experiences (Jaiswal & Singh, 2020). Gao *et al.* (2020) found that perceived enjoyment does not have a significant influence on satisfying experiences. Meanwhile, Elmashhara and Soares (2019) found that online social interaction is not enough to attract customers with an online experience. This research gap means more research needs to be conducted to study antecedents of online experience, especially as there is a lack of research about e-commerce or online shopping platform in Indonesia.

The extent to which perceived usability, perceived enjoyment, and online social interaction can influence online experience at an e-commerce platform in Indonesia are the questions analyzed in this study.

This research aims to provide a better understanding of antecedents that can influence the online experience. This research attempted to analyze three factors that can improve the online experience, namely perceived usability, perceived enjoyment, and online social

interaction. This research attempted to study the influence of those three factors toward online experience at one of the leading e-commerce platforms in Indonesia.

Website feature which enables the customer to do shopping activities easily can influence the shopping experience (Rose *et al.*, 2012). According to Xia *et al.* (2018), the impact of transactional activity relates to the usability of the application or website, if the benefit of using the application or website satisfies their expectation, the customer will get a good online experience. Alcántara-Pilar *et al.* (2018) found that this perceived usability has a positive influence on the online experience. However, Jaiswal and Singh found that perceived website usability did not significantly lead to satisfying customers' online experience (Jaiswal & Singh, 2020).

H₁: Perceived usability positively influence the online experience

Shopping enjoyment felt after experiencing shopping that is above expectation will lead to a better online experience shown in customers' comments (Xia *et al.*, 2018). A study by Bilgihan *et al.* (2016) found that online shopping enjoyment results in a good online experience which leads the customers to recommend the website to other customers. Suki and Suki (2007) explained that enjoyment is one of the experiences that are usually shared with other customers. However, another study by Giao *et al.* (2020) shows that perceived enjoyment does not significantly influence the online experience.

H₂: Perceived enjoyment positively influence the online experience

Online social interaction such as in the comment section and review section can influence customers' experience in shopping (Elmashhara & Soares, 2019). Other information such as product details and variations create customers' perceptions that are related to their online

experience (Xia *et al.*, 2018). In the study conducted by Bilgihan *et al.* (2016), an online store that provides better online social interaction by being interactive and providing necessary information leads to a better online experience. Contrary to this, Elmashhara and Soares (2019) found that online social interaction is not enough to influence the online experience in online shopping platforms. Jaiswal and Singh also found that customer awareness or online interaction did not lead to a better online experience (Jaiswal & Singh, 2020).

H₃: Online social interaction positively influence the online experience

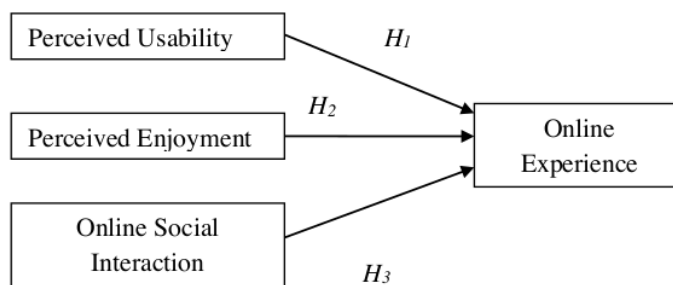


Figure 1. Research Model

Research Methods

This study is a quantitative research that uses statistical numbers in processing and collecting data with primary and secondary data, this quantitative research uses an explanative method with a causal relationship. The sample used in this study is the customer of e-commerce, moreover, the respondent must be above 17 years old and have used the e-commerce twice in the last three months. Purposive sampling with a questionnaire was used to collect data in this study with the total number of the sample taken being 196. The data was analyzed using SPSS Multiple Linear Regression Analysis.

The indicator to measure perceived usability is adapted from the research of Alcántara-Pilar *et al.* (2018). The indicator to measure perceived enjoyment is adapted from the research

of Suki and Suki (2007). The indicator to measure online social interaction is adapted from the research of Elmashhara and Soares (2019). The indicator to measure online experience is adapted from the research of Xia *et al.* (2018). All indicators were measured with a Likert scale ranging from 1 to 5.

Findings

The result from 196 respondents consists of 116 males and 80 females. Based on their age, 128 respondents were between 17 to 27 years old, 38 were between 28 to 37 years old and 13 were between 38 to 47 years old, while 17 were above 48 years old or above. 105 respondents had undergraduate education; another 89 only had senior high school education, while junior high school and elementary school education had 1 respondent each. Based on their job, 20 were housewives, 94 were students, 47 were employees, and 35 were an entrepreneur. Based on monthly expenditure, 122 respondents spend less than 5 million, 44 spend between 5 to 10 million, 24 spend between 10 to 15 million, and 6 spend more than 15 million. 66 respondents had been using e-commerce for less than a year, 58 had been using between 1 to 2 years, 46 had been using between 2 to 3 years, and 26 had been using for more than 3 years. Based on the frequency of using e-commerce, 174 respondents use less than 5 times per month, 15 between 5 to 10 times, 5 between 10 to 15 times, and 2 more than 15 times. Only 4 respondents exclusively use this e-commerce while the remaining 192 respondents also use other online shopping platforms.

The validity testing was done using the Pearson Correlation test, the result shows that all indicators are valid. The reliability test using Cronbach's alpha shows that all variables are reliable. Kolmogorov-Smirnov test shows that the data in the regression model is normally distributed. The multicollinearity test shows that the variance inflation factor (VIF) is below 10 and the tolerance is above 0.1, therefore, multicollinearity does not occur in the regression

model. The heteroscedasticity test shows that heteroscedasticity does not occur in the regression model. The feasibility test result shows that the regression model is feasible with a significance level below 0.05. Table 1 shows that ³ adjusted *R-Square* is 0.578, which means that the three independent variables (perceived usability, perceived enjoyment, and online social interaction) can explain 57.8% of the dependent variable (online experience), meanwhile, the remaining 42.2% is explained by variables not observed in the model.

Table 1. R-Square Result

Mode	³ <i>R</i>	<i>R</i>	<i>Adjusted R</i>	<i>Std. Error of the Estimate</i>
1	0.76	0.584	0.578	0.311380

Source: Processing data with SPSS

The multiple regression analysis results shown in Table 2 reveal that all independent variables significantly influence the dependent variable. The result of the first hypothesis testing shows that the significance level is 0.00 below alpha 0.05 which means perceived usability significantly influences online experience. The influence direction is positive with the coefficient of 0.215, which means that the first hypothesis is accepted, a point increase in perceived usability will increase the online experience by 0.215 points. The result of the second hypothesis testing shows that the significance level is 0.00 below alpha 0.05 which means perceived enjoyment significantly influences online experience. The influence direction is positive with the coefficient of 0.375, which means that the second hypothesis is accepted, a point increase in perceived enjoyment will increase online experience by 0.375 points. The result of the third hypothesis testing shows that the significance level is 0.00 below *alpha* 0.05 which means online social interaction significantly influences online experience. The influence direction is positive with the coefficient of 0.212, which means that the third hypothesis is accepted, a point increase in online social interaction will increase online experience by 0.212 points.

Table 2. Multiple Linear Regression Result

Model	Regression Coefficient	<i>t</i> _{count}	Sig
(Constant)	0.833	4.186	0.00
Perceived Usability	0.215	3.564	0.00
Perceived Enjoyment	0.375	6.834	0.00
Online Social Interaction	0.212	4.198	0.00
<i>F</i> count	89.862		

Source: Processing data with SPSS

The result shows that perceived usability positively influences the online experience. This result supports the finding of Bilgihan *et al.* (2016), Alcántara-Pilar *et al.* (2018), and Xia *et al.* (2018). Perceived usability as a benefit of online shopping has an impact on the experience felt by customers in shopping, therefore, encouraging customers to comment on the results of a happy or pleasant experience doing shopping activities (Bilgihan *et al.*, 2016). Activities using the website are a form of appreciation for convenience. The ease of use in shopping can affect the shopping experience provided (Alcántara-Pilar *et al.*, 2018). The impact of transactional activities faced by customers is also related to the benefits of using the application or website which results or benefits that exceed expectations, the online experience is achieved (Xia *et al.*, 2018). The importance of perceived usability means that online shopping platform needs to design their website or application to be as easily used as possible, such as improving search function or filter function.

The result shows that perceived enjoyment positively influences the online experience. This result supports the finding of Bilgihan *et al.* (2016), Suki and Suki (2007), No and Kim (2013). Various things can be felt as a value-added or enjoyment by customers such as product and service offered, characteristics, images in communication, service, customer care programs, and others that make consumers feel a different experience (No & Kim, 2013).

Bilgihan *et al.* (2016) explained that from the result of the study, the feeling of pleasure and enjoyment when shopping online has an impact on the experience comments given both in the form of recommendations and so on. The form of perceived enjoyment is a form of information from customers to other online users that the experience is successfully obtained (Bilgihan *et al.*, 2016). Xia *et al.* (2018) explain that pleasure or enjoyment is a form of experience that is reasonable to share in the form of comments in the hope that online buyers feel the same way. No and Kim (2013) illustrates that in running a business, the best marketing strategy is the perception of expressions of pleasure and enjoyment felt by customers in shopping to attract other buyers to make the same online transactions. Online shopping platforms need to emphasize their service and event to make sure that customers can enjoy the shopping process.

The result shows that online social interaction positively influences the online experience. This result supports the finding of ⁴ Bilgihan *et al.* (2016) and Xia *et al.* (2018). Bilgihan *et al.* (2016) stated that online stores make it easy to interact in shopping (online social interaction) which affects customers to feel comfortable because the online experience is interactive by providing various kinds of information they need about products and others. Xia *et al.* (2018) stated that the application of the online shop to obtain products that are more desirable based on information obtained in various sites visited and the search for the desired product while searching for information online, such as product variations are also considered to form customer perceptions capable of influencing the online experience. The importance of online social interaction means online shopping platforms need to better facilitate interaction between customers to customers and between customers to traders.

Conclusion

Perceived usability has a significant positive effect on the online experience of e-commerce customers. The higher the perceived usability provided the e-commerce, the higher the online experience. Perceived enjoyment has a significant positive effect on the online experience of e-commerce customers. The higher the perceived enjoyment provided by e-commerce, the higher the online experience. Online social interaction has a significant positive effect on the online experience of e-commerce customers. The higher the online social interaction provided by e-commerce, the higher the online experience will be. These findings suggest that perceived usability, perceived enjoyment, and online social interaction are important factors that need to be addressed by e-commerce platforms in Indonesia. Perceived usability, perceived enjoyment, and online social interaction are crucial factors for e-commerce's managerial and IT strategies.

The model in this study is only limited to three independent variables that are not able to fully explain the online experience, therefore, future research can use other variables that might also affect the online experience. This study also did not take into account the possibility of mediation which might influence the relationship between variables, future studies need to consider this. Future research should also consider other factors such as demographics, knowledge, etc.

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