Analysis of Viral Marketing and Customer Experience Influence on Purchasing Decisions through E-Commerce Shopee

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Abstract: This research is motivated by the aim to test and analyse viral marketing and customer experience on purchasing decisions through Shopee e-commerce. This research uses quantitative approach with multiple linear analysis using SPSS 25 software. Data collection is collected by distributing Google Form questionnaire links to a sample of 150 people who are Shopee users in Batam. The results showed that there was an effect of viral marketing and customer experience both partially and simulatively on purchasing decisions through Shopee e-commerce. In this study, the calculation of the coefficient of determination obtained by 0.654. This means that 65.4% of purchasing decisions can be explained by viral marketing and customer experience, while the rest is explained by other variables.

1 INTRODUCTION

World Stats Internet Data (2018), shows internet users worldwide until 2018 reached 4,312,982,270 people. Data from the Indonesian Internet Service Providers Association shows that people who use the internet amounted to 143.26 million in 2017 and experienced an increase from the previous year.

The development of information and communication technology is driving the growth of e-commerce in Indonesia. This has become a convenience for consumers to shop and save energy and time, with this efficiency online shopping is increasingly in demand by the public. In line with the growth of internet users in Indonesia, statistics obtained from Kata Data (2018) of digital buyers in Indonesia are predicted to increase to 43.9 million buyers with a penetration of 15.7% of the total population in 2022. In addition, retail sales e-commerce in Indonesia also has the largest number of sales in Southeast Asia. This indicates a shift in the behaviour of consumers today who like to shop online.

Online shopping is a purchasing and selling activity that uses information and communication technology in every transaction made. Chang et al (2016) defines marketing activities through internet media as online shopping. Besides being used as a medium for sales and purchases, through online media shopping that can also be used as a means of activities to carry out promotions.

Competition among e-commerce platforms in Indonesia is getting tougher, one of which is due to the increasingly technological literacy of society. In business competition, there are certainly those who are superior compared to other competitors such as the results of a survey from Daily Social (2018) to find out e-commerce services carried out by taking 2,026 respondents in Indonesia, the results of which many respondents use Shopee e-commerce services as much as 33.63 %. Followed by Blibli 2.15%, Lazada 14.30%, Bukalapak 17.50%, Tokopedia 28.11%, and other e-commerce 4.31%. This shows Shopee as the most popular e-commerce in Indonesia. This is inseparable from the marketing strategy that makes Shopee the most widely used e-commerce amid competition with other e-commerce.

Shopee uses viral marketing strategies including advertisements using Jokowi's wording "Where's the bicycle?" This ad appears after the characteristic of Mr. Jokowi who likes to distribute bicycles so that the advertisements delivered can be accepted by consumers. This ad won in the 2017 Bright Awards Indonesia Most Impressive Advertising category. Then there is free shipping which is an attraction for Shopee to increase sales. Price is also a part that is considered by Shopee. Shopee branding with "Cheapest Price Guarantee, 2x Foldable Money Back", so through this promotion Shopee users do not think long about purchasing the desired product through this e-commerce.

Based on a survey conducted by MarkPlus, Inc. throughout October 2018 Shopee branding variants that successfully stuck in the minds of consumers include the Shopping Festival, Shopee Shake, to the Money Storm. In addition, Shopee also made Blackpink as a brand ambassador who made a scene of K-Pop in Indonesia, especially Blackpink fans. Within a week after Shoppe launched the jingle of the Blackpink song, the jingle was watched more than 11 million times on Shopee Indonesia's official YouTube channel.

The increasingly dynamic competition between e-commerce requires companies to continue to compete in the business world which requires innovative and creative marketing strategies. The intended marketing strategy is a viral marketing strategy.

Situmorang (2010) defines viral in viral marketing to describe the spread of messages or invitations like a virus whose spread is fast and widespread. However, this marketing strategy cannot be compared to software that is damaged by computer viruses. Instead, an effort to promote word of mouth that utilizes the power of news through internet media. Distribution via the internet can be done in the online world such as YouTube, Facebook, Twitter, Yahoo, or Instagram.

Viral marketing strategy is similar to the word of mouth (WOM) marketing strategy. However, viral marketing requires media distribution via the internet, while word of mouth (WOM) does not require media distribution through the internet. Sernovitz (2012) defines word of mouth (WOM) as an activity that makes people have a reason to want to talk about a product or something that is consumed.

In addition to viral marketing, customer experience is used as a strategy to influence customers in making purchasing decisions. Customer experience is a form of interaction that causes a reaction between a company, product or part of an organization with customers (Pramudita & Japarianto, 2013). This interaction is the driving force in communication from one person to another. Thus, a good rating will be obtained and very profitable for the company if word of mouth communication has good value. Conversely, a bad assessment of the company will be obtained if word of mouth communication is not good, of course this will be very detrimental to the company. To be able to provide positive experiences to consumers, the company must be able to know and fulfill all the hopes, desires and needs of its customers.

According to Kartajaya (2006) because of technological developments, customers not only need products or services that have high quality, but also positive experiences that are emotionally touching and easy to remember. The experience felt by the customer provides a special memory or memories for him. In addition, this good experience will also benefit the company because potential customers become interested in participating in the service or buy products that are told by customers who already have good experience of these services or products.

According to Schmitt (1999) the features and advantages of the products used are the focus of traditional marketing concepts. However, at present this is not appropriate because consumers are no longer considered to be rational decision makers in deciding on purchases based on logic alone. Instead, consumers also act as rational and emotional individuals in the purchasing process through pleasant experiences that are felt by others.

From viral marketing and customer experience marketing strategies, these strategies influence consumers to make purchasing decisions. Purchasing decision is a decision-making process towards the available alternatives of a product offered to further lead to the purchasing process (Tjiptono, 2014).

2 RESEARCH METHOD

The population in this study is Shopee users in Batam City and the number is unknown. Sampling using purposive sampling and determination of the amount using quota sampling. Quota sampling is a technique for determining samples with certain characteristics to the desired amount (Sugiyono, 2014). So, in this study the samples studied were 150 people who are Shopee users who are aged 18 years and over and have made at least 2 purchases through Shopee e-commerce in Batam City.

This research uses a quantitative approach using multiple linear analysis. Multiple linear analysis is an analysis used to prove the presence or absence of a causal relationship between two independent variables with the dependent variable (Sugiyono, 2017).

3 RESULT AND DISCUSSION

3.1 Instrument Test

3.1.1 Validity Test

According to Sugiyono (2014) the question items are declared valid at a significant level of 95% or $\alpha = 5\%$ if the question items count > standard = 0,30.

Table 1: Validity test results.

Variable	Question	r calculates	r standards	Remark
Viral Marketing (X1)	viral_marketing1	0,649	0,30	Valid
	viral_marketing2	0,783		Valid
	viral_marketing3	0,791		Valid
	viral_marketing4	0,832		Valid
	viral_marketing5	0,760		Valid
	viral_marketing6	0,758		Valid
Customer Experience (X2)	customer_experience1	0,746	0,30	Valid
	customer_experience2	0,730		Valid
	customer_experience3	0,749		Valid
	customer_experience4	0,762		Valid
	customer_experience5	0,725		Valid
	customer_experience6	0,836		Valid
Purchasing Decision (Y)	keputusan_pembelian1	0,751	0,30	Valid
	keputusan_pembelian2	0,777		Valid
	keputusan_pembelian3	0,863		Valid
	keputusan_pembelian4	0,885		Valid
	keputusan_pembelian5	0,896		Valid
	keputusan_pembelian6	0,854		Valid

Based on table 1 it is known that each question item has a calculated value greater than the standard, this shows that the question items of each variable used are valid as a measurement tool for the variables in this study.

3.1.2 Reliability Test

Reliability test is a tool to measure the reliability of the questionnaire (Ghozali, 2018). If the respondent's answer is consistent, then the questionnaire is declared reliable if Cronbach Alpha has a value > 0,7 (Ghozali, 2018).

Table 2: Reliability test results.

Variable	Total Question	Cronbach Alpha	Cut of Cronbach Alpha	Remark
Viral marketing (X1)	6	0,855	0,70	Reliabel
Customer experience (X2)	6	0,851	0,70	Reliabel
Purchasing Decisson (Y)	6	0,915	0,70	Reliabel

Based on table 2 it is known that each variable has a Cronbach alpha value greater than 0.70. This shows that the three question instruments in this study were declared reliable.

3.2 Classic Assumption Test

3.2.1 Multicollinearity Test

Multicollinearity test has the objective to find out whether there is a correlation between regression in the independent variables or not (Ghozali, 2018). Regression model is declared free from multicollinearity if it has a variance inflation factor value < 10 and tolerance value >0,10.

Table 3: Multicollinearity test results.

Independent Variable	VIF Value	Tolerance Value
viral_marketing	1,614	0,620
customer_experience	1,614	0,620

Based on Table 3 note that each variable free to have VIF < 10 and the value of tolerance > 0,10, it indicates that there is no multicollinearity between independent variables in the regression model.

3.2.2 Normality Test

Normality test aims to find out whether there are residual variables in the regression model that have a normal distribution in the regression model (Ghozali, 2018).

Table 4: Normality test results.

	Skewness	Zskewness	Kurtosis	Zkurtosis	Ztable
X1	0,207	1,035	-1,170	-2,925	1,96
X2	0,273	1,365	-0,880	-2,200	1,96
Y	0,058	0,290	-0,786	-1,965	1,96

Based on table 4 it is known that Ztable is greater than Zskewness and Zkurtosis, so it can be concluded that the residual data has a normal distribution.

3.2.3 Heteroscedasticity Test

Heteroscedasticity test has the aim to see whether the regression model occurred inequality variance from one observation to observation another residual (Ghozali, 2018). If the significance value > 0,05, then there is no heteroscedasticity.

Table 5: Heteroscedasticity test results.

		AbsRes
Viral marketing (X1)	Correlation Coefficient	,135
	Sig. (2-tailed)	,099
	N	150
Customer experience (X2)	Correlation Coefficient	,071
	Sig. (2-tailed)	,389
	N	150

Based on table 5 it is found that the significance value > 0,05, so that the tested variables are free from heteroscedasticity.

3.2.4 Linearity Test

Linearity test is used to see whether the specification of the model used has a linear relationship or not (Ghozali, 2018). If the significance value < 0.05, then there is a linear relationship between the independent variable and the dependent variable (Suhartanto, 2020).

Based on table 6, the linearity test shows the significance level of the purchase decision variable with a viral marketing variable of 0,000 < 0.05 and the significance level of the purchase decision variable with a customer experience variable of 0,000 < 0.05, so there is a linear relationship between the independent and dependent variables.

Table 6: Linearity test.

			F	Sig.
keputusan_pembelian * viral_marketing	Between Groups	(Combined)	10,515	0,000
		Linearity	88,559	0,000
		Deviation from Linearity	0,759	0,639
keputusan_pembelian * customer_experience	Between Groups	(Combined)	28,106	0,000
		Linearity	247,214	0,000
		Deviation from Linearity	0,717	0,676

3.2.5 Autocorrelation Test

Autocorrelation test is used to determine whether in the linear regression model there is a correlation between the error of the intruder in the t period with the error of the intruder in the t-1 period (before) and a good regression model is a regression that is free from autocorrelation (Ghozali, 2018). The Durbin-Watson test was used to test the autocorrelation in this study.

Table 7: Autocorrelation test.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,809a	,654	,650	1,673	2,075

From the Durbin-Watson table with 2 independent variables (k) and 150 n, at a probability level of 5%, a dl value of 1.71970 and a du value of 1.74652 are obtained. Because of the Durbin-Watson value of 2.075 > upper limit (du) of 1.74652 and < 4 - du of 2.25348, it can be concluded that H0 cannot be denied stating that there is no autocorrelation in this model.

3.3 Multiple Linear Regression Analysis

Multiple linear regression analysis aims to prove the value of the influence of viral marketing (X1) and customer experience (X2) on purchasing decisions

(Y) (Sugiyono, 2017). The equation of the multiple linear regression analysis is as follows:

$$Y = a + b1X1 + b2X2 + e \qquad (1)$$

Remark:
Y   : Dependent variable (Purchase Decision).
a   : constant.
b   : Regression coefficient.
X1   : free variable (Viral Marketing).
X2   : free variable (Customer Experience).
e   : Error / variable that is not in the study.

Table 8: Result of multiple linear analysis.

Model	Unstandardized Coefficients		Sig.
	B	Std. Error	
(Constant)	,075	1,248	
viral marketing	,231	,070	,001
customer experience	,761	,070	,000

Based on table 8 can be seen the multiple linear regression equation as follows:

$$Y = 0.075 + 0.231(X1) + 0.761(X2) + e \qquad (2)$$

From this equation, it can be described as follows:
1. The constant value (a) for the regression equation is 0,075. This means that the average purchase decision variable will be 0,075 if the viral marketing and customer experience variables are zero.
2. Viral marketing variable has a regression coefficient of 0,231 which means that viral marketing has a positive influence on purchasing decisions, meaning that if viral marketing is increasing, then purchasing decisions are increasing. Significance value <0,05 which means there is a significant influence of viral marketing and shows an increase in 1 viral marketing score will increase purchasing decisions by 0,231 if the other variables are constant.
3. The customer experience variable has a regression coefficient of 0,761, which means the customer experience has a positive influence on purchasing decisions, meaning that if the customer experience increases, the purchasing decision increases. Significance value < 0,05 which means there is a significant influence of customer experience and shows an increase in 1 customer experience score will increase purchasing decisions by 0,761 assuming other variables are constant.

3.4 Hypothesis Test

3.4.1 T Test

T test has the aim to test whether the independent variables individually have an influence on the dependent variable (Ghozali, 2018). If the significance is < 0,05 then the independent variable significantly influences the dependent variable.

Table 9: T Test.

Model	Unstandardized Coefficients		Sig.
	B	Std. Error	
(Constant)	,075	1,248	
viral_marketing	,231	,070	,001
customer_experience	,761	,070	,000

Based on table 9, the t test results will be explained as follows:
1. t-test results for the viral marketing variable obtained t count of 3.28 > t table of 1.655 with a significance value of 0.001 < 0.05. This means that H1 is accepted, meaning that viral marketing has a positive and significant influence on purchasing decisions.
2. t test results for the customer experience variable obtained t count of 10.854 > t table of 1.655 with a significance value of 0.000 < 0.05. This means that H2 is accepted, meaning that customer experience has a positive and significant effect on purchasing decisions.

3.4.2 F Test

The F test has the objective to show whether all independent variables have a stimulant effect on the dependent variable (Ghozali, 2018). If the significance value < 0,05, then all independent variables have a significant stimulatory effect on the dependent variable.

Table 10: F Test.

Model	df	Mean Square	F	Sig.
Regression	2	389,371	139,177	0,000
Residual	147	2,798		
Total	149			

Based on table 10 it is known that the F count value is 139,177 > F table is 3.06 with a significance value of 0,000 < 0.05, then H3 is accepted, meaning

that the free variable of viral marketing and customer experience has a positive and significant influence on purchasing decisions.

3.5 Coefficient of Determination

The coefficient of determination aims to see the regression model in explaining the variation of the dependent variable (Ghozali, 2018).

Table 11: Result of the coefficient of determination test.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,809ª	,654	,650	1,673

Table 11 shows the R-Square value is 0.654 which means that 65.4% of the variable variation can be explained by viral marketing and customer experience variables, while the remaining 34.6% is explained by other variables outside the study.

3.6 Influence of Viral Marketing on Purchasing Decisions through Shopee E-Commerce

Based on testing the viral marketing hypothesis on purchasing decisions using the t test in table 9, the results obtained viral marketing influence on purchasing decisions, because the t count of 3.280 > t table of 1.655 with a significance value of 0.001 <0.05. This shows that H1 is accepted which means that viral marketing has a positive and significant influence on purchasing decisions.

There are several studies conducted related to viral marketing strategy as one of the marketing strategies used to increase the purchase of products or services. These studies have been conducted by Hidayati (2018), Hamdani and Mawardi (2018), Ni'mah (2018), and Purba (2016). These studies provide inspiration for this research. This study takes dimensions that can be used as benchmarks in viral marketing from Kaplan and Haenlein (2011) which contain three dimensions, including (a) messenger, (b) message, and (c) environment.

The difference between this study and previous research is an analysis that discusses how viral marketing influences purchasing decisions through e-commerce Shopee. In this research, viral marketing can influence purchasing decisions because consumers will consider a product that is being widely discussed by the general public. Active in using social media becomes an important role so that it can

facilitate the dissemination of information about messages or invitations made by Shopee. This has an impact on viral marketing strategies that make potential consumers believe what they say. In addition, many matters discussed by the public attract consumers. This makes potential customers aroused to make purchasing decisions through e- commerce Shopee.

3.7 Effect of Customer Experience on Purchasing Decisions through Shopee E-Commerce

Based on testing the customer experience hypothesis on purchasing decisions using the t test in table 9, obtained customer experience results influence on purchasing decisions, because the t count of 10,854 > t table of 1,655 with a significance value of 0,000 < 0.05. It shows that H2 is accepted which means customer experience has a positive and significant influence on purchasing decisions. T test results also identify that this variable is the most dominant independent variable in influencing purchasing decisions.

There are several studies conducted related to the customer experience strategy as one of the marketing strategies used to increase the purchase of products or services. These studies have been carried out by Hidayati (2018) and Lung-Yu Li and Long- Yuan Lee (2016). These studies provide inspiration for this research. This study takes dimensions that can be used as benchmarks in customer experience from Schmitt (1999) which includes five dimensions, including (1) sense, (2) feel, (3) think, (4) act, and (5) relate.

The difference with previous research is an analysis that discusses how the influence of customer experience in influencing purchasing decisions through e-commerce Shopee. In this study, customer experience from other consumers by giving reviews on a product can influence prospective consumers in choosing a product. When planning marketing strategies to meet customer needs the dimensions of consumption of experience must be taken into account because customers make decisions through experience all the time when involved in the service process.

3.8 The Influence of Viral Marketing and Customer Experience on Purchasing Decisions through Shopee E-Commerce

Based on testing the viral marketing hypothesis and customer experience on purchasing decisions using

the F test in table 10, the results obtained viral marketing and customer experience influence the purchase decision, because the F count value of 139.177 > F table of 3.06 with a significance value of 0.000 < 0.05. This shows that H3 is accepted which means that viral marketing and customer experience have a positive and significant influence on purchasing decisions.

This study takes dimensions that can be used as benchmarks in purchasing decisions from Abdullah and Tantri (2018) which contain five dimensions, including (a) introduction of needs, (b) information seeking, (c) alternative evaluation, (d) purchasing decisions, and (e) behaviour after purchase.

Research that discusses the effect of viral marketing and customer experience together in influencing decisions has not been done. In this study, the results of research that have been done show that prospective consumers are currently more interested in what is being viral in the community, especially those who are young at heart and do not want to miss the trend. This can be seen from the large number of respondents in the age range 18-22 years in this study, the majority are also students who are still young at heart then it will be easier to be attracted to things that are viral and interested in trying to use a product that is being viral. In addition to something viral, prospective consumers will also consider the experience of customers who have already used Shoppe as an online shopping medium. This is because prospective consumers want to convince themselves not to choose the wrong product so that potential customers seek information in advance during the purchase decision process.

4 CONCLUSIONS

The purpose of this study was to determine whether viral marketing and customer experience can influence the purchasing decisions of Shopee users in Batam with a sample of 150 people. The conclusions from the results of testing variables that are thought to influence purchasing decisions through e-commerce Shopee include:

1. Viral marketing has a positive and significant influence on purchasing decisions. It is based on t test that the viral marketing variable has a t count of 3.280 > t table of 1.655 with a significance value of 0.001 <0.05.
2. Customer experience has a positive and significant influence on purchasing decisions. It is based on t test that the customer experience variable has a t count of 10.854 > t table of 1.655 with a significance value of 0.000 < 0.05.
3. Viral marketing and customer experience have a positive and significant influence on purchasing decisions. This is based on the results of the analysis obtained using the F test that the viral marketing and customer experience variables have a F count value of 139.177 > F table of 3.06 with a significance value of 0.000 < 0.05.

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