

FACTORS THAT INFLUENCE CONSUMER TO BUY FURNITURE WITH ONLINE MEDIA AT MUSE

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ABSTRACT

This research being done by MUSE to determine and analyse factors that will help to improve it's online furniture selling. In this research, researcher will study the influence of consumer behaviour, emotional marketing, website experience, and branding to shape consumer buying decision.

Population of this research is online purchasing consumers of MUSE, while the research samples amount to 64 respondents, chosen with purposive sampling technique. Variable that being used in this research are consumer behaviour, emotional marketing, website experience, and branding. Confirmatory Factor Analysis Second Order is used as the research method and using SmartPls 3.0 as analysis tool.

The result of Confirmatory Factor Analysis Second Order with SmartPls indicate that consumer behaviour, emotional marketing, website experience, and branding give positive and significant influence to consumer buying decision, with consumer behaviour as the most influential factor.

Keywords: Consumer Behaviour, Emotional Marketing, Website Experience, Branding, Buying Decision.

INTRODUCTION

Indonesia is the 4th most populated country and with high number of birth rate (around 4.5 million/year) and most population are within the productive age range (20-59). This population growth also followed with the positive economic development, in 2015, the economy grow 4.79% and retail market in Indonesia also increase 14.5% compare to the previous year (BPS, 2015). This economic growth, according to Van de Schaar (2015), lead to rise of property demand as there is a rise of demand for property because people under the age of 30 are expected to buy their own property soon. All those phenome also help Indonesia furniture market to grow as well. Indonesia furniture market always been rather significant. Demand for it always rise each year and in 2015, there is 10% more demand compare to 2014. In addition, according to Siswanto (2015) with the recent technology development, especially internet, people now are more aware of the trend that happen and increase their desire to follow the changing trend. There is also a shift in buying behaviour and there is more people now that start to buy their furniture from online market.

Online market in Indonesia has been rapidly increasing. According to Momkominfo (2014), Indonesia e-commerce transactions worth Rp 130 trillion and that is only from 7% of the total internet user. With the amount of online user in Indonesia, this market predicted to be growing even further for years to come. Moreover Government now also giving some official support to the growth of online market that can be seen from several events like Road map E-commerce dan Indonesia E-Commerce Summit and Expo. Also supporting tools for e commerce like paying method and logistic service has develop significantly and make online transaction much easier and safer to consumer (Indigo, 2016). According to survey that conducted by Nilsen Global, in 2014 most the transaction that happen online are plane tickets (55%), hotel and travel (46 %), e-book (40%), and fashion(37%), event(34%) (Kompas, 2014). Furniture contributed 5% to the total transaction in online market and predicted to grow even more (Kompas, 2014). In addition online market now start to reach niche market, in Indonesia this can be seen from the rise of website that sold specific products like Maxuri that sold

luxury goods and Keiya that sold exclusively handcrafted goods. This also happen in furniture market as the number of online furniture sellers have increase and some big retail company like IKEA, Informa, and ACE have started to sell their product through online market.

As a company that do its business in furniture market, MUSE saw this as a potential to broaden its market and reach more consumers. At March 2016, MUSE has opened it's online furniture store and sales has grown steadily. Because the online furniture market in Indonesia is still relatively new, this study in conducted to study some of factors that will influence online consumer to buy furniture through online market. Some factors that will be explored in this study are consumer behaviour, emotional marketing, website experience, and branding. The aim for this study is to test those factors as influences to buying decision. This study hopefully will give some contribution to MUSE and help them to improve their sales and broaden their business in the long run. Moreover hopefully this study will be help readers and academics to gain some new knowledge and give some ideas to tackle some problems that might be similar.

LITERATURE REVIEW

This section will discuss major theoretical concepts used in this study that will be used as the base of the research.

Consumer Behaviour

According to Kotler and Keller (2015), consumer behaviour is a study that being done to understand factors that help to shape the market. Consumer behaviour typically varies depend on location they lived in. Because of that, it is very important to conduct some observation about consumer behaviour in some location, so that marketers are able to create an appropriate marketing strategy for that location (Mamang & Sopiah, 2013). The ways consumer behave in online market are not that different from the regular offline market (Strauss & Raymond, 2016). Research from Rani (2014) stated that factor that influence consumer behaviour in the market are not limited from the consumer itself but also from the external environment. Those factors can be classified in 4 categories, which are culture, social, personal, and psychology.

Culture is one of the important factor in shaping consumer behaviour because it's often the source of base value that people use in shaping their behaviour (Kotler & Keller, 2015). The development of culture is influence by history, belief, and experience that being embraced by people inside of a certain culture. They will use it as the base dominant on goof or bad value that used in their community. Culture itself is always changing depend on the exposure that they receive, interaction with other value and culture will fasten this phenomena. Because of that, culture can't be only seen from it's contextual aspect (location, race, sub-culture) but also from their compositional aspect (value orientation, content, communication) in order to understand values that being adopted there (Wells & Foyal, 2012). In addition, according to Mamang and Sopiah (2013), some of the change in cultural value happen because there is a change in need and that will influence on people behaviour and the way they create a decision.

Social factor is factors from the surrounding environment that influence someone behaviour. Family is one of the most important factor in the development of an individual. In addition to that, communities also play a big part in the development of social values (Rani, 2014). It made people to seek validation and acceptance from their community. Social status also influence this development, group with similar social standing tend to prefer similar things and share a common interest with each other.

Personal factors related with the individual condition. It is influence by age, lifestyle, personality, occupation, and money (Rani, 2014). Personal factor influence to buying decision is important but hard to measure because each indivual are unique and got different personalities (Tjiptono, 2015). In addition the value they adopt may change depend on their financial status, age, occupation, and many other (Mamang & Sopiah, 2013). Because of that, lifestyle is often used to measure the effect of it to consumer buying decision.

Psychological factor is affecting consumer purchase decision on sub-conscious level (Rani, 2014). In making a decision, human relied more on their impulse and irrational side, rather than their rational side (Boyd, 2010). Psychological factor is influence by motivation, perception, memory and learning. Motivation is a situation where there is an urge to be accepted and reward from doing something. Perception is a process to information that they receive to create an opinion. It is shaped by physical

stimulus and environment condition. Memory is a compilation from information and experience that experience by someone and influence their decision making. Learning is changes that happen because of some experience (Kotler & Keller, 2015)

Emotional Marketing

According to Thomas (2011) emotional marketing is an activity that done to build a brand value from the emotional side of consumer. In creating a decision, human often relied on their emotion and rational part of their mind only influence 5% to the process and the decision making (Dolley, 2010). In online market, it's very important to use emotional marketing to attract consumers because they don't see the real product at the beginning of transaction. According to Wibowo (2012) in creating emotional stimulus for consumer, there are some factors that need to be considered, which are safety, information, and creating psychological ownership,

Safety one of the crucial factors in creating an emotional ties with consumer. Buying is happen because there is some kind of trust establish between the consumer and buyer. This can be achieve with good communication from both sides, trusted paying method, and warranty (Wibowo, 2012). The next influencing factor is information, Kolte and Keller (2015) state that with higher risk, the more people will seek information about in order to understand about what they are dealing with. Type of information sources that often used in this process are, personal opinion, commercial (advertisement, flyer, internet), public (Peer, blog, review), and experimental (inspecting the product before making the purchase. In addition to all of those factors psychological ownership, becoming one of the factor that used often in creating emotional ties with consumer. Psychological ownership is shaping the sense of ownership even before consume acquire the product (Doley, 2010). To create this sense of ownership, marketer play with a few kind of media like, images, video, and slogan that contain some storyline that consume can relate (Mamang & Soplak, 2013)

Website Experience

Website experience is sensation that consumer got from exploring the site. In online market, website has substitute the role of physical store in offline market, consumer experience in online market relied heavily on how the site runs. The more positive experience they receive, the more likely they will make a purchase and come back again to make another transaction (Mazaheri ,2012).

First step in creating a good website experience is by having a good website design. First impression happen in less than 50 miliseconds and good impression will lead them to stay at the website. In addition if the website is attractive to consumer, they will more likely to explore the website more (Mazaheri, 2012). Next step is to give them appropriate amount of information regarding products that being offered there. Buying is also a learning process to know the product before making decision. This desire to buy will encourage people to gather more information regarding the product they want (Kotler & Keller, 2012). Lastly according to Wibowo (2012), in order to create a pleasant experience, a website need to offer a good service for consumers. Some of this good service can come from fast respond to consumer, offering a tracking service, and providing a good payment service (Wibowo, 2012).

Branding

Branding is a communication tool between the company and consumer. This exist to help consumer to process all the information that being given to them and to increase buying experience. Good branding will influence consumer buying decision (Moote, 2012). Branding also help to create and identity and differentiate between competitor in the market (Hoyer & Mancinnis, 2012). Relationship between brand and consumer based on the relationship between each other to full fill each other desire (Fetschin & Heilmann, 2015). Good relationship between brand and consumer will evoke a sense of loyalty, acceptance, a positive reputation. In creating a good brand one of the factor that need to be considered is to build a good brand equity. This can be archive by building a strong brand identity, brand meaning, brand response, and brand relationship (Kotler and Keller, 2015)

RESEARCH METHODS

This study use quantitative method. According tp Bell and Bryman (2015) quantitative research method in numerical data and show the relationship between theory and research in deductive way. In addition confirmatory factor analysis also being used to analyse a construct dimensionality.

Research population that being used in this study is 75 consumer that have bought furniture through online media. According to Sugiyono (2012) research population used in the research is made of

subjects or objects that have the appropriate characteristic and quality to the conducted study. Research is being conducted between January to July 2017.

This research use Slovin formula to determine the size of the sample used in it and from 75 research population 64 is used as the sample population. Purposive sampling is used to select samples because this study is targeting on people that have bought furniture through online media.

According to Arikunto(2010) Research instrument is tool that used to make research process more systematically. In this research linkert scale is being used in the questioner. According to Maltohatra (2012) linkert scale is a statement that range from highly disagree to highly agree and encourage respondent to use one of the response provided to answer the question. Variables used in this research are Consumer Behaviour (X_1), Emotion Marketing (X_2), Website Experience (X_3), and Branding (X_4). Second Order Confirmatory Factor Analysis will be used in this research. Brown (2015) define confirmatory factor analysis as one of the SEM (Structural Equation Modelling) analysis type that used to measure the relationship between indicators and latent variable. This analysis is based on hypothesis and past research to determine the measurement model. This research use Second Order Confirmatory Factor Analysis because it based on the past research and theory as its guidelines.

There are 2 steps that will be used in this research. The first one is to test on first order formative indicators by using validity test, reliability test, and hypothesis test on formative indicators. Validity test will be done in SPSS program and if sig value from parson correlation between indicators and their totals is less than 5% then indicators are considered valid. In reliability test also done in SPSS and if cronbach's alpha value from reliability test >0.6 , the construct indicators are considered reliable. Hypothesis test will look at two factors, Weight significant and multicollinearity. If t-statistic from bootstrapping test is more than 1.96 and VIF from multicollinearity test <10 , then the requirement is fulfilled. The second test is done to second order formative latent construct by using bootstrapping, with requirement the t-statistic value is >1.96 . This test will be run on Smart PLS.

RESULT

Validity test shown that each variable's indicators have sig value less than 5% and from this, it can be concluded that each indicator is valid.

In reliability test run on 35 respondents, the value of each variable cronbach's alpha is more than 0.6 and the value of cronbach's alpha if item deleted of each indicator also less than the value or cronbach's alpha. From the result it can be concluded that the questions used in this research are reliable.

This research is using 64 questioner that being given to 64 respondent, with 21 respondents (32.8%) being male and 43 respondents (67.2%) being female. With 4 respondent (6.25%) in 18 – 20 age group , 38 respondents (59.375%) in 21-30 age group, 19 respondents (29.698%) in 31-40 age group, and 3 respondents (4.69%) in >40 age group.

In research instrument validity test, all sig value from indicators' pearson correlation are less than 5%, so it can be concluded that indicators used in this research to measure the research variables are valid. In reliability test, its can be seen from table 1 that each research variable has cronbach's alpha value > 0.6 and the value of cronbach's alpha if item deleted is less than the value of cronbach's alpha. So it can be concluded that the questioner used in this research is valid.

Table 1. Reliability test result

Variabel	Indikator	Cornbach Alpha if Item Deleted	Cornbach Alpha	Keterangan
Perilaku Konsumen	PK1	0.791	0.837	Reliabel
	PK2	0.795		Reliabel
	PK3	0.781		Reliabel
	PK4	0.806		Reliabel
Emotional Marketing	EM1	0.795	0.818	Reliabel
	EM2	0.702		Reliabel
	EM3	0.607		Reliabel
Website	WE1	0.836	0.881	Reliabel

Experience	WE2	0.823	0.874	Reliabel
	WE3	0.834		Reliabel
Branding	B1	0.873		Reliabel
	B2	0.817		Reliabel
	B3	0.845		Reliabel
	B4	0.821		Reliabel

There are two measurement model used in this research, they are first order formative indicator and second order formative latent construct. In first order formative indicator test, as shown in figure 1, the hypothesis test shown that all variables have t-statistic >1.96 and it can be concluded that the data is significant. Also in multicollinearity test, it can be seen from table 2 that all of the variables VIF (Variance Inflation Factors) value are < 10 and can be concluded that multicollinearity do not happen. Second order formative latent construct test is done by using bootstrapping to test the hypothesis. The test shown that all t-statistic values are less than 1.96 and can be concluded that all first order construct is significant to second order construct. This also prove that first order constructs have significant influence over consumer buying decision.

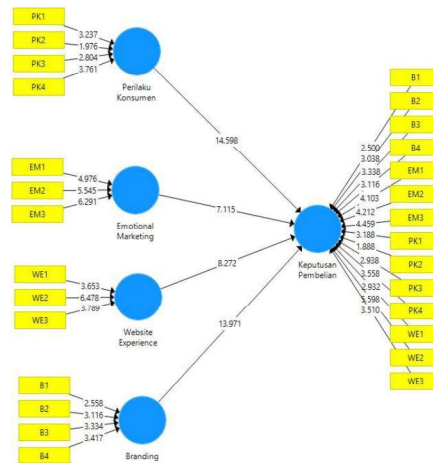


Figure 1. Bootstrapping model in PLS

Table 2. VIF Value

No	Variabel	VIF	Keterangan
1	PK1	2.016	Tidak Multikolonieritas
2	PK2	2.383	Tidak Multikolonieritas
3	PK3	2.016	Tidak Multikolonieritas
4	PK4	2.243	Tidak Multikolonieritas
5	EM1	1.566	Tidak Multikolonieritas
6	EM2	2.202	Tidak Multikolonieritas
7	EM3	2.622	Tidak Multikolonieritas
8	WE1	2.279	Tidak Multikolonieritas

9	WE2	2.890	Tidak Multikolonieritas
10	WE3	2.744	Tidak Multikolonieritas
11	B1	1.749	Tidak Multikolonieritas
12	B2	2.905	Tidak Multikolonieritas
13	B3	2.470	Tidak Multikolonieritas
14	B4	3.202	Tidak Multikolonieritas

CONCLUSION

The result of this research about the influence of consumer behaviour, emotional marketing, website experience, and branding to consumer decision on buying furniture online at MUSE can be concluded as the following:

1. Consumer behaviour has a significant influence over consumer decision on MUSE online market. Observing behaviour adopted by consumer further can create a positive influence on buying decision
2. Emotional marketing has a significant influence over consumer buying decision on MUSE online. Observing the proper need of emotional marketing can create a good influence over consumer buying decision.
3. Website Experience has a significant influence over consumer buying decision on MUSE online. Observing the proper need and use of website experience can create a good influence over consumer buying decision.
4. Branding has a significant influence over consumer buying decision on MUSE online. Observing the proper need and use of branding can create a good influence over consumer buying decision.

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