

**ANALYSIS OF PERCEIVED INFORMATION QUALITY,
PRIVACY, AND SECURITY ON CONSUMER REPURCHASE
INTENTION AND TRUST AS MEDIATION VARIABLE IN
THE CONTEXT OF TRAVELOKA SERVICES**



**Submitted as Partial Fulfillment of the Requirement for obtaining
Bachelor Degree of management in Economic and Business Faculty**

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Abstrak

Kualitas informasi, persepsi perlindungan privasi, dan persepsi perlindungan keamanan adalah faktor penting dalam membangun hubungan jangka panjang yang sukses dalam konteks e-commerce. Dengan tidak adanya interaksi fisik antara pembeli dan penjual, bagaimana situs web dapat memperoleh kepercayaan dari pembeli dan memenuhi janji yang dibuat telah menjadi masalah utama dalam manajemen hubungan pelanggan online. Apa penyebab kepercayaan dalam konteks ini? Bagaimana kepercayaan memengaruhi keputusan pembelian kembali konsumen internet? Untuk menjawab pertanyaan-pertanyaan ini, kami mengembangkan kerangka teoritis yang menggambarkan proses pengambilan keputusan berbasis kepercayaan yang digunakan konsumen saat melakukan pembelian kembali dari situs tertentu, menguji model yang diusulkan menggunakan teknik Analisis Faktor Konfirmasi pada data pembelian konsumen internet yang dikumpulkan melalui Survei web, dan pertimbangkan implikasi model. Hasil penelitian menunjukkan bahwa kepercayaan konsumen Internet berdampak kuat pada keputusan pembelian kembali mereka. Disposisi konsumen untuk mempercayai, masalah privasi, masalah keamanan, dan kualitas informasi Situs Web, memiliki pengaruh kuat pada kepercayaan konsumen Internet di Situs Web.

Kata kunci: Peran kepercayaan, perdagangan elektronik, penyebab kepercayaan, kepercayaan konsumen, perilaku konsumen Internet, Privasi dan keamanan

Abstract

Information quality, perceived privacy protection, and perceived security protection are the important factor in building successful long-term relationships in the e-commerce context. In the absence of physical interaction between the buyer and the seller, how websites can gain the trust of the buyers and deliver on the promises made have become central issues in online customer relationship management. What are the antecedents of trust in this context? How do trust affects an Internet consumer's purchasing decision? To answer these questions, we develop a theoretical framework describing the trust-based decision-making process a consumer uses when making a repurchase from a given site, test the proposed model using a Confirmatory Factor Analysis technique on Internet consumer repurchasing behavior data collected via a Web survey, and consider the implications of the

model. The results of the study show that Internet consumers' trust strong impacts on their repurchasing decisions. Consumer disposition to trust, privacy concerns, security concerns, and the information quality of the Website have strong effects on Internet consumers' trust in the Website.

Keywords: Role of trust, Electronic commerce, Antecedents of trust, Consumer trust, Internet consumer behaviour, Privacy and security

1. INTRODUCTION

Entering the era of globalization, information technology makes the internet not only serves as a means of communication such as sending electronic mail or email but also penetrates to more complex interactions. The massive growth of e-commerce combined with the popularity of online social networks is having a profound impact on the global economy. Specifically, consumers shopping behaviors have undergone changes, and a novel type of e-commerce, called "social commerce," is emerging (Mohana Shanmugama, Shiwei Sun, Asra Amidi, *et al.*, 2016). According to Nikbin *et al.*, (2012) *E-Commerce* is defined as the buying and selling of information, products, and services via computer networks. Anyone who has the internet network can participate in E-Commerce activities. One of the companies engaged in the business of e-commerce is Traveloka. Traveloka is an airline ticket and hotel booking site which has a mission to make the trip easier and more interesting. Information Quality, Perceived Privacy protection, Perceived Security protection, and trust plays an important role to influence the consumer's intention to repurchase. A trust involves the willingness of someone to do certain behavior due to the belief that their partners would provide what he expects and an expectation that is generally owned by the person is that the words, promises or representations of other people can be trusted (Barnes, 2003).

Before consumers make a purchase on an e-commerce site, they will usually see information quality from online products as a basis to ask them to make a purchase (Moe, 2015).

Where the internet is concerned, privacy affects aspects such as the obtaining, distribution or the non-authorized use of personal information (Wang et al., 1998). As well as problems with the lack of privacy, the lack of security as perceived by online consumers is another obstacle to the development of e-commerce (Furnell and Karweni, 1999; Chou, 1999; Dong-Her 2004).

Based on the background that has been outlined, then the purpose of this study:

- a. To analyze the influence of Information Quality on trust
- b. To analyze the influence of Perceived Privacy Protection on trust
- c. To analyze the influence of Perceived Security Protection on trust
- d. To analyze mediating relationship between Information Quality, Perceived Privacy Protection, and Perceived Security Protection to influence consumers repurchase intention

Repurchase intention is formed under the assumption that online buyers have completed an initial transaction with the website (Hellier, Geursen, Carr, & Rickard, 2003). In a repurchase situation buyers already have first-hand experience with the seller and can use this experience as a source of decision making (Fang, 2014).

Trust is defined as the dimension of business relationships that determine the level of each of the parties feeling that they can rely on the integrity of the promise offered by the others (Kolsaker and Payne, 2002). Belief is a belief that a person will find what is desired in an exchange partner. A trust involves the willingness of someone to do certain behavior due to the belief that their partners would provide what he expects and an expectation that is generally owned by the person is that the words, promises or representations of other people can be trusted (Barnes, 2003).

Before consumers make a purchase on an e-commerce site, they will usually see information from online products as a basis to ask them to make a purchase (Mo, 2015). Information is a critical resource for an organization merely because the

quality of information is one of the key determinants of the quality of their decisions and actions (Stvilia B, 2007). In particular, consumers believe that in most B2C e-commerce websites, the information for making a purchase decision is insufficient, incomplete, or just plainly wrong, resulting in refusal to make a purchase. The concept of privacy is in itself not new and it has generally been defined as an individual's ability to control the terms by which his personal information is acquired and used (Westin, 1967; Galanxhi-Janaqi and Fui-Hoon Nah, 2004). Where the internet is concerned, privacy affects aspects such as the obtaining, distribution or the non-authorized use of personal information (Wang *et*, 1998). As well as problems with the lack of privacy, the lack of security as perceived by online consumers is another obstacle to the development of e-commerce (Furnell and Karweni, 1999; Chou, 1999; Dong-Her, 2004). The reason for this is the possibility that financial data might be intercepted and put to fraudulent use (Jones, 2000).

2. METHOD

Type of this research is quantitative. The variable is consist of *Repurchase Intention* as the independent variable, *Information Quality*, *Perceived Privacy Protection*, *Perceived Security Protection* as the independent variable, and *Trust* as the mediating variable. Population in this research are people in Surakarta who have ever used Traveloka services. Sampling method by using purposive sampling procedure. Total number of respondents are 110. Type of the data is primary data by using questionnaire. Analysis method by using Multiple Linear Regression.

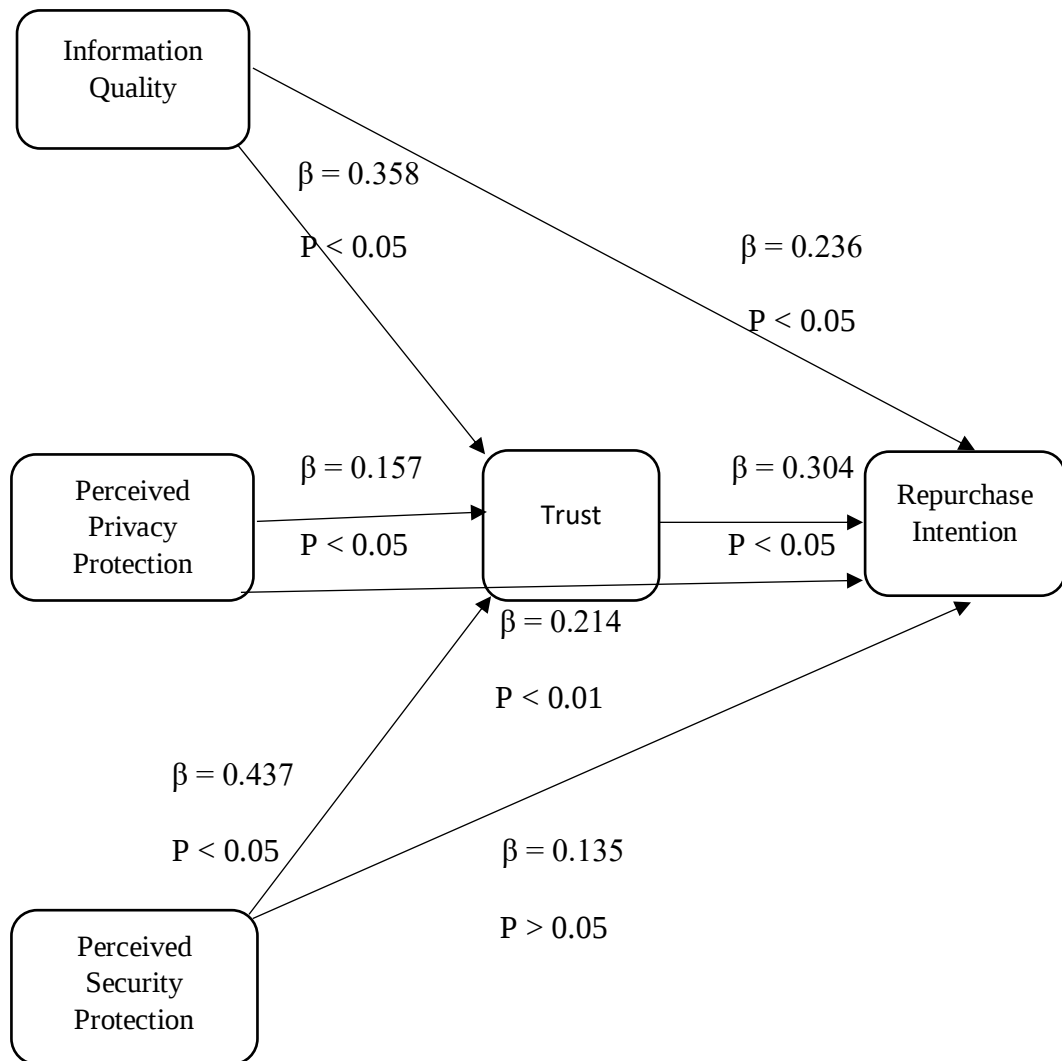


Figure 1 Research Framework

3. RESULTS AND DISCUSSION

Table 1 Multiple Linear Regression

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.310	1.121		2.953	.004
Information Quality	.184	.081	.236	2.266	.025
Perceived Privacy Protection	.120	.049	.214	2.456	.016
Perceived Security Protection	.087	.076	.135	1.143	.256
Trust	.389	.152	.304	2.562	.012

$$R^2 (1) = 0.617$$

$$R^2 (2) = 0.757$$

$$R^2 (3) = 0,640$$

$$F_{table} = 4.00$$

$$F (1) = 56,953$$

$$F (2) = 109,846$$

$$F (3) = 46,597$$

$$t_{table} = 1.98$$

Result of this study is Table 1 shows the coefficient of information quality (IQ), variable is 0,184 with the probability value sig = 0,025 and $\alpha = 0, 05$. It means the probability value sig = 0,025 is smaller than $\alpha = 0, 05$. Or $0,025 < 0, 05$, the coefficient of perceived privacy protection (PPP) variable is 0.120 with the probability value sig = 0,016 and $\alpha = 0, 05$. It means the probability value sig = 0,016 is smaller than $\alpha = 0, 05$. Or $0,016 < 0, 05$, and the coefficient of perceived security protection (PSP) variable is 0.087 with the probability value sig = 0,256

and $\alpha = 0, 05$. It means the probability value $\text{sig} = 0,256$ is greater than $\alpha = 0, 05$. Or $0,256 > 0, 05$. It can be concluded that trust has a mediating ability on the relationship of information quality (IQ), and perceived privacy protection (PPP) on repurchase intention (RI) variable, but trust has no mediating ability on the relationship of perceived security protection (PSP) on repurchase intention variable.

4. CONCLUSION

Based on the result It can be concluded that trust has a mediating ability on the relationship of information quality (IQ), and perceived privacy protection (PPP) on repurchase intention (RI) variable, but trust has no mediating ability on the relationship of perceived security protection (PSP) on repurchase intention variable.

The future researcher should consider to increase the number of samples and use an appropriate sampling method so that the result becomes more representative and more reliable.

The next researcher is expected to add more data collection methods such as depth interviews or in-depth interviews with the respondent so that the real condition can be seen clearly and support the result of the research collected by using the questionnaire.

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