



## The Influence of Online Customer Review and Perceived Risk on E-Trust and Purchase Intention on E-Commerce Lazada in Pekanbaru City

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### ABSTRACT

*This study aims to determine The Influence of Online Customer Review and Perceived Risk on E-Trust and Purchase Intention on E-Commerce Lazada in Pekanbaru City. Primary data was collected by questionnaire and hypothesis testing was conducted using Structural Equation Modelling – Partial Least Square (SEM – PLS) method with software SmartPLS version 4 program. Technique sampling was carried out by purposive sampling method with total of 180 respondents were selected based on certain criteria. The result of this study showed that online customer review has a significant effect on perceived risk, online customer review and perceived risk has a significant effect on e-trust, online customer review has a positive but not significant effect on purchase intention, perceived risk and e-trust has a significant effect on purchase intention. This result also showed that online customer review and perceived risk has a positive and significant effect on purchase intention with mediation of e-trust as an intervening variabel on e-commerce Lazada in Pekanbaru City.*

### **INTRODUCTION**

Internet is one of the technologies that has developed quickly in the global environment and in Indonesia. Based on data quoted from Populix ([info.populix.co](http://info.populix.co)) in 2023, there is 72% of Indonesians use the internet to shop. Pekanbaru City is the capital city of Riau Province which is one of the areas with a high number of internet users. Based on data from BPS in 2020 shows that there are 52.78% or around 3 million internet users in Riau Province. Along with the development of the online shopping trend, many companies have established e-commerce based businesses by providing stalls or places for businesses that want to offer their products online. One of the growing e-commerce in Indonesia is Lazada. Lazada is an online shopping center that offers various products such as fashion, electronics, beauty and so on. In Indonesia, Lazada was





once the most popular e-commerce, but in 2019 Lazada's position dropped to fourth place behind Tokopedia, Shopee and Bukalapak.

As an e-commerce, many factors need to be considered in order to attract consumers to make purchases at Lazada. Purchase intention is something related to consumer's plan to buy a certain product and the number of product units needed in a certain period (Priansa, 2017). High or low purchase interest can be seen from transactional interest, transactional interest refers to the tendency of consumers to buy a product or take actions related to purchases as measured by the level of probability of consumers making purchases (Ferdinand, 2014). Based on the results of research by Ipsos (an independent research company) conducted on several e-commerce in 2022 and published by Kompas ([www.kompas.com](http://www.kompas.com)), it is known that Shopee's transaction value is in first place (40%), Tokopedia (30%) in second place, and Lazada (16%) in third place. In addition, Ipsos also issued data related to e-commerce brands that are most often used by consumers or Brand Use Most Often (BUMO) with the highest rank being Shopee (54%), Tokopedia (30%) and Lazada (13%) ranked third. This indicates that consumer's interest in making purchase transactions on Lazada e-commerce is lower when compared to its two main competitors.

One of the factors that can influence interest in making online purchases in e-commerce is reviews provided by previous consumers or Online Customer Review (OCR). Online Customer Review is a positive or negative review of products that have been sold in an online shop or it can also be referred to as an evaluation of information about goods and services created by consumers (Ardianti and Widiartanto, 2019). One of research discusses about online customer reviews conducted by Mauli and Zulfebriges (2020) shows a positive influence between online customer reviews and ratings on consumer buying interest in Brand Erigo at Shopee. Apart from online customer reviews, another factor that can also influence purchase intention is consumer's risk perceptions or perceived risk. Khasanah (2021) defines risk perception as a user's concern about the uncertainty or possible losses that can arise when making online transactions. Research conducted by Hasibuan and Pradana (2020) shows the results that perceived convenience and perceived risk have a positive effect on online buying interest in the Lazada application through trust as a mediating variable. Apart from online customer reviews and perceived risk, another thing that can also affect purchase intention is consumer's trust. Trust in online shopping (e-trust) is the willingness of consumers to expose themselves to possible losses arising from the transaction process they carry out via the internet based on the expectation that the seller promises transactions that will make consumers satisfied and able to send the products consumers want as promised (Ghaisani, 2020). In line with the results of research conducted by Rosdiana and Haris (2018) which shows that there is a positive and significant influence between trust and consumer buying interest online.

However, there are differences from the results of research conducted by Firdaus, et al (2023) which found that customer reviews have no effect on trust, customer reviews have no effect on buying interest, trust has a positive effect on buying interest but trust does not mediate the relationship between customer reviews and consumer buying interest. The difference in research findings creates a gap. Based on the phenomenon and the existence of this research gap, the authors are interested in conducting research with the title: "The Effect of Online Customer Review and Perceived Risk on E-Trust and Purchase Intention at E-Commerce Lazada in Pekanbaru City".

## LITERATURE REVIEW

### A. Online Customer Review

Online customer review is a form of WOM (Word of Mouth) in online sales that makes prospective buyers get information about products from consumers who have made purchases and benefited from these products (Filiari, 2014). As a result of the existence of online customer reviews, consumers can easily find comparisons of similar products sold online. In addition, consumers also get benefit from not having to visit different sellers directly (Yasmin, et al., 2015). According to Lackermair and Kanmaz (2013) the indicators of online customer review are follows:

- a) Awareness, this means that consumers are aware of the online customer review feature and want to use this information in the selection process when making online transactions.
- b) Frequency, it is a time span or how often consumers use the online customer review feature as a source of information.





- c) Comparison, this means that before consumers make online buying and selling transactions, consumers will first read product reviews one by one and will make comparisons to these reviews.
- d) Effect, is the effect of online customer reviews on the product selection process carried out by consumers.

## B. Perceived Risk

Perception is a process that makes a person select, organize and interpret the stimuli received into a meaningful and complete picture of his world (Firmansyah, 2018). Perceptions can be negative and positive. If consumers have a positive impression of the products offered by the company, this will result in a positive perception, and vice versa. One perception that tends to lead to negativity is perceived risk. Perceived risk is a condition when an uncertainty faced by consumers cannot be predicted the consequences when making a purchase (Darmawi, 2014). Kotler and Keller (2016) explain that the indicators of perceived risk are follows:

- a) Financial risk, it is the risk related with financial losses that consumers have to bear when conducting business transactions. This risk is usually higher in online shopping systems.
- b) Product risk, this is the risk related with the low quality of the product purchased. Purchasing through online has a fairly high product risk, because consumers didn't know well the raw materials used in the advertised product. Therefore, the level of product risk in online purchases is higher than conventional purchases.
- c) Time risk, it is the risk related with the sacrifice (time) required to search for products or services through online media. In addition, time risk is also related to the length of time waiting for the purchased product to reach consumers.
- d) Delivery risk, it is the risk related with the safety of the product when its delivered to the consumer's address. Delivery risk is also related to the wrong address of the orderer or consumer.
- e) Social risk, it is the risk related with the low acceptance of others (rejection) of the product or the method used to purchase a product.
- f) Security risk, it is the risk related with the misuse of consumer identity (such as credit card numbers, debit card numbers, addresses, and so on) by marketers (online businesses).

## C. E-Trust

Kotler and Keller (2016) define trust as a descriptive thought of a customer about something that is based on real knowledge, opinion or belief and may or may not carry emotional content. Hanifati and Samiono (2018) explain e-trust is a belief that consumers have in the company as a basis for making online transactions. Chou and Chen (2015) revealed that consumers will always have a sense of worry when making purchases online because purchases made online will always have uncertainty. According to Kartika, et al (2019) the e-trust indicator consists of:

- a) Benevolence, it is the company's good faith in convincing and providing a sense of comfort and security for customers.
- b) Integrity, namely how the habits or actions of the company in running its business.
- c) Competence, it is the technical knowledge and skills as well as personal standards.
- d) Willingness to depend, is a willingness of consumers to accept the negative possibilities of the product.

## D. Purchase Intention

Purchase intention is something that is generated after receiving stimulation from the product that is seen, causing a feeling of interest in buying and owning it (Kotler and Keller, 2016). Purchase intention is also defined as an explanation of a person's attitude towards an object that is very suitable for measuring the behavior of certain products, services or brands (Schiffman and Joseph, 2015). Purchase intention is obtained from the learning process and the thought process that forms a perception. Purchase intention raises motivation that is recorded in a person's mind continuously and becomes a strong activity that ultimately requires a person to actualize what is in his mind (Aptaguna and Pitaloka, 2016). Ferdinand (2014) explains the indicators of purchase intention are follows:

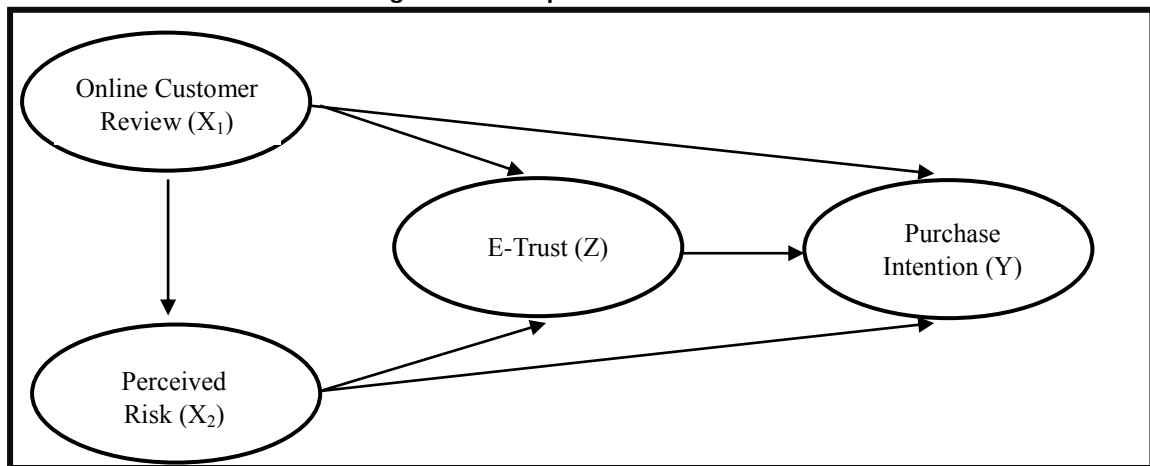




- a) Transactional interest, is a person's tendency to buy a product, this interest can be interpreted as a person's desire to immediately buy or own the product.
- b) Referential interest, is the tendency of a person's interest to refer products to others.
- c) Preferential interest, is an interest that describes the behavior of someone who has a primary preference for the product.
- d) Explorative interest, is an interest that describes the behavior of a person who is always looking for information about the product he is interested in and looking for information to support the positive qualities of the product.

**E. Conceptual Framework**

**Figure 1 : Conceptual Framework**



**HYPOTHESIS**

Based on the background and theory above, hypothesis in this research are:

- H1 : Online Customer Review has a significant effect on Perceived Risk.
- H2 : Online Customer Review has a significant effect on E-Trust.
- H3 : Perceived Risk has a significant effect on E-Trust.
- H4 : Online Customer Review has a significant effect on Purchase Intention.
- H5 : Perceived Risk has a significant effect on Purchase Intention.
  
- H6 : E-Trust has a significant effect on Purchase Intention.
- H7 : Online Customer Review has a significant effect on Purchase Intention with mediation of E-Trust.
- H8 : Perceived Risk has a significant effect on Purchase Intention with mediation of E-Trust.

**METHODOLOGY**

This research was conducted at Pekanbaru City, the object of this research is online shopping user especially who knows about e-commerce Lazada. Sample was collected by purposive sampling method with total 180 respondents. Data collected by questionnaire and processed using Structural Equation Modelling – Partial Least Square (SEM – PLS) with software SmartPLS version 4 program. The operational variable of this research are follows:



**Table 1 : Operational Variable Definition**

<b>Variables</b>	<b>Conceptual Definition</b>	<b>Operational Definition</b>	<b>Indicator Variables</b>
Online Customer Review ( $X_1$ )	Online customer reviews are a means used by consumers to find and obtain information that will later influence purchasing decisions <b>(Almana and Mirza, 2013)</b> .	Consumer's statements about their awareness to see or read reviews about e-commerce, the number of positive or negative reviews that indicate that e-commerce is trusted or not, reviews make them make comparisons between e-commerce, these reviews affect their purchase interest in e-commerce Lazada.	a. Awareness b. Frequency c. Comparison d. Effect  <b>(Lackermair dan Kanmaz, 2013)</b>
Perceived Risk ( $X_2$ )	Perceived risk is a subjective assessment by a person of the likelihood of a negative event and how worried the individual is about the consequences or impact of the event <b>(Suhir, 2014)</b> .	Consumer's statements about the possibility of financial losses, unsuitable products, errors that occur during the delivery process, low views of others on the chosen e-commerce and risks to the security of consumer identity in doing online shopping.	a. Financial risk b. Product risk c. Time risk d. Delivery risk e. Social risk f. Security risk <b>(Kotler dan Keller, 2016)</b>
Purchase Intention (Y)	Purchase intention is something that is generated after receiving stimulation from a product that is seen so that it causes an interested feeling to buy and own it <b>(Kotler dan Keller, 2016)</b> .	Consumer's statements that they have an interest in making purchases, referring to others, are more interested in e-commerce Lazada than other e-commerce and interested in exploring other products one-commerce Lazada.	a. Transactional interest b. Referential interest c. Preferential interest d. Explorative interest <b>(Ferdinand, 2014)</b>
E-Trust (Z)	E-Trust is defined as trust that refers to the willingness of consumers to accept and make online transactions based on positive expectations of future shopping behavior <b>(Priskila, 2018)</b> .	Consumers' statements about how much they trust the seller to be good to consumers, the company's habits in conducting business, the company's knowledge and technical skills in serving consumers and consumer's willingness to accept negative possibilities for a product.	a. Benevolence b. Integrity c. Competence d. Willingness to depend <b>(Kartika, 2019)</b>

## RESULT

### A. Evaluation of Measurement Model (Outer Model)

Evaluation of measurement model is a measurement model used to see the specification of the relationship between latent variables and their indicators or in other words this measurement model provides a definition of how each indicator has a relationship with its latent variable.

#### a) Convergent Validity

Convergent validity is a method used to measure the magnitude of the construct correlation with latent variables (Haryono, 2017). In measuring convergent validity, there are two tests carried out, namely Standardized Loading Factor and Average Variance Extracted.





Table 2 : Result of Loading Factor

	Online Customer Review (X <sub>1</sub> )	Perceived Risk (X <sub>2</sub> )	Purchase Intention (Y)	E-Trust (Z)
X <sub>1.1</sub>	0,948			
X <sub>1.2</sub>	0,956			
X <sub>1.3</sub>	0,957			
X <sub>1.4</sub>	0,959			
X <sub>2.1</sub>		0,747		
X <sub>2.2</sub>		0,856		
X <sub>2.3</sub>		0,895		
X <sub>2.4</sub>		0,893		
X <sub>2.5</sub>		0,832		
X <sub>2.6</sub>		0,883		
Y <sub>.1</sub>			0,921	
Y <sub>.2</sub>			0,946	
Y <sub>.3</sub>			0,888	
Y <sub>.4</sub>			0,920	
Z <sub>.1</sub>				0,917
Z <sub>.2</sub>				0,944
Z <sub>.3</sub>				0,939
Z <sub>.4</sub>				0,850

Source: Research Processed Result, 2024

Based on the data in table 2, it can be seen that all indicators of each construct show a cross loading value above 0.7, which means that the indicator is valid as a variable measure and all indicators used in this study meet convergent validity. Besides that, convergent validity can also be seen from average variance extracted such as the following table:

Table 3 : Result of Average Variance Extracted (AVE)

Variables	Average Variance Extracted (AVE)	Desc
Online Customer Review (X <sub>1</sub> )	0,912	Valid
Perceived Risk (X <sub>2</sub> )	0,727	Valid
Purchase Intention (Y)	0,845	Valid
E-Trust (Z)	0,834	Valid

Sources: Research Processed Result, 2024

Based on the data in table 3, it can be seen that the results of each research variable have a value above 0.7, which means that all variables are valid and have met the test criteria.

**b) Discriminant Validity**

Discriminant validity is a test conducted to determine how far latent constructs distinguish themselves from other constructs. The loading value on the intended construct must be greater than the loading value with other constructs in order to obtain good discriminate validity results (Ghozali and Latan, 2020). There are two tests in discriminant validity, namely Fornell – Larcker Criterion and Cross Loading. Fornell – Larcker Criterion is a test conducted to see the comparison between the correlation value of the variable with the variable itself and other variables. In this test, the construct can be said to be valid if the correlation value of the variable with the variable itself is greater than the correlation value with other variables. The test results that have been obtained are follows:





**Table 4 : Result of Fornell – Larcker Criterion**

	E-Trust (Z)	Purchase Intention (Y)	Online Customer Review(X <sub>1</sub> )	Perceived Risk (X <sub>2</sub> )
<b>E-Trust (Z)</b>	<b>0,913</b>			
<b>Purchase Intention (Y)</b>	0,890	<b>0,919</b>		
<b>Online Customer Review (X<sub>1</sub>)</b>	0,885	0,843	<b>0,955</b>	
<b>Perceived Risk (X<sub>2</sub>)</b>	0,852	0,872	0,865	<b>0,915</b>

Sources: *Research Processed Result, 2024*

Based on the data in table 4, it can be seen that all variables are declared valid because the correlation value of each variable with the variable itself has a value greater than the correlation value of the variable with other variables. In addition, testing the cross loading value is also carried out, which is a test by looking at the comparison of the correlation between indicators and their constructs and other constructs. The correlation of indicators with their constructs must be greater than the correlation of constructs with other constructs.

**Table 5 : Result of Cross Loading**

	Online Customer Review (X <sub>1</sub> )	Perceived Risk (X <sub>2</sub> )	Purchase Intention (Y)	E-Trust (Z)
<b>X<sub>1,1</sub></b>	<b>0,948</b>	0,805	0,775	0,830
<b>X<sub>1,2</sub></b>	<b>0,956</b>	0,838	0,802	0,853
<b>X<sub>1,3</sub></b>	<b>0,957</b>	0,833	0,823	0,849
<b>X<sub>1,4</sub></b>	<b>0,959</b>	0,826	0,818	0,849
<b>X<sub>2,1</sub></b>	0,664	<b>0,747</b>	0,655	0,693
<b>X<sub>2,2</sub></b>	0,684	<b>0,856</b>	0,726	0,742
<b>X<sub>2,3</sub></b>	0,783	<b>0,895</b>	0,776	0,807
<b>X<sub>2,4</sub></b>	0,733	<b>0,893</b>	0,755	0,807
<b>X<sub>2,5</sub></b>	0,761	<b>0,832</b>	0,758	0,798
<b>X<sub>2,6</sub></b>	0,785	<b>0,883</b>	0,779	0,822
<b>Y<sub>1</sub></b>	0,808	0,831	<b>0,921</b>	0,836
<b>Y<sub>2</sub></b>	0,795	0,819	<b>0,946</b>	0,814
<b>Y<sub>3</sub></b>	0,707	0,739	<b>0,888</b>	0,769
<b>Y<sub>4</sub></b>	0,783	0,811	<b>0,920</b>	0,850
<b>Z<sub>1</sub></b>	0,831	0,845	0,842	<b>0,917</b>
<b>Z<sub>2</sub></b>	0,826	0,879	0,817	<b>0,944</b>
<b>Z<sub>3</sub></b>	0,851	0,864	0,843	<b>0,939</b>
<b>Z<sub>4</sub></b>	0,717	0,747	0,745	<b>0,850</b>

Sources: *Research Processed Result, 2024*

Based on table 5, it can be seen that the value of the indicator on the variable itself is greater than the value of the indicator on other variables. Thus, it can be concluded that all indicators meet the criteria and are declared valid.

**c) Composite Reliability**

Composite reliability is an index used to show the extent to which a measuring instrument can be trusted and reliable. According to Ghozali and Latan (2020) a construct can be declared reliable if it has a composite reliability value > 0,70. The results of the tests that have been carried out are follows:





**Table 6 : Result of Composite Reliability**

Variables	Composite Reliability	Criteria	Desc
Online Customer Review ( $X_1$ )	0,937	> 0,70	Reliable
Perceived Risk ( $X_2$ )	0,940	>0,70	Reliable
Purchase Intention (Y)	0,968	>0,70	Reliable
E-Trust (Z)	0,927	>0,70	Reliable

**Sources:** *Research Processed Result, 2024*

Based on table 6, it can be seen that each variable has a construct value above 0.70 with a description, namely: online customer review 0.937, perceived risk 0.940, purchase intention 0.968 and e-trust 0.927. Thus, it can be concluded that all constructs are reliable.

**d) Cronbach's Alpha**

Cronbach's alpha is a test conducted to strengthen the results of composite reliability. In this test, a variable can be declared reliable if it has a Cronbach's alpha value of 0.7 (Ghozali and Latan, 2020). The results of cronbach's alpha are follows:

**Table 7 : Result of Cronbach's Alpha**

Variables	Cronbach's Alpha	Desc
Online Customer Review ( $X_1$ )	0,968	Reliable
Perceived Risk ( $X_2$ )	0,924	Reliable
Purchase Intention (Y)	0,939	Reliable
E-Trust (Z)	0,933	Reliable

**Sources:** *Research Processed Result, 2024*

Based on table 7, it can be seen that all constructs have a value above 0.7, so it can be concluded that all constructs are reliable. In testing reliability using the composite reliability test and cronbach's alpha, it can be stated that all constructs are reliable.

**B. Evaluation of Structural Model (Inner Model)**

Evaluation of structural model is used to predict causal relationships between latent variables or variables that can't be measured directly. The model was evaluated using R-Square, Predictive Relevance and Model Fit.

**a) R – Square**

R-Square is used to show the effect between independent variables on the dependent variable which has a substantive effect. The range of R-Square values is categorized into three levels, namely: low category with a value of 1-40%, medium category with a value of 41-70% and high category with a value of 71-100% (Ghozali and Latann, 2020).

**Table 8 : Result of R – Square**

Variables	R – Square	R – Square Adjusted
Perceived Risk ( $X_2$ )	<b>0,747</b>	0,746
Purchase Intention (Y)	<b>0,819</b>	0,816
E-Trust (Z)	<b>0,872</b>	0,87

**Sources:** *Research Processed Result, 2024*

Data in table 8 shows that the R-Square value for the perceived risk variable is 0.747 (74.7%). This means that the percentage effect of online customer reviews on perceived risk is 74.7%, while the remaining 25.3% is influenced by other variables that are not hypothesized in this study. In the purchase intention variable, the R-Square value is 0.819 (81.9%). This means that the percentage of the influence of online customer reviews, perceived risk and e-trust on the purchase intention variable is 81.9% while the remaining 18.1% is influenced by other variables not hypothesized in this study.





Then on the e-trust variable, the R-Square value is 0.872 (87.2%). This means that the percentage of influence of online customer reviews and perceived risk on e-trust is 87.2% while the remaining 12.8% is influenced by other variables not hypothesized in this study.

**b) Predictive Relevance**

Predictive relevance (Q2) aims to validate the model. The value of Q2 that must be owned is > 0 so that the model shows the resulting observation value is good. If Q2 < 0 then the model shows poor observation results (Ghozali and Latan, 2020).

**Table 9 : Result of Predictive Relevance**

	<b>Q<sup>2</sup> Predict</b>	<b>RMSE</b>	<b>MAE</b>
Perceived Risk (X <sub>2</sub> )	<b>0,746</b>	0,512	0,376
Purchase Intention (Y)	<b>0,708</b>	0,548	0,379
E-Trust (Z)	<b>0,781</b>	0,475	0,34

**Sources:** *Research Processed Result, 2024*

Based on table 9, it can be seen that the predictive relevance test results for the perceived risk variable are 0.746, the purchase intention variable is 0.708 and the e-trust variable is 0.781. Thus, it can be concluded that this model has a well-proven observation because it has a value > 0.

**c) Model Fit**

Model fit is a test conducted to see how well the model under study is by looking at the results on the NFI (Normed Fix Index). The NFI value shows how many percent of the model under study is fit. The value that is closer to 1, the better (Ghozali and Latan, 2020).

**Table 10 : Result of Model Fit**

	<b>Saturated Model</b>	<b>Estimated Model</b>
SRMR	0,039	0,039
d_ ULS	0,255	0,255
d_ G	0,401	0,401
Chi – Square	395,793	395,793
NFI	<b>0,905</b>	<b>0,905</b>

**Sources:** *Research Processed Result, 2024*

Based on table 10, it can be seen that the resulting NFI (Normed Fix Index) value is at a value of 0.905 or if it is percented, the research model carried out has a value of 90.5%, which means it can be categorized as good.

**C. Hypothesis Testing**

Hypothesis testing is carried out to provide an overview of the direction of the relationship between the independent variable and the dependent variable. To test the research hypothesis, there are two tests carried out, namely path coefficients and t-statistics. The path coefficients test results will show the significant value between constructs that have a direct effect and the t-statistic test results will show the significant value of constructs that have a direct or indirect effect.

**a) Path Coefficients**

Path coefficients are tests conducted to see the value between variables that have a direct relationship. The value that must be owned is above 0, which means positive, while the value below 0 means that it has a negative direction of relationship between variables.





Table 11 : Result of Path Coefficientss

Variables	Perceived Risk (X <sub>2</sub> )	Purchase Intention (Y)	E-Trust (Z)
Online Customer Review (X <sub>1</sub> )	0,865	0,179	0,373
Perceived Risk (X <sub>2</sub> )		0,291	0,592
E-Trust (Z)		0,465	

Sources: Research Processed Result, 2024

Based on the data in table 11, it can be seen that the results obtained from the five variables have a value > 0, which means that it has a positive relationship direction.

b) T – Statistics

T-Statistics is a test conducted to test the significance of the influence between the independent variables as a whole on the dependent variable. The required value of t-statistics is above 1,96 and p-value below 0,05.

Table 12 : Result of T – Statistics

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics ( O/STDEV)	P - Value
OCR – Perceived Risk	0,865	0,865	0,026	33,820	0,000
OCR – Purchase Intention	0,179	0,177	0,152	1,182	0,237
OCR – E-trust	0,373	0,373	0,076	4,891	0,000
Perceived Risk – Purchase Intention	0,291	0,301	0,110	2,652	0,008
Perceived Risk – E-Trust	0,592	0,592	0,072	8,279	0,000
E-Trust – Purchase Intention	0,465	0,458	0,165	2,815	0,005

Sources: Research Processed Result, 2024

Based on table 12, it can be seen from the results of t-statistics testing on six hypotheses that there is one hypothesis that does not meet the testing criteria, namely the direct relationship between the Online Customer Review variable and the Purchase Intention variable which has a t-statistics value of 1.182 (<1.96) and a p-value of 0.237 (>0.05). As for the other five hypotheses, namely: Online Customer

Review - Risk Perceived Risk, Online Customer Review - E-trust, Perceived Risk - Purchase Intention, Perceived Risk - E-trust and E-trust - Purchase Intention meet the testing criteria and it can be stated that all five have a positive and significant effect.

c) F – Square

Apart from seeing the results of the p-value and t-statistics, another thing to note is the f square value which is a test to determine how much influence the direct variable has at the structural level with the f square criteria of 0.02 low, 0.15 moderate and 0.35 high (Hair., et al, 2021).

Table 13 : Result of F – Square

	Perceived Risk (X <sub>2</sub> )	Purchase Intention (Y)	E-Trust (Z)
Online Customer Review (X <sub>1</sub> )	2,958	0,035	0,274
Perceived Risk (X <sub>2</sub> )		0,070	0,692
E-Trust (Z)		0,153	

Sources: Research Processed Result, 2024

Based on table 12, it can be seen that the effect of online customer review variables on perceived risk is 2.958 (high), online customer review on purchase intention is 0.035 (low), online customer review on e-trust is 0.274 (medium). For the perceived risk variable on purchase intention, it has a value of





0.070 (low), pe on e-trust is 0.692 (high). Meanwhile, the e-trust variable on purchase intention has a value of 0.153 (medium).

d) T – Statistics Specific Indirect Effect

In testing the t-statistics, the t-statistic specific indirect effect is also tested to determine the effect of the mediating variable relationship in mediating the independent variable and the dependent variable. Through this test, it will be known whether the effect of the independent variable on the dependent variable will change or not if given a mediating variable. The results obtained from testing the mediating variable are follows:

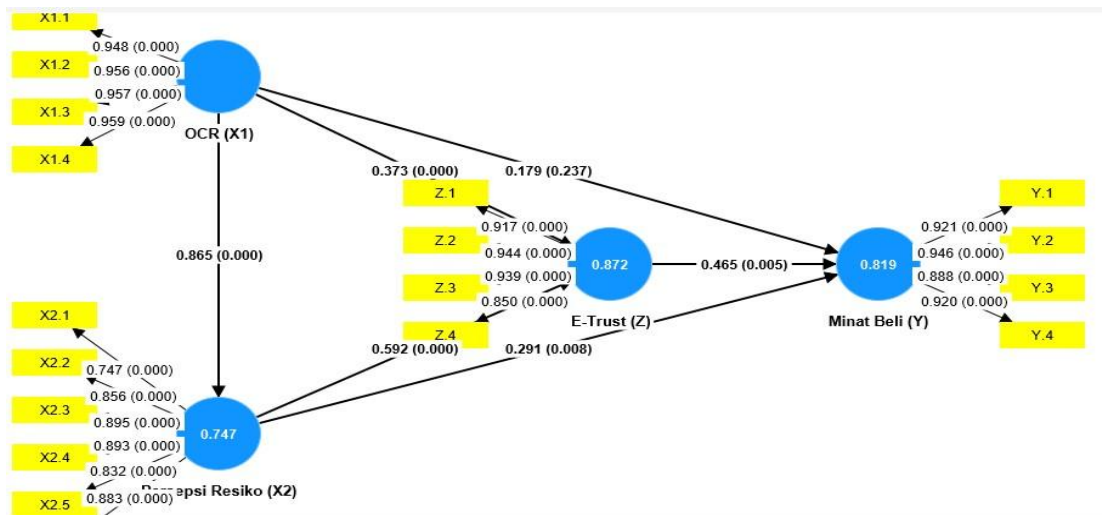
Table 14 : Result of T – Statistics Specific Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics ( O /STDEV)	P - Value
OCR – E-Trust – Purchase Intention	0,173	0,170	0,071	2,456	0,014
Risk – E-Trust – Purchase Intention	0,275	0,271	0,104	2,647	0,008

Sources: Research Processed Result, 2024

Based on table 14, it can be seen that the Online Customer Review variable on Purchase Intention mediated by E-Trust has positive and significant results with a t-statistics value of 2.456 (> 1.96) and a p-value of 0.014 (<0.05). In addition, it can also be seen that the Perceived Risk variable on Purchase Intention mediated by E-Trust has positive and significant results with a t-statistics value of 2.647 (> 1.96) and a p-value of 0.008 (<0.05).

Figure 2 : Output Bootstrapping



Sources: Research Processed Result, 2024

DISCUSSION

The Effect of Online Customer Review on Perceived Risk

The results of this study indicate that there is an influence between the online customer review variable on the perceived variable. This can be proven by the value obtained from path coefficients 0.865 (> 0) and t-statistics 3.820 (> 1.96). The results of this study indicate that there is a positive and significant influence





between online customer reviews on perceived risk, meaning that good or bad e-commerce Lazada's reviews can affect consumers' perceptions of the risks they might receive. Likewise, the better the customer review, the lower the consumer's risk perception of e-commerce Lazada.

Online customer reviews play an important role in perceived risk because they provide information and direct experience from actual users that can be considered when buying a product or using a service. People generally have concerns related to product quality, customer service and so on. By reading reviews from other people who have used the product or service, prospective buyers can reduce the uncertainty they face. Reviews that are positive can reduce risk perception by providing confidence that the product or service is worth the cost and will meet the expectations of potential buyers. On the other hand, negative reviews will provide an overview of the problems that potential buyers may face. Overall, online customer reviews can help reduce uncertainty and increase transparency, which in turn can reduce perceived risk for potential buyers. The results of this study are in accordance with research conducted by Putri (2022) which found that online customer reviews have a positive and significant effect on perceived risk in purchasing Scarlett products at Shopee with a percentage effect of 39%. In other research conducted by Hasibuan and Pradana (2020) also found that online customer reviews have a positive and significant effect on perceived risk.

### **The Effect of Online Customer Review on E-Trust**

The results of this study indicate that there is an influence of online customer reviews on e-trust. This can be proven by the value obtained from the path coefficients 0.373 ( $> 0$ ) and t-statistics 4.891 ( $> 1.96$ ), thus the second hypothesis can be accepted that there is a positive and significant influence between online customer reviews on e-trust, meaning that good or bad reviews given to Lazada e-commerce will have an impact on the level of consumer electronic trust.

Online customer reviews are able to influence trust because they can be a source of information related to the product or service needed. Positive reviews can provide validation that the product or service is of good quality and worth buying, this can increase potential buyer's trust in a seller or brand. Potential buyers tend to believe in the real experiences of other users more than the marketing claims of the seller. In addition, these reviews often trigger discussions and interactions between users so that they can hear opinions and experiences from people who have made purchases before them. Thus, online customer reviews have great potential to strengthen electronic trust by providing the necessary information and validation for potential buyers. The results of this study are in accordance with research conducted by Martha, et al (2022) which found that online customer reviews have a direct effect on trust in Bukalapak in Padang City. Other research conducted by Zhu, et al (2020) also found that online customer reviews have a positive and significant effect on trust.

### **The Effect of Perceived Risk on E-Trust**

The results of this study indicate that there is a positive and significant influence between perceived risk on e-trust. This is evidenced by the value obtained from path coefficients 0.592 ( $> 0$ ) and t-statistics 8.279 ( $> 1.96$ ), thus the third hypothesis can be accepted, namely that there is a positive and significant influence between perceived risk on e-trust. This means that the good or bad perceptions that consumers have of e-commerce Lazada will affect their trust in the e-commerce.

Perceived risk plays an important role in shaping electronic trust because perceived risk shapes consumer's expectations of what they can expect from an online transaction. Lower risk tends to increase trust, while higher risk can undermine trust. Thus, high risk perception can be an obstacle to e-trust because consumers tend to look for platforms, sellers or products that are able to provide a sense of security and have good quality and service. The results of this study are in accordance with research conducted by Sakti, et al (2020) which found that perceived risk has a positive and significant effect on trust in purchasing fashion products via Instagram. In addition, research conducted by Safrizal, et al (2022) also shows that perceived risk has a positive and significant effect on trust in online shopping.





### **The Effect of Online Customer Review on Purchase Intention**

The results showed that online customer reviews did not have a direct influence on purchase intention in e-commerce Lazada in Pekanbaru City. The value obtained from testing path coefficients is 0.179 ( $> 0$ ) and t-statistic 1.182 ( $< 1.96$ ). Thus the results of this study indicate that the third hypothesis is rejected because the online customer review variable has no significant effect on the purchase intention variable. This means that the good or bad reviews given to e-commerce Lazada don't necessarily affect consumer interest in making purchases on the e-commerce.

The results of this study are in accordance with research conducted by Nurhayati and Nurlinda (2022) which found that online customer reviews have no direct effect on buying interest on Tokopedia. In another study conducted by Firdaus, et al (2023) it was also found that online customer reviews have no influence on buying interest in Shopee's online shop. Meanwhile, research conducted by Riyanjaya and Andarini (2022) found that online customer reviews have a positive and significant effect on buying interest in Wardah products on the Shopee online shopping site. Likewise, the results of research conducted by Martha (2022) also found that online customer reviews have a positive and significant effect on buying interest in Bukalapak in Padang City. This is certainly contrary to the research results obtained by researchers. This difference can be caused by various factors such as differences in consumer opinions and preferences so that if the review is not relevant to individual preferences or needs, it will not affect purchase intention. In addition, there are other factors that can influence purchase intention apart from customer reviews, such as price, brand, promotion and recommendations from friends or family which make consumers tend to pay attention to these factors rather than customer reviews. Thus, although online customer reviews can be an important factor in determining purchase intention for some consumers, their impact can very depending on various other factors that can also influence purchase intention.

### **The Effect of Perceived Risk on Purchase Intention**

The results of this study indicate that there is an effect of perceived risk on purchase intention. This can be proven by the value obtained from path coefficients 0.291 ( $> 0$ ) and t-statistics 2.652 ( $> 1.96$ ), thus the fifth hypothesis can be accepted, namely that there is a positive and significant influence between perceived risk on purchase intention. This means that the lower the risk perception that consumers have towards e-commerce Lazada, the higher their purchase intention and vice versa.

Perceived risk plays an important role in building purchase intention because consumers tend to look for ways to minimize the risks associated with the purchase. If consumers perceive low risk, they will be more likely to be interested in buying the product or service. If risk perception is high, consumer purchase intention will decrease because high risk perception will create various psychological barriers that prevent consumers from making purchases. Thus, high risk perception can be a barrier to consumer buying interest because it creates uncertainty, lack of trust, fear of loss and other things that can be a consideration for consumers. The results of this study are in accordance with research conducted by Sakti (2020) which found that perceived risk has a positive and significant influence on buying interest in fashion products through Instagram. Likewise, the results of research conducted by Utami (2020) also found that perceived risk has a positive and significant effect on consumer buying interest through e-commerce.

### **The Effect of E-Trust on Purchase Intention**

The results of this study indicate that there is an influence of e-trust on purchase intention. This can be proven by the value obtained from path coefficients 0.465 ( $> 0$ ) and t-statistics 2.815 ( $> 1.96$ ), thus the sixth hypothesis can be accepted, namely that there is a positive and significant influence between e-trust on purchase intention. This means that the better consumer trust in e-commerce Lazada, the higher their purchase interest will be and if consumers have a low level of trust, their purchase interest will also decrease.

Overall, e-trust is very important for purchase intention because it provides a strong basis for consumers to feel comfortable, safe and confident in making online purchases. Without trust, consumers will be reluctant to make online transactions, thus low e-trust can be a barrier to consumer buying interest who will make online purchase transactions by creating insecurity, distrust, uncertainty and fear, which of course this can hinder the growth of the e-commerce business and electronic commerce as a whole. The results of this





study are in accordance with research conducted by Sakti (2020) which found that electronic trust has a positive and significant effect on interest in purchasing fashion products via Instagram. Likewise, the results of research conducted by Thang Ha (2019) also show that trust has a positive and significant effect on consumer buying interest.

### **The Effect of Online Customer Review on Purchase Intention with Mediating E-Trust**

The results in this study indicate that there is an influence between the online customer review variable on the purchase intention variable which is mediated by electronic trust (e-trust), this can be proven by looking at the value obtained from testing the specific indirect effect, namely the path coefficients value of 0.173 ( $> 0$ ) and t-statistics of 2.456 ( $> 1.96$ ). This indicates that online customer reviews have a positive and significant effect on purchase intention through e-trust as an intervening variable.

Based on the results of the study, it is known that in the direct relationship between the online customer review variable and purchase intention there is no significant effect, but in the indirect relationship between the online customer review variable and purchase intention mediated by the e-trust variable there is a positive and significant effect. This means that reviews read by consumers cannot directly influence their purchase interest in e-commerce Lazada, but will first affect their trust so that it then has an impact on purchase interest. The results of this study are in accordance with research conducted by Martha, et al (2022) which found that there is a positive and significant relationship between online customer reviews on purchase intention through mediation of trust in Bukalapak in Padang City.

In this case, e-trust has an important role in creating a basis for consumer trust in online shopping platforms. When consumers believe in the security and reliability of an e-commerce platform, they tend to trust the reviews or customer reviews found so that they can strengthen the influence of online customer reviews on purchase intention. In addition, e-trust can create confidence that the reviews on the shopping platform are real and trustworthy so that consumers consider customer reviews more before deciding to make an online purchase transaction.

### **The Effect of Perceived Risk on Purchase Intention with Mediating E-Trust**

The results in this study indicate that there is an influence between the rperceived risk variable on the purchase intention variable mediated by e-trust, this can be proven by looking at the value obtained from testing the specific indirect effect, namely the path coefficients value of 0.275 ( $> 0$ ) and t-statistics 2.647 ( $> 1.96$ ). This indicates that perceived risk has a positive and significant effect on purchase intention through e-trust as an intervening variable.

Based on the results of the study, it can be seen that in the direct relationship between the perceived risk variable and purchase intention, there is a positive and significant influence. Likewise, in the indirect relationship between the perceived risk variable and purchase intention mediated by e-trust, there is also a positive and significant influence. This proves that high and low risk perception will affect consumer purchase intention either directly or through the role of e-trust as a mediating variable. However, when viewed from the value of path coefficients and t-statistics, it is known that the value of the direct effect is slightly greater than the value obtained from the indirect effect. This could be because perceived risk tends to be subjective so that if consumers consider a product or service to have a high risk, they are reluctant to buy it regardless of how high their trust in the e-commerce.

E-trust plays a lesser role in mediating perceived risk and purchase intention because the main focus is on consumer's trust and confidence in online shopping platforms, not on risk evaluation. However, risk perception and e-trust can interact and influence each other in the context of purchase intention such as if consumers have high trust in online shopping platforms, they tend to assess lower risk in a purchase they will make. This is in accordance with the results of research conducted by Hasibuan and Pradana (2020) which found that trust mediates the relationship between risk perception and online purchase intention. In another study conducted by Sakti, et al (2020), it was also found that trust mediates the relationship between risk perception variables and interest in buying fashion products via Instagram.





## CONCLUSION

In conclusion, this study reveals the significant impact of online customer reviews on perceived risk and e-trust in the context of e-commerce, specifically on Lazada. The findings suggest that positive online customer reviews have a positive and significant influence on reducing perceived risk and increasing e-trust, ultimately leading to higher purchase intentions. On the other hand, negative reviews increase perceived risk and decrease e-trust, resulting in lower purchase intentions. Conversely, higher e-trust leads to higher purchase intentions, as consumers who trust the platform are more likely to make a purchase.

Interestingly, online customer reviews do not have a direct significant impact on purchase intentions. However, through the mediating role of e-trust, positive online customer reviews can increase e-trust, which in turn increases purchase intentions. Perceived risk has an indirect positive impact on purchase intentions through e-trust, implying that higher perceived risk reduces e-trust, leading to lower purchase intentions.

Overall, the findings of this study provide valuable insights for e-commerce businesses like Lazada, highlighting the importance of encouraging positive online customer reviews, reducing perceived risk, and fostering e-trust to increase purchase intentions and ultimately drive business growth.

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