Factors That Impact the Purchase Intention in Social Commerce

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Abstract

The development of the modern era, made all areas of human life experienced changes that were affected by development existence Information Technology and the Internet. It's as encourages an online shopping system that continues to increase and has an impact on the progress of e-commerce. The purpose of this study was to determine the factors that influence consumer behavior intentions within the context of social commerce website, and to know the overall purchase intent based on the cognitive evaluation of the consumer. This research is a replication from the original paper which is conduct in Taiwan, the result of this paper will also explain that consumers' multidimensional perception affects both of their perception of value and their purchase Another factors related to social intention. consciousness are explain in this study is also showing the influence customer purchase intention. The results from this replication research paper will show the satisfaction significantly and positively affects perceived value and social awareness are factors that affect the customer behavior to their decision to purchase and intentions from the different gender. In addition, the risk of a perceived clearly and adversely affecting the satisfaction against to purchase intention. This research has implications that are very theoretical and importantly managerial. Social commerce comes from the result of collaboration and development from the social network developed and e-commerce; it is a new business model. An activity conducted through social networks is a form of social activity is commerce. The paper provides evidence that in Indonesia, social commerce is already growth.

Keywords: e-commerce, purchase intention, social commerce, social awareness, value-based adoption model, perceived risk, perceived value

1. INTRODUCTION

In this modern era, almost all aspects of human life experience changes that are influenced by the development of Information and Internet Technology. These things can give impacts towards human daily activities. For instance, one of development of Information and Internet Technology is an online shopping system that is currently widely used by various groups ranging from children to adults to facilitate the daily activities as well as a business opportunity that can advance the economy. The online shopping system continues to experience rapid growth throughout the world even in Indonesia. This is inseparable from the support of the government and the private sector who continue to develop supporting infrastructure, so that the development of Information Technology and the Internet can be experienced by the Indonesian citizens both in big cities and small cities. In Indonesia it was expose by the other research conducted by Asosiasi Penyelenggara Jasa Internet Indonesia or known as APJII said that the number of internet users in the country reached 132 million people by the year of 2017. This amount shows that more than 50 percent people from Indonesia's population have and can access the internet. In the same information, it was also said that from the hundreds of millions of internet users in Indonesia, 60% of them have accessed the internet by using smartphones. Not only in the internet access that continues to increase, but also from the duration of using the internet. Indonesia in terms of internet usage time is ranked fourth in the world with an average duration of using the internet for 8 hours 51 minutes per a day. Internet usage is dominated by socializing activities in cyberspace. In Indonesia the number of social media users reached 49% percent of the population of the internet users and it means that nearly half of the internet users in Indonesia have social media. Based on the growth of social media users explained before, the study concluded that Indonesia is the third largest country with a growth rate of 23% or 24 million users by the year 2017. This can

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be seen from two cities in Indonesia that occupy the position of two cities with the world's largest number of Facebook users, the cities are Bekasi and Jakarta. Again, based on this phenomenon, than most people realize they need to act fast to take the opportunity available by doing electronic commerce or which is now better known as e-commerce.

Generally, electronic commerce refers commercial transactions involving individuals and organizations, based on electronic processes and data transmission such as text, sound and visual image (OECD, 1998). Whereas Choi, Stahl and Whinston (2003) in the past study has defined that electronic commerce or know known more familiars with ecommerce is the new market that can be explored and it offers another types of commodities, such as digital products in the process through a digital process. As an example of the work of Indonesian who has successfully run their businesses in the form of ecommerce, Nadiem Makarim, the founder of GO-JEK, has had a positive impact on people's daily needs, Ferry Unardi, CEO of Traveloka has also succeeded in making changes in travel industry, as we may see that people can directly buy ticket digitally without going through a travel agent. While the merger between social media and e-commerce or what is now wellknown as social commerce is increasingly expanding business opportunities that can be done by everyone only through a smartphone. Sharma and Crossler, 2014 and Huang and Benyoucef, 2013 in the other study has explained that Social commerce is a new way and type of business model that comes up as the result of collaboration of social networks and e-commerce, that acts as a promotional product sales and influence the users to make a purchase through an established social media networks and websites the social networking website.

Using the social media like Facebook, Twitter, and LinkedIn as an example of leading social media sites that continues increased, with positively correlated with an increase experienced by the popularity of social commerce(Liang and Turban, 2011). Talk about the social media that influenced people in order to increased the use of social media are Youtube and Facebook, both of them are the most famous social media sites (Corrocher, 2011), they are ease of access both within individual social media (Lin and Lu, 2011). The ease of access fosters convenience that is an advantage for social commerce. The concept used by social commerce is the use of social media as a commercial transaction context that makes the relationship more closely with customers, enrich the quality of relationships, increase revenue, and drive the

business. To achieve these goals, a business can be run through social media such as Facebook, Twitter, etc to get access to the world of social platforms. Social Media currently plays an important role in influencing consumers or in marketing activities (Kim and Ko, 2012). Consumers who use social media can communicate with brands (Hollenbeck and Kaikati, 2012) and produce positive effects related to brand evaluation (Naylor et al., 2012). For influence a company can implement a social media strategy (Adjei and Noble, 2010) and increase their sales (Lu and Hsiao, 2010). But behind that it is also necessary to understand further about whether there are perceived advantages and disadvantages and the influence of the surrounding environment in using social commerce on the interest of Indonesian consumers in making purchases. Creating a value centered on emotional operations is the key to increasing consumer interest in social commerce sites. The higher value of the products and services, more likely a buyer would be willing to buy it.

At present, many studies identify that quality and satisfaction are no longer sufficient as the only source of competitive advantage, but researchers now see that the perceived value of customers is a variable that might influence positive behavioral intentions and thus competitive advantage. Kimetal. (2007) is perceived value, and explore the user in their availability for using cellular internet from the value of the optimization perspective. Gupta and Kim (2010) adopted VAM to determine / ascertain how customer behavior in purchasing and changing decisions under the influence of perceived value. Lin et al. (2012) Combined VAM and confirmation theory of hope to explore the availability of users to continue using internet protocol television. The Value and influence is willing to buy content services online. Therefore, we start from the perceptions of customer value, and use VAM as a base model research such as when we are looking for factors that influence the intention of customers to buy on web social commerce.

Several studies have taken the social identity process perspective to search the behavior of customer purchase. Social identity theory (SIT) is an founded from social psychological the theory used to process groups and relationships between groups they can help explain the complexity context of social relations (Abrams and Hogg, 1990). Social identity is a sense of individual ownership including for certain social groups, along with emotional and meaningful values of membership of the Group (Tajfel, 1978). In addition, the status of a member in a group will affect the behavior of the individual, who then must verify by

group leader (Changetal., 2015; Halevyetal., 2011). Therefore, we peel a deeper concept of the theory of SIT where social consciousness as a model of the proposed research is to investigate how the importance of mass and support will affect the intention of buying customers in social commerce website.

Again, this journal is the replication from its original journal that conduct the research in Taiwan, this journal was created to see what factors that have impact to the People in Indonesia's Purchase Intention in Social Commerce. The structure of this journal is as follows. In Part 2, the author will review relevant literature and develop our hypotheses. In section 3, it focuses on the methodology. In Section 4, the author details the results of the analysis of reliability and validity, and examines our hypotheses. In section 5, the author will write the conclusion and note the limitations of this research.

2. LITERATURE REVIEW

2.1 VAM

Value contains elements of consideration that bring an ideas one of individual's about things that are desired. Value refers to the overall ratio between the profits obtained and the costs incurred by the customer. Values can describe the value of consumption, consumer value, service value, and perceived value are all that combine ideas (Kim et al., 2007). A value is considered not as a value except when the thing of it has can feel become one. No matter how real a value is, it will not be considered a value until the value has been felt (Bono & Heller, 2006). Value perception model originated proposed by Monroe and Krishnan (1985). They take into account that customer perception is considered a value or the value established after an analysis of the quality of a particular product or service and sacrifice are considered necessary to obtain a product or service. Thus, when the quality is felt to exceed the perceived sacrifice, the customer assumes positive values, which have had positive effects consequent upon their purchase intention (Dodds et al., 1991)

VAM is a model that describes costs versus benefits, comparing costs of adopting new technologies or products versus benefits that can be obtained (Lin et.al, 2012). VAM is based on the value of optimization, predicting the effects from the users have on value perception and willingness to adopt information technology through the perception of multidimensional evaluations (Ratna, 2012; Kim et al., 2007). Bolton and Drew (1991) found that customers evaluate products or services based on their personal preferences. Thus, each customer can have a different

value perception of the same product or service. When customers think that the benefits obtained from a product or service outweigh the costs that are acquired, their perception of net value increases, this will affect their subsequent purchases (Wang et al., 2013; Ratna, 2012; Bolton and Drew, 1991; Zeithaml, 1988).

2.2 Flow, Perceived Usefulness and Enjoyment

The theory of Flow first proposed by Psychologist named Csikszentmihalyi (1975), the theory has been used to describe people's experience when they participating in activities. In the flow state, people become absorbed in their activity, their awareness is narrowed to the activity itself; they often lose their self-consciousness, and they feel in control with their environment (Csikszentmihalyi and LeFeyre, 1989). Based on what Finneran and Zhang, 2005 said on the other study that Flow also represents an optimal experience that has other effects to user's behavior. In its infancy, flow theory was recently used in discussions related to life, work, leisure activity, and entertainment. After the changes and fast development of the internet, people started to used flow theory to investigate the computer usage behaviors.

Virtual world has been develop, many scholars has started to use computer-mediated environments to conduct studies related to flow theory. Hoffman and Novak (1996) said in the other study that when users are in an immersive internet environment, they enter a state of mediation, which is a sort of continuous action. In the online shopping activity, when users are in flow, they are totally involved in the activity and time elapses rapidly for them. Thus, flow theory is also applicable to the exploration of the behaviors of users surfing the internet. Hausman and Siekpe (2009) indicated that flow predicts user intention to return to online shopping sites. Hsu et al. (2012) and Gao and Bai (2014) found that the flow experience and online purchasing behaviors are positively correlated.

In addition, flow consists of multiple components, including perceived enjoyment, concentration, perceived control (Koufaris, 2002). Wu and Chang (2005) also found that, used enjoyment and time distortion for measuring flow, but they treated them as two dimensions not items. Some scholars have found that entertainment is a sort of behavior shown by users immersed in entertaining activities. Entertainment can perfectly elaborate on users' activities (Chen and Lin, 2018; See-To et al., 2012). When users experience flow that represents an optimal experience, they may feel great enjoyment and expect to obtain this experience again. In the shopping activity, Hausman and Siekpe (2009) indicated that flow predicts user intention to return to online shopping sites. Scholars have found that a high level of flow has a pronounced positive effect on the level of entertainment perceived by the users (Weibel and Wissmath, 2011). Thus, we propose the following hypotheses:

H1; Flow has a positive relation with enjoyment.

H2; Flow has a positive relation with intention.

According to the cognitive evaluation theory, behavioral motivations can be categorized into two types: extrinsic and intrinsic. Extrinsic motivation is a construct resulting in behavior that is encouraged by external rewards and occurs outside the student while intrinsic motivation is a construct resulting in behavior that is driven by internal rewards and occurs from within the student (Ryan & Deci, 2000a). An extrinsic motivation generally refers to the behavior to achieve a certain goal. An intrinsic motivation refers to the internal psychological factors emerging during an ongoing activity. Kim et al. (2007) proposed that, in VAM, the factor of perceived usefulness is considered an intrinsic motivation, and the enjoyment is considered an extrinsic motivation factor. As a whole, users perception of intrinsic and extrinsic motivation factors can be called "perceived benefits;" According to Forsythe, et al. (2006), perceived benefit indicates about what customers gain from doing something in order to get something. According to relevant past studies, intrinsic and extrinsic motivation factors is also can affect users perceptions of value as well as their behavioral intentions (Kim et al., 2007; Ratna, 2012; Chen and Yao, 2018). Babin and Attaway (2000) also explained that, in a customer-oriented business environment, the perceived benefits that customer felt is affect customers purchase decisions and change their purchasing behaviors and intentions (Carpenter and Moore, 2009; Hsiao and Chen, 2016, 2018; Klein and Ford, 2003; To et al., 2007; Wang et al., 2013). Thus, for discussion purposes, this study categorizes the VAM's "perceived benefits" into enjoyment and perceived usefulness:

H3; Enjoyment has a positive relation with perceived value

H4; Perceived usefulness has a positive relation with perceived value

2.3 Perceived Sacrifice and Perceived Risk

Cost is one of the important indicator to measure the value. Costs are categorized as sacrifices and risks that can be felt by a customer to get a value. When customers think to do a purchases, perceived sacrifices

customer is a related to the physical costs that they must paid and the customer's previous perceptions of relevant to their buying experience for a given level of quality perception, the higher perceived sacrifice the more it will reduce the consumer valuation of the product and for a given level of sacrifice a higher level of quality perception will increase consumer evaluation of the product. So from that, Ratna,2012 and Zeithmal, 1988 they both in the past study said, while evaluate the perceived sacrifice that related to a product or services, customers may take the requisite cost and relevant past experience into consideration. Meanwhile most cases explained that perceived sacrifice can be categorized into monetary and nonmonetary expenditures. Monetary costs refer to the price paid by the customer, and non-monetary costs include time, experience, and other expenditures this explanation comes from the study about Pricing Strategy (Kim et al., 2007; Ratna, 2012). While Monroe (1990) in the past study offered a resemble formulation where consumers valuation of a product is determined by the relative strength of quality and monetary sacrifice effects associated with a product. Past studies showed that perceived sacrifices and perceived values are negatively correlated. When the perceived value of product or services felt by the customers is decreases, consequent of that this will affect the customer's willingness to make the purchase (Chung and Koo, 2015; Gupta and Kim, 2010; Kim et al., 2007; Zeithaml, 1988).

The idea of perceived risk was first proposed by Bauer (1960), and it is showed the psychological uncertainty. Peter and Ryan (1976) defined perceived risk as a subjectively expected loss. Meanwhile, Featherman and Pavlou (2003) also said that perceived risk refer to an unexpected loss encountered in the process of achieving a result (Nepomuceno et al., 2014). Perceived risk has become a common construct used by researchers in consumer behaviour (Chaudhuri, 1998; Hoover et al., 1978), organizational behaviour (Doney and Cannon, 1997; Upah, 1980) and in online consumer behaviour (Archer and Yuan, 2000; Gifford and Bernard, 2006; Ha, 2002). In online shopping, when consumers' perceived risk is low, their purchase intention is high (Jarvenpaa and Tractinsky, 1999). (Pires et al., 2004) also found the higher risks users perceive, the less their satisfaction and purchase intention will be developed. Moreover, perceived risk significantly and positively affects satisfaction (Chunmei and Weijun 2017). In this study, we mainly discuss financial, privacy and physical risks.

(Locander and Hermann, 1979; Taylor, 1974) the concept of self confidence and self esteem as having an

important role, with a lack of self confidence in a purchase decision increasing the consumer's perceived risk. Bauer(1960) noted that customers encounter unexpected uncertainties while shopping, a condition which gives rise to "customer perceived risk," in which customers are unable to predict the results of their decision. Garretson and Clow (1999) proposed that if customers feel a sense of risk during the purchase process, their willingness to make the purchase will be directly affected. Perceived risk also indirectly affects customers' willingness via their value perception (Agarwal and Teas, 2001; Chang and Tseng, 2013; Wu et al., 2015).

All of the above suggests that perceived value influences purchase intention. In the other hand Chunmei and Weijun (2017) show that satisfaction significantly and positively affects users purchase intention in social commerce context which utilitarian, hedonic and social values have significant and positive impacts on satisfaction and purchase intention; and utilitarian value is found to be the most salient factor influencing purchase intention, while hedonic value has the greatest effect on satisfaction. Lin and Wang (2006) who showed that the perceived value has a significant, positive influence on mobile purchase intention. Hsu and Lin (2015) also found that perceived value affects customers' willingness to make purchase via mobile applications (Hsu and Lin, 2015; Chu and Lu, 2007; Lin and Wang, 2006). Thus, based on the findings noted above, we propose the following hypotheses, which we will examine in detail the hypothesis:

H5; Perceived sacrifice has negative relation with perceived value.

H6; Perceived risk has positive relation with perceived value.

H7; Perceived risk has positive relation with purchase intention.

H8; Perceived value has positive relation with purchase intention.

2.4 Social Awareness

Based on social identity theory (SIT), the idea of the social self emerged and was elaborated to explain observed differences in behavior between the individual as a person (personal identity) and the individual as a member of a group (social identity) (Abrams and Hogg, 1990; Turner and Onorato,1999). When people are aware of their group membership and feel belonging into a group, and they will place in the high value and emotional that invrease significantly on the membership, they are said to have a strong group

identification (Hogg, 1992). Through the identification of the group, then the member will has a strong influence on the attitudes and behaviours of individual towardss the other group's members (Terry and Hogg, 1996; Terry et al., 1999). Thus, social identity theory can provide insight into how interactions are influenced by a critical mass of members. Other studies shown the impact of leader validation, and individual group members will have more intention to endorse a leader reveals with a more extreme stance within an acceptable consensus (Chang et al., 2015; Halevy et al., 2011). The study is the more extensive, research on social identity in the identification group that focuses on the critical mass and the evaluation of leaders focusing on support). Awareness of social identity theory (SIT) may help researchers understand the intent of purchase in social commerce, thus this study outlines the perspectives of social consciousness to know the effects of critical mass and support.

Critical Mass defined as if the point at which the rate of change of the request or the demand curves have change of gradient magnitude and direction upwards, leading to an exponential increase in the adoption of the product by the consumer, that's when the conditions can said as the Critical Mass. (Tanya Sammut and John McGee, 2015). Other studies say that a critical mass is reached when the number of users of the new technology until it is in the number of such critical mass point, at which point increase when can boost from the number of people who receive the new technology. The phenomenon of critical mass has related with network products. Examples of network products are mobile phones, e-mail, software, messaging services, social networks, and collaborative gaming platforms. Gmail, Facebook, LinkedIn, Skype, and Twitter are network products, which are well past their critical mass point and widely diffused in international markets. In the exploration of when one condition is defined as critical mass, Shen et al. (2013) found that user's intention to adopt a new technology is clearly have an impact and will influence others, social factors and critical mass. Thus, we propose the hypothesis:

H9; Critical mass has positive relation with purchase intention

Endorsement is defined as a personal (or personality) sponsorship (The Economist, 2003) and people who received the sponsorship for he/her self are called Endorser. In the past study Santoso,1989 aslo defined the Endorser as someone who is recognized by the masses and exploit their personal fame to show

benefits for the customer (Santoso, 1989). Endorser using fame, position, their personality to influence and persuade consumers to have positively towards brand imagery and affect a purchasing against the brand (Das & Padhy, 2012). This endorsement strategy is used within four product endorsement styles which McCracken (1989) notes include: the explicit mode for example when the endorsers judged as the people who gave the product to endorsers ("I endorse this product"), the implicit mode is like when endorsers said that they use the product and told the audience or other people in order to promote ("I use this product"), the imperative mode, ("You should use this product"), and the co-present mode (i.e., in which the celebrity merely appears with the product)" (p. 310). An examination of endorser literature showed that selection criterion of an effective endorser is primarily based on two main factors, one of the main factor is the Credibility of the endorser (Hovland, et al., 1953; Hovland & Weiss, 1951; McGuire, 1968). This is because when customers receive the message regarding a product or service, they transfer the endorsers' reputation and image to the product or service to further enhance its image. This transfer of endorser's image to the product is what gives endorsements their value. Nevertheless, it the past studies cited what Lafferty and Goldsmith (1999) said that the endorser's credibility affects customers' consumption attitudes and their willingness to purchase. As a result, the credibility of endorsers generally have significant effects for the customers. Based on the above definition, we change the definition of "support" into: the operators of social networking site is using personal qualities, expertise and reliability to emphasize the features of a particular product, thus making the customers willing to make a purchase. Thus, we hypothesize as follows:

H10; Endorsement has positive relation with purchase intention

3. METHODS

In this experiment, we create online questionnaires on Google-forms and then we spreading the site survey hyperlinks thereby the respondents can complete the questionnaire online. We have a total of 361 responses, of which 300 can be used and can be seen as a user of a social network with an 80 percent response rate. Kline (1998) stated that at least 200 observations required for sufficient sample size; Thus, the sample size we have exceeded 300 observations.

Our research survey results a questionnaire comprising nine construction, including flow, pleasure, perceived usefulness, perceived victim, perceived risk, perceived value, critical mass, support, and purchasing intentions as measured through 29 statements and using a five-point Scales Liqueur (1 = strongly disagree, 5 = strongly agree) to assess those statements. Table I shows the dimension definitions.

To experiment this study, we chose the user ever did browsing social networking sites process and has make a purchase on the site. Table II shows the demographic characteristics of respondents.

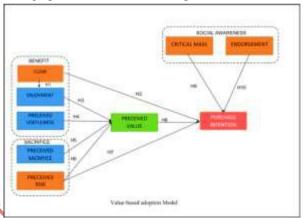


Figure 1. Value-Based Adoption Model

Based on the results of the questionnaire, demographic characteristics of respondentsamong our 300 respondents, 42.33% are males and 57.67% are females. So, women are the majority of the respondents in this study. Most of our respondents is 20-30 years (86.33%). Only small proportions are less than 20 years old and more than 30 years old.

Looking to our respondent's educational background, generally the respondents are bachelor (72.67%) thenhigh school (13.67%), and a small proportion with magister education. For job background, more than half of the respondents work as employees (60.33%), Students (22%), and the rest are entrepreneurs, housewives, art workers, and others. From the income, less than half of the respondents with income of IDR 5,000,000 – IDR 10,000,000 (46.67%), and 29% with income less than IDR 5,000,000.

Characteristics Purchasing Goods in Social Media Commerce Respondents most respondents (76.67%) bought goods from Instagram. Only a small percentage buy through buying and selling sites like Shopee (6.67%), Tokopedia (5.67%). Most respondents buy good from social commerce at most once a month (36.67%), but not infrequently those who buy as much as three months (19.33%) and once every two weeks (22.67%). More than half of the respondents bought fashion on social commerce (56.33%). Not infrequently those who buy make up (19.67%),

electronics (11.33%). The average respondent buys 1-10 items per purchase with costs incurred at less than IDR 500,000.00.

4. RESULT AND DISCUSSION

This study used Smart PLS to verify the proposed model and hypotheses. When using SmartPLS the output includes Discriminant Validity. The inspection of Discriminant Validity from the reflective measurement model is assessed based on cross loading and compares the AVE value with the quadrate of the correlation between extracts. The size of the cross loading is to compare the correlation of the indicator with its extract and extract from other blocks. Good discriminant validity will be able to explain the indicator variables higher than by explaining the variants of other extract indicators. The following is the Discriminant Validity value for each indicator.

The value of discriminant validity or loading factor for the CM1 indicator is 0.793. The correlation of the 793 indicator is the highest on critical mass compared to the correlation on other variables, such as the endorsement of the user at 0.444; enjoyment of 0.396; flow of 0.432; Purchase intention is 0.436, etc.

All loading factor values for each variable have a higher correlation with the variables compared to the other variables. This shows the placement of these indicators in each variable.

4.1 Structural Model Evaluation

There are several stages in evaluating structural models. First is to see the significance of the influence between the extracts. This can be seen from the path coefficient which describes the strength of the relationship between the constructs.

4.1.1 Path Coefficient

Seeking for the significance of the influence between extracts can be seen from the path coefficient. Signs in the path coefficient must be in accordance with the hypothesized theory, to assess the significance of the path coefficient can be seen from the test (critical ratio) obtained from the bootstrapping process (resampling (method).

Standardized Т Т Path Hypothesis Result Calculate Table Coefficient Flow -> Enjoyment 0.491 11.816 1.968 Ho Rejected 2.393 $PR \rightarrow PV$ 0.111 1.968 Ho Rejected Enjoyment -> PV 0.182 2.933 1.968 Ho Rejected PS -> PV 0.203 4.616 1.968 Ho Rejected PU -> PV 0.462 8.472 1.968 Ho Rejected $CM \rightarrow PI$ 0.167 2.672 1.968 Ho Rejected ED -> PI 0.157 2.615 1.968 Ho Rejected $\overline{\text{Flow}} \rightarrow \overline{\text{PI}}$ 3.963 1.968 Ho Rejected 0.167 PR -> PI 1.119 0.065 1.968 Ho Accepted PV -> PI 0.374 6.620 1.968 Ho Rejected

Table 1. Path Coefficient Results

Table 2. Direct and Indirect Effect

	Direct			Indirect		Total effect		
	ENJ	PV	PI	PV	PI	ENJ	PV	PI
F	0.491		0.167	0.090	0.184	0.491	0.090	0.351
EN		0.182			0.068		0.182	0.068
PS		0.203			0.076		0.203	0.076
PU		0.462			0.172		0.462	0.172
PR		0.111			0.041		0.111	0.041
CM			0.167					0.167
ED			0.157					0.157
PV			0.374					0.374

The results in the table above show that there is a significant effect of flow to enjoyment, then there

is a significant effect of perceived risk, enjoyment, perceived sacrifice, and perceived usefulness on perceived value. There is a significant effect of critical mass, endorsement, flow and perceived value on the perceived intention. However, this is not the case with the effect of perceived risk on perceived intention which indicates insignificant results.

4.1.2Evaluating R^2

Based on R^2 value it is known that the flow variable is able to explain the enjoyment variable of 0.241 (24.1%), while the remaining 75.9% of the other constructs.

In addition, critical mass variables, endorsement, flow, perceived value, and perceived risk were able to explain perceived intention variables at 0.527 (52.7%), while the remaining 47.3% from other constructs. While the influence of enjoyment variables, perceived usefulness, perceived sacrifice, and perceived risk can explain perceived value of 0.546 (54.6%), the remaining 45.4% is explained by other variables.

4.1.3Goodness Of Fit

To validate the overall model, goodness of fit (GoF) is introduced by Tenenhaus, et al (2004) in Yamin and Heri Kurniawan (2011: 21). This GoF index is a single measure and used to validate the combined performance of the measurement model and structural model. This GoF value is obtained from the average communalities index multiplied by the R2 value of the model.

Based on the results of the average communalities is 0.665. This value is then multiplied by R2 and is rooted. The calculation results show that the GoF value of 0.540 is more than 0.36 so it is categorized as a large GoF, meaning that the model is very good (has high ability) in explaining empirical data.

5. CONCLUSION

This study observes the purchase intention of employee aged between 21-30 years old on social commerce websites. Based on customers' perceptions of value, our study evaluated several other customer perceptions (flow, enjoyment, perceived usefulness, perceived sacrifice, and perceived risk) and social awareness factors (critical mass, endorsement) to investigate purchasing behavior and intention.

The conclusion above shows how they affect customer's purchasing behavior commerce sites. We offer the following insights, from a theoretical point of view, this study contributes to the appeal of information by examining the user's behavior in the context of social commerce from the perspective of endorsement. Owners of social commerce website can use their attractiveness, trustworthiness and expertise to strengthen the images of products sold on their websites and induces customers to be willing to buy, for example, Owners of social commerce can use actor celebrity for solutions endorsement The match-up endorsement has a positive effect on social commerce website customers to buy products and increasing the retention rate. While maintaining a good relation with customers is also an important factor for the operation. As mentioned above, the most factor most influences customers' purchase intentions are considered value, and perceived value specified by a multidimensional perception of customer sites. We believe social commerce website owner can give more specific product information based on consumer preference, or hold activities that allow them to interact with customers. This may increase the perception of customer site through all dimensions, while increasing both their perception about the value of social commerce website and increase their purchase intention on that site.

Therefore, the finding of this study will be of value and endorsement in enriching study related to purchase intention within the context of social commerce In addition, the results of the study will extend the support in the context of the purchase intention in social commerce, and deepen our understanding of the different aspects to give an impact on user behavior in social commerce.

6. LIMITATIONS

This study has several limitations. First, limitations of factors considered to influence these study. If the factor more developed will yield more result for social commerce websites. Second, during the distribution of questionnaires, we found that some people do not understand what is social commerce websites, perhaps because in Indonesia are also plenty of places to shop online as other marketplace. As people gain a deeper understanding of social commerce that is more mature and more experience of purchasing at sites of social commerce, future studies may produce different results on customer purchase behavior and intentions. Third, this study did not elaborate on the perceived risk into different dimensions, such as financial risk or risk social (Featherman and Pavlou, 2003). in the future, research may explore the effects of various types of risk that can be felt on other user's behavior in the context of social commerce

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