Effect of Electronic Word of Mouth, Perceived Service Quality and Perceived Usefulness on Alibaba's Customer Commitment

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Abstract-Perilaku konsumen untuk melakukan belanja online semakin berkembang dengan adanya kemajuan teknologi. Untuk memenuhi kebutuhan konsumen untuk belanja online berbagai e-commerce mulai berkembang. Alibaba merupakan salah satu layanan e-commerce di dunia yang muncul pada era digital saat ini yang menyediakan berbagai tawaran menarik serta produk penjualan yang menarik. Alibaba mampu dijangkau dimana saja dan kapan saja. Penelitian ini bertujuan untuk mengetahui bagaimana pengaruh electronic word of mouth, kualitas layanan yang diarahkan dan persepsi manfaat terhadap komitmen pelanggan Alibaba. Populasi dari penelitian yang dilakukan merupakan pengguna Alibaba. Penelitian menggunakan sampel penelitian berjumlah 100 responden yang merupakan pengguna Alibaba selama dua tahun. Data akan dianalisis menggunakan teknik analisis regresi linear berganda. Hasil penelitian menunjukkan electronic word of mouth, kualitas layanan yang diarahkan dan persepsi harga dapat berpengaruh signifikan terhadap komitmen pelanggan Alibaba.

Kata Kunci: e-WOM; Kualitas Layanan Yang Dirasakan; Manfaat Yang Dirasakan; Komitmen Pelanggan.

Abstract—Consumer behavior to do online shopping is growing with technological advances. To meet consumer needs for online shopping various e-commerce began to develop. Alibaba is one of the e-commerce services in the world that has emerged in the current digital era that provides various attractive offers and attractive sales products. Alibaba can be reached anywhere and anytime. This study aims to determine how the influence of electronic word of mouth, perceived service quality and perceived usefulness on Alibaba's customer commitment. The population used in this study were Alibaba users. This study used 100 respondents as the research sample. The data will be analyzed using multiple linear regression analysis techniques. The results show that electronic word of mouth, perceived service quality and price perception can have a significant effect on Alibaba's customer commitment.

Keywords: e-WOM; Perceived Service Quality; Perceived Usefulness; Customer Commitment.

1. INTRODUCTION

Current technological developments make the world community enter the digital era. All aspects of people's lives can be done with internet technology such as work, health consultations, schools, and also shopping. Online shopping is one of the lifestyles that is growing in society (Khayru et al., 2021). The behavior of people who like online shopping increases their trading business with e-commerce media (Sinambela & Darmawan, 2022).

The large number of e-commerce options increases business competition. One of the e-commerce that has a broad consumer market is Alibaba. Alibaba is an e-commerce company from China. Alibaba provides a variety of community needs in large quantities or individually. Alibaba serves purchases from consumers around the world. With the development of technology, there are more and more competing companies for Alibaba such as Amazon, Lazada, Pinduoduo, and many more. Business competition that is unavoidable makes Alibaba need to form and strengthen the customer commitments it already has.

Customer commitment is the willingness of customers to make purchases in the future at the same place or product. Customer commitment is formed from a pleasant experience, although stating a committed customer is not a sure thing for marketers (Darmawan, 2019). Fared et al. (2021) explained that customer commitment is an important factor to stay in touch with consumers. Strong customer commitment will increase company sales. The development of customer commitment can be done by increasing electronic word of mouth (e-WOM) (Ranaweera & Prabhu, 2003).

The use of social media is one of the supporting factors for e-WOM (Infante & Mardikaningsih, 2022). According to King et al. (2014) e-WOM is an information medium using internet technology that allows many people to interact with each other. eWOM is considered useful in planning and purchasing decisions because it is considered credible and of good quality (Chong et al., 2018). Cheung et al., (2008) investigated consumers trusting online conversations as reviews of a product or service. Positive issues that become the topic of e-WOM for a product will increase customer commitment to the product.

Customers will have a high commitment to a product if they can feel the quality of service. Zeithaml (1988) describes the level of service quality of a product or service company from its success in providing services in accordance with previous consumer expectations. Perceived service quality is a form of service provided by product providers to customers which is measured based on experience when using the product. Zhu et al. (2002). The perceived service quality will satisfy customers so that customers will reuse the product in the future.

Strengthening customer commitment can benefit the company because good relationships can be created with customers. This study aims to determine the effect of electronic word of mouth, perceived service quality and perceived usefulness on Alibaba's customer commitment.
2. RESEARCH METHODS

2.1 Types of Research and Data Analysis Techniques

This research is a quantitative research. Research data obtained by distributing questionnaires to respondents. The research data will be tested for quality using the validity test, reliability test and classical assumption test. Furthermore, the study uses multiple linear regression as a research analysis technique.

2.2 Population and Sample

The population of this study is Alibaba's e-commerce customers. Questionnaires were distributed in the City of Faisalabad, Pakistan. Through the Whatsapp application, it was addressed to 100 respondents who were appointed using a purposive sampling technique.

2.3. Operational Definition

a. According to Ballantine and Yeong (2015) stated that e-WOM can show an attitude or existence of a brand. There are five dimensions to measure e-WOM according to Jalilvand and Samiei (2012), namely, 1) reading comments from other consumers; 2) seek information from consumer comments; 3) online consultation regarding a product; 4) the emergence of a sense of worry if you do not read the comments; 5) Able to increase self-confidence after reading online reviews and be sure to make online purchases.

b. Jiang and Wang (2006) Service quality is the level of success of the service provider company to provide services in accordance with customer expectations. There are five dimensions of perceived service quality measurement Parasuraman et al. (1985) namely 1) reliability; 2) guarantee; 3) physical evidence; 4) empathy; and 5) responsiveness.

c. Perceived usefulness is a positive statement that consumers feel about a product that provides a benefit (Chandon et al., 2000). Davis (1991) describes six indicators of perceived usefulness, namely 1) Work faster; 2) work performance; 3) Increase Productivity; 4) Effectiveness; 5) Facilitate Work; 6) Helpful.

d. Udorn et al. (1998) describe customer commitment as a long-term relationship between consumers and a product or company. There are three indicators of customer commitment, namely 1) affective commitment; 2) normative; and 3) calculative.

2.4 e-WOM

King et al. (2014) describes e-WOM as a technology with the internet that provides opportunities for the public to share experiences in the form of writing, photos, or sharing videos. According to Thurau et al. (2004), e-WOM contains opinions from consumers about their experiences with a product in the form of writing or photos that can be information through social media. In general, e-WOM is used as a determining factor for consumers to make purchases. E-WOM is a medium for consumers to show their satisfaction or dissatisfaction with a product and get feedback from other consumers (Cheung & Thadani, 2012). In contrast to WOM, consumers can use e-WOM more freely because names can be kept secret. Cheung et al. (2009) argues that the stimulation of e-WOM is one of the determinants of the company's success. The issue that is being discussed by e-WOM is related to consumers who will make sales (Balasubramanian and Mahajan, 2001).

2.2. Perceived Service Quality

Service quality is a measurement of a service felt by consumers compared to previous expectations (Wilson et al., 2012). Service quality can be used as an assessment standard regarding the services that have been provided (Lewis & Booms, 1983). Good service quality proves that service providers are able to explain the expectations desired by consumers (Parasuraman et al., 1991). Therefore, service quality is the main driver of business continuity (Carlzon, 1987). According to Rust and Oliver (1994), the provision of good quality will be one of the factors to be able to compete in global competition. Lam et al. (2018) explains that the success of service providers in providing good service quality will increase consumer loyalty because of the emergence of a sense of satisfaction in consumers. Service provider management needs to know the expectations desired by consumers (Tsai, 2001). By knowing consumer expectations, companies can provide services as expected or at least close to consumer expectations (Park et al., 2018; Fared et al., 2021).

2.3. Perceived usefulness

Delafrooz et al. (2011) stated that the perceived usefulness of online shopping affect consumer intentions and these consumers feel the benefits of information related to the advantages of adopting e-commerce and consumer perceptions of usefulness are the most important things in online commerce. Perceived usefulness according to Tanada et al. (2015) knowledge of customer behavior regarding the benefits and risks that may occur when using the product.

2.4. Customer Commitment

Udorn et al. (1998) describe customer commitment as a long-term relationship between consumers and a product or company. According to Anderson et al. (1994), customer commitment not only shows the level of purchase with the same amount but increases in the long term. Customer commitment is a long-standing desire in the customer to maintain a
valuable or rewarding relationship (Morgan & Hunt, 1994). According to Fullerton (2003), stated that customer commitment can increase the success of the company.

3. RESULTS AND DISCUSSION

This study used 100 respondents as research samples consisting of 72 female respondents and 28 male respondents. 36 respondents aged 30-34 years old, 31 respondents aged 35-39 years old, 24 respondents aged 25-29 years old, while the rest are over 40 years old. Based on the education level, the majority of respondents are undergraduate graduates with a total of 83 respondents and the rest are high school graduates. The average respondent works as an online merchant.

Research data obtained through questionnaire responses were tested first with validity testing. Validity test is done by comparing the corrected item values. The default value used exceeds 0.3. The results of data processing show that the 10 statements of the e-WOM variable obtained a corrected item value exceeding 0.3. Thus, all e-WOM statements are declared valid. Furthermore, the 10 statements of perceived service quality variable obtained a corrected item value exceeding 0.3. Thus, all statements that represent the perceived service quality are declared valid. The statement that represents the perceived usefulness variable has a corrected item value. The results obtained show that 12 statements that represent perceived usefulness are declared valid. For the corrected item value that represents the customer commitment variable, the value exceeds 0.3. Thus, six statements that represent customer commitment are declared valid.

The next process is to do a reliability test. The test was carried out by comparing Cronbach's alpha value with the standard value of 0.6. The results showed that the Cronbach alpha value of the e-WOM variable was 0.722. For the value of Cronbach's alpha the perceived service quality variable is 0.801. Furthermore, the value of Cronbach's alpha of the perceived usefulness variable is 0.754. Cronbach's alpha value for the customer commitment variable is known to be 0.718. Based on the results of Cronbach's alpha obtained, the research data is reliable.

The next process is a normality test. The test is carried out by observing the graph presented in Figure 1. The graph shows the distribution of the data around the diagonal line. The results of data processing indicate that the research data is normally distributed.

Then the autocorrelation test was carried out. The autocorrelation test uses the Durbin Watson score as the basis for the assessment. The expected DW results are between -2 and 2. The results show the DW value obtained is 1.009. Thus, this research does not experience autocorrelation.

The next step is to do a multicollinearity test. The study used the VIF value and the tolerance value as the research standard. The results showed that the VIF value on the e-WOM variable was 1.403 with a tolerance value of 0.713. The VIF value for the perceived service quality variable is 1.499 with a tolerance value of 0.667. For the VIF value of the perceived usefulness variable, it is known to be 1.371 with a tolerance value of 0.730. Based on the results of the VIF acquisition and the tolerance value obtained, the research data does not experience multicollinearity.

![Figure 1. Normality Test](image1.png)

![Figure 2. Heteroscedasticity Test](image2.png)
The next stage is the heteroscedasticity test. The test results are presented in Figure 2. In the graph it is known that the data is spread evenly on the customer commitment axis. Thus, this study did not experience heteroscedasticity. The research data that has been tested for quality will then be tested using the t test.

Table 1. Multiple Linear Regression Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>19.852</td>
<td>2.949</td>
<td>6.733</td>
</tr>
<tr>
<td></td>
<td>X.1</td>
<td>2.579</td>
<td>.385</td>
<td>.443</td>
</tr>
<tr>
<td></td>
<td>X.2</td>
<td>2.472</td>
<td>.475</td>
<td>.355</td>
</tr>
<tr>
<td></td>
<td>X.3</td>
<td>1.573</td>
<td>.435</td>
<td>.236</td>
</tr>
</tbody>
</table>

The results of data processing showed a significant value in the e-WOM variable of 0.000. The results show that e-WOM has a significant effect on customer commitment. Furthermore, a significant value on the perceived service quality variable was obtained at 0.000. The results show that perceived service quality has a significant effect on customer commitment. Furthermore, the significant value for the perceived usefulness variable is 0.000. The results of the study prove that the formation of customer commitment is significantly influenced by perceived usefulness. Based on the coefficients table, the regression model is 19.852 + 2.579X.1 + 2.472X.2 + 1.573X.3. Based on the regression model, it is known that the value of customer commitment is 19.852 with the assumption that the value of e-WOM, perceived service quality, and perceived usefulness are zero.

Table 2. ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regression</td>
<td>2677.906</td>
<td>3</td>
<td>892.635</td>
<td>75.097</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>1141.094</td>
<td>96</td>
<td>11.886</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>3819.000</td>
<td>99</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The next stage is the F test. The processing results show the F value of 75.097. The results showed a significant value of 0.000. Thus, e-WOM, perceived service quality, and perceived usefulness have been shown to have a significant influence on the formation of customer commitment.

Table 3. Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.837</td>
<td>.701</td>
<td>-.692</td>
<td>3.448</td>
<td>1.009</td>
</tr>
</tbody>
</table>

The next step is to test the coefficient of determination. The results of data processing showed an R value of 0.837. The results of the R value prove that there is a strong relationship between the research variables. For the R Square value, the value is 0.701 and the Adjusted R Square value is 0.692. Thus, e-WOM, perceived service quality, and perceived usefulness contributed 69.2% to the formation of customer commitment. For other variables that affect customer commitment but are not a research variable, it contributes 30.8%.

Research shows that e-WOM has a significant effect on customer commitment. The results of the study are in accordance with research conducted by Ranaweera & Prabhuj (2003), Evanschitzky, et al. (2011), Wen-Chin and Ming-Tsang (2012) which state that e-WOM is one of the determinants of customer commitment. Customer commitment also influences consumers to use online media and spread the word, then recommend products or services to others online (e-WOM) which is mediated by customer trust and customer commitment. Electronic word of mouth that arises from Alibaba's customers or e-commerce users creates an opportunity and self-introspection for Alibaba. The opportunity is that there will be more users, users will trust and be loyal to Alibaba if the news or e-WOM recommendations from customers to other customers is positive. In addition, introspection will arise if the news conveyed is oriented to negative news, where Alibaba must immediately improve the system and whatever needs to be improved to solve problems and restore and increase Alibaba user trust and commitment to continue using Alibaba e-commerce.

In addition, this study also shows that perceived service quality has a significant effect on customer commitment. The results of the study are in accordance with the research conducted by Zhu et al. (2002), Davis-Sramek et al. (2009), Chomvilailuka and Butcher (2014) which state that perceived service quality is one of the determining factors in obtaining customer commitment, which states that perceived service quality is a determining factor of customer commitment. Service quality in accordance with customer expectations will increase customer satisfaction. Thus the customer will have a positive experience with the product or company. Customers will be happy to use the product in the future. Management can conduct periodic evaluations regarding the level of service that has been provided. With the evaluation of the service, the quality will be maintained and even will increase. Evaluation can be done by knowing the customer's wishes regarding what kind of service is desired and expected from the product or service provider company.

Customer commitment has been shown to have a significant effect on perceived usefulness. The results of the study are in accordance with the research conducted by Mathwick et al. (2008), Jin et al. (2010). Perceived usefulness is a determining factor of customer commitment. Functional benefits perceived by customers such as learning benefits and social benefits lead to community commitment and commitment arises naturally when members can benefit from relationships with the community or company. Perceived usefulness can be said as learning from community members.

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or brand companies that have a positive effect on the commitment of a community or customer. The perceived usefulness will be obtained by customers if Alibaba presents many solutions to customer problems, this is achieved by presenting diverse, original and high-quality products that Alibaba customers are looking for and need.

4. CONCLUSION

Based on the research above, it can be concluded that electronic word of mouth has a significant effect on Alibaba's customer commitment. In addition, the results of the study also show that service quality has a significant effect on Alibaba's customer commitment. Customer commitment is proven to have a significant effect on perceived usefulness. Furthermore, e-WOM and service quality, perceived usefulness have also been shown to have a significant effect on Alibaba's customer commitment. Alibaba is expected to be able to improve the quality of both services, upgrade sales systems or provide promotional platforms for product sellers on Alibaba's e-commerce, as well as bring wider, diverse and beneficial product sales to customers. Presenting other attractive offers such as discount vouchers, free shipping, returns and other attractive offers that are effective and highly competent with other e-commerce services.

REFERENCES


