Consumer Engagement in the Context of Online Shopping Behavior: Information Seeking and Social Influence as Antecedents

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ABSTRACT

Objective – The aim of this research is to determine the determinants of consumer engagement in online shopping that social media users and its effect towards brand loyalty.

Methodology – Structural equation modelling is applied to analyze the data that were collected by means of an online questionnaire (N = 205).

Findings – Information-seeking and social influence significantly affect consumer engagement. Consumer engagement significantly influences brand loyalty.

Novelty – This study provides new insights about the importance of information seeking and social influence in influencing consumer engagement in the sense that not many studies are available in Indonesia.

Keywords: online shopping; information seeking; social influence; consumer engagement; brand loyalty

I. INTRODUCTION

Consumers rely more on information created by other users in their online social media for buying decisions, which provides shared information and has a favorable influence on product promotion (Pangaribuan et al., 2019). The Internet has become the first destination for sharing and consuming product information due to the rapid increase of user-generated content (UGC) (Lili, 2014).

The extent of online shopping who direct their online shopping exercises and the income from on the online retail industries are continually expanding after some time (Ozen & Engizek, 2013). Online shopping gives more extensive selection of chances and more prominent admittance to information, most importantly there is no time limitation access to an online store and the buyer has the chance to analyze the comparison of other sellers or businesses from around the world (Vasić et al., 2019). Therefore, companies are switching from offline stores to online stores as well the appearance of many new e-commerce business in the last few years.

E-commerce business has been on the ascent in Indonesia for some time now and is not relied upon to stop at any point in the near future. Accordingly, it is challenging for customary organizations to arrive at consumers in distant regions. Notwithstanding the on-going traffic issues in key urban areas like the island of Java, online shopping arrangements are an extraordinary method to succeed as opposed to traditional brick-and-mortar businesses (Sahban & Perwira, 2018).

Customers were turned into active transaction participants as e-commerce emerged, allowing them to participate in promoting, selling, comparing, curating, and buying in online marketplaces (Hajli et al.,

2015). As a result, understanding customer behavior in the context of e-commerce has become crucial for businesses looking to improve customer role interaction and take use of social media's influence (Zhang et al., 2015). This paper deals with the analysis of consumer engagement in the context of online shopping, with the aim of utilizing the empirical research on the local market to determine the connection between brand loyalty and certain determinants of consumer engagement.

II. LITERATURE REVIEW

Theory of Consumer Engagement

Because the phrase 'engagement marketing' is used interchangeably to refer to both corporate strategies and customer responses, several perspectives exist when approaching a theory of engagement marketing (Lim et al., 2021). Customer responses to the brand or business may be interpreted as manifestations toward the brand or firm beyond purchase, whereas firm strategy may be interpreted as activities initiated by the organization (Dwivedi et al., 2021).

Consumer engagement is a psychological process that shaped the hidden system model of consumer loyalty from new consumers of the brand, just as the system by which the consumer loyalty can be kept up with for repeat order of a brand (Bowden, 2009). In this 21st century, digital technology is seeing a blast of online messages sent through social media. These have turned into a main consideration in impacting different parts of consumer engagement including awareness, data obtaining, opinions, consumer behavior and review of products or services (Mangold & Faulds, 2009).

Consumer engagement could be said as part of relationship promoting that can be applied in marketing methods to draw in, form, and keep up with consumers. This is likewise shown by the intensity of one's interest to spread the information of a particular brand (Auditya & Hidayat, 2021). Customer engagement is considered as an enthusiastic relationship between a brand and its consumers, connecting the consumers with the brand itself (Dissanayake, Siriwardana, & Ismail, 2019).

Social Influence

Social influence is identified with the information about others, and it may not really happen by means of face to face directly (Robins et al., 2001). Interestingly, with the past when an individuals' impact was restricted to their tight group of friends, social influence has expanded because of utilization of the internet and social media (Kwahk & Ge, 2012).

Social media gives different techniques like a text space and a conversation gathering for members who can cooperate, trade feelings, and contrast encounters and others. With regards to e-commerce, social media arise since numerous sites help consumers last buy choice by sharing audits composed by past consumers and assessed by potential consumers (Kim & Srivastava, 2007). A lot of e-commerce consumers will generally sit tight for early adopters' viewpoints prior to making a buy choice to diminish the danger of purchasing another product or service (Lee et al., 2006).

Information Seeking

Consumers look for information before making a choice to deal with the apparent risk involved in making the decision to purchase a product or service. Consumers seek for information as long as their apparent advantage from doing so is higher than the expense involved (Su, 2008). The Internet gives another chance for consumers to track down product information, and research has shown that consumers really utilize the web while looking for this sort of information (Jepsen, 2007).

Consumers anticipate that e-commerce brands should give all important and exact information about the product or service they sell. Since e-commerce consumer once in a while have the chance to contact and feel the items prior to settling on a choice on a buy, e-commerce brand needs to give detail information about it (Lim & Dubinsky, 2004). Consumers will likely appreciate any information given by e-commerce

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brand that does meet the demands of consumers or even the public. Researchers believe that the quality and quantity of data are key components in guaranteeing the nature of e-commerce brand service (Janda et al., 2002). The amount of information alludes to the capacity of getting to the sufficient data during online shopping via e-commerce, while the validity alludes to the level of consumers trust in information given by e-commerce brands.

Hypothesis Development

According to Azar et al.'s (2016) study, information seeking is an important variable for consumer engagement. The research of (Muntinga et al., 2015) also showed that receiving and searching information about a particular brand or product is one of the main factors for the consumer in online marketing through social media platforms. Contents that are posted in social media platforms which contain information related to a certain brand or product is one of a way for consumers to engage with the brand through social media. The proposed hypothesis of this research is:

H1: Information seeking positively impacts consumer engagement

Table 1. Variable Operationalization

Variable	Definitions	Items	Scale
Information Seeking (IS)	Information seeking can comprehensively be characterized as that which is concerned with determining information needs, searching behavior and subsequent use of information (Julien, 1996).	I feel that in order to know more about an e-commerce brand, I should follow its social media accounts; I feel that reading social media feeds is informative; I use social media to ask questions because social media users give me better information than Internet searches; I feel social media gives me quick and easy access to the information I'm looking for.	5-point Likert scale (1=strongly disagree, 5=strongly agree)
Social Influence (SI)	Through social media platforms, social influence is made by user's virtual social activities such as liking, commenting, and sharing information, opinions, or experiences (Akar, Yüksel, & Bulut, 2015).	I will share information about the brand of an e-commerce with friends and family; I interact with e-commerce brands on social media to share my interests and preferences with friends and family; I feel that my interactions with e-commerce brands on social media help me to increase social engagement.	5-point Likert scale (1=strongly disagree, 5=strongly agree)
Consumer Engagement (CE)	Consumer engagement involves a scope of processes mirroring consumers' intuitive experience with other consumers through online platforms. Engaged consumers exhibit consumer loyalty, satisfaction, empowerment, connection, emotional bonding, trust, and commitment (Brodie et al., 2013).	I read posts related to e-commerce brands on social media; I love to share posts about e-commerce on my social media; I feel engaged in conversations on e-commerce brands' social media in the form of comments on their posts.	5-point Likert scale (1=strongly disagree, 5=strongly agree)
Brand Loyalty (BL)	Brand loyalty alludes to repeat purchase, preference, commitment, and allegiance. Also, reliability has been alluded to in an assortment of market-explicit contexts (Sahin et al., 2011).	I will most likely buy from an e-commerce that I follow; I will recommend the e-commerce that I like to others; I consider myself loyal to the e-commerce I use frequently.	5-point Likert scale (1=strongly disagree, 5=strongly agree)

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Based on previous research by Gironda and Korgaonkar (2014), social pressures caused by other people like friends and society turns out influenced the decision to participate in the community that is related to a brand. Wang and Sun (2015) proposed that social influence will positively have an impact on consumer engagement, where it also shows that social influence affects the consumer's intentional engagement behavior. The justification for why other people could impact an individual lies in the way that one will in general adjust a perspective about a brand (Bolton, et al., 2013). The proposed hypothesis of this research is:

H2: Social influence trust positively impacts consumer engagement.

Consumer engagement behavior to a particular brand in the community will likely attract to perceive the value of consumers, consumer satisfaction, at the end brand loyalty will increased (Jayasingh, 2019). Consumers tend to express their loyalty and satisfaction of a brand by simple recommending it to others, where social media could be a way to share it (Hollebeek et al., 2014) believes the existence of strong relationship between consumer engagement and brand loyalty. The proposed hypothesis of this research is:

H3: Consumer engagement positively impacts brand loyalty.

III. METHODOLOGY

This study was conducted from August to September 2021, and the respondents taken for the purpose of this study are the people who use social media and have purchased services/products from any e-commerce brand in Indonesia. Since the questionnaire was distributed using online questionnaire via google form, the respondents were Indonesian citizens from various of cities. This questionnaire was distributed to e-commerce and social media users through social media platforms such as WhatsApp, Instagram, and Line. The measurement of the items employs Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). Definitions of each variable can be seen in Table 1.

Table 1. Assessment of the Measurement Model

Construct	Items	Loadings	Alpha	CR	AVE
Information Seeking	IS1	0.669	0.691	0.859	0.515
	IS2	0.795			
	IS3	0.736			
	IS4	0.661			
Social Influence	SI1	0.704	0.752	0.859	0.673
	SI2	0.906			
	SI3	0.838			
Consumer Engagement	CE1	0.749	0.757	0.862	0.676
	CE2	0.859			
	CE3	0.853			
Brand Loyalty	BL1	0.844	0.798	0.881	0.712
	BL2	0.853			
	BL3	0.834			

IV. RESULTS AND DISCUSSION

We can see that all four variables show all figures are qualified to be reliable since the values of information seeking, social influence, consumer engagement, and brand loyalty are in between 0.70 – 0.90 (see Table 1). According to Fornell & Larcker (1981), a variable can be confirmed valid when each of the Average Variance Extracted (AVE) is above 0.5. Since the values of information seeking,

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social influence, trust, consumer engagement, and brand loyalty shown in Table 1 are above 0.5, hence all variables pass the discriminant validity test, and the four variables are considered valid.

The respondents of this research are online shoppers and have purchased services or products from any e-commerce brands in Indonesia. There are 205 respondents who answered the given questionnaire and participated in this research. There are more female respondents than male respondents. With 135 total respondents of female and 70 total respondents of male. This makes female respondents make up to 66% of the total respondents. The age of most respondents is 17 to 25, followed by 65 respondents above 35 years old. While respondents under the age of 17 and around 26 to 35 year olds are not as many as the other age categories. In the era of developed digital technology, where e-commerce become today's trend of shopping especially around youths in the ages of 17 to 25.

Table 2. Collinearity Statistics

Items	Information Seeking	Social Influence	Consumer Engagement
VIF	1.472	1.544	1.000

As Table 2 shows, the values of information seeking, social influence, and consumer engagement can be considered moderately correlated as they are in between 1 to 5. Therefore, based on the VIF values, there is no multicollinearity in the data.

Table 3. Regression Test

	R²	Adjusted R²
Consumer Engagement	0.508	0.500
Brand Loyalty	0.125	0.121

In Table 3, the adjusted R-square for consumer engagement is 0.508, which defines that 50.8% of the variable consumer engagement can be explained by variables of information seeking and social influence. While the rest of 49.2% could be explained by variables out there besides information seeking and social influence. As for brand loyalty, the adjusted R square is 0.125, which defines that 12.5% can be measured by consumer engagement with the rest of 87.5% could be explained by variables out there besides consumer engagement.

Table 4. Path Estimates

Hypothesis	Path Estimates	t statistics	p values
H1: IS → CE	0.213	3.576	0.000
H2: SI → CE	0.461	7.432	0.002
H3: CE → BL	0.353	5.069	0.000

In Table 4, information seeking has a significance of 0.000 and t-calc of 3.576. While the t-table of n-1 of = 204 (205-1) with 5% of error (95% of confidence) is 1.984. This can be concluded that t-calc > t-table and t-calc < p values, which means that hypothesis 1 was fully supported. This result corresponded to empirical results from the literature (Jayasingh, 2019).

Social influence positively influences consumer engagement with a significance of 0.001 and t-calc of 7.432. Thus, we can confirm that hypothesis 2 was fully supported. In other words, social influence is a part of consideration for online consumers to engage with a particular brand. This result corresponded to empirical results from the literature (Wang & Sun, 2015).

Consumer engagement positively influences brand loyalty with a significance of 0.000 and t-calc of 5.069. Thus, we can confirm that hypothesis 3 was fully supported. In other words, brand loyalty can be

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determined by consumer engagement. This result corresponded to empirical results from the literature (Hollebeek et al., 2014).
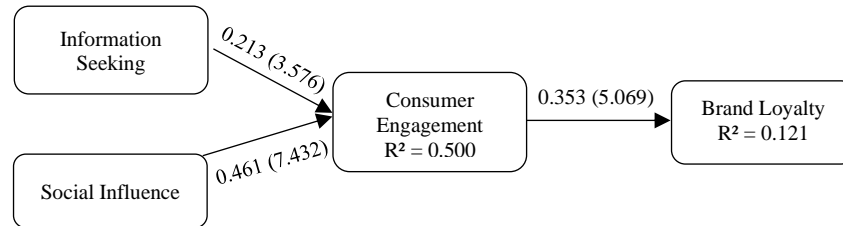

Figure 1. Research Framework

V. CONCLUSION

The hypothesis showed that information seeking and social influence significantly influence consumer engagement, as it also significantly influences brand loyalty. From the theoretical point of view, these variables should be taken into account in analyses of the impact of social influence and information seeking towards consumer engagement. By considering the variables of information seeking, social influence, and consumer engagement, the framework of thinking and research model are able to provide an understanding about indicators that could impact brand loyalty. As for the managerial implications, e-commerce is jumping into trends in this digital era, and social media users also increasing day by day, thus it is important for e-commerce brands in Indonesia to know what are the things that impact the consumer brand's loyalty towards the brands of e-commerce. Moreover, the findings from the study highlight the main challenges faced by e-commerce brands. In addition, since the result of all hypotheses in this study are significant, the e-commerce brands might want to dig more indicators that are impacting or influencing these variables in a positive or negative point of view.

E-commerce brand could enhance their strategy into utilizing more channels through social media, since most of Indonesians are using social media not just for entertainment, including for business and shopping. Knowing what indicators that pulls consumer into being loyal to a particular e-commerce brand could help develop the business. This research contributes to academic literature in a way, which could include as a topic of social media marketing and e-commerce intentions have been receiving attention from the public.

Considering study limitation, this study results cannot be generalized as Indonesia is a country having several big and small islands, hence the difficulty in capturing the entire population. Future research could look at the positive or negative aspects of the consumer engagement.

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