

Consumer Acceptance Of E-Commerce In Indonesia

Muhammad Luthfihadi

Sekolah Bisnis dan Manajemen, Institut Teknologi Bandung

m.luthfihadi@sbm-itb.ac.id

Abstract

Tujuan dari makalah ini adalah untuk mengetahui faktor-faktor apa saja yang mempengaruhi penerimaan teknologi di salah satu situs e-commerce di Indonesia, Kaskus. Data untuk penelitian ini dikumpulkan dari 223 responden pengguna Kaskus. Model penelitian ini didasarkan pada teori Technology Acceptance Model (TAM). Hasil penelitian menunjukkan bahwa 'Trust' berpengaruh positif terhadap 'Intended Use' tetapi, 'Perceived ease of Use' tidak berpengaruh secara signifikan terhadap 'Perceived Usefulness', dan juga 'Risk' tidak berpengaruh negatif terhadap 'Intended Use'. Konstruk baru 'Seller Status & Reputation' telah terbukti mempengaruhi secara positif terhadap konstruk 'Trust'.

Keywords: *Technology Acceptance Model (TAM), Electronic Commerce, Perceived Community, Seller Status & Reputation*

INTRODUCTION

The internet, who nowadays does not know the word of 'the internet'? Since the year of 1990 when Tim Barners Lee found web browser, which makes possible for people to explore the content from one computer to the other, the development of the internet is keep growing and growing, even until now. So, how much is the growth exactly then and now? In Indonesia, comparing from year 2000 and 2011, there is an increase of 50 million users or growing by 1000 % (Miniwatts Marketing Group, 2012). This shows that the awareness of Indonesia's people towards the internet is increasing and the numbers will still keep growing in more future years.

The reason why The internet today becoming very popular is because, the internet provide a various kind of things that fulfill the various needs of different people all over

the world, people can reading news, access to forum, online chatting, playing games, blogging, social networking, searching educational material, and also as for online business.

Online business or is more known as e-commerce is one of many results which are produced from the massive growth of the internet usage. E-commerce is a trading transaction (buying or selling) that using the internet technology as the medium.

This kind of transaction is getting popular day by day in around the world, so as in Indonesia. The growing of the internet usage itself directly influencing people to use e-commerce websites as their media to sell or buy anything they want.

There are also several reason of this e-commerce gaining popularity, they are: Easiness/Simplicity, Unlimited Verities,

Easy Comparing, and Competitive Price/ Negotiable Price.

In Indonesia there is a popular e-commerce sites named as *Kaskus*. Originally, *Kaskus* is a online community forum for Indonesian people, but in its development the website becoming more popular because one of its sub-forum, which is: FJB *Kaskus*. In this place people can buy and sell anything they want new or used, and they can placed their products without need to pay some amount of fee.

In 2011, Andrew Darwis the co-founder and current CTO of *Kaskus* stated that in 1 month the total transaction in FJB *Kaskus* has reach 400 million rupiah (42,000 US\$) (Doniismanto, 2012). In the same year, *Kaskus* also vowed by Forbes as #1 e-commerce websites in Indonesia, which makes it a high potential prospect for e-commerce market.

However, with currently there are so many competitors out there that can disrupt *Kaskus* existence in e-commerce industry, the sites cannot feel satisfied enough already for what they have already achieved. Competitors will keep developing and growing to improve their business, just like what *Kaskus* themselves. At some point or in some year a competitor invented some technology innovation that can help the e-commerce process be better. It is always a possibility in technology.

So, to avoid that, this research will provide a data to explain and describe what factors that may have a significant impact towards the acceptance of *Kaskus* with the help of Technology Acceptance Model (TAM) theory which was introduced and

popularized by Davis (1989) with several new and modified theories.

The result of research itself may be given as the consideration to *Kaskus*, for their future improvement.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Electronic Commerce (E-commerce)

Electronic commerce is a type of transaction of goods or services which is conducted with the media of the internet. It is open to any sides, whether it's individual, groups, or organizations. The transaction of goods and services must be ordered through the The internet, but the payment and delivery of them may be happened with the internet (online) or not (offline). (OECD, 2002)

E-commerce Types

According to Kalakota and Whinston (1997), as cited in Udayana (2012), e-commerce can be categorized into 4 (four) types:

Table 1.
E-Commerce Types

| TYPES | DEFINITIONS |
|----------------------------|---|
| Business to Consumer (B2C) | Enterprises provide the commodities or services in the The internet directly and offer sufficient information and convenient interface to attract consumers to buy online in order to eliminate channel intermediaries. |
| Consumer to Consumer (C2C) | Website's operator is not responsible for the logistics. They only help gathering information and establishing credit-rating systems. The eBay is a good example of C2C platform. |
| Consumer to Business (C2B) | Consumers come as groups by topics and needs. By group body negotiations and demand aggregators, they can play a leading role for the products. |
| Business to Business (B2B) | By using EDI, commerce among businesses can be conducted over the The internet to integrate supply the chain and logistics to reduce costs and promote efficiency in the The internet environment. |

Kaskus, the chosen e-commerce website for this research is considered as B2C and C2C types, but just like eBay, *Kaskus* is mainly the C2C type as every registered user can buy and sell new or used products. Still, there is small proportion of Business Company that directly sells in *Kaskus* through their official distributor.

Technology Acceptance Model (TAM)

According to Davis (1989), TAM is built for the researcher to find an explanation, why a certain technology may be unacceptable, and can find corrective steps. With the key purpose is to provide a foundation for tracing the impact of external factors on internal beliefs, attitudes, and intentions.

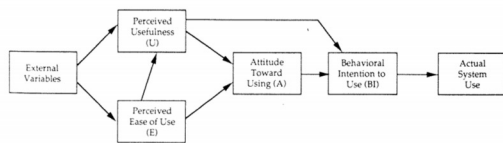


Figure 1. Technology Acceptance Model (TAM)

After its first publication, Technology Acceptance model has been modified into some new model like there is *Technology Acceptance Model 2* (Venkatesh & Davis, 2000), *Technology Acceptance Model 3* (Venkatesh & Bala, H, n.d.), then *Unified Theory of Acceptance and Use of Technology (UTAUT)* (Venkatesh, et al., 2003). In e-commerce scope, there are already several researches like: Koch et al. (2011), Gefen et al. (2011), and Pavlou (2003). These 3 researches are used in this study as main theories to build our own TAM conceptual design.

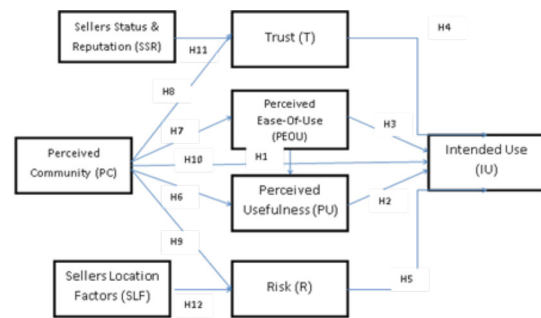


Figure 2. New Research Model

Perceived Usefulness, Perceived Ease of Use, Intended Use

Intended use is a behavioural tendency of people to keep using a certain technology. The level of intention to use can be predicted by their behaviour towards that certain technology.

Gefen et al. (2003) define Perceived Usefulness (PU) as a criterion of the individual’s subjective opinion on the utility (useful or not) offered by the certain technology in task-related context. While, Perceived Ease of Use (PEOU) is a cognitive effort (hard or easy) needed to learn and apply the new technology.

- H1:** Perceived Ease-Of-Use positively affects Perceived Usefulness
- H2:** Perceived Usefulness positively affects Intended Use of *Kaskus*
- H3:** Perceived Ease-Of-Use positively affects Intended Use of *Kaskus*

Trust, Intended Use

Schurr and Ozanne (1985) as cited in Gefen et al. (2003), define trust as a belief that promises are reliable and obligations will be fulfilled. The promises and obligations in the definition apply on both buyer and seller, but for this context the trust itself will be more from the perspective from

buyer to seller. Another theory also stating that trust is the expectation that an actor (seller) will agree to 3 conditions. (1) Fulfill its obligations, (2) be predictable, and (3) Be fair and not opportunistic (Zaheer et al., 1998 cited in Gefen et al., 2003).

H4: Trust positively affects Intended Use of *Kaskus*

2.2.3. Risk, Intended Use

The definition of risk has several amount of meaning. Related to the e-commerce context, Cox and Rich (1964) refer risk as the overall amount of uncertainty perceived by consumer in a particular purchase situation. Another study revealed that the risk of consumer in e-commerce industry is greater than the commerce in conventional/physical stores, because of e-commerce's distribution and impersonal nature. (Zhou et al., 2007)

H5: Risk negatively affects Intended Use of *Kaskus*

Perceived Community

According to Koch et al. (2011) perceived community characteristics in TAM is built from 3(three) components: (1) Community size, (2) Structure of community and (3) Number of lead-users perceived.

Community size is a number of users that actively participate in community content by giving comment and ratings. Research by Trusov et al (2009) and Li (2004), verifying that when the size is getting larger, the likeliness to generate more word-of-mouth effect is also bigger. For the community itself, the size can generates revenue through an indirect network effect. Structure of community is referring to the construct activity, distribution of activity,

and the number of lead-users, which is used as separate factors by Koch et al. (2011)

Lead-user is defined by Schreir et al., (2006) as people that have been shown before other users. With them, the community can be more attractive and the acceptance by other users is more likely to happen (Koch et al., 2011).

H6: Perceived Community positively affects Perceived Usefulness

H7: Perceived Community positively affects Perceived Ease of Use

H8: Perceived Community positively affects Trust

In addition, there has been no research yet regarding the effects of Perceived Community towards Intended Use (I) or towards Risk.

H9: Perceived Community negatively affects Risks

H10: Perceived Community positively affects Intended Use

Sellers Status & Reputation

According to Bruno Jullien and In-Uck Park in Seller Reputation and Trust in Pre-Trade Communication (2011), reputation of seller can be divided into 2 (two) dimensions. First, reputation is reflecting into the ability of the seller that they can deliver a good/service in good quality which is believed by the potential customers. Secondly, it also reflects the 'trust' that labeled by the potential customer, based on how the seller giving information prior to the transaction, concerning several aspects, for example about the quality and suitability. They believe that those two dimensions have a relation.

Seller reputation is very important asset for a seller, because on day to day basis the potential customer is choosing the seller based on their reputation. Especially, in the condition where the quality of the good or service is hard to measure and the customer cannot figure out exactly what outcome that they will be expecting. (Bar-Issac, H. & Tadelis, S., 2008)

H11: Sellers Status & Reputation positively affects Trust

Sellers Location Factors

In the research of Hortacsu et al (2009), as cited in Lieber and Syverson (2011) found out that on e-commerce website of eBay and MercadoLibre, the volume exchanges of trading decreases with distance. This means that the buyer more prefer to transact with the seller that live in the same city rather than the seller outside their area, as this apply too towards seller to buyer.

Blum and Goldfarb (2006), as cited in Lieber and Syverson (2011) stated that the geographic location also matters for digital goods like downloadable music and videos, where there is not involving transport or any other trade costs.

Those research shows the fact that people has a more tendency to choose a seller in e-commerce site which is located the nearest or even in the same city with them. This occur because of the nature of e-commerce itself where the potential customer cannot see directly the real condition of the goods itself, only relying on the picture which is given in the sites. So, to seek the proof whether there will be affects between Seller Location Factors and Risks, the hypothesis is:

H12: Sellers Location Factors negatively affects Risk

Table. 2
HYPOTHESIS OF THE RESEARCH

| | <i>Description</i> |
|------------|--|
| H1 | <i>Perceived Ease-Of-Use positively affects Perceived Usefulness</i> |
| H2 | <i>Perceived Usefulness positively affects Intended Use</i> |
| H3 | <i>Perceived Ease-Of-Use positively affects Intended Use</i> |
| H4 | <i>Trust positively affects Intended Use</i> |
| H5 | <i>Risk negatively affects Intended Use</i> |
| H6 | <i>Perceived Community positively affects Perceived Usefulness</i> |
| H7 | <i>Perceived Community positively affects Perceived Ease of Use</i> |
| H8 | <i>Perceived Community positively affects Trust</i> |
| H9 | <i>Perceived Community negatively affects Risks</i> |
| H10 | <i>Perceived Community positively affects Intended Use</i> |
| H11 | <i>Sellers Status & Reputation positively affects Trust</i> |
| H12 | <i>Sellers Location Factors negatively affects Risk</i> |

RESEARCH DESIGN

Respondents

For Structural Equation Modeling (SEM) analysis, to determine the number of sample has its own rules. According to Ferdinand, A (2002, p.51), as cited in (Ibna, A., 2009), the number of sample which must be fulfilled for using SEM is at least 100 sample (>=100). Also, using Partial Least Square (PLS) path modeling the needed sample size is minimum 30 to 100 cases. (Yamin and Kurniawan, 2011). So, I feel

200 or more respondents are sufficient enough based on those theories.

There are 223 respondents for this research; the respondents are the *Kaskus* users who have shopped in the sites at least one times in the last 3 months, who's gathered directly from *Kaskus* website.

The result of demographic background as it follows: 91% is male, 9% female. Majority of the age is 20-24 with 44%, then 15-19 with 26%, so it combined to 70%, while the rest of them on group of 25+ are covering 30%. In occupation, 53% are students, followed by employees with 28%, and the other 19% varies from teacher, self-employment and unoccupied.

In terms of the longevity of knowing *Kaskus* sites, 50% of them have known for more than 3 years, 29% have known it for 2-3 years, and the last 21% of them have known for less than 2 years. For the frequencies of shopping in *Kaskus* for last 3 months, 56% have shopped for 1-2 times. 28% have shopped for 3-5 times, and the rest of 16% have shopped more than 5 times.

Measurements

In this research there are 8 constructs with the total indicators of 50: Perceived Community, Perceived Ease of Use, Perceived Usefulness, Seller Status & Reputation, Seller Location Factors, Trust, Risk, and Intended Use (Complete table is on appendix).

Measurement scale for all indicators is using Likert scale of 1 – 6. With each of the scale as this follow: 1 = *Strongly Disagree*, 2 = *Disagree*, 3 = *Tend to Disagree*, 4 = *Tend*

to Agree, 5 = *Agree*, 6 = *strongly agree*. The decision to use Likert scale of 6 rather than traditional 5 or 7 is to avoid central tendency problem, which Indonesian people quite often if given a middle choice they will choose that answer.

The constructs is based on previous TAM researches in e-commerce scope, the references are from: Koch et al. (2011), Gefen et al. (2011), and Pavlou (2003).

Data Collection & Analysis

The data is collected through the online questionnaire by using obsurvey.com. The process is helped by XLSTAT version 2012.5.01 software, which is specialized software that built to analyse interdependence problems with Partial Least Square Method (PLS).

PLS is a model equation Structural Equation Modeling (SEM) based components or variants. According to Haenlein (2004), PLS is an alternative approach that shifts from a covariance-based SEM approach based variant. Covariance-based SEM generally tests causality or theories while PLS is more predictive models. PLS is a powerful analytical method because it is based on many assumptions. For example, the data should not be normally distributed; the sample does not need to be big. Also, it can be used to confirm the relatively new theory.

For analysis step of Structural Equation Modeling with using Partial Least Square is the measurement model. This evaluation consists of convergent validity and discriminant validity. Convergent validity has 3 types of examination: reliability item

(validity of each indicator), composite reliability and average variance extracted (AVE). Then, the last analysis step is Goodness-of-Fit Index (GoF) before evaluating the structural model as a whole.

RESULT AND DISCUSSION

Reliability and Validity Analysis

Table 3.
RELIABILITY ITEM

| Latent variable | Manifest variables | Standardized loadings | Critical ratio (CR) |
|-----------------|--------------------|-----------------------|---------------------|
| PC | PC1 | 0.724 | 13.581 |
| | PC2 | 0.645 | 11.997 |
| | PC3 | 0.751 | 19.924 |
| | PC4 | 0.756 | 15.052 |
| | PC5 | 0.833 | 27.011 |
| | PC6 | 0.813 | 22.512 |
| | PC7 | 0.491 | 6.021 |
| SSR | SSR1 | 0.781 | 18.646 |
| | SSR2 | 0.832 | 30.936 |
| | SSR3 | 0.767 | 20.626 |
| | SSR4 | 0.831 | 25.781 |
| | SSR5 | 0.730 | 11.556 |
| | SSR6 | 0.797 | 16.832 |
| | SSR7 | 0.646 | 7.958 |
| | SSR8 | 0.511 | 5.006 |
| T | T1 | 0.829 | 29.443 |
| | T2 | 0.812 | 27.532 |
| | T3 | 0.782 | 22.001 |
| | T4 | 0.848 | 31.490 |
| | T5 | 0.872 | 31.754 |
| | T6 | 0.806 | 24.727 |
| | T7 | 0.857 | 42.836 |
| SLF | SLF1 | 0.851 | 31.719 |
| | SLF2 | 0.855 | 24.348 |
| | SLF3 | 0.735 | 12.839 |
| | SLF4 | 0.767 | 15.917 |
| | SLF5 | 0.570 | 6.899 |
| PEOU | PEOU1 | 0.704 | 14.197 |
| | PEOU2 | 0.743 | 15.768 |
| | PEOU3 | 0.697 | 12.074 |
| | PEOU4 | 0.708 | 14.144 |
| | PEOU5 | 0.761 | 19.310 |
| | PEOU6 | 0.763 | 19.667 |
| PU | PU1 | 0.857 | 31.994 |
| | PU2 | 0.860 | 32.239 |
| | PU3 | 0.888 | 38.633 |
| | PU4 | 0.799 | 21.553 |
| | PU5 | 0.678 | 14.138 |
| | PU6 | 0.745 | 21.220 |
| R | R1 | 0.819 | 26.097 |
| | R2 | 0.849 | 26.873 |
| | R3 | 0.850 | 29.056 |
| | R4 | 0.847 | 25.647 |
| | R5 | 0.809 | 21.072 |
| | R6 | 0.820 | 24.672 |
| IU | IU1 | 0.802 | 23.902 |
| | IU2 | 0.669 | 10.410 |
| | IU3 | 0.835 | 16.755 |
| | IU4 | 0.812 | 19.741 |
| | IU5 | 0.839 | 25.008 |

According to Chin (1998) the factor loadings value should be at least 0.5 to be

considered acceptable. In Table 1, from 50 items of indicators there is only 1 indicator which has value below the acceptable range, which is PC7 (0.491) and will be excluded from the analysis.

The value represents that on each variables or indicators is validating to their construct. Using “PC” latent variable as example, the construct latent has 6 indicators (PC1, PC2, PC3, PC4, PC5, and PC6) which all of them has loading values greater than 0.5. This indicates that those 6 indicators have a good validity level and they considered as valid indicators to measure the PC (Perceived Community) construct.

Table 4.
COMPOSITE RELIABILITY

| Latent variable | Dimensions | Cronbach's alpha | D.G.rho (PCA) |
|-----------------|------------|------------------|---------------|
| PC | 6 | 0.853 | 0.891 |
| SSR | 8 | 0.880 | 0.906 |
| T | 7 | 0.925 | 0.939 |
| SLF | 5 | 0.820 | 0.877 |
| PEOU | 6 | 0.823 | 0.874 |
| PU | 6 | 0.886 | 0.914 |
| R | 6 | 0.912 | 0.932 |
| IU | 5 | 0.837 | 0.885 |

Table 2 above shows the composite reliability which the measurement is analysed through the Cronbach’s alpha and D.G. rho (PCA). The value which is considered as acceptable for both of them is greater than 0.7 (Nunnally and Bernstein, 1994). If the value >0.7 it means the latent variable/construct (PC, SSR, T, SLF, PEOU, PU, R, and IU) has a good reliability as a measurement tools for he whole model.

Based on the result from the table above,

all 8 constructs has the value of cronbach's alpha and D.G rho (PCA) that greater than 0.7 which makes all of them has a good reliability and can be used for further analysis.

Table 5.

AVERAGE VARIANCE EXTRACTED

| Latent variable | Type | Mean Communalities (AVE) |
|-----------------|------------|--------------------------|
| PC | Exogenous | 0.583 |
| SSR | Exogenous | 0.554 |
| T | Endogenous | 0.689 |
| SLF | Exogenous | 0.581 |
| PEOU | Endogenous | 0.533 |
| PU | Endogenous | 0.653 |
| R | Endogenous | 0.691 |
| IU | Endogenous | 0.630 |

The next step of evaluation is a checking towards average variance extracted (AVE). Forenell and Larcker (1981) suggest, when the value is greater than 0.5; it can be said that the latent construct has a good convergent validity, otherwise the construct becomes questionable and should not proceed to further analysis. Table 3 shows the AVE of each constructs. Based on above table, all the AVE value of each latent construct is greater than 0.5. The greater of AVE value, it means also the greater of the indicators representation towards theirs construct.

Table 6.

GOODNESS-OF-FIT INDEX

| | GoF | Standard error | Critical ratio (CR) |
|--------------------|-------|----------------|---------------------|
| Absolute | 0.489 | 0.032 | 15.243 |
| Relative | 0.874 | 0.022 | 39.357 |
| Outer model | 0.996 | 0.003 | 336.204 |
| Inner model | 0.877 | 0.021 | 41.121 |

The last evaluation step is looking into goodness of fit (GoF absolute). Table 4 above is showing the value of GoF Index. The value which is needed to be look is on the second column of second row, the value is: 0.489.

So, the structural model have GoF value of = 0.489. This value is considered as a GoF-large because it has the value which greater than 0.36 (Cohen, 1988). It means this model has a high ability to explain the empirical data as a whole.

Evaluating Structural Model

After evaluating the measurement model, the next step is to evaluate outer model or structural model. To evaluate, first thing to do is seeing the significance of relation between construct. This can be seen from the path value which is describing the strength of affects from one construct to the other.

A path coefficient between one construct to the other can be considered as significant if, the desired paths is greater than zero for positive relationship and less than zero for negative relationship

Table 7.

STRUCTURAL MODEL RESULTS

| | Description | Path Value | t | Pr> t | Results |
|-----------|----------------------------|------------|-------|-------|---------------------|
| H1 | PEOU positively affects PU | 0.362 | 6.394 | 0.000 | Accepted |
| H2 | PU positively affects IU | 0.425 | 5.849 | 0.000 | Accepted |
| H3 | PEOU positively affects IU | 0.080 | 1.250 | 0.213 | <i>Not Accepted</i> |
| H4 | T positively affects IU | 0.285 | 4.469 | 0.000 | Accepted |

| | | | | | |
|-----|----------------------------|--------|--------|-------|---------------------|
| H5 | R negatively affects IU | 0.157 | 3.360 | 0.001 | Not Accepted |
| H6 | PC positively affects PU | 0.468 | 8.280 | 0.000 | Accepted |
| H7 | PC positively affects PEOU | 0.607 | 11.368 | 0.000 | Accepted |
| H8 | PC positively affects T | 0.474 | 7.305 | 0.000 | Accepted |
| H9 | PC negatively affects R | -0.114 | -1.814 | 0.071 | Marginally Accepted |
| H10 | PC positively affects IU | 0.061 | 0.925 | 0.356 | Not Accepted |
| H11 | SSR positively affects T | 0.152 | 2.344 | 0.020 | Accepted |
| H12 | SLF negatively affects R | 0.464 | 7.373 | 0.000 | Not Accepted |

*Notes:

Accepted : Significant at 0.05 levels

Marginally Accepted : Significant at 0.1 levels

Not Accepted : Not Significant

Discussion/Interpretation

Based on the structural model result (Table 7, p.6-7), which resulting hypothesis testing (H1-H11), here is the interpretation of each hypothesis:

1. Perceived ease-of-use (PEOU) is positively significant towards perceived usefulness (PU). It means *Kaskus* as an e-commerce, if the site is easier to use, the greater chance it also useful to shop for the users.
2. Perceived usefulness (PU) is positively significant towards Intended Use (IU). It proves that, the more useful *Kaskus* is acting as an online market (e-commerce), the more it will be used

by the consumers.

3. Perceived ease-of-use (PEOU) is insignificant towards intended use (IU). This means the easiness in *Kaskus* does not directly influence the use, but it also need to be combined with the usefulness (Hypothesis 1) to affect intended use.
4. Trust (T) is positively significant towards intended use (IU). It shows that the more of belief on *Kaskus*, it can create a positive attitude towards the consumer so consumers will not hesitate to do an online transaction in *Kaskus*.
5. Risk (R) is insignificant towards intended use (IU). This means, there are 2 (two) reason. Firstly, *Kaskus* considered as really a safe place for online shopping. The second reason, the website may not safe as it sound, but because not many people is quite educated or understand of the risk in buying from e-commerce website like *Kaskus*.
6. Perceived community (PC) is positively significant towards perceived usefulness (PU). This proves *Kaskus* role as a community based e-commerce become useful to the potential consumers. The comment and ratings which provided in the marketplace becomes a deciding factor for consumer to buy or not.
7. Perceived community (PC) is positively significant towards perceived ease of use (PEOU). For *Kaskus*, the community is becoming important place to ask about certain seller or items to the experienced users (lead users); so, it can make easier

for people to make buying decision.

8. Perceived community (PC) is positively significant towards trust (T). In *Kaskus* people can freely adding a new content on the form of a new forum thread discussion, or a member can voluntarily becoming a moderator to make sure some discussion is in the right track. With this type of effect, the members are building the trust toward *Kaskus* consciously or unconsciously.
9. Perceived community (PC) is significant with negative relationship towards risk (R). This means that, as the network size in *Kaskus* is getting bigger (rapid growth of members' number); the possibility of many types of risks is getting higher.
10. Perceived community (PC) is insignificant towards intended use (IU). It means, the community aspect in *Kaskus* will not affecting the intention to use the website directly.
11. Seller status & reputation (SSR) is significant towards trust (T). It shows that, *Kaskus* method of implementing status and reputation may be considered effective for collecting the trust from its members.
12. Seller location factors (SLF) is insignificant towards risk (R). This means, the seller location factors in *Kaskus* does not consider as a risk for the potential consumers.

CONCLUSION &

RECOMMENDATION

This research has proved several previous theories in e-commerce scope. Hypothesis 1, 2, 4 has a significant impact from one construct to the other. Especially regarding the trust that positively affects Intended Use, this confirms the theory from Gefen et al. (2011). However, there is also a contrary result from the previous theory from Pavlou (2003) which Perceived Ease of Use is insignificant towards Intended Use, and also Risk is not negatively affects Intended Use.

In Perceived Community construct, the hypothesis 6, 7, 8, and 9 is also confirming the previous finding of Koch et al. (2011) which significant towards Perceived Usefulness, Perceived Ease of Use, Trust and Risk.

The major findings in this research is the proven of new theory in Hypothesis 11, which Seller Status & Reputation indeed has positive affect towards Trust. Still, the other new theory of Seller Location Factor negatively affects Risk is proved to be insignificant.

In concluding this research, it can be said that if the e-commerce site is easier to use, the greater chance it also useful to shop for the users and will be used more by them. So, it is safe to say that e-commerce site should make sure that people is feel easy and useful when searching the goods and services which they desire.

For *Kaskus* itself, the power of community from which already existed must be maintained, as it proved to be the reason of

why they become a successful e-commerce site. Finally, e-commerce site have to think thoroughly in giving reputation system in their sites. Because, like it or not people will always tend to see sellers' status & reputation as it make the indicators whether they can trust them or not, or in bigger scale: trusting the e-commerce site or not.

As this research limited to 1 site in 1 country, the future research should use this research design to be tested in different e-commerce sites in many other countries. So, it can be confirmed as a valid new Technology Acceptance Model (TAM)

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Appendix
Complete Table of Constructs & Indicators

| Construct | Code | Indicators |
|--------------------------------|-------|---|
| Perceived Ease of Use (PEOU) | PEOU1 | Easy to learn |
| | PEOU2 | Easy to use |
| | PEOU3 | Easy to explore |
| | PEOU4 | Easiness to depth understanding use |
| | PEOU5 | Easy to search goods/services |
| | PEOU6 | Easiness in searching goods/services compare to other website |
| Perceived Usefulness (PU) | PU1 | <i>Kaskus</i> is useful for shopping |
| | PU2 | <i>Kaskus</i> makes shopping more effective |
| | PU3 | <i>Kaskus</i> makes shopping more efficient |
| | PU4 | Saving more time in shopping |
| | PU5 | Saving more money in shopping |
| | PU6 | <i>Kaskus</i> improves shopping productivity |
| Perceived Community (PC) | PC1 | Many people use <i>Kaskus</i> |
| | PC2 | Shopping in <i>Kaskus</i> because many members |
| | PC3 | Many users making comments |
| | PC4 | Attention to comments |
| | PC5 | Competent people |
| | PC6 | Trustworthy people |
| | PC7 | Asking another members |
| Trust (T) | T1 | Trustworthy online shopping website |
| | T2 | Trust in personal information |
| | T3 | The sellers is honest |
| | T4 | The sellers always keeps their commitment & promises |
| | T5 | The sellers is trustworthy |
| | T6 | The sellers gives clear information |
| | T7 | Feeling safe to shop in <i>Kaskus</i> |
| Risk (R) | R1 | Risk in getting fraud |
| | R2 | Risk in not achieving the expectation |
| | R3 | Risk in not worth the money |
| | R4 | Risk in waiting time to arrive |
| | R5 | Risk in defects |
| | R6 | Risk in not getting the return |
| Sellers Location Factors (SLF) | SLF1 | Seller location in or outside the city |
| | SLF2 | Tendency in choosing same city seller |
| | SLF3 | Tendency in preferring <i>C.O.D</i> method |
| | SLF4 | Case 1: Tendency in choosing seller in same city |
| | SLF5 | Case 2: Tendency in choosing seller in same city |

| | | |
|-----------------------------------|------|---|
| Sellers Status & Reputation (SSR) | SSR1 | Seller's rank |
| | SSR2 | Seller's 'Recommended Seller' status |
| | SSR3 | Seller's 'Good Reputation' ratings |
| | SSR4 | Seller's testimonial |
| | SSR5 | Seller's join date |
| | SSR6 | Seller's recommendation from other members |
| | SSR7 | Seller's providing joint account |
| | SSR8 | Seller's providing <i>C.O.D</i> method |
| Intended Use (IU) | IU1 | In the future, will use <i>Kaskus</i> for shopping |
| | IU2 | Not interested shopping on other websie |
| | IU3 | Will recommend to other people |
| | IU4 | Use <i>Kaskus</i> as price comparison |
| | IU5 | Use <i>Kaskus</i> as routine website to shop online |