ANALYSIS OF SOCIAL PROOF MARKETING STRATEGY AND CONSUMER TRUST IN INCREASING DECISIONS THAT INFLUENCE CONSUMERS IN PURCHASING GOODS ON E-COMMERCE WEBSITES.

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Abstract

The aim of this research is to examine how consumer trust and social proof influence purchases on e-commerce platforms. The method used in this research is descriptive quantitative by distributing questionnaires to correspondents who are users of e-commerce and the analytical tool used is multiple linear regression analysis using SPSS 30 software. The results of this research show that social proof and consumer trust are significantly influencing consumer decisions to buy is 96.7%. This is because the marketing approach can emphasize the social proof component and grow customer trust in competitive e-commerce, thereby helping business people to create more effective consumer acquisition and retention tactics.

Keywords: Social Proof, Trust, Consumer Decisions, E-commerce.

Introduction

In this modern era, e-commerce has become one of the main points in buying and selling transactions. The rapid development of online platforms makes it easier for consumers to access goods and services. However, with so many choices available, consumers often feel confused and reluctant to make purchasing choices. This is where the importance of marketing strategies lies, especially the concept of social proof, which will influence buyer trust and ultimately influence their purchasing choices (Boardman et al., 2019)

The number of internet users in Indonesia continues to increase, reaching 79.5% of the Indonesian population in 2023 or around 221 million people. One of the changes in people's lifestyles due to internet penetration is the rise of e-commerce sites such as Tokopedia, TikTok, Lazada, Blibli, and Shopee. According to Momentum Works 2024 records, Shopee has dominated the Southeast Asian market for the past five years with a market share of 48%. In addition, IPSOS research shows that Shopee is the first e-commerce platform recommended by consumers to close relatives (62%), followed by Tokopedia (46%), TikTok Shop (42%), and Lazada (36%). However, in reality, e-commerce platforms still need to continue to improve the services provided to users, especially sellers (Uzma, 2024)

Social Proof is a testimonial of the great benefits from previous clients. On an e-commerce website, after we finish buying an item, our purchase review will be recorded on the item page (Park & Mccallister, 2023). Therefore, if friends and relatives tell them about a product, they are more likely to be interested in buying it. In addition, the rise of influencers, artists, and experts working to promote e-commerce products will undoubtedly increase consumer confidence when making decisions about what to buy.

According to Sawlani, (2021) "directly, the trust in shopping through e-commerce websites has an effect on the decision to transact through e-commerce websites". Buyer trust is an important perspective that determines whether someone is willing to make a purchase. This trust can be built through candor, brand reputation, and the quality of customer service information. When buyers feel confident with the information presented and the brands they choose, they tend to make more positive purchasing decisions.

Muthahhira & Efendi, (2021) stated that in the context of e-commerce, purchasing choices are greatly influenced by social and psychological components, such as product reviews, partner offers, and seller reputation. Therefore, understanding how to choose purchases is very important for business actors to plan a successful marketing strategy. Good purchasing choices depend not only on the product itself, but also on how buyers are influenced by various variables during the decision-making process (Madjid, 2023).

However, although there has been much thought about the impact of social proof and consumer trust, there are still questions about the legitimacy of this marketing methodology in the context of purchasing choices in e-commerce. This study aims to determine whether social proof marketing procedures and consumer trust can be considered important in expanding consumer purchasing choices. By understanding the relationship between these two factors, it is believed that the results of these considerations can provide useful information for business actors in planning more effective and productive marketing procedures to attract consumer attention on e-commerce platforms.

Method

The research method used in this study is quantitative, because quantitative research emphasizes more on observing the relationship between factors, testing hypotheses and seeking generalizations from the results of the research conducted. Data collection began by giving a questionnaire to 20 participants who were active e-commerce users. Sample selection was carried out using a non-probability approach, specifically using deliberate sampling to ensure that participants had expertise relevant to the research issue.

This questionnaire was compiled through Google Forms and consisted of several parts. First, basic information regarding the age, gender, and education of respondents was collected. Furthermore, this questionnaire measures the influence of social proof elements on e-commerce sites, such as user reviews and testimonials. In addition, the level of trust of respondents in brands and products was also measured, as well as the extent to which their purchasing decisions were influenced by consumer trust and social proof. This study measures social proof factors, consumer trust, and purchasing decisions using a Likert scale instrument, which is a popular approach.

Table 1 Skala Likert

Answer	Skala
Strongly Disagree	1
Disagree	2
Neutral	3
Agree	4
Strongly Agree	5

After obtaining the data obtained through the questionnaire that has been distributed, the data will be processed or tested using SPSS 30 statistics. According to Herlina, (2019) "SPSS is a software or program that is specifically designed to process research data". The data that has been collected will be tested using SPSS, the data testing process includes descriptive data (to describe the demographic characteristics of respondents). Multiple Linear Regression Analysis (to test the influence of social proof and customer trust on purchasing decisions), classical assumption analysis, and validity and reliability testing (to ensure that the instruments used have good validity and reliability).

Results and Discussion
Respondent Descriptive Data

Table 2 Respondents' Experience and Gender

Online Shopping Experience	Total	Respondent Gender	Total
Have Ever	20 (100%)	Male	7 (35%)
Never	0	Female	13 (65%)

This table shows that all respondents have online shopping experience, which means that they can provide valuable insights into e-commerce usage. In addition, the majority of respondents are female, which may indicate that females may be more active or more involved in online shopping than males in the context of this study. This data can help in further analysis of user behavior and preferences based on gender
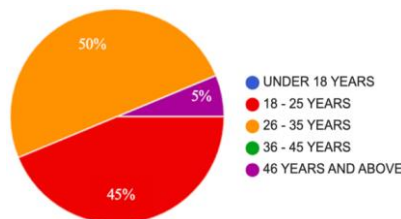

Figure 1. Respondents' Age

Figure 1 shows that the majority of respondents are young adults, with the largest proportion in the 26-35 age group. The absence of respondents from the 36 and above age group may indicate that e-commerce is more popular among the younger generation. This data can provide important insights into the behavior and preferences of e-commerce users based on age.

Table 3 Respondents' Occupation and Education

Job	Total	Education	Total
Doesn't work	0	High School/ Vocational High School/ Madrasah Aliyah	8 (40%)
Student/College Student	7(35%)	Diploma 4/Bachelor's Degree	11 (55%)
Employee	12(60%)	Master's Degree / Professional Degree	0
Entrepreneur	1(5%)	Doctoral Degree (PhD)	1 (5%)

Table 3 shows that the majority of respondents are employees with a bachelor's degree, reflecting that active e-commerce users generally have a good educational background. The participation of students and college students is also significant, which shows that the younger generation is increasingly active in shopping online.

Data Quality Test
Validity Test

Table 4 Validity Test Results

Variable	r Calculate	r Table	Description
Social Proof (X1)	0.759 0.477 0.688 0.681 0.613 0.613 0.457 0.514 0.639 0.680	0.444	Valid
Consumer Trust (X2)	0.677 0.767 0.839 0.713 0.686 0.946 0.898 0.797 0.822 0.822	0.444	Valid
Purchase Decision (Y)	0.611 0.849 0.513 0.738 0.654 0.887 0.849 0.845 0.654 0.723	0.444	Valid

The results of the validity test show that all statement items have a calculated r value that exceeds the table r value (0.444). Thus, it can be concluded that all items in the questionnaire can be considered valid.

Reliability Test

Table 5 Reliability Test Results

Variable	Cronbach's Alpha	Standard	Information
social proof (X1)	0.786	0.60	Reliable
Consumer Trust (X2)	0.919	0.60	Reliable
Purchase Decision (Y)	0.895	0.60	Reliable

Based on the results of the reliability test, all variables are said to be trustworthy if the Cronbach alpha value is greater than 0.60.

Classical Assumption Test
Validity Test

Table 6 Normality Test Results
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		20
Normal Parametersa,b	Mean	.0000000
	Std. Deviation	.85461397
Most Extreme Differences	Absolute	.171
	Positive	.171
	Negative	-.130
Test Statistic		.171
Asymp. Sig. (2-tailed)ᶜ		.127
Monte Carlo Sig. (2-tailed)ᵈ	Mr.	.129
	99%Confidence Interval Lower Bound	.120
	Upper Bound	.138

a. Test distribution is Normal.
b. Calculated from data.

The Kolmogorov-Smirnov One-Sample Asymmetry Test was used to test for normality. The data is said to have a normal distribution if the result of the statistical test (2-tailed) of 0.127 is higher than the set significance level of 0.05. The data does not follow the normal distribution if the value is less than 0.05.

Multicollinearity Test

Table 7 Multicollinearity Test Results
Coefficientsᵃ

Model		Collinearity Statistics	
		Tolerance	VIF
1	Social Proof (X1)	.513	1.950
	Consumer Trust (X2)	.513	1.950

All variables had a tolerance value greater than 0.10 or VIF (Variance Inflation Factor) < 10, based on the test results. Thus, it can be said that the multicollinearity test passed and there were no signs of multicollinearity.

Heteroscedasticity Test

Table 8 Heteroscedasticity Test Results
Coefficients^a

Model		Unstandardized B	Coefficients Std. Error	Standardized Coefficients Beta	t	Mr.
1	(Constant)	5.518	1.266		4.357	<.001
	Social Proof (X1)	-.075	.037	-.494	-2.009	.061
	Consumer Trust (X2)	-.032	.033	-.244	-.990	.336

a. Variabel Dependen: Purchase Decision (Y)

From the results of the heteroscedasticity test, it is known that the significance values for each variable X are 0.061 and 0.336. These variables passed the heteroscedasticity test or there were no signs of heteroscedasticity because the significance value was greater than 0.05.

Multiple Linear Regression Equations

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + e$

Table 9 Multiple Linear Regression Equations
Coefficients^a

Model		Unstandardized Coefficients Beta	Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	-6.835	2.504		-2.730	.014
	Social Proof (X1)	.310	.074	.260	4.222	<.001
	Consumer Trust (X2)	.827	.065	.784	12.751	<.001

a. Dependent Variable: Purchase Decision (Y)

$Y = -6.835 + 0.310\, X_1 + 0.827\, X_1 + e$

The constant coefficient has a fairly low value, which is -6.835, which is a negative value. Purchase decisions (Y) will decrease if social proof (X1) and customer trust (X2) are absent.

  a. The social proof variable (X1) has a beta coefficient of 0.310. The purchase decision variable (Y) will increase by 31% if variable X1 increases by 1% while the value of the other variables remains the same. The purchase variable (Y) will drop by 31% if variable X1 drops by 1% while all other variables remain the same.

  b. The consumer confidence variable (X2) has a very significant beta value of 0.827. It is estimated that the purchase decision (Y) will increase by 82.7% when variable X2 rises by 1% and all other variables remain the same. The purchase decision variable (Y) will decrease by 82.7% if variable X2 drops by 1% while the value of the other variables remains the same.

Hypothesis Test Results
Heteroscedasticity Test

Table 10 Determination Coefficient Test Results
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.983^a	.967	.963	.90349

a. Predictors: (Constant), Kepercayaan Konsumen (X2), Social Proof (X1)

b. Dependent Variable: Purchase Decision (Y)

The multiple correlation values (R), determination coefficient (R Square), adjusted determination coefficient (Adjusted R Square), and prediction error size (Std Error of the estimate) are described in the table. The Summary model shows the degree of influence of each independent variable on the dependent variable, which is denoted by the R symbol (correlation). The value of column R in the Model Summary table is 0.983. This shows that the variables social proof and Consumer Trust have an effect of 67.2% on Purchase Decisions, indicating a strong relationship. In addition, an R Square value of 0.967 indicates that the social proof and Consumer Trust variables can explain 96.7% of the variation in Purchase Decisions, while the remaining 3.3% can be explained by other factors. A Standard Error Estimate (SEE) of 0.90349 indicates the error rate in linear regression, the smaller the value indicates that the regression equation is getting better.

Test F

Table 11 Test Result F
ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	406.673	2	203.337	249.098	<.001b
	Residual	13.877	17	.816		
	Total	420.550	19			

a.   Dependent Variable: Purchase Decision (Y)   **F Table 3,591**
b. Predictors: (Constant), Consumer Trust (X2), Social Proof (X1)

With a significance threshold of 0.001 less than 0.05, the Fcal value determined by the calculation result is 249.098, which is higher than the Ftabel value of 3.591. Thus, the alternative hypothesis (Ha) is accepted and the null hypothesis (Ho) is rejected. This shows that the variables of customer trust (X2) and social proof (X1) have a considerable influence on purchase decisions (Y).

Test Results t

Table 12 Test Results t
Coefficientsᵃ

Model		Unstandardized Coefficients Beta	Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	-6.835	2.504		-2.730	.014
	Social Proof (X1)	.310	.074	.260	4.222	<.001
	Consumer Trust (X2)	.827	.065	.784	12.751	<.001

a. Dependent Variable: Purchase Decision (Y)   **t Table 2.100**

- The calculated t-value for the social proof variable (X1) is 4.222, which is greater than the t-value of table 2.100, and the significance value is 0.001, which is less than 0.05. Therefore, Ha is accepted while Ho is rejected, which means that the social proof variable (X1) influences the purchase decision (Y).
- With a significance value of 0.001 which is less than 0.05, the calculated t-value for the consumer confidence variable (X2) is 12.751 which is also greater than the t-value of the table of 2.100. This shows that the consumer confidence variable (X2) influences the purchase decision (Y) because Ho is rejected and Ha is accepted.

Discussion

The results of the questionnaire data collection can be seen in Table 2, that all respondents have shopped online. Before discussing the results of the main variables, it is important to understand the demographic characteristics of the respondents. Based on the data collected, the majority of respondents are between 26 - 35 years old, with the female gender having the most respondents compared to men. When viewed based on education, most respondents have an S1/D4 education level.

The calculated r value for each element of the questionnaire statement was greater than the r value of

the table (0.444) based on the validity test results. This shows that all variable indicators social proof, consumer trust, and valid purchasing decisions. High validity is important for these instruments to ensure that each item actually measures the intended construct. Therefore, the resulting data can be applied to additional analysis. According to the reliability test, each variable has a Cronbach alpha value greater than 0.60. This shows that the research instrument has a high level of internal consistency, as it guarantees that the results are trustworthy and appropriate for decision-making, reliability is an important component (Yuswanto et al., 2024). In other words, the results of this study can be considered stable and consistent if repeated at different times.

To test the influence social proof and consumer confidence in purchasing decisions can be done by multiple linear regression analysis. The resulting regression models are ;

$Y = -6.835 + 0.310 X_1 + 0.827 X_1 + e$

Constant (-6,835): This value indicates that without the influence of social proof and consumer trust, purchase decisions are predicted to fall by 6,835. Although this value is theoretical, it provides a basis for understanding the influence of other variables.Social Proof Coefficient (0.310): For every 1 unit increase in social proof, the purchase decision is predicted to increase by 0.310 units. This shows that social proof has a significant positive influence. Consumers who see positive reviews or recommendations from others tend to feel more confident about making a purchase.Consumer Confidence Coefficient (0.827): For every 1 unit increase in consumer confidence, the purchase decision is predicted to increase by 0.827 units. This confirms that consumer confidence is a very powerful factor in influencing purchasing decisions. When consumers trust the information provided and the seller's reputation, they are more likely to make a positive purchase decision.

The results of the F test show a calculated F value of 249,098 with a significance of <0.001, which means that the regression model built is significant. This indicates that both social proof and consumer trust simultaneously influence purchase decisions. In other words, this model can be used to predict purchase decisions well. The results of the t-test for both independent variables showed that the t-value calculated for social proof was 4.222 and for consumer trust was 12.751, both of which had a significance value of < 0.001. This suggests that both factors significantly influence the decision to buy, in other words, the premise that customer trust and social proof influence the decision to buy is acceptable. social proof and consumer trust account for 96.7% of variance in purchase decisions, according to an R squared value of 0.967. This shows a very strong relationship between these variables. Only the other 3.3% variation may be due to additional elements not examined in this study. These findings suggest that both factors have a significant impact on decisions about what to buy.

Conclusion and suggestion
Conclusion
Based on the analysis conducted, this study concludes that both social proof and consumer trust have an influence on purchase decisions on e-commerce platforms. The results of the questionnaire showed that respondents were strongly influenced by positive reviews and recommendations from friends or family, which served as social proof that strengthened their confidence in making purchases. From this, it can be seen that the use of technology in the current era, especially for the millennial generation, has a huge influence on the realm of e-commerce, where the millennial generation is one of the workers in this field. The way Social Proof works is very capable of influencing the increase in sales in the realm of e-commerce (Panjaitan & Sarkum, 2024).

Consumer trust also proved to be a major factor, with respondents feeling more comfortable transacting on e-commerce websites that are reputable and provide clear information (Arunkumar et al., 2023). A high level of trust in the seller and the security of the transaction contribute to a positive purchase decision. That way, these two factors, social proof and consumer trust together create an environment that supports profitable purchasing decisions for both consumers and business people (Sanak-Kosmowska, 2022).

Suggestion
Based on this discussion, there are several suggestions that can be thought of by e-commerce business people. First, it is important for companies to optimize the use of reviews and testimonials from customers. Collecting and displaying positive reviews can increase social proof, which in turn influences potential customers' purchasing decisions (Nikmah & Zaidah, 2022). Companies must create platforms that allow consumers to share their experiences. Furthermore, building a good reputation is crucial. Businesses need to focus on improving the quality of customer service, on-time delivery, and ensuring the quality of the products offered. A good reputation will contribute to an increase in consumer confidence. Marketing

through recommendations can also be an effective strategy. Leveraging a satisfied customer experience to attract new customers can increase social proof.

Finally, in-depth research is highly recommended to delve into other factors that influence purchasing decisions. Understanding how demographic factors or product types can affect consumer behavior in e-commerce can provide deeper insights for businesses.

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