

Social Presence and Trusting Belief during Buyer-Seller Interaction in Electronic Marketplace

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Abstract

This research aims to investigate the influence of social presence of others, social presence of interaction, social presence of E-marketplace's website informativeness to trusting beliefs. Furthermore, the research will also investigate the relationship between trusting beliefs to purchase intention amongst E-marketplace users in Indonesia. This is a descriptive research that measures individual's perception and attitude toward the influence of social presence toward purchase intention mediated by trust. The unit of analysis in this study is consumer of e-marketplace. Data collection used convenience sampling. Pre-test on 30 respondents was done to test reliability and validity of measurement items, using construct reliability and average variance extracted values. 200 usable responses were analysed using variance-based SEM to test the hypothesis. Findings show that social presence of interaction and website informativeness play an important role in shaping the trusting belief. However, we don't find support on the impact of social presence of others to the establishment of trusting belief. The research result also confirms that higher trusting belief relates to higher purchase intention. This research study fills the research gap where the significance of social presence has previously not been explored for e-marketplaces in Indonesia. This research sheds light to the understanding of interactivity in electronic marketplace, in the context of social presence. The result will give insight to the stakeholders in the electronic marketplace on how to interact with (prospective) buyers.

Keywords

Social presence, Trusting beliefs, Online marketplaces, Purchase intention

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