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**“EXPLORING THE INFLUENCE OF SOCIAL PROOF AND PURCHASING  
INTENTION ON STUDENTS’ PURCHASING AT MARKETPLACES”**

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# INTRODUCTION

- Due to the liberalization and the globalization of economy, purchasing through electronically has been tremendously popular all over the world. Nowadays, the internet is ubiquitous and is a key facilitator of communication in business activities (Kumar and Dash, 2013)
- Online marketplaces are getting more attractive and popular. There are many consumers who want to experience the shopping online including students since marketplaces offer various facilities for consumers' convenience and practicality
- Online buyers' reliance on social community shared information, a kind of social proof techniques, is generally useful and effective at increasing consumer trust (Talib, 2016).



# LITERATURE REVIEW

## ■ Social Proof

Psychological phenomenon where people assume the actions of others are the correct behaviors to follow. The actions of others around us are important guides in a situation when decision makers are unclear about the value of the decision to be made (Rao, 2001)

## ■ Purchasing Intention

Preference of consumer to buy the product or service. Purchase intention has another aspect that the consumer will purchase a product after evaluation. (Younus, 2015)

## ■ Purchasing Decision

Purchase decision consumer is behaviour showed by decision making units in the buying, usage and disposal of goods and services (Kotler, 1969)



# METHODS

It was a quantitative research with three (3) variables; they were social proof, purchase intention, and students' purchasing decision.

**The population :** 192 economics students who did shop at online marketplaces.

**The sample :** 128 respondents taken by using purposive sampling.

**Data collection:** distributing the questionnaires and documentation.

**Data analysis:** descriptive analysis and multiple regression analysis with SPSS 21 application.



# RESULT AND DISCUSSION

Regression models can be used to predict Students' Purchasing Decision

ANOVA <sup>a</sup>						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	484,803	2	242,401	33,778	,000 <sup>b</sup>
	Residual	789,392	110	7,176		
	Total	1274,195	112			
a. Dependent Variable: SPD						
b. Predictors: (Constant), PI, SP						

Based on ANOVA table, it can be seen that  $F = 33,778$  with significance  $0,000 < 0,05$ , which means significant F count. From the results of the analysis can be concluded simultaneously, the variable X1 (Social Proof), X2 (Purchase Intention), assumption against variabel Y (Purchasing Decision at marketplace).



# RESULT AND DISCUSSION

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	7,166	2,605		2,751	,007		
	SP	-,192	,119	-,127	-1,612	,110	,905	1,105
	PI	,651	,080	,644	8,164	,000	,905	1,105

a. Dependent Variable: SPD

The multiple linear regression equation was:

$$Y = 7.166 - 0.192X_1 + 0.651X_2 + e$$

Social Proof was insignificant and gave little influence on social behavior

The influence of Purchase Intention(X2) on Purchasing Decision (Y) was significant at 37.7%.



# RESULT AND DISCUSSION

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,617 <sup>a</sup>	,380	.369	2,67886	1,762
a. Predictors: (Constant), PI, SP					
b. Dependent Variable: SPD					

It is known that adjusted R square is 0.369, it means that 36,9% variation in improving Purchasing Decision variables in the independent variables of Social Proof and Purchase Intention. Whereas; the rest (100% - 36,9%) 63,1% explained by other variables that are not researched.



# RESULT AND DISCUSSION

Social proof has no influence on purchasing decision at marketplace

The influence of Purchase Intention (X2) on Student's Purchasing Decision (Y) = 37.7%  
( $0.614^2 \times 100\%$ )

Model		Coefficients <sup>a</sup>									
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	7,166	2,605		2,751	,007					
	SP	-,192	,119	-,127	-1,612	,110	,071	-,152	-,121	,905	1,105
	PI	,651	,080	,644	8,164	,000	,605	,614	,613	,905	1,105

a. Dependent Variable: SPD





# CONCLUSION

Simultaneously, social proof ( $X_1$ ) and purchase intention ( $X_2$ ) gave the significant influence on students' purchasing decision ( $Y$ ) for 36.9%.

Partially, the influence of purchase intention ( $X_2$ ) on students' purchasing decision ( $Y$ ) was up to 37.7%.

The model of this research was  $Y = 7.166 - 0.192X_1 + 0.651X_2 + e$ .

Students decided to purchase a product rationally; they bought a product because they intended to buy it. Social proof which was displayed on ratings or consumers' comments did not influence their purchasing. Thus; educators should be more emphasized education about the needs and quality of products which will ultimately impact on purchase intention rather than notice the elements of social proof which can be manipulated.

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