A Study of Indonesian Online Marketplace: Information Processing Theory Paradigm

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Abstract

Purpose: This study uses the protection motivation theory and information processing theory to discuss the high number of fraud phenomenon in Indonesia which causes worries to the internet users. The second problem is the large amount of information transparency in e-commerce which actually hinders the users in making decisions so it causes a negative behavior pattern, namely discontinue usage intention. Design/methodology: Therefore, this research hopes to provide insight to the online or e-commerce business community, especially for Tokopedia, to develop its business from understanding the factors influencing consumer attitude when shopping online. The sample are students from Universitas Indonesia, Institut Teknologi Bandung, Institut Pertanian Bogor, Universitas Gadjah Mada and Institut Teknologi Surabaya, with total 900 respondents. Result: The results of this research indicate that ubiquitous connectivity (UC) variable significantly affects variables such as the privacy concern (PC), information transparency (IT) and information overload (IO). PC and IO variables also significantly affect Discontinue Usage Intention (DUI). Conclusion: This study gives a new perspective that despite the phenomenon, the millennial generation especially are not entirely concerned about the privacy concern, however, this study clearly shows that the privacy issue in the digital world continues to be something that needs to be cared for.

Keywords: Digital Marketing, Protection Motivation Theory, Ubiquitous Connectivity, Information Transparency, Information Overload

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