

CHAPTER I

INTRODUCTION

1.1 Background

The Development of technology that is increasingly advanced today, there are many uses of the internet that cannot be separated in everyday life because it can help users in various ways, one of which is online shopping or online shops which are currently mushrooming and trending among virtual world connoisseur. In Indonesia, many have implemented an online shopping system, including Market Place TikTok. Online shopping or online shopping via the internet, is a process of purchasing goods or services via the internet. This is evidenced by the continued increase in the number of internet users in Indonesia.

In the past, when we wanted to buy a product or item, we had to meet with the seller of the product, between the buyer and the seller had to be face-to-face until there was an agreement between the seller and the buyer or what is often referred to as a transaction. The reach between buyers and sellers is also very limited, but now with the advancement of the times and increasingly sophisticated technology, especially the internet, all limitations of time, distance and cost can be easily overcome.

According to Rismawati (2020) Based on the latest report Hootsuite (We Are Social), which is an online media service site that is connected to various social networking sites and in 2020 states that there are 175.4 million internet users in Indonesia. Compared to the previous year, there was an increase of 17% or 25 million internet users in Indonesia. Based on Indonesia's total population of 272.1 million, it means that 64% and half of Indonesia's population has experienced access to cyberspace.

The increasing number of internet users in Indonesia makes this a very good market for industry perpetrator e-commerce, so it is not surprising that many have popping up e-commerce such as shopee, lazada, tokopedia, Bukalapak, and many others. With so many online stores, it will be easier for consumers to make

purchases. Consumers no longer need to go to the store, they just need to visit the site and choose what items they want and that too they can do it anywhere. There is a shop online that aims to increase consumer buying interest in buying an item, with the current very sophisticated digital era it will be an attraction for consumers to buy a product in an online store. The competition is quite tight Among these online service providers such as the TikTok Shop should modify some how to compete with e-commerce others, because the TikTok Shop can categorized as a newcomer at this level of business.

TikTok is a platform of a short -creative music video of music, which was launched by the Chinese Bytedance company on September 20, 2016. TikTok application users can share creative entertainment videos with The music they like as a background music. They make entertainment videos with creative and share it according to their want. This is a social media video platform short entertainment, especially for video lysing and dance for all ages, but on The basis is a short creative video community which focuses on children Youth/Young (Li et al., 2021). Bydance buy musical.ly shares worth \$ 1 billion on November 2017, this added 80 Most of the users are mostly in the US and combine it with TikTok in the year 2018. With more than 300 million downloads on 2019, and more than 400 million downloads on 2020. TikTok is the most popular application and the most downloaded all over Good World Using Android Applications as well as the Apple Store application (Iqbal, 2021). TikTok with a unique application character, which allows users to consuming content in a short time, This platform has been widely used only for entertainment videos, but also Adapted for marketing and online business. Because of his ability to host videos short and direct streaming, video content especially advertisements broadcast easily to Most of TikTok users. Development of short video applications applications Tiktok in 2021 in Indonesia experienced rapid increase, namely TikTok Shop features the latest from the TikTok application that is currently trending since March 2021. This feature attract the attention of the user and make a big business opportunity for businessmen. In the Shopping 10.10 program at Indonesia, TikTok Shop managed to record Increased sales of more than 150 percent (TikTok Shop, social

media application that makes Business is increasingly cuan, 2021). Rapid increase short creative entertainment video user volume Increase the marketing value of the TikTok Shop massively. That allows the economy of business actors was developed to the peak. Therefore, TikTok Shop provides various types of products offered. Product diversity offered by TikTok Shop has various Categories include mobile phones, bicycles, tablets, Gadget accessories, computers, laptops, Printer/scanner, data storage media, Women's Fashion, Men's Fashion, Accessories Fashion, skincare, beauty products, equipment Electronics, Audio and Video, Equipment Household, baby gear, until with books or musical instruments and others. With various products offered, TikTok Shop aims to create interest in buying consumers.

Interest is a high tendency of the heart against something that arises because needs, which are felt or not felt or the desire of exclusive things. Interest in Re-Buying Consumers are a behavior consumers, where consumers have hope in buying or choosing a product, based on experience in determine, use, as well as consume or even want a product (Kotler et al., 2008). Interest in buying Repeat arises due to several factors, one factors that can affect the emergence Minal re-buy is consumer trust.

According to Pavlou and Geffen in the study Baskara and Haryadi (2014), trust is Fundamental basis to determine whether ecommerce will succeed or fail in the period front. E-commerce business must build high level of trust with potential customers to attract them to visit and transact on the site Their web. In making a purchase online, the most important thing to note is the reputation of online stores in TikTok, and whether it can be trusted or not, that is can be determined by looking at the testimonial customer. Consumers hope for money They will not just disappear but will be returned in product form requested and in accordance with what has been shown and declared seller.

Not just a factor of trust that can be affect buying interest online, sometimes previous consumer experience also affects the interest of buying online because the previous experience will be very affect future behavior. Customer

Assess their online purchase experience based on their perception of information product, payment method, provisions delivery, service provided, risk, privacy, security, personalization, attraction visual, navigation, entertainment, and pleasure (Izogo and Jaywardhena, 2018).

Based on the problems above, the authors are interested in conducting research so that they can find out the effect of trust on online repurchase intentions among Bengkalis State Polytechnic students class of 2020. Through research entitled "The Effect of Online Shopping Experience and Trust on Repurchase Intention at the TikTok Shop (Case Study of Students State Polytechnic Bengkalis)".

1.2 Formulation of the Problem

Based on the background description above, the authors formulate the problems in this study as follows:

1. Does trust affect repurchase intentions online to Bengkalis State Polytechnic students?
2. Does the buying experience influence the intention to repurchase online to Bengkalis State Polytechnic students?
3. Does trust and purchasing experience influence consumer repurchase intentions online to Bengkalis State Polytechnic students?

1.3 Purpose of the Study

Based on the formulation of the problem above, the purpose of this research is to find out:

1. To determine the effect of trust on consumer repurchase intention online.
2. To determine the effect of purchasing experience on consumer repurchase intention online.
3. To determine the effect of trust and purchasing experience on consumer repurchase intentions online.

1.4 Significance of the Study

The results of this study are expected to provide several benefits and uses for several parties, including the following:

1. For companies
Can contribute information to online shop companies, especially for TikTok Shop Indonesia, about the factors that influence consumer repurchase intention at the TikTok online shop, especially in terms of shopping attitudes and trust that affect consumer buying interest.
2. For science it
Can be a lesson for science, especially in the field of economics in the business administration department and can be a research reference in the future.
3. For researchers
Insights to know more about how to do good and right marketing, as well as tricks on how to attract consumers in the field of business administration, and be able to apply their knowledge in the future or apply their knowledge in research at a later time.
4. For other researchers
As information material or reference suggestions for other researchers if they are going to do research with related variables or factors.

1.5 Scope and Limitation of the Problem

1. The variables that affect repurchase intention only consist of 2 variables, namely trust and buying experience.
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3. Respondents in this study were TikTok users who had shopped at the TikTok Shop with a minimum of 3 times shopping

1.6 Writing System

Systematics of writing this Report is compiled 5 chapters, where each chapter will be subdivided into sub-chapters that will be discussed in detail. Here is the Systematics of each chapter and its brief description:

CHAPTER I : INTRODUCTION

This chapter explains the background of the problem, problem formulation, research objectives and the systematic writing of a study in the final research report.

CHAPTER II : LITERATURE REVIEW

The theoretical basis consists of a theoretical frame of reference based on variables that are considered relevant to the factors that influence people's buying interest in the event big Sale taken from various literatures related to the topic, previous research, frameworks, and hypotheses.

CHAPTER III : RESEARCH METHODOLOGY

This chapter explains the identification of the location, time and object of research, types and sources of data, population and samples, sample collection techniques, data collection techniques, data processing techniques, scale measurement, data analysis methods, types of research, concept definitions and operational variables.

CHAPTER IV : RESULTS AND DISCUSSION

This chapter will discuss the results of the data analysis carried out with the data analysis that has been determined so that the hypothesis can be tested. The discussion of the results obtained is made in the form of theoretical explanations both qualitatively, quantitatively, and statistically.

CHAPTER V : CONCLUSION

This chapter contains the conclusions obtained from the research results and also the suggestions that the researcher will convey.