



The Influence of Government Policies on Repurchase Intentions on the Platform Ecommerce Tiktoshop



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Abstract. The aim of this research is to see the influence of government regulations on repurchase intentions on e-commerce platforms. The research approach used is quantitative using PLS-SEM Smart PLS software as a data processing tool. In this research, the data collection technique was carried out using an online questionnaire using Google Form which was distributed to 100 consumer respondents on e-commerce platforms. The sampling system uses a purposive sampling method. Based on the results of hypothesis testing, it is known that this research finds that government regulations have a positive and significant effect on repurchase intentions on the Tiktoshop e-commerce platform. This shows that the more government regulations that Tiktoshop consumers experience, the more influence they have on their intention to repurchase.

Keywords: Government Policies ; Repurchase Intention; Platform Ecommerce

1. Introduction

Technological developments greatly increase as time goes by. Technology forces individuals to adapt to changes that occur. Every time and day after day forces us to adapt to change and be aware of technology (Rosihana et al. 2024). Social media trends and also online shopping on Tiktoshop have an impact on individuals' personalities who tend to like the instant. Thus making online business even more fertile. The phenomenon currently occurring is the very strong influence of influencers or celebrities. Many online stores use their services to promote goods or services in the form of creative videos or artistic photos which are very attractive to consumers (Shonia Az Zahra et al. 2023).

According to Anser, et al., many businesses are starting to use creative ways to promote their online stores. Starting from making artistic photos, interesting videos and other promotional content (Anser et al. 2023). The current condition of online business in Indonesia has given rise to an interesting phenomena (Zainul 2019). According to Wearesocial and Hootsuite Data, around 90% of internet users in Indonesia have shopped online. TikTok's monthly active users in Indonesia amounted to 99.1 million people in April 2022(F. A. Putri et al. 2023). In 2019, the e-commerce market capitalization value in Indonesia reached USD 21 billion or around IDR 294 trillion(Ahmed and Zahid 2014). Industrial electronic commerce in Indonesia is expected to reach a value of USD 40 billion in 2022(Zoghلامي, Yahia, and Berraies 2018; Zainul 2019).



Ease of use shopping on e-commerce platforms such as Lazada, Shopee, Blibli, and also TikTokshop (Agit et al. 2024). Tiktok is not only a social media for entertaining people with short videos but also for direct shopping and what is more interesting is that there is direct communication between sellers and buyers via LIVE. So TikTok combines social media with e-commerce. Several months ago the government officially banned the combination of e-commerce and social media (Basyirah, Hapsara, and Hamidah 2023). President Jokowi also conveyed direct directions regarding this matter in a limited meeting on September 26 2023. The regulations related to social commerce are contained in the Minister of Trade Regulation NO 50 of 2020 concerning provisions for Business Licensing, Advertising, Development and Supervision of Business Actors in Trading via Electronic Systems (Jamaludin, Miftahurrahmah, and Muizzudin 2023).

Repurchase intention is an individual's assessment of repurchasing a service or services from the same company by considering the current situation and the individual's good mood. According to Anser et al, repurchase intention can be defined as customer satisfaction which is measured behaviorally by asking whether the customer will shop or use the company's services again.(Anser et al. 2023). According to Joseph, Onyemachi, dan Lilian (2012) in Yati Lindar(Yati 2021), Determining factors that influence repurchase intention include perceived value, brand preference and customer satisfaction(Yati 2021). The aim of this research is to measure how much influence regulations have on e-commerce platform repurchases(Widianita, Ilhamiwati, and Hidayat 2023).

2. Methods

This research is quantitative research. The data is in the form of numbers and then processed and analyzed to obtain scientific information behind the numbers(Wijaya, Bernarto, and Purwanto 2020).The method used is SEM PLS analysis with the SMART PLS 3 analysis tool which aims to see the influence or not of the independent and dependent variables. How well the sample reflects the characteristics of the population(H. E. Putri 2020). The sampling technique used is purposive sampling where this sampling technique is chosen based on certain characteristics which are believed to be closely related to previously known population characteristics(Puteri 2020). Purposive sampling depends on the researcher's expertise and creativity. The sample consisted of 100 students from the Faculty of Economics and Islamic Business, Sjech State Islamic University. Djamil Djambek Bukittinggi as Tiktok users. Primary data collection technique, researchers distribute questionnaires online via Google Form.

Table 1. Item and Construcs

1. Response to government policies regarding the separation of social media and e-commerce
2. Response to government policies regarding the ban on TikTok shops
3. Support for government programs related to e-commerce regulations and selling transactions
4. Compliance with government regulations regarding the ban on TikTok shops
5. Responses and actions after new regulatory provisions for the TikTok platform

Government Policies

Repurchase Intentions	1. There are positive recommendations for products on Tiktok social commerce
	2. There is a desire and need to buy products on Tiktok social commerce
	3. There was an experience in the past when I purchased a product on social commerce Tiktok
	4. I will buy the product again in the future through Tiktok social commerce
	5. I am reluctant to move to another online shop, social commerce Tiktok

2.1 Uji Validitas

The aim is to find out whether the statements used in the questionnaire are valid or not, so the statement is declared valid if the statement used shows something that will be measured (Latan, Noonan, and Matthews 2017). Validity testing focuses on all variables that have a unidimensional form. For this research, convergent validity testing is used, namely through the average variance extracted (AVE). The validity of an indicator is if the AVE value is equal to or more than 0.5

2.2 Reliability test

The aim is to see the accuracy and consistency of the model which can be measured using reliability testing in the SmartPLS 3.0 program. There are two ways to test the instrument model, namely Cronbach's Alpha and Composite Reliability. However, here the reliability test is carried out using composite reliability. Latan et al said that the assumption of accurate parameter estimates is tested using Composite Reliability, in Composite Reliability testing there is the use of the Rule of thumb to measure the reliability of a variable (Latan, Noonan, and Matthews 2017). Composite Reliability is said to be valid if the value is more than 0.7 (Wijaya, Bernarto, and Purwanto 2020).

2.3 Structural model test

In the SmartPLS 3.0 program, to see the magnitude of the relationship between variables, you can see the average sample table in the Path coefficient. To see whether the relationship between variables is significant or not

2.4 Determination Coofisient Test (R square

To test correlation, use the coefficient of determination between the independent variable and the dependent variable with the aim of seeing whether or not there is a relationship between the independent variable and the dependent variable. The results of the coefficient of determination test also show how much the independent variable can explain the independent variable. An independent variable is said to contain the information needed by the dependent variable if it has an R square value of 1 or at least close to that number (Wijaya, Bernarto, and Purwanto 2020).

2.5 Quality Indeks

To assess the model as a whole, it is measured by looking at the Gof (Goodness of fit) value. The better the model produced, it can be seen from the higher the Gof value.

2.6 Hypothesis Testing

Hypothesis 0: There is no direct effect of government regulations on repurchase intentions on e-commerce platforms

Hypothesis 1: There is a positive influence between government regulations on repurchase intentions on e-commerce platforms

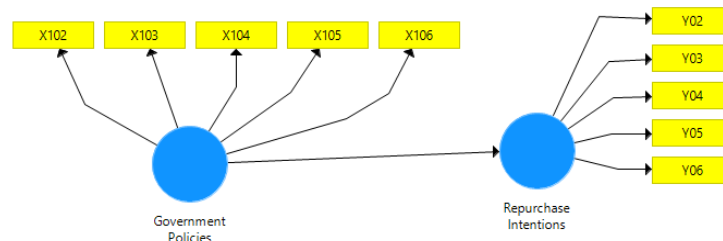


Figure 1 Research Model

3. Results and Discussion

3.1. Reliability test

According to Hair et al (Hair et al. 2019) the reliability requirement is a measure of the stability and consistency of the results at different times. To test the reliability of the construct in this study used the value of composite reliability. A variable is said to meet construct reliability if it has a composite reliability value > 0.7 (Wijaya, Bernarto, and Purwanto 2020) and the Alpha Cronbach value > 0.7 has a good level of reliability for a variable.

Table 2. Reliability Testing Result

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Government Policies	0,839	0,843	0,886	0,609
Repurchase Intentions	0,827	0,835	0,877	0,588

According to Table 2, it can be seen the results of the reliability test analysis using the SmartPLS tool which states that all composite reliability values are greater than 0.7, which means that all variables are reliable and have met the test criteria. Furthermore, the value of Cronbach's omission also shows that all Cronbach's Alpha values are more than 0.6 and this indicates the level of reliability of the variable has also met the criteria.

3.2. Convergent Validity

Convergent validity is used to measure the correlation between item scores and construct scores, the higher the correlation the better the data validity (Wijaya, Bernarto, and Purwanto 2020). Measurement can be categorized as having convergent validity if the loading factor value is > 0.7 .

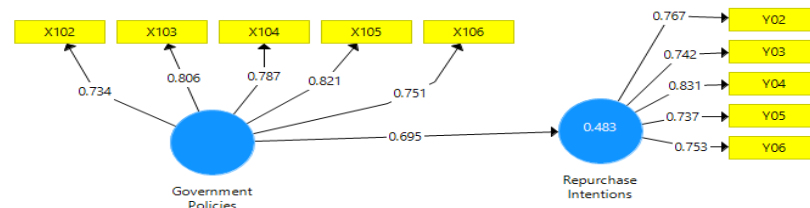


Figure 2 Validity Testing

3.3 Discriminant Validity

Discriminant validity is a test of construct validity by predicting the size of the indicator from each block. One of the discriminant validities can be seen by comparing the AVE value with the correlation between other constructs in the model. If the AVE root value is > 0.50 , it means that discriminant validity is reached (Hair et al. 2019).

Table 3. Discriminat Validity Result

	Government Policies	Repurchase Intentions
Government Policies	0,780	
Repurchase Intentions	0,695	0,767

Based on Table 3, it appears that each statement indicator has the highest loading factor value in the tested latent constructs than other latent constructs, meaning that each statement indicator can be predicted well by each latent construct in other words discriminant validity is valid

3.4 R Square Value

The value of R square (R^2) is a measure of the proportion of the variation in the value of the affected variable which can be explained by the variable that influences it.

Table 4

R square Value

	R Square	R Square Adjusted
Repurchase Intentions	0,483	0,478

Based on table 4, the R Square of Repurchase Intention value is 0.478 or 47.8% means that the Repurchase Intention variable is influenced by the Government Policies variable by 47.8%, while the remaining 52.2% is influenced by other variables not discussed in this study.

3.5 Hypothesis Testing

According to Hair et al. (Hair et al. 2019) after a research model is believed to be fit, a hypothesis test can be carried out. The next step is to test the hypothesis that has been built in this study. In this case, the bootstrapping method is applied to the sample.

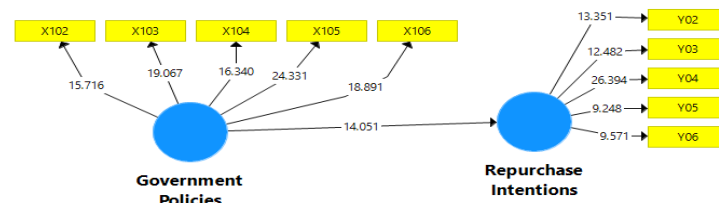


Fig 3 Hypothesis Testing

The last step of the test using the Smart PLS application is hypothesis testing and is carried out by looking at the results of the bootstrapping value. Hypothesis testing using the Bootstrapping function on SmartPLS 3.0. The hypothesis is accepted when the significance level is less than 0.05 or the t-value exceeds the critical value (Hair et al. 2019).

Table 5. Hypothesis Testing

	Original Sample (O)	T Statistics (O/STDEV)	P Values	NOTE
Government Policies -> Repurchase Intentions	0,695	14,051	0,000	Significant

Based on the results of the hypothesis testing, the original sample value was positive 0.695 and the T value was $14,051 > 1.96$ and P value $0.000 < 0.050$ so it was concluded that there was a positive and significant relationship between Government Policies and Repurchase Intention. This study found that Government Policies has a positive and significant effect on repurchase intention. This shows that the higher the Government Policies perceived the more influence it has on repurchase intentions.

4. Conclusions

This research found that government regulations have a positive and significant effect on repurchase intentions on the TikTokshop e-commerce platform. This shows that the more government regulations that Tiktokshop consumers experience, the more influence they have on their intention to repurchase. This research has limitations, namely the limited number of respondents, the unit of analysis is only the TikTokshop e-commerce platform, so the results do not necessarily apply to all other respondents and other units of analysis. Suggestions for further research are to increase the number of respondents, use other sampling methods, add other variables and use other units of analysis.

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