The Effect of Country of Origin and Online Customer Review on Purchase Decision of Uniqlo Products in Mataram City

Muhammad Shaghiar Maulana*, Dwi Putra Buana Sakti

Mataram University, Mataram, Indonesia *Corresponding author. Email: <u>shagiar000@gmail.com</u>

ABSTRACT

This study aims to determine the effects of country of origin and online costumer review, on purchase decision in Uniqlo products. The type of research used was descriptive quantitative with causal associative nature. The population in this study were consumers who have previously purchased Uniqlo products. The number of samples taken was 100 people. The sampling technique used in this research was purposive sampling technique. The data were collected through an online survey and analyzed using multiple linear regression analysis through the SPSS version 25 program. The results showed that country of origin and online costumer review have a positive and significant influence on purchase decision.

Keywords: Country of Origin, Online Costumer Review, Purchase Decision

1. INTRODUCTION

The fashion industry has experienced rapid development, where fashion is no longer just a necessity but also a symbol of lifestyle. With the advancement of technology, the fashion industry has become a promising business opportunity in the current era.



Figure 1. Indonesians Prefer to Shop for Clothes

The data in Figure 1 is the result of a survey by Statista regarding the percentage of products most purchased by Indonesians in 2020, processed by Tempo.co. The data shows that 76% of Indonesians predominantly decide to purchase clothing (fashion) products over other products. This indicates that fashion products are currently the most developed products in Indonesia.

The rapid development of fashion has made the industry fiercely competitive to create superior products that attract consumers. The wide variety of fashion products allows consumers to carefully consider the desired product and confidently decide to purchase their chosen fashion product.

Purchase decision is a form of selection and interest in purchasing the most preferred brand among various different brands (Kotler & Keller, 2016). Therefore, it is essential for companies to understand various factors that can influence someone's decision to purchase a product.

This research focuses on Uniqlo fashion products as one of the global industries following the development in the fashion industry. Uniqlo is a modern clothing retailer from Japan, founded by Tadashi Yanai in 1984. Uniqlo sells products ranging from pants, t-shirts, jackets, and clothing accessories, and collaborates with other brands to produce products with modern trends.

2022	2021	Logo	Name	Country	2022	2021	2022	2021
1=	1				\$33,176M	\$30,443M	AAA-	AAA
		-	Nike		555,1761	530,443M	ААА-	ААА
2 ^	3	LOUIS VUITTON	Louis Vuitton		\$23,426M	\$14,858M	AAA	AAA-
3 🗸	2	61/C C1	GUCCI		\$18,110M	\$15,599M	AAA	AAA
4 ^	5	CHANEL	Chanel		\$15,260M	\$13,240M	AAA-	AA+
5 🛩	4	adidas	Adidas	-	\$14,636M	\$14,342M	AAA-	AAA
6 ^	10	-050-	Hermès		\$13,499M	\$11,656M	AAA-	AAA
7 🗸	6	ZABA	ZARA	-	\$12,997M	\$13,156M	ΔΔ+	AA+
8 =	8	H.M	H&M	-	\$12,704M	\$12,368M	AA+	AA+
9 =	9	Cartier	Cartier		\$12,419M	\$12,087M	AA+	AAA
10 🗸	7	QLO	UNIQLO		\$9,640M	\$13,071M	AA	AA+

Figure 2. Apparel Brand Rankings in 2022

Based on data from Brand directory regarding the Apparel 50 2022 Rankings, Uniqlo ranked 10th globally in 2022. This phenomenon is interesting because while American and European brands dominate the global fashion market, Uniqlo, the only Asian brand from Japan, creates a new paradigm that Asia can produce renowned brands. This shows that Japan, as one of the countries in Asia, has products favored by consumers worldwide. According to data from the international survey institution Edelman Trust Barometer processed by Liputan 6 (2014), Indonesian society trusts Japanese products the most, with a trust level of 96%. This indicates that the Indonesian public highly trusts Japanese products, encouraging them to purchase products from Japan.

According to Alfarisi (2019), many factors can influence consumers in making purchases, such as the country of origin. Research by Setya (2020) proves that there is a positive and significant influence of country of origin on purchase decisions.

The Covid-19 pandemic has significantly changed consumer behavior patterns due to policy restrictions in recent years. Uniqlo decided to strengthen their product promotions by leveraging online business to adapt to the changing environment. The fundamental difference between online shopping and in-store purchases is the consumer's ability to assess a product, which can drive the desire and decision to purchase (Prabasini et al., 2023). The consumer's ability to assess a product online is known as an online customer review. According to Welsa et al. (2022), online customer reviews have a positive and significant influence on purchase decisions. This indicates that the higher the online customer reviews of a product or service, the higher the purchase decision of that product.

Based on the explained phenomenon, Uniqlo needs to reevaluate to improve quality better. This is important to attract consumers again and maintain sales stability amid competition with other brands. In this case, the researcher considers it necessary to study the influence of country of origin and online customer review on Uniqlo products and their impact on purchase decisions.

2. RESEARCH METHODS

This research is a quantitative study with a causal associative approach. It explains the relationship between independent and dependent variables that influence each other. The research was conducted in Mataram City. The population in this study consists of consumers who have purchased Uniqlo products. The sample in this study includes data from 100 respondents.

The data collection method used in this study was a survey method by distributing questionnaires in the form of Google Forms to respondents. The sampling technique used was non-probability sampling with a purposive sampling method, as it required selecting samples based on specific criteria to ensure the data produced was valid.

3. RESULT AND DISCUSSION

3.1 Respondent Characteristics

The researcher obtained respondent data based on gender, age, last education, occupation, monthly expenditure, the number of respondents who have seen online reviews of Uniqlo products, places where respondents have seen online reviews of Uniqlo products, the number of respondents who have purchased Uniqlo products in the last 3 months, the number of purchases of Uniqlo products in the last 3 months, and the number of purchases of Uniqlo products online or offline.

3.2 Analysis Results

3.2.1 Instrument Test

Instrument test consists of validity test and reliability test. In the validity test it shows that the calculated R value is greater than the table R value (0.361). This indicates that all statement indicators in the study are valid. Whereas in reliability test shows that the reference value is 0.7 and the Cronbach Alpha value for the three variables is greater than this reference value. Thus, it can be concluded that the three variables are reliable.

3.2.2 Classical Assumption Test

Classical assumption test consists of normality test, linierity test, multicolinierity test, and heteroscedasticity test.

Based on the normality test results using the Kolmogorov-Smirnov technique, the obtained Asymp. Sig (2-tailed) value is 0.143 (>0.05), indicating the data is normally distributed because the significance value obtained is greater than 0.05. Based on the linearity test results, it can be seen that both variables show a Sig. Linearity value < 0.05 and all Sig. Deviation from Linearity values > 0.05. Thus, it can be concluded that the data is linear. Based on the multicolinierity test results, it shows that the tolerance value > 0.10 and the obtained VIF value < 10.00. Thus, it can be concluded that the regression model of the influence of country of origin and online customer review on the purchase decision of Uniqlo products does not have multicollinearity issues. Last, from the heteroscedasticity (glejser) test results on all variables, it shows that the significance level is > 0.05, indicating that there are no heteroscedasticity issues.

3.2.3 Multiple Linear Regression Analysis

Y = a + b1X1 + b2X2 + b3X3 + e

 $Y = 2,817 + 0,120X1 + 0,387X2 + e \qquad \dots (1)$

Equation 1 is the equation used in this study. The constant value in the equation is 2.817, meaning that when the variables of country of origin and online customer review are valued at 0, the value of the purchase decision for Uniqlo products is 2.817. b1 (regression coefficient value for X1) is 0.120. This indicates that for every 100% increase in the country of origin variable, the purchase decision will increase by 0.120 or 12%, assuming other variables remain constant. b2(regression coefficient value for X2) is 0.387. This indicates that for every 100% increase in the online customer review variable, the purchase decision will increase by 0.387 or 38.7%, assuming other variables remain constant.

3.2.4 Hypotheses Test

Table 1. T-Test Calculation Results

	Unstandardized Coefficients		Standardized Coefficients		
Туре	В	Std. Error	Beta	t	Sig.
1 (constant)	2.817	.616		4.574	.000
Country of Origin	.120	.049	.242	2.444	.016
Online Costumer Review	.387	.056	.689	6.950	.000

The test results for the country of origin on purchase decisions show a significance value of 0.016 < 0.05 and a ttt value of 2.444 > 1.988 (greater than t table). This indicates a positive and significant influence of the country of origin variable on purchase decisions for Uniqlo products in Mataram City. Based on the test results, it can be concluded that the hypothesis stating the country of origin influences purchase decisions is accepted.

The test results for online customer reviews on purchase decisions show a significance value of 0.000 < 0.05 and a ttt value of 6.950 > 1.988. This indicates a positive and significant influence of the online customer review variable on purchase decisions for Uniqlo products in Mataram City. Based on the test results, it can be concluded that the hypothesis stating online customer reviews influence purchase decisions is accepted

 Table 2. Determination Coefficient Test (R² Test) Calculation Results

Model	R	R Square	Adjusted R Square	Std. Error Of The Estimates
1	.915 α	.838	.835	1.319

Based on the calculations in table 2, it is known that the determination coefficient (R^2) value is 0.838 or 83.8%. This means that the influence of the independent variables on the dependent variable is 0.838 or 83.8%, while the remaining 16.2% is explained by other variables not included in this study. This shows a high level of explanation, providing strong validity to the regression model used. The model involving online customer review and country of origin as predictors of purchase decisions shows a very good fit and provides a strong explanation of variations in purchase decisions. The high values of R and R² confirm that the combination of these two variables is very effective in predicting purchase decisions.

3.3 Discussion

3.3.1 The Influence of Country of Origin on Purchase Decisions for Uniqlo Products

The findings of this study reveal that the country of origin has a positive and significant influence on purchase decisions. This means that the name of a country as the country of origin identity of Uniqlo products can influence consumers' purchase decisions. As shown by the T-test results, this variable statistically significantly influences consumer behaviour. This indicates that the country of origin of Uniqlo products, Japan, positively influences consumers' perceptions of the quality and value of these products. This study aligns with research by Ghaizani (2018) which states that the country of origin has a positive and significant influence on purchase decisions. This statement is also supported by research by Azizah (2023), which also states that the country of origin significantly and positively influences purchase decisions.

This study shows that the country of origin identity of Uniqlo products, Japan, can create a positive image in consumers' minds, leading respondents in this study to decide to purchase Uniqlo products. Consumers in Mataram City tend to have high confidence in products from countries with strong reputations in quality and innovation, in this case, Japan. The most dominant indicator in this study is that the majority of respondents have very positive perceptions of Japan's technological advancements. This positive perception reflects a strong belief that Japan's superior technological capabilities can be an important factor in influencing consumers' purchase decisions for Uniqlo products

3.3.2 The Influence of Online Costumer Review on Purchase Decisions for Uniqlo Products

The findings of this study reveal that online customer reviews have a positive and significant influence on purchase decisions. This means that the better the online customer reviews provided by other consumers, the higher the purchase decisions for Uniqlo products. This study aligns with research by Maulidar (2022) which states that online customer reviews have a positive and significant influence on purchase decisions. This study is also supported by research by Priangga et al. (2021), which states that online customer reviews have a positive and significant influence on purchase decisions.

This study shows that respondents generally have a positive perception of the online customer review feature of Uniqlo products. This positive perception includes ease of information, increased trust, highlighting product strengths and weaknesses, and the influence of positive reviews on purchase decisions and product reputation. This indicates that the online customer review feature can be an important factor in influencing consumers' purchase decisions for Uniqlo products. The better the online customer reviews provided by other consumers, the stronger the purchase decisions for Uniqlo products.

Online customer reviews also show a very significant influence on purchase decisions with a t value far exceeding the critical value. This indicates that online customer reviews play an important role in shaping consumers' perceptions and influencing their purchase decisions. Positive reviews increase consumer trust in the product, while negative reviews have the potential to reduce that trust. Therefore, effective review management is crucial in Uniqlo's marketing strategy.

4. CONCLUSION

The country of origin has a positive and significant influence on purchase decisions for Uniqlo products in Mataram City. This means that the better the consumers' knowledge of a country, the higher their purchase decisions for Uniqlo products will be. The identity of the country of origin, Japan, provides a positive impact on consumers' minds regarding the quality and innovation of products. This is evidenced by statistical analysis showing that the country of origin significantly increases the tendency to purchase products.

Online customer reviews have a positive and significant influence on purchase decisions for Uniqlo products in Mataram City. This means that the better the online customer reviews provided by other consumers, the stronger the purchase decisions for Uniqlo products will be. The analysis shows that online customer reviews have a very significant

influence on purchase decisions with a larger effect than the country of origin. This is indicated by a higher Beta value and a larger ttt value. This emphasizes the importance of online customer reviews in Uniqlo's digital marketing strategy, especially in increasing purchase decisions.

REFERENCES

- Alfarisi, S. (2019). Pengaruh Country Of Origin, Citra Merek, Dan Kualitas Produk Terhadap Keputusan Pembelian (Studi Kasus Pada Pembeli Smartphone Xiaomi Di Jabodetabek). Retrieved from <u>UIN Jakarta Repository</u>.
- Azizah, N. (2023). Pengaruh Online Customer Review dan Country of Origin Terhadap Keputusan Pembelian Produk Kosmetik Halal Pada Konsumen Sociolla. Skripsi. Fakultas Ekonomi dan Bisnis Islam, Universitas Islam Negeri Kiai Haji Achmad Siddiq, Jember.
- Branddirectory. (2022). Apparel 50 2022 Rangking. Retrieved from Branddirectory.
- Ghaizani, A. (2018). Pengaruh Country of Origin Terhadap Brand Image dan Dampaknya Bagi Keputusan Pembelian (Survei Online Pada Konsumen Skin Care Etude House di Indonesia). Skripsi. Fakultas Ilmu Administrasi, Universitas Brawijaya, Malang
- Kotler, P., & Keller, K. L. (2016). Marketing Management (15th ed.). Pearson Education Limited.
- Liputan 6. (2014). Masyarakat RI Paling Percaya Produk Jepang. Retrieved from Liputan 6.
- Maulidar, C. S. (2022). Pengaruh online customer reviews, online Customer rating dan persepsi harga terhadap Keputusan pembelian pada marketplace Shopee dikaji dalam perspektif ekonomi Islam (studi pada mahasiswa fakultas ekonomi dan bisnis islam Uin ar-raniry banda aceh). Retrieved from UIN Ar-Raniry Repository.
- Prabasini, N. K. D. L., Mitariani, N. W. E., & Hendrawan, I. G. Y. (2023). Pengaruh Lifestyle, Sosial Media Marketing Dan Online Customer Review Terhadap Keputusan Pembelian Produk Panlandwoo (Survei Online Pada Followers Aktif Instagram Panlandwoo). Jurnal Emas, 4. Retrieved from Jurnal Emas.
- Priangga, I., Munawar, F., & Widyatama, U. (2021). Pengaruh Online Customer Review Dan Online Customer Rating Terhadap Keputusan Pembelian Di Marketplace Lazada (Studi Pada Mahasiswa Di Kota Bandung). Jurnal Bisnis Manajemen & Ekonomi, 19(2). Retrieved from Jurnal Bisnis Manajemen & Ekonomi.
- Setya, B. (2020). Potret konsumen Uniqlo di Jawa Timur: Persepsi tentang negara asal, citra merek, dan keputusan pembelian. *Jurnal Ilmiah Mahasiswa FEB Universitas Brawijaya*, 8(2). Retrieved from <u>https://jimfeb.ub.ac.id/index.php/jimfeb/article/view/6767</u>
- Tempo.co. (2020). Orang Indonesia Lebih Suka Belanja Pakaian. Retrieved from Tempo Data.
- Welsa, H., Cahyani, P. D., & Alfian, M. (2022). Pengaruh online customer review, social media marketing dan kemudahan terhadap keputusan pembelian secara online melalui marketplace. *Jurnal Manajemen*, 14(2), 416– 424. Retrieved from <u>Jurnal Manajemen</u>.