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Research paper



Online Marketing that Humanism on E-commerce

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Abstract

Humanism is an understanding that emphasizes dignity, ethics, which upholds human values. Humanism is related to human life including business. The purpose of this study is to examine the contribution model of humanism to online shopping decisions. This study uses a population that is a group of employees belonging to the millennial generation in the city of Surakarta Indonesia. The research uses the surve method. Instrument for collecting data with a questionnaire. The number of respondents obtained is 100 people. Convenience Sampling data collection techniques, namely the method of collecting samples based on the availability of elements and the ease of obtaining them. Samples are taken or selected because the sample is in the right place and time. Humanism indicators include the values of honesty, openness, justice, religious and social community. Testing instruments using validity and reliability. Statistical analysis with SEM (Sequential Equation Model) because of the assumption that the amount of data is normally distributed. The results showed that 1) humanism had a positive but not significant effect on online promotion through e-commerce websites, 2) humanism had a negative and not significant effect on online shopping decisions, 3) online promotion through e-commerce websites had a positive and significant effect on online shopping decisions.

Keywords:*E-Commerce; Humanism; Online Shopping Decisions; Online Promotion.*

1. Introduction

Electronic commerce (e-commerce) is the use of communication networks and computers to carry out business processes. Another view of e-commerce is the use of the internet and computers with Web browsers to buy and sell products [1]. In other words, e-commerce is a business transaction that occurs in electronic networks, such as the internet [2]. E-commerce in Indonesia is experiencing very rapid development. At the time of the National Online Shopping Day in 2018, orders reached 10,000 per day, tripling from ordinary days which averaged 3,000 orders per day. In Indonesia there are several e-commerce actors such as Tokopedia.com, Lazada.co.id, Zalora.co.id, Bukalapak.com, Mataharimall.com, Shopee.com. The e-commerce market in Indonesia grew 42% from 2012-2018, higher than some Asian countries.
Research identifies the benefits gained from e-commerce adoption on business. E-commerce has a significant positive impact on performance and business productivity in terms of improving internal processes, competitive position, customer service, overall business performance and increasing customer base [3][4]. E-commerce is an effective strategy for building organizational relationships with consumers. E-commerce has a significant effect on consumer behavior and has a significant impact on the creation of consumer loyalty [5][6]. Other previous studies have identified several factors that influence spending on e-commerce, among others: consumer behavior factors, marketers (market), transaction security [7], social media [8], market segmentation and promotion activities [9], laws and regulations that guarantee security in e-commerce trading [10][11]. Online shopping consumer behavior is influenced by factors such as individual characteristics [12], regional characteristics and consumer income [13], website quality and quality services [14][15], trust [16].

Although the domain of e-commerce research has been carried out a lot, however, it seems that no research on e-commerce has led to humanism (humanism approach). The principle of humanism in the supplier would improve marketing performance. Humanism in marketing bases the view that the value of humanism has a role in online business. The limitations of previous research in explaining the role of humanism in online business, became the basis and purpose of this study, so this study took the topic to examine the role of humanism models in online shopping decisions on e-commerce in Indonesia.

2. Literature study

2.1. Consumer behaviour

Consumer behavior is the study of how individuals, groups and organizations choose, buy, use, and how goods, services, ideas, or experiences to satisfy the needs and desires of consumers. Consumer behavior is a dynamic interaction between the influence and conditions of behavior and events around the environment where humans carry out aspects of exchange in their lives [17]. From the above definitions, we can see that there are two important things about consumer behavior, namely the process all physical decision making and activities involve individuals in valuing, obtaining and using goods and services economically. In other words, consumer behavior is the study of consumer behavior in terms of actions taken to buy goods and services.
Factors that influence consumer behavior, namely consumer demand for goods and services will be influenced by several factors such as products, prices, promotions, consumer tastes and so on. This consumer behavior is based on the theory of consumer behavior that explains how someone with the income he earns can

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buy various goods and services so that certain satisfaction is achieved according to what is expected.

2.2. E-Commerce

"E-commerce is a dynamic set of technology, application, and business processes that link enterprises, cosumer, and communities through electronic transactions and electronic exchange of goods, services, and information" [18]. E-commerce is a dynamic asset of technology, applications and business processes that connects companies, consumers and communities through electronic transactions and trade in goods, services and information carried out electronically. Unlike ordinary trade transactions, e-commerce transactions have some very special characteristics, namely: (1) transactions without limits, (2) anonymous transactions (sellers and buyers in transactions over the internet do not have to meet each other face to face), (3) Digital and non-digital products [18]. The characteristics above show that e-commerce is buying and selling in cyberspace so that moral aspects such as honesty, openness, justice, trust are very important values. E-commerce offers great hope for the future.

2.3. Humanism and business ethics

Humanism comes from Latin, "humanist" means human, and "ism" means understanding or flow. Humanism is a term that is often used in Indonesian society as a word that expresses something related to humans. Humanism is a notion or flow with the aim of promoting human dignity. And as ethical thinking that upholds humans. Humanism emphasizes dignity, ethics, roles, responsibilities according to humans. Humanism believes in ethics or morality as the basis of human values, in worldly experience and relationships between human beings with the highest goals of this world, namely happiness, freedom, and economic, cultural and ethical progress of all humanity, regardless of nation, race, or religion. It is known that humans have a role and responsibility for itself implicitly and to the God explicitly, making human beings as social beings who cannot survive without the help of others. With the aim of humans to get happiness in the world, humans are competing to try to achieve their goals in various ways, such as working hard to fulfill happiness in terms of assets.

The value developed in the aspect of humism is the moral ethical value developed also religiously. The value of human values underlies ethical values in business. Business Ethics can be a standard and guideline for all employees including management and makes it a guideline for carrying out daily work based on noble, honest, transparent moral and professional attitude. Business ethics is a way to conduct business activities, which covers all aspects related to individuals, companies and also society. Business ethics in a company can shape the values, norms and behavior of employees and leaders in building fair and healthy relationships with customers or work partners, shareholders, the community.

Analysis of structural models to test the hypothesis of the hypothesis proposed in this study. Previous research explaining the role of humanism in marketing is still very limited and very few in number. The hypothesis that will be tested in this study are:

H1:The value of humanism has a positive effect on online promotion.

H2:The value of humanism has a positive effect on online shopping decisions.

H3:Online promotion has a positive effect on online shopping decisions.

2.4. Conceptual framework

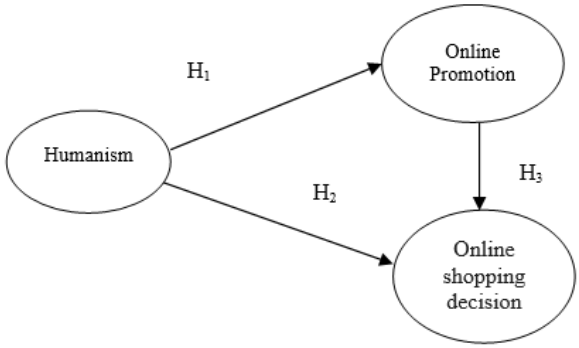


Fig. 1: Conceptual Framework Influences the Value of Online Shopping Decisions on E-Commerce.

Source : utami et al (2015), Nuseir et al (2010), Constantinides et al (2016).

3. Material and method

The subjects of this study were millennial generation employees or workers located in Surakarta. The population of this study is the milleneal group that has the status of an business employee. Data collection techniques using convenience sampling method because the number of respondents is unknown and the method of collecting samples is based on the availability of elements and the ease of obtaining them. The instrument of data collection is a closed questionnaire, Likert scale, with 5 points. The research respondents were selected 100 people. After the data is collected, then testing reliability and validity. Reliability with the Cronbach Alpha method and validity with the Product Moment Method. This analysis aims to ensure the quality of data that is valid and consistent [19]. This study uses data analysis using SEM (Structural Equation Modeling) to test the suitability of the model (Goodness of fit) which is hypothesized by empirical data.

4. Analysis and discussion

DescriptiveStatistic

This descriptive statistic describes the characteristics of respondents, seen from their gender, and the level of satisfaction in online shopping.

Table1: Summary of Characteristics of Respondents

Information		Sum	Prosentase
Gender			
•	Male	35	35%
•	Female	65	65%
Online Shopping Satisfaction			
•	Satisfied	85	85%
•	Not Satisfied	13	13%
•	Neutral	2	2%

Source: 2019 data exercise.

Based on table 1, it shows that the majority of respondents have female gender and have feelings of satisfaction with shopping online. This is very realistic because indeed most online consumers in Indonesia are women.

Instrument Test: Validity

Valid criteria in the CFA analysis or can be said to be valid if the loading factor is > 0.30. This was also revealed based on the number of samples such as Table 2, table 3 and table 4:

Table 2: Loading Factor with Basic Model Variable Humanism

	RELATIONSHIP	LOADING FACTOR	T-VALUES	CRITERIA LOADING FACTOR	RESULT
1	Humanism → X21	0,45	7,92	>0,30	Valid

2	Humanism → X22	0,56	9,40	>0,30	Valid
3	Humanism → X23	0,45	6,66	>0,30	Valid
4	Humanism → X24	0,29	2,75	<0,30	Not Valid
5	Humanism → X25	0,25	2,70	<0,30	Not Valid

Table 3: Loading Factor Basic Model Variable Online Promotion

	RELATION-SHIP	LOAD-ING FACTOR	T-VAL-UES	CRITERIA LOADING FACTOR	RE-SULT
1	Online Promo-tion → X11	0,38	4,52	>0,30	Valid
2	Online Promo-tion → X12	0,52	7,17	>0,30	Valid
3	Online Promo-tion → X13	0,47	5,85	>0,30	Valid
4	Online Promo-tion → X14	0,51	6,25	>0,30	Valid

Table 4: Loading Factor Basic Model Variable Online Shopping Decision

	REALATION-SHIP	LOAD-ING FACTOR	T-VAL-UES	CRITERIA LOADING FACTOR	RE-SULT
1	Online Shopping Decision → Y1	0,30	5,10	<0,30	Not Valid
2	Online Shopping Decision → Y1	0,46	6,56	>0,30	Valid
3	Online Shopping Decision → Y1	0,46	5,90	>0,30	Valid
4	Online Shopping Decision → Y1	0,60	7,40	>0,30	Valid
5	Online Shopping Decision → Y1	0,47	6,08	>0,30	Valid

Based on tables 2,3 and 4, it shows that most of the question items in the questionnaire meet valid criteria giving meaning that items of questions can explain precisely the construct used in the study, but invalid question items consist of X24, X25 and Y1.
Instrument Test: Reliability
Reliability testing using the cronbach alpha method. Reliable criteria in the cronbach alpha can be said to be reliable if the value is > 0.60

Table 5: Reliability Test Results from Research Instruments

Variable	Cronbach Alpha	Criteria	Result
Online Promotion	0,7213	>0,60	Reliable
Humanisme	0,7469	>0,60	Reliable
Online Shopping Decision	0,7569	> 0,60	Reliable

Source: 2019 data exercise.

Based on table 5, it shows that all question items in the questionnaire meet reliable criteria, giving meaning that all question items have consistency and reliability, which can be trusted.
Based on the Validity and Reliability Test, it shows that the data quality is good, the data meets the Reliable and Valid criteria, because all Cronbach Alpha values are greater than 0.6.

5. Result of measurement model analysis

In this study using SEM (Structural Equation Modeling) analysis techniques because SEM is a type of multivariate analysis in social science, where multivariate analysis is the application of statistical methods to analyze several research variables simultaneously. Multivariate analysis is used to test hypotheses developed based on theory or concept.
In SEM it takes into account linear relationships. By considering the highest validity coefficient value for each latent variable, the results of data analysis with SEM with the Lisrel program provide the following structural models:

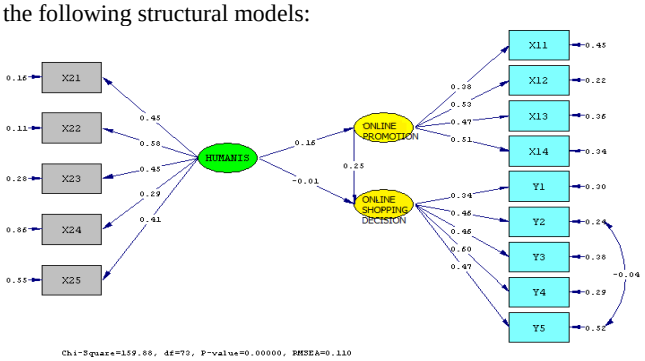


Fig. 2: Basic Model: The Influence of the Value of Humanism on Online Shopping Decisions Through Online Promotion (Stage 1).

Based on the results of SEM data analysis with Basic Models that the loading factors obtained are as follows.
By using the Basic Model method, the size of the Goodness of fit can be seen in the following table 6 :

Table 6: Basic Model Size Model Compliance (Stage 1)

	Indicator	Value	Criteria	Result
1	Chi-kuadrat	159,00	>= 167,52	Not Good
2	GFI	0,810	>0,90	Not Good
3	RMSEA	0,110	<=0,08	Not Good
4	AGFI	0,730	>=0,90	Not Good
5	NFI	0,710	>=0,90	Not Good

Source: 2019 data exercise.

Based on the assessment of the suitability of the model in table 6, it shows that the model is not good, so the model revision needs to be done.
The revision of the model is based on the value of the Loading Factor, if the value of the loading factor is too low and less than 0.3, the indicators in the study need to be deleted, so that there are three indicators removed from the first phase model, X24, X25 and Y1 so that the revised model is obtained as follows:

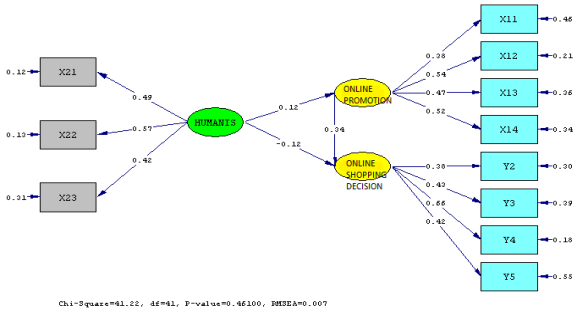


Fig. 3: Basic Model: The Influence of the Value of Humanism on Online Shopping Decisions Through Online Promotion (Stage2).

By using the Basic Model method, the size of the Goodness of fit can be seen in the table below:

Table.7: Basic Model Size Suitability Model (stage 2)

	INDICATOR	VALUE	CRITERIA	RESULT
1	Chi-kuadrat	47,22	>= 45,16	Good
2	GFI	0,93	>0,90	Good
3	RMSEA	0,007	<=0,08	Good
4	AGFI	0,89	>=0,90	Marginal
5	NFI	0,87	>=0,90	Marginal

Source: 2019 data exercise.

Based on the assessment of the suitability of the model in table 7, it shows that the model is good, and meeting Goodness of fit means that the model hypothesized in this study is compatible with the fact data in the field.
The results of data processing with SEM show that the coefficient of determination of the model is 0.32 which means that the contribution of the independent variable to the dependent variable is 34

percent, the remaining 66 percent is influenced by the variables that are not examined.

6. Hypothesis testing

Hypothesis testing is based on t-values, if the t-value value is greater than 1.96 then it is said that the relationship is significant, which means that the hypothesis is accepted, but if it is the opposite then the hypothesis will be rejected. Knowing t-value can be seen from the picture below:

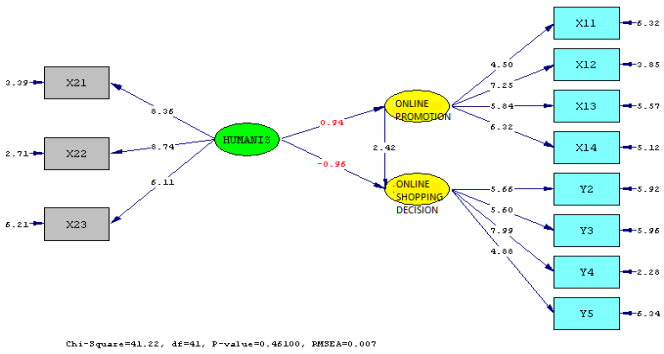


Fig. 4: Basic Model (T-Value): (Stage 2).

The influence of the value of humanism on online shopping decisions through online promotion

Table 8: Hypothesis Testing in Research

HIPOTESIS	PATH VARIABLE	T-VALUE	CRITERIA	RESULT
H1	Humanism → Promotion Online	0,94	< 1,96	Not Significant
H2	Humanism → Online Shopping Decision	-0,96	< 1,96	Not Significant
H3	Promotion Online → Online Shopping Decision	2,42	> 1,96	Significant

Source: 2019 data exercise.

Based on the results of testing the hypothesis, it shows that the influence of humanism on positive promotion is not significant (hypothesis 1 is accepted), the influence of humanism on online shopping decisions is negative and not significant (hypothesis 2 is rejected), and the influence of online promotion on online shopping is positive and significant (hypothesis 3 be accepted).

7. Discussion

Hypothesis 1 which states that the value of humanism has a positive effect on online promotion on e-commerce, in this study accepted or proven. This study proved to show that the value of humanism has a positive, but not significant, effect on online shopping decisions. The results of this study enrich the limitations of previous research on the influence of humanism on online promotion. The humanism had an impact on the quality of promotion oradvertising that was online [20]. The humanism which includes honesty, fairness and openness is the main value in online promotion. Every online consumer will feel comfortable in shopping online if the online promotion presented through the website can show information that is honest as it is. Honesty is the basic capital of consumer trust in online transactions where products cannot be recognized by consumers. Likewise, openness and fairness are the basic capital of consumers having confidence in online promotions, including trust in vendors of product providers. Humanism has a positive effect on online promotion has the meaning that if the value of humanism (honesty, openness, justice) is increasingly prioritized in marketing, it will improve the quality of online promotion will be better and have an impact on online shopping decisions.

Hypothesis 2 which states that the value of humanism has a positive effect on online shopping decisions on e-commerce, in this study rejected or not proven. This study shows that the value of humanism has a negative and not significant effect on online shopping decisions. The results of this study enrich the limitations of previous research which explained the influence of humanism on online shopping decisions. The humanism has a negative effect on online shopping decisions, meaning that if the value of humanism increases or is highlighted in online marketing, it will actually reduce the decision to shop online, this can occur due to several reasons. Honesty, openness and fairness, the better the impact plunges consumers into negative thinking which has an impact on decreasing shopping decisions online. There are not many limitations to previous research that reveal the influence of humanism on online shopping decisions. Previous research has emphasized trust that influences purchasing decisions [21][22]. So, if the humanist value is not able to build trust, it can happen that the value of humanism will have a negative influence on purchasing decisions online. These findings still need to be studied in future research.

Hypothesis 3 which states that online promotion has a positive effect on online shopping decisions on e-commerce, in this study accepted or proven. This research has shown that online promotion has a positive and significant effect on online shopping decisions. The results of this study support previous research. Online promotions have a positive effect on cosmetic purchasing decisions [23]. Online promotions have a positive and significant effect on online purchasing decisions at Bukalapak [22]. Online promotions have a positive effect on retail purchasing decisions [24][25]. Online promotions have a significant effect on purchasing decisions [26]. Based on the results of this study and supported by research, it can be said that online promotion has a positive effect on online shopping decisions.

8. Conclusions and suggestions

8.1. Conclusion

This study aims to determine the effect of the value of humanism on online promotions that have an impact on online shopping decisions on e-commerce. Research was conducted on millennial generations who have jobs so that economically this generation is able to shop online. The results showed that 1) the value of humanism had a positive but not significant effect on online promotion through e-commerce websites, 2) the value of humanism had a negative and not significant effect on online shopping decisions, 3) online promotion through e-commerce websites had a positive and significant effect on online shopping decisions.

8.2. Suggestion

Future research is mainly to examine or review the influence of the value of humanism on online shopping decisions directly, because the results of this study indicate that the value of humanism directly has a negative effect on online shopping decisions.

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