

**THE INFLUENCE OF RISK PERCEPTION DIMENSION TO ONLINE
PURCHASING BEHAVIOR**

(Study at Faculty of Economic and Business In The University of Lampung)

(Script)

M. Reza Guntara



**MARKETING MANAGEMENT
ECONOMICS AND BUSINESS FACULTY
UNIVERSITY OF LAMPUNG
2017**

ABSTRACT

THE INFLUENCE OF RISK PERCEPTION DIMENSION TO ONLINE PURCHASING BEHAVIOR (Study at Faculty of Economics and Business in the University of Lampung)

By:

M. Reza Guntara

Purchases made by consumers when they do shopping at the online store through online media has a variety of risks. Risk that follow the consumer and influence on consumer online purchasing behavior. The purpose of this study was to examine the effect of performance risk, time risk, and privacy risks online consumer buying behavior.

Data were collected through a questionnaire distributed to 100 FEB students in Lampung University who make purchases at online stores in the last six months by using purposive sampling method, which is based on the criteria of consumers who make an online purchase within the last six months. The analysis technique used is multiple linear regression analysis.

The results showed that the performance risk, time risk and privacy risks can influence consumer behavior in 24.3% to make online purchases and the rest influenced by other variables.

Keywords: risk perception, performance risk, time risk, privacy risk, online shopping, online stores, online purchasing behavior

**THE INFLUENCE OF RISK PERCEPTION DIMENSION
TO ONLINE PURCHASING BEHAVIOR**

(Study at Faculty of Economic and Business In The University of Lampung)

researcher

M. Reza Guntara

Script

**As One of Requirements to Achieve
BACHELOR OF ECONOMICS**

In

**Management Departement
Faculty of Economics and Business of Lampung**



**MARKETING MANAGEMENT
ECONOMICS AND BUSINESS FACULTY
UNIVERSITY OF LAMPUNG
2017**

Judul Skripsi : The Influence of Risk Perception Dimension to Online Purchasing Behavior (Study at Faculty of Economic and Business in The University of Lampung)

Nama Mahasiswa : M. Reza Guntara

Nomor Pokok Mahasiswa : 1211011087

Program Studi : Manajemen

Fakultas : Ekonomi dan Bisnis



1. Komisi Pembimbing

Hj. Aida Sari, S.E., M.Si.

NIP 19620127 198703 2 003

Yuniarti Fihartini, S.E., M.Si.

NIP 19760617 200912 2 001

2. Ketua Jurusan Manajemen

Dr. R.R. Erlina, S.E., M.Si.

NIP 19620822 198703 2 002

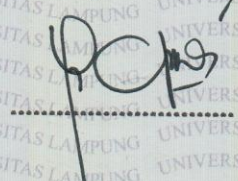
Validating

1. Examiner Team

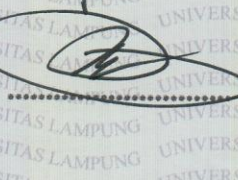
Chief Advisor : Hj. Aida Sari, S.E., M.Si.



Secretary : Yuniarti Fihartini, S.E., M.Si.



Main Examiner : Dr. Mahrinasari, S.E., M.Sc.

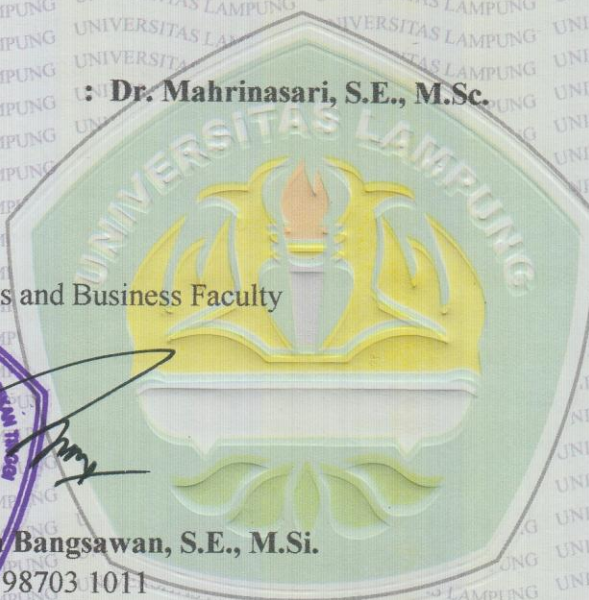


2. Dean Economics and Business Faculty



Prof. Dr. Satria Bangsawan, S.E., M.Si.

NIP. 19610904198703 1011



Thesis Examination Passing Date : January, 5th 2017

SURAT PERNYATAAN

Saya yang bertanda tangan di bawah ini :

Nama : M. Reza Guntara
NPM : 1211011087
Jurusan : Manajemen
Program Studi : S1 Manajemen
Judul Skripsi : The Influence of Risk Perception Dimension to Online Purchasing Behavior (Study at the Faculty of Economics and Business in University of Lampung)

Dengan ini menyatakan bahwa :

1. Hasil penelitian atau skripsi serta sumber informasi atau data adalah benar merupakan hasil karya sendiri dan belum diajukan dalam bentuk apapun kepada perguruan tinggi manapun. Semua sumber data dan informasi yang berasal atau dikutip dari karya yang diterbitkan maupun tidak diterbitkan dari penulis lain telah disebutkan dalam teks dan dicantumkan dalam Daftar Pustaka dibagian akhir Hasil Penelitian atau Skripsi ini.
2. Menyerahkan sepenuhnya hasil penelitian saya dalam bentuk *Hard Copy* dan *Soft Copy* Skripsi untuk dipublikasikan ke media cetak ataupun elektronik kepada Jurusan Manajemen Fakultas Ekonomi dan Bisnis Universitas Lampung.
3. Tidak akan menuntut atau meminta ganti rugi dalam bentuk apapun atas segala sesuatu yang dilakukan oleh Jurusan Manajemen Fakultas Ekonomi dan Bisnis Universitas Lampung terhadap Hasil Penelitian atau Skripsi saya ini.
4. Apabila ternyata dikemudian hari penulisan skripsi ini merupakan hasil plagiat atau penjiplakan terhadap karya orang lain, maka saya bersedia menerima sanksi berdasarkan aturan tata tertib yang berlaku di Universitas Lampung dan sanksi hukum yang berlaku di Negara Kesatuan Republik Indonesia.

Demikianlah surat pernyataan ini saya buat dengan sesungguhnya, untuk dapat dipergunakan sebagaimana mestinya.

Bandar Lampung, 18 Januari 2017

Yang membuat pernyataan,



M. Reza Guntara

1211011087

BIOGRAPHY

Researcher was born on October 3rd, 1994 in Bandar Lampung, Indonesia. The second child of three children from Julius Caesar, S.E., M.M. (Alm.) and Fitriyana, S.St.

Researcher started formal education at Al-Kautsar Kindergarten, Bandar Lampung. In 2000, researcher continued study until senior high school in Yayasan Al-Kautsar Bandar Lampung.

In 2012, researcher get accepted in Management program, Faculty of Economics and Business University of Lampung by SNMPTN undangan, and researcher took concentration in bilingual class with Marketing Management major.

MOTTO

“If you doing well, it's actually for yourself”

(QS. Al-Isra': 7)

DEDICATION

Alhamdulillah all praise to Allah SWT for the strength and his blessing in completing this undergraduate thesis. I dedicate this undergraduate thesis to:

My Father and My Mother, Jalius Caesar, S.E.,M.M. (Alm.) and Fitriyana, S.St.

Mom Dad thank you for all the sacrifices that you've given to me, thank you for patiently taking care of me until I have grown until today, thank you for being perfect parents for me, mom and dad thank you for always motivating, cheer me up and always pray for me.

O Allah, give me a chance to prove to them that all the sacrifices they have given so far is not vain to make me a successful person in the future, make them happy and proud of me.

For My Sister and Brother, Fika Mayantiara, S.St, and M. Ilham Guntara

Thank you bro for all the prayers, support, and encouragement that has been given so far to me and always be there for me. Hopefully we can make mom and dad proud of us later.

For My friends, thank you for all the help, prayers, motivation, advice that you have given me. All memories will be a wonderful story forever. May our friendship forever.

FOREWORD

Praise to Allah The Almighty has bestowed His grace and guidance so that research thesis entitled "THE INFLUENCE OF RISK PERCEPTION DIMENSION TO ONLINE PURCHASING BEHAVIOR (STUDY AT FACULTY OF ECONOMICS AND BUSINESS IN THE UNIVERSITY OF LAMPUNG)" can be resolved. The preparation of this research proposal is part of the final project thesis as one of the requirements for obtaining a degree in economics at the Faculty of Economics and Business, University of Lampung. I want to say thanks to all those who have helped up to the completion of this thesis. The author realizes that this thesis could not be exist without the help and support of all parties. The author fully understands that this thesis is not infallible. Therefore, criticism and constructive suggestions for improvement is expected in the future. Hopefully this paper will inspire readers to do things better and hopefully this thesis research helpful in enhancing the next research.

Bandar Lampung, January 2017

M. Reza Guntara

ACKNOWLEDGEMENT

Alhamdulillahirobbilalamin, Praise to ALLAH SWT who has been giving out mercy, guidance, and His good pleasure. This undergraduate thesis is still far from perfection, for it I apologize for any shortcomings.

This undergraduate Thesis entitled " The Influence of Risk Perception Dimension to Online Purchasing Behavior (Study at the Faculty of Economics and Business in University of Lampung)". This undergraduate thesis is one of the requirements to complete the study on the management bachelor program at the Faculty of Economics and Business, University of Lampung.

In writing this undergraduate thesis, the author realized a lot of difficulties.

Thanks for help, guidance, encouragement, and suggestions from various parties.

In this chance, I would like deeply thanks to:

1. Allah SWT, for providing guidance mercy and His blessings and allow the researcher completed this undergraduate thesis.
2. Family, my mom Fitriyana, S.St. , my dad Jalius Caiesar, S.E.,M.M. (Alm.), my sister Fika Mayantiara, S.St, and my brother M. Ilham Guntara, thank you for all the prayers and support of you all this time so I can finished this undergraduate thesis.
3. Mr. Prof. Dr. H. Satria Bangsawan, S.E., M.Si. as the Dean of Faculty of Economics and Business, University of Lampung.

4. Mrs. Dr. Rr. Erlina, S.E., M.Si. as the Head Program of Management Department Faculty of Economics and Business University of Lampung.
5. Mrs. Yuningsih, S.E., M.M. as Secretary Program of Management Department Faculty of Economics and Business University of Lampung.
6. Mrs. Aida Sari, S.E., M.Si. as my Advisor Lecture who always giving advice, guide me patiently and also support me during the process of my undergraduate thesis, so that I can finished it.
7. Mrs. Yuniarti Fihartini, S.E., M.Si. as My Co-Advisor who already give his time to discuss about my undergraduate thesis, giving advice, guide me patiently, and also support me during the process of my undergraduate thesis, so that i can finished it.
8. Mrs. Mahrinasari, S.E., M.Sc. as my Examiner who always availability gives time, knowledge, guidance, suggestions and criticism for this research to make this undergraduate thesis better.
9. Mr. Mudji Rachmat Ramelan, S.E., M.B.A.. as my education advisor who always give an advise for my study plan.
10. All the lecturer at the Faculty of Economics and Business, University of Lampung, thank you for giving knowledge and guidance in my time in the Faculty of Economics and Business, University of Lampung.
11. All the staff in Faculty of Economics and Business, University of Lampung.
12. Sahabat Reuni Band. Pepty Aristiani, Anggew, Ilyas, Eko, Kudus. Thank you for the joyful.

13. My Bilingual Class batch 2012, Marlia, Ayas, Ayu, Ines, Fadil, Kemas, Ikke, Lele, saput, Dona, Citra, Brenda, Kautsar, Dirga, Abe, Elisa and Lia Hermanto, thank you for all the thoughts, laughter and support that given to me, I will never forget with all the experience of joy and sorrow that we have ever experienced in this last 3 years
14. Box.Care Team thank you for always supporting me and gave me the passion in doing this thesis. Thank you for already expelled my loneliness during this time, thank you always take the time to become my travelling friends, thank you also for all the support over the years.
15. Management Batch 2012, Wahid, Bajur, Chris, Warits, Sony, Ardi, Mita, Anyi, Yafie, Dibul, Malik, Finko, Novi, Selvi, Puput, Delon, Adri , Lutfi and others who can not mention one by one. Thank you friends.
16. Who helped me in completing this undergraduate thesis that can not be listed one by one, Thank you everyone.

Finally, this undergraduate thesis is still far from perfection. Little hope that this paper can be useful for all of us. Amin.

Bandar Lampung, January 5th 2017

M. Reza Guntara

CONTENT LIST

	Page
COVER.....	
CONTENT LIST.....	i
TABLE LIST.....	iv
FIGURE LIST.....	v
APPENDIX LIST.....	vi
I. INTRODUCTION.....	1
A . Background.....	1
B . Formulation of The Problem.....	6
C . Research Purposes.....	7
D . Benefits of Research.....	7
II. LITERATURE REVIEW.....	8
A . Marketing.....	8
B . Consumer Behavior.....	9
C . Consumer Decision Making Process	10
D . Online shopping	12
E . PerceivedRisk	13
F . Previous research	17
G . Framework.....	17
H . Hypothesis	19

III. RESEARCH METHODOLOGY.....	20
A . Research Design.....	20
B . Type of Data.....	20
C . data collecting Method	21
D . Population and Sample	22
E . Operational Variable	24
F . Analysis Data Methods.....	26
G . Analysis Data Tools.....	28
H . Hypothesis Testing.....	29
IV.RESULT AND DISCUSSION.....	31
A. Characteristics of Respondents	31
B. Validity Test	37
C. Reliability Test	38
D. Qualitative Data Analysis	40
E. F Test Result.....	47
F. The Results coefficient of Determination (R^2)	49
G. Multiple Linear Regression Analysis.....	50
H. t Test Result.....	52
I. Discussion	54

V. CONCLUSIONS AND RECOMMENDATION..... 58

 A. Conclusions58

 B. Recommendation..... 59

REFERENCES..... 61

APPENDIX..... 64

TABLE LIST

Table		Page
Table 1.1	Examples of Consumer's Complaint after Do the Online Shopping.....	4
Table 2.1	Risk Perception by Consumer	14
Table 2.2	Previous Research.....	17
Table 2.3	Definitions of Perceived Risk Dimensions In Marketing Literature.....	18
Table 3.1	Research Variables and Operational Definitions	24
Table 4.1	Validity Test Results	37
Table 4.2	Coefficient R value of Cronbach's Alpha	38
Table 4.3	Reliability Test Results	39
Table 4.4	Percentage of Respondents On Performance risk Statement.....	40
Table 4.5	Percentage of Respondents On Time risk Statement.....	42
Table 4.6	Percentage of Respondents On Privacy risks Statement.....	44
Table 4.7	Percentage of Respondents About Online Purchasing Behavior	46
Table 4.8	F Test Results.....	48
Table 4.9	Coefficient of Determination R ² Test Results.....	49
Table 4.10	Regression	50
Table 4.11	t Test Results.....	52

LIST OF FIGURES

Figures	Page
Figure 1.1 The number of Internet users in Indonesia from 2005 to 2014.....	2
Figure 2.1 Decision Making Process Model	10
Figure 2.2 Consumer Behavior Model	15
Figure 2.3 Framework.....	19
Figure 4.1 Respondents by Gender	31
Figure 4.2 Respondents by Age	32
Figure 4.3 Respondents by Year Forces	33
Figure 4.4 Respondents by Per Month	34
Figure 4.5 Respondents Based on Frequency of Shopping	35
Figure 4.6 Respondents by Product Purchased	36

APPENDIX LIST

APPENDIX	Page
1. Research Questionnaire.....	APP-1
2. Tabulation Result.....	APP-2
3. General Description Frequency of Respondent.....	APP-3
4. Frequency of Respondent to Respondent.....	APP-4
5. Validity Test.....	APP-5
6. Reliability Test.....	APP-6
7. Regression Test, F Test, t Test, and Coefficient of Determination	APP-7
8. T Table.....	APP-8
9. F Table.....	APP-9

I. INTRODUCTION

A. Background

Information technology development is very rapid, including the Internet turned out to have a great impact to all aspects. One of the product innovations telecommunications technology is the internet. Internet (interconnection-networking) is a global system of an entire network of computers connected together using the standard Internet Protocol Suite (TCP / IP) to serve billions of users or users that exist around the world. Internet applications are now at various segments of human activities, both in the sectors of political, social, cultural, and economic and business. The growth of Internet users grew rapidly as more advanced technology.

At the present time the internet can be accessed anywhere and anytime. This is because the amount of access that allows it to use the internet. Indonesian Internet Service Provider Association (APJII) disclose the number of Internet users in Indonesia reached 88 million people by the end of 2014. Based on population, the number of Internet users is highest in West Java province, as many as 16.4 million, followed by East Java 12.1 million users and Central Java 10.7 million users, while Lampung Province has 3.4 million active internet users. , Figure 1.1 shows that by 2014 the population of Indonesia as much as 252.4 million and as many as

88.1 million are Internet users. Indonesian internet user penetration increased by 6.3% from the year 2013 amounted to 34.9% in 2014.

The Number and Penetration of Internet Users in Indonesia Year of 2005 - 2014



Figure 1.1 Number of Internet users in Indonesia 2005 - 2014

Source: APJII (Association of Indonesian Internet Service User).

In Figure 1.1, it can be concluded that Internet users globally and nationally has increased quite rapidly. According to the Yom (Tjiptono and Diana, 2007: 16), the education stands as the most users (59%), followed by businesses (21%), government (14%) and individual users. When seen from the number of users and the composition of Internet users, a business can truly flourish in cyberspace. Marketers using the internet for electronic commerce as the provision of consumer needs and build their business through interaction. One of the facilities that can be

utilized internet marketers to sell products namely through the World Wide Web (WWW) (Supriyanto, 2005: 340).

Internet users are increasing positive implications of the increasing intensity of spending in Indonesia. Shopping is a form of commerce using electronic devices to enable consumers to purchase goods or services from sellers via the Internet. Shopping in Indonesia, it has become part of people's lifestyles. The reason people in Indonesia do shopping because they save money and time and can shop anytime at home and even from anywhere.

According to Chandra (2000: 64-65) in a scientific paper titled "*Mengenal Konsumen di Dunia Digital : Proses Belanja Konsumen Melalui Media Internet*", explains that the greatest strength of the Internet that makes it a top choice of consumers in future spending is that the search process, evaluation of selection as well as shopping actualization happens very fast, comfortable, and be done anywhere and anytime. Utilization of purchasing services through the internet, in addition to presenting many advantages for marketers, it also brings many benefits to consumers. According to Kotler and Armstrong (2001: 261) benefits for consumers among other things provide comfort. Consumers do not have to wrestle with traffic, do not need to find a parking spot and walk from shop to shop. Consumers can compare brands, check prices and book merchandise whenever and wherever. Consumer feels easy and private consumers have met with little squabbles when buying. Purchase offers several additional advantages. Commercial online services and the Internet gives consumers access to information comparisons overflow. Information about the company's products and competitors is needed. Consumers often interact with the

vendor's site to find information about products or services that consumers really want, then order or download information on the spot.

The many advantages and convenience offered to prospective customers store, there are still many doubts that blanketed the consumer before making a purchase *action*. Many cases are reported by consumers regarding dissatisfaction with what is expected before making a purchase behavior as shown in Table 1.1

Table 1.1 Examples of Consumer's Complaint after Do the Online Shopping

No.	Date	Complaint	Source
1	23 Mei 2013	Online Store is feared using the information obtained by the prospective buyer to offer unfixed price.	www.kabarbisnis.com
2	12 December 2014	Consumers complained about longer delivery time by Lazada Ekspres.	www.dolanotomotif.com
3	30 June 2015	The quality of the purchased product does not match to consumer expectations.	www.tekno.kompas.com

Source: search on www.google.com page

Based on some of these cases, there were concerns raised to the dimensions of the risks that accompany the consumer in making transactions. The risk that accompanies consumers when consumers want to buy products ranging from the selection of goods, payment, delivery and when the goods arrive at the destination. Once the goods arrive, consumers should check the function and performance of the goods in order to ensure the quality of the purchased product.

According Almousa (2014) in his research indicates that there are three dimensions of risk perception of the dominant influence on online purchasing behavior among other dimensions of risk perception. Dimensions influencing risk perception is performance risk, time risk, and privacy risk in all dimensions of risk perception research has a strong negative influence on the intentions and behavior of consumers shopping online.

The concept of risk perception is defined by Moudi Almousa (2014) as consumer perceptions of uncertainty and the adverse consequences of buying products or services. Perceptions of risk can be considered as negative beliefs about the potential of the shopping behavior without meeting directly with the seller of the product.

Performance risks experienced by consumers include products purchased in the store can not perform as expected, the difficulty of comparing the quality of existing products in the store, as well as the difficulty to assess the quality of products sold in the store.

Time risk experienced by consumers include shopping process through the store, delivery of products purchased through the store is not timely, and the possibility of goods being sent to wrong address or not until the goal.

Privacy risks experienced by consumers include the security offered by the store to protect consumers' personal information.

This study will examine the effect of the dimensions of risk perception of shopping behavior with a sample of Lampung University Students FEB

ever shopped as a research subject. Dimensional perception of risk observed in this study refers to research results Almousa (2014), namely Performance Risk, Risk Time, Risk and Privacy.

Based on the above, researchers interested in conducting research on consumer behavior towards online shopping risk perception by taking the title **“The Influence of Risk Perception Dimension to Online Purchasing Behavior: Study at the Faculty of Economics and Business in University of Lampung”**.

B. Formulation of the problem

Perception of risk is always perceived by prospective buyers before making purchases. The risk of product performance, risks of time, and the risk of perceived privacy of consumers while doing their shopping activities, as already mentioned in Table 1.1, can cause consumers to think twice before making a transaction. This study focuses on FEB Lampung University Students who never make purchases, to see the perception of risk factors before making purchases. Based on these descriptions, researchers identified the problem as follows: Does the perception of risk that includes the risk of performance, time and privacy affects the behavior of the purchases made by consumers?

C. Research purposes

The purpose of this study was to determine the effect of risk perception which includes Performance Risk, Risk Time and Privacy Risks to the online purchasing behavior by consumers.

D. Benefits of Research

There are several benefits obtained in this research study:

1. For Researchers.

This study is expected to increase knowledge for research on effects of risk perception towards online shopping behavior.

2. For Marketers

This research is expected to yield useful findings for marketers of products in marketing their products online and can be used as input for consideration by marketers to see the online shopping behavior so they can implement the right marketing strategy.

3. For Academics

The result is expected to provide benefits in the form of a theoretical framework on online shopping behavior conducted consumer and can later be used as consideration in conducting further research.

II. LITERATUR REVIEW

A. Marketing

Marketing is one of the main activities in a company to survive and to gain profit or advantage. Marketing activities in the company should be able to give satisfaction to the consumer or to have a nice view to the company so that the company can still thrive. Understanding of marketing according to Kotler and Armstrong (2008: 6) is the process by which companies create value for customers and build strong relationships with customers with the aim to capture value from customers in return.

The broadest definition that can clearly explain the importance of marketing proposed by Stanton in Basu Swastha (2000: 4) marketing is a whole system of business activities aimed at planning, pricing, promoting and distributing goods and services that satisfy the needs both to the existing buyers and potential buyers.

Based on the definition above, it can be explained that marketing is much broader sense of meaning sales. Marketing includes the company's business that starts with identifying consumers' needs to determine how the promotion and distribution or sales of these products. So the marketing activities are activities associated with the system.

The final goal of marketing is to help the organization achieve its

objectives. The main objective of the company is for profit. While other destinations are getting adequate funding to carry out activities of social and public services.

All activities in a company that embraces the concept of marketing should be directed to meet those objectives. The use of the concept of marketing for a company can support the success of the business.

B. Consumer Behavior

According to Schiffman and Kanuk (2007: 6) consumer behavior is the way individuals make the decision to utilize their available resources (time, money, effort) to buy items related to consumption. Meanwhile, consumer behavior, according Sumarwan (2003: 23) is the process of decision-making and physical activity in evaluating, acquiring, using and spending the goods or services.

Consumer behavior can be explained as well as an activity, action, and psychological processes that drive action at the time before buy, when to buy, use, spend your products and services after the things above or wishes to evaluate.

Consumer behavior is generally divided into two, namely consumer behavior that is rational and irrational. Here are some of the characteristics of consumer behavior that is rational:

1. Consumers select items based on the needs.

2. Goods which have been consumers provide optimal usability for consumers.
3. Consumers choose goods whose quality is guaranteed.
4. Consumers choose the item whose price in accordance with the ability of consumers.

Some characteristics of consumer behavior that is irrational.

1. Consumers are quickly attracted by advertising and promotion in print and electronic media.
2. Consumers have branded goods that are already widely known.
3. Consumers choose the goods is not based on need but prestige

C. Consumer Decision Making Process

Schiffman and Kanuk (1994) in Ujang Sumarwan (2004: 289) defines a decision as selecting an act of two or more alternative options. By the time consumers buy a product, the consumer generally follow a process or stages in the decision making.

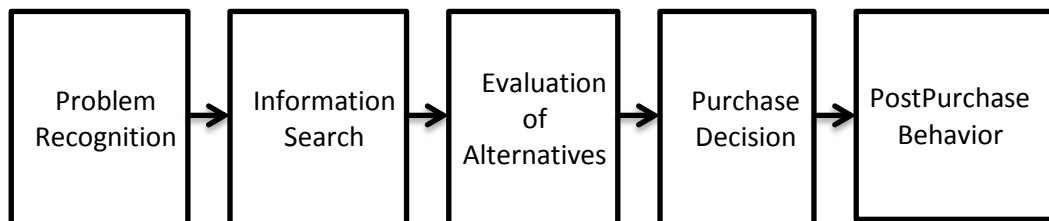


Figure 2.1 Decision Making Process Model

Source: Kotler and Keller (2012: 184)

Based on Figure 2.1 The decision process is divided into five stages as follows.

1. Problem Recognition

The process of purchasing by consumers since the beginning of buyers recognize the need or problem. These needs can be caused by internal or external stimuli. Internal stimuli, occurs in one person's general needs (such as hunger and thirst) has reached a certain threshold and began to be a driving force. While external stimuli, one of which occurred because someone is watching ads or see a new product belonging to his neighbor.

2. Information Search

After that aroused consumer needs, consumers will be encouraged to seek more information. People are more sensitive to product information. Furthermore, people began to actively search for information: asking friends, go to the store to find out or flipping through the internet to compare spesifikasi and prices of goods.

3. Evaluation of Alternatives

Evaluations generally reflect the beliefs and attitudes that affect their buying behavior. Confidence (belief) is a picture of a person's thinking about the image of something embraced. A person's beliefs about a product or brand influence their purchasing decisions. Attitude (attitude) is an evaluation, emotions and tendencies actions that are favorable or unfavorable and lasting at someone on a particular object or idea.

4. Purchase Decision

In the case of purchase, the consumer can take some sub-decisions, including brands, suppliers, quantity, time of execution and payment methods. For example, when buying a vehicle or machine tools.

However, in the purchase of everyday products, consumer decision could be simpler. For example, when buying sugar, a lot of consumers are not thinking about a supplier or a method of payment.

5. Post-purchase Decision

Once the purchase is made, customers will always be alert to information that supports decision. Consumers will compare the products he has purchased, with other products. This is because consumers encounter incompatibility with certain facilities on the goods he has bought, or heard about the advantages of other brands.

Kotler and Keller (2012: 166) explains that the decision-making process is a basic psychological processes that play an important role in understanding how consumers are actually making a purchase decision. Each consumers make decisions on a wide range of life activities. Often various kinds of decisions must be made by every consumer on a daily basis.

D. Online Shopping

Online shopping is defined as the behavior of visiting an online store via the Internet to search, bid or view the product with the intention of buying

and get these products through a computer or a smartphone. Compared to physical stores, online stores have many advantages that consumers feel comfortable, can save time, do not need to travel and wait for payment. The online store is open all the time and can be accessed anytime and anywhere. This store provides a free and rich information about their products and services. Online shopping in Indonesia began to appear around 2000, and now has a lot of online stores. Moreover, with the support of social networking media, such as Facebook, Twitter, Blog, Multiply, Tumblr, Line, and Instagram can be very useful for promoting the products you want to sell or buy. Social media is one of the media that makes online shopping easier.

E-commerce is the buying and selling of goods and services or remittance / money or data, through electronic, network, especially the Internet. E-commerce can take place among companies or the business, the business owner to the consumer, consumer to business owners.

E. Perceived Risk

Perceived Risk is defined by Oglethorpe (1994) as consumer perceptions about the uncertainty and the negative consequences that might be received on the purchase of a product or service.

According Assael (1998: 270) perceived risk is higher when:

- A little available information about the product
- The product is a new product
- The product has a complex technology
- Low consumer confidence in evaluating brand

- The high price of the product
- The product is important to consumers.

Perceptions of risk can also be defined as the process of the individual to choose, organize and Interpret certain stimuli into something meaningful (Schiffman and Kanuk, 2004).

Table 2.1 Risk Perception by Consumers.

No.	Perceived Risk Dimensions	Definition
1	financial risk	The perception that certain amount of money can be lost or needed to make a product work well
2	performance risks	The perception that the possibility of the product purchased does not function as expected.
3	social risk	Is the potential loss of status in social groups a person as a result of the purchase of products or services
4	psychological risk	A potential loss of self-esteem . frustrated because the purpose of buying that was not achieved.
5	privacy risks	associated with how online companies handle the personal information of consumers and anyone who can access the information.
6	Time Risk	The perception that time, comfort, or can be wasted effort if the purchased product to be repaired or replaced

Source: Emad Y. Masoud (2013).

To learn more about consumer behavior, Assael in Sutisna (2003: 6) describes a model in Figure 2.2 about consumer behavior which discusses the factors that influence a further refinement of the other opinions previously:

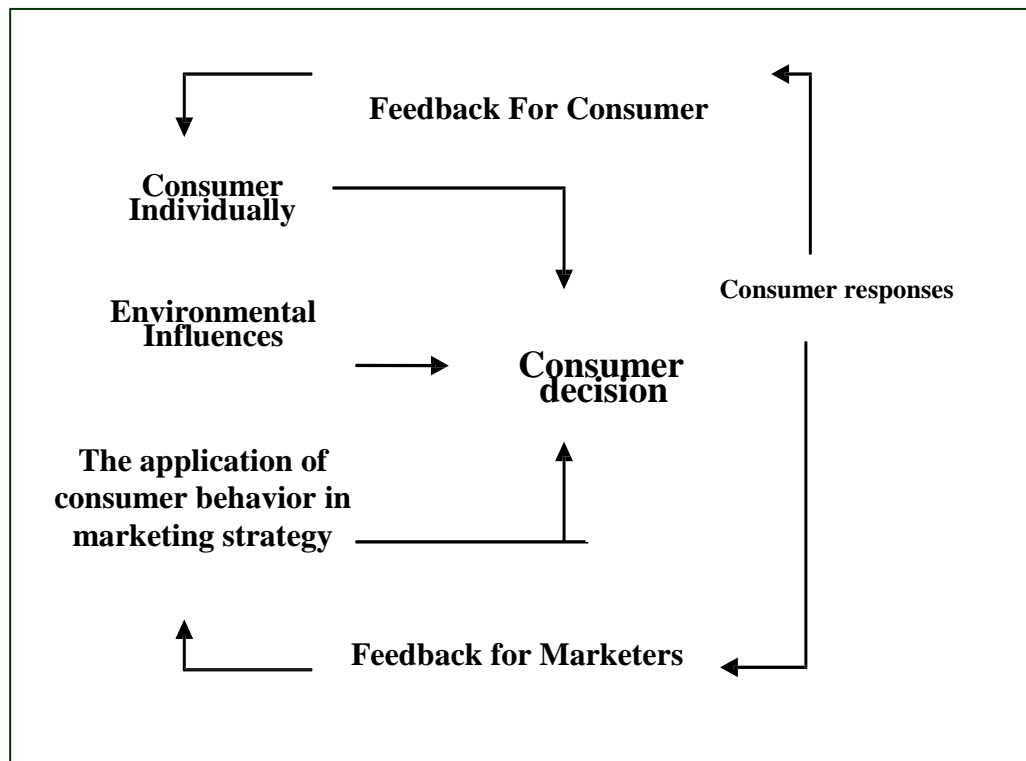


Figure 2.2 Consumer Behavior Model

Source : Henry Assael (1992), quoted by Sutisna in *Perilaku Konsumen dan Komunikasi Pemasaran* (2003:6).

From the model above, it can be explained that there are three factors that influence consumer choices, namely:

1. **Consumer individually**

The option to purchase a product or service with a particular brand is influenced by things that exist in the consumer. Characteristics such as brand perception, consumer attitudes, geography, lifestyle, and

personality characteristics would affect the choice of the individual to various alternative brands available.

2. **Environmental Influences**

Consumer preferences towards brands are influenced by the environment surrounding them.

When consumers buy something brand products, it may be recognized by many considerations such as imitating friends or other family members who have purchased in advance. So the social interactions also affect the choice of brand products purchased.

3. **Marketing Strategy**

Marketers are trying to influence consumers by using stimuli of marketing so that consumers are willing to choose a brand of products offered.

Based on the three points mentioned above, the company should be able to quickly analyze customer responses after they make a decision on the three factors that influence it.

Consumers will react to make repeat purchases or stop it if it was not satisfied, and the role of marketing strategies in this regard is very important as a determinant in influencing consumer decisions.

F. Previous Research

Table 2.2 Previous Research

Name	Research Title	Research Variables	Research Analytical Tools	General Conclusion
Moudi Almousa (2014)	The Influence of Risk Perception in Online Purchasing Behavior: Examination of an Early-Stage Online Market	Percieved Risk	Simple regression analysis	the rise of online shop as a shopping channel in the network business opportunities in various fields proved to have corresponding risk to the chances of success.
Ana Trihastuti (2013)	Pengaruh Dimensi-Dimensi Persepsi Resiko Pembelian Online terhadap Perilaku Pembelian	Percieved Risk	Regression Analysis	Knowing what are the dimensions of risk perception that influence buying behavior at the store.

Source: Moudi Almousa (2014), Ana Trihastuti (2013).

G. Framework

Perceived risks emphasis on the notion of risk that a person will receive when making online transactions. someone will have a higher fear when knowing the higher risk he faced when doing online transactions, and vice versa. Low perceived risk will make a person feel comfortable doing online transactions and have an higher chance to make a transaction again. Based on these assumptions it can be concluded that perceived risk has an

influence on the interest in doing transactions.

One of the risks that can be faced by users of online stores is about privacy, time and delivery processes, as well as uncertainty about the performance of the goods ordered. Risk Perception has been introduced in consumer behavior and marketing literature in the early 60s (Bauer, 1960), and studies have shown that the perceived risk in online shopping have a negative effect on e-commerce adoption. Dimensions of risk and the most important studies related to the subject matter shown in Table 2.3

Table 2.3 Definition of perceived risk dimensions in the marketing literature.

Dimension	Definition	Source
Performance Risk	The possibility of product is damaged and do not work as advertised and failed to deliver the desired benefits.	Cunningham (1967), Jacoby and Kaplan (1972)
Time Risk	The potential loss of time. It is associated with making poor purchasing decisions and wasting time.	Cunningham (1967), Roselius (1971),
Privacy Risk	Potential losses on the control of personal information, such as information about consumers used without their knowledge or permission.	Jarvenpaa and Todd (1997), Featherman and Pavlou (2003)

Adapted from Featherman and Pavlou (2003).

The conceptual framework used in this study as follows:

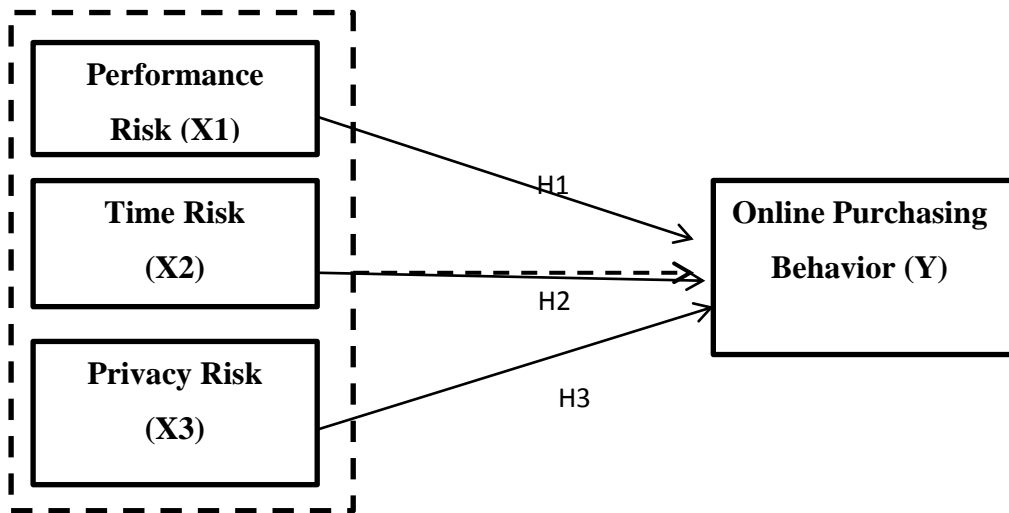


Figure 2.3 Framework used in this study.
Source : Moudi Almousa (2014)

H. Hypothesis

The hypothesis is a temporary answer to the formulation of issues that still need to be verified through research (Sugiyono 2010). The hypothesis in this study are:

H1: Performance Risk gives an influence on consumer to not do the online purchasing

H2: Time Risk gives an influence on consumer to not do the online purchasing

H3: Privacy Risk gives an influence on consumer to not do the online purchasing

III. RESEARCH METHODS

A. Research Design

The study design is a study design that is used as a guideline in conducting the research process. The study design will be useful for all parties involved in the research process as a step in conducting research refers to research designs that have been made. The research design used in this research is descriptive. Descriptive study according to Sanusi (2014: 12) is a design research compiled in order to provide a systematic overview of scientific information derived from the subject or object of research.

B. Type of Data

1. Primary Data

Primary data is data that is created specifically by the researchers for the purpose of solving the problems that are being collected by researcher.

Data directly from the first source or object where research is done. In this study, the primary data is obtained from survey questionnaires to the samples of the entire population of the respondent filed.

2. Secondary Data

Secondary data is data collecting another person with the intent of its own and has a categorization or classification according to their needs. In this study, secondary data obtained from the survey results and analysis conducted by online consumer from the student at FEB Unila.

C. Data collection method

1. Research Library

At this gathering research library and read a variety of literature, reference and marketing journals in book form and study the theories related to this research.

2. Field Research

Field research is field data collection in the following way:

- Questionnaire, the method of data collection is done by giving statements to the respondents to the questionnaire guide.
- Observation, is a method or means to analyze and conduct a systematic recording of the behavior by seeing or observing individuals or groups directly.
- Interviews, ie get information by asking questions directly to the respondents.

D. Population and Sampling Research

Population used to describe a group of allied or object being targeted research. According Sugiono (2004), population is "Territory generalization which consists of object / subject has a certain quantity and characteristics defined by the researchers to be studied and then drawn conclusions". The study population is a set of objects is determined by certain criteria which can be categorized into the object that could be a human, files or documents which are viewed as objects of research. The population in this study is the Student in FEB Unila. Based on the information from WWW.FE.UNILA.AC.ID, the total students in FEB Unila per March 2016 is 4.285 students., so we can determine that the number of population in this research is 4.285 persons.

The sample is part of the elements selected population (Sanusi, 2014: 87). Sampling method Sampling nonprobability, the sampling techniques that do not provide equal opportunities for every element of (members of) the population to be selected into the sample, or random sampling. With purposive sampling technique. Purposive sampling also called judgmental sampling, the sampling based on the evaluation (judgment) by researchers about who those are appropriate and meet the requirements to be sampled. Consideration of the sample is FEB Unila students who have an experience in purchasing online products.

Samples according Sugiono (2004: 73) is part of the number and characteristics possessed by this population.

According Supranto (2001: 115), if the population size is unknown, it is necessary estimated proportion of the sample can be calculated by the following formula,

$$n = \frac{1}{4} \left(\frac{z \alpha/2}{E} \right)^2$$

where,

n = the number of samples of the population to be obtained

z = figures that show deviations from the mean variance values

E = the maximum error that may be experienced

α = the error rate of data that can be tolerated by researchers

when the 95% confidence level, meaning that researchers believe the error might expect a 5% ($\alpha = 5\%$), as well as the limits of error of 10%, which means that researchers only tolerate errors respondents in the process of collecting data must not exceed 10% of the total respondents, the size of the sample The minimum is,

$$n = \frac{1}{4} \left(\frac{z_{0,05/2}}{0,1} \right)^2$$

$$n = \frac{1}{4} \left(\frac{1,96}{0,1} \right)^2$$

$$n = \frac{1}{4} [384,16] = 96,04 = 96 \text{ respondent}$$

Then the sample size in this study found as many as 96 samples rounded to 100 respondents, which is considered sufficient to represent the population. samples taken are FEB Unila students who have an experience in online products purchasing.

E. Operational Variables

Sanusi (2014: 49) defines the variables are all things that shaped what is defined by the researchers to be studied in order to obtain information about it then drawn conclusions. The variables in this study is the dependent variable (Y), is a variable that is influenced by other variables and independent variables (X), is a variable that is influenced by other variables.

Table 3.1 Research Variables and Definitions

Variable	Definition	Indicator	Scale
Risk Performance (X1)	The perception that the possibility of the product purchased does not function as expected. (Moudi Almousa, 2014)	<ol style="list-style-type: none"> 1. products that have been purchased at the online store can not perform as expected 2. Difficulty in comparing the quality of existing products in the online store 3. Difficulty in assessing the quality of products sold in the online store 4. Not disappointed with the products purchased through the online store 5. Afraid that if the products purchased through the online store did not satisfy 	Ordinal Likert

Tabel 3.1 Research Variables and Definitions (Continue)

Variable	Definition	Indicators	Scale
Time Risk (X2)	The perception that time, convenience, or the effort may be wasted if the product purchased is not up to the destination, it should be repaired or replaced (Moudi Almousa, 2014)	<ol style="list-style-type: none"> 1. Shopping process through the online store takes a long time 2. Delivery of products purchased through the online store is not timely 3. Shopping through the online store causing unnecessary tension while waiting for the arrival of the products 4. The possibility of wrong address or not delivered goods to the destination address 5. The product might be damaged when the delivery process 	Ordinal Likert
Privacy Risk (X3)	Security risks associated with how online companies respond to consumer's personal information and anyone who can access the information (Moudi Almousa, 2014)	<ol style="list-style-type: none"> 1. Online store offers a pretty good online security 2. Online transactions in the online store are protected 3. Payments in the online store is safe 4. Feel safe to give personal information to online store 5. Online stores can keep the personal information of consumers 	Ordinal Likert

Tabel 3.1 Research Variables and Definitions (Continue)

Variable	Definition	Indicators	Scale
Online Purchasing Behavior (Variabel Y)	a purchase decision is a decision in which a person choose one of several alternative options. (Moudi Almousa, 2014)	<ol style="list-style-type: none"> 1. Make purchases at online stores because the products offered compatible with the needs of consumers 2. Product attract customers to make purchases at the online store 3. Consumers are happy to make a purchase at an online store because it has a good quality product 4. Consumers make purchases in online store because of interactive, reliable, and have contact information which can be reached 5. Consumers recommend others to shop via online store 	Ordinal Likert

F. Analyzing Data Method

Validity test the conformity of the data with problems to be solved. Indicate the nature of a measuring instrument in the sense whether a measuring instrument is strong enough accurate, stable and consistent in measuring what you want measured (Nazir, 2005: 394). Items that have a positive correlation with the criterion (total score) as well as a high correlation indicates the item has a high validity anyway (Masrun: Sugiyono 2009 in Pengabd: 2011: 50). In this study, validity test using factor analysis method when analsis model results showed a significant factor below 0.05

and Kaiser-Mayer-Olkin (KMO) Measure of Sampling Adequacy (MSA) of at least 0.5 is valid (Priyatno, 2012: 110).

Reliability is a tool to measure a questionnaire which is an indicator of a variable. A questionnaire is said to be reliable if the answer to the question is consistent or stable over time (Ghozali 2005 in Kharis, 2011: 54).

Reliability testing according Arikunto (2006: 145) is intended "to determine the consistency of measuring instruments in use, or in other words the instruments have consistent results when used repeatedly at different times For reliability test used technique Cronbach Alpha, where a instrument can be said to be reliable (reliable) if you have or alpha reliability coefficient of 0.6 or more. In this study, the reliability calculation using the formula alpha (Arikunto, 2006: 138) as follows:

$$r_{11} = \left(\frac{k}{k-1} \right) \left(1 - \frac{\sum \sigma b^2}{\sigma \tau^2} \right)$$

Where:

$$\sigma = \frac{\sum x^2 - \frac{\sum x^2}{N}}{N}$$

r_{11} = reliability of the instrument

k = the number of the questions

σb^2 = Number of variants grains

$\sigma \tau^2$ = Total number of variants

Measurement reliability in the study done by oneshot or measurement only once. measurement is only done once and then the results were compared with another question. SPSS (Statistical Package for Social Science) provides the facility to measure the reliability of the statistical tests Crobranch Alpha. Decision-making criteria according to (Ghozali 2005 in Kharis, 2011: 54):

1. Variables declared reliable if the value crobranch's > 0.60
2. Variable declared unreliable if the value crobranch's $< 0,60$

G. Analyzing Data Tools

Quantitative analysis is used to test the hypothesis by using statistical tests. After the validity and reliability, then we do a multiple linear regression analysis using SPSS. Multiple linear regression test tool intended to see how big the influence of independent variables on the dependent variable. Multiple linear regression formula can be as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Where:

Y = Online Purchasing Behavior

a = Constants

b = Regression Coefficient

X_1 = Performance Risk

X_2 = Time Risk

X_2 = Privacy Risk

e = Error

Qualitative data is data research that is not a number, which can not be calculated in the form of information or explanation based on theoretical approaches and logical assessment. Qualitative analysis is used to provide a descriptive overview of the responses given on the questionnaire or the respondents were given a list of questions and associated with marketing theories or approaches relating to green marketing, consumer behavior and purchase intention.

H. Hypothesis Testing

Hypothesis Testing in Overall (F-Test) test is used to determine whether the independent variables are at the 95% confidence level or $\alpha = 5\%$. F test test results can be found in the table Anova (analysis of variance) of output SPSS 21.0. To answer the statistical hypothesis, namely:

Ho = variable X no positive and significant influence to variable Y.

Ha = variable X positive and significant influence to variable Y.

Criteria:

a. Ho is not support and Ha is support, if the value of a significant (P Value) >0.05 .

b. Ho is support and Ha is not support, if the value is significant (P Value) <0.05 .

Hypothesis Testing In Partial (t-test) test is used to determine whether the independent variables in the regression model partially significant effect on the dependent variable (Y) at a rate of 95% or $\alpha = 5\%$. With the hypothesis:

- a. If the value of a significant (P Value) < 0.05 , (H_0) not support and support alternative (H_a) which means there is influence between independent variables and the dependent variable
- b. When significant value (P value) > 0.05 then (H_0) support and not support alternative (H_a) which means there is no influence between independent variables and the dependent variable

The fundamental weakness of the use of the coefficient of determination is biased against the number of independent variables included in the model. Every additional one independent variable, then R^2 must have increased no matter whether these variables significantly influence the dependent variable. Therefore it is recommended to use the value of Adjusted R^2 when evaluating where the best regression model. Unlike R^2 , Adjusted R^2 value can go up or down when one independent variable is added to the model (Ghozali 2005 in Kharis, 2011: 59).

V. CONCLUSIONS AND RECOMMENDATIONS

A. Conclusion

This study was conducted to examine the effect of risk perception which consists of performance risk, time risk and privacy risks on online purchasing decisions by FEB Students at Lampung University. Based on the analysis and discussion that has been done in this study, the author draws the conclusion:

1. Performance risk (X1) partially influences and gives significant impact on online purchase decision variable (Y).
2. Time risk (X2) partially influences and gives significant impact on online purchase decision variable (Y).
3. Privacy risks (X3) partially influences and gives significant impact on online purchase decision variable (Y).
4. Performance risk (X1), time risk (X2), and privacy risks (X3) together influence and have significant impact to online purchase decision variable (Y)
5. The coefficient of determination (R^2) were 0.243 or 24,3%. This means that the three independent variables which are performance risk, time risk and privacy risks in this study can only explain 24.3% of the variation that occurs in the online purchase decision.

B. Recommendations

1. For Online store

1. It would be better online marketers need to consider the aspects of product information. Product information at the online store must be based on the original product. This is so that the consumers will not feel disappointed after purchasing the products because the products are like what have been shown at the online store. Moreover, the rise of fake products make the consumer more careful when purchasing, thus the online store should verify the product's originality so the online store will get good image and the consumer will keep buying.
2. Fast product delivery is desired by consumers after doing online transactions, but it should be noted that products shipped to consumer will arrive in a good condition. Online store must make a partner with reliable courier delivery services company in order to support the shipment of products in a fast, safe, and right away to the hands of consumers.
3. Digital consumer regarding the identity and personal information safety must be maintained well by the online store. It is important to maintain the trust of the consumer and increase the reputation of the online store.

2. for Academics

1. Further studies it is needed to try adding other variables that might influence the purchase decision on line. This is because the three independent variable (performance risk, time risk, and privacy risk) can only explain 24.3% of variation in the dependent variable purchase decisions online.
2. There are limitations in using questionnaire to collect data because sometimes the respondents did not give an answer based on what they experienced. It might result better if we use the method used is the Focus Group Discussion (FGD) because the researchers will get in-depth information about online purchasing decisions made by consumers.

REFERENCES

- Assael, H. 1998. *Consumer Behavior and Marketing Action 6Th edition*. International Thomson Publishing. New York
- Bauer, R. A. Consumer behavior as risk-taking. In R. S. Hancock (Ed.), *Dynamic marketing for a changing world*. Chicago: *American Marketing Association*, 1960. Pp. 389-398. Cited from D. F. Cox (Ed.), *Risk-taking and information-handling in consumer behavior*. Boston: Harvard University Press, 1967. Pp. 23-33.
- Chandra, Robby. 2000. Mengenal Konsumen di Dunia Digital, Proses Belanja Konsumen melalui Internet. *Jurnal Manajemen Prasetiya Mulya*. Volume V, Nomor 10-Agustus.
- Cunningham, S.M. Perceived risk as a factor in product-oriented word-of-mouth behavior: A first step. In L.G. Smith (Ed.), *Reflections on Progress in Marketing*. Chicago: American Marketing Association, 1964. Pp. 229-238.
- Cunningham, S.M. Perceived risk as a factor in the diffusion of new product information. In R.M. Hass (Ed.), *Science, Technology. and Marketing*. Chicago: American Marketing Association, 1966. Pp. 698-721.
- Cunningham, S.M. The major dimensions of perceived risk. In D.F. Cox (Ed.), *Risk-taking and information-handling in consumer behavior*. Boston: Harvard University Press, 1967. Pp. 82-108. (a)
- Cunningham, S.M. Perceived risk as a factor in informal consumer communications. In D.F. Cox (Ed.), *Risk-taking and information-handling in consumer behavior*. Boston: Harvard University Press, 1967. Pp. 265-288. (b)
- Cunningham, S.M. Perceived risk and brand loyalty. In D.F. Cox (Ed.), *Risk-taking and information-handling in consumer behavior*. Boston: Harvard University Press, 1967. Pp. 507-523. (c)

- Dowling, G., Staelin, R. "A Model of Perceived Risk and Intended Risk-Handling Activity," *Journal of Consumer Research*, 21 June 1994, pp. 119-134.
- Featherman, M., 2001. Is perceived risk germane to technology acceptance research? AMCIS Proceedings, Boston, MA
- Ghozali, H, Imam, 2007. *Analisis Multivariat dengan Program SPSS*, Badan Penerbit Universitas Diponegoro : Semarang.
- Jarvenpaa, Sirrka L. and Todd, Peter A. . Consumer reactions to electronic shopping on the world wide web, *International Journal of Electronic Commerce archive Volume 1 Issue 2, December 1996 Pages 59-88* M. E. Sharpe, Inc. Armonk, NY, USA
- Kotler, Philip dan Gary Armstrong, 2001 , *Prinsip-prinsip Pemasaran ,Jilid1*, Edisi Kedelapan, Erlangga, Jakarta.
- Kotler, Philip dan Gary Armstrong, 2001, *Prinsip-prinsip Pemasaran, Jilid 2*, Edisi Kedelapan, Erlangga, Jakarta.
- Kotler, Philip, dan Armstrong, Gary. 2008. *Principles Of Marketing, International Edition. Jilid 12*. Prentice Hall, London.
- Kotler, Philip dan Gary Armstrong, 2012. *Principle of Marketing*. Edisi 14 Pearson Prentice Hall , New Jersey.
- Masoud, Y. Emad. 2002. *Journal of Management and Marketing Research: The Effect of Perceived Risk on Online Shopping in Jordan*. Jordan
- Mousa, A. Moudy. 2014. *International Review of Management and Business Research : The Influence of Risk Perception in Online Purchasing Behavior: Examination of an Early-Stage Online Market*. Saudi Arabia
- Nazir, Moh. Ph.D, 2005, *Metode Penelitian*. Ghalia Indonesia. Bogor
- Oglethorpe, J. E. and Monroe, K. B. . Determinants of Perceived Health and Safety Risks of Selected Hazardous Products and Activities'. *The Journal of Consumer Affairs* **28**(2), 326–346 (1994)
- Roselius, T. Consumer rankings of risk reduction methods. *Journal of Marketing*, 1971, 35, 56-61.
- Schiffman, L.G dan Kanuk, Lesley L, 2007. *Consumer Behavior*. Perason Prestice Hall .New Jersey

- Sumarwan, Ujang. . 2004. *Perilaku Konsumen*. Ghalia Indonesia ,Bogor
- Supriyanto, Aji. 2005. *Pengantar Teknologi Informasi*. Salemba Infotek. Jakarta
- Sugiyono. 2004, *Metode Penelitian Bisnis*, CV. Alfabeta, Bandung
- Sugiyono. 2009. *Metode Penelitian Bisnis (Pendekatan Kuantitatif, Kualitatif, dan R&D)*. Bandung: Alfabeta.
- Swastha, Basu. 1998. *Pengantar Bisnis modern*. Edisi III. Leberty. Yogyakarta
- Trihastuti, Ani. 2013. *Jurnal Ekonomi dan Bisnis Universitas Kristen Satya Wacana. Pengaruh Dimensi Persepsi Risiko terhadap Keputusan Pembelian*. Vol. 18 No. 3