Effect Of Risk Dimension On Intention To Buy And Online Purchase Behavior

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Abstract: This research aims to empirically examine the effect of risk dimension to online buying intention and its impact on online purchasing behavior. This research used three dimensions of risk, namely the risk of product risk, financial risk, and privacy risk. Respondents on this research are internet users who had once buying products online on online store type of business to customers (B2C). Research method on this study is online survey and it was analyzed by Smart PLS. Result of this research proved that product risk had a negative effect to online buying intention, intention had a positive effect to online purchasing behavior, financial risk and privacy risk are not proved to affect the buying online intention. Test of mediating results intent to buy online full mediate relationship from risk of product to online purchasing behavior.

1. Introduction

In the business world, information is one of the materials management considerations for making the right decisions for the survival of the company (Hall, 2011: 4). One of the information to be considered for management is accounting information, where the information is generated from the accounting information system (AIS). Simkin, Rose and Norman (2012: 5) defines as the accounting information system activity data collection and data processing procedures that will produce accounting information needed by its users.

AIS can be divided into three systems namely general ledger / financial reporting system (general ledger / financial reporting system), management reporting system (management reporting system) as well as transaction processing systems (transaction processing system) (Hall, 2011: 8). In the transaction processing system, there are three major cycles are cycles expenditure, conversion cycle and the revenue cycle, on the revenue cycle, there are two main systems, namely cash receipt system and sales processing system (Hall, 2011: 8).

The development of information technology led to changes, one of them in accounting information systems. Such changes can be seen in the type of sales processing system, is currently can be divided into two manual-based or technology-based (Artha, 2011). In the processing system of sales (sales processing system) based manual, sale and purchase transactions between sellers and buyers require direct face to face, and payment is made on the spot. It is different from the sales processing system based technology, where the buying and selling process between buyers and sellers is done through an electronic-based system without the need for direct face to face. The payment process in the sale of technology-based processing system is done by transferring money through banks which have been agreed in advance. E-Commerce is one of the sales processing system based technology that existed at the moment (Artha. 2011).

E-commerce is defined as an activity to buy or sell products and services electronically, this activity can take place between the companies, corporations and governments, or companies and consumers (Simkin et al., 2012: 448). E-commerce has advantages over the sales processing, system-based user, being able to increase sales and reduce the amount of costs to be incurred (Schneider, 2011: 17). On that basis, the company should still use manual processing system based sales start using e-commerce system in the future to boost sales and increase profits.

In the system of E-commerce consumer requires an Internet connection in order to connect to the company's online store. Based on data from the site kominfo.go.id noted that the number of internet users in Indonesia in 2014 reached 82 million users, with the number of Indonesia is in a position to eighth in the world in terms of number of Internet users. With the number of internet users in Indonesia, then it indicates that the number of consumers who can access the online store is getting bigger and this makes the companies that use e-commerce system will get a lot of consumers.

Interests of Internet users in Indonesia to make a purchase through the online store continue to increase. It can be seen from a survey by Nielsen in 2014, which showed that consumers in Indonesia began to love to shop online. Growing consumer interest in making the company opened an online store even more. Competition among companies with other companies in order to sell more than the other company was inevitable.

The online store is a store that is different from the store in general, because it does not require many
employees to provide sales services to consumers. Companies can take advantage of some sub-systems accounting information such as ordering cycle, delivery systems, inventory cycle and payment cycle to handle sales transactions in the online store where consumers have the opportunity to access most of the sub-system of accounting information (Santosa, 2002).

Implementation of the system within the organization / company can be successful if there is an end user participation in the development of such systems. Sales processing system based technology that is now shaped or e-commerce is one of the sub-system of accounting information systems. The consumer is one of the external parties become end users of the accounting information system (Hall, 2011: 10), therefore, consumers also need to be involved in the development of technology-based sales processing system. The successful implementation of technology-based sales processing system as one of the major sub-systems within the accounting information system will also affect the success of the accounting information system, sub-system because failure would cause the failure is also the main system (Hall, 2011: 6).

One way to obtain feedback from consumers related to the success of the processing system of sales based technology in the form of e-commerce is to find out the factors that influence consumer intentions to access sub-system of accounting information such as ordering cycle, shipping system, the inventory cycle and payment cycle where consumers who make purchases online will automatically have access to all four sub-systems.

Indirectly intention of consumers buy online is the same intention to use the sub-system of accounting information, because of the use of sub-system of accounting information by the consumer when the consumer makes a purchase online. Technology-based sales processing system can be said to be successful if the company managed to sell online. The company opened an online shop on the Internet is not necessarily able to sell goods or services to consumers, despite high consumer interest. Therefore, companies should be able to get information about the cause of consumers reluctant to purchase online the their stores.

The reluctance of consumers to buy online can be explained using behavioral theory is the Theory of Reasoned Action (TRA). The theory is seen that before someone doing a behavior, preceded by behavioral intentions (Ajzen and Fishbein, 1980: 5). In the context of e-commerce, consumers are reluctant to buy online if the intention of buying online does not already exist. Researchers then find out the factors that influence the intention of buying online to find out why consumers are reluctant to buy online.

Researchers conducted a theoretical study of the intention of buying online and found that consumers are reluctant to buy online due to the potential risks related to online purchases (Anwar, 2011). Online purchase transaction is an activity carried out by the consumer without the need for direct face to face because the transaction is carried out by two or more parties in cyberspace / virtual, it is likely to encourage fraud. Fraud in the virtual world can be done easily because many sellers and buyers identity is unclear. Ambiguity makes the identity of someone dared to commit fraud without fear of discovery or arrest the authorities (Nazar and Syahrani, 2008).

The security system in cyberspace in Indonesia itself is still vulnerable, can be seen from several cases of burglary or piracy sites on the internet that is carried out by hackers and abroad. Cases of security vulnerability in the online world the other is fake websites created with a similar look as the original site. The goal is to retrieve essential information entered by Internet users to the fake site, cyber crime cases were quite a scene in Indonesia is the making of false klikbca site (Maharsi and Fenny, 2006; Anwar, 2011). It makes consumers worry whether the online store site in Indonesia is secure or not, so that makes consumers hesitate to buy online.

Factors that have been previously described all started from worry consumers on the risks they incur when making purchases online. Researchers focused on aspects of the risks that arise when transactions occur online purchases, because of the risk aspect is a negative factor affecting consumer intention to buy online. Consumer perceptions of risks that can occur when they make purchases known to construct the perception of risk (Taylor, 1974). Risk perception itself originated from Bauer (1960) in (Zhang, Tan, Xu and Tan, 2012) on the theory of risk perception, Bauer believes that the perception of risk influences the consumer's decision to buy.

Bauer initially did not analyze the type of risk perception clearly (Zhang et al., 2012), but the development is now the perception of risk has several dimensions. Perception of risk is no longer deemed sufficient to one-dimensional concept, it is because the risk comes from several different sources (Lim, 2003). Several previous studies have identified several dimensions of risk, such as those conducted by Hong and Cha (2013) and Almousa (2011). By identifying the dimensions of risk perception will help the company in allocating its resources to suppress some risks (Lim, 2003).

Researchers are interested to see the impact of risks to the dimensions of the intention to buy online, using three dimensions namely product risk, financial risk, and privacy risks. Researchers chose three dimensions because it is a dimension of risk that always appears in the online purchase. Several previous studies have shown empirically that the three dimensions of the negative effect on the intention to buy online. Hong and Cha (2013)
succeeded in proving that the product risk and financial risk negative effect on the intention to purchase online, while research Almousa (2011) demonstrated empirically privacy risks a negative influence on the intention to buy online.

Hong and Cha (2013) examined the role of trust as a mediating variable in the relationship dimension of risk to the interest to buy online, and examine the effect of the dimensions of risk perception directly against the interest to buy online. Research results indicate that the risk of product, psychological, financial, and online payments have a negative effect on the interest to buy online. Results further showed that confidence only mediate the performance of fully and partially mediates psychological risk.

Almousa (2011) using a web-based site in Saudi Arabia to see the effect of the dimensions of risk perception against the interest to purchase online on apparel products. Respondents were used in these studies is a student at the University of Arabia, and there were 300 respondents were collected. Research results indicate that the risk of time, products, privacy and social affect the interest to buy online.

Research conducted by researchers differs from previous research. The difference can be seen in the following points: (1) Differences respondents. Respondents were used in this study were Internet users in Indonesia who had bought online in the online store type of Business to Customers (B2C) as respondents, it is done because the internet is a target expected by the company to be consumers. (2) Focus on one type of online store. In this study, researchers restricted only on purchases made at the online store with the type of Business to Customers (B2C).

2. Literature Review and Hypotheses Development

Product risks and Intentions to Buy Online

E-commerce is a business in the virtual world because everything goes in cyberspace with a marketed product can be either physical or non-physical. Physical products are marketed online have different characteristics with products traditionally marketed, for example, is a product that is only displayed in the online store in the form of pictures or video, whereas traditionally marketed products can be seen with their own eyes. This condition is a source of risk that is first in the consumer's decision to buy online is the risk of the product (Hong, Cha, 2013).

Purchases made online are generally a risky purchase, it is because consumers can not physically hold the product to be bought (Hong, 2015). This causes the consumer is not able to accurately assess how the quality of the products (Kim and Kim, 2004). Eg fashion products that are supposed to be held directly or tested at the agency to see if the size, quality or other aspects are in accordance with the wishes of the consumer. In the online store it sometimes does not specify the size or quality of the products are marketed, so that makes consumers hesitate to buy it. This is in line with the theory of risk perception which assumes that every consumer attention to the risks in any decision to make a purchase according to Bauer (1960) in (Zhang et al., 2012).

Results of research conducted by Hong and Cha (2013) showed that the risk of products negatively affect the intention to buy online, it is also supported by several other studies (Featherman and Pavlou, 2003; Crespo, Bosque and Sánchez, 2009; Almousa, 2011; Aghekyan-Simonian, Forsythe, Suk Kwon and Chattaraman, 2012; Dai, Forsythe and Kwon, 2014) who also found a negative influence on the intentions of risk products. The theory of risk perception of Bauer (1960) explains that consumers tend to be thought better to buy when at risk. In this study, when consumers face the risk of the product, then he would be deterred from buying online. The discussion and the results of previous research and then provide confidence for researchers to declare the hypothesis as follows:

H1: Risk products negatively affect the intention of buying online.

Financial Risk and Intentions to Buy Online

Consumers are always looking for products that are sold with good quality but has a cheaper price. This is due to human nature that always wants to get more by spending or less power. Online product sales system provides an opportunity for consumers to compare prices between one store to another store, without loss of time and energy to get around from one store to another simply by opening the computer or laptop and connect to the Internet.

Marketing products online was risky because of frequent cases of online fraud, such as credit card inroad, the sale of counterfeit goods, and many other examples. Consumers are becoming concerned over the possibility of credit card uprooted by others (Harris and Goode, 2010). This is in line with the theory of risk perception of Bauer (1960) in (Zhang et al., 2012) that consumers act cautiously with regard risks that may occur when the purchase is made. Waiver of such risks might occur during a party discounts are often given by the online stores in Indonesia, for a discounted price has always been a stimulant or drivers of purchase of the product (Gendall, Hoek, Pope and Young, 2006).

Results of research conducted by Hong and Cha (2013) indicates that the financial risk a negative effect on the intention to buy online, other studies also support it (Bhattagar, Misra and Rao, 2000; Crespo et al., 2009; Chung and Chen, 2011; Aghekyan-Simonian et al., 2012; Dai et al., 2014).
Consumers generally thought better to buy when meeting the risk when making a purchase (Bauer, 1960). In this study, when consumers face a financial risk when shopping online, then he most likely would be deterred from buying online. The discussion and the results of previous studies provide confidence for researchers to declare the hypothesis as follows:

**H2:** Financial risk negatively affect the intention to buy online.

**Privacy risks and Intentions to Buy Online**

Security and privacy is one important aspect that must be kept by the online store (Featherman, Miyazaki and Sprott, 2010). Consumers as interested parties must be protected from things that are harmful to them. Online purchases generally involve access to email, credit card, bank information or personal information of consumers. The issue of consumer perception regarding their information disclosed to the public and used by unauthorized parties become a topic of interest (Pope and Lowen, 2009).

Other information that is most at risk are credit card information, because consumers typically can use a payment system via credit card. Payment by credit card is a payment system that is quite risky because of frequent break-ins credit card. If the online store security system is low, then the possibility of a hacker to break through the system very easy. Consumer credit card information can be accessed and misused by parties not authorized (Williams, 2007).

Consumers when buying products online will use personal email to enter orders into the online booking system. Email is often a target for spammers to distribute spam e-mail promotions or email that is very disturbing consumers (Baker, 1999). If the company fails to maintain the confidentiality of customer email or even sell it to the other party, then this could make consumers reluctant to make purchases online. This is consistent with the theory of risk perception that consumers are reluctant to buy when it feels actions carry the risk is too great (Bauer, 1960 in Zhang et al., 2012).

Results of research conducted by Zhang et al. (2012) showed that the risk of privacy does not affect the purchase online. Results were also reinforced by research conducted by Dai et al. (2014) who found that the risk of privacy does not affect the intention of buying online. However, other studies indicate that the risk of privacy negative effect on the intention (Crespo et al., 2009; Almousa, 2011). Results of previous studies show that the risk is still inconsistent privacy affect intention, therefore researchers are interested to reexamine the influence of privacy risks on the intention. Researchers then stated hypothesis as follows:

**H3:** Privacy risks negatively affect the intention of buying online.

**Buying Intentions and Behavior Online Buying Online**

Intention is a major determinant of actual behavior, the person committing the act when it appeared the intention to commit such acts. Purchasing online is an act or behavior that made by consumers, such as the purchase of a product in the online store through internet access. Before buying that happens, consumers have the intention to buy online, such intention can affect by several factors. This is in line with the theory of reasoned action (TRA) is no intention to be a major determinant of behavior, in the model of TRA's own intentions are influenced by attitudes and subjective norms.

Online purchases made by consumers voluntarily, that no one can force someone to buy it online because it is in accordance with their own desires. Forms of online purchasing behavior itself can be seen from several things such as the number of purchases that have been made online, the transaction value of online purchases, comparison with the traditional purchase online purchase and predictions in the future related to the possibility to buy back.

Results of research conducted by Chen and Cheng (2009) shows that the intention to buy online positive effect on online purchases. Similar results were obtained from several researchers (Wu and Wang, 2005; Kim, Ferrin and Rao, 2008; Shomad and Purnomosidhi, 2012; Noh, Lee, Kim and Garrison, 2013). Some researchers also found that behavioral intentions has become a powerful constructs that influence actual behavior. Based on the theoretical study and the results of previous studies provide confidence for researchers to declare the hypothesis as follows:

**H4:** Intention to buy online positive effect on online purchase behavior.

**3. Research Methodology**

**Population, Sample and Sample Selection Techniques**

Population is a collection of the entire object to be measured in the study (Cooper and Schindler, 2003: 179). The population in this study are all internet users in Indonesia ever make purchases of goods in online store B2C type.

Samples is an element that is selected to represent the population in the study population (Cooper and Schindler, 2003: 82). A researcher must choose the proper sampling techniques, in order to obtain a sample which is expected to represent the overall study population. So far there has been no accurate
data that can put the number of Internet users in Indonesia ever make purchases of goods in online store B2C type. These conditions make the researchers could not use probability sampling technique, because the number in the population cannot be known with certainty, so that the sampling technique used is non-probability sampling. The technique makes use of the results of this study are less able to be generalized to the overall study population.

In accordance with the characteristics of a particular sample is needed, i.e. Internet users in Indonesia ever make purchases of goods in online store B2C type, then the non-probability sampling technique chosen is the technique of convenience. This technique chosen because it allows researchers to gather respondent arbitrarily researchers (Hartono, 2010: 79).

In this study, the sample size adjusted to the analysis model used is Partial Least Square (PLS). In this regard, the sample size for the PLS is as much as 10 times the number of lanes made (Hartono and Abdillah, 2009: 16). In this study path made by researchers there are four lanes, thus requiring a minimum of 40 respondents. The number of respondents obtained in this study was 137 respondents. Of these eligible to serve as a sample of 59 respondents. Respond to the counting rate is not shown in this research, because this research using a web survey to collect research data. Selm and Jankowski (2006) revealed that in studies using the web survey to collect research data, the number in the population or sample is known, there is no guarantee of respondents had been aware of the survey. Making it difficult for researchers to believe whether survey respondents have been translated into Indonesian language with some fellow who never shop online. This is done to ensure that respondents will understand and comprehend the statements referred to in the research instrument.

The second phase is done after the first stage done is several steps related to data collection, the move can be seen as follows:

1. Researchers create a personal website that can be accessed via the internet with a link in http://hendragonawan.wordpress.com for free using the services of content management service (CMS) from wordpress.com.
2. Researchers design a questionnaire-based online using the help of Google docs, based on questionnaires that have been tested for validity and reliability through a pilot test. To see the seriousness of respondents in filling out the questionnaire, researchers insert a negative questions in the questionnaire.
3. Researchers load the questionnaire in the blog / website that addresses the http://hendragonawan.wordpress.com and then invite respondents to fill out questionnaires that were there.
4. To extend the range of questionnaires, researchers also spread the URL address directly the questionnaire that has been made, the URL address http://goo.gl/HmFR5b to social media.
5. Researchers gave a deadline of up to eight weeks to collect responses to the questionnaire that has been given, after the respondents collected and have met the minimum limit of the sample in this study is 40, the researchers then perform data processing and analysis. For eight weeks the researchers gradually distributing questionnaires research, starting from the

Types and Data Collection Methods

Data used in this research is primary data obtained by researchers of the questionnaire respondents. Data collection method used is the Internet-based survey, methods have been easy, broad reach, cost-effective, and quick returns (have now and Bougie, 2010: 213). Researchers divided the stages of data collection in two stages, the pre-study and research. Pre-stage research is early stage before the researchers gave questionnaires to the respondents, while the research stage is the stage when researchers conducted the study. In the first stage is pre-study, the researchers conducted the following steps:

1. Researchers translate research instruments from English to Indonesian with the help of a friend who enrolled in the English language.
2. Researchers translate back research instrument that has been translated into Indonesian transfer back into English along with experts who master the English language.
3. Researchers then compared between the English language original instruments with the instruments that have been translated back into English, if deemed to have similarities, the researchers believe that the instrument has been translated into Indonesian well enough.
4. Researchers discuss research instrument Indonesian language with some fellow who never shop online. This is done to ensure that respondents will understand and comprehend the statements referred to in the research instrument.
5. The researchers then tested the study by taking 54 respondents out of a sample, this was done to test the validity and reliability of the research instruments as suggested Hartono (2010: 163).

In this regard, the sample size for the PLS is as much as 10 times the number of lanes made (Hartono and Abdillah, 2009: 16). In this study path made by researchers there are four lanes, thus requiring a minimum of 40 respondents. The number of respondents obtained in this study was 137 respondents. Of these eligible to serve as a sample of 59 respondents. Respond to the counting rate is not shown in this research, because this research using a web survey to collect research data. Selm and Jankowski (2006) revealed that in studies using the web survey to collect research data, the number in the population or sample is known, there is no guarantee of respondents had been aware of the survey. Making it difficult for researchers to believe whether survey respondents have been translated into Indonesian language with some fellow who never shop online. This is done to ensure that respondents will understand and comprehend the statements referred to in the research instrument.
first week of researchers spread into cyberspace. The second week in response to investigators awaits the results of a questionnaire that has been distributed. Steps are done alternately until well into the eighth week. In practice it turns out in the eighth week the number of responses by the respondents was seriously still less to be analyzed, therefore, the researcher adds eight weeks with the same deployment steps, i.e. one week to propagate and one week to wait for the results of the deployment. Total time required researchers to gather respondents to be analyzed are four months or 16 weeks.

6. To know the people who responded to the questionnaire more than once, the researchers will observe the IP Address of the respondents who visited http://hendragonawan.wordpress.com as well as the email addresses provided by respondents in filling out the questionnaire research. To prevent concerns of respondents, the researchers provide information that will never disseminate information email address provided to researchers by respondents.

Definition and Measurement of Constructs

This study uses three dimensions, namely the risk of product risk, financial risk, and privacy risks. Three dimensions of the risks associated with the intention to buy online. The research instrument used to measure the construct of this study was adapted from several previous studies. In Table 4.1 in the appendix can be seen construct, definitions, indicators, study the source code and that a reference in the research instrument:

Data Analysis Methods

This study uses a Partial Least Squares (PLS) to analyze the research data. Hartono and Abdillah (2009: 11) states that the PLS is a multivariate statistical techniques that make comparisons between the dependent variable and independent variables. PLS is included in one of the methods of SEM-based variant that is designed to complete multiple regression when there is a problem specific to the data, for example, the sample size is small, the data is lost (missing values) and multikolenieritas (Hartono and Abdillah, 2009: 11).

Hartono and Abdillah (2009: 14) says PLS is a structural equation analysis (SEM) based variants that can simultaneously perform testing at the same measurement model testing structural model. Measurement model used in the test validity and reliability, while the structural model used in the test causality. PLS is able to measure data using different scales simultaneously. PLS can be run on a small-sized data, which is ten times the scale with the largest number of indicators that are formative or ten times the number of paths (lines) which indicates a causal relationship between the latent variables.

The reason researchers use the PLS in this study because (1) The advantages of PLS, the information produced efficiently and easily interpreted, especially on complex models (2) Can be run with a small sample (3) to test the research model with the basic theory of the weak (Hartono and Abdillah, 2009: 21-22).

Evaluation Model

PLS as a prediction model does not assume a particular distribution to estimate the parameters and predict the parameters and predict causal relationships (Hartono and Abdillah, 2009: 57). Outer and inner model of the model is a way to evaluate a model in PLS. Outer models showing how each block indicator associated with latent variables while the inner models describing the relationship between latent variables (Ghozali, 2008: 22-23).

In the evaluation phase outer researchers tested the model of construct validity and reliability of the instrument. Construct validity showed how well the results obtained from the use of an appropriate measurement theories that are used to define a construct (Hartono, 2008: 175). Assessment of construct validity could be seen through convergent validity and discriminant validity. Convergent validity relates to the principle that the gauges of a construct should have a high correlation (Hartono and Abdillah, 2009: 60). Convergent validity of the test parameters using the following three parameters: (1) the loading factor of more than 0.70, (2) Average variance extracted (AVE) is more than 0.50, (3) Communality more than 0.50 (Hartono and Abdillah, 2009: 61).

Discriminant validity relates to the principle that gauges the different constructs should not be correlated with height (Hartono and Abdillah, 2009: 60). Discriminant validity testing is done by looking at the two parameters as follows: (1) Root AVE and Correlation latent variables, namely the roots AVE higher correlation latent variables. (2) Cross loading more than 0.70 in one variable (Hartono and Abdillah, 2009: 61). Construct reliability test performed to demonstrate the accuracy, consistency and accuracy of a measuring instrument in measuring (Hartono, 2008: 164). Reliability testing is done by looking at the parameters of Cronbach’s Alpha and Composite reliability, these parameters should be more than 0.70 (Hartono and Abdillah, 2009: 62).

In the evaluation phase inner researchers evaluated the model by using R2, the path coefficient value or the value t of each track for test of significance between the inner construct models (Hartono and Abdillah, 2009: 62). R2 value is used to measure the rate of change construct exogenous
variation on endogenous constructs, the higher the R2, the better predictive models of the research model (Hartono and Abdillah, 2009: 62). Path coefficient value indicates the level of significance in hypothesis testing, for a one-tail hypothesis t-statistic values must be more than 1.64 while for hypothesis two tail t-statistic values must be more than 1.96. (Hartono and Abdillah, 2009: 63).

Hypothesis testing
Hypothesis is a hypothesis that has been given direction (one tail). Hartono and Abdillah (2009: 63) says that the hypothesis of a significant one-tail t-statistics if the value is more than 1.64. Therefore all research hypothesis is a hypothesis in one direction then the research hypothesis will be accepted if the analysis results show the value of t-statistic greater than 1.64, otherwise the research hypothesis will be rejected if the value of t-statistic indicates the number is less than 1.64.

4. Findings and Discussion
Respondent demographics
The questionnaire distributed to Internet users in Indonesia. Number of 137 questionnaires were returned, and of these questionnaires cannot be used as many as 78, while the questionnaire can be used as many as 59 questionnaire. Number of male respondents as many as 24 people with a percentage of 40.7% while the female respondents amounted to 35 people with a percentage of 59.3%. It can be concluded that most respondents in this study were female respondents. It illustrates that women often make purchases online.

Respondents in the study had a diverse age among respondents who have under 17 years of age in three people with a percentage of 5.1%, of respondents aged 18-25 years as many as 31 people with a percentage of 52.5% of respondents aged 26-30 years as many as 20 people with a percentage of 33.9%, of respondents with as many as five people aged 31-45 with a percentage of 8.5%, and respondents over the age of 45 years do not exist. It appears that the respondents are the most dominant in this study were aged 18-25 years. It shows that young children being targeted online sales with the most potential.

Respondents have different educational backgrounds. Respondents with a background of junior-high ten people with a percentage of 16.9%, of respondents with a graduate diploma education level as many as 40 people with a percentage of 67.8%, of respondents with education level master as many as nine people with a percentage of 15.3%, while respondents backgrounds doctorate there. Thus the average level of education of people who make online purchases is quite high.

Descriptive statistics indicators research
Descriptive statistical analysis conducted on 59 respondents in order to do further processing. The analysis was performed with the aim of drawing conclusions, with a descriptive analysis of the researcher can obtain a sample outline. Table 4.1 in the appendix shows the descriptive statistical indicators of research. Table 4.1 shows that the number of respondents (n) in this study was 59.

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Minimum and maximum values describe the answers to the questions in the questionnaire items. Grades 1 and 2 show that the respondents chose the minimum number 1 and 2 for an answer on each construct. Value of 7 indicates that respondents chose to provide maximum value 7 for each construct statements in the questionnaire.

Average values in Table 4.2 shows the average choice answers given by the respondents, it appears that the average value of the respondents' preferences were in figure 3-4. It indicates that in general the respondents chose the response somewhat or neutral on the overall statement items in the questionnaire of this study. Standard deviation indicates a deviation measure, if the standard deviation value does not exceed the average of the results showed no outliers. Standard deviation in Table 4.2 no exceeds the average value, so it can be concluded that there is no outlier.

Evaluation Model Research Hypothesis
The research model consists of five constructs namely product risk, financial risk, privacy risk, the intention of buying online and buying behavior online. This study evaluated hypothetical model with two kinds of outer and inner models. In the evaluation phase outer researchers tested the model validity and reliability of research instruments. If
already passed the test validity and reliability, the researchers went to the inner evaluation phase model at this stage, researchers evaluated the relationship between the constructs.

Test the validity of research instruments is done exactly the same as the validity of the test is two convergent validity and discriminant validity. Indicators used to test the convergent validity were AVE and communality of each construct should be more than 0.5. and numbers of each outer loading indicator constructs must be above 0.70. Based on the validity test, three items (RP3, RK1, RK2) were removed.

Researchers using the parameters Cronbach alpha and composite reliability in testing the reliability of research instrument. The research instrument passed the reliability test when it has exceeded the value for the parameter Cronbach alpha of 0.60 and 0.70 for the composite parameter reliability. Table 4.3 shows the output Cronbach alpha and composite reliability for each construct research.

![Table 4.3](image)

Inner models evaluation

Evaluation is done when the inner models of research instruments successfully passed the testing phase validity and reliability. The parameters used in the evaluation phase of the inner workings of the model are the R square (R2) and T-statistics. R-square is a parameter study to assess how much the construct described with the research models created. Table 4.4 shows that R2 models online purchase intention is 0.0746, it illustrates that the intention of buying online constructs can be explained only about 7% to construct risk products, the remaining 93% is explained using constructs that have not been put into the research model. The small R2 for online purchase intention models may be caused due to the risk of product constructs only a fraction constructs that influence the intention of buying online. Online purchasing behavior has R2 0.2246, it is clear that constructs an online purchase behavior can be explained as much as 22.5% through the construct of intent to buy online, the remaining 77.5% is explained by other constructs.

![Table 4.4](image)

Product risks and Intentions to Buy Online

The risk that the products referred to in this research is the risk regarding the performance or the performance of products purchased, to see whether there are differences between the products offered by the products get into the hands of buyers. In this study, the research topic is an online purchase at an online store using a type of B2C respondents Internet users in Indonesia. Table 5:19 shows that the risk of a negative effect on the intention of products bought online by numbers t-statistic of 1.7914 and a t-statistic is 5.9968. Financial risk and privacy risk is not empirically proven negative effect because the t-statistics are still below 1.64.
concerned and pay attention to the risks of the product to be purchased online in the form of quality, look and dimensions of the product. These results together with the results of research done before (Featherman and Pavlou, 2003; Crespo et al., 2009; Almousa 2011; Aghekyan-Simonian et al., 2012; Hong and Cha, 2013; Dai et al., 2014). These results also support the theory of risk perception due to the risk of product into the factors that negatively affect the intention of buying online.

Referring to the test results on the first hypothesis, the researchers provide advice to companies that want to grow the intention of Internet users shop online in order to minimize the risks in terms of products. Be it by providing timely and accurate information, a photo of the actual product, to provide information about the size of products to sell online. That way they can get reliable information on the products they are going to. It is intended that provide comfort and safety to the buyer, when a sense of comfort and safety are met as well as information about the product is available with a complete, then the buyer will feel confident to buy the right products to their liking. When that happens, the sales made online are increasing and the company's profit increases. consumers who shop online will feel satisfaction when making an online purchase in the online store B2C type.

Financial Risk and Intentions to Buy Online

Financial risks referred to in this research is the risk of financial aspects that can occur when buyers run into a waste or high price and lose money has been paid to the seller. In this study the topics studied were online purchase with the respondent Internet users who have ever shopped at an online store type B2C. Tabel 5:19 indicates that the financial risk is not proven negative effect to the intention of buying online because it has a number of t-statistic of 0.5658, this value is smaller than the limit t-statistic for the hypothesis in one direction, namely 1.64. The test results in this study was not able to support the theory of risk perception.

These test results are not proved empirically that internet users who shop online at the online store type B2C worrying financial risk in terms of both the high price of the product, waste, or theft. These results differ from the results of previous research that has been done by (Bhatnagar et al., 2000; Chang et al., 2005; Forsythe, Liu, Shannon and Gardner, 2006; Hong and Cha, 2013), and does not support the theory of risk perception.

There are many things that drive it happens, one of which is the online transaction system used by type of B2C online store in Indonesia is a secure online transaction system. The majority of Internet users make online purchases and pay for the product with a bank transfer payment method, it is relatively safe compared to using internet banking payment system or credit card. The choice to make internet users feel safe and comfortable when deciding to purchase products online. Another factor is the average type of B2C online store is owned by a large company that has a legal legality, so that buyers who feel disadvantaged when making purchases online can demand repayment of the money they had sent to pay the price of that product. It is uncertain at the online store of the type of customer to customer (C2C), the majority of fraud in the virtual world is done by unscrupulous guise online stores C2C basically all do not have legal status, making it easy to disappear let alone more online stores run the anonymous account.

The price factor is expensive or wasteful be personal factors that cannot be blamed on the online store of type B2C, because basically the buyer does not have the obligation to buy online at a particular store, he might see an offer for the same product at different online stores. If the buyer feels suffered financial losses due to the price of an expensive or a waste then the buyer should collect information on the prices of products to be purchased in advance, whether made online or offline. The above may be the cause why the financial risk should not adversely affect the intention of buying online.

Privacy risks and Intentions to Buy Online

Privacy is at risk in this study is the risk of the confidentiality of information the buyer, the buyer was worried if the information they provide when making a purchase will be used by an unauthorized person. Based on the table 5:19 shows that the hypothesis of no effect on the privacy risks behavioral intentions visible to the value of t-statistic of 0.5658, this value is smaller than the limit t-statistic for the hypothesis in one direction, namely 1.64. The test results in this study was not able to prove empirically that Internet users concerned about the risk of privacy aspects both in terms of e-mail, credit cards, telephone number or you a personal information.

The study had different results when compared with the research (Almousa, 2011) which found that the privacy risks negatively affect behavioral intentions. These differences may occur due to differences in the country, the culture, the indicators, the respondents as well as the topics studied. In this study the topics studied were online purchase in the online store with the type of B2C respondents Internet users in Indonesia have ever made a purchase online.

The privacy aspect is actually an aspect which is quite vulnerable in cyberspace because it can be obtained and used by people who are not authorized. Currently, Internet users make online purchases, then indirectly he will provide information to other parties related to the settlement of transactions for example email, home address, telephone number, credit card or other required information. Personal information collected can be bought and sold by the person who
collects the information was not feasible or not. They generally sell such personal information to parties who require, often requiring the consumer database is the marketing team of a company or prospective fraudsters.

Information that has been purchased earlier will be used for materials prospects or potential customers, can be subscribed credit cards, bank loans, insurance or some other things. Often we hear the case of a man who offered to buy insurance products by way of a call, when a new phone number. This can happen because the marketing has personal information of Internet users so that it can be persuaded to be potential new customers for their companies. It is often disturbing for some people because they feel their privacy disturbed. The most common example is the case of spam emails are often entered into the email box, be it a product offering that is not known or frauds, this is disturbing for those who do not want it.

In this study, Internet users buy online in the online store B2C type, does not seem worried about the confidentiality of their information. This could occur if B2C online store is owned by a large company that ensure the confidentiality and could keep the personal information of their customers. This makes the Internet users do not have doubts in providing information to the company to purchase products online.

Other factors could also be because the information provided is information that is made specifically to order the products online, for example by creating a separate email account from a personal email account to prevent spam into the inbox. So when there is spam or other things, Internet users do not feel disturbed. It is likely also the reason why internet users are not overly concerned about the risk of privacy aspects. Concerns scam credit card does not occur because the type of B2C online store has a reasonably secure transaction system and also consumers tend to use bank transfer or internet banking than using a credit card to make payment for products purchased online.

**Buying intentions Online and Purchase Behavior**

The intention of buying online is the intention of an Internet user to make purchases online. So at this stage the buyer has not made a purchase anything. Based on the table 5:19 shows that the behavioral intentions hypothesis empirically proven positive effect on online purchase behavior, it is supported by the value of t-statistic of 5.9968 this figure is greater than the limit t-statistic for the hypothesis in one direction, namely 1.64. The test results proved that the intention of buying influence purchases online.

This happens because Internet users to make online purchases must have the intention to buy online, with the intention of buying online growth then eventually Internet users will make online purchases. Sometimes when the intention of buying online has emerged, but there are also other factors that make individuals dissuade making online purchases did not happen. These results together with the results of previous research that has been done by (Wu and Wang, 2005; Kim et al., 2008; Shomad and Purnomosidhi, 2012).

In this study the topics studied were online purchase respondent Internet users in Indonesia have ever shopped online in the online store B2C type. Referring to the results of testing this hypothesis, the researchers provide advice to companies that want to succeed in selling products online in order to advance foster goodwill internet users buy online. The results also prove that the intent of internet users buying products online is negatively affected by the risk of a performance aspect. Therefore, companies must be able minimize risk of these aspects, so that the intention of buying online remains. If that happens then the hope is that the intention of Internet users to buy online will grow and sales is increasing and will have an impact on corporate profits.

**Conclusion**

Conclusions that can be drawn from the research that has been done is a risk products negatively affect the intention to buy online, it indicates that Internet users worry about the risk of aspects of current products will make purchases online. Financial risk should not adversely affect the intention of buying online, it suggests that the online store type of business to customers (B2C) in Indonesia already offer payment systems that tend to be safer for buyers. Privacy risks should not adversely affect the intention of buying online, it indicates that the type of B2C online store in Indonesia has been keeping close attention to the security and confidentiality of information provided by consumers when making purchases online. The intention of buying online a positive influence on purchasing behavior online, it indicates that the online purchases may occur when individuals have the intention to use it. Thus it mandatory for companies to improve the shortcomings of the existing online sales system is now so intent Internet users to buy online grow and ultimately the individual is willing to use to transact at the online store, and will ultimately be profitable for the company.

**5. Implications**

This study proved empirically that the risk of products negatively affect the intention of buying online, because someone when it perceives the possibility of fraud or risk due to the wrong goods are good in quality, appearance, and of the products bought will tend to dissuade to buy online , This indicates that a person has a high concern on the risk of the product when making an online purchase in
the online store type of business to customers (B2C). B2C online store type could have made a mistake in terms of delivery of goods ordered for example A but the goods delivered is B, this could be an example of some of the common mistakes made by online stores B2C type.

This study also obtained empirical evidence that the intention of buying online is a factor that affects a person to make purchases online, it means someone before taking an action in the form of an online purchase in advance have the intention to do so. Other discoveries are two constructs of the financial risk and privacy risk is not proven empirically affect the intention of buying online. This can be caused by type of B2C online store in Indonesia has a fairly high safety standards in financial terms and also the personal information of customers. It may be less encountered on the C2C online store type tends to be personalized which has a high level of vulnerability.

The research has implications that type of B2C online shops have to maintain the quality, especially reducing delivery errors or information that is not appropriate goods / fit, as this could affect somebody intention to make purchases online. Not only this type of B2C online store also must improve the quality of security and safeguards the personal information of customers so that customers feel at home and often make purchases online.

6. Limitations

The limitations referred to in this study are the constraints faced by researchers when conducting research and cannot be controlled. Constraints faced by researchers are the number of questionnaires that can be used only 59 of a total of 137 questionnaires were returned. At least a questionnaire that can be used in this study caused many respondents are not serious when answering the questionnaire. This can be seen from the inaccuracy of the respondents in answering negative questions were included in the questionnaire study. The problem may occur due to low motivation of respondents, while researchers have attempted to provide incentives to people who responded to the questionnaire seriously by including them in a lottery.

Based on the limitations that have been revealed by researchers at the top, the researcher’s advice should consider to reward fairly large in order to increase the motivation of respondents, so that a higher rate of return questionnaires and questionnaires that can be used more. Another suggestion is to give researchers can further research using longitudinal studies, where researchers studied the behavior of consumers when buying online within a few months, because consumer behavior can change at any time.

7. References


McLean Model. Behaviour & Information Technology, 28 (4), 335-345.


**Appendix**

**Table 4.1**

<table>
<thead>
<tr>
<th>Construct</th>
<th>Definition</th>
<th>Code</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk of Product</td>
<td>Possible problems related to the purchase of the brand is not well known or defective products</td>
<td>X1</td>
<td>Hong and Cha (2013)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>X2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>X3</td>
<td></td>
</tr>
<tr>
<td>Financial Risk</td>
<td>The possibility of some of the financial losses that could be caused from the product too expensive, online fraud, or from unexpected expenses</td>
<td>X4</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>X5</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>X6</td>
<td></td>
</tr>
<tr>
<td>Privacy Risk</td>
<td>Losses that can occur when the personal information of consumers used by unauthorized parties</td>
<td>X7</td>
<td>Zhang et al. (2012)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>X8</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>X9</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>X10</td>
<td></td>
</tr>
<tr>
<td>Intention To Purchase Online</td>
<td>The tendency of consumers to buy online</td>
<td>Y1</td>
<td>Hong and Cha (2013)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y3</td>
<td></td>
</tr>
<tr>
<td>Buying Online Behavior</td>
<td>The intensity of the customer in the transaction through the medium of e-commerce</td>
<td>Y4</td>
<td>Wandayu (2012), Pavlou (2003)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y5</td>
<td></td>
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<td></td>
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<td>Y6</td>
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<tr>
<td></td>
<td></td>
<td>Y7</td>
<td>Yuristiana (2011)</td>
</tr>
</tbody>
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