ABSTRACT

The increasing awareness of women to beautify themselves through a series of cosmetics makes cosmetic brands in Indonesia now competing to be able to attract consumer purchases, followed by increasingly sophisticated technological developments that can shift human changes in terms of shopping from offline to online with the help of smartphones. Make Over is one of the local cosmetic brands that has international quality with a luxurious impression in every package. The research was conducted to examine the effect of online customer reviews and customer ratings on consumer trust and purchasing decisions for Make Over products on the Shopee Marketplace. This research is motivated by differences in perceptions of purchasing products online and offline.

This study begins by developing a research framework by analyzing the relationship between online customer reviews and customer ratings on consumer trust and purchasing decisions. The sample data in this study came from 110 respondents by distributing questionnaires consisting of open questions and closed questions. Respondents used in this study are women who live in Semarang City and use Make Over products. Then the data were analyzed using the structural equation modeling (SEM) method with the moment of structural analysis (AMOS) version 24 program.

Based on the results of the study, it was found that online customer reviews have a positive and significant effect on consumer trust, customer ratings have a positive and significant influence on consumer trust, online customer reviews have a positive and significant influence on purchasing decisions, customer ratings have a positive and significant influence on purchasing decisions, and consumer trust have a positive and significant impact on purchasing decisions. Therefore, all hypotheses are accepted. Hopefully the results of the managerial implications of this research can be suggestions and improvements for Make Over products at PT Paragon Technology and Innovation.

Keywords: online customer review, customer rating, consumer trust, and purchasing decisions.