The Effect of Online Consumer Comments Among Millennial

Melva Hermayanty Saragih, Riana Enny Widayanti

Abstract: Indonesia as one of the countries in the world with internet users reaching 82 million people or around 30% of Indonesia's population, is currently entering the era of e-commerce. Conventional shopping culture is shifting to online shopping. Although Indonesian internet users have not all done online shopping (only 29% of people or 26.3 million of the total who have an internet connection, a Mars 2016 survey source), the e-commerce market potential is still very large. This was followed up by the increasing proliferation of e-commerce companies in the business world, both in large and small scale businesses. Millennial groups are increasingly recognized for their influence in the evolution of social media. Millennials are undeniably the biggest part of society who are familiar with digital devices such as cellphones and computers. Social researchers often classify generations born between the 1980s and 2000s as millennials. So it can be said that the millennial generation is the young generation today who are currently in the range of 15-34 years. In America millennials, 97% have computers, 94 have cell phones, and websites as news sources (Marketing Breakthrough Incorp., 2008). In Indonesia, studies and studies on millennial generation have not been done much, even though the total population of Indonesians aged between 15-34 years is currently very large, namely 34.45%. Millennia generation was researched because based on the Mars survey also mentioned that the largest online consumer in Indonesia aged 22-29 years. Therefore, millennials are undeniably the most important market of many products and services. Research evidence shows that millennial groups in finding information related to purchases refer to their friends and this information seeking behavior is facilitated by digital connections. Therefore the aim of this research is to gain a deeper understanding of millennial communication behavior towards purchases and their relationship to online consumer comments.

Keywords: online comments, word of mouth, millennial, behavior, consumer comments.

I. INTRODUCTION

In a traditional marketing science the concept of word of mouth (WOM) is one of the simplest but most effective forms of promotional communication. WOM or word of mouth communication is a communication process in the form of giving recommendations both individually and in groups of a product or service that aims to provide information in person [1].

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WOM can be comments or recommendations disseminated by customers based on the experience it receives, has a strong influence on decision making.

In the current internet era, where Indonesian people have begun to abandon shopping habits in stores and shopping centers and move to online stores in modern ways, WOM actually remains a mainstay in effective promotional communication. In the digital era WOM changed its name to e-WOM (electronic Word of Mouth). In the internet era, e-WOM is found in online consumer comments. Consumer comments or online reviews are a type of information about products made by consumers based on personal experience using the product [2]. In Indonesia, consumer comments play an important role for a buyer. In general, around 61% of buyers read online comments before making a purchasing decision or ordering a product. While in Indonesia there are around 95% of buyers reviewing a product or service via mobile phones (tirto.id 2016). Even the latest findings from id.ecommerceiq.asia, Indonesian consumers write 3 times more consumer comments online about beauty and health products than Thailand in marketplaces, such as Lazada.

According to the results of the Statista survey, this year there was a 10 percent increase from the previous year on the level of buyer confidence in an online comment. While those who do not believe in online comments have decreased by 16 percent from last year (tirto.id 2016). This shows that the comments on an online product help buyers not to make the wrong purchase. In Indonesia, which is one of the countries with the most internet users, an average of 70 percent of buyers trust other customer comments even though they are delivered by consumers they don't know, according to trustklik.com. Buyers even believe that customer comments are 12 times greater than product descriptions from manufacturers.

Online consumer comment is a new information channel about products whose development is popular and important today [2]. Furthermore, Chen & Xie said that the product comments voiced by consumer representatives are a growing market phenomenon that is an important component in people deciding on a purchase.

Some research on online consumer comments looks at information created by consumers from the perspective of information credibility. Information created by consumers tends to be more credible than that made by sellers because the credibility of information is often positively related to the trustworthiness of information from its source [3].

This research targets millennials because according to a survey conducted by eMarketer, millennials talk more about online products and services than the general public.

Fifty-six percent of millennials talk about products and services using social networking communities, compared to 35% of the general public. Social networking sites or social media become the most popular media as a place to discuss products online. Some researchers [4] have found that young people are more likely to become market maven — experts in marketing, defined as consumers with general product knowledge who then act as disseminators of product information because they want to share their expertise and opinions with other consumers.

[5] [6]. Generation Y is at the forefront of increasing consumer engagement with brands, due to their participatory nature of social media [7].

The internet allows millennials to exercise control over the free market by expressing their opinions through many online venues that can potentially influence consumers and marketers. Millennials are indeed an important market for many products and services. In connection with their communication behavior in terms of this purchase, this pattern may be the starting point in the foundation of their consumption patterns in the future. Especially in Indonesia, this study of consumer behavior from generation Y needs to get a large portion, because the population of Indonesia in the next few years (2020-2030) will experience a demographic bonus, where the population of productive age will be greater (15-64 years) as much as 70% compared to non-productive population (14 years and below and 64 years and over), which is 30%. Among Indonesia's productive age range, the largest consumer of online products according to Mars is in the age range of 22-29 years. That's why this research will survey consumers at that age. Given that the e-commerce market is still very promising in Indonesia, this study attempts to reveal the millennial generation decision-making style in purchasing decisions. Therefore, the aim of this study is to gain a deeper understanding of communication behavior related to purchasing among millennials. Then there are some questions that will be a reference in this study:

1. Are millennials influenced by online comments?

2. Which product categories received the most positive and negative comments from millennials?

3. Which online places do millennials voice their opinions about the product / company?

4. Are millennial men or women who post more comments online, and whether they are more positive or negative?

II. STUDY LITERATURE

A. Online Consumer Comment

According to B. Stauss, online consumer comments are defined as positive or negative statements about products made by potential, actual or former customers, which are available to many people and institutions via the Internet [8]. Whereas Yubo and Jinhong define online consumer comment as a type of product information made by individuals based on their personal experience in using a product [2]. In essence, this online comment is word of mouth marketing - word of mouth through the Internet.

Product comments voiced by consumer representatives representing online have become a growing market phenomenon and an important component before people make a purchase. It is generally accepted that oral communication can have a substantial influence on product choices [9]. Word of mouth information is seen as more credible than advertising, because it is considered to have passed the evaluation of 'people like me' [10]. According to [1], word-of-mouth has become the most influential communication channel.

According to a survey conducted by Opinion Research Corporation, two-thirds (61%) of respondents revealed consulting with online comments, blogs and other online customer feedback sources before buying a new product or service, with search engines becoming the preferred method of conducting research. The survey also found that 80% of respondents said they were looking for information online for certain electronic brands. In addition, according to Nielsen's Global Online Consumer Survey, 70% of consumers trust opinions posted online. In a survey, conducted by BIGresearch, consumers said that word of mouth was still the number one influencer in their electronic purchases (44.4%) [11]. Social media as one of the powerful e-WOM tools has a great influence on purchasing behavior even in the wine industry. Recent research results show the power of social media to increase sustainable awareness and successively influence consumer buying behavior for wine products (higher price segments). From a marketing perspective, companies must increase their capacity to share and communicate their environmental activities through social media [12].

Positive comments have the potential to change consumers from 'not buying' to 'buying' by convincing potential customers that the product is of good quality and / or the company has a reputation; uncertainty is thus reduced. Conversely, negative comments can extinguish 'buy.' Positive comments versus negative comments are very influential during the early stages of a product's life, when consumers know little about it. During the next stage, the effect of positive and negative comments decreases when consumers get information from other sources [13]. The implication for marketers is to monitor from the beginning positive and negative comments, when product comments may be an important component in consumer decision making. Recent studies also find that active use of social media and peer influence has a large influence on Generation Y's goal to engage in e-WOM about their service experience. Technological sophistication with cellular technology influences Generation Y to spread positive or negative service experiences, rather than satisfying recovery experiences [14].

B. Definition of Millennials

Millennial names or Echo generation, generation Y, hip-hop, kwaito or Facebook generation are children of Baby Boomers or Generation X [15] [16]. Millennial consumers enjoy communication, because they are expressive and support freedom of speech, and accept change and are even considered a trendsetter [17] [18]; [19]. Millennials are always connected and connected to each other through the latest technology [20]. Indonesia as one of the countries in the world with internet users reaching 82 million people or around 30% of Indonesia's population, is currently being entered into the e-commerce era. Conventional shopping culture is shifting to online shopping.

Although Indonesian internet users have not all done online shopping (only 29% of people or 26.3 million of the total who have an internet connection, a Mars 2016 survey source), the e-commerce market potential is still very large.

It is predicted that the number of internet users in Indonesia will increase, along with the growth of Indonesia's young population in 2030 will reach its peak, where the population of productive age is more than the population of non-productive age. This is also the reason why research with millennial age targets is interesting because this age is one of the important consumers in the e-commerce era. Today there are millions of millennial young people who influence business and the economy, both as consumers, workers and professionals. These millennial traits are for the most part full of confidence and are often seen as narcissistic individuals who are difficult to direct [21].

In their work place are familiar with communication, media, and technology where by using the media they hope to make work more efficient; self-confident and tolerant, but also feel that they have rights and narcissism, prefer a flat company culture, lack respect for authority; life's emphasis on the balance between work and life, having social awareness, producing meaningful work, finding creative solutions; and prefers to get immediate feedback, and easy and informal access to their supervisors [21]. An interesting study of the influence of social media on generation Y in China was conducted by Boardman et al. The results of the study stated that luxury brands can use Weibo as one of the most popular social media sites in China (97.2% of users) to create effective and attractive marketing strategies for millennials (born 1980-1995) and generation Z to as much as two-fifths of luxury spending by 2025 [22]. Indonesia as a country with a large population of Internet users, also has a large number of social media users, especially Facebook (the 4th largest ranking based on Internet World Stats). Because it is also very interesting to know the behavior of Indonesian consumers

III. PROPOSED METHOD

A. Modeling of Thinking Framework

In this study the survey method is used which is research that collects information from a sample by asking through a questionnaire or interview so that later it will describe various aspects of the population [23]. Survey is one type of research that is mostly done by researchers in the fields of sociology, business, politics, government and education.

Regarding the type of data collected, according to [24] survey is one of the main ways to collect primary data if secondary data is considered not yet complete enough to answer a question. If the secondary data is complete enough and the hypothesis can be tested with secondary data, the primary data collection directly with the survey method is no longer necessary.

Survey research aims is looking for detailed factual information that is symptomatic, identifying problems or getting justification for the situation and ongoing activities, and finding out things done by people who are the target of research in solving problems, as material for preparing plans and making decisions in the future [25] .

Meanwhile Sevilla stated that if we intend to carry out a research activity by collecting relatively limited data from a relatively large number of cases, the research method that can be used is the survey method [26]. The selection of survey methods in this case is considered more appropriate because this method emphasizes the determination of information about variables rather than information about individuals. Surveys are used to measure symptoms without investigating why they occur. In such research, we do not need to take into account the relationship between variables. Our main goal is to use the data we have obtained to solve problems, rather than to test hypotheses.

Basically, surveys can be grouped into two types namely censuses and sample surveys. A census is a survey that covers the entire desired population. While the sample survey is carried out only in a small part of a population. We can use surveys to tabulate real objects or to measure things that are not real like certain opinions or achievements.

Based on the scope and subject matter, surveys can be classified into four categories, namely: (1) census of real objects, (2) census of things that are not real, (3) surveys of samples of real objects, and (4) surveys of samples of things that are not real . Each of these types of categories can be explained as follows:

1. Census of tangible things. The real census includes a small population where the variables are concrete (real). Therefore, the answers obtained are quite simple and accurate. Data contains less contradictions, because the measured variables are clear and well defined. For example, this census is a census that includes a limited sample count such as the number of students in a school, the number of seats in a classroom, and the number of teachers who have graduated, and so on. The disadvantage lies in the limited scope of its use. Such a census is only able to make a small contribution to the treasury of general knowledge in education.

2. Census of things that are not real (intangible). This census measures constructs based on indirect measurements. The variables measured cannot be directly observed such as student academic achievement, teacher enthusiasm, or parents' attitudes. As an illustration of this census is the result of achievement test programs conducted in many primary and secondary schools. In this case the national evaluation system or system is determined as the basis for comparing student grades. Many difficulties arise in this procedure, including the problem of determining the appropriate measurement and precisely how measurements can be provided and further developed.

3. Sample surveys of real things

If our research requires large group data, then in this case a census is not recommended to be applied, and we should use sampling techniques. Through a sample survey of real things we can get information from large groups where the variables are real. This is what we can do if the goal is to compare class sizes, physical facilities, and teacher qualifications in a number of schools in a particular country.

The usefulness of this method is determined by several factors, namely the appropriateness of the sampling procedure, the accuracy of the data collection methods, and the relevance of the information collected to solve the problem at hand. Examples of research conducted with sample surveys are studies with clearly defined, concrete and concrete variable sizes such as employment status of graduate school nurses, students who drop out of school at a vocational afternoon school, status of teachers who remain teaching and who leave work

and so on.

4. Survey samples of things that are not real. If our survey involves measuring psychological or sociological constructs, and comparing large members of the population where the variables are not directly observed, then we must do a sample survey of things that are not real. This type of research will contain many difficulties because we will need a lot of expertise to carry out. The skills needed include the ability to conduct suitable sampling, the ability to detail and make appropriate instruments for measuring constructs, as well as the skills in calculating and interpreting values. The skill in calculating and interpreting values is necessary to help us make meaningful statements about the variables covered in research.

Examples of studies that use this type are research relating to variables of anxiety levels (stress), self-concept, emotional states of pregnant women without husbands, students who are cheating attitudes, and so on. Because these studies measure the psychological construct indirectly from a population sample, the type of research above is called a sample survey of things that are not real (sample survey of intangible).

B. Method Step

The stages of research activities can be explained as follows. Questionnaires were distributed to Binus undergraduate students. At this stage around 250 questionnaires will be randomly distributed. Questionnaire standards are question items from those adapted from Mangold and Smith [27] namely:

1. Respondents' dependence on consumer comments
2. Product categories that have the most comments (showing 14 products) and how often they have positive or negative comments
3. The place (media) gives the most comments
4. Gender that gives the most comments and how the comment (positive or negative).

IV. ANALYSIS RESULTS

Based on the results of the questionnaire distributed to 90 Binus student respondents, there were 58.9% men and S41.1% of women aged 18-38 years provided the following data.

1. When millennial students were asked how often they read online product comments written by consumers when searching for information on a product before deciding to buy, 42.2% of respondents gave a response 10. Using a scale of 0 to 10, where 0 = never, and 10 = very often, survey results show that millennial students first read online product comments before making a purchase as shown Figure 1. The second most answer is 30% showing a score of 8 and a score of 9 as much as 16.7%, so the average value for this question is 8.7. This reveals the fact that millennial students before making online purchases on average look for information by reading consumer comments.
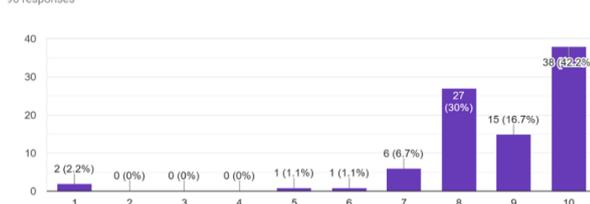

Fig. 1 Frequency of reading online comments before making a purchase

2. The next question about how often they are affected by online product comments written by consumers when deciding what products to buy or from which companies, 34.4% give a score of 8. While scores 9 and 10 there are as many as 18.9% for 9 and 17 .8% to 10 (difference of approximately 1%) as shown Figure 2. The average value for this question is 7.9. This means millennial students are affected by online comments when making product purchases.
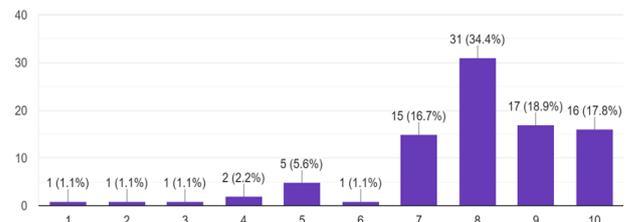

Fig.2 Frequency affected by online comments before making a purchase

3. When asked how often they post positive and negative comments online in 14 product categories, using a scale of 1-10, the survey shows consecutive electronic products, then hotels / entertainment venues, and computers are the most given positive comments by millennial students. While the most negative comments are given in food products and games. Another fact, the value of positive comments is far greater than negative comments. In other words, millennial is more positive than negative. Table 1. shows 14 product categories that received positive and negative consumer comments. The thing that needs attention is the gender difference affects the products that get customer comments.

Table 1. Product categories based on positive and negative comments

Product Category	Positive Comments	Negative Comments	Total Comments
Electronic	5.21	2.51	7.72
Books / cinema	3.87	2,08	5.95
Computer	4.36	2.22	6.58
Music	3.83	1.96	5.79
Clothing / shoes	4.52	2.52	7.04
Hotels / entertainment venues	4.7	2.25	6.95
Sports products	4.07	1.81	5.88
Game / toy	4.58	2.53	7.11
Food product	4.91	2.72	7.63
Home products	3.61	1.94	5.55
Automotive	3.27	1.87	5.14
Beauty product	4.02	2.52	6.54
Pet Products (pet)	3.31	1.62	4.93
Jewelry	2.88	1.84	4.72

When millennials are asked which place they often use to provide consumer comments, from the 8 places provided, namely Facebook,

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company website, marketplace/e-commerce, consumer ratings, Youtube, Twitter, blogs and vlogs, millennials used the most is marketplaces with means 6.33, then consumer ratings (5.01), Youtube (3.94) and Company Websites (3.34). As mentioned in Fig.3.
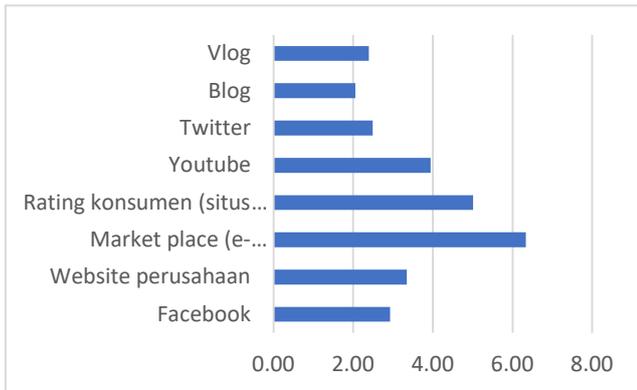

Fig. 3 Media for posting consumer comment

5. Using the Likert scale for responses, research asks millennials about their frequency of expressing opinions online, both positively and negatively. Significant differences were found between men and women. Men voice their opinions more often than women. This is the same as the study conducted by Mangold and Smith [27]. Likewise a previous study by Kau, Tang and Ghose [28] which supports that men are more vocal in expressing their opinions about a product. This explains that men are very dependent on the internet in finding product information before buying compared to women. Because it also can be understood that sharing information by posting a product comment online becomes rational when they are also looking for other product information.

To the questions in this study that ask about positive and negative comments, to the product categories that have been set, both men and women give more positive than negative comments, as shown in Table 3.

Table 3. Millennial frequency of posting comments online

Type	Male	Female
Positive Comments	5.05	3.98
Negative Comments	2.51	2.17

From the data obtained, there is a significant difference that millennial men voice more positive comments than women. However, for negative comments, both do not show significant differences.

V. CONCLUSIONS

It cannot be denied that online shopping culture has created a shift in voicing and promoting a product. In this case voicing satisfaction or complaints online is a power that able to influence consumers to make decisions to buy a product. Millennial consumers in this research reveal a buying behavior that is strongly influenced by consumer comments. Millennial consumer behavior in fact is very dependent on the internet in finding product information. Therefore, the

possibility of future trends that must be considered by decision makers in business are:

a. Continue to develop technologies that are easy to use to facilitate millennial consumers depending on consumer comments. Nowadays business applications such as Traveloka, Tokopedia, Bukalapak are increasingly giving consumers information about using their services/ products in the form of star ratings and comments of consumer experiences.

b. The contents of information on consumer comments should be more on the quality and value provided because millennial trends will continue to increase to find higher quality and valuable products based on the availability of information they get.

c. Although traditionally, millennial consumers are considered innovators and pioneers in adopting technology, including consumer comment media and social media, this impact can influence generation X consumers and Baby Boomers to follow these millennial consumers to find information sources online. Therefore, in the future where digital technology is increasingly being found, making sources of information that are reliable, credible, and inexpensive, inevitably should be considered by business decision makers.

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