

Increasing Consumer Confidence in Online Business: Effective and Reliable Ways

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ABSTRACT

This research aims to discuss effective and reliable ways to increase consumer confidence in online business. Online business is growing rapidly in today's digital era, but there are still many consumers who feel distrustful of transacting online because of the risk of fraud or fraud. This research will use qualitative methods with data collection techniques through literature study. The collected data will be analyzed using a descriptive approach. The results of the study show that there are several effective and reliable ways to increase consumer confidence in online business, namely by paying attention to the goods being sold, paying attention to the quality of the photos, proper promotions, creating an easy system, communicating with customers, and testimonials. By increasing consumer confidence in online business, it is expected to have a positive impact on the growth of online business which is growing rapidly at this time.

Keywords: Consumer Trust, Online Business, E-Commerce.

1 Introduction

The internet is a form of electronic communication that can be utilized for a variety of purposes, including but not limited to communication, research, and the conduct of business transactions. The internet has come a very long way since it was first made available to users in the United States all the way back in 1969. In addition, the development of technologies such as the World Wide Web (WWW) has contributed significantly to the advancement and maturation of this technology (Wong, 2017; Trischler & Li-Ying, 2023). Through the use of internet technology, hundreds of separate computer networks and organizations all over the world are connected to one another. At least six factors contribute to the widespread adoption of internet-based technologies. According to Wahyuningtyas (2016), these six factors are: the internet's extensive connectivity and reach; its ability to minimize communication costs; cheaper transaction fees; its ability to reduce agency costs; the internet's interactive, flexible, and easy nature; and the internet's capacity to share knowledge rapidly.

Companies and individuals are competing to make internet media a medium for marketing their products as a result of the rapid growth of communication technology, particularly the internet. One of the strategies that they are employing is the use of social media, which is very popular in Indonesia at the moment and includes platforms like Facebook, Instagram, and Twitter (Dewi, 2019). At the moment, social media is not only used for social interaction using techniques that make it very easy to access and publish user information, but it is also used in marketing, which is known as social media marketing. More specifically, social media marketing refers to the process of getting traffic (visits) or attention through websites - social media sites. Currently, social media is not only used for social interaction using techniques that make it very easy to access and publish user information, but it is also used in marketing (Jonathan & Prihartono, 2012).

According to Kotler (2001), it is anticipated that in the near future, commercial transactions will take place in the market space rather than in the market place. Internet use has started to become more commonplace in the commercial sector, particularly as a medium for conducting corporate activities. This is mostly due to the internet's ability to contribute to increased levels of efficiency. Electronic commerce, abbreviated as e-commerce, refers to the practice of conducting business transactions online through the use of computer networks. E-commerce is just one of the many technologies that can be found on the internet that can facilitate the exchange of information. According to Fitdiarini (2015) and Morabito (2016), using the internet can provide a multitude of advantages, including a reduction in expenses, an improvement in technology, advantages over the competition, increased speed of communication, and increased control over providing service to customers.

According to Arum and Widiyanto (2013), the information offered to sellers in online purchasing can influence the behavior of customers when it comes to making judgments. Online marketers are able to influence customer decisions by involving traditional methods of marketing; however, the most important thing is to provide testimonials to online shopping customers about the company's experience in running online shopping; this is because only by looking at the good evidence provided by the company, so customers can trust and have no doubts about doing online shopping (Irawan, 2020).

while opposed to traditional buying and selling transactions, online shoppers may consider uncertainty and risk while transacting with online merchants. Buyers have few options for determining the quality of goods and testing the desired product via Web media provided by suppliers (Agustin, 2018). Customers who make purchases from unknown web merchants have no way of knowing whether the quality of the goods and services offered is acceptable and reliable.

According to Kim, Silvasailam, and Rao (2004), trust is a highly important aspect in describing the online purchase process. Sellers with expertise of technology, a nice website, and a solid company quality are all factors that might boost buyer confidence in online shopping. In this context, technological knowledge is further defined as the degree to which a person thinks in himself that he can complete a task or perform something special.

According to Rosseau, Sitkin, and Camere (1998), trust is defined as a person's readiness to take risk in various settings. Consumer trust in online shopping is defined by Hoffman et al (1999) as the willingness of consumers to expose themselves to possible losses that will be experienced during digital transactions, based on the expectation that sellers promise transactions that will satisfy consumers and are able to deliver goods or services that have been promised. Consumer trust is the foundation for running an online or offline business, so that consumer loyalty can be achieved.

Online firms must create consumer trust in online purchasing platforms in order to stay in business in the face of increasingly tough competition. Customers who trust a brand are more likely to make repeat purchases and reveal sensitive personal information with that company (Pohan & Aulia, 2019). Repurchase indicates a consumer's desire to repurchase an item or service (Faradiba & Astuti, 2013).

Trust from customers does hold points and an important role in online business. Especially with the many issues of "fraudsters", "scams," and various other forms of dishonesty in the world of online business. Which in turn makes customers reluctant to start shopping or using the services of an internet business. Even so, of course, some choose to continue purchasing services and goods online, with super extra caution. Which of course, there is nothing wrong. On the other hand, when customers already have confidence in an online business, which we are assuming here is your online business, then the entire sales process to the use of services is no longer a problem.

Lack of consumer confidence in online business is a major obstacle in the development of online business. Consumers feel afraid of experiencing losses or not getting the desired goods after making online payments. This causes consumers to prefer shopping at conventional or offline stores. Therefore, effective and reliable ways are needed to increase consumer confidence in online business.

2 Methods

This is a qualitative study of library research using books and other forms of literature as the primary object (Nawawi, 2007). The type of research employed is qualitative, i.e., research that generates information in the form of notes and descriptive data from the text under investigation (Sugiyono, 2009; Yulianah, 2022). Qualitative research is a postpositivism-based research method used to investigate natural object conditions (as opposed to experiments) in which the researcher is the primary instrument. Descriptive research is a systematic description of the relevant theory and research results pertaining to the studied variables.

3 Results And Discussion

Factors Affecting Consumer Confidence in Online Business

Because online businesses do not have face-to-face interactions between customers and sellers, the trust of consumers is a very important factor. Consumers need to feel confident that the online business can be trusted and safe to use before they decide to make a transaction. Therefore, online businesses need to make various efforts to increase consumer confidence, the following are the factors that influence consumer trust (Kim, Silvasailam, Rao, 2004; Wirtz, 2019; Peter & Dalla, 2021):

Seller Have good knowledge and technology

In online business, sellers who have good knowledge and technology can increase consumer confidence in their business. Sellers who have knowledge of technology and are able to apply this technology in online business, will be able to offer better service and simplify the transaction process for consumers. In addition, sellers who master technology are also able to provide more complete and accurate information about the products or services offered. This can increase consumer confidence in the online business, because consumers feel that they are getting clear and adequate information.

In addition, sellers who have good knowledge and technology can also increase the security of transactions in online business. By applying sophisticated security technologies, such as data encryption or other security systems, sellers can provide a sense of security for consumers when conducting online transactions. This can strengthen consumer confidence in the online business.

In a broader context, sellers who are able to master technology can also offer consumers a more convenient and efficient online shopping experience. For example by providing features such as chatbots to help customers, integration with social media, or fast and accurate product delivery. All of this can provide added value for consumers and help increase their trust in the online business.

Thus, sellers who have good knowledge and technology have an advantage in increasing consumer confidence in online business. They can provide better service, improve transaction security, and offer consumers a more convenient and efficient online shopping experience.

Have a good quality website

Another factor affecting consumer confidence in online business is having a good website. A good website is a website that is easily accessible, has an attractive and professional appearance, and has content that is informative and relevant to the products or services offered. By having a good website, sellers can give consumers a positive and professional impression, thereby increasing their trust in the online business.

In addition, a good website can also make it easier for consumers to make online transactions. For example, a responsive and accessible website can speed up the purchase process, while features such as a shopping cart or online payment system can increase the convenience and security of transactions for consumers.

Not only that, a good website can also increase consumer confidence in terms of security. By displaying security certificates such as SSL or displaying a security logo on website pages, sellers can provide a sense of security for consumers in conducting online transactions. This can strengthen consumer confidence in the online business and help increase the number of transactions in the long term.

Lastly, a good website can also help sellers build long-term relationships with consumers. By providing features such as contact forms or responsive customer service, sellers can strengthen interactions with consumers and improve the quality of their service. Thus, consumers will be more likely to trust the online business and will return to buy products or services in the future.

Have a good corporate quality

The final factor affecting consumer confidence in online business is having a good quality company. Company quality includes the quality of the products or services offered, the speed and accuracy of delivery, and the quality of customer service. The quality of the product or service offered by the seller is an important factor in influencing consumer confidence. Consumers tend to buy quality products or services that can meet their needs. Therefore, sellers must ensure that the products or services offered meet good quality standards, match the descriptions listed on the website and have positive testimonials from previous consumers.

The speed and accuracy of delivery is also an important factor in influencing consumer confidence. Consumers expect the products or services they buy to be delivered quickly and on time. Therefore, sellers must ensure that the delivery and handling systems for goods or services they use meet good quality standards and are reliable.

In addition, the quality of customer service is also an important factor in influencing consumer confidence. Consumers expect responsive and helpful customer service in solving the problems they face. Therefore, sellers must provide responsive and accessible customer service, and be able to provide quick and satisfying solutions or responses to consumers.

Having good company quality is an important factor in increasing consumer confidence in online business. The quality of the products or services offered, the speed and accuracy of delivery, and the quality of good customer service can strengthen consumer confidence in the online business. Therefore, sellers must ensure that the quality of their company can meet good quality standards and can provide satisfaction to consumers.

Effective and reliable way to increase consumer confidence in online business

In online business, consumer trust is very important to increase sales and build a positive business image. Therefore, effective and reliable ways are needed to increase consumer confidence in online business. The following are ways that according to the author are effective and reliable in increasing consumer confidence.

Look at the items being sold

If you manage an internet business and want people to trust you, you need to prove that your operation deserves that trust first. Make sure the things you're selling are the same ones you're advertising. And please be as forthright as you can in your description. An honest and accurate description will help consumers to fully understand the product or service being offered. So that consumers will feel confident and trust when making transactions in your online business. Honest and accurate descriptions also help you to build good and long-term relationships with consumers, because consumers will feel satisfied with the product or service received and will not feel cheated.

Therefore, before marketing a product or service in an online business, make sure that the description provided is as honest as possible and in accordance with the actual conditions. Avoid providing exaggerated or misleading descriptions, as this will only harm your online business and undermine consumer trust. If you can provide honest and accurate descriptions of the products or services offered, then consumer confidence in your online business will increase.

Pay attention to the quality of the photos

A website with high-quality photos and images gives the appearance that it was designed with "intention." This "intention" is already deemed to be sufficient proof that your online business deserves attention and is, of course, trusted. In online business, attractive visualization can affect consumer trust in your business. Quality photos and images can give your online business a professional and trustworthy impression. Consumers will feel confident that your online business pays attention to the quality and visual appearance of the products or services offered.

Quality photos and images also give the impression that your online business has the "intention" to provide the best experience for consumers. This also provides evidence that your online business is serious about running its business and cares about customer satisfaction. Consumers will feel more confident and secure in making transactions with your online business (Milani, 2019).

Therefore, make sure that the photos and images used in your online business are of high quality and meet professional standards. Avoid using photos and images that are blurry or unclear, as this will only damage the visual appearance and reduce consumer confidence in your online business. By using quality photos and images, you can give your online business a professional and trusted impression, as well as strengthen consumer confidence in your business. This will help increase consumer confidence in your online business, thereby increasing the number of transactions and your business profits.

Right promotion

Currently, online business proprietors can engage in a wide variety of promotional activities. Beginning with promotions through social media and progressing to advertisements on multiple websites. However, there is currently one of the simplest and most effective ways to promote online businesses: endorsement. Celebrity or influencer endorsement or promotion has become one of the most effective methods to promote an online business. In an online business, endorsements can increase your company's visibility and consumer confidence.

By working with celebrities or influencers who have a large following on social media, your online business can expand your reach and increase brand awareness (Kraus et al., 2019). For example, if your online business sells beauty products, you can look for beauty influencers with a large following on social media. These influencers can provide testimonials about the products or services offered by your online business, thereby strengthening consumer confidence in your business. Endorsements can also help increase consumer loyalty to your online business. If a celebrity or influencer they like recommends your online business, then consumers will tend to choose the products or services of your business over other competitors. This can help increase the number of transactions and profits for your online business.

Create an easy System

Complicated processes and systems will discourage potential customers from transacting in your online business. In addition, a complicated system can make potential customers lose their sense of loyalty and trust in the online business that you manage. In the world of online business, competition is fierce. So, you have to provide processes and systems that are easy for customers to understand. This can increase customer trust in your online business. Make sure the process of ordering, payment, confirmation, and delivery of goods can be done easily and clearly. With an easy-to-understand system, customers can make transactions comfortably and without hesitation on your online business.

The easier and clearer the system offered, the higher the consumer's trust in the online business. Conversely, if the system offered is complicated and confusing, consumers may experience difficulties in making transactions, and this can make them lose confidence in your online business. In addition, when customers find it difficult to make transactions, they tend to look for other alternatives that are easier and can provide a sense of comfort and security in transactions.

Communication with customers

Don't be hesitant to communicate actively with consumers. Whether through the website's remarks section or YouTube's channel and videos. Moreover, through social media. Respond to all inquiries from consumers, as well as their uncertainties. Don't be hesitant to provide messenger contacts to ensure effective consumer communication. Especially nowadays, when online business customers appear to be happier if there is two-way communication between merchants and customers.

Customers feel more "safe" when transacting when communication is simple, and when they receive appropriate and prompt responses. Determine how to interact with consumers via social media. Live communication is another option for interacting with consumers currently available. This live streaming can be accomplished via Instagram or YouTube. When Live, this can be used to communicate how to use the item and its utility.

Testimonials

Testimonials from customers are one of the most influential factors in building trust from potential customers for your online business. Testimonials from satisfied customers can give a positive impression and provide confidence that the goods or services offered are of high quality. For this reason, as an online business owner, you should collect testimonials specifically and easily accessible to potential customers. Testimonials can be collected through various platforms, such as social media or your online business website. However, keep in mind that gathering honest testimonials and not faking testimonials is very important to maintain customer trust. Fraudulent acts of obtaining testimonials can harm your online business reputation and can have a negative impact on customer trust.

Apart from online testimonials, offline testimonials also have a significant impact on building customer trust. Offline testimonials can be obtained through word of mouth from satisfied customers. Customers who are satisfied with the product or service offered will tend to recommend your online business to others. Therefore, make sure you provide satisfying service so that customers feel happy and are willing to provide testimonials both online and offline.

4 Conclusion

In running an online business, the trust of buyers or customers is the dominant thing so that the business can run. Good knowledge and technology, quality of a good website and good company quality are factors that affect the trust of buyers in online business. To increase customer confidence in doing business online effectively and reliably, this can be done firstly, the product being sold must match the description given and the description must be honest. Second, quality and attractive product images will give the impression that an online business has strong intentions and is trustworthy. Third, the system for ordering, payment, confirmation and delivery must be easy to understand and clear. Fourth, active communication with customers must be carried out, both through social media and through the comments column on the website. Fifth, testimonials from customers must be valued and used as an important factor in increasing customer trust. By fulfilling these factors, it is expected to increase customer confidence in online business and strengthen the position of online businesses in an increasingly competitive market.

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