

THE ROLE OF ELECTRONIC WORD OF MOUTH (E-WOM) AND CONSUMER TRUST IN PURCHASE DECISIONS ON INDONESIAN E-COMMERCE PLATFORMS: A SECONDARY-DATA-BASED STUDY

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Abstract: The sustained growth of electronic transactions in Indonesia has positioned digital consumer behaviour as a strategic issue in marketing management. This article examines the role of electronic word of mouth (e-WOM) and consumer trust in purchase decisions on Indonesian e-commerce platforms through a systematic literature review supported by secondary data analysis. Data were drawn from official sources, including Statistics Indonesia (BPS), the Ministry of Trade, Bank Indonesia, Data Reportal/We Are Social, and market research surveys such as Populix, combined with a synthesis of prior empirical studies and established marketing references. The findings indicate that the volume and value of Indonesian e-commerce transactions continue to rise alongside expanding internet and mobile device adoption, and that platform trust is consistently the key determinant of consumers' choice of online marketplace. E-WOM, in the form of product reviews and peer recommendations, functions as an uncertainty-reduction mechanism that strengthens trust and ultimately drives purchase decisions. The article concludes that e-commerce marketing strategy should treat review management and trust-building as an integrated system rather than separate activities, and proposes an agenda for future empirical testing across different platforms and product categories.

Keywords: electronic word of mouth; consumer trust; purchase decision; e-commerce; digital marketing.

Introduction

Indonesia's digital economy has grown rapidly over the past decade. The number of internet-connected Indonesians rose from 51.1 million in 2015 to 193.9 million in 2024, while active mobile devices reached 356 million units, equivalent to 125 percent of the total population (Susenas-BPS, cited in NEXT Indonesia Center, 2025). This expansion of digital infrastructure has directly shaped transaction behaviour: the number of Indonesians conducting electronic trade transactions rose from 20.8 million in 2019 to 52.8 million in 2024, a five-year increase of 153.68 percent (BPS, cited in NEXT Indonesia Center, 2025).

In terms of transaction value, Bank Indonesia recorded 1.44 billion e-commerce transactions in the third quarter of 2025, worth IDR 134.67 trillion, a 20.5 percent year-on-year increase (Ministry of Trade, 2025). The gross merchandise value (GMV) of Indonesia's e-commerce sector was

projected at approximately USD 71 billion in 2025, up 14 percent from the previous year, while the overall digital economy was projected by the Ministry of Investment/BKPM to reach USD 130 billion in the same year (Ministry of Trade, 2025). Growth also occurred in the social commerce segment, with TikTok Shop Indonesia recording a GMV of USD 6.198 billion in 2025, a 39 percent increase, and 86 percent of Indonesians reported having transacted through social commerce (DoubleVerify, cited in Joecy, 2025).

Behind this quantitative growth lies a fundamental question for marketing management: which factors most determine consumers' choice of, and transactions on, a particular platform. A Populix (2023) survey of 1,005 Indonesian internet and e-commerce app users found that 82 percent chose e-commerce to purchase electronics, household goods, and health products, far higher than social media (13 percent) or offline shopping (6 percent). The same study confirmed that platform trustworthiness, product

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quality, delivery security, and shopping-experience comfort are the primary drivers of consumer satisfaction and loyalty (Populix, 2023). This finding aligns with academic studies showing that electronic word of mouth (e-WOM), particularly in the form of product reviews and ratings, significantly influences consumer trust and purchase decisions across various product categories and e-commerce platforms in Indonesia (Tandfonline, 2025; Journal of Economics and Business Research, 2025).

Based on this background, this article aims to: (1) map trends in Indonesia's e-commerce development using current public data; (2) conceptually examine the role of e-WOM and consumer trust in online purchase decisions; and (3) formulate managerial implications for e-commerce businesses in designing digital marketing strategies grounded in reputation and trust management.

Literature Review

Electronic Word of Mouth (E-WOM)

Electronic word of mouth is defined as any positive or negative statement made by actual, potential, or former customers about a product or company, made available to a multitude of people and institutions via the internet (Cheung & Thadani, 2012). In e-commerce, e-WOM most commonly manifests as online customer reviews and star ratings visible to prospective buyers before purchase. Filieri (2015) positions online customer review as a form of e-WOM that conveys information grounded in genuine user experience, making it perceived as more credible than one-way marketing communication from sellers. This principle is consistent with fundamental marketing theory, which holds that the credibility and consistency of a firm's communication mix, including the messages consumers pass on to one another, directly shape brand perception and purchase behaviour (Elliyana et al., 2022).

Research in both national and international journals consistently shows a positive influence of e-WOM on other marketing variables. A study of marketplace users in East Java, for instance, found that online customer reviews and e-WOM affect consumer trust, which in turn mediates their influence on the purchase decision for household electronic products (Tandfonline, 2025). Another study in the TikTok Shop context found that online customer reviews positively and significantly affect purchase decisions because they reduce information uncertainty and strengthen consumer confidence that product condition matches the seller's description (Journal of Innovative and Creativity, 2025).

Consumer Trust

Trust in online transactions can be understood as consumers' belief that the seller, the platform, and the information conveyed are reliable and capable of fulfilling their commitments (Journal of Economics and Business Research, 2025). Trust is a more critical issue in electronic

transactions than in conventional transactions because consumers cannot physically inspect products or interact directly with sellers before payment. The Populix (2023) survey confirms this empirically: a platform perceived as trustworthy and reliable was the strongest driver of satisfaction across the three product categories studied, outweighing price and promotion factors.

A similar pattern is evident in the competitive landscape of Indonesian e-commerce platforms. Tokopedia held the highest top-of-mind position (44 percent) and the highest purchase-retention conversion rate, with consumers citing product quality and delivery security as the main reasons, while Shopee's advantage rested on affordable pricing and free-shipping promotions (Populix, 2023). This indicates that trust is not a single construct but is built from several accumulated dimensions: the credibility of product information, platform reliability, and overall transaction-experience quality, consistent with the classic marketing view that trust and satisfaction are outcomes of the full value delivered across the marketing mix, not price alone (Elliyana et al., 2022).

Purchase Decisions in E-Commerce

A purchase decision is the final stage of the consumer decision-making process, following need recognition, information search, and evaluation of alternatives (Kotler & Keller, 2016). In digital environments, the information-search and evaluation stages depend heavily on the availability of e-WOM, while the final choice stage is strongly shaped by the level of trust already established toward the platform or seller. Reference data frequently cited in the digital-marketing literature show that most consumers read reviews before deciding to buy and trust those reviews as much as personal recommendations (BrightLocal, 2022, cited in Journal of Communication, 2025), reinforcing the argument that e-WOM and trust operate sequentially and reinforce one another in shaping purchase decisions.

Conceptual Framework

Building on the literature synthesis above, this article proposes a conceptual framework in which electronic word of mouth influences purchase decisions both directly and indirectly through consumer trust as a mediating variable. In other words, the more positive and credible the reviews available on a platform, the higher the level of trust formed, and in turn the greater the likelihood that consumers will decide to purchase. This framework is consistent with empirical findings across product categories, ranging from household electronics (Tandfonline, 2025) and cosmetics (Journal of Economics and Business Research, 2025) to fashion products on TikTok Shop (Journal of Innovative and Creativity, 2025), suggesting a pattern that is reasonably generalisable within the Indonesian e-commerce context.

Research Method

This article was developed using a descriptive qualitative approach through library research/desk research combining two types of secondary data. First, official statistics and industry data published by government agencies and market research firms, including Statistics Indonesia/BPS (E-Commerce Statistics 2023 and 2024, National Socioeconomic Survey), the Ministry of Trade (2025 E-Commerce Performance Report), Bank Indonesia, DataReportal/We Are Social (Digital 2025 Global Overview), and consumer-behaviour surveys by Populix. Second, nationally and internationally indexed journal articles addressing the relationship between e-WOM, consumer trust, and purchase decisions in the context of Indonesian e-commerce and social commerce.

The analysis proceeded in three stages. The first stage compiled and triangulated quantitative data from public

sources to map Indonesia's e-commerce growth trends. The second stage thematically synthesised findings from prior empirical studies to identify patterns of relationship among variables. The third stage interpreted the compiled data and literature synthesis to formulate the conceptual framework and managerial implications. This approach was chosen because the article's purpose is trend-mapping and conceptual synthesis rather than hypothesis testing on primary samples, making secondary-data triangulation appropriate and consistent with the standards of descriptive research based on public data.

Results and Discussion

Growth Trends in Indonesian E-Commerce

The compilation of public data shows a consistent growth trend in Indonesian e-commerce across several key indicators, summarised in Table 1.

Table 1. Key Growth Indicators of Indonesian E-Commerce

Indicator	Value/Figure	Source
Internet users (2024)	193.9 million (up from 51.1 million in 2015)	BPS/Susenas, 2025
Active mobile devices	356 million units (125% of population)	DataReportal, Digital 2025
Population conducting e-transactions (2024)	52.8 million (up 153.68% from 2019)	BPS/Susenas, 2025
E-commerce transaction frequency (Q3 2025)	1.44 billion transactions, +20.5% (yoy)	Bank Indonesia, 2025
E-commerce transaction value (Q3 2025)	IDR 134.67 trillion, +2.74% (yoy)	Bank Indonesia, 2025
E-commerce GMV (2025, projected)	±USD 71 billion, +14%	Ministry of Trade, 2025
Digital economy value (2025, projected)	±USD 130 billion	BKPM, 2025
TikTok Shop Indonesia GMV (2025)	USD 6.198 billion, +39%	DoubleVerify, 2025

The table shows that Indonesia's e-commerce growth is underpinned by two intertwined forces: the expansion of digital access (internet and mobile devices) and a shift in consumption behaviour toward electronic transactions. Notably, regions with the highest percentage of residents actively trading online, such as the Special Region of Yogyakarta and Sleman Regency, also show relatively better socioeconomic indicators, including lower open unemployment and poverty rates and a higher Human Development Index than the national average (NEXT Indonesia Center, 2025). This pattern indicates that e-commerce adoption does not occur in isolation but correlates with a region's digital literacy readiness and purchasing power.

Trust as the Primary Determinant of Platform Choice

Populix (2023) data offers a relevant empirical picture of trust's role in consumers' platform choice. In the electronics category, Tokopedia was used by 58 percent of respondents with a satisfaction score of 4.2, followed by Shopee (47 percent, score 4.1) and Lazada (14 percent, score 3.9). Consumers cited perceived product quality and delivery security as their main reasons for preferring Tokopedia, while preference for Shopee was driven more by affordable prices and free-shipping promotions, and preference for Lazada by delivery security and price. This pattern shows that consumer trust is multidimensional: it can be built through operational reliability (delivery, product quality) or transactional incentives (price, promotions),

although the reliability dimension appears more strongly associated with long-term loyalty and retention.

Channel preference is also shaped by product category. A Populix (2024) survey on online versus offline shopping preferences found that fashion and beauty products were each purchased online by 46 percent of respondents, while daily grocery needs were more often purchased offline (34 percent). The main drivers of online shopping were practicality (67 percent) and ease of price comparison (66 percent), while the main driver of offline shopping was the ability to physically handle the product (77 percent). This finding is relevant for marketing management because it shows that the role of e-WOM and trust as a substitute for physical product experience becomes increasingly important in categories that are inherently difficult to evaluate without direct touch, such as fashion and beauty.

The Mechanism of E-WOM in Shaping Trust and Purchase Decisions

A synthesis of several empirical studies reveals a relatively consistent mechanism. A study of marketplace users in East Java for the household electronics category found that online reviews and e-WOM increase consumer trust, which subsequently significantly affects purchase decisions, confirming trust's mediating role in the e-WOM-purchase decision relationship (Tandfonline, 2025). A study in the cosmetics category found a consistent direction of influence, in which consumer reviews and influencer endorsement increase trust, although the magnitude of trust's effect on subsequent purchase intention varies depending on the credibility of the review source (Journal of Economics and Business Research, 2025).

In the social commerce segment, particularly TikTok Shop, online reviews have been shown to positively and significantly affect purchase decisions by reducing information uncertainty, consistent with e-WOM theory's proposition that consumer reviews function as a non-commercial credibility signal perceived as more objective than marketer claims (Journal of Innovative and Creativity, 2025). The same study also found that among consumers with limited shopping experience or of older age, reviews tend to function as supporting rather than decisive information, meaning that other variables such as price perception and brand image remain complementary factors in the decision process.

Social commerce growth data further reinforces the topic's relevance: 52 percent of Indonesian consumers reportedly shopped via social commerce in the past 12 months, exceeding the Asia-Pacific regional average of 40 percent, with TikTok Shop the most-used platform owing to its interactive features and shopping convenience integrated with reviews and video content (DoubleVerify, cited in Journal of Innovative and Creativity, 2025). The combination of content reach, review features, and

transaction convenience on social commerce platforms creates a faster e-WOM cycle than conventional e-commerce, making digital reputation management increasingly critical for businesses.

Managerial Implications

Several managerial implications can be drawn from this study:

- E-commerce businesses need to actively manage consumer reviews, including encouraging satisfied buyers to leave reviews and transparently responding to negative reviews, since reviews function as trust signals that influence prospective buyers.
- Trust-building strategies should be multidimensional, encompassing product quality assurance, delivery reliability and security, ease of the return process, and platform policy transparency, rather than relying solely on price incentives and promotions.
- For product categories that are inherently difficult to evaluate without physical touch, such as fashion and beauty, investment in visual review content (photos, videos, unboxing) can serve as a partial substitute for the absence of direct experience.
- Social commerce platforms with content-integrated review features require stricter review-moderation governance given the faster spread of e-WOM compared with conventional e-commerce.

Conclusion and Recommendations

This study concludes that Indonesia's rapid e-commerce growth, reflected in rising electronic transaction frequency and value in recent years, has occurred alongside the growing role of electronic word of mouth and consumer trust as determinants of purchase decisions. Secondary data from BPS, the Ministry of Trade, Bank Indonesia, and market research institutions consistently show that platform trust, built partly through reviews and reputation, is a stronger driver of loyalty than price incentives alone. The synthesis of empirical literature further confirms that e-WOM influences purchase decisions both directly and through the mediation of consumer trust, with a relatively consistent pattern across product categories and platforms, including the rapidly growing social commerce segment.

This article recommends that future research empirically test the proposed conceptual framework using primary data, for example through surveys of consumers in specific product categories and platforms using structural equation modelling, to confirm the strength of the relationships and identify relevant moderating variables such as digital literacy level, age, or online shopping experience. For practitioners, this study underscores the importance of treating review management and trust-building as an integral part of digital marketing strategy rather than as supplementary activities.

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