

Factors Affecting Consumer Purchase & Consumer Decisions on Value Added Tax (VAT) on Online Products (Case Study at University Student Prof. Dr. Moestopo (Religious))

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Abstract

This study aims to determine the implications of VAT on online products on purchasing decisions and consumer confidence both simultaneously and partially. In this study the data analysis method used is by distributing questionnaires to 150 respondents are students of the University Dr. Moestopo (Religion) class of 2013, 2014 and 2016, using a Likert scale. With the data processing of writer use descriptive statistics, validity, reliability, classic assumption test, multiple regression analysis, F test and T test with SPSS 21. By using the method of analysis and data processing, it is not possible to define purchasing decisions and consumer confidence. The awareness of the imposition of VAT on the product line is the influence of purchasing decisions and consumer awareness and knowledge, understanding and awareness of the imposition of VAT on Online products simultaneously significant influence purchasing decisions and consumer confidence.

Keywords: Knowledge VAT, VAT Understanding, Awareness VAT, Online Products, E-commerce, Purchase Decision, the Consumer Confidence.

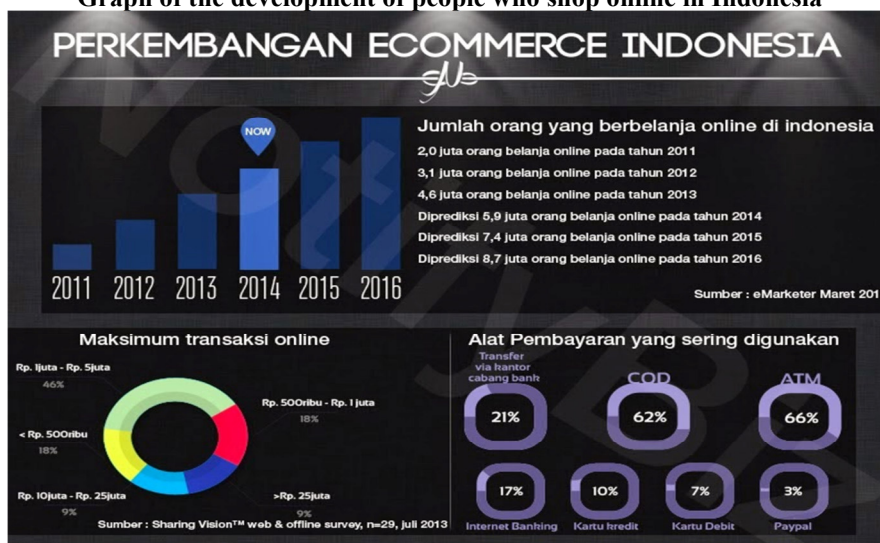
A. INTRODUCTION

Cecep Supriadi (2015) compared to other countries in Southeast Asia, Indonesia has the highest number of internet users. In 2015 alone, from 250 million of Indonesia's population there are 93.5 million internet users and is predicted to reach more than 102 million people in 2016. More than half are aged less than 30 years so that the digital realm and social media become so vibrant and make Indonesia fertile ground for the growth of e-commerce business or better known as *e-commerce*. Of the approximately 4.3 million people who are accustomed to shopping online in 2013, the current number has reached 7.4 million people and will continue to grow in the coming years. *E-commerce* and *online* transaction is not only done through the large portals. But the perpetrators of independent *e-commerce* is also increasingly often encountered in social media by using Facebook or Instagram. Through this medium, a variety of needs such as clothing, accessories, devices (*gadgets*), cosmetics and books crowded transacted. Hioe Kian Fui, Director Faspay predicts, there will be more independent *entrepreneur* (or SMEs) in 2016 who start an *online* business to capitalize social media like Instagram. Meanwhile, Daniel Tumiwa, CEO of OLX Indonesia, said Indonesia is a vast oceanic country. In the past, people outside Jakarta and the island of Java had difficulty obtaining goods that were only available on the island of Java or other big cities. Now any commodity can be bought easily with internet and shipping services. In 2016, Daniel said, an estimated 8.4 million *e-commerce* shoppers in Indonesia, with sales to reach US \$ 4.49 billion. It shows the *level of acceptance* of Indonesia towards *e-commerce*. ([Http://www.marketing.co.id/](http://www.marketing.co.id/)).

Currently, consumptive activities undertaken by people in Jakarta are not only driven by the need for the function of these goods alone. However, also based on the desire that is to maintain prestige. This is due to the increasing number of offers from the latest products promoted through print media and online media, online media is one of the marketing places that make a person becomes easily affected to try or buy goods even though the goods are actually not needed (Nur Lailatul Mufidah, 2006).

Can be seen from the graph below, the development of online business in Indonesia is increasing from year to year, according to a survey on the website:<http://smsgatewaytoweb.blogspot.co.id/> Revealed that the number of people who shop online in Indonesia as follows:

Figure 1.1
Graph of the development of people who shop online in Indonesia



Source: <http://msgatewaytoweb.blogspot.co.id/>

Lifestyle of the community is now changing due to the influence of these technological developments, one of the most striking of these technological developments are gadgets and the tendency to move in cyberspace such as shopping online or more often called online shopping. The Internet has an important role to introduce us to the virtual world. Now in various countries enter a new era called the era of globalization. The era of globalization is an era where the boundaries of geography between countries is no longer a barrier in the process of communication and interaction between individuals. This is more apparent when we associate with the internet. The Internet stands for interconnection-networking. The Internet is a global system of all computer networks connected using Internet Protocol Suite (TCP / IP) standards to serve billions of users worldwide. With the Internet this will certainly further facilitate the process of "globalization" in the world. Through the internet, we are familiar with many things, ranging from social networking, applications, news, video, photos to shopping through the internet or often called online shopping.

Figure 1.2
The most popular e-commerce site data of 2015 in Indonesia

Rank of Popular	E-Commerce	PBI	IR
1	Lazada	29.2	47.0%
2	OLX	22.1	
3	Berniaga	8.9	
4	FJB Kaskus	8.1	
5	Zalora	5.5	
6	Qoo10	3.8	
7	Tokopedia	3.6	
8	Rakuten	2.6	
9	Bhinneka	2.1	
10	Blibli	1.8	
11	Groupon Disdus	1.4	
12	elevenia	1.3	
13	Berrybenka	1.3	
14	Bukalapak	0.6	
15	Livingsocial	0.5	

Source: <https://id.techinasia.com/survei-website-ecommerce-populer-indonesia/>

From the data that has been presented above, 29.2% of 49% of the Indonesian population of consumers who are online shopping prefer to visit the site Lazada.co.id. However, from the many advantages and youths of shopping on online sites, 80 out of 100% of online shop consumers are not aware that the products they buy are products that are already taxed. Though without consumers realize, with them buying products in some online shop indirectly consumers donate funds for the development of the State through VAT.

The purpose of this study was to find empirical evidence on the following:

1. Analyzing the influence of knowledge on the imposition of VAT on goods online have an influence on decisions and consumer confidence.
2. Analyze the influence of the understanding on the imposition of VAT on goods online have an

influence on decisions and consumer confidence.

3. Analyzing the effect of the level of consumer awareness that the imposition of VAT on online goods gained influence decisions and consumer confidence.

The contribution of this research are:

1. For the Company, the results of this study are expected to contribute and benefit the online business players, especially Lazada.co.id, in order to formulate a good marketing strategy so that the company can be more advanced, excel, continue to innovate to become the site of online sale and purchase number one who can be trusted.
2. For the community, with this research can help the community when making purchases online. Communities get information, ease of shopping, and transact online.
3. For an academic, author, has urged this research can provide benefits on the ins and outs of *online* business and can find a secure *online* transaction, and can open up business opportunities. Penelitiian this could be one source of reference regarding *ecommerce*.

B. LITERATURE REVIEW, FRAMEWORK, AND HYPOTHESES

1. Online business

The Internet is used to send information throughout the Internet users around the world for twenty-four hours, because it involves *client-server* program as a robotic system that is running multiple computers constants and manage the information required by the user.

According to Bodnar and William (2006), the Internet is an electronic pathway that consists of various standards and protocols that allow computers in any location to communicate with each other. While the intranet is an internal komunikasi means in *Local Area Network* are adopting a variety of protocols and technologies associated with the Internet. The Internet will appear as an intranet in the sense that employees within the organization can access corporate information repositories with the same they will use to access local and long distance information. [Http://id.wikipedia.org/wiki/Bisnis_online](http://id.wikipedia.org/wiki/Bisnis_online)

2. Buying decision

Consumer purchase decision is a decision as the possession of an action of two or more alternative options (Sumarwan, 2003: 289). Another definition of purchase decision is the buyer's decision about which brand to buy (Kotler and Armstrong, 2008: 181). Another notion of purchasing decisions is the consumer's decision regarding the preferences of the brands in the set of choices (Kotler and Keler, 2009: 240).

To understand consumer decision making, it must first be understood the nature of consumer involvement with the product or service (Sutisna, 2003: 11). Understanding the level of consumer involvement of a product or service means the marketer tries to identify the things that cause a person to feel involved or not in the purchase of a product or service.

The level of consumer involvement in a purchase is influenced by stimulus (stimulus). In other words, whether or not a person feels involved with a product is determined whether or not he feels important in making a purchase decision for a product or service. Therefore, it can be said that there are consumers who have high involvement in the purchase of a product or service, and there are also consumers who have low involvement on the purchase of a product or service (Sutisna, 2003: 11).

3. Consumer confidence to buy online products a second time.

Trust has gained much research attention and has been identified as a key driver of e-commerce success (Jarvenpaa & Staples, 2000). Consumers who already have confidence in a product / brand, will generate interest in purchasing the product / brand. Trust according to Mayer et al. (2007) is the willingness of one party to accept the risk of another's actions based on the expectation that the other party will take an important action for the party that believes it, regardless of the ability to supervise and control the actions of the trusted party. Trust indicators consist of the ability, goodwill and marketer integrity, and consumer emotion. Other research on purchasing decisions is not only done on products, but also on services. Several factors that influence trust include risk and price. Both of these factors in internet commerce become a dominant consideration for consumers (Gefen et al., 2003). Risk is considered higher than physical trading due to the limited physical contact of consumers to the product, so that consumers can not perform product performance supervision before making a purchase. In online trading, trust plays a role in reducing the risk-specific issues consumers may encounter in purchasing online (Luhman, 1988)

4. Knowledge

According to Wikipedia, 2015, Knowledge is information that is known or realized by a person. Knowledge is not limited to descriptions, hypotheses, concepts, theories, principles and procedures that Bayesian probability is true or useful. In another sense, knowledge is the various phenomena humans encounter and acquires through the observation of reason. Knowledge arises when a person uses his or her sense to recognize a thing or event that has never been seen or felt before. Knowledge is information that has been combined with the understanding and potential for tracing that is inherent in one's mind. In general, knowledge has a predictive ability to something as

a result of recognition of a pattern. Where information and data are merely capable of informing even confusion, knowledge is capable of directing action. In this study, it will be reviewed whether the knowledge on the imposition of VAT on online business products will influence the consumer's decision to buy products online and whether there is also an influence on the level of consumer confidence to buy products online for the second time.

5. Understanding

Understanding defined processes of thinking and learning. It is said that because to go to the understanding needs to be followed by learning and thinking. Understanding is a process, deed and way of understanding. In Bloom's Taxonomy, understanding is the ability to understand a higher level of knowledge. However, it does not mean that knowledge is not questioned because to be able to understand, need to know or know first. Understanding in learning is the level of ability that expects a person able to understand the meaning or concept, the situation and facts that he knows. In this case he not only memorized verbally, but understood the concept of the problem or fact being asked, his operations can differentiate, change, prepare, present, organize, interpret, explain, demonstrate, model, estimate, determine, and make decisions. The cognitive domain shows the extent of capability achieved from the lowest to the highest. It can be said that comprehension is higher than mere knowledge. Understanding according to Anas Sudijono, is the ability of a person to understand or understand something after something is known and remembered. In other words, understanding is knowing knowing about something and being able to see it in different ways. Understanding is a higher level of thinking ability than memory and memorization. Meanwhile, according to Yusuf Anas, what is meant by understanding is the ability to use knowledge that has been remembered more or less the same as already taught and in accordance with the purpose of its use.

From the above opinions, the indicator of understanding is essentially the same, that is to understand something means one can defend, differentiate, guess, explain, interpret, estimate, specify, extend, summarize, analyze, model, rewrite, classify and summarize. Indicators of understanding show that comprehension contains a broader or deeper meaning of knowledge. With knowledge, one does not necessarily understand something in question in depth, just simply knowing without being able to grasp the meaning and meaning of something learned. While with understanding, one can not only memorize something learned, but also have the ability to capture the meaning of something learned also able to understand the concept of the lesson.

In this study, it will be reviewed whether understanding of the imposition of VAT on online business products will influence consumer decisions to buy products online and whether it will also affect the level of consumer confidence to buy products online for the second time.

6. Awareness

Consciousness is conscious of action. Conscious means feeling, knowing or remembering (to the real situation), remembering him, remembering (from fainting), waking up, waking up, remembering and understanding, for example, the people are aware of politics.

Reflection is a form of disclosure of consciousness, in which it can provide or survive in certain situations and conditions in the environment. Every theory produced by a person is a reflection of reality and human reality.

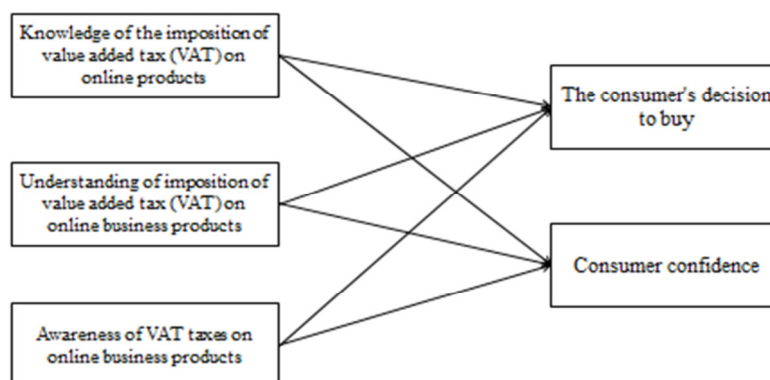
Literally, consciousness is the same as the awareness. Awareness can also be interpreted as a condition in which an individual has full control over internal stimuli as well as external stimuli. However, consciousness also includes in perceptions and thoughts that are vaguely recognized by the individual so that his attention is ultimately centered.

In this study, it will be reviewed whether awareness of the imposition of VAT on online business products will influence consumer decisions to buy products online and whether there is also an influence on the level of consumer confidence to buy products online for the second time.

7. Framework

The framework in this study is to describe the effect of independent variables with dependent variable as follows:

Figure 1.3
Framework



Source: Secondary Data, processed 2016

8. Hypothesis

1. **Effect of an identifier knowledge on value added tax (VAT) on the product line to the consumer's decision to buy.**

Knowledge is the various phenomena humans encounter and acquires through the observation of reason. Knowledge arises when a person uses his or her sense to recognize a thing or event that has never been seen or felt before. (Wikipedia.com, 2015)

Knowledge of the regulations and the tax provisions on consumption imposed by every consumer of online product lovers are expected to help increase state tax revenues. According to Yuli, et al (2012) Information owned by the taxpayer will affect them against taxpayer compliance. The more information they know it will help them to respond. Based on research conducted by Yuli, et al (2012) obtained the result that knowledge of taxation have a positive effect on tax compliance level. So that can be formulated hypothesis as follows:

H1: Knowledge of VAT imposition on online products has an effect on consumer's decision to buy product online.

2. **Effect of an identifier understanding on value added tax (VAT) on the online business products to the consumer decision to purchase a product online.**

Knowledge and understanding of taxation regulation is a reasoning and catching meaning about taxation regulation. The public should have knowledge and understanding of taxation regulations, because to meet its tax obligations, taxpayers must know about taxes first. With good tax understanding, people will understand the importance of paying taxes and benefits that can be felt directly or indirectly.

In this study, the security of the imposition of VAT on online products will be tested whether the effect on the level of consumer decisions to buy. So from the description above can be formulated hypothesis as follows:

H2: Understanding of the imposition of value added tax on online products has an effect on consumer's decision to buy.

3. **An identifier Awareness influence on the VAT tax on online business products to the purchasing decision.**

Consciousness is an awareness of action. Conscious means feeling, knowing or remembering (to the real situation), remembering him, remembering (from fainting), waking up, waking up, remembering and understanding, for example, the people are aware of politics. Irianto (2005) outlines some form of awareness in encouraging taxpayers to pay taxes. First, the awareness of taxes is a form of participation in supporting the development of the state. By realizing this, taxpayers are willing to pay taxes because they feel not harmed by tax collection. Second, the awareness that the delay in tax payments and the reduction of the tax burden impacts on the lack of financial resources that could lead to the hampering of state development. Third, the awareness that taxes are enforced by enforceable laws. Taxpayers will pay taxes because tax payments are recognized to have a strong legal basis and are an absolute obligation of every citizen.

Awareness raising on VAT on online products here is worth noting, because basically if the turnover of a company that sells taxable goods / taxable services already exceeds 4.8 billion, the company is obliged to charge VAT on every product it sells. In this phenomenon, the customer will be aware of the tax imposition when they shop at ecommerce site, thus the authors formulate the following hypothesis:

H3: Awareness of the imposition of value added tax on online products affects consumer decisions and trust.

4. **Effect of an identifier knowledge on value added tax (VAT) on the product line to consumer confidence.**

Before consumers decide to buy an online product it takes some consideration between the risk and the amount of the price paid if the ordered product does not match the item received. When consumers have the knowledge that there is VAT on the goods they buy on the ecommerce site, consumers will reconsider to decide to buy the

goods and buy again at the same online store.

The higher the consumer's confidence, will increase his purchasing decision, although the higher the level of risks that may arise and the higher the price to be paid by consumers. So some factors that were considered no longer have an effect if the level of consumer confidence has been established.

H4: Knowledge of the imposition of VAT on online products affects consumer confidence.

5. An identifier understanding on value added tax (VAT) on the product line to consumer confidence.

Trust is a one-party belief about the intent and behavior of the other. According to quotes Morgan and Hunt (2006) define trust as a condition when one party involved in the exchange process is confident with the reliability and integrity of the other. The quotation also explains that trust is a willingness or willingness to rely on a partner involved in a trusted exchange. The willingness is the result of a belief that the parties involved in exchange will provide consistent quality, honesty and responsibility. In this study, the revelation of the imposition of VAT on online products will be tested whether the effect on the level of consumer confidence to buy. So from the description above can be formulated hypothesis as follows

H5: Understanding of the imposition of VAT on online products affects consumer confidence.

6. An identifier awareness on value added tax (VAT) on the product line to consumer confidence.

Awareness affects purchasing decisions and customer trust in a product. Where customers more have their own perceptions. For example, customers who prioritize products that they pay attention to in the environment or quality quality of the price, tax imposition or risk that will be obtained. From here the products that have these criteria have customers who are fanatical towards the brand. So customers tend to choose a brand that is used to use than other brands although the price is more expensive and the product is taxed.

In this study, awareness of the imposition of VAT on online products will be tested whether the effect on the level of consumer confidence to buy. So from the description above can be formulated hypothesis as follows

H6: Awareness on the imposition of VAT on online products affects consumer confidence.

C. METODE PENELITIAN

This research was conducted by using an approach or quantitative methods (*quantitative approach*). Aims to show whether there is a relationship between the variables studied. The quantitative approach emphasizes the existence of variables as research objects, and through a built hypothesis will be tested through statistical formulas and certain analytical techniques.

Researchers want to know and examine the relationship between VAT knowledge on taxable goods and the understanding of VAT on online business products on consumer decisions and beliefs. The performance of the consumption patterns of the college students of mercubuana referred to in this study is the level of consumption of students in shopping at Lazada.co.id with the aim of the university students mercubuana in knowledge and understanding of the VAT they have, based on the perspective of university students mercubuana who ever shop at Lazada .co.uk so that the results of this research is targeted and objective.

Based on the nature there are two types of variables ie independent variables (independent variables) and dependent variables or variables that affect the independent variable (dependent variable). This study aims to determine the influence of knowledge and understanding of VAT on online business products to consumer decisions and confidence. Knowledge and Understanding in this research will be independent variable (independent variable) which will influence consumer's decision and trust.

In this study, the independent variable (independent variables) there are two variables, namely the X variable is divided into three sub variables, namely Knowledge of VAT (X1), Understanding of VAT (X2) and Awareness (X3). And that becomes dependent variable (variable dependent) that is variable Y, is decision of Purchase (Y1) and Consumer trust (Y2)

So to measure X 1, X 2 and X 3 and Y1 and Y2 with the dimensions and indicators are as follows:

1. VAT Knowledge of online business products

VAT Knowledge of online business products is the VAT tax on online business products that only known and realized by someone that the VAT tax is in the products in supermarkets and other shopping centers by the observation of the intellect and knowledge of students and society. This variable is measured through 2 (two) dimensions, namely: Environment and Electronic Media. Environmental Indicators and Electronic Media are VAT, VAT in online business products, quality of goods.

2. Understanding VAT on online business products

Understanding VAT on Products online business is the understanding of VAT tax on Products business online is the process or act of understanding about the VAT tax that is known when the sale process occurs. This variable is measured through 2 (two) dimensions: Campus, and Lecture taxation. Campus Indicators, and Taxation Lecture are VAT, VAT in Taxable Goods, Quality of Goods.

3. VAT Awareness of Products online business

VAT awareness of products online business is Taxpayer Awareness in the world of taxation should be increased

so that Taxpayers are willing to meet its tax obligations. Describe some form of awareness of paying taxes that encourage Taxpayers to pay taxes that is, the awareness that the tax is a form of participation in supporting the development of the state, realizing this Taxpayers are willing to pay taxes because they feel not harmed from the tax collection made. Tax is realized to be used for state development in order to improve the welfare of citizens.

4. Buyer Decision (Y1)

The purchase decision is a consumer action to establish a reference among the brands in a select group and to buy the most preferred product. This variable is measured through 3 (three) dimensions of purchase, product, quality and price.

- A. Indicator of purchase is Frequency and according to requirement.
- B. Product indicators are information, search for new products, brand popularity, and quality.
- C. The price indicator is affordable and discounted.

5. Consumer Confidence (Y2)

The definition of trust in various contexts is one's willingness to accept risks. Adapted from the definition, Lim et al (2001) expressed consumer confidence in internet shopping as a willingness of consumers to expose themselves to the possibility of loss experienced during shopping transactions via the internet, based on the hope that the seller promises a transaction that will satisfy the consumer and be able to send goods or Services that have been promised.

Operationalization of Variables

Table 3.4

No.	Variable Research	Licence	Indicator	Scale
1.	Knowledge X1	Knowledge is the various phenomena humans encounter and acquires through the observation of reason. Notoatmodjo (2007)	<ul style="list-style-type: none"> • I know of VAT in the existing shopping mall from the campus environment. • I know of VAT in the taxable goods of a product from the campus environment. • I know the quality of the goods in the product is good from the family environment. • I am aware of the VAT in the shopping center from the internet media, TV and radio. • I know the quality of goods views of the product from Internet media, TV and radio. 	Interval
2.	Understanding X2	Understanding is the process of thinking and learning, due to moving towards an understanding needs to be followed by learning and thinking. EmZul, Fajri & Queen Aprilia Twilight (2008: 607-608)	<ul style="list-style-type: none"> • I understand about the VAT in the shopping center campus. • I understand the VAT on the products on the shopping center campus. • I understand that good quality goods of products in the shopping center campus. • I understand of course VAT taxation. • I understand their VAT in taxable goods from taxation courses. 	

operationalization variable
table 3.4

No.	Variable Research	Licence	Indicator	Scale
3.	Awareness X3	Together with mawasdiri consciousness which is defined as a condition where an individual has complete control over the stimulation of internal and external stimuli.	<ul style="list-style-type: none"> • I realize that every citizen has the obligation to pay taxes. • I pay taxes voluntarily, not forced and does not expect praise. • Obligations of the taxpayer is paying taxes on rice waktutan influenced by others. • I have been aware of the rules concerning VAT and BKP in tax regulations. • I am aware that the tax paid will be returned to us in the form of infrastructure and facilities needed by society. • Taxes are the largest source of state revenue. • I pay taxes used to finance the construction of the State. • I have been aware of all rules regarding the tax payment deadline. 	Interval
4.	Purchase Decision (Y1)	A consumer action weeks to form a reference among the brands in the group selection and buy the most preferred product. Kotler and Keller (2007: 214)	<ul style="list-style-type: none"> • Consumer demand for online business products. • Consumers looking for information on business products online • Alternaive evaluation of the product before buying. • Consumers decided to buy products online • Consumers are satisfied with online business products. 	Interval
5.	Consumer Confidence (Y2)	Consumer confidence is the willingness of one party accepts the risk of the other party based on the belief and hope that the other party will act as expected, although the two sides have not met each other.	<ul style="list-style-type: none"> • Consumers will be satisfied with the online business products • The desire to buy a second time on the same online store. • Consumers decide to purchase other products in the same online store. • Consumers would recommend to others 	Interval

Population refers to the entire group of people, events, or interests to be investigated (Sekaran, 2006). The population used in this study are students enrolled in the Faculty of Economics at the University of Prof. Dr. Active Moestopo (Religion) who purchases Online Products. Researchers choose students as population because students are active users of new technology and students are also considered as consumers who are very influential on e-commerce (Krisnu Putra Yutadi, 2014).

The sampling method used in this research is the convenience sampling method, where the sample of this research is the sample selection method from the population element whose data is easily obtained so that the researcher has the freedom to choose the fastest sample with the relatively cheap cost. This convenience sampling method was chosen in relation to the limited time available for conducting the research, but the samples obtained met the statistical rule

Roscoe (1975) in Sekaran (1992) stated that: 1. The number of samples sufficient for the study is in the range of 30 to 500. In a study using multivariate analysis (such as multiple regression analysis), the sample size must be at least 10 times greater than The number of independent variables. Meanwhile, Hair et al. (1998) states that the minimum number of samples to be taken when using multiple regression analysis techniques is 15 to 20 times the number of variables used. The number of samples is determined on terms as determined by the approach of Tabachnick and Fidell (1997) in (Hair, 1998), the required sample size is between 5 - 10 times the number of parameters. With the number of research parameters, in this case is the number of construct indicators of 30, then the number of respondents ideally is between 150-300 respondents. The analysis method is as follows:

1. Descriptive statistics

Descriptive statistical method is a data recording accompanied by sentence, word or image to give a description of the variables studied, but not used to make conclusions. Descriptive statistics include average value (mean) for further deduced from the average - average respondent's answer to each question from each - each variable.

2. Quality Test Data

A. Validity test

Validity for incorrect or invalid engukur failure of a questionnaire. A questionnaire considered valid if the questionnaire is able to reveal something that will be measured by the questionnaire (Imam Ghozali, 2011: 52). An instrument that has a high validity means that the instrument is valid, otherwise if the instrument has low validity means the instrument is less valid. Instruments can be said to be valid if it is able to measure and disclose data from rigorous, precise validity.

B. Reliability test

Reliability test is a tool to measure a questionnaire which is an indicator of variables. A questionnaire is said to be reliable if the respondent's answer to the question is constant over time. To test the reliability of the constructs used in this study testing techniques *Cronbach Alpha*. A construct is said *realible* if the value of *Cronbach Alpha* > 0.60 (Imam Ghozali, 2011). For this test using Cronbach Alpha coefficients of each instrument in one variable.

3. Classic assumption test

After the instrument is valid and reliable, then performed the data analysis. Requirements include data analysis Normality Test, multicollinearity, and Heteroskedasticity. Requirements analysis is done in order to do Hypothesis.

a. Normality test

Normality test is performed to determine whether the regression model, the independent variables and the dependent variabelin distrbusi both have normal or not (Imam Ghozali, 2011: 160). A good regression model is a model that has a normal data. Normality test can be performed with three test methods: (1) use kolmogorow-Smirnov test (KS test), (2) chart histograms, and (3) the deployment of P-Plot curve.

In the KS test if the value of the test results $KS > 0.05$ significance than the distribution of data is not distorted and it is called the normal curve normality test. While the chart histograms and distribution patterns P-Plot is a spreading pattern has a normal line, it can be said normal distribution of data.

b. Multicollinearity test

Multikolonearitas the relationship among independent variables. Multikolonearitas assumption states that the independent variables must be free of symptoms multikolonearitas, one of the measures to improve the model by eliminating variables from the regression model.

A good regression model did not happen correlation daiantara independent variables. Multikolonearitas test can be done in two ways: (1) VIF (Variance Inflation Factors) and (2) the value of Tolerance. If *tolerance* < 0.10 and $VIF > 10$ then a symptom Multicollinearity (Ghozali, 2013: 105).

c. Heteroscedasticity Test

Heteroskedasticity test was used to test whether a regression model occurred inequalities and residual variance from one observation to another observation. If the *variance* of the residuals of the observations to other observations remain, it is called and if different homoskedastisitas called heteroskedasitas (Imam Ghozali, 2013: 139).

4. Hypothesis testing

a. Determination coefficient test (R²)

Coefficient determination test is indicated to see how adaptable the independent variables explain the dependent variable that is seen through the *Adjusted R Square* is 1 means strong ability to fluctuations in the dependent variable entirely explained by the independent variable and no other factors that cause fluctuations in the dependent variable, preferably if the value is approaching 0, the lower the ability of the dependent variable fluctuations (Imam Ghozali, 2013: 87).

b. Simultaneous Test (Test F)

Test F basically indicates whether all the independent variables affect the dependent variable or free (Imam Ghozali, 2013: 177).

Testing criteria:

1. Formulate hypotheses and alternative (H₁) means there is a significant influence of the independent variable on the dependent variables simultaneously
2. Determining the level of significance and the degree of error (α) The level of significance in this study was 95% or $\alpha = 5\%$
3. F test by comparing the F arithmetic with F table.
Where the value of F table = $F_{\alpha k (nk-1)}$
If F arithmetic > F table then H₀ is rejected and H_a accepted.
If F arithmetic < F table then H₀ is accepted and H_a rejected.
4. To test the F is based on the probability / sig
If the P value > 0.05 then H₀ is accepted and H_a rejected.
If the P value < 0.05 then H₀ is rejected and H_a accepted.

c. Partial Test (Test T)

The t-test is used to determine the effect of each independent variable on the dependent variable (Imam Ghozali, 2013: 178), t-test mechanism is as follows:

1. State the null hypothesis and the alternate hypothesis.
(H1) means there is a significant influence of the independent variable on the dependent variable.
2. Choose real rates significance level (α)
Significance used in this study was 95% or $\alpha = 5\%$
T test with the method of comparison between t arithmetic with t table. T table = t (H0, Ha rejected) when $t < t$ table. This means that the independent variable has no significant effect on the dependent variable.
(H0 is rejected, Ha acceptable) when $t > t$ table. This means that the independent variables significantly influence the dependent variable partially.
3. To test the basic t with probability / sig
 1. (H0, Ha rejected) if sig > 0.05
 2. (H0 is rejected, Ha acceptable) if sig < 0.05

d. Multiple Linear Regression Analysis

Multiple linear regression analysis was conducted to test the effect of some of the independent variable on the dependent variable. The analysis in this study dilakukan multiple linear regression analysis. Analysis chosen in this study because it has more than one independent variable. This test is used to determine the image directly regression coefficients or the magnitude of the effect of each - each independent variable (free), namely Knowledge Value Added Tax (VAT) (X 1), Understanding the Value Added Tax (VAT) (X 2), Awareness of the Value Added Tax (VAT) (X3), the dependent variable (dependent) purchasing decisions (Y1) and consumer confidence (Y2) using multiple linear regression analysis can be formulated as follows:

D. ANALYSIS RESULTS AND DISCUSSION

1. Knowledge influence on the imposition of VAT on the products online on purchasing decisions

Based on the results obtained by t test t value of 0.490 is smaller than the t table 0.675 with a significance level of 0.520. Therefore t count \leq t table with a significance level <0.05, it can be seen H1 rejected and knowledge variable has no significant effect on purchase decisions on the site *e-commerce*. This happens because there are still many consumers who do not know the taxation on the products they buy on the online site. In addition, we know that during this time -site online sites like elevenia, lazada, Blibli, etc. only offers ease of shopping and offers easy it is to pay the various installments. Therefore, knowledge of the taxation on the products online has become very minimal. The results of this study support previous research that has been done Sally (2016) which states X1 (Knowledge VAT) had no significant effect on the variable Y (purchase decisions). It can be concluded that this study are consistent with research conducted Sally (2016) therefore rejected Ha1 and knowledge variable has no significant effect on purchase decisions on the site *e-commerce*.

2. Understanding the influence on the imposition of VAT on the products online on purchasing decisions

Based on the partial test results, we concluded that pemahaman on the imposition of VAT on online product obtained t value of 0.371 is smaller than the t table 0.675 with a significance level of 0.254. Therefore t count \leq t table with a significance level <0.05, it can be seen H2 is rejected and an understanding of variables does not significantly influence purchase decisions on the site *e-commerce*. This happens because there are still many consumers who do not understand and know if the ecommerce site where they shop already has a turnover of over 4.8 billion a year online shop then it certainly will add VAT on the products they sell. Therefore the understanding of variables does not significantly influence purchase decisions on the site *e-commerce*. The results of this study are not consistent with research that was done by Sally (2016).

3. Awareness influence on the imposition of VAT on the products online on purchasing decisions

Purchasing decisions have a very strong relationship at some indicators that like price, quality, risk, priority needs, the ease of obtaining the desired items and others. This research can be focused on online product is as an object of research. Known, now the convenience of shopping is very easy to obtain by all circles.

Based on the partial test results, we concluded that the awareness on the imposition of VAT on online product obtained amounted to 2,107 t value greater than 0.675 ttable with a significance level of 0.001. Therefore t count \leq t table with a significance level of > 0.05, it can be seen H3 acceptable and understanding of the variables have a significant influence on purchase decisions on the site *e-commerce*.

This study is in line with research conducted by Sally (2016) and anisa karimah (2015). This can be caused when deciding to purchase a product online has a high level of risk which is often the buyer receives the goods do not conform with the picture, in addition to the purchase price must be added to the VAT contained in the product. Then the consumer awareness of the imposition of value added tax on online product has a significant influence on purchasing decisions.

4. **Knowledge influence on the imposition of VAT on the products online on Consumer Confidence**

Based on the results obtained by t test t value of 0.377 is smaller than the ttable 0.675 0.571 significance level. Therefore t count \leq t table with a significance level of > 0.05 , it can be seen H4 is rejected and knowledge variables did not significantly affect consumer confidence to re-purchase on the site *e-commerce* alike.

The results in this test means that knowledge of the products subject to the tax (VAT) has no effect on consumer confidence, since some consumers regard VAT are things that do not harm or affect the desire for the product and the consumer confidence to buy back in Lazada, elevenia, Blibli and ecommerce sites are subject to other taxes. This research was supported by previous studies that with their knowledge of the VAT on the products they wish to purchase will not affect the consumer confidence indicator because there is no requirement for a tax indicator. So it looks H1 rejected and knowledge variables did not significantly affect consumer confidence to re-purchase on the site *e-commerce* alike.

5. **Understanding the influence on the imposition of VAT on the products online on Consumer Confidence**

Based on the results obtained by t test t value of -0.426 is smaller than the t table 0.675 with a significance level of 0.625. Therefore t count \leq t table with a significance level of > 0.05 , it can be seen H5 rejected and knowledge variables did not significantly affect consumer confidence to re-purchase on the site *e-commerce* alike. Reduced consumer confidence can be affected by several factors one of them VAT.

It is similar to the effect of the imposition of VAT on product knowledge online to consumer confidence. Although consumers have understood there is the imposition of value added tax on the product online, it will not affect consumers' willingness to acquire these products and reduce consumer confidence to repurchase the same e-commerce sites. However, unlike the case with the case of experienced players sinetron Nikita willy. He said he was very satisfied with the goods bought in one e-commerce site that is already an international scale. Before he decided to buy a product online he saw their tax-free promo posted by the ecommerce site. Therefore Nikita willy decide to buy the product. After making the payment and the goods ordered had arrived in Indonesia, Nikita willy given a tax invoice for VAT and tax on luxury goods. Of course par is very material. This is what can affect consumer confidence in determining whether they will buy again on the same site or not.

6. **Awareness influence on the imposition of VAT on online products to consumer confidence.**

Based on the results obtained by t test t value of 3.293 is greater than t table 0.675 with a significance level of 0.000. Therefore t arithmetic greater than t table at a significance level of < 0.05 , it can be seen H6 acceptable and awareness variables have a significant effect on consumer confidence to re-purchase on the site *e-commerce* alike.

From the results of which have been tested, the variable consciousness has a significant impact on consumer confidence. By providing clear information on e-commerce sites with VAT included information on each product to make consumers aware of when they purchase a product online, it also will affect consumer confidence in the re-purchase. Because there is a good case of public figures who are doing shopping online, coincidentally the site uses ecommerce is that the scope of foreign sellers. He explained in an interview in one of the private TV, he did about 20-25 million transactions for online shopping. But when will confirm the payment, there are captions prices include taxes. Then once the product ordered has been received, there are letters which contain consumer tax bill must complete the payment of taxes (import tax and VAT). In the case of this kind, to trust and re-purchase the same ecommerce consumer sites will strongly consider the risks to be received. The results are consistent with studies examined by Sally (2016) Therefore, the imposition of VAT on a variable awareness of online products significantly influence consumer confidence. The results are consistent with studies examined by Sally (2016) Therefore, the imposition of VAT on a variable awareness of online products significantly influence consumer confidence. The results are consistent with studies examined by Sally (2016) Therefore, the imposition of VAT on a variable awareness of online products significantly influence consumer confidence.

E. CONCLUSIONS AND SUGGESTIONS

Based on the results of research, data analysis, and open to interpretation, this research be concluded as follows:

1. Consumer knowledge on the imposition of VAT on online product does not significantly influence the

- purchasing decisions of consumers. This means that there are consumers who do not know the taxation on the products they purchase online frequently.
2. Consumer understanding on the imposition of VAT on online product does not significantly influence the purchase decision. This means that consumers do not understand about the products that can be taxed, although media that are sold through an online site.
 3. Consumer awareness on the imposition of VAT on online products significantly influence the consumer's decision to buy. This means that the consumer is aware of the VAT contained in the product to be bought as well as the risks that would be obtained when buying the product online, it will be taken into consideration and will affect purchasing decisions.
 4. Consumer knowledge on the imposition of VAT on online product does not significantly affect consumer confidence. This means that even if consumers have purchased a product online at the same ecommerce sites and been aware of any VAT on these products, this is because some consumers consider the VAT is something that does not harm or affect the desire to obtain such products.
 5. Consumer understanding on the imposition of VAT on online product does not significantly affect consumer confidence. It is similar to the effect of the imposition of VAT on product knowledge online to consumer confidence. Although consumers have understood there is the imposition of value added tax on the product online, it will not affect consumers' willingness to acquire these products and reduce consumer confidence to repurchase the same e-commerce sites.
 6. Consumer awareness on the imposition of VAT on online products have a significant impact on consumer confidence. This means that, if the lack of clear information on the imposition of VAT contained in the detail of products sold, then the consumer will keep trusting ecommerce site. But otherwise, if there is no clear information on the details of the product sold, it will have an effect on consumer confidence.

This study has limitations in terms of the number of samples of 150 respondents and only done in one place: University Prof. Dr. Moestopo (Religion). In addition, respondents in this study only in the student class of 2013, 2014 and 2015. Based on the analysis, discussion, and the conclusions that have been described, and also the limited research that has been described previously, the author gives suggestions that can be used as input or consideration both parties- interested parties as follows:

1. For ecommerce sites, need holding another promotion in a larger scale for the segment sales. Due to the presence of large sales promotion, will automatically increase tax revenues in the sector value added tax. With the advent of online sales within this system that has a lot of consumer attention, it can also affect the state's revenues and will also have an impact on the progress of this country.
2. For the government, in line with the advancement of internet technology like this the government should establish a policy through the tax laws against online shopping.
3. For consumers:
 - a. This research can help people obtain information online presence of VAT on products that often they buy, helping consumers to find the ease of shopping through ecommerce system that has been reliable, and bertransaksi online.
 - b. The author has urged this research can provide benefits on the ins and outs of business *online* and can find out transactions *online* are secure, and can open up business opportunities. Penelitian this could be one source of reference regarding *ecommerce* especially influence the perception of price and quality of products on purchase decision.
4. For Academic,
 - a. Further research is expected to increase and develop other independent variables that aims to identify other variables that may influence purchasing decisions and consumer confidence.
 - b. For further research needs to expand the number of samples and increasing the number of study places. And a variety of survey respondents not only students of class 2013 , 2014 and 201 5 but also includes other college students or employees who have a penchant for online shopping.

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