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The Effect Of Online Customer Reviews And Cash On Delivery (Cod) Services On Consumer Purchase Decisions For Accessory Products On The Shopee Marketplace (A Case Study of the Online Store "Urgilvi.co" in Bandar Lampung)

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Abstract

This study aims to analyze the influence of online customer reviews and Cash On Delivery (COD) services on consumers' purchasing decisions for accessories at the Urgilvi.co store on Shopee. The study employs a quantitative approach using a survey method on 170 respondents selected via purposive sampling, and the data is analyzed using multiple linear regression. The results indicate that online customer reviews and COD have a positive and significant influence on purchasing decisions. Online customer reviews serve as a source of information that shapes consumer evaluations, while COD enhances purchasing decisions through perceptions of transaction security and convenience. These findings indicate that purchasing decisions for accessory products are influenced not only by the quality of information but also by payment mechanisms that enhance consumer security. Managing customer reviews and consistently offering COD as a payment method are key strategies for improving purchasing decisions.

Keywords: online customer reviews, cash on delivery, purchasing decisions, e-commerce

INTRODUCTION

The development of digital technology and the increasing use of the internet in Indonesia have driven the growth of e-commerce and shifted consumer shopping

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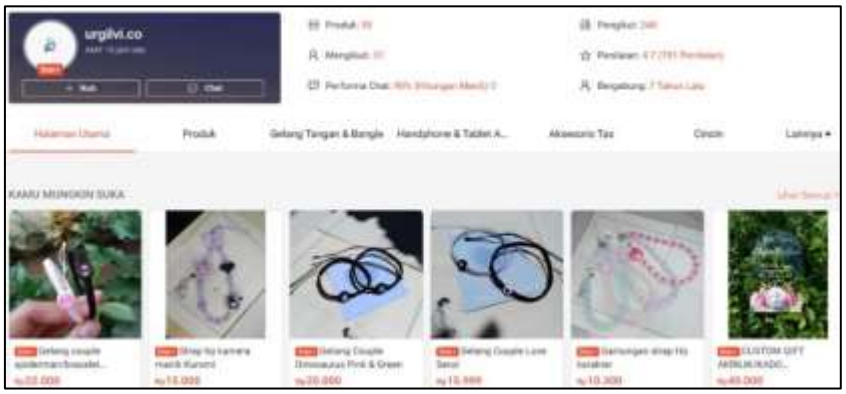
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behavior toward online platforms. In this context, Shopee has become one of the most widely used marketplaces, particularly in the fashion and accessories categories. This indicates that consumers' purchasing decisions on marketplaces are influenced by various factors beyond product price and quality.

The purchasing decision is the consumer's process of selecting a product to meet their needs (Kotler & Keller, 2016). In e-commerce, this decision is influenced not only by price and quality but also by customer reviews and payment methods (Khoirotun et al., 2024). Online customer reviews serve as a source of information that helps consumers evaluate products and reduce uncertainty (Lackermair et al., 2013), while Cash On Delivery (COD) enhances purchasing decisions through perceptions of transaction security and control (Anjum & Chai, 2020; Alfarizi & Sari).

With the growth of e-commerce, SMEs are increasingly utilizing marketplaces like Shopee as distribution channels, including the Urgilvi.co store in Lampung. Therefore, it is important to analyze the influence of online customer reviews and COD on purchasing decisions, particularly for accessory products that carry a high level of uncertainty in online purchases.

Figure 1. Profile of the Urgilvi.co Online Store



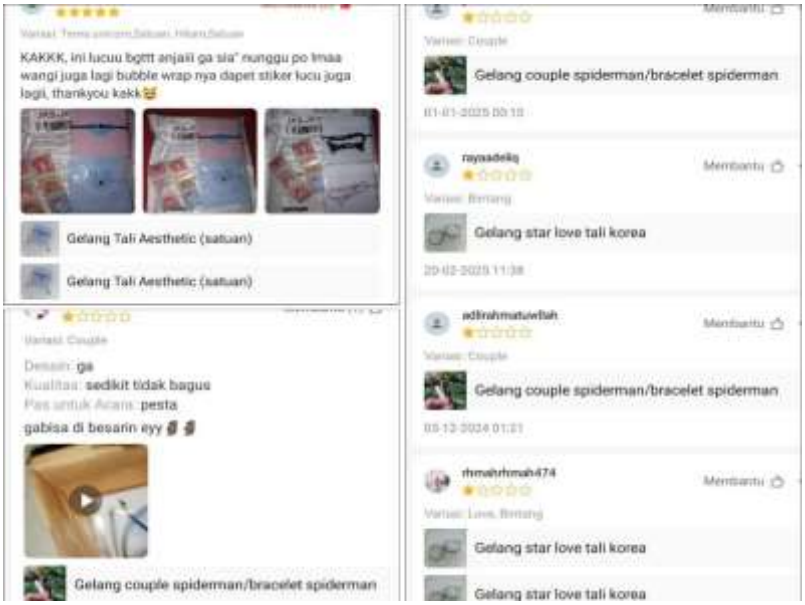
Source: (Urgilvi.co, n.d.)

Urgilvi.co is an accessories-focused SME on Shopee with 94 products, 240 followers, 791 reviews, and an average rating of 4.7/5 over two years of operation. Despite its strong customer ratings, its sales performance has been somewhat inconsistent, particularly since June 2025.

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Figure 2. Online Customer Reviews for the Urgilvi.co Online Store



Source: (Urgilvi.co, n.d.)

The findings indicate that repetitive reviews with minimal detail reduce informational value, while intense competition encourages consumers to compare stores. Sales fluctuations suggest that online customer reviews have not yet had a consistent impact on purchasing decisions.

The Cash On Delivery (COD) method plays a significant role; its absence causes consumers to postpone purchases and not switch to other methods, indicating a high dependence on the aspects of convenience, security, and transaction control. Theoretically, these findings align with the Theory of Planned Behavior (TPB), in which online customer reviews influence attitudes, and COD increases perceived behavioral control, which together drive purchasing decisions.

LITERATURE REVIEW

Theory of Planned Behavior (TPB)

The Theory of Planned Behavior (TPB), developed by Ajzen (1988), is an extension of the Theory of Reasoned Action (TRA) used to explain and predict consumer behavior. The TPB states that behavioral intention is influenced by three main factors:

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attitude toward the behavior, subjective norms, and perceived behavioral control (Ajzen, 1991).

Digital marketing

Digital marketing is the promotion of products or services using digital technology, particularly the internet, which enables marketing efforts to be targeted, measurable, and interactive (Desai, 2019). Through various digital platforms, digital marketing aims to build brand awareness, shape consumer preferences, and drive sales growth (Wati et al., 2020).

Marketplace

A marketplace is a digital platform that acts as an intermediary between sellers and buyers in online transactions. This platform provides various features such as payment systems, product management, and delivery services that facilitate the buying and selling process (Kusumaningsih et al., 2021). According to (Kusumaningsih et al., 2021), there are several types of marketplaces, namely Horizontal Marketplaces, Vertical Marketplaces, Consignment Marketplaces, Pure Marketplaces, Combined Horizontal and Vertical Marketplaces, and Global Marketplaces

E-commerc

E-commerce refers to the use of electronic media and the internet to conduct transactions involving goods and services. E-commerce encompasses a company's access to the internet and information technology. In practice, e-commerce involves online vendor websites that enable direct transactions for goods or services, featuring virtual shopping carts and payment methods such as credit cards, debit cards, or bank transfers (Jain et al., 2021)

Online Customer Review

Online customer reviews are evaluations or comments provided by consumers regarding products or services on digital platforms, which serve as a source of information for potential buyers (Tata et al., 2019). According to Lackermair et al. (2013) as cited in Putri & Marlien (2022), there are four indicators used to measure online customer reviews, namely: awareness, frequency, comparison, and effect.

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Cash On Delivery (COD)

Cash on Delivery (COD) is a payment method in which consumers make payment after receiving the product, thus eliminating the need for upfront payment (Tandon & Kiran, 2018). According to Anjum & Chai (2020), indicators of cash on delivery include perceptions of payment alternatives, control over the purchasing process, perceived satisfaction, security of use, ease of use, trust in e-commerce, and usage rates.

Purchase Decision

According to Gil-saura et al. (2020), a purchase decision refers to the frequency with which consumers make purchases online. According to Kotler & Keller (2016), there are six indicators used to measure purchase decision variables: product choice, brand choice, channel choice, timing of purchase, purchase quantity, and payment method.

METHODOLOGY

Using a survey method with 170 respondents chosen by purposive sampling, the study used a quantitative approach. Multiple linear regression was used to analyse the data. Potential respondents who purchase accessories from the Urgilvi.co store on the Shopee marketplace made up the study population. Google Forms was used to disseminate the survey online.

DISCUSSION

Validity Test

Table 1. Validity Test

Variable	Indicator Code	KMO	Anti Image	Factor Loading	Results
Online Customer Review	X1.1	0.820	0.818	0.850	Valid
	X1.2		0.809	0.871	Valid
	X1.3		0.850	0.807	Valid
	X1.4		0.808	0.864	Valid
Cash On Delivery	X2.1	0.919	0.921	0.745	Valid
	X2.2		0.917	0.802	Valid
	X2.3		0.905	0.837	Valid
	X2.4		0.930	0.859	Valid
	X2.5		0.917	0.859	Valid

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	X2.6		0.925	0.852	Valid
	X2.7		0.916	0.872	Valid
Purchase Decision	Y1	0.863	0.841	0.878	Valid
	Y2		0.891	0.648	Valid
	Y3		0.863	0.854	Valid
	Y4		0.875	0.720	Valid
	Y5		0.853	0.757	Valid
	Y6		0.875	0.802	Valid

Source: Processed Primary Data, 2026

The validity test results show that all variables have a KMO value > 0.50 (Online Customer Review = 0.820; Cash on Delivery = 0.919; Purchase Decision = 0.863), and all indicators meet the anti-image criteria and have factor loadings > 0.50. Thus, all indicators are deemed valid.

Reliability Test

Table 2. Reliability Test

Variable	Cronbach Alpha	Results
Online Customer Review (X1)	0.846	Reliable
Cash On Delivery (X2)	0.926	Reliable
Purchase Decision (Y)	0.867	Reliable

Source: Processed Primary Data, 2026

The Cronbach's Alpha values for all variables were above 0.70 (Online Customer Reviews = 0.846; Cash on Delivery = 0.926; Purchase Decision = 0.867), indicating that the research instrument is reliable and consistent in measuring the research constructs.

Multiple Linear Regression Test

Table 3. Multiple Linear Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.748	1.623		2.926	.004
	X1	.280	.065	.254	4.341	.000

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	X2	.252	.025	.581	9.914	.000

Source: Processed Primary Data, 2026

The results of the multiple linear regression indicate that Online Customer Reviews (X1) and Cash on Delivery (X2) have a positive effect on Purchase Decision (Y). The constant value of 4.748 indicates that when X1 and X2 are zero, Y is 4.748. The coefficients of X1 (0.254) and X2 (0.581) indicate that a one-unit increase in each variable will increase the Purchase Decision by 0.254 and 0.581, respectively, assuming all other variables remain constant.

The resulting regression equation is as follows:

$$Y = 4{,}748 + 0{,}254X1 + 0{,}581X2 + \varepsilon.$$

Note:

Y = Purchase decision
α = Constant
β1 = Regression coefficient
β2 = Regression coefficient
X1 = Online customer review
X2 = Cash on delivery
ε = Error factors

Partial Test / T-Test

Table 4. Partial Test / T-Test

No.	Hypothesis	Sig.	t-statistic	t-table	Results
1.	Online customer reviews influence the purchasing decisions of Urgilvi.co consumers	0.000	4.341	1.654	Accepted
2.	Cash on Delivery influences Urgilvi.co customers' purchasing decisions.	0.000	9.914	1.654	Accepted

Source: Processed Primary Data, 2026

The results of the partial tests indicate that Online Customer Reviews (X1) and Cash on Delivery (X2) have a significant effect on Purchase Decisions (Y). This is indicated by the t-calculated values for X1 (4.341) and X2 (9.914), which are greater than the t-table

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value (1.654), as well as significance levels of 0.000 (<0.05) for each. Thus, both variables have a significant partial effect on Purchase Decision.

1. **The Impact of Online Customer Reviews on Purchase Decisions**

   The results of the hypothesis test indicate that online customer reviews (X1) have a significant effect on purchasing decisions, with a significance value of 0.000 (<0.05), thus accepting H1. This finding suggests that customer reviews serve as a key source of information influencing purchasing decisions, whether through evaluations, ratings, or previous user experiences. Online customer reviews allow consumers to evaluate product quality and compare it with similar products at other stores, thereby increasing confidence in decision-making. These research results are consistent with the findings of Putri & Marlien (2022), who stated that the quality and quantity of reviews increase purchase interest, as well as Utami et al. (2023), who emphasized that online customer reviews play a role in building consumer trust in products.

2. **The Effect of Cash on Delivery on Purchase Decisions**

   The results of the hypothesis test indicate that COD (X2) has a significant effect on purchase decisions, with a significance value of 0.000 (<0.05), thus H2 is accepted. These findings suggest that COD enhances purchase decisions through perceptions of security, convenience, and trust, particularly because consumers can make payments after receiving the goods. This mechanism reduces the perceived transaction risk and strengthens consumer control in the purchasing process. These research results are consistent with the findings of Fitri et al., who stated that COD has a significant effect on purchasing decisions, as well as Alfarizi & Sari (2023), who emphasized that convenience and trust are the main factors in the use of the COD payment method.

Test of the Coefficient of Determination (R^2)

Table 5. Coefficient of Determination Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.724[a]	.524	.518	2.47587

Source: Processed Primary Data, 2026

The coefficient of determination (R^2) of 0.524 indicates that Online Customer Reviews and Cash on Delivery together account for 52.4% of the variation in purchase

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decisions among Urgilvi.co customers on Shopee, while the remaining 47.6% is influenced by other variables outside the research model.

CONCLUSION

This study shows that Online Customer Reviews (X1) and Cash on Delivery (X2) have a positive and significant effect on Purchase Decisions (Y) among consumers of urgilvi.co accessories on Shopee, both partially and simultaneously. Online Customer Reviews play a role in shaping consumer evaluations and trust, while Cash on Delivery enhances purchase decisions through perceptions of transaction security and control. These findings support the Theory of Planned Behavior, in which customer reviews shape attitudes and subjective norms, and COD reinforces perceived behavioral control.

Based on these findings, Urgilvi.co needs to manage online customer reviews more strategically by encouraging informative reviews and maintaining a responsive approach to negative reviews to enhance credibility. Additionally, while Cash On Delivery has proven effective in boosting purchase decisions, overreliance on this method carries potential operational risks, necessitating a balanced strategy that includes transitioning to non-COD payment methods. On the other hand, the model's limitation—its ability to explain only a portion of the variation in purchasing decisions—highlights the need for further research incorporating other variables such as price, product quality, trust, and digital promotions to achieve a more comprehensive understanding of consumer behavior.

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