Strategy To Enhance Consumer Trust In Online Auctions Through Social Media

Bernardus Felix Sujanto[1], Yuliana Lisanti[2]
[1]Department of Information Systems, Binus University, Jakarta, Indonesia
[2] Department of Information Systems, Binus University, Jakarta, Indonesia
[1]bernardus.sujanto@binus.ac.id, [2]Yuliana.lisanti@binus.edu

Abstract– This study changes the role of social media from mere advertising tools to a means of building trust in online auctions. This study examines consistent communication as a new factor that influences consumer trust. The results show that transparency and positive interactions on social media significantly support buyers' trust. To address these challenges, this study employs a quantitative approach to examine 105 respondents and assess six factors that influence consumer trust: price, service quality, transaction convenience, transaction security, consistent communication, and user reviews. The results of multiple linear regression analyses show that only price (β=0.328, P<0.001) and user reviews (β=0.18, p=0.09) have a significant impact on consumer confidence. These results are consistent with previous research in which price and user reviews are highlighted as key trust indicators in digital transactions. This study concludes that social media has a strategic role in improving transparency, commitment, and reliability within auction platforms

Keywords– Consumer trust, digital marketing, e-commerce behaviour, online auctions, social media strategy.

I. INTRODUCTION

In recent years, technological advances have accelerated significantly compared to the early decades. These developments have made a major change in human life, especially in lifestyle and consumption. One of the most well-known changes is the Internet, which has been made. Apart from its role as a communications device, the Internet has become a platform for e-commerce activities, including online purchases and sales, which are becoming increasingly popular among consumers. The simple access and flexibility provided by digital platforms have led to consumers being more frequently reliant on devices [2][10]One growth sector within e-commerce is an online auction where millions of second-hand goods are auctioned daily and successfully transferred to new owners at mutually agreed prices. This seems like a simple exchange, but such interactions show a complex form of cooperation between completely strangers. A key challenge in this context lies in determining trust between buyers and sellers, particularly considering the many types of product quality. At some point, the same seller can provide products in excellent condition or even of different quality, but both can deal with many buyers at different prices [1][11]Because of that, online auctions do, however, carry a higher degree of transactional uncertainty along with their increasing popularity and use. The main sources of this doubt are the products' condition, price, quality, and legitimacy. Information asymmetry, in which the seller naturally knows more about the product than customers, makes the problem even worse. Furthermore, many auction systems are anonymous and limit the ability of buyers to assess the trustworthiness of sellers. All these elements work together based on a risk-laden environment, where the formation of trust becomes essential for consumer participation, satisfaction, and market sustainability [4].
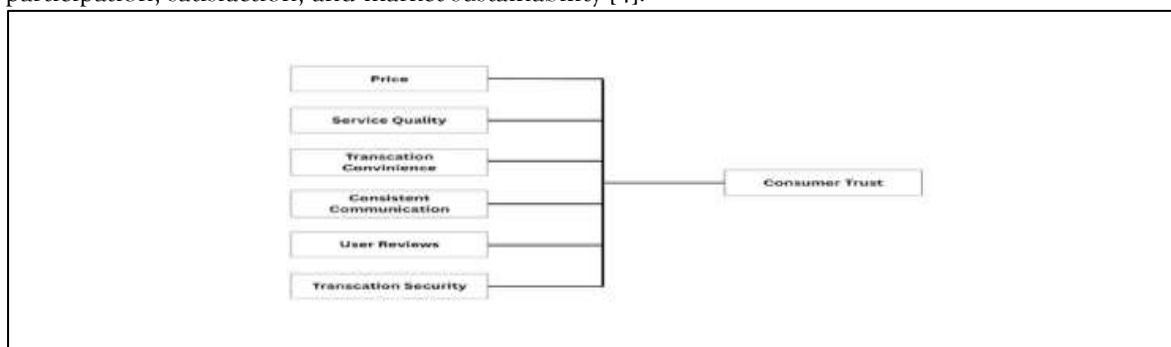

Fig. 1. Conceptual model of consumer trust factors in online auctions.

Trust can be defined as a psychological state that includes consumer motivation and accepts sensitivity based on the seller's intentions and behaviour based on their expectations. It encompasses perceptions of trust, competence, reliability, and ethical standards. From Kas et al. [1], Trust in online auction platforms is not merely a by-product of technical design or seller transaction history, but a complex social construct influenced by institutional mechanisms and interpersonal perceptions. Their findings of thought create a question about the broader view that reputation systems, such as buyer reviews and seller feedback, are responsible for developing trust. Even in scenarios where such systems are weak or absent, many buyers continue to trust sellers, and surprisingly, sellers replace this trust by fulfilling their promises in good faith. These findings illustrate the important need for **alternative strategies** that can improve reliability beyond traditional feedback loop frameworks. A promising approach lies in the **strategic integration of social media** in the context of an online auction environment. Social media platforms, design, promotion of visibility, community interaction, and commitment. Sellers who maintain a strong presence on social media can expand their reputation beyond auction boundaries. Using videos like multimedia content that shows the quality of the product, such as reels, live Q&A sessions, and establishing a reliable digital identity. Additionally, regular interactions with potential and previous customers regarding comments, messages, or live streams foster a sense of transparency and responsiveness, which are key ingredients for trust [3][9] According to Fatkhurrahman and Yahya [2], participatory characteristics of social media such as likes, sharing, tags, and public comments serve as **unofficial** but high-**performance trust indicators**, especially in environments with inadequate or undeveloped formal reputation systems. These social signals allow potential buyers to observe the social embedding and responsiveness of sellers and shape positive perceptions before the transaction takes place. Furthermore, consumer trust is strengthened when social media platforms allow real-time communication and enable buyers and sellers to feel the community. Sentosa et al. [3] emphasize that trust, when combined with simple use, has a significant impact on consumer decisions in the digital market. The research shows that user-friendly interfaces, transparent communication practices, and fast-responsive customer service are improved by social media tools. Despite a growing body of literature on e-commerce trust factors, research on the **role of social media in online auction contexts remains limited**. Most of the existing research focuses on fixed-price e-commerce models such as Shopee and Tokopedia, and does not properly consider the various features of auctions. At auctions, buyers often need to make quick decisions under competitive pressure and without comprehensive product checks. Moreover, each auction listing is typically unique, unlike standardized product listings, thus requiring tailored communication and individualized reassurance for each transaction. Based on the **limited literature**, this research emerged and differed from previous studies in which **social media** is generally positioned as an **advertising tool** in the context of e-commerce. The main focus of this study is how **social media** is used as a **strategic tool to build consumer trust in an online auction environment**, where transaction uncertainty is relatively higher than on other e-commerce platforms. In addition, this study proposes a new variable, namely, **consistent communication.** The ability of the seller and potential buyers to interact, routinely, and reliably

To address this gap, this article proposes a comprehensive investigation to answer the question: **How can social media be effectively leveraged as a strategic tool to strengthen consumer trust in online auctions?** This study aims to identify the key strategies by which social media reduces perceived risks, conveys seller credibility, and fosters sustainable engagement between buyers and sellers.

This framework emphasizes the relational, interactive, and reputational affordances of social media, aiming to cultivate richer and more trustworthy digital auction environments.

II. RESEARCH METHODOLOGY

This study utilizes **primary data** collected through the distribution of a structured questionnaire. It employs a **quantitative approach** with a **survey method** to investigate the **influence of social media on consumer trust in participating in online auctions**.

The **sampling technique** used in this research was **open and random sampling**. The sample consists of individuals who are either familiar with or have used online auction services, including those who have not, with a specific focus on **social media users**. The study gathered data from **105 respondents**.

The dimensions of this study are derived from trust on social media theory, specifically including **competence**, **reliability**, and **ethical standards**, as highlighted by Kas et al. [1] and further adapted from "Analysis of Factors Affecting Consumer Purchase Interest: A Study on Shopee Online Shop" by Dewi and Achsa [7].

The research framework incorporates **21 indicators grouped under six key dimensions**, covering various aspects related to trust and social media engagement.

Data Collection Technique

Data was collected using a **closed-ended questionnaire** based on a **5-point Likert scale**, where:

- 1 = Strongly Disagree
- 2 = Disagree
- 3 = Neutral
- 4 = Agree
- 5 = Strongly Agree

The questionnaire covers the following variables:

- Understanding of online auction systems
- Perception of fairness and transparency
- Interest in online auctions
- Social media usage
- Trust in information obtained through social media
- Influence of user reviews, influencers, and live streaming
- Trust-related factors: pricing, service quality, transaction convenience, transaction security, and communication consistency

Data Analysis Technique

The data collected was analyzed using both **descriptive** and **inferential** statistical methods:

- **Validity and Reliability Testing**: Cronbach's Alpha was used to measure internal consistency and ensure reliability of the instrument.
- **Inferential Analysis**: Multiple linear regression analysis was conducted to evaluate the impact of independent variables (e.g., social media engagement, reviews, promotions) on the dependent variable (consumer trust in online auctions).

III. VALIDITY & REABILITY TESTING

Validity and reliability testing are essential to evaluate the **feasibility and accuracy** of the questionnaire instrument. In this study, a total of **105 samples** were analysed.

The **validity test** was performed using **Pearson's correlation coefficient**, which measures the correlation between each questionnaire item and the total score of its corresponding construct. Items are considered **valid** if they show a significant positive correlation above the critical value at a significance level of 0.05.

The **reliability test** was conducted using **Cronbach's Alpha** to assess the internal consistency of the questionnaire. A Cronbach's Alpha value greater than 0.70 indicates that the instrument is **reliable** and suitable for further statistical analysis.

Validity Test

Indicator	Amount	R table (5%)	Description
Consumer Perceptions of Online Auctions			
Item 1	0,651	0,1918	Valid
Item 2	0,804	0,1918	Valid
Item 3	0,844	0,1918	Valid
Trust in Social Media			

Item 1	0,402	0,1918	Valid
Item 3	0,722	0,1918	Valid
Item 4	0,671	0,1918	Valid
Item 5	0,693	0,1918	Valid
Item 6	0,674	0,1918	Valid

Effectiveness of Promotion Strategies through Social Media

Item 1	0,797	0,1918	Valid
Item 2	0,823	0,1918	Valid
Item 3	0,769	0,1918	Valid
Item 4	0,704	0,1918	Valid

Consumer Trust Factors

Item 1	0,652	0,1918	Valid
Item 2	0,679	0,1918	Valid
Item 3	0,749	0,1918	Valid
Item 4	0,662	0,1918	Valid
Item 5	0,712	0,1918	Valid
Item 6	0,771	0,1918	Valid

Consumer Behaviour and Intentions

Item 1	0,892	0,1918	Valid
Item 2	0,929	0,1918	Valid

Reability Test
- Consumer Perception of Online Auctions
  Reliability Statistics

Cronbach's Alpha	N of Items
.659	3

Based on the results, the Cronbach's Alpha value is **0.659** with a total of **3 items**. Since the value exceeds the minimum threshold of **0.60**, the questionnaire items related to consumer perception of online auctions are considered **reliable**.

- Trust in Social Media
  Reliability Statistics

Cronbach's Alpha	N of Items
.654	5

Based on the results, the Cronbach's Alpha value is **0.654** with a total of **5 items**. Since the value is greater than the threshold of **0.60**, the items used to measure trust in social media are considered **reliable**.

- Effectiveness of Promotional Strategies through Social Media
  Reliability Statistics

Cronbach's Alpha	N of Items
.776	4

Based on the results, the Cronbach's Alpha value is **0.776** with a total of **4 items**. Since this value is well above the threshold of **0.60**, the items related to the effectiveness of promotional strategies through social media are considered **reliable**.

- Consumer Trust Factors
  Reliability Statistics

Cronbach's Alpha	N of Items
.789	6

Based on the results, the Cronbach's Alpha value is **0.789** with a total of **6 items**. Since the value is well above the minimum threshold of **0.60**, the items used to measure consumer trust factors are considered **reliable**.

- Consumer Behaviour and Intention
  Reliability Statistics

Cronbach's Alpha	N of Items
.787	2

Based on the results above, it is known that the Cronbach's Alpha value is 0.787 > 0.60, which means that the research data for the Consumer Behavior and Intention variables are reliable.

IV. MODEL TESTING
Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	Price,ServiceQuality,TranscationConvinience,UserReviews,TransactionSecurity,ConsistenCommunication[b]	.	Enter

a. Dependent Variable: ConsumerTrust
b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.638[a]	.407	.371	.695

a. Predictors: (Constant), ConsistentCommunication, Price, UserReviews, ServiceQuality, TransactionConvinient, TransactionSecurity

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	32.515	6	5.419	11.220	<.001[b]
	Residual	47.333	98	.483		
	Total	79.848	104			

a. Dependent Variable: ConsumerTrust
b. Predictors: (Constant), ConsistentCommunication, Price, UserReviews, ServiceQuality, TransactionConvinient, TransactionSecurity

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.451	.597		-.755	.452
	Price	.324	.090	.328	3.601	<.001
	ServiceQuality	.220	.129	.167	1.703	.092
	TransactionConvinient	.183	.113	.166	1.625	.107
	UserReviews	.233	.117	.184	1.996	.049
	TransactionSecurity	.140	.138	.107	1.018	.311
	ConsistentCommunication	-.071	.142	-.053	-.498	.620

a.   Dependent Variable: ConsumerTrust

Variable	Unstandardized Coefficients	tcount	Sig.
(Constant)	-.451		
Price	0,324	3.601	<.001
ServiceQuality	0,22	1.703	0,092
TransactionConvinient	0,183	1.625	0,107
UserReviews	0,233	1.996	0,049
TransactionSecurity	0,14	1.018	0,311
ConsistentCommunication	-0,071	-0,498	.620
Fcount	=11.220		0,000
R Square	=.407		

The results of the **multiple linear regression analysis** indicate that out of the six independent variables tested, only two variables have a **significant influence** on **Kepercayaan konsumen** in the context of online auctions: **Price (β = 0.328, p < 0.001)** and **UserReviews (β = 0.184, p = 0.049)**. Other variables, such as **ServiceQuality, TransactionConvinient, TransactionSecurity,** , did not show **statistical significance (p > 0.05)**. These results are **in accordance with previous research** [2], [7], which also found that **price** and **user-generated reviews** are key determinants of consumer trust and purchase decisions in online shopping

environments. Both studies emphasize that transparent pricing and credible user feedback significantly shape consumer perceptions and willingness to engage in online transactions. Cohen states that a threshold **above 0.50** indicates a **high model fit,** whereas a R Square **above 0.26** is regarded as a **moderate effect size**. Consequently, the model is appropriate for behavioral research in digital commerce contexts even though it exhibits a moderate explanatory power. With a substantial F-value (F = 11.220, p < 0.001) in the ANOVA result, the model is statistically **significant overall** and **appropriate** for additional interpretation of individual predictors.

From the **Coefficients** table, the variables with significant positive influence (Sig. < 0.05) on consumer trust are:

Price β = 0.328, t = 3.601, p < 0.001

UserReviews β = 0.184, t = 1.996, p = 0.049

Meanwhile, the following variables were **not statistically significant** (Sig. > 0.05)

ServiceQuality: β = 0.167, p = 0.092

TransactionConvinient: β = 0.166, p = 0.107

TransactionSecurity: β = 0.107, p = 0.311

ConsistentCommunication: β = -0.053, p = 0.620

This indicates that **Price** and **User Reviews** are the **only two variables** with a statistically significant impact on consumer trust within the tested model. Among them, Price has the strongest influence, as reflected by the highest standardized beta coefficient (β = 0.328).

V. CONCLUSION & SUGGESTION

This study highlights the rapid expansion of **online auctions**, which have become a preferred option for many consumers in the digital shopping landscape. In addition, **social media** plays a role in building trust, not just promotion, in the context of online auctions. The regression results indicate that, out of six tested variables, **Price (β = 0.328,** p < 0.001) and **UserReviews (β = 0.184**, p = 0.049) have a **significant and positive impact** on consumer trust. These two emerged as the most influential factors, suggesting that consumers tend to place more trust in online auctions when product prices are transparently displayed and peer reviews are accessible. While other variables—such as **ServiceQuality (β = 0.167**, p = 0.092), **TransactionConvinient (β = 0.166**, p = 0.107), **TransactionSecurity (β = 0.107**, p = 0.311), and **ConsistentCommunication (β = -0.053**, p = 0.620)—did not show statistical significance, they still contribute to the overall customer experience and should not be overlooked.

In light of these findings, auction platforms and marketers should prioritize social media content that emphasizes **clear pricing** and **authentic user reviews** to strengthen consumer trust. At the same time, continued improvements in **transaction convenience, service quality, platform security**, and **consistent communication** are necessary to enhance the user experience.

For future research, it would be beneficial to examine how different formats of social media content, such as **live streaming** or **influencer endorsements,** affect consumer engagement in online auctions. Additionally, exploring the impact of **personalized promotions** and **AI-driven recommendations** may offer further insights into optimizing auction-based marketing strategies.

VI. REFERENCES

[1] J. Kas, R. Corten, and A. van de Rijt, "Trust, reputation, and the value of promises in online auctions of used goods," Rationality and Society, vol. 35, no. 4, pp. 387–419, 2023, doi: 10.1177/10434631231170342.

[2] M. Fatkhurrahman and Yahya, "Pengaruh kepercayaan, harga, dan kualitas produk terhadap keputusan pembelian online via marketplace Shopee," Jurnal Ilmu dan Riset Manajemen, vol. 13, no. 9, pp. 1–18, Sep. 2024.

[3] Zaenur Rochis dan Mulyo Budi Setiawan, "Pengaruh Digital Marketing, Efektivitas Iklan dan Komunikasi Pemasaran Terhadap Keputusan Pembelian Pada E-Commerce di Era Digital," Jurnal Perilaku dan Strategi Bisnis (JPSB), vol. 12, no. 1, pp. 1–16, 2024.

[4] Ida Kurnia dan Imelda Martinelli, "Permasalahan dalam Transaksi E-Commerce," Jurnal Bakti Masyarakat Indonesia, vol. 4, no. 2, pp. 343–350, Aug. 2021.

[5] Harry Phinwa Sentosa, Fitriani Latief, dan Agunawan, "Pengaruh Kepercayaan dan Kemudahan Terhadap Keputusan Pembelian Marketplace E-Commerce Shopee," Nobel Management Review, vol. 11, no. 3, pp. 105–117, 2022.

[6] Ni Kadek Dwi Arisya Afrilianti, Made Susilawati, dan I Gusti Ayu Made Srinadi, "Faktor-Faktor yang Melatarbelakangi Keputusan Belanja Online pada Aplikasi E-Commerce," E-Jurnal Matematika, vol. 11, no. 3, pp. 203–209, Aug. 2022, doi: 10.24843/MTK.2022.v11.i03.p382.

[7] Mey Sinta Etika Dewi dan Andhatu Achsa, "Analisis Faktor-Faktor yang Mempengaruhi Minat Beli Konsumen: Studi pada Online Shop Shopee," Jurnal Ekonomi Bisnis, vol. 20, no. 1, pp. 80–87, Jun. 2021.

[8] Annisa dan Bambang Munas Dwiyanto, "Analisis Pengaruh Kualitas Layanan dan Kepercayaan Terhadap Loyalitas Pelanggan dengan Kepuasan Pelanggan Sebagai Variabel Mediator," Diponegoro Journal of Management, vol. 10, no. 3, pp. 1–12, 2021.

[9] Jabeen, K. U. Khan, F. Zain, F. Atlas, and F. Khan, "Investigating the impact of social media advertising and risk factors on customer online buying behavior: a trust-based perspective," Future Business Journal, vol. 10, no. 123, pp. 1–14, 2024, doi: 10.1186/s43093-024-00411-8.

[10] Masa'deh, D. A. AlMajali, A. A. M. AlSokkar, M. Alshinwan, and M. Shehadeh, "Antecedents of intention to use E-auction: An empirical study," Sustainability, vol. 15, no. 6, Art. no. 4871, pp. 1–14, Mar. 2023, doi: 10.3390/su15064871.

[11] Farhat, Q. Yang, M. A. O. Ahmed, and G. Hasan, "E-Commerce for a Sustainable Future: Integrating Trust, Product Quality Perception, and Online-Shopping Satisfaction," Sustainability, vol. 17, no. 4, Art. no. 1431, pp. 1–21, Feb. 2025, doi: 10.3390/su17041431.