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# The Determinant Factors of Omnichannel Service Adoption in Jakarta

## ABSTRACT

Along with the development of technology in retail, consumers have increased their expectation about experience convenience in retail. Starting with the growth of various platform, the next development is the experience that combined both offline and online service known as Omnichannel. The Omnichannel Service Adoption is explained by Wixom Model shows the relationship of object-based beliefs, channel integration quality, perceived fluency, and internal and external usage experience as moderating effects of perceived fluency. The adoption of Omnichannel is important to deliver a consistency of data and user experience compared to multichannel. The research uses quantitative approach with Structural Equation Model (SEM) PLS for data analytic. The population is referred to Berrybenka, a prominent fashion e-commerce in Jakarta, customers. The result shows that Breadth Channel Choice, Channel Service Transparency, Content Consistency and Process Consistency have a significant and positive influence on perceived fluency. The implication and limitation of the research are also highlighted.

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*Keywords: Omnichannel; Fashion Retailer; Perceived Fluency; Service Usage; Channel Integration Quality.*

## 1. INTRODUCTION

Nowadays consumers are familiar with the existence of various platforms (such as website/smartphone) as the place to shop. It has become common practice that consumers can get any information through various channels to make good purchase decisions. For example, they search for information through internet and make purchases offline (Rangaswamy & Van Bruggen, 2005, Mac Sithigh, 2013). But along with the development of times and technology, consumers expect to experience convenience in transaction and interaction with retailers. However, the existing channels are managed and designed individually. Therefore, the data received across channels are inconsistent and incompatible. When multi channels move to omnichannel, information integration across channel become priorities for retailers (Shen, Li, Sun and Wang, 2018). In recent years, advances in technology have enabled further digitalization in retailing, while also posing certain challenges. More specifically, the evolution of interactive media has made selling to consumers truly complex (Juaneda-Ayensa te al., 2016; Medrano et al., 2016).

73% of customers are multi-channel shopper, and consumers expect that they can shop in real-time, anywhere and anytime in various channel. Omnichannel itself has become a good opportunity for retailers and one of the major research priorities at Marketing Science Institute 2018-2020 (Ternstrand, Selldin, Virta and Linder, 2015). Hence, the element of ‘the integration of quality channels and customer’s perceived fluency of cross-channel service’ must be able to differentiate between omnichannel and multichannel services (Shen et al., 2018).

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37 This study is adapted from Shen et al (2018) and, tested on Indonesia fashion industry  
38 mostly in Jakarta. The previous study is tested on catering industry in China. The previous  
39 studies in Indonesia about omnichannel, mostly investigate about consumer engagement  
40 path as well as consumer experience from several brick and mortar companies, such as PT.  
41 Indomarco Prismaatama, PT. Mitra Adiperkasa Tbk and PT. Matahari Department Store Tbk  
42 (Hendriyani & Auliana, 2018; Yanuardi et al., 2017). Shen et al (2018) use the Wixom &  
43 Todd models to understand the impact of channel integration quality and perceived fluency  
44 towards omnichannel services usage, as well as the integration of various channels and  
45 consumer perceptions of behavioral belief that moderate the role usage experience internally  
46 and external to catering in China. While other research of omnichannel study use purchase  
47 intention and TAM models as the measurement, this study uses Wixom & Todd model to  
48 measure omnichannel service usage in fashion retail industry in Jakarta which has  
49 implemented omnichannel services. This research is expected to expand the research of  
50 omnichannel in Indonesia, as Indonesia has the largest economy in South East Asia  
51 (Worldbank, 2018).

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53 The purpose of this study is to examine omnichannel service adoption of fashion industry in  
54 Jakarta and its impact on increasing its sales. This research will seek the determinant factors  
55 of omnichannel service adoption be a guidance for retail industry to build omnichannel  
56 services.

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## 58 **2. LITERATURE REVIEW & HYPOTHESES DEVELOPMENT**

### 59 **2.1 Wixom & Todd Models**

60 Shen et al (2018) differentiate object-based beliefs from behavioral beliefs in interaction  
61 research model by implemented Wixom & Todd model. Application of Wixom & Todd model  
62 in Indonesia has been widely used, especially by Indonesian National Library for measuring  
63 integrated library system. According to Wixom & Todd (2005), user experience is considered  
64 as object-based beliefs which will act as an external variable influencing intention and  
65 behavior with behavioral beliefs and attitudes as the mediation variable. Object-based is  
66 considered as the technological features and functionalities while behavioral simply reflects  
67 how the user felt after experiencing IT product (Wixom & Todd, 2005). Channel integration  
68 quality itself is considered as an object-based belief because it measures the capacity of  
69 Omnichannel to connect many channels thus reflecting the customers' beliefs about the  
70 technology (Sousa & Voss, 2006). Perceived fluency is considered as behavioral beliefs  
71 since it measures on how customers feel about when they use different channel and  
72 reflecting customer belief on omnichannel technology (Majrashi & Hamilton, 2014).

### 73 **2.2 Perceived Fluency**

74 Lennon (1990) explained that definition of fluency means fluent (error-free), proficiency,  
75 smoothness (easily to function). Perceived fluency itself can be interpreted as an action built  
76 from the efficiency of a process based on the fluency of someone using something.  
77 According to Shen et al (2018), concept of fluency refers to the ease of information  
78 processing, which were regarded as key factors that shapes users' trust, and the choice  
79 outcome judgements in online shopping context, while in cross-platform play the important  
80 role which refers to transition and task migrations. Several researches in IT define fluency as  
81 an unchanged role that has a close relationship to cross-platform transition to measure the  
82 experience of the user (Majrashi & Hamilton, 2014).

83 According to Majrashi & Hamilton (2014), perceived fluency is classified into 5 attributes,  
84 such as task fluency, content fluency, interaction fluency, cognition fluency, and feeling  
85 fluency. Task fluency leads to the level where customers feel comfortable when switching  
86 from one to another view. Content fluency leads to the process after channel switching.  
87 Customers experience a continuous process which they respond to available content and  
88 information. Interaction fluency used to measure the interaction between continuous service  
89 channels and connect with each other. Cognition fluency represents customer's response to  
90 the omnichannel service remains unchanged after the channel transition and the last, feeling  
91 fluency measures whether the customer still has the same feeling towards the service after  
92 the transition.

### 93 **2.3 Channel Integration Quality**

94 Channel integration quality is described as the capability of a system to deliver a smoothly  
95 continuous service experience across the channel (Shen et al., 2018). Zhang & Ke (2004)  
96 found that channel integration quality increases the value customers feel when shopping  
97 online. To measure channel integration. Sousa & Voss (2006) propose a framework where  
98 service quality and integrated interaction were included together. Channel choice refers to  
99 the level of customers' freedom to access information (Cheung et al., 2015).

### 100 **2.4 Omnichannel Service Usage**

101 Omnichannel is the next level form of multichannel retailing where the consumer could easily  
102 cross the existing channel in one transaction process (Brynjolfsson et al., 2013).  
103 Multichannel refers to a group of different channel that works separately while in  
104 omnichannel those separated channel works together, that's why the customer could  
105 experience the same idea when they use either digital channel or visiting the store directly.  
106 The channels are managed in the same time and got the same result whenever customers  
107 interact with the company (Zhang & Ke, 2004).

108 The dominant characteristic of the omnichannel retailing phenomenon is that the strategy is  
109 centered on the customer and the customer's shopping experience, with a view to offering  
110 the shopper a holistic experience. In Omnichannel, everything including the strategy is  
111 based on the consumer's experience on shopping with a broader view of offering a more  
112 seamless shopping (Gupta et al., 2004).

### 113 **2.5 Hypothesis**

#### 114 **2.5.1 Perceived Fluency to Omnichannel Service Usage**

115 The emergence of new digital technologies, especially mobile channels, has an impact on  
116 disruptive retail environments. Compared with multi-channel phase, omnichannel involves  
117 quite a number of channels. The change that quite important is each different channel  
118 becomes blurred because the boundaries between channels are gone. In addition, in the  
119 omnichannel phase, showrooming is quite important, because online purchase can't satisfy  
120 the customer's desire to see and feel the product or service that they want to purchase (see  
121 and feel experience). With showrooming, customers are reassured by their experience of  
122 seeing and feeling the product to be purchased (Verhoef et al., 2015).

123 This is also corroborated by statement of Shen et al (2018) where in the context of the  
124 omnichannel, customers expect unlimited and integrated services in a variety of different  
125 channels and can be used simultaneously. In addition, online shopping experience will

126 provide positive responses from the customers. In the previous study by Shen et al (2018),  
127 perceived fluency was considered as behavioral belief. When customers experience  
128 unhindered cross-channel experience, they will tend to increase the behavior of using their  
129 omnichannel. Based on the description above, the hypothesis of this study is:

130 H1: Perceived Fluency is positively associated with omnichannel service usage.

### 131 ***2.5.2 Channel Integration Quality and Perceived Fluency***

132 Wixom and Todd Model shows that channel integration quality increases the value  
133 customers feel when shopping online (Herhausen et al., 2015). In the channel choice  
134 breadth, the broader the channel, the more alternative could be available to the customers,  
135 meaning that the channel are highly integrated which enables consumers to review the  
136 products or services they want to purchase at one channel without missing any information  
137 (Berman & Thelen, 2004). Based on the theory, the hypothesis is:

138 H2a: Channel Integration quality is positively associated with perceived fluency.

139 Channel service transparency deals with the awareness of customers towards the  
140 availability of any existing channels. The increasing knowledge towards channel could  
141 reduce the uncertainty and increase the efficiency (Sousa & Voss, 2006). According to this  
142 statement, the hypothesis for the following attributes will be:

143 H2b: Channel Service Transparency is positively associated with perceived fluency.

144 Content consistency deals with the similarity of the context within different channels (Sousa  
145 & Voss, 2006). Customers are more likely to think that channel as the smaller part within a  
146 natural switching channel resulting in a more fluid channel transition without leaving the  
147 importance of the similarity of information behind. Therefore, the hypothesis will be as  
148 follows:

149 H2c: Content consistency is positively associated with perceived fluency.

150 Process consistency refers to the attributes in the process which has a similar characteristic  
151 (Shen et al., 2018). When service process in different channel is consistent, the examination  
152 of customers will have a positive result when the service kept being consistent. In this  
153 regard, the hypothesis will be:

154 H2d: Process consistency is positively associated with perceived fluency.

### 155 ***2.5.3 Different Moderating Roles to User Experience***

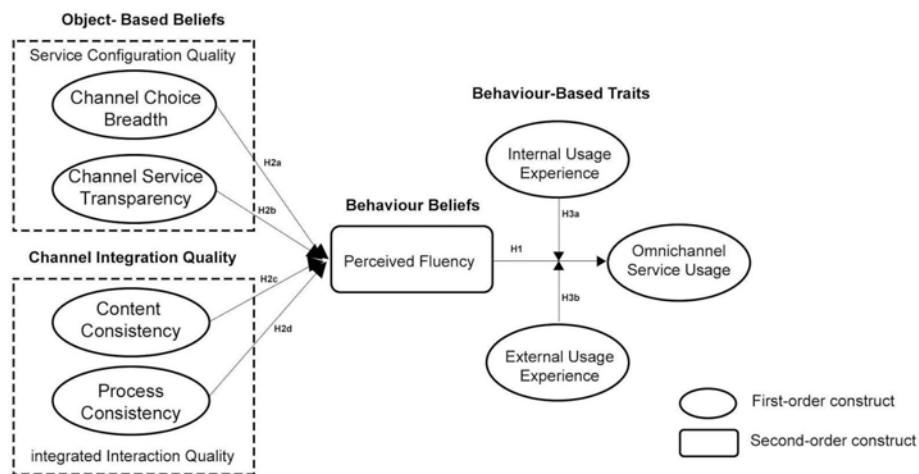
156 This study examines the usage experience as the moderating variable. The omnichannel  
157 service usage is divided into internal and external usage. Internal usage experience is  
158 defined as a limit where users have experience with certain IT products. In the context of  
159 omnichannel customers who have no experience, they will be unfamiliar with omnichannel  
160 services and will have more willingness to rely on trust that comes from the actual use of  
161 omnichannel services to determine subsequent use (Herhausen et al., 2015). For customers  
162 who have a lot of experience from omnichannel services, reuse will motivate them to reuse  
163 the service without doubting the smooth service between channels (Wang et al., 2016).

164 Based on the statement above, the study believes that perceived fluency will leave a  
165 stronger influence for customers with fewer internal experiences.

166 External usage experience is defined as a limit where users have experience with the same  
167 omnichannel service. Unlike internal usage, previous use of the same technology will not  
168 make users more familiar with existing technology, but the external usage experience will  
169 provide a benchmark or reference to better assess existing technologies (Shim et al., 2001).  
170 As the external usage experience increases, customer assessment of existing technology  
171 can become clearer and will be easier to use while awareness of omnichannel will be  
172 increase. In other words, perceived fluency will have a stronger effect on omnichannel  
173 service usage for customers with higher external usage. Therefore, the hypothesis of this  
174 study is:

175 H3a: Internal usage experience weakens the effect of perceived fluency towards  
176 omnichannel service usage.

177 H3b: External usage experience strengthen the effect of perceived fluency towards  
178 omnichannel service usage.



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198 **Fig. 1. Theoretical Framework**

### 199 **3. METHODOLOGY APPROACH**

200 Data in this study is collected by distributing online questionnaire. Berrybenka is selected as  
201 the context as it was one of fashion retailers in Jakarta that adopted omnichannel as channel  
202 services. The measurement is adapted from the previous study and slightly modified to fit  
203 the research scope and context. All indicators in the research variable is referred to Shen et  
204 al (2018).

204 The population in this study is BerryBenka customers in Jakarta. Since the quantities in  
205 detailed is unknown, this study uses a non-probability sampling method that gives an  
206 unequal opportunity to each population to be selected as a sample. The type of non-  
207 probability sampling used is convenience sampling where samples are selected based on  
208 several categories that meet the requirements to be used as research samples. The

209 questionnaire is distributed to 135 respondents Berrybenka's customers in Jakarta. The  
210 measurement uses a five-point Likert scale from 1 as strongly disagree to 5 as strongly  
211 agree. This sample size is calculated as the number of indicators (27 measurements)  
212 multiplied by 5 (Noor, 2011).

213 The analysis was carried out using the Structural Equation Model (SEM) method using the  
214 Partial Least Square (PLS). SEM PLS technique was used to measure the relationship  
215 among the existing variables and to test the hypothesis (e.g., object-based beliefs, channel  
216 integration quality, perceived fluency, internal and external usage) in this study.

## 217 **4. RESULT & DATA ANALYSIS**

218 SEM technique was used to measure the relationship among the existing variables and PLS  
219 analysis approach was used to examine the hypothesis (e.g., object-based beliefs, channel  
220 integration quality, perceived fluency, internal and external usage) in this study.

### 221 **4.1. Measurement Model**

222 Validity and reliability tests were conducted as the fundamental step by reviewing the  
223 convergent validity and composite reliability. According to Garson (2016), Composite  
224 Reliability (CR) is applied to measure the reliability of Convergent Validity (CV) since  
225 Cronbach's Alpha could deliver an exaggerated result and vice-versa towards existing  
226 reliability scales. The recommended score for reliability test needs to be at least 0.7 (Hair et  
227 al., 2013). Garson (2016) adds Average Variance Extracted (AVE) to test Convergent  
228 Validity where AVE is the reflection of average impact toward each of latent variables and  
229 suggested number should be higher than 0.5 where that score could explain more than half  
230 of the variant in the existing indicator.

231 Shen et al (2018) adds that the Variance Inflation Factor (VIF) value is also needed to  
232 calculate the possibility of problems in multicollinearity and the recommended value is at the  
233 threshold of 10.

#### 234 **4.1.1. Convergent Validity**

235 Outer loading or Loading factor is used to test Convergent Validity and it could be accepted  
236 if Convergent Validity score is greater than 0.7.

237 Based on the table 1, it can be seen that each indicator in each variable has an Outer  
238 Loading > 0.7, which in this study, the Outer Loading's value ranges from 0.505 - 1.000. it is  
239 seen that some indicators have value outer loading < 0.7. According to Ghazali (2014) outer  
240 loading value between 0.5 - 0.6 is considered enough to fulfill the prerequisite of convergent  
241 validity. Thus, it can be concluded that all research variables have a high level of convergent  
242 validity and can be used for further analysis.

243 **Table 1. Validity and Reliability Testing Result**

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<b>Construct</b>	<b>Indicator</b>	<b>AVE</b>	<b>Outer Loading</b>	<b>Cronbach Alpha</b>
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<b>Channel Choice Breath (CCB)</b>	CCB1		0.904	
	CCB2	0.691	0.638	0.772
	CCB3		0.922	
<b>Channel Service Transparency (CSB)</b>	CST1		0.906	
	CST2	0.840	0.933	0.905
	CST3		0.910	
<b>Content Consistency (CC)</b>	CC1		0.505	
	CC2	0.698	0.958	0.769
	CC3		0.960	
<b>Process Consistency (PC)</b>	PC1		0.945	
	PC2	0.735	0.655	0.815
	PC3		0.940	
<b>Task Fluency (TF)</b>	TF1		0.926	
	TF2		0.867	
	TF3		0.316	
<b>Cognition Fluency (CF)</b>	CF1		0.818	
	CF2		0.521	
	CF3	0.659	0.820	0.946
<b>Interaction Fluency (IF)</b>	IF1		0.922	
	IF2		0.921	
<b>Cognition Fluency (CF)</b>	COF1		0.832	
	COF2		0.902	
<b>Feeling Fluency (FF)</b>	FF1		0.849	
	FF2		0.866	
<b>Omnichannel Service Usage (OSU)</b>	OSU1		0.917	
	OSU2	0.888	0.950	0.937
	OSU3		0.959	
<b>External Usage Integration</b>	External	0.560	1.000	0.939
<b>Internal Usage Integration</b>	Internal	0.535	1.000	0.936

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#### 247 4.1.2. Discriminant Validity

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Discriminant validity is alluding to the degree where the construct is contrasting from one to each other considerably. Heterotrait-monotrait (HTMT) correlation ratio is used to measure the discriminant validity. If the value of HTMT ratio is higher than the threshold, it means that there is an absence of discriminant validity (Hamid, Sami and Sidek, 2017). Gold, Malhotra and Segars (2001) stated that the value of threshold of HTMT should below 0.90.

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According from the HTMT results, the values in table 2 (in bold) shows that there are multicollinearity problems due to some variables are quantified as same which mean the respondents' perception of the affected variables are enclosed with overlapping items.

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**Table 2. HTMT Result**

	External	Internal	CCB	CST	CC	PC	OSU	PF
External								
Internal	0.854							
CCB	0.671	0.748						

CST	0.459	0.480	<b>1.077</b>				
CC	0.427	0.494	<b>1.052</b>				
PC	0.628	0.691	<b>1.199</b>	<b>0.996</b>	<b>0.982</b>		
OSU	0.462	0.467	<b>1.054</b>	<b>1.036</b>	<b>0.962</b>	<b>1.000</b>	
PF	0.449	0.499	<b>1.085</b>	<b>1.044</b>	<b>1.038</b>	<b>1.042</b>	<b>0.977</b>
			<b>1.004</b>				

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261 **4.1.3. Composite Reliability**

262 Composite Reliability is used to test the reliability value of indicators on a variable. A variable  
 263 can be said to meet composite reliability requirements if the reliability of Cronbach Alpha >  
 264 0.7. Based on the table 3, it can be seen that each indicator in each variable has Cronbach  
 265 Alpha > 0.7, which ranges from 0.866 - 0.960. Thus, it can be concluded that all research  
 266 variables have a high level of reliability and can be used for further analysis.

267 **4.2. Structural Model (Inner Model)**

268 This study uses path coefficient to determine how strong the influence of the independent  
 269 variable on the dependent variable. Results that indicated that channel choice breadth  
 270 significantly affected perceived fluency was shown by ( $\beta=0.208$ ,  $t=2.285$ ,  $p<0.05$ ). Hthe  
 271 same thing is shown by channel service transparency ( $\beta=0.143$ ,  $t=2.606$ ,  $p<0.05$ ), content  
 272 consistency ( $\beta=0.425$ ,  $t=9.765$ ,  $p<0.05$ ), process consistency ( $\beta=0.251$ ,  $t=4.416$ ,  $p<0.05$ )  
 273 and perceived fluency towards omnichannel service usage ( $\beta=0.907$ ,  $t=34.252$ ,  $p<0.05$ ).  
 274 Mediating effect of internal usage integration and external usage integration towards  
 275 omnichannel service usage did not showed positive significant relationship, with  $\beta= -0.040$ ,  
 276  $t=0,489$ ,  $p>0.05$  for internal and  $\beta=0.041$ ,  $t=0.419$ ,  $p>0.05$  for external. Therefore, the H2a-  
 277 H2d hypothesis was supported. However, H3a (internal usage integration) and H3b  
 278 (external usage integration) are not supported. It means External and Internal Usage  
 279 Integration do not affect the Perceived Fluency Effect on Omnichannel Service Usage  
 280 towards Berrybenka's consumers in Jakarta.

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**Table 3.R-Square Result**

<b>Variable</b>	<b>R-Square</b>
Perceived Fluency	0.964
Omnichannel Service Usage	0.870

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284 Next, R-Square was used to examine the model in this study. From the table above, it can  
 285 be seen that the R-Square value for the Perceived Fluency variable is 0.964. It means that  
 286 96,4% perceived fluency can be explained by Channel Choice Breadth, Transparency  
 287 Service Channel, Content Consistency and Process Consistency. While the R-Square value  
 288 the Omnichannel Service usage variable is 0.870. It means that the percentage of  
 289 Omnichannel Service usage can be explained by Perceived Fluency by 87%. These values  
 290 showed The value for both R-square value showed predictive accuracy value above 0.26  
 291 which suggested by Cohen (1988) that the value for predictive accuracy must showed above  
 292 the above threshold value 0.26 to be considered as essential.

293 In addition, by using blindfolding procedure, Stone-Geisser's Q<sup>2</sup> was used in this study to  
 294 examine predictive relevance of the model (Geisser, 1974; Stone 1974). Blindfolding is a  
 295 sample re-use technique which can be used to analyze the predictive validity by delete data  
 296 for certain variables and predict the remaining data points (Chin, 1998; Henseler et al., 2009;  
 297 Tenenhaus et al., 2005). Both of Q<sup>2</sup>, omnichannel service usage (0.727) and perceived  
 298 fluency (0.588) indicate predictive relevance which have value above 0 as suggested by



299 Fornell & Cha (1994). These values showed that the model has enough predictive  
300 relevance.

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**Table 4. Hypothesis Testing Result**

	<b>Original Sample</b>	<b>T Statistics</b>	<b>T-Table</b>	<b>P-Value</b>	<b>Result</b>
CCB -> PF	0.208	3.385	1.96	0.001	H2a, Supported
CST -> PF	0.143	2.606	1.96	0.009	H2b, Supported
CC -> PF	0.425	9.765	1.96	0.000	H2c, Supported
PC -> PF	0.251	4.416	1.96	0.000	H2d, Supported
PF -> OSU	0.907	34.252	1.96	0.000	H1, Supported
Internal -> OSU	-0.040	0.489	1.96	0.676	H3a, Not Supported
External -> OSU	0.041	0.419	1.96	0.625	H2a, Not Supported

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## 304 **5. DISCUSSION AND CONCLUSION**

305 This study refers on Wixom and Todd's research model, where channel integration quality  
306 and perceived quality are used to investigate basic problems as well as factors that affect  
307 omnichannel use (Shen et al., 2018). Empirical results in this study indicate that perceived  
308 fluency has a positive impact on omnichannel service usage. It means that with prior  
309 understanding of the future users behavior, the perceived fluency that includes easier  
310 access and transition between online and offline services are the core of the omnichannel  
311 business should be examined in the beginning. The more fluent the transition in the  
312 omnichannel business services, the more customers will likely to browse online. The  
313 importance of perceived fluency shown in this study reflected the importance of smooth  
314 transition needed by the consumers. Objectives of this study is to understand omnichannel  
315 services usage and perceived fluency in fashion industry especially in Jakarta (Berrybenka  
316 in this study context).

317 This study also provides empirical evidence regarding the effect of channel integration  
318 quality on perceived fluency that influences the omnichannel service usage.

319 (i) Breadth Channel Choice, Channel Service Transparency, Content Consistency and  
320 Process Consistency have a significant influence and positive impact on perceived fluency.  
321 Where the Channel Choice Breadth, Channel Service Transparency, good Content  
322 Consistency and Process Consistency can improve service quality and be able to combine  
323 online and offline channels to facilitate customers in getting desired goods or services  
324 through omnichannel. These four factors are relevant to the omnichannel service since the  
325 basic of omnichannel service is the smooth transition and reliable service by all of the  
326 platforms (Shen, 2018)

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328 (ii) Perceived fluency has a significant influence on the omnichannel service usage.  
329 Perceived fluency has a positive impact on omnichannel service usage. Once the customer  
330 can easily understand the system they are using, they will have a positive influence in  
331 making decisions to continue shopping with the omnichannel service usage system (. In this  
332 study, perceived fluency has huge impact on the omnichannel service usage in the case of  
333 the Berrybenka store. It is hard to compare berrybenka omnichannel system with their  
334 competitor since omnichannel has not been implemented in most of retail stores in Indonesia  
335 especially in the fashion industry. The more seamless and the smoother the access and

336 transition between channels (online and offline stores) the more consumers will be more  
337 likely to prefer the services offered (Mosteller, Donthu & Eroglu, 2014)  
338

339 (iii) Internal factors which include previous experience of main technology and External  
340 Factors which involve the experience of similar technology do not moderate the relationship  
341 between perceived fluency and the omnichannel service usage. It might be because not  
342 many industries and companies implementing omnichannel service usage especially on  
343 fashion retailers in Jakarta while adoption of omnichannel strategy could boost sales,  
344 develop more revenues, and provides efficiency in the store's operation cost since the  
345 system will enable the company to fulfill a wide variety of needs from many consumers  
346 segment thus resulting in high consumers loyalty in the retail industry (Simone & Sabbadin,  
347 2017). This study shows the opposite result with a similar study done in China where  
348 omnichannel has been introduced and implemented long before the study began, thus the  
349 consumer awareness about omnichannel service is higher than Indonesia. Therefore,  
350 company especially in retail environment need to implement an innovative technology  
351 together with the omnichannel approach to have a better response of consumers' demands  
352 as well as empower their satisfaction and loyalty so the company can increase their sales  
353 which leads to higher profits.  
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355 This study has similar result with the previous study by Shen et al (2018) for the importance  
356 of perceived fluency. Breadth Channel Choice, Channel Service Transparency, Content  
357 Consistency and Process Consistency which form the channel integration is positively  
358 associated with perceived fluency. With the growth of technology and the rising awareness  
359 and usage by the current consumers in Indonesia, consumers now have more exposure to  
360 shopping through several market places. The perceived fluency of both offline and online  
361 store are proven important. One factor that might influence this is age of the users. In this  
362 study, most of the respondents are aged between 25-34 years old with income between 6-10  
363 million and mostly of them has at least a bachelor's degree, meaning that they will be easier  
364 to accept the omnichannel system implemented.

365 The same result has been shown in the paper by Gong et al (2012) who states that the  
366 younger customer who has slightly higher income, and higher level of education will tend to  
367 shop online. Since one of the gateways of omnichannel will be online shopping, the  
368 acceptance rate of omnichannel should be higher. Based on the previous research  
369 conducted in Indonesia by Hidayatullah (2018) and Kementerian Pemberdayaan Perempuan  
370 dan Perlindungan Anak (2018), Generation Y is the biggest consumer Indonesia right now  
371 and their high rate of acknowledgement of technology will make omnichannel easier to  
372 understand and implemented in Indonesia.

373 This study also confirms the result of Milewski (2015) who mention that the millennials are  
374 the cohort that have the optimism to spend via technology. Therefore, whether it is in China  
375 or Indonesia as long as technology supported the usefulness of the easiness of shopping,  
376 millennials will not hesitate to use it. According to Radzan, Das and Sohoni (2014), the  
377 growth of retail ecosystem in Indonesia has been shown a positive impact toward purchase  
378 via those channels. With the increasing number of convenience retail store that used digital  
379 platform, this ecosystem will inevitably trigger more retail store to implement omnichannel  
380 retailing system. The study of Radzan et al (2014) and Milewski (2015) shows that young  
381 consumers are wealthier and tend to increase their consumption. This fact will trigger the  
382 increase of consumption across channel because they tend to spend more as their income  
383 increases.

384 Insight gathered from Zhang and Ke (2004) tells unique opinion that consumer has their own  
385 private experience based on trust even when they use conventional method. On one side of  
386 the argument, trust is considered as more of a concept rather than a knowledge build from

387 common sense because of the lesser communication involved in process, lack of social  
388 participation and organization, and the immature transaction. The low trust in omnichannel  
389 process happened in China is caused by the lack of repeated interaction online. The finding  
390 is similar with this study where the respondents are the millennials who have higher  
391 knowledge about technology and also combined with consumptive behavior, they have  
392 sufficient exposure to build higher trust toward omnichannel implemented in Jakarta  
393 (Yuliani, n.d.; Hidayatullah et al., 2018).

394

## 395 **5.1 Theoretical Implication**

396 The shift from multichannel to omnichannel implementation is an interesting subject. There  
397 are limited companies in Indonesia applying omnichannel in their business. Wixom & Todd  
398 model itself is used to predict behavior to adopt and use the new information technology, as  
399 well as to predict new adoption of technology which lead to customer satisfaction (Nelson,  
400 Todd and Wixom, 2005). The use of different model (Wixom & Todd instead of TAM) from a  
401 previous study has shown different findings, especially about the effect of behavior based  
402 traits (both external and internal usage experience) to omnichannel service usage. However,  
403 the level of awareness to the type of service should be taken into account for the different  
404 result.

## 405 **5.2 Practical Implications**

406 The results of this study indicate that Breadth Choice Channel, Channel Service  
407 Transparency, Content Consistency and Process Consistency have influence on perceived  
408 fluency that affects Omnichannel Service Usage in one of the online retail fashions in  
409 Jakarta, BerryBenka. Some of the factors that are important for the advancement of  
410 omnichannel service usage are perceived fluency, where perceived fluency acts as a  
411 mediating factor for omnichannel service usage. Companies that have planned to integrate  
412 their online and offline services are expected to be able to create customer experience and  
413 travel in shopping in such a way that their customers will get used to and be savvy in using  
414 the channels provided by them. The other things that must be considered in the formation of  
415 perceived fluency are channel integration quality such as choice breadth channel, channel  
416 service transparency, content consistency and process consistency. Companies must also  
417 consistently assist customers to achieve their consumption needs by understanding and  
418 integrating various channels. Company must also be able to provide consumer trust in  
419 omnichannel by doing repeated interaction online.

## 420 **6. LIMITATION AND FUTURE RESEARCH**

421 The sampling methodology, small sample number (only 135 respondents) and area of  
422 research are the limitations of this study. In future, for consistency result, the research  
423 should be extended to other industries, add more cities or another country and uses bigger  
424 samples. It is worth to try another way of analysis with SEM AMOS or Lisrel. Comparing  
425 several level of consumer awareness to the type of omnichannel service will help explaining  
426 the internal and external usage moderating effects.

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