



THE ROLE OF CHARACTER COMPETENCY VALUE AND PERCEIVED USEFULNESS AS MEDIATORS OF VIRTUAL ITEM VALUE ON REPURCHASE INTENTION

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Abstract

This research aims to determine the role of character competency values and perceived usefulness as mediators of virtual item values on intention in repurchasing Mobile Legends skins. The population in this study were Mobile Legends Jabodetabek game players, with the sample criteria being Mobile Legends game players who had purchased skins in the last year. Data collection used a questionnaire distributed using Google Form via Whatsapp, and data analysis used SEM_PLS path analysis. The research results show that the value of virtual items has a positive effect on repurchase intention, character competency and perceived usefulness. The character competency value also has a positive effect on repurchase intention. However, character competency value does not mediate the effect of virtual item value on repurchase intention. Perceived usefulness has no effect on repurchase intention and is also not a mediator of virtual item value on Mobile Legend players' intention in repurchasing skins.

Keywords: Virtual item value, Character competency value, Perceived usefulness, Repurchase intention, Mobile Legends, Path Analysis, SEM-PLS.

INTRODUCTION

Online games have become a new and quite promising business model because they have virtual economic value. A virtual economy is an economy that exists in a virtual world where users can exchange virtual or real assets, products and services in the context of a game or platform environment. Users can participate in the virtual economy for entertainment or for real economic gain (Ray, 2021). Selling in-game products is one of the income earned by game companies. One of the most popular mobile games currently is Mobile Legends. This game was able to make a profit of more than \$500 million, this is their gross income during the four years of its release. Every year their revenue increases by 36% and the peak was in December 2019. After Moonton released version 2.9, they made a profit of \$24.4 million. Based on this data, the largest contributors came from the Asian region with an amount of more than \$301 million or around 60% of total revenue. Malaysia took first place, where players spent \$87.5 million or 17% of total revenue. Then in second place is Indonesia with a total of \$69.2 million or 14%. Meanwhile, in third position is the US with a total of \$64.1 million or 12.8% of total revenue (Nugroho, 2020).

Apart from selling products in the game, Moonton's income comes from the number of downloads made via Google Playstore and Apps Store as well as advertisements in the game (Khun, 2023). However, compared to the three sources of income, the diamond top up activity is the most profitable. The more players who top up diamonds, the greater the profits they get. The products offered in the game are called virtual Items, such as heroes, skins, emotes, recall effects, stickers, and so on. Each virtual item has a varying price, for example the cheapest skin price is around IDR 84,000 or the

equivalent of 254 diamonds. The skin itself has several levels, namely, Elite, Special, Epic, Legends, Starlight, Lightborn, KoF, Limited, Zodiac and Superhero. The higher the level of the skin, the more expensive the price. Virtual items are divided into two types, namely decorative and functional. Decorative virtual items are a type of virtual item that is useful as a visual for the player, while functional means it functions to increase the player's character's abilities (Khaliq, 2022).

Many game players have purchased virtual items (skins), especially those who are fanatical about the game. They are willing to spend quite a lot of money just to buy skins. This is because skins have values that players feel when buying skins, such as functional, emotional and social values. Functional value is a value related to the function of the skin, for example, the hero will be stronger when using the skin and the more skins you have, the higher the selling price of the account will be. Emotional value is a value related to skin characteristics that influence customer feelings, such as, by using the skin, players are happier and the skin makes the hero's appearance more attractive. Social value is a value related to a product or brand characteristic that creates a relationship between users of the product or brand, such as, players will feel proud if they have more skins than other people and players will be increasingly noticed by other people when they have skins that no one else has. Players can also feel the character's competency value on the skin. The character competency value is the value that the player feels when using the skin, for example, the player will feel more able to improve their skills when using the skin and the player will feel that the hero used is stronger when using the skin. Apart from that, there is also perceived usefulness. Perceived usefulness is related to the use of skins for fun or entertainment, for example, players will feel happier when playing using skins and players will get a different playing experience when using skins.

Currently, businesses offer diamond top up services, which is a promising alternative. Most sales are made through social media accounts. The more followers a seller has on social media, the greater the potential for getting lots of buyers. The huge business potential of virtual items is interesting for further research. This is the basis of this research. The main problem raised is whether the virtual item value, character competency value, and perceived usefulness influence the intention in repurchasing Mobile Legend skins?

LITERATURE REVIEW

The Technology Acceptance Model (TAM) is used to explain a person's acceptance of the use of information technology systems. A person's acceptance of an information technology system is determined by two perceptions, namely, perceived ease of use and perceived usefulness. These two perceptions will influence behavior intention. Someone will have the intention to use technology if they feel the benefits and convenience of a technological system. Perceived usefulness has an influence on perceived ease of use, but not vice versa. Perceived usefulness is defined as the extent to which someone believes that using a technology. So, it is a belief about the decision-making process. If someone

believes that the information system is useful then that person will use it, and vice versa (Ghozali, 2020:110-111). Someone will use a technology if the technology can benefit them. If someone believes that a technology is useful then he will use it. Likewise, if he thinks the technology is not useful then he will not use it. Someone will also use technology if they know the positive impact when used (Ernawati and Noersanti, 2020). Perceived usefulness in the research uses the dimension of fun or entertainment, this is because this dimension is suitable for purchasing behavior of virtual items, and to measure it, indicators are used: (1) Entertaining; (2) Fun and (3) Creates an aesthetic experience.

Character competency value is the value that gamers get when purchasing game items such as to increase character strength and power in the context of the game (Park and Lee, 2011). Measuring character competency values uses indicators (1) the character's ability to encourage players to obtain more sophisticated virtual items in order to reach a higher level of play; (2) Functional attributes are attributes that enable the item to be used as an instrument to fulfill higher goals. In marketing terms expressed as features and performance; and (3) Functional props, which can increase the character's attack or defense power.

A virtual product is a non-physical product created and used in the virtual world with the aim of improving the experience of the players (Herawan and Rachman, 2021). In the context of mobile games, virtual products are services in game applications via an internet connection and then developed based on mobile devices with the aim of providing players with a better playing experience while increasing profits when playing (Jia and Wang, 2019). According to Ho and Wu (2012), customers choose products and brands based on five consumption value theories, namely: functional value, emotional value, social value, epistemic value, and conditional value. Functional value is related to the product's function. Emotional value is related to product characteristics that influence customer feelings. Social value is related to product or brand characteristics that create relationships between users of the product or brand. Epistemic value is related to product characteristics that promote customer curiosity or excitement. Conditional value is a product or brand characteristic that creates functional value or social value under certain circumstances. Based on consumption value theory, it is known that functional, emotional and social values have an influence on the intention to purchase virtual online game items.

Repurchase intention is behavior that appears as a response to an object that shows the customer's desire to make a repeat purchase (Priansa, 2022:169). When a consumer gets a positive response to a past action, reinforcement will occur from there, having positive thoughts about what he or she receives allows the individual to make repeat purchases. Repurchase intention is different from loyalty, loyalty describes psychological commitment to a product while repurchase intention is simply the activity of buying the same product repeatedly (Tjiptono, 2015:386). Repurchase intention is based on purchasing experiences that have been made in the past. High repurchase intention reflects a high level of satisfaction from consumers when deciding to adopt a product or service. Purchase intention in the context of mobile games refers to players' intention in purchasing certain products that may or may not

influence their gaming experience (Tirtasamita, 2020). Consumer purchase intentions can be measured using various dimensions, namely: (1) Transactional Interest; (2) Referential Interest; (3) Preferential Intention and (4) Exploratory Intention (Priansa, 2022:168).

METHOD

This research uses a survey approach because to obtain information and data the researcher asks respondents' opinions on the statements contained in the questionnaire. The population in this study were Mobile Legends game players in Jabodetabek, with the criteria of having purchased skins in the last year as respondents. The data collection process uses a questionnaire using Google Form, which is distributed in various online gamer forums and using the WhatsApp application. The number of samples studied was 100 respondents, using Path Analysis SEM-PLS.

RESULTS AND DISCUSSION

The measurement model (outer model) is an evaluation of reflective indicator measurements using loading factor, AVE and composite reliability, with the following results:

Table 1. Outer Model

Latent Variables	Indicator	Loading	AVE	Composite Reability
Repurchase Intention (BU)	BU1	0.714	0.658	0.884
	BU2	0.828		
	BU3	0.843		
	BU4	0.851		
Character Competency Value (CC)	CC1	0.920	0.821	0.932
	CC2	0.947		
	CC3	0.849		
Virtual Item Value (NV)	FS1	0.627	0.481	0.863
	FS2	0.729		
	FS3	0.733		
	EM1	0.701		
	EM2	0.782		
	SO1	0.744		
	SO2	0.774		
Perceived Usefulness (PU)	PU1	0.724	0.556	0.789
	PU2	0.808		
	PU3	0.701		

Path analysis test results obtained:

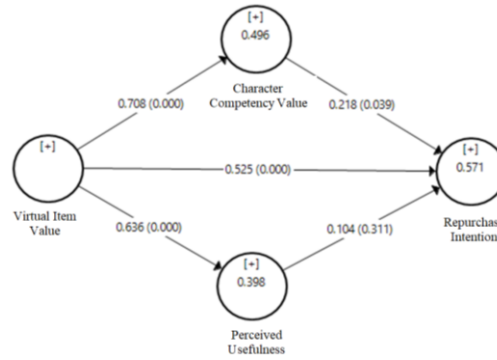


Figure 1. Inner Model

Tabel 2. Indirect Effects.

Character Competency Value		Repurchase Intention
Indirect effects	0.154	
P-value	0.311	
Perceived Usefulness		
Indirect effects	0.066	
P-value	0.332	

1. The value of virtual items has a positive effect on repurchase intention. This means that players can feel the values contained in virtual items so that they want to buy more Mobile Legend skins.
2. The virtual item value has a positive effect on the character competency value. This shows that the value of virtual items can increase character competence, such as making it easier for players to reach the highest rank, increasing the strength of the hero used and improving playing skills.
3. The value of virtual items has a positive effect on perceived usefulness. These results show that players feel the use of the skin, feel happy when playing, and gain new experiences while playing.
4. Perceived usefulness has no effect on repurchase intention. This shows that the reason players buy skins again is not just to entertain and please themselves.
5. Character competency values have a positive effect on repurchase intention. This could mean players rebuy skins so they can strengthen the heroes they will use and make it easier to reach the highest rank.
6. Perceived usefulness is not a mediator of the value of virtual items on repurchase intention. This is because the indirect path coefficient is declared insignificant.
7. Character competency value is not a mediator in the influence of virtual item value on repurchase intention. This is because the indirect path coefficient was declared insignificant.

CONCLUSION

The results of the SEM-PLS path analysis using data collected from Mobile Legends game players in Jabodetabek, with the criteria of having purchased a skin in the past show that the value of virtual items has a positive effect on repurchase intention, character competence and perceived usefulness. The character competency value also has a positive effect on repurchase intention. This

could mean players rebuy skins so they can strengthen the heroes they will use and make it easier to reach the highest rank. However, character competency value does not mediate the effect of virtual item value on repurchase intention. Perceived usefulness has no effect on repurchase intention and is also not a mediator of virtual item value on Mobile Legend players' intention in repurchasing skins.

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