ANALYSIS OF FACTORS INFLUENCING PURCHASING DECISIONS ON THE SHOPEE MARKETPLACE

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Abstract. *In today's digital era, the majority of consumers tend to prefer online shopping, with platforms like Shopee becoming increasingly popular. The convenience and ease offered by such e-commerce services are key reasons behind the growing interest in online purchases. Shopee, in particular, provides security features that enhance customer confidence, such as the ability to receive a refund if the seller fails to deliver the purchased item. Additionally, buyers can track their orders through shipment tracking numbers provided by the seller, which helps estimate delivery times. These user-friendly features significantly influence consumer behavior and purchasing decisions. This study aims to examine the extent to which factors such as product quality, price, and marketing strategies contribute to consumers' buying intentions. Furthermore, it explores the relationship between product quality, cost, and consumers' purchasing choices. Understanding these interconnections is essential for business owners and marketers in order to refine their strategies and remain competitive in the increasingly crowded digital marketplace. By analyzing these aspects, the study provides insights into how businesses can better meet consumer expectations and influence purchase decisions effectively in an environment where convenience, trust, and perceived value are critical.*

Keywords: *Consumer Purchase Intention, Product Quality, Price, Online Marketing, E-commerce (Shopee)*

Introduction

With the rise of online shopping, e-commerce has become a key sector in today's economy. In Indonesia, digital commerce utilizing social media has experienced significant growth, making it increasingly popular. Many consumers are starting to see online stores as a new shopping alternative to brick-and-mortar stores, due to the variety of products and ease of transactions they offer. The rise of e-commerce has encouraged various platforms to compete fiercely, offering various attractive strategies to attract consumers (Sari, Gusteti, and Purwanto, 2018).

According to the latest report from Bank Indonesia, during the Covid-19 pandemic, transaction activity on e-commerce platforms experienced a sharp spike, almost doubling the previous level. From 80 million transactions in 2019, the number jumped to 140 million in August 2020. A study by a market research institute showed that Tokopedia, Bukalapak, and Shopee were the three most active e-commerce platforms with the largest number of users in 2019. Although Tokopedia has been operating for a long time, Shopee received higher review ratings on the App Store and Play Store (Dwijantoro, Dwi, and Syarief, 2022).

Shopee itself is one of the most popular e-commerce platforms in Indonesia. Founded by Chris Feng, the company began operating in Indonesia in June 2015. Consumer shopping trends are shifting from offline to online due to convenience and

efficiency. This has prompted researchers to focus on consumer behavior on the Shopee platform, given the high level of interest in online shopping through this app.

Shopee offers superior features that provide convenience and a sense of security for its users, such as a refund system if the seller fails to deliver an item, as well as tracking shipments via tracking number. These features allow users to monitor the location of items and estimate delivery times. According to a Shopee study, the platform's users are predominantly young. Research from MarkPlus shows that attractive discounts, affordable prices, a variety of payment options, fast shipping, and a wide selection of delivery services are key factors influencing online shopping interest among the younger generation.

Maintaining product quality is crucial for a business. If consumers are dissatisfied, they may switch to competitors' products. Good quality can be demonstrated through a product's ability to meet consumer needs, as well as production cost efficiency (Apriliya, 2021). The primary goal of maintaining product quality is to produce goods that meet standards without compromising on economic aspects.

A product is considered high-quality if it is durable, suitable for long-term use, and provides tangible benefits to consumers. This also influences user satisfaction levels (Arinawati, 2021). Quality also encompasses aspects such as reliability, strength, attractive design, and consistent performance, which will encourage consumers to make informed purchasing decisions.

Price is the total amount a consumer must pay to obtain a product. Price is not only a determining factor in product selection but is also considered a representation of the value or needs consumers seek to fulfill (Apriliya, 2021). Therefore, pricing must consider consumer purchasing power and the product's perceived value.

One effective way to increase sales is through promotional strategies. Promotion plays a crucial role in shaping consumer perceptions and driving interest in a product. Promotion serves not only as an information medium but also as a persuasive tool aimed at encouraging consumers to purchase or use a particular product (Anagari, 2021). Marketing activities aim to build awareness, persuade, and foster consumer loyalty (Muchlisin, 2021).

According to Sitompul (2019), purchasing decisions reflect the actual actions consumers take in selecting and purchasing products they believe will meet their needs, while also considering the potential risks. Meanwhile, Bella Nurfadila (2020) explains that consumer purchasing behavior consists of five stages: problem recognition, information search, alternative evaluation, purchase decision, and post-purchase behavior. All of these stages are interconnected and influence the formation of the final purchasing decision.

A hypothesis is used to tentatively explain the relationship between variables in a study. Based on the problem formulation and theoretical basis explained above, the hypothesis proposed in this study is:

a) Product quality has a significant influence on purchasing decisions on Shopee.
b) Price has a significant impact on purchasing decisions on Shopee.
c) Promotions significantly influence purchasing decisions on Shopee.
d) Product quality, price, and promotions collectively influence consumer purchasing decisions on the Shopee platform.

Research Methodology

This research adopted a quantitative approach, where all collected data is in the form of numbers or numerical information. The data was then analyzed using statistical methods to obtain objective and measurable conclusions. This approach was chosen because it can systematically and accurately describe the relationships between variables.

The research method used was a survey. A survey is a technique in social research conducted by distributing questionnaires to a predetermined group of respondents. The purpose of this method is to collect information or data related to the topic being researched.

Through a survey approach, researchers can reach a large number of respondents in a relatively short time. The questionnaire instrument is designed to measure respondents' perceptions, opinions, or experiences related to the variables of interest to the study. The respondents selected for this study are expected to represent the characteristics of the general population, so that the results can be generalized (Sanusi, 2019).

Thus, the use of a quantitative approach through a survey method allows researchers to measure the level of influence between variables such as product quality, price, and promotion on consumer purchasing decisions in a more objective and measurable manner.

Results and Discussion

A. Results of Multiple Linear Regression Analysis Test

Multiple linear regression tests were conducted to determine the effect of more than one independent variable on the dependent variable, either simultaneously or partially. In this study, the independent variables were product quality (X_1), price (X_2), and promotion (X_3), while the dependent variable was purchase decision (Y) on the Shopee platform.

Table 1. Multiple Linear Regression Analysis Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.433	1.538		-.282	.779		
	X1	1.035	.192	1.057	5.394	.000	.027	36.586
	X2	.723	.139	.546	5.201	.000	.095	10.507
	X3	-.803	.140	-.729	-5.731	.000	.065	15.423

a. Dependent Variable: Y

The value of the multiple linear regression equation in this study is: Y = a + bx + e based on the graph.

Y = 0.433 + 1.035 + 0.723 + -0.803

The significance of the regression coefficient above which reflects the interaction between the independent variable (x) and the dependent variable (y) is as follows:

a) Since 0.433 is a constant, if the variable x(0) is held constant, the call option is worth 0.433 units.

b) As a result, the regression coefficient of variable X1 is 1.035. This indicates that a one-unit increase in variable x1 will cause a 1.035-unit increase in variable y.

X1 is assumed to be continuous or equal to 0. The calculation result illustrates the one-way nature of the relationship between X1 and Purchasing Decisions.

c) The regression equation for variable X2 yields a result of 0.723. Based on this, variable Y will increase by 0.723 for every one-unit increase in variable X2 if variable X2 is equal to zero or constant. A positive coefficient indicates that there is only a one-way relationship between X2 and purchasing behavior.

d) The result of the regression equation for variable X3 is -0.803. This shows how variable Y will increase by -0.803 for every unit increase in variable X3 if variable X3 is constant or equal to 0. The absence of a negative relationship between X3 and Purchasing Decisions is indicated by a negative sign.

B. Determination Test Results
The following are the results of the determination test:

Table 2. Determination Test Results

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.948[a]	.899	.896	1.880
a. Predictors: (Constant), X3, X2, X1				
b. Dependent Variable: Y				

It is known that the independent variable (X) has an influence of 89% on the dependent variable, which is indicated by the R Square value (coefficient of determination) of 0.899. (Y). Other factors not considered in this study have an influence of 21%.

C. Partial Regression Test Results (T-Test)
Naturally, the confidence level used in this study—95% for the variable (df) = Nk or (100-3 = 97)—was taken into account when conducting parametric tests using the T test. A T table of 1.660 was then created, and the significance threshold was set at 0.05. With the condition that H0 is rejected and Ha is accepted if the significance value is 0.05, and vice versa if the significance value is > 0.05 then H0 is accepted and Ha is rejected.

Table 3. Partial Regression Test Results (T-Test)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.433	1.538		-.282	.779
	X1	1.035	.192	1.057	5.394	.000
	X2	.723	.139	.546	5.201	.000
	X3	-.803	.140	-.729	-	.000
					5.731	

a. Dependent Variable: Y

The following are the results of the hypothesis for both the independent and dependent variables:

a) For H1, if the sign value of 0.000 is smaller than alpha (0.05) and the correlation of the t-table results with the calculated t for each variable factor X1 is 5.394,

which is higher than the t-statistic alone of 1.660, then X1 has a significant effect on purchasing decisions, and the first hypothesis (H1) is valid.

b) If the results of the t column test for H2 are compared with the calculated t of each factor, then the X2 variable of 5.201 is greater than the t table of 1.660, with a sign value of 0.000 which is smaller than alpha (0.05), and the second hypothesis (H2) can be accepted because X2 turns out to have a significant effect on Purchasing Choices.

c) The third hypothesis (H3) can be accepted if the variable X3 is -5.731 with a t table of 1.660 for H3, with a sign value of 0.000 smaller than alpha (0.05), in the second examination of the t league lab test using t count for each parameter.

D. F Test Results (Simultaneous)

The following are the results of the f-test (simultaneous):

Table 4. F Test Results (Simultaneous)

Model		Sum of Squares	df	Mean Square	F	Sig.
		ANOVAᵃ				
1	Regression	13.323	3	4.441	3.155	.028ᵇ
	Residual	135.139	96	1.408		
	Total	148.462	99			
a. Dependent Variable: Abs_Res						
b. Predictors: (Constant), X3, X2, X1						

After completing the F count with a failure rate of 5% and degrees of freedom (df) of 3, the F table was 2.70. The critical value of 0.028 0.05, the F count of 3.155, and the F table value of 2.70 indicate that H0 is rejected and the hypothesis that states there is a significant simultaneous (joint) influence on purchasing decisions in the Shopee Digital Market is accepted.

Discussion

Consequently, the findings of the above tests will be examined methodologically in the discussion and then connected to the proposed hypothesis, specifically as follows:

a) The Influence of Product Quality on Purchasing Behavior, Data analysis and researcher findings using SPSS version 25 show that the Purchasing Decision factor (X1) does have a significant influence on Purchasing Decisions in the Shopee Market Place.

b) The Influence of Price on Purchasing Behavior, Data analysis and findings drawn by analysts using SPSS version 25 show that the Price component (X2) has a significant influence on Purchases in the Shopee Digital Market.

c) The Influence of Promotion on Purchasing Behavior, The marketing component (X3) does not have a significant influence on purchasing options in the Shopee Digital Market, based on the data that has been evaluated and the conclusions drawn by academics using SPSS version 25.

The Influence of Product Quality, Price, and Promotion on Purchasing Choices, The F statistic which was once again determined for the evidence that had been examined and the results obtained by the researcher using SPSS version 25 was 3.155. After executing the F number with a failure rate of 5% and degrees of freedom (df) 3, the F table was produced at 2.70. The alternative hypothesis was accepted and H0 was rejected based on

the calculated F value of 3.155 which was greater than the F table value of 2.70. Therefore, it can be said that there is a significant and positive influence between Product Quality, Cost, and Progress of Purchasing Behavior on the Shopee Digital Marketplace.

Conclusion

This chapter will provide recommendations in response to the previously identified design issues based on the results of the analysis and survey:

a) The Shopee community highly values product quality when making purchasing decisions.
b) In the Shopee marketplace, price has a significant influence on purchasing choices.
c) In the Shopee ecosystem, advertising has very little influence on consumer purchasing decisions.
d) Product value, cost, and marketing factors significantly influence consumers' online purchasing decisions.

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