

## **THE INFLUENCE OF SERVICE, PRICE, AND ADVERTISING ON SHOPEE PURCHASE DECISIONS**

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### **ABSTRACT**

*Currently, the development of the business world in online shops is increasing and people are also helped by the existence of online shops where people as consumers do not need to visit the shop to shop. This study aims to test the Influence of Service, Price and Advertising on Purchasing Decisions on Shopee. Research focuses on quantitative data, tends to use associative research. The population was 237 consumers who visited the Shopee application and the sampling technique was Slovin. The research sample consisted of 149 consumers. The results of the study are that service has a positive influence on purchasing decisions on Shopee. Price has a positive influence on purchasing decisions on Shopee. Advertisements have a negative influence on purchasing decisions on Shopee. Service<sub>X1</sub>, Price X<sub>2</sub> and Advertising X<sub>3</sub> influence Purchasing Decisions (Y) on Shopee.*

*Keywords: Service, Price, Advertising, Purchasing Decision*

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## INTRODUCTION

World business Now This develop in on line shop the more tall and the community is also helped by the existence of online shops where people as consumers do not need to visit the store to shop. Consumers can shop directly by viewing the product features in the online application. One of the online shops chosen for this research is Shopee.

Usually after consumers see the product features listed in the Shopee application, they can push consumers do decision purchase product. Shopee application visitors each month experience an increase or decrease, which affects the level of product purchases. Shopee is an electronic commerce or shop online. Now This Shopee including *marketplace* Which most visited by the public, this is because Shopee offers many conveniences For buy product And offer price Which Enough low than application other. Following This is table Shopee occupy order second from *the marketplaces* that consumers currently visit:



**Figure 1.1 Top 5 Visitor Marketplace**  
Source : Similarweb.com

Based on figure 1.1, Shopee is ranked 2nd or as many as 116,870,000 million visitors among other online applications such as Tokopedia, Lazada, Bukalapak, and Blibli. As can be seen in the application store online like Blibli which is actually only own visitors Far less, namely only 19.35 million visitors. This shows that visitors Shopee in a way direct Which do taking This purchasing decision is the second most after Tokopedia. This condition is a challenge for Shopee to be more creative and innovative in increasing decision purchase consumer Good consumer new or old consumers with the aim of becoming better known.

As for phenomenon decision purchase served on Table 1 :

**Table 1. Pre Survey 2023**

No	Description of Pre-Field Survey Results
1	Some buyers gave the opinion that the price of fashion products on Shopee is more expensive compared to similar products on other marketplaces.
2	From observations in the field, several buyers gave the opinion that the price of fashion products on Shopee is more expensive compared to similar products on other market places.
3	Consumer confidence in shopping at Shopee has not yet been built
4	The safety of consumers shopping on Shopee is not yet guaranteed
5	Shopee doesn't have a shared feature yet.

**Source : Results Pre Survey to 20 person Students Unpri, 2024**

Based on Table 1. above, many buyers move to other market places and this tendency has an effect on customers no longer being interested in making repeat purchases and even tending to give bad comments. Existence Shopee Which give back convenience for society to fulfill its needs and the many opportunities for society to buy and even sell fashion products on Shopee.

As for a number of factor influence decision purchase is service, price And advertisement. Service given Shopee Now This including easy And fast. Shopee provides the best quality of service, of course product users give the best response and recommend products sold by Shopee among society, although it does not rule out the possibility that Shopee will also provide quality poor service will have a negative effect on Shopee. Service quality affects Shopee's survival in relation to with decision consumer purchasing. The price of products on Shopee is quite cheap and to obtain the product in an easy way. The price of Shopee products is cheap and the shipping cost of the product is borne by the consumer. Transactions for purchasing products on Shopee are by cash transfer.

Shopee advertising also often appears in soap operas on television, whether it is promoting or other soap opera actors, where this disrupts the activities that consumers want to do if the advertisement appears. in a way continuously in term time No Far. With The existence of advertising carried out by Shopee is an advantage for Shopee itself because with advertising there will be many new visitors which on this occasion can increase the number of decisions. purchase on Shopee And matter This will give profit very big for Shopee.

## **LITERATURE REVIEW**

### **Influence Service To Decision Purchase**

According to Gumaeri and Maria (2022) Companies provide quality services to consumers with the aim of satisfying consumers in order to create repeat purchases and vice versa. Lianita and Widodasih (2023) Service quality has a positive or significant impact on purchase decision. Basically the quality of service in online shops has been able to attract consumers' attention in online shopping purchases. Wuysang, et al., (2022) the best and quality service can create trust in making purchasing decisions.

### **Definition Price**

Syahril, et al., (2022:15) Price is one of the important factors evaluated by buyers or consumers, and companies must be truly aware of the role of price in shaping the opinions and attitudes of buyers or consumers.

### **Price Indicator**

Kusumah (2023:370) indicator price that is :

1. Affordability price
2. Service comparable with Money that is paid.
3. Quite cheap
4. Eligibility price
5. Economy
6. Show offer price Which interesting.

### **Influence Price To Decision Purchase**

Diba, et al., (2023) Price plays a role in determining consumer purchases. For that reason moreover formerly pricing determination should be seen by the company product price is assessed as competitors of its products, and consider ability consumers in determining prices with the hope of satisfying consumer desires. Kurniawan (2018) purchasing products at affordable prices as a characteristic to obtain the highest value, customer expectations have useful goods value in influence decision purchase. Lianita And Widodasih (2023) good prices have the ability to encourage consumers to make purchasing decisions. Purchasing decisions are the process that consumers or organizations go through

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when determining whether to buy a product or service (Tiani, et al. 2023).

### Definition Advertisement

Susanto (2021) Advertising is one of the elements of the promotional mix used by companies to offer and sell their products to consumers.

### Advertising Indicators

Salsabila And Rachmi (2023) indicator advertisement that is :

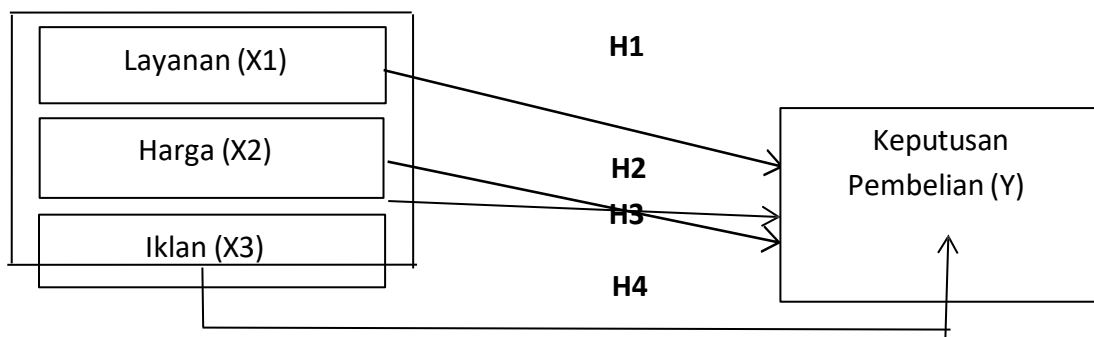
1. Reminder.
2. The Giver Information.
3. Persuasive

### Influence Advertisement To Decision Purchase

Napitupulu, et al., (2022) Attractive advertisement displays and the high frequency of advertisements seen by consumers on various media can trigger consumer interest in purchasing a product on e-commerce. Susanto (2021), advertising is a very effective and efficient promotional tool for marketing products to consumers, so that consumers will make decisions to buy the product. Mastuti, et al., (2019) Consumers are interested in buying a product if the advertising message is conveyed well and attracts interest in buying. The better the advertisement, the higher the purchasing decision.

### Framework Conceptual

Framework conceptual Which can seen on picture 1:



Picture 1. Framework conceptual

### Hypothesis

Hypothesis study This as following :

H1: Service influences purchasing decisions on Shopee.

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H2: Price influences purchasing decisions on Shopee.

H3: Advertising influences purchasing decisions on Shopee.

H4: Service, Price and Advertising Influence Purchasing Decisions on Shopee.

### METHODOLOGY RESEARCH

This study uses a quantitative approach. According to Tersiana (2018:13) Quantitative research is research that produces findings, carried out using statistical procedures. This type of research is associative research. According to Sujarweni (2019:11), associative research is research that aims to determine the relationship between two or more variables and influences. This research is descriptive explanatory. Descriptive explanatory describes the relationship between the variables studied and other variables.

The population was 237 consumers who visited the Shopee application and the sampling technique was Slovin.

Based on the Slovin formula, the number of research samples can be determined as:

$$n = \frac{237}{1 + 237 (0,05)^2}$$
$$n = \frac{237}{1,5925}$$

$$n = 148.82$$

The sample consisted of 149 consumers. Testing the necessary determine equation experiencing a from assumptions. Ghazali (2021) autocorrelation test was carried out with the aim to test whether there is correlation in linear regression model between error disturbance in period  $t$  with error disturbance in period  $t-1$  (previous). With using Test Durbin-Watson (DW test) there are hypotheses that will be tested namely  $H_0$ : does not exist autocorrelation ( $r = 0$ ) and  $H_a$ : exists autocorrelation ( $r \neq 0$ ). (SPSS 2023)

Ghozali said ( ) heteroscedasticity test aims to test whether is variance from residual one observation to observation another in modal regression. By using Glejser test basis decision making is if significance  $> 0.05$  then regression model does not have heteroscedasticity. (SPSS 2023)

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Multiple linear regression analysis technique with the equation:

Information:

Y Purchase Decision

a : constant

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

X1 :Service

X2 :Price

X3 :Advertisement

b<sub>1,2,3</sub> : magnitude of the regression coefficient of each variable

e : error

According to Ghozali (2018:98), "the F statistic test basically shows whether all independent or free variables included in the model have a joint influence on the dependent/bound variable". According to Ghozali (2018:98-99), "the t-statistic test basically shows how far the influence of one explanatory/independent variable individually explains the variation in the dependent variable. According to Ghozali (2018:97), the coefficient of determination (R<sup>2</sup>) essentially measures the extent to which the model is able to explain the dependent variable.

## RESULTS AND DISCUSSION

**Table 2. Descriptive Statistics**

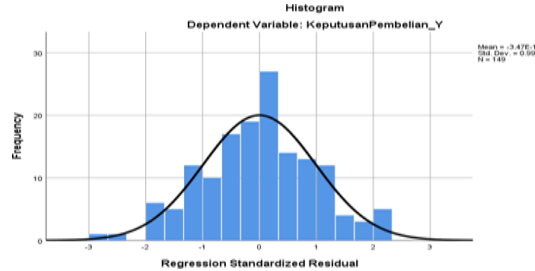
	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
Layanan X1	149	38.00	78.00	56.4295	8.87698
Harga X2	149	31.00	52.00	42.1477	4.17744
Iklan X3	149	14.00	30.00	20.6644	3.19334
Keputusan Pembelian Y	149	37.00	62.00	50.0268	5.51404
Valid N (listwise)	149				

1. Service minimum 38.00 unit, maximum 78.00 unit, mean 56.4295 units and standard deviation 8.87698 units.
2. Price minimum 31.00 unit, maximum 52.00 unit, mean 42.1477 units and standard deviation 4.17744 units.
3. Advertisement minimum 14.00 unit, maximum 30.00 unit, means 20.6644 units and a

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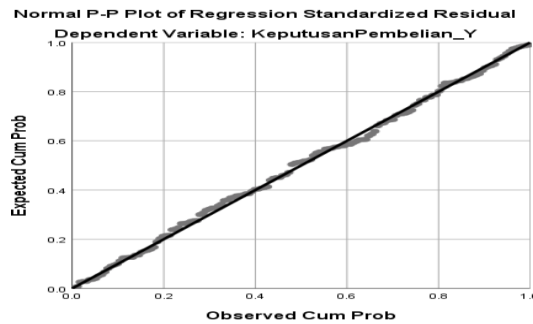
standard deviation of 3.19334 units.

4. Decision Purchase minimum 37.00 unit, maximum 62.00 units, mean 50.0268 units and standard deviation 5.51404 units.



**Figure 2. Histogram**

Data shaped bell backwards to signify distributed normal. The normal p-plot test is:



**Figure 3. Normal P- P Plot**

Normal p-plot seen point follow line diagonal in a way approaching normal data distribution.

**Table 3. One-Sample Kolmogorov-Smirnov Test**  
**One-Sample Kolmogorov-Smirnov Test**

		Unstandardized Residual
N		149
Normal Parameters <sup>a, b</sup>	Mean	.0000000
	Std. Deviation	4.09551123
Most Extreme Differences	Absolute	.038
	Positive	.038
	Negative	-.028
Test Statistic		.038
Asymp. Sig. (2-tailed)		.200 <sup>c, d</sup>

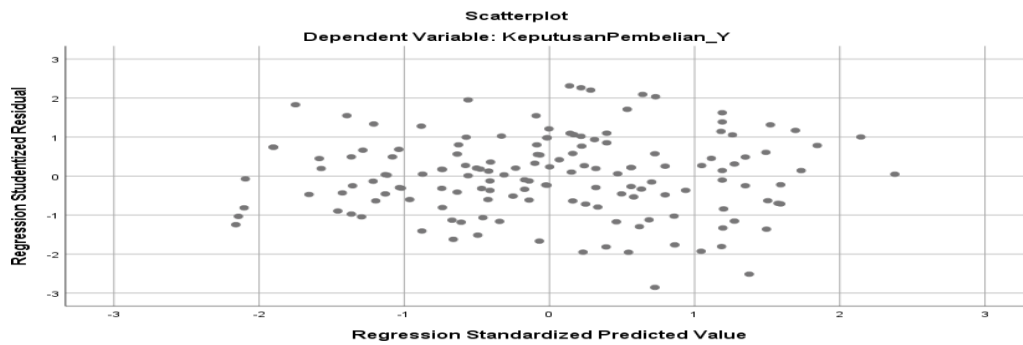
- a. Test distribution is Normal.
- b. Calculated from data
- c. Lilliefors Significance Correction.
- d. This is a lower bound of the true significance.

Worth sig 0.200>0.05 normally distributed data .

**Tabel. 4 Multicollinearity Test**

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Layanan X1	.950	1.052
	Harga X2	.895	1.117
	Iklan X3	.890	1.123

Service\_X1, Price\_X2 And Advertisement\_X3 have tolerance  $\leq 0.10$  and the VIF value  $> 10$  then multicollinearity does not occur.



**Figure 4. Scatterplot test**

Chart *Scatterplot* have point spread random And No patterned so that it is not heteroscedastic.

**Table 5. Glejser Test Results**

Model		Coefficients <sup>a</sup>				
		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	.100	2.375		.042	.966
	Layanan X1	.024	.024	.085	1.008	.315
	Harga X2	.066	.052	.111	1.278	.203
	Iklan X3	-.049	.068	-.063	-0.723	.471

a. Dependent Variable: Abs ur

Service\_X1, Price\_X2 And Advertisement\_X3 own sig  $> 0.05$  that No heteroscedasticity occurs.

**Table 6. Analysis Regression Multiple**

Model		Coefficients <sup>a</sup>				
		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	14.419	3.930		3.669	.000
	Layanan X1	.294	.039	.473	7.474	.000
	Harga X2	.587	.086	.445	6.827	.000
	Iklan X3	-.277	.113	-.161	-2.456	.015

a. Dependent Variable: Keputusan Pembelian Y

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Equality linear regression multiple namely:

$$\text{Purchase Decision} = 14.419 + 0.294 \text{ Service\_X1} + 0.587 \text{ Price\_X2} - 0.277 \text{ Advertisement\_X3}$$

## **Discussion**

### **Influence Service To Decision Purchase**

The results of this study show that services have a positive influence on decisions. Purchase on Shopee. This matter service Shopee is good from booking and timely delivery of products promised to consumers encourages consumers to continue purchasing. products on Shopee.

Results study in accordance with Lianita And Widodasih (2023) Service quality has a positive and significant impact on purchasing decisions. Basically, the quality of service in online shops has been able to attract attention consumer in purchase in a way on line shop.

### **Influence Price To Decision Purchase**

The results of this study show that price has a positive effect on decisions. Purchase in Shopee. Matter This it is possible level price product which are sold at high prices can cause consumers to reduce their product purchases.

The results of this study are in accordance with Lianita and Widodasih (2023) who stated that good prices have the ability to encourage consumers to make purchasing decisions.

### **Influence Advertisement To Decision Purchase**

The results of this study show that advertising has a negative effect on decisions. Purchase in Shopee. Advertisement intense done party management Shopee is to increase the frequency of consumer product purchases.

The results of this study are in accordance with Napitupulu, et al., (2022) Advertising appearance interesting with amount frequency tall seen consumer from various Media can be a driver of consumer interest in purchasing products.

## **CONCLUSION**

Service has a positive influence on purchasing decisions on Shopee. Price has a positive influence on purchasing decisions on Shopee. Advertisements have a negative influence on purchasing decisions on Shopee. Service X1, Price\_X2 and Advertising X3 influence Purchasing Decisions (Y) on Shopee.

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