

PRICE, PROMOTION, RELIABILITY, AND TANGIBLES INFLUENCE TOWARD SHOPEE e-COMMERCE PLATFORM PURCHASE INTENTION

Gabrielle Angelica, Lenny Gunawan
Universitas Ciputra Surabaya

Abstract: The internet is now used in all facets of human existence, including in the trade aspects. Various websites or applications that provide consumer goods have evolved in response to these needs. Shopee marketplace is one of the e-commerce platform applications that exist globally. The focus of this research is customers' purchasing decisions in the Shopee marketplace. Several factors influence purchasing decisions, but the researcher will focus on four variables only in this research study, namely price and promotion from the marketing mix approach, and reliability and tangibles from the service quality approach. The goal of this research was to see how price, promotion, reliability, and tangibles, have influenced purchasing decisions in the Shopee marketplace. This study takes a quantitative approach, with a questionnaire as the primary data collection tool. Purposive sampling theory was utilized to select 100 respondents for this investigation (respondents based on predetermined criteria). With the help of the SPSS program, the data acquired through the distribution of the questionnaire will be processed using multiple linear regression analysis techniques. The findings of this study show that the Price, Promotion, Reliability, and Tangibles have a strong beneficial effect on the purchasing decision variable partially and simultaneously.

Keywords: price, promotion, reliability, tangibles, purchasing decision

INTRODUCTION

The rapid development of Information and Communication Technology or ICT has caused changes in people's behaviour, in almost all their activities. With a revenue of US\$43 billion in 2021, Indonesia is the ninth-largest e-commerce market. The Indonesian

*Corresponding Author.
e-mail: lenny.gunawan@ciputra.ac.id

e-commerce market grew by 32% in 2021, contributing to a global growth rate of 29%. E-commerce sales are continuing to rise. New markets are forming, and established markets have the potential to grow even more. Over the next few years, global growth will continue. East and Southeast Asia, with their growing middle classes and sluggish offline shopping infrastructure, will drive this trend (Ramya et al., 2019). In today's Indonesian digital marketplace or e-commerce platform, there are at least 17.59 million MSMEs. As many as 27% of the MSME population, or 58% of the target of 30 million MSMEs, have joined the digital ecosystem (Hartono, 2021). Whereas in Indonesia, which is the highest rate of any country in the world, 78% of all internet users in Indonesia made a purchase from their mobile phones in the past months in Q1 of 2020 (Lee, 2020).

According to the data from a survey conducted in Q1 of 2019 by Jakpat, it is known that 60.5% of respondents prefer to do online shopping activities, and only 39.5% prefer to visit offline stores to shop (Binus University, 2019). During the COVID-19 pandemic, many shopping centres had to close due to social restrictions. There are many offline stores that go bankrupt because there are no visitors or shoppers. This has caused many Small and Medium Enterprises (SMEs) to turn their offline business to e-commerce. Not only that, many entrepreneurs build new online-based start-ups to seek opportunities.

According to the data from iPrice insights (2020) in Bryan (2020), Shopee was able to overtake Tokopedia to become the most frequented e-commerce site even in Q3 2020. Shopee exceeded Tokopedia in Q4 2019 with 72,973,300 monthly visits, then decreased in Q1 2020 with 71,533,300 monthly visits, and then increased again in Q2 2020 with 93,440,300 monthly visits (Bryan, 2020). This growth is a strong signal that confirms that the COVID-19 pandemic has accelerated digitization in the trade sector. Shopee Indonesia Director Handhika Jahja in 2020, said that during the second quarter of 2020, the number of transactions at Shopee reached 260 million transactions with an average daily rate of 2.8 million transactions. This number is up 130% compared to the second quarter of 2019 (Parama, 2020).

The COVID-19 pandemic is changing people's shopping habits by relying more on e-commerce platforms. As many as 71% of survey respondents made Shopee the top-of-mind e-commerce platform or the most frequently remembered. Followed by Tokopedia with 15%, and Lazada 8%. Not only being the top of mind, Shopee is the leader of the e-commerce market in the third quarter with 90% of respondents saying Shopee is the platform they have used from July to September 2020 (Maranti, 2020).

It is critical to understand how customers make purchasing decisions. Before, during, and after the purchase of goods or services, the customer's purchasing decision process refers to the decision-making processes that begin with the customers buying goods or services in exchange for money in the market. It aids the seller or marketer in the sale of their goods or services in the market. If a marketer is successful in understanding customer behaviour as it relates to the purchase decision process for goods or services, the marketer may be successful in selling those goods or services (Qazzafi, 2019).

The epitome of Shopee becoming the number 1 e-commerce shopping marketplace in Indonesia has triggered the researcher's curiosity of why purchase intention arises in relation to the marketing mix tools and service quality since the pandemic afterwards the selling projection inclination has proven to take place until date, therefore a preliminary survey is conducted prior to know which factors majorly affect customers purchasing decision in Shopee marketplace.

The preliminary survey was conducted on 72 respondents in Surabaya who have used the Shopee application to shop online. From the preliminary survey, the respondents are welcome to choose more than one factor from the available factors that they personally considered before purchasing products through a certain Shopee seller. Among the dimensions of the marketing mix and service quality, the four factors that achieved the highest score are price (73.9%), Promotion (56.5%), Reliability (31.9%), and Tangibles (29%). Thus, this research will focus on these four variables.

This research aim is to analyze the factors that affect customers' purchasing decisions in Shopee e-commerce. This research studies the factors that customers usually consider before purchasing goods in Shopee e-commerce. In this research, there are four main factors that will be analyzed which are Price, Promotion, Reliability, and Tangibles. The Grand Theory (Theory of Planned Behavior). It highlights the role of individual behaviour in purchasing decisions. The Theory of Planned Behavior (TPB) has been widely utilized to investigate individual behaviours and intentions. TPB is a development of the Theory of Reasoned Action (TRA) (Ajzen, 1985). The variables investigated in this research are price, promotion, reliability and tangibles. Other aspects aside from these four variables will not be the focus of this research.

The Marketing Mix - 4Ps are used as marketing tools, which according to Kotler (2016) defined Marketing Mix as a set of controllable variables that the firm can utilize to affect the buyer's response. The 4Ps such as product, price, place, and promotion, are the

controllable variables in this context. Each company seeks to construct a 4P's composition that will provide the highest level of customer satisfaction while also meeting its organizational goals. As a result, this mix is put together with the demands of target customers in mind, and it differs from one organization to the next depending on available resources and marketing goals.

The first P used within this research is Price, which is a potential customer's buying choice that is heavily influenced by the price of a product or service (Shaw et al., 2012). According to Twin (2022), the price of a product is the amount that customers pay for it. Marketers must link the pricing to the product's actual and perceived worth, as well as supplier costs, seasonal reductions, and rival prices. The four price indicators are price affordability, price suitable with quality, price compatibility with benefits, and price competitiveness (Safkaur & Hertati, 2020); The second P is Promotion: which refers to any marketing actions and communication aimed at informing and persuading a target audience to buy a product or respond to a certain call-to-action. It should be noted that, together with product or product strategy, place or distribution, and pricing, promotion is one of the essential parts of the marketing mix or the 4Ps model of marketing. Some sales promotion strategies that are often used by Shopee sellers and are of interest to this research are coupon discounts and price discounts (Shaw, 2012).

The third variable used in this research is reliability, using Service Quality (SERVQUAL) theory, according to Parasuraman et al. (1988) introduced the service quality model that is used to estimate the quality of services known as "SERVQUAL", including reliability, responsiveness, assurance, empathy, and tangibles are examples of service qualities that connect specific service characteristics to customer satisfaction. Reliability refers to a company's ability to deliver on its promises (Parasuraman et al., 1988). In the context of the internet, reliability is defined as the website's capacity to work properly and provide the promised services reliably and accurately (Parasuraman et al., 2005). Service reliability is the extent to which the website delivers on its promises and the website's correct technical operation. Sürücü & Maslakçı (2020) stated that "reliability" relates to the consistency and stability of the measurement equipment utilized throughout time. The reliability of the information acquired by information quality might represent the website's reliability. The indicators of reliability in this research are accuracy, relevance, and understandability (Ramya et al., 2019).

The fourth variable is Tangibles, Parasuraman et al. (1985) stated that physical facilities should be identified as tangibles (equipment, personnel, and communications

materials). Customers will judge quality based on the physical appearance of the service. The indicators of service quality are the physical appearance of the website, equipment, and communication facility (Parasuraman, 1985).

The independent variable in this research is Purchasing Decision refers to understanding the customer decision-making process is critical for every organization, but e-commerce businesses have a distinct advantage in this regard. Online merchants may utilize that data to design conversion techniques for every stage of the process because online shoppers generate so much more data than those in brick-and-mortar locations (Millwood, 2021). In the Nicosia Model by Nicosia (1966), the decision-making process is divided into four indicators; consumer attitudes, product evaluation, act of purchase, and feedback (Panwar et al., 2019).

Considering all the facts and data based on the previous research, theoretical review, and several analyses that have been described above regarding price, promotion, reliability, and tangible variables on purchasing decisions, the author decided that the analysis model can be described as the following figure:

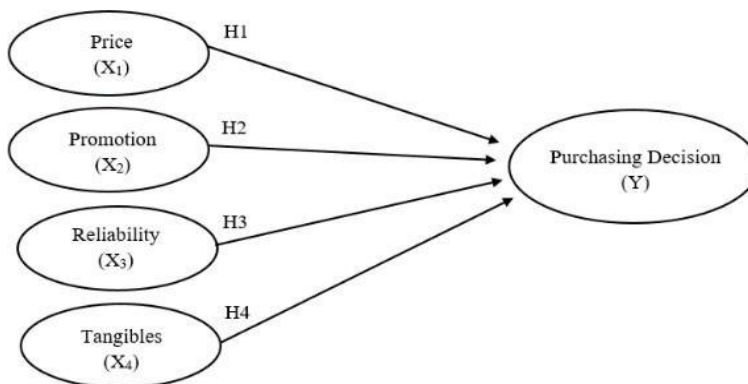


Figure 1 Model of Analysis

A research hypothesis is a definite, explicit, and testable proposition or prediction regarding the likely outcome of a scientific research study based on a specific attribute of a population (Shukla, 2020), such as presumed disparities between groups on a given variable or correlations between variables. Based on the results of the previous studies, the author's proposed hypothesis in this study is as follows:

H₁ : Price (X₁) significantly affects customers' Purchasing Decisions (Y)

H₂ : Promotion (X₂) significantly affects customers' Purchasing Decisions (Y)

H₃ : Reliability (X₃) significantly affects customers' Purchasing Decisions (Y)

H₄ : Tangibles (X₄) significantly affects customers' Purchasing Decisions (Y)

METHOD

This research uses a descriptive approach by gathering quantifiable data from a population sample in order to conduct statistical analysis. The variables will be measured using the Likert Scale which has five scale indicators: least, less, moderate, more, and most, with ratings of 1,2,3,4, and 5. In this research, the scale will be 1 (Strongly Disagree), 2 (Disagree), 3 (Somewhat Agree), 4 (Agree), and 5 (Strongly Agree).

In this research, the validity of scores dependent on Pearson's r correlation coefficient will be demonstrated using a second method. The Cronbach alpha is a test that determines how consistent or reliable a set of items, measurements, or ratings are. Cronbach's Alpha will be used in the test in order to determine whether or not the questionnaire is acceptable.

Multiple regression takes into account the correlations between predictor variables and assesses the effect of each predictor variable, when other variables are removed (Salleh et al., 2016). Multiple linear regression attempts to represent the linear relationship between explanatory (independent) and response (dependent) variables. Multiple linear regression and correlation employ multiple independent variables (X₁, X₂, and X₃) to help describe or predict the dependent variable (Y).

The classical assumption tests used in this research are multicollinearity, heteroscedasticity, and normality. The multicollinearity test is used to determine whether or not there is multicollinearity in a regression model by determining the tolerance and Variance Inflation Factor values (Lind et al., 2018). The normality test is used to see whether the attacker or residual variable in a regression model has a normal distribution. Since normal data is an underlying assumption in parametric testing, determining the normality of data is a need for many statistical tests. The heteroscedasticity test determines whether or not the regression model is heteroscedastic (Oxford, 2022).

RESULTS

The descriptive statistical analysis was utilized to analyze the data in this study. Based on the descriptive variable of price, promotion, reliability, tangibles, and purchasing decision, X_{1.2} (price compatible with product quality), X_{1.4} (price competitiveness), X_{2.2}

(price discount), $X_{3.2}$ (relevance), $X_{4.2}$ (equipment), $Y_{1.1}$ (consumer attitude), obtained the highest mean value and lowest standard deviation, which indicated that these indicators influence customers purchasing decision than the other indicators. Descriptive statistics are shown in Table 1.

Table 1 Descriptive Statistic Analysis

Variables	N	Minimum	Maximum	Mean	Std. Deviation	Evaluation
X1.1	103	2	5	3.93	0.744	Agree
X1.2	103	3	5	4.12	0.690	Agree
X1.3	103	2	5	4.04	0.727	Agree
X1.4	103	2	5	4.10	0.650	Agree
X2.1	103	1	5	4.46	0.883	Strongly Agree
X2.2	103	3	5	4.50	0.726	Strongly Agree
X3.1	103	2	5	4.01	0.734	Agree
X3.2	103	3	5	4.17	0.676	Agree
X3.3	103	2	5	4.04	0.727	Agree
X4.1	103	3	5	4.10	0.768	Agree
X4.2	103	2	5	4.17	0.650	Agree
X4.3	103	3	5	4.10	0.768	Agree
Y1.1	103	3	5	4.17	0.650	Agree
Y1.2	103	2	5	4.04	0.770	Agree
Y1.3	103	2	5	4.10	0.730	Agree
Y1.4	103	3	5	4.16	0.720	Agree
Valid N (listwise)	103					

In this study, validity tests were carried out on 103 respondents, the items are considered valid if the r value is greater than 0.195. On the other hand, the reliability test is conducted using the Cronbach alpha formula, and the items are considered to be reliable if the Cronbach value is greater than 0.6. All measuring indicators of price, promotion, reliability, tangibles, and purchasing decision obtained an r value greater than 0.195 and a Cronbach value greater than 0.6, which indicates that all measuring indicators from independent and dependent variables in this study are valid and reliable. Reliability and

validity test results are shown in Table 2.

Table 2 Validity and Reliability Test

Variables	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
X1.1	12.2524	2.367	0.426	0.596
X1.2	12.0680	2.789	0.274	0.691
X1.3	12.1456	2.243	0.517	0.529
X1.4	12.0874	2.375	0.550	0.516
X2.1	8.3204	1.847	0.274	0.564
X2.2	8.1359	1.883	0.314	0.509
X3.1	8.1553	1.054	0.674	0.131
X3.2	8.0485	2.027	0.365	0.947
X3.3	8.1262	1.053	0.690	0.107
X4.1	8.1553	1.054	0.374	0.431
X4.2	8.0485	2.027	0.265	0.347
X4.3	8.1262	1.053	0.590	0.107
Y1.1	12.2913	2.091	0.265	0.442
Y1.2	12.3592	2.389	0.229	0.469
Y1.3	12.4175	2.167	0.269	0.436
Y1.4	12.3010	1.958	0.389	0.320

In this study, the hypothesis is tested using multiple linear regression analysis where the assumption that must be fulfilled is that the data must be normally distributed and free from multicollinearity and heteroscedasticity disorders. Based on the output from the One-Sample Kolmogorov-Smirnov Test, a significance value of 0.200 is obtained, where it is greater than 0.05, so it can be concluded that all data in this study are normally distributed. Normality test results are shown in Table 3.

Table 3 Normality Test

One-Sample Kolmogorov-Smirnov Test		
Unstandardized Residuals		
N		103
Normal Parameters ^{a,b}	Mean	0.0000000
	Std. Deviation	0.22339578
Most Extreme Differences	Absolute	0.190
	Positive	0.190
	Negative	-0.170
Test Statistic		0.190
Asymp. Sig. (2-tailed)		0.200 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Based on the output from the multicollinearity test, it is known that all independent variables in this study obtained tolerance values of greater than 0.1 and VIF of less than 10, so it can be concluded that there is no correlation between the independent variables, which indicates that there is no multicollinearity between independent variables in the regression model. Based on the output coefficients for the heteroscedasticity test, all independent variables obtained a significance value greater than 0.05, so it can be concluded that there is no heteroscedasticity disorder in the model. Multicollinearity and heteroscedasticity test results are shown in Tables 4 and 5 respectively.

Table 4 Multicollinearity Test

Model	Coefficients ^a				Collinearity Statistics	
	Unstandardized Coefficients		Standardized Coefficients	t	sig	Tolerance
	B	Std. Error	Beta			Vif
(Constant)	0.304	0.206		1.478	0.143	
Price	0.275	0.025	0.300	11.113	0.000	0.214
Promotion	0.348	0.029	0.177	11.884	0.000	0.699

a. Dependent Variable: Purchasing Decision

Table 5 Heteroscedasticity Test

Model	Coefficients ^a			t	sig
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta		
(Constant)	0.454	0.214		2.117	0.037
Price	0.031	0.024	0.265	1.264	0.209
Promotion	0.011	0.017	0.072	0.655	0.514
Reliability	-0.041	0.027	-0.290	-1.507	0.135
Tangibles	-0.024	0.017	-0.176	-1.375	0.172

a. Dependent Variable: AbsRes

The coefficient of correlation obtained a value of 0.992, this indicates that the relationship of linear variables is positive and strong. The coefficient of determination value of 0.985, which indicates that all independent variables influence the dependent variable by 98.5%, while the adjusted R^2 value is 0.984 and this high value reveals that the regression model is a good fit as shown in Table 6.

Table 6 Coefficient of Correlation (R) and Determination (R^2)

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.992 ^a	0.985	0.984	0.22791

a. Predictors: (Constant), Tangibles, Reliability, Promotion, Price

b. Dependent Variable: Purchasing Decision

Based on the output of the t-test, all independent variables obtained a t count greater than the t-table of 1.987. The significant value is all less than 0.05, so all independent variables of price, promotion, reliability, and tangibles have significant effects on purchasing decisions as the dependent variable. The constant has a positive value of 0.304, this indicates the same or unidirectional effect between the dependent variable with the independent variables as shown in Table 7.

Table 7 Partial Significance Test (t-test) Results

Model	Coefficients ^a			t	sig
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta		
(Constant)	0.304	0.206		1.478	0.143
Price (X ₁)	0.275	0.025	0.300	11.113	0.000
Promotion (X ₂)	0.348	0.029	0.177	11.884	0.000
Reliability (X ₃)	0.363	0.028	0.325	12.864	0.000
Tangibles (X ₄)	0.469	0.018	0.430	25.793	0.000

a. Dependent Variable: Purchasing Decision

The research linear regression equation is $Y = 0.304 + 0.275 X_1 + 0.348 X_2 + 0.363 X_3 + 0.469 X_4$. The coefficient value of X₁, X₂, X₃, and X₄ can be seen in the following t-table in Table 7, this means that for every 1 absolute value increase in each independent variable, the purchasing decision value will increase multiplied by the respective coefficient. For instance, for every 1 absolute value increase in price, the purchasing decision value will increase by 0.275. All independent variables obtained a positive value result, so they have the same direction as the dependent variables, meaning when the independent variable increases the dependent variable will also increase, and vice versa. Based on the f-test output, it obtained a significance value of 0.000 or less than 0.05, this means all independent variables in this research simultaneously or have a joint influence on purchasing decisions with a significant value of 0.000 which is less than 0.05 as shown in Table 8.

Table 8 Simultaneous Significance Test (f-test) Result

Model	ANOVA ^a				
	Sum of Squares	df	Mean Square	F	Sig.
Regression	328.463	4	82.116	1580.893	0.000 ^b
Residual	5.090	98	0.052		
Total	333.553	102			

a. Dependent Variable: Purchasing Decision

b. Predictors: (Constant), Tangibles, Reliability, Promotion, Price

DISCUSSION

Based on the research findings and the processes discussed in the previous chapters regarding the factors affecting customers' purchasing decisions in the Shopee marketplace, it can be concluded that all the research hypotheses in this research are true and accepted. As we can see from Table 7, all significant levels from X_1 - X_4 are below 0.05, meaning all variables have a significant effect on the dependent variable. Price and promotion from marketing mix have a positive and significant effect on customers purchasing decisions confirmed by Amati (2020), Albari (2020), Akbar (2020), Avakiat & Roopsuwankun (2021), Nanda (2019), Fachmi (2019), Dewi et al. (2020), Purwaningrum and Pasaribu (2021), Panjaitan et al. (2019), and Saad et al. (2021).

Shopee sellers must pay attention to the pricing strategy, making sure that the price is set according to the product quality offered. The benefit indicator is fulfilled when the quality is high, then setting a higher price is acceptable as long as price compatibility is also adhered to (Safkaur & Hertati, 2020), which states the suitability of pricing with customer benefits determines whether or not to purchase a product if the advantages seen are larger or equal to the price paid for it. If the customer believes the product's benefits are less than the money paid, the customer will consider the product to be pricey and will be hesitant to make repeat purchases.

Another point is also crucial which is making sure it is still competitive with the other Shopee sellers in the market. Shopee sellers can offer promotions in the form of price discounts, this method has proven its significant effect on the descriptive statistics analysis of promotion. Backed up by Shaw (2012) promotion indicators include (1) Coupon Discount: A promotional device that gives customers discounts when they redeem a voucher, and (2) Price Discount: A reduction in the normal price of a brand. This form of offer typically offers a readily obvious benefit to customers, particularly when they have a reference price point for the item, so they can understand the value of the discount.

It is crucial for Shopee sellers to have occasional price discounts in order to attract new customers, and it can also result in customer retention, where customers will stay loyal to a certain store if it offers good promotions occasionally through promotion strategies, mainly price discounts. This statement confirms with Price competitiveness indicator by Safkaur & Hertati (2020) which illustrates the comparison of the high and low selling price of an item determined by the seller compared to other sellers for the same item.

As stated by Safkaur & Hertati (2020), one of the price indicators is price affordability which is a form of conformity between the price of goods and the purchasing power of

consumers. Pricing has a substantial impact on consumer purchasing behaviour because the higher a product's price, the fewer units it sells. Products that sell for less than the market rate, on the other hand, are expected to sell in greater volume. Albari (2020) stated that price has a positive and significant effect on customers purchasing decisions. The statement supports the research findings whereas price affects customers' purchasing decisions.

Theoretically, this study lends support to the theory of planned behaviour in explaining customer purchasing decisions to use digital coupons and price discounts to purchase products in the Shopee marketplace. Promotion is used to increase demand for a product. Consumers are expected to desire to try these products as a result of the promotion, which will inspire existing customers to buy products more frequently, resulting in repurchases and a rise in the sales volume of a company's products. To add, Prianggoro & Sitio (2019) stated that promotion has a significant impact on customers' purchasing decisions. The statement supports the research findings whereas promotion affects customers' purchasing decisions.

The reliability and tangibles from service quality dimensions have a positive and significant effect on customers purchasing decisions, agreed by Ali et al. (2021), Prianggoro & Sitio (2019), Dapas et al. (2019), Juhaeri (2018), and Zulkarnain (2021). Shopee sellers need to pay attention to relevance by having the right keyword for search terms, this indicator has proven its major influence on customers purchasing decisions in the descriptive statistical analysis, which indicates that customers' purchasing decision is highly affected when the product they wish to purchase is relevant to what they are seeking for. Not only that, it is important for Shopee sellers to provide equipment such as email, phone numbers, social media, and official website, since this indicator obtained the highest mean value and the lowest standard deviation. In addition, tangibility engages the senses and makes one's brand more memorable, which can be difficult in e-commerce and whose products are unable to be touched or seen, thus making sure to have trusted and good ratings and reviews in the store is important to gain new customers' trust. This statement agrees with SERVQUAL theory by Parasuraman et al. (1988), which states that tangibility is tangible electronic service quality including web design aesthetics, ease of use, virtual tour, and visualization.

Reliability is the most important factor to consider while evaluating a service technique, a reliable Shopee seller will influence a customer's perceived behaviour in making an actual online purchase, as stated in the theory of planned behaviour where customers'

actual decisions to purchase products are influenced by their perceived behavioural control and intention. To add, Dapas et al. (2019) stated that reliability in service quality influences customers' purchasing decisions. The statement supports the research findings whereas reliability affects customers' purchasing decisions. The result confirms Parasuraman et al. (1988) indicator of reliability which is the potential of the institute, company, and staff to provide services in a timely and accurate manner.

Tangibles in e-commerce service quality means the availability of email, social media, contact number, and official website, in the e-commerce page platform, these facilities will have a big impact on customers' purchasing decisions, where customers will consider the store to be trusted because all contact information is available. The relationship of the theory of planned behaviour with tangibles in this study was that customers' perceived behavioural control of online purchases can be influenced by their trust in the Shopee store. Zulkarnain (2021) stated that tangibles in service quality are the most prominent dimension that has a positive influence on purchase decisions. The statement supports the research findings whereas tangibles affect customers' purchasing decisions.

The relationship of the theory of planned behaviour with tangibles in this study was that customers' perceived behavioural control of online purchases can be influenced by their trust in the Shopee store. Zulkarnain (2021) stated that tangibles in service quality are the most prominent dimension that has a positive influence on purchase decisions. The statement supports the research findings whereas tangibles affect customers' purchasing decisions.

Conclusion, Limitations, and Suggestions

All hypotheses are accepted and all variables; X_1 - X_4 : price, promotion, reliability, and tangibility are significant toward the dependent variable (purchase intention), given by the sig value 0.000 which is below 0.05 meaning each independent variable is significantly affecting dependent variables, also altogether the variables (f-test) result it is also significant with sig value 0.000 below 0.05. The adjusted R^2 is 0.984 or 98,4% meaning the effect toward the dependent variable is very strong.

This study is still beyond perfect. To be more relevant and accurate, the study should have a larger sample size and population. Due to the limited availability of samples, the results may not be perfect. In the future, the research could be improved by having more relevant and correct sources. Another limitation would be the lack of previous studies that studies on the topic of marketing mix and service quality in purchasing decisions.

For Shopee sellers, it is undeniably crucial to analyze and understand the factors that have a significant effect on customers' purchasing decisions, especially in the e-commerce industry. A realization of how competitive the online business world is must be developed, this is to help all online business owners, especially in the Shopee marketplace, to gain insights or understandings on how to improve their sales and reach or exceed the goals. This study can help Shopee sellers to understand that common factors such as price and promotion in the marketing mix, reliability and tangibles in service quality dimensions, has an effect on customers' purchasing decisions. Evaluating every process that one has gone through, combined with hard work and perseverance, as well as implementing the right insights to the business strategy, will give the opportunity to appreciate every moment, be it good or bad, to achieve the success or goal that has been set at the beginning.

For further researchers, it will be very effective to manage time for the research to get better results. It is also more optimal to expand the research scoop into a larger number of samples and population, it will help a lot if the researcher can find the right respondents with a higher educational background to get more reliable data. Future researchers can also focus on categorizing products which are suitable for the recent global condition in order to make the research more focused and based on a real-life situation, making it more helpful for the online business perpetrator in that period of time.

REFERENCES

- Ajzen, I. (1985). *From Intentions to Actions: A Theory of Planned Behavior*. In Action Control from Cognition to Behaviour (1st ed.). Springer Series in Social Psychology.
- Akbar, R.M.I., Sularso, R.A. & Indraningrat, K. (2020). The Effect of Price, Ease of Transaction, Information Quality, Safety, and Trust on Online Purchase Decision. *Journal Ekonomi Bisnis dan Akuntansi*, 7(1), 77-81.
- Albari & Safitri, I. (2020). The Influence of Product Price on Consumers' Purchasing Decisions. *Review of Integrative Business and Economics Research*, 7(2), 328-337.
- Ali, H., Zainal, V. R., & Ilhamalimy, R. R. (2021). Determination of Purchase Decisions and Customer Satisfaction: Analysis of Brand Image and Service Quality. *Dinasti International Journal of Digital Business Management*, 3(1), 141-153.
- Amati, M. (2020). The Impact of Sales Promotion, Convenience, and Service Quality on Online Shopping toward Customers Purchasing Decision: Case Study of Lazada.

- (Master Thesis, Bangkok University-Thailand)
- Avakiat, S., & Roopsuwankun, P. (2021). The Important Factors Influencing the Purchasing Decision of Products via Online Application for Consumer in Bangkok. *APHEIT International Journal*, 10(2), 45-56.
- Binus University. (2019). Perilaku Belanja Online di Indonesia. Binus University Bandung, Retrieved 7 June, 2024, from: binus.ac.id/bandung/2019/08/perilaku-belanja-online-di-indonesia/
- Bryan, I. (2020, August 20). Shopee: Most Popular E-commerce Platform in Indonesia. Medium. Retrieved 7 June, 2024, from: <https://medium.com/@bryanignatius94/shopee-most-popular-e-commerce-platform-in-indonesia-8393f922e4f7>
- Dapas, C. C., Sitorus, T., Purwanto, E., & Ihalauw, J. J. (2019). The Effect of Service Quality and Website Quality of Zalora.com on Purchase Decision as Mediated by Purchase Intention. *Quality-Access to Success*, 20(169), 87-92.
- Dewi, E., Tarigan, S., Sabrina, H., & Syahputri, Y. (2020). The Influence of Lifestyle and Sales Promotion on Online Purchase Decisions for Home-cooked Culinary during COVID-19 in Medan City, Indonesia. *International Journal of Research and Review*, 7(10), 140-144.
- Fachmi, M., Setiawan, I. P., & Hidayat, A. (2019). Analysis of Factors Affecting Consumer Purchase Decision at Online Shops. *International Journal of Innovative Science and Research Technology*, 4(3), 118-121.
- Nicosia, F.M. (1966). *Consumer Decision Processes; Marketing and Advertising Implications*. Prentice-Hall.
- Hartono, C., Silintowe, Y. B. R., & Huruta, A. D. (2021). The Ease of Transaction and E-service Quality of E-commerce Platform on Online Purchasing Decision. *BISMA (Bisnis Dan Manajemen)*, 13(2), 81-93.
- Juhaeri, J. (2018). The Influence of Brand Image, Service Quality, Price Perception and Trust on the Purchase Decision of Welding Workshop Welding Wwww. Kanopirumah.Com. *PINISI Discretion Review*, 2(1), 17-24.
- Kotler, P., & Keller, K. L. (2016). *Principles of Marketing* (14th ed.). Pearson Education Limited
- Kotler, P. & Keller, K.L. (2016). *Marketing Management* (15th ed.). New Jersey: Pearson Prentice Hall.
- Lee, A. (2020, September 9). Stats Roundup: E-commerce in Asia Rides High on the

- Pandemic Wave. We Are Social Singapore. Retrieved 7 June, 2024, from: <https://wearesocial.com/sg/blog/2020/09/stats-roundup-e-commerce-in-asia-rides-high-on-the-pandemic-wave/>
- Lind, D. A., Marchal, W. G., & Wathen, S. A. (2018). *Statistical Techniques in Business and Economics* (17th ed.). McGraw-Hill Education.
- Maranti, E. (2020, September 17). Kuartal III, Shopee Berhasil Ungguli Pemain E-Commerce Lain. Marketeers. Retrieved 7 June, 2024, from: <https://www.marketeers.com/kuartal-iii-shopee-berhasil-ungguli-pemain-e-commerce-lain/>
- Millwood, A. (2021, July 2022). Understanding the Consumer Decision Making Process. Yotpo. Retrieved 7 June, 2024, from: <https://www.yotpo.com/resources/consumer-decision-making-process-ugc/>
- Nanda, N. N. (2019). The Influence of E-Commerce, Product Prices and Product Design on Purchasing Decisions in Souvenir Shop Tauko Medan. Budapest International Research and Critics Institute. (*BIRCI-Journal*): *Humanities and Social Sciences*, 2(3), 388-395.
- Oxford. (2022). Glejser Test. Oxford Reference. Retrieved 7 June, 2024, from: <https://www.oxfordreference.com/display/10.1093/oi/authority.20110803095854812>
- Panjaitan, E., Sinulingga, S., & Wibowo, R.P. (2019). The Effect of Marketing Mix on Consumer Purchase Decision on Bright Gas Product in Medan (Study in PT Pertamina (Persero) Marketing Operation Region I). *International Journal of Research and Review*, 6 (10), 205-212.
- Panwar, D., Anand. S., Ali. F., & Singal. K. (2019). Consumer Decision Making Process Models and their Applications to Market Strategy. *International Management Review*, 15(1), 36-44.
- Parama, M. (2020). Shopee Books 130 percent Transaction Growth in Q2 as Customers Go Online. The Jakarta Post. Retrieved 7 June, 2024, from: <https://www.thejakartapost.com/news/2020/09/02/shopee-books-130-percent-transaction-growth-in-q2-as-consumers-go-online.html#:~:text=Shopee%20Indonesia%20director%20Handhika%20Jahja,the%20same%20period%20last%20year.>
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A Conceptual Model of Service Quality and Its Implications for Future Research. *Journal of Marketing*, 49(4),

41–50.

- Parasuraman, P., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A Multiple-Item Scale for Measuring Consumer Perceptions of Service Quality. *Journal of Retailing*, 64(1), 12–40.
- Parasuraman, A., Zeithaml, V. A., & Malhotra, A. (2005). E-S-QUAL: A Multiple-Item Scale for Assessing Electronic Service Quality. *Journal of Service Research*, 7(3), 213–233.
- Prianggoro, N.F., & Sitio, A. (2019). Effect of Service Quality and Marketing Mix Price and Promotion on Purchase Decision and Their Implications on Customer Satisfaction. *International Journal of Engineering Technologies and Management Research*, 6(6), 51-62.
- Purwaningrum, M. R., & Pasaribu, L. H. (2021). The Influence of Service Quality, Promotion, and Secure Transaction Towards Purchase Decision (Study Case on Tokopedia.com). *Enrichment: Journal of Management*, 12(1), 190-196.
- Qazzafi, S. (2019). Consumer Buying Decision Process Toward Products. *International Journal of Scientific Research and Engineering Development*, 2(5), 130-134.
- Ramya, N., Kowsalya, A., & Dharanipriya, K. (2019). Service Quality and Its Dimensions. *EPRA International Journal of Research & Development*, 4(2), 38-41.
- Saad, H.M., Dr. Asim, M. & Manzoor, S. (2021). Impact of Promotional Tools on Consumer Buying Decisions in Online Purchasing. *Pakistan Social Sciences Review*, 5(1), 231-249.
- Safkaur, O., & Hertati, L. (2020). Perubahan Struktur Modal Menyebabkan Perubahan Kinerja Keuangan. *Jurnal Ilmu Keuangan Dan Perbankan (JIKA)*, 9(2), 93–106.
- Salleh, F.H.M., Zainudin, S., Arif, S.M. (2016). Multiple Linear Regression for Reconstruction of Gene Regulatory Networks in Solving Cascade Error Problems. *Advances in Bioinformatics*, 1-14.
- Shaw, M., Blanning, R., Strader, T., & Whinston, A. (2012). *Handbook on Electronic Commerce*. Springer Science & Business Media.
- Shukla, S. (2020). *Research Methodology and Statistics*. Ahmedabad: Rishit Publications.
- Surucu, L., & Maslakci, A. (2020). Validity and Reliability in Quantitative Research. *Business & Management Studies: An International Journal*, 8(3), 694–726.
- Twin, A. (2024, August 9). 4Ps of Marketing: What They Are & How to Use Them Successfully. Investopedia. Retrieved 31 July, 2024, from:

<https://www.investopedia.com/terms/f/four-ps.asp>

Zulkarnain, A., Putranto, T. S., Maryani, & Dino, L. (2021). Factors Affecting Purchase Decisions: Horison Hotels West Java Area. *Proceedings of the 2nd Southeast Asian Academic Forum on Sustainable Development (SEA-AFSID 2018)*, 168, 24-30.

