

WHAT FACTORS DO ONLINE SHOPPERS CARE ABOUT WHEN PURCHASING?

Raudhah¹⁾, Zaki Mubarak²⁾, Rahma Yuliani³⁾

Faculty of Islamic Economics and Business UIN Antasari, Banjarmasin, Indonesia^{1,2}

Faculty of Economics and Business Universitas Lambung Mangkurat Banjarmasin³

E-mail: zakimubarak@uin-antasari.ac.id

Abstract: Technology is advancing. The market stays up with technical advancements. Shopee is one of the most popular online vendors today. This study aims to identify the factors that impact online shoppers' purchase decisions in the Shopee application among consumers in Banjarmasin. The quantitative methodology was employed in the research, with primary data collected via online surveys. The study's findings show that product quality and pricing partially and simultaneously impact online shoppers' purchase decisions. The findings of this study suggest that online vendors improve the quality of their products and establish competitive rates to entice buyers to purchase.

Keywords: *Price, Product Quality, Shopee, Technology Developments*

Submitted: 2023-01-21; Revised: 2023-02-24; Accepted: 2023-03-01

1. Introduction

Technology is developing very rapidly. This development makes the business competition even more challenging (Martini et al., 2021). The primary key to winning the competition is providing consumers with more value (Dewi & Falah, 2022). Manufacturers need to be more sensitive to the changes in the business environment that are now occurring. Because the needs and desires of consumers constantly change from time to time.

Technology is now a daily necessity for people. Technology affects consumer behaviour as well. Nowadays, consumers often make buying and selling transactions online because they can be done anywhere and anytime and cover a wider area. Online shopping has been widely done by various groups of people, especially those who are busy and do not have time to go out of the house to buy directly. Shopping online is the right choice and can be done at any time.

The online buying and selling system or e-commerce gave birth to various companies to facilitate these activities. The marketplace is one of the products launched to facilitate online buying and selling activities. The growth of the marketplace keeps pace with technological developments (Arifianto & Pratiwi, 2021). A marketplace is a meeting place for online demand and supply. It can be said that a marketplace is a place where buyers and sellers who make transactions indirectly meet.

Shopee is one of the most robust marketplaces in Indonesia that the public uses to buy needed equipment. The results of research conducted by the world market research company Ipsos in 2021 stated that Shopee is at the top of the list as the most used e-commerce. Based on the brand, use, most, and often (BUMO) indicators resulted in 54% of respondents chose Shopee (kompas.com).

Due to the substantial public interest in utilizing the Shopee application, it is vital to investigate the aspects that drive it. Based on prior studies, many have connected product quality and price as variables influencing customer purchase decisions. Nonetheless, the study's findings remain contradictory.

Product quality is a property of a good or service that satisfies consumer requirements. Product quality is one element that might make buyers feel happy and lead to repeat purchases. (Martini et al., 2021). Then it can be said that positive assessments, consumer satisfaction, the fulfilment of consumer expectations, and the suitability felt by consumers reflect the quality of a product (Razak, 2019; Sari & Prihartono, 2021). Product quality is essential and must be sought by sellers to compete in the market (Tirtayasa et al., 2021). Product quality development will increase added value to differentiate from other products (Suari et al., 2019).

In theory, product quality is undoubtedly one of the factors that can influence purchasing decisions because consumers will choose goods that will provide satisfaction and benefits. Consumers want the best product quality in purchasing decisions (Fernando & Aksari, 2018). This theory is supported by the research results (Linardi, 2019; Martini et al., 2021; Suari et al., 2019).

However, the results of the preceding study do not align with those of Nasution et al. (2020). According to its investigation, some items on the market are of poor quality. For example, buyers may become damaged if they do not utilize their purchases for an extended time. Therefore, customers are dissatisfied with the quality of the marketplace's items.

Based on the results of the discussion of Nasution et al. (2020) and observations from researchers, the problem that often occurs when making purchases on the Shopee application is the vague quality of the product. There is a vagueness in the quality of the product to be purchased. The seller will only provide an overview of photos, videos, and descriptions of the goods. In Islam, online buying and selling are allowed using a greeting contract. To fulfil the contract, the seller must describe the goods sold to consumers so that both parties are not harmed. However, in practice, not all sellers describe their merchandise honestly. Then it can be said that the provision of photos, videos, and descriptions of goods from sellers has not yet described the quality of a product. In addition, the transaction is contrary to the legal terms of the greeting contract (Mustofa, 2016).

Judging from the results of reviews that buyers have carried out, it is found that many buyers feel disappointed with the products received when buying goods at Shopee. Some of the reasons for disappointment are that the goods sent do not match the description given by the seller. Then it is necessary to analyze whether product quality affects purchasing decisions in the Shopee application.

Price is a further aspect. According to Kotler & Keller (2007)), price is the amount of money that must be spent for a product or service to be obtained by the buyer. The client will use a pricing tool to exchange a product or service. Therefore, the price of the goods becomes a crucial factor in purchasing and selling transactions.

Price is one aspect that determines a business's success (Mandey, 2013). The value of the income that the company will get is based on the price of the products produced. The company can determine the profit to be obtained by determining the price of the products it offers for the sustainability of the company.

Price indicators can be determined by (a) affordability indicators so that consumers can reach the company's prices. (b) Price conformity. People tend to assume that the higher the price of products, the better the quality of the products. (c) Suitability of price to benefits. If

customers believe that the advantages of a product are insufficient to justify the cost, they will view the product as pricey and be hesitant to repurchase it. (d) Prices according to the ability or competitiveness of prices. Consumers consider its cheap, expensive product highly (Kotler & Keller, 2007).

Price is a factor that can influence purchasing decisions. Under the law of demand, demand will increase when the price decreases. Consumers will buy goods that are cheaper than similar products. Based on this theory, price is a factor that can influence purchasing decisions on the Shopee application. Previous studies have suggested that price influences purchasing decisions (Gunarsih et al., 2021; Hidayati, 2018; Linardi, 2019; Nasution et al., 2020; Sari & Kurniawan, 2022). While the research results from (Setyarko 2016; Susanto 2021) state that price does not influence purchasing decisions because the price is not the primary focus in purchasing decision-making because the price of products sold online should be lower than offline sales.

Schiffman & Kanuk (2009) describe purchasing as choosing two or more alternatives. The purchase decision becomes a stage of the consumer process after actually buying. Before the purchase stage, consumers search for information about the product, evaluate the various alternatives available, and finally solve problems that lead to the purchase decision (Gunarsih et al., 2021).

The purchasing decision-making process begins with (a) introducing the problem. This process begins when consumers recognize their need to drive purchase interest. (b) Information Search. After knowing the needs, consumers seek more information about the products or services needed. (c) Evaluation of alternatives. After searching for various sources of information needed, consumers then identify and evaluate products/services related to product quality, price, delivery time, and other factors. (d) Purchase decision. The consumer will make a purchase and finally (e) Postpayment behaviour. That is, after purchasing a product, consumers will feel satisfied. Additionally, marketers should track post-purchase satisfaction, post-purchase behaviours, and product use (Kotler & Gary, 2008).

Based on the abovementioned concerns, this study aims to establish whether the quality of items and pricing impact the purchase decisions of Banjarmasin-based online shoppers.

2. Research Method

This sort of study employs a quantitative methodology for field research. The data consists of primary data collected via online surveys. The survey utilized a Likert scale with scores ranging from 1 to 4 (1 = strongly disagree, 2 = disagree, 3 = agree, 4 = highly agree, 5 = very agree). Banjarmasin Shopee users constitute the population of this research. The Lemeshow formula was employed in this investigation to calculate the sample size. Since the number of populations is undetermined, a confidence level table is utilized. The degree of confidence in this study was 90%, resulting in a sample size of 100 participants. Respondents to this research provided the following demographic data.

Table 1. Respondents' Demographic

	Category	Freq.	(%)
Gender	Male	25	25%
	Female	75	75%
Age	17-20 years	8	8 %
	21-30 years	92	92 %

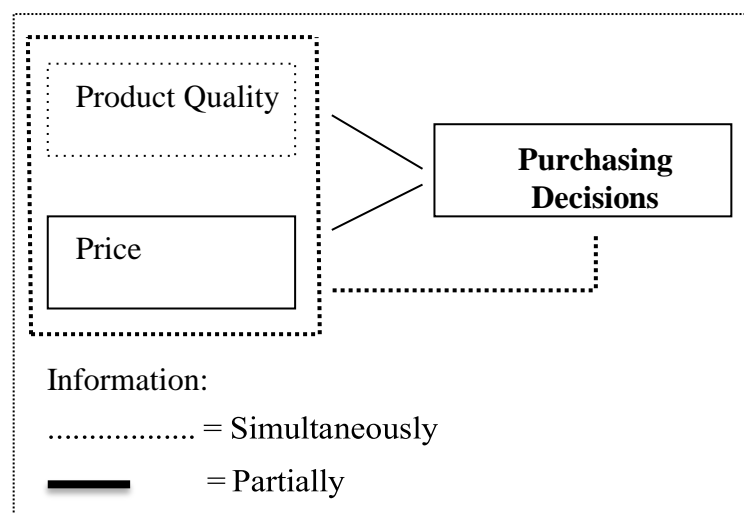
Source: Data processed, 2022

It is known that women are more dominant in making purchases on the Shopee application compared to men, with a ratio of 75%:25%.

Research Hypothesis

Product quality and price are the X factors employed in this study, while purchase decisions are the Y variable. The outcomes of the analysis will generate partial and concurrent impact data. The framework for this study's research is as follows:

Figure 1. Research Framework



3. Results and Discussion

3.1. Results

The first analysis consisted of a test of the questionnaire's validity and reliability. The following are the outcomes of the conducted tests.

1. Validity test

Table 2. Validity Test Results
 Product Quality

No	r count	Decision
1	0,579	Valid
2	0,479	Valid
3	0,649	Valid
4	0,705	Valid
5	0,625	Valid
6	0,653	Valid

Source: Data processed, SPSS, 2022

Based on the validity test findings for the product quality, it can be inferred that statements 1 through 6 are valid, as the r count is more than the r table's value of 0.195.

Table 3. Validity Test Results
Price

No	r count	Decision
1	0,681	Valid
2	0,755	Valid
3	0,703	Valid
4	0,593	Valid
5	0,781	Valid
6	0,660	Valid

Source: Data processed, SPSS, 2022

Based on the findings of the price variable's validity test, it is determined that statements 1 through 6 are valid because the r count is more than the r table, which is 0.195.

Table 4. Validity Test Results
Purchasing Decision

No	r count	Decision
1	0,705	Valid
2	0,647	Valid
3	0,686	Valid
4	0,752	Valid
5	0,677	Valid
6	0,624	Valid

Source: Data processed, SPSS, 2022

Based on the results of the validity test of purchasing decision variable, it can be concluded that statement items 1 to 6 are valid because $r \text{ count} > r \text{ table}$, which is 0.195.

2. Reliability Test

Table 5. Reliability Test Results

Variable	Cronbach's Alpha	Questions Number
Product Quality	0,680	6
Price	0,783	6
Purchasing Decision	0,755	6

Source: Data processed, SPSS, 2022

The SPSS output results for the reliability test indicate that Cronbach's alpha for all three variables is more significant than 0.60. This result indicates that the purchasing decision variable is reliable. Based on the validity and reliability tests results, it can be stated that the questionnaire employed in this study underwent further testing.

3. Classical Assumptions Test

Normality Test

The t and f tests assume the residual value follows a normal distribution. The statistical test becomes invalid for a small sample count if this assumption is not normally distributed.

Table 6. Normality Test Results

		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	1,52394081
Most Extreme Differences	Absolute	,054
	Positive	,054
	Negative	-,051
Test Statistic		,054
Asymp. Sig. (2-tailed)		,200 ^{c,d}

Source: Data processed, SPSS, 2022

The significance value is $0.200 > 0.05$ based on Table 6. Then it may be stated that the residual value is normally distributed.

Multicollinearity Test

The multicollinearity test assesses whether a regression model identified a relationship between independent variables. Tolerance and Variance Inflation Factor (VIF) values are utilized to quantify multicollinearity. If the tolerance values are 0.1 and the VIF is 10, it is possible to conclude that there is no multicollinearity in the study data.

Table 7. Multicollinearity test results

		Unstandardized Coefficients		Standardized Coefficients				Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.		Tolerance	VIF
1	(Constant)	2,499	1,596		1,565	,121			
	Product Quality	,439	,111	,369	3,939	,000		,468	2,137
	Price	,426	,086	,465	4,966	,000		,468	2,137

Source: Data processed, SPSS, 2022

A VIF rating of 10 shows that multicollinearity does not exist. Table 7 shows no evidence of multicollinearity in the regression model evaluating the influence of product quality and price on purchase decisions.

Heteroscedasticity test

The Heteroskedasticity test determines if the variance of one regression model is comparable or unequal to that of other data. Utilization of heteroskedasticity using scatterplots.

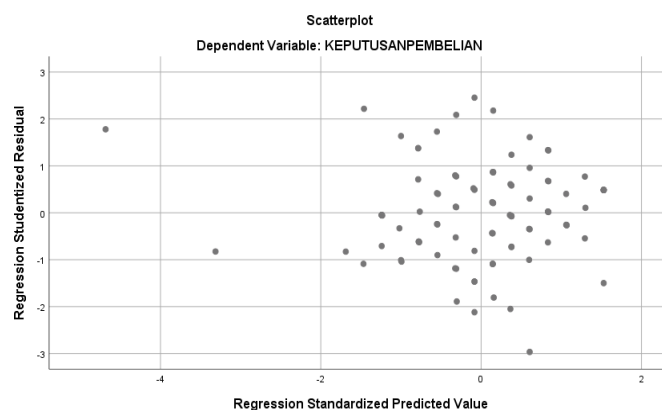


Figure 2. Scatter plot Source: Data processed, SPSS, 2022

Figure 2 shows the dots spread above and below the number 0. Furthermore, the dots in the scatterplot figure do not form any patterns. Therefore, it can be concluded that there is no heteroskedasticity in this study data.

4. Regression test results

T-test result

Table 8. T- Test results

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	2,499	1,596		1,565	,121
	Product Quality	,439	,111	,369	3,939	,000
	Price	,426	,086	,465	4,966	,000

Source: Data processed, SPSS, 2022

According to the investigation results, product quality characteristics positively and statistically significantly influence purchase decision variables. The coefficient value of the variable measuring product quality is 0.439, whereas its significance value is 0.000, or less than 0.05. This result indicates that a one-unit increase in the product quality variable has a 0.439% impact on the purchasing decision. The following variable represents the price. The price variable has a positive and statistically significant influence on the return choice, as indicated by the sig value of 0.000 0.05 and the coefficient of 0.426. This result indicates that a 1 unit increase in the price variable has a 0.426% impact on the purchasing decision.

F test results

Table 9. F- Test results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	348,083	2	174,041	73,427	,000 ^b
	Residual	229,917	97	2,370		
	Total	578,000	99			

Source: Data processed, SPSS, 2022

Significance values exceeding $0.000 > 0.05$. Consequently, it can be stated that the factors of product quality and price (which are independent) influence the variables of purchase decisions concurrently (dependent)

Determinant coefficient test results

Table 10. Determinant coefficient test results (R^2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,776 ^a	,602	,594	1,540

Based on the analysis above, the value of R^2 is 0.602. This result means that product quality and price influence purchasing decisions by 60.2%, while the remaining 39.8% is influenced by other variables not included in this model.

3.2. Discussion

Effect of Product Quality on Purchasing Decisions

Based on the regression results in this study, it is known that product quality affects purchasing decisions. The better the quality of the product, the more consumers' purchasing decisions will increase. Vice versa, the lower the product quality, the less the consumer's purchasing decision will be. These results align with the research of (Hidayat et al., 2020; Linardi, 2019). However, it does not align with the research results of Nasution et al. (2020).

Consumers purchase things online using the Shopee application because they can evaluate the quality of the evaluations left by other consumers who have made purchases. When a product's star rating is near 5, many buyers are eager to purchase it, whereas a low rating indicates that many consumers are dissatisfied with it. Due to the significance of user evaluations in determining the quality of a product, Shopee aggressively encourages consumers to provide feedback on their happiness with the products they purchase. To incentivize users to write reviews of purchased items, Shopee offers coins that may be used for discounts on future purchases.

Price and Purchasing Decisions

Based on the results of regression, it is known that the product price affects the purchasing decision. The more affordable the price, the more consumers' purchasing decisions will increase for a product. Vice versa, the higher the price offered, the fewer consumers' purchasing decisions about a product. The research results align with the results of (Gunarsih et al., 2021; Sari & Kurniawan, 2022; Sari & Prihartono, 2021). Based on the results of this study, sellers can set competitive prices with other products to attract consumers to buy. However, the results of this study are not in line with the research results of (Susanto, 2021).

Based on the questionnaire results, most respondents agreed that the prices of products available at Shopee are low and affordable. This fact is the attraction of Shopee itself, in addition to providing promotions such as free shipping and cashback. Shopee is also able to provide cheap and affordable product prices.

Product Quality, Price and Purchasing Decisions

According to the regression study results, the product's quality and price impact the purchasing choice concurrently. The purchase choice is the process of selecting a product based on customer wants and aspirations. When a customer decides to purchase a product, they will go through a procedure in which they assess the price offered and the quality of the items based on reviews from other consumers.

When a marketplace can deliver inexpensive and high-quality items, it becomes one of the most influential determinants of customer buying decisions. In this study, the elements affecting the buying choice at Shopee are that the prices are relatively low and the quality of the items is supported.

4. Conclusion

Based on the results of the regression test, it can be concluded that partially the variables of the product quality and the price of each of them can influence the purchase decision. Moreover, the product quality and price simultaneously influence the purchase decision. These results mean that online shoppers care about the quality and the price of products they buy online. Therefore, online vendors should consider shoppers' perceived product quality

and price. Future researchers can add more other influencing variables as well as use different samples from different cities in Indonesia

References

- Arifianto, C. F., & Pratiwi, Y. E. (2021). Lazada , Shopee Atau Tokopedia ? Sebuah Preferensi Lokapasar oleh Mahasiswa-Pekerja Di Area Tangerang Raya. *Jurnal Pendidikan Da Kewirausahaan*, 9(1), 168–188.
- Dewi, L. S., & Falah, A. S. (2022). Pengaruh Strategi Harga Terhadap Keunggulan Bersaing Di Tengah Pandemi Covid-19 (Studi Kasus Pada Toko Besi Bardesi Baja Tasikmalaya). *Jurnal Ecodemica: Jurnal Rkonomi, Manajemen Dan Bisnis*, 6(2), 141–149.
- Fernando, made fajar, & Aksari, N. M. A. (2018). Pengaruh Kualitas Produk, Harga, Promosi, Dan Distribusi Terhadap Keputusan Pembelian Produk Sanitary Ware Toto Di Kota Denpasar. *E-Jurnal Manajemen Unud*, 7(1), 441–469.
- Gunarsih, C. M., Kelangi, J. A. ., & Tamengkel, L. F. (2021). Pengaruh Harga Terhadap Keputusan Pembelian Konsumen Di Toko Pelita Jaya Buyungon Amurang. *Productivity*, 2(1), 69–72.
- Hidayat, G., Rachma, N., & Asiyah, S. (2020). Pengaruh Kualitas Produk, Harga dan Promosi Terhadap Keputusan Pembelian pada Online Shop Shopee. *E-Jurnal Riset Manajemen*, 9(11), 137–153.
- Hidayati, N. Iaili. (2018). Pengaruh Viral Marketing, Online Consumer Reviews Dan Harga Terhadap Keputusan Pembelian Shopee Di Surabaya. *Jurnal Pendidikan Tata Niaga*, 06(3), 77–84.
- Kotler, P., & Gary, A. (2008). *Prinsip - Prinsip Pemasaran*. Erlangga.
- Kotler, P., & Keller. (2007). *Manajemen Pemasaran* (12th ed.). PT. Index.
- Linardi, R. (2019). Terhadap Kepuasan Konsumen Pada Bisnis Online Shop RI _ Watch. *Agora*, 7(1), 1–5.
- Mandey, J. B. (2013). Promosi, Distribusi, Harga Pengaruhnya Terhadap Keputusan Pembelian Rokok Surya Promild. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 1(4), 95–104.
- Martini, A. N., Feriyanasyah, A., & Venanza, S. (2021). Pengaruh Kualitas Produk Terhadap Keputusan Pembelian Handphone Oppo di Kota Pagar Alam. *Jurnal Aktiva: Riset Akuntansi Dan Keuangan*, 2(3), 132–142.
- Mustofa, I. (2016). *Fiqih Mu'amalah Kontemporer*. PT. Raja Grafindo.
- Nasution, S. L., Limbong, C. H., & Nasution, D. A. R. (2020). Pengaruh Kualitas Produk, Citra Merek, Kepercayaan, Kemudahan, Dan Harga Terhadap Keputusan Pembelian Pada E-Commerce Shopee (Survei pada Mahasiswa S1 Fakultas Ekonomi Jurusan Manajemen Universitas Labuhan Batu). *Jurnal Ecobisma*, 7(1), 43–53.
- Razak, I. (2019). PENGARUH KUALITAS PRODUK TERHADAP. *Jurnal Manajemen Bisnis Krisnadwipayana*, 7(2), 1–14.
- Sari, & Kurniawan, R. (2022). Pengaruh promosi, harga dan ulasan produk terhadap keputusan pembelian pada marketplace shopee. *Simposium Manajemen Dan Bisnis I*, 464–474.
- Sari, M. R., & Prihartono. (2021). Pengaruh Harga dan Kualitas Produk Terhadap Keputusan Pembelian (Survey Pelanggan Produk Sprei Rise). *JIMEA*, 5(3).
- Schiffman, L. G., & Kanuk, L. L. (2009). *Perilaku Konsumen*. Gramedia.

- Setyarko, Y. (2016). Analisis Persepsi Harga, Promosi, Kualitas Layanan, Dan Kemudahan Penggunaan Terhadap Keputusan Pembelian Produk Secara Online. *Jurnal Ekonomika Dan Manajemen*, 5(2), 128–147.
- Suari, M. T. Y., Telagawathi, N. L. W. S., & Yulianthini, N. N. (2019). Pengaruh kualitas produk dan desain produk terhadap keputusan pembelian. *Bisma: Jurna Manajemen*, 5(1), 26–33.
- Susanto, R. (2021). Pengaruh Harga Dan Iklan Terhadap Keputusan Pembelian Smartphone Oppo Di Kecamatan Ciputat Timur Tangerang Selatan. *Journal of Applied Business and Economic (JABE)*, 7(4), 450–457.
- Tirtayasa, S., Lubis, A. P., & Khair, H. (2021). Keputusan Pembelian: Sebagai Variabel Mediasi Hubungan Kualitas Produk dan Kepercayaan terhadap Kepuasan Konsumen. *Jurnal Insprasi Bisnis & Manajemen*, 5(1), 67–86.