

THE INFLUENCE OF PRODUCT REVIEWS, PRICES AND PAYMENT METHODS ON PURCHASE DECISIONS FOR SHOPEE APPLICATION USERS

¹Lilis Yuni Santia, ²Viniyati Maftuchach
^{1,2}STIE Muhammadiyah Jakarta. Indonesia

ARTICLE INFO

Keywords:

Product Reviews,
Price,
Payment Method,
Purchase Decision

E-mail:
yativym@gmail.com

ABSTRACT

This study aims to determine the effect of product reviews, prices and payment methods on purchasing decisions of Shopee application users partially and simultaneously. This study was conducted to find out empirical evidence of the effect of product reviews, prices and payment methods on purchasing decisions for Shopee application users (study at STIE Muhammadiyah Jakarta). This type of research is causal by using primary data obtained from the results of the questionnaire. The population in this study were all shoppe customers in the STIE Muhammadiyah Jakarta, while the sample used was 100 respondents who were taken using probability sampling with the Lemeshow formula. The data analysis technique used in this study used a questionnaire method, for data processing using SPSS version 26 statistical software. The results of the t test show that partially product reviews, prices and payment methods have a significant effect on purchasing decisions. While simultaneously showing that product reviews, prices and payment methods affect purchasing decisions. Therefore, companies must pay attention to product reviews, prices and payment methods to influence purchasing decisions which will ultimately increase the company's revenue.

Copyright © 2022 Economic Journal. All rights reserved.
is Licensed under a [Creative Commons Attribution-NonCommercial 4.0 International License \(CC BY-NC 4.0\)](https://creativecommons.org/licenses/by-nc/4.0/)

1. INTRODUCTION

Considerations before buying is a normal thing to do, if shopping online then aspects of product reviews, prices and payment methods are some of the considerations that are often made. The Shopee application provides all these facilities, it is there to make it easier for consumers to find and buy a product. Customer assessment is the first step before they make a purchase decision [1]. A review of the product or service purchased is an important review for the next buyer [1], reviews relate to product evaluations from various sides by consumers [2], Consumer reviews are also said to be opinions on the buying experience of a service or product of a business [3]. Reviews provide insight to potential buyers about the positives or negatives of a service or product quality, because there are opportunities for rogue producers to provide poor services or services.

Price is always a consideration in buying a product, because price is the value given by consumers in obtaining a product[4]. The affordability of the price is the main attraction for consumers to buy the targeted product. Kasmir [5] believes that the value of money that must be paid to enjoy a product or service is an important point of price, the same thing is expressed. Tjiptono [6] states that the price is an amount of money (monetary) or other aspects (non-monetary) to get a product, the greater the benefits of the product, the more willing consumers are to exchange their resources[7].

Price can attract consumers to move or change products[8], In general, a cheaper price, that's what consumers like, moreover the quality is good, so consumers will buy it right away[9], Thus the

price is a trigger for potential consumers to transact, and it is important for producers to achieve the target.

Shopee with price sorting facilities makes it easier for consumers to buy products according to their purchasing ability, not to mention many payment features, such as pay later, making consumers more interested in shopping, Yadav et al., (2013) research mentions the pay method to attract customers to shop online. There are several payment methods at Shopee, including debit, bank transfer, installments, Cash On Delivery (COD), payments through minimarkets, and so on..

According to Lim and Zhou[7] e-payment service is a web-based user interface, which gives customers the option to access their bank accounts and transactions to determine their payment types online. According to Avrianto[11] payment Methods are various alternatives that can be chosen by the user to make payments in the context of transactions.

The company is expected to be able to provide maximum service so that product reviews are better, besides the prices offered are expected to be able to compete with other marketplaces. With a variety of payment methods, it is expected to be able to provide various choices so that it becomes easier for users.

2. METHOD

Causal research design to examine the relationship between variables is the choice of this research method, the research population is Shopee users at STIE Muhammadiyah Jakarta. The sampling method is non-probability sampling with purposive sampling technique. The formula for determining the sampling is the Lemeshow formula [12][13], because the members of the population are not known for sure. According to the calculation, in this study the number of samples taken was 100 respondents.

The data collection method uses a questionnaire (questionnaire). Questionnaire is a data collection technique that is done by giving a set of written questions to respondents to answer[14][15]. The mechanism of data collection in this study was carried out by distributing online questionnaires (Google Docs) to the respondents. Data analysis in this study used the multiple linear regression method which was processed using SPSS version 26, this is done because the research was conducted during a pandemic which made learning done online [16].

3. RESULT AND DISCUSSION

a. Descriptive Statistics

Table 1. Descriptive Statistics

	N	Range	Minimum	Maximum	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic
Rating_Review_Product	100	33.00	17.00	50.00	38.9700	5.42247
Price	100	37.00	13.00	50.00	39.3900	5.91675
Payment method	100	12.00	38.00	50.00	45.9500	2.64527
Purchase decision	100	34.00	15.00	49.00	38.5800	5.60335
Valid N (listwise)	100					

Source: SPSS Version 26, Processed in 2022

Table 1 explains that product reviews (X1) have a mean value of 38.97, the price variable (X2) has a mean value of 39.39, the payment method variable (X3) has a mean value of 45.95, while purchasing decisions (Y) have a mean value. 38.58.

b. Classic assumption test

1). Multicollinearity Test

The Influence Of Product Reviews, Prices And Payment Methods On Purchase Decisions For Shopee Application Users, Lilis Yuni Santia, Viniyati Maftuchach

Table 2. Multicollinearity Test

Variabel	Tolerance	VIF
Product Review Rating	.558	1.792
Price	.558	1.792
Payment method	.999	1.001

Source: SPSS Version 26, Processed in 2022

Table 2 shows the model free from multicollinearity problems, because the VIF value is below 10 and the tolerance value for all variables is above 0.10.

2. Heteroscedasticity Test

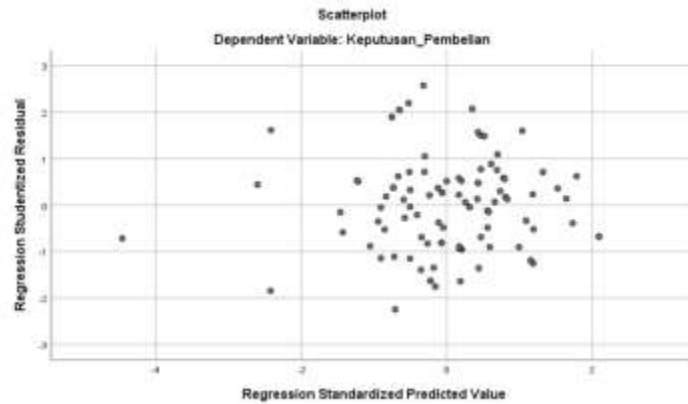


Figure 1. Heteroscedasticity Graph

From Figure 1, the model is free from heteroscedasticity problems because the residuals are randomly distributed.

3. Normality test

Table 3. Normality Test Results
One-Sample Kolmogorov-Smirnov Test

		Studentized Deleted Residual
N		100
Normal Parameters ^{a,b}	Mean	.0000312
	Std. Deviation	1.01633553
Most Extreme Differences	Absolute	.075
	Positive	.075
	Negative	-.049
Test Statistic		.075
Asymp. Sig. (2-tailed)		.188 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Source: SPSS Version 26, Processed in 2022

Based on the statistical test of normality in the table above, it shows that Kolmogorov-Smirnov with a significance of 0.188 is greater than 0.05 so it can be concluded that the data are normally distributed.

4. Multiple Linear Regression Analysis

Table 4. Multiple Regression Test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	9.458	5.332		1.774	.079		
Rating_Review_Product	.528	.069	.511	7.664	.000	.558	1.792
Price	.416	.063	.439	6.593	.000	.558	1.792
Payment method	.241	.106	.114	2.284	.025	.999	1.001

a. Dependent Variable: Purchase decision

Source: SPSS Version 26, Processed in 2022

The resulting multiple regression equation:

$$Y = 9.458 + 0.528X_1 + 0.416X_2 + 0.241X_3 + e$$

Where :

- Y = Purchase decision
- a = Constant
- X1 = Product Review Rating
- X2 = Price
- X3 = Payment method
- e = Error

From the multiple linear regression equation can be analyzed as follows:

- a. Product Review Rating (X1)
 The regression coefficient value of the X1 variable (Product Review Assessment) of 0.528 means that for every one unit increase in product quality, it will cause an increase in Y (Purchase Decision) of 0.528 and vice versa, assuming that the other independent variables in the regression model are fixed or not. changed.
- b. Price (X2)
 The regression coefficient value of the X2 variable (Price) of 0.416 means that for every increase in Service Quality by one unit, it will cause an increase in Y (Purchase Decision) by 0.416, and vice versa if the Price (X2) decreases by one unit, it will decrease the Purchase Decision by 0.416.
- c. Payment Method (X3)
 The regression coefficient value of the X3 variable (Payment Method) of 0.241 means that for every increase in Service Quality by one unit, it will cause an increase in Y (Purchase Decision) by 0.241, and vice versa if X3 (Payment Method) decreases by one unit it will decrease the Purchase Decision by 0.241.

5. Hypothesis testing

Based on the table above, it can be concluded that:

- a. It is known that the tcount is 7,664 > ttable 1,660 with sig 0.000 < (α) 0.05, the conclusion is that the product review assessment has a significant effect on purchasing decisions.
- b. It is known that the tcount value is 6.593 > ttable 1.660 with sig 0.000 < (α) 0.05, the conclusion is that price has a significant effect on purchasing decisions.
- c. It is known that the tcount is 2.284 > ttable 1.660 with sig 0.025 < (α) 0.05, the conclusion is that the payment method has a significant effect on purchasing decisions.

Table 5. F Test
ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2368.566	3	789.522	102.453	.000 ^b
	Residual	739.794	96	7.706		
	Total	3108.360	99			

a. Dependent Variable: Purchase_Decision

b. Predictors: (Constant), Payment_Method, Rating_Product_Review, Price

From the table, Fcount of 102.453 > 2.697 with a sig level of 0.000 which means the value of sig < (α) 0.05 with a ftable value of 2.70, it can be concluded that all independent variables simultaneously have a significant influence on the dependent variable.

6. Correlation Coefficient and Determination

Table 6 Correlation and Determination Test
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.873 ^a	.762	.755	2.776	1.720

a. Predictors: (Constant), Payment Method, Rating_Product Review, Price

b. Dependent Variable: Purchase Decision

Based on the results of the calculation of the correlation coefficient in the table above, it can be interpreted that there is a relationship between the effect of product reviews, prices and payment methods on purchasing decisions. This is evidenced from the results of the calculation of the correlation coefficient obtained by 0.873, the results obtained from these calculations can be interpreted as a moderate level of correlation, this is because the value of R = 0.873 lies between 0.80 - 1000 which means it has a very strong correlation.

Based on the table above, it can be seen that the value of the coefficient of determination (R²) is 0.762 or 76.2%, meaning that the variability of the purchasing decision variables can be explained by the variability of the payment method variables, product review assessments, and prices of 76.2%, while the remaining 23.8% is explained by other variables. which is not included in this regression model.

7. Discussion

1. The Effect of Product Reviews Ratings on Purchase Decisions

This study proves that the first hypothesis is accepted, namely the assessment of product reviews has a positive and significant effect on purchasing decisions, the better the product review assessment, the higher the customer's purchasing decisions. The results in this study are in accordance with the research of Sugiarti and Iskandar[17] which concludes that product reviews partially have a positive and significant effect on purchasing decisions.

2. Influence of Price on Purchase Decision

This study proves that the second hypothesis is accepted, namely the price has a positive and significant effect on purchasing decisions. The better the selling price of a product, the higher the customer's purchase decision. The results in this study also support Rahayu's research[18] concluded that the price partially has a positive and significant effect on purchasing decisions.

3. The Influence of Payment Methods on Purchase Decisions

This study proves that the third hypothesis is accepted, namely the payment method has a positive and significant effect on purchasing decisions, the better the payment method, the higher the customer's purchasing decisions. The results in this study also support the research conducted by Haniscara Anda

Saino[19]. The research conducted concludes that the payment method partially has a positive and significant effect on purchasing decisions.

4. The Influence of Product Reviews, Prices and Payment Methods Together (Simultaneous) on Purchase Decisions.

This study also proves that the fourth hypothesis is accepted, namely that there is a positive and significant influence on the assessment of product reviews, prices and payment methods together on purchasing decisions. The results of this study also support the research that has been carried out by Sudjatmika[20]. His research concludes that product reviews, prices and payment methods together have a positive and significant effect on purchasing decisions.

4. CONCLUSION

Based on the results of research that has been done in the previous chapters, it can be concluded that the results of research on the Product Review Assessment variable (X1) have a positive and significant effect on purchasing decisions, the results of research on the price variable (X2) have a positive and significant effect on Purchase Decision, the results of research on the variable payment method (X3) have a significant positive effect on purchasing decisions and research results for the assessment of product reviews, prices and payment methods together have a positive and significant effect on purchasing decisions.

Given the assessment of product reviews is a variable that affects purchasing decisions, the company should further improve the quality of the products sold so that the reviews are good, especially for the indicator reviews from consumers on the shoppe application are not made according to reality. Companies should also think about prices, especially for indicators of strong competitiveness in prices, so that if companies want to improve purchasing decisions, companies must pay attention to the prices of products sold. Companies must also think about payment methods, especially for discounts given through payment methods, so that if companies want to improve purchasing decisions, companies must pay attention to the issue of discounts. To improve purchasing decisions, companies should always pay attention to product reviews, prices and payment methods so that purchasing decisions can improve, so that in the end it will provide more value for the company..

REFERENCES

- [1] Ji. Collins, Good To Great. Jakarta Indonesia: Gramedia Pustaka Utama, 2018.
- [2] Z. Mo, Y.-F. Li, and P. Fan, "Effect of online reviews on consumer purchase behavior," *J. Serv. Sci. Manag.*, vol. 8, no. 03, p. 419, 2015.
- [3] M. Ichsan, H. M. Jumhur, and S. Dharmoputra, "Pengaruh Consumer Online Rating And Review Terhadap Minat Beli Konsumen Pada Marketplace Tokopedia Di Wilayah Dki Jakarta," *eProceedings Manag.*, vol. 5, no. 2, 2018.
- [4] P. Kotler, H. Kartajaya, and I. Setiawan, *Marketing 4.0: Bergerak dari Tradisional ke Digital*. Gramedia Pustaka Utama, 2019.
- [5] S. E. Kasmir, *Studi Kelayakan Bisnis: Edisi Revisi*. Prenada Media, 2015.
- [6] F. Tjiptono, *Strategi pemasaran*. Yogyakarta: Yogyakarta: Penerbit Andi, 2019.
- [7] B. Lu, W. Fan, and M. Zhou, "Social presence, trust, and social commerce purchase intention: An empirical research," *Comput. Human Behav.*, vol. 56, pp. 225–237, 2016.
- [8] F. Istanti, "Pengaruh Harga, Kepercayaan, Kemudahan Berbelanja dan E-promosi Terhadap Keputusan Pembelian Belanja Online di Kota Surabaya," *J. Bisnis Teknol. Politek. NSC Surabaya*, vol. 4, no. 1, pp. 14–22, 2017.
- [9] H. Hariyanto, M. Y. Arief, and Y. Praja, "Pengaruh Kualitas Produk Dan Pelayanan Terhadap Minat Beli Ulang Melalui Kepuasan Konsumen Sebagai Variabel Intervening Pada Toko F3 Situbondo," *J. Mhs. Entrep.*, vol. 1, no. 3, pp. 1861–1872, 2022.
- [10] P. Yadav, G. Banwari, C. Parmar, and R. Maniar, "Internet addiction and its correlates among high school students: A preliminary study from Ahmedabad, India," *Asian J. Psychiatr.*, vol. 6, no. 6, pp. 500–505, 2013.
- [11] R. P. Avrianto, J. D. Firizqi, R. D. Kurniawan, R. E. Indrajit, and E. Dazki, "Selection Of *The Influence Of Product Reviews, Prices And Payment Methods On Purchase Decisions For Shopee Application Users*, **Lilis Yuni Santia, Viniyati Maftuchach**

- Payment Methods In Online Markets Using Analytical Hierarchical Process,” J. Tek. Inform., vol. 3, no. 3, pp. 697–705, 2022.
- [12] U. Sekaran, Metodologi penelitian untuk bisnis. Jakarta: Salemba Empat, 2006.
- [13] Riduwan, Pengantar Statistika. Bandung: Alfabeta, 2011.
- [14] Sugiyono, Metodologi Penelitian. Bandung: Alfabeta, 2016.
- [15] E. Widanengsih and Yusuf, “Penerapan Model Teknologi Acceptance Model Untuk Mengukur Adopsi Penggunaan Aplikasi Pembukuan Akuntansi Dan Keuangan Rumah Tangga,” J. Akunt. dan Manaj. Bisnis, vol. 2, no. 1, pp. 86–95, 2022.
- [16] A. Suherman, Y. Yusuf, B. Ismanto, and D. C. Umam, “Upaya Membangun Dan Memelihara Semangat Belajar Di Masa Pandemi Pada Yayasan Pondok Pesantren Izzatul Islam,” J. Abdi Masy. Multidisiplin, vol. 1, no. 1, pp. 56–61, 2022.
- [17] D. I. Sugiarti and R. Iskandar, “Pengaruh Consumer Review Terhadap Keputusan Pembeli Terhadap Toko Online Shopee,” J. Sos. Teknol., vol. 1, no. 9, pp. 954–962, 2021.
- [18] H. Rahayu, A. Sismanto, and T. Arianto, “The Effect Of Prices, Product Reviews, Ease Of Use, And Security Of Transactions On Purchasing Decisions Online In Shopee Pengaruh Harga, Ulasan Produk, Kemudahan Penggunaan, Dan Keamanan Transaksi Terhadap Keputusan Pembelian Secara Online Di Shopee,” J. Bima (Business, Manag. Accounting), vol. 1, no. 1, pp. 34–48, 2020.
- [19] N. A. Haniscara and S. Saino, “Pengaruh online customer review dan tagline terhadap keputusan pembelian produk fashion di marketplace shopee dengan minat beli sebagai variabel intervening: studi pada generasi muda Surabaya,” J. Sains Sosio Hum., vol. 5, no. 1, pp. 533–543, 2021.
- [20] F. V. Sudjarmika, “Pengaruh harga, ulasan produk, kemudahan, dan keamanan terhadap keputusan pembelian secara online di Tokopedia. com,” Agora, vol. 5, no. 1, 2017.