

The Influence of Price and Promotion on Purchasing Decisions in the Shopee Marketplace (Case Study on People Aged 20-25 in Makassar City)

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ABSTRACT

This study aims to determine and analyse: the effect of price on purchasing decisions; the effect of promotion on purchasing decisions; and the effect of price and promotion on purchasing decisions. This type of research is quantitative research with a causal associative approach. The study sample consisted of 70 respondents aged 20 – 25 in Makassar. Data collection techniques using questionnaires and documentation techniques. Data analysis techniques are carried out after data from all respondents or other data sources are collected with analytical activities including test prerequisite analysis and hypothesis testing (multiple linear regression). Through instrument and data quality tests (validity test and reliability test), classic assumption tests (normality test, multicollinearity test, heteroscedasticity test, autocorrelation test), multiple linear regression test, t-test, F test, coefficient of determination. The results of the study show that: price had a positive and significant effect on purchasing decisions in marketplace Shopee with a significance value is $0,000 > 0,05$; promotion had a positive and significant effect on buying decisions in marketplace Shopee with a significance value is $0,008 > 0,05$; and overall, price and promotion had a positive and significant effect on purchasing decisions in marketplace Shopee with significance value is $0,000 > 0,05$.

1. INTRODUCTION

Entering the era of Globalization, the presence of the internet makes it easy for everyone to connect to all corners of the world. The Internet network has a strong influence on improving the economy, especially in the fields of business and marketing, as well as increasing the growth of the e-commerce industry (Aris et al., 2024; Hartini, 2022b, 2022a; Muhammad Diva & Hartini, 2023; Pujiono & Hartini, 2023; Rostina et al., 2023).

Electronic commerce through e-commerce is growing as an impact of the rapid flow of technology, this has changed people's lifestyles in meeting their needs. Over the past few years, the e-commerce sector has become the fastest growing and dynamic sector in Southeast Asia, including in Indonesia which has experienced the largest growth in Asia and is expected to continue to increase with an estimated 53 billion in the coming years. Thus, Indonesia has strong potential to improve the digital economy in Southeast Asia (Hartini & Habibi, 2023; Pratiwi & Hartini, 2023; Salma et al., 2021; Suhardi et al., 2023a)

Currently, various conveniences offered by internet technology, and the presence of online shopping media, provide benefits and changes in people's social behaviour. People are also familiar with the term marketplace, as a means of online shopping that has a wide reach and can be used to shop efficiently without having to come directly to a place or store, only through websites and mobile applications. Marketplace is one of the online buying and selling platforms that can bring together sellers and buyers. Various products are offered in the marketplace, ranging from household needs, electronics, food, clothing, and all daily needs (Yahya & Sukandi, 2022).

Before consumers buy a product, they go through stages starting from recognizing the problem, searching for information, evaluating alternatives, then deciding to buy the product, and post-purchase behavior. Kotler and Keller cited in (Febriana, 2020) explains the stages of purchasing decisions, namely 1) problem recognition, consumers see offers on the website, then compare prices, products, and product quality; 2) information search, consumers look for information about the advantages and disadvantages and prices of the products offered; 3) alternative evaluation, consumers will consider and look for the desired products and services with various alternatives and adjust to their needs and tastes; 4) purchasing decisions, consumers will determine the final decision in purchasing a product based on their perception of the product brand; and 5) post-purchase behavior, consumers identify and evaluate products that have been purchased, if the product is satisfactory, consumers tend to buy again in the future, but if consumers are less satisfied, they will not buy similar products again.

Kotler & Armstrong cited in (Haitao, 2022) states that consumer purchasing decisions are measured through several indicators, namely product choice, brand choice, dealer choice, purchase time, purchase amount, and payment method. Various factors can influence consumer purchasing decisions, including price and promotion. Kotler and Armstrong cited in (Febriana, 2020;

Haitao, 2022; Suhardi et al., 2023b; Tulangow et al., 2019; Wardhana & Sudirman, 2022) states that price is the amount of money spent in buying a product, or the value exchanged to obtain benefits from using the product. In other words, price is the determination of the cost of requesting a desired product, with the ability to buy in large quantities and can minimize the amount of expenditure.

Price is the amount of money charged to consumers for certain products and services or the value that consumers exchange for the benefits of those products and services (Armstrong & Kotler, 2021). The price variable has a fairly strong influence on consumer decisions in purchasing a product (Fadli et al., 2022; Haitao, 2022; Herniah & Normiyati, 2022; Tulangow et al., 2019). Price indicators consist of price affordability, price competitiveness, price suitability with product quality, price suitability with product benefits, and price suitability with consumer income levels. In addition to price, promotional variables also affect consumer purchasing decisions. Kotler and Armstrong define promotion as a communication activity to persuade consumers to be interested in buying products with the benefits offered. In introducing products to consumers, companies carry out promotional activities that play an important role in attracting consumer interest in buying products and aim to provide consumers with an understanding of the products offered (Febriana, 2020)

Promotion is one part of the marketing mix, an activity that communicates a product to influence consumers to get to know the product through the information provided, which can then lead to them buying the product offered (Muhajir & Bilgies, 2022; Rofiki & Muhimmah, 2021). Some indicators of promotion, namely 1) promotion frequency, namely the number of sales promotions carried out in a certain time through sales promotion media; 2) promotion quality, namely the benchmark for how well sales promotions are carried out; 3) promotion quantity, namely the value or amount of sales promotions given to consumers; 4) promotion time, namely the length of promotion carried out by the company; and 5) the accuracy or suitability of promotional targets are factors needed to achieve the company's desired targets (Alamanda & Hartini, 2023; Bahri, 2016; Jaya & Mutiara, 2022; Jodi et al., 2022; Tulangow et al., 2019). The promotion has a positive and significant influence on the purchasing decisions of Shopee marketplace users (Hartini, 2022c; Rahmadani & Isroah, 2022).

This study was conducted by referring to the Grand Theory proposed by Ajzen and Fishben, namely the Theory of Reasoned Action (TRA), with the perception that consumer purchasing decisions are based on individual behavioral intentions which are the determining factors for the reasons individuals carry out a behavior, in this case purchasing on the marketplace through the Shopee application. This theory is widely applied in social psychology and marketing which can be related to consumer behavior in purchasing a product.

Several researchers have conducted studies on the influence of price and promotion on consumer purchasing decisions, including (Fadli et al., 2022; Febriana, 2020; Haitao, 2022; Jodi et al., 2022; Rahmadani & Isroah, 2022; Tulangow et al., 2019; Yahya & Sukandi, 2022) which each found that price has a positive and significant influence on consumer purchasing decisions because consumers who buy a product always compare more affordable prices, while promotion

influences purchasing decisions because the product is already known to consumers through promotion or advertising. However, the results of this study differ from the results of the study (Listighfaroh, 2020; Mulyana, 2021), which states that the price variable has absolutely no strong influence on consumer decisions in purchasing a product because many consumers who purchase products do not only consider the price but also the quality of the product (Mulyana, 2021).

In line with this, researchers who study the influence of promotions on consumer purchasing decisions (Ardiansyah & Khalid, 2022; Jaya & Mutiara, 2022; Jodi et al., 2022; Rahmadani & Isroah, 2022; Tulangow et al., 2019), The results of his research show that promotion has a positive and significant effect on consumer purchasing decisions because promotional activities can provide stimulation to potential consumers to buy products. However, this statement is refuted by findings from (Febriana, 2020; Yahya & Sukandi, 2022), The results of the study showed that the promotional variable did not influence purchasing decisions because the quality and quantity of the promotions carried out were not yet effective.

Based on the research gap above, the researcher tried to reconfirm by entering both variables as predictors of consumer purchasing decisions. The researcher examined the influence of price and promotion on consumer purchasing decisions on the Shopee marketplace because the platform is very popular with many people in making online shopping transactions. Another reason underlying this research is that in transaction activities according to (Rahmadani & Isroah, 2022; Tulangow et al., 2019), Shopee applies special conditions for buyers, if they want to participate in the free shipping program and limited promos, and the free shipping promo does not apply to all sellers on Shopee, only those with special marks get the promo. On the other hand, information about the price does not match the product received by the consumer, as a result of the actions of the seller who sent goods that did not match the description listed. However, in every marketplace, there must be advantages and disadvantages. This is what consumers consider to compare Shopee with other marketplaces because the shortcomings of Shopee's services can affect consumer purchasing decisions. Many previous researchers have studied the influence of price and promotion on purchasing decisions. However, in this research the theme is application users aged 20–25 in Makassar City, where this has not been studied much by other research.

This study aims to determine the effect of price and promotion on purchasing decisions. Thus, the formulation of the problem in this study is 1) Do price and promotion have a simultaneous effect on purchasing decisions? 2) Does price have a partial effect on purchasing decisions? Does promotion have a partial effect on purchasing decisions?

Theory of Reasoned Action (TRA). The Grand Theory underlying this research is the Theory of Reasoned Action (TRA) as proposed by Ajzen and Fishbein in 1975 that an individual's behavioural intention towards a particular behaviour is a factor that determines the individual's reasons for carrying out that behaviour. The model of the theory of reasoned action or the reason

someone takes action is based on the belief that there are consequences of the behaviour carried out, and the individual develops an attitude towards the behavior so that this behaviour is beneficial. This is what the researcher assumes with the perception that price and promotion are strong predictors in influencing consumers to shop at the Shopee marketplace through online applications (Kurniawan et al., 2022).

Price and Promotion on Purchasing Decisions. Marketing mix is a tactical marketing tool consisting of product, price, place, and promotion. Companies combine these four elements in the target market to get a response from consumers according to expectations. To make consumers interested in the products produced, companies must carry out strategies, including offering product prices that are affordable for consumers, providing product information through attractive promotions (Amstrong & Kotler, 2021). Harga dan promosi merupakan dua variabel yang dapat berpengaruh terhadap keputusan pembelian konsumen (Jodi et al., 2022; Tulangow et al., 2019).

Price to Purchase Decision. Consumers are an asset of the producer, one way to retain consumers is to provide products at affordable prices. The price charged for a product must be comparable to the value or benefits received by the consumer because the price of a product that tends to be higher than competitors will be abandoned by consumers (Ferdinand et al., 2021). Zithaml (Suyanto & Dewi, 2023) states that price is the main factor that consumers consider in having a particular product that they will buy, buyers can compare product prices according to their needs, and then they choose the desired product. The theory of Reasoned Action is applied to study consumer intentions and consumer behaviour (Purwanto, 2020). Price greatly influences consumer decisions in purchasing products (Ferdinand et al., 2021; Haitao, 2022; Jodi et al., 2022).

Promotion on Purchasing Decisions. Promotion is one of the important factors in marketing management as a continuous process. Promotion activities can attract public interest to buy the products offered (Jodi et al., 2022). Promotion in marketing is used to communicate products to consumers and other stakeholders. The main promotional tools consist of advertising, sales promotion, personal selling, public relations, and direct and digital marketing. Promotion can increase purchases because in the Theory of Reasoned Action is a model applied in social psychology and marketing (Purwanto, 2020). Promotion has a strong influence on purchasing decisions (Ardiansyah & Khalid, 2022; Jaya & Mutiara, 2022; Tulangow et al., 2019; Yahya & Sukandi, 2022).

The following is a model of research paradigm and research hypothesis.

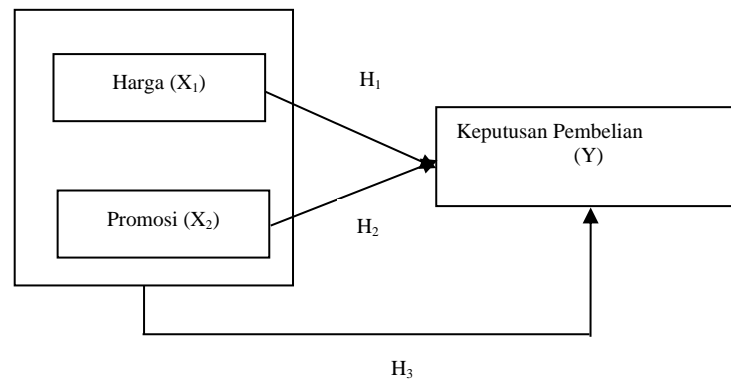


Figure 1. Research Design

Source: Researcher, 2023

2. RESEARCH METHODS

This type of research is quantitative with a causal associative approach. Quantitative research methods are types of research related to statistical figures with testing carried out through measuring variables. The population in this study were Shopee application users aged 20-25 years in Makassar City. The study was conducted in October-December 2023. This study was conducted in Makassar City considering the development of household consumption is quite high, the post-Covid-19 pandemic period in early 2020, consumption needs in this city are very high (Herniah & Normiyati, 2022).

The sample criteria are people aged 20-25 years, have the Shopee application, and have shopped at the Shopee marketplace. For this research sample, non-probability sampling with the accidental sampling technique was used. The accidental sampling technique is a sampling technique based on coincidence without prior planning, meaning that anyone who is met and matches the specified characteristics can be used as a research sample (Sugiyono, 2019). Data collection techniques use primary data obtained through a Google form questionnaire. Data analysis techniques use multiple regression analysis. Researchers use instrument and data quality tests (validity tests and reliability tests), classical assumption tests (normality tests, multicollinearity tests, heteroscedasticity tests, autocorrelation tests), multiple linear regression tests, t-tests, F-tests, coefficients of determination. Calculations in this study use the SPSS program. SPSS is used in this study because it is more informative with a complete format type and can be used directly, making it easier for users to read the output.

In this study, independent variables (price and promotion) and dependent variables (purchase decisions) were used. Price indicators consist of price affordability, price competitiveness, price suitability with product quality, price suitability with product benefits, and price suitability with income. Promotion indicators are promotion frequency, promotion quality, promotion quantity,

promotion time, and accuracy or suitability of promotion targets (Karmila et al., 2023). Researchers used a Likert scale consisting of five measurement scales, (1) 'Strongly Agree' with a score of 5, (2) 'Agree' with a score of 4, (3) 'Neutral' with a score of 3, (4) 'Disagree' with a score of 2, and (5) 'Strongly Disagree' with a score of 1.

3. RESULTS & DISCUSSION

Instrument and Data Test. The instrument test aims to determine the validity of the questionnaire used by researchers in measuring and obtaining research data from respondents. The level of significance used is 5%, if $r \text{ count} > r \text{ table}$ then the statement is valid and vice versa if $r \text{ count} < r \text{ table}$ then the statement is invalid.

Table 1. Validity Test Results

| No. | Variabel | Indikator | r-hitung | r-tabel | Ket. |
|-------|-----------------|-----------|----------|---------|-------|
| 1. | Price | X1.1.1 | 0.585 | 0.2 | Valid |
| | | X1.1.2 | 0.572 | 0.2 | Valid |
| | | X1.1.3 | 0.609 | 0.2 | Valid |
| | | X1.2.1 | 0.790 | 0.2 | Valid |
| | | X1.2.2 | 0.607 | 0.2 | Valid |
| | | X1.3.1 | 0.551 | 0.2 | Valid |
| | | X1.4.2 | 0.504 | 0.2 | Valid |
| 2. | Promotion | X2.1.1 | 0.704 | 0.2 | Valid |
| | | X2.1.2 | 0.617 | 0.2 | Valid |
| | | X2.2.1 | 0.730 | 0.2 | Valid |
| | | X2.2.2 | 0.726 | 0.2 | Valid |
| | | X2.2.3 | 0.561 | 0.2 | Valid |
| | | X2.3.1 | 0.419 | 0.2 | Valid |
| | | X2.3.1 | 0.670 | 0.2 | Valid |
| 3. | Buying decision | X2.3.2 | 0.526 | 0.2 | Valid |
| | | Y.1.1 | 0.513 | 0.2 | Valid |
| | | Y.1.2 | 0.670 | 0.2 | Valid |
| | | Y.2.1 | 0.608 | 0.2 | Valid |
| | | Y.2.2 | 0.589 | 0.2 | Valid |
| | | Y.2.3 | 0.433 | 0.2 | Valid |
| | | Y.3.1 | 0.575 | 0.2 | Valid |
| Y.3.2 | 0.407 | 0.2 | Valid | | |
| Y.3.3 | 0.611 | 0.2 | Valid | | |
| Y.4.1 | 0.580 | 0.2 | Valid | | |
| Y.4.2 | 0.721 | 0.2 | Valid | | |

Source: Primary Data processed (2023)

Based on the results of the validity test above with a total of 30 respondents, it can be seen that all variable statements submitted to respondents are valid because the calculated r-value is $> r \text{ table}$, so it can be concluded that all statements in the questionnaire can be said to be feasible as an instrument to measure research data. The reliability test aims to determine the level of consistency of the questionnaire used by researchers. A statement can be said to be reliable if the Cronbach's Alpha value is > 0.6 (Sugiyono, 2019).

Table 2. Reliability Test Results

| Variable | Cronbach's Alpha | Note |
|-----------------|------------------|----------|
| Price | 0,809 | Reliable |
| Promotion | 0,789 | Reliable |
| Buying Decision | 0,874 | Reliable |

Source: Primary Data processed (2023)

Based on the results of the reliability test above from 30 respondents, it can be seen that all variables in the statement are declared reliable because they have met the required value, namely the Cronbach's Alpha value > 0.6 .

The classical assumption test is a prerequisite test in regression analysis. The classical assumption test used in this study is the normality test and the multicollinearity test.

To test whether the observations are normally distributed or not, this test uses the Kolmogorov Smirnov test.

Table 3. Normality Test Results

| One-Sample Kolmogorov-Smirnov Test | | |
|-------------------------------------|----------------|-------------------|
| N | | 70 |
| Normal Parameters ^b | Mean | .0000000 |
| | Std. Deviation | 2.37832561 |
| Most Extreme Differences | Absolute | .064 |
| | Positive | .061 |
| | Negative | -.064 |
| Test Statistic | | .064 |
| Asymp. Sig. (2-tailed) ^c | | .200 ^d |

a. Test distribution is Normal.

b. Calculated from data.

Source: Primary Data processed (2023)

Based on the results above, it can be seen that the asymp.sig value is $0.200 > 0.05$, so it can be concluded that the data is normally distributed (Ghozali, 2018).

After the normality test, a multicollinearity test is conducted to determine whether there is a correlation between independent variables in the regression model. A good regression model should not have a correlation between independent variables. To determine whether or not there is multicollinearity, it can be seen from the Variance Inflation Factor (VIF) and tolerance (α) values.

Table 4. Multicollinearity Test

| Model | Collinearity Statistics | |
|-----------|-------------------------|---------------------------|
| | Tolerance | Variance Inflation Factor |
| Price | .999 | 1.001 |
| Promotion | .999 | 1.001 |

Source: Primary data processed (2023)

Based on the results above, it can be seen that the tolerance value > 0.10 or the VIF value < 10 means that there is no multicollinearity (Ghozali, 2018).

Multiple Linear Regression Analysis. To determine the influence of price and promotion variables on purchasing decisions, a regression test is carried out as presented in the following table.

Table 5. Multiple Linear Regression Test Results

| Model | Unstandardized Coefficients | | Standardized Coefficients |
|--------------|-----------------------------|------------|---------------------------|
| | B | Std. Error | Beta |
| 1 (Constant) | 1.079 | 2.506 | .668 |
| Price | .790 | .061 | .000 |
| Promotion | .191 | .070 | .008 |

Source: Primary data processed (2023)

The results of the test conducted through multiple regression analysis show that the independent variable, price, with a coefficient (b1) of 0.790, and promotion, with a coefficient (b2) of 0.191. The constant number (β_0) is 1.079. It can be stated that the price variable X1 and promotion X2 are 0, then the Purchase Decision is 1.079. The results of this analysis can be described in the following regression model equation.

$$Y = 1.079 + 0.790X_1 + 0.191X_2 \dots\dots\dots 1$$

The regression equation above shows the relationship between the independent variables and the dependent variable, from the equation it can be concluded that (1) the constant value is 1.079, meaning that if there is no change in the price and promotion variables (X1 and X2 values) then the purchase decision value is 1.079 units; (2) the coefficient value of the price variable has a positive influence on the purchase decision with a coefficient of 0.790, meaning that if the price variable increases by one unit then the purchase decision will increase by 0.790 units assuming that other independent variables remain constant; and (3) the coefficient value of the promotion variable has a positive influence on the purchase decision with a coefficient of 0.191, meaning that if the promotion variable increases by one unit then the purchase decision will increase by 0.191 units assuming that other independent variables remain constant.

Hypothesis Testing (t-Test). The t-test requirement is to accept Ha (hypothesis), if the probability is less than 0.05 and the calculated value is greater than the table, meaning that the independent variable partially has a significant influence on the dependent variable.

Table 6. Partial Test Results (t)

| | Model | t | Sig. |
|---|------------|--------|------|
| 1 | (Constant) | .430 | .668 |
| | Price | 12.957 | .000 |
| | Promotion | 2.734 | .008 |

Source: Primary data processed (2023)

Based on the output above, it can be seen that the results of the significance test show that the influence of price on purchasing decisions has a probability value of $0.000 < 0.05$ and a value of $12,957$ (t-count) > 1.66 (t-table). This value can prove that H_a is accepted and H_0 is rejected, which means that H_1 is accepted, so partially the price has a positive effect on purchasing decisions. (Sugiyono, 2019b). Based on the output above, it can be seen that the results of the significance test show that the probability value is $0.008 < 0.05$ and the value of $2,734$ (t-count) > 1.66 (t-table). This value can prove that H_a is accepted and H_0 is rejected, which means that H_1 is accepted that partially promotion has a positive effect on purchasing decisions.

Simultaneous Testing (F Test). The F test provision is to accept H_a (hypothesis) if the probability is less than 0.05 and the calculated value is greater than the table, meaning that the independent variables simultaneously have a significant influence on the dependent variable.

Table 7. Simultaneous Test Results (F Test)

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1 | Regression | 1234.407 | 2 | 617.204 | 86.832 | .000 ^b |
| | Residual | 476.235 | 67 | 7.108 | | |
| | Total | 1710.643 | 69 | | | |

Source: Primary data processed (2023)

Based on the output above, the F-count is $86,832$, and the probability is 0.000 , because the significant value is $0.000 < 0.05$ and the value of $86,832$ (F-count) > 2.79 (F-table), it can be concluded that the price and promotion variables simultaneously influence purchasing decisions. Based on the results of this analysis, it is stated that H_0 is rejected and H_a is accepted, or H_3 is accepted. Thus, it can be concluded that the two independent variables, namely price (X_1), and promotion (X_2), simultaneously influence purchasing decisions (Y) in the Shopee marketplace.

Determination Coefficient (Adjusted R2). Based on the output of the analysis results, the determination coefficient (Adjusted R2) is 0.722 , meaning that the price and promotion variables simultaneously influence the purchasing decision variable by 72.2% and the remaining 27.8% is influenced by other variables not included in the study. The regression model used in this study describes changes in price and promotion in all respondents in a positive direction and will be followed by an increase in consumer purchasing decisions.

The Influence of Price on Purchasing Decisions. In this study, as presented in table 6, it shows that price has a probability value of $0.000 < 0.05$ and a value of $12,957 (t\text{-count}) > 1.66 (t\text{-table})$, which can have a positive and significant effect on purchasing decisions in the Shopee marketplace for people aged 20-25 in Makassar City. With price indicators including price affordability, price competitiveness, price suitability with product quality, price suitability with product benefits, and price suitability with income. Thus, the better the price offered to consumers, the higher the purchasing decision in the Shopee marketplace.

The results of this study are supported by the statement (Amstrong & Kotler, 2021) that price is the amount of money charged to consumers for certain products and services, or the value exchanged by consumers to obtain benefits from these products and services. The results of this study are relevant to the findings of (Fadli et al., 2022; Febriana, 2020; Haitao, 2022; Jodi et al., 2022; Rahmadani & Isroah, 2022; Tulangow et al., 2019; Yahya & Sukandi, 2022) which explains that price has a positive and significant influence on consumer purchasing decisions.

The Influence of Promotion on Purchasing Decisions. In this study, as presented in table 6, it shows that promotion has a probability value of $0.008 < 0.05$ and a value of $2.734 (t\text{-count}) > 1.66 (t\text{-table})$, which can be stated that promotion has a positive and significant effect on purchasing decisions in the Shopee marketplace for people aged 20-25 in Makassar City.

With promotion indicators that include promotion frequency, promotion quality, promotion quantity, promotion time, and the accuracy or suitability of promotion targets. Thus, the better the promotion offered to consumers, the higher the purchasing decision in the Shopee marketplace. This is reinforced by the statement from (Amstrong & Kotler, 2021) that the main promotional tools consist of advertising, sales promotion, personal selling, public relations, and direct and digital marketing.

In general, promotions are aimed at increasing sales figures and attracting consumer interest to buy products according to their needs. The results of this study are also in line with the results of a study conducted by (Ardiansyah & Khalid, 2022; Jaya & Mutiara, 2022; Tulangow et al., 2019; Yahya & Sukandi, 2022) which explains that promotion has a strong influence on purchasing decisions. Carrying out promotions effectively can make consumers make purchasing decisions.

The Influence of Price and Promotion on Purchasing Decisions. In this study, as presented in table 7, it shows that there is a significant influence simultaneously on the independent variables consisting of price and promotion on purchasing decisions in the Shopee marketplace. The probability value of the simultaneous influence obtained from the regression with the help of the SPSS program is 0.000 , which is smaller than 0.05 so that the hypothesis is accepted. Showing the price and promotion variables on purchasing decisions, the F-count value is $86,832$. Thus, it can be concluded that price and promotion together or simultaneously influence purchasing decisions in the Shopee marketplace. The better the price and promotion, the higher the purchasing decision in the Shopee marketplace.

The results of this study are in line with the theory put forward by (Amstrong & Kotler, 2021) In marketing practice, there is a marketing mix consisting of product, price, place, and promotion which are combined in the target market to get a response from consumers according to expectations. This is also in line with the results of research conducted by (Jodi et al., 2022; Tulangow et al., 2019) which shows that price and promotion have a positive and significant effect on consumer purchasing decisions. Companies can analyze several factors that can influence purchasing decisions more effectively, including through active Shopee.

4. CONCLUSION & SUGGESTION

Based on the results of the research and discussion, the conclusion of this study. First, partially, the price variable has a positive and significant effect on purchasing decisions in the Shopee marketplace for people aged 20-25 in Makassar City. The results of this study state that the price variable is an important variable in influencing purchasing decisions for consumers. This shows that the price indicators in the study influence purchasing decisions on Shopee. Price indicators consisting of price affordability, price competitiveness, price suitability with product quality, price suitability with product benefits, and price suitability with income. The indicator that has the strongest influence on purchasing decisions is product quality because to increase customer loyalty, Shopee must improve the quality of its products. Second, partially the promotion variable has a positive and significant effect on purchasing decisions on the Shopee marketplace for people aged 20-25 years in Makassar City. This shows that the promotion indicators in the study influence purchasing decisions on Shopee. Promotion indicators are promotion frequency, promotion quality, promotion quantity, promotion time, and the accuracy or suitability of promotion targets. The indicator that has the strongest influence on purchasing decisions is promotion quality because this indicator is a benchmark for Shopee to determine how effective the sales promotion that has been carried out is.

Ketiga, secara simultan, variabel harga dan variabel promosi secara bersama-sama (simultan) memberikan pengaruh terhadap keputusan pembelian di *marketplace* Shopee pada masyarakat usia 20-25 tahun di Kota Makassar. Implikasi teoretis dalam penerapan Theory of Reasoned Action (TRA) dapat digunakan untuk menguji penggaunaan variabel harga dan promosi sebagai prediktor dari keputusan pembelian melalui aplikasi Shopee sehingga menjadi masukan dalam bidang pemasaran berkaitan dengan variabel penelitian ini dalam model Theory of Reasoned Action.

Based on this study, the researcher provides suggestions for the Shopee company to maintain affordable prices for consumers of the products sold and must adjust product prices to the prices of competing products so that consumers do not switch to other marketplaces. In addition, maintain and increase promotions such as free shipping and attractive vouchers, so that consumers remain loyal to Shopee and do not move to other marketplaces. Thus, the Shopee company is increasingly advanced amidst the competition in the e-commerce sector which is increasingly mushrooming in Indonesia. Practical implications for Shopee users to be more selective in

choosing products by considering price and the influence of promotions so as not to make mistakes in making purchasing decisions. For the Shopee platform, it can be a reference to further maintain service quality, select sellers who offer their products to match what is offered with what is sold on the Shopee application at an affordable price, improve the appearance to be simpler. For the wider community as a reference material regarding the use of the Shopee application in making purchase transactions.

The limitation of this study is that it only uses two independent variables to measure consumer purchasing decisions. For further researchers, it is hoped that they will further develop various variables, such as adding product quality, brand image, service, and personality that can influence purchasing decisions in the Shopee marketplace. In addition, researchers only use a population in one city, researchers can conduct a broader study.

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