

THE EFFECT OF PRICE, *DISCOUNT* , AND *CUSTOMER RATING* ON PURCHASE DECISIONS ON *THE SHOPEE MARKETPLACE*

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Abstract

Shopee as the largest *marketplace* in Indonesia utilizes three elements, namely price, *discount*, and *customer rating* to increase sales transactions on *the Shopee platform* . This study aims to determine and analyze the influence of price, *discount*, and *customer rating* variables on purchasing decisions on *the Shopee marketplace*. The population in this study were students of the Faculty of Economics and Business, Lamongan Islamic University with a population of 859 students. This study uses a quantitative research method. Sampling using probability sampling techniques using random sampling methods and referring to the Slovin formula obtained results of 274 respondents. The results of this study indicate that partially and simultaneously the variables of price, *discount* , and *customer rating* have a *positive and significant* effect on purchasing decisions on *the Shopee marketplace* . Based on the results of the R square value, the three variables influence the purchasing decision variable by 71% so that the remaining 29% is influenced by other variables not examined in this study. This study contributes to adding to *the literature* that can be used as a reference for students to conduct further research, as well as being the main consideration for purchasing decisions *online* on *the shopee marketplace* . Further research is suggested to expand further research to other *marketplaces* and try to measure the long-term influence on purchasing decisions on *the shopee marketplace*.

Keywords: Price ; Discount ; Customer Rating ; Purchase Decision

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1. Introduction

In recent years, there have been major changes in the social life of society not only in Indonesia but throughout the world, and there has been a change in lifestyle from traditional society to *digital society*, this change is known to the public as *the digitalization era*. In the *digitalization era*, the development of technology and information has progressed rapidly, with the presence of the internet network all kinds of activities can be done through the network. Starting from information retrieval, data processing, telecommunications, academic learning tools to business activities. The presence of the internet helps in carrying out activities efficiently *because* it has no place and time limitations and can be accessed anytime and anywhere. In the retail industry, technological developments have changed people's shopping behavior from what was originally *offline shopping* to *online shopping*. *Online shopping* is one of the daily activities that is popular with the public because of its convenience. The convenience of *online shopping* occurs due to the emergence of various *e-commerce sites*. *E-commerce* is an electronic market that uses virtual space as its operational place (Sonie Mahendra & Primasatria Edastama, 2022). Thus encouraging the growth of marketplace platforms such as Shopee.

Shopee is an electronic program that helps users make their *online shopping activities easier*. *Shopee* presents various promotional programs such as *discounts*, *flash sales*, *cashback*, free shipping, secure payment options, *integrated shipping options*, and *social feature modifications that make buying and selling more satisfying and effective*. (Damayanti & Damayanti, 2024). Many people choose *online buying and selling transactions*, thus influencing the rapid growth of *e-commerce* and *marketplaces*, *resulting in* increasingly tight competition in the *e-commerce industry*, *which will certainly affect the level of purchasing decisions*. Increasing purchasing decisions can affect sales growth, so that in *competitive market conditions*, consumer purchasing decisions are greatly influenced by various factors including price, *discounts*, and *customer ratings*. These three variables can affect consumer *perceptions* of the value or quality of the product purchased and ultimately can affect consumer purchasing decisions.

In purchasing decisions, price is one of the most dominant factors, according to (Ilmiyah & Krishernawan, 2020), price is the amount of money charged for a good or service, or the amount of value exchanged by consumers for the benefit of owning or using the good or service.

In addition to price, *discounts* are also one of the factors that influence consumer purchasing decisions. *Discounts* or price cuts are often used by sellers to attract buyers. According to (Alghifari, Af, and Rahayu, 2021), *a discount* is a price reduction given by a seller to a buyer in return for certain activities from the buyer that the seller likes. Another important factor that can influence purchasing decisions is *customer rating or customer reviews*. According to (Ardianti & Widiartanto, 2019) *Customer Rating* is another type of opinion given by a large number of people and represents the average assessment of review buyers regarding various features of a seller's product or service.

Shopee as the largest *marketplace* in Indonesia utilizes the three elements, namely price, *discount*, and *customer rating* simultaneously to increase sales transactions on the *Shopee platform*. *Shopee* itself also provides various facilities to *explore* prices, find *discounts*, and

check *ratings* of selected products. (Sari & Kurniawan, 2022) . *Online* shoppers tend to look for products that are given the best value, and not only in terms of price but also online reviews (*ratings*) and available *discounts* . Therefore, these three factors can influence consumer purchasing decisions.

Referring to previous research conducted by (Dewi Ludy Amalia, Yani Dahliani, 2024) showed that the price variable had a partial effect on purchasing decisions, but the customer rating variable did not have a partial effect on purchasing decisions. Then, research conducted by (Zed et al., 2023) showed that the customer rating variable had a significant effect on purchasing decisions. Research conducted by (Shoffi'ul et al., 2019) showed that the discount variable had an effect on purchasing decisions on e-commerce shopee.

Based on the background explanation above, the researcher wants to conduct further research analysis on purchasing decisions on *the Shopee marketplace* using three variables, namely price, *discount* , and *customer rating* and by adding several *references* to the research.

2. Materials and Methods

Price

According to (Ulfah et al., 2023) , price is the amount of money paid by consumers to buy a product or exchange ownership of a product. Price can be seen from two perspectives, consumers and entrepreneurs. Price is the amount charged for a good or service, or the amount that consumers will exchange for the benefits of the product used. (Gunarsih et al., 2021) . Price is the only element of the marketing mix that allows for *flexible income* and is also a determining factor in purchasing decisions .

Discount

Discounts are one of the factors that influence purchasing decisions . According to (Ary Dwi Anjarini et al., 2022) , *discounts* are direct price cuts on purchases made within a certain period of time. *Discount programs* are pricing strategies used as a means to influence consumer decisions in the hope of having a *positive impact* on the company . *Discounts* are price cuts below the standard price given within a certain period of time. Interestingly, offering *discounts* can stimulate customer interest in enjoying and buying the products offered. (Simange et al., 2023) .

Customer Rating

According to (Hannaresa & Hasanah, 2023) , *customer rating* is a collection of reviews that use stars to represent consumer opinions about a product. *Customer rating* is also an assessment from consumers who have made purchases *online* and expressed in stars based on their satisfaction with the product. The more stars given by consumers, the higher the quality of the product itself. This also affects trust in the store. The fewer stars obtained, the lower the quality of the product and the more reluctant consumers are to buy it (Cahyono & Wibawani, 2021) .

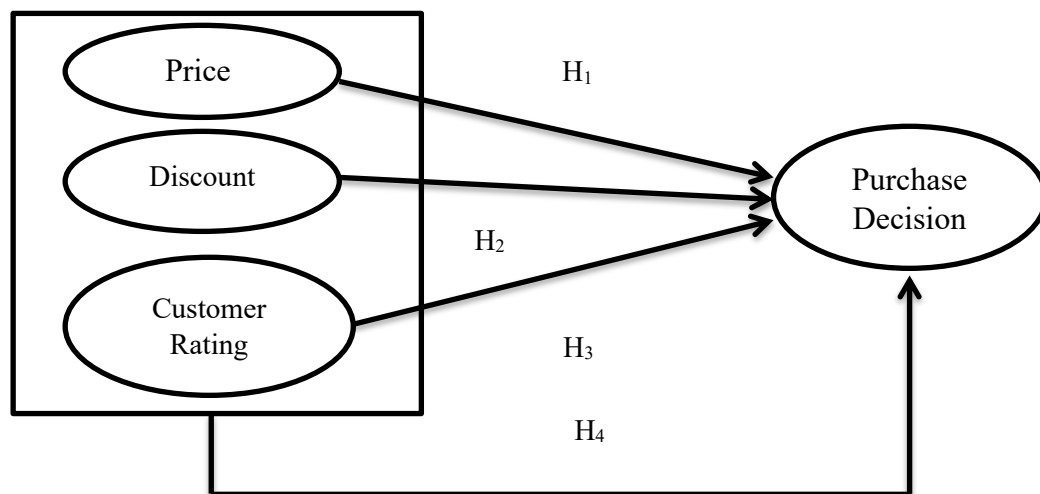
2.1 Design Study

This study uses quantitative research using a survey method. The population in this study were students of the Faculty of Economics and Business, Lamongan Islamic

University who made purchases on the Shopee marketplace, with a population of 859 students . Sampling using probability sampling techniques using random sampling methods and referring to the Slovin formula obtained results of 274 respondents.

2.2 Data Analysis

Data analysis was conducted using multiple linear regression method to determine the effect of each independent variable on the dependent variable. Before the regression analysis was conducted, the data was tested using validity and reliability tests to ensure measurement accuracy. In addition, classical assumption tests such as normality, multicollinearity, and heteroscedasticity tests were also applied to meet the feasibility of the regression model used in this study. The results of this analysis will be used to interpret the relationship between the variables studied and to determine the implications of the research findings on marketing strategies and purchasing decisions. Data analysis was conducted by distributing questionnaires via Google from to students of the Faculty of Economics and Business, Lamongan Islamic University. After obtaining data in accordance with the number of samples that have been determined, the data is then processed or analyzed using the SPSS version 26 program.



Source: Processed by Researchers

Figure 1. Analysis Model

3. Result

In the data analysis technique, instrument tests are used, including validity and reliability tests. Then apply the classical assumption test consisting of normality test, multicollinearity test, and heteroscedasticity test. In the next stage, it is continued by testing the determination coefficient (R^2), multiple linear regression test, T test (partial), and F test (Simultaneous).

3.1 Validity Test

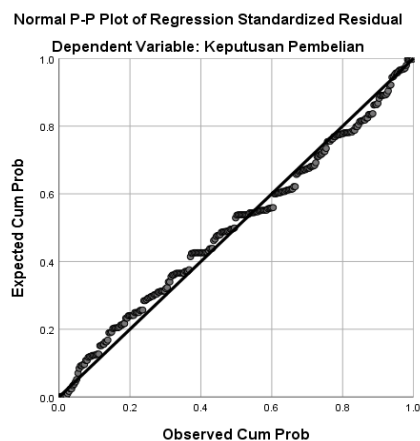
Validity Test aims to measure the validity of the questionnaire used in data collection. From the results of the analysis conducted by the researcher, it was found that all variables of price, discount, customer rating, and purchasing decision have a

calculated r value $> r$ table. So it was concluded from the results that all instrument statements are valid.

3.2 Reliability Test

Reliability Test is usually done by calculating the *Cronbach Alpha* coefficient or *Cronbach Alpha method*. From the results of the study it can be seen that all variables of price, discount, customer rating, and purchasing decision have a *Cronbach alpha value* greater than 0.60, so this research instrument can be said to be reliable to be used as a measuring tool.

3.3 Normality Test



Source : SPSS 26 Statistical Output.

Figure 2. PP Plot Normal Graph

From the display of Figure 2, the pp plot graph shows that the points are spread around the diagonal line, and their distribution follows the direction of the diagonal line, so it is suitable for use to determine purchasing decisions based on the input of independent variables because it meets the assumption of normality.

3.4 Multicollinearity Test

Table 1
Multicollinearity Test Results

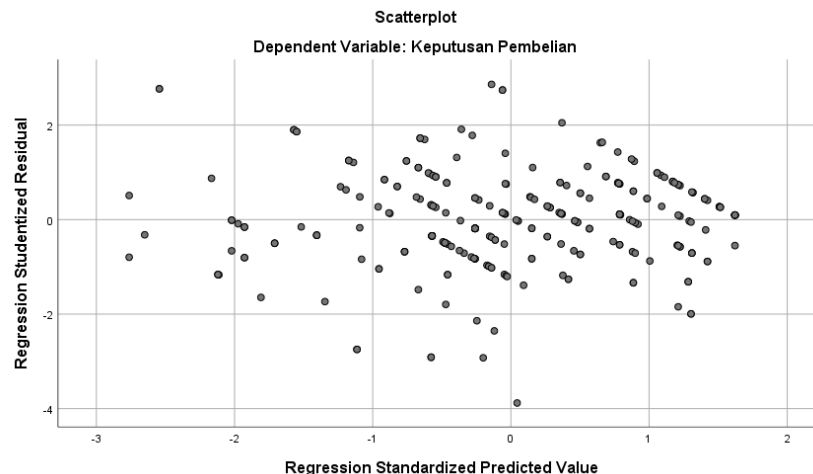
Coefficients ^a											
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero order	Partial	Part	Tolerance	VIF
1	(Constant)	3.273	.893		3,665	.000					
	Price	.273	.053	.244	5.149	.000	.712	.299	.169	.480	2,085
	Discount	.257	.048	.267	5,319	.000	.738	.308	.174	.427	2,344
	Customer Rating	.482	.058	.431	8.325	.000	.790	.452	.273	.401	2,492

a. Dependent Variable: Purchase Decision

Source: SPSS 26 Statistical Output

The results of the Multicollinearity Test show that the tolerance value of each variable has a value > 0.10 and a VIF value < 10 so it can be concluded that the data is free from multicollinearity.

3.5 Heteroscedasticity Test



Source: SPSS 26 Statistical Output

Figure 3. Heteroscedasticity Test

From the graph, we can see that the points are spread randomly, do not form a clear pattern, and are spread both above and below the number 0 (zero) on the Y axis, so there is no heteroscedasticity.

3.6 Test of Determination Coefficient (R^2)

Table 2

Determination Coefficient Test (R^2)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.843 ^a	.710	.707	1,557
a. Predictors: (Constant), Customer Rating, Price, Discount				
b. Dependent Variable: Purchasing Decision				

Source: SPSS 26 Statistical Output

From the table above, it can be seen that the R square is 0.710 or 71.0%, which means that the ability of the price, discount, and customer rating variables to explain purchasing decisions is 71.0%, while the remaining 29.0% is explained by other variables that were not examined in this study.

3.7 Multiple Linear Regression Test

Table 3

Multiple Linear Regression

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.273	.893		3,665	.000
	Price	.273	.053	.244	5.149	.000
	Discount	.257	.048	.267	5,319	.000
	Customer Rating	.482	.058	.431	8.325	.000

a. Dependent Variable: Purchase Decision

Source: SPSS 26 Statistics Output.

The results of the multiple linear regression calculation produce the following equation: $Y = 3.273 + 0.273X_1 + 0.257X_2 + 0.482X_3$. The explanation of the multiple linear regression test of the equation is as follows:

1. $a = 3.273$ is a constant which means that the independent variables in this study (Price, Discount, and Customer Rating) have an influence = 0, so the result of the purchasing decision is *positive* 3.273.
2. $b_1 = 0.273$ explains that if the Price variable (X_1) is increased, the purchasing decision will also increase by 0.273 assuming that other influencing variables are considered constant.
3. $b_2 = 0.257$ explains that if the Discount variable (X_2) is increased, the purchasing decision will also increase by 0.257 assuming that other influencing variables are considered constant.
4. $b_3 = 0.482$ explains that if the Store Atmosphere variable (X_3) is increased, then the purchasing decision will also increase by 0.482 assuming that other influencing variables are considered constant.

3.8 Statistical Test (T)

Table 4

T-Test (Partial)

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.273	.893		3,665	.000
	Price	.273	.053	.244	5.149	.000
	Discount	.257	.048	.267	5,319	.000
	Customer Rating	.482	.058	.431	8.325	.000

a. Dependent Variable: Purchase Decision

Source: SPSS 26 Statistics Output.

The T test is conducted to determine the influence of each or partial variables of Price, Discount, and Customer Rating on the Purchase Decision variable, used to determine whether the independent variables partially have a significant influence on

the dependent variable. The calculation of the T test can be seen X_1 with the calculated T value. ($5.149 > 1.96886$) while X_2 T value is ($5.319 > 1.96886$), X_3 T value is ($8.325 > 1.96886$), then H_0 is rejected and H_1 is accepted, which means that there is a significant partial influence between the variables price, *discount* and *customer rating* on purchasing decisions on *the Shopee marketplace*.

3.9 Statistical Test (F)

Table 5

F Test (Simultaneous)

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1605.347	3	535.116	220,620	.000 ^b
	Residual	654,886	270	2.426		
	Total	2260.234	273			
a. Dependent Variable: Purchase Decision						
b. Predictors: (Constant), Customer Rating, Price, Discount						

Source: SPSS 26 Statistics Output.

Based on the simultaneous model testing above, the calculated F value is 220.620 with a significance of 0.000. The F_{table} is obtained using the formula $df = (nk-1) = 274-3-1 = 270$ with df (270) obtained F table of 8.537. Therefore, the calculated F value ($220.620 > F_{table} (8.537)$) and the resulting significance value is 0.000 and this value is much smaller than $\alpha (0.05)$, then it can be concluded that H_0 is rejected H_1 is accepted. This means that the variables Price, *Discount*, and *Customer Rating* simultaneously have a significant influence on the purchasing decision variable.

4. Discussion

This study analyzes the influence of price, *discounts*, and *customer ratings* on purchasing decisions on *the Shopee Marketplace*, using multiple linear regression analysis in the SPSS program.

The influence of price on purchasing decisions

The price variable has a *positive* and significant influence on consumer purchasing decisions on *the Shopee marketplace*. This means that price is one of the main factors influencing consumer purchasing decisions on *the Shopee marketplace*. *Competitive* prices can be a determining factor in choosing a product, especially in product categories that have many choices or are similar. Price reductions or prices that are cheaper than market prices are often factors that attract consumers to buy a product.

The influence of *discounts* on purchasing decisions

discount variable has a *positive* and significant influence on consumer purchasing decisions on *the Shopee marketplace*. This means that *discounts* or price cuts have a significant impact on consumer purchasing decisions on *the Shopee marketplace*.

Discounts are considered an *effective marketing strategy* in attracting consumer attention and increasing sales volume.

The influence of customer ratings on purchasing decisions

customer rating variable has a positive and significant influence on consumer purchasing decisions on *the Shopee marketplace*. This means that *customer ratings* or assessments given by previous customers have a significant influence on consumer purchasing decisions on *the Shopee marketplace*. Consumers tend to pay attention to product *ratings* and reviews before making a purchase. Products with high *ratings* and *positive reviews* are usually more trusted and considered to have better quality. In addition, bad *customer ratings* or *negative reviews* can affect consumer *perceptions* and reduce interest in buying the product. Therefore, high customer ratings not only reflect product quality but also improve the seller's image which ultimately influences purchasing decisions.

5. Conclusion, Implications, and Recommendations

Conclusion

Based on the results of research and analysis carried out by researchers, it was found that partially and simultaneously the variables of price, *discount*, and *customer rating* has a positive and significant effect on consumer purchasing decisions on *the Shopee marketplace*. This can be interpreted that overall, the three variables influence purchasing decisions in a mutually supportive manner, where price and *discounts* provide direct appeal, while *customer ratings* play a role in strengthening purchasing decisions based on trust in the product and seller. Therefore, these three factors must be considered in an effort to improve purchasing decisions on *the Shopee marketplace*, to gain trust and loyalty from consumers, and to strengthen their position in the market.

Implication

1. Theoretical implications

The results of this study can be useful for the development of *marketing management science* and provide an opportunity for the author to apply the knowledge and theories learned, and can increase insight and knowledge that can be applied in the reality of life such as in the world of work.

2. Practical implications

For consumers, the results of this study can help people to be more careful in making purchasing decisions on *the Shopee marketplace*. For further researchers, this study can be used as a *reference source* as a consideration in further research related to the topics discussed in this study in relation to purchasing decisions on *the Shopee marketplace*.

Recommendation

1. research was only conducted on *the Shopee platform* so it does not reflect the influence of prices, *discounts*, and *customer ratings* on other *marketplace platforms*

- , therefore the results obtained cannot be generalized for all *e-commerce* in Indonesia so that further research can expand this research to other *marketplace platforms*.
2. The data collected in this study is limited to a certain time period so that it can affect the relevance of the results if consumer trends or behavior change over time so that for further research can try to measure the long-term influence on purchasing decisions in *the Shopee marketplace*.

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