

ANALYSIS OF FACTORS THAT INFLUENCE CONSUMER DECISIONS IN PURCHASING PRODUCTS ONLINE AT SHOPEE (CASE STUDY OF FEB STUDENTS OF BANDAR LAMPUNG UNIVERSITY)

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Abstract

The e-commerce industry is now growing rapidly in Indonesia. This is reinforced by the number of e-commerce that now dominates the Indonesian market. The large number of e-commerce in Indonesia means that consumer shopping habits have changed in this digital era and globalization. The purpose of this study is to determine the influence of cultural factors and social factors on consumer decisions in purchasing products online at Shopee. The research method used is quantitative research that uses quantitative and statistical data analysis techniques, with the main aim of testing hypotheses that have been determined by using multiple Linear Regression Test, Determination Coefficient Test, T Test, and F Test. The population and sample are students of the Faculty of Economics and Business, Bandar Lampung University, totaling 100 people. Based on the results of the study, it shows that cultural factors and social factors have a positive and significant influence on product purchase decisions online at Shopee. This shows that cultural factors and social factors simultaneously influence purchasing decisions.

Keywords: Cultural Factors, Social Factors, Purchasing Decision.

1. Introduction

The majority of people today move a lot in their daily activities. Therefore, to meet their needs, people often look for and use something practical and easy. For example, for daily needs people prefer to shop online. This situation has led to the emergence of several companies with innovations that can meet the needs of society in this day and age. One of them is e-commerce, e-commerce refers to the purchase and sale of goods or services by electronic via the internet. In Indonesia, the e-commerce industry is now growing rapidly. This is reinforced by the many e-commerce that now dominate the Indonesian market such as Tokopedia, Bukalapak, Shopee, Lazada, Blibli, and so on. The large number of e-commerce in Indonesia indicates that consumer shopping habits are changing in this digital era and globalization. Consumer behavior is currently shifting from in-person shopping habits to online shopping methods. According to Suwarman (2014) consumer behavior refers to all psychological processes and behaviors carried out by consumers before, during, and after purchasing goods and services, including the next process, namely evaluation.

The most popular e-commerce today is Shopee, Forrest Li is the founder of Shopee in Singapore. In 2015 Shopee was officially introduced in Indonesia. Shopee is an e-commerce that provides a variety of long offers and has many features. According to data from the databox in the first quarter of 2023, Shopee is the e-commerce with the highest number of visits in Indonesia, which is 158 million visits per month, Shopee is far ahead of its competitors. The selection of Shopee as the most visited e-commerce shows that the community places Shopee as the most popular e-commerce in online shopping.

However, even though business owners have tried to compete and provide the best to consumers, it cannot guarantee the long-term success of the company. In economics, it is said, the needs and desires of consumers always change from time to time. This is due to differences in the needs and preferences of each consumer towards the products they want. The rise of changes in online purchases in e-commerce has a considerable impact on entrepreneurs who have offline stores. Reporting from *kompasiana.com*, on January 16, 2023, entitled "Online Stores that Destroy the Existence of Offline Stores". It is explained that with the existence of online stores, some offline stores are experiencing losses (Calista, 2023).

Market conditions that are always changing and the variety of product choices available, make consumers smart and selective in deciding the products to buy. A decision in a general sense is "a decision is the selection of an option from two or more alternative choices", which is a decision of a person in which he chooses one of several alternative options. The decision to purchase products at Shopee is certainly based on various factors so that Shopee becomes a very popular e-commerce, one of which is cultural factor and factors social. One thing that can influence consumer purchasing decisions is cultural factors. Culture distinguishes the social characteristics of a consumer from other cultural groups, such as language, mythology, values, customs, laws, and rituals that are all ingrained meat in their way of life (Kotler & Keller, 2012). The effect of cultural factors on customer buying behavior is very large and significant (Setiadi, 2010). Because of the existing ethnic groups, there is no homogeneity of regional culture, so that consumer purchasing behavior varies from one region to another. Social factors also play an important role in what consumers decide to buy. Social factors include a group of individuals who can influence a person's behavior based on their habits (Noviasari and Ikram, 2013). Social elements can also have an impact on consumer behavior, including relationships with relatives and friends. A person's purchase decision will certainly be greatly influenced by broader social factors. The purpose of this study is to determine the influence of cultural factors and social factors on consumer decisions in purchasing products online at Shopee.

2. Theoretical Background

2.1 Cultural Factors

Culture has a significant role in shaping consumer behavior in product. Kotler and Armstrong (2012) define culture as a collection of moral principles, to beliefs, customs, aspirations, and behaviors derived from the social environment, family, and public institutions, which guide one's behavior. Culture is the most important component that influences a person's behavior and desires. Cultural factors are the routines of a society while responding to something in which there are values and customs that may arise from the information received, social status in society, and understanding of emotions (Tamba, 2017). Setiadi (2010) states that cultural factors influence in determining consumer behavior and setting generally accepted standards of behavior in purchases.

Kotler and Keller (2013) state that the f indicator of cultural actors consists of a number of components, such as: (1) Culture, which is a collection of values, preferences, and actions that affect consumers and are influencing factors basic desires and actions, (2) Sub-Cultures, sub-cultures originating from the surrounding region and business institutions often create specific goods and marketing strategies made appropriate to the needs of the sub-culture, (3) Social Class, related through the tendency or taste towards different goods and brands over things.

2.2 Social Factors

Social factors refer to a group of individuals who have the ability to influence a person's character when they act according to their habits (Purimahua, 2005). Interactions with relatives, parents, and friends reflect the influence of social factors in the purchasing decision-making process. If consumers have strong relationships with relatives, parents, and friends, they are more likely to make purchases. Consumer decision making in buying is also influenced by social variables, including family factors, families, and social groups (Karnowati and Handayani, 2021). Personal characteristics of consumers, such as business, occupation, financial situation, and way of life influence consumer purchasing decisions.

Kotler and Keller (2012) tell us that indicators of social factors consist of a number of components, these indicators include: (1) Reference groups are capable people influence the behavior or attitude of an individual directly or indirectly, (2) The family is the largest consumer buying group in the general public and the family element is the circle, (3) Role and Status, which is responsible for shaping their position and each role has status.

2.3 Purchasing Decision

Purchasing decisions refer to the steps taken in making purchasing choices (Toton et al., 2021). Purchasing decisions are elements of consumer character and how people, communities, and associations make choices, make purchases, use, and utilize products, services, and concepts to meet needs and desires they (Kotler and Armstrong, 2016). Influences from social environments, including friends, family, and celebrities, can have an impact on consumer preferences and purchasing decisions (Alkemega & Ramadan, 2023). Purchasing decisions reflect the stage at which consumers have chosen a particular product and are willing to purchase it, with a commitment to pay in exchange for ownership or use rights of that product (Kotler and Armstrong, 2012). There are several steps taken by consumers in making purchasing decisions: (1) awareness of necessity, (2) seeking illumination, (3) evaluating options, (4) conditions for purchase, (5) nature after mela feel free to purchase (Kotler and Armstrong, 2012).

According to Kotler (2021), there are a number of indicators that can be recognized in the decision of the customer, namely: (1) The existence of a product stability, consumers have the ability to make purchasing decisions by searching for related information, (2) There are buying habits, there are important recommendations from suppliers that are very attractive to make purchases, (3) Recommendations from others can be used to share information and attract other people's interest in making purchases, (4) The existence of repeat purchases is very significant for the business, So there is a reason why people buy a product repeatedly.

2.4 Conceptual Framework

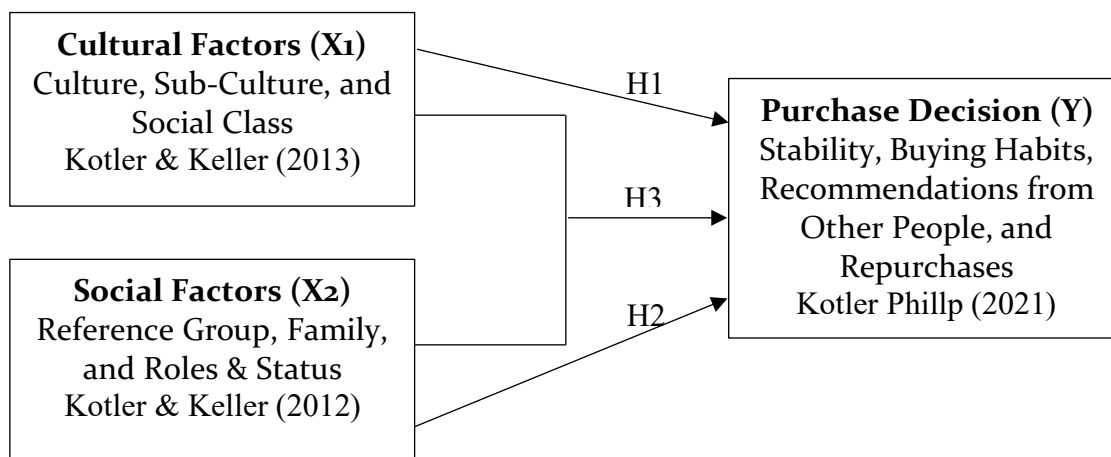


Figure 1. Conceptual Framework

Based on the conceptual framework above, the following hypotheses can be drawn:

H1: Cultural factors influence purchasing decisions.

H2: Social factors influence purchasing decisions.

H3: Cultural factors and social factors together influence purchasing decisions.

3. Methods

This research uses quantitative methods. Quantitative research is a study process based on the positivism approach, this method is used to investigate certain populations or samples, with the method of study. Sample collection is usually done randomly, objective research tools function to combine data, and data analysis is carried out according to quantitative or statistical, the goal is that can check hypotheses that have been determined (Sugiyono, 2018). The population in this study includes all active students of S1 Faculties Ekonomi and Business of Bandar Lampung University who make purchases at Shopee with a total of 1.391 students. Based on calculations of Slovin's formula, 100 people were sampled in this study. The sampling technique in this study used purposive sampling technique. According to Sugiyono (2019), purposive sampling is a sample selection method that is carried out by considering certain factors.

Primary data and secondary data were used in this study. To collect primary data, questionnaires were distributed to respondents. During this study, secondary data sources were obtained through indirect means, namely in the form of information from the internet about companies and ongoing phenomena, articles, books, and journals. The data collection technique used in this study includes the use of online questionnaires (questionnaires) via google form. Assessment of variables is carried out using the Likert scale. The opinions of respondents were expressed through statements in the questionnaire on a scale of 1 (strongly disagree) to 5 (strongly agree).

In this research, analytical techniques are used to ensure the relationship between independent variables and dependent variables. Validity tests and reliability tests are used to test the accuracy of the measuring instruments used. According to Sugiyono (2018), the validity test is a comparison between data that has been disclosed by researchers with data received directly from research participants. The validity test aims to assess the extent to which the survey is valid. Sugiyono (2017) explained that reliability testing is an evaluation to assess the extent to which measurements made provide consistent or

uniform data. In this research a multiple linear regression analysis serves to prove the impact between cultural factors and social factors which are independent variables Influencing the dependent variable i.e. purchasing decision. The coefficient of determination test (R^2), Kuncoro (2013) explained that the determination coefficient test assesses a model that is able to classify the variety of dependent variables. Kuncoro (2013) states that uji t is a significance that describes how well the independent variable can explain the dependent variable. Uji F to assess whether all independent variables in a model hold a collective influence on the dependent variable (Ghozali, 2016).

4. Results and Discussion

4.1 Research Instrument Test

4.1.1 Validity Test

Through the comparison of the calculated r value and the table r, the validity test assesses the validity of a questionnaire. If $r_{count} > r_{table}$, it can be said that the data is considered valid. The validity test is carried out through the use of a double-sided test using a significant 0.05 or 5%. With total respondents (n) = 100, $df = n-2$ boulder obtained r table of 0.196.

Validity testing in this study can be reviewed in the following table:

Table 1. Validity Test Results

Variable	Statement Item	r calculates	r table	Information
Cultural Factors (X1)	X1.1	0.493	0.196	Valid
	X1.2	0.490	0.196	Valid
	X1.3	0.594	0.196	Valid
	X1.4	0.578	0.196	Valid
	X1.5	0.813	0.196	Valid
	X1.6	0.832	0.196	Valid
Social Factors (X2)	X2.1	0.864	0.196	Valid
	X2.2	0.712	0.196	Valid
	X2.3	0.661	0.196	Valid
	X2.4	0.755	0.196	Valid
	X2.5	0.835	0.196	Valid
	X2.6	0.864	0.196	Valid
Purchasing Decision (Y)	Y.1	0.604	0.196	Valid
	Y.2	0.731	0.196	Valid
	Y.3	0.634	0.196	Valid
	Y.4	0.669	0.196	Valid
	Y.5	0.755	0.196	Valid
	Y.6	0.687	0.196	Valid
	Y.7	0.649	0.196	Valid

Source: SPSS Management Results, 2023

The table above leads to the conclusion that all statement items used to measure the independent variable and the dependent variable are said to be valid. This is due to the fact that the whole statement creates a correlation value $r_{calculate} > r_{table}$.

4.1.2 Reliability Test

Reliability tests function to assess the extent to which a questionnaire can be considered a consistent indicator of a variable. To test reliability in research used Cronbach's Alpha formula. Table 2 shows the reliability test results for each variable.

Table 2. Reliability Test Results

Variable	Cronbach's Alpha	Information
Cultural Factors	0.716	Reliable
Social Factors	0.871	Reliable
Purchasing Decision	0.797	Reliable

Source: SPSS Management Results, 2023

The table above shows that all variables have *Cronbach's alpha* > 0.60, thus showing that all variables in the study are reliable.

4.2 Multiple Linear Regression Analysis

Multiple linear regression analysis is a regression model that has one dependent variable in the Purchase Decision along with two independent variables, namely the main and other factors. Therefore, regression analysis is a method to assess the extent to which the independent variable can affect the dependent variable.

Table 3. Results of Multiple Linear Regression Analysis

Coefficients ^a						
Unstandardized Coefficients				Standardized Coefficients		
	Type	B	Std. Error	Beta	t	Sig.
1	(Constant)	15.081	1.669		9.034	<,001
	Cultural Factors	.417	.084	.459	4.969	<,001
	Social Factors	.187	.058	.299	3.232	.002

a. Dependent Variable: Purchasing Decision

Source: SPSS Management Results, 2023

$$Y = 15.081 + 0.417 X_1 + 0.187 X_2 + e$$

From the example above, it can be described as follows.:

1. The purchase decision constant (Y) is 15.081, that if the independent variable has a value of zero, then the variable to the purchase order (Y) is 15.081.
2. The cultural factor (X₁) has a regression coefficient k value of 0.417, which means that every increase or pof six X₁ by 1 unit will increase Y by 0.417 Units and other independent variables are assumed to be constant. An increase in cultural factor variables will also lead to increased purchasing decisions. A decrease in cultural factors will also result in a decrease in purchasing decisions. This situation proves that there is a positive relationship between cultural factors and purchasing decisions.
3. The social factor (X₂) has a regression coefficient value of 0.187, which means that each increase or addition of X₂ by 1 unit will increase Y by 0.187 Units and other independent variables are assumed to be constant. An increase in social factor variables will also lead to increased purchasing decisions. A decrease in social factor variables will also result in a decrease in purchasing decisions. This situation proves that there is a positive relationship between social factors and purchasing decisions.

4.3 Coefficient of Determination

Table 4. Test Results of Coefficient of Determination (R^2)

Model Summary				
Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.680 ^a	.463	.452	2.208

a. Predictors: (Constant), Social Factors, Cultural Factors

b. Dependent Variable: Purchasing Decision

Source: SPSS Management Results, 2023

According to the table above, the Adjusted R^2 value of 0.452 or (45.2%), the situation tells the independent variables (cultural factors and social factors) simultaneously to contribute the dependent variable (purchase decision) amounted to 45.2% and the remaining 54.8% was impacted by other variables that were not included in this study.

4.4 Test the hypothesis

4.4.1 t Test

This test intends to assess the significance of the association of each independent variable on the dependent variable. The t-test is run to explore the independent variables that have a significant influence on purchasing decisions. Variable independently affects the dependent variance if the significance value of the variable < 0.05 .

Table 5. Test Results t

Coefficients ^a						
Unstandardized Coefficients			Standardized Coefficients			
Type	B	Std. Error	Beta	t	Sig.	
1	(Constant)	15.081	1.669		9.034	<,001
	Cultural Factors	.417	.084	.459	4.969	<,001
	Social Factors	.187	.058	.299	3.232	.002

a. Dependent Variable: Purchasing Decision

Source: SPSS Management Results, 2023

Based on the results of data processing shown in the table above it is known:

1. It is known that the influence of cultural factors (X1) on the Purchase Decision (Y) has a sig value. $0.001 < 0.05$ with a calculated t value of $4.969 > t$ Table 1.661 shows that H1 is accepted, this means that the variables X1 and the variable Y affect each other.
2. It is known that the influence of social factors (X2) on the Purchase Decision (Y) has a sig value. $0.002 < 0.05$ with a calculated t value of $3.232 > t$ Table 1.661 shows that H2 is accepted, this means that the variables X2 and the variable Y affect each other.

4.5 Simultaneous Significant Test (F Test)

The F test means that it will find whether the independent variable affects the dependent variable either together or simultaneously. The following table presents the findings of regression calculations:

Table 6. F Test Results

ANOVA ^a						
Type	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	407.732	2	203.866	41.806	<,001 ^b
	Residuals	473.018	97	4.876		
	Total	880.750	99			

a. Dependent Variable: Purchase Decision

b. Predictors: (Constant), Social Factors, Cultural Factors

Source: SPSS Management Results, 2023

Based on the table above, find the value of Sig. which is 0.001 and F_{calculate} value = 41.806. Because Sig. 0.001 < 0.05 along with F_{calculate} = 41.806 > F_{table} = 3.09, then H₃ is accepted. It can be concluded that the variables of the power factor and the social factor simultaneously have a significant effect on the Purchase Decision variable.

4.6 Discussion

1) The Influence of Cultural Factors on Purchasing Decisions

The results of the study show that cultural factors positively influence product purchase decisions online at Shopee. The research was achieved by proving H₁ which explained that "Cultural factors that include culture, sub-culture, and social class have a positive relationship for product purchase decisions online at Shopee". This situation shows that the results of the research data t count (4.969) > t table (1.661) along with significance 0.001 < 0.05, because partially t calculate > t table. The results of this study support previous research by Putri and Suhermin (2022), which stated that cultural factors positively influence purchasing decisions.

2) The Influence of Social Factors on Purchasing Decisions

The results of the study showed that social factors positively influenced the decision to purchase products online at Shopee. This research was achieved by proving H₂ which explains that "Social Factors that include roles and status, reference groups, and family have a positive relationship for product purchase decisions online at Shopee". This situation shows the results of research data t count (3.232) > t table (1.661) along with a significant level of 0.002 < 0.05, because partially t calculates > t table. The results of this study support previous research by Utama (2018), which said that social factors positively influence purchasing decisions.

3) The Influence of Cultural and Social Factors on Purchasing Decisions

The results prove that cultural factors and social factors positively influence product purchase decisions online at Shopee. H₃ was successfully proven through this study, this event was shown through the results of the research data showing F_{calculate} = 41.806 > F_{table} = 3.09 and significant values X₁ and X₂ on Y, which amounted to 0.001 < 0.05. The results of this study support previous research by Hafidz (2018), which states that cultural factors and social factors positively influence purchasing decisions.

5. Conclusion

The conclusion contains a brief summary of the research results and a discussion that answers the research objectives.

Based on the findings of research and discussions that have been carried out, several conclusions can be drawn as follows:

- 1) The decision to purchase products online at Shopee is positively and significantly influenced by cultural factors. This suggests cultural factors are influencing purchasing decisions.
- 2) The decision to purchase products online at Shopee is positively and significantly influenced by social factors. This suggests social factors are influencing purchasing decisions.
- 3) The decision to purchase products online at Shopee is positively and significantly influenced by cultural and social factors. This indicates that cultural factors as well as social factors influence the decision to purchase together.

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