EFFECTIVENESS OF ONLINE SALES TECHNIQUES VIA LIVE SHOWS: BASED ON ONLINE SHOPPING EXPERIENCE, PRODUCT SUITABILITY AND PURCHASING POWER IN FOLLOWING ONLINE SHOPPING TRENDS

David Hamonangan Simamora¹, Andreas Alvin Liadi², Hendra Jonathan Sibarani³*, Sari Mariahma Nova Sipayung⁴.

^{1,2,3}Faculty of Economics, Universitas Prima Indonesia, Indonesia ⁴Faculty of Information System, STMIK Logika, Indonesia *Corresponding Author:

hendrajonathansibarani@unprimdn.ac.id

Abstract

Online shop is an alternative form that can be used by business people to offer products or services to consumers as the number of internet users continues to grow. Sales through live shows are not only available in the Tiktok application, but also in e-commerce and social media such as Shopee, Tokopedia, Facebook, Instagram, Lazada and many others. The purpose of this study is to test and analyze the online shopping experience, product suitability and purchasing power with the effectiveness of online sales techniques via live shows. The research method is quantitative research with data analysis techniques using Partial Least Square (PLS) analysis including outer model analysis, inner model and partial and simultaneous hypothesis testing. The population and sample in this study were residents of sub-districts in Medan Petisah who had characteristics as respondents who used live shows in sales techniques and product offerings as many as 100 respondents. The results of the study obtained online shopping experience with a t-statistic value of 1.987 > 1.66 and p-values 0.048, product suitability with a t-statistic value of 3.951 > 1.66 and p-values 0.000, while in purchasing power has a t-statistic value of 2.276 > 1.66 and p-values 0.023, which means that the variables of online shopping experience, product suitability and purchasing power have a positive and significant effect on the effectiveness of online sales via live shows.

Keywords: Shopping Experience, Product Suitability, Purchasing Power, Effectiveness of Online Sales Technique

1. Introduction

Technological developments at this time are very advanced and increasingly rapid. It is not only the technology sector that has changed but various sectors have changed, one of which is the lifestyle of humans now becoming more modern and very different from the lifestyle of the past. In addition, advances in technology in terms of gadgets make it easier for us to communicate and do work. Online shop is an alternative form that can be used by business people to offer products or services to consumers as internet service users continue to grow.

In Table 1. we can see data on the percentage of users and the penetration rate of e-commerce in Indonesia. From this data, we can see that the growth of e-commerce users is increasing from year to year. This proves that people, especially Indonesians, use e-commerce a lot for shopping. It can also be seen that the growth from year to year is consistently increasing from 3% to 5%, and the fastest growth is from 2019 to 2022. The trend of live streaming sales itself started to go viral through the TikTok application,

where shops or sellers make live sales. These live show sales are not only available on the TikTok application, but also on e-commerce and social media sites such as Shopee, Tokopedia, Facebook, Instagram, Lazada and many others.

Table 1. e-Commerce users and Penetration Rate in Indonesia 2017-2022

| No. | Years | e-Commerce users (Percent) | Penetration Rate e-Commerce (Life) |
|-----|-------|----------------------------|------------------------------------|
| 1. | 2017 | 52.5% | 139.000.000 |
| 2. | 2018 | 57.6% | 154.100.000 |
| 3. | 2019 | 62.2% | 168.300.000 |
| 4. | 2020 | 66.3% | 181.500.000 |
| 5. | 2021 | 69.9% | 193.200.000 |
| 6. | 2022 | 72.9% | 203.500.000 |

Source: databoks.katadata.co.id

In the understanding of online shopping, after making a transaction, consumers will evaluate the product based on several factors such as product information on the website, payment security, and delivery terms. This consumer experience can reduce uncertainty in online shopping (Dabrynin & Zhang, 2019). Clothing is one of the products that are difficult for consumers to assess in building their purchase intentions in online stores because they cannot try them on and size information is often inappropriate or unavailable. Such non-digital products pose a risk to consumers unless they have prior online shopping experience (Dai et al., 2014).

Indonesia is a very potential market for e-commerce growth. The shopping experience is also one of the experiences of consumers whether or not a good or service purchased by consumers. In addition, each e-commerce also provides an assessment column from consumers which is a benchmark for each store to make improvements to its goods/services. With a good shopping experience and the ease of transactions provided by e-commerce to users, of course consumers also give a good assessment of the e-commerce. The following can be seen the assessment given by consumers to e-commerce based on consumer shopping experience in 2022 as in Table 2 below:

Table 2. Indonesians' E-commerce of choice based on shopping experience in 2022

| No. | E-commerce | Percent |
|-----|------------|---------|
| 1. | Shopee | 77% |
| 2. | Tokopedia | 39% |
| 3. | Lazada | 25% |
| 4. | Bukalapak | 9% |
| 5. | Alfagift | 7% |

Source: Goodstats.com

In Table 2 above, it can be seen that E-commerce shopee is in the first position most widely used as an online shopping option as much as 77%, Tokopedia as much as 39% and Lazada as much as 25%. This explains that the current trend of shopping online greatly influences people's assessment of their trust in shopping for products available on these e-commerce services.

According to Garvin in (Laksana, 2019), states that conformation is related to the level of product conformity to predetermined specifications based on customer desires, conformation reflects the degree to which product design characteristics and operating characteristics meet predetermined standards, and is often defined as conformation to requirements. The problem that often occurs is the incompatibility of the products offered during the live show sales technique and this has an impact on the customer's desire to

make repeat purchases of the products offered. Distrust will return to be an important phenomenon that e-commerce companies must pay attention to in order to maintain customer loyalty in participating in live shows that are carried out periodically as long as the products owned have not been sold.

Customers' purchase decisions are the result of their analysis of multiple similar products. Purchase decisions are influenced by behavior, analysis of product features and habits related to the use of these products (Purwianti & Ricarto, 2018). In online shopping, purchase intentions reflect buyer behavior in various aspects, including purchase actions, decisions to make repeat purchases, product evaluations, providing feedback to sellers, communicating testimonials or satisfaction to others, and relying on information and reviews from electronic sources (Le-Hoang, 2020). The problem that often occurs at the time of purchase is the distrust and suitability of the product purchased with the goods received. This is supported by data on the percentage of online purchasing power in 6 Southeast Asian countries (ASEAN) in 2019-2020 as shown in Table 3 below:

Table 3. Percentage of Online Purchasing Power in 6 Southeast Asian Countries (2019-2020)

| No. | Country | 2019 | 2020 |
|-----|------------|------|------|
| 1. | Malaysia | 25% | 48% |
| 2. | Indonesia | 28% | 46% |
| 3. | Vietnam | 32% | 46% |
| 4. | Singapore | 28% | 45% |
| 5. | Thailand | 33% | 45% |
| 6. | Philippine | 28% | 35% |

Source: databoks.katadata.co.id

In Table 3 above shows that people's purchasing power is quite high, increasing from 28% to 48% in 2019-2020. High purchasing power is also caused by repeat purchases where this can occur due to the suitability of the product purchased with the goods received. In 2020, popular conducted research on the reasons for shopping online and product suitability is one of the reasons Indonesians make repeat purchases and online shopping. Online shopping experiences that are less pleasant and have an impact on online sales made through live show techniques, product suitability with demand at the time of purchase is often problematic, so that dissatisfaction arises in making online purchases, purchasing power can increase when online purchases can be an effective choice in saving time and budget, but the problem is purchasing power is the most important assessment in making online purchases.

2. Theoretical Background

2.1 Online Shopping Experience

According to Onggo (2014:99), the online shopping experience will make it easier for you, save time, and often, save costs compared to traditional shopping. According to Ekawati et al (2021:13), consumers with online purchases usually have previous purchasing experiences that can help reduce uncertainty in subsequent purchases. According to Tempo data centre and analysis (2018:35), e-commerce providers must better understand the shopping needs and preferences of their users, so that they can provide the best shopping experience. (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.

Based on research that has been conducted, it is concluded that online shopping experience has a direct impact on consumers' perceptions of the ease of shopping online (Tong, 2010). The experience also has a significant influence on self-efficacy (Dabhokar & Sheng, 2009), where positive shopping experiences can shape positive attitudes and increase consumers' confidence to make future online purchases (Zhou et al., 2007). However, satisfying consumers who have already had an experience will be more difficult because they have accumulated a lot of information during the experience (Dholakia & Zhao, 2010)

2.2 Product Suitability

According to Aghivirwiati et al (2022: 21), conformance or conformity to specifications is the suitability of a product to certain requirements or measures or the extent to which design and operating characteristics meet predetermined standards. Meanwhile, according to Yulianto (2020: 98), the results of research conducted to find out whether buyers estimate product suitability or not show that respondents agree that the products received are in accordance with the promised products and according to Harini (2020:109), one way to provide the best service to consumers is the suitability of the goods in the catalogue. Product suitability is an indicator of product quality that can be assessed at the level of product conformity to predetermined standards. Seeing product quality in terms of conformity between shape, size, colour, weight and even operating systems with certain standards or desires. This is the basis for the buyer's assessment to make a purchase decision during the sale products of live show.

2.3 Purchasing Power

According to Medias and Zulfikar (2018: 19), the purchasing power of a consumer depends on 2 main elements, namely the income he can spend and the price of the desired goods. Not only that, according to Kotler and Armstrong (2018:103), "The economic environment consists of economic factors that affect consumer purchasing power and spending patterns." or which can also be interpreted as the economic environment consists of economic factors that affect consumer purchasing power and spending patterns. According to Kotler and Keller (2016:99), "Purchasing power depends on consumers' income, savings, debt, and credit availability as well as the price level." Or what is interpreted as purchasing power depends on consumer income, debt savings and credit availability as well as the price level. As for research conducted by Tampubolon, M., Jannah, M., Gultom, R., & Sibarani, H.J. (2020:569), purchasing power is the ability of the community as consumers to buy the goods or services needed.

2.4 Effectiveness of Online Sales Technique

According to Akmal (2006), sales effectiveness is a comparison of sales realization with sales targets. Sales effectiveness can be achieved if the implementation of activities and programmed can run optimally. Thus, sales effectiveness is the company's effort in distributing goods and services optimally to achieve the goals set by the company. Effectiveness is a condition that affects a thing that is memorable, efficacy, success of efforts, actions, or things that apply. or things that apply. So an organization's activities are said to be effective if an organization's activities run according to the rules and runs

DOI: https://doi.org/10.61990/ijamesc.v2i3.261 e-ISSN: 2986-8645

according to the target set by an organization. Online sales techniques are one of the things that need to be considered to increase sales, which is currently a goal that must be achieved. Sales achievement is not far from the success of e-commerce companies in improving sales techniques which can now be done with live shows that can reach more audiences. Audience assessment of offers that are being made through live shows is the main and best choice.

2.5 Conceptual Framework

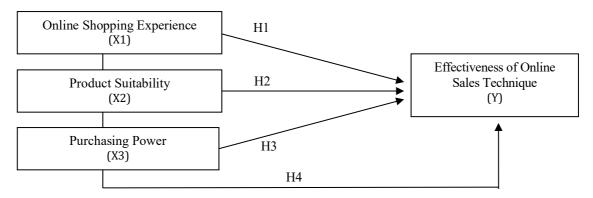


Figure 1. Conceptual Framework

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

- H1: Online shopping experience has a positive and significant effect on the effectiveness of online sales techniques via live show
- H2: Product suitability has a positive and significant effect on the effectiveness of online sales techniques via live show
- H3: Purchasing power has a positive and significant effect on the effectiveness of online sales techniques via live show
- H4: Online shopping experience, product suitability, and purchasing power have a positive and significant effect on the effectiveness of online sales techniques via live show

3. Methods

This research uses quantitative methods. According to Sugiyono (2016: 7), quantitative is research data in the form of numbers and analysis using statistical methods. According to Sugiyono (2016:80), population is a generalization area consisting of objects and subjects that have certain quantities and characteristics set by researchers to study and draw conclusions. Based on data from the central statistics agency, the population of Medan Petisah Subdistrict in 2022 which is used as a population is 73.565 (Source: Central Bureau of Statistics of Medan City). The researcher's sampling technique used the Slovin formula so that the sample was obtained as many as 100 respondents. The sampling technique used is to use incidental sampling where sampling is based on chance, that is, anyone who happens / incidentally meets the researcher can be used as a sample, if it is deemed that the person met is suitable as a data source (Sugiyono, 2016:85). The data collection technique used is a questionnaire using a Likert scale with the following options: Strongly Agree (5), Strongly Agree (4) Agree (3), Disagree (2), Disagree (1). The data analysis technique used in this study is to use partial least square analysis.

DOI: https://doi.org/10.61990/ijamesc.v2i3.261 e-ISSN: 2986-8645

According to (Yamin 2021:7), partial least square (PLS) analysis aims to predict / explore / develop model theory, inventory and determine the research variables involved and their measurements, create a structural model path diagram, determine research hypotheses and supporting references / theories. This study uses three stages of analysis, namely: (1) Outer Model Analysis, where the purpose of testing the outer model is to provide value to the reliability and validity analysis. Outer model with indicators is evaluated through Convergent Validity, Discriminant Validity, Average Variance Extracted (AVE), Composite Reliability and Cronbach Alpha (Musyaffi et al 2022: 10-11). (2) Inner Model Analysis is the causality relationship between latent variables in both exogenous and endogenous research (Musyaffi et al 2022: 10). After conducting various kinds of evaluations such as outer model and inner model, the next step is to test the hypothesis. The purpose of hypothesis testing is to determine the clarity of the direction of the relationship between endogenous variables and exogenous variables.

4. Results and Discussion

4.1 Measurement Model (Outer Model)

4.1.1 Reliability Test

A reliability test is implemented to validate the precision and consistency of an instrument in gauging constructs. In PLS-SEM through the SmartPLS 3.0 software, evaluating the reliability of a construct with reflexive indicators involves the computation of the composite reliability value. This value serves as a measure of the construct's reliability, indicating the degree to which its reflective indicators accurately capture the underlying latent construct. The requirement that is usually used to assess construct reliability is that composite reliability must be greater than 0.7 for confirmatory research and a value of 0.6 - 0.7 is still acceptable for exploratory research (Ghozali & Latan, 2015: 75). Reliability tests cannot be carried out on formative models because each indicator in a latent variable is assumed to be uncorrelated or independent (Andreas Wijaya, 2019: 100).

Table 4. Reliability Test Result

| Tuble 1. Remaining Test Result | | |
|---------------------------------------------|------------|---------------------|
| | Cronbach's | Composite |
| | Alpha | reliability (rho_a) |
| Online Shopping Experience (X1) | 0.949 | 0.942 |
| Product Suitability (X2) | 0.926 | 0.931 |
| Purchasing Power (X3) | 0.912 | 0.918 |
| Effectiveness of Online Sales Technique (Y) | 0.892 | 0.956 |

Source: Data Processed, 2024

According to Tusyanah (2022: 151), Cronbach's alpha measures the lower limit of the reliability value of a construct, while composite reliability measures the true value of the reliability of a construct with a rule of thumb > 0.7. The results above show that the value generated from the test is greater than the requirement of more than 0.7 so that it can be stated that the test results are reliable.

4.1.2 Validity Test

1) Convergent Validity

According to Widyaningtyas, Syarah, et al (2016), the validity test is intended to measure the extent to which the accuracy and accuracy of a measuring instrument in performing its measuring instrument function or providing appropriate measurement

results by calculating the correlation between each statement and the total score. In this study, the measurement validity test consists of convergent validity and discriminant validity. Convergent validity is a measure of the quality of a measurement instrument where the instrument itself is typically a set of question-statements (Kock, 2020a). A measurement instrument has good convergent validity if the question-statements (or other measures) associated with each latent variable are understood by the respondents in the same way as they were intended by the designers of the question-statements (Kock, 2014). In essence, the assessment of convergent validity is an analysis of the relationships between question statements and latent variables based on loadings and cross-loadings. The coefficients of the question statements with the primary latent variable are called factor loadings or loadings, while the coefficients of the question statements with the other latent variables are called cross-loadings.

Table 5. Loading Factor

| Variable | Indicator | Outer Loadings | Rule of Thumb | Conclusion |
|---------------------|-----------|----------------|---------------|------------|
| | OSE1 | 0.859 | 0.700 | Valid |
| | OSE2 | 0.762 | 0.700 | Valid |
| | OSE3 | 0.828 | 0.700 | Valid |
| Online | OSE4 | 0.883 | 0.700 | Valid |
| Shopping | OSE5 | 0.826 | 0.700 | Valid |
| Experience | OSE6 | 0.816 | 0.700 | Valid |
| (X1) | OSE7 | 0.792 | 0.700 | Valid |
| | OSE8 | 0.869 | 0.700 | Valid |
| | OSE9 | 0.818 | 0.700 | Valid |
| | OSE10 | 0.807 | 0.700 | Valid |
| | PS1 | 0.745 | 0.700 | Valid |
| D | PS2 | 0.731 | 0.700 | Valid |
| Product | PS3 | 0.728 | 0.700 | Valid |
| Suitability | PS4 | 0.796 | 0.700 | Valid |
| (X2) | PS5 | 0.928 | 0.700 | Valid |
| | PS6 | 0.899 | 0.700 | Valid |
| | PP1 | 0.881 | 0.700 | Valid |
| D1 | PP2 | 0.833 | 0.700 | Valid |
| Purchasing Power | PP3 | 0.846 | 0.700 | Valid |
| | PP4 | 0.805 | 0.700 | Valid |
| (X3) | PP5 | 0.922 | 0.700 | Valid |
| | PP6 | 0.835 | 0.700 | Valid |
| E.CC: | EOST1 | 0.792 | 0.700 | Valid |
| Effectiveness | EOST2 | 0.843 | 0.700 | Valid |
| of Online | EOST3 | 0.846 | 0.700 | Valid |
| Sales | EOST4 | 0.775 | 0.700 | Valid |
| Technique | EOST5 | 0.844 | 0.700 | Valid |
| (Y) | EOST6 | 0.889 | 0.700 | Valid |

Source: Data Processed, 2024

In Table 5, the loading factors are elucidated, specifically for the variables of personal selling, premium price, and income level. It is observed that all loading factors surpass a value of 0.7. This leads to the conclusion that all indicators fulfill the criteria for

convergent validity, signifying that none of the indicators for these variables were excluded from the model. According to Tusyanah (2022: 145-146), the convergent validity test in PLS is assessed based on the loading factor of the indicator that measures the construct, so the rule of thumb used to test convergent validity and a good category is if the outer value is > 0.7. From the above results it can be concluded that it meets the requirements, namely more than 0.7.

2) Discriminant Validity

Discriminant validity is the extent to which a construct is truly different from other constructs according to empirical standards.

- a) Square roots of Average Variance Extraction (AVEs)
 - Discriminant validity is comparing the square roots of Average Variance Extracted (AVE) value of each construct with the correlation between other constructs in the model. If the AVE root value of each construct is greater than the correlation value between constructs and other constructs in the model, it is said to have good discriminant validity value.
- b) Average Variance Extracted (AVE)
 - Discriminant validity uses Average Variance Extracted (AVE). If the Average Variance Extracted (AVE) value above is > 0.50, it can be stated that each variable has good discriminant validity.

Table 6. Discriminant Validity

| | Average variance extracted (AVE) |
|---------------------------------------------|----------------------------------|
| Online Shopping Experience (X1) | 0.683 |
| Product Suitability (X2) | 0.654 |
| Purchasing Power (X3) | 0.730 |
| Effectiveness of Online Sales Technique (Y) | 0.693 |

Source: Data Processed, 2024

According to the information presented in Table 6, the average variance extracted (AVE) values for the latent variables of online shopping experience (0.683), product suitability (0.654), purchasing power (0.730), and effectiveness of online sales technique (0.693), all exceed 0.50. This indicates that the measurement model demonstrates valid discriminant validity, as the latent variables exhibit AVE values greater than the recommended threshold. Furthermore, the assessment of discriminant validity is also performed based on the Fornell-Larcker criterion, as outlined by Dandi Pratama, Novrian, et al (2018). According to this criterion, if the correlation between a latent construct and its indicators is higher than the correlation with other constructs, it implies that the latent construct can better predict the indicators compared to other constructs. Henseler, et al (2015) emphasize that the Fornell-Larcker criterion, a well-established method for over three decades, involves comparing the square root of the AVE for each construct with the correlations between that construct and other constructs in the model.

 Table 7. Fornell Larcker Criterion

| | Purchas ing Power (X3) | Effectiveness of Online Sales Technique (Y) | Product Suitability (X2) | Online Shopping Experience (X1) |
|---------------------------------------------|---------------------------------|---------------------------------------------------|--------------------------------|---------------------------------|
| Purchasing Power (X3) | 0.855 | | | |
| Effectiveness of Online Sales Technique (Y) | 0.712 | 0.832 | | |
| Product Suitability (X2) | 0.719 | 0.783 | 0.809 | |
| Online Shopping Experience (X1) | 0.713 | 0.637 | 0.588 | 0.827 |

Source: Data Processed, 2024

In Table 7, the Fornell-Larcker criterion is elucidated, proceeding systematically with values for each variable: purchasing power (0.855), effectiveness of online sales technique (0.832), product suitability (0.809), and online shopping experience (0.827). The information from Table 7 indicates that each indicator within a latent construct exhibits the highest loading factor value compared to the loading factors with other latent constructs. This suggests that each statement indicator is effectively and accurately predicted by its corresponding latent construct. In essence, the results affirm the validity of discriminant validity for all constructs, meeting the prescribed criteria. Apart from using the AVE value, another method that can be used to determine discriminant validity is to measure discriminant validity by using the cross-loading value. According to Dandi Pratama, Novrian, et al (2018), an indicator is said to meet discriminant validity if the cross-loading value is 0.70 or more. cross-loadings are usually the first approach to assessing the discriminant validity of indicators. Specifically, the indicator's external loading on the related construct must be greater than all cross-loadings (i.e., its correlations) on other constructs.

Table 8. Cross Loading

| | 20uunig | | Product | Online Shopping |
|------|------------|-------------------------|-------------|-----------------|
| | Purchasing | Effectiveness of Online | Suitability | Experience |
| | Power (X3) | Sales Technique (Y) | (X2) | (X1) |
| PP1 | 0.692 | 0.487 | 0.564 | 0.368 |
| PP2 | 0.760 | 0.588 | 0.606 | 0.530 |
| PP3 | 0.721 | 0.509 | 0.560 | 0.415 |
| PP4 | 0.757 | 0.593 | 0.648 | 0.407 |
| PP5 | 0.776 | 0.507 | 0.489 | 0.535 |
| PP6 | 0.786 | 0.683 | 0.568 | 0.476 |
| PS1 | 0.521 | 0.405 | 0.669 | 0.471 |
| PS2 | 0.565 | 0.459 | 0.726 | 0.405 |
| PS3 | 0.575 | 0.472 | 0.794 | 0.372 |
| PS4 | 0.456 | 0.502 | 0.770 | 0.267 |
| PS5 | 0.575 | 0.802 | 0.672 | 0.546 |
| PS6 | 0.610 | 0.560 | 0.737 | 0.517 |
| OSE1 | 0.465 | 0.545 | 0.493 | 0.778 |

| OSE10 | 0.558 | 0.555 | 0.553 | 0.833 |
|-------|-------|-------|-------|-------|
| OSE2 | 0.438 | 0.507 | 0.451 | 0.809 |
| OSE3 | 0.442 | 0.475 | 0.485 | 0.840 |
| OSE4 | 0.434 | 0.485 | 0.493 | 0.814 |
| OSE5 | 0.390 | 0.452 | 0.447 | 0.807 |
| OSE6 | 0.469 | 0.449 | 0.475 | 0.820 |
| OSE7 | 0.540 | 0.479 | 0.410 | 0.766 |
| OSE8 | 0.679 | 0.602 | 0.636 | 0.807 |
| OSE9 | 0.446 | 0.490 | 0.442 | 0.815 |
| EOST1 | 0.597 | 0.754 | 0.584 | 0.453 |
| EOST2 | 0.552 | 0.710 | 0.484 | 0.451 |
| EOST3 | 0.518 | 0.718 | 0.551 | 0.397 |
| EOST4 | 0.575 | 0.802 | 0.672 | 0.546 |
| EOST5 | 0.642 | 0.839 | 0.646 | 0.540 |
| EOST6 | 0.630 | 0.816 | 0.664 | 0.519 |

Source: Data Processed, 2024

Table 8 presents the outcomes of cross-loading estimations, indicating that each indicator within a latent variable exhibits a cross-loading value higher than those in other latent variables, surpassing a threshold of 0.7. This signifies that each latent variable demonstrates robust discriminant validity, with some latent variables having measurements closely correlated with other constructs. If the measurement model is established as valid and reliable, the subsequent step involves assessing the structural model. Conversely, if issues persist, a reconstruction of the path diagram becomes necessary.

4.2 Structural Model Test

According to Ghozali and Latan (2015: 78), structural model testing is done by looking at the relationship between constructs.

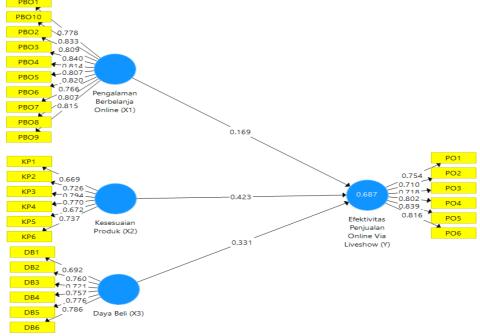


Figure 2. Structural Model Source: Data Processed, 2024

4.3 R Square Value

R-square is a numerical value that falls within the 0 to 1 range, providing insight into the collective impact of independent variables on the dependent variable. The R-squared (R2) value serves as a metric for evaluating the extent to which a specific independent latent variable influences the dependent latent variable.

Table 9. Adjusted R Square

| | R-square | R-square adjusted |
|---------------------------------------------|----------|-------------------|
| Effectiveness of Online Sales Technique (Y) | 0.686 | 0.677 |

Source: Data Processed, 2024

The construct value of the perception of online shopping on insurance obtained an Adjusted R Square value of 0.677 which can be interpreted that the variation in the effectiveness of online sales technique variables can be explained by the variables of online shopping experience, product suitability, purchasing power by 67,7%, while the remaining 32.3% is explained by other variables outside of the variables studied

4.4 Hypothesis Test

According to Pratiwi, Rizki (2017), once a research model is deemed suitable, the subsequent phase involves hypothesis testing. The study proceeds to examine the hypotheses formulated earlier. In this context, the sample undergoes the bootstrapping method, a technique employed to mitigate potential abnormalities in research data. The final stage of the test, utilizing the SmartPLS application, involves hypothesis testing by analyzing the results obtained from the bootstrapping procedure. To perform this test, the user selects the calculate menu, followed by the appearance of menu options. Subsequently, the bootstrapping option is chosen, leading to the display of the relevant data. The ensuing sections present the outcomes of the data test conducted through bootstrapping.

Table 10. Hypothesis Test

| | Original sample (O) | Sample mean (M) | Standard deviation (STDEV) | T statistics (O/STDEV) | P values |
|--------------------------------------------------------------------------------|---------------------|-----------------------|----------------------------------|--------------------------|-------------|
| Online Shopping Experience (X1) -> Effectiveness of Online Sales Technique (Y) | 0,169 | 0,173 | 0,085 | 1,987 | 0,048 |
| Purchasing Power (X3) -> Effectiveness of Online Sales Technique (Y) | 0,423 | 0,456 | 0,107 | 3,951 | 0,000 |
| Product Suitability (X2) -> Effectiveness of Online Sales Technique (Y) | 0,331 | 0,299 | 0,145 | 2,276 | 0,023 |

Source: Data Processed, 2024

According to Tusyanah (2022:159), the structural influence between variables is considered significant if the t-statistic test coefficient value > t-table or p-value < 0.10. The t-count and t-table values with a significance value of 10% or 0.10 obtained a t-table value of 1.66, therefore it can be stated that:

1) Online Shopping Experience (H1)

Online shopping experience has t-statistics with a value of 1.987 > 1.66 and p-values with a value of 0.048, it can be stated that online shopping experience has a positive and significant effect on online sales effectiveness via live show.

2) Product Suitability (H2)

Product suitability has t-statistics with a value of 3,951 > 1.66 and p-values with a value of 0.000, it can be stated that product suitability has a positive and significant effect on online sales effectiveness via live show.

3) Purchasing Power (H3)

Purchasing power has t-statistics with a value of 2.276 > 1.66 and p-values with a value of 0.023, it can be stated that purchasing power has a positive and significant effect on online sales effectiveness via live show.

4.5 Discussion

a. The Effect of Online Shopping Experience on Effectiveness of Online Sales Technique Via Live Show

Based on the hypothesis testing that has been carried out, it is obtained variable of online shopping experience has a positive and significant effect on online sales effectiveness Via Liveshow. These results are in line with research of Faza Adila, Yanti Tayo, and Wahyu Utamidewi (2023) with the research title "Online Shopping Experience Through Live Streaming on Tiktok Social Media by Communication Science Students of Singaperbangsa University, Karawang" which proves that Online Shopping Experience has a positive effect on Live Streaming because the results of the study show that online shopping experience makes it easier because of the emergence of trust and ease of obtaining information. As for Prasetyo Agus Nurrahmanto, and Radharja (2015) with the research title "The Effect of Ease of Use, Shopping Enjoyment, Shopping Experience and Consumer Trust on Consumer Purchase Interest (Sales Effectiveness) on the Bukalapak.com Online Buying and Selling Site" which proves that the Online Shopping Experience has a positive effect on Purchase Interest (sales effectiveness) with a t test value of 1.278. Meanwhile, according to research conducted by Sonia Oktaviani, Almira Devita Putri, Maidiana Astuti Handayani (2022) with the research title "The Effect of Trust and Purchasing Experience on Online Sales (Case Study at Lazada Online Store)." shows that there is a positive influence on Purchasing Experience with Online Sales with a t test that shows a value of 7.271> 1.660 and shows that shopping experience has quite useful information. In research conducted by Nurul Azifah and Citra Kusuma Dewi (2016) with the title "The Effect of Shopping Orientation, Online Trus and Prior Online Purchase Experience on Online Purchase" states that shopping experience positively affects online sales where the test results show that 84.52% of respondents have a very good shopping experience and also the test results show 6, 168> 1.979 and based on research by Gadis Paramita Parastanti Srikandi Kumadji and Kadarisman Hidayat (2014) with the title "The Effect of Prior Online Purchase Experience on Trust and Online Purchase Intention" shows that there is a positive influence of purchasing experience on online sales with t count showing 9.525 > 0.664.

b. The Effect of Product Suitability on Effectiveness of Online Sales Technique Via Live Show

Based on the hypothesis testing that has been carried out, it is obtained variable of purchasing power has a positive and significant effect on the effectiveness of online sales via live show. According to Rizqi Jauharotul Amalia (2022) with the title "Analysis of Consumer Behaviour and Purchasing Power towards Online Sales

(Online Shopping) during the Covid-19 Pandemic" proves that there is an influence on purchasing power with online sales during the Covid-19 pandemic where it is also influenced by income levels, levels of need, people's habits, prices of goods, fashion and trends. In addition, there is research conducted by Ricky Atmaja and Mira Maryani (2021) with the title "Analysis of Consumer Behaviour and Purchasing Power towards Online Sales during the Covid-19 Pandemic" proving that there is a significant influence on purchasing power with online sales during the Covid-19 pandemic and also getting the best questionnaire results which state that online shopping prices are cheaper than conventional stores and also online shopping is also done because it follows trends. Meanwhile, according to Avifah Nihmatus Solikhah and Indra Krishernawan (2022) with the title "The Influence of Celebrity Endorser, Purchasing Power, and Electronic Word of Mouth on sales at E-commerce Shopee" and the results shown positively purchasing power has an effect on online sales with t test results 2,320 > 1,661. In addition, according to Eemy Nurbaety and Rohmadi (2023) with the title "The Influence of Purchasing Power and Service Quality on Sales Levels Fitra Shop Online Shop in East Lampung Regency" with t results that show a positive effect of 2.172 > 1.985. According to Ramadhan Razali (2021), with the title "Purchasing Power of the Community Towards Online Sales of Halal Products Through E-commerce", shows that purchasing power positively affects online sales which is also supported by analysis which shows that the e-commerce system can avoid difficulties in making transactions and its ease of use. on tiktok which is supported by a t value of 2.649> 1.984. And research conducted by Istiana Wahyuningsih and Dila Damayanti (2024) with the research title "The Effect of Product Suitability, Discount Vouchers and Shopping Lifestyle on Online Sales Purchasing Decisions on Shopee Live Streaming" it is also positively proven that product suitability affects online sales on shopee live streaming with a t value of 1.776 which means customers trust the ability of a product including durability, accuracy and benefits in shopee live streaming.

c. The Effect of Purchasing Power on Effectiveness of Online Sales Technique Via Live Show.

Based on the hypothesis testing that has been carried out, it is obtained variable of online shopping experience has a positive and significant effect on online sales effectiveness via liveshow. These results are in line with research of Faza Adila, Yanti Tayo, and Wahyu Utamidewi (2023) with the research title "Online Shopping Experience Through Live Streaming on Tiktok Social Media by Communication Science Students of Singaperbangsa University, Karawang" which proves that Online Shopping Experience has a positive effect on Live Streaming because the results of the study show that online shopping experience makes it easier because of the emergence of trust and ease of obtaining information. As for Prasetyo Agus Nurrahmanto, and Radharja (2015) with the research title "The Effect of Ease of Use, Shopping Enjoyment, Shopping Experience and Consumer Trust on Consumer Purchase Interest (Sales Effectiveness) on the Bukalapak.com Online Buying and Selling Site" which proves that the Online Shopping Experience has a positive effect on Purchase Interest (sales effectiveness) with a t test value of 1.278. Meanwhile, according to research conducted by Sonia Oktaviani, Almira Devita Putri, Maidiana Astuti Handayani (2022) with the research title "The Effect of Trust and Purchasing

Experience on Online Sales (Case Study at Lazada Online Store)." shows that there is a positive influence on Purchasing Experience with Online Sales with a t test that shows a value of 7.271 > 1.660 and shows that shopping experience has quite useful information. In research conducted by Nurul Azifah and Citra Kusuma Dewi (2016) with the title "The Effect of Shopping Orientation, Online Trus and Prior Online Purchase Experience on Online Purchase" states that shopping experience positively affects online sales where the test results show that 84.52% of respondents have a very good shopping experience and also the test results show 6,168 > 1.979 and based on research by Gadis Paramita Parastanti Srikandi Kumadji and Kadarisman Hidayat (2014) with the title "The Effect of Prior Online Purchase Experience on Trust and Online Purchase Intention" shows that there is a positive influence of purchasing experience on online sales with t count showing 9.525 > 0.664.

d. The Effect of Online Shopping Experience, Product Suitability, Purchasing Power on Effectiveness of Online Sales Technique Via Live Show

The construct value of the variable of effectiveness of online sales technique obtained an Adjusted R.Square value of 0.677 which can be interpreted that the variation in the effectiveness of online sales technique variables can be explained by the variables of online shopping experience, product suitability, purchasing power by 67.7%, while the remaining 32.3% is explained by other variables outside of the variables studied. The online shopping experience is one of the main assessments to obtain information related to the process of purchasing products through applications or purchasing them through live show sales. The suitability of the information received is one of the things that must be considered because this will have an impact on the final decision before making a purchase. The suitability of the product that has been received is also an assessment of the online application to gain trust from buyers. High purchasing power is also one of the main goals of online sales techniques, apart from getting a larger number of visitors, it can also be an alternative to give visitors choices regarding superior products offered during live shows. This is the basis that online sales techniques will be more effective if visitors already have online shopping experience, already understand how to evaluate the product they want to buy, and have high purchasing power which is an important point so that products offered live can provide useful information. positive to visitors.

5. Conclusion

From the results of the research and discussion, it can be concluded that:

- a. Online shopping experience has a positive and significant effect on the effectiveness of online sales technique via live show.
- b. Product suitability has a positive and significant effect on the effectiveness of online sales technique via live show.
- c. Purchasing power has a positive and significant effect on the effectiveness of online sales technique via live show.
- d. Online shopping experience, product suitability, and purchasing power simultaneously has a positive and significant effect on the the effectiveness of online sales technique via live show.

References

Adila, M. F., Tayo, Y., & Utamidewi, W. (2023). Pengalaman Belanja Online Melalui Live Streaming Pada Media Sosial Tiktok Oleh Mahasiswa Ilmu Komunikasi Universitas Singaperbangsa Karawang. https://doi.org/10.5281/zenodo.10433789.

- Aghivirwiati, Gusti Ayu, Thorman Lumbanraja dkk. 2022. Manajemen Kualitas. Batam: Yayasan Cendikia Mulia Mandiri.
- Amalia, Rizqi Jauharotul. (2022). Analisis Perilaku Konsumtif Dan Daya Beli Konsumen terhadap Belanja Online di Masa Pandemi Covid 19. Jurnal Ekonomi dan Bisnis Islam- JIEBI. Vo. 4 No. 1 Tahun 2022
- Avifah Nihmatus Solikhah, & Indra Krishernawan. (2022). Pengaruh Celebrity Endorser, Daya Tarik Iklan, Dan Electronic Word Of Mouth Terhadap Keputusan Pembelian Di E-Commerce Shopee (Studi Kasus Pada Pengguna E-Commerce Shopee Di Universitas Mayjen Sungkono Mojokerto). Jurnal Akuntansi, Ekonomi Dan Manajemen Bisnis, 2(2), 154–166
- Azifah, Nurul dan Citra Kusuma Dewi. 2016. Pengaruh Shopping Orientation, Online Trust dan Prior Online Purchase Experience Terhadap Online
- Dabholkar, P.A. & Sheng, X. 2012. Consumer Participation in Using Online Recommendation Agents: Effects on Satisfaction, Trust, and Purchase Intentions. The Service Indusries Journal.
- Dabrynin, H., & Zhang, J. (2019). The Investigation of the Online Customer Experience and Perceived Risk on Purchase Intention in China Hleb Dabrynin Huazhong University of Science and Technology Jing Zhang, 13(2003), 16–31.
- Dholakia, Ruby Roy dan Miao Zhao. 2010. Effects of online store attributes on customer satisfaction and repurchase intentions. International Journal of Retail & Distribution Management Vol 38 No 7.
- Istiana Wahyuningsih dan Dila Damayanti. 2024. Pengaruh Kesesuaian Produk, Voucher Diskon dan Shopping Lifestyle Terhadap Keputusan Pembelian Penjualan Online Pada Live Streaming Shopee. The journal of Business and Management.
- Kotler, P dan Amstrong. 2018. Prinsip-prinsip Marketing Edisi Ke Tujuh. Penerbit Salemba Empat. Jakarta
- Kotler, P. and Keller, Kevin L. 2016: Marketing Management, 15th Edition New Jersey: Pearson Pretice Hall, Inc
- Laksana, Muhammad Fajar (2019), Praktis Memahami Manajemen Pemasaran, Depok:Khalifah Mediatama.
- Le-Hoang, P. V. (2020). Factors affecting online purchase intention: the case of ecommerce on lazada. Independent Journal of Management & Production, 11(3), 1018. https://doi.org/10.14807/ijmp.v11i3.1088
- Medias, Fahmi dan Zulfikri Bagus. 2018. Ekonomi Mikro Islam. Magelang: Unimma Press.
- Musyaffi, Atatulloh Michael dkk. 2022. Konsep Dasar Structural Equation Model-Partial Least Square (SEM-PLS) Menggunakan Smartpls. Cipayung: Pascal Books.
- Nurrahmanto, Prasetyo Agus dan Rahardja. 2015. Pengaruh Kemudahan Penggunaan, Kenikmatan Berbelanja, Pengalaman Berbelanja dan Kepercayaan Konsumen terhadap Minat Beli Konsumen di Situs Jual Beli Online Bukalapak.com. Diponegoro Journal of Management. Vol. 4 No. 2
- Oktaviani, Putri, Handayani. (2022). Pengaruh Kepercayaan dan Pengalaman Pembelian terhadap Minat beli Secara Online (Studi Kasus pada Toko Online Lazada).

e-ISSN: 2986-8645

DOI: https://doi.org/10.61990/ijamesc.v2i3.261

SMART: Strategy of Management and Accounting through Research and Technology, Vol (2), No.2, 37-45.

e-ISSN: 2986-8645

- Onggo, Bob Julius. 2014. Smart E-marketers. Jakarta: PT. Alex Media Komputindo.
- Parastanti, Gadis Paramita., Srikandi Kumadji dan Kadarisman Hidayat. (2014). Pengaruh Prior Online Purchase Experience terhadap Trust Dan Online
- Purchase Intention (Studi Pada Online Shop HIJABI HOUSE). Vol. 20 No 2. Fakultas Komunikasi dan Bisnis. Universitas Telkom
- Purwianti, L., & Ricarto, T. (2018). ANALISA FAKTOR-FAKTOR YANG MEMPENGARUHI PURCHASE INTENTION PADA PENGGUNA SMARTPHONE DI BATAM. Jurnal Manajemen Maranatha, 18(1), 41–56. https://doi.org/10.28932/jmm.v18i1.1095
- Pusat Data dan Analisa Tempo. 2020. Perkembangan dan Isu Aktual Dunia E-Commerce Indonesia 2018. Jakarta: Tempo Publishing.
- Ramadhan Razali. 2021. Daya Beli Masyarakat Terrhadap Penjualan Online Produk Halal Melalui E-commerce. Jurnal Iqtisaduna
- Repurchase Intention (Survey pada Pelanggan ZALORA Indonesia Melalui Website www.zalora.co.id). Jurnal Administrasi Bisnis (JAB), 16(1): 1-7.
- Ricky Atmaja & Mira Maryani. (2021). ANALISA PERILAKU KONSUMTIF DAN DAYA BELI KONSUMEN TERHADAP PENJUALAN ONLINE SELAMA MASA PANDEMI COVID -19. Jurnal Terapan Ilmu Manajemen dan Bisnis. Vol 4. No. 2. Oktober 2021
- Sugiyono. (2016). Metode Penelitian Kuantitatif, Kualitatif dan R&D. Bandung: PT Alfabet.
- Tampubolon, M., Jannah, M., Gultom, R., & Sibarani, H.J. (2020). Pengaruh Sistem
 Pelayanan, Ketepatan Waktu Dan Daya Beli Masyarakat Terhadap Loyalitas
 Menggunakan Jasa Transportasi Bus Pada Pt.Atlas. Journal of Education,
 Humaniora and Social Sciences (JEHSS). 3 (2): 566-576
- Tusyanah. 2022. Eksplorasi Faktor-Faktor Yang Mempengaruhi Perilaku Adopsi Transaksi Nontunai Dengan Model Utaut Pada Generasi Millenial. Surabaya: CV. Penerbit Qiara Media.
- Yamin, Sofyan. 2021. Olah Data Statistik: SmartPLS 3 Amos & Stata (Mudah & Praktis). Bekasi: PT. Dewangga Energi Internasional
- Zhou, Kevin Zheng et al. (2007). The Effects of Customer and Competitor Orientations on Performance in Global Markets: A Contingency Analysis. Journal of International Business Studies, Vol. 38 No. 2.