Customer Perception and Price Sensitivity: A Study of Muslim Consumer's Behavior on Shopee

Nurfitriani
UIN Datokarama Palu, Indonesia
nurfitriani@uinpalu.ac.id

Moh Agus Nugroho
IAIN Sultan Amai Gorontalo, Indonesia
agusnugroho@iaingorontalo.ac.id

Abstract.

The surge in online shopping is on the rise, yet engaging in online selling comes with challenges. Vendors utilizing online platforms like Shopee must grasp the factors that sway buying choices. This becomes crucial as they strive to encourage consumers to purchase products they cannot physically interact with. While numerous investigations have been conducted, there exists an untouched area about Shopee consumers in Palu City. Previous research has revealed that both pricing and customer reviews have an impact on purchase decisions. Conversely, some studies negate their influence. Hence, the present study endeavors to elucidate the extent to which pricing and customer reviews shape the purchasing determinations of Shopee consumers, specifically in Palu City. This research sheds light on the subject by employing a questionnaire-based survey method and utilizing the SPSS software for analysis. Findings indicate that both factors, taken together or individually, wield a notable influence on the purchasing judgments made by Shopee consumers in Palu City. Given that purchasing choices stand as a metric for gauging marketing achievements, the insights from this study are anticipated to offer valuable guidance to digital marketplace sellers when devising their marketing strategies.

Keywords: *Behavior, Customer Perception, Price, Shopee.*

A.   Introduction

Online shopping refers to making purchases through mediums or intermediaries such as online trading platforms or social networks that offer goods and services for trade (Aisyah, 2019). This shift in shopping behavior has affected urban communities and reached even remote districts (Arsita, 2021). One of the transformative lifestyle changes is transitioning from traditional in-person (offline) shopping to online shopping facilitated by E-commerce platforms. The COVID-19 pandemic has significantly contributed to the surge in online shopping, as many consumers who were unfamiliar with online purchasing turned to digital shopping platforms to fulfill their needs during the pandemic (Ardianti, 2019).

Among the various online shopping methods, one famous avenue is through marketplaces. Unlike standalone online stores, marketplaces encompass a concept similar to traditional markets, acting as centralized locations where sellers congregate within a

single platform. In Indonesia, five prominent marketplaces are Tokopedia, Shopee, Bukalapak, Lazada, and Blibli (Elviera, 2022). A compelling reason prompting consumers to choose online shopping is the perception of lower prices compared to offline purchases (Elviera, 2022).

Based on a survey conducted by Mark Plus Indonesia, a marketing and research consultancy, Shopee ranks first in offering the most affordable prices in the e-commerce sector, followed by Tokopedia and Bukalapak (K. G. Satyadharma, 2021). Consequently, Shopee's strength lies in its competitive pricing. Besides providing attractive products, Shopee frequently organizes sales promotions, such as 10:10 and 11:11, and free shipping events.

For online sellers, marketing efforts are crucial due to the need for physical interaction with products. Consumers only gather information about products they intend to buy through photographs, videos, and descriptive information sellers provide. This absence of direct interaction can lead to uncertainty during the decision-making process (Haryani Putri, 2022). Marketplaces address this by offering a customer review feature. Reviews from previous buyers offer additional insights into products and seller services. Shopee's review feature encompasses three aspects: 1) product quality, 2) seller service, and 3) delivery speed. Consumers can provide ratings and comments, including photos and videos.

Kotler's model outlines a five-stage purchase decision process: problem recognition, information search, alternative evaluation, purchase decision, and post-purchase behavior (Sukarnoto, Haida, N., Pratama, G., Sukarnoto, T., & Widiawati, W.). Throughout this process, pricing and customer reviews are critical information sought and considered by prospective buyers before making purchasing decisions. This indicates that both pricing and customer reviews can influence consumer buying decisions. This argument is reinforced by several prior studies, such as research conducted by Melati and Dwijayanti, Guo et al., Wang et al., Daulay, Steven et al., Chang and Su. (Chang, 2022) (Guo, 2020). However, contradictory findings are also present in other studies, such as those by Ardianti and Widiartono, Ilmiyah and Krishermawan, and Saputro et al., suggesting that pricing and customer reviews do not impact purchasing decisions (Agesti, 2021) (Ardianti, 2019) (Herzegovino Sianipar, 2021).

B.   Literature Review

According to Kotler, purchasing decisions are influenced by cultural, social, personal, and psychological factors. Cultural factors encompass nationality, religion, group, race, and geographical region. Social factors involve reference groups, family, roles, and status. Personal factors include age and lifecycle stage, occupation and economic situation, personality, self-concept, and lifestyle. Psychological factors include motivation, perception, learning, and beliefs that impact consumer decisions (Kotler, 2018). Previous studies, such

as those by Melati and Lestari, suggest that purchase decisions can be influenced by customer reviews and prices (Lestari, 2022; Melati, 2020) (Nugroho M. &., 2023).

In Islamic economics, customer reviews are considered iqrar (acknowledgment) or shahadah (testimony) of the buyer based on their satisfaction and experience with the product and seller's services. Testimonies must be genuine and not exaggerated to deceive other potential buyers (bai najasy) (Zakiyah, 2021). Customer reviews can serve as a potent tool for sellers. The intentionally provided review feature acts as a word-of-mouth promotional tool, which is highly effective for marketing communication (Sianipar & Yoestini, 2021).

From a microeconomic perspective, prices are a crucial factor influencing the demand for goods and services (Sri rahayu, 2015). Ibn Taymiyyah categorizes prices into fair prices (liked) and unfair prices (disliked). Fair and liked prices are those considered just. Furthermore, Ibn Taymiyyah states that an indicator of a just price is equitable for the particular item and similar items in a specific place and time. Such prices do not harm the seller or the buyer, preventing any form of injustice (Salim et al., 2021).

C. Research Methodology

This study employs a quantitative research design to examine the influence of independent variables on the dependent variable (Ramadhani, 2022) (Nugroho, 2021). There are two independent variables (X) in this research: customer reviews (X1) and price (X2), while the dependent variable is purchase decisions (Y).

Data collection is conducted using a survey method, with the research instrument being a questionnaire. The population selection is based on Sirclo's survey findings, indicating that most Shopee users are between 23 and 38 years old (Nugroho M. &., 2023). As a result, the researchers determined that the population for this study consists of 100 Shopee consumers in the city of Palu. Subsequently, data processing and analysis are carried out using SPSS 25 software, which includes validity and reliability tests, classical assumption tests, multiple linear regression analysis, and hypothesis testing to determine the influence of customer reviews and prices on Shopee purchase decisions in the city of Palu.

D. Results And Discussion

The validity test was conducted by calculating the observed correlation coefficient R and comparing it with the critical correlation coefficient (r table) value of 0.1966. The reliability test used Cronbach's Alpha with a criterion of > 0.60. The results are as follows:

Table 1. Validity Test

Variable	Indicator	R
Customer reviews	X1,1	0,817
	X1,2	0,842
	X1,3	0,686
	X1,4	0,814
	X1,5	0,762
	X1,6	0,838
	X1,7	0,857
	X1,8	0,835
	X1,9	0,643
	X110	0,797
Price	X2,1	0,861
	X2,2	0,808
	X2,3	0,781
	X2,4	0,752
	X2,5	0,781
	X2,6	0,800
	X2,7	0,810
Decision Purchase	Y1,1	0,820
	Y1,2	0,851
	Y1,3	0,784
	Y1,4	0,687
	Y1,5	0,745
	Y1,6	0,743
	Y1,7	0,850
	Y1,8	0,837
	Y1,9	0,521

Source: Primary data processed

Based on the table above, it is evident that the variables of customer reviews, price, and purchase decisions obtained values greater than 0.1966 (r table), indicating that the data used in this study can be deemed valid.

Table 2. Reliability Test

Variable	Cronbach's Alpha	N of Items
Customer reviews	0,933	7
Price	0,904	10
Decision Purchase	0,901	9

Based on the table above, it is evident that Cronbach's Alpha values for each variable are more significant than 0.6, indicating that the research data is reliable.
The results of the classical assumption test or the normality test are as follows:

Table 3. Normality Test

One-Sample Kolmogorov Smirnov Test	Unstandardized Residual
N	100
Asymp. Signifikansi (2-tailed)	0.016

Based on the table above, it is evident that the normality test result indicates a value of 0.16, which is higher than the significance level (α) of 0.05. This suggests that the research data follows a normal distribution.

The results of the multiple linear regression analysis and hypothesis testing are shown as follows:

Table 4. Multiple Linear Regression

Model	Unstandardized Coefficients B
(Constant)	1,345
Customer reviews (X1)	0,294
Harga (X2)	0,807

Therefore, the resulting multiple linear regression equation is as follows:

$Y = a + b_1X_1 + b_2X_2 + ... + b_nX_n + e$
$Y = 1,345 + 0,294 X_2 + 0,807X_1$

Interpretation of the equation is as follows:
a) The constant value of 1.345 indicates that when the variables for customer online rating and price are equal to 0, the purchase decision value is 1.345.
b) The regression coefficient for X1 is 0.294 with a positive sign (+), indicating a one-way relationship. In other words, a 1-unit increase in the customer reviews variable leads to a 0.294 increase in the purchase decision. Conversely, if the customer reviews variable decreases by 1 unit, the purchase decision decreases by 0.294, assuming the X2 variable remains constant.
c) The regression coefficient for X2 is 0.807 with a positive sign (+), indicating a one-way relationship. This means that if the price variable increases by 1 unit, the purchase decision increases by 0.807. Conversely, if the price variable decreases by 1 unit, the purchase decision will decrease by 0.807, assuming the X1 variable remains constant.

Table 5. Determinant Coefficient Test (R2)

Model	R	R Square	Adjusted R Square
1	0,901[a]	0,812	0,808

Based on the table above, it can be observed that the R Square value is 0.812. This indicates that the independent variables, namely price and customer reviews, can explain approximately 81.2% of the variation in the dependent variable, which is the purchase decision. The remaining portion (100% - 81.2% = 18.8%) is explained by other variables not included in this study.

The research findings also reveal that, partially, price has a significant influence on Shopee consumer purchase decisions in Palu City. The calculated *t*-value of 9.744 is greater than the tabulated *t*-value (1.984), and the significance value of 0.000 is smaller than the significance level (0.05). This outcome indicates that price is vital in persuading buyers in Palu to make purchase decisions through the Shopee platform.

Fair pricing is a concept Ibn Taymiyyah emphasizes, where fair prices do not disadvantage producers or sellers, harm others, or disrupt the market (Fasiha, 2017). Price is one of Shopee's key strengths, distinguishing it from other popular marketplaces in Indonesia (Satyadharma and Sudaryanto, 2021). Shopee offers competitive, affordable prices that align with product quality and benefits, motivating consumers to purchase through the platform. However, Muslim consumers should also exercise prudence in assessing the fairness behind low prices, especially during flash sale events.

In purchasing decisions, Muslim consumers should ensure that transactions align with Islamic principles, such as achieving maslahah (benefit), meeting needs, and avoiding wastefulness (israf). Thus, purchase decisions remain guided by ethical values and principles of fairness.

E. Conclusion

This research shows that customer reviews and prices significantly influence Shopee consumer purchasing decisions in Palu City. In the decision-making process, customer reviews and prices are considered and used as benchmarks by consumers to evaluate products before purchasing. The more positive reviews a product receives and the more affordable the price offered, the greater the likelihood that purchasing decisions will increase. Muslim consumers are also easily tempted by flash sale programs, sometimes ignoring prohibitions against wasteful and extravagant shopping. Bearing this in mind, the author suggests that customers on the Shopee platform pay close attention to customer reviews and prices before buying the desired product.

Bibliography

Agesti, N. R. (2021). The Effect of Viral Marketing, Online Customer Review, Price Perception, and Trust on Purchase Decisions with Lifestyle as Intervening Variables in the Marketplace Shopee in Surabaya City. *International Journal of Multicultural and Multireligious Understanding,* https://doi.org/10.18415/ijmmu.v8i3.2526

Aisyah, L. &. (2019). Usaha Bisnis E- commearce Perspektif Ekonomi Islam (studi pada bisnis @lisdasasirangan). *Ad-Deenar: Jurnal Ekonomi dan Bisnis Islam, 3(2), Art. 2.* , https://doi.org/10.30868/ad.v3i2.507

Ardianti, A. N. (2019). Pengaruh Online Customer Review dan Online Customer Rating terhadap Keputusan Pembelian melalui Marketplace Shopee. *Jurnal Ilmu Administrasi Bisnis*, 8(2), 55–66.

Arsita, N. (2021). Pengaruh Gaya Hidup Dan Trend Fashion Terhadap Keputusan Pembelian Online Produk Fashion Pada Media Sosial Instagram. *Jurnal Ilmu Manajemen Saburai (JIMS)*, 7(2), https://doi.org/10.24967/jmb.v7i2.1390

Chang, H.-H. &.-W. (2022). Sustainable Consumption in Taiwan Retailing: The Impact of Product Features and Price Promotion on Purchase Behaviors Toward Expiring Products. *Food Quality and Preference*, 96.

Elviera, C. D. (2022). Transformasi Perilaku Konsumen di Masa Pra dan Pasca Pandemi Covid 19 (Studi Kasus Pembelian Produk Shopee). *Bisnis-Net Jurnal Ekonomi dan Bisnis*, 5(2), Art. 2. https://doi.org/10.46576/bn.v5i2.2767

Guo, J. W. (2020). Positive emotion bias: Role of emotional content from online customer reviews in purchase decisions. *Journal of Retailing and Consumer Services*, https://doi.org/10.1016/j.jretconser

Haryani Putri, A. &. (2022). Perlindungan Hukum Bagi Korban Penipuan Jual Beli Online. *Krtha Bhayangkara, 16(1)*, 131–138. https://doi.org/10.31599/krtha.v16i1.1018

Herzegovino Sianipar, a. Y. (2021). Analisis Pengaruh Customer Review Dan Customer Rating Terhadap Keputusan Pembelian Produk Di Online Marketplace (Studi Pada Mahasiswa Pengguna Tokopedia di Kota Semarang). *Diponegoro Journal of Management*, Vol. 10, no. 6.

K. G. Satyadharma, a. B. (2021). Analisis Faktor Price Value, Social Influence, Hedonic Motivation, Trust, Ease Of Use Penggunaan Layanan Mobile Payment (Studi pada pengguna aplikasi ShopeePay Mahasiswa di Kota Semarang). *Diponegoro Journal of Management*, vol. 10, no. 5.

Kotler, P. &. (2018). *Principles of Marketing Global Edition 17th Edition.* London: Pearson Education.

Nugroho, M. &. (2023). Multigroup Analysis Eastern Indonesian Millenial Behavior in Using Digital Bank. *JOURNAL OF APPLIED BUSINESS ADMINISTRATION*, 7(1), 72-79. https://doi.org/10.30871/jaba.v7i1.521

Nugroho, M. A. (2021). Impact Of Islamic Character, Information, And Innovation On Business Performance In The Tempe Industry. *Journal of Principles Management and Business*, 1(02), 104–114.

Ramadhani, M. &. (2022). Dampak Pengangguran dan Penyaluran Dana Zakat Infak Sedekah terhadap Kemiskinan di Provinsi Kalimantan Selatan. *Ecoplan*, 5(2), Art. 2. https://doi.org/10.20527/ecoplan.v5i2.604

Sri rahayu, S. r. (2015). *Buku Ajar Teori Ekonomi Mikro.* Palembang: Universitas Muhammadiyah Palembang.

Sukarnoto, T. &. (Haida, N., Pratama, G., Sukarnoto, T., & Widiawati, W.). Pengaruh Pemahaman Masyarakat Tentang Riba Terhadap Minat Bertransaksi Di Bank Syariah. *Ecobankers : Journal of Economy and Banking*, 2(2), Art. 2.