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Research Article

The Effect of Flash Sale and Free Shipping on Purchasing Decisions on The Shopee Marketplace (Study on Students in MAN Kota Tegal)

Umi Fadilah fatoni*, Ainur Rochmah

Politeknik Stibisnis Tegal, Indonesia

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*Corresponding author: E-mail: Umifadilahfatoni@polsti.ac.id

ABSTRACT

Flash sale and "Gratis Ongkir" Program are Shopee one of platforms shopping online in Indonesia. The increase in sales to active purchases on the marketplace, shows that there is consumer behavior towards purchasing decisions through e-commerce. This study aims to analyze how the effect of flash sales and "Free Shipping" Shopee on purchasing decisions for students using the Shopee application at MAN Tegal City, partially and simultaneously. The form of this research is quantitative research with an associative approach. Sampling using the Slovin formula and using 95 respondents as samples. The results showed that the flash sale and "Free Shipping" variables simultaneously (simultaneously) influenced purchasing decisions with acalculated > Ftable (33,115 > 3.09). Through the results of adjusted R square, it is also known that flash sale and free shipping contributed 41,9%, the remaining 58,1% was influenced by other variables. It is hoped that Shopee can overcome the price discount promo hours which are considered less in accordance with the wishes of consumers.

Keywords: Flash Sale, Free Shipping, Purchase Decision

Introduction

The development of increasingly sophisticated technology provides convenience for the community in carrying out daily activities. Technological advances in the field of communication, especially the advancement of the internet, make it easy for people around the world to get whatever information they need, starting from formal and informal information. This makes technology a basic need of everyone. From the elderly to the young, experts to ordinary people also use technology in various aspects of their lives.

According to Arif (2013) in his journal said that until now technological developments have spurred changes in individual habits globally, one of which is changes in making buying and selling transactions. In the past, what was meant by buying and selling transactions was carried out face-to-face in one place, until the transfer of goods directly from buyers to sellers. However, thanks to the internet, online trading technology was created that is integrated with a system called E-commerce. The development of technology has an impact on

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the progress of online commerce, especially E-commerce in Indonesia.

E-commerce is a sales system that developed after the invention of the internet. This kind of marketing or sales system can reach all over the world at the same time without having to set up branch offices in all countries. In addition, it can also be done 24 hours without stopping. With only through a computer unit connected to the internet, the company can market its products (Arifin, 2003).

The growth of the e-commerce business that is getting bigger and faster in Indonesia has caused many other e-commerce to emerge and offer diverse advantages and conveniences and give rise to increasingly fierce competition between major e-commerce in Indonesia in competing for the first rank in various aspects. One of the largest e-commerce online store providers in Indonesia is Shopee. Shopee is a start-up company from Singapore that began to enter Indonesia since 2015.

The emergence of innovations in the world of marketing affects marketing and sales strategies. A marketing strategy that is increasingly being used by online store sellers today is flash sales. Flash sale is a product offer with a discount and limited quantity in a short time. Flash sales are often also called "daily deals", part of a sales promotion that gives its customers special offers or discounts on certain products for a limited time.

Flash sales trade goods that are of very low value than the cost of production. In fact, the selling price of an item will be above the production price. This strategy is generally carried out by a business actor who is just starting a business whose purpose is to attract new consumers. But on the other hand, there is suspicion for consumers because the goods traded at the flash sale cannot be enjoyed by consumers. Consumers feel that they have monitored the goods or products sold by flash sale, but in practice consumers cannot buy the goods because the goods have run out of stock.

The tagline that has been used by Shopee until now is "Free *Ongkir ke Seluruh Indonesia*". Shopee provides this free shipping offer for only one month, but this offer is often extended by Shopee until now.

This tagline is quite influential on the consumer decision-making process, because most

consumers often hesitate to shop online because of the burden of shipping costs that they have to pay so that the goods purchased online can reach their homes. Consumers feel they have to pay shipping costs, which can sometimes be greater than the price of the goods they buy.

Based on the background description above, research is needed to test and analyze the effect of flash sales and free shipping on purchasing decisions on the Shopee market-place in MAN Kota Tegal.

Literature Review

Purchasing Decision

Purchasing decisions according to Kotler and Amstrong (2009) are stages in the purchasing decision-making process in which consumers actually buy. According to Tjiptono (2018) purchasing decisions are a process in which the buyer knows the problem, finds information about a particular product or brand and evaluates some of these alternatives to be used in solving the problem, which then leads him to the purchase decision.

According to Kotler and Keller (2009) describes six indicators of purchasing decisions, which are as follows:

- 1. Product Selection: Consumers can determine the decision to buy an item or service or use the money for other purposes.
- 2. Brand Selection: Consumers must be able to determine what brand they want to buy.
- 3. Selection of Vendors: Consumers must be able to determine the service provider they want to visit.
- 4. Time of Purchase: The consumer's decision in determining when to make a purchase.
- 5. Number of Purchases: Consumer decisions regarding the amount of goods or services to be purchased.
- 6. Payment Method: The consumer's decision in choosing what payment method will be used.

Flash Sale

Flash sale is a popular e-commerce marketing mode in which brander companies (mainly internet-based) sell new products or services in limited quantities at a discounted price within a certain time before the normal sales period (Zhang, 2018).

According to Kotler (2009), the flash sale indicators contained in sales promotion, namely:

- 1. Promotion frequency is the number of sales promotions carried out at a time through sales promotion media.
- 2. Promotional quality is a measure of how well a sales promotion is carried out.
- 3. Promotion time is the value or number of sales promotions carried out by the company.
- 4. The determination or suitability of promotional goals is a necessary factor to achieve the company's desired target

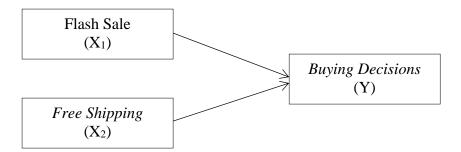
Free Shipping

Free Shipping according to (Assauri, 2010) is a part of a special selling effort such as

display exhibitions, exhibitions, demonstrations and other sales activities that can be done at any time. According to Istiqomah & Marlena, (2020) states that free shipping promos are another form of sales promotion that uses various offers to stimulate the purchase of products as soon as possible and improve the products that consumers buy.

According to Himayati (2008: 34) shipping costs are the cost of shipping goods and services that are withdrawn by the seller from the customer during the buying and selling process with shipping costs charged to the customer. *Accurate.id* (2020) explained that free shipping is a free shipping fee. Meanwhile, *modalbisnis.id* (2020) explained that free shipping here is free shipping as a promo offered by online business managers to attract buyers.

Frame of Mind



Research Methods

This research is a quantitative study using primary data sourced from filling out a questionnaire. The population in this study were students in MAN Kota Tegal. The sample used the slovin formula of 95 respondents.

The analysis method in the study is multiple linear regression which is used to test

and analyze the effect of flash sales and Free Shipping on purchasing decisions on the Shopee marketplace in MAN Kota Tegal.

Results of Research and Discussion Validity Test Results

The validity test results showed that all questions used in the questionnaire had a r_{hitung} value greater than r_{tabel} , which was 0.202. based on this it can be concluded that all questions are valid.

Reliability Test Results

Table 1. Reliability Test Results

Variabel	Cronbach's Alpha		
Flash Sale	.848		
Free shipping	.767		
Buying Decision	.880		

(Source: Processed data, 2022)

Based on the table above, it can be seen that all variables have a value of > 0.06, which means that all research instruments are

declared reliable and worthy of being variables in the measurement of this study.

Classical Assumption Test Results Normality Test Results

Table 2. Normality Test Results

One-Sample Kolmogorov-Smirnov Test

			Unstandardiz ed Residual
N			95
Normal Parameters ^{a,b}	Mean		,0000000
	Std. Deviation		4,40513702
Most Extreme Differences	Absolute		,101
	Positive		,101
	Negative		-,065
Test Statistic			,101
Asymp. Sig. (2-tailed)			,017°
Monte Carlo Sig. (2-	Sig.		,268 ^d
tailed)	99% Confidence Interval	Lower Bound	,256
		Upper Bound	,279

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.
- d. Based on 10000 sampled tables with starting seed 2000000.

(Source: Processed Data, 2022)

Based on the results of data processing in the table above, it can be seen that the Monte Carlo Sig value in the Kolmogorov-Smirnov test was 0.268. The value meets the conditions for

stating the normality of the data, that is, the sig value must be greater than 0.05 so that it can be concluded that the data used contributes normally.

Multicholinearity Test Results

Table 3. Multicho linearity Test Results

Coefficients^a

Unstandardiz		d Coefficients	Standardized Coefficients			Collinearity	Statistics	
Model		В	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	3,611	3,106		1,163	,248		
	Flash Sale	,400	,101	,412	3,980	,000	,590	1,694
	Gratis Ongkir	,443	,152	,301	2,907	,005	,590	1,694

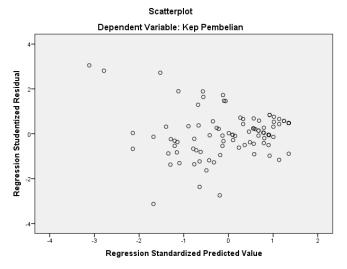
a. Dependent Variable: Kep Pembelian

(Source: Processed data, 2022)

Based on the table above, it can be seen that the Tolerance for the Flash sale and Free shipping variables is 0.590 which means > 0.10 and the VIF value is 1.694 which means it is smaller than the < 10. In these results, it can be

concluded that there are no symptoms of multicholinearity and the regression model is said to be feasible and can be used for regression equations.

Heteroskedasticity Test Results



(Source: Processed Data, 2022)

Figure 1. Heteroskedasticity Test Results

Based on the picture above, it can be seen that the data points spread out and do not form a certain pattern. The data points are also spread above and below zero so that it can be seen that the data is scattered randomly. This

shows that there were no symptoms of heteroskedasticity in the regression model in this study.

Multiple Linear Regression Test Results

Table 4. Multiple Linear Regression Test Results

	Coefficients ^a								
		Unstandardized		Standardized					
		Coefficients		Coefficients					
Model		В	Std. Error	Beta	t	Sig.			
1	(Constant)	3,611	3,106		1,163	,248			
	Flash Sale	,400	,101	,412	3,980	,000			
	Gratis Ongkir	,443	,152	,301	2,907	,005			

a. Dependent Variable: Kep Pembelian

(Source: Processed Data, 2022)

Based on the test results above, the multiple linear regression model used can be formulated as follows:

 X_1 : Flassh Sale X_2 : Free Shipping

Information:

 $Y = 3,611 + 0,400X_1 + 0,443X_2 + e$

Model Due Diligence Results

Table 5. Model Feasibility Test Results (F Test)

	ANOVA ^a							
		Sum of		Mean				
Model		Squares	df	Square	F	Sig.		
1	Regression	1313,129	2	656,565	33,115	,000b		
	Residual	1824,092	92	19,827				
	Total	3137,221	94					

a. Dependent Variable: Kep Pembelian

b. Predictors: (Constant), Gratis Ongkir, Flash Sale

(Source: Processed Data, 2022)

Based on the results of the data obtained in the table above, it can be seen that the F_{hitung} value obtained is 33.115 which means that the F_{hitung} value is greater than the F_{tabel} value, which is 33.115 > 3.09 or based on a significant

value, which is 0.000 < 0.05. Such results mean that the Multiple Linear Regression Model is worth interpreting.

Determination Coefesiencence Test Results (R2)

Table 6. Determination Coefesiencence Test Results (R2)

Model Summary ^b							
			Adjusted R	Std. Error of the			
Model	R	R Square	Square	Estimate			
1	,647ª	,419	,406	4,45276			

a. Predictors: (Constant), Gratis Ongkir, Flash Sale

b. Dependent Variable: Kep Pembelian

(Source: Processed Data, 2022)

Based on the results of data processing in the table above, it can be seen that R is 0.647, where the value of this coefficient shows the relationship between Flash sale and Free shipping to the purchase decision which is quite close because if the R value is closer to one, the better the model is used. The value of R Square or the coefficient of determination above shows that the variables flash sale and postage can explain the variable of purchase decision of

41.9%, while the remaining 58.1% is influenced by other variables.

Discussion

1. The Effect of Flash Sale on Purchasing Decisions on Shopee marketplace

From the results of the tests conducted in this study, it is explained that the flash sale variable has a significant effect on online purchases. The results of the T test conducted showed that the $T_{\rm hitung}$ value of the > $T_{\rm tabel}$ was (3,980 > 1,665) with a significance value of 0.000 < 0.05 which explained that the flash sale variable

partially affects the purchase decision. These results show that H1 is accepted.

The results of this study support previous research conducted by previous research conducted by Wulan Nabila Ardin (2020) in her thesis entitled "Pengaruh Flash sale dan Tagline Gratis Ongkir Shopee Terhadap Keputusan Pembelian Implusif Secara Online". The result obtained is that flash sale has proven to have a significant effect on purchasing decisions

2. The Effect of Free Shipping on Purchasing Decisions on Shopee marketplace

Free Shipping has a major effect on Shopee's development to date because it has succeeded in attracting many new customers to enter shopping at Shopee. In this study, the results were obtained that the Free Shipping variable had a significant effect on purchasing decisions. This can be seen from the results of the Partial Test (T test) which shows that the $T_{\rm hitung}$ value of the > $T_{\rm tabel}$ is (2.907 > 1.665) with a significance value smaller than 0.05 (0.005 < 0.05). This means that the H2 hypothesis is accepted.

This result is not in line with previous research conducted by Wulan Nabila Ardin (2020) in her thesis entitled "Pengaruh Flash sale dan Tagline Gratis Ongkir Shopee Terhadap Keputusan Pembelian Implusif Secara Online". Based on the research and the results of the analysis that has been carried out, it is concluded that there is no significant influence between "Gratis Ongkir" student purchasing decisions. However, it is different in this study where Shopee's "Gratis Ongkir" has a positive and significant effect on purchasing decisions.

Conclusion

Based on the results of the study, it can be concluded that the Variable Flash sale and Free Shipping have a positive and significant effect on purchasing decisions on the Shoppe market-place.

Suggestion

Based on the results of research that has been carried out, the researcher provides advice for Shopee Indonesia to be expected to maximize the potential of this flash sale program or can come up with other promotional programs that can attract consumers to make purchases. And it is recommended to maintain the e-commerce image that emerges from Shopee's "Gratis Ongkir" promotion because it is proven that the results of this study "Gratis Ongkir" are also effective in influencing purchasing decisions.

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