

THE INFLUENCE OF DIGITAL MARKETING AND PRICE ON CONSUMER PURCHASE DECISIONS IN THE E-COMMERCE ERA: A CASE STUDY ON SHOPEE

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Abstract

The rapid development of information and communication technology has transformed business practices and accelerated the growth of e-commerce platforms in Indonesia, supported by the increasing penetration of the internet and smartphones among consumers. Shopee has emerged as one of the leading platforms by implementing intensive digital marketing strategies and offering competitive prices, which together are expected to shape consumer purchase decisions. This study aims to analyze the influence of digital marketing and price on consumer purchase decisions on the Shopee platform. The research adopts a quantitative, deductive approach with a survey strategy, targeting active Shopee users in Indonesia who have made at least one purchase within the last three months. The population is treated as infinite, and a minimum sample size of 100 respondents is determined using Slovin's formula with a 10% margin of error, while the targeted sample ranges from 150 to 200 respondents to increase statistical accuracy and anticipate incomplete data. Data are collected through an online questionnaire distributed via social media channels such as WhatsApp and Instagram, using a five-point Likert scale to measure three constructs: digital marketing, price, and consumer purchase decisions. Operationalization of variables includes indicators related to social media exposure, promotional notifications, search visibility, price affordability, discount attractiveness, and post-purchase behaviors such as repeat purchases and product reviews. Prior studies have shown that digital marketing and price significantly affect online purchase decisions, with digital marketing frequently identified as a more dominant driver of consumer attention, while price strongly influences the final choice among similar products. In line with this literature, the present study proposes three hypotheses: that digital marketing positively influences purchase decisions, that price positively influences purchase decisions, and that both variables jointly exert a positive effect on purchase decisions on Shopee. The data analysis plan includes validity and reliability testing of the instrument, classical assumption tests, and multiple linear regression using SPSS to evaluate partial and simultaneous effects. The findings are expected to provide theoretical contributions to marketing management, particularly in consumer behavior and digital marketing, and practical implications for Shopee merchants in designing more effective digital campaigns and pricing strategies to enhance sales and customer satisfaction.

Keywords: digital marketing; price; purchase decision; e commerce; Shopee

1. INTRODUCTION

The diffusion of digital technologies has fundamentally reshaped business models and consumer behavior, particularly in the retail sector through the

emergence of e-commerce platforms. In Indonesia, this development is reflected in the rapid growth of online marketplaces, driven by broader internet access, widespread smartphone usage, and the ease of online transactions.

Shopee is one of the dominant e-commerce platforms that leverages aggressive digital marketing tactics, such as social media campaigns, algorithm-based promotions, influencer endorsements, and large-scale sales events like “11.11” and “12.12” to attract and retain consumers. At the same time, price remains a central determinant in consumers’ evaluation of alternatives, especially in a highly competitive online environment where price comparison is effortless.

Consumer purchase decisions are the outcome of a complex decision-making process that involves problem recognition, information search, evaluation of alternatives, the purchase decision itself, and post-purchase behavior. Understanding how digital marketing and price affect this process in the context of Shopee is crucial for businesses seeking to formulate effective online marketing strategies.

Based on this background, the study focuses on the influence of digital marketing and price on consumer purchase decisions on Shopee in Indonesia. The research problem can be formulated as follows: (1) Does digital marketing influence consumer purchase decisions on Shopee? and (2) Does price influence consumer purchase decisions on Shopee? Consequently, the objectives of this study are to analyze the effect of digital marketing and the effect of price on consumer purchase decisions on Shopee.

Theoretically, the study contributes to the development of marketing management literature related to digital marketing, pricing strategies, and online consumer behavior in e-commerce settings. Practically, the findings are expected to guide Shopee sellers and other online businesses in designing integrated digital marketing programs and pricing schemes that can increase sales performance and consumer satisfaction.

2. METHODOLOGY

Research Design

This research employs a quantitative explanatory design with a deductive logic of inquiry, in which theoretical propositions are translated into testable hypotheses and examined empirically using numerical data. The study seeks to explain causal relationships between two independent variables, digital marketing (X1) and price (X2), and one dependent variable, consumer purchase decision (Y), within the Shopee platform. The design is cross-sectional, as data are collected at a single point in time rather than through repeated observations.

Population and Sample

The target population comprises all active Shopee users in Indonesia who have made at least one purchase transaction in the last three months. Because the number of such users is very large and not precisely known, the population is treated as infinite. To determine the minimum required sample size, Slovin's formula is applied with a margin of error of 10%, yielding a minimum of 100 respondents.

To improve the robustness of the analysis and account for potential invalid or incomplete responses, the study aims to obtain between 150 and 200 respondents. This target aligns with recommendations that suggest a minimum of five respondents per indicator in multivariate analyses, given that the questionnaire contains approximately 15–20 items.

Sampling Technique

The study uses purposive sampling, a non-probability sampling technique where participants are selected based on specific criteria relevant to the research objectives. The criteria for inclusion are: (1) being an active Shopee user, (2) having made at least one purchase on Shopee in the past three months, (3) being at least 17 years old, (4) residing in Indonesia, and (5) voluntarily agreeing to complete the questionnaire.

Purposive sampling is considered appropriate because the study focuses on individuals with direct experience using Shopee and exposure to its digital marketing and pricing strategies. Although this approach limits the ability to generalize to the entire user base, it allows efficient data collection from respondents who are most relevant to the research questions.

Data Collection

Primary data are collected through an online questionnaire created using Google Forms and distributed via digital channels such as WhatsApp and Instagram. The questionnaire consists of two sections: demographic information (age, gender, location, and frequency of Shopee use) and statements measuring the constructs of digital marketing, price, and purchase decision.

All items in the second section are measured using a five-point Likert scale ranging from "Strongly Disagree" (1) to "Strongly Agree" (5). The online distribution approach is consistent with the digital nature of the Shopee platform and offers efficiency in terms of time, cost, and geographic coverage, while allowing respondents to answer anonymously and with minimal social desirability bias.

Operationalization of Variables

The study includes two independent variables, Digital Marketing (X1) and Price (X2), and one dependent variable, Consumer Purchase Decision (Y). The constructs are operationalized into measurable indicators as summarized below.

- a. Digital Marketing (X1):
 1. Social media exposure: frequency of encountering Shopee advertisements on social media (X1_1).
 2. Email and notification promotions: perceived intensity and relevance of promotions sent via email or application notifications (X1_2).
 3. Search visibility: ease of finding Shopee through search engines such as Google (X1_3).
- b. Price (X2):
 1. Affordability: perception that Shopee's prices are competitive and affordable (X2_1).
 2. Discounts and promotions: attractiveness and influence of discounts and promotional prices (X2_2).
 3. Comparative evaluation: tendency to compare Shopee prices with other platforms (X2_3).
- c. Consumer Purchase Decision (Y):
 1. Evaluation: extent to which consumers compare products and prices before purchasing (Y_1).
 2. Purchase behavior: frequency of buying products on Shopee (Y_2).
 3. Post-purchase behavior: willingness to provide reviews or comments after purchasing (Y_3).

All indicators are measured using a Likert scale, facilitating subsequent statistical analysis.

Instrument Testing: Validity and Reliability

Prior to main data collection, a pilot test is conducted on approximately 20–30 respondents to assess the validity and reliability of the questionnaire. Item validity is evaluated using Pearson Product Moment correlation, where each item is correlated with the total score of its respective construct; an item is considered valid if its significance level is below 0.05 and its correlation coefficient exceeds the critical r-value.

Reliability is examined using Cronbach's alpha, with an alpha coefficient greater than 0.60 indicating acceptable internal consistency. Items that do not meet validity or reliability thresholds may be revised or removed prior to the full-scale survey.

Data Analysis

Data analysis is carried out using SPSS. The procedure includes:

- a. Data editing and coding to check completeness, consistency, and to assign numerical codes to responses.
- b. Descriptive statistics to summarize respondent characteristics and central tendencies of each variable (mean, standard deviation, minimum, maximum).

- c. Instrument testing (validity and reliability) as described above.
- d. Classical assumption tests for multiple regression, including:
 1. Normality test (Kolmogorov–Smirnov or Shapiro–Wilk);
 2. Multicollinearity test (tolerance > 0.10 and VIF < 10);
 3. Heteroscedasticity test (Glejser test or residual scatterplot).
- d. Multiple linear regression to estimate the model: $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$, where Y denotes purchase decision, X_1 digital marketing, X_2 price, α the constant, β_1 and β_2 the regression coefficients, and ε the error term.
- e. t-tests to examine the partial effects of digital marketing and price on purchase decision, and F-test to assess their simultaneous influence.
- f. Coefficient of determination (R^2) to determine the proportion of variance in purchase decision explained by digital marketing and price.

3. FINDINGS AND DISCUSSION

Although empirical results are not yet available at this stage, the analytical framework anticipates that digital marketing will exert a significant positive effect on consumer purchase decisions on Shopee. This expectation is grounded in prior studies indicating that exposure to digital campaigns, social media content, and influencer marketing enhances brand awareness, interest, and purchase intention.

Price is also expected to show a positive and significant influence on purchase decisions, reflecting consumers' sensitivity to competitive prices, discounts, and perceived value in e-commerce transactions. The combined regression model is anticipated to reveal that digital marketing and price jointly explain a substantial proportion of variation in purchase decisions, with digital marketing potentially being the more dominant predictor while price remains critical in the final decision stage.

In the discussion section of the completed study, the regression results will be interpreted in light of consumer behavior theory and previous empirical findings, highlighting both theoretical implications, such as the role of integrated digital campaigns in shaping online decision processes, and managerial implications, including guidelines for optimizing Shopee-based marketing and pricing strategies.

4. CONCLUSION

This study is designed to empirically examine the influence of digital marketing and price on consumer purchase decisions on the Shopee platform in Indonesia using a quantitative explanatory approach and multiple regression analysis. By

integrating theories of digital marketing, price perception, and consumer decision-making, the research aims to provide insight into how online promotional activities and pricing strategies jointly drive purchasing behavior in a competitive e-commerce environment.

The completed empirical analysis is expected to offer contributions to marketing literature and practical recommendations for online sellers and platform managers in designing evidence-based digital marketing programs and pricing tactics.

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