

Original Article

THE INFLUENCE OF PRICE AND SERVICE QUALITY OF THE SHOPEEFOOD APPLICATION ON CONSUMER PURCHASING DECISIONS

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ABSTRACT

Background. The price set by the company must follow the benefits provided so that consumers will make purchasing decisions. Service quality determines the success or failure of consumers in making purchasing decisions.

Research Purpose. This research discusses the influence of price and application service quality ShopeeFood on consumer purchasing decisions in Pekauman Village, Gresik District.

Research Method. The object of this research is Pekauman Village, Gresik District. A total of 69 data were collected using the questionnaire method.

Findings. The results of the research show that price has a positive and insignificant influence on consumer purchasing decisions in the Pekauman sub-district, Gresik sub-district. The service quality has a positive and significant effect on consumer purchasing decisions in the Pekauman sub-district, Gresik sub-district.

Conclusion. Finally, price and service quality simultaneously influence consumer purchasing decisions in the Pekauman sub-district, Gresik sub-district.

Keywords: Price, Service Quality, Purchasing Decisions.

BACKGROUND

The development of the internet has an impact on business processes. Several companies carry out their business processes by utilizing technology E-commerce. This is one of the impacts of technological developments which provides many conveniences for both companies and consumers. Availability e-commerce provides facilities for the community to shop through existing applications.

One of the e-commerce which is quite developed and in demand by consumers in Indonesia is Shopee. Shopee offers many products with many conveniences and has been proven by many application users. Through this media we can also market various products, from clothing, food, household furniture to even electronic products, and many more uses. From cell phones via the internet and has an application Shopee, can be easily carried and used by people, so many people start new businesses using this media to support and expand their business market.

ShopeeFood is one of the platforms for food and beverage marketing online. This is a feature developed by the company Shopee to meet the practical needs of society, including in the culinary sector.

ShopeeFood appeared amidst competition from applications that already existed, namely the Grab and Gojek applications with features GrabFood and GoFood. Since 2021 ShopeeFood began to provide culinary orders for both food and drinks in collaboration with various industries of food and beverage which then attracted many partner drivers to deliver it. Ways of working ShopeeFood namely consumers order food through Shopee with choices from a variety of merchants. Consumers can choose the menu, food prices, delivery costs, and payment methods from the application.

After the order is made the driver will come to the location merchant to take food. After the order is entered merchant prepares food. The driver-partner will pick up the food and deliver it to the consumer's address. When you arrive at the destination address, payment will be made. Payments from consumers will be divided between the driver, merchant, and also parties at ShopeeFood. For consumers, purchases at ShopeeFood If you bring in a small amount, consumers will receive food directly delivered by the driver partner, get a discount or free delivery directly, you can use it voucher with a 50% discount up to IDR 25,000. There are various menu choices, and many available merchants or featured restaurants.

The price set by the company must be by the benefits provided so that consumers will make purchasing decisions. According to Kotler and Armstrong in Krisdayanto, Price is the amount of money paid for services, or the amount of value that consumers exchange to get benefits from owning or using goods or services [1]. Price plays a very important role in ensuring transactions between producers and consumers occur. Therefore, complete pricing is very important for business travel because prices are a way for companies to achieve targets [2].

Apart from price, factors that can influence consumers to make purchasing decisions at Shopee is service quality [3]. The quality of service determines whether it is successful or not Shopee, because if Shopee Provides services that do not meet standards, consumers will not make purchasing decisions, so service quality is as important as price. Shopee has a variety of services [4] ShopeePay, ShopeePay Later, until delivery using an expedition Shopee Express. ShopeeIt also makes it easier for sellers and consumers to communicate via the chat feature available on Shopee e-commerce. According to Kotler and Armstrong, service quality is a form of product that consists of the benefits, activities, or satisfaction offered and is intangible.

Price and service quality are important factors that influence consumer purchasing decisions. According to Kotler and Armstrong in Yuliantri and Wiwin stated that the purchasing decision is the stage in the buyer's decision-making process where consumers buy [5]. The reason the author chose ShopeeFood is because the price offered is more expensive than other applications [6].

Apart from price, the quality of the application service ShopeeFood is less than optimal because there is a negative impression from consumers who experience problems finding drivers to pick up orders. Apart from that, the application ShopeeFood often experiences problems that prevent them from being able to open or order food or drinks directly online [7-9].

Based on the description of the background to the problem above, which was discovered by the author based on phenomena occurring in the field, research was proposed with the title "The Influence of Price and Service Quality of the ShopeeFood Application on Consumer Purchasing Decisions in Pekauman Village, Gresik District".

RESEARCH METHOD

The type of research used is descriptive research with quantitative research type. In this research, the researcher chose the Pekauman sub-district, Gresik sub-district as the research location. The research variables were price, service quality, and purchasing decisions. The population in this study was 220 consumer application users of ShopeeFood in Pekauman Village, Gresik District. The population in this study was calculated based on a survey via Google Form which was distributed to the community in Pekauman Village, Gresik District. And then 69 respondents were selected in this study to be used as samples. The method used is a non-probability sampling technique. The data collection method uses a questionnaire and the type of data analysis used is descriptive analysis.

The research hypothesis was:

H1: Application price ShopeeFood partial influence on consumer purchasing decisions in Pekauman Village, Gresik District.

H2: Quality of application service ShopeeFood partially influences consumer purchasing decisions in Pekauman Village, Gresik District.

H3: Price and quality of application services ShopeeFood simultaneous influence on consumer purchasing decisions in Pekauman Village, Gresik District.

FINDINGS

The results of the descriptive analysis showed that the largest number of respondents were 24-32 years old, namely 25 respondents (36.2%), while the smallest respondents were 42-50 years old, namely 3 respondents (4.3%). Characteristics of respondents based on gender showed that 32 of the total respondents were men and 37 of the total respondents were women. The characteristics based on the occupation that dominate are as employees, namely 26 respondents or 37.7%, and the smallest number of respondents have other jobs as many as 3 respondents or 4.3%.

Table 1. T-test results

Model	Unstandarded coefficient		Standardized Coefficient	t	Sig.
	b	Std. Error	Beta		
Constant	9.177	2.6		3.530	0.001
Price	0.046	0.062	0.086	0.745	0.459
Quality Service	0.243	0.067	0.42	3.643	0.001

Based on Table 1 above, an equation can be formed as follows:

$$Y = a + b_1X_1 + b_2X_2 + e$$

$$Y = 9.177 + 0.046 X_1 + 0.243 X_2 + e$$

Based on table 1 above, it can be concluded that the t-test results are as follows:

- a. If the value of the independent variable consisting of price (X_1) and service quality (X_2) has a value of zero, then the dependent variable purchasing decision (Y) will remain at 9.177 because the constant value shows a value of 9.177. The regression coefficient for the price variable is positive, the effect is not significant, namely 0.459, and shows that there is a unidirectional relationship or a positive influence between prices (X_1) with purchasing decisions (Y). This can be seen with a coefficient value (B) of 0.046 and a significance value of 0.459. This means that the value is greater than 0.1 / 10%.

So it can be concluded that H_1 is rejected, which means that price has no partial effect on purchasing decisions.

- b. The regression coefficient for the service quality variable is positive, has a significant effect of 0.001, and shows that there is a unidirectional relationship or a positive influence between service quality (X_2) with purchasing decisions (Y). This can be seen by the coefficient value (B) of 0.243 and has a significance value of 0.001, meaning this value is smaller than 0.1 / 10%

So it can be concluded that H_2 is accepted, which means that there is a partial influence between service quality on purchasing decisions.

Table 2. F Test Results

Model	F _{count}	Significant	Information
Regression	8.534	0.001	Simultaneous

Based on Table 2, the F value is obtained amounting to 8.534, with a significance of 0.001, because the significance level is smaller than 0.1, the regression model can be used to predict purchasing decisions and provide an indication that one variable or all variables will be significant or it can be said that price and quality service of one variable or all variables significantly influences purchasing decisions.

Table 3. Analysis of the Determination Coefficient (R^2)

Model	R SQUARE TEST RESULTS
Price (X_1)	0.205
Service Quality (X_2)	
Purchase Decision (Y)	

From Table 3 above, the coefficient of determination (*R Square*) is 0.205. It can be concluded that 20.5% of purchasing decision variables can be explained or influenced by

price and service quality variables. Meanwhile, the remaining 79.5% is influenced or explained by other variables not included in this study.

DISCUSSIONS

This section is a discussion of the results of the analysis carried out in the previous section. The main analysis in this research is regression analysis which will look for how big the relationship and influence of the independent variables, namely Price (X1) and Service Quality (X2) on the dependent variable Purchase Decision (Y) where the object in this research is application users ShopeeFood in Pekauman Village, Gresik District.

1. Price partially influences purchasing decisions.

It is known from testing that the price variable has a significance level of 0.459, where this value is greater than the alpha value of 0.1 and the t value count as big as 0,745 smaller than the T-table amounting to 1,295. This shows that price does not partially influence purchasing decisions.

This research is also in line with research from Fathorrahman, Mohammad Baqir Ainun, Liyanto, and Minullah entitled *The Influence of Product Quality, Price on Purchasing Decisions Through Market Place by Shopee* [1]. That price does not have a significant effect on purchasing decisions. This research is also not in line with Rafi Wisnu Indrasena's research entitled *The Influence of Service Quality, Price, and Promotion on Purchasing Decisions at ShopeeFood*. That price has a positive and significant effect on purchasing decisions.

According to researchers, it can be explained that price is not necessarily the quality of the product because of several experiences from customers who have made purchases online. Sometimes the price is expensive, but the product when it arrives does not match the expected results [10-14]. Therefore, price is still not a determinant of a product to convince customers to make a purchase decision. Due to the prices displayed on the application, ShopeeFood is the full authority of the Merchant itself and not the authority of the application ShopeeFood.

2. Service quality partially influences purchasing decisions.

It is known from testing that the service quality variable has a significance level of 0.001, where this value is smaller than the alpha value of 0.1 and the t value counts as big as 3,643 greater than the t_{table} amounting to 1,295. This shows that service quality partially influences purchasing decisions.

This research is also in line with Rafi Wisnu Indrasena's research entitled *The Influence of Service Quality, Price, and Promotion on Purchasing Decisions in ShopeeFood* [15]. Service quality has a positive and significant effect on purchasing decisions so it is good to improve.

According to researchers, it can be explained that quality service can trigger purchasing decisions. If ShopeeFood was able to provide services as promised, ShopeeFood provide fast service and listen to customer and courier complaints. ShopeeFood have a high level of politeness, courier ShopeeFood able to provide sincere and individual attention, as well as a courier ShopeeFood using attributes ShopeeFood complete, this can attract consumers to make purchases. Service quality can be realized through fulfilling customer desires and accuracy of delivery to match customer expectations. The better the quality of service provided, the higher the purchasing decision will be.

3. The influence of price and service quality simultaneously influences purchasing decisions.

Based on the F-test analysis that has been carried out, a significance value of 0.001 is obtained. Meanwhile, the F_{count} in the table above is 8,534. So $F_{count} > F_{table}$ or $8,534 > 2.38$. So H3 is accepted, meaning the resulting regression is significant. This means that price and service quality influence simultaneously (together) purchasing decisions. Apart from that, a coefficient of determination value of 0.205 or 20.5% was chosen and the remaining 79.5% was influenced by factors other than price and service quality (X1 and X2) which were not examined in this research.

This research is also in line with Rafi Wisnu Indrasena's research entitled The Influence of Service Quality, Price and Promotion on Purchasing Decisions in ShopeeFood. That price and service quality have a positive and significant effect on purchasing decisions so it is good to improve [15]. According to researchers, it can be explained that price and service quality are very important to attract consumer attention to make purchasing decisions [16]. Price is an important consideration because consumers expect the money they spend to be commensurate with what they receive, and quality service can attract consumers to make purchases. The better the quality of service provided, the higher the purchasing decision will be.

CONCLUSION

The conclusions from the results of research conducted in Pekauman sub-district, Gresik sub-district are: 1) Price does not affect purchasing decisions. Due to the high price, the product that arrived at the location did not match the expected results; 2) Service quality influences purchasing decisions. If ShopeeFood can provide sincere and individual attention, as well as a courier ShopeeFood Using complete attributes can attract consumers to make purchases; 3) Together, price and service quality influence purchasing decisions, meaning that the better the price and service quality, the greater the purchasing decision.

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