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THE IMPACT OF ONLINE SALES PROMOTION AND E-SERVICE QUALITY ON THE REPURCHASE INTENTION OF SHOPEE CUSTOMERS (A CASE STUDY ON BUYERS AT SHOPEE MARKETPLACE)

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ABSTRACT:

This study is aimed at identifying "The Impact of Online Sales Promotion and E-Service Quality on Repurchase Intention of Shopee Customers". A technique that is applied in this study is multiple regression analysis. The primary data utilizes a questionnaire and interview with 100 respondents that consist of Shopee customers. A method that is used in this study is explanatory. The results denoted that the sales promotion had certain impact on the repurchase intention of Shopee customers with significant values ($0,009 < 0,05$), while the E-Service quality did not have any significant impact on the repurchase intention with significant values ($0,208 > 0,05$). The overall results were 21,2%. This research emphasizes the importance to improve repurchase intention of Shopee customers to maintain its competitive level.

INTRODUCTION

Nowadays, digitalization has penetrated all aspects of life, and encourages various kinds of changes, and provides various conveniences. This condition causes many e-commerce sites to emerge and continue to grow. E-commerce sites are competing to attract consumer interest to increase sales. The British research institute, Merchant Machine, has released a list of the ten countries with the fastest-growing e-commerce in the world. Indonesia leads the ranks of these countries with 78% growth in 2018. The number of internet users in

Indonesia, which is more than 100 million users, is one of the forces driving the growth of e-commerce.

The average amount of money spent by Indonesians on online shopping sites is the US \$ 228 per person or around Rp. 3.19 million per person. Companies carry out various strategies to disseminate information and to attract potential customers. One of them is by doing a sales promotion. An attractive promotion will be of added value to a company because it can lead to positive attitudes from potential customers. No matter the quality of a product, if the consumer has never been heard it and are not sure that the product will be useful, they will never buy it (Tjiptono, 2008). According to Parasuraman (2005: 2017) in Dolatabadi (2012), E-service quality is defined as the extent to which the web facilitates shoppers, purchases, and deliveries efficiently and effectively. Good service is a very important factor, especially for companies engaged in services.

Redika (2019) research related to "The Effect of E-service Quality, Perceived Value and Trust on Consumer Repurchase Intention on the Tokopedia.com Online Buying and Selling Site". This study shows that E-service quality, Perceived Value, and Trust have a significant effect on consumer repurchase intentions on online buying and selling site tokopedia.com. In Novi Ariska (2017), this research is related to "The Influence of Service Quality, and Sales Promotion on Repurchase Intention (Study on Consumers of Boedjangan Meatballs, Burangrang Branch, Bandung).

This study reveals that the Sales Promotion variable has a positive and significant effect (Gersom Hendarsono, 2013). This research is related to the Analysis of the Effect of Experiential Marketing on the Repurchase Intention of consumers of cafe Pontos 99 Sidoarjo. In this study, it is revealed that the Experiential marketing variable has a positive and significant effect on the Repurchase Intention of consumers of Cafe Buntos 99 Sidoarjo. This research shows that Sales Promotion and E-Service Quality have a significant effect on consumer repurchase intentions on the online buying and selling site at Shopee.

Several writers such as Redika (2019), Novi Ariska (2017), and Gersom Hendarsono (2013) disclose several factors that influence Repurchase Intent. Among them are E-service Quality, Trustworthiness. (Redika, 2019). Novi Ariska (2019) revealed that the factors that influence Repurchase Intention are: Service Quality and Sales Promotion. As well as the benefits of Gersom Hendarsono (2013), Shopee became E-Commerce with the largest visitor in Quarter II-2019 but experienced a decrease in the number of visitors in the third quarter of 2019. This shows that the Repurchase Intention factor stated by some of the authors above does not influence visitor behavior the Shopee marketplace. This condition illustrates the difference (gap) between research conducted by Redika (2019), Novi Ariska (2017), and Gersom Hendarsono (2013) and the reality of visitor behavior in the Shopee marketplace.

Referring to the differences in research results from Redika (2019), Novi Ariska (2017), and Gersom Hendarsono (2013) with data on 10 E-Commerce with the Biggest Visitors in Quarter III-2019, this study aims to verify the factors that influence Repurchase Intentions in Shopee. This study examines/verifies variables that have not been researched by the three researchers above, namely Sales Promotion and E-Service Quality.

Because according to the author, the variables of Sales Promotion and E-Service quality should be the main considerations, but a more attractive Sales Promotion and E-Service Quality provide accurate service access, having a complete web does not make consumers make repeat purchases. Researched/verified are:

- Does Sales Promotion have a significant impact on The Repurchase Intention?
- Does E-Service Quality have a significant impact on The Repurchase Intention?

Problem Formulation

Shopee experienced a decrease in the number of visitors in the second quarter of 2019 by 3,667,400 (Dwi Hadya Jayani, Safrezi Fitra. 2019). However, Shopee still gets many complaints from consumers who feel disappointed with Shopee. This phenomenon can indicate the possibility of a decline in Repurchase Intentions, assuming that people who have bought at Shopee get complaints and feel disappointed with what Shopee offers (Widowati Day, 19; 4).

There are factors that influence purchase intention according to Kotler and Armstrong (2001: 354), namely product quality (product/goods quality, and service quality), price, promotion, and brand awareness. Based on the preliminary studies that have been done, in this study, the factors used are Sales Promotion and E-Service Quality.

LITERATURE REVIEW AND HYPOTHESES

Sales promotion

According to Kotler and Armstrong (2014: 501), Sales, Promotion is a short-term incentive to encourage desire and try or buy a product or service. Sales promotion is one of the critical elements in the marketing mix. Sales promotion has a variety of tools to become incentives, and most are short-term incentives. Cummins and Mullin (Wahyuni & Timmy, 2016) said that sales promotions and offers encourage consumers or customers to behave certainly at any given time.

Kotler and Keller (2008: 269) suggest that sales promotion has several tools, namely; discounts, product samples (samples), Coupons, cashback offers (cashback/rebates), prizes (Price packs), gift incentives, and prizes (contests, sweep stakes, games).

E-Service Quality

E-service quality is defined as a general customer assessment of the excellence and quality of services delivered by the company (Wijiutami, 2017).

This variable has 6 dimensions (AlHawari, 2014) as follows: Efficiency; namely customer's ability to use the website to obtain goods or services and information contained in it. Fulfillment; that consists of accuracy in service agreements, and delivery of goods or services in accordance with the agreed time. Privacy; that customer information will not be submitted to any party. Responsiveness; namely the ability of the company to convey the right and reliable information to consumers. Contact; that is a reflection that customers can communicate directly with the company rather than through automated machine applications. Website design; that is, the extent to which the website provides efficient and effective facilities to its customers.

• *Repurchase Intention*

Repurchase Intention is the stage of the respondent's tendency to act before the buying decision is implemented. There is a difference between the Indonesian Science Management Research Journal of actual purchase and repurchase intention. Re-purchase intention is the intention of buying consumers who have already purchased a product as a result of their needs (Margaretha, 2016). According to Ferdinand (2002: 25-26), Repurchase Intention can be identified through the following indicators: Transactional intentions, referential intentions, preferential intentions, and exploratory intentions.

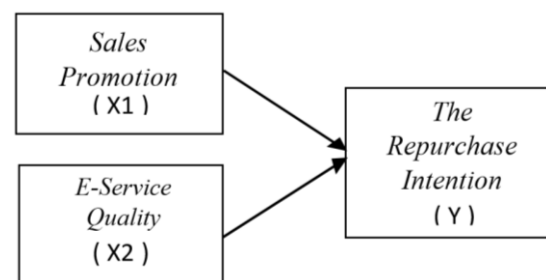
Hypotheses

Based on the description of the theory that has been described in the previous discussion, the hypothesis can be formulated as follows:

H1: Sales Promotion has a significant impact on The Repurchase Intention

H2: E-service Quality has a significant impact on The Repurchase Intention

Frame of Reference



RESEARCH METHODS

Samples in this study were conducted on 100 people who have bought at the shop marketplace. In writing this journal, the research method used is explanatory identifying The Impact of Online sales promotion and e-service quality on The Repurchase Intention of Shopee marketplace. According to Zulganef (2018), the explanatory method is a study that explains the relationship or influence between the independent variable and the dependent variable. The questions in the questionnaire are made closed and are plural (multi-item), in the sense that one variable is operationalized into several questions (Zulganef, 2018). The sample in this study was determined using

Donald R. Cooper's theory so that 100 respondents were selected to be the sample because the population was not defined with certainty.

RESULTS AND DISCUSSION

Results

The questionnaire received by 100 people consisted of 75 men, 30 women, at the age of 21-25 years, student jobs, with a monthly income of Rp 1.000.000 - Rp 1.500.000, College Education Level, Married Status and Shopping through HP.

Table 1.4 The Impact of Online sales promotion and e-service quality on The Repurchase Intention leads to an illustrative value of 21.2%.

Table 1.5 Sales Promotion and E-Service Quality may affect Intention to Buy Because F_{table} is greater than F_{table} or $F_0 > F_{\alpha 1}$, $n-1$ by 13,057.

Table 1.6 Sales Promotion Variables have Positive Value in increasing Intention to Buy While E-Service Quality there is no Positive Value in Increasing Intention to Buy. Because the value of the regression coefficient is obtained based on the management of data 100 Respondents.

Discussion

Table 1.1. Respondents' Responses

Gender	Responses
Male	28,2 %
Women	71,8 %
Total	100 %

Google Form Managed

The table above shows female users are superior with a presentation of 70% compared to men who are only 30%.

Age	Responses
< 15 Years	0 %
16 – 20 Years	15,5 %
21 - 25 Years	72,8 %
> 30 Years	11,7 %
Total	100 %

Google Form Managed

The table above shows that almost all shop users are 73% of teenagers 21 years and older and about 27% are less than 21 and over 30 years old.

Job	Responses
Students	65 %
Government Employees	3,9 %
Self Employed	10,7 %
Others	20,4 %

Total	100 %
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Google Form Managed

The table above shows that 100% of the dominant users of the shop application are students.

Monthly income/allowance	Responses
<Rp 500.000	7,8 %
Rp 500.000 - Rp 1.000.000	13,6 %
Rp 1.000.000 - Rp 1.500.000	47,6 %
> Rp 1.500.000	32 %
Total	100 %

Google Form Managed

The table above shows that almost 50% of shop application users earn Rp. 1,000,000 to Rp.1,500,000.

Education Level	Responses
Vocational High School	25,2 %
Senior High School	11,7 %
Lecture	59,2 %
Others	3,9 %
Total	100 %

Google Form Managed

The table above shows that 59% of 100% of shop users are students.

Marital Status	Responses
Married	89,3%
Unmarried	10,7 %
Total	100 %

Google Form Managed

The table above shows the largest shop users as much as 89.3% are married.

Online Shopping	Responses
HP	98 %
Laptop	1 %
Pc	1 %
Others	0 %
Total	100 %

Google Form Managed

The table above shows that users use mobile phones to make online transactions in the shop as much as 98% of 100% of shop app users.

Table 1.2. Reliability Statistics

Variable	Questions	Cronbach's Alpha	N of Items	Decisions
Sales Promotion	1	0,836	0.500	Reliable
	2			
	3			
	4			
	5			
E-Service Quality	6	0,879	0.500	Reliable
	7			
	8			
	9			
	10			
The Repurchase Intention	11	0,778	0.500	Reliable
	12			
	13			
	14			
	15			

SPSS Managed

The SPSS output shows the Total Reliability of Coefficients seen as N of Items. It can be concluded that the construction of questions that are the dimensions of Sales Promotion Variables, E-Service Quality, and The Repurchase Intention are Reliable.

Reality Test Criteria: It can be said well if Cronbach's Alpha > 0.500

Table 1.3. Validity Test

Variable	Questions	Rcount	R Table Value	Decisions
Sales Promotion	1	0,81	0.195	Valid
	2	0,71		
	3	0,83		
	4	0,77		
	5	0,76		
E-Service Quality	6	0,82	0.195	Valid
	7	0,74		
	8	0,81		
	9	0,82		
	10	0,86		
The Repurchase Intention	11	0,80	0.195	Valid
	12	0,74		
	13	0,76		
	14	0,68		
	15	0,63		

SPSS Managed

The SPSS output shows the Total Validity over what appears to be an R table > 0.195 . It can be concluded that the construction of the question which is the dimension of Sales Promotion Variable, E-Service Quality, The Repurchase Intention is Valid.

Validity Test Criteria: Can be said to be good if the value of Label $>$ is 0.195

Table 1.4. Model Summary

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R Square Change	F Change
1	,461 ^a	,212	,196	2,92732	,212	13,057

a. Predictors: (Constant), E Service Quality, Sales Promotion

b. Dependent Variable: The Repurchase Intention

SPSS Managed

Based on Table 1.4 that the Impact of Sales Promotion and E-Service Quality is 0.461 or The Impact of Online sales promotion and e-service quality on The Repurchase Intention is 0.212 / 21.2%

Table 1.5. Hypothesis Test

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	223,776	2	111,888	13,057	,000b
	Residual	831,214	97	8,569		
	Total	1054,990	99			

a. Dependent Variable: The Repurchase Intention

b. Predictors: (Constant), E Service Quality, Sales Promotion

SPSS Managed

Based on Table 1.5 obtained calculated F value of 13,057. Meanwhile, H0 rejection criteria, if: Fcount greater than Ftable or $F_0 > F_{\alpha, n-1}$, by taking a significance level (α) of 5%, then from the distribution table F obtained Ftable value = 3.09. Because 13,057 is greater than 3.09 and sig F is 0.000 then H0 is rejected. This means that the results of the table above can explain that Sales Promotion and E-Service Quality can have a significant impact on the repurchase intention.

Table 1.6. Regression Equation

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	14,117	1,573		8,975	,000
	Sales Promotion	,264	,099	,336	2,683	,009
	E Service Quality	,118	,093	,159	1,268	,208

a. Dependent Variable: The Repurchase Intention

SPSS Managed

Table 1.6 shows that Sales Promotion Variables have Positive Value in the repurchase intention with a significant value ($0.009 < 0.05$), while the Variable E-Service Quality There is no Positive Value in the repurchase intention to Resend with a significant value ($0.208 > 0.05$).

CONCLUSION

Discussion of Sales Promotion variables has a significant impact on the repurchase intention. In general, it can be concluded:

- Hypothesis 1 states that Sales Promotion has a significant impact on of Shopee Customers the repurchase intention. It shows that the better the sales promotion offered, the higher the effect on consumer Resending Intentions. So Hypothesis 1 " The Impact of Online Sales Promotion and E-Service Quality on the Repurchase Intention of Shopee Customers ". It can be proven to be true or acceptable. significant value ($0.009 < 0.05$).
- Hypothesis 2 states that E-service Quality has no significant impact on of Shopee Customers the repurchase intention. This is likely because customers find it difficult to evacuate e-servqual dimensions. Due to its virtual and non-physical nature, as well as servqual in offline service products that are easily evaluated, so that perceptions do not form as desired, therefore the possibility of consumers ignoring these dimensions of e-servqual. And cannot form attitudes or intentions and beliefs well to customers.

Recommendations

Based on the results of the research shows that sales promotion belongs to the category of excellent and e-service quality belongs to the good category. But there are still some questions that are still below average. Some must be further enhanced, namely sales promotions by providing Vouchers, Promotion

Program Information, Discounts, Cashback in order to attract Consumers' Buying Intentions and Shopee must be able to improve the electronic-based services that consumers use to shop in order to make it easier by always receiving advice provided and accelerating the e-tailer Service in refunding funds accurately and appropriately. Then, things that need to be improved such as product delivery must be in accordance with the specified time, the need to fill in detailed product information, and the level of personalization of the site that must be improved so that consumers who shop at the shop marketplace feel satisfied and even want to continue shopping at the Shopee marketplace.

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